



# **2024 budget and tax levy**



# Timetable and key events

Work session: 2024  
budget preview, KFS, utility  
rates & city fees, 2024  
CIB/2025-2028 CIP

Adopted  
preliminary tax levy

Certify final levy,  
adopt Budget &  
CIB/CIP

2 Aug.

28 Aug.

12  
Sep.

28  
Nov.

12  
Dec.

2023 Revised and  
2024 Proposed  
Budget presentation  
with Directors

Truth in Taxation  
meeting

# Budget Update

- Labor market continues to remain competitive.
- Cost of living increase at 3%, average step increases 5%, market adjustments for negotiated contracts, hiring at higher steps
- Personnel is approximately 70% of GF
- No new debt issue planned in 2024
- Continued inflationary increases for some goods and services-fuel surcharges added

# Budget Update

- Rolling stock/equip/tech levy at \$1,208,000 - increased by 39% (to provide funding for increased costs/upgrades for rolling stock and technology)
- 2024 LGA reflects significant increase of \$1.35M
- Licenses and permits revenue slowing down ~ 175K decrease compared to 2023.
- EDA levy at \$599,364-increased by 3.50%
- Proposed levy increase is 5.89%

# History of State Aid

<u>Certified</u>	<u>Change</u>
2013 - \$1,218,346	\$0
2014 - \$1,937,907	\$719,561
2015 - \$2,053,363	\$115,456
2016 - \$2,084,057	\$ 30,694
2017 - \$2,094,443	\$ 10,386
2018 - \$2,229,280	\$137,837
2019 - \$2,235,643	\$ 6,363
2020 - \$2,366,046	\$130,403
2021 - \$2,001,680	\$(364,366)
2022 - \$2,010,927	\$ 9,247
2023 - \$2,038,711	\$ 27,784
<b>2024 - \$3,392,552</b>	<b>\$1,353,811</b>

# City Reserves

## Long-term Capital Reserves

2022 Balance	\$8,663,000
2023 Budgeted Transfers#	<u>(\$1,479,000)</u>
2023 Projected Balance*	\$7,184,000
2024 Budgeted Transfers #	<u>(\$600,000)</u>
2024 Projected Balance*	<u>\$6,584,900</u>

\* Projections do not include any investment returns

# Transfers to Ice Arena, Pool and Central Garage

City policy also requires the General Fund to have reserves not less than 40% of current year expenditures. The balance was \$10,990,000 at FYE 2022. This is a separate reserve from above.

# Forecast of City Reserves

- Plan to use Capital Reserves over seven years to bring the negative reserves in the Ice Arena (-\$2,992,098) and the Pool (-\$147,803) into the black by 2028
- Reduce transfers to GF to zero in 2024 (LGA increase funds previous budget gap)
- General Fund goal of 40% of Total Expenditures may require future transfers from Capital Reserves to General Fund. In 2022, \$354,962 was transferred out to General Fund.
- Will need to evaluate future higher increases to the Rolling Stock, Equipment and IT levy to cover increased costs and continue technology updates

# 2024 Proposed Preliminary Levy

- 2024 Proposed Levy is \$28,363,158
  - Increase of 5.89% over the 2023 Levy
- General Fund Levy \$22,442,251
- Equipment Levy \$ 1,208,000
- EDA Levy \$ 599,364
  - Base Levy Total \$24,249,615
- Debt Service Levy \$ 4,113,543
  - Total 2024 Levy \$28,363,158 (5.89%)



# Gross Tax Levy History

- 2024 - \$28,363,158 - 5.89% increase
- 2023 - \$26,784,573 - 6.60% increase
- 2022 - \$25,127,419 - 4.98% increase
- 2021 - \$23,934,632 - 5.50% increase
- 2020 - \$22,687,471 - 4.90% increase
- 2019 - \$21,626,692 - 4.87% increase
- 2018 - \$20,621,911 - 6.11% increase



## **2024 Proposed Levy Impact on the Average Home**

- **2023**
- \$308,000 average home
- City Tax \$1,566
  
- **2024 Proposed**
- \$318,000 average home
- City Tax \$1,657
- Annual tax increase: \$91

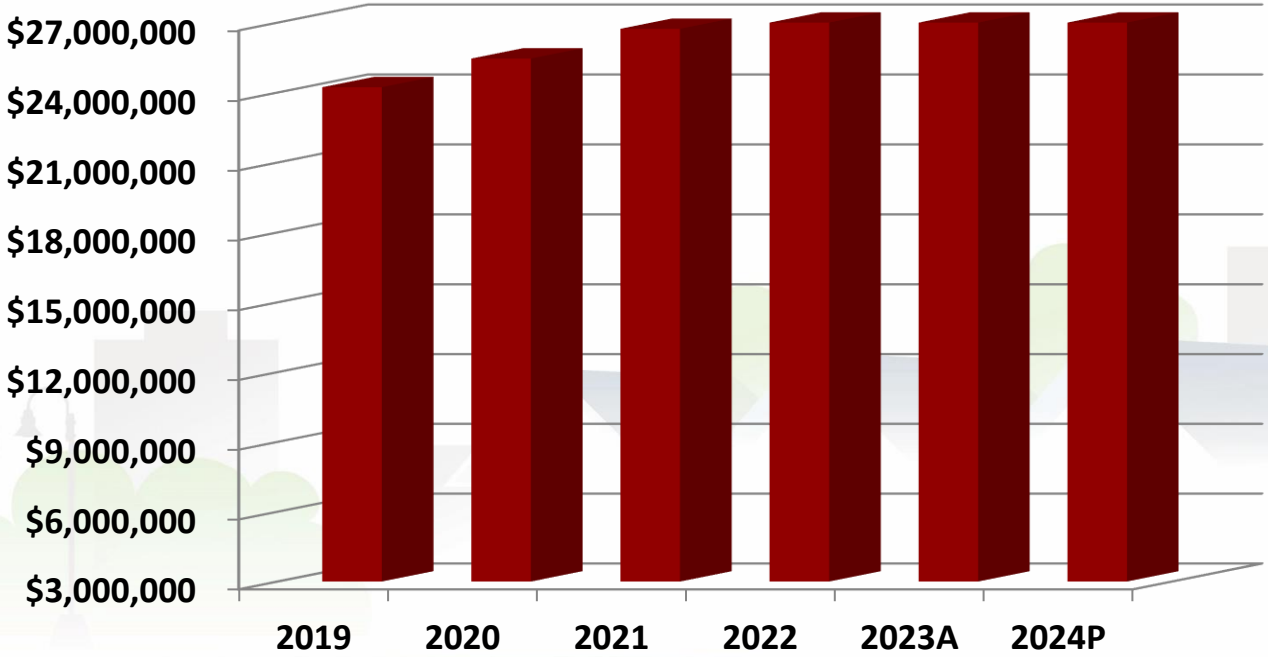
# 2024 Proposed General Fund Budget

The 2024 proposed General Fund Budget of \$30,899,210 is a:

- 6.76% increase from the 2023 adopted budget
- 7.02% increase from the 2023 revised budget

# General Fund Budget Expenditure History

Average increase of 4.38%

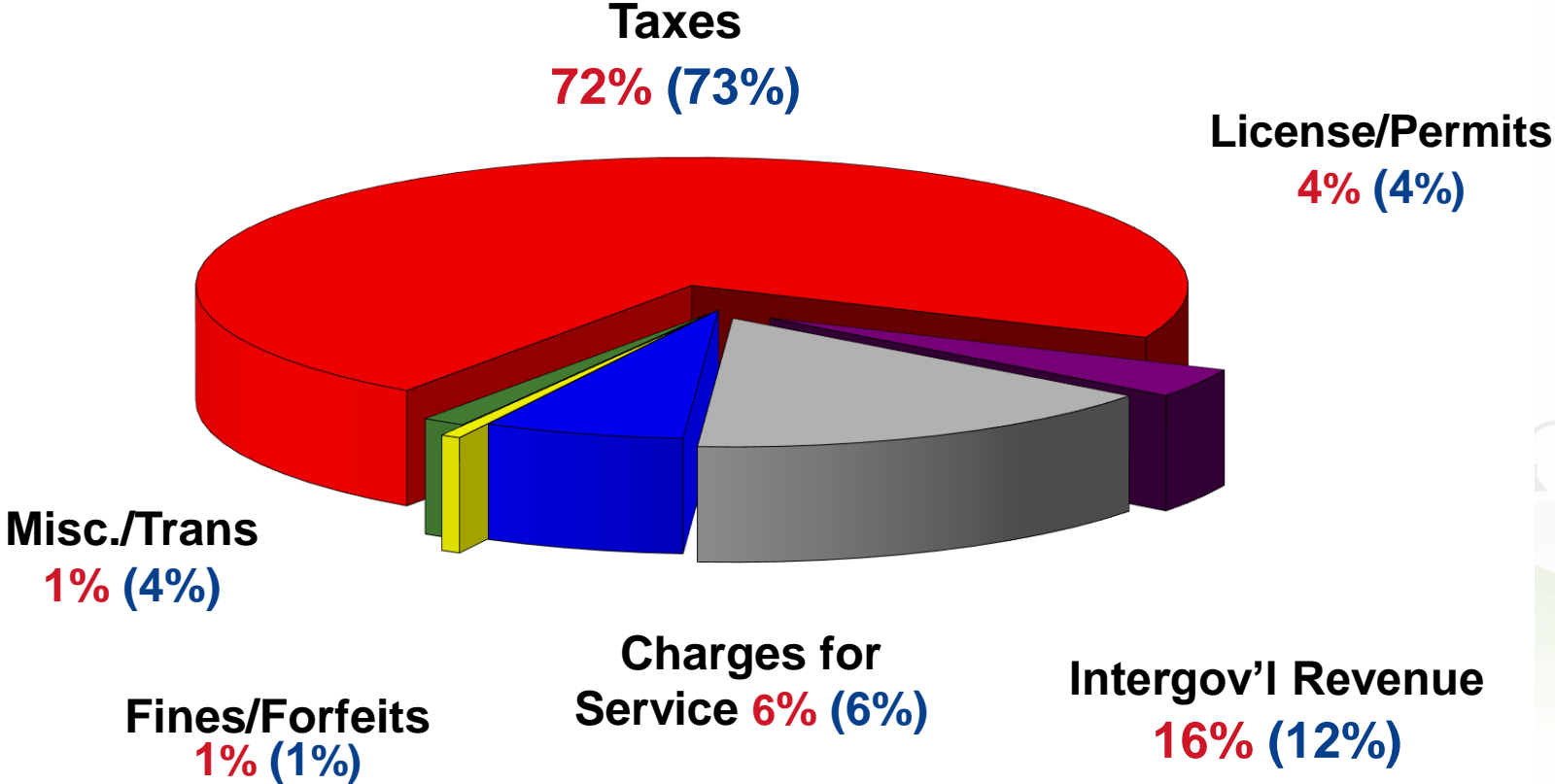


2024P:  
6.76%

# General Fund Revenues

	<u>2023A</u>	<u>2023R</u>	<u>2024P</u>
Taxes	21,026,215	21,026,215	22,220,051
Licenses and Permits	1,314,495	1,089,810	1,140,000
Intergovernmental	3,544,943	3,553,902	4,885,289
Charges for services	1,907,618	1,860,551	2,016,720
Fines and forfeitures	220,000	200,000	200,000
Miscellaneous	70,580	129,700	77,060
Transfers	859,920	1,011,708	360,090
	<u>28,943,771</u>	<u>28,871,886</u>	<u>30,899,210</u>

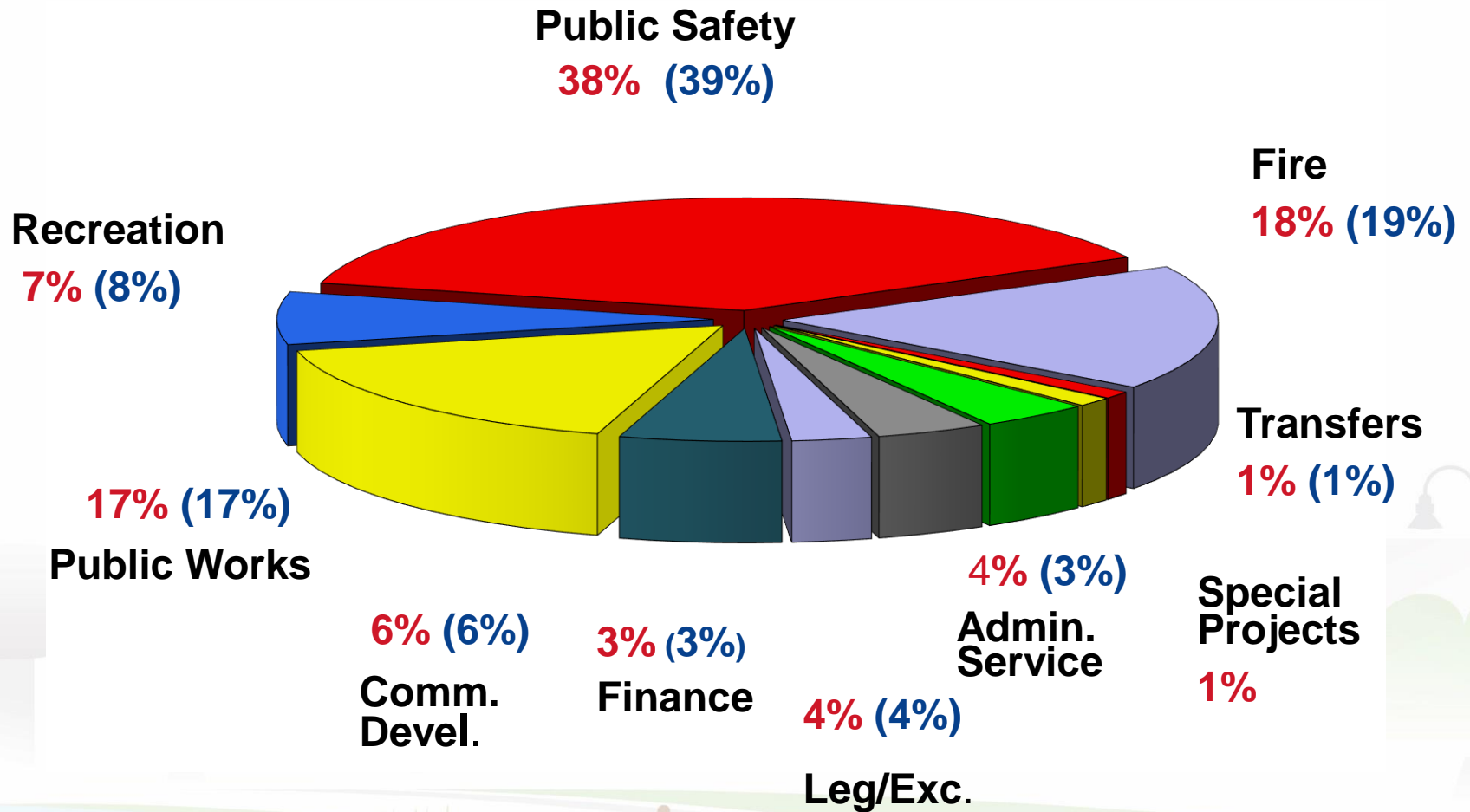
# 2024 (2023) Proposed Budget General Fund Revenues



# General Fund Expenditures

	<u>2023A</u>	<u>2023R</u>	<u>2024P</u>
Legislative/Executive	1,148,816	1,114,258	1,265,380
Administrative	1,000,852	991,424	1,263,950
Finance	886,071	1,006,135	912,618
Public Safety	11,332,622	11,095,903	11,817,265
Fire	5,335,950	5,397,355	5,552,889
Community Development	1,781,890	1,753,100	1,849,550
Public Works	4,946,140	5,006,740	5,182,120
Recreational Services	2,251,430	2,246,971	2,326,037
Transfer Out	260,000	260,000	330,000
Special Projects	-	-	399,401
	<u>28,943,771</u>	<u>28,871,886</u>	<u>30,899,210</u>

# 2024 (2023) Proposed Budget General Fund Expenditures





# Staffing Update –

- One Staff Addition in 2023 Revised, none in 2024 Proposed
- One HR Specialist for the Administration was added to sufficiently support all City employees based on an increase workload and focus on strategic initiatives. The position will be funded from General Fund.
- Due to the tight labor market many positions are being hired at the mid/top end of pay ranges which traditionally were filled at the lower end. Some positions were reclassified to adjust to the market.

# 2024 proposed capital budget

- 2024 Capital Improvement Budget
  - Total 2024 budget - \$7,866,350
  - Major projects include:
    - Fleet Vehicle Purchases
    - Sanitary Sewer Lining
    - Rehabilitation of Stormwater Mains & Structure
    - City-wide Meter Upgrades
    - 77<sup>th</sup> Street Railroad Crossing
    - Donaldson Park Rebuild

# 2024 proposed capital budget

- Rolling Stock/Equipment - Purchases 2024
  - Total Cost of Equipment > \$1,700,000
  - General Tax Levy only \$1,208,000
  - IT Reserves draw

