

Budget Highlights and Assumptions

➤ Revenues

- Increased street work done for City Utilities
- Qualification of State Expenditure Restraint Program (ERP) aid of approximately \$1.684 Million
- Loss of one-time revenue from ARPA funds

➤ Expenses

- A 3% Cost of Living Adjustment for Non-Represented Employees effective 1/1/26 is built into the budget
- A step increase for employees has been included effective 7/1/26
- A proposed 15% increase in Active & Retiree Health Insurance Rates in “2026 Proposed Budget 9/4/25” column. Health insurance increase was reduced to 9% in “2026 Proposed Budget 9/23/25” column
- Collective bargaining agreement salary increases for the Police and Fire unions
- Any requests of adjustments to the Authorized FTE List have not been included in the budget
- Departments collectively reduced department budgets 2.21% through holding positions open and reductions to services and supplies in “2026 Proposed Budget 9/23/25” column

➤ Operating Budget Constraints

- A net new construction figure of \$251,206 (0.68%), the amount the City is allowed to increase the levy by and is proposing to utilize the full amount
- 3.17% was used for the allowable percentage increase for expenditures based on the Consumer Price Index. This allows for an increase of expenditures of \$2.016 Million to participate in the Expenditure Restraint Program for 2026, an increase of \$4.664 Million is being proposed

2026 Proposed Revenue Sources

	2025 ADOPTED BUDGET	2026 PROPOSED BUDGET 9/4/25	2026 PROPOSED BUDGET 9/23/25	2026 VS 2025 VARIANCE INC (DEC)		EXPLANATION OF VARIANCE
				\$	%	
1 GENERAL GOVERNMENT						
2 CLERK	\$ 522,546	\$ 520,603	\$ 520,603	\$ (1,943)	-0.37%	
3 POLICE	241,161	241,729	241,729	568	0.24%	
4 FIRE	1,192,915	175,115	175,115	\$ (1,017,800)	-85.32%	Inspection Department budget transferred to Planning, Reduced number of permits issued
5 PLANNING/DEVELOPMENT	28,600	695,900	695,900	667,300	2333.22%	Inspection Department budget transferred to Planning, Reduced number of permits issued
6 ENGINEERING	420,812	384,986	384,986	\$ (35,826)	-8.51%	
7 HIGHWAY & REFUSE/RECYCLING	281,000	461,000	461,000	180,000	64.06%	Street work done for Utilities
8 LIBRARY	216,336	213,468	213,468	\$ (2,868)	-1.33%	
9 PARKS, REC, FORESTRY/FACILITIES	536,000	596,000	596,000	60,000	11.19%	Increased rental fee revenue
10 NON DEPARTMENTAL:						
11 GENERAL REVENUES	5,040,473	3,580,384	3,580,384	\$ (1,460,089)	-28.97%	Loss of ARPA funds
12 TAXES & SPECIAL ASSESSMENTS	2,240,000	2,240,000	2,240,000	-	0.00%	
13 STATE SHARED REVENUE	20,065,949	20,065,949	20,978,085	912,136	4.55%	
14						
15 OPERATING REVENUES (ROWS 2-13)	30,785,792	29,175,134	30,087,270	(698,522)	-2.27%	
16						
17 TOTAL OPERATING EXPENSES	63,618,600	68,283,262	66,200,885	2,582,285	4.06%	
18 <i>(from Expense worksheet)</i>						
19 OPERATING BUDGET TAX LEVY*	\$ 32,832,808	\$ 39,108,128	\$ 36,113,615	\$ 3,280,807	9.99%	
20						
21 DEBT SERVICE LEVY	\$ 8,750,000	\$ 8,600,000	\$ 8,600,000	\$ (150,000)	-1.71%	
22						
23 TOTAL CITY LEVY W/O TIF LEVY	41,582,808	47,708,128	44,713,615	3,130,807	7.53%	

Notes:

*Row 19 is the difference between operating expenses and projected operating revenues and is the amount placed on the tax rolls for city operations.

2026 Operating Proposed Expenses

				2026 VS 2025 VARIANCE		EXPLANATION OF VARIANCE
				INC (DEC)		
2026 PROPOSED						
2025 ADOPTED BUDGET	2026 PROPOSED BUDGET 9/4/25	BUDGET 9/23/25		\$	%	
NOTE: Variance for all departments listed below include salary & benefit increases. Adjusted health insurance cost increase down from 15% to 9%.						
1 GENERAL GOVERNMENT:						
2 CLERK	\$ 601,778	\$ 721,387	\$ 716,121	\$ 114,343	19.00%	Increased LTE wages, postage, and supplies expense due to elections in 2026.
3 COUNCIL	177,745	177,767	177,767	\$ 22	0.01%	
4 ENGINEERING	1,927,021	2,005,873	1,938,190	\$ 11,169	0.58%	
5 FINANCE	1,653,151	1,777,346	1,713,851	\$ 60,700	3.67%	
6 HUMAN RESOURCES	636,862	664,286	641,114	\$ 4,252	0.67%	
7 FIRE/COMMUNITY RISK	14,434,251	14,252,338	13,790,471	\$ (643,780)	-4.46%	Inspection Department budget transferred to Planning and fully budgeted
8 INFORMATION TECHNOLOGY	2,649,743	2,913,405	2,856,604	\$ 206,861	7.81%	
9 LEGAL	837,166	915,241	908,922	\$ 71,756	8.57%	
10 LIBRARY	5,201,095	5,451,589	5,267,758	\$ 66,663	1.28%	
11 MAYOR	332,477	350,360	347,201	\$ 14,724	4.43%	
12 MUNICIPAL COURT	254,905	270,363	268,256	\$ 13,351	5.24%	
13 PARKS/REC/FORESTRY/FACILITIES	5,041,152	5,232,062	5,055,785	\$ 14,633	0.29%	
14 PLANNING/DEVELOPMENT	1,234,839	2,446,294	2,361,617	\$ 1,126,778	91.25%	Inspection Department budget transferred to Planning
15 POLICE DEPARTMENT	13,931,995	14,957,206	14,441,174	\$ 509,179	3.65%	
16 HIGHWAY & REFUSE/RECYCLING	8,377,481	8,842,708	8,576,353	\$ 198,872	2.37%	Increased Garbage/Recycling Services
17				\$ -		

2026 Operating Proposed Expenses

				2026 VS 2025 VARIANCE		EXPLANATION OF VARIANCE	
				INC (DEC)			
2026 PROPOSED							
	2025 ADOPTED BUDGET	2026 PROPOSED BUDGET 9/4/25	BUDGET 9/23/25	\$	%		
18	NON DEPARTMENTAL:						
19	CONTINGENCY	300,000	300,000	300,000	\$ -	0.00%	
20	RETIREE HEALTH INSURANCE	2,423,401	2,785,622	2,640,286	\$ 216,885	8.95%	Health insurance premiums increased 9% with 138 retirees on the City Health Insurance plan
21	INSURANCE	845,713	1,179,605	1,179,605	\$ 333,892	39.48%	Liability insurance premiums increased
22	TRANSIT SUBSIDY	745,925	866,340	866,340	\$ 120,415	16.14%	Additional subsidy for Transit for wage increases
23	GENERAL EXPENSE	2,011,900	2,173,470	2,153,470	\$ 141,570	7.04%	
24							
25	TOTAL OPERATING EXPENSES	\$ 63,618,600	\$ 68,283,262	\$ 66,200,885	\$ 2,582,285	4.06%	
26							
27	DEBT SERVICE EXPENSES	\$ 8,750,000	\$ 8,600,000	\$ 8,600,000	\$ (150,000)	-1.71%	Decreased debt service expenses due to decrease in Enterprise expense
28							
29	TOTAL EXPENSES	\$ 72,368,600	\$ 76,883,262	\$ 74,800,885	\$ 4,514,662	6.24%	
30							81.55%
31	NEW POSITION + POSITION RECLASS REQUESTS NOT INCLUDED IN ABOVE NUMBERS:						83.35%
32	General Government				1,295		
33	Special Revenue Fund				-		
34	Enterprise Funds				-		
35	Total new position costs				\$ 1,295		

City of La Crosse, Wisconsin
Proposed Adjustment to Authorized FTE List - 2026 Operating Budget

January 1 Hire

All salary figures are based on the 2025 Wage Scale. 2026 WRS Rate Used. 2025 Health Insurance Rates

Notes

General Government

<u>Department</u>	<u>Position Title</u>	<u>Request Type</u>	<u>Grade</u>	<u>Salary Expense</u>	<u>Benefit Expense</u>	<u>Total Expense</u>	
*Police	Police Records Manager	Reclassification	12	\$ 82,326.40	\$ 31,910.48	\$ 1,294.66	The difference between Grade 11, Step 6 and Grade 12 Step 4 (with benefits) is \$1,291.90
					Total Police*	\$ 1,294.66	
					Total to General Fund	\$ 1,294.66	
					Proposed Total of New Positions	\$ 1,294.66	

Based on 2025 Wages and 2025 Health Insurance Premiums

Expenditure Restraint Program

1	2025 Adjusted Operating Budget	\$ 63,598,069
2	Allowable increase Percent provided DOR (CPI)	3.17% <i>Projected</i>
3	Allowable increase Amount	<u>2,016,059</u>
4	2026 Allowable Operating Budget	<u>\$ 65,614,128</u>
5		
6	2026 Adjusted Proposed Operating Budget	<u>\$ 66,200,885</u>
7	2026 Over/(Under) Expenditure Restraint	<u>\$ 586,757</u>

Levy Limits

1	2024 Payable, 2025 Actual Levy after Adjustments	\$ 41,582,809
2	Net New Construction Adjustment (0.68%)	<u>251,206</u>
3	2026 Allowable Levy Limit	<u>41,834,015</u>
4		
5	2026 Proposed Levy w/o TID Levy	<u>44,713,615</u>
6		
7	Amount Proposed Levy Over/(Under) Levy Limit	<u>2,879,600 *</u>

*There is available capacity to increase the levy due to unused Debt Levy Limits