



**SPECIAL COMMON COUNCIL AGENDA
TUESDAY, NOVEMBER 11, 2014
4:00 P.M.
COUNCIL CHAMBERS, CITY HALL – 421 MICHIGAN ST
THAD BIRMINGHAM, MAYOR**

1. Pledge of Allegiance.
2. Roll call.
3. Adoption of agenda.
4. Public hearing on tentative FY15 budget as published.
5. Consideration and approval of Resolution for Budget Adoption and Tax Levy.
6. Adjourn.

NOTE: DEVIATION FROM THE AGENDA ORDER SHOWN MAY OCCUR

Posted:

Date: 11. 7. 14

Time: 12:00pm

By: TM



MEMO

To: Mayor & Common Council
From: Steve McNeil, City Administrator
Valerie Clarizio, Finance Director/City Treasurer
Subject: 2015 Budget
Date: November 7, 2014

Please make sure that you have inserted the pink colored budget copies, from the October 20th Common Council budget presentation meeting, into your budget binders. Be sure to bring them with you to the Special Common Council meeting scheduled for 4:00 p.m. on November 11, 2014, at which time the public hearing on the 2015 budget will be held.

Budget Tax Summary Update

The City has not yet received the Notice of State School Levy Tax Credit and Estimated Major State Aids for 2015, or the Tax Increment Calculation worksheet from the state; therefore, the final tax rate calculations are not included in the budget documents. The budget tax summary sheets will be updated and distributed upon receipt of the aforementioned notices and information.

Shared Revenue Update

The City has received the final Expenditure Restraint Program (ERP) information for 2014. Per the State of Wisconsin, Department of Revenue, the City is allowed to increase its 2015 general fund budget by no more than 2.1% over the 2014 general fund budget in order to qualify for the ERP payment.

The proposed 2015 budget shows a 2.11% increase. In order to protect the City's expenditure base/capacity in future years it is recommended, as has been done in the past, that the Council comply with the state mandated 2.1%. Adjusting the general fund contingency line item by (\$21,680) will accomplish this task without impacting the tax levy. This motion should be made following the public hearing and prior to adopting the budget resolution.

Motion to reduce the General Fund Contingency line item by \$21,680, and offset the decrease to contingency by reducing the appropriated general fund balance by \$21,680.

TID Update

As you may remember from the October 20, 2014 meeting of the Common Council, the City did not yet have all of the information needed to calculate the TID tax increment numbers; therefore, estimates were inserted into the budget document at that time in order to proceed with the public hearing on the 2015 budget. As of today, the Tax Increment worksheet provided by the State of Wisconsin is still unavailable, as is the County of Door's levy. However, enough information has been provided to the City for staff to calculate a more accurate estimate than what was previously provided to you in the budget hearing document.

	Previous Tax Increment <u>Estimate</u>	Revised Estimate	Difference
TID #1	\$ 557,382.81	\$537,453.73	(\$19,929.08)
TID #2 Original Area	\$ 966,851.15	\$927,287.81	(\$39,563.34)
TID #2 Amended Area	\$ 206,450.00	\$204,062.26	(\$2,387.74)
TID #3	\$ 18,413.25	\$ 17,754.89	(\$658.36)

	Previous Transfer <u>Estimate</u>	Revised Estimate	Difference
TID #1 to TID #2	\$413,319.81	\$393,390.73	(\$19,929.08)
TID #1 to TID #3	\$144,063.00	\$144,063.00	\$ 0.00

After the public hearing, and prior to adopting the budget resolution, it would be appropriate for the Council to make a motion to insert the aforementioned tax increment and transfers into the 2015 budget.

Motion to update the TID #1, TID #2, TID #3 2015 budgeted tax increment numbers and transfers as per the Finance Director's memo dated November 7, 2014.

Budget and Levy Adoption Resolution

Attached to the Common Council packet is a proposed resolution for budget adoption and tax levy showing a levy in the amount of \$6,090,921.00. Once your budget is in place it would be appropriate to present the resolution.

Read resolution.

Motion to adopt the resolution for Budget Adoption and Tax levy.

RESOLUTION FOR BUDGET ADOPTION AND TAX LEVY

WHEREAS, the Common Council is appropriating the necessary funds for the operation of the government of the City of Sturgeon Bay for the year 2015, and;

WHEREAS, the Common Council is adopting the 2015 Budget.

NOW THEREFORE, BE IT RESOLVED, there is hereby levied a tax of \$6,090,921.00 on all taxable property within the City of Sturgeon Bay.

* * * *

Read by _____.

Moved by Alderperson _____, and seconded by Alderperson _____ that said resolution be adopted.

Passed by the Council on the _____ day of _____, 2014.