

**VILLAGE OF ARENA
2024 PROPOSED BUDGET**

Notice is hereby given that a Public Hearing on the Proposed 2024 Budget for the Village of Arena will be held at 7:00 p.m. on
Tuesday, November 7, 2023 at the Village Hall located at 345 West Street, Arena, WI
Detailed copies of proposed budget will be available for review at Village Office during regular office hours.

The following is a summary of the proposed 2024 budget:

GENERAL FUND	2022 ACTUAL	2023 BUDGET	9/30/23 YTD	2023 EST	2024 BUDGET	% CHANGE
REVENUES:						
TAXES, GENERAL PROPERTY	\$439,244	\$455,470	\$455,470	\$455,470	\$464,781	2.04%
TAXES, OTHER	\$26,609	\$28,300	\$1,500	\$27,000	\$27,000	
INTERGOVERNMENTAL REVENUES	\$187,733	\$185,207	\$83,084	\$178,212	\$214,012	
LICENSES AND PERMITS	\$11,525	\$7,946	\$9,315	\$8,589	\$4,220	
FINES AND FORFEITURES	\$9,334	\$7,500	\$4,238	\$6,000	\$7,500	
PUBLIC CHARGES FOR SERVICES	\$19,594	\$17,600	\$15,635	\$17,636	\$15,800	
MISCELLANEOUS REVENUES	\$37,001	\$25,720	\$44,940	\$52,836	\$33,000	
OTHER FINANCING SOURCES	\$250,000	\$0	\$0	\$0	\$0	
CASH ON HAND	\$0	\$245,300	\$0	\$245,300	\$10,000	
TOTAL REV. & CASH BALANCE APPL.	<u>\$981,039</u>	<u>\$973,043</u>	<u>\$614,182</u>	<u>\$991,043</u>	<u>\$776,313</u>	-20.22%
EXPENDITURES:						
GENERAL GOVERNMENT	\$96,589	\$107,411	\$64,174	\$103,758	\$110,103	
PUBLIC SAFETY	\$313,484	\$285,245	\$157,551	\$285,246	\$293,293	
PUBLIC WORKS	\$187,364	\$228,533	\$146,059	\$208,608	\$219,592	
CULTURE & RECREATION	\$35,220	\$31,661	\$18,808	\$29,661	\$41,690	
PLANNING & DEVELOPMENT	\$73	\$500	\$274	\$500	\$0	
CAPITAL OUTLAY	\$36,233	\$237,171	\$0	\$262,171	\$34,458	
DEBT SERVICE	\$73,874	\$82,522	\$51,779	\$82,522	\$77,177	
TRANSFER TO OTHER FUNDS	\$0	\$0	\$0	\$0	\$0	
TOTAL EXPENDITURES	<u>\$742,837</u>	<u>\$973,043</u>	<u>\$438,646</u>	<u>\$972,466</u>	<u>\$776,313</u>	-20.22%

ALL GOVERNMENTAL AND PROPRIETARY FUNDS COMBINED:

	2024 FUND BAL. 1/1/24	2024 TOTAL REVENUES	2024 TOTAL EXPEND.	2024 FUND BAL. 12/31/2024	PROPERTY TAX CONTRIB.
GENERAL FUND	\$294,852	\$766,313	\$776,313	\$284,852	\$464,781
TAX INCREMENTAL DISTRICT FUND	\$657,891	353,556	780,334	\$231,113	350,000 estimate
SPECIAL FUND - ARPA	\$42,626	-	44,000	\$0	\$0
WATER UTILITY *	\$324,681	\$160,496	\$159,347	\$325,830	\$0
SEWER UTILITY *	\$517,176	\$298,900	\$165,694	\$650,382	\$0
	<u>\$1,837,226</u>	<u>\$1,579,265</u>	<u>\$1,925,688</u>	<u>\$1,492,177</u>	<u>\$814,781</u>

NOTE: Above levy does NOT include Referendum

		Outstanding Debt		
		12/31/22	12/31/23	12/31/24
	General Fund	\$ 342,742	\$ 485,071	\$ 402,960
	TIF	\$ 2,993,627	\$ 2,975,826	\$ 3,219,375
*	Water Fund	\$ 53,625	\$ 26,351	\$ 17,781
*	Sewer Fund	\$ 10,752	\$ -	\$ -
	TOTAL DEBT	\$ 3,400,746	\$ 3,487,248	\$ 3,640,115

*undesignated net assets

2024 GENERAL FUND BUDGET

GENERAL FUND	2022	9/30/23	2023	2023	2024
	ACTUAL	YTD	EST	BUDGET	ADOPTED
					BUDGET
REVENUES:					
TAXES, GENERAL PROPERTY	439,244	455,470	455,470	455,470	464,781
PAYMENT IN LIEU OF TAXES	1,500	1,500	1,500	1,500	1,500
TAXES FROM WATER UTILITY	25,108.56	-	25,500.00	26,800.00	25,500.00
TOTAL TAXES	\$ 465,853	\$ 456,970	\$ 482,470	\$ 483,770	\$ 491,781
STATE SHARED REVENUE	\$ 114,334	\$ 31,480	\$ 115,632	\$ 115,632	\$ 162,284
STATE PERSONAL PROPERTY AID	\$ 297	\$ 297	\$ 297	\$ 297	\$ 297
STATE FIRE INSURANCE REVENUE	2,351	2,787	2,787	2,787	2,788
CABLE TV FRANCHISE FEE	2,411	2,411	2,411	2,411	2,411
STATE AID EXEMPT COMPUTERS	98	98	98	97	97
STATE TRANSPORTATION AIDS	42,571	32,208	42,944	42,938	44,787
STATE LAW ENFORCEMENT GRANT	480	-	240	240	240
STATE RECYCLING GRANT	1,107	1,108	1,108	1,110	1,108
OTHER STATE GRANTS	24,083	12,695	12,695	19,695	-
TOTAL INTERGOVERNMENTAL	\$ 187,733	\$ 83,084	\$ 178,212	\$ 185,207	\$ 214,012
LIQUOR & MALT BEVERAGE LICENSE	\$ 2,400	\$ 2,455	\$ 2,455	\$ 2,400	\$ 2,455
OPERATOR'S LICENSE	470	415	395	360	395
CIGARETTE LICENSE	200	200	200	200	200
DOG LICENSES VILLAGE SHARE	620	662	662	550	600
OTHER PERMITS/LICENSES	160	170	170	200	170
BUILDING PERMITS & INSPECTIONS	7,275	4,113	3,806	3,836	-
ZONING PERMITS & FEES	400	1,300	900	400	400
TOTAL LICENSES and PERMITS	\$ 11,525	\$ 9,315	\$ 8,589	\$ 7,946	\$ 4,220
COURT PENALTIES & COSTS	\$ 9,334	\$ 4,238	\$ 6,000	\$ 7,500	\$ 7,500
TOTAL FINES and FORFEITURES	\$ 9,334	\$ 4,238	\$ 6,000	\$ 7,500	\$ 7,500
GENERAL GOVERNMENT/CLERK FEES	548	363	325	450	325
LAW ENFORCEMENT FEES	5	5	5	-	-
AMBULANCE FEES/TRIP	1,198	370	370	-	-
RECYCLING FEES	13,645	10,329	13,000	13,000	13,000
PARK & RECREATION FEES	3,649	4,393	3,761	3,950	2,300
PARK SHELTER RENTAL FEES	550	175	175	200	175
TOTAL PUBLIC CHARGES FOR SERVICE	\$ 19,594	\$ 15,635	\$ 17,636	\$ 17,600	\$ 15,800
INTEREST INCOME	\$ 5,879	\$ 24,527	\$ 27,000	\$ 3,120	\$ 10,000
INTEREST ON SPECIAL ASSESSMENT	559	0	0	-	-
CELL TOWER RENT	22,454	17,107	22,500	22,100	\$ 22,800
INSURANCE RECOVERIES	408	-	-	-	-
SALE OF EQUIPMENT	-	-	-	-	-
DONATIONS	4,233	774	775	-	-
INSURANCE DIVIDENDS	2,953	2,411	2,411	-	-
MISC REVENUE	514	120	150	500	200
OTHER FINANCING SOURCES	250,000	-	-	-	-
TOTAL MISC REVENUE	\$ 287,001	\$ 44,940	\$ 52,836	\$ 25,720	\$ 33,000
CASH BALANCE APPLIED	\$ -	\$ -	\$ 245,300	\$ 245,300	\$ 10,000
TOTAL REV. & CASH BALANCE APPL	\$ 981,039	\$ 614,182	\$ 991,043	\$ 973,043	\$ 776,313

2024 GENERAL FUND BUDGET

	2022 ACTUAL	9/30/23 YTD	2023 EST	2023 BUDGET	2024 ADOPTED BUDGET
GENERAL FUND					
EXPENDITURES:					
BOARD & COMMITTEE SALARIES/TRAIN	\$ 4,187	\$ 3,802	\$ 5,769	\$ 7,944	\$ 8,561
LEGAL	1,799	1,584	5,000	5,000	5,000
CLERK	30,932	24,612	35,296	36,114	37,294
ELECTIONS	2,042	801	1,150	1,810	3,230
ACCOUNTING	10,047	10,889	11,500	11,500	11,975
ASSESSMENT OF PROPERTY	6,380	4,200	6,380	6,380	6,380
VILLAGE HALL	12,266	5,829	10,663	10,663	10,663
INSURANCE	28,938	12,457	28,000	28,000	27,000
TOTAL GENERAL GOVERNMENT	\$ 96,589	\$ 64,174	\$ 103,758	\$ 107,411	\$ 110,103
LAW ENFORCEMENT	\$ 175,461	\$ 111,260	\$ 156,390	\$ 156,390	\$ 167,139
PUBLIC FIRE PROTECTION-HYDRANT	56,896	-	56,896	56,896	56,896
FIRE PROTECTION	24,948	14,708	26,629	26,628	29,513
AMBULANCE/EMS	49,756	28,447	42,195	42,195	39,745
INSPECTIONS - BUILDING	6,423	3,136	3,136	3,136	-
TOTAL PUBLIC SAFETY	\$ 313,484	\$ 157,551	\$ 285,246	\$ 285,245	\$ 293,293
ENGINEERING	16,102.65	9,138.51	18,500.00	18,500.00	1,000.00
PUBLIC WORKS GARAGE	\$ 5,469	\$ 2,797	\$ 5,500	\$ 5,500	\$ 5,500
STREET MAINT.	86,843	76,372	89,025	108,925	116,862
SNOW & ICE REMOVAL	4,036	2,231	5,020	5,020	7,520
STREET CONSTRUCTION	817	1,568	5,128	5,128	2,214
STREET LIGHTING	12,675	8,492	13,400	13,400	13,500
STREET SIGNS	121	0	1,000	1,000	1,500
SIDEWALKS	800	0	2,000	2,000	1,500
REFUSE&GARBAGE COLLECTION	39,181	27,439	38,706	38,731	38,500
RECYCLING EXPENDITURES	13,403	10,153	13,570	13,570	13,800
YARD WASTE	7,917	7,870	16,759	16,759	17,696
WEED&NUISANCE CONTROL	0	0	0	0	0
TOTAL PUBLIC WORKS	\$ 187,364	\$ 146,059	\$ 208,608	\$ 228,533	\$ 219,592
PARK MAINTENANCE	\$ 35,220	\$ 18,808	\$ 29,661	\$ 31,661	\$ 41,690
TOTAL CULTURE and REC	\$ 35,220	\$ 18,808	\$ 29,661	\$ 31,661	\$ 41,690
PLANNING - LONG RANGE	\$ 73	\$ 274	\$ 500	\$ 500	\$ -
TOTAL PLANNING and DEVELOPMENT	\$ 73	\$ 274	\$ 500	\$ 500	\$ -
PRINCIPAL ON LOANS	\$ 63,982	\$ 43,678	\$ 64,564	\$ 64,564	\$ 61,230
INTEREST ON LOANS	9,892	8,102	17,958	17,958	15,947
TOTAL DEBT SERVICE	\$ 73,874	\$ 51,779	\$ 82,522	\$ 82,522	\$ 77,177
TECHNOLOGY CAPITAL OUTLAY	\$ -	\$ -	\$ -	\$ -	\$ -
POLICE DEPT - Cap Outlay	\$ -	\$ -	\$ 2,164	\$ 2,164	\$ 8,000
FIRE/EMS - Cap Outlay	\$ -	\$ -	\$ 1,459	\$ 1,459	\$ -
STREET MACHINERY - Capital	\$ -	\$ -	\$ 1,928	\$ 1,928	\$ 18,958
STREETS - Capital	\$ -	\$ -	\$ 255,000	\$ 230,000	\$ -
EQUIPMENT/BLDG- Capital Acct	\$ 36,233	\$ -	\$ 1,620	\$ 1,620	\$ -
PARK EQUIPMENT - Captial	\$ -	\$ -	\$ -	\$ -	\$ 7,500
LRP Capital Improvements	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL CAPITAL OUTLAY	\$ 36,233	\$ -	\$ 262,171	\$ 237,171	\$ 34,458
TRANSFER TO OTHER FUNDS	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL EXPENDITURES	\$ 742,837	\$ 438,646	\$ 972,466	\$ 973,043	\$ 776,313



Village of Arena

2024 Proposed Budget

The Village of Arena presents a balanced 2024 Proposed budget and in accordance with Wisconsin State Statutes. The submitted budget makes the difficult decisions on which priorities to fund, and which must be delayed to future years, in order to maintain a balanced and financially sound budget.

The 2024 Budget represents four important purposes:

- It is a policy document that is developed by the Village Board to provide direction on where the Village is moving and what it prioritizes.
- It is a financial plan that defines the various sources of funds to be collected, both internal and external to the community, as well as the services, programs, and activities that the citizens can expect to be provided.
- It is an operational guide for staff on how programs and activities are structured.
- It is a communication tool providing the public and other entities with a better understanding of how the Village's finances are structured and what those finances pay for.

Looking Back at 2023

- Long overdue repaving of Village Edge Road and a NEW walking path along the east side of the road for pedestrians. The path will continue in 2024 over the railroad. The railroad did not budget for upgrades in 2023. Loan taken out with Peoples Community Bank in the amount of \$250,000 at 3.89% for ten years. Contract came in at \$254,210 from S&L Excavating plus engineer fees of \$30,000 with \$31,000 reimbursed by water utility for water services and hydrant.
- Completed seal coating on West, South, Brown, High and Pine St. Crack filling on Oak and part of Sharon Street.
- Construction of second wellhouse located in the park area on Sharon Street was started. This was recommended by the DNR, to promote economic growth and to ensure the village isn't without water due to equipment failure of the first well. The bid was awarded to CCJ Construction for a total project cost of \$3,147,567 including engineering fees. Received a Safe Water Drinking Loan in the amount of \$1,888,540 @ 2.145% interest for 20 years with principal forgiveness of \$1,259,027. Payments to be made from the TIF fund. Project to be completed in 2024 with **NO** rate increase due to this project.
- Construction of new gravity sewer to Pine Street Lift Station & Abandon/Remove South Street Lift Station was awarded to JI Construction. Hydro Kleen was awarded the bid to line the sewer mains and lateral grouting to help decrease infiltration of ground water. Received a Clean Water Fund Loan in the amount of \$1,466,953 @ 2.145% interest for 20 years with principal forgiveness of \$977,970. Payments to be made from the TIF fund. Project to be completed in 2024 with **NO** rate increase due to this project. Rate increase estimated of 5% in 2025 & 2030 to maintain operation and maintenance inflation.

- New park sign, resided the concession stand with steel and painted the restrooms at the park. Disc golf range was cleared out of underbrush. Got a couple of new targets for the Archery range. Restocked some fish at the fishpond.

State Funding Limitations

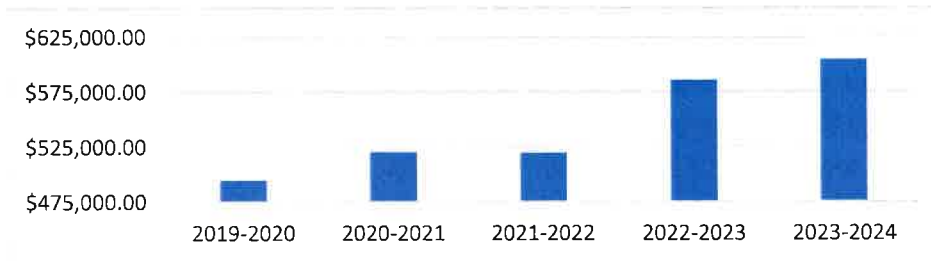
The 2024 Budget presents an increase in Shared Revenue Supplement of \$44,737 which can be spent on public safety or public works. This has helped with funding of public works capital projects and ongoing increase in Fire/EMS services.

Net new construction for the Village is 2.435% (down 0.179% from 2022). Based on growth, the total allowable tax levy for 2024 is \$391,430 or a 23.03% increase compared to the 2023 levy amount. As such, the total allowable levy increase for the Village in the 2024 Budget is \$9,015 (not accounting for debt service). Table 1 and Figure 1 compare the Village's tax levies history, without tax increment financing (TIF)/Debt service and with TIF included, respectively.

Table 1: Total Village Tax Levy 2020-2024

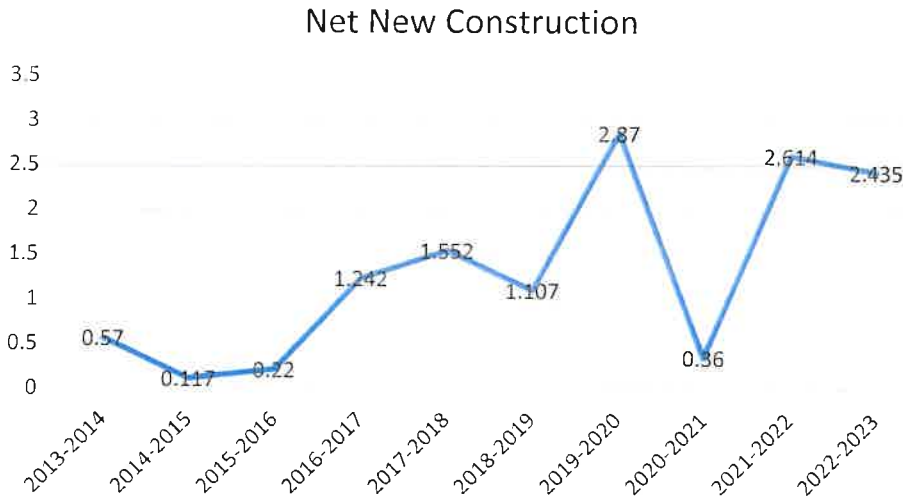
Total Tax Levy (w/o TIF)	2020	2021	2022	2023	2024	2024 Change over 2023
	\$360,977.00	\$371,191.00	\$372,377.00	\$382,415.00	\$391,430.00	\$9,015.00
						23.03%
Levy Increase (w/o debt)	\$3,952.00	\$10,214.00	\$1,186.00	\$10,038.00	\$9,015.00	-\$1,023.00
						11%

Figure 1: Village Tax Levy History with TIF 2019 - 2024



Levy Limits: A community's growth in a new business or homes from the prior year, which is called Net New Construction, determines the max property tax levy increase. The Village experienced increase in net new construction over the past year. Below, you will find a historical trend of net new construction in the Village. The Village captures additional revenue once the structures or projects are completed, and their values are included on the tax rolls.

Figure 2: Net New Construction 2013 – 2022 (Summary of trends of growth)



Property Valuation: Tax values are described in terms of assessed and equalized values for taxation purposes. Assessed values are used to distribute a municipality's tax burden amount individual property owners. The last re-assessment was completed in 2021. An equalized value determines the value of the village compared to other entities within a defined area. Equalized values are used for apportioning county property taxes, public school taxes, vocational school taxes, and for distributing State aid. A positive change in equalized value indicates the community's share of the total value in a county is growing.

The equalized value ratio depicts the actual total property value of property in the Village compared to the locally assessed real property value. A lower ratio means that the Village's actual property value is higher than the locally assessed value.

Figure 3: Village Assessed vs Equalized Values

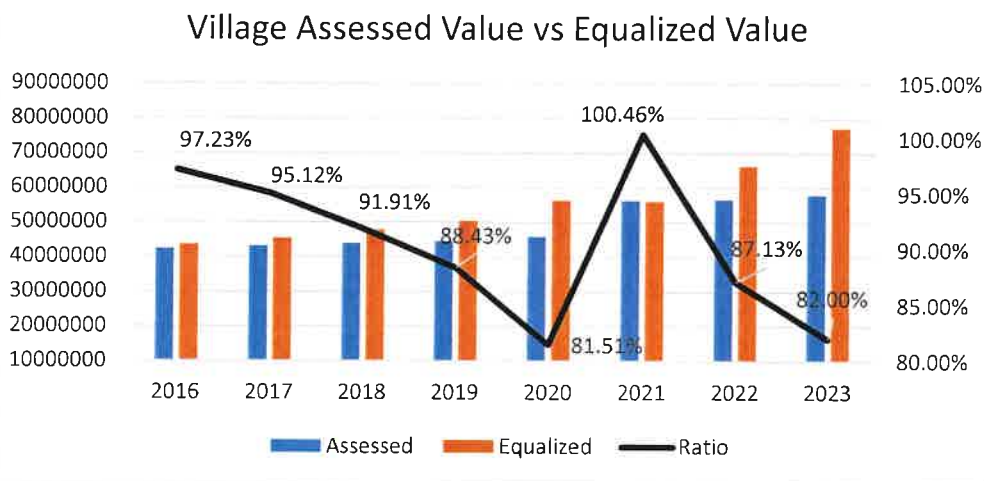


Figure 4: Debt Service Levy 2019-2024

In FY 2024, the Village's debt service levy will decrease 6.9% . Loans consist of resurfacing Village Edge Road with a walking path (2023); Village Shop (2020); and Police Squad (2020).

Debt Service Levy	2019	2020	2021	2022	2023	2024
	\$40,548.00	\$78,170.00	\$69,030.00	\$69,030.00	\$82,521.00	\$77,176.00

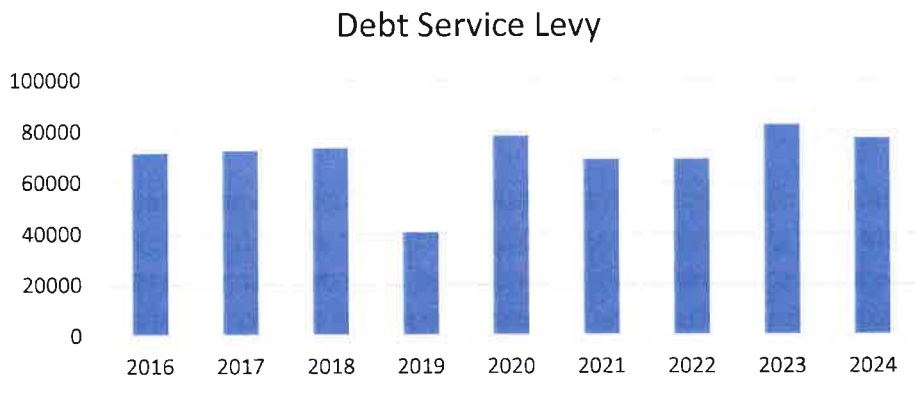


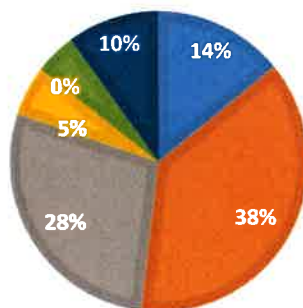
Figure 5: 2024 Budget Expenditure Breakout

The General Fund provides Village services most familiar to residents, with the primary source of revenue being property tax. Police and Fire/EMS protection, snow plowing, street maintenance, maintenance of parks and ball fields, along with support services, are all paid for through the General Fund.

The 2024 Proposed Budget for the General Fund proposes expenditures totaling \$776,313. Compared to the 2023 General Fund Adopted Budget (without amendments) of \$717,275, expenditures increased \$59,038 or 7.6%. Most of the services provided via the General Fund depend upon the people. Personnel represent 37.8% of the General Budget. The largest program within the proposed General Fund budget is Public Safety, representing 38% of the expenditures.

2024 BUDGET EXPENDITURES

- General Government
- Public Safety
- Public Works
- Recreation
- Planning Development
- Capital Outlay
- Debt Service



The Village Board adopted a policy that minimum fund balance shall be 20% of the current annual general fund operating expenditures, excluding capital outlay and debt service to preserve working funds for cash flow purposes and to adequately prepare for unforeseen events which require ready access to funds.

The 2024 minimum fund balance amount calculation is:

2024 GF operating expenditures as defined by policy	\$741,855
Minimum Fund Balance %	x 20%
Minimum Fund Balance Amount	\$148,371

The Village's budgeted General Fund estimated balance at the end of 2023 is \$219,793 is above the minimum fund balance amount.

Budget Highlights – Taxes and Rates

- The tax levy (excluding debt) increased \$9,015 compared to 2023.
- Debt service levy decreased by \$5,345 (6.9%) compared to 2023 due to police squad payoff.
- The proposed budget includes the following for capital purchases: \$8,000 Police squad/equipment; \$7,500 Park mower; \$18,958 Street Machinery/Truck. Due to levy limits, it is impractical for the Village to save adequate funds each year to fund the purchase of vehicles/facility improvements. This would transition to funding such purchases through shorter term borrows.
- **Expenditure Restraint Program (ERP):** State finance law limits how much municipalities may increase their budget each year. If the municipality exceeds this increase, it loses significant State funding. Due to high inflation, which has caused a high CPI, the Village's allowable increase is higher than usual this year - 9.3%. This allowed the Village room to increase the revenue due to the Shared Revenue supplement, while maintaining the ERP funding. The 2024 Budget is under the required ERP threshold at 9.1% without the referendum. Will receive ERP in the amount of \$18,549 in 2024.
- State Shared Revenue stayed the same from 2019 at \$99,001 plus received the supplement of \$44,737.
- State Highway Aid is up \$1,843 from 2023 at \$44,787.
- The Assessed Value for the community is \$57,966,800, up \$1,365,700 from 2022.
- Equalized Value is \$77,244,600, up \$10,988,700 or 14.2% from 2022. The difference between assessed and equalized value = estimated ratio of 82%.

Budget Highlights – General Fund

- Wisconsin Retirement System contribution rate increased to 6.9% from 6.8% for general employees and 13.22% to 14.32% for police.
- Excellent public service can only be made available by dedicated and talented staff. Employees received a 0% increase for 2024. However, funding of health insurance for employees was included in the compensation package of a stipend of \$500/month for full-time employees. Survey was done that indicated the area around Arena and population all offer health insurance or stipend for health insurance. To keep and recruit adequate staff, must continue to make the compensation package attractive.
- Approved Pellitteri refuse and recycling contract for another 10 years effective July 1, 2023. Rates went down slightly for 2024 and then gradually increase. Will continue with weekly refuse pick up and every other recycling pick up. You may contract with Pellitteri for another cart for recycling or to pick up larger items. Items above the carts or outside of the carts WILL NOT be picked up.

- Plan on chip sealing Oak St – from Brown St to Railroad, rest of High St, Lois Lane, and Thomas Place.
- Mosquito sprayer planned to be purchased using ARPA funds.
- The Village's contribution to the Arena Fire Department's operating budget of 26% of total 2024 budget at \$26,725, increase from 2023 of \$2,884.
- Budgeted two full-time staff EMS, at 40% with a 20% wage increase or \$39,745 of the total wages/benefits. (Based on call volume) Third EMT is being staffed and paid by ambulance revenue, not through Village tax levy/referendum.

Budget Highlights – Utilities

- Review of current rates for water and sewer services completed in 2023. Increase in sewer will be needed in 2025 to maintain operation and maintenance. Water Utility did not qualify for an increase at this time.
- Lining of the sewer mains will help with the Inflow & Infiltration of water into the sewer system to help decrease amount of water that must be treated to assist with lowering rates.
- Continue residential and commercial cross-control inspection program.
- Continue to purchase, change out and/or test meters given they are ten years old.
- Will contract a leak locator company to come in and look for water main leaks to help get our percentage of water loss below 15%. (Water loss = amount of water pumped vs metered)
- Contract for painting inside of water tower.

Conclusion

The 2024 Budget effectively supports the community's goals with the context of the existing funding limitations. The 2024 Budget allows the Village to continue to efficiently provide essential services for the citizens of Arena.