



Legislation Text

File #: 74157, Version: 2

Fiscal Note

The 2022 tax levy established by this resolution is necessary to fund the 2023 budget. This levy will result in a tax rate of approximately **7.7** mills.

This resolution includes a paragraph authorizing the application of general debt reserves to pay general fund debt service without an appropriation of an equal amount from the general fund for capital projects. That paragraph must be separated during budget adoption and requires an affirmative two-thirds vote of the Council, pursuant to section 4.17, Madison General Ordinances.

This resolution also sets the authorized maximum amount of intra- and inter-departmental transfers at \$50,000 in 2023 (compared with \$5,000 in 2022). The \$5,000 transfer maximum has been in effect since 1988.

Title

SUBSTITUTE - Adopting the 2023 City Budget authorizing a 2022 general property tax levy of **\$273,679,349** for City of Madison purposes, adopting a supplemental increase of **\$1,338** in the allowable property tax levy for 2022, as authorized under §66.0602(3)(f), Wis. Stats., and declaring the City's official intent to issue general obligation and revenue bonds to reimburse for certain expenditures authorized therein.

Body

BE IT RESOLVED, that the revenues herein named and funds received from taxes levied and other sources are hereby appropriated to the several departments of municipal government for purposes hereinafter mentioned for the fiscal year beginning January 1, 2023 and ending December 31, 2023 as shown in the 2023 City Budget on file in the office of the City Clerk.

BE IT FURTHER RESOLVED, that the expenditures within departments for the various major objects of expenditure and capital projects shall not exceed the amounts specified for such purposes as shown in the budget on file in the office of the City Clerk; provided, however, that the Finance Director is authorized to approve intradepartmental transfers of unencumbered balances of up to \$50,000, and the Mayor is authorized to approve interdepartmental transfers of up to \$50,000.

BE IT FURTHER RESOLVED that, pursuant to s. 66.0602 (3) (f), Wisconsin Statutes, the allowable levy for 2022 is increased by \$1,338 (from **\$273,683,020** to **\$273,684,358**), by applying unused levy limit authority carried over from 2021, and that this increase in the allowable levy is 0.5 percent or less of the actual levy in 2021, the use of part or all the carried over amount for the 2022 levy requires a majority vote of the governing body.

BE IT FURTHER RESOLVED, that the allowable levy for 2022, subject to certification by the Department of Revenue ~~of the amount of refunded or rescinded property taxes,~~ is **\$273,684,358**.

BE IT FURTHER RESOLVED, that there be and hereby is levied for general City of Madison purposes, including all levies heretofore made during the year 2022 upon all taxable property in the city of Madison as appears on the tax roll of real and personal property for the year 2022, a property tax levy of **\$273,679,349**.

BE IT FURTHER RESOLVED, general debt reserves will be applied to reduce general fund debt service, but the City will not appropriate funds of an equal amount for capital projects. In order to do this, MGO sec. 4.17 requires that this paragraph be approved by a two-thirds vote of the Council.

BE IT FINALLY RESOLVED, that the City anticipates that funds, other than the proceeds of any outstanding debt of the City, will be used to pay for those expenditures set forth in the approved 2023 Capital Budget. The City expects to be reimbursed for a portion of those expenditures with proceeds of future general obligation and revenue bond borrowing. The maximum principal amount of general obligation indebtedness expected to be issued for the reimbursement of such expenditures is **\$288,477,981**. The maximum principal amount of revenue bond indebtedness expected to be issued for the reimbursement of those Water Utility expenditures included in the adopted 2023 Capital Budget is **\$12,755,000**. The maximum principal amount of revenue bond indebtedness expected to be issued for the reimbursement of those Sewer Utility expenditures included in the adopted 2023 Capital Budget is **\$11,455,500**. Expenditures paid in advance of such bond issuances may, therefore, be reimbursed through one or more bond issuances in 2023. This Resolution shall serve as a declaration of the City's official intent so as to satisfy the "official intent requirement" of Treasury Regulation Section 1.150-2.