

# **City of Racine 2026 Proposed Budget**





# Navigating Budget Book

- Sections:
  - Overview
  - Detailed Book
  - Positions
  - Fee Schedule
  - Ordinances
  - Capital Improvement Plan



# Navigating Budget Book

Page 1-24

CITY OF RACINE

2026 Operating Budget Overview

Drafted by: Finance Director

The City of Racine budget document serves as a comprehensive financial planning tool covering all City funds, including the General Fund, Special Revenue Funds, Debt Service Funds, Capital Projects Funds, Enterprise Funds, Utilities, and Internal Service Funds. The document also includes information regarding departmental goals and initiatives, positions by department, the fee schedule by department, ordinance modifications and a 10-year capital plan. This overview is intended to give a high-level snapshot of the overall budget, but specific details and narratives regarding the functional areas can be found in the larger document.

The city employs a decentralized approach to budget development, with department heads and managers responsible for preparing the working numbers that populate individual line items. They do so with guidance from the Mayor, City Administrator, and Finance Department. This document also serves to provide

## AGENDA

City of Racine - Committee of the Whole

October 22, 2025

6:00pm

<u>Description</u>	<u>Administrative Leader</u>	<u>Operating Page</u>	<u>Position Page</u>	<u>Fee Page</u>	<u>Capital Page</u>
Executive Overview	Kathleen Fischer	--	NA	NA	NA
Police Department	Chief Ramirez	73	5	18-20	9
Fire Department	Chief Hansen	68	4	15-18	7-8
Department of Public Works	John Rooney	82	6-7	2-3&18	10-23
Water Utility	Anjuman Islam	199	10	N/A	33

### Department Detail Expenditures-City Administration

Name	ERP Code	FY2023 Actual	FY2024 Actual	FY2025 Adopted	FY2026 Proposed	FY2025 Adopted vs. FY2026 Proposed (% Change)
Expenditures						
Administration Department						
City Council						
Salary & Fringes						
Cnd-Part Time Salaries	11001-50200	\$103,498	\$104,984	\$103,500	\$103,500	0%
Cnd-Overtime	11001-50300	\$0	\$0	\$0	\$15,000	N/A
Cnd-FICA	11001-51010	\$7,917	\$8,031	\$7,920	\$7,920	0%

# Navigating Budget Book-Detail

Summaries-Page 1-19

Detail by Fund-Page 20

Department Detail-Page 31

Mission Statement

Goals

Summary by Unit

Expenditure Detail

### 2026 Goal-Setting Statements

#### Goal Statement #1

*Lead Service Line Removal – A Healthier Future for Racine*

In 2026, the City of Racine will focus on replacing 20% of lead service lines as part of our long-term commitment to protect public health and ensure safe drinking water for every household. The Mayor's Office will support the Water Utility by increasing public awareness, educating residents on the health risks of lead exposure, and ensuring clear communication about replacement schedules, funding opportunities, and program requirements. Through partnerships with state and federal agencies, Racine will continue to remove lead service lines to ensure a safer, lead-free Racine.

#### CITY ADMINISTRATION

	2025 FTE	2026 FTE	2026 Allocation				
			General Fund	Special Revenue	Capital Projects	Enterprise	Internal Service
Mayor	1.00	1.00	1.00	-	-	-	-
City Administrator	1.00	1.00	1.00	-	-	-	-
Customer Service Representative Part time (1)	0.50	0.50	0.50	-	-	-	-
Administrative Assistant	1.00	1.00	1.00	-	-	-	-
Student Intern - Mayor's Office Part time (1)	0.29	0.29	0.29	-	-	-	-
Total Mayors Office	3.79	3.79	3.79	-	-	-	-

Navigating  
Budget Book-  
Positions

Full Time Equivalents

Comparison from 2025 to  
2026

Allocations by funding  
source

Fees by Department

Comparison from  
2025 to 2026

Increases in several  
areas

2026 Fee Schedule and Comparison to Prior Year				
	<u>2025</u>	<u>2026</u>	Change	
<u>FINANCE DEPARTMENT</u>				
Treasury				
NSF-Returned check Fee	35.00	35.00	\$	-
Check Stop Payment	25.00	25.00	\$	-
Check Reissue Fee	10.00	10.00	\$	-
Payroll				
Child Support Withholding fee (per check)	3.00	3.00	\$	-
<u>DEPT OF CUSTOMER SERVICE</u>				
Tax Search Fee	45.00	45.00	\$	-

Navigating Budget Book-Fees



City of Racine, Wisconsin  
Agenda Briefing Memorandum  
Ordinance 0013-25 – Age Restriction on Sale of  
Intoxicating Hemp-derived Products

**AGENDA DATE:**

According to 2026 Budget Consideration Calendar

**PREPARED BY:** Robin K. Zbikowski, Senior Assistant City Attorney

**REVIEWED BY:** Scott R. Letteney, City Attorney

**SUBJECT:** Communication sponsored by Mayor Mason requesting an ordinance that prohibits a person from selling and/or providing intoxicating hemp-derived cannabinoids to any person under the age of 21.

# Navigating Budget Book-Ordinances

## Impact Operations

## Index and ABM

### Ordinance 0013-25 – Age Restriction on Sale of Intoxicating Hemp-derived Products

An ordinance to create Chapter 66, Article XXXIII of the Municipal Code of the City of Racine, Wisconsin.

The Common Council of the City of Racine, Wisconsin, do ordain as follows:

Part 1: Chapter 66, Article XXXIII of the Municipal Code of the City of Racine is created to state as follows:

#### ARTICLE XXXIII. – INTOXICATING HEMP-DERIVED PRODUCTS

Sec. 66-1301. – Definitions.

GENERAL ADMINISTRATION												
Project Description and Location	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Total cost	Source
Office Furnitue, Fixtures & Equipment	\$ 50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	500,000	G.O. Debt
Election Equipment Replacement	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	500,000	Short Term
TOTALS	<u>\$ 100,000</u>	<u>\$ 100,000</u>	<u>\$ 100,000</u>	<u>\$ 100,000</u>	<u>\$ 100,000</u>	<u>\$ 100,000</u>	<u>\$ 100,000</u>	<u>\$ 100,000</u>	<u>\$ 100,000</u>	<u>\$ 100,000</u>	<u>\$ 1,000,000</u>	
Method of Financing												
G.O. Debt	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 500,000	
Short Term Debt	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	500,000	
TOTAL COST	<u>\$ 100,000</u>	<u>\$ 100,000</u>	<u>\$ 100,000</u>	<u>\$ 100,000</u>	<u>\$ 100,000</u>	<u>\$ 100,000</u>	<u>\$ 100,000</u>	<u>\$ 100,000</u>	<u>\$ 100,000</u>	<u>\$ 100,000</u>	<u>\$ 1,000,000</u>	

# Navigating Budget Book-Capital Plan

## 10 Year Capital Plan by Department

2026 Column becomes the 2026 capital budget

## RACINE, WISCONSIN TEN YEAR CAPITAL IMPROVEMENT PLAN

2026-2035



# Highlights

- Net new construction \$73M
- Tax rate decrease \$11.75/\$1,000
- Levy Limit increase-Referendum and Net New Construction
- Employee Recruitment and Retention:
  - 1% increase and step for non-represented employees
  - HSA contributions same as prior year
  - New Healthcare plan options

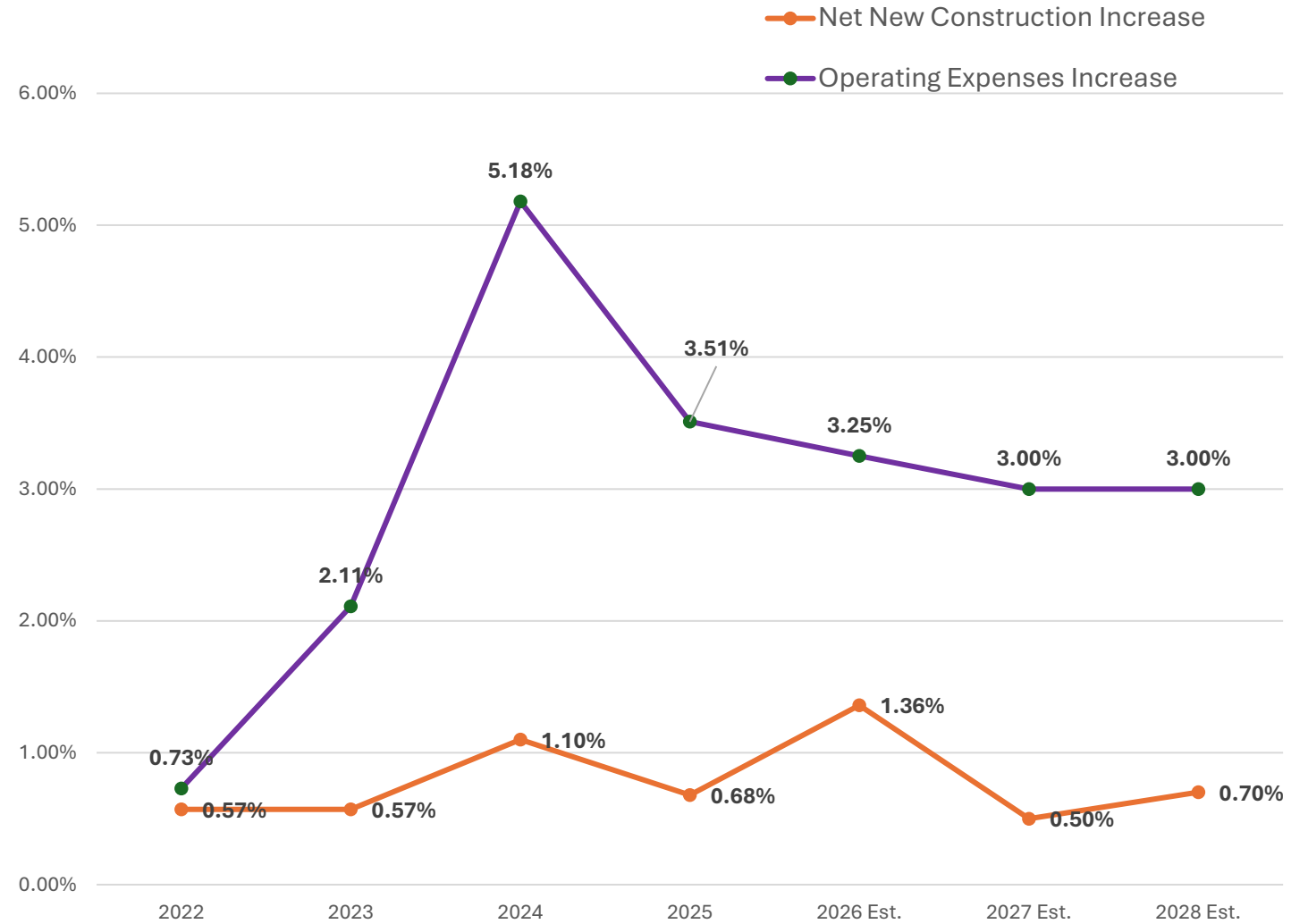
# Highlights

- New Positions
  - Recruiter-Human Resources
  - Project Coordinator-Sump Program
- Other Items
  - Fee increases
  - Community Safety in the General Fund
  - Demolition of McMynn Parking Ramp
  - Consolidation and reorganization of utility functions

# Challenges

- Structural Deficit
- Legacy costs
- Levy Limits
- Net New Construction
- Sustainability

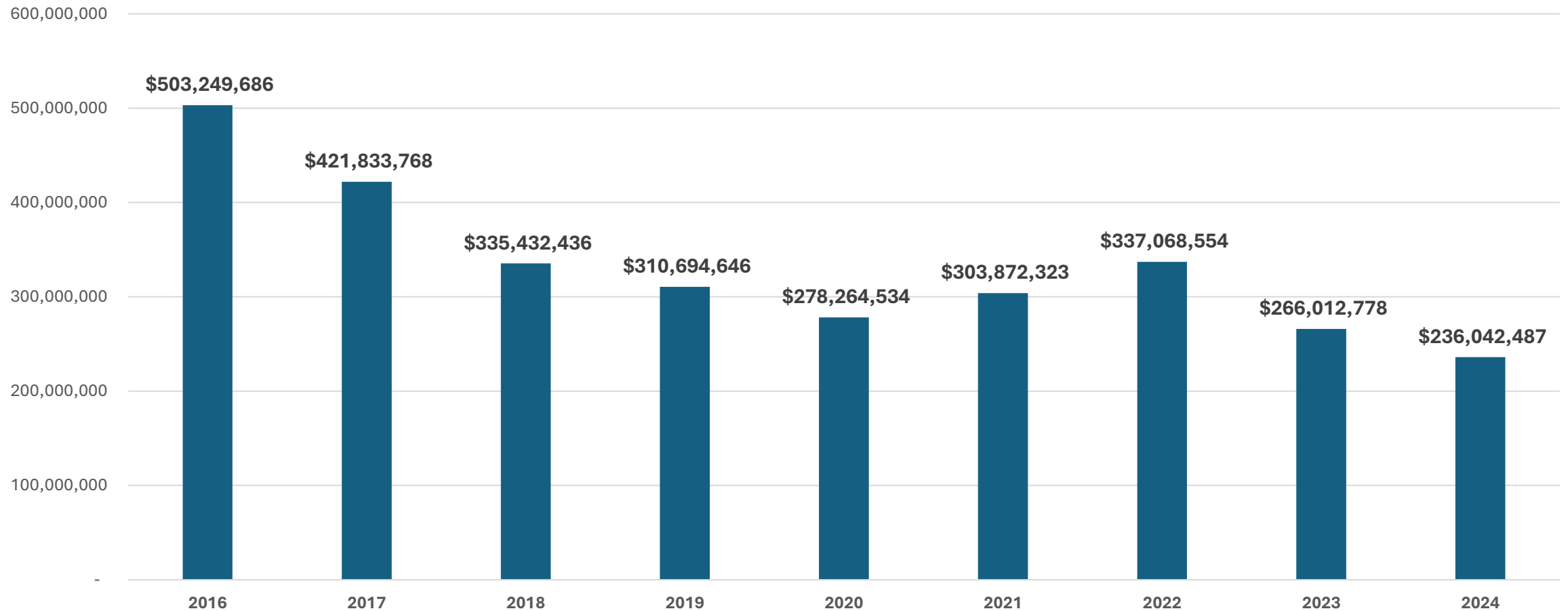
# Structural Deficit





# Legacy Costs

## Post Employment Healthcare Obligation



# Levy Limits



State Statute limits Operational Levy to last year's amount plus an allowance for net new construction



City of Racine Net New Construction was over \$73M or 1.36%.

Highest on record but still not enough



Levy Limit calculation increased the allowed levy by \$2M.

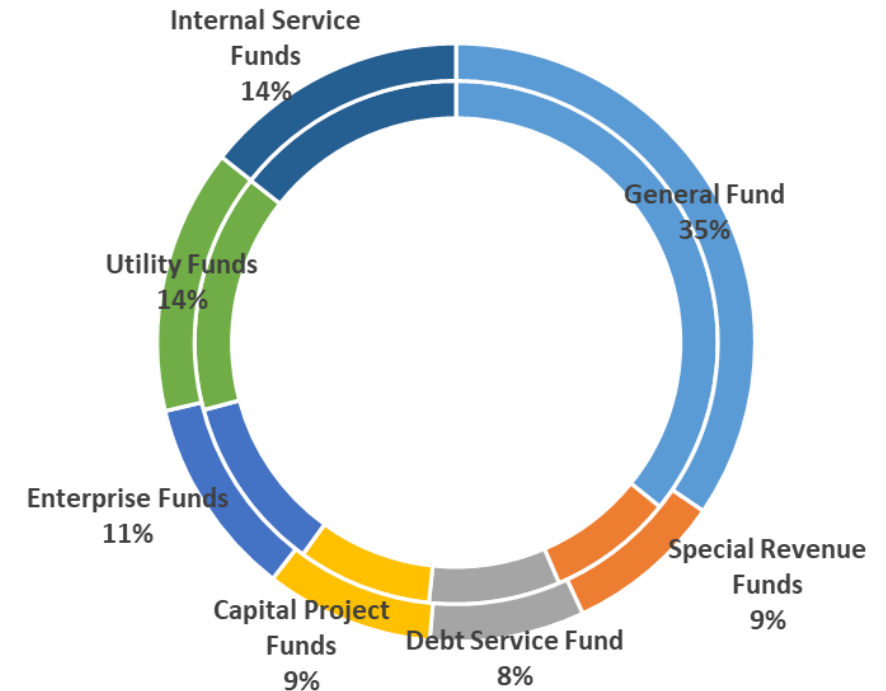


This budget maximizes the allowed Levy.

<b><u>COMMUNITY</u></b>					
<b><u>CODE</u></b>	<b><u>COUNTY NAME</u></b>	<b><u>MUNICIPALITY</u></b>	<b><u>2024 EQUALIZED</u></b>	<b><u>2025 NEW NET</u></b>	<b><u>PERCENT</u></b>
<b><u>VALUE</u></b>				<b><u>CONSTRUCTION</u></b>	
51002	RACINE	TOWN OF BURLINGTON	1,223,052,700	18,597,100	1.52
51006	RACINE	TOWN OF DOVER	650,578,900	6,887,700	1.06
51010	RACINE	TOWN OF NORWAY	1,486,084,000	10,128,100	0.68
51016	RACINE	TOWN OF WATERFORD	1,101,144,100	6,821,300	0.62
51104	RACINE	VILLAGE OF CALEDONIA	3,709,713,100	34,231,700	0.92
51121	RACINE	VILLAGE OF ELMWOOD PARK	61,718,800	70,700	0.11
51151	RACINE	VILLAGE OF MOUNT PLEASANT	5,809,246,400	996,569,500	17.15
51161	RACINE	VILLAGE OF NORTH BAY	53,131,200	14,000	0.03
51168	RACINE	VILLAGE OF RAYMOND	837,302,900	10,682,300	1.28
51176	RACINE	VILLAGE OF ROCHESTER	579,490,000	7,434,200	1.28
51181	RACINE	VILLAGE OF STURTEVANT	1,028,551,400	24,107,600	2.34
51186	RACINE	VILLAGE OF UNION GROVE	592,849,500	29,404,600	4.96
51191	RACINE	VILLAGE OF WATERFORD	864,333,700	18,704,900	2.16
51192	RACINE	VILLAGE OF WIND POINT	376,815,700	149,000	0.04
51194	RACINE	VILLAGE OF YORKVILLE	952,469,400	9,405,100	0.99
51206	RACINE	CITY OF BURLINGTON	1,463,169,600	18,154,200	1.24
51276	RACINE	CITY OF RACINE	5,387,074,500	73,140,500	1.36

## TOTAL EXPENDITURES 2025 to 2026 Budget

	2025 Budget	2026 Budget	Change	Change
General Fund	\$ 94,366,708	\$ 95,281,808	\$ 915,100	0.97%
Special Revenue Funds	20,481,234	23,510,405	3,029,171	14.79%
Debt Service Fund	21,358,735	23,112,264	1,753,529	8.21%
Capital Project Funds	21,899,731	25,117,330	3,217,599	14.69%
Enterprise Funds	28,660,929	29,827,621	1,166,692	4.07%
Utility Funds	38,958,133	39,537,566	579,433	1.49%
Internal Service Funds	37,885,866	39,598,742	1,712,876	4.52%
Total Expenditures	\$ 263,611,336	\$ 275,985,736	\$ 12,374,400	4.69%





# General Fund Expenditures



**2026**

**\$95,281,808**



**2025**

**\$94,366,708**



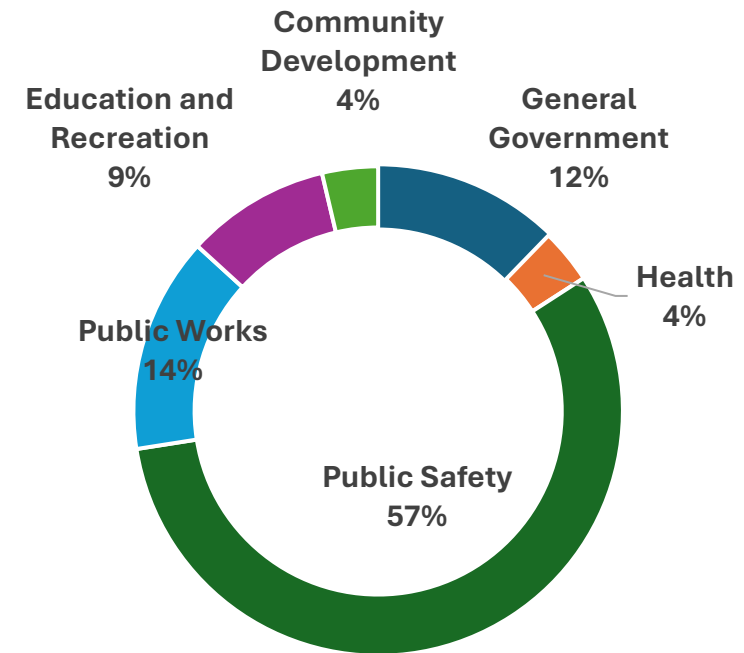
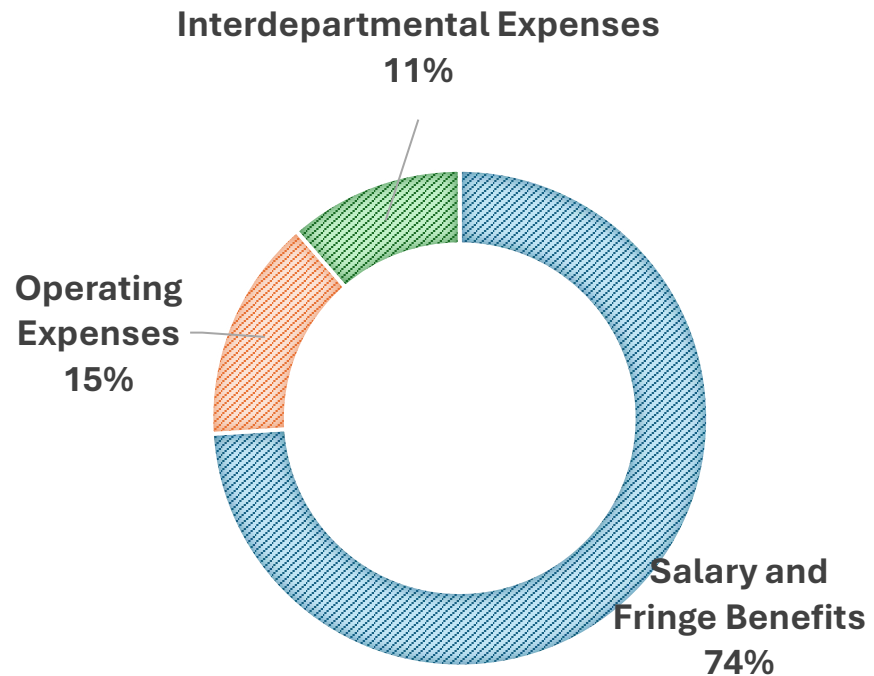
**Increase primarily due to inflationary factors, health insurance costs, and wage increases.**

**Minimal increase due to shift of fire costs to referendum fund.**

**2026 Increase: \$915,100**

**2026 % Increase: .97%**

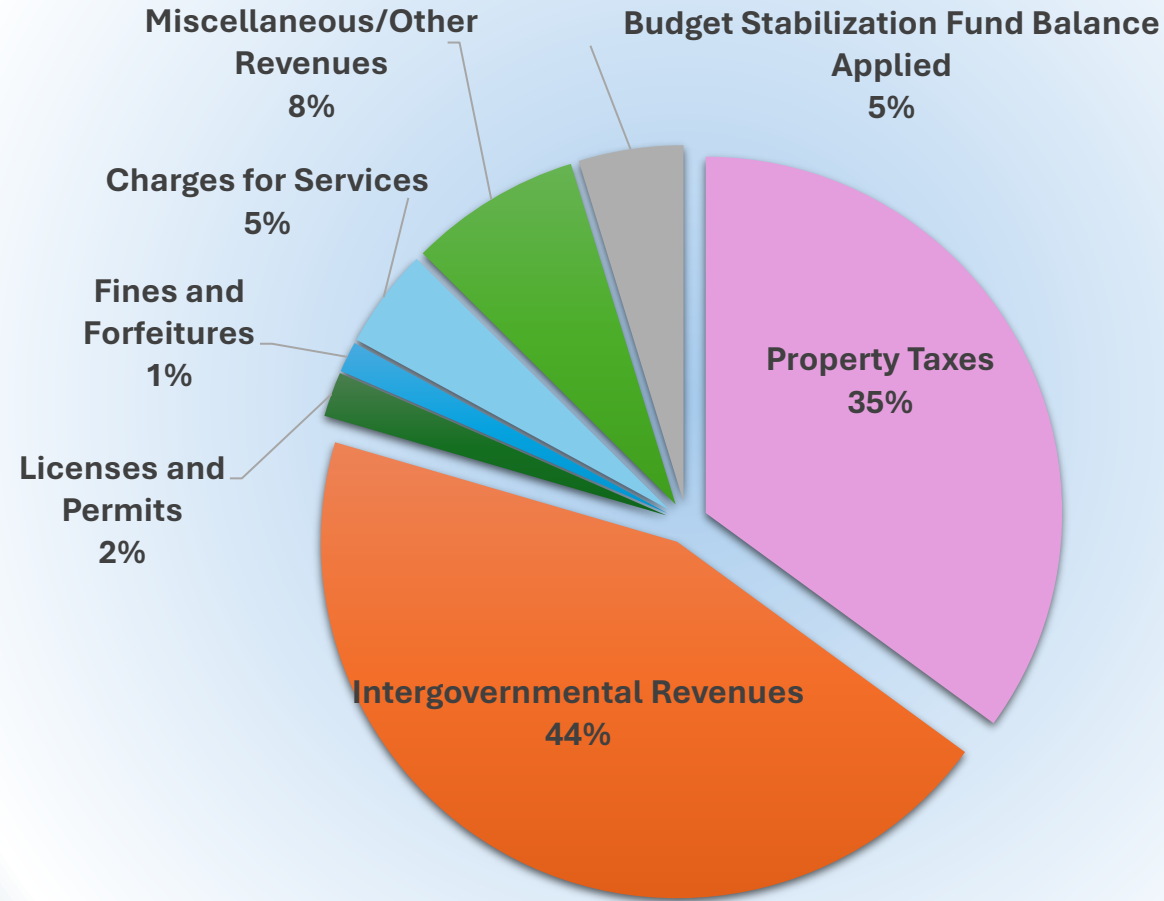
# General Fund Expenditures



# General Fund Revenues

General Fund Revenues 2025 to 2026 Budget				
	2025 Budget	2026 Budget	Change	Percent Change
Property Taxes	\$ 33,544,662	\$ 33,389,229	\$ (155,433)	-0.46%
Other Taxes	400,000	420,000	20,000	5.00%
Intergovernmental Revenues	42,354,825	42,370,376	15,551	0.04%
Licenses and Permits	1,990,500	1,933,500	(57,000)	-2.86%
Fines and Forfeitures	1,142,000	1,322,000	180,000	15.76%
Charges for Services	1,902,450	1,981,570	79,120	4.16%
Intergovernmental Charges for Services	2,269,709	2,320,976	51,267	2.26%
Miscellaneous Revenues	2,699,772	2,358,941	(340,831)	-12.62%
Other Financing Sources	4,626,506	4,660,216	33,710	0.73%
Budget Stabilization Fund Balance Applied	3,703,284	4,525,000	821,716	22.19%
Total Revenues	\$ 94,633,708	\$ 95,281,808	\$ 648,100	0.68%

# General Fund Revenues by Type



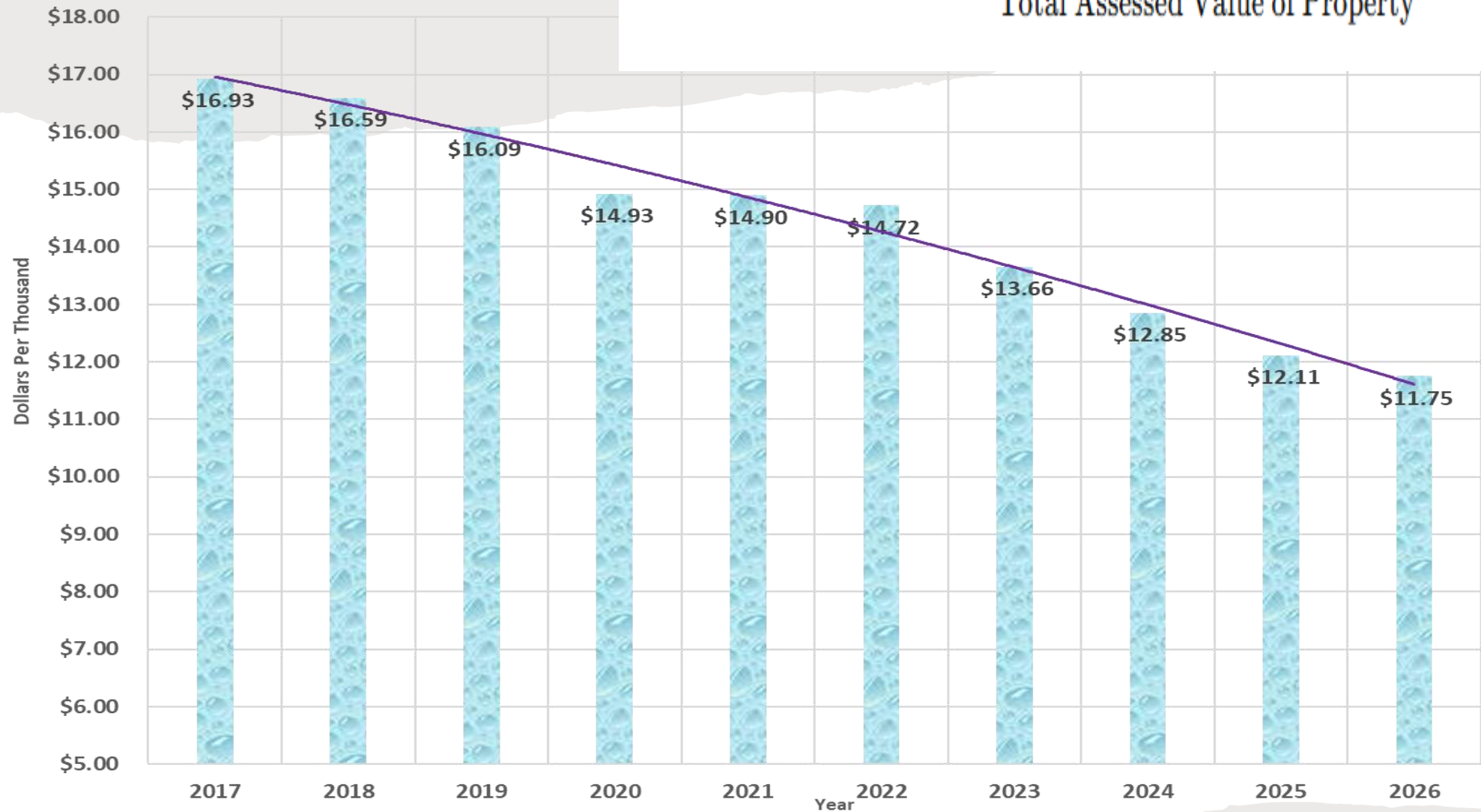


# Property Tax Levy

	2022	2023	2024	2025	2026	2025 v 2026	2025 v 2026
	<u>Budget</u>	<u>Budget</u>	<u>Budget</u>	<u>Budget</u>	<u>Budget</u>	<u>Change</u>	<u>Change</u>
Operating Levy	\$ 37,892,894	\$ 38,241,246	\$ 38,673,000	\$ 38,008,000	\$ 40,042,000	\$ 2,034,000	5.35%
Debt Service Levy	<u>18,600,000</u>	<u>18,600,000</u>	<u>19,475,474</u>	<u>20,512,890</u>	<u>22,881,089</u>	<u>2,368,199</u>	<u>11.54%</u>
	<u><u>\$ 56,492,894</u></u>	<u><u>\$ 56,841,246</u></u>	<u><u>\$ 58,148,474</u></u>	<u><u>\$ 58,520,890</u></u>	<u><u>\$ 62,923,089</u></u>	<u><u>\$ 4,402,199</u></u>	<u><u>7.57%</u></u>

# Property Tax Rate

$$\text{Property Tax Rate} = \frac{\text{Total Tax Levy}}{\text{Total Assessed Value of Property}} \times 1,000$$



# Fees

<u>Fee</u>	Bill Type	Bill Frequency	2025	2026	\$ Change	% Change
Sanitary Sewer Lateral Fee	Tax Bill	Annual	\$ 93.00	\$ 97.00	\$ 4.00	4.30%
Recycling Fee	Tax Bill	Annual	\$ 88.95	\$ 93.22	\$ 4.27	4.80%
Storm Water Fee	Utility Bill	Quarterly	\$ 187.43	\$ 200.87	\$ 13.44	7.17%
Sewer Utility Fee	Utility Bill	Quarterly	\$ 2.89	\$ 2.98	\$ 0.09	3.11%
Water Utility Fee	Utility Bill	Quarterly	\$ 3.11	\$ 3.11	\$ -	0.00%
Sanitary Sewer Surcharge-Residential	Utility Bill	Quarterly	\$ 30.00	\$ 31.00	\$ 1.00	3.33%
Sanitary Sewer Surcharge-Commercial	Utility Bill	Quarterly	\$ 75.00	\$ 78.00	\$ 3.00	4.00%
Sanitary Sewer Surcharge-Public	Utility Bill	Quarterly	\$ 175.00	\$ 184.00	\$ 9.00	5.14%
Sanitary Sewer Surcharge-Industrial	Utility Bill	Quarterly	\$ 175.00	\$ 184.00	\$ 9.00	5.14%



# Reserves

## Wage Provision Reserves Applied \$1M

- *\$4 M remains*

## No Unassigned Reserves Applied

- *\$24M of unassigned reserves remain*

## \$3.525M of Budget Stabilization Reserves Applied

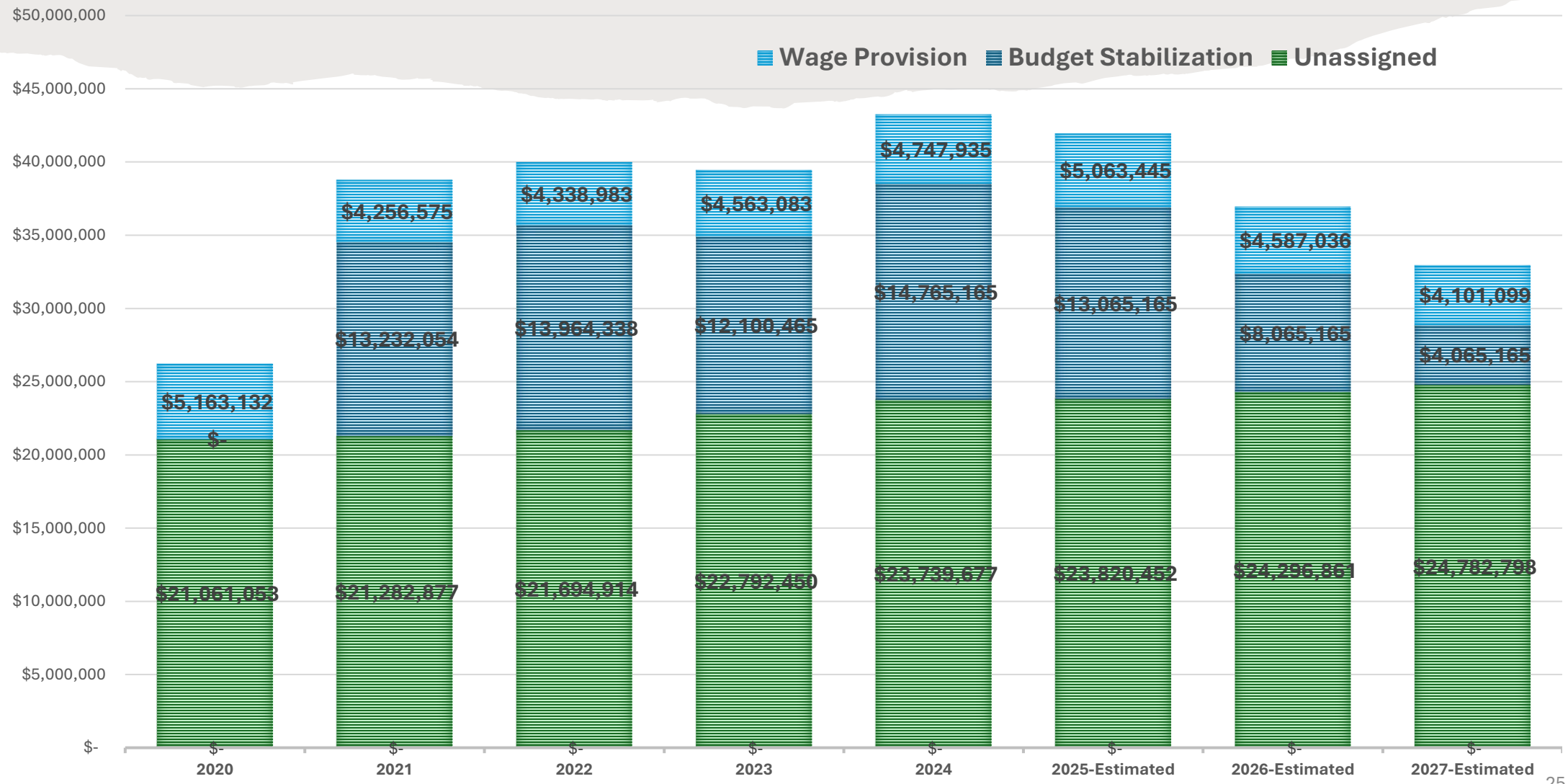
- *\$8.0M of budget stabilization reserves remain*

## \$1 M of Insurance Fund Reserves Applied

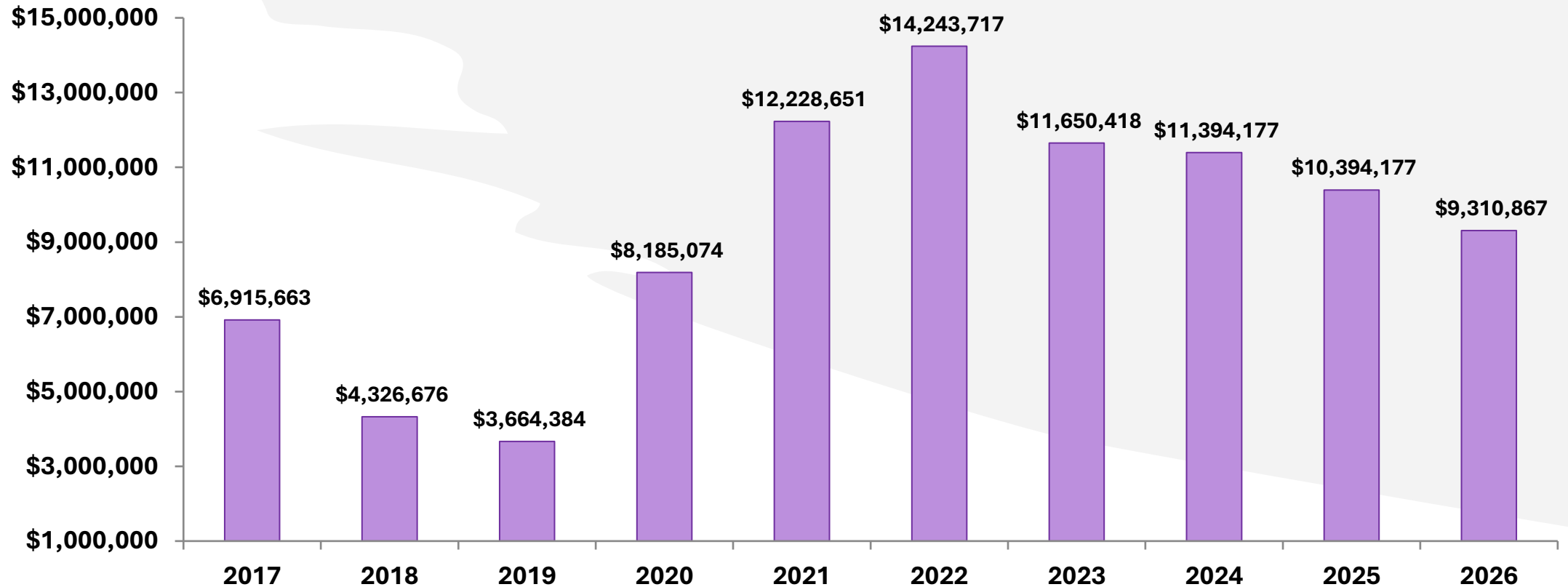
- *\$9.3M of unassigned reserves remain*



# General Fund Reserves



# Health Insurance Reserves



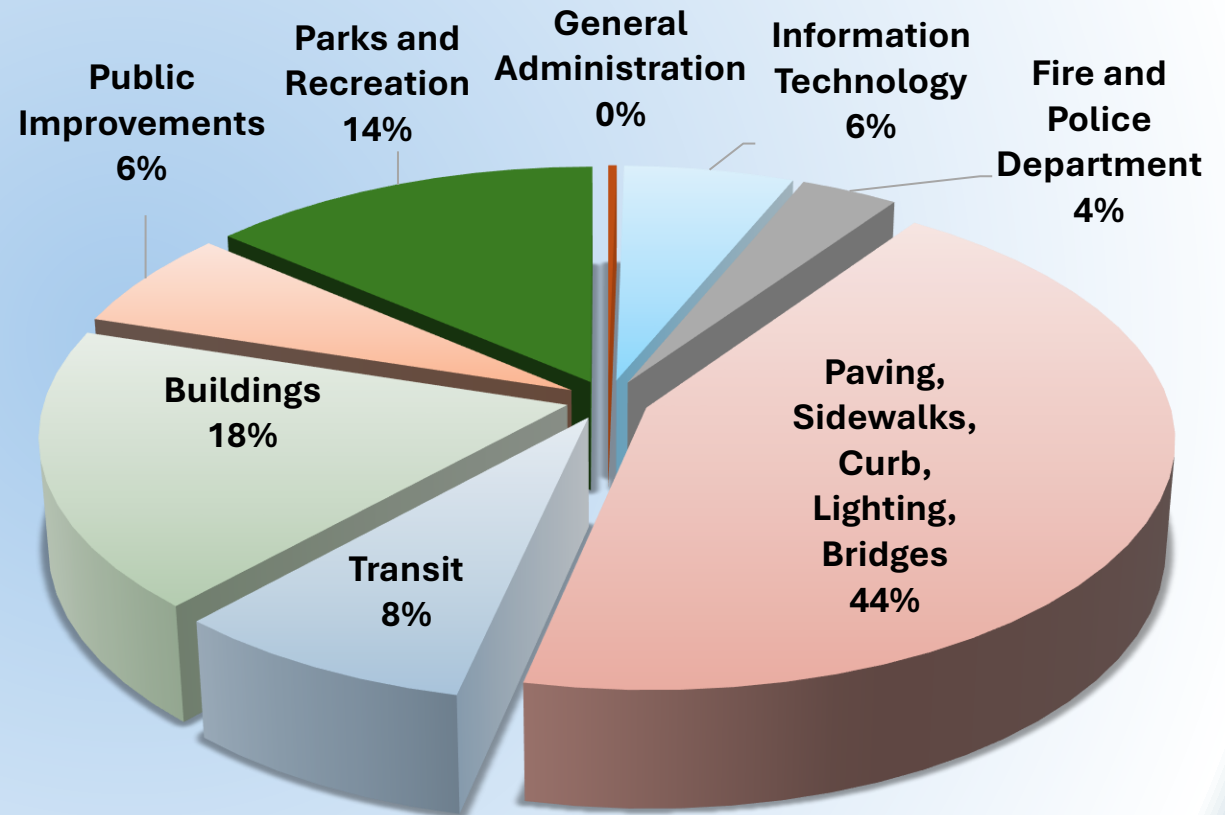
# **Long Term Capital Improvement Plan**

**2026-2035**



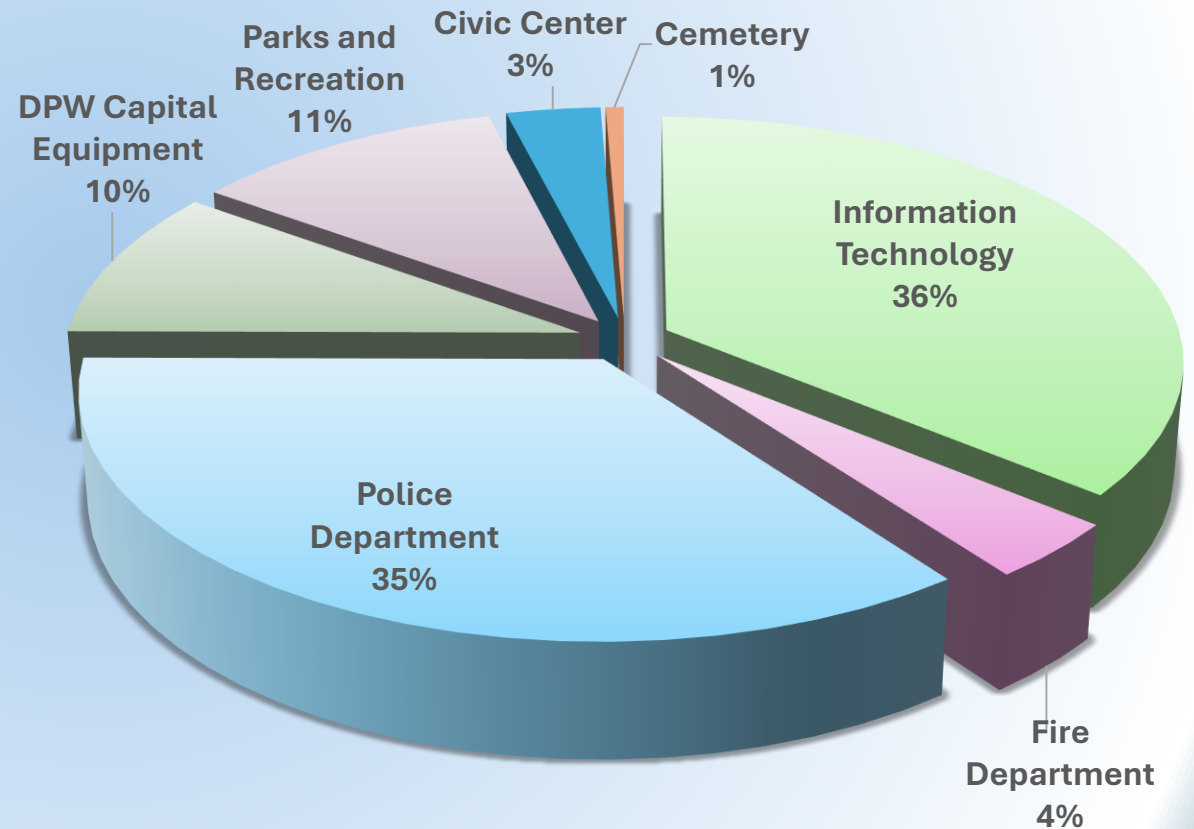
# 2026 Long-Term Debt By Function

Function	Amount (\$)	Percent (%)
General Administration	\$ 50,000	0.30%
Information Technology	997,900	5.94%
Fire and Police Department	575,000	3.42%
Paving, Sidewalks, Curb, Lighting, Bridges	7,360,343	43.79%
Transit	1,390,100	8.27%
Buildings	3,055,000	18.18%
Public Improvements	1,075,000	6.40%
Parks and Recreation	2,303,119	13.70%
	<u>\$ 16,806,462</u>	<u>100.00%</u>



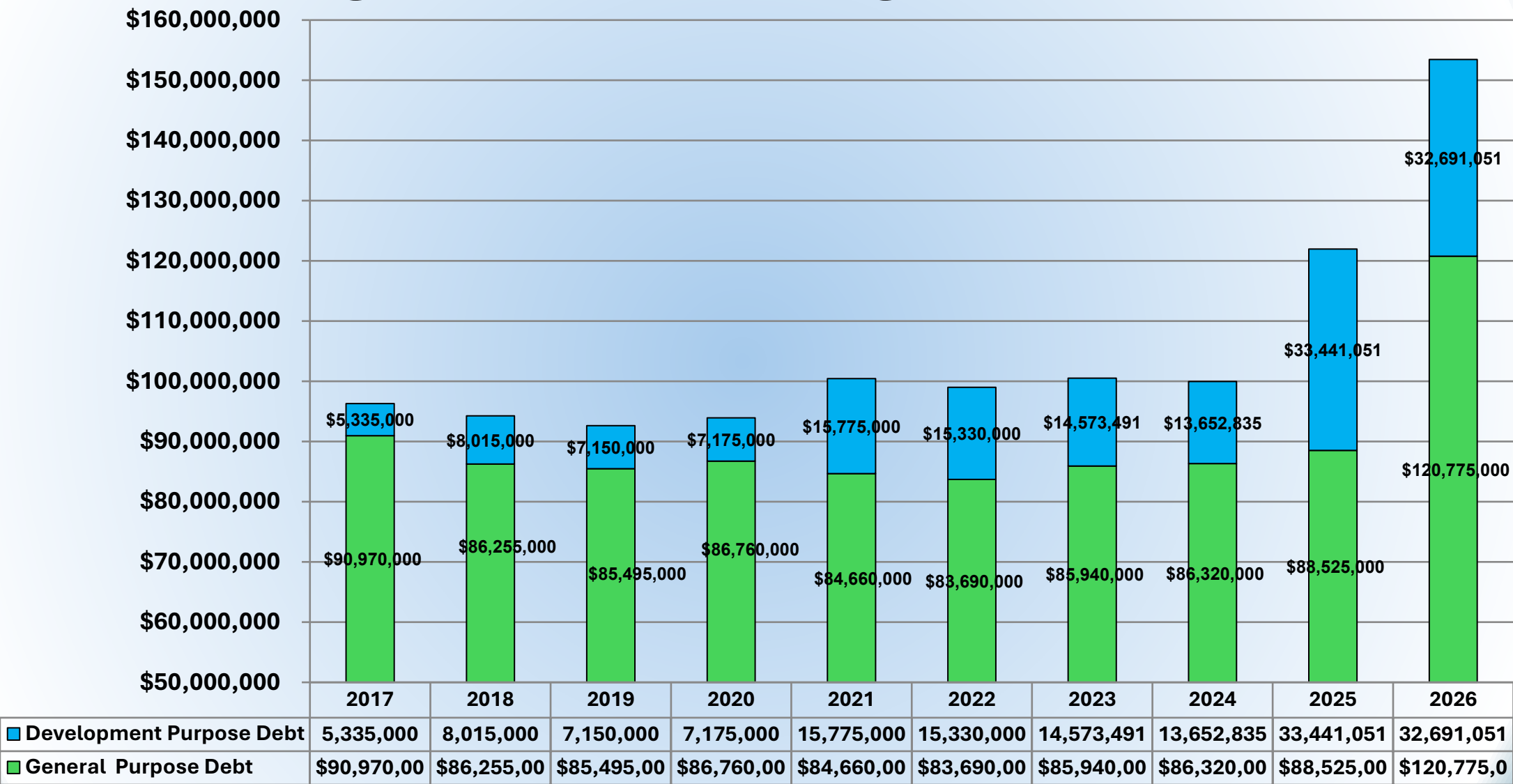
# 2025 Short-Term Debt By Function

Function	Amount (\$)	Percent (%)
Information Technology	1,399,168	35.93%
Fire Department	150,000	3.85%
Police Department	1,375,000	35.31%
DPW Capital Equipment	382,000	9.81%
Parks and Recreation	432,700	11.11%
Civic Center	130,000	3.34%
Cemetery	25,000	0.64%
	<u>\$ 3,893,868</u>	<u>100.00%</u>





# General Obligation Outstanding Debt (December 31)



Wednesday 22nd October 6:00pm

- **Administrative Manager Presentations**

Thursday 23rd October 6:00pm

- **Questions/Discussion**

Thursday 30<sup>th</sup> October 6:00pm

- **Public Hearing**

Wednesday 5th November 6:00pm

- **Questions/Amendments & COW Approval**
- **Proposed amendments to Finance by 4:00pm on the 31st.**

Thursday. 6th November 6:00pm

- **Adoption by Common Council**



## City of Racine

### Legislative Report

City Hall  
730 Washington Ave.  
Racine, WI 53403  
[www.cityofracine.org](http://www.cityofracine.org)

File Number: Res. 0567-25

Agenda Date: 06/17/2025

File Type: Resolution

2026 Budget Schedule and Process

WHEREAS, amendments proposed to the budget by Alders must be submitted in writing to the Finance Director no later than the close of business on Friday, October 31, 2025. Amendments submitted after this date will not be considered by the Council, AND

WHEREAS, the City of Racine finds itself in a structural deficit, AND

WHEREAS, proposed amendments must identify cuts in spending of an equal or greater amount if an amendment proposes spending city resources on something else, AND

WHEREAS, in accordance with state Statute, funding for amendments for capital projects can only come from capital funded sources, and funding for amendments for operations can only come from operations funded sources,

AND THEREFORE BE IT RESOLVED, the Common Council adopts this resolution in accordance with city ordinance for its 2025 budget process and calendar.

Fiscal Note: N/A

