



**SPECIAL COMMON COUNCIL AGENDA
TUESDAY, NOVEMBER 8, 2016
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 FY2017 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: 11.4.16

Time: 12:00pm

By: wm



MEMO

To: Mayor & Common Council
 From: Joshua J. Van Lieshout, City Administrator *JLV*
 Valerie Clarizio, Finance Director/City Treasurer *VC*
 Subject: 2017 Budget
 Date: November 2, 2016

Please make sure that you have inserted the budget copies, from the October 17th 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 8, 2016, at which time the public hearing on the 2017 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 2017, 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 2016. Per the State of Wisconsin, Department of Revenue, the City is allowed to increase its 2017 general fund budget by no more than 1.7% over the 2016 general fund budget in order to qualify for the ERP payment.

The proposed 2017 budget shows a 1.78% decrease. 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 1.7%. Adjusting the general fund contingency line item by 350,000 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 increase the General Fund Contingency line item by \$350,000 and offset the increase to contingency by increasing the appropriated general fund balance by \$350,000.

TID Update

As you may remember from the October 17, 2016 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 2017 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 <u>Estimate</u>	<u>Difference</u>
TID #1	\$ 637,257.71	\$704,943.55	\$ 67,685.84
TID #2 Original Area	\$1,036,558.51	\$982,364.95	(\$54,193.56)
TID #2 Amended Area	\$ 206,855.00	\$207,340.00	\$ 485.00
TID #3	\$ 25,493.68	\$ 35,228.95	\$ 9,735.27

	Previous Transfer <u>Estimate</u>	Revised <u>Estimate</u>	<u>Difference</u>
TID #1 to TID #2	\$423,179.71	\$490,865.55	\$67,685.84
TID #1 to TID #3	\$214,078.00	\$214,078.00	\$ 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 2017 budget.

Motion to update the TID #1, TID #2, TID #3 2017 budgeted tax increment numbers and transfers as per the Finance Director's memo dated November 2, 2016.

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 \$6,512,798.00. 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.

CITY OF STURGEON BAY
2017 BUDGET SUMMARY

The City of Sturgeon Bay's detail budget is available for public inspection at the City Hall, 421 Michigan Street from 8:00 a.m. - 4:30 p.m., Monday - Friday.

The public hearing on the 2017 budget will be held at 4:00 p.m., or shortly thereafter, November 8, 2016 at City Hall, 421 Michigan Street.

The following is the general fund proposed budget for 2017.

2017 PROPOSED BUDGET

	2016 Budget	2016 Actual	2017 Proposed	Percentage Change Increase (Decrease)
REVENUES:				
Local Property Taxes	5,427,155.00	5,427,155.00	5,973,718.00	
Taxes (Other than property)	1,127,950.00	1,089,225.00	1,103,720.00	
Special Assessments	0.00	0.00	0.00	
Intergovernmental Revenues	1,468,545.00	1,469,120.00	1,469,450.00	
Licenses & Permits	124,565.00	158,875.00	137,250.00	
Fines, Forfeits & Penalties	50,000.00	41,645.00	42,000.00	
Public Charges for Service	166,450.00	177,937.00	171,130.00	
Intergovernmental Charges	463,015.00	463,020.00	460,640.00	
Commercial Revenue	103,220.00	113,395.00	115,050.00	
Miscellaneous Revenue	420,630.00	498,520.00	508,615.00	
Revenue Applied to Reserves	0.00	0.00	0.00	
Revenue Apportioned to Other Funds	0.00	0.00	0.00	
Other Financing Sources/Uses	0.00	0.00	0.00	
Loan Proceeds	0.00	0.00	0.00	
Appropriated Balances	1,824,515.00	1,824,515.00	1,411,042.00	1.94%
Total Revenues	11,176,055.00	11,273,407.00	11,392,615.00	

EXPENDITURES:

General Government	3,353,580.00	3,270,930.00	3,281,985.00	
Public Safety	4,403,240.00	4,417,175.00	4,502,270.00	
Health & Human Services	162,370.00	140,180.00	163,995.00	
Public Works	1,241,745.00	1,187,775.00	1,170,385.00	
Recreation	755,950.00	724,715.00	897,585.00	
Conservation & Development	355,600.00	346,975.00	356,135.00	
Other Financing Uses	101,515.00	100,395.00	106,250.00	
Debt Service	796,055.00	795,300.00	914,110.00	
Total Expenditures	11,176,055.00	10,993,445.00	11,392,615.00	1.94%

Excess (deficiency) of revenues over expenditures

0.00 279,962.00 0.00

FUND BALANCE 4,942,465.42 4,079,992.42 3,799,430.42

Following are the proposed budgets for all funds of the City for 2017.

2017 PROPOSED BUDGET
ALL FUNDS OF THE CITY

	GENERAL FUND	CAPITAL PROJECTS FUND	TAX INCREMENTAL			TAX INCREMENTAL			REVOLVING LOAN FUND	CABLE TV FUND	SOLID WASTE ENTERPRISE FUND	UTILITIES	TOTAL
			TAX INCREMENTAL #1	TAX INCREMENTAL #2	TAX INCREMENTAL #3	TAX INCREMENTAL #4	TAX INCREMENTAL #5	TAX INCREMENTAL #6					
Total Revenues	11,392,615.00	2,705,695.00	664,557.71	1,680,793.22	298,616.68	5,537,010.00	6,508,160.97	11,800.00	139,500.00	515,750.00	21,799,033.00	44,867,400.81	
Total Expenditures	11,392,615.00	2,705,695.00	637,257.71	1,004,268.47	242,783.16	6,508,160.97	(1,069,160.97)	112,120.00	312,300.00	510,200.00	21,760,679.00	45,183,759.31	
Excess (deficit)	0.00	0.00	27,300.00	686,434.75	55,833.52	(1,069,160.97)	1,722,515.25	588,040.44	(72,800.00)	5,550.00	38,354.00	(316,358.70)	
Balance - January 1, 2017	4,079,992.42	1,935,898.45	221,680.28	616,132.64	747,420.29	1,722,515.25	603,253.61	536,040.44	379,418.62	92,877.24	6,937,181.00	17,270,506.63	
Balance - December 31, 2017	3,799,430.42	1,654,523.45	249,980.28	1,304,567.39	803,253.61	655,364.26	555,364.26	648,160.44	206,618.62	98,427.24	6,975,545.00	16,954,147.93	
Property Tax Contribution	5,973,718.00	539,080.00	637,257.71	1,243,413.51	25,493.88	0.00	0.00	0.00	0.00	0.00	842,913.00	0.00	

Dated this 18th day of October, 2016

Stephanie L. Reinhardt, City Clerk

Publication Date: October 22, 2016

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 2017, and;

WHEREAS, the Common Council is adopting the 2017 Budget.

NOW THEREFORE, BE IT RESOLVED, there is hereby levied a tax of \$6,512,798 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 _____, 2016.