

TO: MAYOR AND CITY COUNCIL
FROM: NEIL JENSEN City Administrator
SUBJECT: 2023 Preliminary Budget and Levy

MEETING DATE: Work Session August 16, 2022

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 2023 budget;

1. 1% salary adjustment in July and December
2. Health insurance 3.47% increase
3. Bituminous mill and overlay increased from \$175,000 to \$200,000
4. \$78,000 library building bond completed
5. \$121,000 fire capital increase
6. Motor vehicle gas and utility significant increase
7. Local Government Aid increase \$3,596.00
8. Invenergy increase \$12,130.00
9. 2023 Sewer Bridge and Street Reconstruction Project approximately \$2,000,000.00

Please review the attached 2023 levy summary for additional information.

The proposed levy for 2023 will be \$3,306,956 which is a 3.49% increase from 2022.

The date for the public hearing is scheduled for December 6th and the adoption will be on December 20th each at 6:30.

STAFF RECOMMENDATION

Council Review

REQUESTED COUNCIL ACTION

2023 LEVY SUMMARY

	Budget	Preliminary	Difference	% Diff
	2022	2023	2022-2023	2022-20232
General Levy	\$ 2,129,420	\$ 2,308,371	\$ 178,951	8.40%
Bond Levy*	\$ 480,860	\$ 399,120	\$ (81,740)	-17.00%
Non-General Fund Levy**	\$ <u>542,954</u>	\$ <u>557,365</u>	\$ <u>14,411</u>	<u>2.65%</u>
Sub-Total	\$ 3,153,234	\$ 3,264,856	\$ 111,622	3.54%
Tax Abatement	\$ 42,100	\$ <u>42,100</u>	\$ -	0.00%
Total Levy	\$ 3,195,334	\$ 3,306,956	\$ 111,622	3.49%

***Breakdown of Bond Levies:**

2016A Bonds-Westside II Fund 530	\$ 82,000	\$ 80,000	\$ (2,000)	-2.44%
2018A Bonds-Eastside II Fund 531	\$ 146,000	\$ 144,000	\$ (2,000)	-1.37%
2018B Cert-Fire Tk Fund 532	\$ 47,860	\$ 48,120	\$ 260	0.54%
2020A Refund G.O. Fund 533	\$ 127,000	\$ 127,000	\$ -	0.00%
Totals	\$ 402,860	\$ 399,120	\$ (3,740)	-0.93%

****Breakdown of Non-General Fund Levies:**

Library Fund	\$ 371,645	\$ 380,936	\$ 9,291	2.50%
Fire Dept Operations Fund	\$ 98,859	\$ 99,394	\$ 535	0.54%
Economic Development Fd	\$ <u>72,450</u>	\$ <u>77,035</u>	\$ <u>4,585</u>	<u>6.33%</u>
Totals	\$ 542,954	\$ 557,365	\$ 14,411	2.65%