

2021 Budget Briefing



November 17, 2020

Budget Review Process

- October 6: Budget Delivery to Common Council
- October 8: Finance Committee Review
- October 13: Finance Committee Review
- October 14: Finance Committee Review
- November 5: Formal Presentation to Common Council
- November 17: Public Hearing and Adoption



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

City of Whitewater

Wisconsin

For the Fiscal Year Beginning

January 1, 2020



Executive Director

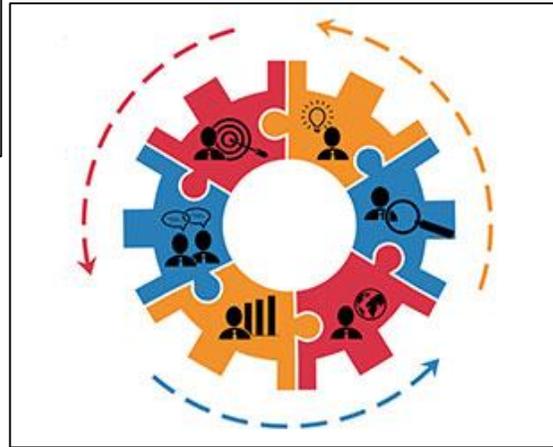
- Award Recognizes Budget as:
 - Policy Document
 - Financial Plan
 - Operations Guide
 - Communication Device
- Third-time Award:
 - 2018 Budget
 - 2019 Budget
 - 2020 Budget

Budget = Resource Management Tool



Policy

Operations



Performance

Strategy





Tax Bill Breakdown



=

State of Wisconsin (0%)
Walworth / Jefferson County (16%)
Technical College (4%)
Whitewater Unified School District (51%)
City of Whitewater (29%)



(Property Tax Bill 2020-2021, preliminary)

Guiding Principles & Goals

- Debt Management: Limit annual capital financing to an amount less than or equal to the value of debt principal retirement.
- Fund Balance: Maintain a fund balance equal to or greater than 20% of the GF operating budget. (Achieved in 2019)
- Contingency: Normally, set aside 1% of the GF operating budget each year for contingencies. Excluded from 2021 as we are at our target Fund Balance
- Fund Balances: Reclaim and redeploy in excess of target

A Balanced 2021 Budget

- Revenues = Expenditures
- Proposed 2021 General Fund budget is **\$9,641,209**
 - Decrease of **\$241,334** or **2.4%**



General Fund Budget: Breakout of increases vs. 2020

	2021 Budget	\$ Chg vs. 2020 Budget	% Chg vs. 2020 Budget
Public Safety	\$3,895,603	\$ 125,817	3.3%
Transfers	\$2,046,178	\$ (222,004)	(9.8%)
Administration	\$1,531,985	\$ (6,393)	(0.4%)
Public Works	\$1,089,725	\$ 77,018	7.6%
Parks / Recreation	\$ 739,409	\$ (15,087)	(2.0%)
Nghbhd Svcs/Planning	\$ 338,309	\$ 31,906	10.4%
Contingencies	-	\$ (232,591)	(100.0%)
	\$9,641,209	\$ (241,334)	(2.4%)

City Levy Impact

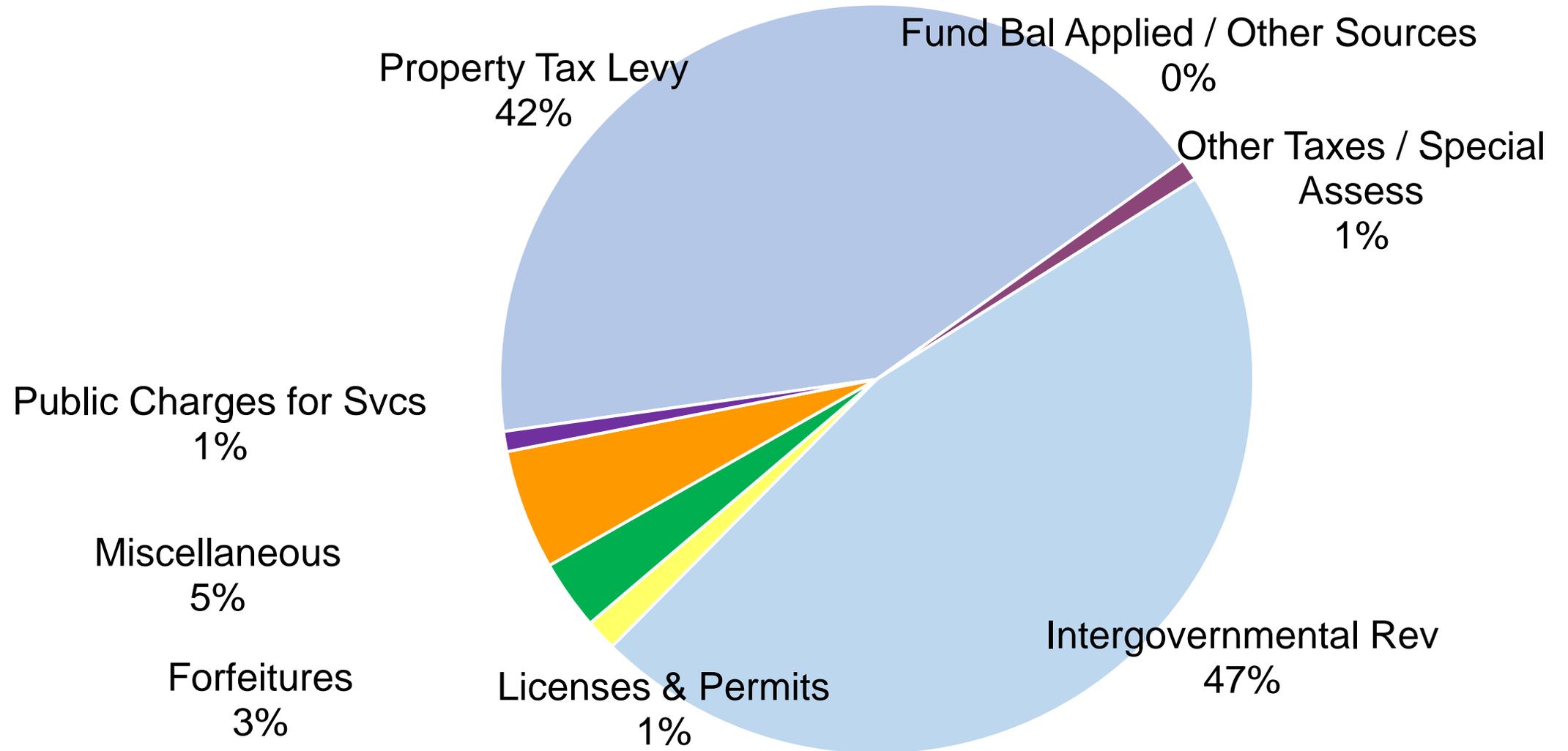
Walworth County

Home Value	2020 City Property Tax	2021 City Property Tax	Change
Mill Rate (\$ / \$1,000)	\$ 6.69	\$ 6.57	(\$ 0.12)
\$ 150,000	\$ 1,002.76	\$ 985.18	(\$ 17.57)
\$ 250,000	\$ 1,671.26	\$ 1,641.97	(\$ 29.29)
\$ 350,000	\$ 2,339.77	\$ 2,298.76	(\$ 41.00)

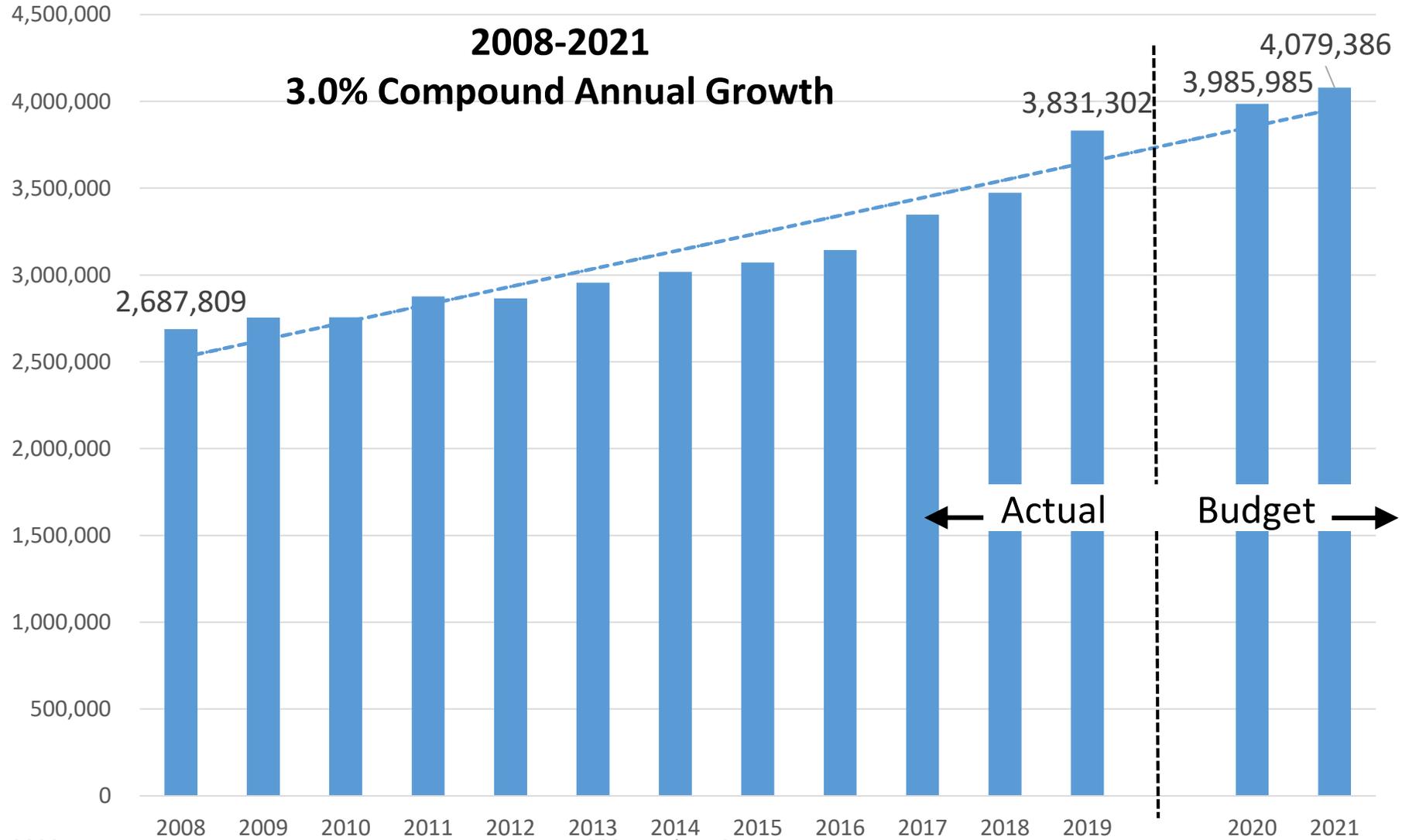
Jefferson County

Home Value	2020 City Property Tax	2021 City Property Tax	Change
Mill Rate (\$ / \$1,000)	\$ 6.66	\$ 6.55	(\$ 0.11)
\$ 150,000	\$ 999.15	\$ 982.15	(\$ 17.00)
\$ 250,000	\$ 1,665.25	\$ 1,636.92	(\$ 28.33)
\$ 350,000	\$ 2,331.35	\$ 2,291.69	(\$ 39.66)

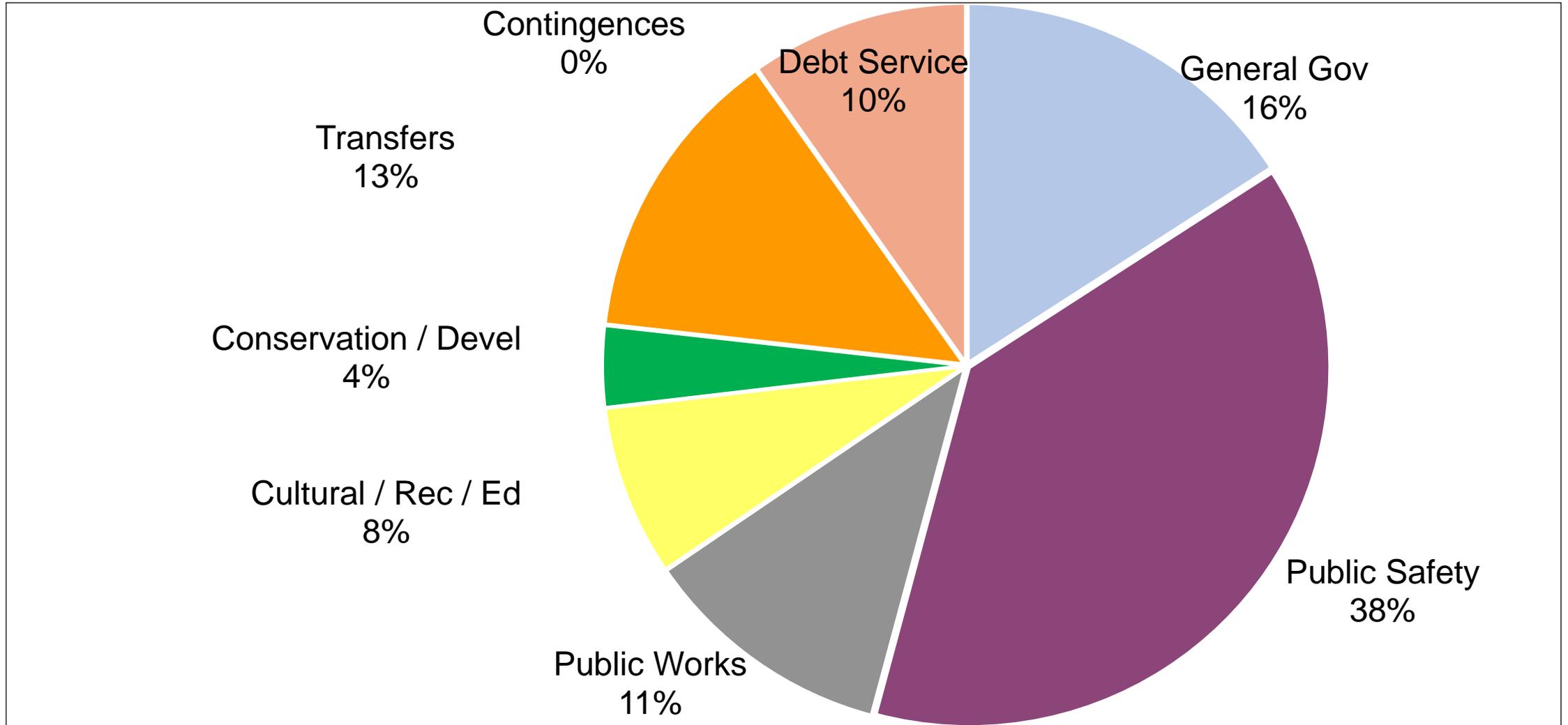
2021 General Fund Revenues



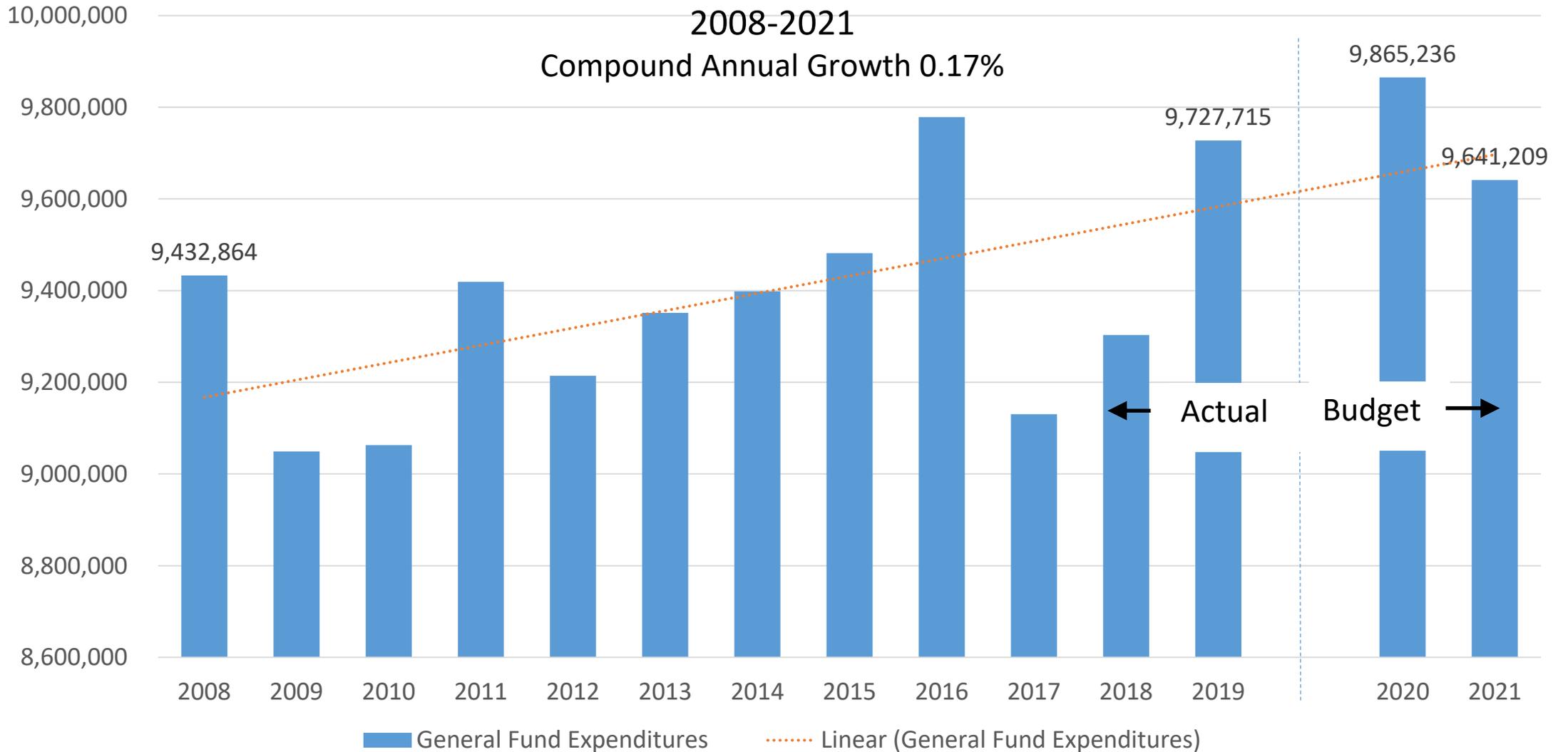
Tax Levy (including Debt Service)



2021 General Fund Expenditures



General Fund Expenditures



Total Budget: Notable Items vs. 2020

FUND / GROUP NAME	Fund	2019	2020	2021	2021 vs.2020 Budget		Primary Driver
		Budget	Budget	Budget	\$	%	
CDA PROGRAMS FUND	910	-	-	909,068	909,068	-	CDBG Close
STORMWATER UTILITY FUND	630	686,245	1,110,957	1,220,277	109,320	9.8%	Capital Projects
LIBRARY SPECIAL REVENUE FUND	220	715,800	728,110	754,826	26,716	3.7%	Staffing Change
PARK & REC SPECIAL REVENUE	248	191,175	188,340	160,000	(28,340)	(15.0%)	COVID Impact
POLICE VEHICLE FUND	216	90,000	45,000	-	(45,000)	(100.0%)	Budget limitation
DPW EQUIPMENT FUND	215	106,500	238,000	181,000	(57,000)	(23.9%)	Budget limitation
AQUATIC CENTER	247	829,596	808,799	633,000	(175,799)	(21.7%)	COVID Impact
GENERAL FUND	100	9,900,671	9,882,543	9,641,209	(241,334)	(2.4%)	Revenue Concern
WASTEWATER UTILITY	620	4,842,424	5,788,006	4,523,279	(1,264,727)	(21.9%)	Capital Projects
WATER UTILITY FUND	610	2,978,531	4,494,295	2,661,808	(1,832,487)	(40.8%)	Capital Projects
CAPITAL PROJ-LSP GROSS FUND	450	795,704	2,414,739	307,870	(2,106,869)	(87.3%)	Capital Projects
All Other		15,367,974	16,044,547	13,184,023	(2,860,523)	(17.8%)	Various
Total		26,603,949	31,860,792	24,535,151	(7,325,641)	(23.0%)	



General Fund: Changes 10/6/2020 to Current

FUND / GROUP NAME	FUND / GROUP #	2019 Budget	2020 Budget	Oct. 6th 2021 Budget	Current 2021 Budget	Difference	2021 vs.2020 Budget	
							\$	%
General Fund Revenues		9,629,179	9,882,543	9,641,209	9,641,209	-	(241,334)	(2.4%)
Total Legislative Support	51100	176,610	177,660	128,104	128,586	481	(49,074)	(27.6%)
Total General Administration	51400	330,070	346,849	365,297	367,223	1,926	20,374	5.9%
Total Neighbor Svcs & Planning	52400	301,375	306,404	350,752	338,309	(12,442)	31,906	10.4%
Total Transfers to Other Funds	59220	1,305,758	1,242,575	1,093,260	1,103,295	10,035	(139,280)	(11.2%)
General Fund Expenditures		9,629,179	9,882,543	9,641,209	9,641,209	-	(241,334)	(2.4%)
TRANSFER-FORESTRY FUND-#250		-	-	-	7,917	7,917	7,917	-
TRANSFER-STREET REPAIR-FD 280		112,500	112,500	40,100	42,218	2,118	(70,282)	(62.5%)
Total Transfers to Other Funds		1,577,250	1,242,575	1,093,260	1,103,295	10,035	(139,280)	(11.2%)

Note: Areas with no changes from 10/6 Proposal not displayed

All Funds: Changes 10/6/2020 to Current

FUND / GROUP NAME	FUND / GROUP #	2019 Budget	2020 Budget	Oct. 6th 2021 Budget	Current 2021 Budget	Difference	2021 vs.2020 Budget	
							\$	%
PARKLAND ACQUISITION FUND	240	-	-	48,000	-	(48,000)	-	-
WATER UTILITY FUND	610	2,978,531	4,494,295	2,658,195	2,661,808	3,613	(1,832,487)	(40.8%)
WASTEWATER UTILITY	620	4,842,424	5,788,006	4,673,279	4,523,279	(150,000)	(1,264,727)	(21.9%)
CDA FUND	900	197,682	193,659	151,019	153,344	2,325	(40,316)	(20.8%)
CDA PROGRAMS FUND	910	-	-	1,208,239	909,068	(299,171)	909,068	-
Total of all Funds		26,603,949	31,860,792	25,026,384	24,535,151	(491,234)	(7,325,641)	(23.0%)

- 240: Removal of Land purchase South of Tripp Lake - Not approved in Capital Improvement Program
- 610: Addition of uniform expense
- 620: Removal of duplicated Vanderlip project line
- 900: Update of staffing expense
- 910: Update of CDBG Closeout estimates

Note: Areas with no changes from 10/6 Proposal not displayed

Budget Notables - Concerns

- COVID-19
 - State Funding Concern
 - Program Revenues (Park/Rec)
 - Response costs
- Limited Funding Sources
- Long-term Infrastructure Needs
- Commercial & Residential Growth
- Reduced transfers to other funds
- Benefit Costs
- Work Comp Exp Mod improved
- Use of Fund Balances

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Steve Hatton

Finance & Administrative Services Director

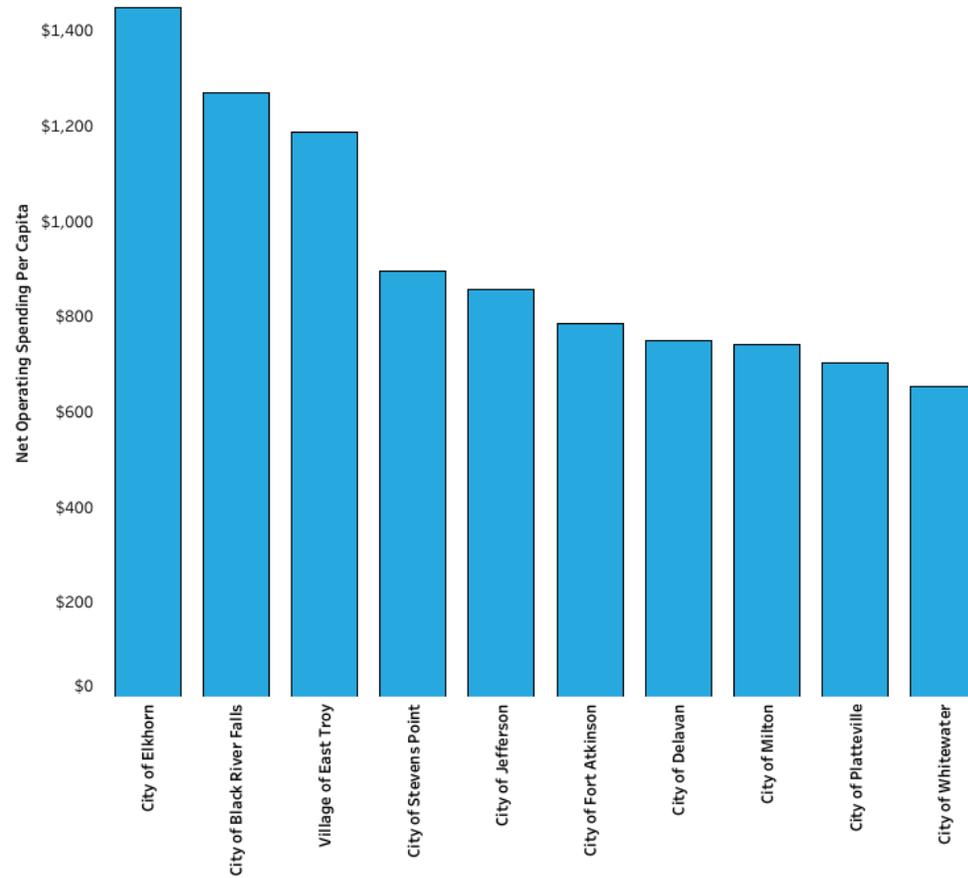
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- **Library Operating Budget:** \$26,000 increase in 2021 budget over 2020 (3.7%). Driven by:
 - Makerspace Librarian upgraded from 0.75 FTE to 1.0 FTE (+8,300). Position moved from PT to FT GL line in Budget
 - 7 positions choosing Health Insurance in 2020 vs. 10 in 2021 (+ \$33,800)
- **PD Position Summary:** Exhibit on page 13 has several corrections to be made:
 - 2021 PD Patrol-48mo should be 6 (displayed as 7)
 - 2019 PD Patrol new hire should be 3 (displayed as 2)
- **Neighborhood Svcs:**
 - NSO: 1.0 FTE in 2020 to 1.5 FTE in 2021 (Inclusion of Fire Inspector approved by Council on Feb. 4 2020).
 - Building/Zoning Inspection: Why increase in cost over 70K budgeted in 2020? 2020 value is understated. We outsource inspection under contract. Cost is 2,000 per month plus 75% of Permit income. 2021 is correct based on revenue estimate. 2020 expenditure value is understated.

Comparable Communities

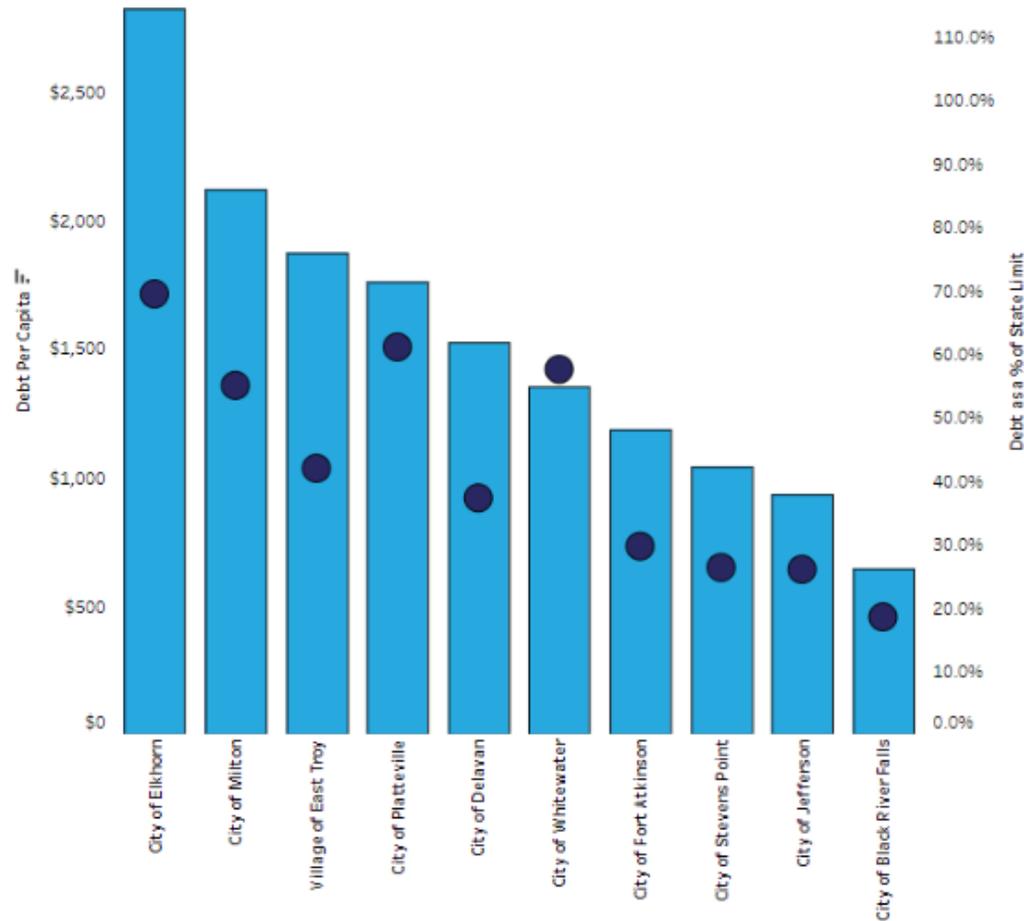
Custom Comparison: Net Operating Spending Per Capita



- 2018 Data (Most current available)

General Fund Budget: Breakout of increases vs. 2020

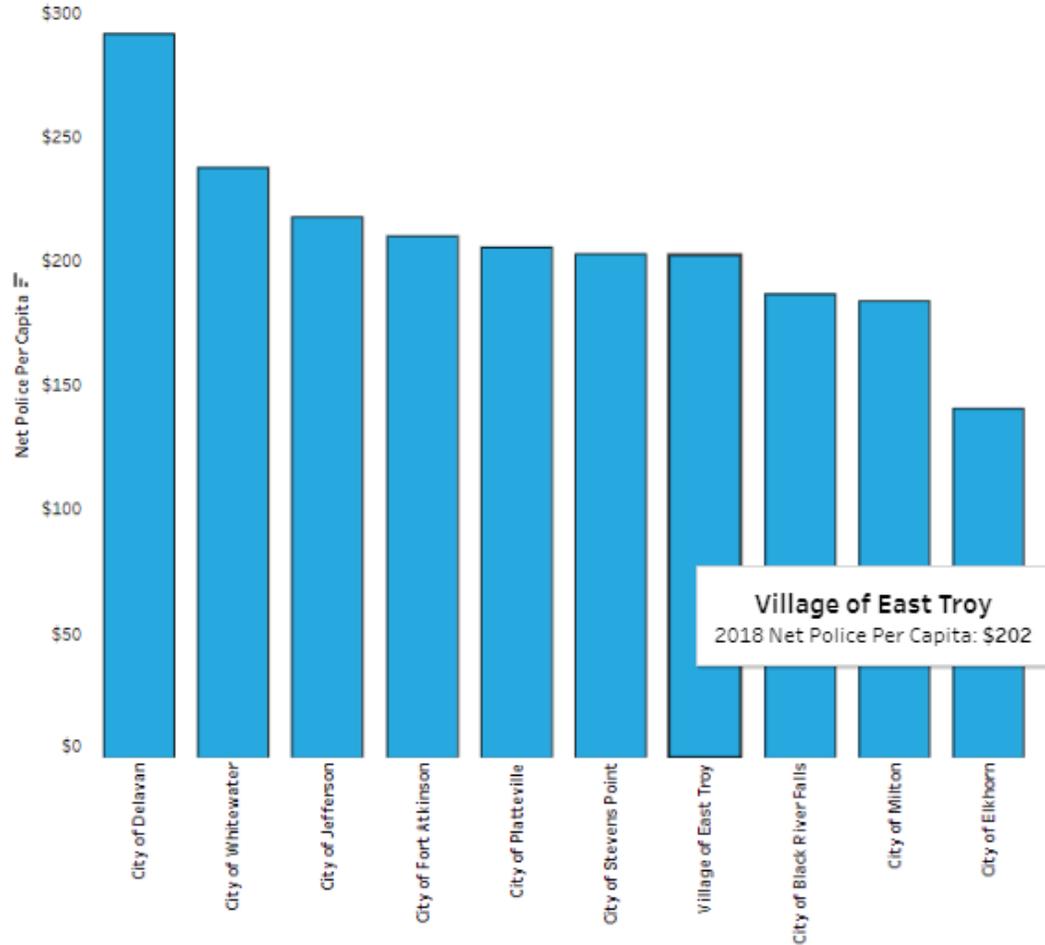
Custom Comparison: Debt Per Capita (Bars) vs. as % of State Limit (Dots)



- 2018 Data (Most current available)

General Fund Budget: Breakout of increases vs. 2020

Custom Comparison: Net Police Spending Per Capita



- 2018 Data (Most current available)

Major Capital Projects

- Fire Department: Set aside for Ladder Truck replacement
- Design and engineering for 2022 Street projects
- Police Evidence Garage
- DPW Equipment
- CDBG Loan Fund Close
- Well #8 Back-up Generator (Water)
- Combination Jetter Truck (Sewer)
- Walworth Ave. Project, Street Sweeper (Stormwater)

2020 General Fund Revenue Sources

	2020 Budget	% of Tot	2021 Budget
General Fund Revenues			
TAXES	4,148,235	43%	4,168,282
SPECIAL ASSESSEMENTS	909	0%	1,452
INTERGOVT REVENUES	4,609,017	46%	4,470,390
LICENSES & PERMITS	137,387	1%	130,500
FINES, FORTFEIT – PENALTIES	382,016	3%	288,595
PUBLIC CHARGES FOR SVCS	74,089	1%	83,650
MISC REVENUE	437,472	4%	389,500
OTHER FINANCING SOURCES	<u>93,418</u>	<u>1%</u>	<u>108,841</u>
Total	9,882,543	100%	9,641,209

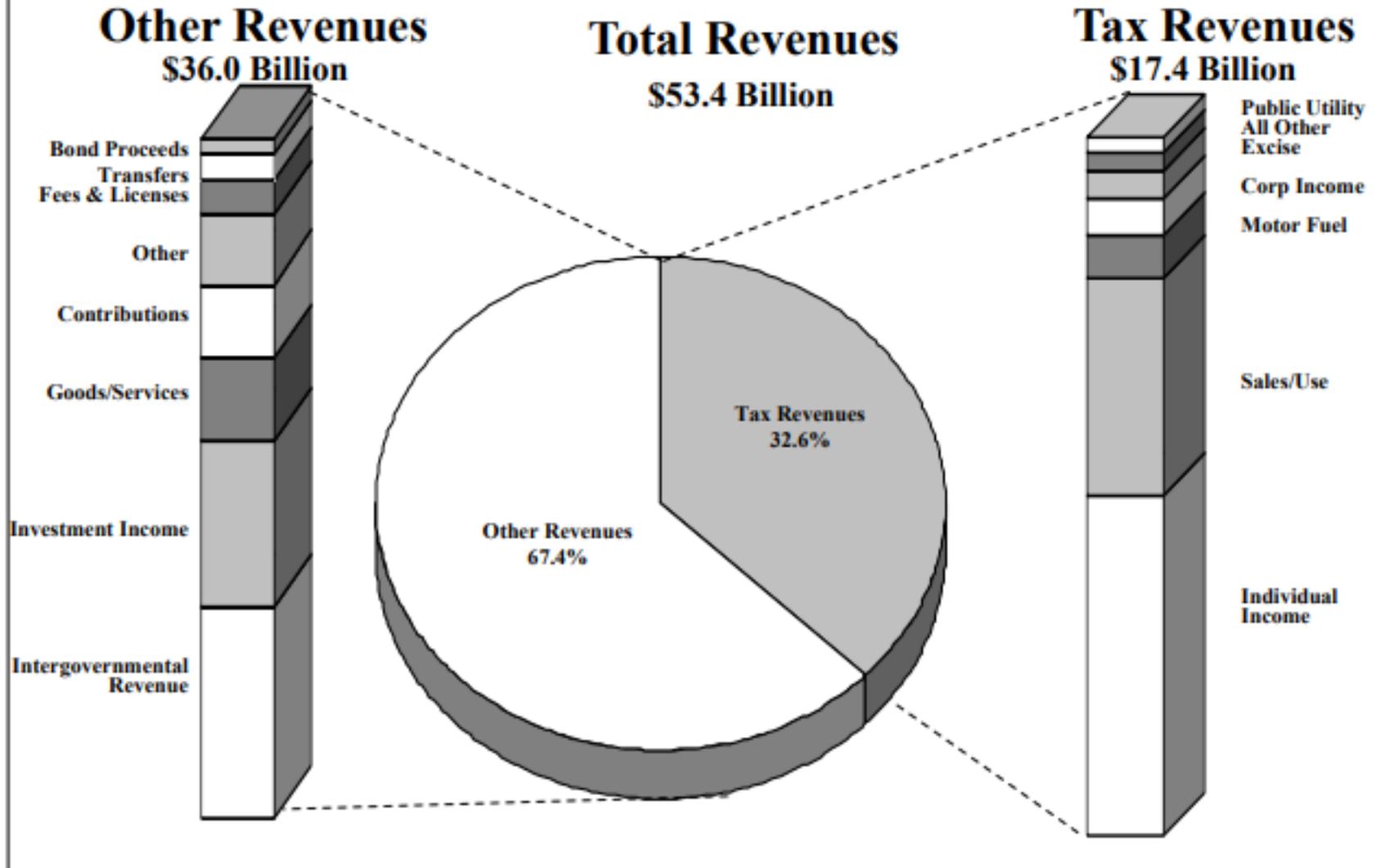
2020 General Fund Revenue Sources

Item	Source	2020 Budget	2021 Budget	Source	2020 Budget	2021 Budget	% of InterGov	% of Total Rev
EXPENDITURE RESTRAINT PROGM	Fed	67,958	67,812	Fed	72,958	72,812	2%	0.8%
SHARED REVENUE-UTILITY	State	407,403	356,170	State	4,263,508	4,115,857	92%	42.7%
SHARED REVENUE-BASE	State	2,836,916	2,836,783	Local	<u>272,551</u>	<u>281,721</u>	<u>6%</u>	<u>2.9%</u>
PERSONAL PROPERTY AID	State	35,160	29,861		4,609,017	4,470,390	100%	46.4%
POLICE-MISC SAFETY GRANTS	Fed	5,000	5,000					
TRANSPORTATION AIDS	State	665,461	594,888					
UNIVERSITY-LEASE-PARKING	Local	45,000	45,000					
MOU-DISPATCH SERVICE	Local	166,561	170,491					
PMS-PAYMENT FOR MUNICIPAL SVCS	State	285,234	265,099					
2% FIRE DUES-ST OF WISC	State	27,748	27,748					
EXEMPT COMPUTER AID-FR STATE	State	5,586	5,308					
REIMB-HIST SOC-DEPOT-EL/GAS	Local	1,750	1,750					
REIMB-BADGERNET-FORT ATKINSON	Local	3,240	2,480					
WUSD-JUVENILE OFFICIER	Local	<u>56,000</u>	<u>62,000</u>					
		<u>4,609,017</u>	<u>4,470,390</u>					

State % Chg	State \$ Value	State \$ Chg	% of Tot Revenue
(5%)	4,050,333	(213,175)	(2.2%)
(10%)	3,837,158	(426,351)	(4.4%)

Total Revenues, State of Wisconsin

For the Fiscal Year Ended June 30, 2018



State Revenues are largely VARIABLE – (tied to the economy)

Equalized Value - 2020

