



Memorandum

To: Mayor Nelson and Members of the City Council

From: Daniel R. Buchholtz, MMC, Administrator, Clerk/Treasurer

Date: August 27, 2025

Subject: Resolution Adopting Proposed Levy for Taxes Collected in 2026

The City Council, at its August 18, 2025 workshop, reviewed the proposed 2026 Administrator's budget proposal. As the preliminary levy is required to be submitted no later than September 30, 2024, it is necessary for the City Council to take action to set the preliminary levy.

Resolution 2025-33 establishes the proposed 2025 pay 2026, tax levy at \$5,030,260. This is an increase of 6.54% from the 2024, pay 2025, tax levy. The increase is due primarily to increases in employee salary and benefits and increases in the City's share of the SBM Fire Department contract.

The Resolution sets the date of the annual Truth-in-Taxation (TNT) public hearing for Monday, December 1, 2025 at 7:00pm at City Hall.

The preliminary tax levy establishes the maximum tax levy for 2024, collected 2025. The final tax levy, which will be set on December 16, 2024, can be the same or lower than the preliminary tax levy. As staff reported at the work session, we will work between now and December to further reduce the levy.

Staff recommends approval of Resolution 2025-33.

If you have any questions, please don't hesitate to contact me at 763-784-6491.