



2017 City of Port Washington Budget

PRESENTATION TO THE CITY COUNCIL NOVEMBER 15, 2016

2016 Budget Schedule

- DEPARTMENT BUDGET REVIEW WITH FINANCE COMMITTEE:
 - Tuesday, October 18th
- BUDGET PRESENTATION TO COUNCIL:
 - Tuesday, November 1st PUBLIC HEARING:
 - Tuesday, November 15th, 7:30pm
- ADOPTION:
 - Tuesday, November 15th (Following Public Hearing)



Budget Highlights

- Minor Structural wage and benefit increases
 - Wages: 2.0% contingent on employee performance
- Health Insurance:
 - 8% increase in health insurance premium
- Street Department
 - Adding two people in the summer to help serve Union Cemetery
 - Dave Ewig's position is being split into two positions (street department and water utility)
 - More wages charged to Tree and Brush account due to planting more trees next year.
 - We did receive a grant from the DNR for more tree planting
- Library increase is in response to the increased participation in youth programs. Additional staff is need to support increase.

Budget Highlights

- Senior Center:
 - 6 months budgeted for rent in the current building
 - Buying the current building is under serious consideration to ensure the seniors have a building
 - CDBG grant is still on the table and will continue to be pursued
- \$75,000 left over from 2016 borrowing needs to be spent this year. Three items we will not have to push off until next year:
 - \$15,000 – Truck for Street Commissioner
 - \$42,000 – Gang mower for Park and Recreation
 - \$18,000 – Lighthouse Plan Development

Budget Highlights

- Marina

- 1% increase in fees will be the first increase in six years
- Marina may or may not show a profit in 2016
 - Has not shown a profit since 2013

- Debt Service

- Increase due to 2016 borrowing is about \$138,000
- Good news is some of this will be offset by:
 - New development
 - Special assessments on road projects
 - Especially the county selling the land at the intersection Highway 33 and LL. (assessment will come due for \$44,000)

- City Assessor

- Cost increasing by \$10,000 (offset by decrease in health insurance)

Debt Service

By law, the city cannot borrow more than 5% of the equalized value of the city.

The city of Port Washington current value is \$931,484,300

- 5% of \$931,484,300 is \$46,574,215
- Currently we are at about \$29,424,700 or 63% of capacity

Our Aa3 bond rating is based on:

- Growth
- Contingency fund
- Borrowing capacity
- Fiscally responsible policies

Capital Expenditure Highlights

- Two New Police Vehicles: \$60,562
- Police Equipment: \$39,930
- Fire Department Hoses: \$5,000
- Senior Center Study: \$15,000
- Emerald Ash Borer: \$15,000
- Park & Recreation: \$12,000
- Voting Booths: \$4,000
 - TOTAL: \$151,492



	2016	2017	% Change
GENERAL FUND	Proposed	Proposed	Increase/ (Decrease)
REVENUES			
Taxes (other than Prop. Taxes)	\$522,600	\$564,000	7.92%
Intergovernmental	\$3,582,192	\$3,597,120	0.42%
Regulation & Compliance	\$304,750	\$371,295	21.84%
Public Charges/Services	\$951,705	\$944,757	-0.73%
Public Improvement Revenue	\$0	\$0	0.00%
Commercial Revenue	\$691,400	\$703,000	1.68%
Other General Revenue	\$140,200	\$12,225	-91.28%
Total Revenue	\$6,192,847	\$6,192,397	-0.01%
EXPENDITURES			
General Government	\$799,687	\$770,800	-3.61%
Insurance	\$252,246	\$264,800	4.98%
Public Safety	\$3,930,019	\$4,088,162	4.02%
Health & Safety	\$7,500	\$8,500	13.33%
Public Works	\$2,198,366	\$2,285,138	3.95%
Leisure Activities	\$1,486,940	\$1,520,761	2.27%
Conservation & Development	\$145,269	\$148,020	1.89%
Unclassified & Sundry	\$25,000	\$40,000	60.00%
Capital Outlay	\$158,300	\$151,492	-4.30%
Total Expenditures	\$9,003,327	\$9,277,673	3.05%

2017 Proposed Budget Compared to 2016



2017 Proposed Budget Compared to 2016

- Difference between Revenue and Expenditures is the tax levy (\$3,085,276)
- We are not using surplus to “buy-down” the Levy this year.

Total Revenue	\$6,192,397
Total Expenditures	\$9,277,673
	(\$3,085,276)
Local Property Taxes	\$3,085,276
Net Surplus (deficit)	\$0.00
Surplus Fund Balance	\$1,124,639.00



Budget Impact on Homeowner

The approximately 4.5% tax increase impact on property owners is detailed below based on a \$5.80 tax rate in 2015 and the new \$6.06 tax rate in 2016.

2015 Value	2015 Taxes	2016 Value	2016 Taxes	Change in Taxes
\$150,000	\$869.40	\$150,000	\$909.00	\$39.60
\$200,000	\$1,159.20	\$200,000	\$1,212.00	\$52.80
\$250,000	\$1,449.00	\$250,000	\$1,515.00	\$66.00

Understanding the Levy

The Levy is how much the city can collect from property owners in taxes.

The Levy limit is determined by:

- Last years levy
- New construction growth
- Debt service payments

There are two main components to the Levy

- The General Fund O&M (Operations & Maintenance) and Capital Outlay (\$3,085,276)
- Debt Service (\$2,167,400)

The other components that contribute to the Levy are:

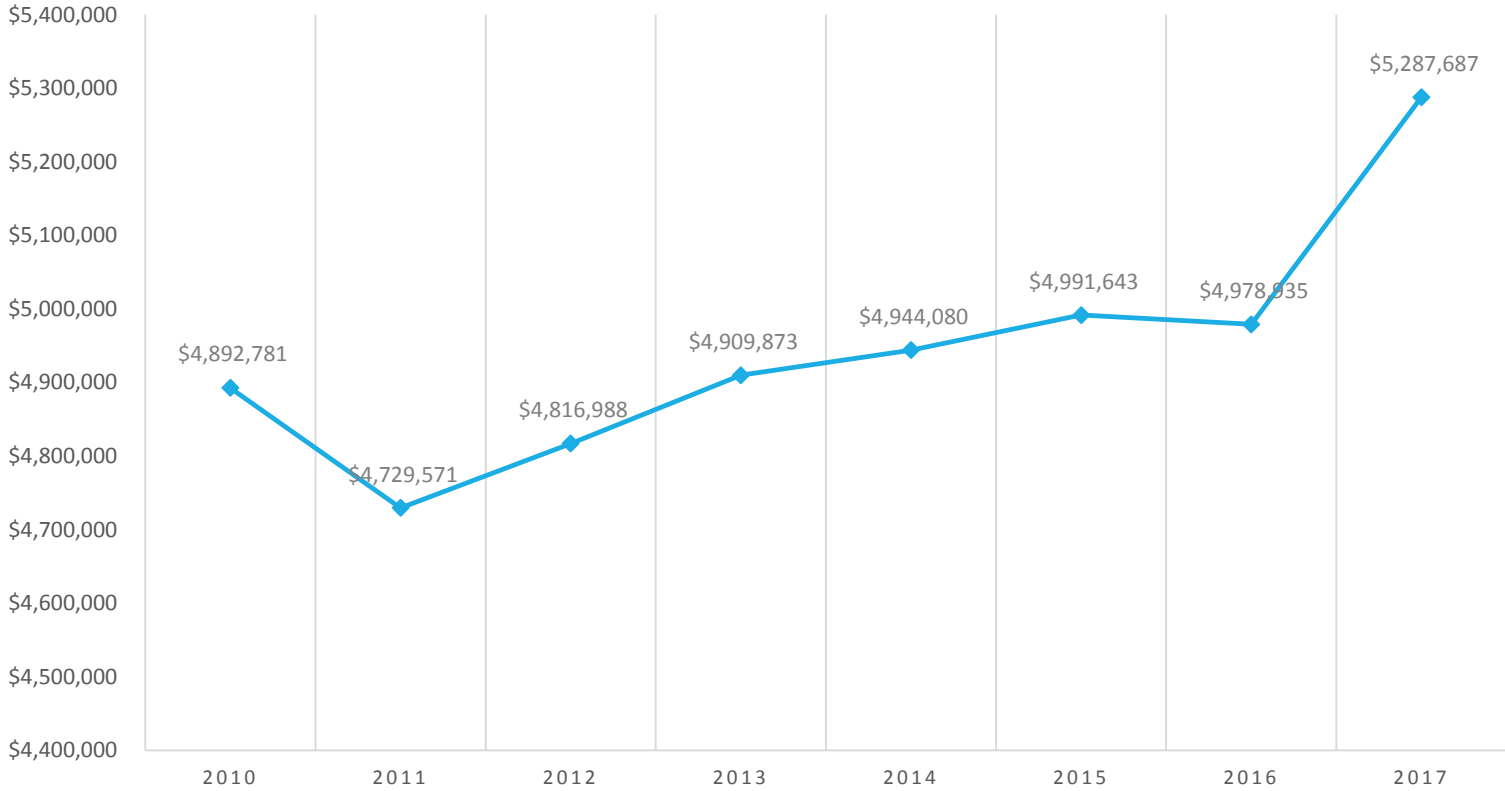
- Senior Center rent (\$35,000)
- Payment to Townships (\$11)

Total Levy collected from property owners: \$5,287,687

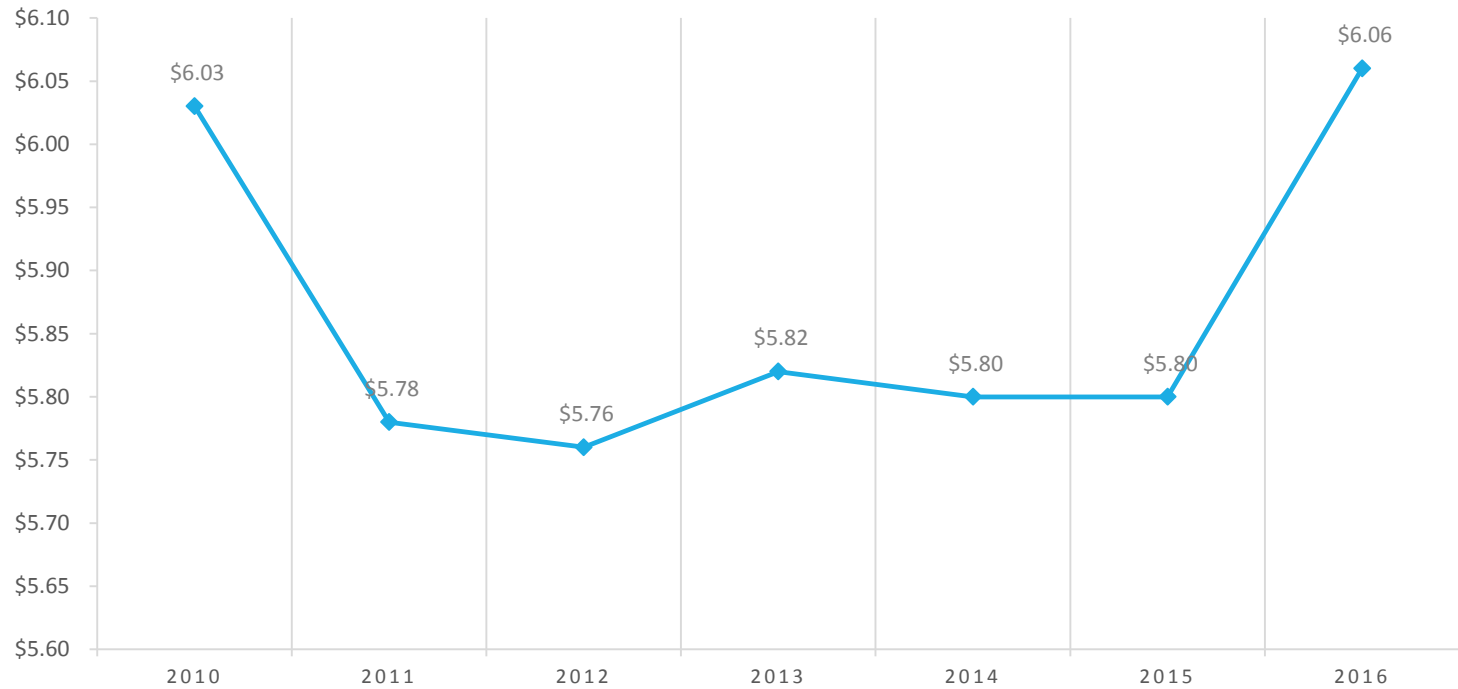
- 2016 Tax Rate will be \$6.06 per \$1,000 of assessed value
- 2015 Tax Rate was be \$5.7965 per \$1,000 of assessed value
- 2014 Tax Rate was \$5.8044 per \$1,000 of assessed value

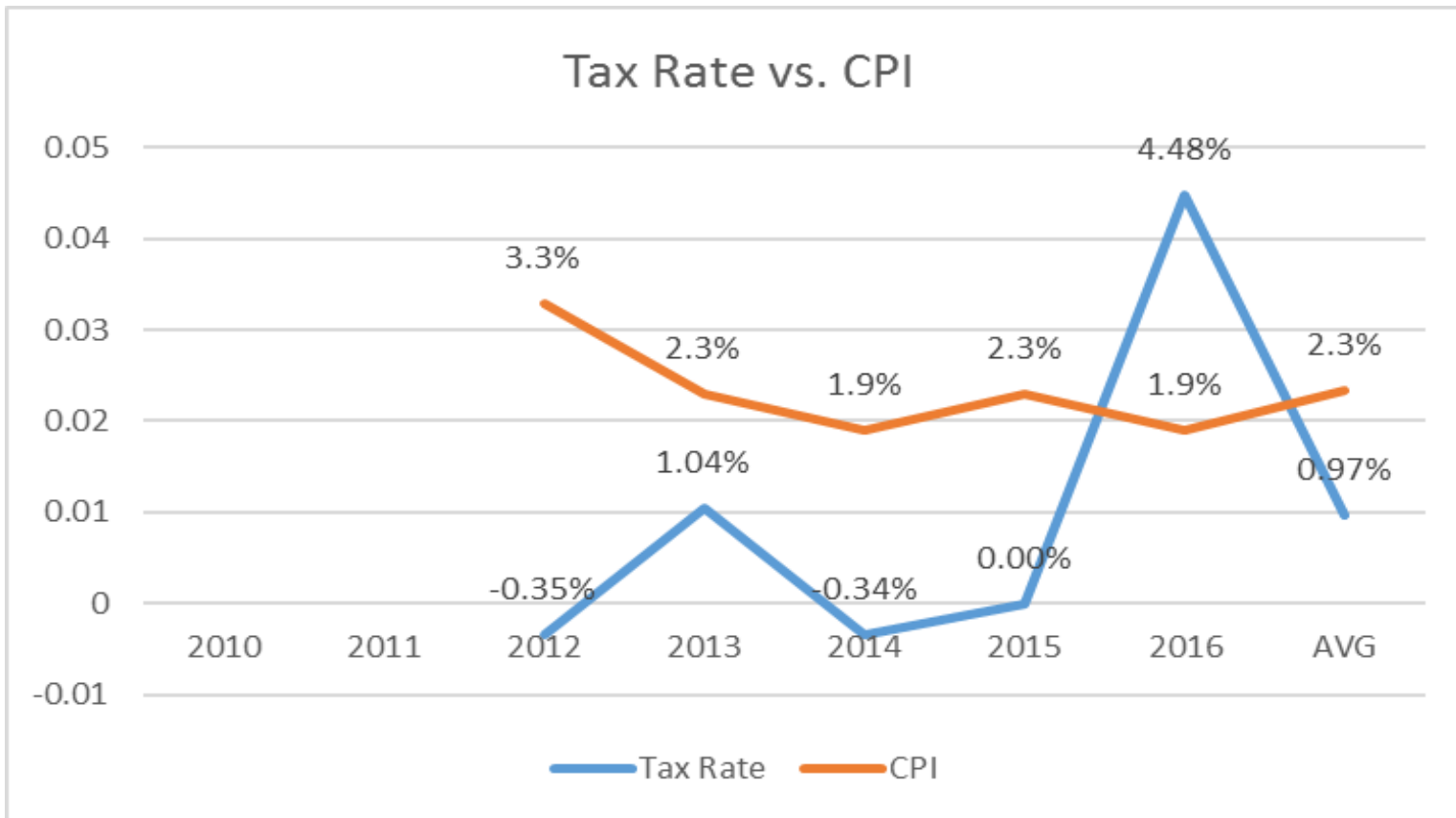


8 Year City Levy History



6 Year City Tax Rate history





CPI vs. Tax Rate history



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DISCUSSION