

**City of Stewartville
City Council Budget Workshop
Stewartville City Hall
August 25, 2026**

Mayor Jimmie-John King called the meeting to order at 5:15pm on Tuesday, August 25, 2026.

Councilmembers present: Craig Anderson, Josh Arndt, Brent Beyer and Jeremiah Oeltjen.

Also present: City Administrator Schimmel, Finance Officer Grabau, Public Works Director Hale, Library Director Deprey, Fire Chief Dohlman, and Community Development Coordinator Gehling

Finance Officer Grabau presented the preliminary budget and highlighted various items from the following different funds within the budget:

- General Fund
- Special Funds
- Debt
- Capital
- Enterprise

Grabau then presented the council with five different scenarios that she and City Administrator Schimmel put together per the Finance Committee's request and a couple additional scenarios. The scenarios showed the proposed levy at different amounts and the city tax impact on 2 properties with different property values. One property was value at \$326,700 and the other was \$550,000 which is over the homestead exclusion credit amount. These values were also proposed by the Finance Committee. An inflation estimate of 5% was added to the value for the projected value to use for 2027.

Grabau outlined the scenarios as 1) 3.60% levy increase 2) 4.60% levy increase; 3) 5.60% levy increase 4) 7.34% increase which is where the current proposed budget is currently, and 5) 10% levy increase due to our tax base growth of 10%. If there were no change to property values, the city should be able to do a 10% levy increase and the growth would cover the increase.

Discussion was held on each scenario and its impact on property owners, businesses, and projects. Grabau noted that after consideration she was recommending allocating \$275,000 from interest received to the general capital fund to start saving for future buildings or other needs.

After thorough consideration and discussion, staff was directed to proceed with the 7.34% increase for the preliminary levy increase due to the fact that the final budget cannot be increased and only decreased.

Motion by Anderson, second by Oeltjen to adjourn. Unanimously approved.

Respectfully,

Kelly Grabau
Finance Officer