

# VILLAGE OF MUKWONAGO

## 2022 ANNUAL BUDGET

Public Hearing Presentation  
November 17, 2021



# 2022 Budget Overview – Tax Levy

- Total Property Tax Levy increased by \$211,076 which is 3.29% over the prior year's levy
  - Of this \$95,192 covers increases in operating expenses and is allocated among the General Fund, Fire, Recycling, Library and Capital Equipment Funds
  - \$115,884 is for increases in G.O. Debt Service
  - The Village's Total Property Tax Levy (excluding Tax Increments) is \$6,622,188
  
- Factors allowing the Tax Levy increase include:
  - 2.34% net new construction
  - Total Equalized Value increased \$44,880,200 to \$1,037,875,100

# 2022 Budget Overview

## Expenditure Restraint Program

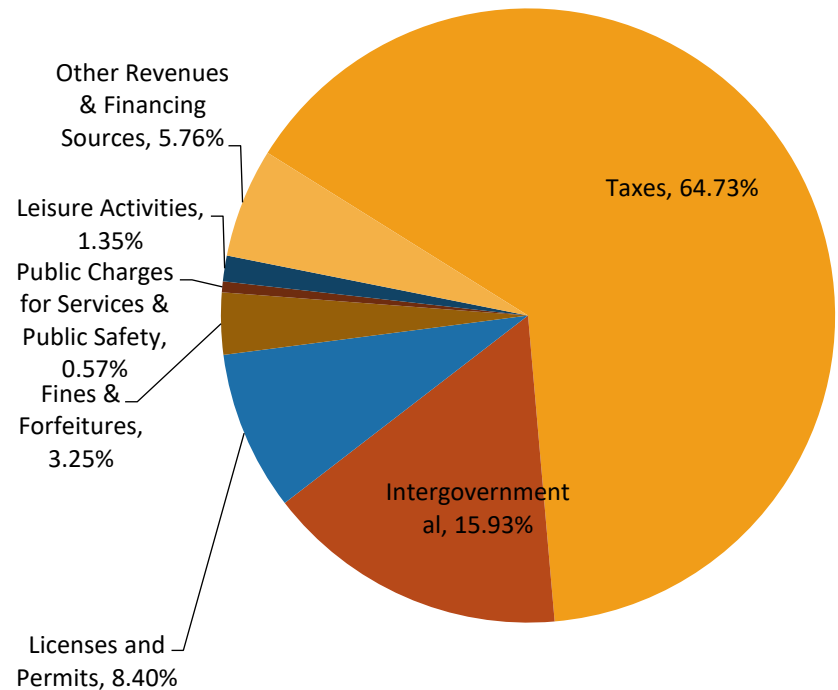
- The State offers an Expenditure Restraint Program which provides aid to municipalities who keep the General Fund Expenditure Budget below a calculated percentage consisting of 60% of the net new construction factor (capped at 2%) plus a CPI factor approved by the DOR.
- Using these parameters, the Village must keep its 2022 General Fund Expenditure Budget increase to under 4.4% in order to qualify for aid for the 2023 budget year. In 2022, the amount of aid expected is \$135,865.
- The proposed 2022 General Fund Expenditure Budget as presented totals \$5,313,981 which is an increase of \$218,758 or 4.29% over the adopted 2021 budget. Please note this is a \$5,000 reduction from what was published in the budget notice.

# GENERAL FUND

## 2022 REVENUE HIGHLIGHTS

- Taxes - \$3,442,852 - make up 65% of the revenue budget. Taxes are comprised of: Property tax of \$3,006,389; Room tax of \$13,129; and Water Utility tax equivalent of \$423,334
- The remaining 35% of non-tax general revenues comes from intergovernmental revenues, fines, fees, interest and commercial revenue.

## 2022 Proposed Revenue Composition

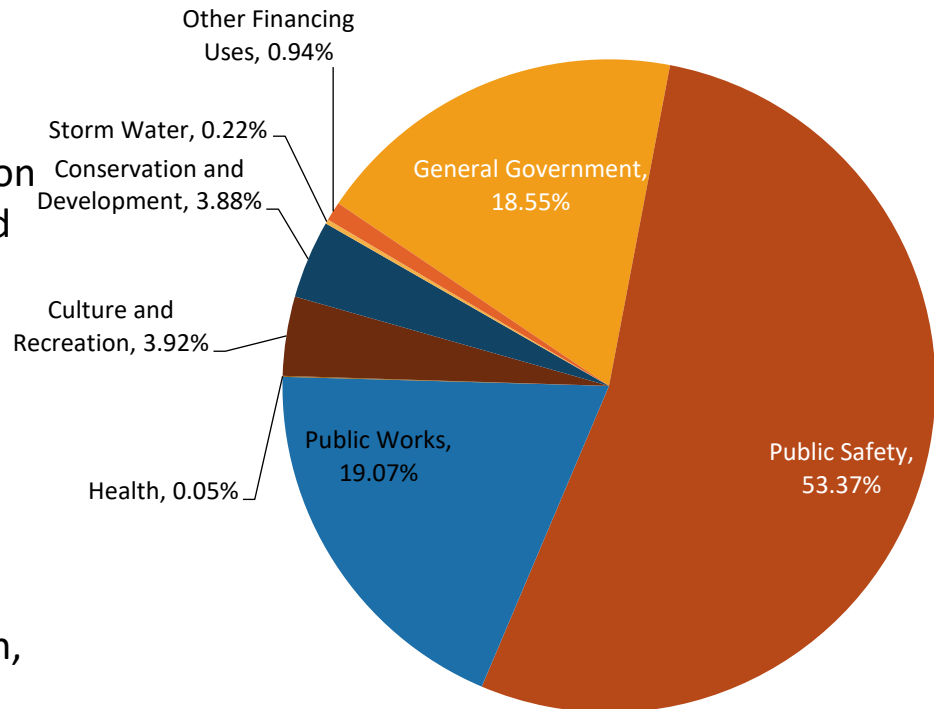


# GENERAL FUND

## 2022 EXPENDITURE HIGHLIGHTS

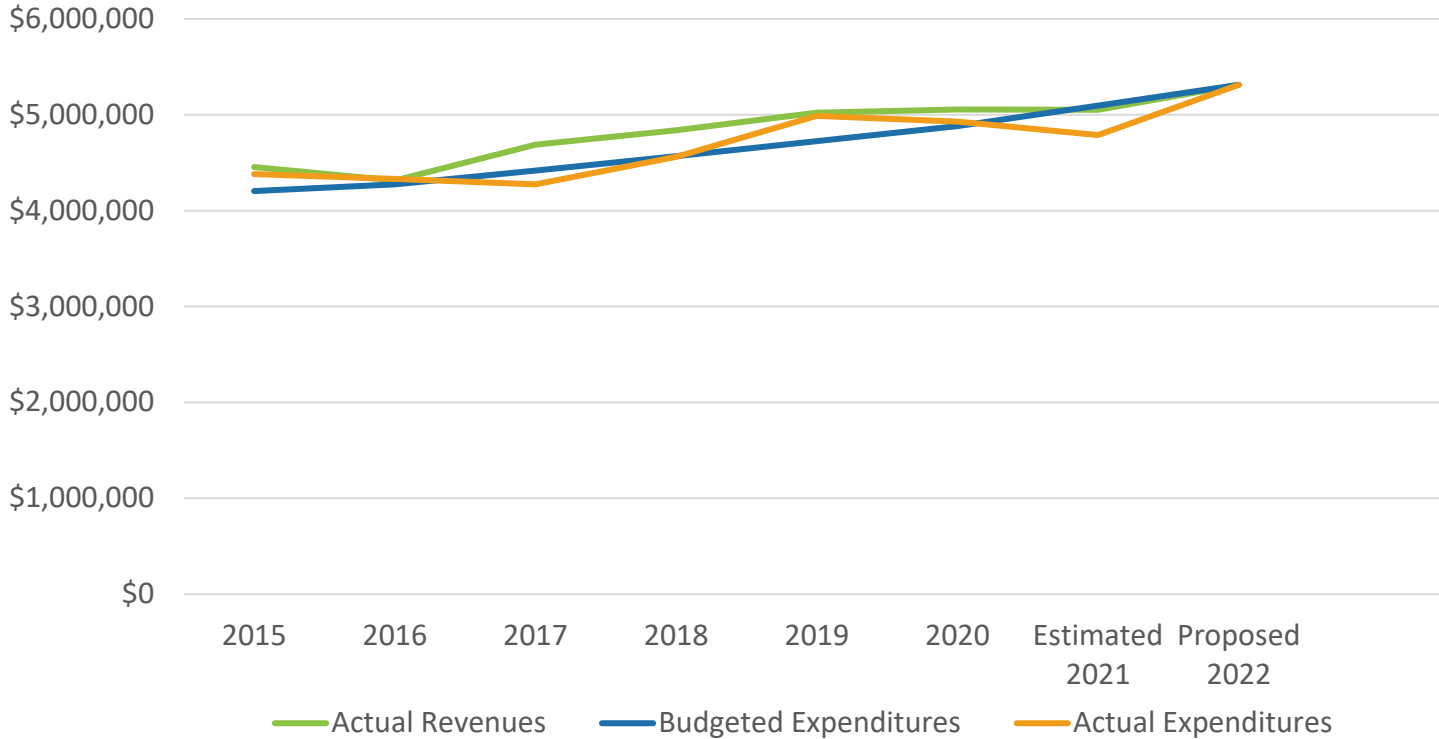
- Total expenditures increased to \$5,313,981 compared to the 2021 budget of \$5,095,223. This represents a 4.29% increase, or \$218,758
- The increase will cover compensation increases granted to employees and a 7% increase in health insurance costs.
- \$32,000 continues to be budgeted for a reserve to reduce the Village's current unfunded liability balance
- General Fund expenditures include Police, Public Works, Administration, Finance, Clerk, Building Inspection and Planning departments

## 2022 Proposed Expenditure Composition



# GENERAL FUND

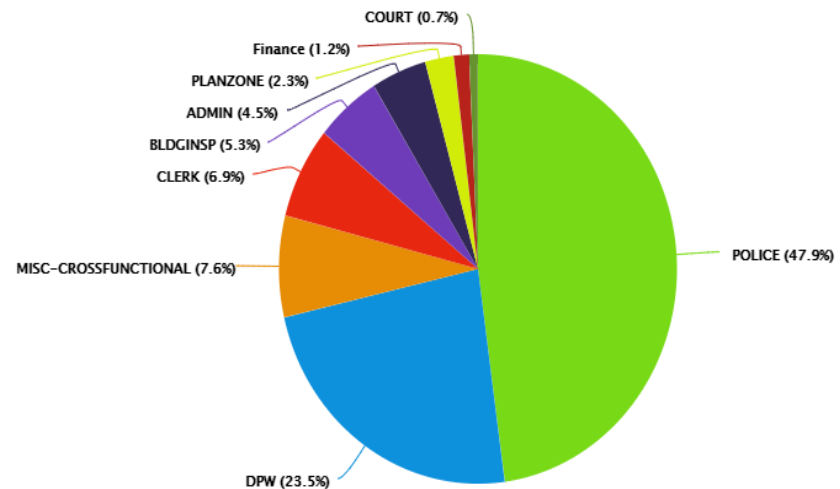
General Fund Expenditures & Revenues 2016-2022



	2016	2017	2018	2019	2020	Estimated 2021	Proposed 2022
Actual Revenues	\$4,312,676	\$4,688,537	\$4,837,390	\$5,021,850	\$5,054,626	\$5,053,124	\$5,313,981
Budgeted Expenditures	\$4,274,681	\$4,418,352	\$4,568,476	\$4,724,816	\$4,882,487	\$5,095,223	\$5,313,981
Actual Expenditures	\$4,329,807	\$4,274,706	\$4,561,901	\$4,988,013	\$4,927,788	\$4,788,528	\$5,313,981

# General Fund Expenditures by Department

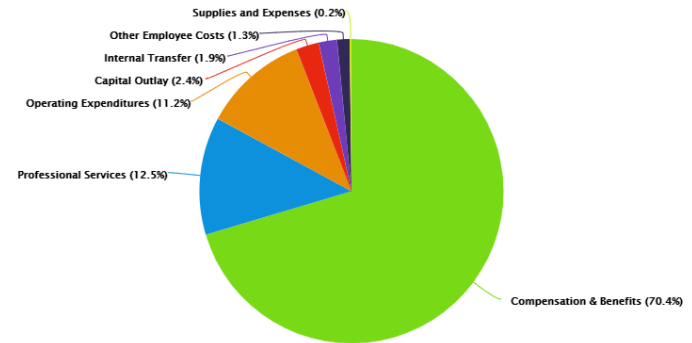
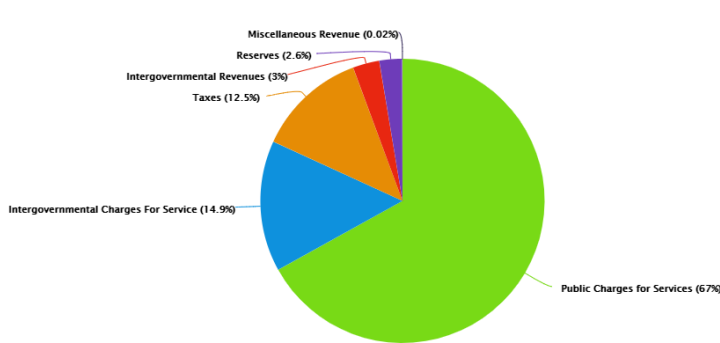
Functional Department	FY2021 Budgeted	FY2022 PROPOSED	\$ Change	% Change
CLERK	\$349,453	\$368,047	\$18,594	5.30%
COURT	\$45,321	\$37,954	(\$7,367)	-16.30%
MISC-CROSSFUNCTIONAL	\$341,103	\$400,853	\$59,750	17.52%
ADMIN	\$277,870	\$238,508	(\$39,362)	-14.20%
DPW	\$1,211,479	\$1,251,078	\$39,599	3.30%
POLICE	\$2,506,944	\$2,545,661	\$38,717	1.50%
BLDGINSP	\$238,460	\$282,221	\$43,761	18.40%
PLANZONE	\$124,593	\$123,701	(\$892)	-0.70%
Finance		\$65,958	\$65,958	N/A
Total Expenditures:	\$5,095,223	\$5,313,981	\$218,758	4.29%



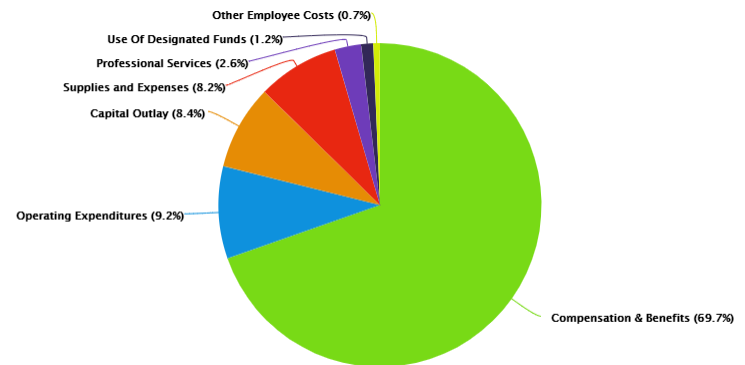
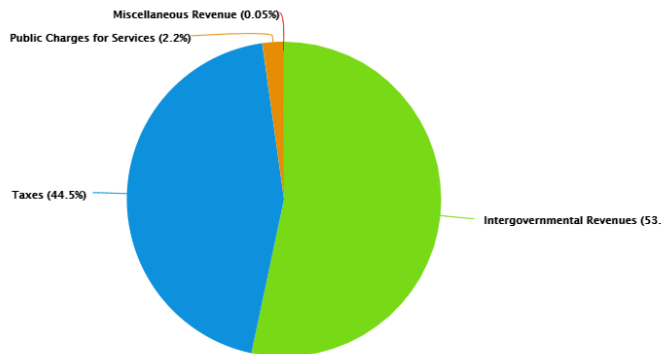
The 2022 Village of Mukwonago Digital Budget Book has departmental pages that further categorize costs by department. Click on the following for an example page: <https://village-mukwonago-wi-budget-book.cleargov.com/village-of-mukwonago/2022/departments/department-of-public-works-dpw>

# Other Operating Funds

Fire Department Revenues & Expenditures - Total Budget \$1,556,48 0.43% increase over 2021



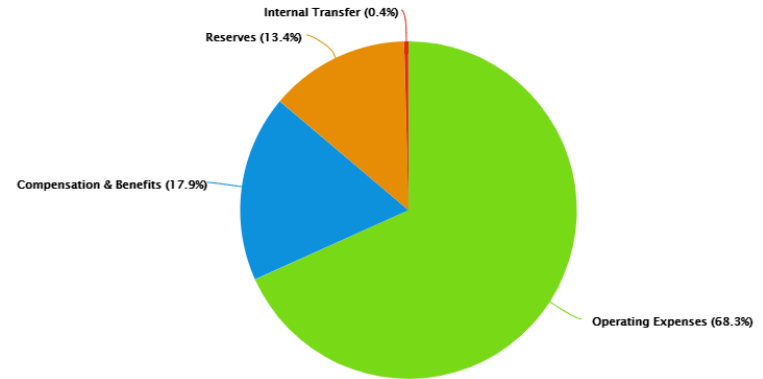
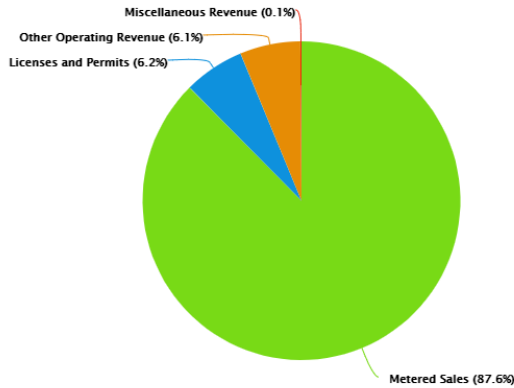
Library Revenues & Expenditures – Total Budget \$1,067,089\* 3.65% increase over 2021



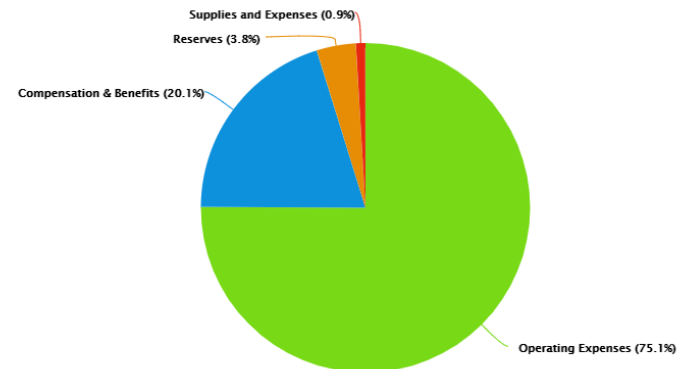
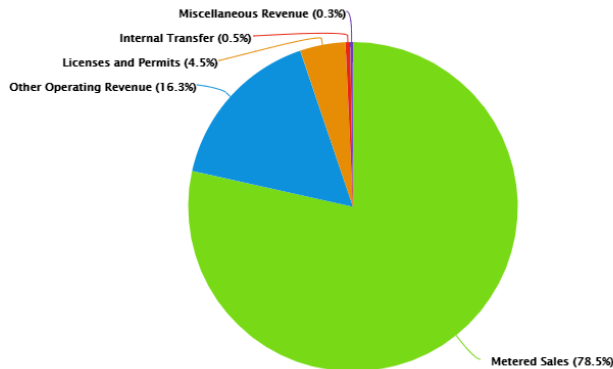


# Other Operating Funds continued

Water Utility Revenues & Expenditures Total Budget \$2,435,349 7.9% increase over 2021



Sewer Utility Revenues & Expenditures Total Budget \$2,155,499 1.97% increase over 2021



# Summary of all 2022 Fund Budgets

		2021	2022			
FUND		ADOPTED	PROPOSED	%	\$	
		BUDGET	BUDGET	CHANGE	CHANGE	General Reason for Budgetary Change
FUND 100	General Fund	5,095,223	5,313,981	4.29%	218,758	* Operating increases
FUND 150	Fire Dept	1,549,771	1,556,438	0.43%	6,667	Operating increases
FUND 200	Community Development	2,393,000	3,153,500	31.78%	760,500	Additional amount needed for Deback Dr construction
FUND 210	Wisconsin Development	209,000	131,312	-37.17%	(77,688)	Reduced by amount expended to date
FUND 300	Debt Service	2,575,666	2,722,236	5.69%	146,570	Debt repayment schedule increase
FUND 320	Fire Designated	1,500	140,130	9242.00%	138,630	Use of reserves for ambulance purchase
FUND 340	Village Designated	125,000	125,000	0.00%	0	
FUND 350	American Rescue Plan Act		421,857		421,857	New grant fund established in 2021 with additional proceeds in 2022 ; was not part of 2021 budgets originally adopted
FUND 410	Recycling	567,460	600,685	5.86%	33,225	Inflationary increase
FUND 430	Capital Equipment	1,182,600	648,500	-45.16%	(534,100)	Fire truck purchase in 2021
FUND 440	Library	1,029,503	1,067,089	3.65%	37,586	* Operating increases
FUND 480	Capital Improvement	3,519,587	2,955,293	-16.03%	(564,294)	Completion of several large projects in 2021
FUND 600	Impact Fees	100,205	150,000	49.69%	49,795	Increase in park impact fees & use of reserves for debt repayment
FUND 810	Parkland Site Fees	21,750	2,125	-90.23%	(19,625)	Decrease in parkland site fees due to implementation of park impact fee
FUND 500	Storm Water Utility	33,120	33,035	-0.26%	(85)	Operating decrease
FUND 610	Water Utility	2,257,085	2,435,349	7.90%	178,264	Operating increases
FUND 620	Sewer Utility	2,113,918	2,155,499	1.97%	41,581	Operating increases
FUND 220	TID #3	966,859	1,037,115	7.27%	70,256	Debt repayment
FUND 240	TID #4	82,868	280,457	238.44%	197,589	Debt repayment
FUND 250	TID #5	8,764,253	7,089,320	-19.11%	(1,674,933)	Large refunding of debt in 2021

TID budgets are subject to final tax increment calculation - will be presented for adoption at the December 15th board meeting

# CAPITAL EQUIPMENT FUND

## 2022 Equipment Purchases & Funding

### Police Department

\$ 114,000 Squads & equipment  
 52,000 Squad carryover from 2021 Budget  
 50,000 Squad radio & hand unit upgrade  
 25,000 Office & Officer workstation and flooring  
 10,000 Gun Cameras  
7,000 Speed Trailer  
 \$ 258,000

### Fire Department

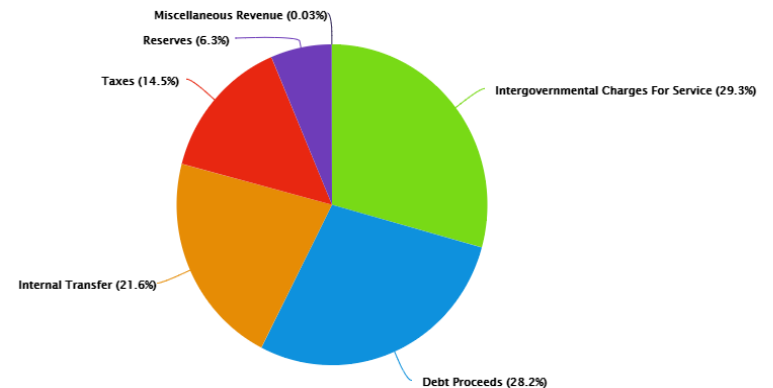
\$ 280,000 Ambulance 3451 replacement  
 60,000 Paramedic Intercept 3488 replacement  
40,000 UTV and Trailer replacement  
 \$ 380,000\*

### Other Expenses

\$ 10,500 Debt Issuance & Annual Audit Expenses

### Funding

\$ 183,000 Debt  
 190,000 Town Share of FD\*  
 140,000 Internal Transfer  
 94,146 Taxes  
41,354 Reserves & Interest Revenue  
 \$ 648,500



<https://village-mukwonago-wi-budget-book.cleargov.com/village-of-mukwonago/2022/capital-improvements/capital-improvements-one-year>

<https://village-mukwonago-wi-budget-book.cleargov.com/village-of-mukwonago/2022/capital-request/16738/view>

# CAPITAL IMPROVEMENT FUND

## 2022 Projects & Funding

### Projects:

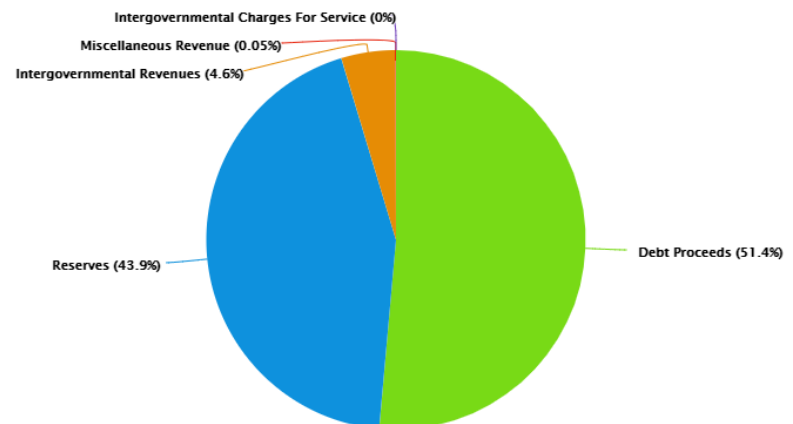
\$ 500,000	Field Park New Shelter Building
537,844	Minors Park Pedestrian Bridge
360,000	Miniwauken Bathroom (PY carryover)
40,000	Indian Head Park Entrance Sign (PY carryover)
452,264	Holz Parkway/Miniwauken Pond Dredging
180,425	Phantom Woods Road Rebuild
200,000	Road Maintenance Program
500,000	Land purchase for future DPW expansion (PY)
50,000	Acquire Phantom Lakes substation site
<u>82,760</u>	Downtown Streetscaping
<b>\$2,903,293</b>	

### Other Expenses:

\$18,000	CORP update
30,000	Debt Issuance costs
<u>4,000</u>	Audit Costs
<b>\$52,000</b>	

### Funding:

\$ 1,519,584	Debt
1,298,344	Reserves
135,865	Shared Revenue
<u>1,500</u>	Interest Revenue
<b>\$2,955,293</b>	



# COMMUNITY DEVELOPMENT FUND

## 2022 Projects & Funding

### Projects:

\$ 3,100,000 DeBack Drive & Connector Roadway to Maple Center

### Other Expenses:

\$ 28,500 Zoning Code Rewrite Completion

25,000 Debt Issuance costs

\$ 53,500

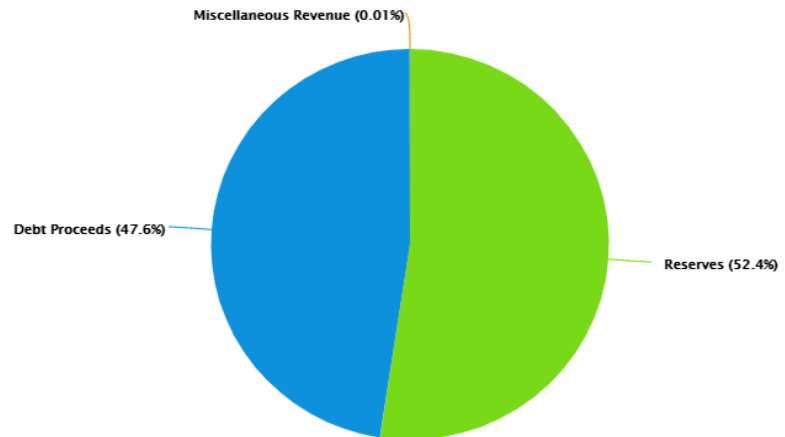
### Funding:

\$ 1,653,100 Debt

1,500,000 Reserves

400 Interest Revenue

\$3,153,500



# TAX INCREMENT DISTRICT FUNDS

## 2022 BUDGET HIGHLIGHTS

- TID #3 & #4 2022 budgets primarily center around debt repayment
  - TID Values in Waukesha County increased by \$10,496,800 in 2021
  - Total estimated Increments are \$863,478 and \$276,802 respectively
- TID #5 2022 budget includes refunding a BAN into GO Debt, debt repayment and commencement of the HWY 83 road project
  - TID Value in Walworth County increased by \$1,877,700 in 2021
  - Total estimated increment is \$420,564

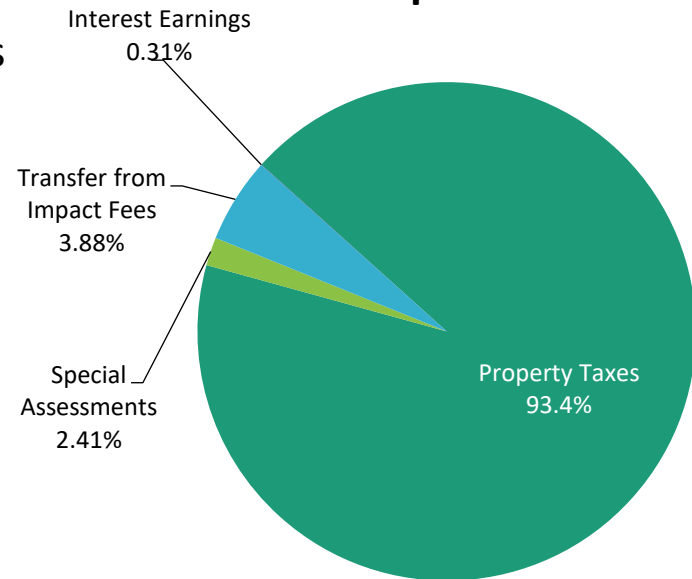
TIF District Budgets will be finalized when Tax Increment worksheet calculations are available from the Department of Revenue and the final tax increment figures are established. Adoption of all 3 TID Budgets will occur at the December Village Board Meeting.

# DEBT SERVICE FUND

## 2022 BUDGET HIGHLIGHTS

- Total expenditures of \$2,722,236 for payment of principal and interest due on Village General Obligation debt issued for non-TID capital projects and equipment purchases
- Of the total amount, \$2,521,365 is supported by property taxes. This is an increase of \$115,884 (4.82%) over the 2020 levy
- \$49,871 will be supported by special assessments
- \$150,000 will be supported by a transfer from the impact fee fund
- \$1,000 will be funded by interest earnings

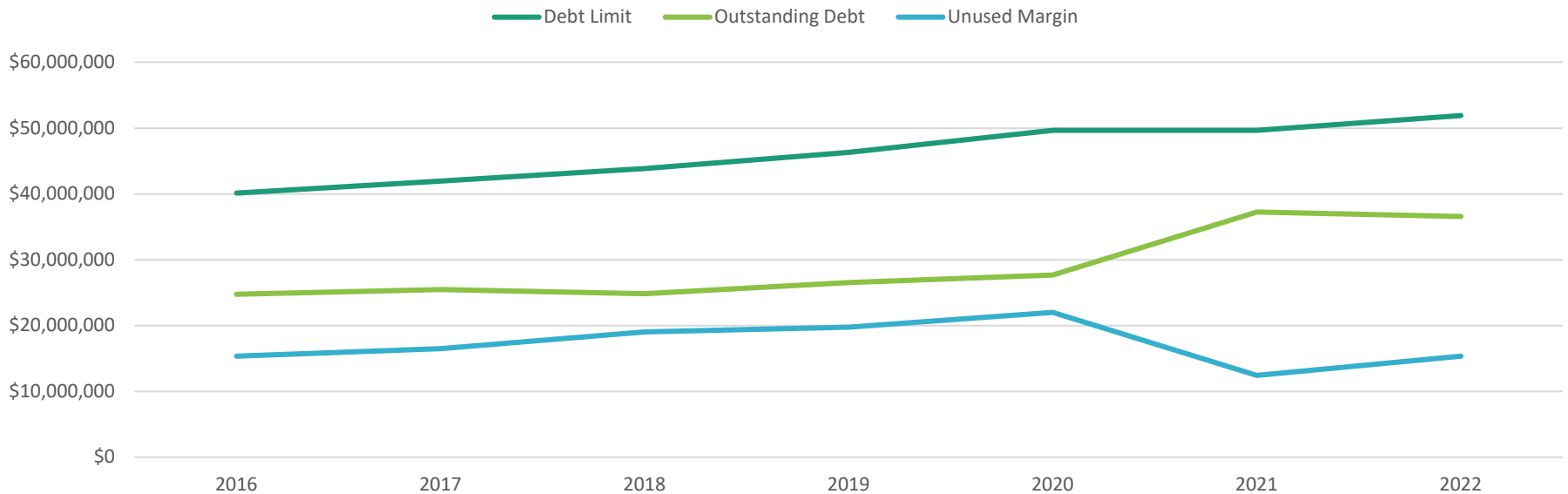
**2022 Debt Service Fund Revenue Composition**



# DEBT SERVICE FUND

	2016	2017	2018	2019	2020	2021	Projected 2022
<b>Equalized Value</b>	802,163,300	839,258,300	877,402,300	926,137,500	992,994,900	1,037,875,100	1,037,875,100
<b>Debt Limit</b>	40,108,165	41,962,915	43,870,115	46,306,875	49,649,745	51,893,755	51,893,755
<b>Outstanding Debt</b>	24,741,678	25,466,678	24,843,732	26,545,298	27,671,864	36,558,430	39,854,449
<b>Unused Margin</b>	15,366,487	16,496,237	19,026,383	19,761,577	21,977,881	15,335,325	12,039,306

## General Obligation Borrowing Capacity





# 2022 ANNUAL VILLAGE BUDGET

## CHANGES FROM PUBLISHED BUDGET

### **GENERAL FUND (100):**

Reduction of budget total to ensure expenditure restraint program allowable increase is less than 4.4%, reducing the overall 2022 budget by \$5,000 to \$5,313,981. The % increase of the 2022 proposed budget over 2021 adopted is now 4.29% rather than 4.39%

<u>Revenues</u>	<u>Public Notice</u>	<u>Final Budget</u>	<u>Difference</u>
Other Revenues	\$ 94,694	\$ 89,694	\$ (5,000)
<u>Expenditures</u>			
Other Financing Uses*	55,000	43,505	\$ (5,000)*

Further reallocation between expenditure accounts would impact the following expenditure categories in the Public Notice. This is for additional compensation requests and does not change the overall General Fund Budget total:

<u>Expenditures</u>	<u>Public Notice</u>	<u>Final Budget</u>	<u>Difference</u>
General Government	\$ 985,882	\$ 989,886	\$ 4,004
Public Works	1,013,455	1,015,946	2,491
Other Financing Uses*	55,000	43,505	(6,495)*

\*Both changes explained above affect Other Financing Uses – the overall reduction is \$11,495 from what was in the original notice.

### **LIBRARY FUND (440)**

A correction was made to increase state aid revenues by \$1,054. Changes approved by the Library Board were also made to several expenditure line items and incorporated the additional amount. The impact of these changes is summarized below

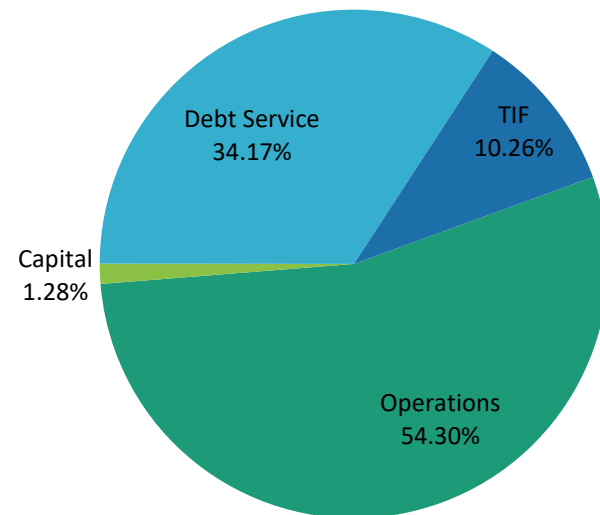
	<u>Public Notice</u>	<u>Final Budget</u>	<u>Difference</u>	
<u>Revenues:</u>	\$1,066,035	\$1,067,089	\$1,054	Increase to Intergovernmental Revenue
<u>Expenditures:</u>				
Library Services	963,035	966,185	3,150	Increase to various accounts
Capital Outlay	103,000	100,904	(2,096)	Decrease to AV Material

**Note: Resolution exhibits and digital budget book will be modified to reflect these changes after the budgets are adopted.**

# A LOOK AT THE LEVIES AND TAXES

- The total property tax levy for all Village purposes is \$7,379,234
  - This includes the Village portion of the estimated increment calculation for all 3 TIDs
- Total Tax Base (Assessed Value) for 2021 Taxes payable in 2021 is \$965,715,000 - an increase of \$26,162,400 or 2.78% over 2020
- Total Equalized Value (TID IN) for 2021 is \$1,037,875,100 - an increase of \$44,880,200 or 4.52% over 2020
- For Village properties within Waukesha County, the local tax rate is estimated at \$7.642942, an increase of \$0.13 per \$1,000 of assessed value, or 1.76% over 2020
- For Village properties within Walworth County, the local tax rate is estimated at \$7.615201, a decrease of \$0.36 per \$1,000 of assessed value, or 4.59% less than 2020
- The following slide shows the impact of both tax rates in Waukesha & Walworth counties on various levels of assessed values

**Composition of 2021 Overall Village Tax Levy & Village Portion of Tax Increment**



# Estimated 2021 Village Taxes on Varying Assessed Values

The Village tax represents roughly 35% of the total property tax bill

<b>Waukesha County</b>		<b>2020 Village Taxes</b>	<b>2021 ESTIMATED Village Taxes</b>	<b>\$ Change</b>	<b>% Change</b>
MILL RATE		7.510759	7.642942	\$0.13	1.76%
<i>Assessed Value of Property</i>					
150,000		\$1,126.61	\$1,146.44	\$19.83	1.76%
200,000		\$1,502.15	\$1,528.59	\$26.44	1.76%
250,000		\$1,877.69	\$1,910.74	\$33.05	1.76%
300,000		\$2,253.23	\$2,292.88	\$39.65	1.76%
350,000		\$2,628.77	\$2,675.03	\$46.26	1.76%
400,000		\$3,004.30	\$3,057.18	\$52.87	1.76%
450,000		\$3,379.84	\$3,439.32	\$59.48	1.76%
500,000		\$3,755.38	\$3,821.47	\$66.09	1.76%
550,000		\$4,130.92	\$4,203.62	\$72.70	1.76%
<b>Walworth County</b>					
<b>Walworth County</b>		<b>2020 Village Taxes</b>	<b>2021 ESTIMATED Village Taxes</b>	<b>\$ Change</b>	<b>% Change</b>
MILL RATE		7.981876	7.615201	(\$0.37)	-4.59%
<i>Assessed Value of Property</i>					
150,000		\$1,197.28	\$1,142.28	(\$55.00)	-4.59%
200,000		\$1,596.38	\$1,523.04	(\$73.34)	-4.59%
250,000		\$1,995.47	\$1,903.80	(\$91.67)	-4.59%
300,000		\$2,394.56	\$2,284.56	(\$110.00)	-4.59%
350,000		\$2,793.66	\$2,665.32	(\$128.34)	-4.59%
400,000		\$3,192.75	\$3,046.08	(\$146.67)	-4.59%
450,000		\$3,591.84	\$3,426.84	(\$165.00)	-4.59%
500,000		\$3,990.94	\$3,807.60	(\$183.34)	-4.59%
550,000		\$4,390.03	\$4,188.36	(\$201.67)	-4.59%

# 2022 ANNUAL VILLAGE BUDGET

## SUMMARY

2021 saw many changes within the Village:

- Changes in leadership in many Village departments including Administration, Police, Library, Inspections & Planning
- Welcoming new staff members in virtually every department
- A return to many pre-pandemic activities within the Village - both in events and in projects that had been placed on hold

What hasn't changed?

- Our continuing commitment to provide excellent services to the residents of Mukwonago

# 2022 ANNUAL VILLAGE BUDGET

Please visit the Village website budget page

<https://villageofmukwonago.com/budget-reports/>

and click on the **2022 Village of Mukwonago Digital Budget Book** for more details including specific departmental information.