



REQUEST FOR COUNCIL ACTION

AGENDA DATE: September 28, 2026

AGENDA ITEM: Consider a resolution adopting the 2026 Preliminary Levy payable 2027

PREPARED BY: Kimberly Gibeau

BACKGROUND:

Attached is the resolution approving the 2026 Preliminary Levy payable 2027. At the budget work session on July 20th, the council reviewed all departments and expenditures that rely on property levy to operate. At the end of the meeting, the council directed staff to finalize a 2027 preliminary budget that would increase over the 2026 budget between 3% and 5%. The council also directed staff to prepare a preliminary budget for 2028.

To achieve the council goals, there have been eight full-time positions eliminated and three other full-time positions reduced to part-time. With these positional cuts along with non-employment reductions, the council has reduced the overall budget by \$1.6 million the past two years. These cuts have resulted in proposed levy increases of 2.64% increase in the levy for 2027 and a 4.44% for 2028. These proposed increases in the levy are below the cost of annual inflation and the average of 7.7% for all cities in Minnesota.

REQUESTED COUNCIL ACTION:

Make a motion to approve a resolution approving the 2026 Preliminary Levy payable 2027.