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Ms. Valerie Fenske, Director  
City of La Crosse Finance Department  
400 La Crosse Street  
La Crosse, WI 54601

RE: Agreed-Upon Procedures for the City Parks Project

Dear Ms. Fenske:

Enclosed is the final report for the agreed-upon procedures engagement for the period January 1, 2015 through December 31, 2017 for the seven parks (Pettibone Park, Copeland Park, Carroll Park, Poage Park, Powell Park, Trane Park, and Riverside Park) pursuant to the engagement letter signed in March 2018. Our report includes results from interviews with citizens of La Crosse, employees of the City of La Crosse's Parks, Recreation, and Forestry Department, Engineering Department, and Finance Department, review of the financial information provided by the City of La Crosse's Engineering, Parks and Recreation, and Finance Departments, review of resolutions passed by the Common Council of the City of La Crosse affecting the seven parks for the period January 1, 2015 through December 31, 2017, review of meeting minutes of the Board of Park Commissioners, review of purchasing policy of the City of La Crosse for services and equipment, review of the City of La Crosse's Parks, Recreation, and Forestry strategic plan for years 2016 through 2020, physical observation of the parks, review of marketing, website, and solicitation information of the parks, review of state statutes and city ordinances, and various information brought in by citizens of the City of La Crosse.

We would be happy to participate in a meeting to go over this report, as well as provide a presentation if you deem appropriate.

Thank you very much for the opportunity to serve you. It has been our pleasure.

Sincerely,

Mary Jo Werner, JD, CPA, CFF  
Partner

MJW/krb

Enc.

## CITY OF LA CROSSE COMMON COUNCIL

### Agreed-Upon Procedures Report for Powell Park, Poage Park, Copeland Park, Trane All Abilities Park, Veterans Memorial Pool, Riverside Park, and Carroll Park

October 31, 2018

"Simple recreation in the open air, amid beautiful surroundings contributes to physical and moral health, to a saner and happier life." – John Nolen, architect of parks

#### Overview

Wipfli LLP has been engaged to perform agreed-upon procedures for the seven parks named Powell, Poage, Copeland, Trane All Abilities, Veterans Memorial Pool, Riverside, and Carroll Parks for the period January 1, 2015, through December 31, 2017. This report will contain observations, analysis, and recommendations on information we received. State statutes, city ordinances, Common Council resolutions, park descriptions, minutes of the board of park commissioners, City of La Crosse Parks, Recreation, and Forestry strategic plans, and City of La Crosse proposed Capital Improvement Programs, as well as the operating budgets of the various departments were reviewed. In addition, the financial information for the above-named parks was reviewed. Citizens of La Crosse provided information to us and interviews were conducted. In addition, City of La Crosse employees of the Engineering, Finance, and Parks, Recreation, and Forestry Departments were interviewed.

Wipfli LLP would like to thank the employees of the City of La Crosse, especially Valerie Fenske, director of the City of La Crosse Finance Department, Steve Carlyon, director of the Parks, Recreation, and Forestry Department, and Randy Turtenwald, director of the Engineering Department, and their staff for their assistance in providing information to us during our process.

A special thanks to Martin Gaul, president of the La Crosse Common Council and the rest of the Common Council for approving the resolution allowing for the creation of this report.

#### Discussion

This report is comprised of three parts: (1) Review of the financial approval process for capital improvements and capital equipment for the City of La Crosse, specifically the Parks, Recreation, and Forestry Department; (2) Analysis of the day to day operations of the Parks, Recreation, and Forestry Department; (3) Review of the specific capital improvement projects of the seven parks

during the time period January 1, 2015, through December 31, 2017 (Powell, Poage, Riverside, Trane All Abilities, Copeland, Carroll, and Veterans Memorial Pool).

1. *Review of the financial approval process for capital improvements and capital equipment for the City of La Crosse.* According to Code Section 2.32(A) each year the Common Council of the City of La Crosse is to approve a five-year capital project and capital equipment budget. In addition, an annual budget for operations is approved. According to this code, the capital project is to provide information for the construction, maintenance, or purchase of facilities or equipment for any asset whose life expectancy is to exceed one year and a minimum value of \$1,000.

The capital project budget shall be provided to the director of finance/treasurer who will complete an application and submit it to the Common Council in January of each year. The capital project budget is to be provided to the City Planning Commission for review.

The capital equipment provided in this budget is to include any asset with a minimum life expectancy of one year and an asset value of \$100. The capital equipment review portion of the budget is to be sent to the Board of Public Works for approval.

Once the Board of Public Works approves the capital equipment review and report and the City Planning Commission approves the capital projects review and report, both are to be submitted to the Common Council for final approval. In addition to this proposed budget, the public works director, city engineer, director of planning and development, and the director of finance/treasurer, as well as other department heads, are to prepare annually a list of capital improvements that have been constructed in previous years.

The code section defining these requirements was created in 1980. This threshold of \$1,000 for capital project budget per asset and \$100 for capital equipment is a low threshold. In our review of the information and upon interviewing city employees, these requirements are not understood by some employees, and implementation is not consistent with different departments.

According to Wisconsin State Statutes 66, 62.14, and 62.15, the requirement for competitive bidding for municipal contracts involving construction is only for costs

exceeding \$25,000. Contracts that do not involve public construction are not subject to the state bid law requirements.

Note that there are many types of municipal contracts that do not involve public construction. These include contracts for the purchase or sale of real estate, refuse, contracts for the purchase of dump trucks, backhoes, or other general use equipment. In addition, contracts for engineering, architect, and other professional services, even if related to municipal projects, are not required to submit to competitive bidding (*Aqua-Tech, Inc. v. Como Lake Protection and Rehabilitation District*, 71 WIS.2d 541, 239 N.W.2d 25, 28(1976)).

A purchasing policy has been approved by the City of La Crosse which has the following guidelines: (1) For the operating budget, for any item less than \$1,000 it is recommended that departments obtain three quotes and accept the lowest price within the parameters of quality and delivery. (2) For operating purchases greater than \$1,000 (for any single item) a requirement of solicitation of at least three quotes is made. Quotes may be made in any form and shall be documented and retained on file by the department for a period of seven years. (3) Purchases of new capital equipment as listed in Common Council approved capital budgets shall require at least formal bids/quote requests. (4) Procurement of new equipment budgeted items with a unit price of less than \$5,000 will be with a department issued purchase order and must be within budgeted amount. Procurement of budgeted items with the unit price in excess of \$5,000 must be with the finance department issued purchase order and be within budgeted amount. (5) Capital equipment bids/quotes recommending not accepting the lowest responsible bid/quote require Board of Public Works approval prior to procurement. All documentation shall be retained by the department for seven years. (6) Purchases of new capital equipment not listed in Common Council approved capital budgets or that exceed budgeted funding, shall require at least three formal bid/quote requests, and be submitted to the Finance committee and Common Council for approval prior to procurement. (6) Construction projects, excluding new/capital equipment, greater than \$25,000 (or as set by state law) are to require plans, specifications, public notification, sealed bids/quotes, and Common Council approval, and shall be facilitated through the Engineering department. (7) Capital projects that exceed \$5,000 but are less than \$25,000 (or as set by state law) shall have a review and approval of the Engineering department prior to commencement. (8)

Departments may sole source goods, services, or construction when it is determined there is only one source for said goods, services, or construction. These purchases must comply with the other terms of the policy and the department must retain the sole sourcing information for a period of seven years. A department may participate in cooperative purchasing of goods, services, or a contract providing it is economically prudent to do so. Cooperative contracts may be public or private. Documentation of the cooperative contracts must be retained on file for a period of seven years. (9) Departments are encouraged to research/consider used, demonstration, or rental return equipment in lieu of new, as listed in new/capital equipment budgets. This research for this procurement method must be retained for a period of seven years by the department. (10) All purchases related to technology shall be approved by the information systems (IS) director. Departments shall forward their requests for technology purchases to the Information Systems and Technology (IS&T) Department for research, review, and recommendation prior to procurement. (11) As determined and approved by the director of finance or designee, prime vendor contracts may be established and implemented for frequently procured.

This purchasing policy is different than Code 2.32(A). In our interviews with various employees of different departments, the purchasing policy is not consistently followed. The reasons for this were cited as confusing interpretations, multiple purchases can fit more than one criteria, and lack of centralized purchasing platform.

Randy Turtenwald, Director of the Engineering Department for the City of La Crosse, indicated his understanding for the procurement process is divided into different categories: (1) Is it public construction (2) Do state statutes require, or (3) Is it maintenance.

Regarding public construction, Mr. Turtenwald stated there is a formal process that is involved. A bidder's proof of responsibility must be submitted to the finance department. This document includes the bidder providing financial stability and work experience. A formal bid process is engaged with the Board of Public Works, who signs a formal approval. A bid bond is obtained to secure performance by the contractor. If there is no bid bond required, a certified check from the bank is sufficient. Once the bidder of a public construction bond is qualified as a responsible bidder, the bid must go to the lowest

responsible bidder. According to Mr. Turtenwald, approximately 80% of the contracts are done this way. It is his understanding that these are for contracts in excess of \$25,000.

For contracts between \$25,000 and \$100,000, there will be an informal request for proposal (RFP) and a request for qualifications (RFQ). The Engineering Department will request proposals from five firms and will select from those five firms. The Engineering Department is involved in all capital projects over \$25,000 in amount.

For contracts in excess of \$100,000, a formal RFP and RFQ are required. Between two and three of the firms will be interviewed in person by members of the Engineering Department. There will be background checks and calls to confirm.

Mr. Turtenwald indicated that for contracts between \$5,000 and \$25,000, there is no prequalification necessary. These bids can be sole sourced, or a contractor can be selected without a bid. There is a requirement to publish who is doing the work in the newspaper prior to the construction. There are approximately five to ten contracts a year that are included in this group.

For contracts with a value below \$5,000, Mr. Turtenwald said there is no bid and no notice in the newspaper. A proposal from the contractor is obtained and generally no formal contract is signed. This generally involves maintenance and not capital projects.

For professional services engagements, it is the understanding of the Engineering Department that no bid is required. However, the Engineering Department has an informal policy on professional services obtained. For professional services engagements up to \$25,000, there is an informal process where a professional service consultant is interviewed, and the Engineering Department does its own background check. There is no formal policy in place for this.

All contracts where the Engineering Department is involved are sent to the Common Council for final approval and appropriation.

When asked about change orders and corrections to bids, Randy Turtenwald indicated that they follow state law.

In answering a question as to whether or not Mr. Turtenwald has dealt with a contractor who did not perform, he answered yes. He indicated that there were six incidents where a contractor was not allowed to bid due to prior practice of nonperformance. This information is documented and available for review. It is retained for a period of seven years.

In discussing the procurement process with the Finance Department, the descriptions of the process were slightly different than the understanding of the Engineering Department. For example, regarding cooperative agreements, technically a department is able to skip the bidding process. As long as the original RFP said "piggy back," there was no additional RFP required regarding a cooperative agreement.

The City departments have purchasing cards (P cards) that are provided to employees. P cards allow an employee to purchase equipment or make any other purchase and be able to bypass the formal bidding process. P card invoices are paid by the Finance Department. Different departments will submit P card invoices to the Finance Department to support the expenditure. No purchase order steps are followed for P card purchases.

Regarding their annual operating budgets, the Engineering Department and Finance Department follow the same policy regarding purchases of less than \$1,000. Three quotes are required and the quotes can be in writing or verbal. Departments can purchase these items and are not required to go through centralized purchasing. If a verbal quote is received, a form used to be filled out and submitted to the department to notify them of what the purchase is going to be. For purchases for greater than \$1,000, there is a requirement of three solicitation quotes. The form used is not consistent among departments and "any form can be used." This form must be retained for seven years in the department where the purchase occurred. The Finance Department does not receive a copy of these purchases from other departments. An employee of the Parks, Recreation, and Forestry Department stated he would support more centralized purchasing policies be implemented.

The Parks, Recreation, and Forestry Department implements a capital purchase by obtaining three formal bids/quotes. If the formal purchase is greater than \$5,000 the Finance Department gets involved. The Board of Public Works must approve new capital

equipment. Capital projects must be reported to the City Planning Commission. A formal capital improvement program is approved by the Common Council each year. This capital improvement program is prepared in five year increments.

For projects between \$5,000 and \$25,000, the Engineering Department must approve all purchases of the Parks, Recreation, and Forestry Department. Public notices are sent out for any amounts of \$5,000 or more.

Regarding sole sourcing, the documentation must be retained for seven years. There are no formal forms regarding or documenting sole sourcing with the three departments we interviewed: Finance, Engineering, and Parks, Recreation and Forestry.

There are park improvement funds that consist of user fees for a particular park. These funds can be used for park expenses for that specific park. We did not observe significant accountability of those park funds. The Finance Department does not have control or access to these park improvement funds.

If a park capital improvement project was estimated to cost \$200,000 and there was approval for this by the Common Council, and when the project was completed only \$180,000 was used, it appears the excess \$20,000 not used was able to be moved to a different park without approval. It is unknown whether the Common Council members are made aware of excess funds from a park project and what happens to these funds. Perhaps those funds should be returned to the City. It does not seem best practices for these excess funds to be available at the discretion of the Parks Department or any other department for a different use other than what was originally approved.

A review of the payments of invoices for project costs was performed. It was noted that the invoices provided by vendors are vague. As a result, it is difficult to trace which vendor invoice matches approved Common Council resolutions. To ensure transparency for the Common Council, and to enhance the efficiency of the Finance Department, having more details on vendor invoices would meet best practices.

One practice that we observed regarding the approval of expenditures made during the years 2015 through 2017, is the approval process of a capital improvement project through



a formal resolution and also through the Capital Improvement Program by the Common Council. Each year a formal capital improvement program is approved by the Common Council that covers a five-year period. When a specific expenditure of that project is presented for payment, the Common Council approves the actual appropriation again. This looks redundant and requires the Common Council to approve something twice. Best practices would be to delegate this second approval process for actual payment to the Finance Department. Once the Common Council approves of the Capital Improvement Program, a second approval should not be required. The Common Council should be apprised of the project periodically and if there are material changes to the project, they should be informed. The Finance Department can ensure that payments are only made if detailed invoices, which match the original approval by the Common Council, are provided. There doesn't seem to be a need for the second approval by the Common Council. We recommend that this be a policy change for the Common Council to consider.

When inquiring of purchases of supplies, we were informed that Darin Streeck of the Finance Department is the individual who is to make purchases for items for employees. For example, purchases of safety vests, sunscreen, etc. are made by Darin Streeck. We did discover some inconsistency here as some employees purchase items through a P card they each have. This results in decentralization, inefficiencies, and often times a higher price is paid. (In many cases volume discounts can be retrieved by purchasing large volumes of the same item. In addition, the travel to and from the retail site to make the purchases involves time for the employee which also costs the City of La Crosse monies in additional labor costs.) According to Steve Carlyon, the Parks Department has a "supply account" at different retail sites. He also indicated that other departments have supply accounts at these same retail sites. He stated that there is no equipment and purchase policy that matches the supply account "informal policy." In addition, there are merchant agreements with the P cards where there are discount points that are provided to the City of La Crosse if purchases are made on certain credit cards. The purchasing of supplies needs to be reviewed to protect taxpayer funds and ensure the best price is paid utilizing City personnel efficiently.

There is a Municipal Service Center that allows City employees to "purchase" items. Best practices would be to have the employees of Municipal Service Center, department heads, Darin Streeck, and other members of the Finance Department meet, to determine the best

method with regard to purchasing. Currently, it appears that there is some decentralization of purchases, but it is unclear which items qualify. By having a coordinated effort, best practices could ensure that taxpayer monies being paid out would be spent wisely.

In discussing expenditures with different department heads, it appears that there is an allocation of approximately \$375,000 each to be used for "neighborhoods." Are any of the funds expended for neighborhoods required to go through the bidding process? It appears that approximately \$375,000 each was allocated to at least two neighborhoods. How are these monies accounted for? Does the Finance Department monitor these funds? For transparency and accountability purposes, we recommend that the monies expended for these neighborhoods go through the bidding process similar to other capital budget and capital equipment items so that City Code 2.32A is followed.

The Engineering and Finance Departments are to be commended for adding additional "check and balances" when selecting vendors for professional service contracts. In interviewing employees of both departments, it became clear that there is no policy for purchasing of service contracts, including professional fee contracts and consulting engagements. When looking to retain a professional consultant, both departments perform background checks and submit the request for proposal on the City of La Crosse's website. They request experience listings, job referrals, and other references. The Engineering Department currently has five professional engineers, two surveyors, and eight support staff. They outsource mechanical engineers and electrical engineers. The reason for this is there is not enough work to hire full time mechanical and electrical engineers and it is more prudent to retain these practices from outside sources. In addition, businesses that have expertise in specific areas, i.e. Clark Law Firm from Madison, Wisconsin, (utilities law) are retained. This does not mean that the Engineering Department uses them exclusively, but it does provide them a resource upon which they can rely. The Engineering and Finance Departments do perform their own RFP process with regard to obtaining service providers even though there is no requirement to do so. Both departments follow this procedure. The Common Council may want to engage the Finance Department to recommend policies for all departments to follow regarding retaining service providers.

In addition, it is important with regard to appropriating monies correctly, that the projects be called the same name consistently. We discovered that some projects were called

different names in different places, i.e. capital improvement projects, strategic plans, vendor invoices, etc.

2. *Parks, Recreation, and Forestry Department administrative procedures.* Steve Carlyon is the director of the Parks, Recreation, and Forest Department and reports to the mayor. His position is to "plan, organize, direct, and control the parks and recreation organization in an effective, cost efficient manner." He is also responsible to the Board of Park Commissioner, Mayor, Finance, and Personnel Departments. His duties include but are not limited to the following: serve and respond to the public in a courteous, professional manner; administer a comprehensive parks and recreation department; be responsible for the hiring, replacement, and evaluation of employees; develop and administer an annual budget of approximately \$3 million; negotiate and implement various leases of public park land and facilities; be responsible for the planning, funding, and implementation of facilities and programs to meet the needs of the community; work with other agencies (public and private) to develop cooperation and cost effectiveness. Two individuals report directly to the parks director and they are the superintendent of recreation services and park facilities and the superintendent of recreation and community facilities.

The superintendent of recreation services and park facilities has four people that report directly to him. They are the office assistant, parks and forestry manager, recreation director, and recreation specialist. The superintendent of recreation services and park facilities assists the director in developing and maintaining policies and regulations pertaining to recreation and parks services; manages and monitors a variety of operations to ensure the success in implementation of city and departmental objectives; assists in evaluating and approving existing programs and services; initiates new services as required to meet customer needs; develops and oversees the implementation of long range goals and strategies addressing the need for recreation facilities and plans for the establishment of the facilities and maintenance of the parks/facilities; assists the director in administering and managing service contracts, use/management agreements, and other similar documents pertinent to the operation of a municipal parks and recreation system; prepares and helps administer operational budgets; represents the city and/or department at public meetings including boards, commissions, City Council, and neighborhood groups; prepares business planning reports and correspondence on departmental policies and activities; establish and maintain effective working relationships with staff, volunteers, City Council,

commissions and community organizations, individual citizens, contractors and vendors; performs duties of director in his or her absence; and assist the director in managing the operations and direction for the department within the context of strategic goals and objectives.

Several employees are hired by the Parks Department to perform various services. Mr. Jared Fleck oversees recreation, which includes management of swimming pools. There are no full-time employees that work in this area. All of the individuals are seasonal employees. Dan Trussoni is responsible for parks and forestry. There are full-time and part time employees that work in this area and they are responsible for forestry management and ongoing park maintenance. Patti Brown is the office assistant who also provides software training to employees. Kerry Gloede is the superintendent of recreation and community facilities. (This position was initially funded by the Special Olympics grant. Once the grant expired, the Parks Department determined this position was still necessary, and it is now a permanent full-time position.) She provides software training and is responsible for deposits of funds retrieved from pools and other recreational facilities.

In reviewing questions between the parks director and superintendent of recreation services and park facilities, both individuals acknowledge that there were significant increases in responsibilities for the Parks Department. There also appeared to be some overlap of responsibilities. The title of two of the positions seemed confusing. One title is superintendent of recreation and park facilities and the other title is superintendent of recreation and community facilities. We recommend clarifying the duties for the two separate positions as well as the titles.

During our interviews, we received copies of the City of La Crosse Parks, Recreation, and Forestry strategic plan for the years 2016 through 2020. We also received copies of the City of La Crosse Wisconsin adopted capital improvement programs for the periods 2013 through 2021. The strategic plan provided information regarding all 45 parks, including their history, strategic plans, goals, and objectives. Included in the strategic plan was a listing of project details for all of the parks, including the parks that are subject to this report. In comparing the strategic plan to the City of La Crosse Wisconsin capital improvement programs, there were differences in timing of expenditures and costs. The strategic plan of the Parks, Recreation, and Forestry Department listed a certain cost for a

particular year for a capital park improvement. The City of La Crosse capital improvement program would indicate the same descriptions of capital improvements, but the dollar amount listed was different. For example, the Parks Department strategic plan states with regard to Trane All Abilities Park, there is a description called "redesign – inclusive park" in the amount of \$3.5 million. This is listed in year 2017. There is no information on Trane All Abilities Park for the years 2016, 2018, or 2019. In looking at the source of funds, it states the source of funds are "other" which indicates grants and donations. In the capital improvement program adopted by the Common Council on November 10, 2016, it indicates that the Trane All Abilities Park has an estimated project cost of \$2,870,000 with the source of funds being grants. The description also indicates "renovate Trane All Abilities Park to include an all abilities playground, multipurpose field, and pickleball courts." There was no description as to why these two amounts were different.

Regarding Trane All Abilities Park, it is our understanding, after interviewing some city employees and reviewing the website, that there is an independent 501(c)(3) organization called "La Crosse Autism Foundation" which is responsible for collecting the funds from donors of this park. A poster was seen at City Hall which indicates that the Trane All Abilities Park has a goal of \$6 million for the park improvement project. According to the capital improvement program, the City of La Crosse approved \$2,870,000 for this park. The difference in funds is \$3,130,000. Where are these funds to be obtained and what is the timeframe?

We did not observe where there was a monitoring of the fundraising as that is being done by an outside 501(c)(3) organization. According to the meeting minutes, the Common Council has not been apprised of the actual funds that have been remitted year to date. Some questions arose regarding this park improvement project: Was the fundraising to be achieved at a certain level prior to any release of funds by the City? With large taxpayer dollars at risk, is there a mechanism to keep the Common Council informed of the potential for a financial shortfall if fundraising does not achieve a certain level? According to a city employee, the amount of funds that have been paid by the La Crosse Autism Foundation to the City was approximately \$170,000. According to the La Crosse Tribune, a groundbreaking occurred regarding this park. If the remaining \$3,130,000 is not received through donations, is the City of La Crosse in a position to stop the project or is it obligated to continue the project? With approved projects, is there a calculation for ongoing

maintenance so that the Parks Department is able to receive additional funds for employee assistance or outside assistance to maintain the parks once they are completed? The more information the Common Council can receive on actual costs of the park projects, the parks themselves, and additional maintenance fees, the better they can budget for city expenses.

In addition, we noted that there were opportunities for "movement" of funds from one park to another. For example, funds from Red Cloud Park were able to be "moved" from its project to another park (\$80,000 of funds were moved from Red Cloud Park to Poage Park). In another instance, funds were moved from the Riverside Band Shell project to Poage Park and then to Carroll Park. An amount of \$60,000 from Goose Green Park was "moved" to Powell Park. We did not see clear documentation of approval by the Board of Park Commissioners or the Common Council that clarified how and why monies would be moved from one park fund to another. To enhance transparency, we recommend more streamlined policies be approved so that the funds that the Common Council approves for park projects actually be used for that specific park.

In reviewing and interviewing park employees and citizens who contacted us, an issue came up regarding the internal control procedures for funds retrieved from activities such as pools, etc. Although this is beyond the scope of this project, we encourage the City of La Crosse, through the Finance Department, to perform a review of internal controls of cash circulated through the Parks Department. It appears there are gaps in internal controls regarding this area. In addition, the safety of employees is impacted by some internal control deficiencies.

We observed in looking at the flow of cash retrieved from various entities, that deposits of pool funds are made at the place where utility payments are paid. The employees who work at the pool take the cash funds and, after the pool closed, deposit them at the utility payment box." The superintendent of recreation and community facilities receives the money the next day and then creates a deposit slip for the bank. The money is then transferred to the bank. Questions arose regarding accounting for the cash drawer at the pool and if there is any accounting regarding the inventory of swimmers who pay fees and purchase items. Is there any reconciliation of funds that are deposited in the bank with what should be deposited? In addition, it is our understanding that the monies deposited in

the city utility payment box are then transported to Black River Beach where this superintendent resides who completes the deposit slip. We recommend that this practice be reviewed.

- 3. Review of specific capital improvements of the seven separate parks for the periods January 1, 2015 through December 31, 2017.*





### **Powell Park**

The City of La Crosse Common Council approved a capital improvement program on November 7, 2013 for a Powell Park redevelopment plan in the amount of \$200,000 to be expended in the year 2015. Powell Park redevelopment was not included at all in the capital improvement program adopted for the years 2015 to 2019, which was adopted by the Common Council on November 18, 2014. The capital improvement program adopted as amended by the Common Council on November 12, 2015, Resolution 15-1032 listed a Powell Park renovation amount estimated at \$400,000 to be implemented in year 2016.

In the City of La Crosse Parks, Recreation, and Forestry strategic plan, there was a \$400,000 amount listed under the capital implementation program for year 2016 in the amount of \$400,000.

The capital improvement program and the Parks Department strategic plan both list \$400,000 for Powell Park for 2016. However, it is unclear what happened to the \$200,000 allocation for year 2015. Was the Common Council made aware of what the year to date amounts were, so they could appropriately analyze overages for the park redevelopment plan? In addition, was the approval and change orders for Fowler & Hammer, Inc. and River Architects, Inc. done timely?

City Council Resolution 16-1000 approved a submitted bid from Fowler & Hammer, Inc. in the amount of \$410,736. On November 30, 2016, an approval was made to spend up to \$465,000 on Powell Park. A shortage of funds was experienced for Powell Park improvements and a reallocation of funds was approved by the Community Development Block Grant (CDBG) Committee on February 14, 2017, in the amount of \$60,000. In order to obtain the funds to do this, the committee approved moving \$60,000 worth of funds from Goose Green Park to Powell Park. We did not see approval by the Common Council for this. There was also a notice that the CDBG Committee was abolished in May of 2017.

An amended resolution was signed December 8, 2016, approving \$48,000 in additional funds for the Powell Park renovations. This was signed by Kelly Branson, Director of Finance and Purchase/Treasurer.

A letter from River Architects dated September 30, 2015, stated that they are proposing to perform program meetings, program development, schematic design, renderings and plans, project meetings, and cost estimate for Powell Park in the amount of \$30,700. This letter was submitted and signed off by Kelly Branson, of the office of the director of finance and purchase/treasurer, on October 26, 2015. It looks like River Architects, Inc. submitted a request for payment prior to approval of a resolution.

On November 10, 2016, City Council Resolution 16-1042 approved an additional cost for Powell Park in the amount of \$55,800. This appropriation was signed off by Valerie Fenske, Director of Finance and Purchase/Treasurer on May 26, 2017. It appears the resolution passed first and then the appropriation and sources of funds was signed off by the treasurer later, which is appropriate.

City Council Resolution 17-0501 was approved on June 8, 2017, for an additional amount of \$55,800 to Fowler & Hammer, Inc. as an amended resolution to accept the bid plus alternative bid ABC.

In interviewing city employees, both the Engineering Department and Finance Department understand that there are no bids required for professional services. However, are professional services connected with a capital improvement program to be subject to bid amounts because the entire project is required to meet these standards? Was River Architects, Inc. considered part of the capital improvement?



### Poage Park

On March 4, 2014, River Architects, Inc. performed an estimate of the Poage Park project to be approximately \$550,000. Their fees included in this were \$37,500. On July 9, 2015, a bid from Borton Construction was accepted for \$977,700. On December 10, 2015, City Council Resolution 15-1133 directed the sum of \$91,869.80 from the City of La Crosse unappropriated bond funds to reimburse the Park and Recreation Department for design and permit fees for the Poage Park project. The increase in the scope of the project resulted in additional design costs.

At a Common Council meeting on September 12, 2016, Resolution 16-0782 resulted in an additional sum of \$77,891.60 be appropriated to pay for the completion of the Poage Park project. Resolution 17-1249, which occurred at a Common Council meeting on October 12, 2017, resulted in an additional \$33,329.45 for Poage Park basketball courts.

There is no mention of Poage Park in the strategic plan created by the City of La Crosse Parks, Recreation, and Forestry Department in any of the years 2016 through 2020. This is unusual considering there were Common Council resolutions on December 10, 2015, September 12, 2016, and October 12, 2017 providing for additional sums of approximately \$200,000 for Poage Park and an approval for the improvements occurred in year 2014.

The City of La Crosse capital improvement program for the periods 2013 through 2017 makes no mention of Poage Park. However, the following capital improvement program for the periods 2014 through 2018 indicates that there is a \$300,000 project cost for the year 2014 and its entitled "Poage Park Redevelopment Plan." There is no additional mention of any funds going to the Poage Park redevelopment project for any capital improvement programs for the periods 2016 through 2021 adopted by the Common Council.

On September 12, 2016, Resolution 16-0782 states that monies allocated to Riverside Park for the bandshell project are to be transferred to Poage Park to be used to pay for Poage Park project expenses. On February 9, 2017, Resolution 16-0848 was passed where monies from the Riverside Park bandshell project were to be transferred to Poage Park and ultimately to Carroll Park. The Common Council approved monies that ultimately went to

the Carroll Park project. It is unclear why monies were transferred from Riverside Park bandshell project to Poage Park and then, ultimately, to Carroll Park.

There is a question as to whether the Common Council receives adequate information to compare what the amount is in the strategic plan from the Parks Department to what is in the capital improvement program and how the monies are actually used and for which park. It appears that the Poage Park project exceeded the budget by a significant amount. The capital improvement program passed by the Common Council in 2013 for the years 2014 through 2018 indicates approximately \$300,000 was to be budgeted for the Poage Park redevelopment plan. On March 4, 2014, River Architects, Inc. estimates the cost of the project to be approximately \$550,000. However, funds exceeded that amount to over \$1 million. In addition, \$80,000 of budgeted funds from the Red Cloud Park were utilized for the Poage Park project.

Resolution 14-0268 is for appropriation of \$51,000 for architectural and permit fees. Of this amount, \$10,000 is reallocated from Copeland Park to Poage Park. The appropriation and source of funds was signed by Wayne Delagrave on March 30, 2014. A letter was signed by River Architects, Inc. on March 6, 2014, indicating that the architectural fees would be \$37,500.

Resolution 16-0782 signed September 12, 2016, authorized a sum of \$77,891.60 to be appropriated to pay for the completion of the Poage Park project. Funds that were used to pay for these appropriations were from Fund 2008-A Promissory Note 449, Riverside Bandshell \$31,426.59; Fund 2002 Capital Improvement 438, Riverside Bandshell, \$0.10; Fund 2008-A, Promissory Note 449, Riverside Bandshell \$46,464.91.

Resolution 17-1249 passed by the Common Council on October 12, 2017, designates an additional \$33,329.45 for Poage Park basketball courts.

In addition, there was a purchase of what appears to be a sculpture for approximately \$50,000. We did not discover a separate invoice for the sculpture from the creator of the sculpture. The sculpture resides at Poage Park. The \$50,000 invoice is from River Architects, Inc. Should a sculpture purchase be made directly by the City of La Crosse instead of from a professional services firm? Professional fees are not subject to RFP

requirements but purchases of assets are required to have purchase orders and approvals. Could the City of La Crosse have purchased the sculpture from the vendor at a lower price? Was there a markup by the consultant for the purchase of the sculpture? Best practices would be for assets purchased such as art and sculptures, that a purchase order be required and an opportunity for the City of La Crosse to obtain multiple bids be allowed.



### Copeland Park

The capital improvement program approved by the Common Council on October 11, 2012, for the years 2013 through 2017 listed a boat pier upgrade at Copeland Park to be constructed in year 2015 for a cost of \$150,000. For the capital improvement program for the years 2014 through 2018 adopted by the Common Council November 7, 2013, indicated that a boat pier for the Black River of Copeland Park was approved in the amount of \$50,000 for the year 2014. It is unclear why the 2014 through 2018 capital improvement program did not include any improvements for year 2014, but it did include improvements for year 2015 for boat pier improvements.

In addition, an upgrade of Copeland Park was approved to the amount of \$330,000 for year 2015. It also indicates that \$120,000 of this upgrade was approved in prior years in the amount of \$120,000. (The total upgrade cost was \$330,000, the amount approved was \$210,000 and there was funding approval in prior years of \$120,000.)

The capital improvement program for the years 2015 through 2019 which was adopted by the Common Council on November 18, 2014, indicated an upgrade of Copeland Park in the amount of \$450,000. An additional \$300,000 is to be expended for Copeland Park in year 2017. Of this \$450,000, \$330,000 was approved for the year 2016. This amount is \$50,000 more than what the Parks Department strategic plan indicates. There is no explanation.

The capital improvement program for the years 2016 through 2020 adopted as amended by the Common Council on November 12, 2015, provided for an upgrade of Copeland Park in the amount of \$570,000. \$450,000 of this amount was to be expended in year 2017. This was to replace the shelter, playground, and splash park. The park strategic plan states \$400,000 for the 2017 year. There is no explanation for the \$50,000 difference. Descriptions for this capital improvement state the monies are to replace the shelter, playground, and splash park.

The capital improvement program adopted as amended by the Common Council on November 10, 2016, provided for an upgrade of Copeland Park in the amount of \$1,470,000 to occur in 2018 and 2019. The description is to replace the shelter,



playground, splash park in 2017, and the riverfront boardwalk in 2018. There is no mention of this in the Parks Department strategic plan for years 2016 through 2020.

In year 2017 in the Parks Department strategic plan, a project description is listed for replacing the shelter, playground, and splash park in the amount of \$400,000. This is to be funded by new bond issue.

Resolution 17-0296, approved by Common Council on April 13, 2017, ordered \$300,000 to be appropriated from TIFF 7 to pay for necessary updates in Copeland Park. There is a reference to the Parks Department strategic plan for the years 2016 through 2020. In reviewing that strategic plan, they are requesting \$600,000 in bond issue.

Resolution 17-1137, approved by Common Council on September 14, 2017, ordered the bid to Fowler & Hammer, Inc. for \$166,677 for the Copeland Park splashpad. An additional amount of \$23,323 was approved in subsequent resolution. This is less than what was appropriated. Does the Common Council receive information on excess funds? Does the parks director have discretion to move park funds to other parks?



### **Trane All Abilities Park**

In the Parks, Recreation, and Forestry strategic plan for years 2016 through 2020, an implementation plan states that in the year 2017 there is a redesign/inclusive park cost in the amount of \$3.5 million. It is to be funded with other grants and donations.

Trane All Abilities Park is not included in any of the capital improvement programs approved by the Common Council for the years 2013 through 2017; 2014 through 2018; 2015 through 2019; and 2016 through 2020. However, in the capital improvement program adopted as amended by the Common Council on November 10, 2016 for the years 2017 through 2021, an item is listed indicating "Trane All Abilities Park" with an estimated project cost of \$2,870,000. The remarks are to "renovate Trane Park to include an all abilities playground, multipurpose field, and pickleball courts." This \$2,870,000 is significantly less than the \$3.5 million listed in the strategic plan. In addition, it is different than the \$6 million that is indicated in the amount of funds needed to be raised listed on a poster in City Hall.

Minutes from the Board of Park Commissioners meeting on November 19, 2015, indicated that the committee approved to move forward with the Trane Park project to build an all abilities playground for autistic and other special needs children. No dollar amounts were listed.

Resolution 16-0122, approved by the Common Council on March 10, 2016, approved a \$30,700 be appropriated to pay for the architectural services for the programming and schematic design phases to develop Trane All Abilities Park. On February 29, 2016, Kelly Branson signed the appropriation of \$30,700 for the approval of architectural services for the programming and schematic design phases to develop Trane All Abilities Park. A letter from River Architects, Inc. dated October 26, 2015, indicates a proposal of \$30,700 for program meetings, program development, schematic design, renderings and plans, and project meetings.

Another concern is that there was an approval of \$30,700 for a proposal drafted by River Architects, Inc. for \$30,700 which included the architectural fees and schematic design.

The amounts paid exceed that amount but there is no further proposal by River Architects, Inc. to explain the reason for the additional costs or if a change order was approved.

On January 19, 2017, the Board of Park Commissioners approved a statement of work from Metre Company for marketing services for Trane Park. No fees were indicated for that work. In addition, on March 16, 2017, meeting minutes of the Board of Park Commissioners state that the parks director had approval to enter into an agreement with Metre Company to set up a new website for Trane All Abilities Park, which would allow for secure online donations.

On February 28, 2017, an appropriation and source of funds was signed by Valerie Fenske in the amount of \$100,000 for architectural services and marketing services for construction of Trane Park.

The website indicates that the funding for donations is to go through a non-profit organization called La Crosse Autism Foundation. According to a city employee, approximately \$170,000 was remitted from the La Crosse Autism Foundation to the City of La Crosse. This amount was used to pay for River Architects and Metre Company. We noted that only \$100,000 was approved for payment via resolution. However, it appears that more funds may have been paid to River Architects and Metre Company than what was approved.

The resolution states that \$250,000 of La Crosse County funds have been approved for this project and have been received by the City of La Crosse.

The questions that we did not receive answers for were: Was the information and approval received prior to paying funds? Why did the strategic plan for 2016 through 2020 created by the Parks Department not discuss the Trane Park monies being paid out prior to 2017 even though funds were expended in prior years? (Common Council resolutions were approved in 2016 and the Board of Park Commissioners were informed about this park and approved moving forward on November 19, 2015 but the strategic plan says nothing in those years about this park.)



### **Veterans Memorial Pool**

The engagement included review of agreed-upon procedures for Veterans Memorial Pool. Resolution 16-0317 was passed by the Common Council on May 12, 2016, indicating the pool is to be closed for the 2016 season. Money was appropriated for Veterans Memorial Pool study to be paid from the 2016 Park and Recreation operating budget not to exceed \$20,000. On May 13, 2017, Resolution 17-0727 approved payment of up to \$250,000 for architecture and engineering services to include one design being a historic renovation per Heritage Preservation Commission recommendations.

In the capital improvement program adopted as amended by the Common Council on November 10, 2016, an amount was allocated of \$2.5 million described as "Memorial Park rehab replacement." This was described as "repair/replace equipment to meet state and local code and ADA requirements."

In the Parks, Recreation, and Forestry Departments strategic plan for years 2016 through 2020, under the implementation plan, there is a listing in year 2016 for a feasibility study to be paid for by a new bond issue in the amount of \$20,000. In year 2017, there are amounts of \$2.5 million for a total replacement of the Veterans Memorial Pool, and \$1 million for repair/replace to meet code to be paid for by a new bond issue. No additional information is listed in future years.

On December 14, 2017, Resolution 17-1608 approves an engineering design based on parameters of historical renovation and a capital improvement budget in the amount of \$3,990,000 or less.

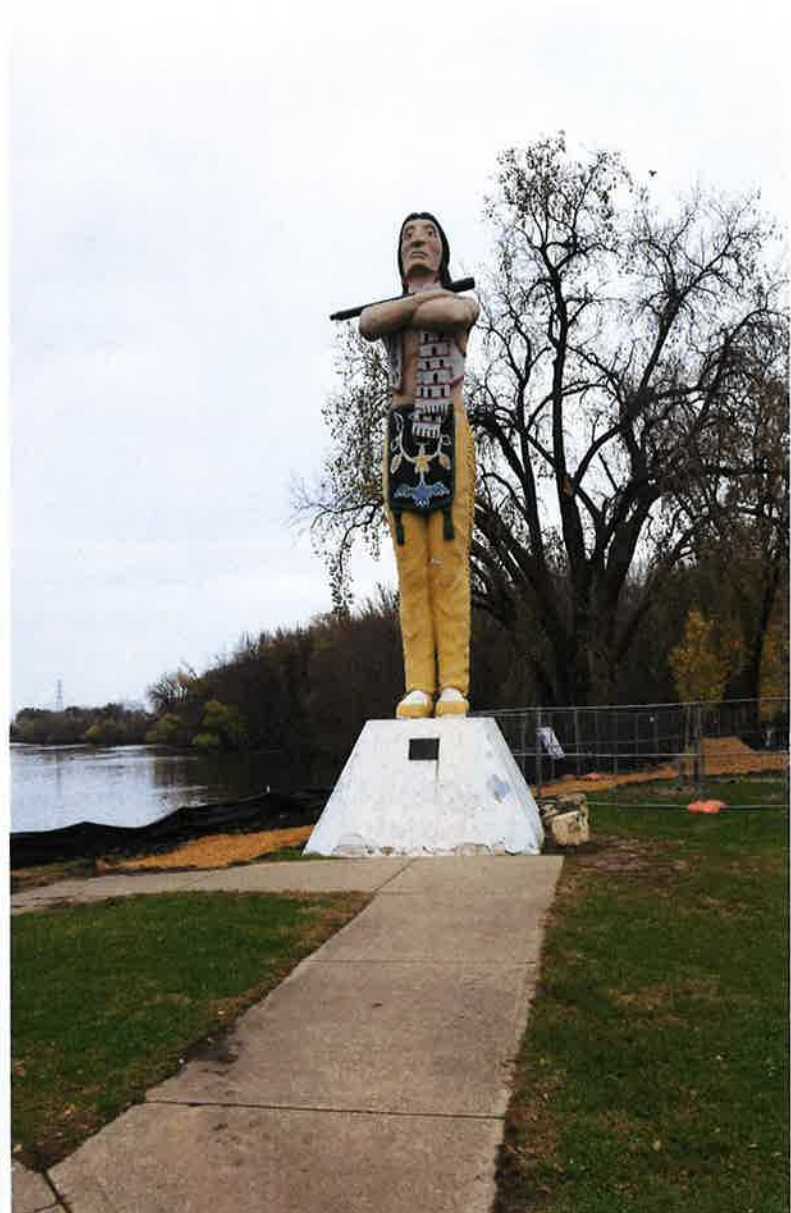
No explanation was given as to why the capital improvement program for the years 2017 through 2020 approved on November 10, 2016, did not include the additional \$1 million that the Parks Department's strategic plan indicated. In addition, the resolution approved was for \$3,990,000 which is a significant difference from the \$2.5 million listed in the capital improvement program.

Was there an explanation to the Common Council as to why the strategic plan of the Parks Commission was \$2.5 million and the actual cost estimates approved by resolution were \$3,990,000? In addition, what are the funding sources for these additional monies?

Were the Common Council members apprised or will they be apprised of ongoing costs and whether the construction costs are meeting expectations? Is there going to be information provided to the Common Council for year to date funds?

In Resolution 17-1608, it appears that River Architects, Inc. developed two concepts for the Veterans Memorial Pool restoration, namely Concept A and Concept B. In addition, they developed a historic restoration, Concept C, but none of these were approved by the Common Council? Why was River Architects, Inc. engaged to provide three different concepts prior to a city resolution being passed? How much was paid to River Architects, Inc. for development of these concepts? An approval of \$20,000 took place by the capital improvement program fund for a Veterans Memorial Pool study.

A general understanding in the Parks Department is that for professional services, no RFP or RFQ process needs to be implemented. However, with regard to capital improvement projects, professional services directly related to these projects, there is a question as to whether or not an RFP or RFQ should be obtained.





### Riverside Park

The Parks Department strategic plan for years 2016 through 2020 indicates under its implementation plan that a bandshell project in the amount of \$400,000 and a transient boat dock in the amount of \$150,000 is listed for the year 2016 and the funding source is a new bond issue. In the year 2017, a listing of bandshell project of \$400,000, canoe/kayak landing of \$100,000, and a transient boat dock in the amount of \$350,000, all of which are to be funded with new bond issue. In the year 2018, there is an additional \$400,000 described as bandshell project which would be funded with a new bond issue. Transient docks in the amount of \$405,000 are also approved, which would be funded by TIFF 12.

In year 2019, an additional \$400,000 is listed as a new bond issue for the bandshell project.

In the capital improvement program for the years 2013 through 2017 adopted by the Common Council on October 11, 2012, funding amount is listed of \$2 million, of which \$1.4 million is proposed for years 2013 and \$600,000 for year 2014. In the capital improvement program for the years 2014 through 2018 approved by the Common Council on November 7, 2013, the Riverside Park bandshell replacement is listed at \$1.6 million for the year 2014, which is \$1 million higher than the prior approved capital improvement program.

The capital improvement program for the years 2015 through 2019 adopted by the Common Council on November 18, 2014, include the Riverside Park bandshell replacement project is listed at \$4.2 million, of which \$1.4 million will be funded in 2015, and an additional \$800,000 will be funded in 2016. Remarks include that there was funding provided in 2013 of \$400,000 and 2014 of \$1.6 million.

The transient boat docks have an estimated project cost of \$500,000, which is to be expended in year 2016, and a notation is listed to indicate there was a DNR grant and that there was funding in 2014 of \$250,000.

According to the capital improvement program for the years 2017 through 2021, the Riverside Park transient boat dock project has now an estimated project cost of \$750,000, of which \$150,000 is to be expended in 2016, and \$350,000 is to be expended in 2017. It is also noted that the funding in 2014 for this project was \$250,000. Only \$505,000 is listed for the boat dock project in the parks strategic plan. There is no explanation for the \$145,000 difference.

In the capital improvement program for the years 2016 through 2020, under the Riverside Park bandshell project, there is an estimated project cost of \$2.6 million, an increase of \$1.2 million from the prior capital improvement program. \$400,000 is to be expended in the year 2016 and \$400,000 in the year 2017. It also states that there was funding in 2015 of \$1.4 million and funding in prior years of \$400,000.

A Riverside Park levy restoration with an estimated project cost of \$300,000 was also listed as a 2020 year project in the Parks Department strategic plan. This matches perfectly with the capital improvement plan for years 2017 through 2021.

Resolution 15-1129 allocates \$20,987.50 to be designated for the Riverside Park fountain design. This was approved on December 10, 2015.

On October 12, 2017, Resolution 17-1358 appropriates \$1,146,164.46 to pay for architectural and engineering services and construction for the Riverside Park bandshell. The capital improvement program and strategic plan have allocated funds for this.

We discovered that Riverside Park funds designated for the bandshell restoration have been "moved" to other parks.

On September 12, 2016, Resolution 16-0782 approved moving Riverside Park bandshell funds to Poage Park in the amount of \$77,891.60. These monies were approved to pay for the completion of the Poage Park project and were taken from Fund 2002 Capital Improvement 438-Riverside Bandshell; Fund 2008-A Promissory Note 449-Riverside Bandshell; and Fund 2008-A Promissory Note 449-Riverside Bandshell.

Resolution 16-0782 was approved on February 9, 2017 and indicates that monies from the Riverside Park bandshell park are to be used for Poage Park and those funds were actually transferred to Carroll Park.

Is the Common Council made aware of the updates on park improvement projects, so they know how much monies have been expended and what amount of change orders have occurred during the entire project? Are professional services considered part of the capital park improvement project or are they separate costs? It appears that River Architects, Inc. was paid for several renderings.



### **Carroll Park**

The strategic plan prepared by the Parks and Recreation Department for the years 2016 through 2020 has an implementation plan which provided that in year 2016 a new ball field (Phase 1), at a cost of \$120,000, was to be paid for by a TIFF. In the year 2018, ball field renovations (Phase 2) in the amount of \$200,000 are to be paid for by TIFF 14, and in 2019 a ball field renovation project (Phase 3) in the amount of \$150,000 to be paid for by a TIFF.

In the capital improvement program adopted by the Common Council on October 11, 2012, for the years 2013 through 2017, an amount of \$426,000 was approved for the year 2014 to construct a lighted ballfield, restrooms, and concession stand. In the capital improvement program adopted by the Common Council on November 7, 2013, for the years 2014 through 2018, Carroll Park estimated project cost of \$200,000 was to be expended in 2015 for a ballfield expansion.

The capital improvement program adopted as amended by the Common Council on November 12, 2015, provided for an estimated project cost for Carroll Park redevelopment plan in the amount of \$120,000 for ballfield development, central location, removing fields from neighborhood parks. This amount exactly matches the strategic plan of the Parks Department.

The capital improvement program adopted as amended by the Common Council on November 10, 2016, provides for a Carroll Park redevelopment plan with an estimated cost of \$1,620,000. This is to be expended \$120,000 in 2016 and an additional \$1.5 million in 2019. This is different from the Parks and Recreation Department's strategic plan as it indicates a renovation project of \$200,000 labeled "Phase 2" in year 2018 and \$150,000 project labeled "Carroll Park Ballfield – Phase 3." There is no indication of any project cost for the year 2020. The capital improvement program that has been budgeted is significantly higher than what is in the strategic plan of the Parks and Recreation Department for the years 2016 through 2020.

Resolution 17-0055, dated February 19, 2017, approved the bid of \$162,822 for the Carroll Park ballfield. The capital improvement program approved \$120,000 to be

expended in the year 2016. The bid was significantly higher. Resolution 16-0782 was noted as approving funds for Poage Park. However, Resolution 17-0055 was designated for funding for Carroll Park. The resolution that was passed on February 19, 2017, discusses funding originally approved for the Riverside Park bandshell project, which was then transferred to the Poage Park project, which was then ultimately transferred to the Carroll Park project. Resolution 16-0848 in the amount of \$90,992.65 was a resolution to approve funds for Carroll Park and the monies were to go to pay for Carroll Park ballfield expansion contract that was awarded to Market & Johnson. However, Resolution 16-0782 in the amount of \$71,829.35 was not designated for Carroll Park originally (Poage Park was the original park). Resolution 17-0055 converts these funds which were originally Riverside Park bandshell project funds to be transferred to the Poage Park project and then ultimately transferred to the Carroll Park project.



### **Pettibone Park**

Pettibone Park was outside the scope of this engagement, but there were a number of citizens who brought in information and had questions regarding this park.

The Parks Department strategic plan for the years 2016 through 2020 includes an implementation plan which stated that in year 2016, approximately \$150,000 was to be implemented for a canoe/kayak storage facility. The funding sources were to be grants and donations. In addition, a \$50,000 fishing pier is to be funded with new bond issue in year 2016.

The capital improvement program adopted by the Common Council on November 18, 2014, approved of a canoe/kayak storage shelter in the amount of \$120,00 for the year 2015. This is \$30,000 less than the strategic plan and less than the capital improvement program. For the capital improvement program adopted as amended by the Common Council on November 12, 2015, an amount of \$150,000 is allocated to Pettibone Park for a shelter in year 2016.

A question arose regarding the monies paid for the renting of kayaks and canoes. Questions were asked regarding accountability on monies paid and how they were accounted for. In addition, the capital improvement program amounts listed for the Pettibone Park indicated \$150,000 for the year 2016 for the canoe/kayak storage facility to be funded by grants and donations. Were the donations and grants received sufficient enough to pay the entire \$150,000 amount?

Another concern brought up was the long time flooding occurrences at the Pettibone Park Beach House. What are the ongoing maintenance and improvements for the parking lots for Pettibone Beach?



### Conclusion and Recommendations

In reviewing the various resolutions, the Parks and Recreation Department's strategic plan for the years 2016 through 2020, and the capital improvement programs budgeted for the years 2013 through 2021, we make the following observations.

1. The capital equipment policy Code 232A provides for a purchase of \$1,000 without going through a formal approval process. This policy is inconsistently applied. The policy itself is 38 years old. The Common Council may want to look at increasing the amount. Ideas to consider would be to have the director of the department given certain latitude in purchases, the Finance Department given certain latitude in purchases, and the larger purchases be made through RFP and RFQ with a final approval by Common Council.
2. Operating expenses have a limit of \$100 without going through a formal approval process. Code 232A was adopted 38 years ago. It is also not consistently applied. The Common Council may want to revisit this to make it consistent with policies in other city operations to ensure it is consistently applied and provides for efficient use of taxpayer funds.
3. It is our recommendation that a consistent purchase order be used for all departments. In addition, we recommend the Finance Department receive a copy of the purchase order for all purchases over \$5,000.
4. The Common Council may want to consider designating the Finance Department to monitor the timing of when expenditures are made compared to approvals. It appears that in some instances costs were incurred prior to approval by the Common Council. The approval process could be streamlined so that inefficiencies are removed. It appears that the parks director has the ability to move money from one park project to another. Informing the Common Council of cost overruns, or projects that come in under budget, would be prudent.
5. We received information from constituents regarding cash handling procedures of pool fees and canoe/kayak fees. In the interest of public safety, as well as prudent best practices for cash handling procedures, we recommend that the Common Council look at addressing cash handling procedures. Perhaps the monies from the parks can be

transferred directly to a bank or allow the Finance Department to make recommendations on how cash handling can best be utilized. The City would be protecting employees from concerns in transporting cash.

6. Once a capital improvement program is approved by the Common Council, more streamlined processes could take place. It appears that once an expenditure is about to be made, an additional meeting with the Common Council is made for the official "appropriation of funds." This seems to be redundant. Would it be prudent to have the Finance Department be responsible for monitoring the expenditures and provide updates to the Common Council on various park projects? This would provide some internal controls, as well as make sure that the Common Council is not spending time with additional approvals that do not add value to the process.
7. In the Parks Department, it appears that the titles for some of the employees are very similar. The superintendent of recreation and community facilities and the superintendent of recreation and park facilities have very similar titles. There may be an opportunity to change the job titles to more accurately fit the position. In addition, the Common Council might recommend to the Parks and Recreation Department to look at restructuring. Currently, in interviewing the parks director, he indicated that only one person reports to him. However, in reviewing the job descriptions, two people report to him. As the Parks Department continues to grow in size, more employees are going to be retained and in need of management. By segregating duties and leveraging personnel, more efficient economies can occur.
8. Reviewing the purchase policies for supplies and P card usage among all departments is recommended. The management team of the Parks Department all mentioned that the decentralization of purchases resulted in inefficiencies. It is important to look at how volume purchasing can take place and be more efficient; P card usage is appropriate; and reimbursement of expenses by employees is managed. By streamlining these practices, it will enhance the transparency and accountability of taxpayer funds and reduce overall costs.
9. When is it appropriate to have RFPs and RFQs? There is inconsistency regarding use of professional services. In some instances, professional services are not contracted and in

others they are. The Engineering Department goes through an informal policy to ensure they are hiring the best service provider for the project for the cost incurred. In other instances, it appeared that some professional service providers were used because the City employee was comfortable and confident in the service provider's abilities. It is important to be prudent with professional services to ensure taxpayer dollars are being well spent. Common Council might recommend that the professional service retention policy be reviewed. In addition, it is important to make sure that professional services affiliated with capital improvement programs be part of the RFP and RFQ process. If professional services are intimately related with the capital improvement program, it is important that the professional services costs are in sync with the capital improvement program for which they are using.

10. We heard various comments that there are different forms for reimbursements and approvals in various departments. We recommend that the forms be created as consistently as possible. We also encourage the use of Finance Department employees to assist with internal controls over cash management. This adds "checks and balances."
11. Does the Common Council have a policy that a certain dollar amount must be raised before capital expenditures are made by the City of La Crosse? For example, if a park is going to cost \$6 million and \$3 million is to come from donations, how much of that \$3 million must be raised before the City is required to implement the project and a groundbreaking occur?

Non-profit organizations have experienced capital campaigns where the pledges and the monies were not in hand prior to a groundbreaking. The result was that these capital campaigns fell short of their goal and people were forced to pay for "yesterday's lunch" or the guarantors of the debt ended up paying for defaults. History has shown that it is much easier to raise donations prior to a project being started as opposed to the project being completed without being fully funded and raising funds afterward. The Common Council might want to create a policy that states 80% of the donated funds must be pledged and/or in hand prior to the groundbreaking taking place.

12. Regarding RFPs where individual companies were not selected, is there a policy whereby the City employee contacts the firm and states why they weren't selected? This would

show good faith between the City department and other vendors it works with. Part of the culture that the mayor and Common Council have tried to project is a commitment to its citizens. Enhancing transparency and allowing approachability to city employees is a positive environment that would be well received. For vendors that do not receive an approved RFP, having a conversation to inform them of the decision and what other issues came up, could enhance this culture. The result would be enhanced relationship between Common Council, city employees, vendors, and their citizens.

13. Does the Parks Department engage in any surveys with its constituents? By holding periodic surveys, the Parks Department would become aware of issues regarding the maintenance of parks, concerns that citizens have regarding the existing parks, and whether new parks need to be created, or existing parks be remodeled. In addition, by having periodic surveys, the Parks Department can be proactive when making decisions regarding parks. If ongoing surveys are put into place which invite suggestions and recommendations, the citizenry can become more engaged with their parks and possibly use them more. In addition, there may be more pride in the parks. We noted that one park, in particular, is incurring large maintenance costs. If there were more collaboration between the Parks Department and citizenry, perhaps the parks would be better maintained and treated by users of the parks.
14. Currently, there were blanket descriptions with some vendors regarding what is to be paid. To streamline and make the payment of invoices more efficient, it will be prudent to have vendors provide clear descriptions on their invoices.
15. Currently, Darin Streeck is in charge of purchases but is unclear if he is to work with the Parks Department and, if so, to what extent. Best practices would be to have a policy to determine when purchases are to be made through Darin Streeck, a central purchasing department, whether the municipal service center should be used, or whether individual purchases can be made by a City employee with the use of a P card. A common purchasing policy implemented for all departments would reduce costs and create efficiencies between departments. Perhaps a retreat would be in order to have various department heads discuss improving processes for purchasing.

16. Park improvement funds and how they are used needs to be reviewed. We reviewed Common Council meeting minutes that supported monies going into different park improvement funds. We recommend that park improvement fund accounts be monitored, possibly by the Finance Department. User fees, fees for sales of items could be better monitored than the current practice. This would increase internal controls over monies. From interviews with the superintendents and the parks director, the Parks, Recreation, and Forestry Department's employees are working at excess capacity. Removing "accounting and bookkeeping" duties would give them more time to work on Parks Department projects.
17. Cooperative agreements can bypass the bidding process if "piggy back" is implemented. The Common Council might want to review this process.
18. The Common Council may want to recommend the same form when using sole sources for purchases and professional service contracts.
19. A recommendation would be to have an ongoing budget and actual expenditure year to date be provided to City Council when changes are made. For example, if Red Cloud Park receives Common Council approval for a \$300,000 improvement, and a request was made to move \$80,000 of those funds to a different park, the Common Council should receive this complete information on an ongoing basis. It appeared that there were piecemeal documents that would be provided to Common Council members for approval. In order for Common Council to have a good understanding of the entire project of all the parks, having a schedule to show budgeted approval, ongoing to-date actual payments, and comparison to the strategic plan for these parks would be beneficial. This schedule would disclose when park funds were moved to a different project and why.
20. Currently, La Crosse has over 45 parks under the City of La Crosse's management. There are parks that are undergoing significant improvements. We recommend a master plan for all the parks be implemented to show what each park offers, where it is located, and who it serves. If there is a duplication, a master plan would reflect that. For instance, we noted that Chad Erickson Park is designed for individuals with disabilities. Pettibone Park also allows for ADA accessibility for fishing. Multiple other parks are ADA accessible. The Trane All Abilities Park has significant expenditures that are being planned, according to the

marketing brochures. If there was a master plan on the different parks and who they service and what its purpose is, it would enhance best practices regarding the amount and number of parks and park expenditures being paid for by taxpayers.

The master plan could be referred to when there is a park project proposed in order to see if something is already in place at another park. The master plan could include the cost of current maintenance and deferred maintenance of the existing parks and what an additional park would cost. This would inform taxpayers and the Common Council of what the cost for parks is and if purchasing or renovating a new park would be something they would want to do.

21. Is the Common Council made aware of differences between the Parks and Recreation Department's strategic plan and the capital improvement program approved by the Common Council? Is the Common Council informed as to the amounts actually expended and how they compare to the budget and Parks Department strategic plan? Is there information provided to the Common Council on cost overruns? Are the directors of the various departments held accountable when their budgets are lower than what they actually estimated and what is actually expended? When monies are moved from one park to another, is it appropriate for a director to make that determination or should the Common Council be made aware of the differences? Coordination of costs between the strategic plan, the capital improvement program, and the amounts actual expended for each park project would be beneficial for the Common Council. Having a schedule for Common Council members to review would keep them informed of the process of these large projects.
22. Were there any requirements that a certain dollar amount of fund donations be received before a park improvement project was to move forward? What if the donations that are required are not reached? Is the City of La Crosse prepared to pay the additional funds? Does the budgeted amount for the park include funds for maintenance expenses in an on-going basis? Are Common Council members given a periodic update comparing what the budgeted amount approved by the capital improvement program and the actual expenditures year to date? Are the Common Council members given a statement from the parks director that the strategic plan they created meets and matches the capital improvement program for the specific years and if not, why not?

23. Sculpture, art, and other purchases can be reviewed prior to purchase, to reduce costs. If markup charges are assessed to the City for art purchases by a consulting firm, a direct purchase by the City would remove this.
  
24. It was noted that \$375,000 was provided for at least two neighborhoods, according to City employees. We recommend the Finance Department review these monies to ensure proper recording of expenditures.

# Other City of La Crosse Parks

