



City of Stoughton

2017 Budget

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2017



Service Based Budget

2017 Budget Highlights



2017 Initiatives

- Implementation of Phase 2- Employee Compensation Plan
 - Increase approved wage scale 2% to current market.
 - Move 3 Leadership team members to Mid (Market)
- Supplement staffing to benefit ALL City Departments
 - Information Technology/Media Services
 - Support Fleet Mechanic at Public Works
 - Support recent changes in the HR Department
- Fund Sunday hours at the Library
- Continue Economic Development Initiatives and:
 - Funds added to convert the Housing Authority and Redevelopment Authority into a Community Development Authority (CDA)
 - Fund Full Time Opera House Director and reorganizational changes.
 - Fund Landmarks pilot grant program

Budget Option requests funded:

Description	\$\$ Amt
Human Resources move employee to Full Time	\$ 22,000
Information Technology Director and Department changes	\$150,000
Additional Police Part Time hours (union contract)	\$ 8,000
Full Time Fleet Mechanic	\$ 70,000
Landmarks pilot grant	\$ 4,000
Library Sunday hours	\$ 14,000
Opera House staffing changes	\$ 30,000
Staff at Troll Beach	\$ 5,600
Additional General Fund support for EMS	\$ 20,000
TOTAL OPTION FUNDED	\$323,600

What Option requests could not be funded?

Description	\$\$ Amt
New Library Part time employee	\$25,500
New Police officer	\$70,000
New Police clerical	\$30,000
2 New employees at Public Works	\$130,000
New Fire Full Time employee	\$67,000
TOTAL OPTION UNFUNDED:	\$322,500

Changes to normal Operating Costs

- Health Insurance increase 6.9%
- Dental Insurance increase 10.1%
- Compensation Plan adjusted 2%
- Police overtime increases to match trend
- Decrease to Workers Compensation costs (10.5%)
- Stable costs for General and Liability Insurance costs.
- Stable Fuel and Utility expenses.

Changes to Revenue:

- Increase of State Expenditure Restraint \$16.8K
- Utility Pilots increased \$100K
 - New Infrastructure at KPW
 - New Infrastructure at Nordic Ridge
- Building/Elect/Plumbing Fees \$15K
- Increase in Troll Beach revenue \$ 7K
- Net New Construction \$133K
- Decrease Rental Income (\$15K)
 - Moved income to Building Maintenance Fund

Proposed Budget Results

- Balanced Budget: Revenue = Expenditures
- Closes the preliminary operating gap (\$293,369)
- Added IT Department \$150,000
- Added Fleet Maint. Employee \$ 70,000
- Implementation of Phase 2 Springsted study \$118,577
 - 2% wage scale adjustment \$ 70,437
 - Align to true step \$ 19,827
 - 3 DH to mid point \$ 28,313
- Includes a Levy increase of \$183,603
 - Equip. Maintenance (\$50,000)
 - Net New Construction (\$133,603)
- Change in the way large equipment is funded to use Levy dollars for its intended purpose to support daily operations of the City.

Capital Budget

2017-2021 CIP

In 2017 the City's updated CIP calls for \$2,802,796 in building, street, stormwater, water and sewer utility projects. The City's Updated CIP project list is summarized below. Important items to note include: i) a plan to finance the City's annual \$400,000 Equipment Fund budget with debt as opposed to cash/tax levy and ii) constructing the Department of Public Works (DPW) Yard in 2018.

Updated 2017-2021 CIP

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>TOTAL</u>
Buildings	\$ 250,000	\$ 8,055,600	\$ -	\$ -	\$ -	\$ 8,305,600
Equipment	\$ 925,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 2,525,000
Parks	\$ 256,294	\$ 256,295	\$ 49,595	\$ -	\$ -	\$ 562,184
<u>Streets</u>	<u>\$ 1,437,346</u>	<u>\$ 1,781,300</u>	<u>\$ 1,723,400</u>	<u>\$ 1,406,600</u>	<u>\$ 1,768,811</u>	<u>\$ 8,117,457</u>
<u>Sub-Total General Fund</u>	<u>\$ 2,868,640</u>	<u>\$ 10,493,195</u>	<u>\$ 2,172,995</u>	<u>\$ 1,806,600</u>	<u>\$ 2,168,811</u>	<u>\$ 19,510,241</u>
<u>Stormwater</u>	<u>\$ 334,156</u>	<u>\$ 223,500</u>	<u>\$ 115,000</u>	<u>\$ 35,000</u>	<u>\$ 190,080</u>	<u>\$ 897,736</u>
<u>TOTAL PROJECT NEEDS</u>	<u>\$ 3,202,796</u>	<u>\$ 10,716,695</u>	<u>\$ 2,287,995</u>	<u>\$ 1,841,600</u>	<u>\$ 2,358,891</u>	<u>\$ 20,407,977</u>

In order for City Bond issue to be Bank Qualified (BQ), the City cannot issue more than \$10,000,000 on a tax-exempt basis in a calendar year.

To counter the loss of BQ in 2018, it is proposed that the regular 2017 and 2018 General Fund and Stormwater CIP projects be combined into one issue in 2017.

The recommended CIP modelled to finance the City's 2017-2021 CIP would be as follows:

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>TOTAL</u>
Buildings	\$ 250,000	\$ 8,055,600	\$ -	\$ -	\$ -	\$ 8,305,600
Equipment	\$ 1,325,000	\$ -	\$ 400,000	\$ 400,000	\$ 400,000	\$ 2,525,000
Parks	\$ 512,589	\$ -	\$ 49,595	\$ -	\$ -	\$ 562,184
Streets	\$ 3,218,646	\$ -	\$ 1,723,400	\$ 1,406,600	\$ 1,768,811	\$ 8,117,457
<u>Sub-Total General Fund</u>	<u>\$ 5,306,235</u>	<u>\$ 8,055,600</u>	<u>\$ 2,172,995</u>	<u>\$ 1,806,600</u>	<u>\$ 2,168,811</u>	<u>\$ 19,510,241</u>
Stormwater	\$ 557,656	\$ -	\$ 115,000	\$ 35,000	\$ 190,080	\$ 897,736
<u>TOTAL PROJECT NEEDS</u>	<u>\$ 5,863,891</u>	<u>\$ 8,055,600</u>	<u>\$ 2,287,995</u>	<u>\$ 1,841,600</u>	<u>\$ 2,358,891</u>	<u>\$ 20,407,977</u>

2017 Capital Expenditures

- Street improvements: \$1,279,286
 - Brickson St. \$100,142
 - Divison St. \$245,175
 - Henry St \$196,600
 - Manilla St. \$ 65,034
 - Park Street \$ 70,738
 - Patterson St \$156,108
 - S Harrison \$145,489
 - Prev. Maint \$300,000
- Emerald Ash Borer \$250,000
- Troll Beach Parking \$143,000
- PW Facility readiness \$250,000

The Bottom Line:

- 2016 tax levy has 1.938% Net New Construction = \$133,603
- Levy increase includes City Tax rate decrease 1.93 %
- Mill Rate decrease is \$.17
- Total Tax change of \$(16.67)/\$100,000 value.

Levy Limit	\$7,027,477
Add Additional Levy for 2017 Debt Service	1,070,780
Total Levy	\$8,098,257
Equalized Value	\$963,373,200
Assessment Ratio Assumption	99.36%
Assessed Value Assumption	\$957,207,612
	Bottom Line
2015 Levy	7,914,655
Proposed 2016 Levy	8,098,257
\$ Change from 2015	183,603
% Change from 2015	2.32%
2015 City Tax Rate	8.63
Proposed 2016 City Tax Rate	8.46
\$ Change from 2015	-0.17
% Change from 2015	-1.93%
City taxes paid/ \$100,000 of Value	\$846.03
Decrease in amt paid/\$100,000 over 2015	\$(16.67)

A little History

			RATE			\$\$ Diff	% change
2009 Home Value =		100,000	7.28=	City Taxes	\$727.62		
2010 Home Value =		100,000	7.49=	City Taxes	\$749.00	\$21.38	2.94%
2011 Home Value =		100,000	7.87=	City Taxes	\$787.09	\$38.09	5.09%
2012 Home Value		100,000	8.08=	City Taxes	\$808.00	\$20.91	2.66%
2013 Home Value		100,000	8.33=	City Taxes	\$833.00	\$25.00	3.09%
2014 Home Value		100,000	8.55=	City Taxes	\$855.00	\$23.00	2.79%
2015 Home Value		100,000	8.63=	City Taxes	\$863.00	\$8.00	0.90%
2016 Home Value		100,000	8.46=	City Taxes	\$846.00	\$(17.00)	(1.93)%

2017 BALANCED BUDGET



NEXT WORKSHOPS:

1. THURS, OCT 13: 6:00 COUNCIL CHAMBERS

Review General Fund Departments

2. THURS, OCT 27: 6:00 COUNCIL CHAMBERS

REVIEW:

- 1. UTILITY BUDGETS**
- 2. LIBRARY BUDGET**
- 3. EMS BUDGET**
- 4. OPERA HOUSE BUDGET**
- 5. STORM WATER UTILITY BUDGET**