

1. Agenda

Documents:

[08-11-25 CC WS AGENDA.PDF](#)

2. Agenda Packet

Documents:

[08-11-25 CC WS AGENDA PACKET.PDF](#)

3. Powerpoint Presentation Slides

Documents:

[08-11-25 CC WS - 2026 BUDGET WORK SESSION 4-GENERAL FUND LEVIES AND TAX IMPACT PRESENTATION.PDF](#)

**CITY OF SHOREWOOD
CITY COUNCIL WORK SESSION
MONDAY, AUGUST 11, 2025**

**5755 COUNTRY CLUB ROAD
COUNCIL CHAMBERS
6:00 P.M.**

AGENDA

1. CONVENE CITY COUNCIL WORK SESSION

A. Roll Call

Mayor Labadie _____
Maddy _____
Sanschagrín _____
Gorham _____
DiGruttolo _____

B. Review Agenda

ATTACHMENTS

**2. BUDGET WORK SESSION #4 – GENERAL FUND, LEVIES,
TAX IMPACT**

Finance Director Memo

3. ADJOURN

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**2. BUDGET WORK SESSION #4 – GENERAL FUND, LEVIES,
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City Council Work Session Item

Title/Subject: Budget Work Session #4-General Fund, Levies, and Tax Impact
Meeting Date: August 11, 2025
Prepared by: Jeanne Schmuck, Finance Director
Reviewed by: Marc Nevinski, City Administrator
Attachments: [Proposed 2026 General Fund Budget \(PDF\)](#)
Hennepin County Debt Levy Schedule for 2026
2026 City Budget – Communications Report

Item 2

Background

As in years past, there will be a number of budget work sessions over the next several months, during which we will review the various City funds, discuss the proposed property tax levy and tax rate, review tax impacts on properties, update the 10-year Capital Improvement Plan (CIP), and update the Fee Schedule, etc.

The first three work sessions consisted of goal-setting, discussing the schedule and process, and seeking direction from the Council on initiatives and expectations for the 2026 budget, then reviewing the long-term financial management plan, personnel, fee schedules, and franchise fees.

General Fund

As a summary, the General Fund budget has been slightly revised to reflect a balanced budget of \$7,486,342, which is an overall budget increase of \$101,122, 1.37%, over 2025. Please remember in 2025 there was a one-time \$48,708 in Public Safety Aid from 2023, and two one-time transfers totaling \$550,000 which have been removed.

The significant changes to the General Fund budget include a personnel increase of \$290,700, which was discussed in greater detail at our previous budget work session. Increases in Police & Fire due to contractual obligations are significant for 2026. We have received preliminary information from both Chiefs which they individually presented to the Council. The SLMPD is proposing an 11.6% increase of \$194,549. There was a one-time use of Public Safety Aid Funds in 2025 that reduces the budget impact to \$145,841, 8.4%, or a 1.92% direct levy impact. Excelsior Fire District is requesting an allocation to Shorewood for contracted services of \$924,201 and an additional \$155,550 for equipment, which is an increase of \$224,225, 26.2% increase, and a 2.95% direct levy impact. There is the potential of a reduction to this as the Fire Board will be meeting on August 13th to finalize the budget, which will then be coming to Council on August 25th in accordance with the JPAs.

General Government – Beyond the significant items listed above, additional dollars have been allocated in the Council budget for tablets to utilize the agenda software more efficiently, and the Lake Minnetonka Conservation District has submitted their proposed 2026 budget, affecting our budget by \$11,045, or 49.6%, as they are reinstating their Executive Director position. Administration has an increase of \$29,000 to cover new agenda management software support, an increase in minute creation services, as well as emergency alert services. 2026 will be an election year which will have an increase in budget of \$28,000 for election judges. Finance is requesting an increase of \$4,600 to utilize an accounts receivable module within our existing integrated financial software. Municipal Building increase of \$20,000 for the anticipated property insurance increase.

Streets and Parks & Recreation budgets remain consistent with prior years. Personnel within Streets is the most significant increase as that has the largest staff within the City, as discussed at our last budget work session.

**General Fund
2026 Budget
Summary**

Description	Actual 2023	Actual 2024	Budget 2025	Proposed Budget 2026	Budget Change 2026	Percentage Change 2026
REVENUES						
Taxes	\$ 5,244,291	\$ 5,654,785	\$ 5,905,113	\$ 6,520,417	\$ 615,304	10.42%
Licenses & Permits	325,529	561,581	275,225	305,575	30,350	11.03%
Intergovernmental	449,455	195,836	136,250	133,300	(2,950)	-2.17%
Charges for Services	285,264	300,059	223,850	271,450	47,600	21.26%
Fines & Forfeitures	80,525	69,438	64,500	64,500	-	0.00%
Special Assessments	13,103	4,438	5,000	5,000	-	0.00%
Miscellaneous	327,694	414,931	146,950	161,100	14,150	9.63%
Contingency	-	-	603,332	-	(603,332)	-100.00%
Transfers In	25,000	25,000	25,000	25,000	-	0.00%
TOTAL REVENUES & OTHER FINANCING SOURCES	\$ 6,750,863	\$ 7,226,069	\$ 7,385,220	\$ 7,486,342	\$ 101,122	1.37%
EXPENDITURES						
General Government	\$ 1,896,459	\$ 2,162,931	\$ 2,101,270	\$ 2,085,388	\$ (15,882)	-0.76%
Public Safety	2,211,713	2,401,272	2,716,810	3,363,109	646,299	23.79%
Streets	1,257,897	1,163,699	1,380,980	1,431,700	50,720	3.67%
Parks and Recreation	372,014	540,688	542,820	606,145	63,325	11.67%
Other Financing Uses	200,116	112,281	643,340	-	(643,340)	-100.00%
Total Expenditures and Other Financing Uses	\$ 5,938,199	\$ 6,380,872	\$ 7,385,220	\$ 7,486,342	\$ 101,122	1.37%
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES						
	\$ 812,664	\$ 845,197	\$ -	\$ -		

Financial or Budget Considerations:

The impact of the above discussion is a 9.72% overall levy increase over the 2025 levy. This is a reduction from the overall property tax levy in the original requests from department directors, which totaled a 12.54% levy increase.

City of Shorewood 2026 Property Tax Levy Information				
	2025	2026	Change in \$	Change in %
<u>General Fund Levy:</u>				
Operating Levy	\$ 3,318,411	\$ 3,563,639	\$ 245,228	7.39%
Public Safety Fire JPA Levy	855,526	1,079,751	224,225	26.21%
Public Safety Police JPA levy	1,731,176	1,877,027	145,851	8.42%
Total General Fund Levies	\$ 5,905,113	\$ 6,520,417	\$ 615,304	10.42%
<u>Shorewood Community & Event Center Fund Levy:</u>				
Regular Levy	122,000	145,000	23,000	18.85%
<u>Capital Fund Levies:</u>				
Park Improvement Capital Fund	135,000	305,500	170,500	
Equipment Replacement Capital Fund	165,000	215,000	50,000	
Street Improvement Fund	170,500	-	(170,500)	
Community Infrastructure	-	50,000	50,000	
Total Capital Levies	\$ 470,500	\$ 570,500	\$ 100,000	21.25%
<u>Debt Service Fund Levies:</u>				
2020A G.O. Street Reconstruction Bonds	226,497	229,752	3,255	
2021A G.O. Street Reconstruction Bonds	307,241	309,708	2,467	
2022A G.O. Street Reconstruction Bonds	289,009	288,376	(633)	
2023A G.O. Street Reconstruction Bonds	273,210	267,750	(5,460)	
Total Debt Service Levies	\$ 1,095,957	\$ 1,095,586	\$ (371)	-0.03%
Actual Net Levy (Including Fiscal Disparities)	\$ 7,593,570	\$ 8,331,503	\$ 737,933	9.72%

This proposed levy of \$8,331,503 is an increase of \$1,920 from the long-term financial management plan accepted by City Council at the June 23rd budget work session #2. The levy will be presented at the City Council meeting on September 8th as the Preliminary Levy, which needs to be certified to Hennepin County by September 30th. From that point forward, the levy can only be decreased and not increased. Hennepin County will use that amount to calculate the preliminary property tax estimates to be utilized in the November Truth-in-Taxation notices they distribute.

Property values are estimated to increase by 4.99% and the median value home in Shorewood is \$740,650. This average increase in value would increase property tax by \$102 alone. Based on

the proposed budget and estimated tax rate, property owners with no change in market values from payable 2025 to payable 2026 would experience an approximate 9.7% increase in the City portion of their overall property tax bill. In the event of a market value decrease or increase from payable 2025 to payable 2026, City property taxes would change proportionately.

The following table calculates the property tax impact on residential homesteads that had no market value change from 2025 to 2026:

2026 CITY PROPERTY TAXES (WITH NO MARKET VALUE CHANGE)						
Market Value 2026	Homestead Market Value Exclusion 2026	Tax Capacity 2026	City Local Tax Capacity Rate Pay 2026	City Property Taxes 2026	Property Taxes Increase (Decrease)	Percentage Tax Increase (Decrease)
\$ 400,000	\$ (10,600)	\$ 3,894	25.343%	\$ 987	\$ 65	7.1%
\$ 705,448	\$ -	\$ 7,568	25.343%	\$ 1,918	\$ 170	9.7%
\$ 800,000	\$ -	\$ 8,750	25.343%	\$ 2,218	\$ 196	9.7%
\$ 1,000,000	\$ -	\$ 11,250	25.343%	\$ 2,851	\$ 253	9.7%
\$ 1,200,000	\$ -	\$ 13,750	25.343%	\$ 3,485	\$ 309	9.7%

The City's overall estimated market value increased by 4.99% from 2025 to 2026, including existing value increases and new construction. The following tables calculate the property tax impact on residential homesteads that had an average market value growth increase of 4.99%, and 10.0% for 2026.

2026 CITY PROPERTY TAXES (WITH MARKET VALUE INCREASE)						
Market Value 2026	Homestead Market Value Exclusion 2026	Tax Capacity 2026	City Local Tax Capacity Rate Pay 2026	City Property Taxes 2026	Property Taxes Increase (Decrease)	Percentage Tax Increase (Decrease)
INCREASE OF 4.99%						
\$ 419,960	\$ (8,800)	\$ 4,112	25.343%	\$ 1,042	\$ 120	13.0%
\$ 740,650	\$ -	\$ 8,008	25.343%	\$ 2,029	\$ 281	16.1%
\$ 839,920	\$ -	\$ 9,249	25.343%	\$ 2,344	\$ 323	16.0%
\$ 1,049,900	\$ -	\$ 11,874	25.343%	\$ 3,009	\$ 411	15.8%
\$ 1,259,880	\$ -	\$ 14,499	25.343%	\$ 3,675	\$ 499	15.7%

2026 CITY PROPERTY TAXES (WITH MARKET VALUE INCREASE)						
Market Value 2026	Homestead Market Value	Tax Capacity	City Local Tax Capacity	City Property Taxes	Property Taxes Increase (Decrease)	Percentage Tax Increase (Decrease)
INCREASE OF 10.0%	Exclusion 2026	Capacity 2026	Rate Pay 2026	Taxes 2026		
\$ 440,000	\$ (7,000)	\$ 4,330	25.343%	\$ 1,097	\$ 176	19.0%
\$ 775,993	\$ -	\$ 8,450	25.343%	\$ 2,142	\$ 393	22.5%
\$ 880,000	\$ -	\$ 9,750	25.343%	\$ 2,471	\$ 450	22.3%
\$ 1,100,000	\$ -	\$ 12,500	25.343%	\$ 3,168	\$ 570	21.9%
\$ 1,320,000	\$ -	\$ 15,250	25.343%	\$ 3,865	\$ 689	21.7%

Discussion Requested:

Feedback and direction regarding the General Fund Budget, Levy, and Tax Impacts is requested. We will be meeting on August 25th to discuss the Shorewood Community and Event Center, and enterprise funds budgets, but they will not have an impact on the estimated levy. Council should discuss if there are further items to be adjusted prior to the September 8th council meeting where the Preliminary Budget Adoption actions will be requested. If the Council has other initiatives for 2026 that involve additional spending, the tax levy would need to be increased, and a larger tax impact would occur. Again, after the Preliminary Levy is set the amount can only be decreased and not increased.

Public Engagement:

The City has been actively reviewing ways to improve and strengthen communications with stakeholders. The public is invited to attend all City Council meetings where the budget is discussed and contact council members or city staff. 2026 budget updates will be provided in several ShoreReports and available to view on the City's website at shorewoodmn.gov/citybudget. We will continue to connect through various activities and messages and evaluate their effectiveness.

On-going Outreach

Shorewood has always encouraged input from the public and is trying various ways to reach out and inform its constituents. Please see the attached Budget Communication summary from the City's Communication Coordinator.

Public Feedback

Tonight, and all future budget work sessions, we will take a few minutes for the public to provide feedback on each budget section as we go through the series of work sessions. We have had 3 previous budget work sessions with 1 public in attendance with no comments.

Open Office Hours

Open office hours will be available weekly throughout the 2026 budget process to provide opportunities for one-on-one communications with the Finance Director or City Administrator. Appointments can be made on Tuesdays between 12-3 PM or Wednesdays between 7-11 A.M., alternative times can be made available if needed. The Council previously inquired about frequently asked questions, but there have been no questions to date. We have had 63 hours available with none utilized to date.

HENNEPIN COUNTY
MINNESOTA

Levy Schedule for 2026

Jul. 09, 2025

City of Shorewood		Date	Original Amount Issued	Levy Scheduled for 2026
2606A	General Obligation (Series 2020A)	8 /25/2020	\$3,030,000.00	\$229,752.00
2607B	General Obligation (Series 2021A)	7 /28/2021	\$3,285,000.00	\$309,708.00
2608A	General Obligation (Series 2022A)	12/1 /2022	\$3,535,000.00	\$288,376.00
2609A	General Obligation (Series 2023A)	7 /12/2023	\$3,380,000.00	\$267,750.00

City of Shorewood Total:	\$1,095,586.00
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2026 City Budget – Communications Report

Date	Platform	Engagement	Content
	City Budget Web Page	- Jan 1-June 16: 255 views, 170 users - June 17-July 22: 32 views, 25 users - July 22-Aug 6: 18 views, 10 users	Shorewoodmn.gov/citybudget
May-June	ShoreReport (print)	Mailed to 2,576 HHs	2026 Budget Process At its March 24 Work Session, City Council discussed the draft 2026 budget calendar. As in years past, several budget work sessions will be held over several months, during which council and staff will review the various City funds, discuss the proposed property tax levy and tax rate, review tax impacts on properties, update the 10-year Capital Improvement Plan (CIP), update the Fee Schedule, etc. Although there are numerous decisions to be made through the development of the 2026 budget, the two key scheduled actions are the approval of the preliminary budget and levy in September, and the adoption of the final 2026 budget and property tax levy in December. Along with these, council and staff will also be finalizing the 2026-2035 CIP, 2026 Fee Schedule, and other budget related actions. Direction for each budget comes from City Council discussions with staff which are informed by past results and input from residents in various ways, such as online engagement and direct communication with the City. While the City Council takes final action on the budget each December, developing the budget is a year-round process. The public is invited to attend all City Council meetings where the budget is discussed, contact council members or city staff, and participate in project planning, such as the 2025 Parks Master Plan update or the Highway 7 Corridor Study. 2026 budget updates will be provided in ShoreReports and available to view on the City's website. Budget information can be found at shorewoodmn.gov/citybudget.
5/2/22 5	Email, May to June ShoreReport (ShoreReport Email List)	- Sent: 963 - Opens: 718 - Clicks: 145 (download)	Subject: May & June 2025 ShoreReport Preheader: Download the latest newsletter The May/June 2025 ShoreReport (PDF) is available to view and download online.

		ShoreRepo rt)	This issue includes: 2025 Community Survey Projects Happening In & Around Shorewood 2026 Budget Process Permits You Can Complete Online Spring Cleanup & Paper Shred Details And more...
5/20/25	Email (City Budget List)	• Sent: 33 • Opens: 27 • Clicks: 2	Subject: 2026 City Budget Process Has Begun Pre header: Stay Informed! Discover Key Updates on the 2026 City Budget Process. 2026 City Budget Process & Calendar At its March 24 Work Session (PDF, see page 14), City Council discussed the draft 2026 budget calendar, which is available to view on the City's budget web page. As in years past, several budget work sessions will be held over several months, during which council and staff will review the various City funds, discuss the proposed property tax levy and tax rate, review tax impacts on properties, update the 10-year Capital Improvement Plan (CIP), update the Fee Schedule, etc. Although there are numerous decisions to be made through the development of the 2026 budget, the two key scheduled actions are the approval of the preliminary budget and levy in September, and the adoption of the final 2026 budget and property tax levy in December. Along with these, council and staff will also be finalizing the 2026-2035 CIP, 2026 Fee Schedule, and other budget related actions. Direction for each budget comes from City Council discussions with staff which are informed by past results and input from residents in various ways, such as online engagement and direct communication with the City. While the City Council takes final action on the budget each December, developing the budget is a year-round process. The public is invited to attend all City Council meetings where the budget is discussed, contact council members or city staff, and participate in project planning, such as the 2025 Parks Master Plan update or the Highway 7 Corridor Study. 2026 budget updates will be provided in ShoreReports and available to view on the City's website at shorewoodmn.gov/citybudget. 2026 Budget Process At its March 24 Work Session (PDF, see page 14), City Council discussed the draft 2026 budget calendar (see below). As in years past, several budget work sessions will be held over several months, during which council and staff will review the various City funds, discuss the
5/20/25	News Flash	• Stats not available on individual	

		news flash posts	proposed property tax levy and tax rate, review tax impacts on properties, update the 10-year Capital Improvement Plan (CIP), update the Fee Schedule, etc. Although there are numerous decisions to be made through the development of the 2026 budget, the two key scheduled actions are the approval of the preliminary budget and levy in September, and the adoption of the final 2026 budget and property tax levy in December. Along with these, council and staff will also be finalizing the 2026-2035 CIP, 2026 Fee Schedule, and other budget related actions. Direction for each budget comes from City Council discussions with staff which are informed by past results and input from residents in various ways, such as online engagement and direct communication with the City. While the City Council takes final action on the budget each December, developing the budget is a year-round process. The public is invited to attend all City Council meetings where the budget is discussed, contact council members or city staff, and participate in project planning, such as the 2025 Parks Master Plan update or the Highway 7 Corridor Study. 2026 budget updates will be provided in <u>ShoreReports</u> and available to view on the City's website at <u>shorewoodmn.gov/citybudget</u>. <u>Sign up to receive email updates</u> (pic)Table of calendar dates posted in news flash
5/21/25	FB Post	- Views: 340 - Reach: 233 - Link Clicks: 4	The 2026 budget calendar is now available to view on the City's budget web page. As in years past, several budget work sessions will be held over several months, during which council and staff will review the various City funds, discuss the proposed property tax levy and tax rate, review tax impacts on properties, update the 10-year Capital Improvement Plan (CIP), update the Fee Schedule, etc. Although there are numerous decisions to be made through the development of the 2026 budget, the two key scheduled actions are the approval of the preliminary budget and levy in September, and the adoption of the final 2026 budget and property tax levy in December. Along with these, council and staff will also be finalizing the 2026-2035 CIP, 2026 Fee Schedule, and other budget related actions.

			For the complete calendar and to sign up for and view updates on the 2026 budget process, visit they city's budget page at https://mn-shorewood.civicplus.com/449/City-Budget
5/21/25	Nextdoor Post	Impressions: 144	**The 2026 budget calendar is now available to view on the City of Shorewood's budget web page.** As in years past, several budget work sessions will be held over several months, during which council and staff will review the various City funds, discuss the proposed property tax levy and tax rate, review tax impacts on properties, update the 10-year Capital Improvement Plan (CIP), update the Fee Schedule, etc. Although there are numerous decisions to be made through the development of the 2026 budget, the two key scheduled actions are the approval of the preliminary budget and levy in September, and the adoption of the final 2026 budget and property tax levy in December. Along with these, council and staff will also be finalizing the 2026-2035 CIP, 2026 Fee Schedule, and other budget related actions. For the complete calendar and to sign up for and view updates on the 2026 budget process, visit they city's budget page at https://mn-shorewood.civicplus.com/449/City-Budget
5/27/25	IG Post	- Views: 99 - Reach: 59	 2026 City Budget At its March 24 Work Session, City Council discussed the draft 2026 budget calendar. As in years past, several budget work sessions will be held over several months, during which council and staff will review the various City funds, discuss the proposed property tax levy and tax rate, review tax impacts on properties, update the 10-year Capital Improvement Plan (CIP), update the Fee Schedule, etc.  Updates & Feedback The public is invited to attend all City Council meetings where the budget is discussed, contact councilmembers or city staff, and participate in project planning. Stay up-to-date on the 2026 budget process by visiting the City's budget web page, which highlights the budget calendar, features budget documentation, and provides a link where you can sign up for email updates. shorewoodmn.gov/CityBudget
5/28/25	Email – June General Enews	- Sent: 910 - Opens: 658 - Clicks (budget link): 3	2026 Budget Process & Calendar As in years past, several budget work sessions will be held over several months, during which council and staff will review the various City funds, discuss the proposed property tax levy and tax rate, review tax impacts on properties, update the 10-year Capital Improvement Plan (CIP), update the Fee Schedule, etc. The 2026 budget calendar is now available to view on the City's budget web page. Sign up for budget email updates

6/5/25	<u>Email</u> (City Budget List)	• Sent: 35 • Opens: 28 • Clicks: 1	Subject: 2026 City Budget Work Session #1, Pre-header: Join Us for the First Budget Work Session on Goal Setting City Budget Work Session #1: Goal Setting Monday, June 9, 2025:30-6:45 p.m. Shorewood City Hall, 5755 Country Club Road The June 9, 2025 Work Session is scheduled to include the first 2026 budget work session. While there will continue to be opportunities as the City moves through the budget planning process, one of the main objectives of this goal setting session is for City Council to provide their direction on the priorities, initiatives, and expectations for the 2026 budget. Topics scheduled to be reviewed and discussed include: Taxable Market ValueNet Tax CapacityTotal Tax LevyTax RateFor complete agenda topic items and supporting documents, visit the June 9, 2025 Work Session Agenda web page. Public Engagement & Feedback The public is invited to attend all City Council meetings where the budget is discussed, and contact council members or City staff. On June 9, and all future budget work sessions, we will take a few minutes for the public to provide feedback. As in past years, 2026 budget updates will be provided in ShoreReports and available to view on the City's website at shorewoodmn.gov/citybudget. Staff and Council will continue to connect through various activities and messages and evaluate their effectiveness. Open Office Hours In addition to public comments during work sessions, City staff will host weekly open office hours throughout the 2026 budget process to provide opportunities for one-on-one communications with the Finance Director or City Administrator. Appointments can be made Tuesdays between 12-3 p.m. or Wednesdays between 7-11 a.m., alternative times can be made available if needed. Please call Jeanne Schmuck at 952-960-7903 to schedule a time.
6/9/25	<u>Email</u> (City Budget List)	• Sent: 35 • Opens: 29 • Clicks: 1	City Budget Work Session #1: Goal Setting

		Monday, June 9, 2025 5:30-6:45 p.m. Shorewood City Hall, 5755 Country Club Road The June 9, 2025 Work Session is scheduled to include the first 2026 budget work session. While there will continue to be opportunities as the City moves through the budget planning process, one of the main objectives of this goal setting session is for City Council to provide their direction on the priorities, initiatives, and expectations for the 2026 budget. Topics scheduled to be reviewed and discussed include: • Taxable Market Value • Net Tax Capacity • Total Tax Levy • Tax Rate For complete agenda topic items and supporting documents, visit the <u>June 9, 2025 Work Session Agenda web page</u>.

			Public Engagement & Feedback The public is invited to attend all City Council meetings where the budget is discussed, and contact council members or City staff. On June 9, and all future budget work sessions, we will take a few minutes for the public to provide feedback. As in past years, 2026 budget updates will be provided in ShoreReports and available to view on the City’s website at shorewoodmn.gov/citybudget. Staff and Council will continue to connect through various activities and messages and evaluate their effectiveness. Open Office Hours In addition to public comments during work sessions, City staff will host weekly open office hours throughout the 2026 budget process to provide opportunities for one-on-one communications with the Finance Director or City Administrator. Appointments can be made Tuesdays between 12-3 p.m. or Wednesdays between 7-11 a.m., alternative times can be made available if needed. Please call Jeanne Schmuck at 952-960-7903 to schedule a time.
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6/16/25	IG post	Reach: 60
2026 CITY BUDGET OPEN OFFICE HOURS TUESDAYS 12:00-3:00 P.M. WEDNESDAYS 7:00-11:00 A.M. Call 952-960-7903 to schedule an appointment. Shorewood community members are invited to attend one-on-one appointments with the Finance Director or City Administrator at Shorewood City Hall to discuss the 2026 city budget. Appointments can be made Tuesdays between 12-3 p.m. or Wednesdays between 7-11 a.m., alternative times can be made available if needed. Please call Jeanne Schmuck at 952-960-7903 to schedule a time. In addition to open office hours, public comments will be accepted during city council work sessions when the budget is being discussed. Work sessions are held each month on the second and fourth Mondays at 5:30 p.m. at City Hall, unless noted otherwise. The 2026 budget planning calendar and updates can be found on the City's budget web page at shorewoodmn.gov/CityBudget or the link in our bio. Shorewood community members are invited to attend one-on-one appointments with the Finance Director or City Administrator at Shorewood City Hall to discuss the 2026 city budget. Appointments can be made Tuesdays between 12-3 p.m. or Wednesdays between 7-11 a.m., alternative times can be made available if needed. Please call Jeanne Schmuck at 952-960-7903 to schedule a time. In addition to open office hours, public comments will be accepted during city council work sessions when the budget is being discussed. Work sessions are held each month on the second and fourth Mondays at 5:30 p.m. at City Hall, unless noted otherwise. The 2026 budget planning calendar and updates can be found on the City's budget web page at shorewoodmn.gov/CityBudget. Sign up for city budget email updates Sign up to receive reminder texts for upcoming meetings using Notify Me®		
6/16/25	News Flash	Stats not avail on individual news flash posts

6/17/25	FB post	• Reach: 55	Shorewood community members are invited to attend one-on-one appointments with the Finance Director or City Administrator at Shorewood City Hall to discuss the 2026 city budget. Appointments can be made Tuesdays between 12-3 p.m. or Wednesdays between 7-11 a.m., alternative times can be made available if needed. Please call Jeanne Schmuck at 952-960-7903 to schedule a time. In addition to open office hours, public comments will be accepted during city council work sessions when the budget is being discussed. Work sessions are held each month on the second and fourth Mondays at 5:30 p.m. at City Hall, unless noted otherwise. The 2026 budget planning calendar and updates can be found on the City's budget web page at https://shorewoodmn.gov/449/City-Budget
6/20/25	Email (City Budget List)	• Sent: 35 • Opens: 27 • Clicks: 2	City Budget Work Session #2: Long-Term Financial Plan & Rate Study Monday, June 23, 2025 5:30-6:45 p.m. Shorewood City Hall, 5755 Country Club Road Northland Securities, Inc. has been engaged to build a Long-Term Financial Management Plan for the City of Shorewood. This Plan is intended to help inform decisions on tax and enterprise fees, among other financial decisions. The Plan provides information to inform decisions both in the near term, and long-term, as near-term decisions often have long-term implications. The Plan contains proposed strategies and key objectives to monitor with respect to on-going and future financial performance. This Plan utilizes the audited financial information from 2023 and

		2024, as well as the 2025 budget and 2025-2034 Capital Improvement Plan. The Plan will be presented and discussed at the next City Council Work Session, scheduled for Monday, June 23 at 5:30 p.m. The Plan is available to view on the June 23, 2025 Work Session Agenda web page. Public Engagement & Feedback The public is invited to attend all City Council meetings where the budget is discussed, and contact council members or City staff. We will take a few minutes for the public to provide feedback at each budget work session. As in past years, 2026 budget updates will be provided in ShoreReports and available to view on the City's website at shorewoodmn.gov/citybudget. Staff and Council will continue to connect through various activities and messages and evaluate their effectiveness. Open Office Hours In addition to public comments during work sessions, City staff will host weekly open office hours throughout the 2026 budget process to provide opportunities for one-on-one communications with the Finance Director or City Administrator. Appointments can be made Tuesdays between 12-3 p.m. or Wednesdays between 7-11 a.m., alternative times can be made available if needed. Please call Jeanne Schmuck at 952-960-7903 to schedule a time.

7/2/25	July General eNews	• Sent: 910 • Opens: 667 • Clicks (budget): 1	2026 Budget Open Office Hours Shorewood community members are invited to attend one-on-one appointments with the Finance Director or City Administrator at Shorewood City Hall to discuss the 2026 city budget. Appointments can be made Tuesdays between 12-3 p.m. or Wednesdays between 7-11 a.m., alternative times can be made available if needed. Please call Jeanne Schmuck at 952-960-7903 to schedule a time. Sign up for budget email updates
7/3/25	ShoreReport	• Mailed to 2,492 HH • Emailed to ShoreReport List, • Sent: 962 • Opens: 707 • Clicks: 133	Discuss & Share Your Feedback on the 2026 City Budget Shorewood community members are invited to attend one-on-one appointments with the Finance Director or City Administrator at Shorewood City Hall to discuss the 2026 city budget. Appointments can be made Tuesdays between 12:00-3:00 p.m. or Wednesdays between 7:00-11:00 a.m., alternative times can be made available, if needed. Please call Jeanne Schmuck at 952-960-7903 to schedule a time. In addition to open office hours, public comments will be accepted during City Council Work Sessions when the budget is being discussed. Work sessions are held each month on the second and fourth Mondays at 5:30 p.m. at City Hall, unless noted otherwise. The 2026 budget planning calendar, updates, and email notification sign-up list can be found on the City's budget web page at shorewoodmn.gov/CityBudget.
7/25/25	Email (City Budget List)	• Sent: 35 • Opens: 28 • Clicks: 2	City Budget Work Session #3: Personnel, Fees, and Franchise Fees Monday, July 28, 2025 5:30-6:45 p.m. Shorewood City Hall, 5755 Country Club Road As in years past, there will be a number of budget work sessions over the next several months, during which we will review the various City funds, discuss the proposed property tax levy and tax rate, review tax impacts on properties, update the 10-year Capital Improvement Plan (CIP), and update the Fee Schedule, etc.

		The first two work sessions consisted of goal setting, discussing the schedule and process, and seeking direction from the Council on initiatives and expectations for the 2026 budget, and then review of the long-term financial management plan. Personnel, fees, and franchise fees will be discussed at the next City Council Work Session, scheduled for Monday, July 28 at 5:30 p.m. The budget information for these are available to view on the July 28 Work Session Agenda web page. Public Engagement & Feedback The public is invited to attend all City Council meetings where the budget is discussed, and contact council members or City staff. We will take a few minutes for the public to provide feedback at each budget work session. As in past years, 2026 budget updates will be provided in ShoreReports and available to view on the City's website at shorewoodmn.gov/citybudget. Staff and Council will continue to connect through various activities and messages and evaluate their effectiveness. Open Office Hours In addition to public comments during work sessions, City staff will host weekly open office hours throughout the 2026 budget process to provide opportunities for one-on-one communications with the Finance Director or City Administrator. Appointments can be made Tuesdays between 12-3 p.m. or Wednesdays between 7-11 a.m., alternative times can be made available if needed. Please call Jeanne Schmuck at 952-960-7903 to schedule a time.

2026 Budget Work Session #4

General Fund, Levies, & Tax Impact

AUGUST 11, 2025

General Fund
Levies
Tax Impact

Schedule Overview

Presentation

Public Engagement

SCHEDULE OVERVIEW



February 18 – Retreat Goals/Visions

March 24 – 2026 Budget/Schedule Preview

June 9 – #1 - Goal Setting Session

June 23 – #2 - Long Term Financial Plan

July 28 – #3 - Personnel, Fee Schedule, Franchise Fees

**August 11 - #4 - General Fund,
Levies & Tax Impact**

August 25 - #5 - Special Revenue & Enterprise

September 8 - Approve Preliminary Levy

September 22 - #6 - 2026-2035 CIP

November 24 - #7 - Final Review

December 8 - TNT & Final Approvals

General Fund Overview

Main Operating
Fund

Variety of
Taxes & Revenues

Municipal Services



City of
Shorewood

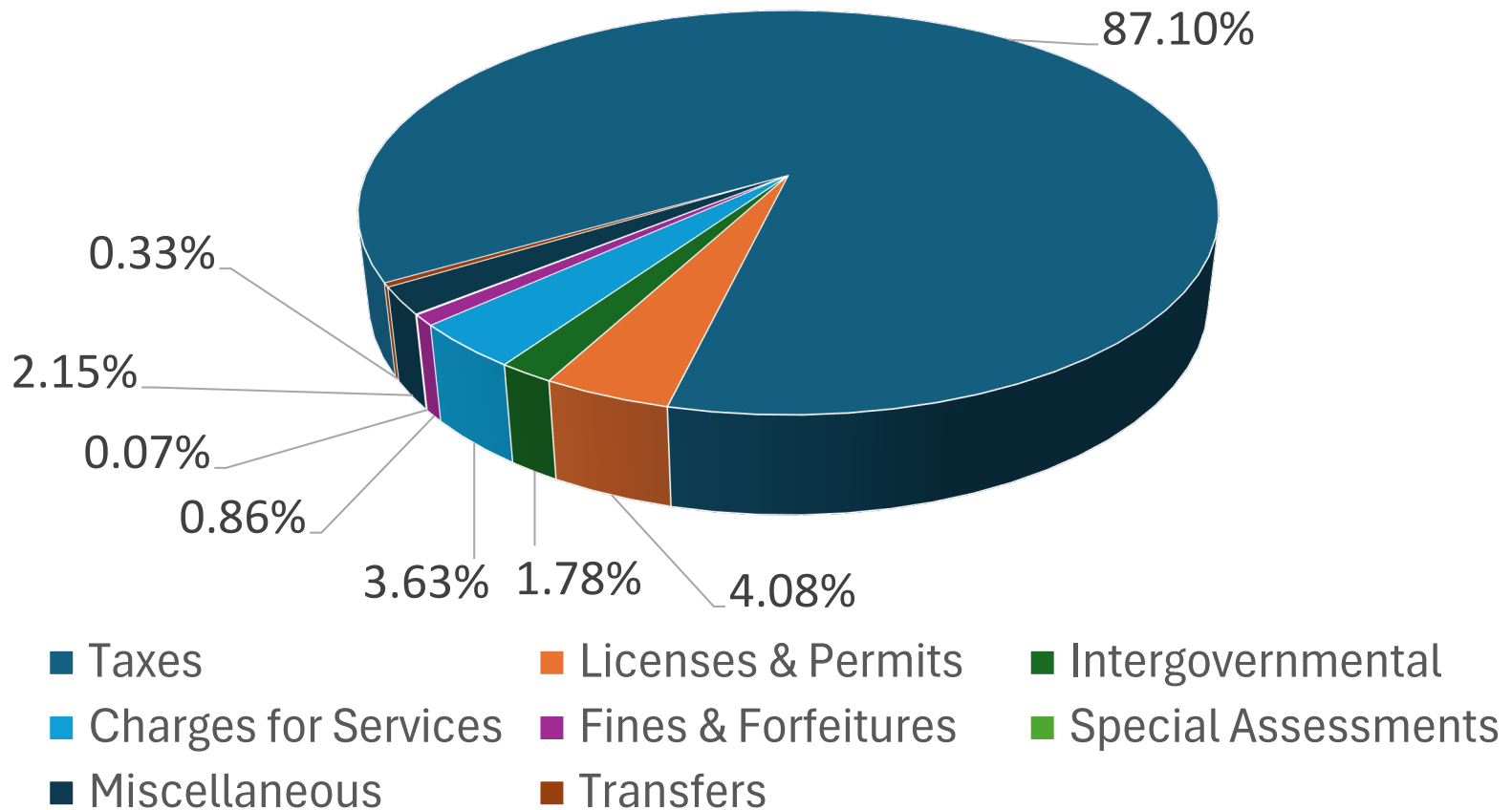
2026 GENERAL FUND REVENUES

2026 General Fund Revenues

Taxes	\$ 6,520,417
Licenses & Permits	305,575
Intergovernmental	133,300
Charges for Services	271,450
Fines & Forfeitures	64,500
Special Assessments	5,000
Miscellaneous	161,100
Transfers	25,000
Total Revenues	\$ 7,486,342



2026 GENERAL FUND REVENUES



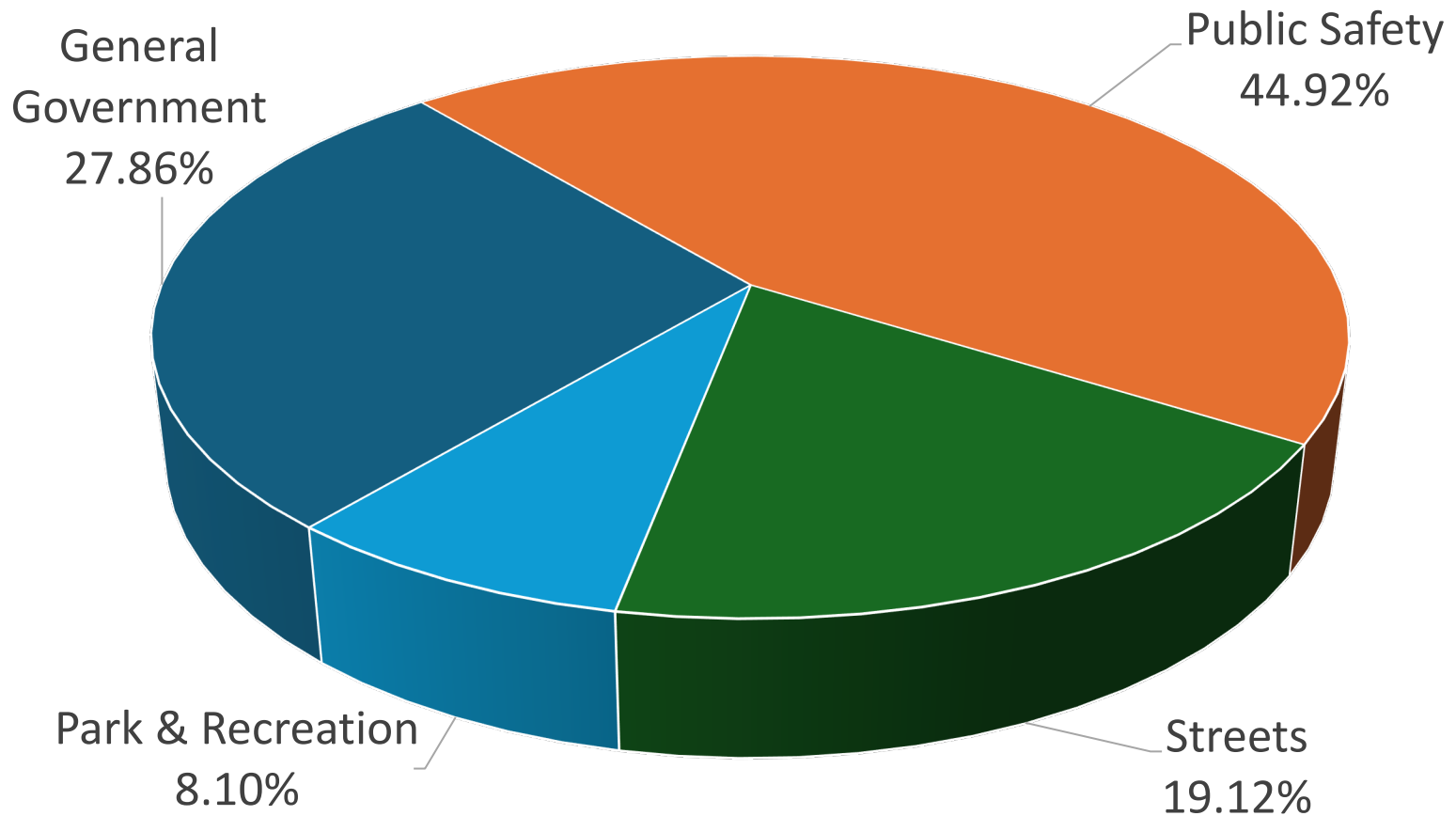
GENERAL FUND EXPENDITURES

2026 General Fund Expenditures by Program

General Government	\$	2,085,388
Public Safety		3,363,109
Streets		1,431,700
Park & Recreation		606,145
Total Expenditures	\$	7,486,342

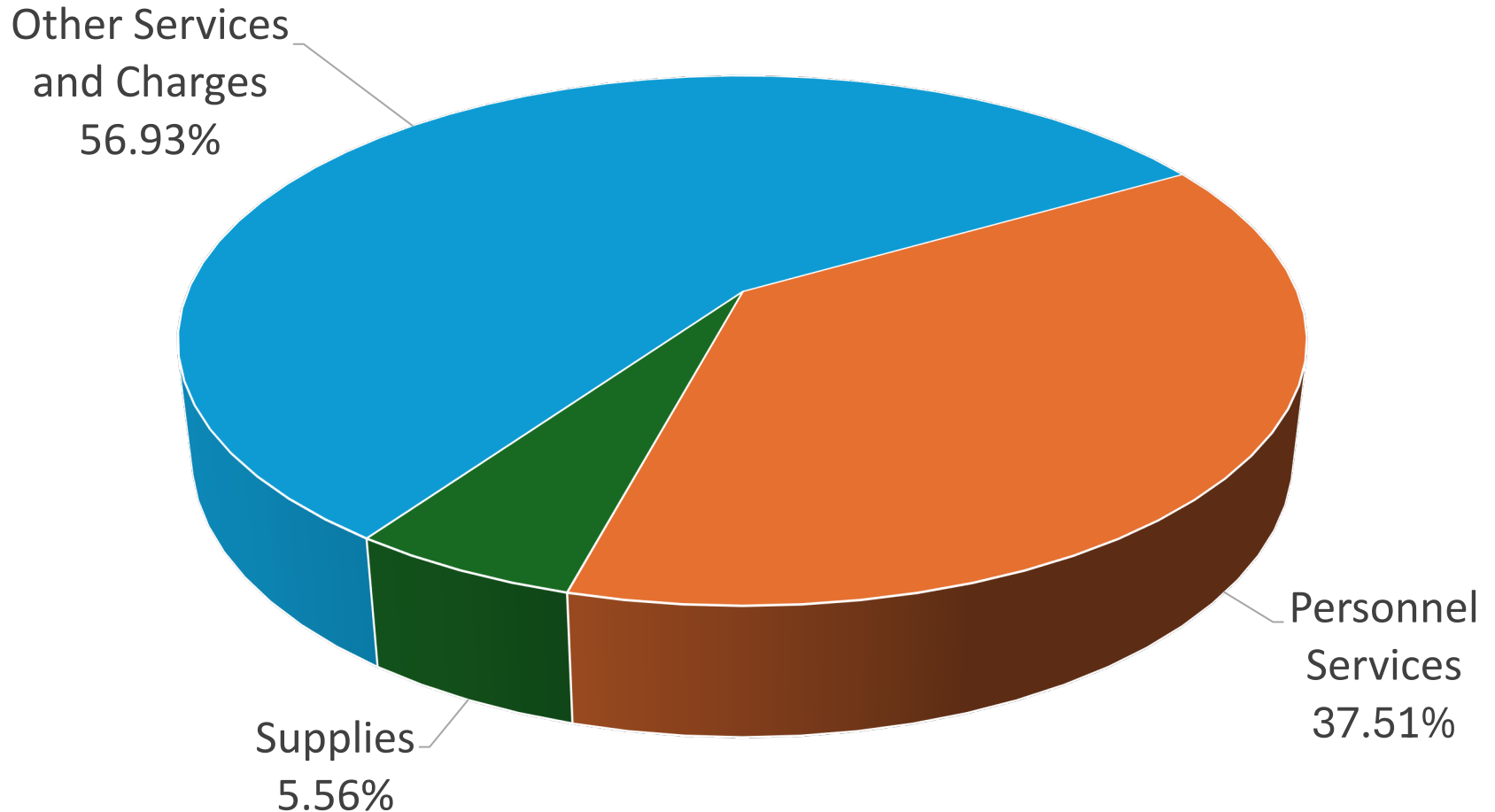


2026 EXPENDITURES BY PROGRAM





2026 EXPENDITURES BY USE



2026 EXPENDITURE CHANGES

Fire
Police

Personnel
Services

Lake Minnetonka
Conservation District

Agenda Software
Elections

Minutes
Emergency Alert

AR Module
Property Insurance

2026 ESTIMATED PROPERTY TAX LEVY

June 20th

12.54%

July 18th

10.51%

July 23rd

9.72%

SIGNIFICANT LEVY IMPACT ITEMS

Public
Safety
Joint
Powers
Agreements

Police

\$145,841 – 8.4%

Fire

\$224,225 – 29.9%

4.87% Levy Increase
½ of 9.72% Increase

2026 ESTIMATED LEVY IMPACT

2026 CITY PROPERTY TAXES (WITH NO MARKET VALUE CHANGE)

Market Value 2026	Homestead Market Value Exclusion 2026	Tax Capacity 2026	City Local Tax Capacity Rate Pay 2026	City Property Taxes 2026	Property Taxes Increase (Decrease)	Percentage Tax Increase (Decrease)
\$ 400,000	\$ (10,600)	\$ 3,894	25.343%	\$ 987	\$ 65	7.1%
\$ 705,448	\$ -	\$ 7,568	25.343%	\$ 1,918	\$ 170	9.7%
\$ 800,000	\$ -	\$ 8,750	25.343%	\$ 2,218	\$ 196	9.7%
\$ 1,000,000	\$ -	\$ 11,250	25.343%	\$ 2,851	\$ 253	9.7%
\$ 1,200,000	\$ -	\$ 13,750	25.343%	\$ 3,485	\$ 309	9.7%

PUBLIC ENGAGEMENT

Community Survey

Budget Web Page

Subscriber Email

ShoreReport

Website Newsflash

Public Meetings



Public Feedback

Open Office Hours

Tuesdays 12-3 PM

Wednesdays 7-11 AM

Public Engagement

Questions

Before Public
Engagement