

TO: Honorable Mayor and City Council

FROM: City Administrator Ron Johnson

SUBJECT: Budget Workshop

MEETING DATE: November 7, 2017 (immediately after Council meeting)

BACKGROUND

Council discussed the 2018 budget on August 15 and adopted the preliminary budget/levy on September 19. A workshop meeting was conducted on October 17 and this budget workshop was set to get closer to finalize the levy/budget prior to final adoption on December 5.

The updated budget/levy reflects a levy increase of 6.15% but the 5.85% increase in tax capacity brings the tax rate increase (city portion only) to 0.279%.

At the last budget workshop, some minor adjustments to the budget were made by increasing certain funding levels for various organizations. The major reduction to the budget was the removal of a part-time employee for the Motor Vehicle Dept. Discussion should continue on the following items prior to adoption of the final budget:

- Historical Society funding level (didn't discuss at last meeting)
- Cannon Valley Trail request for capital funding
- COLA for '18 (3% is included in current information)

Other items on the horizon that won't affect the 2018 levy but would affect future levies:

- Major street improvement project
- Fire truck levy
- Swimming pool?
- Other?

I am including a bond schedule for reference.

REQUESTED COUNCIL ACTION

Discuss 2018 budget/levy. Provide direction for resolution for 12/5.

Attachment(s): Budget/levy info; Bond schedule