



STAFF REPORT

DATE: February 29, 2024

TO: The Honorable Mayor and City Council

FROM: Kyle Maurer, Director of Finance and Administrative Services

SUBJECT: Discussion of the department requested Communications, Human Resources, Information Technology, Legal, and Legislative budgets for fiscal year 2025 and 2026

RECOMMENDATION:

N/A – This is for discussion only.

ISSUE BEFORE COUNCIL:

N/A – This is for discussion only.

BACKGROUND/SUMMARY:

Staff will discuss the department submitted budgets for the Communications, Human Resources, Information Technology, Legal, and Legislative departments.

DISCUSSION:

Communications – For fiscal year 2025 the overall budget is requested to decrease \$47,140 (12.3%) and increase \$19,150 (5.7%) for fiscal year 2026. A number of line items (project areas) are anticipated to decrease, with the largest decreases occurring in Public Relations (\$10,000), surveys (\$26,370), and newsletters. Anticipated inflationary increases are requested for fiscal year 2026.

Human Resources – For fiscal year 2025 the overall budget is requested to increase \$48,600 (8.2%) and increase \$41,830 (6.5%) for fiscal year 2026. The largest reason for the increase in fiscal year 2025 is an anticipated increase in liability insurance premiums (\$40,000). Human Resources requested an additional \$10,000 for anticipated liability insurance increases in fiscal year 2026, along with an additional \$5,000 in hospitality and promotion.

Information Technology – For fiscal year 2025 the overall budget increase request is \$27,090 (4.3%) and \$164,020 (25.7%) for fiscal year 2026. Overall operating expenditures in fiscal year

2025 are anticipated to increase \$3,280. A career ladder increase for one of the ITS Technicians has been requested. In fiscal year 2026, the department requested an additional ITS Technician (\$120,890). The City Manager has already indicated he will not recommend FTE increases with the City Manager's Recommended budget. Outside of the FTE request, regular inflationary increases were requested for fiscal year 2026.

Legal – For fiscal year 2025 the overall budget increase is \$23,845 (4.4%) and \$16,060 (2.8%) for fiscal year 2026. The Human Resources Department is recommending a market adjustment for the City Attorney and City Prosecutor (\$12,600). Operating expenses for fiscal year 2025 are requested to decrease \$3,565 and increase \$430 for fiscal year 2026.

Legislative – The Administration department has prepared a Legislative budget for discussion. The overall fiscal year 2025 budget increase is \$51,690 (14.2%) and \$15,700 (3.7%) for fiscal year 2026. In the last market survey, the Human Resources department identified the Mayor and Council salaries as being out of market compared to comparable municipalities. Detail on the salary survey was included in the February 21, 2024 Special City Council Meeting budget handout (page 44). The recommendation is to increase City Council member salaries by \$4,000 per year and the Mayor's salary by \$11,000 per year. The total cost for this increase would be \$34,200. This increase has been included in the submitted budget.

Other operating increases include an anticipated increase in ULCT membership dues of \$2,700 (7.8%) for fiscal year 2025 and \$1,500 (4%) for fiscal year 2026. A total of \$146,500 is budgeted for City lobbyists (GTC \$47,500; RRJ \$45,000; Jordan & Associates (\$54,000). The budget also includes \$2,500-\$3,000 for Butterfield Scholarships (one FY2024 scholarship is being deferred until FY2025) and \$15,000 for outside group sponsorships. A total of \$7,000 one-time funds are requested in fiscal year 2026 for computer replacements, which may be necessitated by the election.

ALTERNATIVES:

N/A – This is for discussion only.

FISCAL IMPACT:

Fiscal impacts are noted on the attachments to this staff report.

ATTACHMENTS:

Department requested budgets.