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Port spending package to be considered Nov. 15 by council would pare tax rate by 25 cents per $1,000

Port Washington residents will likely see a slight decrease in their property taxes next year, aldermen were told Tuesday.

The proposed $8.6 million 2012 budget was touted by aldermen, who said it will provide residents with the same quality services at a reduced cost — an achievement in a year when the city lost nearly $167,000 in state aid.

“Overall, it’s a very good budget in a very tough economic time,” Ald. Dave Larson, chairman of the Finance and License Committee, said.

Although he does not have the city’s assessed valuation yet, City Administrator Mark Grams said he expects the $4.92 million tax levy to be raised through a tax rate of $5.78 per $1,000 valuation, 25 cents per $1,000 less than last year.

The owner of a house valued at $200,000 will pay $49.89 less in city taxes this year, he said.

However, the city removed its recycling costs from the property tax and added it as a separate charge. Once that is figured in, he said, the net tax bill will be $5.89 less than last year.

“It’s not a huge decrease, but it is a decrease,” Larson said. “In these times, it’s a big deal.”

The biggest reason the city was able to handle the loss in state aid is the fact employees will be paying 5.8% of their retirement costs and 12% of their health insurance premiums, officials said.

Police officers are not required under the state’s budget-repair law to make these contributions, but they are incorporated into the budget, Grams said, noting they will have to be negotiated in the new police contract.

The city is also benefitting from the fact its health insurance premiums are expected to decrease an estimated 3.5% Grams said.

The proposed budget eliminates the city’s shared-ride taxi service, but that will be replaced by the Ozaukee County taxi, which Larson said should provide similar service to residents.

There will be some fee increases next year, Larson said, including those for the pool, senior center and building permits. The city’s rates are less than those charged by many other communities, he said.

But Mayor Scott Huebner questioned the need to raise rates, saying that if the city is covering its costs it should not boost the fees.

“Let’s be cautious and not follow the same path as the mediation/arbitration law,” which forced communities to boost their contract settlements based on what other municipalities settled for, Huebner said.

“We’re not looking to match (other communities),” Larson said. “We just want to be at a more responsible lower level.”

A public hearing on the proposed budget will be held at 7:30 p.m. Tuesday, Nov. 15. The Common Council is expected to act on the budget the same night.