



Election Day - Community Decision

Overview

On November 3, 2020 Village of Maple Bluff residents will be presented with a referendum question to exceed the state-imposed levy limit on property taxes. Years of tightly restricted tax increases have led to critical staff positions left unfilled, challenged the ability to attract/retain high quality team members and created significant unfunded liabilities for health insurance and retirements. A foreseen reduction in transportation aid will additionally compound financial obstacles.

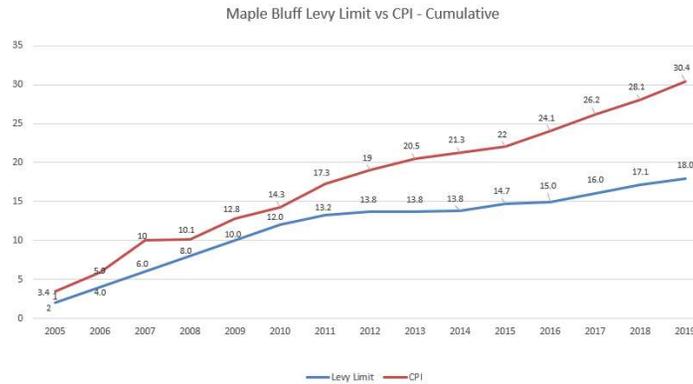
- Election Day on 3 November, 2020
- Exceed levy limit by a total of \$862,409
- Actual taxpayer impact is \$695,517
- 4% Increase to Village tax proportion

Under state law, the increase in the levy of the Village of Maple Bluff for the tax to be imposed for the next fiscal year, 2021, is limited to 1.5%, which results in a levy of \$2,500,268. Shall the Village of Maple Bluff be allowed to exceed this limit and increase the levy for the next fiscal year, 2021, and on an ongoing basis, for reinstatement of one police officer and one fire officer, adding one police officer, establishing competitive wage rates for administration, fire and public works personnel, recuperating loss of transportation aid and adequately funding health, education and retirement liabilities, by a total of 27.1% (which would increase the village levy by \$862,409), which results in a levy of \$3,362,677 for year 2020



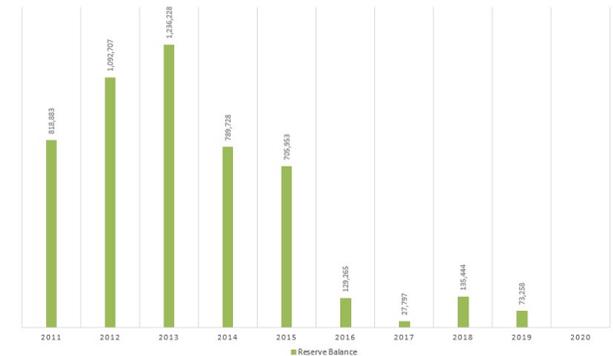
Village Levy Limit & CPI – Growing Gap

The Consumer Price Index (CPI), also known as inflation, has increased 27% over the past 14 years. Due to restrictions by State Statutes, called Levy Limits, the Village of Maple Bluff has only been permitted to raise tax by 16% over the same timeframe. These restrictions compounded over 14 years resulted in a significant gap between cumulative CPI and cumulative tax increases. Levy limits meant the village was not allowed to keep up with inflation, creating a need to use reserve funds to cover necessities. After several years of using reserve funds to meet minimum needs, a balance no longer exist for this purpose.



Levy Vs.
Consumer
Price Index
(CPI)

Maple Bluff Infrastructure Reserve Balance



Proposed Allocations

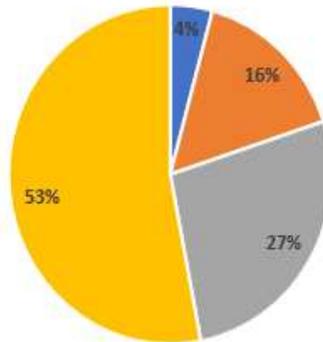
- Competitive Wage Increase - (\$176,794, 20.5%)
 - Improve Recruitment Potential
 - Enable Staff Retention
 - Prepare for Eventual Successions
- Police Officer Staffing Shortfalls
 - Reinstatement of one Supervisory Position (\$118,345, 13.7%)
 - Add one Patrol Officer (\$103,345, 12.0%)
 - Fund Existing Part Time Budget Deficiency (45,657, 5.3%)
 - Ensure Officer Safety & Improve Outcomes
 - Reduce Dependency on Part Time Officers
- Fire Department Staffing Needs - (\$101,764, 11.8%)
 - Reinstatement of one EMS Position
 - Meet Minimum EMS Staffing Requirements
 - Improve Administrative Oversight
 - Broaden Emergency Management Capacity
- Maintain Obligations – Financial & Operational Needs
 - Ensure Infrastructure & Funding Sustainability (\$164,720, 19.1%)
 - Cover Liabilities (\$53,469, 6.2%)
 - Address Administrative & Operational Support Needs (\$52,607, 6.1%)
 - Equipment, Supplies, & Maintenance (\$45,708, 5.3%)



Proportionate Increase to Tax Bill

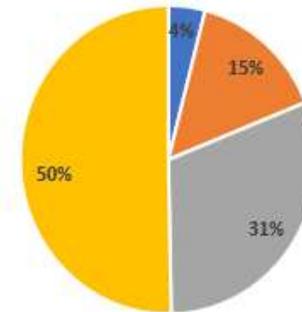
In 2019, 27% of the total tax bill was used to fund village operations. The remaining 73% was distributed to the county and schools. Should the referendum pass, 31% of the total tax bill would be allocated for use by the village.

2019 Property Taxes



■ MATC ■ Dane County ■ Maple Bluff ■ Madison School Dist

Estimated 2020 Property Taxes - Village Referendum and 5 year average increase for other entities



■ MATC ■ Dane County ■ Maple Bluff ■ Madison School Dist

Tax Increase



Current Budget Impacts

- **Administration**: 20% pay reduction for all personnel, furloughs, & staff retention concerns
- **Police**: Critical staffing shortfall - inability staff 24/7, reduced time-off coverage, limited investigative & enforcement capacity, officer safety concerns, reduced officer wellbeing & retention
- **Fire**: Deficit in time-off coverage, non-competitive wages, retention concerns, & equipment replacement shortfall
- **Recreation**: Non-competitive wages, volunteer work reliance, & increase in program fees
- **Public Works**: Equipment maintenance shortfall & increase in replacement requirements
- **Liabilities**: Unprepared to pay out sick and vacation time balances to retirees, cover entitled health options for all staff, or fulfill police officer educational incentives
- **Computer Infrastructure**: Non-compliant with information security expectations as well as lingering vulnerabilities & inefficiencies
- **Admin**: Revaluation postponed, non-compliant with state requirements, & inequitable taxes
- **Funding**: Loss of state transportation aid, obligated to cut \$114,000 from operating budget, decreased funds for transportation related services
- **Payments**: Reduction in debit payment not available for operating expenses



Total Referendum and Taxpayer Impact

As stated in the referendum language, village residents will be asked to vote on exceeding the levy limit by \$862,409. However, due to a reduction in debt payments, the actual impact to taxpayers will be \$695,517. Calculations were made to assist homeowners in determining how much the village's portion of their property tax bill would increase, an estimation of their total tax bill and a comparison of the total tax bill to surrounding communities.

| | |
|--------------------------------------|--------------------------|
| <i>Total referendum</i> | <i>\$862,409</i> |
| <i>Reduction in Debt Levy</i> | <i>-\$166,892</i> |
| <i>Total taxpayer impact</i> | <i>\$695,517</i> |

| Taxpayer Impact | | | | | | | |
|----------------------------|-------------------------|----------------------------------|----------|----------|---------------|-------------|-----------------|
| Property Fair Market Value | Estimated Levy Increase | Maple Bluff - Including Increase | Madison | Monona | Cottage Grove | Sun Prairie | Shorewood Hills |
| \$1,000,000 | \$1,480 | \$20,550 | \$21,290 | \$21,350 | \$21,340 | \$22,200 | \$18,630 |
| \$750,000 | \$1,109 | \$15,411 | \$15,968 | \$16,013 | \$16,005 | \$16,650 | \$13,973 |
| \$500,000 | \$740 | \$10,275 | \$10,645 | \$10,675 | \$10,670 | \$11,100 | \$9,315 |
| \$250,000 | \$370 | \$5,137 | \$5,323 | \$5,338 | \$5,335 | \$5,550 | \$4,658 |