

## 2025 BUDGET PROCESS TO DATE

- September 17: Budget presented after months of preparation
- September—October: Four Finance Committee meetings held
- October 15 & November 6: Common Council adopted updates
- October 30: Public hearing notice published
- November 19: Public hearing and budget adoption.

Budget Presented Sept 17 Finance Committee Mtgs Sept & Oct Adopted
Updates Oct 15
& Nov 6

Hearing Notice Published Oct 30 Public Hearing Nov 19 Budget Adoption Nov 19



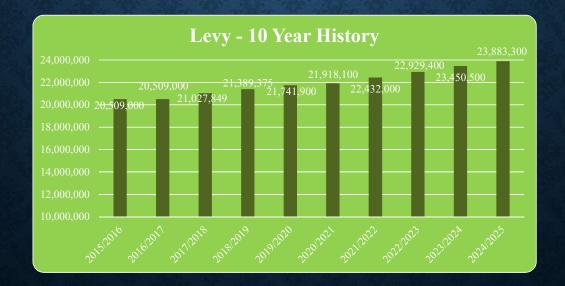
### MAJOR HIGHLIGHTS OF THE 2025 RECOMMENDED BUDGET

#### **CHALLENGES**

- Delayed Statement of Assessment impacts tax rate determination
- Revenue growth from state sources lags behind inflation
- Economic pressures and development delays increase budget constraints
- Commitment to maintaining high service standards despite staffing needs and limitations

#### TAX LEVY

- Net New Construction: \$97M (1.58%) contributes \$155,000 in levy funds
- Overall PRELIMINARY Levy Increase: \$432,800 (+2.9%)
- Property Equalized Value: Average residential increase of ~6%





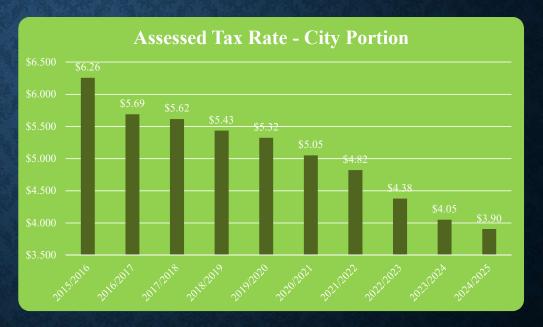
#### TAX RATE

2024 Preliminary Assessed Tax Rate:

\$3.90 per \$1,000 value—a \$0.15 decrease from 2023

#### AVERAGE RESIDENT TAX IMPACT

Per \$100,000 of Assessed Value											
	2023	2024									
Home Value	\$100,000	\$106,700									
Tax Rate	\$4.050261	\$3.904946									
Tax	\$405.03	\$416.66									
Tax Inc (Dec)		\$11.64									
Percentage Change in Tax		2.9%									



\*Final tax rate to be confirmed in December



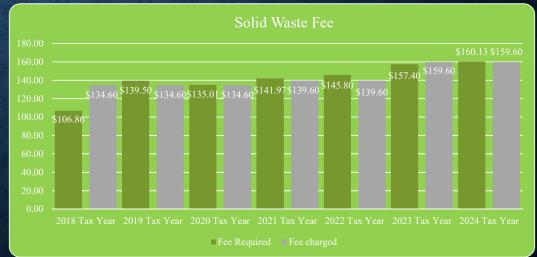
#### GENERAL FUND

- State Shared Revenue: \$875,000 (+\$20,000 from 2024)
- Do not qualify for expenditure restraint program: Tax rate <\$5.00/\$1,000 of value
- Balanced budget with minimal fund balance use for 2025 WisDOT projects
- Personnel Costs: +\$665,000 for a 2% non-represented wage increase and market adjustments. No new positions added
- General Fund Details
  - Revenues increased by \$622,000
  - Expenditures increased by \$622,000 = a balanced budget



#### **MAIN POINTS**

- Capital spending/department requests of ~\$17.9 Million / Planned use of ~\$8.1 Million of Resources allocated to the Capital Funds
- No extraordinary contributions are required for the OPEB Trust
- No new general borrowing is planned for 2025 at this current time DPW Expansion Project and other projects may require a borrowing
- No change in the solid waste fee that is projected in 2025
- A major update to the City's Unified Development Ordinance (UDO), which defines the zoning, development, and land division regulations





#### PLANNED CHANGES

- Sewer rate increase expected (TBD) due to rising MMSD costs
- Implement ClearGov digital budgeting software
- Develop an Employee Merit Pool Policy





#### 2025 DEBT SERVICE FUND

- Debt Service Levy: \$1.14M (+\$40,000)
  - Future borrowing is required for large-scale capital projects
- Multiple funding sources for existing general obligation debt:
  - General City funds, Water, Sewer, TID
- Expecting debt shortfall in TIDs Ensuring that developers are aware and funds will be forthcoming
  - Assessment timing issue in 2024/2025 that will be corrected in 2025/2026
- Maintain a future borrowing plan in concert with the Capital Improvement Plan
- One-time, large projects will require increased borrowing compared to the current plan





**QUESTIONS?** 



# COMMON COUNCIL APPROVED CHANGES TO THE RECOMMENDED BUDGET

Debt Service						Impact Fe	Impact Fee Development Fund							
		Revenues		xpenditures		Net			Revenues	Expenditure	es		Net	
25 500	\$		\$	1,476,138	\$	101,781		\$	1,010,000			\$	(323,018)	
Changes	\$	(100,000)		- 4 470 400	•	1704 6 188 1 5 1 5 1	Changes	\$	675.000		_		(020,010)	
	\$ 1,477,919 \$ 1,476,138 \$ 1,781 Addition to Fund Balance	1,781 Addition to Fund Balance	Orlanges	\$	1.685.000			\$	251 092	Addition to Fund Balance				
Capital Ou	ıtlav							φ	1,000,000	φ 1,333,0	10	φ	331,902	Addition to Fund Dalance
<u>Capital Ot</u>		Revenues	F	Expenditures		Net	Canaral	un d						
	\$	1,012,000			\$	(217,204)	General F	<u>una</u>						
Changes	\$		\$	(63,755)					Revenues	Expenditure			Net	
	\$	1,012,000	\$	1,165,449	\$	(153,449) Use of Fund Balance			31,606,425	34,106	425		-2,500,000	
							Changes	\$	(170,898)	\$ 170,8	98			
Capital Im								\$	31,435,527	\$ 33,935,5	27	\$ (2	2,500,000)	Balanced Budget
		Revenues		xpenditures		Net								
	\$	3,911,600				1,311,600	Sewer Fu	nd						
Changes	Changes \$ (1,142,200) \$ 169,400	B.I. IB.I.I			Revenues	Expenditure	es		Net					
	\$	2,769,400	\$	2,769,400	Ъ	- Balanced Budget			6,813,076	7,185			-372,184	
Street Imp	rovo	mont					Changes	\$	521,500				0.2,.0.	
Succump		Revenues		Expenditures		Net	Orlanges	\$	7.334.576			\$	(120 115)	Lice of Fund Balance
	\$	2,343,900	\$	2,340,000	\$	3,900		Ф	7,334,370	φ <i>1</i> ,404,0	91	Φ	(130,113)	Use of Fund Balance
Changes	\$	16,000		16,000		3,550								
<b>3.10.1.9</b> 00	\$	2,359,900	\$	2,356,000		3,900 Addition to Fund Balance								

#### PROPOSED AMENDMENTS

Amendment #1: Add \$750,000 resources/expenditures for TID #9 Sewer Project

Amendment #2: Adjust 2% wage increase allocation across funds

Amendment #3: Add \$25,000 levy resources for the Library Department

Amendment #4: Align Civic Celebrations Fund with contract approvals







