

*****ATTACHMENTS*****

Preliminary 2017 Budget Schedule

May 4, 2016	City Administrator and Strategic Fiscal Planning Committee meet to established budget goals and objectives for 2017 budget
May 9, 2016	City Administrator communicates to department heads goals and objectives for 2017 budget submittals
June 18, 2016	Departmental budget submittals and reviews
June 20 - July 22, 2016	City Administrator review of departmental budgets
July 25, 2016	City Administrator submits budget to Finance Committee
August 1, 2016	Finance Committee Direct Referral to Standing Committee 2017 Budget Standing Committee reviews and submits recommendations to the Common Council on August 15, 2016
August 22, 2016	Finance Committee review reports of Standing Committees on departmental budgets
September 6, 2016	City Administrator submits Budget Resolutions to Common Council
September 30, 2016	Publication of Notice of Public Hearing on 2017 Proposed Budget
October 17, 2016	Report of Fund Balance and G O Bonded Debt to the Common Council
October 17, 2016	Public Hearing on 2017 Proposed Budget
October 24, 2016	Finance Committee final review of 2017 Budget; submits Budget to Common Council
November 7, 2016	Common Council to adopt the Budget Resolutions

Preliminary 2017 Budget Fiscal Factors

	Revenue		Expense
2016 Budget	\$ 35,212,841	*	\$ 35,212,841
2017 Adjustments:			
Transportation Aids	(154,176)		
Net new construction	150,000		
Salaries/Benefits			469,436
Fire Department Staffing Reduction (net)			(281,153)
Elections, increased for 2016			(100,000)
Assessor outsourced	-		(93,106)
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2017 as adjusted	\$ 35,208,665		\$ 35,208,018
SHORTFALL	\$		<u>647</u>

Assumptions:

- Staffing levels, changed at Fire Department
- WI Retirement - 2016 Rate
- Health Insurance - no change
- Shared Revenue neutral
- Expenditure Restraint neutral
- Continuation Garbage Fee

Possible sources of savings/revenue:

- Increase tax levy - levy limit allows \$300,000
- Potential Outsourcing
- Increase charges for services

* Includes Garbage Fee of \$1,092,911

CITY OF SHEBOYGAN

REQUEST FOR STRATEGIC FISCAL PLANNING COMMITTEE CONSIDERATION

ITEM DESCRIPTION: 2017 Budget: Goals and Parameters

REPORT PREPARED BY: Darrell Hofland, City Administrator

REPORT DATE: May 2, 2016

MEETING DATE: May 4, 2016

FISCAL SUMMARY:

Budget Line Item: N/A
Budget Summary: N/A
Budgeted Expenditure: N/A
Budgeted Revenue: N/A

STATUTORY REFERENCE:

Wisconsin Statutes: N/A
Municipal Code: N/A

BACKGROUND / ANALYSIS:

Due to the timing of the hiring of the new City Administrator, the 2017 budget cycle (including the Capital Improvement Plan) has been altered from prior years.

As City staff begins the development of their departmental requests for the 2017 budget, insight and input from the Strategic Fiscal Planning Committee is important.

STAFF COMMENTS:

Attached is a draft 2017 budget calendar. In future years, the calendar will also incorporate the Capital Improvement Plan and updates to the Strategic Plan.

Director of Finance Nancy Buss has initiated a preliminary analysis of fiscal factors that are anticipated to affect the 2017 budget.

In conjunction with the preliminary analysis of fiscal factors, the following are suggested goals and parameters to the City Administrator as he develops the 2017 Executive Budget:

1. General Fund Budget that retains eligibility for Wisconsin's Expenditure Restraint Program.
2. Equalized tax rate to increase no more than inflationary levels.
3. Maintain City services with no decrease in service level.
4. Leverage City resources through partnerships and shared services / facilities with other entities.
5. Leverage intergovernmental money to help offset City cost for projects or programs that promote City priority goals or objectives.
6. Funding for 2% increase in wages for City workforce.
7. Review user fees including utility rates.
8. Identify planned borrowed funds which will not affect City's current Aa2 bond rating.
9. Continue Garbage User fee which frees up property tax levy for funding street projects.

10. Balance all Fund budgets, if necessary utilize applied fund balance or planned borrowed funds proceeds
11. Incorporate 2017 projects, equipment and vehicles identified in the 2017 – 2021 Capital Improvement Plan.
12. Continue use of donations between Tax Incremental Districts.
13. Maintain a minimum of 25% uncommitted Fund Balance in the General Fund budget.

ACTION REQUESTED:

Motion to approve the goals and parameters for the City Administrator's 2017 Executive Budget as identified by the City Administrator.

ATTACHMENTS:

- I. Preliminary 2017 Budget Schedule
- II. Preliminary 2017 Budget Fiscal Factors