



CITY OF
LONG LAKE

City Council Agenda Report

City of Long Lake

450 Virginia Avenue, PO Box 606
Long Lake, MN 55356

MEETING DATE / December 16, 2025

SUBJECT: Adoption of Final Payable 2026 Levy, City Budget, Capital Improvement Plan, and Pay Plan Resolutions.

Prepared By: Amanda Nowezki, City Administrator

Report Date: 12/11/2025

Recommended City Council Action

Staff recommends the following separate motions:

Motion No. 1 – Motion to adopt Resolution No. 2025-48 establishing the Final Tax Levy Collectible in 2026.

Motion No. 2 – Motion to adopt Resolution No. 2025-49 establishing the Final 2026 Total City Budget.

Motion No. 3 – Motion to adopt Resolution No. 2025-50 establishing the 2026 Capital Improvement Plan (CIP).

Motion No. 4 – Motion to adopt Resolution No. 2025-51 establishing the 2026 Pay Plan.

Motion No. 5 – Motion to approve General Fund transfers as presented.

Overview / Background

| | <u>Levy</u> | <u>Tax Rate</u> | <u>Tax Rate Change</u> | <u>Levy % Increase</u> |
|---------------------------|-------------|-----------------|------------------------|------------------------|
| Approved 2026 Preliminary | \$1,910,402 | 35.810% | 2.343% | 9.437% |
| Proposed 2026 Final | \$1,815,481 | 34.031% | 0.564% | 4.00% |

Bond Debt Service

GO Bond 2016A - \$45,457

GO Bond 2017A - \$42,524

General Fund Budget Considerations

- **Police and Fire Contracts** - The 2026 contract fees for police and fire services will be a combined \$651,994, this is a \$103,040 increase from the 2025 amount.
- **Employee Wages** - Staffing shortages, structure reorganization, and the implementation of the MN Paid Leave program will have various effects on the 2026 employee compensation budget amounts.
- **Engineering Costs** - Additional engineering costs are expected as we plan and prepare for future street projects and the possibility of bonding.

Utility Funds

The 2026 utility budgets reflect rate changes adopted by the City Council in 2025. The most significant rate adjustment is the “MetCouncil Sewer Treatment Fee”, which was increased by \$7.98 per month per connection. This fee is a direct passthrough to residents, based on the amount charged to the City of Long Lake for sewer treatment services. To mitigate these rising charges in the future, City staff is working with engineers to complete a sewer lining project.

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| <u>Capital Improvement Objectives</u> | <u>\$360,000</u> |
| • Lake quality improvements | \$2,000 |
| • Pavement management | \$110,000 |
| • Public Works pickup truck | \$30,000 |
| • City Hall facility upgrades | \$35,000 |
| • Parks and trails improvements | \$53,000 |
| • Fire station capital | \$50,000 |
| • Sanitary sewer lining | \$80,000 |

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| <u>Transfers from the General Fund (101)</u> | <u>\$277,000</u> |
| • To the Pavement Mgmt. fund (420) | \$110,000 |
| • To the Seal Coating fund (421) | \$30,000 |
| • To the Fleet Capital fund (430) | \$30,000 |
| • To the Facilities Capital fund (440) | \$35,000 |
| • To the Fire Capital fund (462) | \$50,000 |
| • To the Parks/Trails Capital fund (452) | \$20,000 |
| • To the Lake Quality fund (213) | \$2,000 |

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| <u>Transfers from the Capital Project Fund (401)</u> | <u>\$1,550,000</u> |
| • To the Fleet Capital fund (430) | \$100,000 |
| • To the Pavement Mgmt. fund (420) | \$1,000,000 |
| • To the Facilities Capital fund (440) | \$50,000 |
| • To the Parks/Trails Capital fund (452) | \$100,000 |
| • To the Sewer Lining fund (802) | \$300,000 |

Supporting Information

- Resolution No. 2025-48 Establishing Final Levy Collectible in 2026
- 2026 Tax Levy Summary
- Resolution No. 2025-49 Establishing Final 2026 Total City Budget
- 2026 General Fund Revenues/Expenses
- 2026 Utility Funds Revenues/Expenses
- Resolution No. 2025-50 Establishing 2026 Capital Improvement Plan
- 2026-2030 Capital Improvement Plan
- 2026 Fund Transfers
- Resolution No. 2025-51 Establishing the 2026 Pay Plan
- 2026 Pay Plan