



2026 City of Big Lake Budget in Brief

THE EXPECTATION IS TO LEAD WITH EXCELLENCE:

(ALL CITY OF BIG LAKE EMPLOYEES ARE LEADERS)



Contents

Budget Message.....	3
Budget in a Glance	4
2026 Budget Snapshot	4
City of Big Lake Property Taxes	5
How are My City Taxes Allocated?	7
What Will My City Taxes Pay For?	8
2026 Transfers to Capital Improvement Funds	9
Enterprise Funds	10

Budget Message

Greetings,

The most important policy and operational decision made by the City Council each year is adoption of the City's budget. The 2026 City budget totals more than **\$24 million** and includes the General Fund, Big Lake Economic Development Authority, and Debt Service Funds supported by property taxes, along with the Special Revenue, Capital Projects, and Enterprise Funds. Together, these budgets form the City's comprehensive financial plan and 2026 work program.

The 2026 budgets support core City services while investing in the community's future. Planned investments include street improvements, new parks and park upgrades, water system enhancements, and continued expansion of the wastewater treatment plant. These investments are balanced with the day-to-day operations that serve residents and businesses.

The following section presents the adopted budgets for all City departments. Each department budget reflects the resources required to deliver core services, meet operational needs, and support the City's strategic and long-term goals. Together, these budgets form the comprehensive financial plan used to guide City operations for the budget year.

Employee development and wellness remain priorities and are essential to recruitment and retention. The 2026 budget includes the addition of a Community Service Officer and a Community Development Coordinator, both created through reallocation of existing positions rather than new staffing growth.

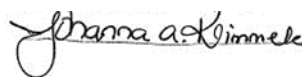
The 2026 budget emphasizes delivering high-quality services at a reasonable cost while maintaining and reinvesting in the City's infrastructure. Through disciplined financial management and adherence to adopted financial policies, the City continues to maintain a strong and sustainable financial position.

In 2026, the City Council and staff will continue to review the City's Vision, Objectives, and Goals to ensure services align with community needs and taxpayer expectations. The city strongly supports local businesses and community organizations and encourages everyone to **Live Big** by enjoying Big Lake's amenities and choosing local options.

On behalf of the City Council and staff, we thank the residents and taxpayers of Big Lake for their continued support in keeping Big Lake an exceptional place to live, work, and play.



Deb Wegeleben
City Finance Director



Hanna Klimmek
City Administrator

Budget in a Glance

2026 Budget Snapshot

Total Budget

\$24M+

All City Funds

Levy Increase

+7.22%

Compared to 2025

Public Safety

48%

Of General Fund Spending

General Fund

\$7.79M

Day-to-Day Operations

Tax Impact

+\$49/year

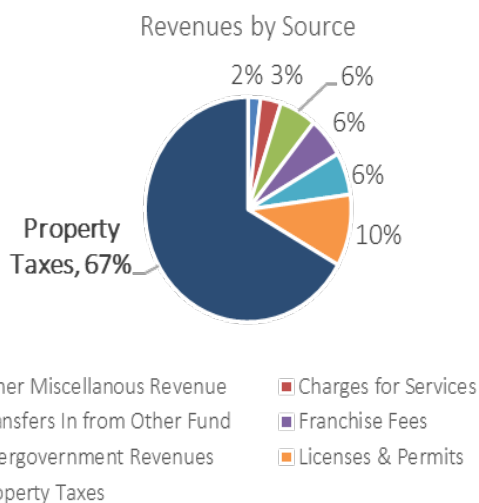
Median \$375,000 Home

Liquor Transfer

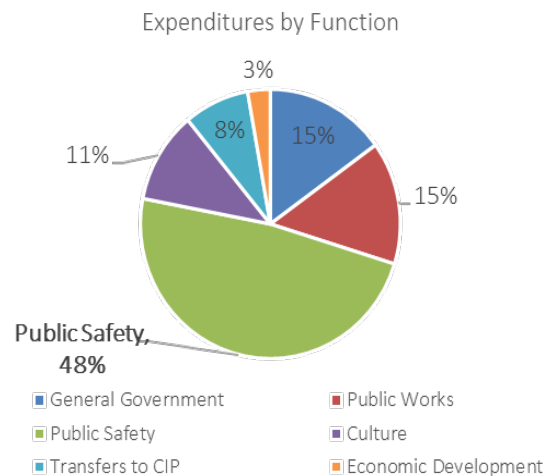
\$450,000

Supports City Services

Where the money comes from:



What the money pays for:



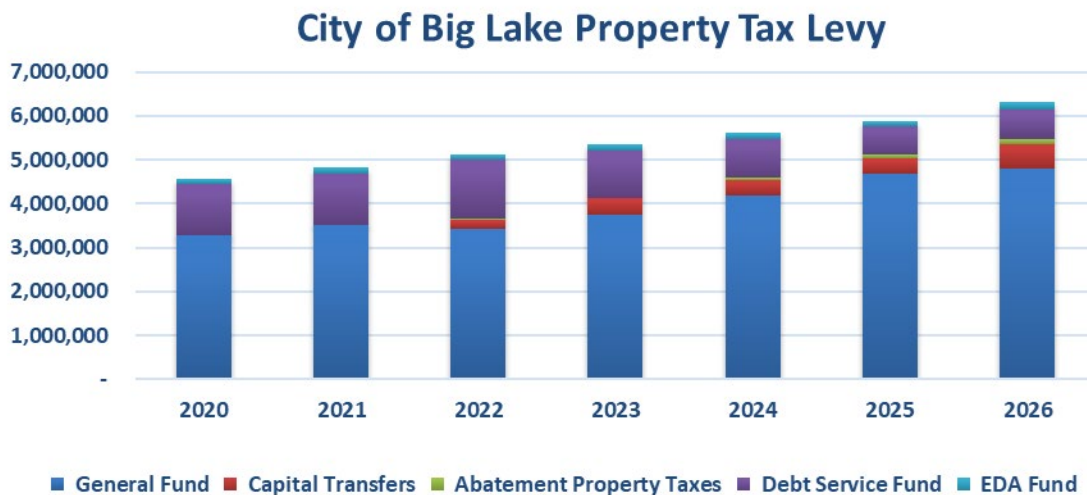
The projected cost per day to provide City Services, based on current population of 13,084 is \$1.63; based on current households of 4,448, the cost is \$4.80 per day for each household.

Big Lake continues to provide quality services, invest in infrastructure, and maintain one of the lower city tax rates among comparable Sherburne County cities.

City of Big Lake Property Taxes

The City's governmental funds tend to be an area of high visibility, as it includes the City's property taxes levy. The City levies for the General Fund, including the Capital Transfers, Abatement Property Taxes, Debt Service Fund, and the Big Lake Economic Development Authority Fund.

The total tax levy for the 2026 budget is \$6,311,469, which is a 7.22% increase over 2025. For the median-valued home of \$375,000, this would be a monthly increase of \$4.09 or an annual increase of \$49.



How your tax dollar is allocated

The City of Big Lake receives a portion of the total property taxes based on what the City levies each year. Of every property tax dollar paid, approximately 32 cents support City of Big Lake services.



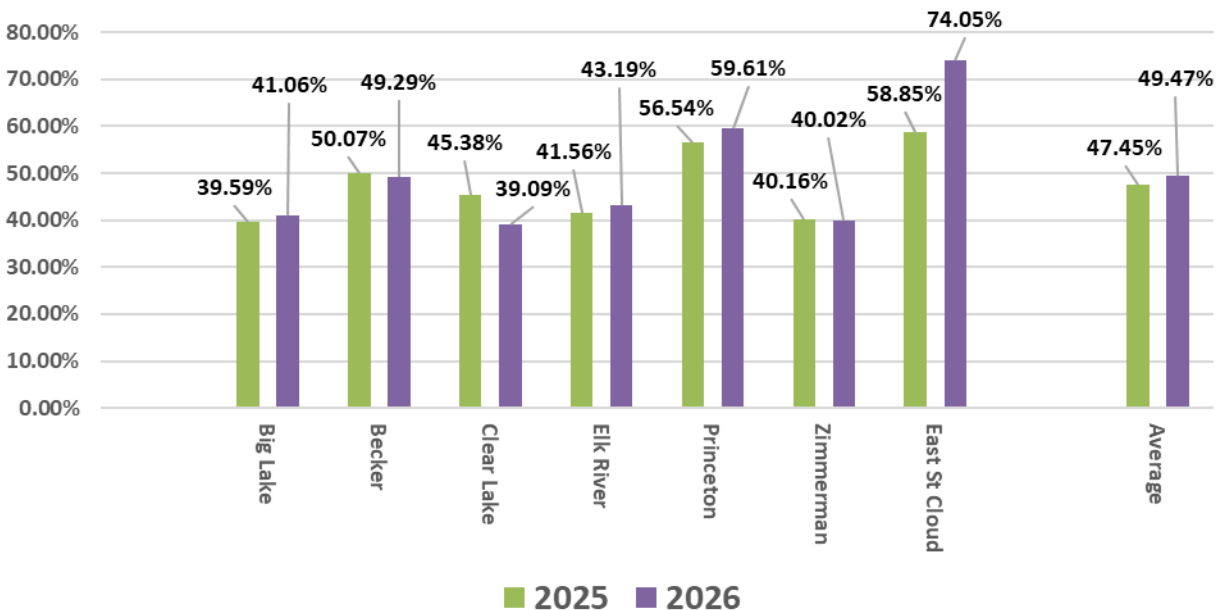
Property Tax Comparison

City property taxes in comparison to other cities, using the proposed 2026 City tax rate, based on a \$375,000 home. The City's tax rate is below the average of the cities listed below:

	City Tax Rate	Taxes Due based on \$375,000
Albertville	44.800%	\$ 1,623
Becker	49.290%	\$ 1,785
Big Lake	41.060%	\$ 1,487
Elk River	43.190%	\$ 1,564
Monticello	38.190%	\$ 1,383
Otsego	26.520%	\$ 961
Princeton	59.610%	\$ 2,159
Rogers	42.000%	\$ 1,521
Sartel	41.600%	\$ 1,507
Zimmerman	40.020%	\$ 1,450
Average	42.63%	\$ 1,544

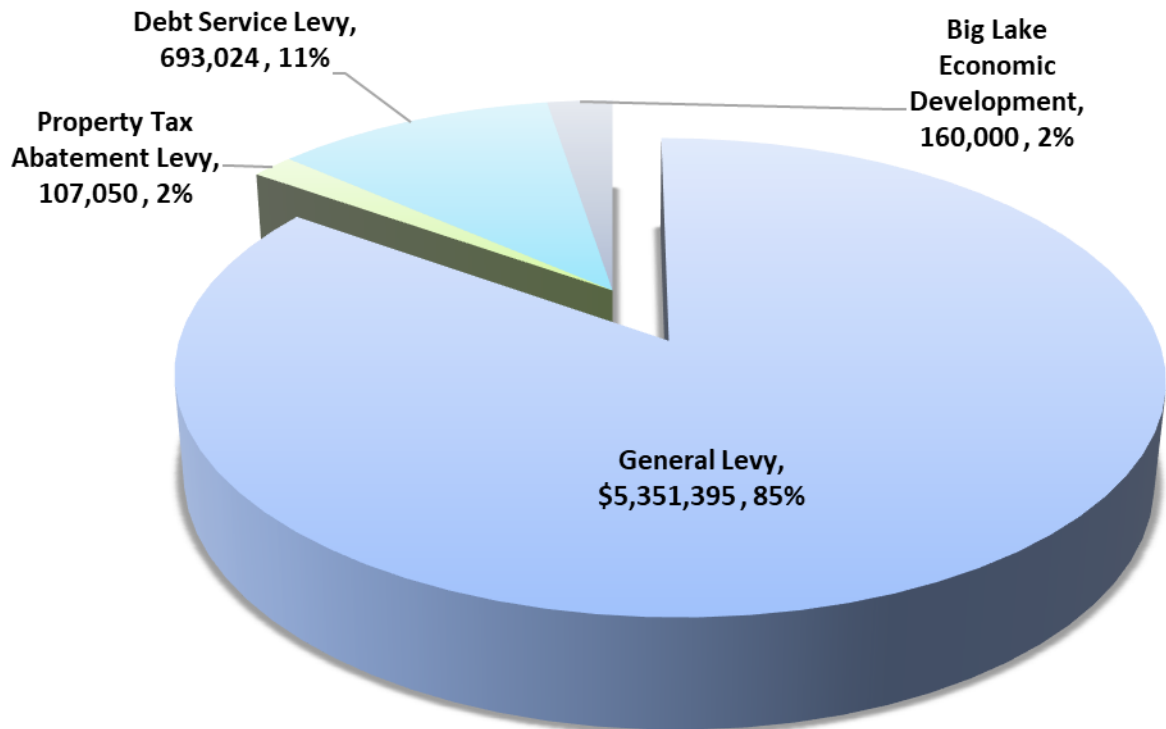


City Tax Rate comparison for cities located in Sherburne County for 2025 and 2026



Big Lake's proposed 2026 city tax rate remains below the average of comparable Sherburne County cities.

How are My City Taxes Allocated?



General Levy - \$5,351,395

Funds used to balance the general fund budget and provide the transfers to the capital improvement funds for future projects

Abatement Levy - \$107,050

Lupulin project - \$7,050

Original term - \$284,000 or 15 years

Outstanding note balance - \$252,212 and 8 years remaining

Premier Marine Project - \$100,000

Original terms - \$1,200,000 or 12 years

Outstanding note balance - \$1,068,533 and 9 years remaining

Debt Levy - \$693,024

Yearly principal and interest payment on city debt

Big Lake Economic Authority special levy - \$160,000

Funds used to promote economic development within the City of Big Lake

The City will only receive what it levies.

For 2026 that is \$6,311,469

What Will My City Taxes Pay For?

The City's largest fund, the General Fund, includes different revenue sources. It is estimated that the City will collect \$7.7 million in general fund revenue in 2026, with 67% of the revenue coming from the property tax levy.

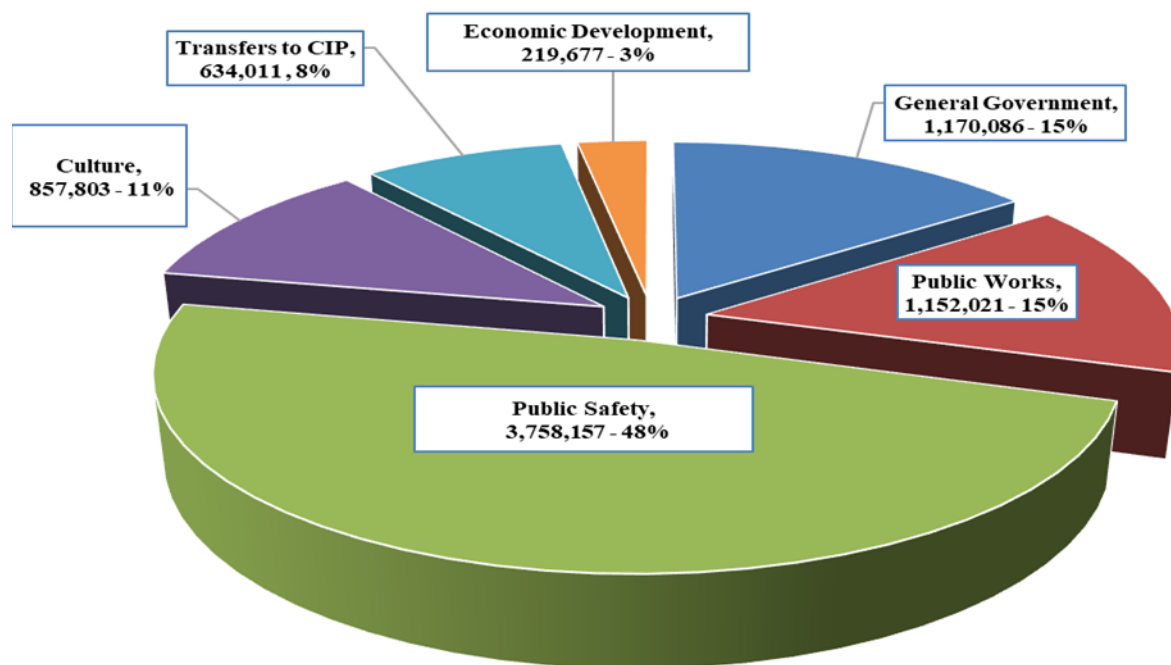
While property taxes represent a primary funding source, the City maintains a diversified revenue structure that includes:

- Intergovernmental revenues (state and federal aid)
- Licenses and permits
- Charges for services
- Franchise fees
- Investment earnings
- Annual transfer from the municipal liquor store

The largest expense of the General Fund is salary and benefits for staff operating and supporting the City services. The City's total Expenditures Budget for 2026 is \$7,791,754, with the salary and benefits representing 64% of the total budget.

The 2026 general fund budget is allocated for the following services:

- 48% for public safety, which includes our police, fire and building divisions; this maintains the safety of our community
- 15% for general government; this is general services and administration of the city
- 15% for public works, which maintains the infrastructure of the community
- 11% for culture, this includes parks, the library and community events; this promotes quality of life
- 8% for transfers to the capital improvements funds for future projects
- 3% for Economic Development, which is used to promote Big Lake



2026 Transfers to Capital Improvement Funds

Total Transfers: **\$634,011**

Annual Transfers

- **Computer Replacement Fund (194):** \$10,000
- **Street Maintenance Fund (196):** \$450,000
- **Industrial Park Fund (141):** \$25,000
- **Park Maintenance/Improvement Fund (195):** \$100,000
- **Trail Maintenance Fund (195):** \$9,000
- **Music in the Park Fund (282):** \$10,000

Department Equipment & Replacement Funds (199)

- Streets Department Equipment Replacement: \$5,000
- Parks Department Equipment Replacement: \$5,000
- Playground Equipment Replacement: \$5,000
- Police Taser Replacement: \$12,611
- Fire Department Radio Replacement: \$2,400 (new annual transfer beginning in 2026)

These annual transfers help avoid large future tax increases by saving in advance for roads, parks equipment, and technology.

Projects proposed for 2026

- Sealcoat based on pavement plan
- Minnesota Avenue
- Playground equipment replacement

*Building a stronger Big Lake together.
LIVE BIG!*



Enterprise Funds

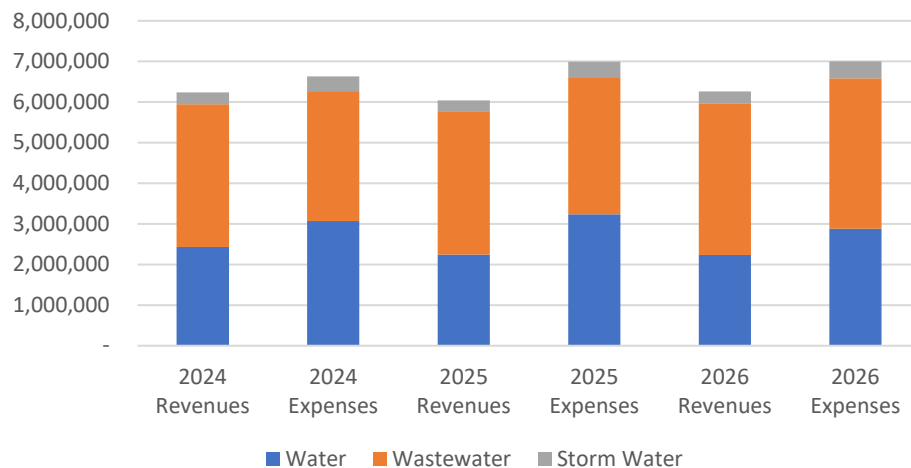
The City's enterprise funds, including water, wastewater, stormwater, and liquor, are operated to ensure long-term financial sustainability. These funds are supported by user fees and municipal liquor store revenues, not property taxes. Rates and fees are structured to recover the cost of operations, maintenance, and capital improvements.

The Wastewater Fund is projected to experience rate increases over the next five years to support the planned expansion of the wastewater treatment facility and accommodate future growth.

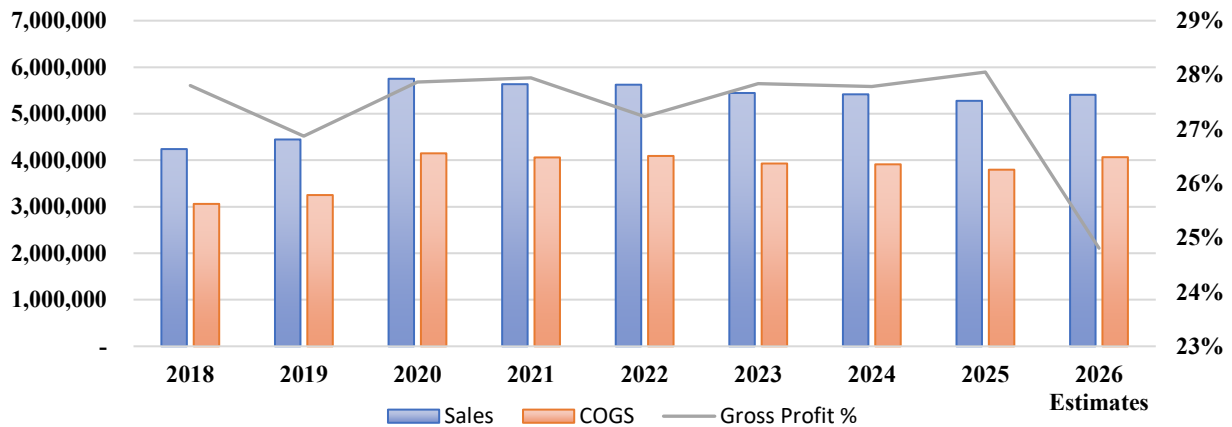
Sales for the municipal liquor store are projected to remain relatively flat over the long-term planning period, while continuing to provide an annual transfer of \$450,000 to the General Fund.

These enterprise operations support reliable utility service, future infrastructure needs, and provide an ongoing revenue source that benefits the broader community and helps support General Fund services.

Utility Funds Revenue and Expenses



Liquor Store Trends



Economic Outlook

Big Lake continues to experience steady growth in both population and taxable market value. While inflationary pressures continue to impact operating costs, the City remains well-positioned due to strong financial management and a stable revenue base.

Ongoing development, infrastructure investment, and long-term planning efforts support the City's continued financial sustainability.

Thank You

The City of Big Lake's budget reflects thoughtful planning, fiscal responsibility, and a commitment to meeting today's needs while preparing for the future. It represents the collective work of the City Council, staff, and community, guided by clear priorities and long-term goals.

Sound financial management allows the City to deliver essential services, invest in infrastructure, and respond to future challenges while maintaining stability for taxpayers. As Big Lake continues to grow and evolve, the city remains focused on transparency, accountability, and responsible stewardship of public resources.

Thank you to the residents, businesses, and partners who help make Big Lake a strong and vibrant community. Together, we will continue to build a city that is resilient, forward-looking, and a place we are proud to call home.

**Building a stronger Big Lake together.
LIVE BIG!**

