

City of Sedgwick
Special City Council Meeting
August 20, 2025

TO: Mayor and City Council

SUBJECT: 2026 Proposed Budget

INITIATED BY: Administration

AGENDA: New Business

The 2026 Proposed Budget includes \$4,146,842 in available resources with a total of \$4,128,415 in expected expenditures to include transfers and the cash reserve amounts of each fund. The proposed mill levy for 2026 is set at 74.490 which is reduction of 0.721 mills as compared to the 2025 mill levy.

The assessed valuation for 2026 grew approximately 5.62% as compared to 2025. Total projected property tax revenue generated for 2026 is \$1,127,169 which is an 8% increase from the 2025 estimate of \$1,044,560. Approximately 71% of property tax collected goes towards supporting the city's largest fund, the general fund. Sales tax revenue from the additional ½ cent sales tax is projected to remain flat with the most notable reduction happening between 2024 and 2025.

Budgeted expenditures for 2026 are projected to see a 28% increase from 2025 to 2026, which is contributed to the increase in expenditures for public safety. Approximately 47% of the 2026 total expenditures are generated by public safety, with general administration representing 16%, public works 12%, capital outlay and cash reserves 9% each, and community enrichment at 7%.

On page 27 of the budget book, you will see that approximately 32% of revenues for the budget come from ad valorem taxes, while 23% comes from charges for services (water, sewer, trash), 18% sales tax, and the remaining being from intergovernmental and other sources.

Highlights of the 2026 Proposed Budget include:

- Addition of (1) FT PW & Utilities Worker
- Transition of (1) PT Administrative Assistant to FT
- Addition of (1) FT Paramedic
(Cost offset by Harvey County Grant. If not awarded, we will not open position. Savings from this line would be rolled into the cash carry forward amount.)
- Addition of (1) FT Certified Police Officer
(Cost offset for three years at a set percentage by COPS Hiring Grant)
- Continuation of Residential Exterior Improvement Grant Program and the Housing Incentive Program.
- Transfers to the Capital Improvement Program (\$119,852) and to the Capital Equipment Fund (\$85,985) to fund future projects and equipment replacement. Scheduled department capital expenditures can be found on the department pages of the budget book.

The digital budget book can be found online at:

<https://www.cityofsedgwick.org/administration/page/finance>