

2027 Budget & Levy



Preliminary Budget Presentation

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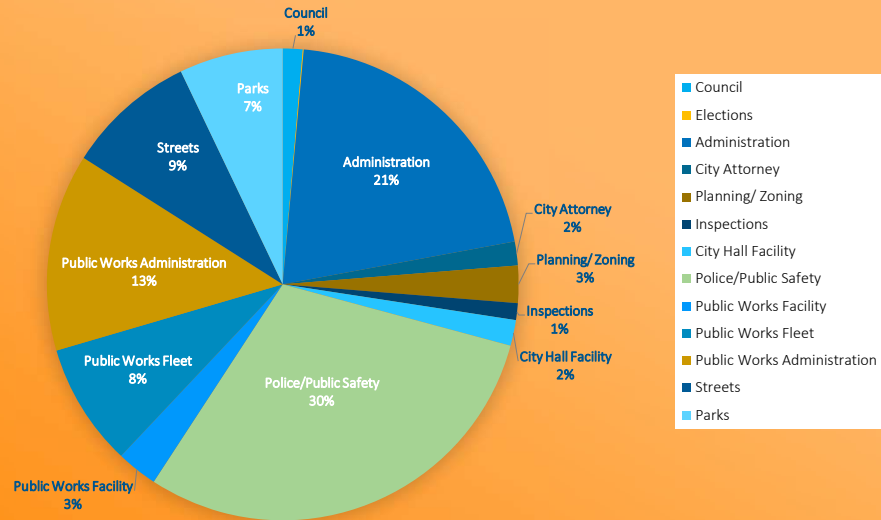
2027 Operating Budget Impacts

In addition to the standard inflation increases that we are seeing across the board, there are a few areas that have had a significant impact on the 2027 Operating Budget:

- Recommendation of a 3% cost of living wage increase for all city staff.
- Unknown staffing changes at Public Works will impact multiple budget line items, including wages, insurance, and workers' compensation premiums.
- Health insurance premiums are projected to increase 15.5%
- Additional engineering costs are expected as we transition to a new firm and prepare for future street projects, along with the possibility of bonding.
- In anticipation of the purchase of a new plow truck, an additional \$100,000 has been budgeted.
- Improvements to the Holbrook Park hockey rink and the Hardin Park tennis courts are anticipated to be completed over the next year.
- Continued removal and replacement of ash trees infected with Emerald Ash Borer (EAB).

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Budget Allocation by Department



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2027 Capital Planning

To plan for future improvements and infrastructure needs, staff has budgeted \$415,000 in transfers from the General Fund (101) into the following Capital Funds:

Department	Capital Fund	Transfer Amount
City Hall Facility (41940)	City Facilities Capital (440)	\$12,500
Public Works Facility (41942)	City Facilities Capital (440)	\$12,500
Police/Public Safety (42110)	Fire Capital (462)	\$50,000
Public Works Fleet (43000)	Fleet Capital (430)	\$125,000
Streets (43100)	Pavement Mgmt Capital (420)	\$75,000
Streets (43100)	Seal Coating Capital (421)	\$60,000
Parks/Trails Maint (45200)	Lake Quality Capital (213)	\$5,000
Parks/Trails Maint (45200)	Parks/Trails Capital (452)	\$75,000

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2027 Preliminary Levy

	2026 Final Levy	2027 Preliminary Levy	2027 Final Levy
Adjusted Net Tax Capacity	\$5,334,814	\$5,474,007	
Operating Levy Amount	\$1,727,500	\$1,952,575	
Debt Service Levy	\$87,981	\$43,522	
Total Net Levy	\$1,815,481	\$1,996,097	
\$ Increase	\$69,820	\$180,616	
% Increase	4.00%	9.95%	

Based on the Adjusted Net Tax Capacity of \$5,474,007, staff recommends a 9.95% increase in the levy rate. This increase would result in a City tax rate of 36.47%, representing a 2.44% increase from the final 2026 tax rate.

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Tax Levy History

	Debt Levy	Operating Levy	Total Net Levy	% Increase Over Previous Yr.	Tax Rate
2020	\$105,556	\$1,013,029	\$1,118,585	5.06%	36.57%
2021	\$82,885	\$1,140,498	\$1,223,383	9.37%	36.06%
2022	\$84,335	\$1,193,573	\$1,277,908	4.46%	35.96%
2023	\$85,627	\$1,321,113	\$1,406,740	10.08%	33.40%
2024	\$86,657	\$1,490,933	\$1,577,590	12.15%	33.40%
2025	\$87,530	\$1,658,131	\$1,745,661	10.65%	33.40%
2026	\$87,981	\$1,727,500	\$1,815,481	4.00%	34.03%
Preliminary 2027	\$43,522	\$1,952,575	\$1,996,097	9.95%	36.47%

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