

CITY OF ST. FRANCIS, WISCONSIN
2016 OPERATING BUDGET
Proposed Adoption December 1st, 2015



Prepared by:
City Administrator
Timothy Rhode

2016 OPERATING BUDGET

City of St. Francis, Wisconsin

January 1, 2016 to December 31, 2016

CITY OFFICIALS

Mayor

CoryAnn St. Marie-Carls

City Council Persons

1st District Sue Bostedt
 Steve Wattawa

2nd District Don Brickner – Council President
 Michael McSweeney

3rd District Debbie Fliss
 Ray Klug

Municipal Judge

Peter C. Hemmer

City Administration/Department Heads

Timothy Rhode	City Administrator
Anne B. Uecker	City Clerk/Treasurer
Melinda Dejewski	City Engineer/Director of Public Works
Thomas Dietrich	Chief of Police
Frank Lockwood	Fire Chief
Kathy Scott	Public Health Administrator
Craig Vretenar	Building Inspector
Amy Krahn	Librarian
Paul E. Alexy	City Attorney

City of St. Francis, Wisconsin

Our Purpose....

Value Statement

The employees of the City of St. Francis, Wisconsin, through cooperation and teamwork, are committed to provide the highest level of service with honesty and integrity to the community we serve.

We take pride in providing effective, dependable services while striving to achieve excellence through vision, planning and innovation.

Mission of this Document

The City of St. Francis budget document is intended to inform and enhance the citizens understanding of the budget process and the services they receive. It is also vital that the City Council and Mayor are provided with the information they need to ensure the budget reflects public interest and is structurally correct. Therefore, it is critical this document serves the following four functions:

Acts as a Policy Document

All budgets reflect decisions about a variety of policy issues such as, whom to tax and how much, what new programs to fund, and what programs to reduce or terminate. It is in this context that the budget functions as a policy document in that decisions made within the budget reflect the general principles or plans that guide actions taken for the future.

Serves as a Legally Required Financial Planning Tool

Traditionally the budget has always been used as a financial planning tool. To this end, the budget is a requirement by City Code Section 61-3 City Budget. The budget has the legal authority to expend public funds and controls these expenditures by limiting the amount of the appropriation on a program basis. In order to conform with both the Governmental Accounting Standards Board Statement 34, 45, 54 and 65 changes to the Wisconsin Administrative Code the budget now reflects nine expenditure types instead of the former four (4) programs. The nine expenditure types are (1) Public Safety, (2) Public Works, (3) Health and Social Services, (4) Culture and Recreation, (5) Community and Economic Development, (6) General Government, (7) Debt Service, (8) Capital Projects and (9) Business Type activities. Expenditures that are required to be budgeted include the General Fund, Special Revenue Funds, Debt Service Fund, Capital Project Funds, and Enterprise Funds. Adopted budgets may either be prepared on a cash basis or on a basis consistent with generally accepted accounting principles (e.g., an accrual accounting basis).

Functions as an Operational Tool

This budget addresses areas that may not be included in traditional budget documents. These include debt management, capital spending plans, and the incorporation of programmed capital expenditures.

Acts as a Communication Device

The budget process provides a unique opportunity to allow and encourage public review of City operations. This budget describes the activities of the City, the reason or cause for those activities, future implications, and the direct relationship to the citizenry.

In addition to the above function, the budget process affords both an interesting and challenging opportunity to reassess objectives, goals, and the means for accomplishing them. It is through this effort that the budget is arguably the single most important policy document produced each year.

Organization of Document

Listed below is a brief description of the individual sections of this document, which is intended to acquaint the reviewer with the structure, format and terminology used in this budget document.

Introduction

This section provides a brief history of St. Francis as well as an overview of governmental accounting and budgeting. It provides a basic outline of the political structure of our local government in St. Francis.

Executive Overview

This section includes the City Administrator's budget message, which is intended to articulate priorities, issues, and any major changes in City services for the upcoming budget year.

General Fund Line Item Budget

This section includes the general fund line item budget of 2015 for the City's major revenues and expenditures. The general fund budget makes up over 75% of the total operating revenues and expenditures of the City. While the general fund budget does not cover all the operations of the City, it does capture the majority of the service deliverables that our residents, business owners and visitors do receive.

INTRODUCTION

Capital Projects Budget

The Capital Improvement Plan (CIP) is a document that looks at a 5 year period of time for major purchases including, but not limited to, road projects, vehicle replacements, major infrastructure upgrades, equipment and technology. The CIP allows the Elected Officials insight into major purchases that will be needed to maintain service levels within the departments. The City of St. Francis is unique in that the financial policy for CIP purchases have been accomplished by paying in cash, which has been budgeted years in advance, as opposed to borrowing the funds and making principle and interest payments after the purchase.

Debt Service Budget

This section addresses the debt service and debt issuance of the City of St. Francis. The City borrowed 9 million dollars in 2013 of general obligation debt for the construction of the 45,000 sq ft new Civic Center.

Library Budget

The City of St. Francis Library Board operates our library and provides a wide spectrum of multi-generational services to our residents. This section has the line item budget along with other information about the St. Francis Library.

Refuse and Recycling Budget

This section has the line item budget for the waste and recycling services offered in St. Francis. The line items represent the cost of service, which is partially paid for by property taxes and annual fees.

Stormwater and Sanitary Sewer Budgets

The City operates two utilities in the City. Both are operated primarily with user fees. The City operates our two utilities as a business by managing and accounting for assets as if they were a private entity. The line item budgets are located in the section along with additional information.

Miscellaneous Special Revenue Funds

The City has three smaller special revenue funds, which are located in this section. The primary purpose for special revenue funds is to allow these funds to “roll over” from

year to year so that revenues and expenditures for these specific accounts remain associated with the operations.

Glossary

A glossary has been included in this document to assist the reader with any terminology (including abbreviations and acronyms) that are not readily understood.

HISTORY OF ST. FRANCIS

The early inhabitants of the City of St. Francis were Native Americans who called this land "NOJOSHING", meaning "land which goes into water." St. Francis' first European settlers came to create a largely farming community known as Town of Lake. In 1833 nuns established St. Francis of Assisi convent under the direction of Bishop Henni. In 1856, Bishop Henni also founded the St. Francis Seminary that would serve the entire Milwaukee area. With these developments, the area soon became known as St. Francis.

After several attempts to incorporate as a city, the petition for incorporation and vote were finally successful in July 1951, due to community concern around annexation by Milwaukee. A Mayor and Common Council govern St. Francis in conjunction with a City Administrator. The St. Francis Fire Department provides round-the-clock fire suppression and emergency medical services with 15 full-time personnel and 10 part-time, paid-on-call members. The Police Department is structured by 21 full-time personnel and is augmented by auxiliary police personnel, providing 24-hour patrol.

Within its jurisdiction St. Francis has two county and two municipal parks encompassing 63 acres, 23 of which are situated along the Lake Michigan shoreline. These parks provide direct access to a 99.1-mile county bicycle and walking trail.

The St. Francis School District operates one PK-4th grade elementary school – Willow Glen, and one 5th -8th grade middle school – Deer Creek, and 9th – 12th grade - St. Francis High School. In addition, the area supports a college preparatory parochial high school (Thomas More). The St. Francis Public Library that serves the community is a member of the Milwaukee County Federated Library System.

The Catholic Archdiocese of Milwaukee and related agencies still owns and operates several institutions on the Northeast side of the City. The primary uses include the Cousins Center, St. Francis Seminary, St. Ann's Center, Sisters of St. Francis of Assisi Convent and the Marian Center.

The City's industrial base includes both light and heavy manufacturing of a variety of goods including food products, machine parts, barrels, spices, paints, and much more. Commercial and service businesses include industrial supply, service professions, and a variety of retail shops. In 1995 Harnischfeger Industries constructed their corporate headquarters in a signature building along Lake Drive. Stark Investments has recently purchased the building. In addition, the Milwaukee Bucks Training Facility and Administrative Offices are also located in St. Francis where they lease space in the Cousins Center.

WE Energy decommissioned its Lakeside Power Plant in 1983, freeing up 140 acres for alternate uses. The plant was dedicated in 1921 and was the world's first power plant to burn pulverized coal. In 1964, the Lakeside Power Plant was converted into a natural gas plant. Much of the site was used for coal storage and an ash deposit site during its 60 years of operation. The soil in the

location of the former plant buildings is known to contain asbestos and has been permanently capped. The extent of additional contamination on other parts of the site is unknown at this time.

Government The Mayor is elected to four (4) year terms and the six (6) City Council Members are elected within 3 wards at staggered four (4) year terms on the even years. The City of St. Francis operates under the Mayor- Alderman plan per Chapter 62 of the Wisconsin State Statutes. The plan allows the creation of the City Administrator position. The City Administrator is appointed by the Mayor and approved by the Common Council. The City Administrator is the Chief Administrative Officer and is responsible to the Mayor and Common Council for the proper administration of the business and affairs of the City under State Statutes, ordinances and resolution approved by the Common Council.

The City is organized into eight (8) separate departments. These departments, in cooperation with the City Administrator's office, carry out the policy of the City Council and the business of the City. The Library operates under the sole authority of the Library Board per state statutes.

Engineering/Public Works
Clerk/Treasurers Office
Library
Fire

Police
Building Inspection Dept.
Health Department
Municipal Court

As a full-service community, St. Francis has a twenty-four hour police department with 21 sworn Police Officers managed by the Chief of Police. In 2015 the City contracted with the City of Oak Creek for dispatching services. The Fire Department operates with 16 sworn Fire Fighters including the Fire Chief. The Fire Department provides full-time fire and ambulance service with an agreement with the City of Milwaukee for Paramedic services as needed. The Engineering/Department of Public Works (DPW) maintains our streets, parks, storm water, and wastewater departments within the City as well as maintains the City owned buildings. The City Health Department is tasked with the responsibility to oversee several health related areas including working inside the St. Francis School District. The Municipal Court handles all local citations operating two court sessions per month on the second and fourth Monday of the month. Our Building Inspection Department issues and inspects building permits and occupancy permits within the city for code violations. The Library offers an extensive collection and programing for both adults and children. The Clerk/Treasurers office operates the "back office" function of the City of St. Francis including payroll, tax collection, payments for services, and elections.

The City of St. Francis has three TIF (Tax Increment Finance) districts one located in the Northeast area of the City with the other located along Layton Avenue, located on

our Southern border. The bulk of the land that makes up our first district is the former WE Energies land north of Howard Avenue. During 2012 the City Staff worked with Ehlers and Associates to create TIF # 4, which will primarily be retail and industrial. As a result of the TIF districts the City has made significant infrastructure improvements including a multi-million dollar streetscape improvement. The district is poised and ready for the economic turnaround in commercial land. In 2015 the City created TIF # 5 as an overlay of TIF # 3 to help generate additional tax increment to pay off the debts of TIF # 3.



St. Francis is located just south of the City of Milwaukee along the beautiful Lake Michigan shoreline. Positioned in the perfect location between the General Mitchell International Airport, the lakefront and downtown Milwaukee, our residents have the best that southeastern Wisconsin has to offer.



ECONOMIC PROFILE

City of St. Francis, WI

Population

Year	Number	Percent Change
1980	10,095	--
1990	9,245	-8.4
2000	8,662	-6.3
2010	9,365	8.1

Source: U.S. Bureau of the Census, Wisconsin Department of Administration, and SEWRPC.

Housing

Year	Total Households	Percent Change
1980	3,795	--
1990	3,924	3.4
2000	4,050	3.2
2010	4,464	10.2

Unit Information: 2010

Total Units.....	4,795
Owner Occupied Housing Units.....	2,295
Median Value.....	\$160,700
Renter Occupied.....	2,169
Median Rent.....	\$490
Vacancy Rate (Home Owner/Renter)	2.5 & 7.3

Source: U.S. Bureau of the Census and SEWRPC.

Income

2010 Per Capita Personal Income

Milwaukee County.....	23,740
Milwaukee Region.....	40,537
Wisconsin.....	26,624

Source: U.S. Bureau of the Census and SEWRPC.

Taxes

Local Property Taxes

- Assessment Ratio: 0.824 (2003)
- Net Rate/\$1,000: \$34.10 (2003)
- Aggregate Full Equalized Value: \$437,805,900 (2003)

Source: Wisconsin Department of Revenue and City of St. Francis.

Financial

Associated Bank 3719 S. Kinnickinnic Avenue Telephone: (414) 747-0300	PNC Bank 3545 S. Kinnickinnic Avenue Telephone: (414) 486-7001
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Tri City Bank
4698 S. Whitnall Avenue
Telephone: (414) 482-0610

Transportation

Highways

- Interstate Highway 43-94 located 1.5 miles west of the City
- State Trunk Highways 32 and 62
- County Trunk Highway Y
- Lake Parkway

Trucking

- 268 trucking establishments located in Milwaukee County, with a number of establishments located in St. Francis because of the easy access to General Mitchell International Airport and the IH 94 system

Air Service

- General Mitchell International Airport, located 2 miles west
- Lawrence J. Timmerman Airport, located 14 miles north
- Rainbow Airport, located 12 miles southwest
- Chicago's O'Hare International Airport, located 76 miles south

Water Transportation Facilities

- Port of Milwaukee located 4 miles north

Railway Service

- Union Pacific Railroad

Public Transit

- Several local bus routes and one freeway flyer route operated by the Milwaukee County Transit System
- Specialized transportation service available to the elderly and persons with disabilities through two special Milwaukee County public transit programs

Government Services

The City of St. Francis has a mayor/ council form of government, with a full-time City administrator.

Police and Fire

Police Department: 23 full-time personnel
Fire Department: 13 full-time personnel

Moody's Rating

The 2003 *Moody's Municipal Credit Report* stated that the City's financial position is stable and satisfactory. A – with a possible future upgrade.

Media

Local Newspapers

- St. Francis NOW, Weekly
- Milwaukee Journal-Sentinel, Daily

Labor and Wages

MILWAUKEE COUNTY AVERAGE EMPLOYMENT: 2004

<u>Employment by Industry</u>	<u>Number of Persons Employed</u>	<u>Percent of Persons Employed</u>
Construction.....	12,390	2.5
Education and Health.....	121,270	24.7
Financial Activities.....	37,553	7.6
Information.....	12,423	2.5
Leisure and Hospitality.....	41,940	8.5
Manufacturing.....	64,448	13.1
Natural Resources.....	122	0.0
Other Services.....	16,002	3.3
Professional and Business Services....	73,364	14.9
Public Administration.....	22,585	4.6
Trade, Transportation, and Utilities.....	89,813	18.3
Not Assigned.....	14	0.0
Total.....	491,924	100.0

Note: Table revised July 2005.

Source: Wisconsin Department of Workforce Development, Office of Economic Advisors (Quarterly Census of Employment and Wages) and SEWRPC.

MEDIAN HOURLY WAGES FOR SELECTED OCCUPATIONS: 2003

Wage and employment estimates categorized by occupation can be found by following the link for the OEA Wage Survey located below.

Milwaukee-Waukesha MSA OEA Wage Survey
http://www.sewrpc.org/economicprofiles/milwaukee_co

MILWAUKEE-WAUKESHA MSA PROJECTED EMPLOYMENT: 2002-2012*

Employment projections categorized by occupational groups can be found by following the link of the [employment](#) projection report located below.

Milwaukee-Waukesha MSA
 OEA Employment Projection Report
http://www.sewrpc.org/economicprofiles/milwaukee_co

*Milwaukee-Waukesha MSA Includes: Milwaukee, Ozaukee, Waukesha, and Washington Counties.

MILWAUKEE COUNTY CIVILIAN LABOR FORCE: MARCH 2004

Total Civilian Labor Force.....	487,526
Employed Civilian Labor Force.....	453,950
Unemployed Civilian Labor Force.....	33,576

Major Private-Sector Employers

MANUFACTURING

Machinery Except Electrical
 Advance Hydraulics, Inc.
 ARG Machining Corp.
 J & L Honing Company
 Lakeside Centerless Grinding Company
 Lenard Tool & Machine Products, Inc.
 PDQ Tooling, Inc.
 Sheridan Mold & Engineering, inc.
 Utility Tool & Machine Company, Inc.

Food and Kindred Products

Quality Candy Shoppes, Inc.
 Supreme Meats, Inc.
 Wixon/Fontarome Industries, Inc.

Paint and Paint Application Supplies

Shur-Line Division of Newall Corp.

Chemical Production

WIXON/ Fontaine Chemical Inc.

Fabricated Metal Products

Advance Screw Products, Inc.
 Becker Boiler Company, Inc.
 Kitzinger Cooperage Corp.

Corporate Headquarters

Milwaukee Bucks Corporate Headquarters
 Arch. Cousins Center

Source: Classified Directory of Wisconsin Manufacturers, Wisconsin Business Service Directory, City of St. Francis, and SEWRPC.

Health

Milwaukee communities are served by a complete range of health facilities and health professionals offered by the County's 18 area hospitals and over 1,000 area clinics. Of special interest is the Milwaukee Regional Medical Center, a voluntary consortium of private, nonprofit, and governmental institutions dedicated to the delivery of health care, the education of health personnel, and the conduct of health-related research.

Financial Structure

The City of St. Francis operates on a calendar year operation. The City's accounting and budgeting systems are organized and operated on a fund basis. Where a business typically combines the results of the operations of all its subsidiaries into one consolidated report, the City of St. Francis creates a separate report for each one of its groups of funds. **A fund is defined as an accounting entity with a self-balancing set of accounts.** Each fund receives revenue from different sources and functions as if it were a self-contained business with its own set of accounts and financial reports. The revenues from that fund, plus any appropriate transfers of revenue from other funds cover the expenditures from each fund. As a result of the fund structure, the City of St. Francis does not have a single bottom line, but multiple bottom lines – one bottom line for each fund.

The fund structure serves the following two main functions:

- 1) The separation of funds helps ensure that earmarked revenue is being spent appropriately. For example, because individual funds are smaller, less complicated and have their own reports, it is easier to track or match revenues with expenditures. This task would be far more difficult if the City had one (1) large undifferentiated fund.
- 2) Fiscal control is a key element of a fund structure. Not only should the budget balance, surpluses in one fund should not be used to cover deficits in other funds. Thus, the fund structure forces governments to meet a more exacting standard of balance than private sector organizations.

Types of Funds

The City of St. Francis groups all of its funds into three (3) broad categories depending on the nature of the fund. **Governmental Funds** are used to account for the City's governmental type activities; **Proprietary Funds** account for the City's business type activities; and **Fiduciary Funds** are used to account for activities when the City acts in an agent or fiduciary capacity. Listed below are the categories used by the City and the basic types of funds for each category.

Governmental Funds

General Fund is the operating fund of the City. All general tax revenues and other receipts that are not allocated by law or contractual agreement to some other fund accounted for, are in this fund.

Special Revenue Funds are used to account for revenues derived from specific sources required by law to be accounted for in separate funds.

Debt Service Fund is used to account for legally mandated reserves and the payment of interest and principal on the City's general long-term debt.

Capital Project Funds are used to account for all resources used in the acquisition or construction of capital facilities.

Proprietary Funds

Enterprise Funds are used to account for operations and activities that are financed and operated in a manner similar to **private business**, where costs of providing the service are expected to be financed through user charges.

Internal Service Funds are used to finance and account for services and commodities furnished by designated departments to other departments of the City. Currently, the City of St. Francis does not have an Internal Service Fund established.

Fiduciary Funds

Non-Expendable/Expendable Trust Funds are used to account for assets held by the City in a trustee capacity for other governments, organizations or other funds.

Preliminary Budget

The City Administrator has prepared a proposed operating budget (sometimes referred to as the **executive budget**) to present to the Finance Committee in October. The City Staff, City Council and interested public then conduct a series of meetings to review the information and discuss amendments.

It is important to note that the City Council conducts a public hearing in late November or early December before any formal action is taken on the budget. This allows the citizens of St. Francis an opportunity to voice any concerns they may have over the City's budget. The Citizens of St. Francis are also invited to all budget sessions.

Amending the Budget

Due to certain unforeseen events it may become necessary to modify the adopted budget. A formal budget amendment can bring about change in the total appropriation for a department or fund and has to be approved by the City Council.

CITY OF ST. FRANCIS, WISCONSIN

November 2, 2015

Mayor Cory Ann St. Marie-Carls
City Council & Citizen
3400 E. Howard Ave
St. Francis, Wisconsin 53235

RE: 2016 Executive Summary (Management Discussion & Analysis)

Honorable Mayor St. Marie-Carls, City Council Members and Residents.

I respectfully present the proposed budget for the City of St. Francis for the 2016 budget year. As the City's financial and spending plan for the year, the adoption of the budget is undoubtedly the single-most important action taken by the Mayor and City Council each year. The adopted budget will authorize resources and establish a direction for our programs and services for the coming year.

It is vital that the Mayor and City Council are provided with the information needed to ensure that the budget document reflects the public interest. It is our hope that this budget serves as an effective policy document, financial planning tool, operational tool and communication device.

At the time of this document creation, the Finance Committee is still reviewing the proposed executive budget for consideration. The majority of the budget, including the tax levy, proposed by the City Administrator is ready for Budget Hearing set for November 17th, or December 1st, 2015, based on our tradition of having the hearing on a Council Night.

2015 - Year in Review

The City is in our fifth year of the States levy limit freezes. The 2015-16 State Budget did not increase any amounts of the State Aids from 2013-14 budget when the large decrease in State Aid took place. Following changes from Act 10 in 2012, city staff including Police and Fire all make the same annual contribution to the WRS (Wisconsin Retirement System) in addition to covering 12% of the premiums for health insurance. Building on the successful implantation of the City's first Employee Handbook, the City

implemented a Performance Review process as well as tying that process into Pay for Performance program which is in its third year. Employees are eligible for pay increases based on their performance review each year.

This year the City contracted with the City of Oak Creek for dispatching services for both Police and Fire communications and 911 calls effective March of 2015. The contract has been in effect for just over 6 months without any major incidents or service issues. The Police and Fire Chief's continue to meet with Oak Creek during this transition to insure the highest level of service to both communities.

The Community Development Authority has been working very hard through 2015 on a TIF #5 which is an overlay of TIF #3. TIF #5 will capture the increment of two major projects along the Lake front which will provide a cash stream which will be neutral for TIF #3/#5 for the first time in its existence. TIF #3 was plagued with starting at the beginning of the real-estate bubble which put a halt to most, if not all development for the last 6 years. Now with a brighter economic future development has resumed with both Bear Development with 315 luxury residential apartments on the Lake front and successful relocation of the FBI Midwest regional HQ out of the City of Milwaukee and into the former Stark building. TIF #4 our industrial TIF has had its own success as well with the relocation of KingKase on E. Bolivar which has open the way for a 45,000 sq ft addition for Wixon scheduled for 2017. Additionally, TIF # 4 with the help from a TEA Grant from the State of Wisconsin will be extending Nevada Ave. from Bolivar to Whitnall this Fall, which will increase the amount of buildable industrial land in TIF #4.

We celebrated our one year anniversary in the new Civic Center building opened to the public October 3rd, 2014. The project was successful and has been both an improvement in efficiency for our organization as well as catalyst for new development in the City.

2016 Preliminary Budget Process

While preparing for the 2016 budget, City Staff were directed to focus on the following three items:

- Operating Efficiencies
- Reviewing Non-Property Tax Revenues
- Finding new Efficiencies in the new Civic Center

Using the above-referenced items as guidelines, the City Department Heads submitted their proposed budgets. After reviewing the proposed budgets and making the appropriate amendments, the City Administrator compiled the proposed 2016 budget with some significant changes from previous years for the finance committee's review. Due to increased cost, several significant cuts are proposed to realign Revenues with Expenditures. Below is short list of some of the significant proposed cuts:

- 1) \$-40,000 Overtime in PD
- 2) \$-80,000 Lt. Police position which is currently vacant
- 3) \$-15,000 Crossing Guards dropping shift pay from \$27/per shift to \$17/per shift.
- 4) \$-20,000 Health Nurse decreased hours (estimated 2 hours less per day)
- 5) \$+20,000 Health Department Grant
- 6) \$-6,000 summer clerical help in DPW
- 7) \$-80,000 From Fire OT by requesting staffing min. down from 4 to 3 per shift
- 8) \$-6,000 Court Clerk
- 9) \$-15,000 Clerks Office
- 10) \$+20,000 School toward SOR staffing (\$10k new from school, 10K I did not have in original budget)

While these are not all the cuts and adjustments which are located for review in the full 2016 Proposed Line Item budget, these items listed are the most significant. While these cuts are not easy items to consider, I believe they accomplish the goal of a balanced budget while not having a major impact to City Service levels.

General Community Overview

Evaluating the financial stability of the City of St. Francis as a community requires two pieces of information. First is the current trend of property values based on classification. I have put together a chart outlining the valuations over the last 7 years; listed below. As the Assessment Ratio continued to climb, the City entered into a contract with our current assessment firm for a full city wide re-assessment. The city wide re-assessment accomplished two important unfunded State Mandate. First, we were outside of our 12% assessment to equalized ration. Second, the state requires all municipalities to have all their assessment records in electronic format which was accomplished this year from our old paper files.

ASSESSED VALUE VS ASSESSMENT RATIO 8 YEAR REVIEW

<u>Valuation Year</u>	<u>Assessed Value</u>	<u>Equalized Value</u>	<u>Assessment Ratio</u>	<u>TIF #3 & 4 Value</u>
2015	\$564,741,200	\$601,441,100	.93898	\$108,020,100
2014	\$651,318,802	\$569,633,300	1.14	\$100,158,760
2013	\$654,318,802	\$571,772,700	1.14	\$52,765,500
2012	\$660,416,600	\$607,019,900	1.0868	\$11,158,579
2011	\$665,588,000	\$634,211,600	1.049	N/A
2010	\$677,816,400	\$649,557,500	1.045	N/A
2009	\$668,027,000	\$681,521,100	0.9802	\$97,245,700
2008	\$550,495,900	\$681,138,200	0.8082	\$54,790,600
2007	\$545,720,000	\$671,903,500	0.8122	\$52,765,500

The second piece of information for financial stability is in the following chart with an overview of the City's top 10 property values. This is important to note when evaluating the strengths and weaknesses of a community. The goal is to not have all your largest property values in one "industry" as well as to avoid having a single property far and above the values of others so that our success or failure is not in one company's hands. (Example: General Motors Plan)

Saint Francis Top Ten 2015

Owner Name	Sum of Land	Sum of Imps	Sum of Total
The Manor Apartments LLC	\$1,635,000	\$7,333,000	\$8,968,000
South Shore Medical Development	\$471,000	\$7,608,700	\$8,079,700
LLC Fw WI-Whitnall Square	\$1,182,000	\$6,739,500	\$7,921,500
FRED-Ridge View Apartments, LLC	\$895,000	\$6,713,000	\$7,608,000
Raymond J. Perry	\$750,000	\$6,375,000	\$7,125,000
PH St. Francis, LLC.	\$1,278,000	\$5,222,000	\$6,500,000
Howard Village V	\$793,000	\$5,612,000	\$6,405,000
Plaza IV Properties LLC, A Wisconsin LL	\$680,000	\$5,712,000	\$6,392,000
Robert L. Denton & Wf	\$610,000	\$4,881,000	\$5,491,000
Baierl Family LLC	\$500,000	\$3,750,000	\$4,250,000
TOTALS:	\$8,794,000	\$59,946,200	\$68,740,200

The City of St. Francis has a good range of high value properties in a diverse group of industries and categories. This chart is missing a few of our larger property owners because they have multiple parcels, thus are not listed as part of our “top 10.” Regardless, the results are the same and are very positive.

2016 Property Tax Break Down

Tax Levy Vs. Tax Rate

Tax Levy is the total dollars the City of St. Francis will tax both personal and real estate property in the City. This year that number is \$5,737,131 which is **0.22%** increase or \$12,593 from 2014.

Tax Rate is the City's tax levy amount (\$5,737,131) divided by the total real estate and personal property assessed value provided by the State of Wisconsin estimated to be **\$564,741,200**. This year property owners will receive in the mail a similar tax bill for the City's portion. Keep in mind the City only controls the tax levy for our operations. The School, County, State, MMSD and MATC are all the taxing authorities which make up a Property Tax bill.

To demonstrate the example, below is a chart of the tax levy and tax rate in St. Francis over the last 6 years with our City TIF District #5 & #4 added.

Year	2011 Levy	2012 Levy	2013 Levy	2014 Levy	2015	2016
Tax Levy for City	\$5,419,554	\$5,419,554	\$5,419,554	\$5,724,538	\$5,724,538	\$5,737,131
Tax Rate for City	\$7.99	\$8.14	\$8.20	\$8.79	\$8.86	\$10.15
Assessed Valuation	\$677,816,404	\$665,288,000	\$660,416,600	\$651,318,802	\$645,498,602	\$564,741,200

As you can see in years past, the levy has stayed steady, until this year when the city conducted a City wide revaluation of all properties. With most residential properties decreasing by 13-17%, that effect was a city wide decrease. The total value of property in the City, down about \$90 million dollars. * One caveat to this chart does not show the TIF levy.

The average assessed home value in the City of St. Francis based on 2,094 Single Family Homes in our community is \$136,663, down 13-15% from last year due to City

Wide Revolution. If we take our average home price as an example, this would be the tax bill.

Average Assessed Home Value..... \$136,663
 Estimated Total Property Tax Bill.....\$ 3,979
 City of St. Francis Portion of Bill.....\$1,387.13

Where your total tax bill goes! The City collects property taxes for all the taxing authorities for our area. The break down below is the overall tax rate per \$1,000 of assessed value:

<u>Taxing Authority</u>	<u>Tax Rate</u>	<u>Percentage of Total</u>
City of St. Francis	\$ 10.15	31%
State of Wisconsin	\$.18	1%
St. Francis School District	\$ 12.27	38%
Milwaukee County	\$ 6.70	20%
MMSD	\$ 1.85	6%
MATC	\$ 1.37	4%
Net Rate	\$ 32.49	100%

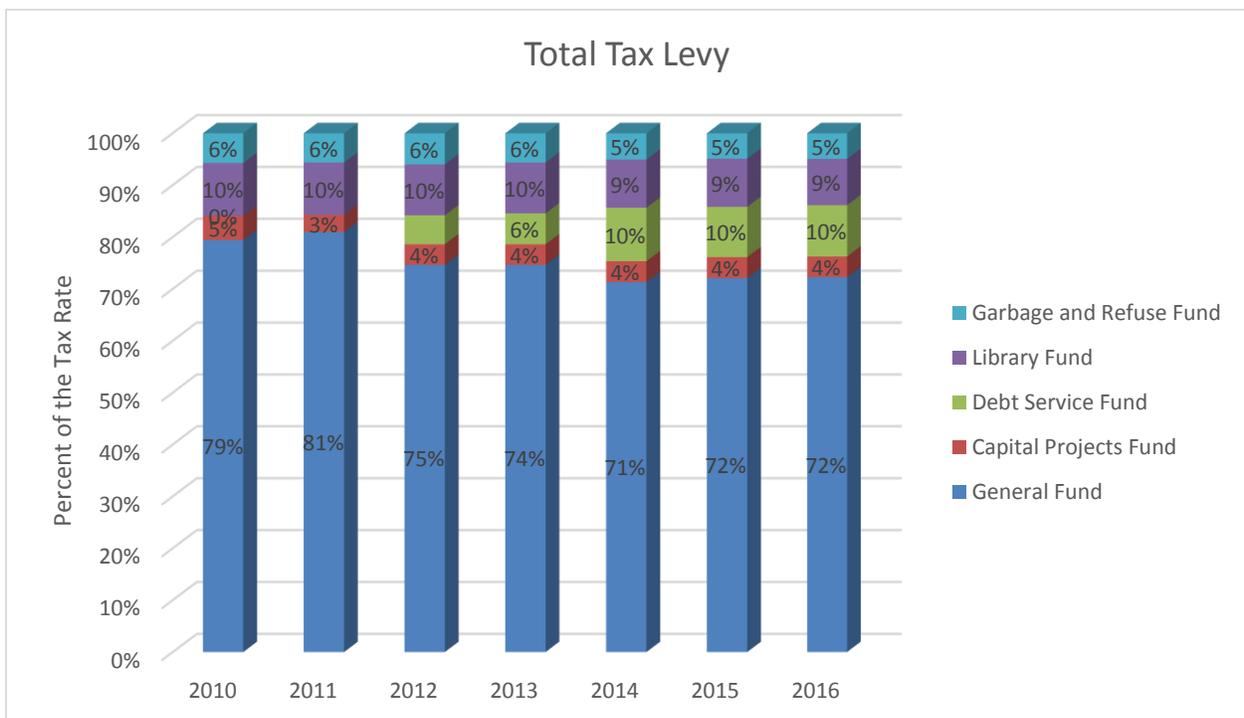
- This does not included any rebates or tax credits which for 2016 should be about -\$3.46/\$1,000 of value



City of St. Francis Portion of Tax Rate

Based on the Tax Levy of \$5,737,131 the City used the funds for 5 major categories to operate the City of St. Francis. Below is a breakdown of that usage, along with a chart outlining the percentages.

Property Tax Summary	2011	2012	2013	2014	2015	2016	\$ of Change
General Fund	\$4,388,035	\$4,044,666	\$4,044,666	\$4,082,166	\$4,127,189	\$4,117,076	\$-10,113
Capital Projects Fund	\$178,880	\$215,379	\$215,379	\$230,379	\$230,379	\$253,085	\$22,706
Debt Service Fund	\$0	\$302,870	\$322,870	\$590,354	\$555,331	\$555,331	\$0
Library Fund	\$547,639	\$531,639	\$531,639	\$531,639	\$531,639	\$531,639	\$0
Garbage and	\$305,000	\$325,000	\$305,000	\$290,000	\$280,000	\$280,000	\$0
Total Tax Levy	\$5,419,554	\$5,419,554	\$5,419,554	\$5,724,538	\$5,724,538	\$5,737,131	\$12,593



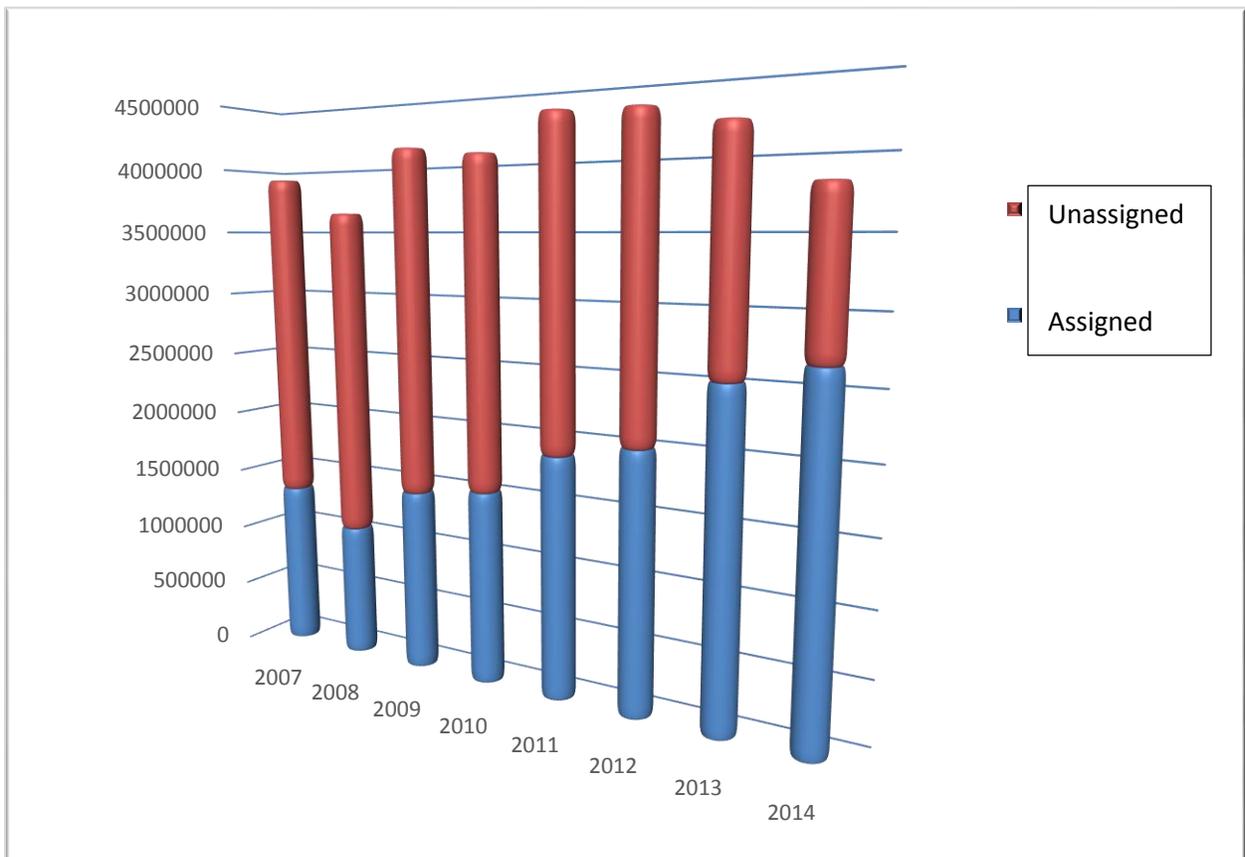
2016 Budget Highlights by Fund

General Fund	2015 Budget	2016 <u>Proposed</u>	%
			Change
REVENUES:			
4110 Taxes	\$6,373,105	\$6,350,376	-0.36%
4120 Licenses	\$30,570	\$29,580	-3.24%
4130 Permits	\$131,375	\$163,575	24.51%
4140 Penalties& Forfeitures	\$302,000	\$237,000	-21.52%
4150 Gifts & Grants	\$787,329	\$837,509	6.37%
4160 Charge of Special Services	\$15,000	\$30,000	100.00%
4170 Other General Revenue	\$12,400	\$12,400	0.00%
4210 Interest	\$85,000	\$80,000	-5.88%
4230 Departmental	\$411,600	\$437,970	6.41%
4250 All Other	\$0	\$1,000	#DIV/0!
4260 Cable Television	\$130,000	\$130,000	0.00%
4350 Unclaimed Deposits	\$0	\$0	#DIV/0!
4360 Park Fees	\$4,000	\$5,500	37.50%
TOTAL REVENUES	\$8,282,379	\$8,314,910	0.39%

	2015 Budget	2016 Budget	%
EXPENDITURES:			Change
General Government	\$1,304,327	\$1,331,294	4.21%
Public Protection	\$5,121,515	\$5,256,765	2.64%
Health & Social Services	\$169,426	\$148,700	-12.23%
Department of Public Works	\$1,548,711	\$1,440,851	-8.77%
Education & Recreation	\$26,200	\$26,800	2.29%
All Other	\$112,200	\$110,500	-1.52%
TOTAL EXPENDITURES	\$8,282,379	\$8,314,910	0.39%

On the expenditure side of the ledger, the city increased its spending by .39% or \$32,531 to reflect the slight increase in operating cost. All city employees will be contributing 7.0% or half the Wisconsin retirement contribution in addition to paying 12% (current for 2015) of the health insurance premium. Increase in utility cost for the Civic Center are estimated at \$45,000. Additionally, staffing wage increases account for the majority of expenditure items which have gone up.

General Fund Reserve Balance



General fund cash reserve is one of the three financial trend monitoring numbers used by outside rating agencies when determining a community’s bond rating. The accepted accounting principle of a cash reserve of 20% - 30% with larger budgets closer to 20% and smaller budgets like the City of St. Francis closer to 30% has been a goal of

Treasurers and Administrators for years. While the city is not required to have a specific percentage of cash in our reserves for our general fund, the city is in a good financial position with just under 3.85 million dollars or 29% in reserves. The general fund cash reserve is broken down into two major categories, *Assigned* and *Unassigned*. *Assigned* represents pledges or commitments that the City has specifically entered into, which in turn “designates” or “reserves” those funds for the specific use. One example would be employee sick time. While it is very unlikely that every employee will retire from the City next year, the City designates approximately ~\$94,000 just in case several employees retire and collect this benefit. The City’s major designation of funds is for TIF #3 to cover the lack of any increment coming in. This year the City created TIF # 5 to fund TIF #3, but it will be 3-4 years before TIF #5 is able to start to pay back the general fund for debt incurred by TIF #3. The City also has an *Unassigned* category, which can be used for emergencies and does not have a specific purpose, other than the very important role of providing financial stability into the future.

Capital Projects Fund Overview

The City of St. Francis has a unique position when it comes to capital improvements or capital project fund. The City, through hard work and fiscal discipline, has aggressively paid down its long-term debt from the late ninety’s and early 2000’s and has moved to a “cash financing” strategy for capital items. This process is not easy to achieve, based on the simple fact that the City must designate cash “funds” each year for future purchases down the road. The reason this is a challenge is that the needs of today often times outweigh the needs of the future, in most communities. Yet, the few communities that operate cash financing for capital projects reap the rewards of not having large long-term debt payments, interest payments, and issuance/auditing costs associated with debt. With that said, the City of St. Francis does not have a formal 5 year Capital Improvement Plan (CIP), but does have individual Department plans. A goal for the 2016 Budget would be to compile and evaluate, with elected officials, residents and staff, a comprehensive 5 year CIP document. In the full budget documents, under the section for capital projects, is a full listing and outline of all capital requests for 2015, as well as the balances per each account.

Debt Service Overview



The City of St. Francis has just celebrated our first year in the building. A project which started back in 2010 with a facilities study and took shape in 2013 with a ground breaking event. Our new Home, the Civic Center, opened for business October 2nd, 2014, and is located at 3400 E. Howard Ave. It is the home of the Police, Fire, City Administrative services, and the St. Francis Historical Society. The City created and implemented a debt strategy of using cost savings from operating expenses from 2011, 2012 and 2013 balance with 8.5 million dollar debt issuance (Bond) to construct the new Civic Center. The strategy was to levy an additional \$60/average house hold in the City for the new building. The other cost of the debt is to come from cost saving in operational cost.

Police Department

The Police Department remains committed to maintaining the highest quality of police service and protection that the community has come to expect. Our mission is to maintain social order along with preventing crime, apprehending offenders, recovering stolen property, and remaining proactive in the enforcement of traffic codes.

Public Safety and the service provided is important to the growth and image of the city. We continue to work with the community by providing both school and community based programs along with performing the normal daily duties and responsibilities.

In the coming year the department will continue to move toward accreditation of our policies and procedures. We also will work to maximize operations while maintaining a cost effective and efficient department.

Library Overview

In 2015, the Library engaged the community in a Digital Literacy Drive, providing opportunities for patrons of all ages to explore and learn basic computer skills and new technologies. We offered BYOD (Bring Your Own Device) workshops to demonstrate mobile and downloadable library services, offered basic computer instruction, and worked with patrons one-on-one to introduce them to basic computer skills. We continued to see increases in the circulation of library materials and staff implemented innovative ways to meet that demand. Over the summer months, during our popular Summer Reading Programs, the Library underwent a construction project to repair and replace the clerestory roof, windows and siding.

In 2016, the Library will continue working with the public on digital literacy and improving patron access to downloadable materials and online services. In addition, the youth services staff will continue to focus on supporting the school's commitment to the STEAM initiative, providing opportunities for children to experience activities in the areas of science, technology, engineering, the arts, and math. Due to the expanding programming demands at all age levels, the Library plans to add a Young Adult Librarian to our staff. Our physical space will also continue to receive updates and improvements as needed. As library services evolve in the digital age, the Library staff will continue to evaluate collection needs, community outreach and collaboration opportunities, and classes, programs and services that meet the needs of all age levels in the community.

Public Health is everywhere!

The St. Francis Health Department remains committed to protect and promote the health of all persons in the community.

2015 the Health Department completed the 140 Statutory Review and was successful in all areas and received a commendation from Wisconsin Department of Health Services. Our immunization program was also assessed and continues to surpass expectations.

2016 will bring many challenges. The community's immunization rate for children of 24 months was 81%, meaning children by their 2nd birthday residing in St. Francis needed to complete immunizations as prescribed by the State and CDC. 2016 our community rate has increased to 85%.

Our Maternal and Child Health Program in 2016 will be implementing and evaluating strategies we have devised to increase developmental screening in our

community. We will be working with our healthcare providers, childcare providers and our school district to provide this needed service.

2016 we will be participating in several full scale exercises. These exercises will test and practice our Public Health Emergency Response plans. Point of Dispensing (POD), shelters and Family Assistance Center will be activated and operations will be assessed.

A new tool to assess our Cities Readiness Initiative has been devised by CDC. Our department will be assessed according to the criteria set.

This is just a sample of the activities the St. Francis Health Department will need to complete during 2016. Day to day operations will continue. As C. Everett Koop, the U.S. Surgeon General, 1981-1989 stated: *“HEALTH CARE MATTERS TO ALL OF US SOME OF THE TIME, PUBLIC HEALTH MATTERS TO ALL OF US ALL OF THE TIME.*

Sanitary Sewer Utility and Stormwater Utility Overview

The City operates two independent utilities for both stormwater and sanitary sewer. A third completely independent water utility is operated by the Milwaukee Water Works, which provides water to our city independent of any city operation or authority.

The stormwater utility collects revenue from a fee placed on the annual sewer bills. The fee is based on an “impervious surface” area of the property calculated by using ERU’s (Equalized runoff units). This area is calculated based on unit rate for both residential and commercial property. The impervious surface is the overall surface area of a lot, which does not allow water to soak into the ground. On an average home, the roof of the house and garage, driveway and patio would be impervious service area. The utility allows the city to generate revenue to pay for large projects, which benefit all the property owners of St. Francis.

The sanitary sewer utility operates in conjunction with our regional sewer treatment facility MMSD (Milwaukee Metropolitan Sewage District). The city operates and maintains the sewer mains that run throughout our city. Our mains then drain into larger feeder lines that run directly to MMSD’s treatment plant at the South Shore. We bill quarterly for the maintenance and flow of sewage in the city and the annual tax levy for MMSD appears on property owner’s tax bills.

The utilities operate very close to a private business model with profit and loss based on the operational needs each year. The goal of both utilities is to operate with a small profit for stability in keeping the rates consistent from year to year. Both utilities

have been operating at a profit for several years. With the recent change in political direction in Madison, new mandates and regulations on operating these utilities will be forthcoming. Overall, staff is not proposing any significant changes in operations for both the utilities for 2016. Minor projects include South Brook Place storm sewer replacement, and a trial program of sanitary sewer lining to reduce inflow was performed in 2013 and review of its overall impact on the system is ongoing.

Non-Major Special Revenue Funds

The City has three small special revenue funds which are Library Donations \$13,436; Library Reciprocal Borrowing \$186,200 (*2015 large window replacement project was funded by this account*); and Police Community Relations \$77,478. These accounts are small in nature and serve the specific purpose for which they are named. These accounts roll over each year and all funds in these separate accounts are bookmarked specifically for use in these categories. No major changes have been proposed for these accounts for the 2016 Budget year.

Garbage and Recycling Funds

The City entered into a new contract with Waste Management for 2015 which included the city leasing the garbage and recycling carts. The new contract also added automation for garbage pickup similar to our existing agreement for recycling.

These funds also account for providing the residents a site for dropping off yard waste and other materials at the city garage. Any cost difference is factor as part of the reserve account in this category for 2016. However due to the cost increases in recycling costs, the city will continue our strategy set in 2013 of adding \$5 to the \$60 recycling fee this year bringing it up to \$65. Overall, the city spends \$480,000 for both services and currently only charges a small recycling fee on the property tax bill.

Conclusion

Currently, communities in Wisconsin are under a levy limit freeze through 2017. While the levy freeze is in place, local governments must manage resources through efficiency, as the ability to raise the property tax is not an option. The levy freeze has made the budget process challenging, however not impossible. Presented is a balanced budget for 2016. To achieve a balanced budget, the City Administrator has proposed several budget cuts to align revenues with expenditures. I believe the cuts are minor to the overall services levels to the residents and will work hard in future years to reverse some of the cuts.

A special note of thanks to all the department heads that assisted with their department budgets and especially to the City Clerk/Treasurer and her staff for numerous amendments on running the different budgets and reports. Additionally, a special thank you to Todd Willis our project coordinator who is attending UWM graduate school for Public Administration. Their competence and dedication are sincerely appreciated.

I would also like to thank the Mayor, City Council and residents for your interest, dedication and support in planning and conducting the financial operations of the city in a responsible and progressive manner.

Respectfully submitted,

Tim Rhode
City Administrator

CITY OF ST. FRANCIS DRAFT 2016 BUDGET TIMELINE

Due Date	Responsibility	Action
August 18 th , 2015	City Administrator	Submit budget worksheets/Timeline/ 5 year CIP to Department Heads
September 15 th , 2015	City Administrator Department Heads <u>Finance Committee</u>	Direction of Finance Committee on tax rate and revenue
September 18 th , 2015	Department Heads	Submit completed expenditure worksheets to City Administrator
October 1 st , 2015	City Administrator	Compile and assemble 2016 (DRAFT) Budget Document
October 6 th , 5:30PM, 2015	Finance Committee	Finance Committee approves revenue projections
October 20 th , 2015		Present Executive Budget to Public
October 20 th -, 2015	Finance Committee	Finance Committee Review draft 2016 Budget Finalize 2016 Budget for Public Hearing (Tax Rate)
November 3 rd , 2015	Finance Committee Meeting	5 Year Capital Project Plan DRAFT
November 3 rd , 2015	Finance Committee Meeting	Discuss Final draft of 2016 Executive Budget
November 17 th , 2015	City Council Meeting	Budget Session (Budget Presentation for Council and/or public hearing)
December 1st 7:00PM, 2015	City Council	Public Hearing & Submit 2016 Budget to State of Wisconsin

A

Accrual Basis – A basis of accounting in which revenues are recognized in the accounting period they are earned and become measurable. Expenditures are recognized in the period that they are incurred, if measurable.

Activity – Departmental efforts that contribute to the achievement of a set of program objectives; the smallest unit of the program budget.

Ad Valorem Taxes – Commonly referred to as property taxes. Ad valorem taxes are levied on both real and personal property according to the property's valuation and the tax rate.

Annualize – Taking revenues or expenditures that occurred during the year and calculating their cost for a full year. As an example, a \$25,000 cost that occurs quarterly will have an annual cost of \$100,000.

Appropriation – A legal authorization to incur obligations and to make expenditures for specific purposes.

Assessed Valuation – The valuation set upon real estate and certain personal property by the Assessor as a basis for levying property taxes.

Asset – Resources owned or held by a government that have monetary value.

Attrition – A method of achieving a reduction in personnel by not refilling the positions created by layoffs.

B

Bond – A long-term I.O.U. or promise to pay. It is a promise to repay a specified amount of money (the face amount of the bond) on a particular date (the maturity date). Bonds are primarily used to finance capital projects.

Bond (General Obligation) – A general obligation bond is backed by the full faith, credit and taxing power of the government.

Bond (Revenue) – A revenue bond is backed only by the revenues from a specific enterprise or project.

Bond Refinancing – The payoff and re-issuance of bonds, to obtain better interest rates and/or bond conditions.

Budget – A plan of financial activity for a specified period of time (fiscal year) indicating all planned revenues and expenses for the budget period.

C

Capital Assets – Assets of significant value and having a useful life of several years. Capital assets are also called fixed assets.

Capital Budget – A plan of revenues and expenditures to improve facilities, equipment and other infrastructure of the Village's for a defined period of time.

Capital Improvements – Expenditures related to the acquisition, expansion or rehabilitation of an element of the government's infrastructure.

Capital Improvement Program – A collection of capital improvement projects to Village property that is defined by year over a fixed number of years to meet the needs of the Village. The program is approved by the Village Trustees annually.

Capital Improvement Project – A major construction, acquisition or renovation activity/project that adds value to a physical asset or significantly increases their useful life.

Cash Basis – A basis of accounting, in which revenue and expenditure transactions are recognized only when cash is increased or decreased.

Component Units – Legally separate organizations for which the elected officials of the primary government are accountable; or if the primary government is not accountable, the nature and significance of the component unit's financial relationship is such that to exclude it would cause the primary government's financial statements to be misleading or incomplete.

D

Debt Service – The cost of paying principal and interest on borrowed money according to a predetermined payment schedule.

Deficit – The excess of an entity’s liabilities over its assets or the excess of expenditures or expenses over revenues during a single accounting period.

Department – An organizational unit that is functionally unique in its delivery of a service.

Development-related fees – Those fees and charges generated by building, development and growth in a community. Included are building permits, review fees and zoning/platting/subdivision fees.

Disbursement – The expenditure of monies from an account.

E

Employee Benefits – Contributions made by a government to meet commitments or obligations for employee fringe benefits. Benefits included are the government’s share of Social Security and various pension, medical and life insurance plans.

Encumbrance – The commitment of appropriated funds to purchase an item or service. To encumber funds means to set aside or commit funds for a specified future expenditure.

Entitlements – Payments to which local governmental units are entitled, pursuant to an allocation formula determined by the state or federal government (i.e., Road Use Tax).

Expenditure – The payment of cash on the transfer of property or services for the purpose of acquiring an asset, service or settling a loss.

Expense – Charges incurred (whether paid immediately or unpaid) for operations, maintenance, interest or other charges.

F

FEMA – Federal Emergency Management Agency

Fiscal Policy – A government’s policies with respect to revenues, spending, and debt management as these relate to government services, programs and capital investment. Fiscal policy provides direction relative to the planning and programming of government budgets and their funding.

Fiscal Year – A twelve-month period designated as the operating year for accounting and budgeting purposes in an organization. Butler’s local fiscal year is January 1-December 30. The federal fiscal year is October 1-September 30.

Full-time Equivalent Position (FTE) – A part-time position converted to the decimal equivalent of a full-time position based on 2,080 hours per year. For example, a part-time parks employee working 20 hours a week or 1,040 hours per year would have an equivalent position of 0.5 of a full-time position.

Fund – A fiscal entity with revenues and expenses that are segregated for the purpose of carrying out a specific purpose or activity.

Fund Balance – The excess of the assets of a fund over its liabilities, reserves and carryover.

G

GAAP – Generally Accepted Accounting Principles. Uniform minimum standards for financial accounting and recording, encompassing the conventions, rules and procedures that define accepted accounting principles.

Goal – A statement of broad direction, purpose or intent based on the needs of the community.

Grants – A contribution by a government or other organization to support a particular function. Grants may be classified as either operational or capital, depending upon the grantee.

I

Indirect Cost – A cost necessary for the functioning of the organization as a whole, but which cannot be directly assigned to one service.

Infrastructure – The physical assets of a government (e.g., streets, water main, sewer main, bridges, etc.).

L

League – Wisconsin League of Municipalities

Levy – To impose taxes for the support of government activities.

Line-item Budget – A budget prepared along departmental lines that focuses on what is to be bought.

Long-term Debt – Debt with maturity of more than one year after the date of issuance.

M

No definitions for M.

N

No definitions for N.

O

Objective – Something to be accomplished in specific, well-defined and measurable terms and that is achievable within a specific time frame.

Obligations – Amounts that a government may be legally required to meet out of its resources. They include encumbrances not yet paid.

Operating Revenue – Funds the government receives as income to pay for ongoing operations. It includes such items as taxes, fees from specific services, interest earnings and grant revenues. Operating revenues are used to pay for day-to-day services.

Operating Expenses – The cost for personnel, materials and equipment required for a department to function.

P

Pay-as-you-go Basis - A phrase used to describe a financial policy by which capital outlays are financed from current revenues versus borrowing.

Personal Services - Expenditures for salaries, wages and fringe benefits of a government's employees.

PILOT - Payment in Lieu of Taxes - This is used to collect tax equivalent payments from non-profit tax exempt properties within the City of St. Francis.

Prior-Year Encumbrances - Obligations from previous fiscal years in the form of purchase orders, contracts or salary commitments which are chargeable to an appropriation, and for which a part of the appropriation is reserves. They cease to be encumbrances when the obligations are paid or otherwise terminated.

Purpose - A broad statement of goals, in terms of meeting public service needs, that a department is organized to meet.

Q

No definitions for Q.

R

Referendum - The principal or practice of referring measures passed upon or proposed by the legislative body of voters, or electorate, for approval.

Reserve - An account used either to set-aside budgeted revenues that are not required for expenditure in the current budget year.

Resolution - An order of a legislative body that is less formal than an ordinance or statute.

Resources - Total amounts available for appropriation including estimated revenues, fund transfers and beginning balances.

Revaluation – Approximately every 5 years the City Assessor reviews residential and some commercial property values to determine if assessed values should be changed from those submitted from the assessor.

Revenue – Sources of income financing the operation of government.

S

Source of Revenue – Revenues are classified according to their source or point of origin

T

Taxes – A collection of accounts used to capture revenue related to property tax (including TIF).

Tax Exemptions – Authority to reduce the assessed property tax value of a piece of property. Examples include Homestead and Veteran exemptions.

Tax Increment Finance Collection Fund – The fund that captures revenue relative to incremental taxes generated through the Village’s urban renewal area.

Tax Levy – The resultant product when the tax rate per one thousand (\$1,000) dollars is multiplied by the tax base, and figuring in the assessment ratio, where applicable.

Property Value for Residential Home	\$150,000
/ \$1,000 of Valuation	\$150.00
* City Tax Rate of \$7.52	\$1128
City Taxes for \$150,000 Home	\$1128.00

Taxes – Compulsory charges levied by a government for the purpose of financing services performed for the common benefit of the people. This term does not include specific charges made against particular persons or property for current or permanent benefit, such as special assessments.

U

Unencumbered Balance – The amount of an appropriation that is neither expanded nor encumbered. It is essentially the amount of money still available for future purposes.

Unreserved Fund Balance – The portion of a fund’s balance that is not restricted for a specific purpose and is available for general appropriation.

User Fees – The payment of a fee for direct receipt of a public service by a party who benefits from the service.

W

WCMA – Wisconsin City/County Management Association

WDNR – Wisconsin Department of Natural Resources

WDOT – Wisconsin Department of Transportation

Working Cash – Excess of readily available assets over current liabilities; cash on hand equivalents that may be used to satisfy cashflow needs.

No definitions for V, X, Y and Z.