Although spending plan would tax less than allowed, Port panel favors beer surcharge, hike in senior center dues

Port Washington officials on Monday turned to a variety of new and increased fees — including a surcharge on beer served at festivals and higher dues for people joining the Port Senior Center — as they completed work on the preliminary 2013 city budget.

The Finance and License Committee's proposed $8.65 million budget reflects an increase of .4%, or $32,300, over this year's budget.

To support that budget, the levy would increase 1.1%, from $4.73 million to $4.78 million. The proposed tax rate of about $5.72 per $1,000 assessed valuation is a decrease of five cents from last year, City Administrator Mark Grams said.

The city's recycling fee, which is also placed on the property tax bill, is decreasing from $44 per household to $33.

For the owner of a $225,000 house that increased in value 2% during the recent reassessment, the tax bill will remain stable, Grams said, noting the increase in taxes will be largely offset by the reduced recycling fee.

Committee Chairman Dave Larson expressed concern that the city is not increasing its levy as much as allowed by the state, saying this decision will limit the city's ability to tax next year when the city's debt service will increase.

"I don't want to be heroes this year only to be chumps next year," Larson said.

The proposed levy is about $38,000 less than allowed under the state levy cap, Grams said.

The proposed budget maintains services at their current level, includes funds to treat the city's ash trees against the emerald ash borer, improve the walkway to the north beach and pay for coal dock improvements.

But members of the Finance and License Committee on Monday took steps to increase revenue and cut expenditures by $19,000.

Among the more controversial of these is likely to be a surtax on beer sold at city festivals. The funds raised would offset some of the overtime incurred by street department and police force, members agreed.

Although the proposal would affect all festivals, Fish Day would feel the impact the most because it is the largest event.

A similar proposal made more than a decade ago met with fierce opposition from the organizers of Fish Day and the civic groups that sell food and beverages at the festival's nine stands.

Fish Day is the major fundraiser for these groups, providing money that they reinvest in the community through service projects.

That proposal was defeated.

"I still have the scars from that (fight)," said committee member Joe Dean, who was mayor at the time.

"Times are tighter," Grams said. "Levy limits are now in place. There is a cost to the city to do all that cleanup."

The committee originally considered a proposal to raise $10,000 by charging 25 cents per glass of beer sold. But because Fish Day doesn't keep track of the cups of beer sold but instead the number of half-barrels, members suggested imposing a 1% or 2% fee for each half-barrel to raise $5,000.

"If we could get half that $10,000 on behalf of our taxpayers, it would be a start," Dean said. "Do we put (the cleanup cost) on taxpayers or do we put in on the back of the users?"

Mayor Tom Mlada noted that most people who attend Fish Day aren't city residents, and the additional fee isn't likely to change their decision to buy a beer.

If the fee is approved, Grams said, the city would work with the festival organizers to determine how it would be levied.

Fish Day General Chairman Mary Monday had no comment on the proposal when contacted Tuesday, saying she knew nothing about it.

The committee also recommended the city increase the fee to join the Senior Center, which is currently $20 per couple and $15 per individual.

Dean noted that increasing the cost by $4 to $5 would bring in an extra $2,000, adding the increase could be waived for seniors who can't afford it.

"It's a huge bargain," he said of the fee, adding the city made a large investment in the center by leasing the former St. John's Church and renovating it for the seniors.

“That’s one less cup of coffee a year,” Larson said.

The committee also recommended that the Parks and Recreation Department sell advertising banners to be hung at the outdoor pool, a proposal they said could bring in $5,000.

Dean suggested the goal be set at $10,000, calling it “a drop in the bucket.” Similar fundraisers by the YMCA and Port Catholic School have garnered significant contributions, he said.

“It sends a message that we’re all in this together,” he said. “If you sell four or five, others will want to be there, too.”

“The city’s a little harder sell,” Larson said. “I don’t know if you’re going to hit that number. People will give to the Y, to Port Catholic. They pay taxes to the city.”

The committee also agreed to add $15,000 to the proposed budget for the first phase of a comprehensive bluff study, noting that a previous study done about a decade ago did not examine a wicking system proposed for the bluff.

“I think we need to start addressing the bluff,” said Mlada, who proposed the study be funded. “I think this sends a good message that this is an asset the city wants to protect.”

The study could be used by the city to seek grants to finance any bluff protection recommended, he added.

The committee also added $15,000 for directional signs and $15,000 to upgrade the city’s computer system.

Mlada also suggested the city increase its room tax from 7% to 8%, with the additional revenue earmarked for the Tourism Council. This additional revenue will allow the council to advertise in more markets and ultimately enhance the downtown economy.

The committee took no action on this, tabling the matter until its Nov. 7 meeting. The subject will also be taken up by the Common Council that night.

A public hearing on the proposed 2013 budget will be held during the Common Council’s 7:30 p.m. meeting Tuesday, Nov. 20. The council will act on the budget and tax levy following the hearing.