

City of Lake Geneva



November 26, 2018

2019 Proposed Budget

The Property Tax Levy

- For 2019, total distribution of \$28,742,759.12 in property taxes, the City is 25% of the governmental units at \$7,271,671
- **New construction growth = \$81,596,150; generates \$104,850 in revenue from \$7,166,821 in 2018 to \$7,271,671 in 2019, or 1.46%**
- The 2019 mill rate calculation = \$5.56; 2015 & 2016 = \$6.04; 2017 = \$5.96; 2018 = \$5.84
- A property tax payer in 2015 paid \$604 for City purposes whereas in 2019 the same property tax payer will pay \$584; a reduction of \$20

Program Highlights:

Payroll

- 2018 position count; 81 Full-Time, 129 Part-time, 22 seasonal employees. The budget for personnel was \$6,357,453
- **Managerial employee's are to receive a 2% increase; other employees 1% increase w/merit of 2% 1/1/2019**
- To anticipate increases the budget includes 2% in all the personnel accounts with contingency of \$151,087 for merit transfers
- Said amounts include salary, wages and benefits, NOT health insurance
- New positions are as follows:

1. Police/Sargent/Detective	= \$85,550 (annual is \$114,000)
2. DPW Equipment/Operator	= <u>\$94,000</u>
Total	= 179,550
- 2019 position count will be 83 FT, 129 PT, and 22 seasonal. The budget for personnel = \$6,567,633 an increase of \$219,180 or 3.45%

Program Highlights: Health Insurance

- Adjustments have been made to replace the self-funded insurance program with United Health/Care Insurance (UHC/Difference Card plan rates recently approved by the Common Council
- By applying a General Fund surplus of \$300,000 to pay one-time expenses (payment of this year's claims) savings when compared to the year-end estimates, is \$234,246
- **Lowers the cost of employee health insurance while maintaining a high level of service**

Program Highlights: Payroll, benefits and health insurance

- Payroll, employees benefits and health insurance = \$8,292,213
- 66% portion of the total \$12,499,900 for Operations and Personnel cost

Program Highlights: Operations

- The 2019 budget maintains all the operations of the City:
 - A. General Government
 - B. Police, Fire, EMS & emergency management
 - C. Building/Zoning/Planning
 - C. Public Works
 - E. Parks & Cemetery
 - F. Library
 - G. Riviera & Lakefront
 - H. Parking Utility
- A balanced Budget with contingency of \$151,087

Program Highlights: Community Partners

- The 2019 Budget continues to support community partners:
 - A. Historic preservation
 - B. Geneva Lake Level, Environmental Assoc., & Lake use
 - C. Safety Patrol
 - D. Tourism Commission
 - E. Geneva/Visitor's Center
 - F. Museum
 - G. YMCA

Program Highlights: Operations

- Combined operational cost increase by \$502,723 from \$5,420,566 in 2018 to \$5,923,267 in 2019 or 9.27%
- Addition of two Full-time employee positions = \$179,550
- Garbage/Recycling increased by \$41,000 per COLA and 50 new homes
- Parks increase of \$27,000 for labor and supplies due to growth in usage
- **Planning Commission; increase by \$55,000 to update 10 year comprehensive plan and codification of the Zoning Code**
- Revenue increases in room tax, building permits, cable franchise fees, court fines, Fire/EMS billing and interest income total \$295,285
- **Inter-fund transfer of \$240,710 eliminated due to direct charge to Utilities**
- Lakefront rentals are down \$35,760 in anticipation of the Riviera renovation project

Program Highlights: Operations

- Parking expenditures increase by \$53,524 for part-time hours/license searches
- Library aid from Walworth County decreased by \$12,747
- Levy for Library increase by \$14,856
- Expenditures decrease by \$7,171
- Tourism revenues projecting an increase by \$45,278; will add to the surplus by \$80,446

Debt Service & Capital Improvement Projects

- Debt service expenditures will decrease by \$65,760
- Expenditures decrease \$270,542 from \$1,273,042 in 2018 to \$1,002,500 in 2019
- Continues Street replacement program in the amount of \$800,000 and other maintenance
- Proceeds from borrowing decrease by \$335,542 and transfers \$50,000 from Lakefront Fund surplus for the planning and design phase of the Riviera renovation project
- Evaluate General Fund balance surplus after audit (currently \$800,000) for Capital Projects vs. borrowing

Equipment Replacement Fund

- Property tax levy remains the same at \$667,990
- Interest income increased by \$20,000
- Total expenditures decrease by \$436,438 from \$1,155,099 in 2018 to \$729,393 in 2019
- Continues Street Department truck replacement and lawn mower replacement program; replacement of the leaf vac machine; Police squad cars, Fire vehicle, other equipment , and completes the upgrade of the City Hall accounting software program

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Goals set for the 2019 Budget by the Finance, License, and Regulations Committee are achieved

1. No property tax increase above the revenue generated by net new construction
2. A balanced a budget with contingency
3. Salary and wage increases of 2% for management employees with all other employees a 1% increase with opportunity for a 2% merit
4. Lowers cost of employee health insurance while maintaining a high level of service
5. Completes transition of Utility Commission finances to City Hall
6. Accurately allocates costs between the General Fund and Water/Sewer Utility Funds
7. Provides funding to update the ten (10) year comprehensive Plan