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**TO:** Mayor and Council  
**FROM:** Darcy Mulvihill, Finance Director  
**SUBJECT:** Preliminary Levy Discussion  
**DATE:** April 28, 2025

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**OVERVIEW:**

Each year staff begin the process of building the budget and levy in April for the following year. This is a process that is impacted by internal and external agencies. As it is very early, information is being shared with Council to begin the early discussion on goals for 2026. This could include priority projects, setting staffing levels as well as where we are standing with the long-term financial plan. Included are the preliminary levy estimates and the effect these will have on property taxes. I have included two versions, one with the storm water added to the levy and one without.

City Levy, impacted by the following:

1. Tax abatement
2. Stormwater, if added to levy
3. Election year, increased expense
4. Inflation
5. Employee
  - a. Non-Union COLA
  - b. PW Negotiations

Outside Agency Impacts, data typically received in July or August:

1. Anoka County
  - a. Market Value
  - b. Fiscal Disparities
2. State of MN

a. Local Government Aid

**DISCUSSION:**

Council to identify priorities for 2026 levy

Attachments:

- Preliminary Tax levy and Property Tax Effects-2026 Budget