

Date: March 3, 2025

To: Common Council

John Weidl, City Manager

From: Rachele Blitch, Director of Financial and Administrative Services

Re: Follow-up Questions from February 20<sup>th</sup> Council Meeting

This memorandum is intended to clarify questions raised during the public comment period at the February 20, 2025, Common Council meeting.

In response to inquiries regarding the increased Full-Time Equivalent (FTE) count for the police department, the Common Council approved the addition of a detective at its November 19, 2025, meeting. This additional FTE is unrelated to the COPS Hiring Grant, which was approved strictly for the addition of three FTEs. The grant does not replace employees who resign or retire; rather, it applies only to three newly created FTEs. As such, these positions cannot be utilized unless the referendum passes, as doing so without additional funding would place a significant strain on the budget, necessitating substantial reductions to other programs.

Additionally, there was a misstatement regarding total property tax revenue figures. The total property tax revenue in 2022 was \$4,200,935, rather than the \$4.624 million cited. The higher figure includes other revenue sources that are not directly supported by all taxpayers. Similarly, the correct total property tax revenue for 2025 is \$6,460,302, not the stated \$6.784 million.

To further clarify, it is important to distinguish between the property tax levy and the debt service levy. The property tax levy in 2022 was \$3,154,970, and in 2025, it is \$4,507,730. This \$1,352,760 increase includes \$1.1 million from the voter-approved referendum for Fire/EMS, which took effect with the 2023 property taxes leaving an increase of \$252,760 over the three years. The debt service levy, which was \$1,045,965 in 2022, has increased to \$1,952,572 in 2025, reflecting an increase of \$906,607. This rise is attributed to higher interest rates and other inflationary pressures relating to capital items (i.e., vehicles, building materials, equipment).

Furthermore, total general fund expenditures have grown from \$10,384,446 in 2022 to an estimated \$13,572,202 for 2025. This \$3,187,756 increase in expenditures encompasses the \$1.1 million approved referendum as well as the higher costs associated with the debt levy.

If you have any further questions or require additional clarification, please do not hesitate to reach out.