

City of Two Rivers 2022 Budget Overview



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WISCONSIN



--Presentation by Manager, November 5, 2021

City of Two Rivers 2022 Budget Overview

With all funds taken into account,
Two Rivers City Government is a
\$35 million annual operation



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City of Two Rivers 2022 Budget Overview

The City Budget is comprised of
Individual budget for various funds.

Major fund types include:

- Tax-Supported Funds
- Utility Funds
- Special Revenue Funds
- Capital Projects Funds



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City of Two Rivers 2022 Budget Overview

Tax-supported funds include the:

- General Fund, with operating budgets that include Police, Fire, Public Works, Parks & Rec and General Gov't
 - \$10.8 mm proposed 2022, funded \$2.23 mm by property taxes
- Library Operating Budget
 - \$864,711 in 2022, funded \$631,287 from property taxes
- Debt Service Budget
 - \$2,669,481 in 2022, funded \$2,440,018 from property taxes

City of Two Rivers

2022 Budget Overview

Tax-Supported Funds

General Fund

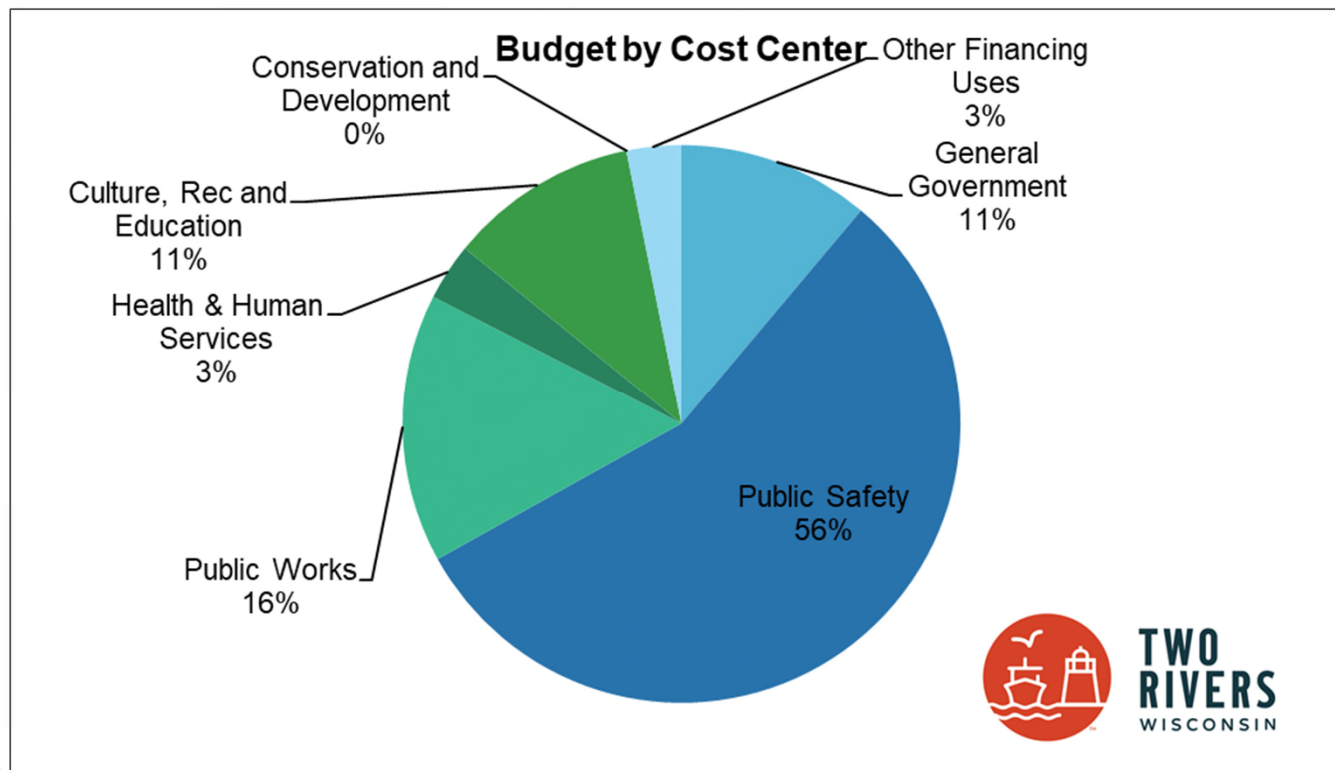
- \$10,825,916 proposed spending and revenues (balanced budget)
- Up 1.73% over 2021, 11.7% over 2010 (avg. <1% per yr.)
- This compares with CPI increases totaling 26.5% since 2010
- Tax levy for General Fund unchanged from 2021
- Largest increases in revenues are from Water Utility
Tax Equivalent payment, misc. fees and charges
- Proposed spending covers:
 - Maintaining current FT staffing levels
 - Upgrading a Parks/Rec maint. position from PT to FT
 - 3% pay raises for Police and Fire, per contracts
 - 2% pay raise for non-union employees
 - \$1 per hour pay increase for park maint. seasonals
 - Health insurance premium increase of 1.75%

City of Two Rivers 2022 Budget Overview

Tax-Supported Funds

General Fund

Where is the money spent?

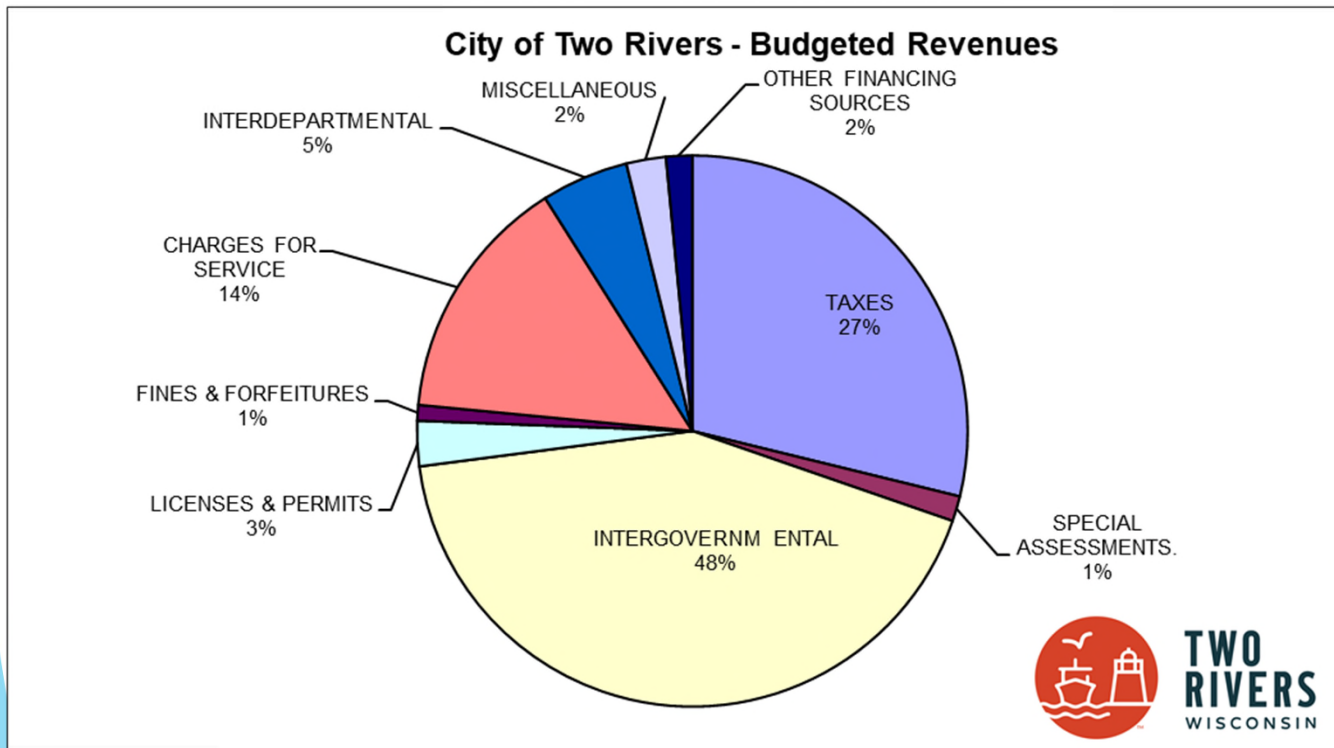


City of Two Rivers 2022 Budget Overview

Tax-Supported Funds:

General Fund

Where does the money come from?



City of Two Rivers

2022 Budget Overview

Tax-Supported Funds

Library Fund

Library Budget is adopted by the Library Board; City Council's role is to determine the amount of City tax levy support.

--Budget proposes increasing tax support for the Library, from \$607,007 in 2021 to \$631,287 in 2022.

This is a 4 percent(\$24,280) increase, following a 2 percent reduction from 2020 to 2021.

City of Two Rivers

2022 Budget Overview

Tax-Supported Funds

Debt Service Fund

Provides funds for principal & interest payments on general obligation debt issued in past years for capital projects

--Budget proposes a tax increase of \$134,747 to cover an increase in debt service in 2022 (P&I payments on debt issued in prior years). Staff and the Council Finance Committee are evaluating options to reduce the tax levy impact of that lift in debt service.

City of Two Rivers

2022 Budget Overview

Tax-Supported Funds

City Tax Rate

The tax levy increases proposed for Library and Debt Service would together result in an increase in the City portion of the property tax bill amounting to 2.94%, from \$10.7231 to \$11.0387 per \$1,000 of assessed value.

This would increase the City share of the tax bill on a \$100,000 assessed property from \$1,072.31 to \$1,103.87, or \$31.56.

This follows small rate decreases (-0.9%, 0.2%) in 2020 and 2021.

From 2010 to 2021, the City share of the tax rate has increased by 17.4%, compared to CPI increases totaling 22.8%

City of Two Rivers

2022 Budget Overview

UTILITY FUNDS: Budgets Totaling \$15.8 million

Supported by User Charges; No Tax Support

NO RATE CHANGES PROPOSED FOR 2022

1. Electric* \$9,080,030, up 7.8%; of that amount, 5.9% is due to projected power costs
2. Water* \$2,697,903, up 8.50%; of that amt., almost half is due to Property Tax Equivalent increase
3. Wastewater \$2,514,920, up 11.3%; of that amt., 9% is due to an incr. in depreciation. Balance of increase largely due to chemical costs and
4. Storm Water \$367,775, down 2.8%
5. Solid Waste \$816,461, up 4.0% mostly due to increased refuse volumes, more street sweeping
6. Telecom \$15,885, up 16.4% from 2021

* Rates regulated by Public Service Comm. of Wisconsin

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OTHER FUNDS:

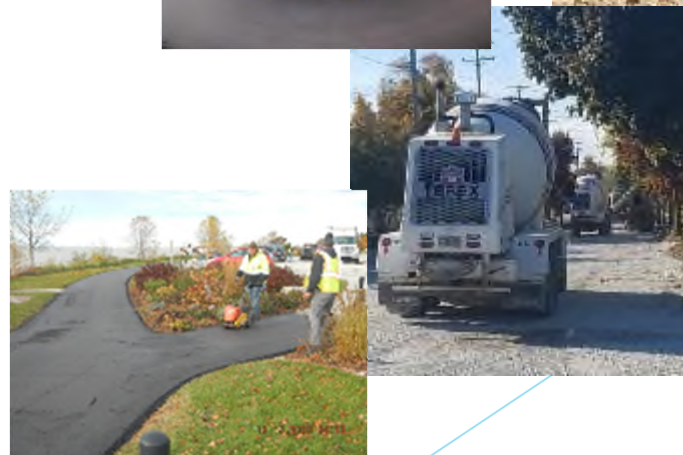
- Tax Incremental Districts—12 active
- Sandy Bay Highlands—Lot Sales Through CDA
- Tourism/Room Tax Fund
- CDBG Housing RLF
- Affordable Housing Fund
- Economic Development Loan Fund
- Community Development Fund
- Urban Forestry Fund
- Tree Planting Fund
- Special Events Fund
- EMS Grant Fund
- Others

City of Two Rivers Budget Overview

CAPITAL PROJECTS FUNDS:

These budgets provide funding, generally from borrowing and grant funds, for infrastructure and capital equipment investments. (Do not includes utility capital investments, addressed in the various utility funds.)

- Harbor Master Plan Implementation
- Trails
- Industrial Development
- Landfill
- Streets
- Bridges
- Parks and Cemetery
- Fire
- Public Works Equipment
- City Hall Bldg. and Equip.
- Information Systems
- Police



City of Two Rivers Budget Overview

CAPITAL PROJECTS FUNDS:

Major Capital Projects and Purchases Proposed for 2022 Include:

- Completing Purchase of Hamilton Property for Redevelopment (\$1.5 mm)
- \$1,048,000 in Street Work, incl. reconst. of 17th Street from East Park to Zlatnik, resurf. of Zlatnik, 17th to Pierce
- \$130,000 for Parks maintenance equip.
- \$500,000 as City share for Central Park West
- \$775,000 for balance of cost for Fire Ladder truck replacement (\$1,175,000 purchase)
- \$242,000 to replace DPW snowblower
- \$45,000 for one Police patrol unit repl.
- \$51,600 for Police equipment repl.
- \$36,590 for new election equipment
- \$46,200 for new property tax software



City of Two Rivers 2022 Budget Overview

City Manager's Proposed 2022 Budget will be available for review at www.tworivers.org on Friday, November 5; print copies will be available for inspection at the Finance Department at City Hall and at the Lester Public Library.

Review of the Budget by the Council's Personnel & Finance Committee is ongoing, on Wednesday evenings (public mtngs.)

City Council Public Hearing on the 2022 Budget will be on Monday, November 29 at 6:00 PM

City Council final action on the 2022 Budget is planned for Monday, December 6 at 6:00 PM.



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