

**2021 BUDGET PROCESS  
COUNCIL / STAFF WORKSHOP #2  
August 19, 2019, 5:00 PM  
Room 404, City Hall**

**AGENDA**

- 1. 2019 Audit Presentation**
- 2. 2020 June Year-to-Date Information**
  - A. Revenue (slides 3 – 7)
  - B. Expenditures (slides 8 – 13)
  - C. History of Personnel to Non-Personnel Costs (slide 14)
- 3. Fund Balance Projection and History (slides 15 – 16)**
- 4. Historical Look at Overall Taxes, Revenues, and Expenditures**
  - A. Historical Revenue (slides 17 – 18)
  - B. Historical Tax Levy, Valuation, and Rates (slides 19 – 22)
- 5. 2021 Personnel Assumptions (slides 24 – 26)**
- 6. Debt**
  - A. Current Status, Projections, and Graphs (slides 27 – 29)
  - B. Additional discussion on 2021 CIP / Debt Issuance
- 7. 2021 Levy – Direction from Common Council**
  - A. Distribution of Tax Levy (slide 30)
  - B. Funding Base Budget Assumptions (slide 31)
  - C. Council Direction of Levy
- 8. Workshop #3 – October 19, 2020 All Day Department Review**
- 9. Workshop #4 – October 20, 2020 All Day Department Review**



# City of Oshkosh

2021 Budget Workshop #2

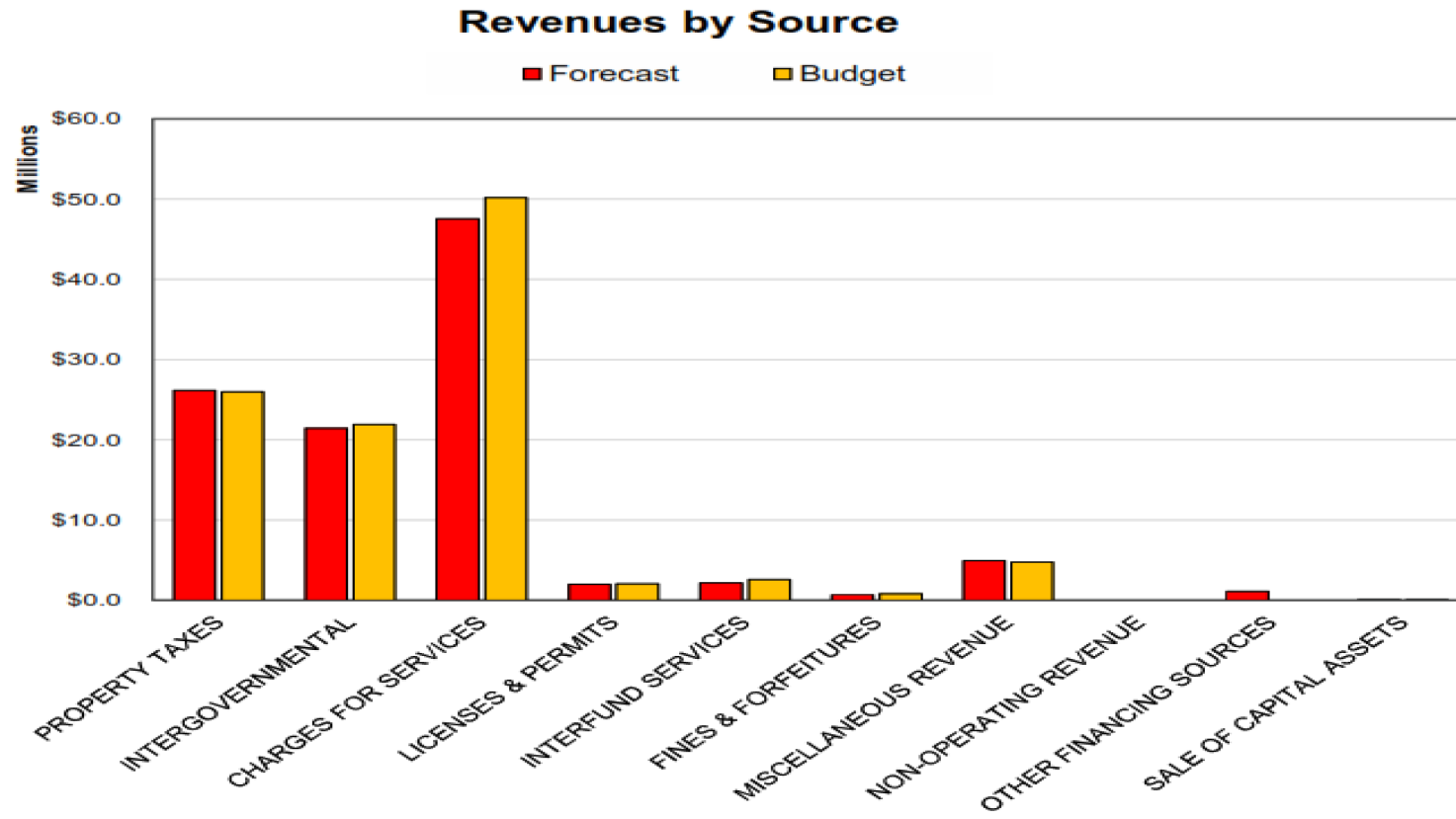
August 19, 2020

2019 Audit Presentation  
by Clifton Larson Allen LLP

# General Fund June YTD Revenue and Projection

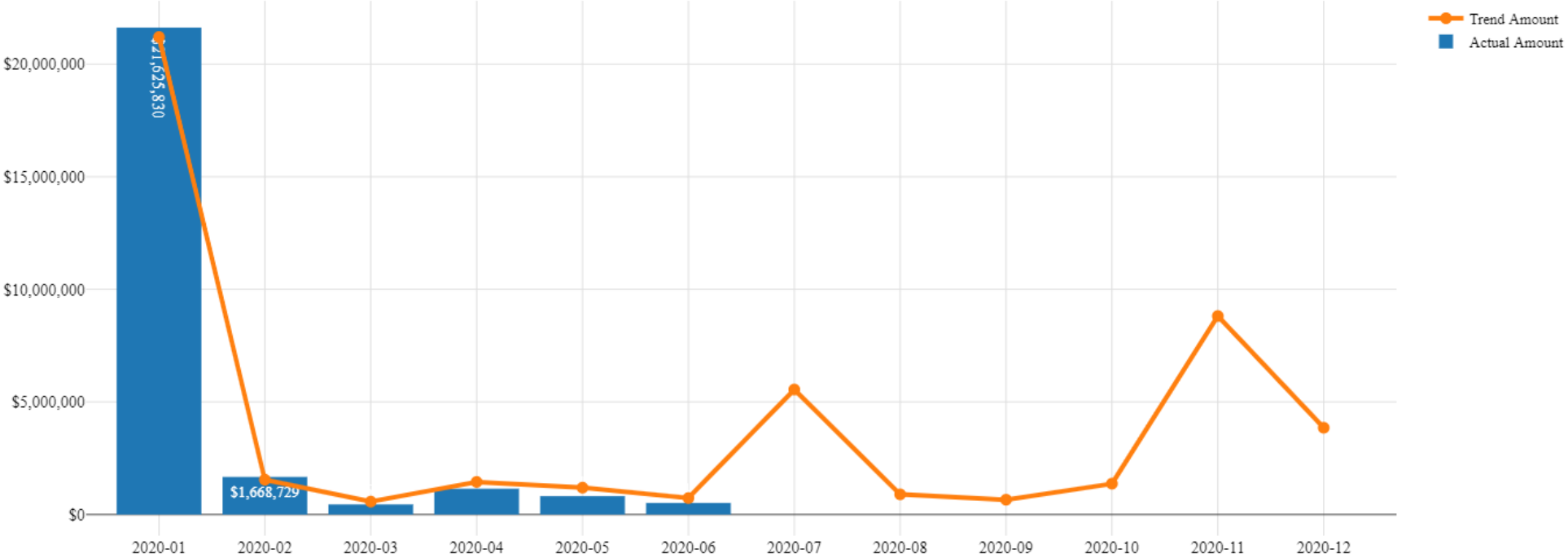
	Prior YTD	Current YTD	Add: Projections	Annual Forecast	Annual Budget	Variance Fav / (Unfav)
<b>REVENUES</b>						
Property Taxes	\$19,452,393	\$20,199,966	\$847,130	\$21,047,096	\$21,350,900	(\$303,804)
Intergovernmental	2,840,204	3,014,707	13,751,849	16,766,556	16,826,100	(59,544)
Charges for Services	1,396,867	1,395,497	3,186,750	4,582,247	4,384,650	197,597
Licenses & Permits	613,900	429,468	478,184	907,652	1,057,000	(149,348)
Interfund Services	861,455	325,977	1,772,848	2,098,824	2,482,500	(383,676)
Fines & Forfeitures	512,214	284,980	375,264	660,244	799,900	(139,656)
Miscellaneous Revenue	279,060	565,830	725,026	1,290,855	929,000	361,855
Sale of Capital Assets	0	779	4,592	5,371	6,500	(1,129)
<b>TOTAL REVENUE</b>	<b>\$25,956,093</b>	<b>\$26,217,204</b>	<b>\$21,141,641</b>	<b>\$47,358,845</b>	<b>\$47,836,550</b>	<b>(\$477,705)</b>

# General Fund June YTD Revenue and Projection



# General Fund June YTD Revenue and Projection

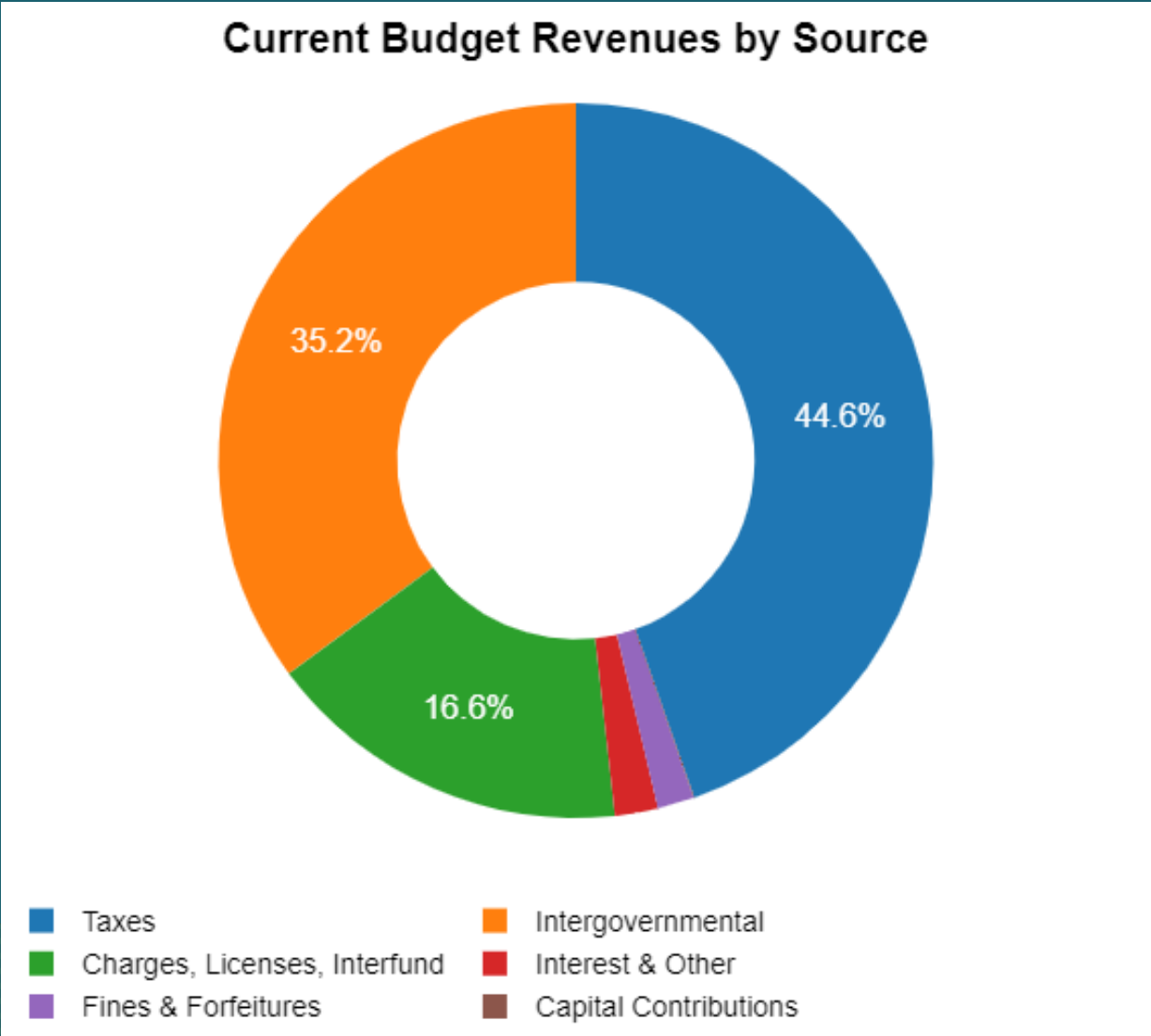
Total Revenues - Trend (Budget) to Actual



# General Fund Revenue at a Glance

- Revenues: \$477,700 under plan (-0.9%).
- Charges for Services: \$197,597 over plan driven by increases in assessor fees.
- Licenses & Permits: \$149,348 under plan driven by decrease in previously approved reduction in liquor licenses.
- Fines and Forfeitures: \$139,656 under plan driven by a decrease in parking fines.

# Current Revenue

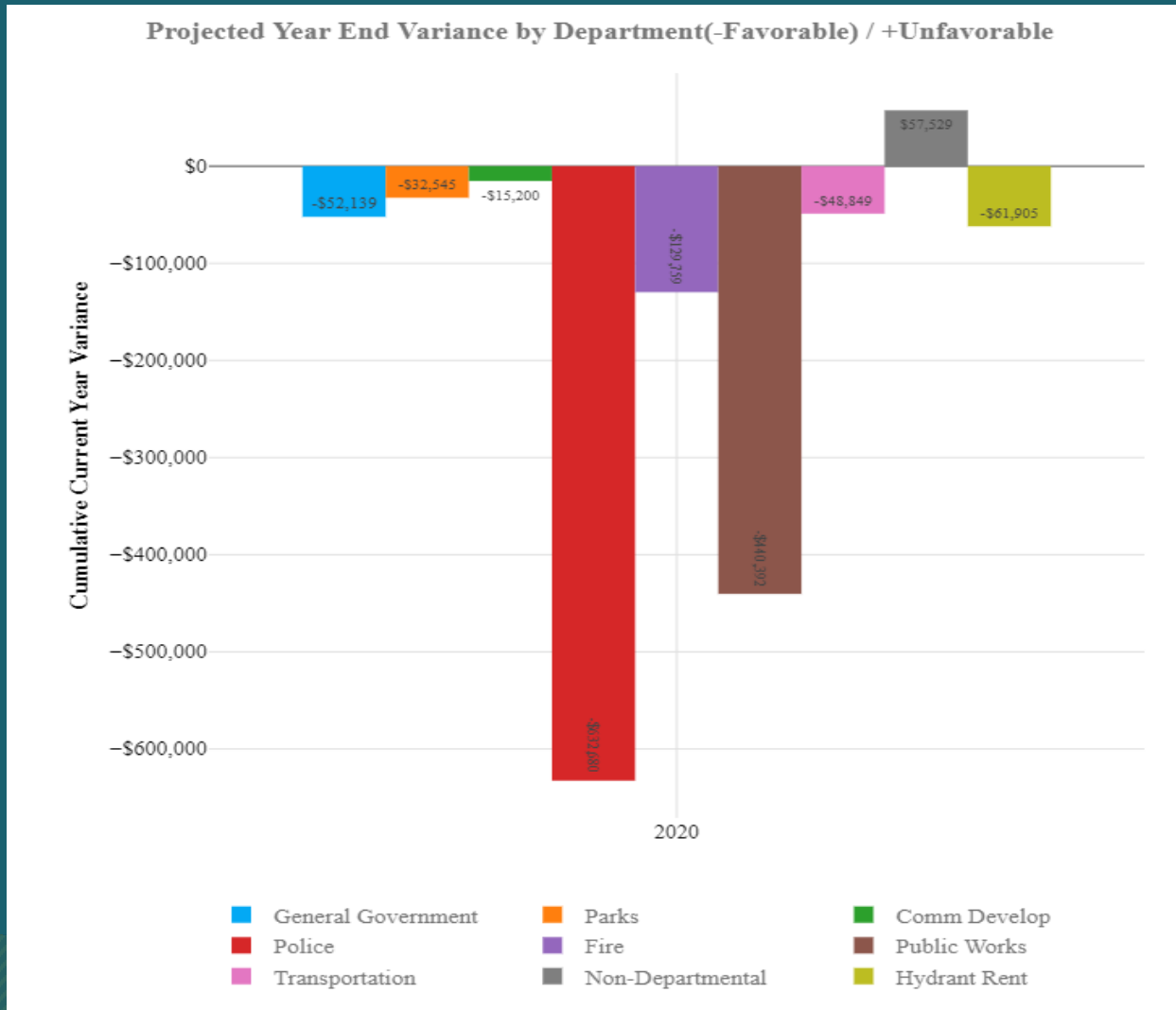




# General Fund June YTD Expenditures and Projection

	Prior YTD	Current YTD	Add: Projections	Annual Forecast	Annual Budget	Variance Fav / (Unfav)
<b>EXPENDITURES</b>						
Admin Services Department	\$1,966,471	\$2,209,510	\$1,867,326	\$4,076,836	\$4,008,200	(\$68,636)
City Attorney	199,503	214,947	\$229,005	\$443,952	\$445,200	\$1,248
City Clerk Department	185,425	203,619	\$234,372	\$437,991	\$486,248	\$48,257
City Council	33,493	32,157	\$25,485	\$57,642	\$61,650	\$4,008
City Manager	139,233	143,111	\$152,179	\$295,290	\$293,800	(\$1,490)
Comm Dev Department	938,390	943,006	\$1,005,201	\$1,948,207	\$1,983,403	\$35,197
Finance Department	1,708,676	431,525	\$573,754	\$1,005,279	\$1,091,600	\$86,321
Non-Departmental	394,013	720,955	\$929,649	\$1,650,604	\$1,593,281	(\$57,323)
Parks Department	1,086,282	1,053,997	\$1,168,259	\$2,222,255	\$2,254,800	\$32,545
Public Safety	12,606,338	12,470,215	\$15,206,090	\$27,676,305	\$28,500,648	\$824,343
Public Works Department	3,061,567	2,810,824	\$3,433,602	\$6,244,426	\$6,667,700	\$423,274
Transportation Department	378,623	359,024	\$397,327	\$756,351	\$805,200	\$48,849
<b>TOTAL EXPENDITURES</b>	<b>\$22,698,013</b>	<b>\$21,592,889</b>	<b>\$25,222,249</b>	<b>\$46,815,138</b>	<b>\$48,191,730</b>	<b>\$1,376,592</b>

# General Fund June YTD Expenditures and Projection

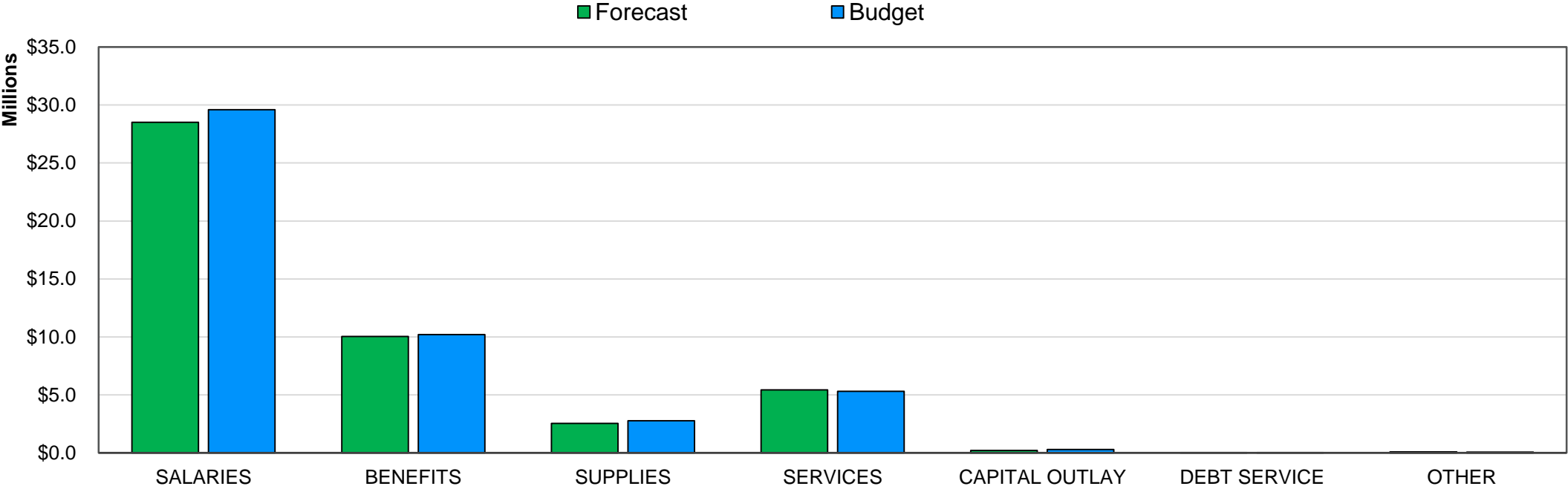


# General Fund June YTD Expenditures and Projection by Category

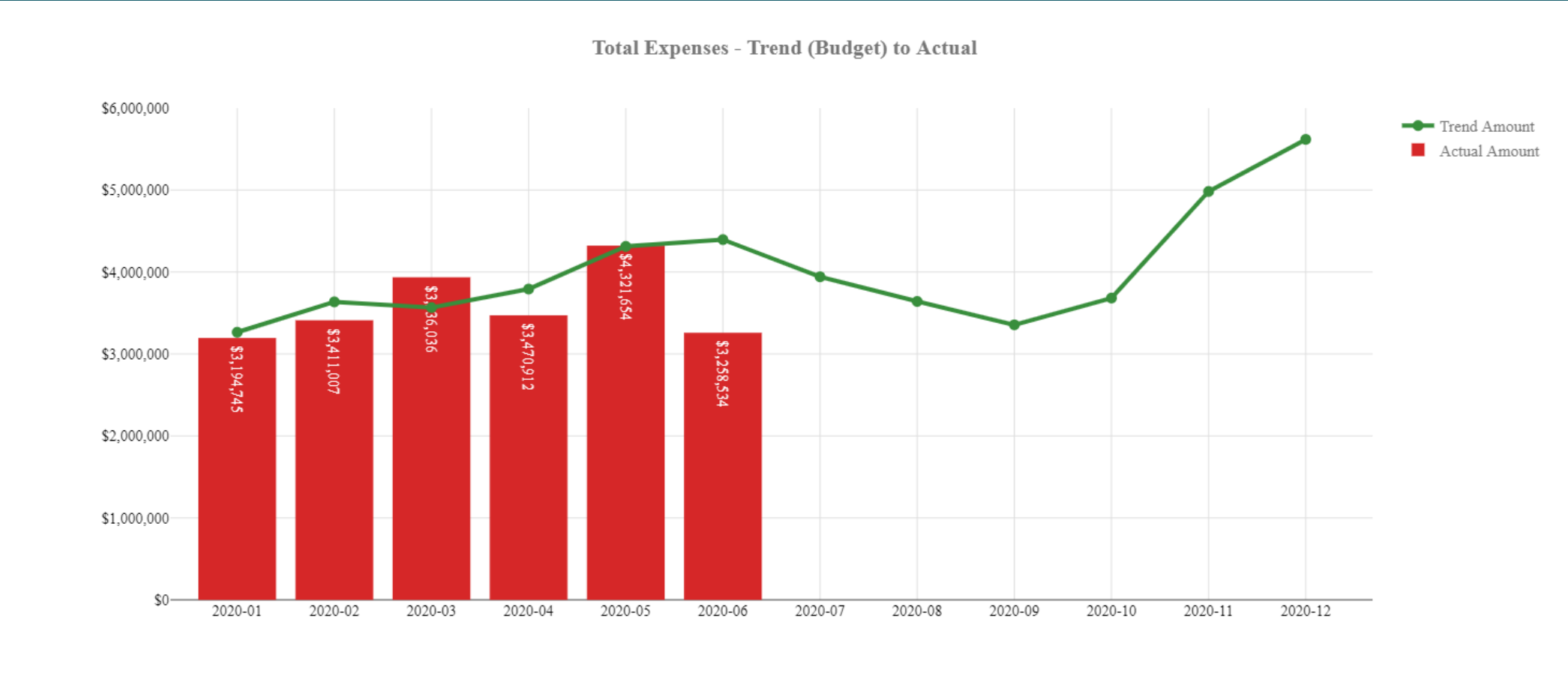
	Prior YTD	Current YTD	Add: Projections	Annual Forecast	Annual Budget	Variance Fav / (Unfav)
<b>EXPENDITURES</b>						
Salaries	\$12,926,060	\$12,693,147	\$15,817,425	\$28,510,572	\$29,598,100	\$1,087,528
Benefits	4,445,409	4,497,219	5,542,409	10,039,627	10,202,100	162,473
Supplies	1,432,614	1,389,690	1,154,116	2,543,806	2,760,948	217,142
Services	2,594,312	2,822,371	2,611,642	5,434,013	5,293,582	(140,431)
Capital Outlay	198,118	140,463	68,737	209,200	281,200	72,000
Debt Service	1,500	0	2,920	2,920	5,800	2,880
Other	1,100,000	50,000	25,000	75,000	50,000	(25,000)
<b>TOTAL EXPENDITURES</b>	<b>\$22,698,013</b>	<b>\$21,592,889</b>	<b>\$25,222,249</b>	<b>\$46,815,138</b>	<b>\$48,191,730</b>	<b>\$1,376,592</b>

# General Fund June YTD Expenditures and Projection

### Expenditures by Object



# General Fund June YTD Expenditures and Projection

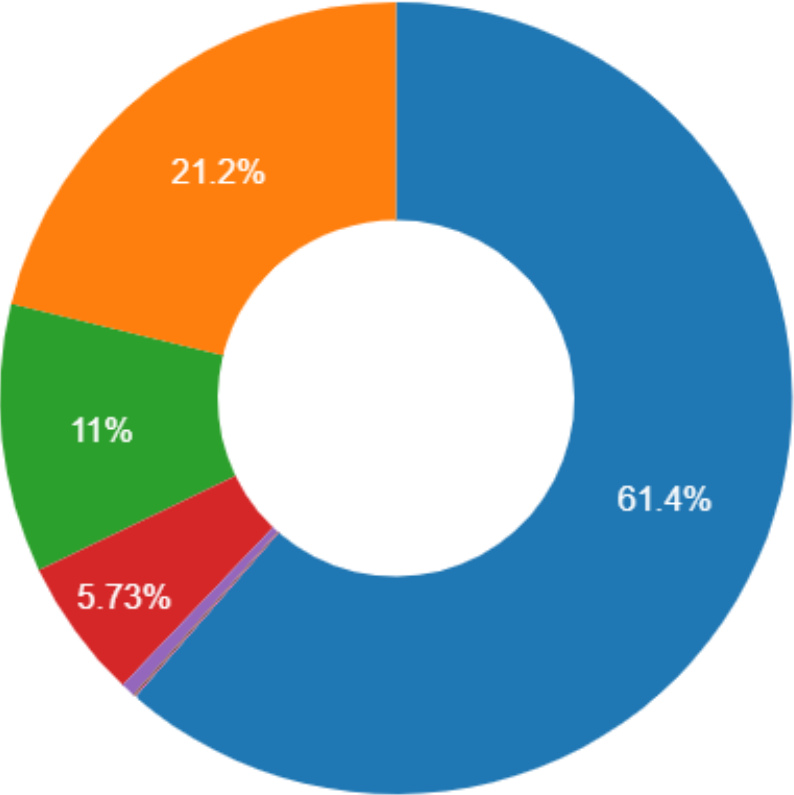


# Expenditures at a Glance

- Expenditures: \$1,376,592 under plan (-2.8%).
- Salaries: \$1,087,528 under plan driven by a lower than expected wage costs.
- Benefits: \$162,473 under plan driven by a lower than expected payment in health insurance costs.
- Services: \$140,431 over plan driven by increases in uncollectible accounts and contractual services (due to cyber attack).

# Current Expenditures

Current Budget Expenses by Object



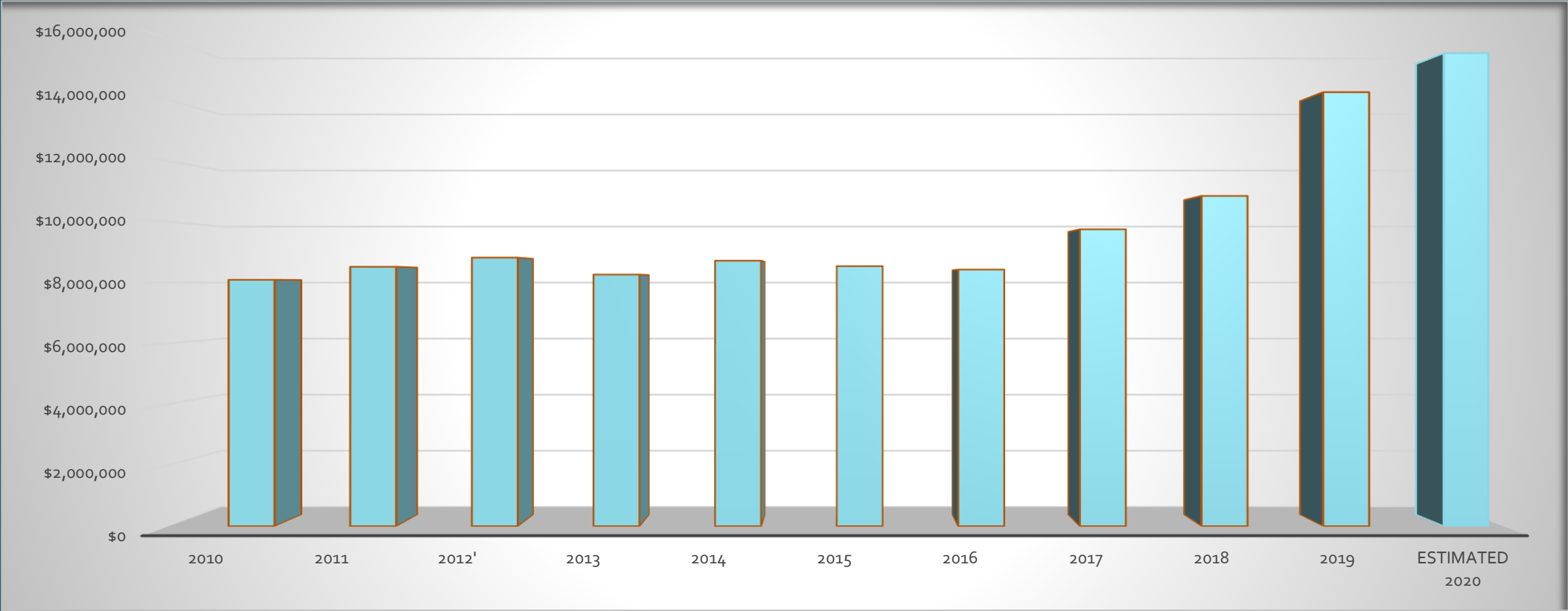
- Salaries
- Benefits
- Services
- Supplies
- Capital Outlay
- Other
- Debt Service

# General Fund Balance

12/31/2019		\$14,456,541	
	<i>2019 Fund Balance Reservations</i>	<i>(\$49,180)</i>	
	<i>Inventory - Unspendable (New Requirement per GASB 54)</i>	<i>(\$150,934)</i>	
	<i>Allowance-Due From Golf Course/Non-Current Receivable</i>		
			\$14,256,427
<b>Current Year Budget</b>			
January 1, 2020 Unassigned Fund Balance			\$14,256,427
Total General Fund Budgeted Expenditures (over)/under for 2020		\$1,376,592	
Total General Fund Budgeted Revenues over/(under) for 2020		(\$477,705)	
Estimated Fund Balance December 31, 2020			\$15,155,314



# General Fund Balance History



# Historical Perspective

Shared Revenue and Total General Fund Revenues						
Year	Shared Revenue	General Fund Tax Levy	Other Revenues	Total General Fund Revenues	% of Shared Revenues of Total General Fund Revenues	% of Other Revenues of Total General Fund Revenues
2009	11,085,640	3,822,232	30,625,742	41,711,382	26.58%	73.42%
2010	10,782,702	4,733,800	26,317,625	41,834,127	25.77%	62.91%
2011	10,804,564	6,354,800	26,432,357	43,591,721	24.79%	60.64%
2012	9,670,727	6,635,700	26,242,425	42,548,852	22.73%	61.68%
2013	9,671,889	6,327,208	26,047,921	42,047,018	23.00%	61.95%
2014	9,674,647	6,603,200	26,143,684	42,421,531	22.81%	61.63%
2015	9,667,194	7,139,300	25,937,793	42,744,287	22.62%	60.68%
2016	9,682,879	16,106,900	17,127,415	42,915,015	22.56%	39.91%
2017	9,680,007	17,512,190	17,574,907	44,767,104	21.62%	39.26%
2018	9,691,023	18,375,900	17,134,495	45,201,418	21.44%	37.91%
2019	9,694,119	19,216,400	17,666,181	46,576,700	20.81%	37.93%
2020	9,690,700	19,945,900	18,199,950	47,836,550	20.26%	38.05%

## Historical Perspective of General Fund Revenues



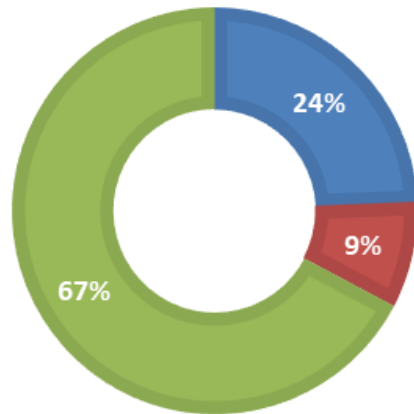
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Other Revenues	30,625,74	26,317,62	26,432,35	26,242,42	26,047,92	26,143,68	25,937,79	17,127,41	17,574,90	17,134,49	17,666,18	18,199,95
General Fund Tax Levy	3,822,232	4,733,800	6,354,800	6,635,700	6,327,208	6,603,200	7,139,300	16,106,90	17,512,19	18,375,90	19,216,40	19,945,90
Shared Revenue	11,085,64	10,782,70	10,804,56	9,670,727	9,671,889	9,674,647	9,667,194	9,682,879	9,680,007	9,691,023	9,694,119	9,690,700

— Shared Revenue    
 — General Fund Tax Levy    
 — Other Revenues

# 2009 to 2020 Revenue Sources

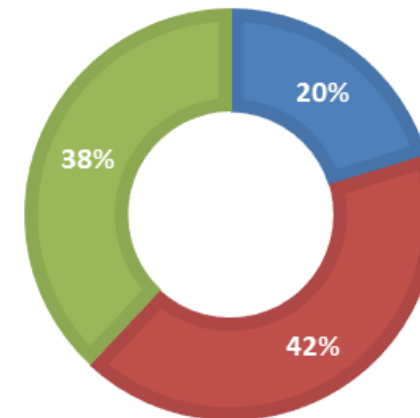
2009

■ Shared Revenue ■ General Fund Tax Levy ■ Other Revenues



2020

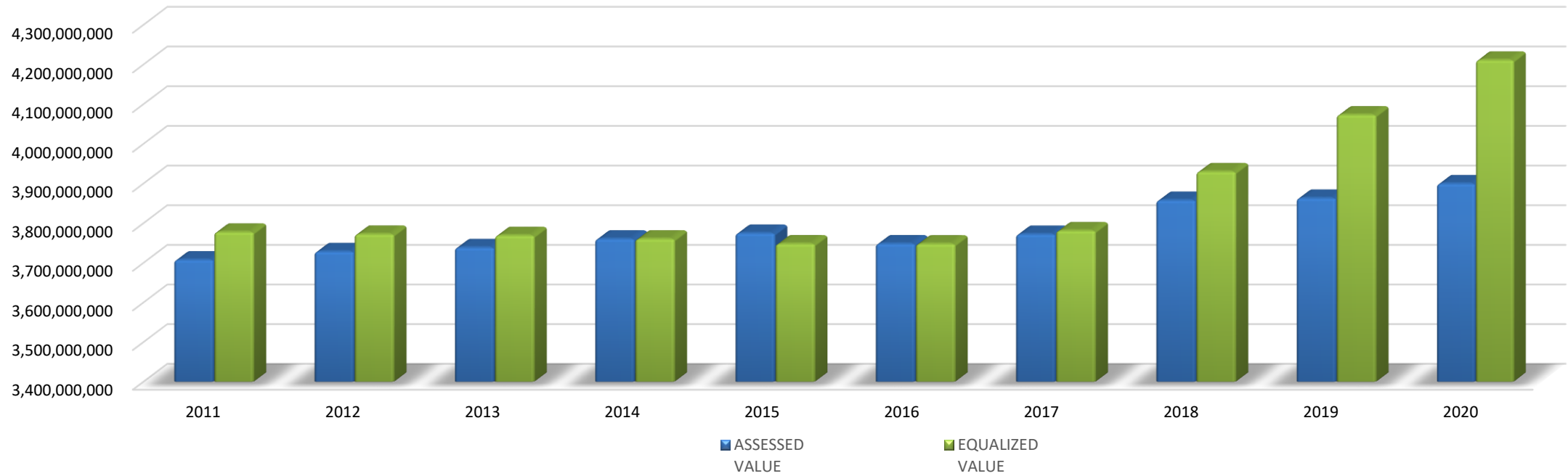
■ Shared Revenue ■ General Fund Tax Levy ■ Other Revenues



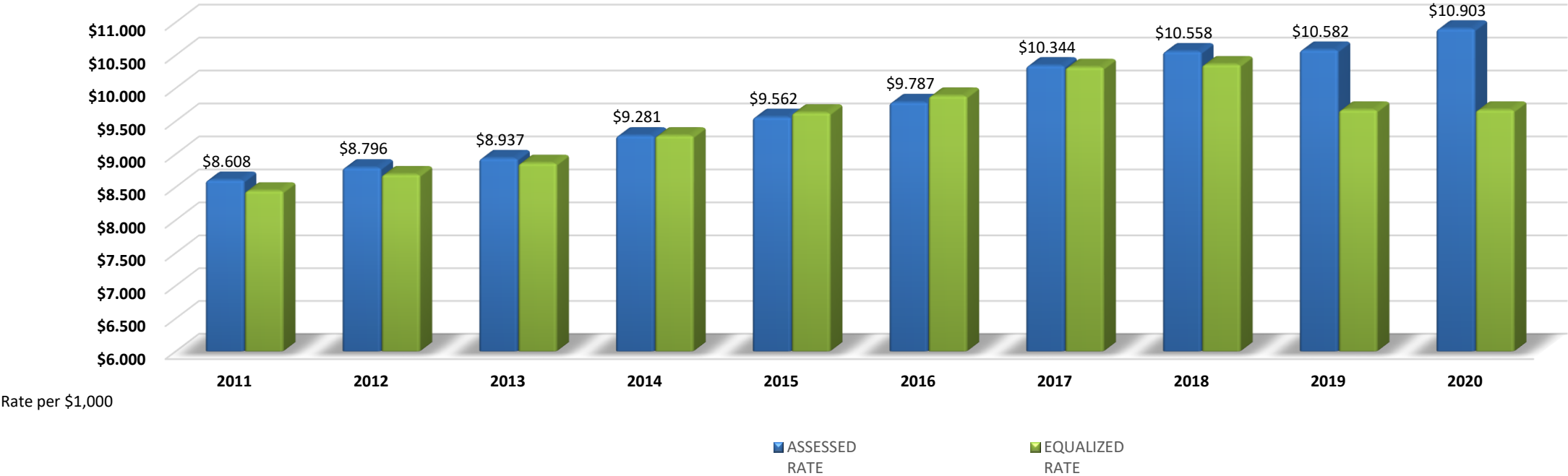
## TAX LEVY AND VALUATION HISTORY

BUDGET YEAR	LEVY	CHANGE \$ INC / (DEC)	CHANGE % INC / (DEC)	ASSESSED VALUE	CHANGE \$ INC / (DEC)	CHANGE % INC / (DEC)	ASSESSED RATE	CHANGE INC / (DEC)	% INC / (DEC)	EQUALIZED VALUE	CHANGE \$ INC / (DEC)	CHANGE % INC / (DEC)	EQUALIZED RATE	CHANGE INC / (DEC)	% INC / (DEC)
2010	28,786,800	901,532	3.23%	3,712,040,700	53,135,450	1.45%	\$ 8.399	0.173	2.10%	3,803,728,105	(38,488,298)	-1.00%	\$ 8.191	0.378	4.832%
2011	29,488,165	701,365	2.44%	3,708,134,000	(3,906,700)	-0.11%	\$ 8.608	0.209	2.49%	3,778,217,733	(25,510,372)	-0.67%	\$ 8.445	0.254	3.104%
2012	30,118,300	630,135	2.14%	3,728,910,600	20,776,600	0.56%	\$ 8.796	0.188	2.18%	3,772,911,745	(5,305,988)	-0.14%	\$ 8.692	0.247	2.925%
2013	30,604,908	486,608	1.62%	3,738,959,600	10,049,000	0.27%	\$ 8.937	0.141	1.60%	3,769,619,068	(3,292,677)	-0.09%	\$ 8.864	0.172	1.974%
2014	32,031,000	1,426,092	4.66%	3,760,872,300	21,912,700	0.59%	\$ 9.281	0.344	3.85%	3,760,872,300	(8,746,768)	-0.23%	\$ 9.281	0.417	4.704%
2015	33,334,300	1,303,300	4.07%	3,775,245,100	14,372,800	0.38%	\$ 9.562	0.281	3.03%	3,748,601,119	(12,271,181)	-0.33%	\$ 9.629	0.348	3.755%
2016	34,286,700	952,400	2.86%	3,748,747,500	(26,497,600)	-0.70%	\$ 9.787	0.225	2.35%	3,748,375,047	(226,072)	-0.01%	\$ 9.884	0.255	2.646%
2017	36,297,700	2,011,000	6.03%	3,772,639,900	23,892,400	0.64%	\$ 10.344	0.557	5.69%	3,781,641,675	33,266,628	0.89%	\$ 10.319	0.690	7.164%
2018	37,861,700	1,564,000	4.31%	3,858,285,700	85,645,800	2.27%	\$ 10.558	0.214	2.07%	3,930,405,857	148,764,182	3.93%	\$ 10.361	0.041	0.400%
2019	39,401,600	1,539,900	4.07%	3,863,585,700	5,300,000	0.14%	\$ 10.582	0.024	0.23%	4,073,682,600	143,276,743	3.65%	\$ 9.672	(0.688)	-6.645%
2020	40,737,400	1,335,800	3.39%	3,900,117,600	36,531,900	0.95%	\$ 10.903	0.321	3.03%	4,211,595,500	137,912,900	3.39%	\$ 9.673	0.000	0.005%

### Valuation Trend Assessed Value Compared to Equalized Value



### Tax Levy Trend Assessed Rate Compared to Equalized Rate



# 2021 Personnel Assumptions

- Discretionary Allowance for wage adjustment
- Estimated increase in Health Insurance 7 %
- No Anticipated Dental Insurance Increase



# Wage and Wage Budget Summary

2020 Wages & Wage Benefits	2020 Total General Fund & General Fund Supported	2020 Other Non General Fund Supported Budget (Utilities, Inspections)	Grand Totals
2020 Wages	30,563,161.00	8,312,523.00	38,875,684.00
FICA	1,735,389.00	608,200.00	2,343,589.00
WRS	3,100,401.83	554,078.14	3,654,479.97
Life	65,257.00	24,400.00	89,657.00
<b>Total Wages &amp; Wage Benefits</b>	<b>35,464,208.83</b>	<b>9,499,201.14</b>	<b>44,963,409.97</b>
2021 Wages & Wages Benefits	2021 Total General Fund & General Fund Supported	2021 Other Non General Fund Supported Budget (Utilities, Inspections)	Grand Totals
2021 Wages	31,690,708.00	8,273,108.00	39,963,816.00
FICA	1,774,744.00	613,178.00	2,387,922.00
WRS	3,465,670.00	555,547.00	4,021,217.00
Life	92,464.00	30,824.00	123,288.00
<b>Total Wages &amp; Wages Benefits</b>	<b>37,023,586.00</b>	<b>9,472,657.00</b>	<b>46,496,243.00</b>
Difference	1,559,377.17	-26,544.14	1,532,833.03
% Increase Wages & Wage Benefits	4.40%	-0.28%	3.41%

# Health and Dental

2020 Health & Dental Insurance	Total General Fund & General Fund Supported	2020 Total Other Non General Fund Supported	Grand Totals
Health Insurance	4,984,616.00	1,662,413.00	6,647,029.00
Dental insurance	324,523.00	107,900.00	432,423.00
<b>Total Health/Dental</b>	<b>5,309,139.00</b>	<b>1,770,313.00</b>	<b>7,079,452.00</b>
2021 Health & Dental Insurance	Total General Fund & General Fund Supported	2021 Total Other Non General Fund Supported	Grand Totals
Health Insurance 7% increase	5,207,728.00	1,750,452.00	6,958,180.00
Dental Insurance 0% increase	323,752.00	111,107.00	434,859.00
<b>Total Health/Dental</b>	<b>5,531,480.00</b>	<b>1,861,559.00</b>	<b>7,393,039.00</b>
Difference	222,341.00	91,246.00	313,587.00
% Increase Health/Dental	4.19%	4.43%	4.43%

# Debt Projection

Assumed Annual Increase in Equalized Value

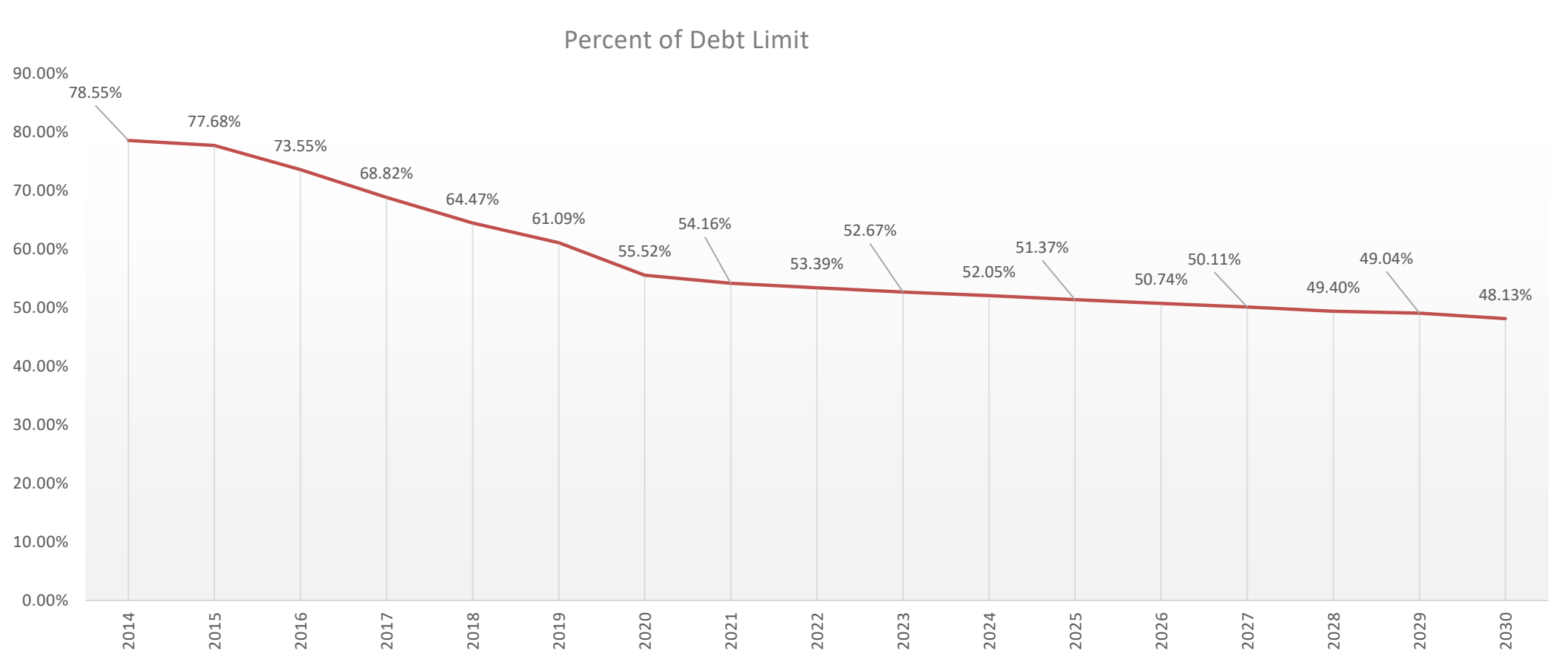
1.00%

## General Obligation Debt

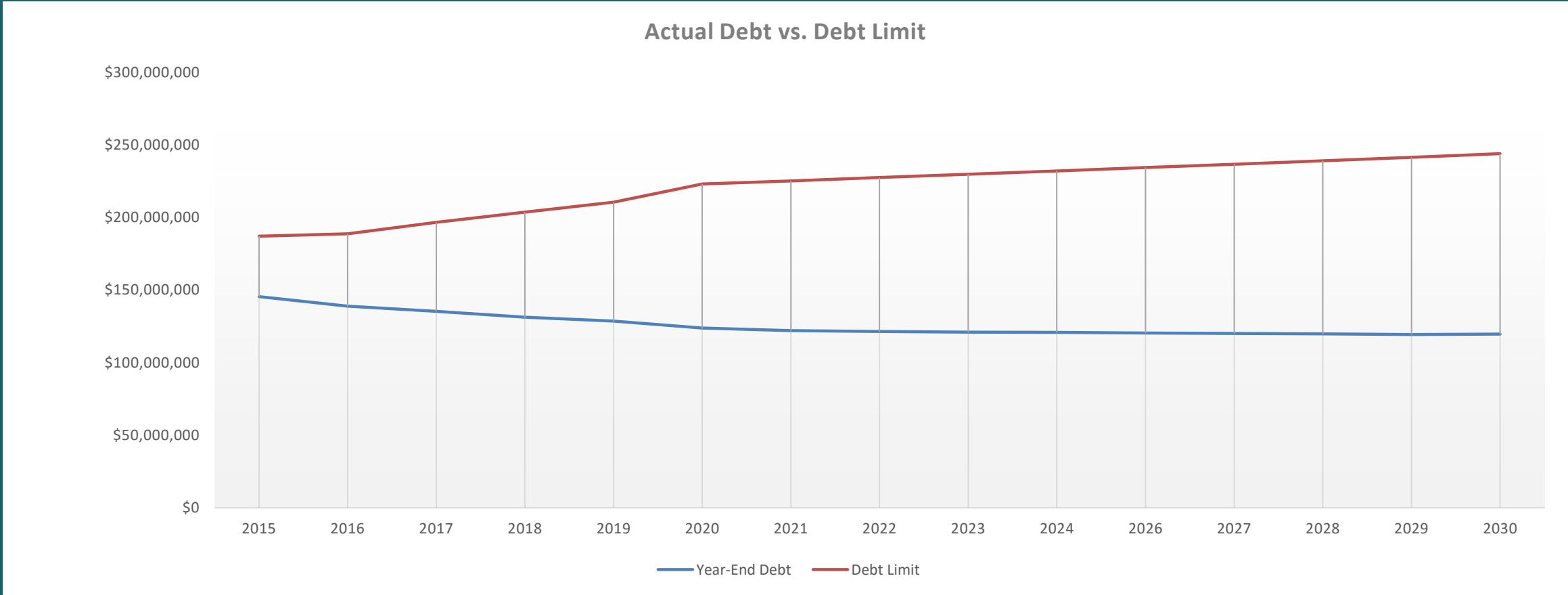
EXHIBIT A

<u>Year</u>	<u>Debt Principal Retired</u>	<u>Debt Principal Taken On</u>	<u>Net Balance as of 12/31</u>	<u>Change from Previous Year</u>	Equalized Value	Debt Limit	Percentage of Debt Limit Used
2014	\$21,469,770	\$27,303,802	\$147,228,959	\$5,834,032	\$3,748,827,600 Act.	\$187,441,380	78.55%
2015	\$26,028,424	\$24,210,000	\$145,410,535	(\$1,818,424)	\$3,743,645,000 Act.	\$187,182,250	77.68%
2016	\$36,635,510	\$30,101,300	\$138,876,325	(\$6,534,210)	\$3,776,225,300 Act.	\$188,811,265	73.55%
2017	\$14,846,403	\$11,270,000	\$135,299,922	(\$3,576,403)	\$3,931,778,200 Act.	\$196,588,910	68.82%
2018	\$15,426,315	\$11,440,000	\$131,313,607	(\$3,986,315)	\$4,073,682,600 Act.	\$203,684,130	64.47%
2019	\$23,879,035	\$21,200,000	\$128,634,571	(\$2,679,035)	\$4,211,595,500 Act.	\$210,579,775	61.09%
2020	\$22,522,138	\$17,715,000	\$123,827,433	(\$4,807,138)	\$4,460,244,100 Est.	\$223,012,205	55.52%
2021	\$16,836,516	\$15,000,000	\$121,990,917	(\$1,836,516)	\$4,504,846,541 Proj.	\$225,242,327	54.16%
2022	\$15,531,325	\$15,000,000	\$121,459,592	(\$531,325)	\$4,549,895,006 Proj.	\$227,494,750	53.39%
2023	\$15,442,319	\$15,000,000	\$121,017,273	(\$442,319)	\$4,595,393,956 Proj.	\$229,769,698	52.67%
2024	\$15,234,082	\$15,000,000	\$120,783,191	(\$234,082)	\$4,641,347,896 Proj.	\$232,067,395	52.05%
2025	\$15,387,960	\$15,000,000	\$120,395,231	(\$387,960)	\$4,687,761,375 Proj.	\$234,388,069	51.37%
2026	\$15,280,149	\$15,000,000	\$120,115,082	(\$280,149)	\$4,734,638,989 Proj.	\$236,731,949	50.74%
2027	\$15,295,000	\$15,000,000	\$119,820,082	(\$295,000)	\$4,781,985,379 Proj.	\$239,099,269	50.11%
2028	\$15,530,000	\$15,000,000	\$119,290,082	(\$530,000)	\$4,829,805,232 Proj.	\$241,490,262	49.40%
2029	\$14,670,000	\$15,000,000	\$119,620,082	\$330,000	\$4,878,103,285 Proj.	\$243,905,164	49.04%
2030	\$16,065,000	\$15,000,000	\$118,555,082	(\$1,065,000)	\$4,926,884,318 Proj.	\$246,344,216	48.13%

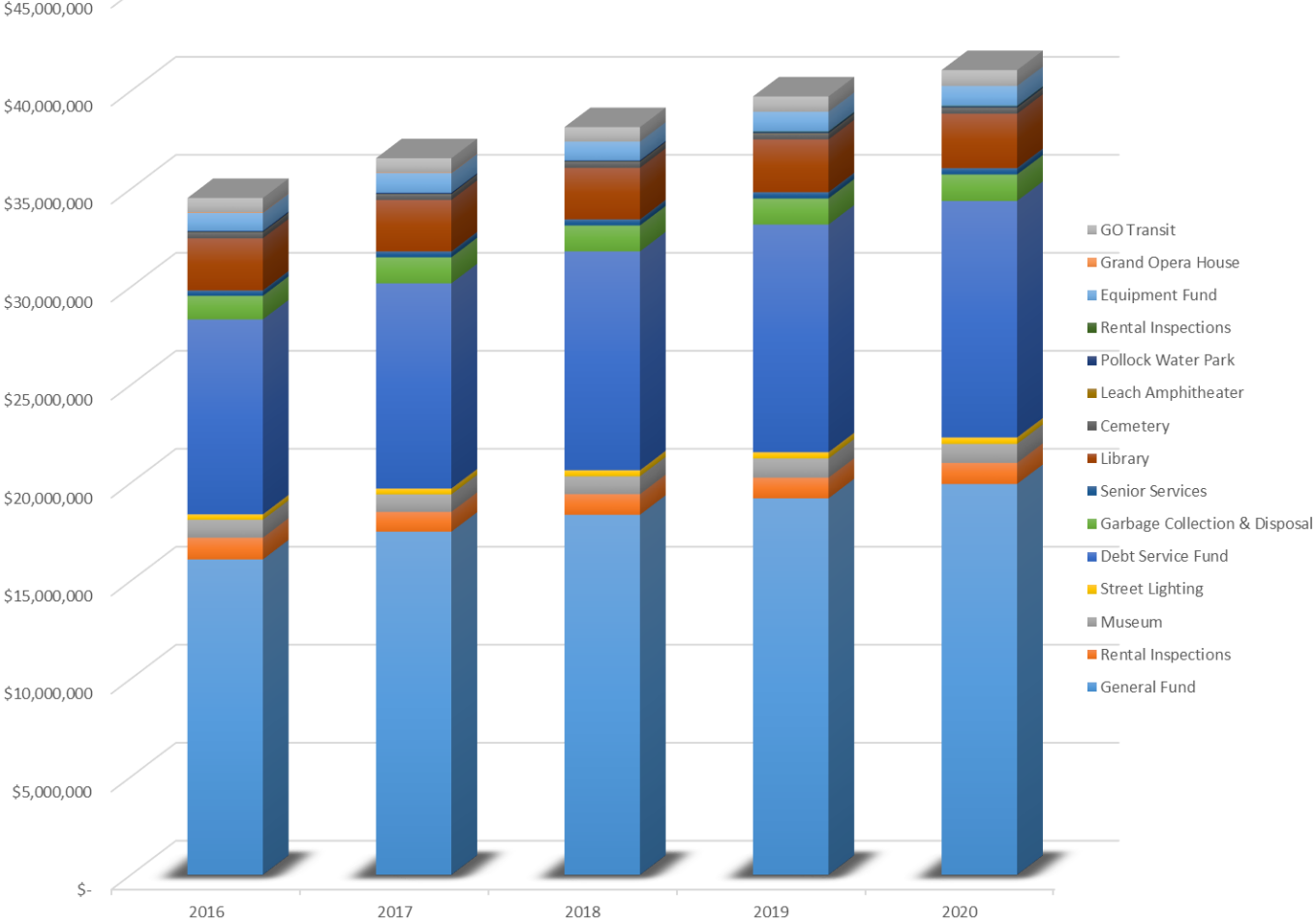
# Percent of Debt Limit



# Debt Capacity



Tax Levy By Fund



# Funding Base Budget Assumptions

## Funding Base Budget Assumptions

<b>Current levy</b>	<b>\$</b>	<b>40,737,400</b>		
<b>Options for Consideration:</b>				
		0.00%	40,737,400	
		1.00%	41,144,774	\$ 407,374
		2.00%	41,552,148	\$ 814,748
		3.00%	41,959,522	\$ 1,222,122
		4.00%	42,366,896	\$ 1,629,496
		4.41%	<b>42,533,686</b>	<b>\$ 1,796,286</b>
		5.00%	42,774,270	\$ 2,036,870
<b>Nondiscretionary Increase/(Decrease):</b>				
Debt Service				(910,455)
Wage and wage benefits				1,559,400
<b>Total Nondiscretionary Increase/(Decrease):</b>	<b>\$</b>			<b>648,945</b>
<b>Discretionary Increases:</b>				
Discretionary wage allowance				925,000
Health/Dental Insurance Increase				
(7% Health Ins estimate and 0% Dental Ins estimate)				222,341
<b>Total Discretionary</b>	<b>\$</b>			<b>1,147,341</b>
<b>Total Increase/(Decrease) in spending</b>	<b>\$</b>			<b>1,796,286</b>

\*No Consideration for Expenditure Restraint Program (ERP)