



Current Revenue Estimates



Real Estate Taxes

- Residential and Commercial Assessed values increasing 4% to \$418M.
- Current tax rate of \$.74 results in revenues of \$3.1M.
- Estimated \$120Kincrease in revenues as compared to FY25.

Apartments and multi-unit housing

- Residential and Commercial Assessed values increasing 4% to \$206M.
- Current tax rate of \$.80 results in revenues of \$1.65M.
- Estimated \$65Kincrease in revenues as compared to FY25.

Other Revenue Items

- Slight increase of 5% in Highway User Funds.
- Reduced projected revenues generated by Automated Traffic Enforcement by \$1M.





Revenue Options



Effects of an increase in the Residential tax rate-

- What would it cost the average homeowner if rates increased \$.02 from \$.74 to \$.76?
- 1,142residential properties consisting of single family houses and condos for a total assessed value of \$277,860,00.
- Average of \$243Kof assessed value per property
- \$.02 increase would increase property taxes by \$49 per year based on the average assessed value of \$240,000.
- A \$300,000 assessed home would pay an additiona<u>\$60</u> per year
- A \$400,000 assessed home would pay an additiona<u>\$80</u> per year



Possible Revenue Options



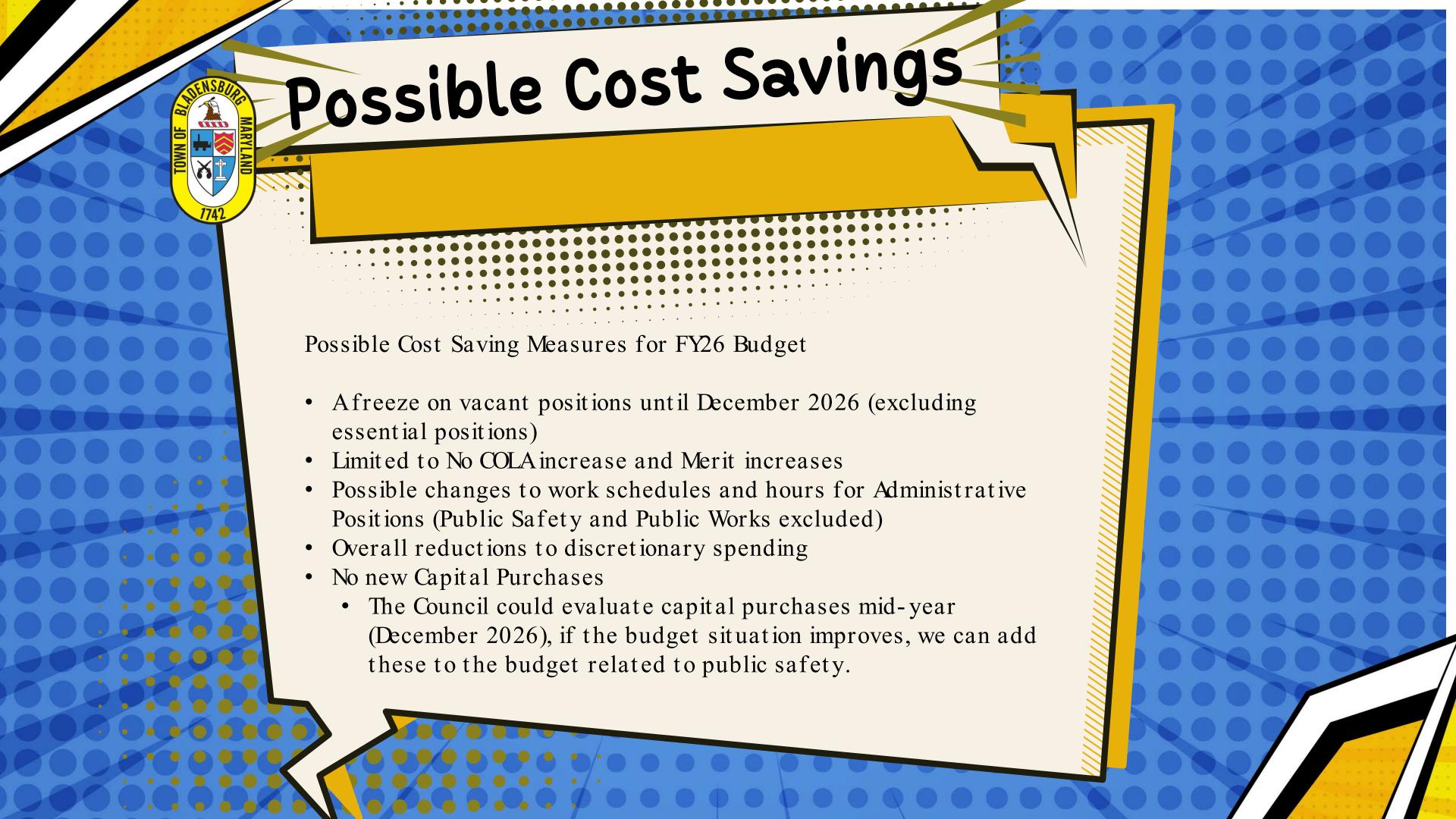
Possible Areas	Estimated Revenues
Increases to Apartment Tax Rate .80 to .85	\$150,000
Increases to Commercial and Industrial Properties Tax Rate .74 to .80	\$116,000
Increases to Railroad Taxes 2.75 to 3.25	\$ 60,000
Increase Business Personal Property Tax 2.09 to 2.50	\$156,000
Increases to Residential Taxes .74 to .76	\$ 56,000
Increases to Business License Fees	\$ 30,000
Estimated Total:	\$568,000

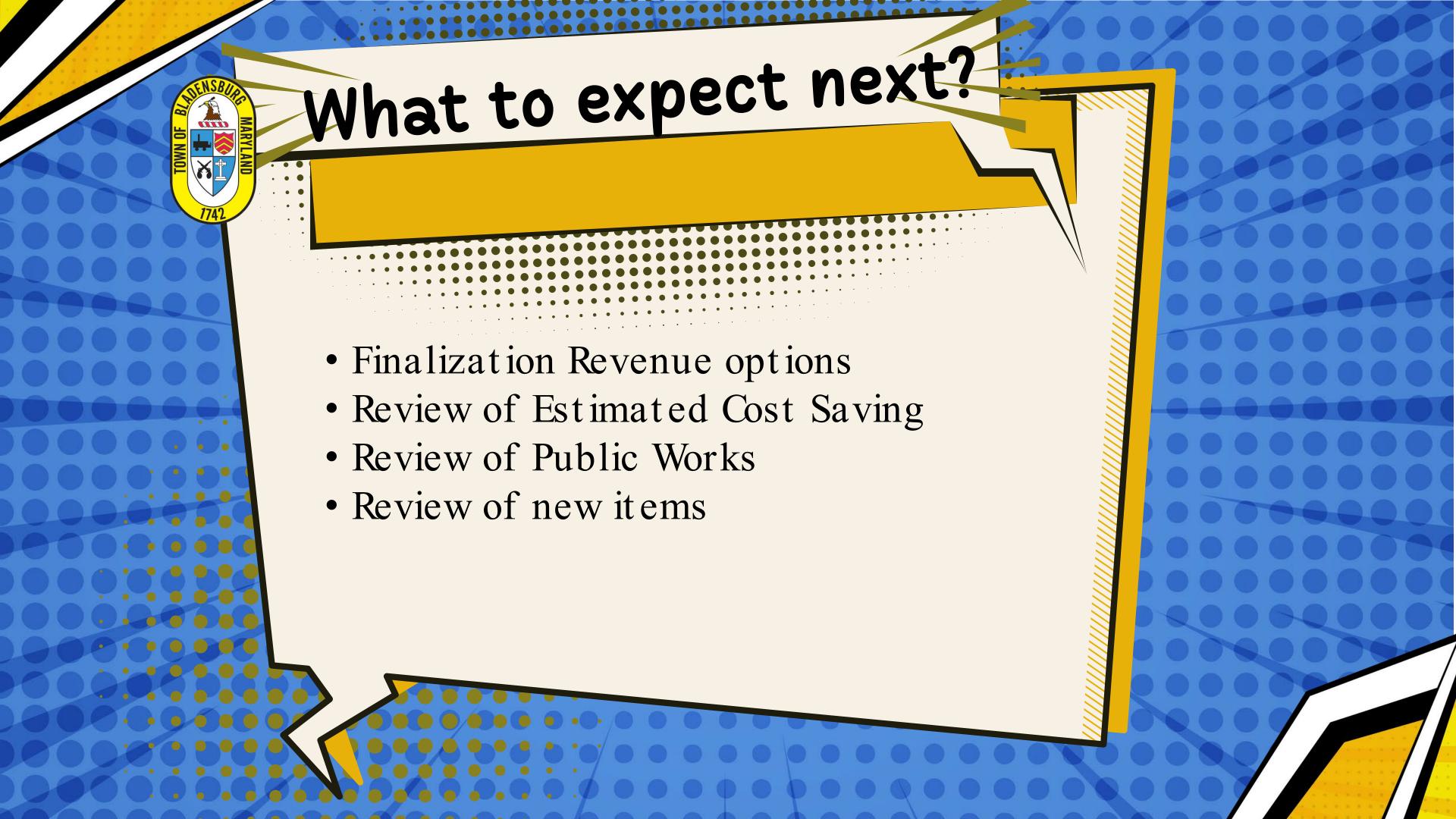


Possible Cost Saving Options



Possible Areas	Estimated Savings
Discretionary Spending Cuts	\$ 30,000
Freezing Vacant Positions until December 2025	\$182,000
Increasing Employee Contributions for Healthcare	\$ 50,000
Changes to scheduling for Administrative Staff	\$ 50,000
Estimated Total:	\$312,000







Next Steps



Budget Sessions:

Throughout March – May 2025

Next Session | April 1, 2025

Public Safety Meeting – April 1, 2025

If there are changes to the Real Estate Tax Rate:

- Need at least one week to advertise for a hearing
- The earliest advertisement date would be May 5, 2025

Tax Rate Hearing (Tentative)

- - May 12, 2025, Budget Session Final Budget Session #5 Monday, April 29, 2025 (if needed)

Introduction Budget

Monday, May 12, 2025. Budget Adoption date, Monday, June 9, 2025.

• Budget Ordinance Adoption



