

To: Council Members

From: Angie Russell, Mayor

Date: November 7, 2023

Subject: 2024 Budget

The 2024 budget began with goals established by all department heads, along with capital items and any additional personal request.

Secondly, the framework of the budget is 85% of the projected revenue is the benchmark for Operating and Maintenance, 10% for capital, and 5% for equipment and reserves.

Thirdly, the large capital is based on the ten-year plan the council approved in September.

The general budget reflects a conservative increase in revenue of 0% compared to the projected year's end. We are seeing a slight rise in sales tax, increase in franchise tax, and a conservative 2% projected increase in the property tax EAV with hopes that a 3% to 5% increase occurs year end based on recent developments. The Water and Sewer departments reflect a conservative increase in revenue of 6%, which includes \$160,000 from impact fees and a 2% increase in operating compared to last year's budget.

The overall city expenditure increase is 12% compared to the projected years end. This includes an investment in three full-time firefighters, promotion of three fire staff to Captains, one in the police department, and one in the water department. The Museum is requesting the current part time employee to become full-time. A 2% increase in wages plus 2% offered for department heads to use at their discretion for merit increases.

The overall Water and Sewer budget includes fixed assets of \$570,000.

The budget is expected to place \$151,000 in reserves for the city, \$80,000 for the street budget and a negative \$221,400 in water and sewer,

After the completion of the Comprehensive Plan, staff prepared the 2024 budget that reflects the desire to invest in aging infrastructure while continuing to improve current facilities and building the reserves.

Police Department will continue to move forward on construction of a new police station, invest in technology with Drones, new CID Command vehicle and patrol rifles.

Fire Department request to purchase a new Brush Truck and acquire a grant for replacement of a fire truck, land for a training center and a increase of \$5,000 to Central EMS contract.

Community Development will continue to work to establish a Heritage District, implement Phase 2 of the Storm Water plan, and complete full review of fees to cover the cost of service.

Street Department will complete a 20-year street maintenance plan, complete phase 1 of the 412/Barrington intersection improvements and add one ½ ton truck.

Park and Recreation is looking to improve Harry Sbanotto Park with the new park plan. The plan also includes repurposing the old fire station into a community center.

Public Works will continue its course to improve the water and sewer infrastructure. This year the new water tower built with bond refinancing and investment in a fixed base meter reading system.

I want to thank Patrick Pinalto for his hard work on this budget.