

2024 General Fund Budget
Overview



Acknowledgements

ELECTED OFFICIALS

Kurt Handrick Jr., President

Mark Ahrens, Trustee

Connie Ruplinger, Trustee

Kevin Sorenson, Trustee

Jeff Lawrence, Trustee

Keith Paul, Trustee

Barb Parlier, Trustee

Village Administration

Steven Cherek, Administrator/Treasurer

Luanne Wiesman, Clerk/Deputy Treasurer

Ken Bloom, Director of Public Works

Tyler Geske, Police Chief

Mike Tylinski, Fire Chief

Special thanks to Andy Kurtz, Former Village Administrator, for assisting with the 2024 Budget.

Executive Summary

It is my privilege to present to you the 2024 Budget for the Fiscal Year beginning January 1, 2024, adopted by the Village Board of Trustees on November 1, 2023. The 2024 Budget reflects the Village ongoing commitment to providing high-quality municipal services in accordance with established priorities and optimal utilization of community resources. Notably, the budget is both balanced and aligned with the financial policies and guidelines set forth by the Village Board.

This annual budget serves as the guiding document for financial and policy decisions throughout the upcoming fiscal year. It holds paramount importance as the singular most crucial document in charting the course and vision of our Community's future. Taking into account the Village's Comprehensive Plan goals adopted by the Village Board on May 3, 2017, the 2024 budget document is a comprehensive representation of our commitment to these strategic goals.

The 2024 budget is the culmination of a three-month process involving direction from the Village Board and teamwork among staff members and department heads across the organization.



2023 Achievements

The Village of Marathon City had many community events in 2023 organized by the Marathon Area Business Association, community groups, clubs, volunteers, and local business within Marathon City to be thankful for. The Marathon City Fun Days Festival took many people back down memory lane with its antique auto show. The celebration was capped off with the American Legion annual chicken dinner, carnival, and parade.



2023 Marathon City Fun Days

MARATHON CITY FUN DAYS SEPTEMBER 1-4, 2023			
FRIDAY, SEPTEMBER 1 Carnival Opens 8:00-12:00 pm MVA Children's 1K Fun Run/Walk 8:00 pm MVA OK Fun Run/Walk 8:00-12:00 pm 9:00-12:00 pm Free Admission		WRESTBANDS: MEGABAND VALID ALL 4 DAYS ALL DAY LONG \$100 at the gate FOUR HOUR WRESTBANDS \$25 at the gate	
SATURDAY, SEPTEMBER 2 Legion Baseball Breakfast - High School Cafeteria 7:00-10:00 am Girl's Meet & Welcome - Pine Valley Golf Course 8:30 am 10:00 am-1:00 pm 1:00 pm 1:15 pm 6:00 pm 8 pm - Midnight Photo: members please see box NO PETS ALLOWED ON GROUNDS		SUNDAY, SEPTEMBER 3 Registration for the Legends Golf Show 8:00-11:00 am 9:00 am Chicken Dinner 11 am - 3 pm 1:00 pm Labor Day Parade 2:00 pm Carnival Opens 2:30-8:30 pm 3:00 pm 7:00 pm 8 pm - Midnight MONDAY, SEPTEMBER 4 Registration for the Legends Golf Show 8:00-11:00 am 9:00 am 12:00 pm Advance Sign up at Arrow Tap	
ADVANCE WRESTBANDS ON SALE AT MARATHON MUNICIPAL CENTER, SAT., AUG. 26, 2023 FROM 9 - 11AM.			
Marathon Area Business Association		Rib River <i>in Appear.</i>	



6/7/2023 Groundbreaking-Veteran's Park Baseball/Softball Complex Phase 1

While the year was characterized by the reflections on the past, it also involved forward-looking initiatives. The Village collaborated closely with many community groups the past few years and received community support in ideas, knowledge, donations and grants. By the middle to end part of 2023, Marathon City Baseball/Softball Complex and new Veteran's Park construction was underway. Phase 1A and phase 1B are projected to be completed throughout 2024 with the first ball games played in spring of 2025. The projected project cost is around 3.7 to 3.8 million funded entirely via donations, sales of public lands, grants and in-kind donations which result in zero property tax impact to Village taxpayers for construction of the complex.

2023 saw no let up with Village capital improvement projects. With the reconstruction of 3rd street from Pine to Main Street coming in at \$357,177 to the resurfacing of 2nd street for \$276,142. The Village also continued construction in the North Business Park and major upgrades to the Wastewater Treatment Plant. The Wastewater project is funded by the Marathon City Utilities Commission using the Clean Water Loan Fund program. This ongoing project in 2023 is expected to be completed in early 2024 with the total estimated cost around 9.8 million.

Overall, Marathon City looks to be ending its year in good financial condition, with expected projected revenue and expenses near budgeted amounts.

2024 General Fund Budget Overview

The Village Board of Trustees, Administrator, and Village staff worked together to produce a 2024 budget that aims to maintain service levels and address capital needs, while working within the Village's financial benchmarks and keeping an eye to the future. The Village of Marathon City continues to grow through commercial and residential development. Both the equalized values (\$212,193,400) and assessed values (\$159,182,400) of the Village grew in 2023 driven largely by new construction of \$3,668,400 (1.82%). The Village Residential, Commercial and Manufacturing properties represent 91.18% of the total assessed value of the Village with 50.51% being Residential and 42.49% being Commercial and Manufacturing. This split is the closest balance between the major classes of any City or Village in Marathon County. The 2024 Budget receives a favorable boost with an additional influx of State Shared Revenue, a direct outcome of the Local Government Funding Bill (2023 Wisconsin Act 23). The Village is set to benefit from an increase of \$49,298.78 (37.90%) in State Shared Revenue.

The Village of Marathon City Board of Trustees continues to seek opportunities to strategically grow the Village both in value and size. We are focused on leveraging relationships and opportunities to provide the greatest benefit to our residents.

The Board of Trustees for the Village of Marathon City has identified the following primary drivers for the 2024 budget cycle:

1. The Village is committed to providing core services for Public Works (i.e. Streets and Sanitation) and Public Safety (i.e. Police and Fire).
2. The Village is committed to the continued commercial and residential growth of the Village focusing on infrastructure expansion north of STH 29.
3. The Village is committed to working with WI DOT, Marathon County and the Federal Government in constructing a pedestrian trail from 4th Street to new Veteran's Park, with 80% of project cost funded by the Transportation Alternatives Program.
4. The Village is committed to increasing the recreational opportunities within the Community and will be working with the construction of the Marathon City Baseball / Softball Complex and relocation of Veterans Park
5. The Village is committed to the continued revitalization of our downtown and business corridor.
6. The Village is committed to retaining a high-quality workforce through competitive compensation and benefits packages.
7. The Village is focused on achieving our goals in the most efficient and cost-effective manner.

The financial plan for 2024 is focused on the future while considering present impacts. The Board will continue to focus on maintaining fiscal responsibility, delivery of quality services and growth of the Community. The Village is in very good financial condition and is positioned to continue its growth and move forward successfully. The proposed 2024 budget is intended to provide the tools to achieve the goals set by the Village Board of Trustees.

SUMMARY OF PROPOSED 2024 GENERAL FUND BUDGET

	2023 APPROVED BUDGET	2024 PROPOSED BUDGET
<u>REVENUES</u>		
GENERAL PROPERTY TAX	\$ 915,631	\$ 931,385
SPECIAL ASSESSMENTS	100,830	95,505
INTERGOVERNMENTAL REVENUES	398,138	464,428
LICENSES AND PERMITS	36,890	36,890
FINES & FORFEITURES	8,000	8,000
PUBLIC CHARGES FOR SERVICES	8,750	8,750
INTERGOVERNMENTAL CHARGES	84,087	135,737
MISCELLANEOUS REVENUE	67,617	67,617
BORROWED FUNDS FROM CAPITAL RESERVE	240,000 -	310,000 -
TOTAL REVENUE	\$ 1,859,944	\$ 2,058,313
<u>EXPENDITURES</u>	2023 APPROVED BUDGET	2024 PROPOSED BUDGET
GENERAL GOVERNMENT	\$ 221,395	\$ 222,677
PUBLIC SAFETY	627,776	719,876
PUBLIC WORKS	560,441	674,907
HEALTH & HUMAN SERVICES	95,710	97,513
PARKS, CULTURE & RECREATION	19,625	19,625
CONSERVATION & DEVELOPMENT	6,500	6,500
MISCELLANEOUS	3,000	3,000
CAPITAL OUTLAY	49,251	-
DEBT SERVICE TO CAPITAL RESERVE	263,629 12,617	272,223 41,992
TOTAL EXPENDITURES	\$ 1,859,944	\$ 2,058,313

2024 General Fund Overview - Revenues

General Fund revenues are budgeted to increase \$198,369 (10.67%) over 2023. The Village is funded primarily through two components, local property taxes and state aids (Intergovernmental Revenues). Fees, special charges, grants, and debt proceeds account for the remainder of the Village's revenue.

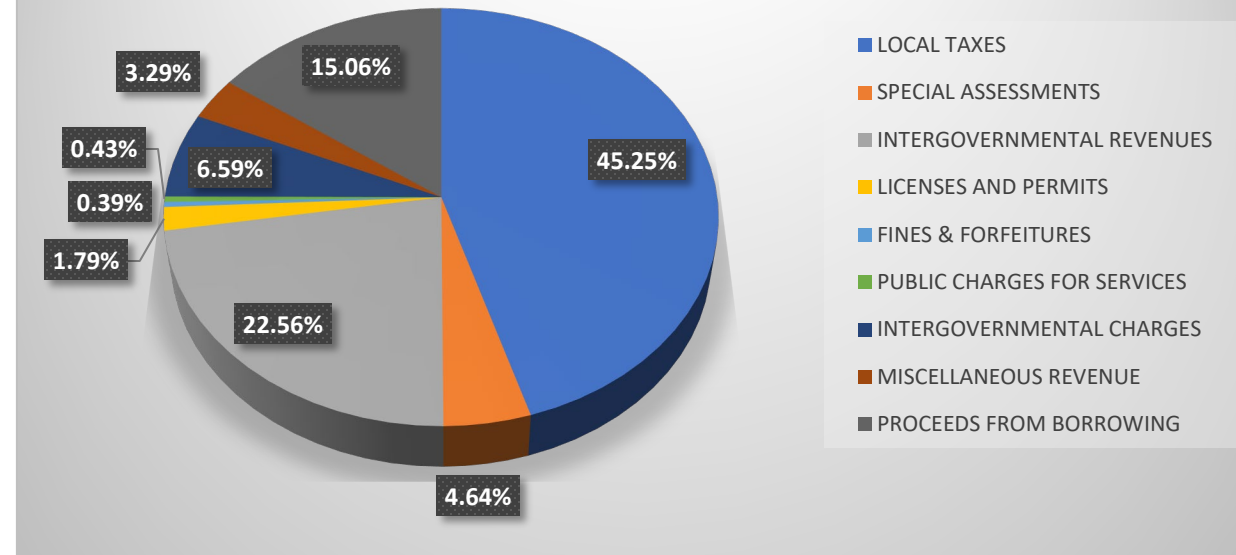
General Tax Levy (\$931,385)

The Levy of \$931,385 is a \$15,755 (1.72%) increase from last year's levy of \$915,631 to support the 2024 Budget of \$2,058,313. Local property taxes are subject to the Wisconsin Levy Limit law. Under the levy limit law, the Village is allowed to increase the general fund tax levy by the net new construction rate of the previous year. The net new construction in the Village totaled \$3,668,400 producing a rate of 1.82%. The Village Board of Trustees proposes increasing the village levy below the full amount allowed resulting in a decrease in Mill rate.

The Budget anticipates a 2.28% increase in Assessed Value while increasing the tax levy by 1.72% from last year's total, including the Village's two TIF Districts. The combination makes the 2024 Budget Assessed Tax Rate decrease by 1.5 cents (-0.20%) from roughly \$7.426 to \$7.411 per \$1,000 of Assessed Value. This information is illustrated in the accompanying table.

	2022 (FY23)	2023 (FY24)	\$ Change	% Change
Village Levy	\$915,631	\$931,385	\$15,754	1.72%
Assessed Tax Rate	\$7.426	\$7.411	-\$0.015	-0.20%
Equalized Value	\$201,342,800	\$212,193,400	\$10,850,600	5.39%
Assessed Value	\$155,635,900	\$159,182,400	\$3,546,500	2.28%
Fair Market Ratio	77.30%	75.02%	-\$0.023	-2.95%

2024 General Fund Revenue



REVENUES	ADOPTED 2023 BUDGET	ADOPTED 2024 BUDGET
LOCAL TAXES	\$ 915,631.00	\$ 931,385.48
SPECIAL ASSESSMENTS	\$ 100,830.20	\$ 95,504.52
INTERGOVERNMENTAL REVENUES	\$ 398,138.42	\$ 464,428.23
LICENSES AND PERMITS	\$ 36,890.00	\$ 36,890.00
FINES & FORFEITURES	\$ 8,000.00	\$ 8,000.00
PUBLIC CHARGES FOR SERVICES	\$ 8,750.00	\$ 8,750.00
INTERGOVERNMENTAL CHARGES	\$ 84,087.01	\$ 135,737.29
MISCELLANEOUS REVENUE	\$ 67,617.00	\$ 67,617.00
PROCEEDS FROM BORROWING	\$ 240,000.00	\$ 310,000.00
SUB-TOTAL REVENUE	\$ 1,859,943.63	\$ 2,058,312.53
PROCEEDS FROM FUND BALANCE	\$ -	\$ -
TOTAL REVENUE	\$ 1,859,943.63	\$ 2,058,312.53

2024 General Fund Overview - Revenues

State Aids – Intergovernmental Revenues (\$464,428.23)

State Aids consists of multiple components including Shared Revenue, General Transportation Aid (GTA), Exempt Computer Aid, Video Service Provider and Recycling Grants. The 2024 Budget receives a 16.65% boost in Intergovernmental Revenues largely due to an increase in State Aids to the Village. Shared Revenue and GTA are the two largest aids to the Village and represent 18.89% of the total projected non-debt revenue for the Village in 2024.

INTERGOVERNMENTAL REVENUES	2023	2024	\$ Change	% Change
STATE SHARED REVENUE	\$ 130,063.41	\$ 179,362.19	\$49,299	37.90%
STATE COMPUTER AID	\$ 6,669.94	\$ 10,858.29	\$4,188	62.79%
STATE HIGHWAY AIDS	\$ 139,605.07	\$ 150,918.52	\$11,313	8.10%
STATE RECYCLING GRANT	\$ 11,300.00	\$ 12,789.23	\$1,489	13.18%
OTHER GRANTS	\$ 2,500.00	\$ -	-\$2,500	-100.00%
FEDERAL GRANT / FIRE TRUCK	\$ -	\$ -	\$0	
UTILITY DEPT. TAX EQUIVALENT	\$ 108,000.00	\$ 108,000.00	\$0	0.00%
OTHER STATE GRANTS	\$ -	\$ 2,500.00	\$2,500	
TOTAL INTERGOVERNMENTAL REVENUES	\$ 398,138.42	\$ 464,428.23	\$66,290	16.65%

The State of Wisconsin Shared Revenue program aid of \$179,362.19 in 2024 will be approximately +\$49,299 more than what the Village received for the 2023 fiscal year. The increase in shared revenue is a direct outcome of the Local Government Funding Bill (2023 Wisconsin Act 23) that was approved by the State in June 2023. The table to the right provides a summary of Shared Revenue payments to Marathon City and neighboring communities. The table illustrates a significant disparity in aid payments to Marathon City when compared to our western Marathon County peers. Even with this disparity, the Village is grateful and welcomes this increase in Shared Revenue as it's been seeing a decrease over the past 10 years.

2024 State Shared Revenues amounts	
Marathon	\$179,362
Edgar	\$391,814
Stratford	\$482,551
Athens	\$326,084
Spencer	\$629,974

The second largest state aid received by the Village is General Transportation Aid (GTA). GTA is calculated using a 5-year rolling average of investment by a Community in streets combined with the GTA allocation defined in the biennial state budget. The GTA increase in 2024 by \$11,313 (8.10%). This GTA increase is due to the higher level of investment in streets projects in the Village over the past five years.

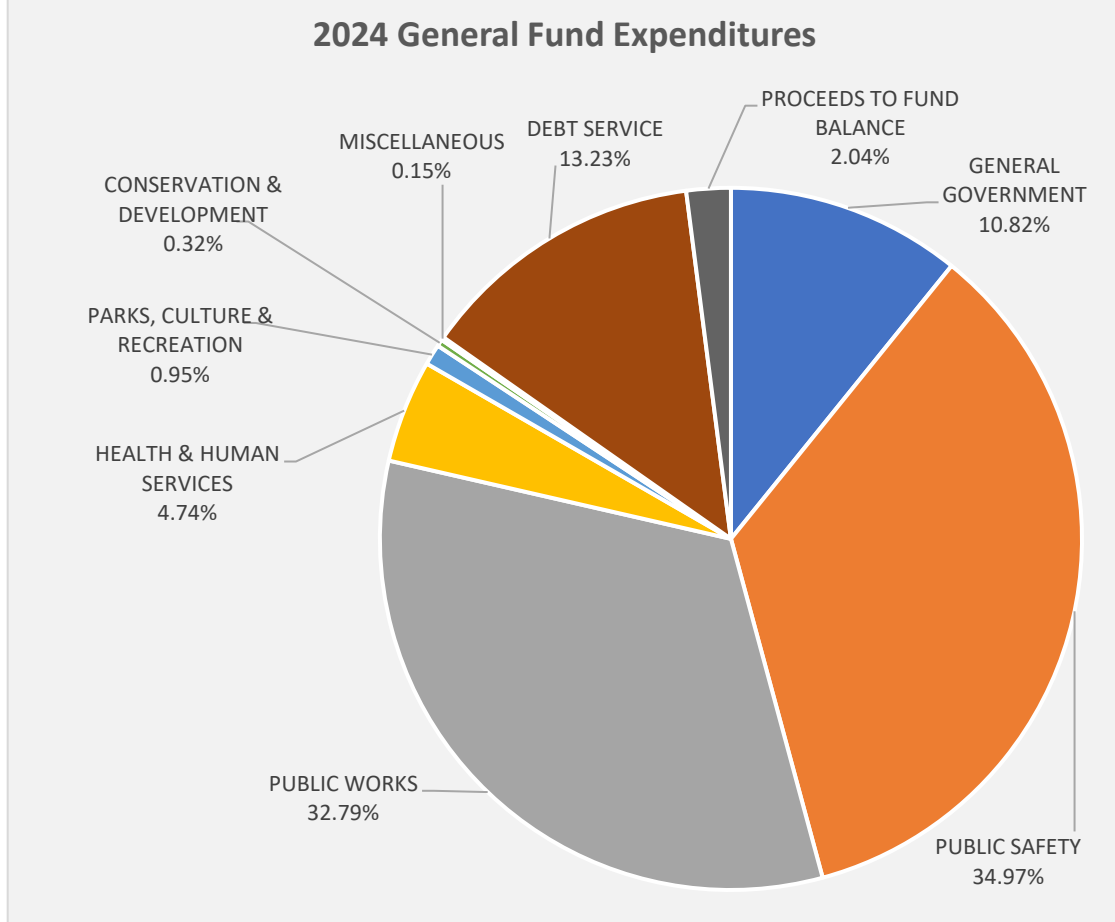
The final state aid categories received by the Village are State Computer aid and Recycling Grants. Both these programs will see an increase in 2024. This is a welcome as it remained flat or decreased over the past 10 years.

Overall, the Village of Marathon City has been successful with the State Aids it received. With the 2024 increase of \$66,290 in Intergovernmental Revenues, it helped the Village maintain a tax rate near the median rate of the 22 municipalities in Marathon County.

2024 General Fund Overview – Expenditures

The proposed expenditures in the general fund budget for 2024 are \$2,058,313 with \$41,992 going to the general reserve fund. Expenditures for the Village in the 2024 budget are driven by the priorities identified by the Board of Trustees and comprehensive plan. The expenditure side of the budget continues to focus on operational cost containment and directs spending for outside professional services.

Full-time, part-time and paid on-call personnel are one of the most valuable assets the Village has. The employees of the Village are dedicated to the Community and strive to be great ambassadors of the local governing body to the residents of the Village. Personnel across the Administration, Public Works, Utility and Public Safety Departments are committed to their duties and are focused on providing high quality services to the Community. The Village Board of Trustees has recommended a 4.5% increase in wages for full-time staff and kept the Emergency Medical Responders and Firefighters paid-on-call to \$25 per call. The Wisconsin Retirement System contributions increased in 2024 and are 6.9% for non-protective services and 14.30% for protective services. Total compensation and benefits for personnel account for 27.79% (\$572,097) of the total expenses of the proposed 2024 Budget.



Fire Department New Engine, Nov 2023

As part of the public safety commitment, the Village allocated an additional \$18,618 in the Police Department budget for the purchase of new radios, software and squad camera. The 2024 budget includes \$72,000 for the first debt payments applied to the new fire engine purchased in 2022. This new engine is expected to arrive in 2024 and will replace the current primary engine which is 29 years old. A portion of this debt payment will be offset from intergovernmental charges revenue received from the Towns of Stettin, Rib Falls, and Cassel in the 2024 fire contract agreement.

EXPENDITURES	ADOPTED 2024 BUDGET
GENERAL GOVERNMENT	\$ 222,676.93
PUBLIC SAFETY	\$ 719,876.44
PUBLIC WORKS	\$ 674,906.81
HEALTH & HUMAN SERVICES	\$ 97,512.96
PARKS, CULTURE & RECREATION	\$ 19,625.00
CONSERVATION & DEVELOPMENT	\$ 6,500.00
MISCELLANEOUS	\$ 3,000.00
SUB-TOTAL OPERATIONS	\$ 1,744,098.14
CAPITAL OUTLAY	\$ -
DEBT SERVICE	\$ 272,222.88
PROCEEDS TO FUND BALANCE	\$ 41,991.51
TOTAL EXPENDITURES	\$ 2,058,312.53

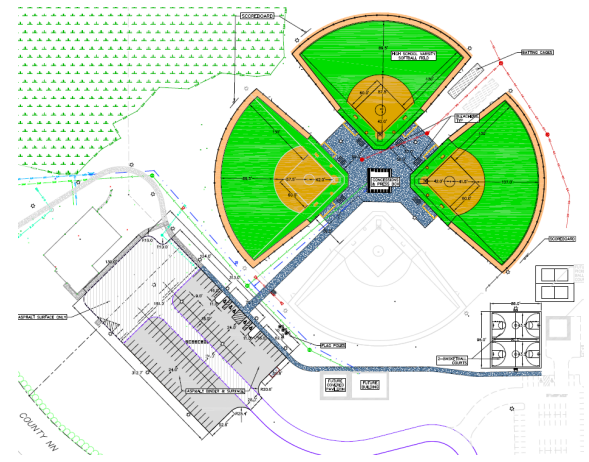
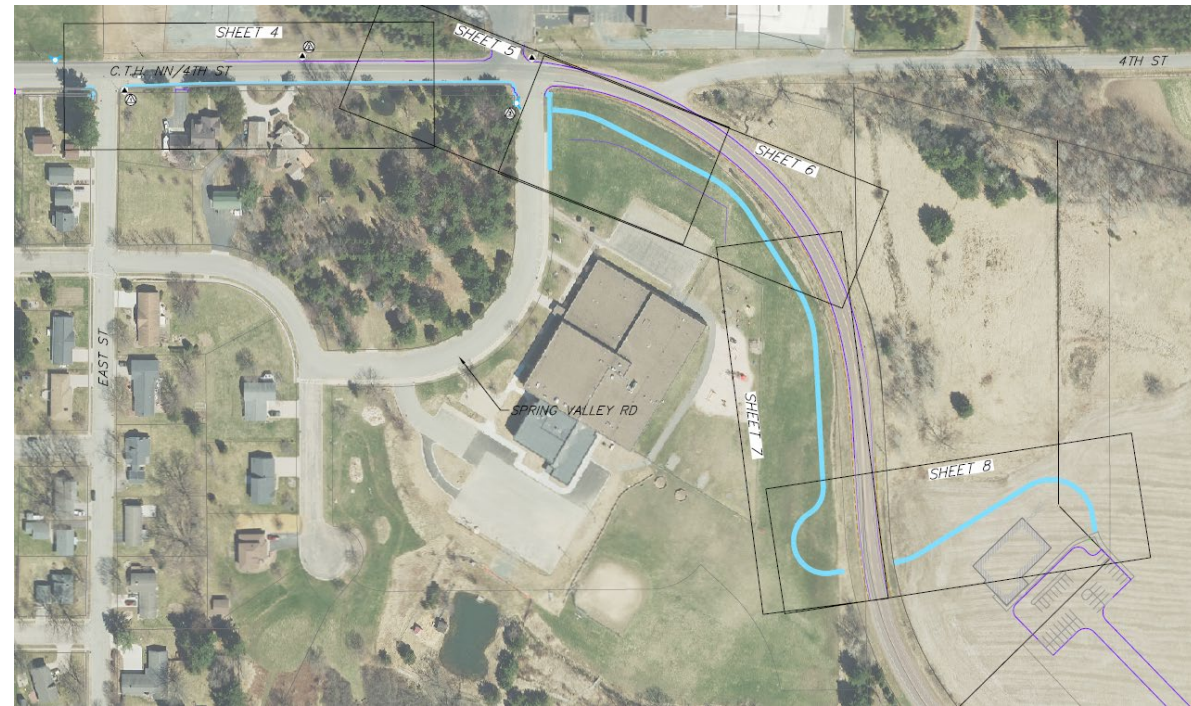
2024 General Fund Overview – Expenditures

The 2024 budget contains a part of the five-year streets plan. The plans identify high-priority needs identified by staff that are recommended to be completed in the upcoming years.

As part of the five-year streets plan, the Village has identified a pair of projects for the 2024 budget year. Resurfacing of Market Street from 8th to 2nd, Fourth Street from Spruce to Pheasant, and Fifth Street from East to Main. Note, the above projects are currently pending board approval and might be changed depending on spring of 2024 streets analysis. General transportation aids, village levy, TID revenues and general obligation debt will all be used to fund these projects.

As a commitment to the Village Comprehensive Plan and the Board of Trustees identified primary drivers for 2024, the Village will construct a pedestrian path along 4th street from East Street to the new Veteran’s Park, Marathon City Baseball/Softball Complex. The Village has been awarded a Transportation Alternatives Program Grant for up to \$519,200 in reimbursements from the Federal Government. It is estimated to cost the Village around 20% of the total construction cost.

4th Street Pedestrian Path, Preliminary Location – 2024 Construction



2024 will see the construction of Phase 1 of the Marathon City Baseball/Softball Complex and Veteran’s Park. The Village of Marathon City has created a separate capital improvement fund for accounting and tracking purposes related to this project. The outdoor recreation complex will be located at the east end of the Village. The Marathon City Baseball/Softball Complex and Veteran’s Park is projected to be funded entirely via donations, sales of public lands, grants and in-kind donations which results in zero property tax impact to Village taxpayers for construction of the Complex. The first ball games are expected to be played in spring of 2025.



2024 General Fund Overview – Debt

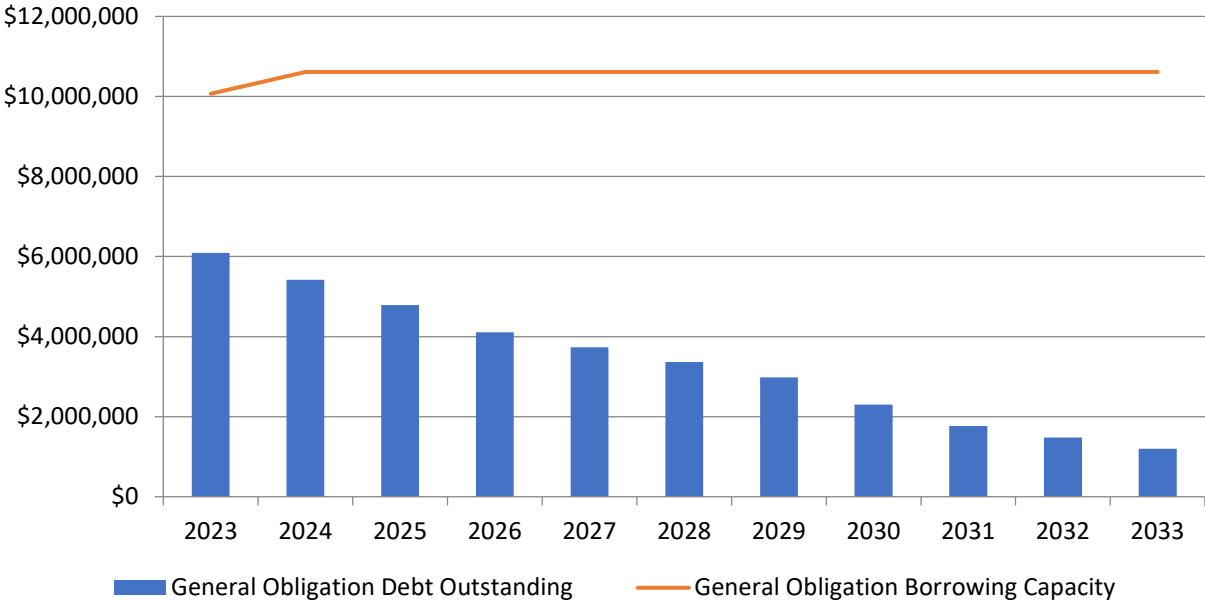
The municipal debt is a tool available to communities statewide. The Village of Marathon City utilizes debt to pay for projects and capital expenditures. These items are typically higher cost and long-life assets (i.e. fire trucks, plow trucks, streets) and the structure of the debt matches the needs and life cycle of the asset being financed.

Municipalities in the State of Wisconsin have a statutory limit on the amount of debt they can issue calculated as 5% of the equalized value of the Community. The statutory debt limit for Marathon City in 2024 is \$10,609,670.

The Village projects \$5,421,886 in outstanding debt at the beginning of 2024. This outstanding debt is allocated to TID #1, TID #2 and the general fund. In 2024 the Village is scheduled to make payments totaling \$636,333 on the outstanding debt, funded by TID revenues and general levy. At the end of 2024, the Village will have just over \$5.8M or 55% of general obligation borrowing capacity available. Based on the current debt outstanding and the payment schedule, outstanding Village debt will be paid off by 2033.

While the Village has significant debt capacity available, the Village Board of Trustees has established guidelines regarding the use of debt and has set maximum utilization thresholds for debt. All debt issued by the Village must be approved by the Village Board of Trustees

General Obligation Borrowing Capacity



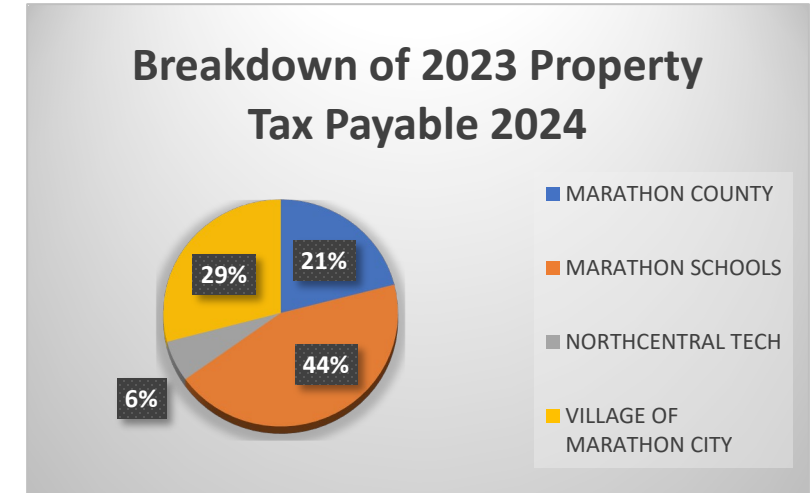
ESTIMATED BUDGET IMPACT TO HOMEOWNERS

Impact to Taxes on a \$200,000 Home

	FY 2023	FY2024	\$ Change
Village Tax Rate Per \$1,000	7.426	\$7.41	-\$0.015
Village Taxes Paid	\$1,485.14	\$1,482.20	-\$2.939
Monthly Cost of Services	\$123.76	\$123.52	-\$0.245

The accompanying table on the left displays the impact of the 2024 General Budget on the Village portion of the property tax bill for a typical home assessed at \$200,000. The overall average monthly cost for Village Services— encompassing Police, Fire, Street Rehabilitation, Snowplowing, Snow Removal, Garbage Collection, and Administrative services — remains modest in 2024, amounting to approximately \$123.52 per month.

The Village of Marathon City tax levy constitutes 29% of the total property tax bill, with the remaining components comprising taxes levied by the Marathon School District (44%), Marathon County (21%), and Northcentral Area Technical College (6%). See chart on right for details.



In conclusion, the 2024 General Budget stands as a responsible and balanced financial plan, ensuring the provisions of high-quality municipal services expected by residents. The successful development of the budget is attributed to the collaborative efforts of the staff and the valuable input and policy direction provided by members of the Village Board throughout the 2024 Budget process.

Respectfully submitted,

Steven A. Cherek

Village Administrator - Treasurer