



# CITY OF SHEBOYGAN

COMMITTEE OF THE WHOLE

2026 ANNUAL BUDGET

PRESENTED BY: ADMINISTRATOR CASEY BRADLEY

# Budget Process to Date

## **Department Heads received parameters from City Administrator:**

- Enter known contract/price increases
- No new positions unless approved for consideration (i.e. grant funded)
- Requests for new purchases or contracts listed on separate spreadsheet
- Analyze fees/revenues
- Capital Asset listing review/compilation for future budgeting update

## **Preliminary budget requests submitted by August 15th**

## **Meetings between Department Heads and Budget Team to review**

## **Budget Team made updates to balance the draft budget**

## **Discussion over changes at Management Team meeting**



# Budget Status

**Draft General Fund budget currently utilizing \$51,114 to balance budget**

## **Outstanding Items:**

- WI Dept of Transportation Aid
- State Shared Revenue Estimates (Includes Utility Aid, Expenditure Restraint, etc.)
- Manufacturing Values from Department of Revenue
- Final Assessed Values – Board of Review 9/9/25 and 9/30/25
- Finalization of Wastewater budget
- Update of fee schedules

**Additional review and updates will occur until all figures are received**

## **Notable Changes from 2025 Budget:**

- Addition of .5 FTE at Uptown Social (Grant Funded)
- Reduction of SCEDC contribution – replaced with full-time FTE
- Additional staff in General Fund

# Refuse Fund (Recycling & Sanitation)

First adjustment to monthly fee occurred in 2025 - \$1 per month/\$12 annually

Proposal:

- Increase \$1 per month for 2026 budget
- Increase fee \$12 annually for the next 4 years

Goal: Fees cover the cost to provide services

	2025 Budget	2025 YTD (through July)	2026 Proposed
Fees Collected	2,198,820	1,090,574	2,399,262
DNR Recycling Grant/Misc Revenues	197,271	210,066	205,771
Operating Expenses	(2,774,516)	(1,767,933)	2,701,688
Depreciation/Equipment Replacement	(400,449)	(0)	(400,449)
<b>Tax Levy Support</b>	<b>778,874</b>	<b>778,874</b>	<b>497,104</b>
<b>Income Over (Under) Expenses</b>	<b>0</b>	<b>311,581</b>	<b>0</b>

# Facilities & Grounds Department

- Current Structure:
  - Mead Public Library has custodian, maintenance worker and maintenance supervisor positions contained within the 2025 Library budget and supervised within Library table of organization structure
  - Contracted Services accounts contained recurring services (such as pest control and HVAC maintenance contracts) for all locations
- Proposed Structure:
  - Move oversight and associated funding for maintenance positions at Library under the Facilities & Grounds Department in the General Fund
  - Move budgeted amounts contained within Contracted Services to the associated Building Maintenance & Repair account for each building.
- Goals:
  - Cross-training and increased assistance among all buildings
  - Easier reporting and tracking for building maintenance cost history
- Capital assessment for all buildings still on-going

# 2026 Salary and Benefit Costs

- Draft budget includes the following salary changes:
  - Non-Represented: Step and Cost of Living Adjustment of 2.67%
  - Police: 3.5%
  - Transit: Placeholder / Contract expires 12/31/25
  - Fire: 2% January / 2% July
- Wisconsin Retirement System Pension increases per State requirements
- Health Insurance Premium: 9.3% increase
- Dental Insurance Premium: 12% increase

	2025 Original Budget	2026 Proposed Budget	Increase/Decrease
Salaries	33,533,394	34,867,155	1,333,761
FICA Taxes	2,047,086	2,181,474	134,388
WRS	3,719,659	3,885,138	165,479
Health Insurance	6,055,000	6,699,296	644,296
Dental Insurance	350,644	410,617	59,973
Life Insurance	55,178	51,821	(3,357)
Totals	45,760,961	48,095,501	2,334,540

# Non-Represented Salary Benchmark

---

Current Policy: Non-represented salary increases are based on Social Security

Goals: Consistent increases based on inflation to remain a competitive employer in the market

Approximate budget impact is calculated here:

Year	% Increase	SS % Increase	Base Salary Cost	SS Base Cost	Variance
2023			\$14,899,039	\$14,899,039	0
2024	2.5	3.2	\$15,271,515	\$15,375,808	(\$104,293)
2025	2.6	2.5	\$15,668,574	\$15,760,203	(\$91,629)
Total	5.1	5.7			

\*\*In 2022, the compensation plan updated salaries to match market based on position responsibilities and qualifications. When the new pay scale was approved, the 62.5% percentile of market was utilized as the control point. For modeling purposes, 2023 is considered the base year for this policy.

# Enterprise Permitting & Licensing Project

---

- New module connected for Building Inspections & Planning tasks
- Integrates directly with Tyler Munis (City financial software)
- Project started late 2024 – will be completed Q2 2026
- Increased functionality/efficiency including:
  - Online permit applications – including payments and tracking of status
  - Reduction of double keying applications
  - In-the-field picture and note taking by inspectors
  - Clearly defined and trackable approval workflow
  - Automatic delivery of notices



# New City Website

---

- New City website project is currently underway
- Significant changes for staff and the public are coming:
  - Open record request submission portal
  - Consolidation of websites/domains
  - Improved security features
  - ADA Compliant
  - Social media archiving
  - 311 – citizen reporting functionality
  - Mass notifications
- Estimated go-live date of February 2026

# Marina

---

- Marina Redesign and Reconstruction officially underway:
  - Summer 2025 – Design Contract Request for Proposals Received
  - 2025 – 2026 Design Contract
  - 2026 – 2027 Construction
- Financially sound year for the Marina in 2025 to date:
  - Record-setting year for fuel sales
  - Maintenance cost due to ice damage less than budgeted by approximately \$90k

# 2026 Draft Expense Budgets by Fund

Department	2024 Actual	2025 Original Budget	2026 Draft	% Change
General	\$42,966,873	\$44,228,830	\$46,656,025	5.49%
Federal Grant	\$357,042	\$202,452	\$0	(100.00%)
MEG	\$55,699	\$54,504	\$54,463	(0.07%)
Tourism	\$2,259,564	\$2,237,462	\$2,219,550	(0.81%)
Uptown Social	\$648,069	\$507,217	\$583,391	15.02%
Mead Library	\$4,270,288	\$4,374,285	\$4,366,534	(0.18%)
Affordable Housing	\$801,214	\$742,027	\$724,188	(2.46%)
Redevelopment Authority	\$132,143	\$84,039	\$76,000	(9.57%)
Debt	\$4,949,718	\$5,500,161	\$5,823,385	5.55%
Capital	\$10,548,336	\$24,895,135	\$40,917,922	39.16%
Tax Increment Districts	\$9,046,386	\$38,905,986	\$27,285,160	(29.87%)
Wastewater	\$7,860,473	\$30,590,912	\$54,439,891	77.96%

# 2026 Draft Expense Budgets by Fund

Department	2024 Actual	2025 Original Budget	2026 Draft	% Change
Refuse	\$1,704,542	\$3,174,965	\$3,102,137	(2.29%)
Marina/Boat	\$996,496	\$749,208	\$670,081	(10.56%)
Parking	\$507,116	\$565,532	\$534,286	(5.53%)
Transit	\$5,043,407	\$4,431,756	\$4,318,801	(2.55%)
Health	\$7,904,296	\$7,181,614	\$7,527,744	4.82%
Liability	\$158,681	\$443,860	\$297,500	(32.97%)
Work Comp	\$3,253,380	\$626,600	\$628,161	0.25%
Information Technology	\$1,455,617	\$1,604,103	\$1,950,061	21.57%
Motor Vehicle	\$3,241,752	\$4,447,256	\$4,336,525	(2.49%)
Cemetery	\$14,643	\$30,500	\$30,500	0.00%

# General Fund Notes

- Addition of 5 FTE's
  - Code Enforcement Officer, Communications Specialist & 3 Police Officers (50% Grant Funded)
- Movement of Library maintenance staff to General Fund
- Radio replacement for Fire and Police Departments – now annual charge to IT instead of Capital

Expense Category	2024 Actual	2025 Original	2026 Draft	% Change
Salaries	\$22,659,823	\$24,276,926	\$25,619,627	5.53%
Fringe Benefits	\$9,304,838	\$9,811,081	\$10,587,532	7.91%
Purchased Services	\$6,849,949	\$5,400,295	\$5,589,943	3.51%
Materials & Supplies	\$1,448,311	\$1,131,787	\$1,215,206	7.37%
Facility & Maintenance	\$1,273,767	\$2,318,471	\$2,418,567	4.32%
Equip & Maintenance	\$767,991	\$537,391	\$475,271	(11.56%)
Miscellaneous	\$662,193	\$752,879	\$749,879	(0.40%)
Total (Excl. Transfers)	\$42,966,873	\$44,228,830	\$46,656,025	5.49%



# 2026 Draft General Fund Expense Budgets by Dept

Department	2024 Actual	2025 Budget	2026 Draft	% Change
Council	\$114,423	\$129,162	\$139,360	7.90%
Municipal Court	\$250,375	\$249,171	\$279,312	12.10%
City Attorney	\$625,249	\$706,666	\$689,338	(2.45%)
Mayor	\$200,746	\$214,987	\$228,243	6.17%
Administration	\$420,699	\$867,932	\$995,457	14.69%
City Clerk	\$479,051	\$479,102	\$491,667	2.62%
Elections	\$169,406	\$222,017	\$243,044	9.47%
Finance	\$1,155,953	\$1,087,461	\$1,130,625	3.97%
Liability Insurance	\$472,384	\$302,418	\$309,971	2.50%
Assessing	\$593,209	\$556,025	\$485,413	(12.70%)
Human Resources	\$641,861	\$386,136	\$427,281	10.66%
Cable TV	\$213,279	\$238,973	\$250,611	4.87%
Building Inspections	\$769,497	\$885,275	\$1,000,043	12.96%
Development	\$447,271	\$450,457	\$129,723	(71.20%)

# 2026 Draft General Fund Expense Budgets by Dept

Department	2024 Actual	2025 Budget	2026 Draft	% Change
Police	\$13,752,117	\$14,595,167	\$15,456,092	5.90%
Fire	\$9,969,298	\$10,623,388	\$11,322,494	6.58%
Public Works Admin	\$1,136,292	\$1,096,418	\$1,592,753	45.27%
Streets	\$4,642,903	\$5,340,603	\$5,263,266	(1.45%)
Sanitation	\$2,076,477	\$0	\$0	(100%)
Storm Sewer	\$325,193	\$486,167	\$486,571	.08%
Street Lighting	\$553,861	\$510,535	\$514,973	.87%
City Buildings	\$995,528	\$1,497,408	\$1,857,717	24.06%
Civil Defense	\$7,166	\$7,685	\$7,685	0.00%
Parks	\$2,734,439	\$2,192,529	\$2,234,220	1.90%
Cemetery	\$219,624	\$254,850	\$261,543	2.63%
Forestry	\$572	\$848,298	\$858,623	1.22%
Total (Excl. Transfers)	\$42,966,873	\$44,228,830	\$46,656,025	5.49%

# 2026 Capital Projects

FY 2025 Total Approved Requests: \$82,025,904

- Included in the 2025-2029 CIP
- Not all general government requests

FY 2026 Total Requests in Previous Plan: \$64,538,492

- Included in the 2025-2029 CIP

Revised FY 2026 Requests: \$108,093,525

- Submitted by Departments in 2026-2030 CIP
- Significant Changes:
  - Addition of Police Department Expansion, Public Safety Campus pulled forward, increase for road projects and Wastewater Lakeshore Interceptor project pulled forward

# 2026 Capital Projects

## City Buildings:

- DPW Storage Building
- Building Maintenance/Improvements - Municipal Service Building
- Building Maintenance/Improvements - Police Department
- Public Safety Campus Construction
- Police Department Expansion
- Station 2 Remodel

## Police Department:

- Marked Vehicles - Sport Utility Vehicles
- Unmarked Vehicles

## Fire Department:

- Dive Equipment
- Fitness Equipment
- Turnout Gear Replacement
- Station Furniture Replacement
- Ambulance
- Command Vehicle (BC)
- Firefighting Rescue Drone

# 2026 Capital Projects

## Parks & Forestry:

- Dog Fencing
- Park Road Reconstruction
- ADA Infrastructure Improvements - Citywide Parks Program
- Maywood Park - Trail Bridge Replacement
- Park Assessment Plan
- Evergreen Park Forest Plan
- Park Sign Replacement Plan

## Street Lighting, Traffic Control & Bridges:

- Sidewalk Repair/Replacement Program – Citywide
- Storm Water Management Plan
- Street Improvements
- Programmable Message Board
- Geele Pond Improvements
- New Jersey Avenue Trail - South Taylor Drive to Riverpark Road
- LED Street Lighting Upgrades – Citywide
- Traffic Control Upgrade - Citywide

## Information Technology:

- Data Center Refresh
- Computer Replacement



# 2026 Capital Projects

## Motor Vehicle:

- Vehicle Replacement - 2026 Replacement Schedule:
  - Unit #49 – (2007) Tri-Axle Dump w/Salter \$440,000
  - Unit #58 – (2009) Tandem Axle Dump w/ Salter \$440,000
  - Unit #124 – (2010) Street Sweeper \$325,000
  - Unit #182 – (2006) Front End Loader \$280,000
  - Unit #134 – (2011) Forklift \$37,500
  - Unit #337 – (2006) Zero Turn Mower \$16,000

# 2026 TID Capital Projects

## TID 18:

Land Acquisition (\$4,500,000)

## TID 21:

- Property Purchases (\$2,000,000)
- Commerce Street/Riverwalk Construction (\$750,000)
- Harbor Centre Marina Revitalization & Repurpose (\$5,000,000)

## TID 23:

- Gartman Development Infrastructure (\$8,000,000)

# 2026 Contracted Street Capital Projects

- Street Improvements (\$7,075,000)

\*\$4,500,000 budgeted for 2025

Tentative Project List:

- South 18th Street Reconstruction (Weeden Creek Road to Sunnyside Avenue)
- Erie Avenue (North 19th Street to Taylor Drive)
- Lakeshore Drive (Mead Avenue to Railroad Tracks)
- Ontario Avenue (North 10th Street to North 12th Street)
- North 11th Street (Ontario Avenue to Erie Avenue)
- North 12th Street (Ontario Avenue to Erie Avenue)
- Kentucky Avenue (South 9th Street to South 11th Street)
- Clara Avenue (South 8th Street to South 13th Street)

- Sidewalk Replacement (\$290,000)

\*\$90,000 of fund balance usage

- Storm Water Management Plan (\$250,000)

# 2026 Tentative In-House Street Projects

- Resurfacing:
  - Mehrtens Avenue (N 15th to End)
  - Prospect Avenue (N 2nd to N 3rd)
  - Lake Court (2nd to Barrett)
  - North Point Drive / North Point Court
- Pavement Repairs
  - Currently estimated at 15 projects

# 2026 Wastewater Capital Projects

- Aeration Blower Number Four (\$325,000)
- Vac Truck (\$150,000)
- Administrative Building Roof Replacement (\$400,000)
- Ferric Chloride Tank Replacement (\$150,000)
- 6 Inch Grinder Pump (\$90,000)
- Lakeshore Interceptor (\$12,000,034)
- Replace Final Effluent Strainer (\$150,000)
- Replace Floor Drains in Solids Building (\$100,000)
- Indiana Avenue Lift Station Wet Well Isolation Wall (\$75,000)
- Kentucky Ave Lift Station Upgrades (\$1,500,000)
- UV Disinfection (\$500,000)
- Southside Interceptor (\$28,000,000)
- Mini Storm Sewer Program (\$50,000)
- Sewer Inspection Camera Replacement – CCTV (\$150,000)
- Sewer Line Reconstruction/Relining Program (\$1,000,000)
- Sewer Televising and Manhole Inspection (\$250,000)
- Valve Replacement & Repair (\$100,000)
- Replace Influent Building Roof & HVAC (\$800,000)



# Budget Next Steps

**September 15th:** Draft budget documents posted on the City's website

**September 30th:** Updated proposed budget posted on City's website matching budget resolution

**October 14th:** COW final review of budget and Capital Plan and referral back to Council

**November 3rd:** Council adopts 2026 budget resolution and 2026-2030 Capital Plan

