

Finance Department

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To: Finance Committee
From: Mark Stevens
Date: July 22, 2024

RE: 2025 Budget Global Assumptions Input

A meeting of the Leadership Team took place to contemplate its desired approach to the limitations we will be facing with the creation of the 2025 budget. The group reviewed the estimated increases in wages and benefits considering the constraint of expenditure growth as a participant in the Expenditure Restraint Incentive Program (ERIP). The consensus of comments shared was a preference to provide a 4% wage increase with the realization that non-personnel expense account budgets will have to be presented at a 0% increase. Department heads will need to include in budget proposals what decreases in services may be impacted as required increases in some accounts will force reduced spending levels in other accounts.

This is predicated upon the location of an acceptable group health plan alternative that provides no increase in current premium costs.

Available \$ for 2025 Fund 01		Rev: 07/16/2024		
Additional Revenue:				
Shared Revenue: 2.3% incr	77,025			
Expend Restraint Pgrm (4.23%)	863,903			
Total Additional Revenue		940,928		
NOTE: Expenses in new year cannot	ot rise more	than ERP total		
Additional Compensation Expenses:			w/o Ins	
Wage Incr- non union 4%	234,604		234,604	
Wage Incr- FD 4.0%/5.0%	338,403		338,403	
Wage incr- PD 4.0%/5.0%	301,487		301,487	
HIth Ins 16%	390,432		-	
Work Comp: exp mod incr	10,000		10,000	
Alloc: St Labor to Solid Wste	(16,695)		(16,695)	
Alloc: AMSO to TIDs	(30,201)		(30,201)	
+/-				
Total Compensation Exp		1,228,030		837,598
Diff of ERP minus additional comp	exp;			
amount available for non-PR exp	amount available for non-PR exp			26,305
Non-PR expense total		6,875,323		6,875,323
Increase available		-5.3%		0.4%

Compensatio	ertown							Rev: 07/16/2024					
2024 Totals w	ı/ 2025 What	-If Calcs											
Wages													
01 Gen Fund	11,524,871												
02 Wastewtr	722,922												
03 Water	769,704												
14 Enviro Hlth	304,123												
15 ER Prepare	35,507												
16 Stormwater	510,969												
17 Solid Waste	408,116												
18 Seal Smile	8,119												
26 Future Fnd	65,478												
		14,349,809											
Benefits													
Required: WRS	S, SS, Med	2,347,298		2025: Additional Cost if Increase is x%									
			Total	1.0%	1.5%	2.0%	2.5%	3.0%	3.5%	4.0%	5.0%	4% / 5%	16.0%
Fnd 01 Non-union Wages & Req Bnfts:		5,865,104	58,651	87,977	117,302	146,628	175,953	205,279	234,604	293,255			
Fnd 01 Wages & Req Bnfts FD:		2,878,688									338,403		
Fnd 01 Wages & Req Bnfts PD:		4,784,819									301,487		
Other Fr	ids Wages & Re	equired Bnfts:	3,168,496	31,685	47,527	63,370	79,212	95,055	110,897	126,740	158,425		
То			16,697,107	166,971	250,457	333,942	417,428	500,913	584,399	667,884	834,855		
	% of Wages												
Health	19.6%		3,275,986	32,760	49,140	65,520	81,900	98,280	114,660	131,039	163,799		524,158
Life	0.2%		30,066	301	451	601	752	902	1,052	1,203	1,503		
Dental	1.1%		186,659	1,867	2,800	3,733	4,666	5,600	6,533	7,466	9,333		
Total Compens	sation		20,189,818										
2024 Fund 01	Total	20,403,934							Fund 1	. Wage incre	ease: 4.0%		234,604
	Compenstn	13,528,611	66%							Wage increase: FD 5.0%		%	338,403
	Non-Comp	6,875,323								Wage increase: PD 5.0%			301,487
	2 22	.,,										2,440,201	390,432
										Fund 1 Total		1,264,926	