

Memo from Lew for Budget FY23-24 (2).pdf

FY 23-24 Budget PowerPoint Presentation Graphs (1).pdf



DATE: February 24, 2023

TO: Mayor Davies and Members of the Monmouth City Council

FROM: Lew Steinbrecher, City Administrator

RE: Recommended Fiscal Year 2023-2024 Annual Budget

Attached please find an electronic copy of the Recommended Fiscal Year 2023-2024 Annual Budget for the City of Monmouth. The total budget amount is **\$38,043,056** which is an increase of 24.4% over this year's current budget. Although this statistic appears on the surface to be a very significant jump of over \$7.5 million in one year, it is actually a culmination of several large grants coupled with the sale of the Transfer Station in June 2021, which enabled the City to finance \$5 million to match these grant programs.

There are numerous major capital improvement projects that will all advance to the construction phase after May 1, 2023. Those projects include the \$1.2 million local street resurfacing, West Harlem Avenue water main replacement and road reconstruction, East Euclid Avenue water main replacement and road reconstruction, Public Square water main replacement, North 6th Street water main replacement and road reconstruction, Wastewater Treatment Plant Disinfection System, and the Smithfield Water System Improvement for a new production water well. Monmouth will experience an exceedingly dominant capital improvement program totaling some \$13 million in 2023 and 2024.

The other notable increase was the combined \$1.873 million allocation of 2023 property tax revenues to the Police and Fire Pension Funds. This appropriation equated to a 5.2% increase in this particular state mandated

cost to the City. The rest of the budget moderately maintains the status quo on all other municipal services and departmental staffing levels. The City will also undertake the scheduled replacement of lawnmowers this spring for the cemetery, public works, and campground as well as the purchase of a new leaf vacuum machine to replace the current unreliable 30 plus year old vacuum apparatus.

The City Council needs to be given the credit for moving forward with the 2021 sale of the Transfer Station that not only generated \$2.25 million in revenues from the proceeds, but also reduced a significant amount of cash flow from the General Fund operating expense that had been using public tax dollars to subsidize the Transfer Station, thus enabling the City to re-allocate these funds to debt service which allowed the opportunity to finance another \$5 million in much needed capital improvements. Next year's budget clearly manifests this important public policy decision a year and a half ago that has empowered the City to facilitate numerous projects to repair and replace much of the deteriorating municipal infrastructure around town. This is truly a milestone accomplishment and absolutely needs to be properly recognized in the community as the principal achievement of the elected municipal leadership this term.

Also attached is the accompanying PowerPoint presentation that will be displayed during the March 20th Council meeting to highlight the FY 2023-2024 Budget. Please let either me or Annette know if you would like a hard copy of the Budget document.

cc: Susan Trevor, Chief Joe Switzer, Chief Casey Rexroat, Andy Jackson, Ken Helms, Marcum Spears, Joe Clark

Fiscal Year 2023-2024 Budget Overview

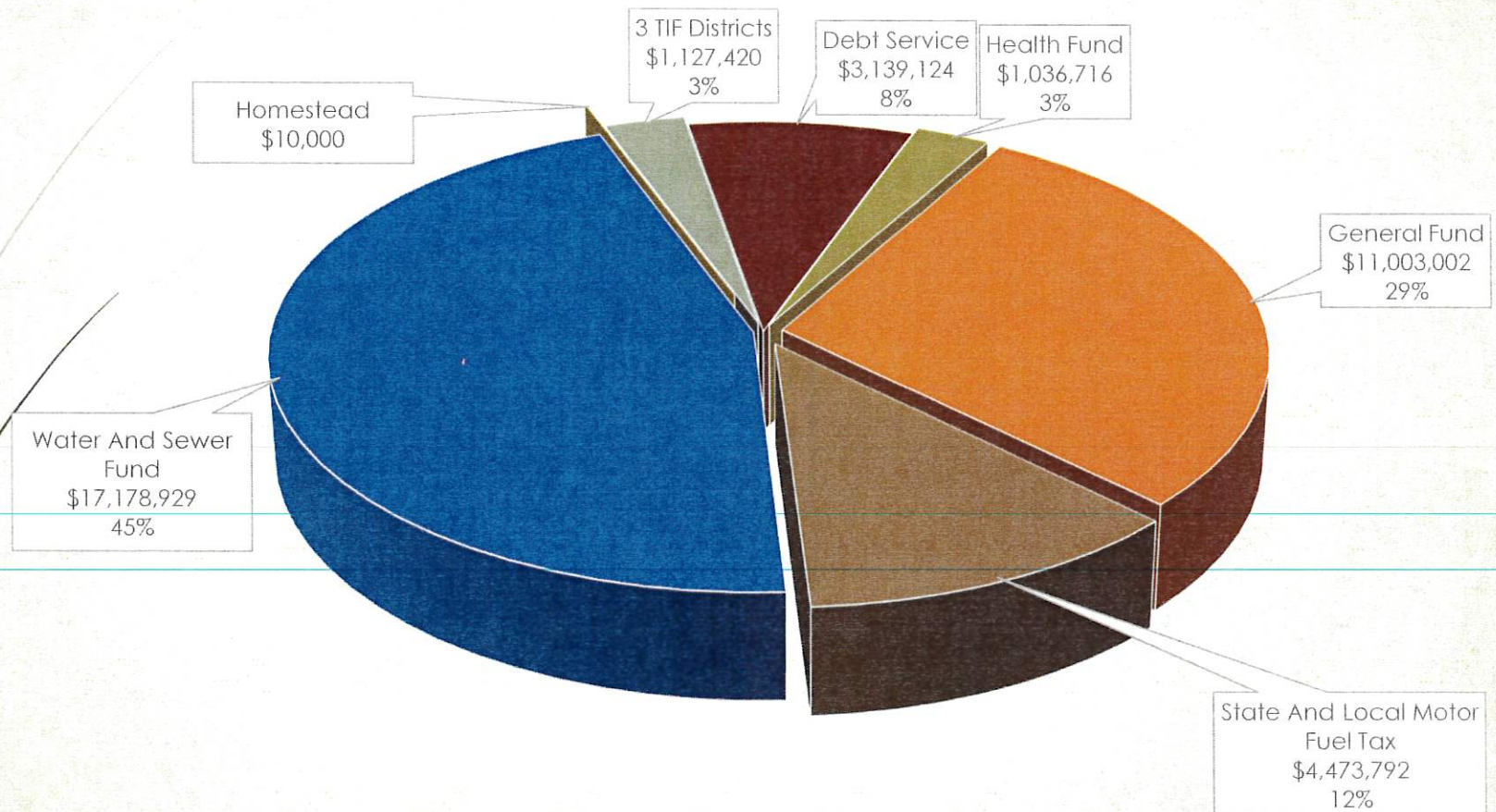
Monmouth City Council Meeting
March 20, 2023



MONMOUTH
ILLINOIS

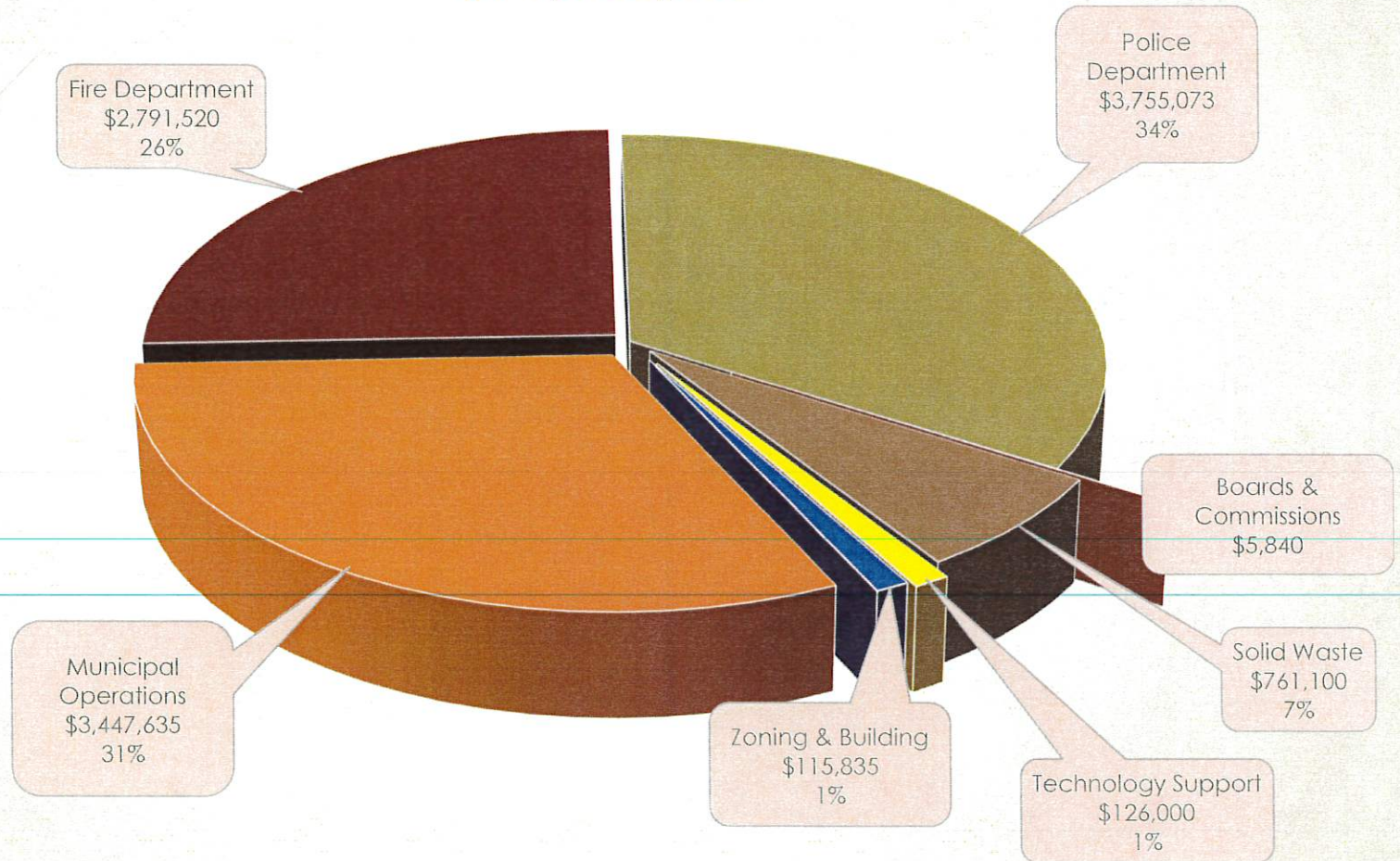
Overview Of Fiscal Year 2023-2024 Budget

\$38,043.56



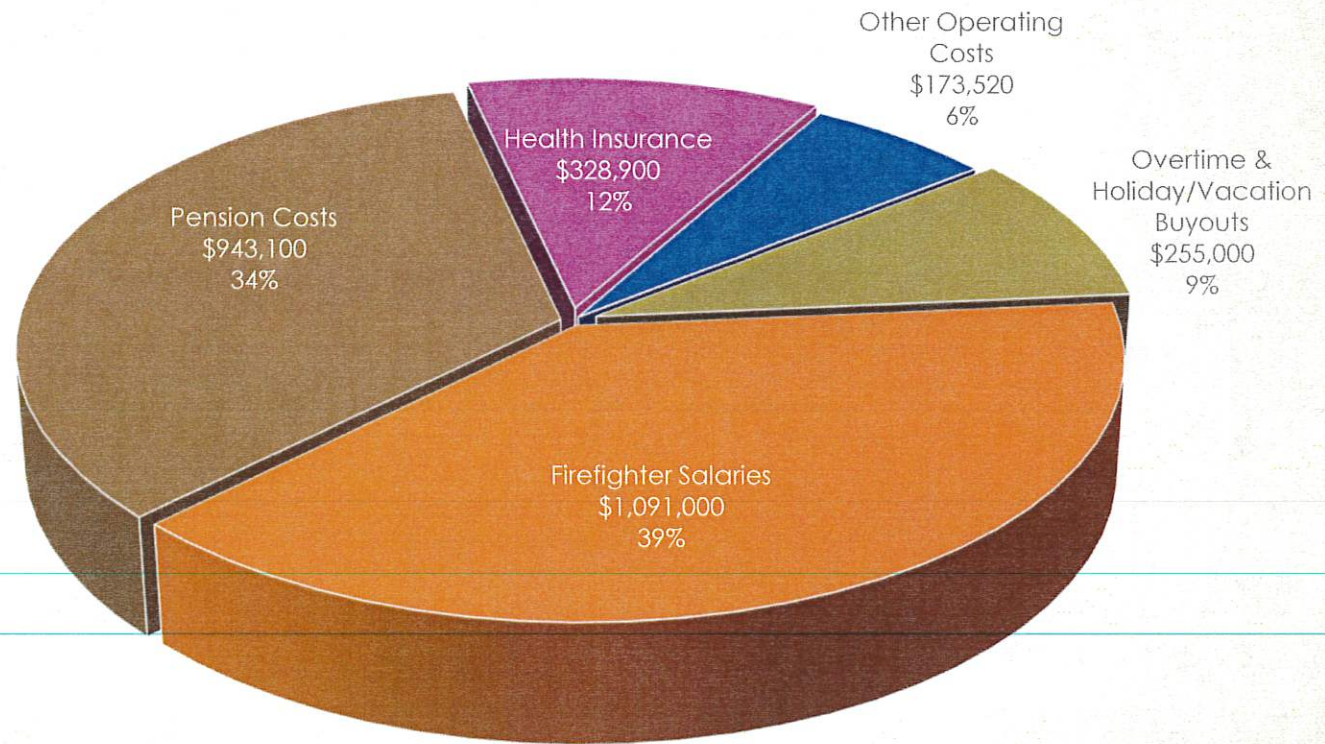
Overview Of General Fund Budget

\$11,003,002



Overview Of Fire Department Budget

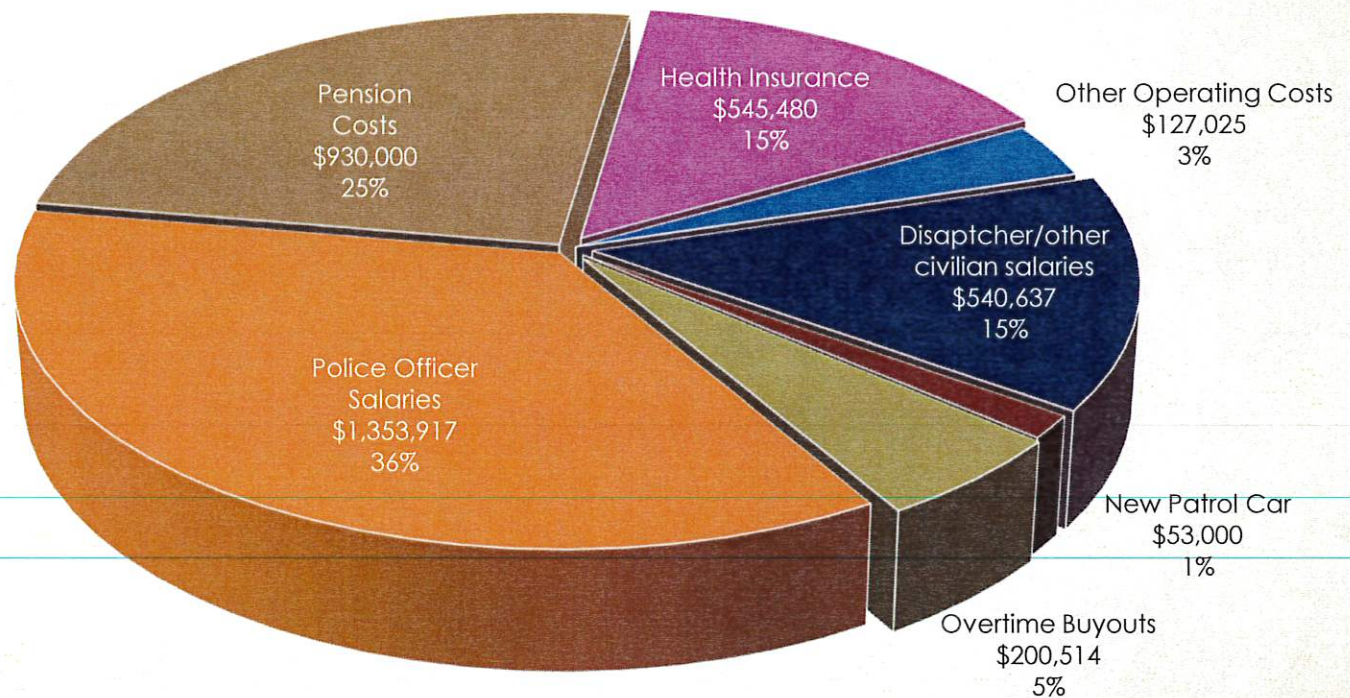
\$2,791,520



Total labor costs constitute 94% of the total Fire Department budget. For every \$1.00 the City spends on payroll for active Firefighters, it spends Another 86¢ on pension benefits for retired Firefighters.

Overview Of Police Department Budget

\$3,755,073



Total labor costs constitute **95%** of the total Police Department budget
For every **\$1.00** the City spends on payroll for active Police Officers, it spends
Another **69¢** on pension benefits for retired Police Officers.

Comparison of FY 21-22, FY22-23, And FY 23-24 Municipal Operations

2021-2022
\$1,649,179

Maintenance
& Operating
Costs,
1,073,550, 65%

Labor Costs,
440,260, 27%

Grants &
Capital
Improvements,
135,369, 8%

2022-2023
\$2,908,042

Maintenance &
Operating Costs,
1,861,542, 64%

Labor Costs,
455,000, 16%

Grants &
Capital
Improvements,
591,500, 20%

2023-2024
\$3,369,635

Labor
Costs,
470,508,
14%

Grants &
Capital
Improvements,
777,152, 23%

Maintenance
& Operating
Costs,
2,121,975, 63%

Grants and Capital Improvement spending continues to increase compared to growth in labor costs following a 337% increase in capital expenditures from the previous year (FY 21-22 to FY 22-23).