



FY 2012-13 Budget Presentation

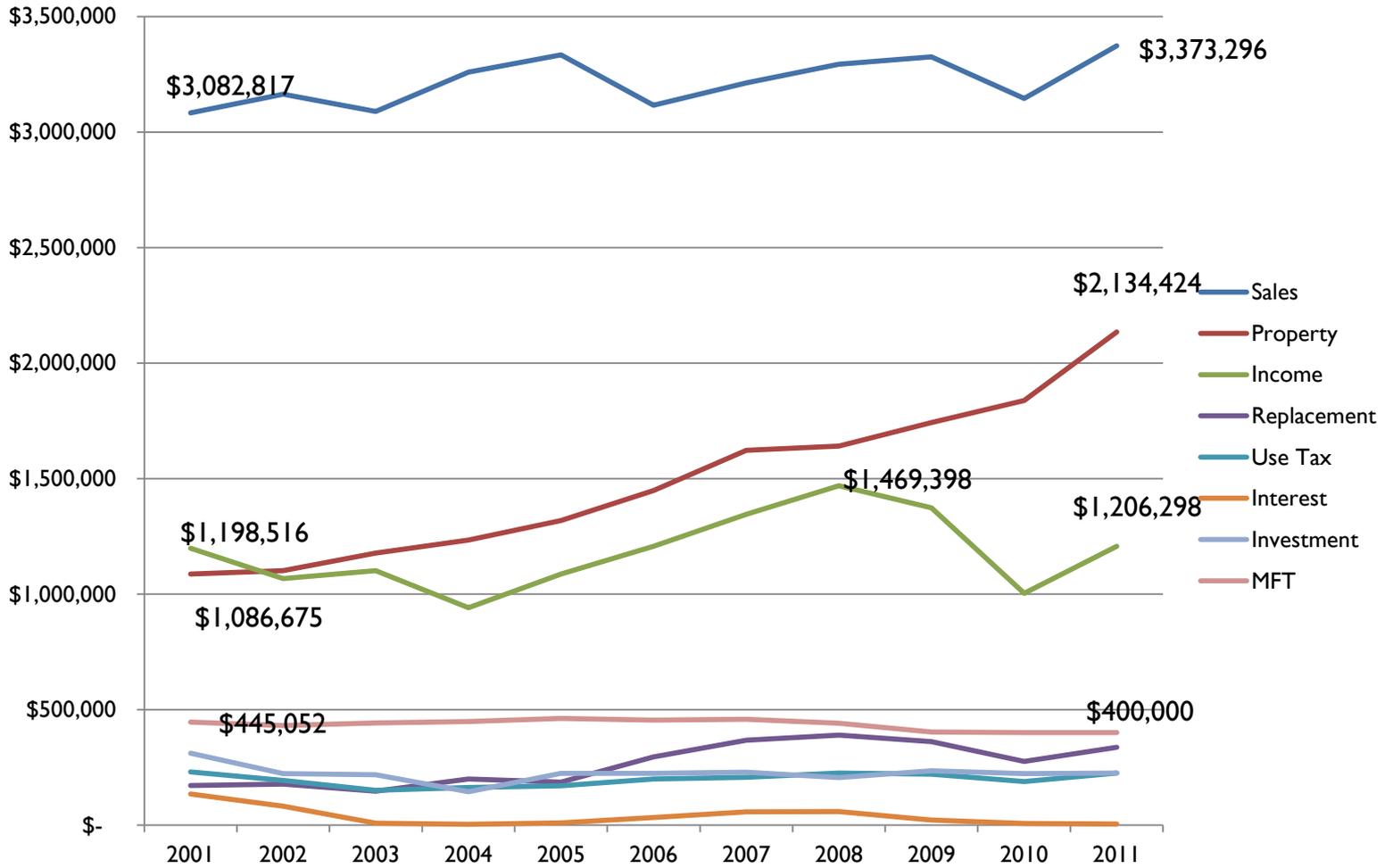
April 16, 2012

Fund	Budget 11-12	Budget 11-12	Amended 11-	Amended 11-	Budget 12-13	Budget 12-13	Rev	Expense	Revenue vs
	Revenue	Expense	12 Revenue	12 Expense	Revenue	Expense	Change	Change	Expense
General Fund	\$10,418,186	\$11,026,502	\$11,245,878	\$15,166,468	\$9,633,299	\$9,632,476	-7.5%	-12.6%	\$ 823.00
Capital Fund	\$0	\$0	\$3,500,000	\$0	\$1,556,678	\$2,067,150	n/a	n/a	\$ (510,472.00)
Lynn Blvd	\$215,116	\$214,700	\$215,099	\$214,830	\$200,050	\$215,899	-7.0%	0.6%	\$ (15,849.00)
McFalls	\$5,000	\$5,000	\$0	\$0	\$0	\$0	-100.0%	-100.0%	\$ -
MFT	\$407,244	\$399,233	\$454,523	\$437,188	\$369,342	\$451,592	-9.3%	13.1%	\$ (82,250.00)
Library	\$651,758	\$809,449	\$774,117	\$846,430	\$593,075	\$608,540	-9.0%	-24.8%	\$ (15,465.00)
Band Comm	\$88,088	\$88,026	\$90,763	\$90,808	\$91,415	\$91,139	3.8%	3.5%	\$ 276.00
SIDC	\$130,296	\$116,605	\$138,108	\$123,105	\$144,351	\$112,688	10.8%	-3.4%	\$ 31,663.00
NWSW Redevelopment	\$340,000	\$2,250	\$159,596	\$123,261	\$246,732	\$53,416	-27.4%	2274.0%	\$ 193,316.00
NSP2 Grant	\$1,410,000	\$1,335,000	\$1,974,000	\$2,389,934	\$1,843,859	\$732,010	30.8%	-45.2%	\$ 1,111,849.00
Coliseum	\$699,704	\$4,049,417	\$843,547	\$831,698	\$725,909	\$4,595,561	3.7%	13.5%	\$ (3,869,652.00)
Sewer	\$2,239,991	\$2,210,909	\$2,231,344	\$2,222,040	\$2,288,213	\$2,276,360	2.2%	3.0%	\$ 11,853.00
Solid Waste	\$988,668	\$981,903	\$974,009	\$1,005,789	\$1,005,682	\$988,267	1.7%	0.6%	\$ 17,414.60
Stormwater	\$0	\$0	\$0	\$0	\$4,021,000	\$3,821,500	n/a	n/a	\$ 199,500.00
Civil Defense	\$13,896	\$10,293	\$13,821	\$10,298	\$13,787	\$12,965	-0.8%	26.0%	\$ 822.00
SSA	\$64,643	\$70,512	\$75,291	\$70,400	\$75,260	\$69,090	16.4%	-2.0%	\$ 6,170.00
TIF (CBD)	\$436,506	\$469,092	\$440,830	\$468,882	\$459,968	\$480,404	5.4%	2.4%	\$ (20,436.00)
TIF (Rock River)	\$551,027	\$316,875	\$613,365	\$400,354	\$599,154	\$404,689	8.7%	27.7%	\$ 194,465.00
TIF (Lynn/Lincolnway)	\$332,788	\$665,576	\$665,576	\$669,456	\$912,576	\$916,483	174.2%	37.7%	\$ (3,907.00)
Health Ins	\$1,540,722	\$1,459,700	\$1,597,709	\$1,478,288	\$1,605,564	\$1,549,700	4.2%	6.2%	\$ 55,864.00
IMRF	\$189,437	\$286,015	\$193,425	\$273,575	\$263,465	\$257,482	39.1%	-10.0%	\$ 5,983.00
Social Security	\$235,704	\$229,092	\$234,183	\$228,131	\$236,843	\$233,101	0.5%	1.7%	\$ 3,742.00
Trust Committee	\$1	\$1,185	\$2	\$0	\$2	\$1,188	100%	0.3%	\$ 1,186.00
Police Pension	\$901,202	\$883,372	\$946,094	\$908,893	\$976,783	\$957,867	8.4%	8.4%	\$ 18,916.00
Fire Pension	\$821,247	\$836,825	\$835,478	\$874,962	\$801,554	\$919,473	-2.4%	9.9%	\$ (117,919.00)
Totals	\$22,681,223	\$26,466,346	\$28,216,756	\$28,834,790	\$24,643,559	\$27,626,352	8.7%	4.4%	\$ (2,982,793.40)

General Fund

- General Fund
 - 1 of 25 Funds
 - Approximately 40% of City's expenditures (less the Coliseum project)
 - Largest Fund
 - Administration/Finance
 - Clerk
 - Code Enforcement
 - Fire
 - Police
 - Public Works

10 Year Revenue Trends



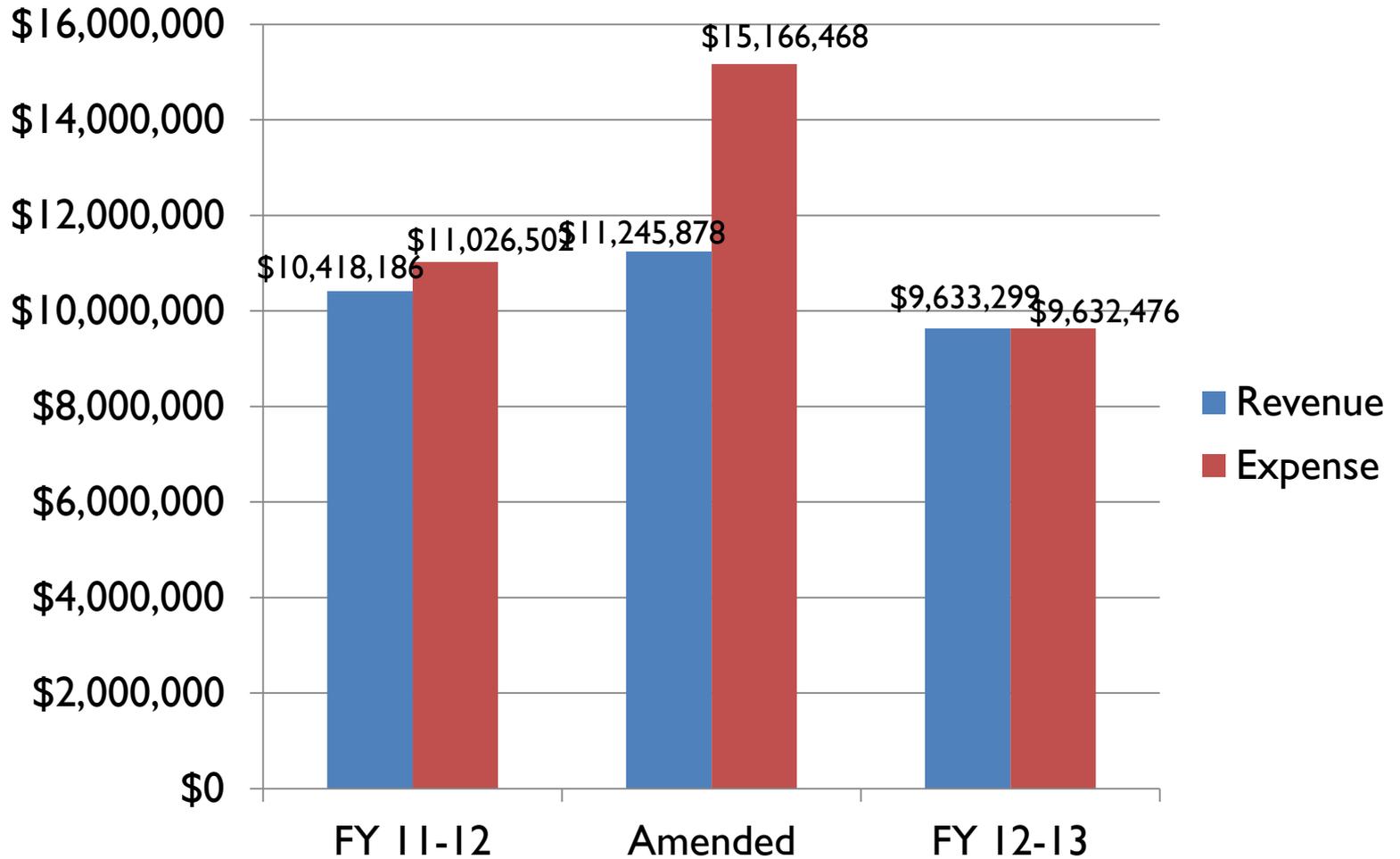
General Fund

- Amended Budget reflects a spike in expense to create a dedicated capital fund
 - City adopted a fund balance policy in 2011
 - Establish goals for maintaining minimum fund balance
 - Establish a source for capital project funding (revenues in excess of the amount required to maintain the established fund balance ratio)
 - Funds in excess of those required to maintain an appropriate fund balance were transferred to reestablish a Capital Fund for the City (\$3.5m)

General Fund

- FY 2012-13 General Fund spending is reduced by \$1,394,026 (12.6%)
 - Local Option Sales Tax/Road Reconstruction moved to capital fund (further assures the local option sales tax will be devoted to roads/capital and not operational costs such as salaries and benefits (\$1.0m)
 - Liability insurance renewal rate decreased (\$70k)
 - Capital projects in PWV moved to Capital Fund
 - Curb/Sidewalk program
 - Building expansion/replacement project
 - Stormwater costs removed from General Fund (\$85k)

General Fund



General Fund

- FY 2012-13: increases
 - Wages – 2 contracts settled after arbitration filings were made. Each contract averages 2% per year over the life of the contracts
 - Health Insurance costs rose smaller than typical at just 4%

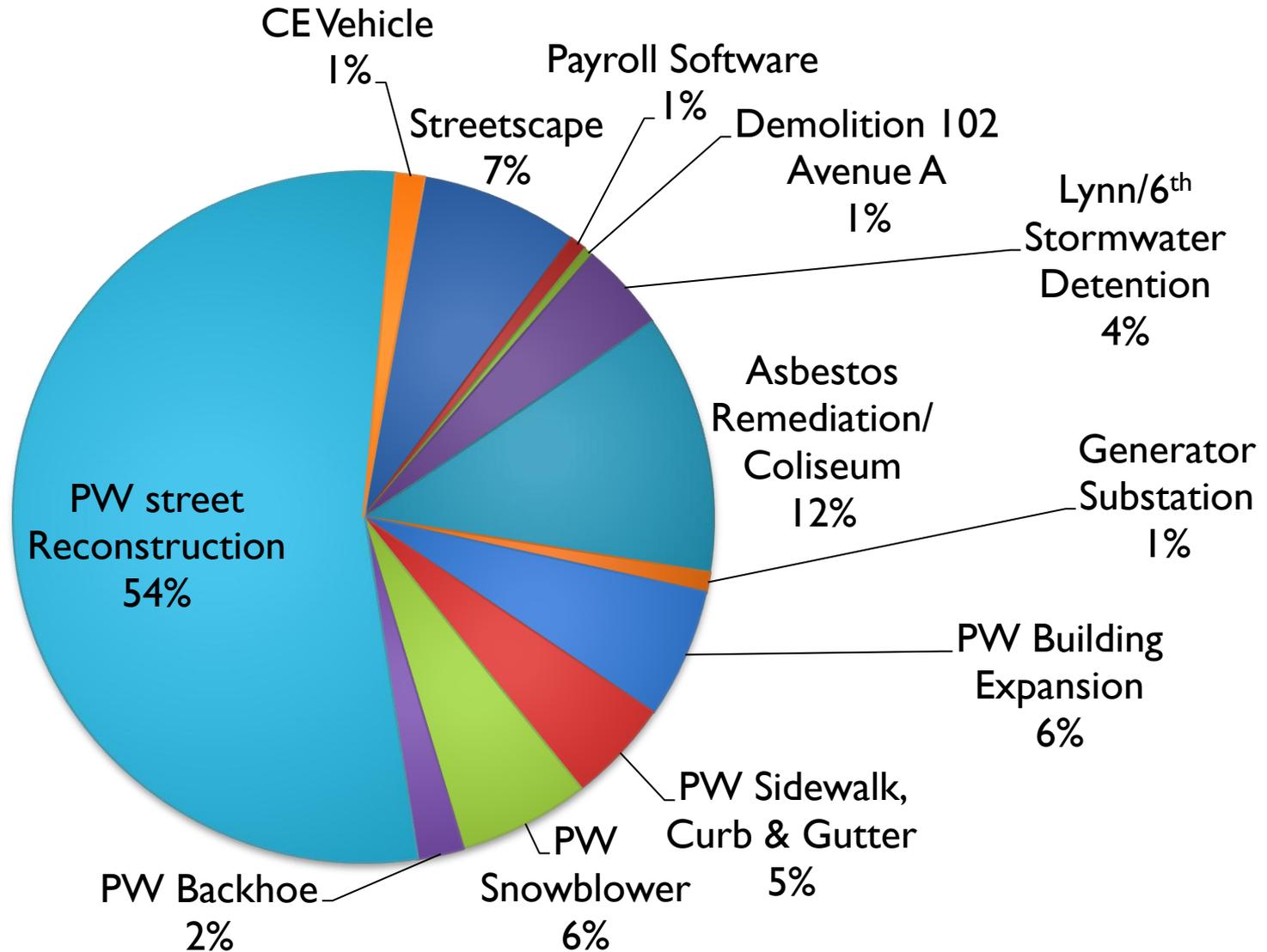
General Fund Bottom Line

- FY 11-12 Had an operational deficit on top of a capital deficit for the General Fund
- FY 12-13, we have eliminated the operational deficit and balanced the General Fund
- FY 12-13 capital expenditures in the new capital fund, exceed revenues, though the established fund balance has an adequate balance to fund the capital costs

Capital Fund

- Established in Amended Budget to
- GFOA:
 - “A properly prepared and adopted capital budget is essential to ensure proper planning, funding and implementation of major projects.”
 - “recommends that governments prepare and adopt a formal capital budget as part of their annual...budget process”
- Helps set aside funds and pay for multi-year projects
 - Projects budgeted, but not completed, won't reflect negatively on General Fund (W. 9th, 6th/Lynn Detention)
 - Funds can be left to accumulate
- Midyear development projects or emergency infrastructure can be funded without impacting the General Fund
- Easier to disclose operational cost changes year to year with capital projects separated

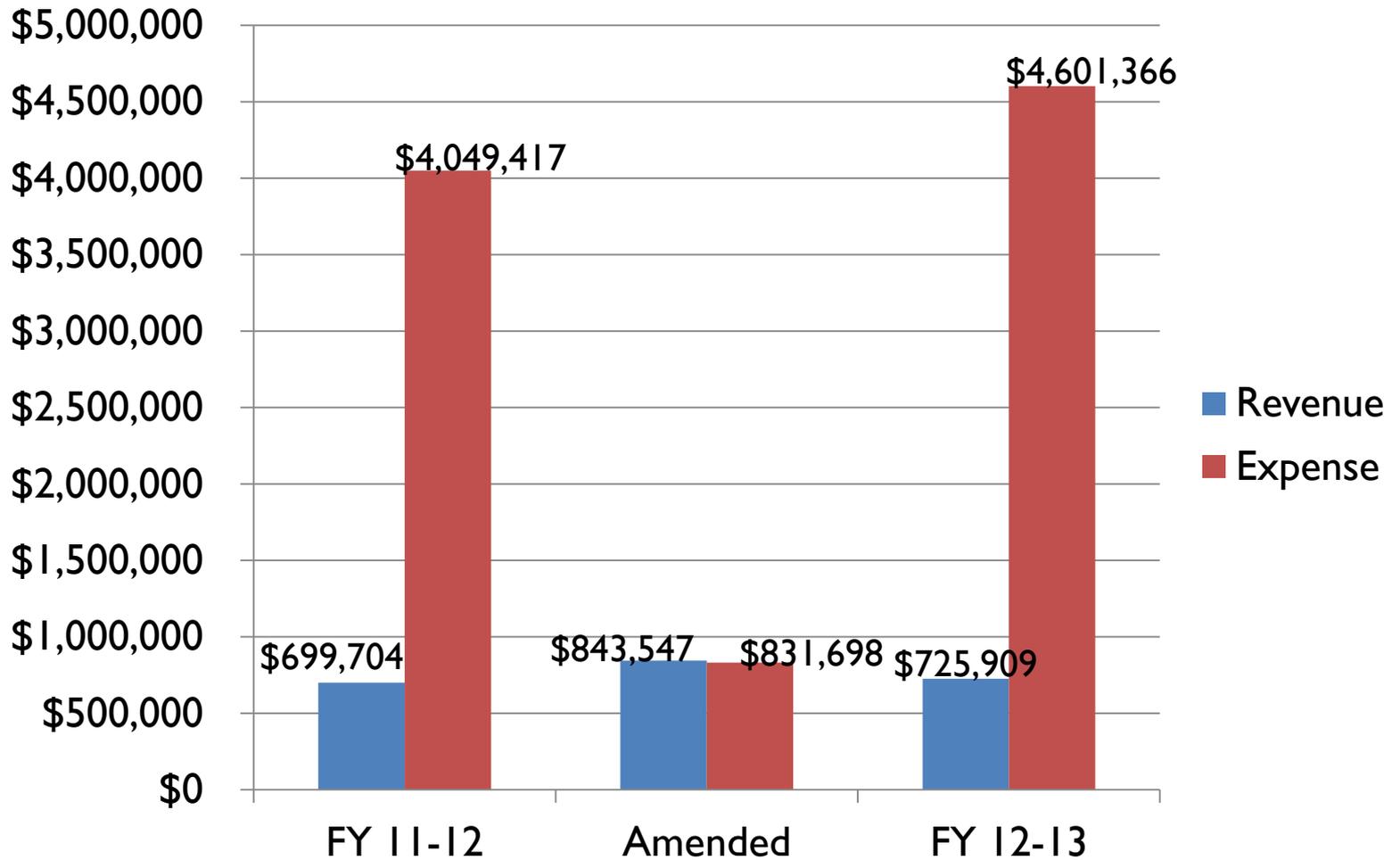
Capital Fund



Coliseum

- Bid date for renovation delayed through the winter, thus the FY 11-12 renovation expenditures were not incurred (which is reflected in the amended budget)
- Bid award projected for April so renovation expenses are rebudgeted into FY 12-13
- More extensive asbestos remediation than initially known

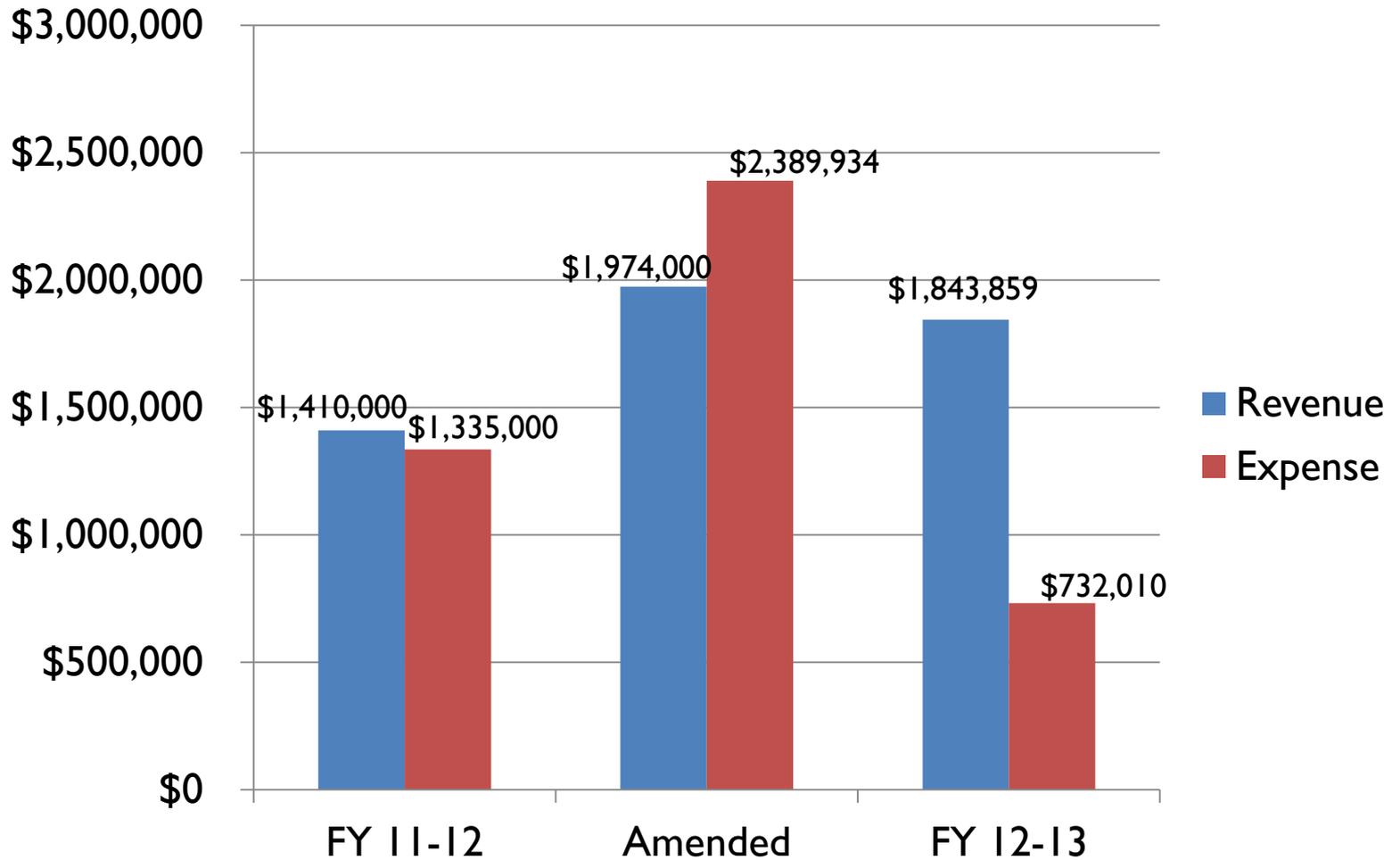
Coliseum



NSP2

- Purchased a total of 10 single-family structures and 1, 4-unit apartment building
- Completed the rehabilitation of 2 single-family houses, with a 3rd house currently under construction
- Demolished 8 existing single-family structures and re-constructed 8 new structures on the existing lots
- Demolished a dilapidated (blighted) duplex residential structure
- Budget allows for the demolition of the blighted, 4-unit apartment building
- 4 more houses are currently under contract to be purchased
- By 2/12/2013, must spend \$1,179,859 of grant funds plus another \$1M from project income. (Project income has fewer requirements)

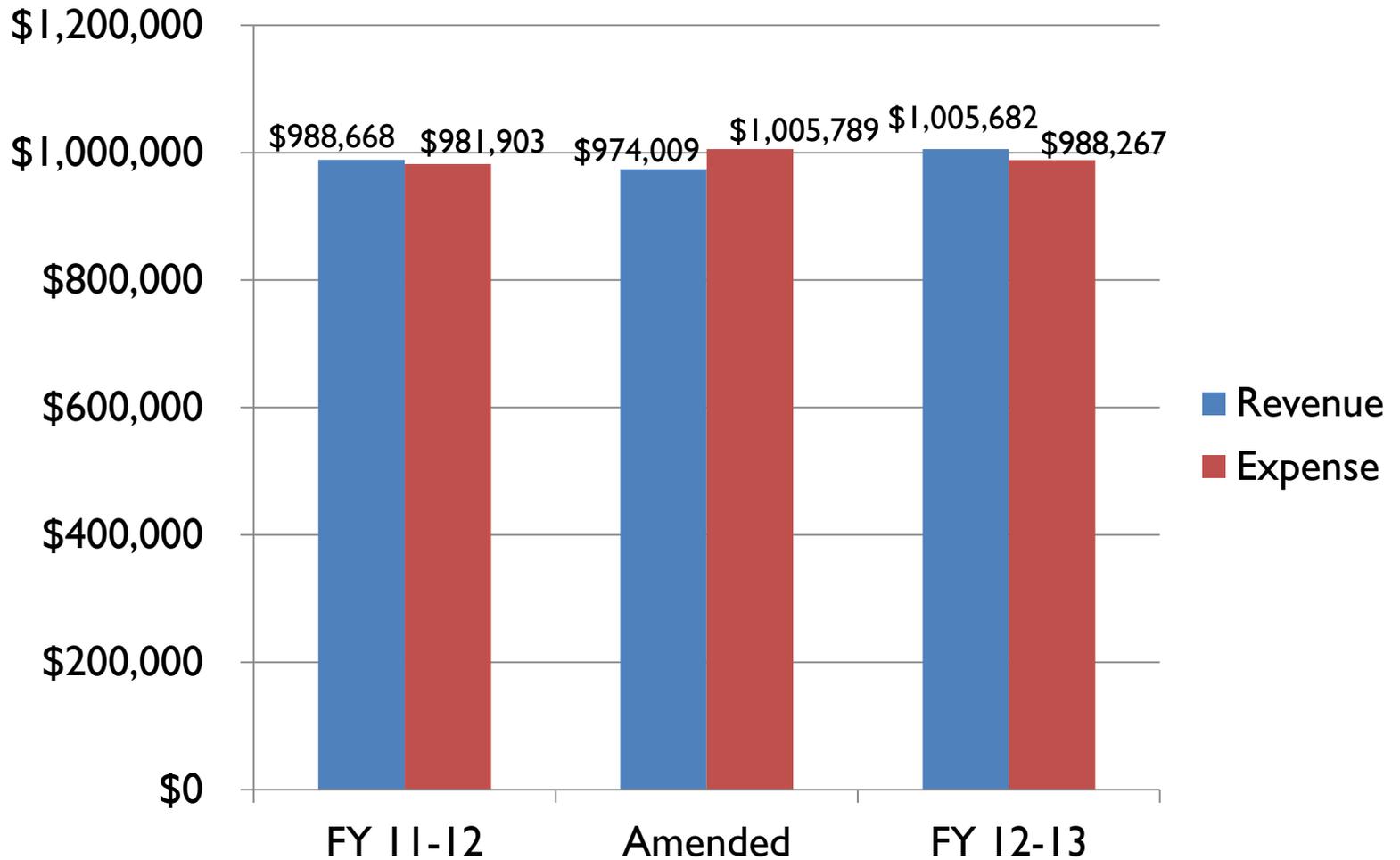
NSP2 Grant



Solid Waste

- Solid Waste
 - Amended expenses more than budgeted due to utility billing software
 - IAWC no longer billing on our behalf
 - City must bill (software, manpower, postage, etc)
 - Autowithdrawal, Credit Card
 - FY 2012-13 Budget is projecting an increase
 - Previous rate | 3.85, now | 4.80
 - Pay for software, billing personnel, postage, etc.
 - 6% delinquency rate
 - Low fund balance, below policy

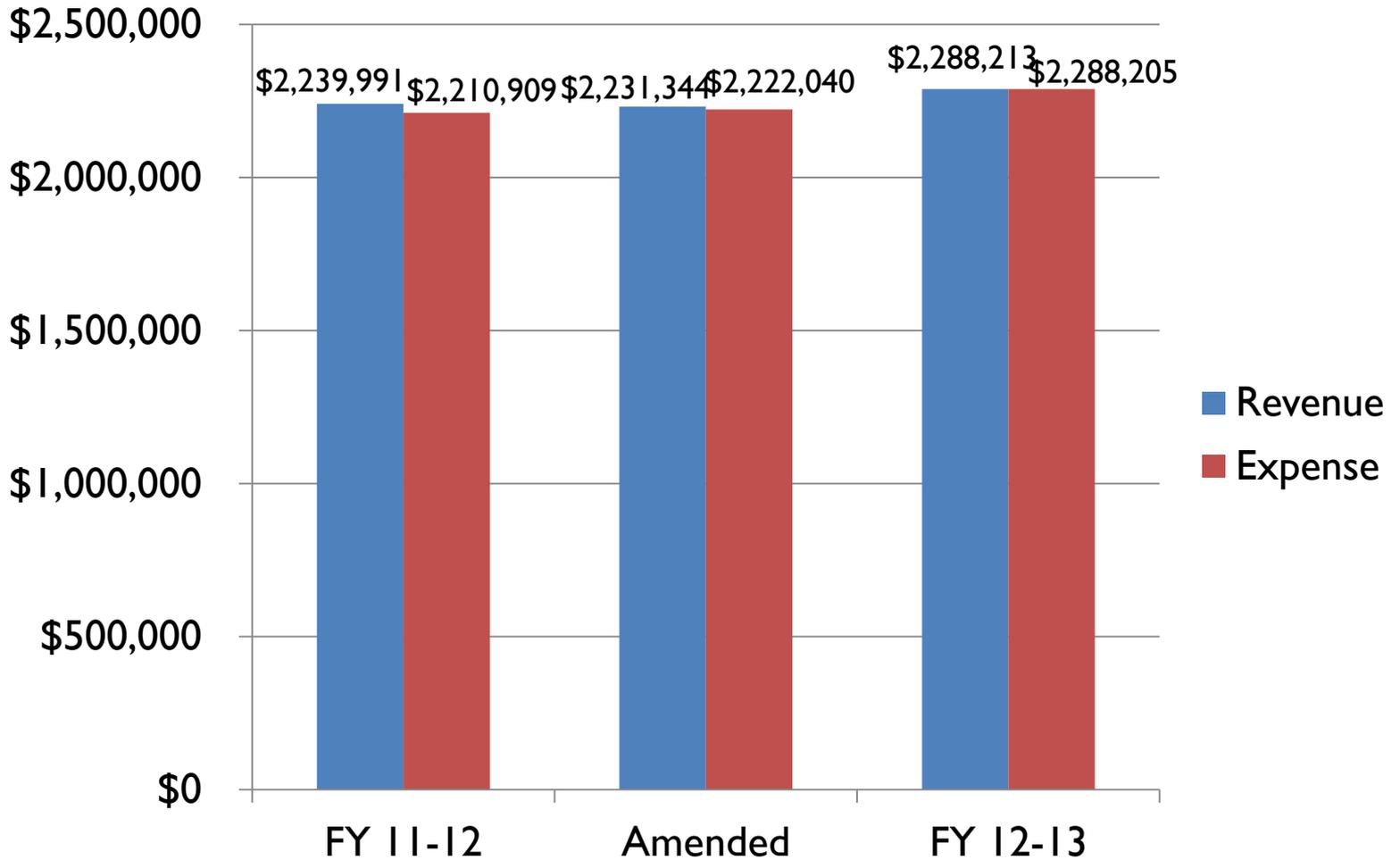
Solid Waste



Sewer Fund

- To date, the Sewer Fund has over \$2m available for future plant replacement/upgrade – continue setting aside \$405,000 for dredging and plant replacement
- Requesting 12 cent increase to the usage rate (\$1.70/100cu ft to \$1.82/100 cu ft) to continue funding the plant replacement fund to avoid large bills seen in the neighboring communities of Dixon and Rock Falls to fund recent plant upgrades.
 - Still the lowest rate of Dixon, Morrison and Rock Falls!

Sewer Fund



Stormwater Utility - Projects

2013 Projects	
5 Points/Sanborn Detention Basin	\$ 299,000
Northland North	\$ 529,000
Northland South	\$ 1,029,000
Miller	\$ 648,000
NWSW/Riverfront	\$ 225,000
Scheid Storm Sewer	\$ 539,000
Scheid Detention Basin	\$ 458,000
Total	\$ 3,727,000
2023 Projects	
Duis Center Detention Basin	\$ 225,000
Street Sweeper	\$ 250,000
Douglas/Steelton Storm Sewer & Basin	\$ 1,217,000
Lynn/6th Phase 2 Basin	\$ 491,000
North Side Phase 1 Storm Sewer	\$ 1,471,000
Total	\$ 3,654,000
2033 Projects	
North Side Phase 2 Storm Sewer	\$ 1,235,000
North Side Phase 3 Storm Sewer	\$ 1,228,000
Platt Park Storm Sewer & Basin	\$ 534,000
Lincolnway Culvert Removal	\$ 164,000
Ave F/21st St Detention Basin	\$ 531,000
Total	\$ 3,692,000

Projects phased into 3 separate 10year bond issuances, repaid through a utility

Even with a dedicated funding stream (no pun intended), it will take 30 years to complete and pay for all these needed projects!

When will these projects be completed without a funding source or with just \$50,000 a year from the General Fund?

Stormwater Utility

- ERU = Equivalent Runoff Unit (established by average residential size)
- A proposed \$3/ERU rate as recommended by our engineers combined with our existing wastewater sewer bill would still be less than a wastewater bill alone from Dixon, Morrison, or Rock Falls for all residents and most businesses.
 - Every 10cents adds ~\$15,000/year to revenues
- Larger properties would pay more, but also contribute more to the problems

Stormwater Utility

- Rock Island rate \$3.83/ERU
- Moline approximately \$2/ERU (multiple formulas)
- Freeport
 - Resident \$4/mo
 - Commercial \$20/mo
 - Industry \$40/mo
- East Moline is \$2.33/ERU
- Beloit is \$2/ERU
- Monroe, WI is \$5/ERU



Utility Rate Comparison

Example: McDonalds



Parcel Area = 56,688 sf

Impervious Area = 38,892 sf

ERUs = 13.0

Annual Fee = 13.0 x \$36/ERU = \$467

Example: Farm & Fleet



Parcel Area = 560,991 sf

Impervious Area = 320,467 sf

ERUs = 106.8

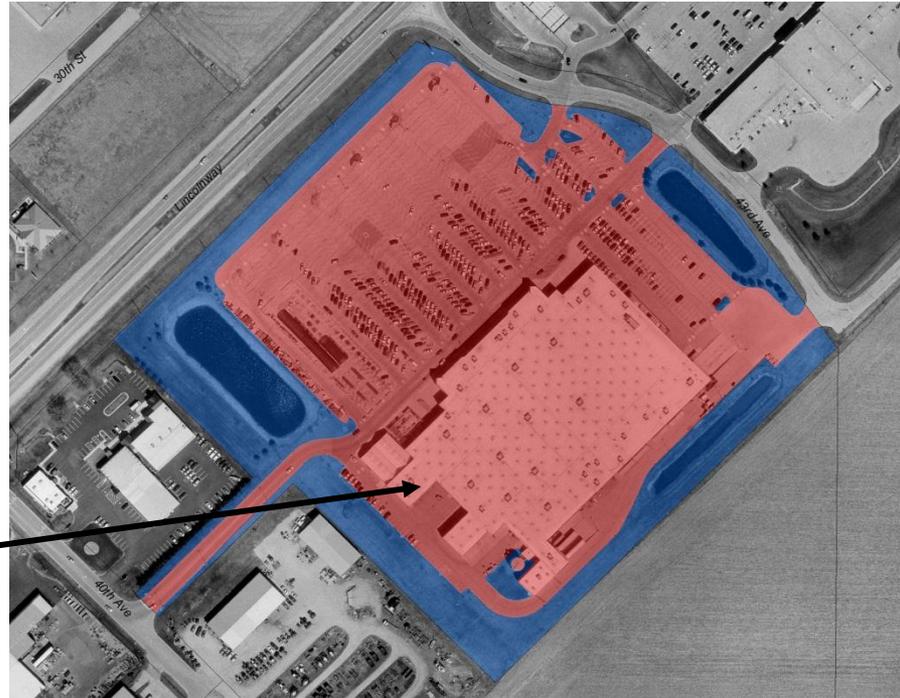
Annual Fee = 106.8 x \$36/ERU = \$3,846

Potential Stormwater Utility Credit for On-site Stormwater Management Facilities

Example: Wal-Mart

- 25% Maximum Credit for Water Quality
- 25% Maximum Credit for Water Quantity (Flood Control)

249.5 ERUs



Assuming Entire Parcel is Served by Wet Basins Providing Both a Water Quality and Quantity Benefit:

Fee Without Credit = \$36.00 x 249.5 ERU's = \$9,232/Year

Fee With Credit = \$36.00 x 249.5 ERU's x 50% = 4,616/Year

Stormwater Utility - Credits

Development of Credit Policy will Encourage Stormwater Best Management Practices



- ❑ Potential Exists for Establishing Fee Adjustments for Properties Directly Draining into Rock River

STORM WATER UTILITY
WATER EDUCATION CREDIT ANNUAL RENEWAL FORM

All completed application forms and supporting documentation shall be submitted by September 1 to:
Cynthia Anderson, Public Works Department, Director of Public Works, 315 South Lowry Street, Smyrna, TN 37167

Stormwater Utility
Credit Policy Manual

Village of New Glarus

STORM WATER UTILITY
CREDIT REQUEST APPLICATION FORM

All completed application forms, application fee (where applicable) and supporting documentation shall be submitted to:
Village of New Glarus, Attention: Village Administrator
229 2nd Street, P.O. Box 300, New Glarus, WI 53174

Property Owner Information
Name: _____
Property Address: _____
Utility Billing Address: _____
E-mail: _____

Property Information
Parcel No. _____ Place: _____
Utility Account No. _____

Credit Requested (check all that apply):
 Credit for Peak Flow Reduction
 Credit for Water Quality
(Refer to the Stormwater Credit Policy Manual for required supporting documentation)

Submittal Description (Provide complete description of proposed credits) requested, attach additional pages as necessary:

I certify that the attached information is accurate to the best of my knowledge and that I have the authority to make such a request for this property. I agree to provide the Village of New Glarus with current information should there be any change made to the information provided herein. I further authorize the Village of New Glarus to access the property identified for this application.

Signature: _____ Name: _____ (Printed)
Date: _____

VILLAGE OF NEW GLARUS FEE (Do not write in shaded area)		
<input type="checkbox"/> Credit Submittal (Check all that apply)	Approved (Yes or No)	Credit (%)
<input type="checkbox"/> Credit for Peak Flow Reduction	_____	_____
<input type="checkbox"/> Credit for Water Quality	_____	_____

Date Written Notification Letter Sent to Applicant: _____
Date Adjustment Submitted to Billing: _____
Approved By: _____ Signature: _____
Title: _____ Date: _____

- ❑ Potential for One Time Rebate to Single Family Residential Rate Payers for Rain Barrels or Rain Gardens



Stormwater Utility – Other Projects

- Assistance for removing/rerouting illegal hookups to the sanitary system
- Illegal inflow testing and compliance followups

We are focusing on reducing inflow and infiltration to keep maintain our EPA permitting at wastewater plant without enduring extra costs there, or without forcing us to make costly changes to the plant sooner!

Stormwater Utility – Funding

- The engineer's have identified \$11,000,000 in stormwater projects
- Using revenue that could be generated from a utility, we have broken the project into 3 phases, 10 year funding cycles each
- Sterling could get a 2.5-2.6% 10 year bond, repayable by the utility*
 - \$3,800,000 (net) bond @2.6% for 10 years = \$447,000 annual payment
 - \$3 fee estimated to bring in \$465,000 before credits and delinquent payments

*current market, rates can of course change at anytime

Stormwater Utility – Funding

- If Utility implemented and Bond issued, City would start the following projects in 2013
 - 5 points/Sanborn Detention (also needed before Sanborn Street can be reconstructed)
 - Northland Mall North Detention Basin
 - Northland Mall South Detention Basin
 - E. Miller Road Storm Sewer Improvements
 - Scheid Area Detention Basin
 - Scheid Storm Sewer (including Dillon & Griswold)
 - Riverfront Detention/Retention (potential to use funds to leverage a grant for the riverfront area)
 - Grant program for removing illegal hookups

To Compare

Utility Rate Comparison										
2011-12	Sterling	Dixon	Morrison	Rock Falls	Freeport	Rock Island	Moline	E. Moline	Average	Proposed Sterling
Trash/Recycle/Yard	\$ 13.85	\$10.05	\$ 11.10	\$ 15.00	\$ 11.65	\$ 4.00	\$ 5.67	\$ 7.15	\$ 9.81	\$ 14.80
Wastewater*	\$ 20.00	\$30.80	\$ 39.31	\$ 58.55	\$ 29.56	\$ 45.21	\$ 31.65	\$ 29.68	\$ 35.60	\$ 20.84
Stormwater ERU rat	\$ -	\$ -	\$ -	\$ -	\$ 4.00	\$ 3.83	\$ 2.00	\$ 2.61	\$ 1.56	\$ 3.00
Mo. Total	\$ 33.85	\$40.85	\$ 50.41	\$ 73.55	\$ 45.21	\$ 53.04	\$ 39.32	\$ 39.44	\$ 46.96	\$ 38.64
Yard Waste Extra - RI, Moline, E Moline										
2011-12	Sterling	Dixon	Morrison	Rock Falls	Freeport	Rock Island	Moline	East Moline	Average	12-13 Sterling
Electric Utility Tax	0	3.50%	?	0%	3.10%	5%	5%	5%	3.1%	0%
Natural Gas Utility	0	3.50%		3%	5.80%	5%	5%	5%	3.9%	0%
Telecom Utility Tax	5%	1.00%		1%	5%	6%	6%	1%	3.6%	5%
Total	5.00%	8.00%	0.00%	4.00%	13.90%	16.00%	16.00%	11.00%	10.6%	5.00%
					\$0.00224/kWh					
					(\$0.02/therm)					

Parting Notes

- Fewer unknowns this Fiscal Year
 - Contracts settled
 - Kohls/Menards open
- Illinois was more consistent, albeit still late, with payments
- Capital funding vs. cuts and delays
- Borrow time on eqpt vs. risk