



2023 Budget Briefing



November 1, 2022

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2022-2023 Budget Overview

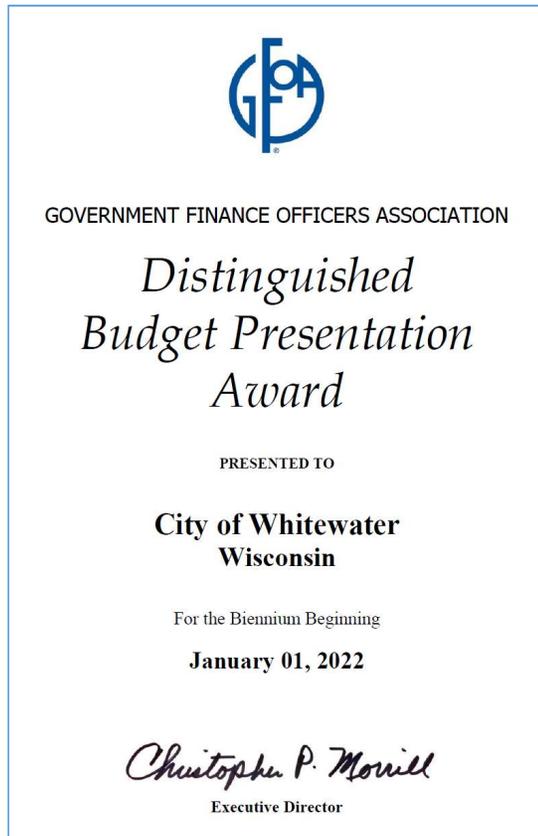


2023 Budget Briefing

Budget Review Process

- 11/16/21: Original 2022-2023 Biennial Budget Adopted
- 10/4/22: 2023 City Manager's Recommended Budget
- 10/6/22: Finance Committee Review
- 10/11/22: Finance Committee Review
- 10/13/22: Finance Committee Review
- **11/1/22: Formal Presentation to Common Council**
- 11/15/22: Public Hearing and Adoption

2023 Budget Briefing



- Award Recognizes Budget as:
 - Policy Document
 - Financial Plan
 - Operations Guide
 - Communication Device
- Five-time Award Recipient:
 - 2018 Budget
 - 2019 Budget
 - 2020 Budget
 - 2021 Budget
 - 2022-2023 Budget

Budget = Resource Management Tool



Policy

Operations



Performance

Strategy



2023 Budget Briefing

2022 Tax Bill Breakdown (Referendum Passes)



=

State of Wisconsin (0%)
Walworth / Jefferson County (15%)
Technical College (4%)
Whitwater Unified School District (47%)
City of Whitewater (34%)



(Property Tax Bill 2022-2023)



2023 Budget Briefing

Guiding Principles & Goals

- Deliver Balanced Budget in TWO versions:
 1. Fire/EMS Referendum Passes
 2. Fire/EMS Referendum does not pass
- Deliver wage treatment given inflationary environment
- Fund Balance: Maintain a fund balance equal to or greater than 20% of the General Fund operating budget



2023 Budget Briefing

- General Fund Budget - Notable Items / Referendum Passes:
 - Fire/EMS \$1.1 million Referendum:
 - Closes City share of funding gap sustainably
 - Maintains EMS onsite staffing - up to 17 FTE
 - Fully funds equipment replacement without debt
 - Inflation - August CPI-U at 8.3%
 - 4.0% Wage Allowance to recruit/retain staff
 - Solid Waste/Recycling fee increase
 - Park and Recreation Program overhead moved to Fund 248
 - Street light changes to reduce electricity spend



2023 Budget Briefing

- General Fund Budget - Notable Items / Referendum Fails
 - Fire/EMS:
 - Does not resolve funding gap sustainably
 - Reduces Fire/EMS onsite staffing to one ambulance 24/7
 - Equipment replacement excluded – requires debt funding
 - Inflation - August CPI-U at 8.3%
 - 4.0% Wage Allowance to recruit/retain staff
 - Solid Waste/Recycling
 - \$28K Fee increase
 - Removed from General Fund - Billed directly to residents (~\$15.15 per month)
 - Fund transfer from Fund 210 to fill Patrol Officer vacancy
 - Deferral of transfers to Street Repair, Equipment Replacement
 - Park and Recreation Program overhead moved to Fund 248
 - Street light changes to reduce electricity spend



2023 Budget Briefing

Initiatives identified and included within proposed budget amendments

Referendum Passes	Referendum Fails
1. \$1.1MM Levy for fully funded Fire/EMS (1,100K)	1. Reduce Fire/EMS to minimum service (431K)
a. Up to 17 FTE EMTs on premises response	a. Reduce staffing to 1 Vehicle 24/7
b. \$385K annual Fire/EMS Capital replacement provision	b. Eliminate \$385K Fire/EMS Capital funding
2. 4% Wage Treatment for all staff (121K)	2. 4% Wage Treatment for all staff (121K)
3. Update budget for Military Leave (58K)	3. Update budget for Military Leave (58K)
4. Waste/Recycling Fee Increase (28K)	4. Moved Waste/Recycling to Fee for Service (449K)
5. Rely on CDA fund balance, minimize GF Transfer (43K)	5. Rely on CDA fund balance, minimize GF Transfer (43K)
6. Reestablish parking enforcement discipline, increased fines (50K)	6. Reestablish parking enforcement discipline, increased fines (50K)
7. Reduce Downtown Whitewater Grant (2K)	7. Reduce Downtown Whitewater Grant (2K)
8. Reduced Transfer to Street Repair Fund (26K)	8. Reduced Transfer to Street Repair Fund (37K)
9. Eliminate Flower Baskets (16K)	9. Eliminate Flower Baskets (16K)
10. Reduce Street Light Electric Consumption (50K)	10. Reduce Street Light Electric Consumption (50K)
	11. Reduced Transfer to DPW Equipment Fund (85K)
	12. Funds Patrol Vacancy with reserve transfer (125K)
	13. Reduce Transfer to 27th Payroll Fund (8K)



2023 Budget Briefing

Initiatives identified and NOT included within proposed budget amendments

1. Billing for Fire/EMS/Tech Rescue (10K)
2. LEA ARPA Grand – Fuel Use (25K)
3. Freeze IT Vacancy (75K)
4. Freeze Finance Vacancy (75K)
5. Transfers: WAFC (178K)
6. Wastewater PILOT Payment (350K)
7. Permit Fees (4K)
8. Open Record Request Charge (1K)
9. Reduce Staffing (TBD)
10. PB Testing (0.5K)



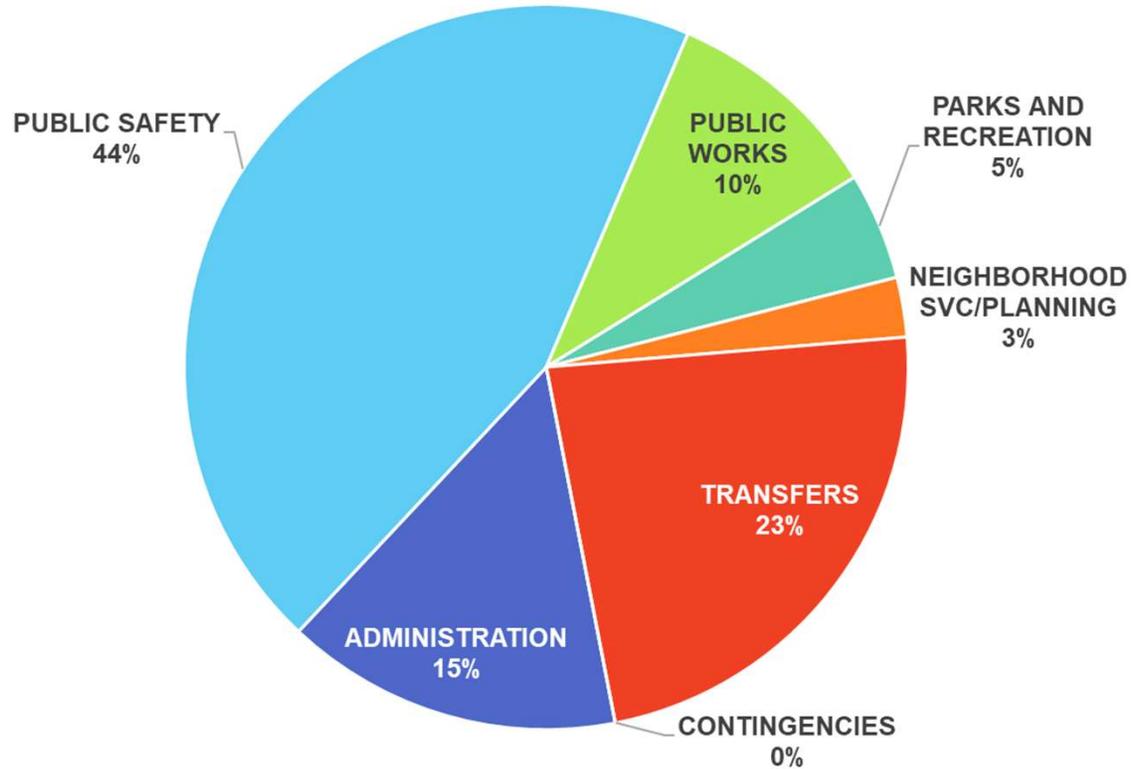
2023 Budget Briefing

General Fund Budget	Operatons	Fire/EMS	Debt Service	Total
2021	8,512,328	182,529	946,352	9,641,209
\$ Chg v. Prior Yr	(287,777)	(7,471)	53,914	(241,334)
% Chg v. Prior Yr	(3.3%)	(3.9%)	6.0%	(2.4%)
2022	8,792,334	182,529	1,045,965	10,020,828
\$ Chg v. Prior Yr	280,006	-	99,613	379,619
% Chg v. Prior Yr	3.3%	-	10.5%	3.9%
2023A	8,995,258	1,258,615	1,257,105	11,510,978
\$ Chg v. Prior Yr	202,924	1,076,086	211,140	1,490,150
% Chg v. Prior Yr	2.3%	589.5%	20.2%	14.9%
2023B	8,400,924	601,000	1,257,105	10,259,029
\$ Chg v. Prior Yr	(391,410)	418,471	211,140	238,201
% Chg v. Prior Yr	(4.5%)	229.3%	20.2%	2.4%



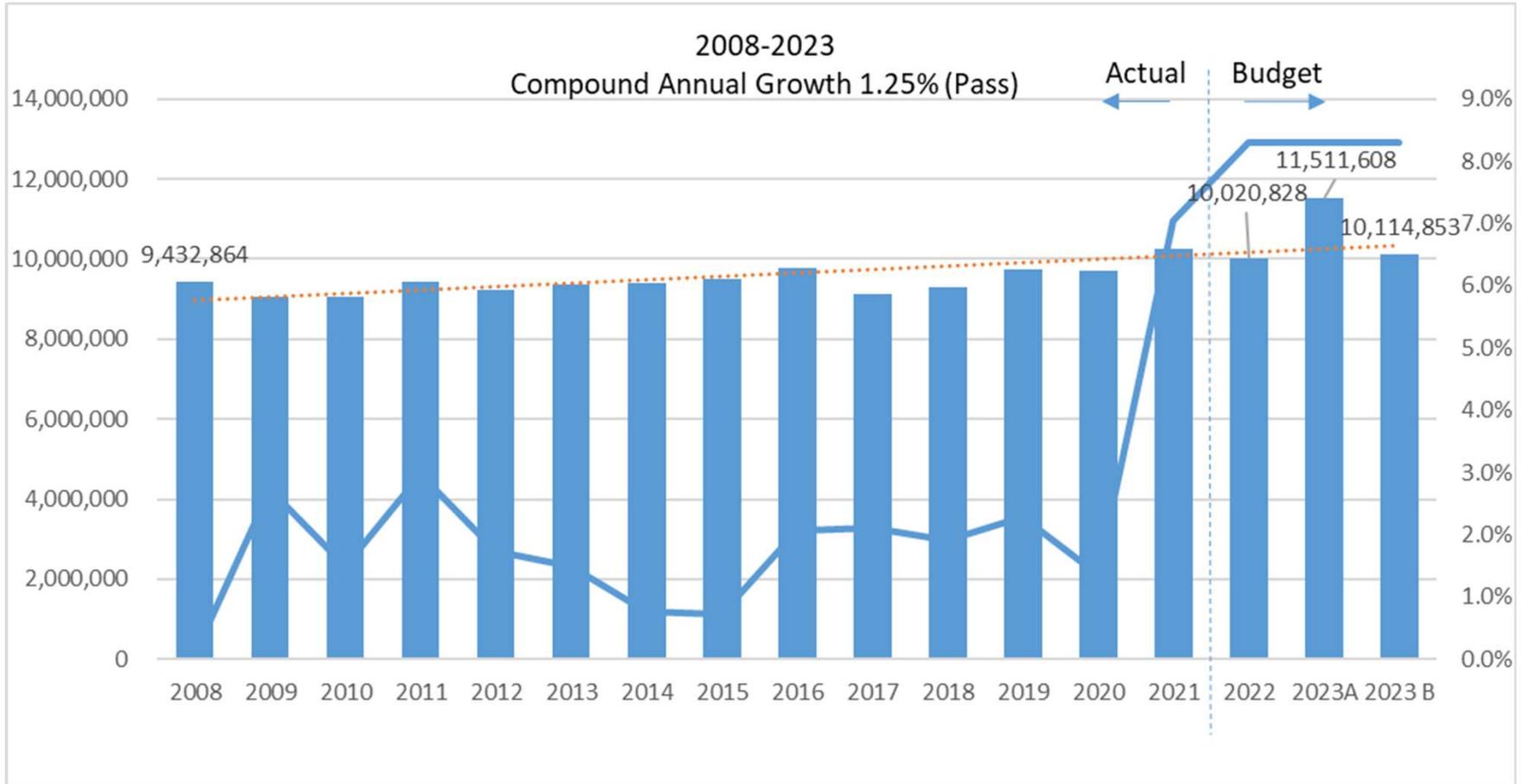
2023 Budget Briefing

2023 General Fund Budget Expenditures (Referendum Passes)

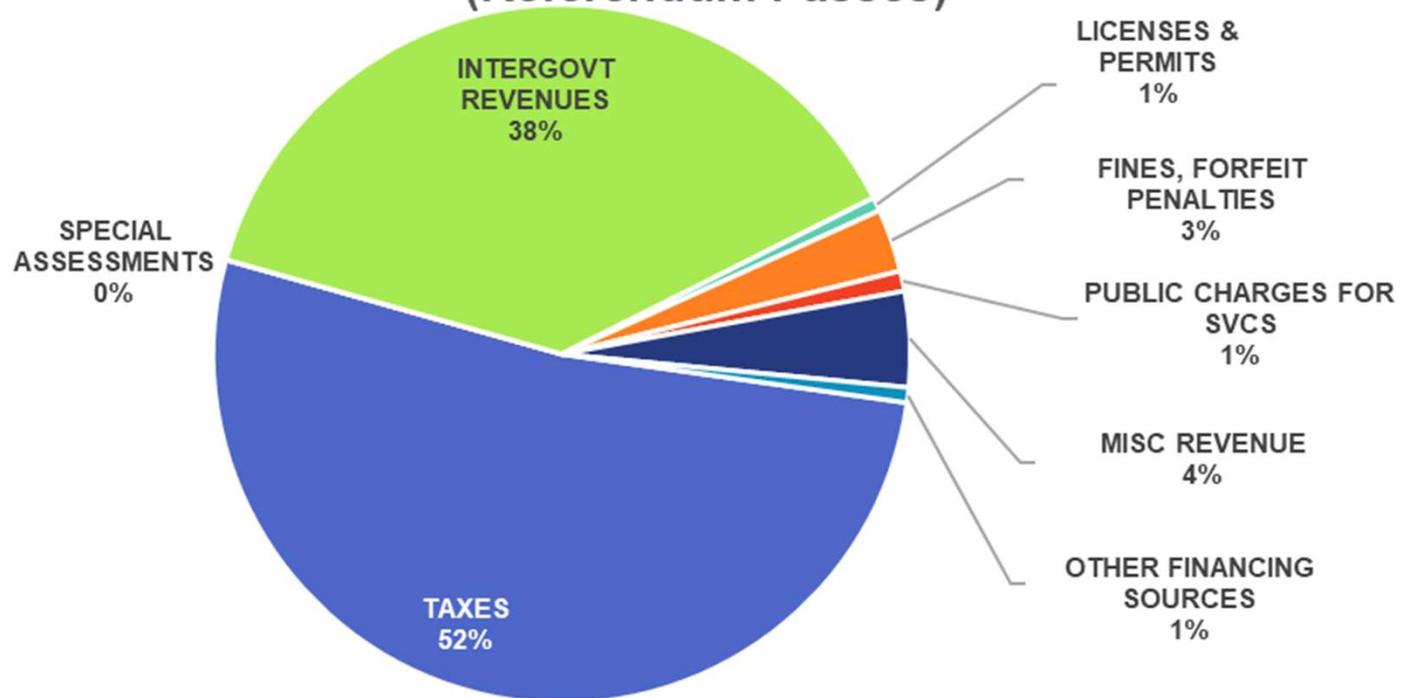




General Fund Expenditures



2023 General Fund Budget Revenues (Referendum Passes)





City Property Tax Levy

CITY Levy – Referendum PASSES

Referendum Passes	2021	2022	YOY Chg
Operations Levy	2,972,441	3,241,133	268,692
Debt Service Levy	1,045,965	1,257,105	211,140
Fire/EMS Levy	182,529	1,258,615	1,076,086
TID Levy	577,676	38,527	(539,149)
	<u>4,778,611</u>	<u>5,795,380</u>	<u>1,016,769</u>
Assessed Value	750,563,583	826,163,828	75,600,245
	6.37	7.01	0.65

Blended Walworth/Jefferson County illustration



2023 Budget Briefing

TOTAL Levy – Referendum PASSES

	2021 Levy 2022 Budget		2022 Levy 2023 Budget		Change from 2021 to 2022 Levy			
	Jurisdiction Levy	Mill Rate Billed	Jurisdiction Levy	Mill Rate Billed	Jurisdiction Levy	Jurisdiction Mill Rate	TID Impact	Mill Rate Billed
State	-	-	-	-	-			
County	2,391,227	3.64	2,547,180	3.11	155,953	(0.10)	(0.43)	(0.53)
Technical College	514,651	0.78	554,174	0.68	39,524	(0.01)	(0.09)	(0.11)
School	7,758,451	11.76	7,494,221	9.13	(264,230)	(1.27)	(1.36)	(2.63)
City	4,200,935	6.37	5,756,853	7.01	1,555,918	1.37	(0.72)	0.65
TIF	2,058,640	-	111,335	-	(1,947,305)	(2.61)	2.61	-
Total Levy	16,923,904	22.55	16,463,764	19.93	(460,140)	(2.62)	-	(2.62)
Assessed Value	750,563,583		826,163,828		75,600,245			

Blended Walworth/Jefferson County illustration



2023 Budget Briefing

Total Levy – Referendum **DOES NOT PASS**

	20/21	21/22	YOY Chg \$	20/21	21/22	YOY Chg \$
State	-	-	-	-	-	-
County	2,732,620	2,565,904	(166,716)	3.64	3.11	(0.53)
Technical College	587,346	558,105	(29,241)	0.78	0.68	(0.11)
School	8,825,326	7,544,375	(1,280,952)	11.76	9.13	(2.63)
City	4,778,611	4,389,278	(389,333)	6.37	5.31	(1.05)
Total	16,923,904	15,057,661	(1,866,242)	22.55	18.23	(4.32)
Assessed Value	750,563,583	826,163,828	75,600,245			

Blended Walworth/Jefferson County illustration



Tax Bill Illustration: Average Home

No Change in Assessed Value 2021-2022
Referendum PASSES

Mill Rates	Actual	Estimated	
	2021	2022 (Pass)	Change
Walworth County			
State	-	-	-
County	3.56	3.03	(0.54)
Technical College	0.77	0.67	(0.10)
School	11.75	9.15	(2.60)
City	6.36	7.03	0.67
Total Mill Rate	22.44	19.87	(2.57)
Assessed Value	200,000	200,000	
Total Tax Bill	4,488.09	3,973.41	(514.69)

	2021	2022 (Pass)	
Jefferson County			
State	-	-	-
County	4.19	3.64	(0.55)
Technical College	0.87	0.74	(0.12)
School	11.84	9.03	(2.81)
City	6.41	6.93	0.52
Total Mill Rate	23.31	20.35	(2.97)
Assessed Value	200,000	200,000	
Total Tax Bill	4,662.22	4,069.13	(593.10)

Average Change in Residential
Assessed Value 2021-2022
Referendum PASSES

Mill Rates	Actual	Estimated	
	2021	2022 (Pass)	Change
Walworth County			
State	-	-	-
County	3.56	3.03	(0.54)
Technical College	0.77	0.67	(0.10)
School	11.75	9.15	(2.60)
City	6.36	7.03	0.67
Total Mill Rate	22.44	19.87	(2.57)
Assessed Value	200,000	215,584	7.8%
Total Tax Bill	4,488.09	4,283.01	(205.08)

	2021	2022 (Pass)	
Jefferson County			
State	-	-	-
County	4.19	3.64	(0.55)
Technical College	0.87	0.74	(0.12)
School	11.84	9.03	(2.81)
City	6.41	6.93	0.52
Total Mill Rate	23.31	20.35	(2.97)
Assessed Value	200,000	226,958	13.5%
Total Tax Bill	4,662.22	4,617.61	(44.61)



Tax Bill Illustration: Actual Homes

Walworth County	Actual	Estimated		Jefferson County	Actual	Estimated	
/WUP 00046	2021	2022 (Pass)		292-0515-3141-048	2021	2022 (Pass)	
State	-	-		State	-	-	
County	3.56	3.03		County	4.19	3.64	
Technical College	0.77	0.67		Technical College	0.87	0.74	
School	11.75	9.15		School	11.84	9.03	
City	6.36	7.03		City	6.41	6.93	
Total Mill Rate	<u>22.44</u>	<u>19.87</u>	(2.57)	Total Mill Rate	<u>23.31</u>	<u>20.35</u>	(2.97)
Assessed Value	<u>197,900</u>	<u>212,900</u>	7.58%	Assessed Value	<u>300,400</u>	<u>331,100</u>	10.22%
Total Tax Bill	<u>4,440.97</u>	<u>4,229.69</u>		Total Tax Bill	<u>7,002.66</u>	<u>6,736.44</u>	
		(211.28)				(266.22)	



2022-2023 Budget Review

- October 4, 2022 Proposed 2023 Amendment published
- Finance Committee Review on October 6th, 11th, and 13th
- Several items for 2023 budget updated since Oct. 4th:
 - Both 2023A (Referendum Pass) and 2023B (Referendum Fail):
 - General Transportation Aids – Original state estimate received -\$7K
 - Health Insurance –actual premiums, provider / election chgs -\$6K
 - Translation Service / Software – not included in original budgets +\$9K
 - Sick Leave Severance Increased to \$140K
 - Interest, Street Repair, Building Repair Fund transfers adjusted to balance
 - 2023B (Referendum Fail) Only
 - Patrol vacancy reinstated by one-time transfer from Fund 210 reserves (\$125K)



2022-2023 Budget Review

Fund Budgets changing > \$1,000 vs. 10/4/22 proposal

Referendum Pass	2023 Orig	2023A 10/4	2023A 11/1	Chg v 10/4
100 General Fund	40,417,100	11,511,609	11,510,978	(631)
260 Sick Leave Severance	128,209	128,209	140,000	11,791
610 Water	2,891,022	2,929,046	2,927,442	(1,604)
620 Wastewater	4,939,945	4,462,366	4,465,858	3,492

Referendum Fail	2023 Orig	2023A 10/4	2023A 11/1	Chg v 10/4
100 General Fund	40,417,100	10,114,853	10,259,029	144,176
210 FD Equipment	1,400,000	1,400,000	1,525,203	125,203
260 Sick Leave Severance	128,209	128,209	140,000	11,791
610 Water	2,891,022	2,929,046	2,927,442	(1,604)
620 Wastewater	4,939,945	4,462,366	4,465,858	3,492



2022-2023 Budget Review

Estimated 2022 General Fund surplus – sinking fund transfers

Potential Transfers of 2022 Surplus	▼ TARGET ▼	Current GF Txfr		Proposed 2022 Txfr	
		2023A ▼	2023E ▼	2023A ▼	2023B ▼
260 - Sick Leave Severance Fund	55,000	55,000	48,689	18,888	31,510
271 - Self-Insured Retention Fund	25,000	-	-	25,000	25,000
900 - Economic Dvlpt Fund	-	32,500	32,500 ▲	550	550
215 - DPW Equipment Fund	85,000	85,000	-	-	85,000
216 - PD Vehicle Fund	60,000	38,270	24,347	21,730	35,653
217 - Bulding Repair Fund	25,000	15,000	10,515	10,000	14,485
280 - Street Maintenance Fund	185,000	8,035	-	176,965	185,000
214 - Elections Fund	25,000	25,000	25,000	12,199	12,199
235 - Shared Ride Transit Fund	25,000	-	-	25,000	25,000
220 - Library Fund	485,000	470,000	470,000	15,000	15,000
450 - Projects Fund	50,000	-	- ▲	46,360 ▼	
	<u>1,512,000</u>	<u>1,418,180</u>	<u>823,845</u>	<u>352,113</u>	<u>429,398</u>

- 2023A and 2023B Budgets are balanced
- Both do not accommodate full transfers needed for Special Revenue and Sinking Funds
- Projected 2022 Surplus will pre-fund undersized 2023 transfers through a Budget Amendment
- 2023 transfer estimates will be updated in December 2022 as an amendment prior fiscal 2022 close.



2023 Budget Briefing

Budget Review Process

- October 4: City Manager Budget Delivery
- October 6: Finance Committee Review
- October 11: Finance Committee Review
- October 13: Finance Committee Review
- **November 1: Formal Presentation to Common Council**
- November 15: Public Hearing and Adoption

Investing in our Future

- Fire/EMS Service – Referendum to fund onsite staffing
- Lower tax bills due to:
 - TID Closure
 - Growing Tax Base
- Water Tower
- Lift Station
- E Main St / Yoder Land Reconstruction





Thank you

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