

# 2023 City of Ripon Budget

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Council Workshop

10/6/2022

# The 2023 Budget

It is not a budget to just get by, but a budget to build.

The 2023 City of Ripon Budget is another step in the process to address some of our long-standing challenges. The proposed budget allows the city to build on the efforts/projects of 2022, while strategically investing in areas that help build a stronger community.



# 2023 Budget Goals & Challenges

Build off our 2022 planning efforts and capital projects

Use the unusually high Expenditure Restraint Limit to our advantage

Continue to use the TID's to the city's advantage and relieve pressure on GF/Capital

Addressing unsustainable health insurance costs

Significantly change how the city handles Parks & Recreation

Continue to refine the budget format and process with new staff

# 2023 Budgets to Review

- General Fund
  - Legislative
  - Attorney
  - Administration
  - Elections
  - City Administrative Services (multiple GF departments)
  - Police (includes Emergency Management and Animal Control)
  - Fire
  - Building Inspection
  - DPW (includes Operations, Streets, Parks & Rec, Building & Grounds, Waste Management, Compost, and Cemetery)
  - Senior Center
  - Parks and Recreation
  - Cable TV
- Special Revenue Funds
  - EMS
  - City Revolving Loan Fund
  - Taxi
  - Community Promotion
  - Recycling
  - Library
- Debt Service Fund
- Capital Projects Funds
  - Capital Project
  - TID's
- Business Improvement District
- Utility Fund budgets will be reviewed next week!

# A Note on the Tax Levy

There has been a practice dating back to at least 2015 to not levy for the full amount of the city's general fund debt.

Year	Calculated Tax Levy	Debt Service Levy	Total Debt Service	Total Levy	Allowable	Operational Levy to Support Debt
2018	\$3,174,804	\$244,092	\$748,443	\$3,418,896	\$3,923,247	\$504,351
2019	\$3,230,401	\$264,275	\$734,554	\$3,507,254	\$3,977,533	\$470,279
2020	\$3,258,826	\$264,275	\$715,582	\$3,523,101	\$3,974,408	\$451,307
2021	\$3,085,956	\$470,129	\$791,908	\$3,556,085	\$3,877,864	\$321,779
2022	\$3,147,717	\$743,659	\$743,659	\$3,891,376	\$3,891,376	\$0

This has had impacts on: Tax Rate, Borrowing, Expenditure Restraint, and our ability to fund services and capital.

**The proposal to raise taxes comes in a budget that is not just maintaining the status quo.**

**The recommendation to increase the tax levy comes at a time where the taxpayer will be receiving more.**

# Preliminary Tax Levy

- Previous Year: \$3,556,085 Tax Levy - \$8.53 / \$1,000 Mill Rate
  - 2019: \$8.90; 2020: \$8.73
- Preliminary: \$3,891,376 Tax Levy - \$8.99 / \$1,000 Mill Rate (estimated Assessed Value)
- \$0.46 / \$1,000 Mill Rate Increase - \$100,000 home = \$46.00
- Tax Levy Increases:
  - Net New Construction: \$19,873 = .644%
- OVERALL, the shift to levy the full general fund debt provides general fund operations \$391,923.

Preliminary Tax Levy			\$3,881,376
GENERAL FUND	10-34100	10	\$2,699,373
LIBRARY FUND	23-34100	23	\$448,344
DEBT SERVICE FUND	30-34100	30	\$733,659
Balance			\$0

# Shared Revenues

	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Change (%)
Account Description	Actual	Budget	Request	
STATE SHARED REVENUES	1,744,225	1,612,823	1,643,918	1.93%
TRANSPORTATION AID	430,105	444,233	455,338	2.50%
CONNECTING HIGHWAY AID/ST	79,512	79,643	83,626	5.00%
VIDEO SERVICE PROVIDER AID	0	20,422	20,422	0.00%
SubTotal Intergovernmental Revenue:	2,253,842	2,157,121	2,203,304	2.14%

**NOTES:**

General State Shared Revenues – Increased by \$31,095.11 / 1.93% (Utility Aid & Expenditure Restraint)

State Transportation Aid Estimated (more we spend, more we get...which we are!).

Video Service Provider Aid – Offsets decline in franchise fee revenue – flat!

# Shared Revenue and Transportation Aid

## Notice of Shared Revenue – 2023 Original Estimate

### Notice Information

The Wisconsin Department of Revenue (DOR) is providing the **estimated** shared revenue amounts your local government will receive in 2023 under current state law for county and municipal aid, utility aid and the expenditure restraint program. This does not include adjustments, shown on July/November payment notices.

District	CITY OF RIPON	County	FOND DU LAC	Co-muni code	20-276
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### Estimate Information

For an explanation of each aid payment below, review the additional information on this estimate.

2023 Original Estimate	
1. County and municipal aid	\$1,482,365.36
2. Utility aid	\$44,136.63
3. Expenditure restraint program payment	\$117,415.70
4. <b>Total Estimated 2023 Payments</b> (sum of Lines 1-3)	\$1,643,917.69

## Notice of Shared Revenue – 2022 Original Estimate

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### Estimate Information

For an explanation of each aid payment below, review the additional information on this estimate.

2022 Original Estimate	
1. County and municipal aid	\$1,482,366.35
2. Utility aid	\$27,419.95
3. Expenditure restraint program payment	\$103,036.28
4. <b>Total Estimated 2022 Payments</b> (sum of Lines 1-3)	\$1,612,822.58



Calendar Year 2022 - Final

Six Year Cost History

CVT Code: 20276

Name: City of Ripon

Fond du Lac County

YEAR	COST
2020	\$3,232,016.40
2019	\$3,170,447.40
2018	\$2,469,788.90
2017	\$2,568,724.60
2016	\$2,343,622.00
2015	\$2,329,955.00

**6-Year Average:** \$2,685,759.05

**3-Year Average:** \$2,957,417.57



# Expenditure Restraint

- The General Fund is budgeted to meet our expenditure restraint growth limit.
- Expenditure Restraint Shared Revenue Payment Estimate = \$117,415.70
- Total Budget Growth Limit: 8.1%
- Preliminary Budget Growth = 7.31%

Growth Factor Calculations	
1. Net new construction during 2021	3,189,400
2. 2021 total equalized value	495,132,100
3. Percent increase <i>(Line 1 divided by Line 2)</i>	0.644%
4. Adjustment factor	60%
5. Adjusted percent increase <i>(Line 3 multiplied by Line 4)</i>	0.386%
6. Maximum allowable increase	2%
7. Your growth factor <i>(lesser of Line 5 or Line 6)</i>	0.386%
8. Consumer price index <i>(increase from September 1, 2021 to August 31, 2022)</i>	7.7%
9. <b>Total Budget Growth Limit</b> – your municipality must be under this limit to qualify for a 2024 ERP payment <i>(sum of Lines 7 and 8 rounded to the nearest 0.10%) (sec. 79.05(2)(c), Wis. Stats.)</i>	8.1%

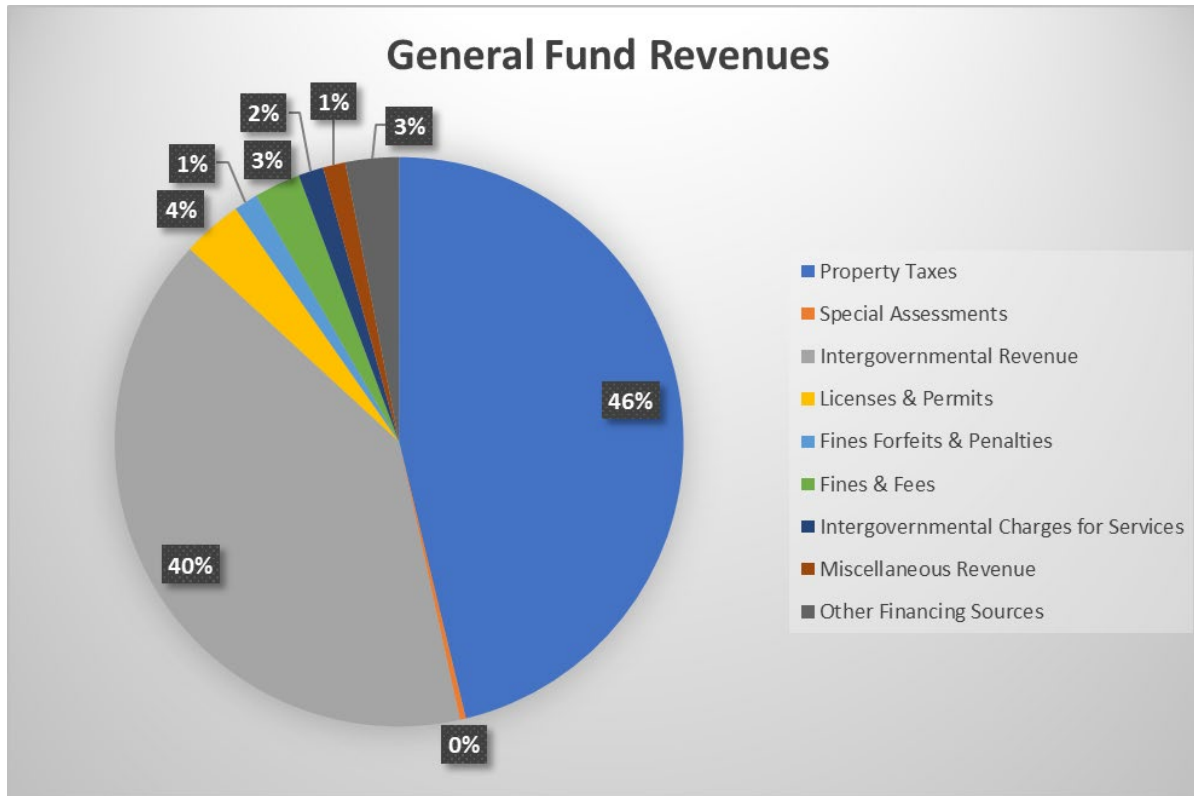
# General Fund Revenues

- Summary Page
  - Detailed Revenue on Pages 1 & 2
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- Total General Fund Revenue = \$5,927,269
  - Increase of \$460,553 / 8.42%
  - Property Tax Allocation increased \$391,923/ 16.99%

General Fund	Fiscal Year 2021	Fiscal Year 2022		Fiscal Year 2023	
	Actual	Budget	YTD Actual	Request	Change (%)
<i>Unassigned Fund Balance</i>					
<b>Revenue by Category</b>					
Property Taxes	848,144	2,347,870	21,435	2,739,893	16.70%
Special Assessments	14,084	20,000	21,316	20,000	0.00%
Intergovernmental Revenue	2,350,664	2,266,621	1,076,656	2,387,811	5.35%
Licenses & Permits	174,833	188,975	150,962	202,415	7.11%
Fines Forfeits & Penalties	66,680	73,400	64,152	81,100	10.49%
Fines & Fees	246,051	125,350	63,654	155,750	24.25%
Intergovernmental Charges for Services	131,800	208,100	4	85,000	-59.15%
Miscellaneous Revenue	103,462	56,600	40,202	75,500	33.39%
Other Financing Sources	0	179,800	0	179,800	0.00%
<b>Total General Fund Revenue:</b>	<b>3,935,718</b>	<b>5,466,716</b>	<b>1,438,381</b>	<b>5,927,269</b>	<b>8.42%</b>

# General Fund Revenue

Pages 1 & 2



- 46% from Local Property Taxes
- 40% Intergovernmental Revenue (Shared Revenue)
- 4% License & Permits
- 3% Fines & Fees
- 7% the rest!
- **OVERALL**, this is a significant increase in revenue.

# General Fund Expenditures Summary

	Fiscal Year 2021	Fiscal Year 2022		Fiscal Year 2023	
General Fund	Actual	Budget	YTD Actual	Request	Change (%)
<b>Expenditures by Departments</b>					
Legislative	53,948	49,380	27,658	49,858	0.97%
City Attorney	130,608	136,450	101,534	141,450	3.66%
City Administration	529,283	411,300	414,894	551,162	34.00%
Elections	9,856	26,650	13,635	10,150	-61.91%
City Administrative Services	119,824	212,663	163,467	182,467	-14.20%
Police	2,066,772	2,035,252	1,416,640	2,196,369	7.92%
Fire	343,370	388,681	353,081	391,957	0.84%
Inspection	44,484	49,750	33,211	49,800	0.10%
DPW	2,234,114	2,050,766	1,476,700	2,099,976	2.40%
Parks & Recreation	0	0	0	157,682	0.00%
Senior Center	22,145	21,715	12,045	31,210	43.73%
Cable TV	107,602	77,504	38,260	64,720	-16.49%
<b>Total Departmental Expenditures:</b>	<b>5,662,008</b>	<b>5,460,111</b>	<b>4,051,125</b>	<b>5,926,802</b>	<b>8.55%</b>

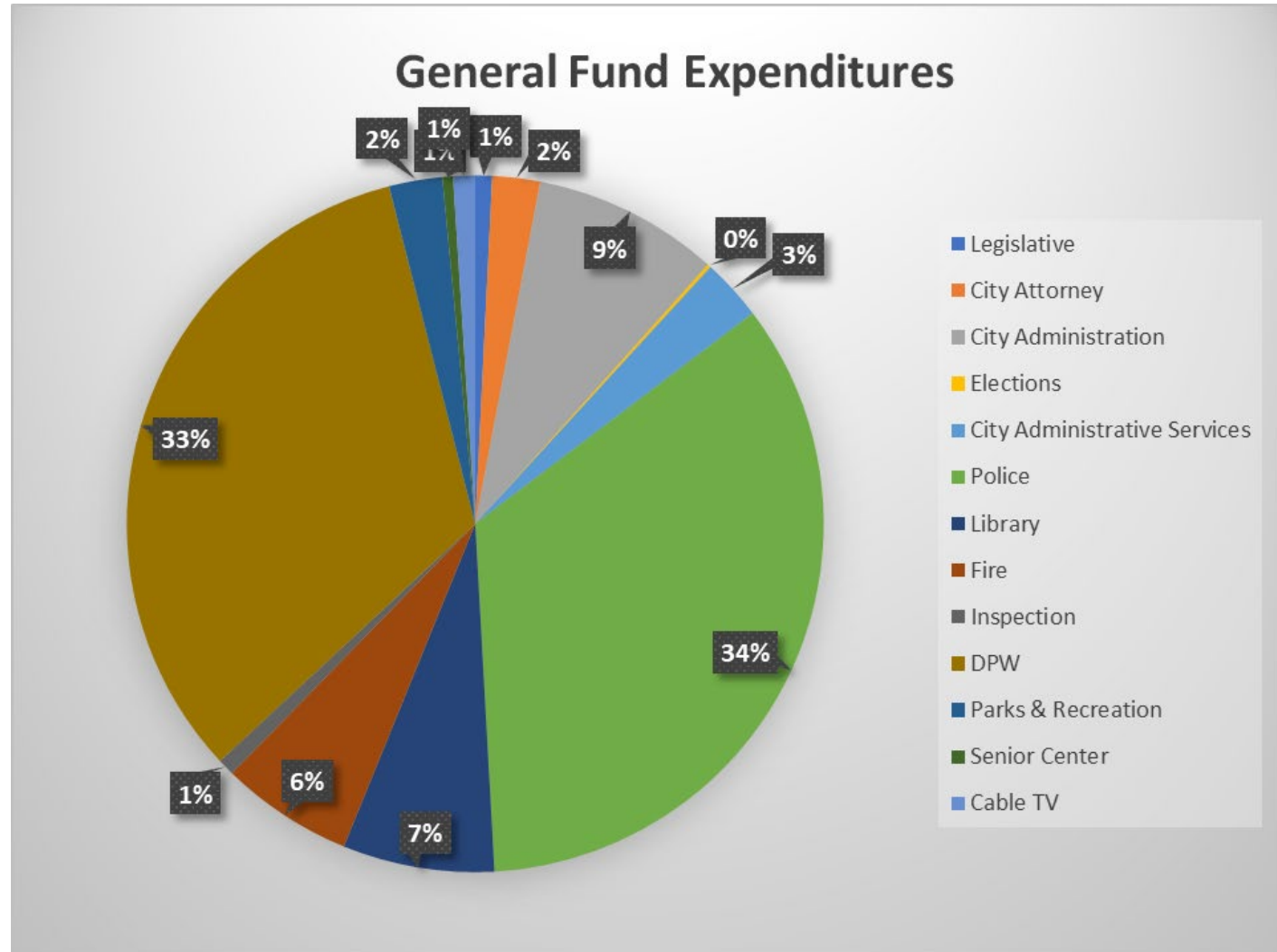
Total 2023 General Fund Expenditures = \$5,926,802

Increase budgeted expenditures of \$466,691 / 8.55% from 2022

Current Expenditure Increase = 7.31% of 8.1% allowable increase (includes library allocation)

# General Fund Expenditures

- 34% Police: \$2,196,369
- 33% DPW: \$2,099,976
- 9% Administration: \$551,162
- 7% Library: \$448,344
- 6% Fire Department: \$391,957
- 3% Parks and Recreation / Senior Center: \$188,892
- 8% the rest!: \$498,445



# Wages and Benefits / Staffing

The 2023 Budget includes the following wage increases:

- 3.0% increase for general employees
- 3.0% increase for represented employees (per Collective Bargaining Agreement)
- Police Chief and Captain, and EMS Chief – Public Safety Salary Adjustment – approx. 5.5% increase

Health Insurance:

- The 2023 Budget includes health insurance premiums based on the State Health Plan
- Employee contribution = State Health Plan will move to a 12% employee / 88% city share. Union Police = \$100 single / \$200 family.

Staffing:

- Addition of Parks and Recreation Director
- Addition of Paramedic Captain

Future Budgets:

- Wages: The City needs to remain competitive with wage rates (wage studies) and needs to establish merit pay or pay for performance program.
- Benefits: State Health Plan provides stability! If we don't get in, additional benefit changes will need to occur.
- Staffing: Addition of 2<sup>nd</sup> Police School Resource Officer and monitor EMS staffing needs.

# Review of General Fund

- Legislative – Page 3
- Attorney – Pages 4 & 5
- Administration – Pages 6-8
- Elections – Pages 9 & 10
- City Administrative Services – Pages 11 & 12

# Review of General Fund

- **Police Department – Pages 13-16**
  - Includes Emergency Management and Animal Control Budget
  - PD Highlights: Squad Lease Payments, Lexipol, County IT Support, Code Enforcement Software, and TASER/Weapon Replacements.
- **Fire Department – Pages 17 & 18**
  - Unknown impact of staffing issues at FD
- **Building Inspection – Page 19**



# Review of General Fund

- Department of Public Works – Pages 20-31
  - Operations
  - Streets: Transportation Planning, State Hwy (W. FDL) Maintenance, FDL County Crack-filling and Paving, Stop Light Grant, Snow Removal, Skidsteer Breaker Attachment, 60” Mower replacement, and F150 Leases
  - Parks Maintenance: Urban Forestry Activities, Playground Maintenance, and additional maintenance activities.
  - Building & Grounds: New City Hall Garage Doors and Tree Planting
  - Waste Management: Fuel and Can Costs and Superfund Site
  - Compost
  - Cemetery: Cemetery Management Program and Tree Removal

# Review of General Fund

- Parks and Recreation – Page 32
  - New department with estimated expenditures
- Senior Center – Page 33
  - Estimated increase for new building
- Cable TV – Page 34 & 35

# EMS Budget

- Page 36-38
- Increase in EMS Revenues
  - Billing and Collections Service
  - Ambulance Contracts (\$50,000)
  - Flat Fee Rate Structure
- EMS Highlights:
  - Addition of FT Paramedic Captain
  - Garage Door Replacements



# Additional Special Revenue Funds

- City Revolving Loan Fund (Pages 39 & 40)
- Taxi Fund (Page 41)
- Community Promotion (Pages 42 & 43)
  - Envision GFDL Funding
  - Community Improvement/Streetscape
  - Hospitality Planning (Hotel Study)
- Recycling Fund (Page 44)
  - Adjust fee to meet expenditure - \$10.50/ quarter to \$12.75/quarter (21% increase)
- Library
  - Tax Allocation frozen at \$448,344
  - Library Request = \$476,382 / \$28,038 (6.25%) Increase
  - Need to review fund balance and health insurance figures to determine allocation.

# Debt Service Fund

page 46

- Full Debt Tax Levy to cover General Obligation Debt
- P&I Payments do not include borrowing for new plow truck, but anticipated decrease in total payments in 2023.
- Future Budgets - The city needs to adjust how we use debt for capital projects. Although within our statutory limit, the perpetual borrowing for roads and smaller capital will make it difficult to address larger projects and priorities. The city needs a longer-term strategy, but for now it is the “stop digging” approach.

# Capital Projects and TID's

- Capital Projects (Pages 48 & 49)
  - Limit Borrowing to \$470,000
  - Revenue from Grants and TID's
- Planned Projects
  - State Street - Road & Bridge
  - Tygert Street Bridge Removal / Trail
  - Murray Park Trails
  - 126 Jefferson Removal
  - New Plow Truck
- TID's (Pages 50-67)
  - Increment figures from DOR
  - Significant Increment Sharing to TID 11 from TID's 5,6, 10 and 14 totaling \$536,063
  - TID 7 is a concern – Extension candidate.
  - Salary Allocation: CA and FM – 5% on TID's 9, 10, 12, & 14.
  - Infrastructure Allocation: \$50K in TID 10, \$125K in TID 12, \$50K in TID 14, and \$10K in TID 15.

And...finally...BID Fund

BID (Page 68)

\$ in, \$ out

# General Budget Summary

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**We owe you utility budgets!**

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## Future Budgets

Public Safety Staffing

Transportation Planning and Funding

Does anything change with shared revenue?

Competitive Wages and Benefits

Questions &  
Comments?

Additions?