City Council Agenda Report

City of Long Lake
450 Virginia Avenue
Long Lake, MN 55356

MEETING DATE / September 15, 2026

SUBJECT:	Adoption of Preliminary 2027 Payable Levy; Establish Truth in Taxation Public Meeting Date to Discuss Levy and Proposed Budget
Prepared By:	Amanda Nowezki, City Administrator **Report Date:** 9/9/2026

Recommended City Council Action

Staff recommends the following separate motions:

Motion to adopt Resolution No. 2026-41 establishing the preliminary property tax levy payable in 2027 for the City of Long Lake.

Motion to adopt Resolution No. 2026-42 establishing the Truth in Taxation public meeting date as December 1, 2026 to discuss the proposed levy and budget for taxes payable 2027 for the City of Long Lake.

With the above actions, the City Council will be complying with the statutory requirements to establish and communicate proposed levy information, to select a taxes payable 2027 Public Meeting date to discuss the proposed levy and budget, and to certify the City's preliminary levy and proposed budget to the County Auditor by the required deadline of September 30, 2026.

Council should be aware that the final levy adopted by end of December 2026 can decrease from the preliminary levy, but it generally cannot increase without the addition of specific allowable "add-on" levy circumstances.

Overview / Background

The preliminary 2027 budget and levy was discussed at the September 1 Council work session, and the current preliminary levy proposal is reflective of the City Council's feedback and direction provided. Council and staff will continue levy and budget discussions over the next few months in preparation for the annual Truth in Taxation presentation at the Council's first meeting in December, and for final levy adoption at the Council's December 15 meeting.

Below is a review of noteworthy budget considerations impacting the City's operating expenses and levy for the coming fiscal year:

Expenditures

- **Employee Wages –** A recommended 3% Cost-of-Living Adjustment (COLA) salary increase is included in the 2027 Pay Plan. Public Works staff shortages and structure reorganization will have various unknown effects on the 2027 employee compensation and health insurance budget amounts.
- **Health Insurance –** Current rate projections indicate a 15.5% increase; however, staff is actively exploring options to reduce the overall cost impact.
- **Engineering Costs –** Additional engineering costs are expected as we transition to a new firm and prepare for future street projects along with the possibility of bonding.

- **Public Works Fleet –** In anticipation of the purchase of a new plow truck, an additional $100,000 has been budgeted.
- **Parks –** Improvements to the Holbrook Park hockey rink area are anticipated to be completed over the next year.

Debt Service Levy Details
Bond Debt Service
General Obligation Bond Series 2017A - $43,521.63

Supporting Information

- Resolution No. 2026-41 Establishing the Preliminary Property Tax Levy Payable in 2027
- Resolution No. 2026-42 Establishing the Truth in Taxation Public Meeting Date as December 1, 2026
- 2027 Preliminary Budget and Levy Presentation
- 2027 Tax Levy Summary
- 2027 General Fund Revenues/Expenses
- 2027 Enterprise Funds Revenues/Expenses
- 2027 Capital Funds Revenues/Expenses
- 2027 Debt Funds Revenues/Expenses
- 2027-2032 Capital Improvement Plan
- 2027 Fund Transfers
- 2027 Pay Plan
- 2027 Tax Rate Calculations and Scenarios