



2023 Draft Budget Overview

MILTON CITY COUNCIL MEETING

NOVEMBER 1, 2022

2023 Draft Budget



Milton's Growth:

2021 Equalized Value \$487,672,900

2022 Equalized Value \$554,624,800

Growth Equalized Value \$66,951,900

2023 Draft Budget



Budget Constructs:

- Expenditure Restraint (must comply)
 - Expenditure Restraint is a State imposed cap on how much a municipality can “spend.”
- Levy Limits (must comply)
 - Levy Limits are a State imposed cap on how much a municipality can “tax.”
- Net New Construction
 - Net New Construction is the only mechanism that allows a municipality to increase its levy from the previous year.
 - Milton’s Net New Construction in 2022 was 1.54%
 - This equates to an allowable increase of \$41,373.
- State Aid
 - The City of Milton receives various “State Aid” allocations from the State of Wisconsin.
 - Shared Revenue, Highway/Road Aid, Personal Property Aid, etc.
 - State aid decreased \$17,032 so far...

2023 Draft Budget



Static Factors:

- Health Insurance
 - The City experienced an increase in health insurance premiums by 6.9%
 - This alone represents an increase in budget expenditures by \$31,963
- Energy/Fuel
 - Energy and fuel costs increased approximately 8%
 - This equates to an increase in expenditures of \$15,172
- Wages
 - The Police Union Contract calls for a 3% wage increase in 2023
- Contracts
 - Contracted services (assessor, legal, insurance) all increased in the amount of \$7,923
- Debt Service
 - The City's 2023 debt repayment schedule increases \$42,300

2023 Draft Budget



What this all means....

| | | |
|---|----|-----------------|
| 2023 Allowable Increase (Tax Levy) | \$ | 41,373 |
| 2023 Static Factors | | |
| Health Insurance Increase | \$ | (31,963) |
| Energy/Fuel Increase | \$ | (15,172) |
| State Aid Decrease | \$ | (17,032) |
| Contracted Services Increase | \$ | <u>(7,923)</u> |
| Net "Deficit" | \$ | (30,717) |

2023 Draft Budget



What this all means....

The City's 2023 draft budget:

- Will “levy” to the max (\$3,482,777.59).
- As presented on October 25, 2022, the draft budget **DOES** qualify for the State imposed levy limit cap but does qualify for the estimated ERP.
- No reductions are necessary at this time.

2023 Budget Construction



Major Changes

| | Impact |
|---|---------------|
| Addition of 12th Police Officer | \$ 82,865 |
| Elimination of Planning and Zoning Coordinator Position | \$ (81,263) |
| Full Time Adjustments (3 employees) | \$ 37,778 |
| Health Insurance Increase | \$ 31,963 |
| Wage Adjustments | \$ 54,630 |
| Fire Department Allocation | \$ 13,856 |
| Employee Allocations | \$ (54,820) |
| Non-Property Tax Revenues | \$ (49,003) |

2022 Budget Tax Levy

\$3,401,873

PRELIMINARY 2023 Budget Tax Levy

\$3,506,149

2023 Draft Budget



City of Milton Proposed Capital Items for 2023 budget

Capital requests included in Budget

Equipment

| | |
|---|------------------|
| Shop Equipment (Band Saw, Magnetic Drill, etc.) | \$ 8,000 |
| Skid Loader | <u>\$ 20,000</u> |
| | \$ 28,000 |

Vehicles

| | |
|-----------------|------------------|
| 1.50 squad cars | <u>\$ 73,000</u> |
| | \$ 73,000 |

Facilities and Public Lands

| | |
|------------------------------|------------------|
| HMA Preventative Maintenance | \$ 57,137 |
| Picnic Tables | \$ 5,000 |
| Lamar Park | <u>\$ 35,000</u> |
| | \$ 97,137 |

Street Projects (General Fund)

| | |
|---------------------------|------------------|
| Concrete Pavement Repairs | \$ 35,000 |
| Surry Drive Resurfacing | <u>\$ 22,863</u> |
| | \$ 57,863 |

Total Proposed 2023 Budget Allocation for

Capital Items \$ 256,000

2023 Draft Budget



City of Milton Capital Items NOT included in 2023 budget

Equipment

| | |
|---------|-----------|
| Backhoe | \$ 30,000 |
|---------|-----------|

Facilities and Public Lands

| | |
|--------------------------------|------------|
| Madison Ave & North Clear Lake | \$ 984,000 |
|--------------------------------|------------|

| | |
|--|---------------------------|
| Items left out of the initial 2023 capital allocation | <u>\$1,014,000</u> |
|--|---------------------------|

2023 Draft Budget



Non-General Fund Capital Items

Street Maintenance (Wheel Tax)

| | |
|-------------------------|-------------------|
| Surry Drive Resurfacing | \$ 145,000 |
| | <u>\$ 145,000</u> |

Assessment Fund

| | |
|-----------------|------------------|
| Sidewalk repair | \$ 25,000 |
| | <u>\$ 25,000</u> |

Water Utility

| | |
|---------------------------|------------------|
| West Tower Rehabilitation | \$ 400,000.00 |
| Surrey Drive Resurfacing | \$ 896.00 |
| Water Meter Replacement | <u>\$ 75,000</u> |
| | \$ 475,896 |

Wastewater Utility

| | |
|---|------------------|
| RAS/Scum Pumps | \$ 80,000.00 |
| Major WWTP Upgrade | \$ 75,000.00 |
| Surrey Drive Resurfacing | \$ 1,344.00 |
| Miscellaneous Sewer Lining | \$ 75,000.00 |
| Ordinance Updates and Industrial Pretreatment | \$ 10,000.00 |
| W. Interceptor/Regional Lift Station | <u>\$ 75,000</u> |
| | \$ 316,344.00 |

Stormwater Utility

| | |
|--------------------------|------------------|
| Surrey Drive Resurfacing | \$ 16,020 |
| | <u>\$ 16,020</u> |

Water, Wastewater & Stormwater Utility

| | |
|--------------------------------|-----------------|
| Madison Ave & North Clear Lake | \$ 1,818,628.00 |
|--------------------------------|-----------------|



Non-Profit 2023 Request

Per Council Policy #4, The Gathering Place, Milton House, and Milton 4th of July submitted funding requests for the 2023 budget. The chart below outlines the historical amounts that have been funded along with their 2023 requests.

| | <u>2016</u> <u>Funding</u> | <u>2017</u> <u>Funding</u> | <u>2018</u> <u>Funding</u> | <u>2019</u> <u>Funding</u> | <u>2020</u> <u>Funding</u> | <u>2021</u> <u>Funding</u> | <u>2022</u> <u>Funding</u> | <u>2023</u> <u>In Budget</u> | <u>2023</u> <u>Request</u> |
|--------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|---------------------------------|-------------------------------|
| Gathering Place | \$ 10,000 | \$ 5,798 | \$ 10,000 | \$ 10,000 | \$ 20,000 | \$ 20,000 | \$ 10,000 | \$ 10,000 | \$ 20,000 |
| Milton House | \$ 10,000 | \$ 10,000 | \$ 10,000 | \$ 10,000 | \$ 20,000 | \$ 20,000 | \$ 10,000 | \$ 10,000 | \$ 20,000 |
| Milton 4th of July | <u>\$ 2,500</u> | <u>\$ 2,500</u> | <u>\$ 2,500</u> | <u>\$ 2,500</u> | <u>\$ 2,500</u> | <u>\$ 2,500</u> | <u>\$ 5,000</u> | <u>\$ 5,000</u> | <u>\$ 5,000</u> |
| | \$ 22,500 | \$ 18,298 | \$ 22,500 | \$ 22,500 | \$ 42,500 | \$ 42,500 | \$ 25,000 | \$ 25,000 | \$ 45,000 |

Although the City of Milton budgeted \$10,000 for the Gathering Place and Milton House respectively in the 2020 and 2021 budgets, an additional allocation of \$10,000 was made to each entity early in the following years through residual funds.

2023 Draft Budget



Budget Goals:

- ✓ Balanced Budget
- ✓ Stay within levy limits
- ✓ Qualify for expenditure restraint
- ✓ No reductions in service
- ✓ No new levy supported borrowing

Draft Budget Takeaways



- Maintains current service levels.
- Compensates all employees with same increase.
 - No change in percentage paid on insurance premiums.
- Maintains capital and infrastructure funding levels.
- This budget qualifies for State expenditure restraint.
- The budget does qualify for State imposed levy limits at this point.
- This budget has no new tax levy supported borrowing component.
- The City of Milton's tax rate will increase by \$0.17

Budget Schedule



| | | | |
|---|-------------------|-------------------|-------------------|
| Approve Budget <u>Publication</u> | Publish Budget | Public Hearing | Approve Budget |
| 10/4/2022 | 10/11/2022 | 11/1/2022 | 11/15/2022 |