

2024 Proposed General Fund Budget & Levy Changes Overview

October 3rd, 2023, Update || October 24th, 2023, Update || December 11, 2023, Update

Revenue

1. Property Tax Levy All Funds – Increase of ~~\$255,667 or 5.30%~~ ~~\$241,511 or 5.01%~~ ~~\$223,070 or 4.62%~~ ~~0\$ or 0%~~ over 2023. Potential larger increase in 2025 to compensate for no increase in 2024.
 - a. Equipment Fund – ~~Drops to \$110,418~~ Levy ~~\$138,275~~ to continue the policy of levying for \$1,000,000 between Debt Service and the Equipment Levy. Use full balance of \$148,506. This would empty the Equipment Fund in 2024.
2. LGA – Due to legislation pass in 2023, our LGA saw an increase of \$197,719, to \$1,183,527.
3. Interest Income – Increase of ~~\$40,000~~ ~~\$125,000~~ based on our current fixed income portfolio and returns from our money market account.
4. Use \$90,000 in fund balance from 2023 projected surplus
5. Decrease Public Works County Road Maintenance Revenue by \$3,300

Expenses

1. **Personnel (Wages & Benefits)** - Proposed increase of \$269,153 or 6.6%
 - a. Wages – projected at 4% COLA plus steps
 - i. City Administrator salary/benefit allocation has been updated to have 30% paid by the EDA (was 1.5%). The Planner salary/benefit allocation moved from 50% EDA to 100% Planning.
 - ii. 2024 is a leap year. There are two additional workdays included in the budget.
 - iii. Use \$44,930 of Public Safety funding for additional SRO pay due to agreement with the School District.
 - iv. Parks Part-Time Staff: Add \$5,000 pay & PERA/FICA due to returning staff pay increase
 - b. Health Insurance – Increase of 6.25%, or \$12,982. This the second year of a two year agreement to be part of the Sourcewell insurance pool.
 - c. Dental Insurance – Staff initially budgeted for a 10% increase in dental insurance rates in 2024. Rates were provided on 10/11 at a 8.07%, or \$3,610 increase. The budget was updated to reflect the \$914 savings.
 - d. Life Insurance & Short-Term Disability – Starting in 2023, the City entered a 3-year agreement with the Hartford that does not have any rate increases.
2. **Operations, Maintenance & Capital:**
 - a. Council – Add \$5,400 to supplies for potential new member laptops
 - b. Property and liability Insurance – 7% increase and \$0 agent fee increase
 - c. Contribution to New Prague Area Schools for Fitness & Aquatic Center – decrease \$14,275
 - d. Capital & Special Projects
 - i. Government Buildings – Increase \$100,000 for future maintenance and/or remodeling
 - ii. Fire – \$25,000 included to begin updating radios. Come from Public Safety Funding
 - iii. Police - \$62,000 included to replace a squad car
 - iv. Building Inspector – \$10,000 included to replace the aging office furniture within the Community Development office
 - v. Stump Grinder – Streets, Parks, and Golf Club each have \$12,000 included to split the cost of a stump grinder
 - vi. Streets – Delay purchase of new pickup at a cost of \$60,000
 - vii. Parks – \$70,000 included to replace a small Front-end Loader
 - viii. Park Board – \$130,000 carried over from 2023 for sidewalk/trail connections

3. **Professional Services:**

- a. Technology – \$42,000 added as Capital Outlay to start replacing equipment.
- b. Planning - \$40,000 (half of needed cost) added to plan for a full re-write of the Zoning Ordinance in 2025
- c. Police – \$32,000 increase for body camera equipment payment plan
- d. Compensation Study: \$40,000 to have a third-party review employee wages, benefits, and job descriptions

4. **Debt Service:**

- a. Planned Debt Service levy increase \$68,299 (\$889,582) to cover payments of bonds
- b. Reduce Debt Service Levy amount by \$27,857 to correct mistake in Baker Tilly debt workbook. New increase over 2023 is \$40,442 (\$861,725)

5. **Other Notables:**

- a. Elections – Budget to pay election staff for three elections (March primary, August primary, November general)

6. **Discretionary Expense:** Budget contingency to remain unchanged at \$25,000

7. **Operating Transfers Out:** Reduce Golf Club transfer by ~~\$12,127, or 10%~~ 24,254, or 20% \$121,270, or 100% temporarily. Revisit during 2025 budget cycle.