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RESOLUTION #2021-46

ADOPTING AN ANNUAL BUDGET AND APPROPRIATING THE NECESSARY FUNDS FOR THE OPERATION OF THE CITY OF WATERLOO, WISCONSIN, FOR THE YEAR 2022

WHEREAS, it is necessary for the City of Waterloo to levy taxes and appropriate monies for expenditures;

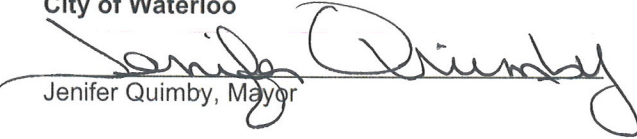
BE IT RESOLVED that the following narrative, summary documents and detail documents are recommended by the Finance, Insurance & Personnel Committee and represent the entirety of the recommended 2022 budget for the City of Waterloo.

NOW, THEREFORE BE IT FURTHER RESOLVED, by the Common Council of the City of Waterloo that the Common Council adopts the proposed budget as submitted in summary and detail and hereby levies a tax of \$2,019,035 (with an additional levy amount for Tax Incremental District 2, 3 & 4 generated by DOR formula) for necessary purposes within the City of Waterloo for expenditures by the City of Waterloo for 2022. The said levy being distributed across the governmental funds as follows:


FUND DESCRIPTION		Levy
100	General	1,079,787
200	Cable TV	-
220	Fire & EMS (submitted by CT: amended from \$289,168 to \$284,663 to account for updated WFD appropriation calculation completed 10/25)	284,663
225	Parks	105,010
300	Debt Service	334,425
400	Capital	-
402	Special Assessment	-
600	Community Development	4,650
812	Library	210,500
Non-TID Total		2,019,035

Passed and adopted this 15th day of November 2021.

City of Waterloo


Jenifer Quimby, Mayor

Attest:


Morton J. Hansen, Clerk/Treasurer

CITY OF
WATERLOO, WISCONSIN
2022 MUNICIPAL BUDGET
DELIBERATIONS
**Finance, Insurance &
Personnel Committee
Recommended Budget
-- Narrative --**

Mo Hansen, Clerk/Treasurer
November 12, 2021

year. Tax revenue collected across the jurisdictions serviced by the Department (including the City) increased by a grand total of 3%.

- The proposed Parks Fund expenditures represent a decrease 6.9% from \$369,094 to \$343,485.
- The Debt Services Fund is slated for 2022 expenditures of \$757,738 compared to \$885,778 for 2021, a 14.5% decrease. In 2022 the City anticipates borrowing \$1,467,957 to fund capital expenses including the reconstruction of Jefferson and Leschinger streets. The first principal and interest payment for this new 2022 debt is deferred until 2023.
- The Capital Project Fund shows expenditures of \$2,183,926, an increase of

\$966,121 compared to the current year. The scope of work for road reconstructions has expanded compared to the 2020 Adams Street project.

- Tax Incremental Districts. Expenditures for District #2 are slated to decrease from \$204,076 to \$49,702, or 75.6%. Expenses for Tax Incremental District No. 3 are anticipated to increase 10.7% to \$105,715.
- 2022 Library Fund expenditures are budgeted to increase from \$400,490 to \$485,393, a 21.2% increase from the 2021 budget.
- Community Development Authority expenditures are budgeted to decrease from \$4,233 to \$3,553, or 16.1%.

BUDGET DELIBERATION PROCESS

On June 6, 2021 Mayor Quimby issued budget parameters for the process:

CAPITAL PLAN SUBMITTAL DUE DATE. Department Heads are to submit a capital plan for at least the 2022-2026 period on or before July 9, 2021 (more out-years are welcomed). The plan is to consist of revisions to the existing plan. Capital expenditures will be the primary early focus of the budget process.

COMPLETE BUDGET SUBMITTAL DUE DATE. All Department Heads are to submit a complete 2022 budget submittal on or before July 29, 2021 to the Clerk/Treasurer's Office using the miViewPoint budgeting tool and other means provided.

GENERAL FUND BUDGET PARAMETERS. For the Clerk/Treasurer's Office, Mayor Office, Police Department, Public Works Department -- and other parts of the General Fund -- 2022 operational budget submittals are to be at, or below, the 2021 expenditure figure. NOTE: Expense for wages & benefits are excluded from the above calculation.

PROPERTY TAX LEVY TARGET. The 2022 municipal property tax levy target is: \$2,009,429. This figure is the same as the 2021 tax levy.

WAGE RATE. The 2022 wage rate goal is for abide by contract levels for represented employees and for a 2% increase for non-represented employees.

- 402 – Special Assessment Fund. Maintains and tracks revenues and expenditures resulting from special assessment projects (typically sidewalk or other public infrastructure) approved by the City Council. Additionally, municipal loans to property owners for private lead service replacements are recorded and tracked in this fund.
- 412, 413, 414 – Tax Incremental Districts 2-4. These three funds maintain and track all new revenue (tax increment) and allowed expenditures for geographically distinct tax incremental finance districts created by the City Council. Each district has a statutory lifespan of approximately twenty-three years.
- 600 – Community Development Authority. The Waterloo Community Development Authority (CDA) is charged with blight elimination and economic development functions. This fund receives revenue from the rental of the Maunsha Business Center at 117 East Madison Street. Rental revenue is meant to cover recurring operational expenditures. The Waterloo City Band and the Waterloo-Marshall Food Pantry use the facility. No revenue is collected from the band or food pantry.
- 812 – Library Special Revenue Fund. Dedicated to the operations and facility care of the Karl Junginger Memorial Library.

Three City of Waterloo funds not covered here operate under the auspices of Waterloo Utilities (water, sewer and electric) represent the Proprietary Funds maintained by the City of Waterloo.

- Waterloo Utilities. The public utility owned by the City of Waterloo provides water, sewer and electric service within the City of Waterloo and water & sewer service to a portion of the Town of Portland. As part of its financial responsibilities, Waterloo Utilities maintains three separate funds to account for each of these services.

REVENUE HIGHLIGHTS

Municipal Vehicle Registration Fee. In September of 2021, the City Council voted unanimously to continue a \$15 per vehicle registration fee collected as part of the Wisconsin Department of Transportation vehicle registration process. The fee will generate an estimated \$49,000 annually which by state law would be dedicated to transportation improvements.

Municipal Borrowing. The budget calls for 2022 borrowing of \$1,467,957 to fund capital expenditures including the reconstruction of Jefferson Street and Leschinger Street. A first payment on these long-term debt proceeds will not be made until 2023.

State Aids.

- Shared Revenue. This aid is slated to decrease from \$453,258 to \$397,114.31 to account for the City exceeding Expenditure Restraint Program limitations. This is due to a prior year closure of tax incremental district #1. This aid figure should rebound back in 2023.
- State Computer Aid. This aid for 2022 totals to \$439,123. It is eligible to be spent in any fund. The proposed budget allocates \$150,000 of it to the Parks Department and \$287,441 to fund Capital Fund expenses, with a small residual in the General Fund.
- General Transportation Aid from the state is scheduled to be \$242,244.4.
- DNR Recycling Aid is projected to remain at \$12,379.

- Municipal property taxes, \$105,010;
- Alcohol sales, \$45,000;
- Park rentals, \$35,500

The Department has a full-time Parks Coordinator and seasonal bartenders.

- Debt Service (300). Governmental fund debt service (non-Utility) is budgeted to pay principal & interest of \$757,738. Revenue is transferred from tax incremental finance districts to this fund to specifically cover debt service incurred by the respective Districts. Taxes are levied to specifically cover debt service for capital projects.

- Capital Projects (400). The proposed budget allocates \$287,441 in State Computer Aid and \$0 (zero) in tax levy to fund projects to this fund. All General Transportation Aid, \$242,244 and Wheel Tax, \$49,000 are also dedicated to funding capital projects.

Reconstruction of Jefferson and Leschinger streets is the lead projected expense, estimated at over \$1.5 million for construction and \$139,125 in engineering and contingency expense. These figures do not include Waterloo Utilities Adams Street project expenses.

Please see the Capital Improvement Program report for project details.

- Special Assessment Fund (402). This fund tracks special assessments and lead loan program loans. No new special assessments are anticipated.

- Tax Incremental District #2 (412). Revenue of \$200,434 is generated from tax increment and fees paid in lieu of taxes from the assisted living project and 575 West Madison Street project (the assisted living facility and the Waterloo Tech Center). Top two expenditures consist of payments for economic development services, \$22,000; and a portion of the Clerk/Treasurer's salary, \$25,000.

- Tax Incremental District #3 (413). \$110,598 in revenue and \$105,718 in expense are projected, adding modestly to the fund balance. Expenditures are primarily for debt service, \$101,567. Identifying and facilitating a future private re-use at 333 Portland Road is a primary District #3 objective.

- Tax Incremental District #4 (414). Due to the construction of the Dollar General Building located in this district, 2022 tax increment revenue is projected at \$28,120. The primary expenditure is fund to \$22,000 of economic development services.

- Community Development Authority District #1 (600). Projected revenue consists of tax levy and building rental fees. Expenditures are focused on operation of the Maunasha Business Center at 117 East Madison.

- Karl Junginger Memorial Library (812). The municipal contribution to this fund increased from \$208,254 to \$210,500. With planned library capital improvements budgeted at \$103,000, this fund is depleting its existing fund balance in that amount.

DISCLAIMER

The full budget detail, associated summaries and this narrative represent the full budget resolution going