

TO: MAYOR AND CITY COUNCIL

FROM: NEIL JENSEN, City Administrator

SUBJECT: Adopt Resolution 2573 Approving 2022 Preliminary Budget and Levy

MEETING DATE: September 7, 2021

BACKGROUND

The preliminary budget and levy must be adopted before September 30. As a reminder once the preliminary budget is approved and certified to the county the final budget must be the same or lower but can't be higher.

Below are some highlights of the 2022 budget:

1. 1% salary adjustment in July and December
2. Health insurance decreased 10.6% due to a change in companies
3. Bituminous Mill and Overlay increased from \$150,000 to \$175,000
4. Pending the outcome from for the Department of Vehicle Services there may be a \$40,000 decrease in levy. This budget includes the DVS as a city department.

Please review the attached 2022 levy summary for additional information. The estimated tax capacity numbers are not available at this time.

The proposed levy for 2022 will be \$3,195,334 which is a -0.20% decrease from 2021.

The date for the public hearing is scheduled for December 7th and the adoption will be on December 21st each at 6:30 p.m.

STAFF RECOMMENDATION

Please review the proposed budget and levy request and if you are comfortable approve Resolution 2573.

REQUESTED COUNCIL ACTION

Please make a motion to approve Resolution 2573, Adopting the Preliminary Tax Levy and Budget Collectible in 2022 and setting a public hearing meeting date of December 7th and the levy adoption on December 21st at 6:30 p.m.

**CITY OF CANNON FALLS
GOODHUE COUNTY, MINNESOTA**

RESOLUTION NUMBER 2573

**A RESOLUTION ADOPTING THE PRELIMINARY TAX LEVY AND BUDGET
COLLECTIBLE IN 2022 AND SETTING A PUBLIC MEETING DATE**

WHEREAS, the City Staff has prepared a preliminary budget for City Council review, and

WHEREAS, the City Council and City Staff will continue to review and refine the preliminary budget, and

WHEREAS, the City Council recognizes that the preliminary levy must be certified to Goodhue County no later than September 30 of each year; and

WHEREAS, the City Council further recognizes that once the preliminary levy is certified it may not be increased, but may be decreased; and

WHEREAS, the City Council will hold a public meeting as required by the Charter and other laws to consider the final levy and budget.

NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CANNON FALLS, COUNTY OF GOODHUE, MINNESOTA:

1. That the preliminary budget is approved and the following sums of money may be levied for collection in 2022 upon the taxable property in the City of Cannon Falls, for the following purposes:

General Levy	\$2,672,374
Bond Levy	\$ 480,860
Tax Abatement Levy	\$ 42,100
Total Levy	\$3,195,334

2. That the City Council will hold a public meeting to consider and adopt the final budget and levy on Tuesday, December 7, 2021 at 6:30 p.m. The public will be allowed to speak at this meeting on December 7th before the final budget and levy is adopted on December 21, 2021.

3. That the City Administrator be hereby instructed to transmit a certified copy of this resolution to the County Auditor of Goodhue County, Minnesota.

Adopted by the Council this 7th day of September, 2021.

BY: _____
Steve Gesme, Mayor Pro-Tem

ATTEST: _____
Neil L. Jensen, City Administrator

2022 LEVY SUMMARY

Budget 2020	Budget 2021	Preliminary 2022	Difference 2021-2022	% Diff 21-22
General Levy	\$ 2,128,446	\$ 2,129,420	\$ 974	0.05%
Bond Levy*	\$ 473,350	\$ 480,860	\$ 7,510	1.59%
Non-General Func	\$ 557,843	\$ 542,954	\$ (14,889)	-2.67%
Sub-Total	\$ 3,159,639	\$ 3,153,234	\$ (6,405)	-0.20%

Tax Abatement-Gr \$ 39,600 \$ 42,100 \$ 2,500

Total Levy \$ 3,199,239 \$ 3,195,334

*Breakdown of Bond Levies:

2011A Bonds-We	\$ 50,000	\$ -	\$ (50,000)	-100.00%
2012A Bonds-Libr	\$ 41,850	\$ 78,000	\$ 36,150	86.38%
2012B Bonds-Reft	\$ 29,500	\$ -	\$ (29,500)	-100.00%
2013A Bonds-Eas	\$ 77,000	\$ -	\$ (77,000)	-100.00%
2016A Bonds-We	\$ 83,000	\$ 82,000	\$ (1,000)	-1.20%
2018A Bonds-Eas	\$ 144,000	\$ 146,000	\$ 2,000	1.39%
2018B Cert-Fire TI	\$ 48,000	\$ 47,860	\$ (140)	-0.29%
2020A Refund G.C	\$ -	\$ 127,000	\$ 127,000	#DIV/0!
Totals	\$ 473,350	\$ 480,860	\$ 7,510	1.59%

**Breakdown of Non-General Fund Levies:

Library Fund	\$ 364,358	\$ 371,645	\$ 7,287	2.00%
Fire Dept Operatio	\$ 121,675	\$ 98,859	\$ (22,816)	-18.75%
Economic Develop	\$ 71,810	\$ 72,450	\$ 640	0.89%
Totals	\$ 557,843	\$ 542,954	\$ (14,889)	-2.67%

Est.Tax Capacity \$ 4,532,834 \$ -

Est.Tax Capacity 69.706% #DIV/0! #DIV/0!

Est City Taxes on a:

\$150,000 home	\$ 1,045.58	#DIV/0!	#DIV/0!
\$175,000 home	\$ 1,219.85	#DIV/0!	#DIV/0!
\$200,000 home	\$ 1,394.11	#DIV/0!	#DIV/0!
\$250,000 home	\$ 1,742.64	#DIV/0!	#DIV/0!
\$275,000 home	\$ 1,916.90	#DIV/0!	#DIV/0!
\$300,000 home	\$ 2,091.17	#DIV/0!	#DIV/0!