

Budget Highlights and Assumptions

➤ **Revenues**

- \$2.5 Million of ARPA Lost Revenue Funds utilized
- \$1.67 Million of Fund Balance use due to receipt of \$1.8 Million TIF Developer payment
- (\$1 Million) Forfeiture of the state expenditure restraint program aid of approximately \$1 million

➤ **Expenses**

- An estimate has been budgeted for the increase to wages resulting from the pay and class study recommendations
- A 3% Cost of Living Adjustment for Non-Represented Employees effective 1/1/23 is built into the budget
- A step increase for employees has been included effective 7/1/23
- A 1% Vacancy allowance for all positions based on historical experience
- Collective bargaining agreement salary increase for the Police and Fire unions
 - Fire – 2% increase effective 1/6/23, 1% increase effective 7/7/23
 - Police – 1% increase effective 1/6/23, 2% increase effective 9/1/23
- Any requests of adjustments to the Authorized FTE List have not been included in the budget
- Reduction to Streets budget of \$252,954 by shifting funding of street capital projects from operating funds to capital funds

➤ **Operating Budget Constraints**

- A net new construction figure of \$360,453, the amount the City is allowed to increase the levy by and is proposing to utilize the full amount
- 7% was used for the allowable percentage increase for expenditures based on Consumer Price Index. This allows for an increase of expenditures of \$4.2 Million to participate in the Expenditure Restraint Program for 2023 an increase of \$1.04 Million (1.54%) is being proposed