

Tax Levy Summary

Overall, the tax levy includes levies for general operations and City infrastructure. The 2025 actual and 2026 proposed preliminary tax levies are listed below.

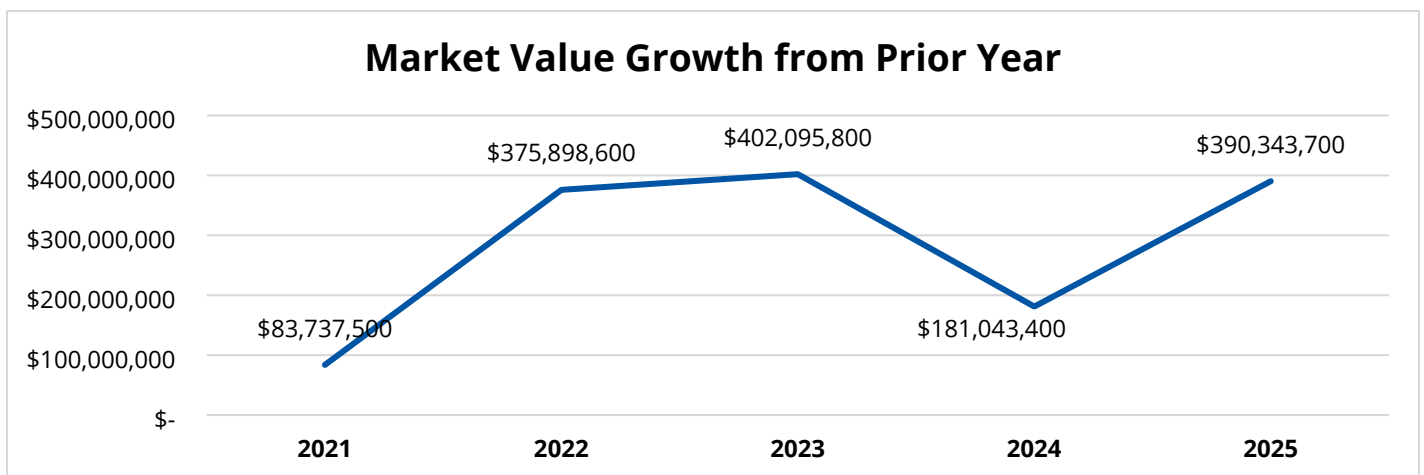
	2025	2026 Prelim	Increase (Decrease)	% Change
General	\$6,401,453	\$7,325,515	\$924,062	14.44%
City Infrastructure	\$502,000	\$517,000	\$15,000	2.99%
Total City Tax Levy	\$6,903,453	\$7,842,515	\$939,062	13.60%

Summary of the City's Market Value and Net Tax Capacity

The City tax rate is calculated by dividing the total levy amount by the total tax capacity. Tax capacity is determined by multiplying the taxable market value of each property in the City by its specific class rate (a percentage set by the State) and adding them all together. In Minnesota, there are different class rates for different types of properties and these rates can only be changed by the State Legislature.

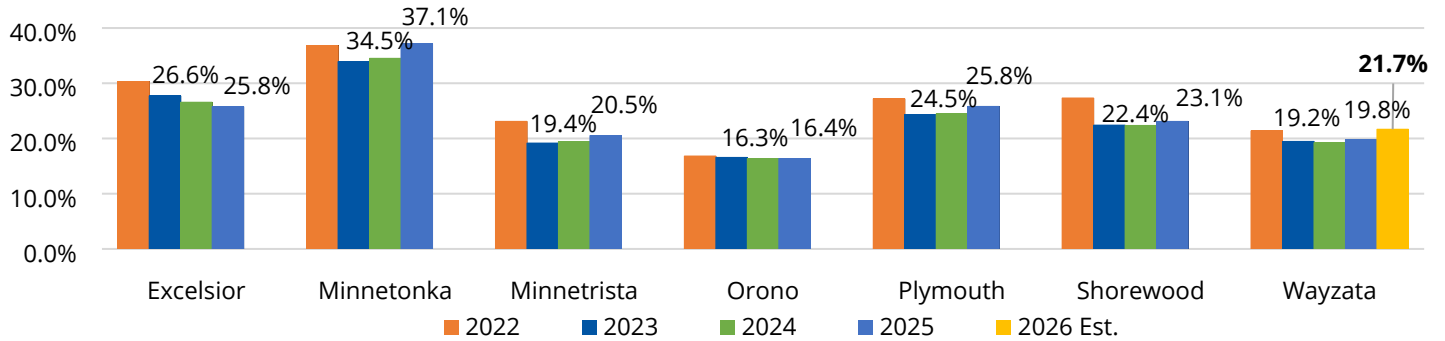
Wayzata's market value continues to be strong with growth in net tax capacity outpacing the suburban county average. About 12% of the market value growth in 2025 is from new construction.

	Net Tax Capacity			
	2024 Pay 2025	2025 Pay 2026	% Change (Wayzata)	% Change (County)
Commercial/Industrial	\$10,180,012	\$10,524,222	3.4%	-0.2%
Apartment	\$2,863,379	\$2,939,216	2.6%	-1.3%
Residential	\$26,734,601	\$29,040,066	8.6%	4.3%
Other	\$3,368,583	\$3,503,427	4.0%	2.1%
Total	\$43,146,575	\$46,006,931	6.6%	2.6%



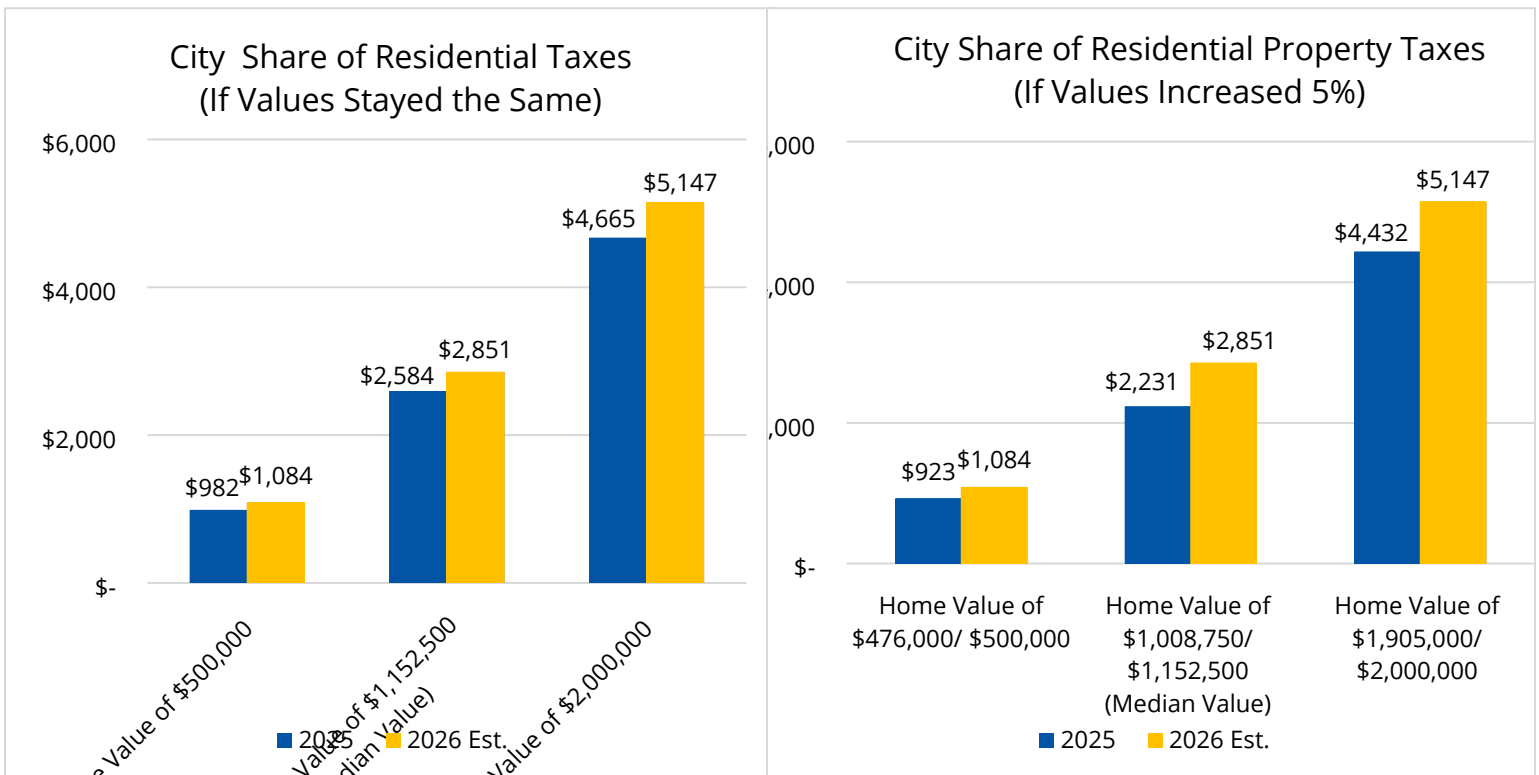
Below is a summary of Wayzata's tax rate history compared to six Lake Minnetonka Cities and Plymouth. Even with a projected tax levy increase in 2026, Wayzata is projected to maintain a lower-than-average tax rate at 21.67%.

Historical Tax Rates



Impact to Residents

Calculating the impact of changes in property taxes to homeowners in Minnesota requires a complicated mix of data and information that changes each year. Based on the proposed levy increase of 13.60%, preliminary estimates indicate that the median valued home of \$1,152,500 would see an increase of \$267 in the City's portion of their annual tax bill when property values are held constant.



If a home increased in value 5% from the prior year, a median value home of \$1,152,500 would see an increase of \$620, in the City's portion of their annual tax bill.

General Fund Levy Drivers

Several factors are contributing to the 2026 budget and specifically are driving the general fund levy increase of \$924,062. Some of the significant categories are listed and represented in the chart below.

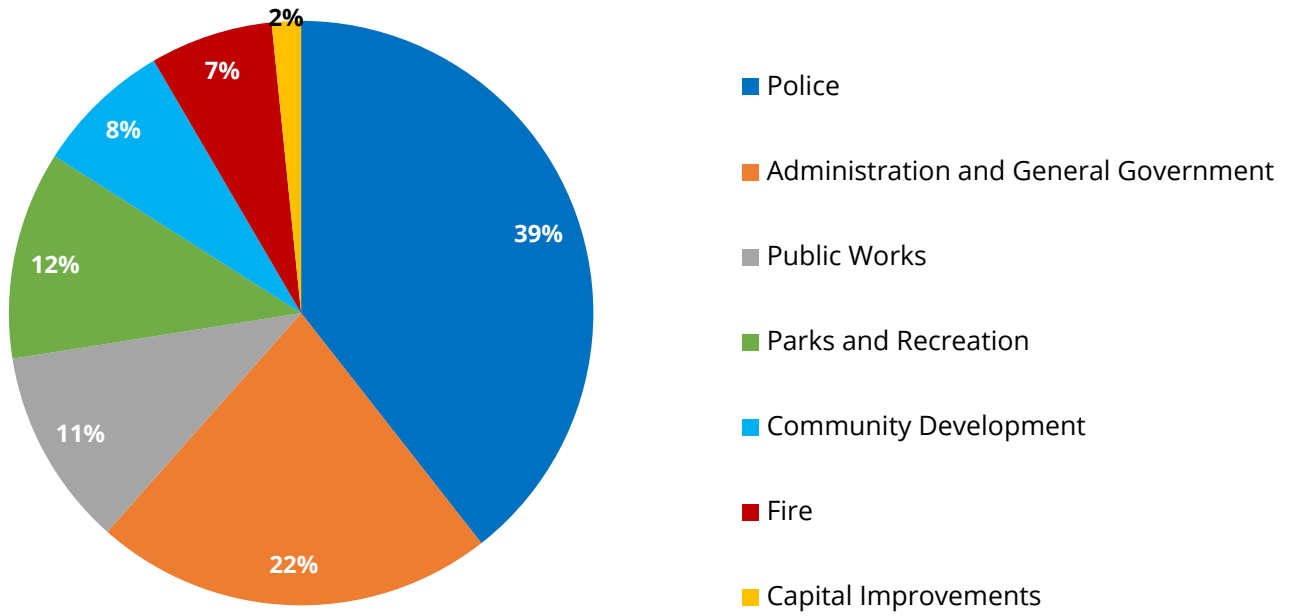
- **Investing in Employee Compensation:** 3% COLA, market adjustments for police per union contracts, and market adjustments to firefighter wages and pension contributions.
- **Adding Public Safety Employees:** adding a Police Officer, a Full-Time Fire Chief, and increasing hours for Community Service Officers.
- **Additional Lakewalk Expenses:** increases in general liability insurance based on 2024 increases for new Lakewalk and docks along with annual installation and removal of step downs.

General Fund Budget Summary

Below is a summary of the General fund's revenues and expenditures. Actual amounts are presented for the two prior years and the current year to date as well as projected budget amounts for next year.

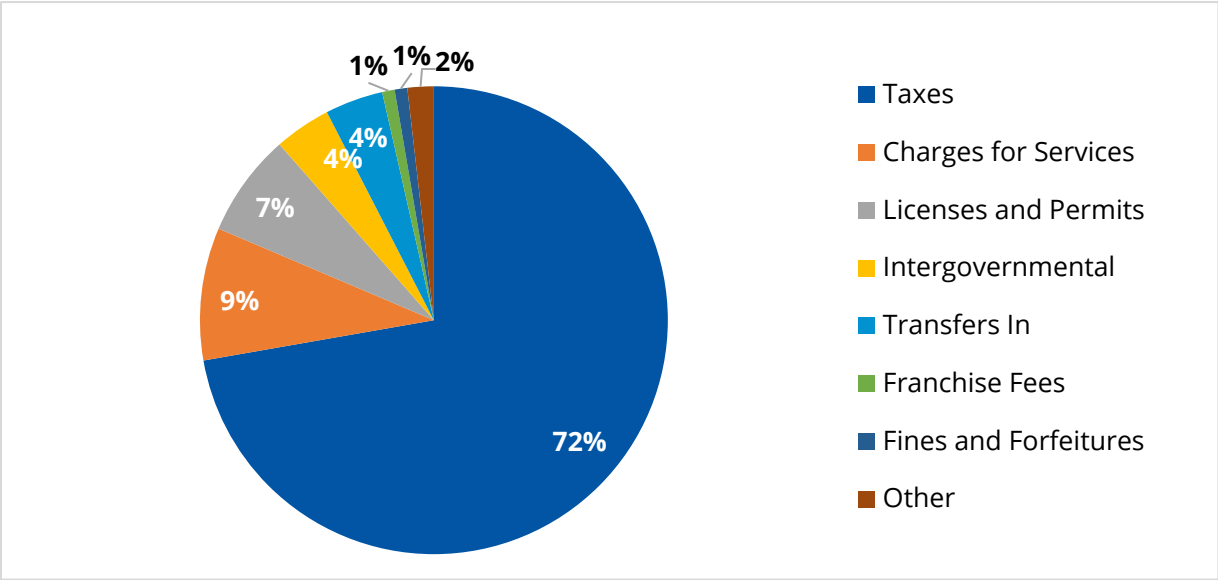
	Actual		Budget		Increase/ (Decrease) from PY	Percent Change
	2023	2024	2025	2026		
Revenues						
Taxes	\$5,279,837	\$5,873,999	\$6,401,453	\$7,325,515	\$924,062	14.44%
Franchise Fees	\$88,002	\$87,896	\$88,000	\$88,000	\$-	0.00%
Licenses and Permits	\$741,116	\$880,364	\$691,100	\$726,725	\$35,625	5.15%
Intergovernmental	\$330,738	\$444,173	\$388,600	\$458,500	\$69,900	17.99%
Charges for Services	\$926,037	\$948,803	\$947,415	\$933,355	\$(14,060)	-1.48%
Fines and Forfeitures	\$81,869	\$93,359	\$89,000	\$89,000	\$-	0.00%
Interest	\$178,277	\$271,585	\$130,000	\$150,000	\$20,000	15.38%
Miscellaneous	\$60,081	\$219,935	\$35,000	\$35,000	\$-	0.00%
Transfers In	\$453,000	\$459,393	\$408,313	\$408,313	\$-	0.00%
Total Revenues	\$8,138,957	\$9,279,507	\$9,178,881	\$10,214,408	\$1,035,527	11.28%
	Actual		Budget		Increase/ (Decrease) from PY	Percent Change
	2023	2024	2025	2026		
Expenditures						
Mayor and Council	\$54,544	\$73,058	\$78,985	\$75,620	\$(3,365)	-4.26%
Administration and Finance	\$990,750	\$1,230,493	\$1,277,775	\$1,357,395	\$79,620	6.23%
Assessing	\$99,000	\$51,500	\$-	\$-	\$-	#DIV/0!
Community Development	\$369,666	\$400,379	\$431,895	\$458,785	\$26,890	6.23%
Building Operations & Maint.	\$299,510	\$286,194	\$347,345	\$354,360	\$7,015	2.02%
Police	\$2,577,937	\$2,918,585	\$3,504,435	\$3,954,350	\$449,915	12.84%
Crime Control & Investigation	\$58,706	\$53,451	\$53,150	\$62,000	\$8,850	16.65%
Fire	\$401,297	\$448,898	\$438,585	\$694,095	\$255,510	58.26%
Building Inspections	\$222,527	\$239,573	\$270,475	\$314,038	\$43,563	16.11%
Emergency Management	\$1,785	\$5,999	\$10,100	\$10,300	\$200	1.98%
Streets	\$657,683	\$662,813	\$738,855	\$750,380	\$11,525	1.56%
Health Inspections	\$34,375	\$41,350	\$-	\$-	\$-	#DIV/0!
Engineering	\$150,946	\$169,914	\$244,710	\$256,780	\$12,070	4.93%
Parks	\$832,268	\$994,823	\$1,116,071	\$1,176,555	\$60,484	5.42%
Boulevard Maint. & Lighting	\$107,012	\$85,994	\$117,500	\$112,500	\$(5,000)	-4.26%
Miscellaneous Allocations	\$1,238,191	\$1,114,744	\$549,000	\$637,250	\$88,250	16.07%
Total Expenditures	\$8,096,197	\$8,777,768	\$9,178,881	\$10,214,408	\$1,035,527	11.28%
Revenues Less Expenditures	\$42,760	\$501,739	\$ -	\$ -		

A visual breakdown on where the General Fund Budget is spent by function of the City is provided below.



General Fund Summary of Significant Increases and Decreases (\$5,000 or more) and Service Level Changes

Revenues:

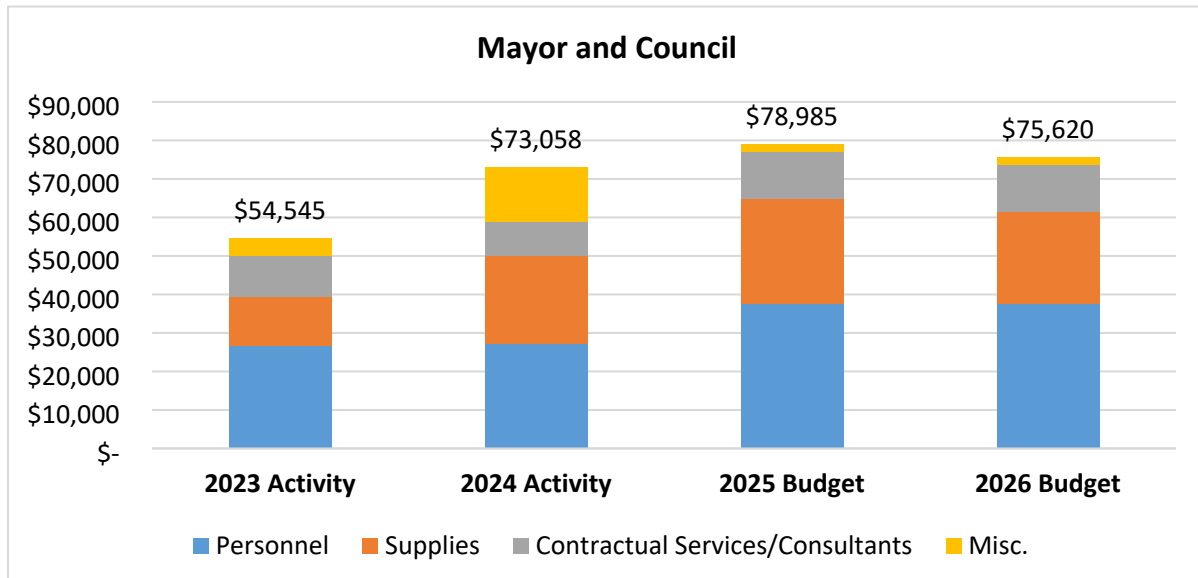


Line Item	Increase (Decrease)	Reason
Property Taxes	\$924,062	To balance the budget
Alcoholic Beverages	\$8,625	Fee increase
Building Permits	\$30,000	To actual
Project Inspection	(\$45,000)	To actual based on reduced capital projects
Interest Earnings	\$20,000	Based on current and forecasted rates
Insurance Premium Tax-Police	\$40,000	To actual
Police Services - Long Lake	\$8,210	Increase per contract
Insurance Premium Tax-Fire	\$29,000	Based on 2024 receipt
Fire Contracts	\$23,725	Increase in contract based on increased costs

Expenditures by Department

Mayor and Council

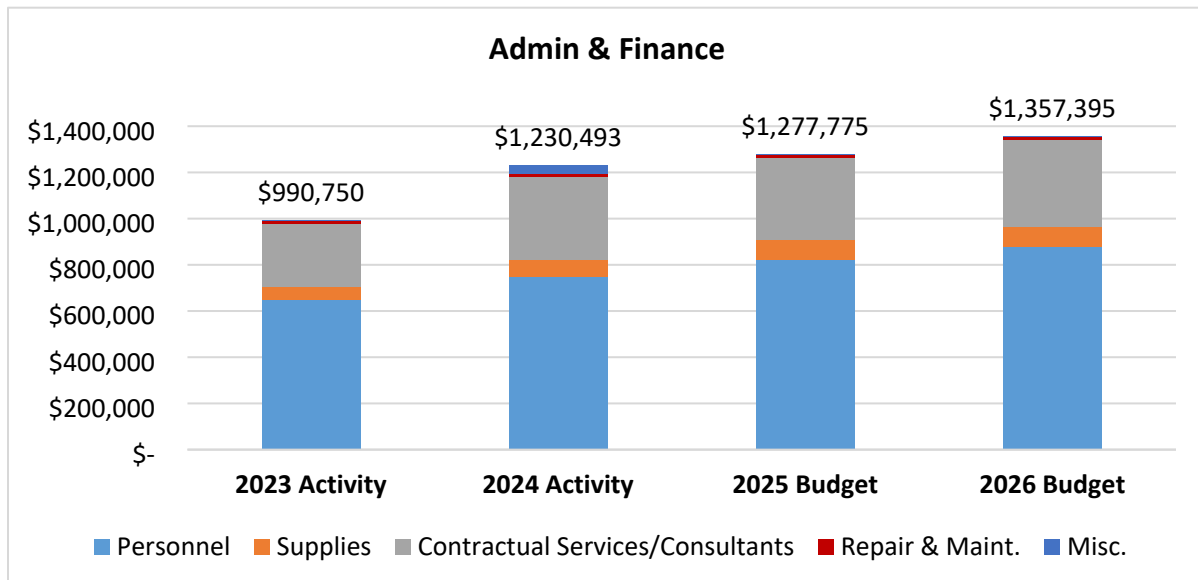
Description of Scope and Services: Provides for compensation of Mayor and four City Council members, training , meeting transcription services, volunteer dinner, and community events like Light up the Lake, State of the City, and Public Safety Day.



No significant increases or decreases are proposed for this department's budget for 2026.

Admin/Finance

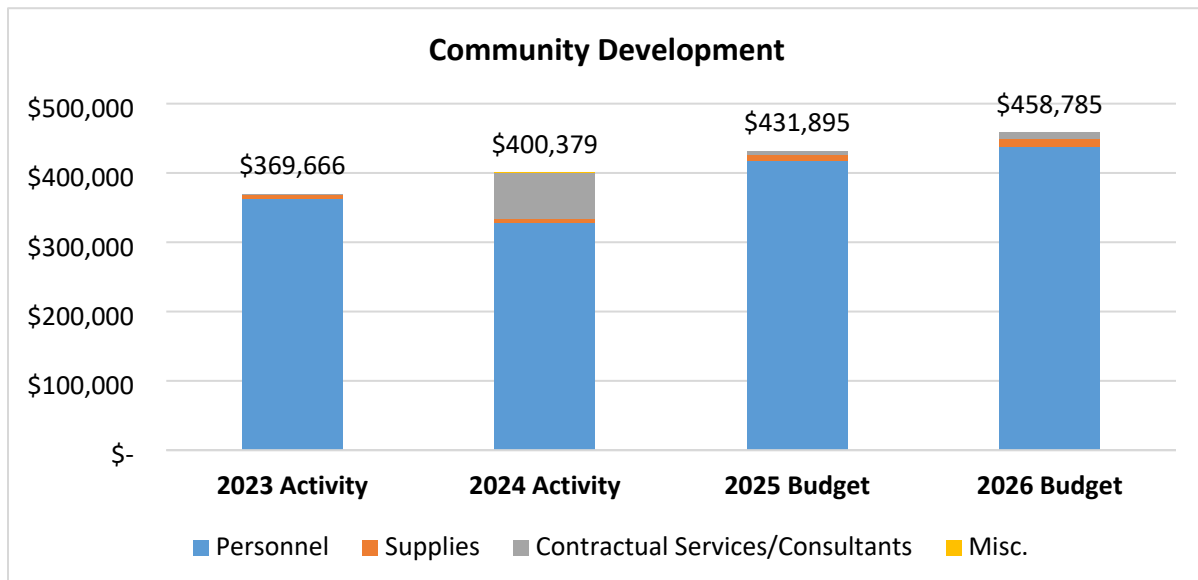
Description of Scope and Services: Provides support for the City Council through the City Manager and manages overall delivery of city services. Specific responsibilities include administering elections, maintaining official records, and preparing City Council agendas. Provides many city-wide and cross departmental functions for the City including accounting and finance, human resources, communications, legal, IT, and customer service. The Department has eight FT employees (City Manager, Deputy City Manager, City Clerk, HR Generalist, Communications Coordinator, Finance Manager, Accountant, Administrative Assistant) and one PT employee (Admin. Asst. and Records Specialist) all of whom have portions of their salaries covered by other funds.



Line Item	Increase (Decrease)	Reason
Full-Time Employees Regular	\$19,335	COLA and step increases
Auditing & Accounting Services	(\$26,400)	Reduction in contract with Abdo due to Finance Manager position
Consultants	\$7,350	NEW - \$11,200 budgeted for a compensation study in 2026
Legal Fees	\$49,450	Based on actual and anticipated legal costs
Data Processing	(\$11,390)	Consolidation of some IT licenses and allocation of IT costs across all funds.
Printing and Publishing	(\$1,200)	Reduced to actual. NEW - \$5,000 for direct mailing to Folkstone
Dues, Licensing, and Seminars	\$19,950	NEW - \$8,500 ADA software for PDF remediation NEW - \$2,550 Docusign for notary services

Community Development

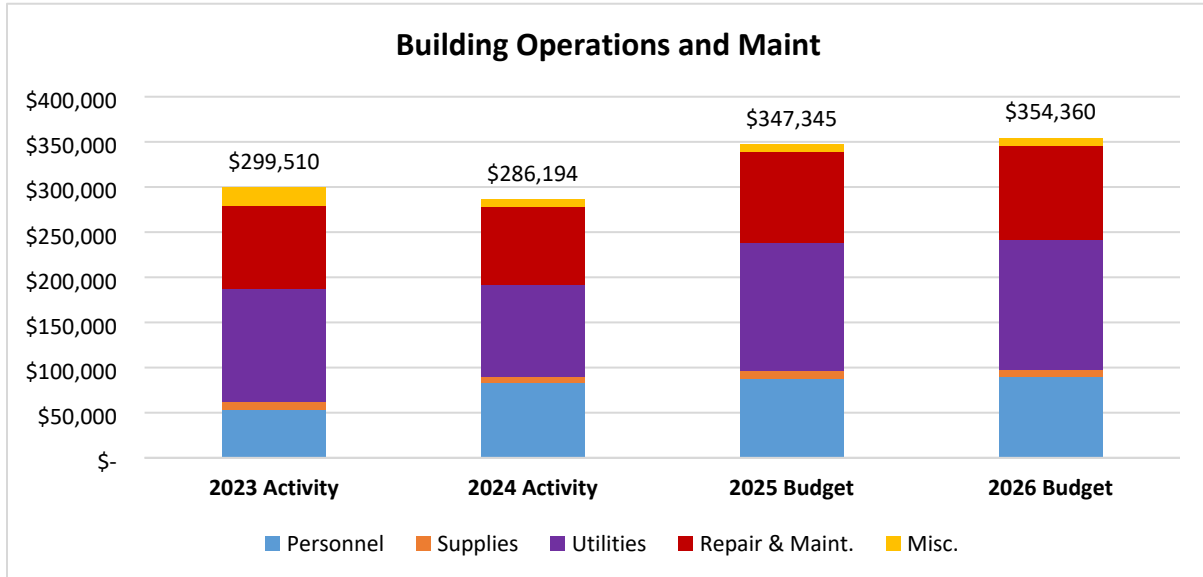
Description of Scope and Services: Administers and enforces the city’s zoning code, comprehensive plan, and design standards. Provides technical assistance to both the Planning Commission and City Council. Reviews development applications to ensure compliance with Wayzata’s ordinances and policies. Supports additional boards and commissions including Energy and Environment Committee, Heritage Preservation Board, Housing and Redevelopment Authority, Parks and Trails Board, Panoway District Committee, and the Public Art Steering Committee. The Department has two FT employees (Community Development Director, and Planner) and also covers part of the wages for two other positions (Parks Planner and Permit Technician).



Line Item	Increase (Decrease)	Reason
Employer Paid Insurance`	\$24,110	Insurance budgeting for all employees to take health insurance
Consultants	\$5,000	Anticipated increase in usage of WSB based on having newer staff

Building Operations and Maintenance

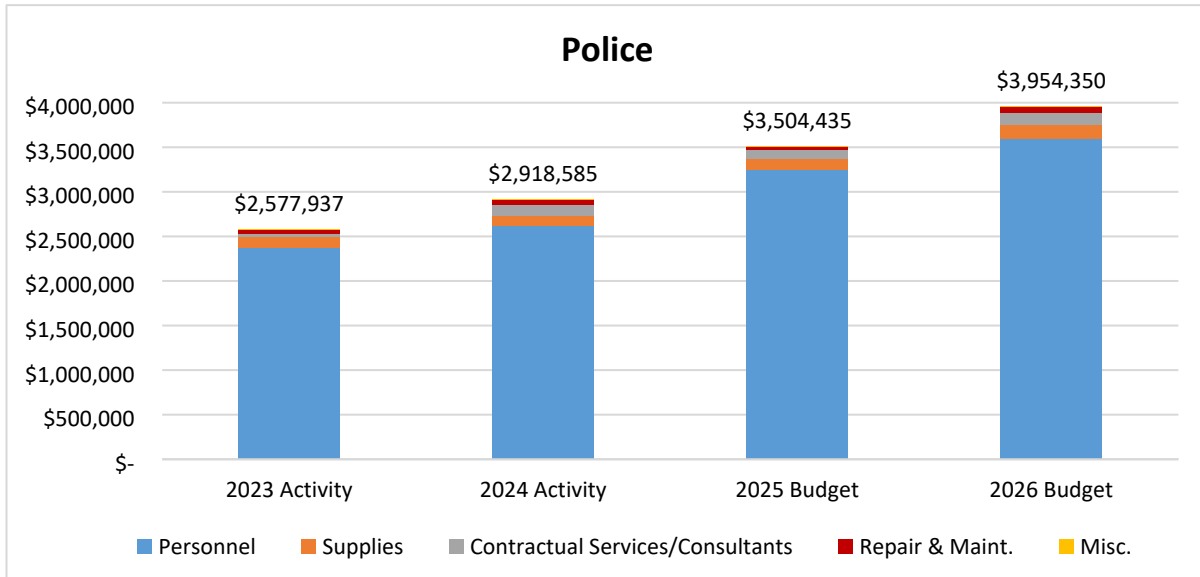
Description of Scope and Services: Responsible for the maintenance and repair of the city's buildings and their related systems such as heating, ventilation, air conditioning, electrical, plumbing and mechanical. This department is supported by one FTE who has a portion of their time and wages allocated across multiple funds that maintenance services are provided for.



Line Item	Increase (Decrease)	Reason
Other Utilities	\$5,500	To actual

Police Department

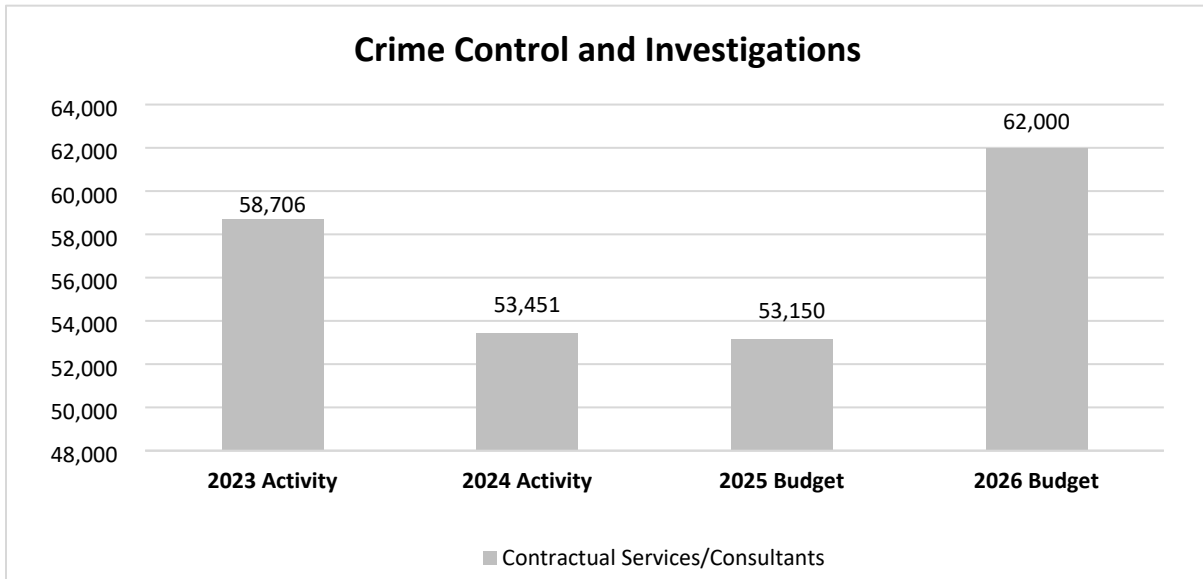
Description of Scope and Services: Provides police services to the cities of Long Lake and Wayzata including patrol, crime prevention, investigations, emergency response, school resource officers, and K9 program. The Department has 21 FT Employees (Police Chief, Deputy Chief, three Sergeants, 14 Police Officers, and two Records staff) and about 5 PT employees (4 CSOs and 1 Records Tech)



Line Item	Increase (Decrease)	Reason
Full-time Wages	\$185,820	COLA, step increases, Union Contract market increases, and NEW Police Officer position
Overtime	\$21,875	To actual
Part-Time Wages	\$14,000	To actual with increased CSO hours
PERA	\$31,412	To actual with new wages and NEW Police Officer position
FICA	\$6,921	To actual with new wages and NEW Police Officer position
MN Paid Family Leave	\$10,667	NEW – Implementation of new state law
Employer Paid Insurance	\$53,605	NEW – Police Officer position
Uniforms	\$5,000	Additional Officer and CSO uniforms
Consultants	\$6,000	To actual
Contractual Services	\$34,980	To actual
Radio Units	\$12,000	Adding radios for CSOs
Repairs/Maint – Machine/Equipment	\$32,000	To actual
Training & Schools	\$27,000	Additional training for newer officers, additional officer, increased ammo costs, and \$10,000 for tuition reimbursement.

Crime Control and Investigations

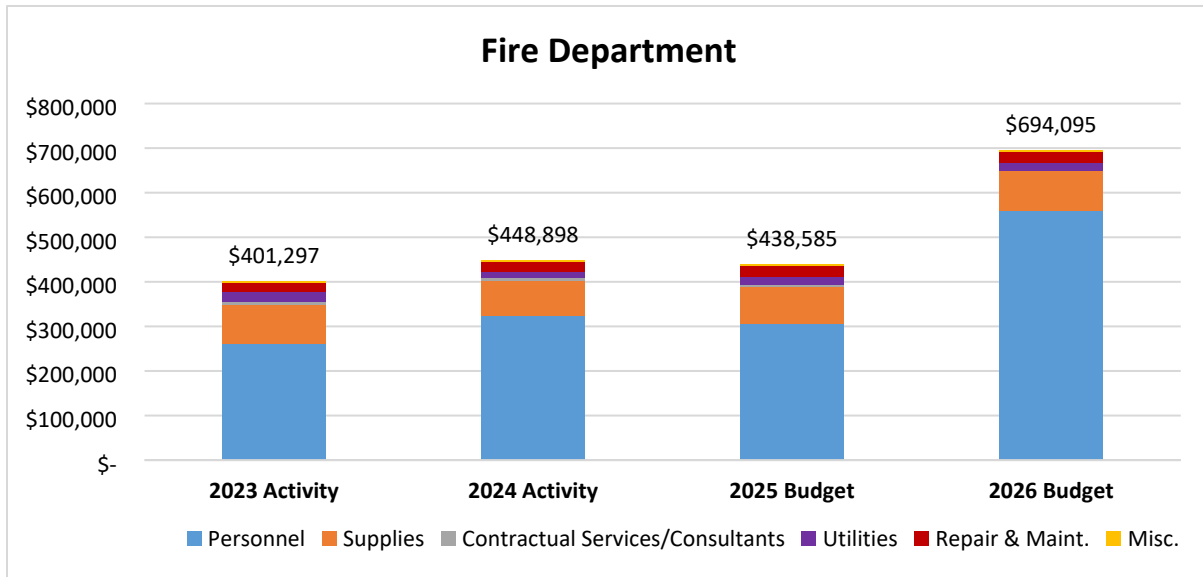
Description of Scope and Services: Provides for criminal prosecution legal services and care for prisoners.



No significant increases or decreases are proposed for this department's budget for 2026.

Fire Department

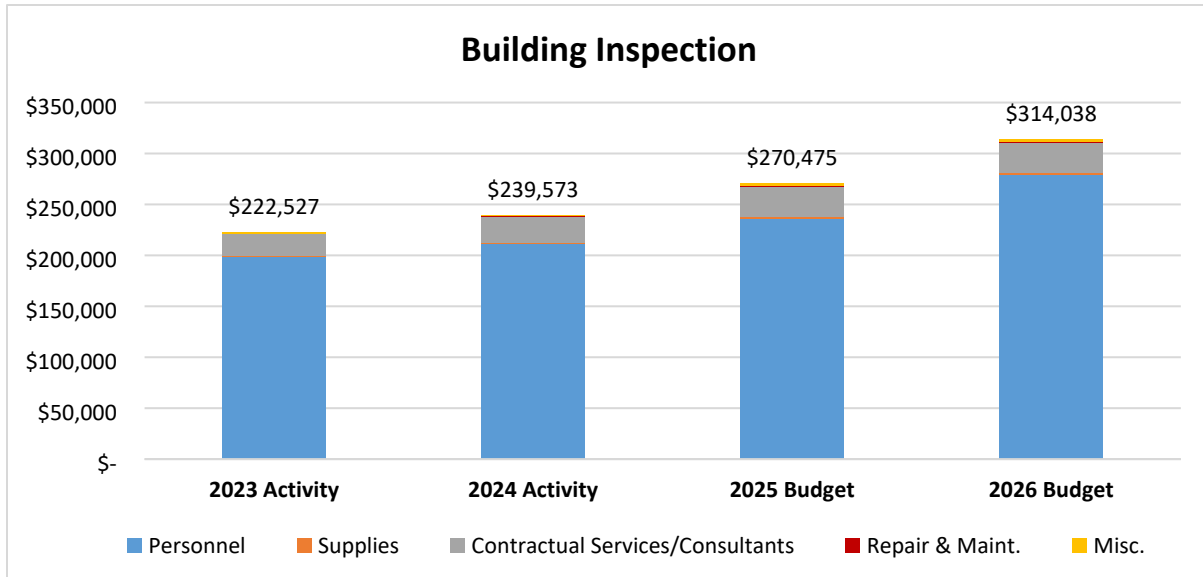
Description of Scope and Services: The Wayzata Fire Department is a volunteer, paid-on-call fire department that provides fire emergency response and prevention education services to the City of Wayzata and City of Woodland. The department currently has about 29 on-call firefighters.



Line Item	Increase (Decrease)	Reason
Full-time Wages	\$135,000	NEW Full-time Fire Chief position
Part-Time Wages	(\$15,235)	Wage increases for firefighters offset with reduction in hours paid to a PT Chief in lieu of FT wages
PERA	\$10,125	NEW Full-time Fire Chief position
FICA	\$9,160	NEW Full-time Fire Chief position
Employer Paid Insurance	\$24,385	NEW Full-time Fire Chief position
Operating Supplies	\$7,000	To actual
Contractual Services	(\$5,000)	Not being utilized
Payments to Organizations	\$55,000	NEW – Increase in City Contribution to Fire Relief Pension. More detail below in Appendix A.
Payment to Fire Relief	\$34,000	To match estimated state reimbursement in revenue budget which is passed through to Fire Relief Pension

Building Inspections

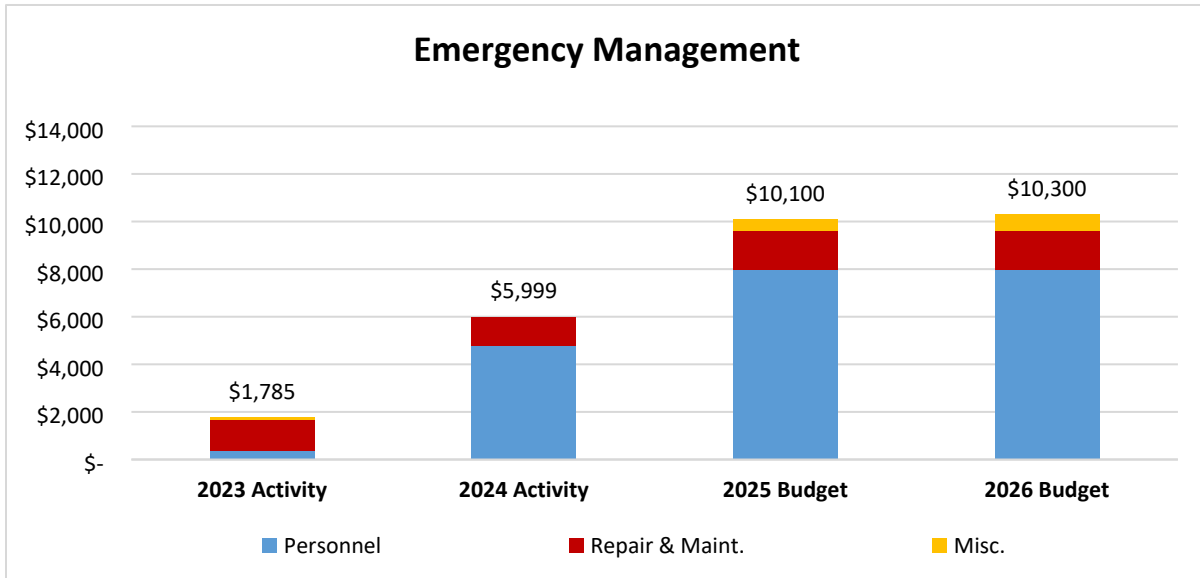
Description of Scope and Services: Responsible for the application and enforcement of the building codes and related ordinances regulating construction, alterations, and the use of buildings within the city. The department is also responsible for administering the property maintenance code and licensing of rental housing. The department has two FT employees (Building Official and Permit Technician), contracts for additional inspection services with Metro West, and pays for a portion of the CSOs time for code enforcement.



Line Item	Increase (Decrease)	Reason
Full-time Wages	\$11,935	COLA and step increases
Part-time Wages	\$24,256	Increase in CSO hours

Emergency Management

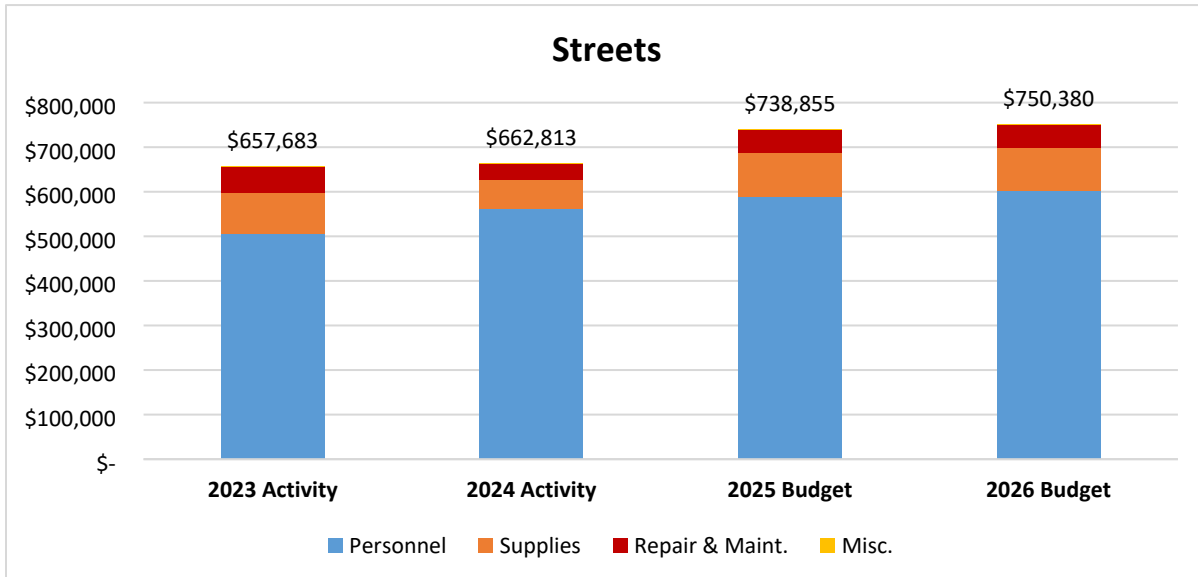
Description of Scope and Services: Provides for repair of emergency alarm systems and participation in the Lake Minnetonka SWAT team.



No significant increases or decreases are proposed for this department's budget for 2026.

Streets

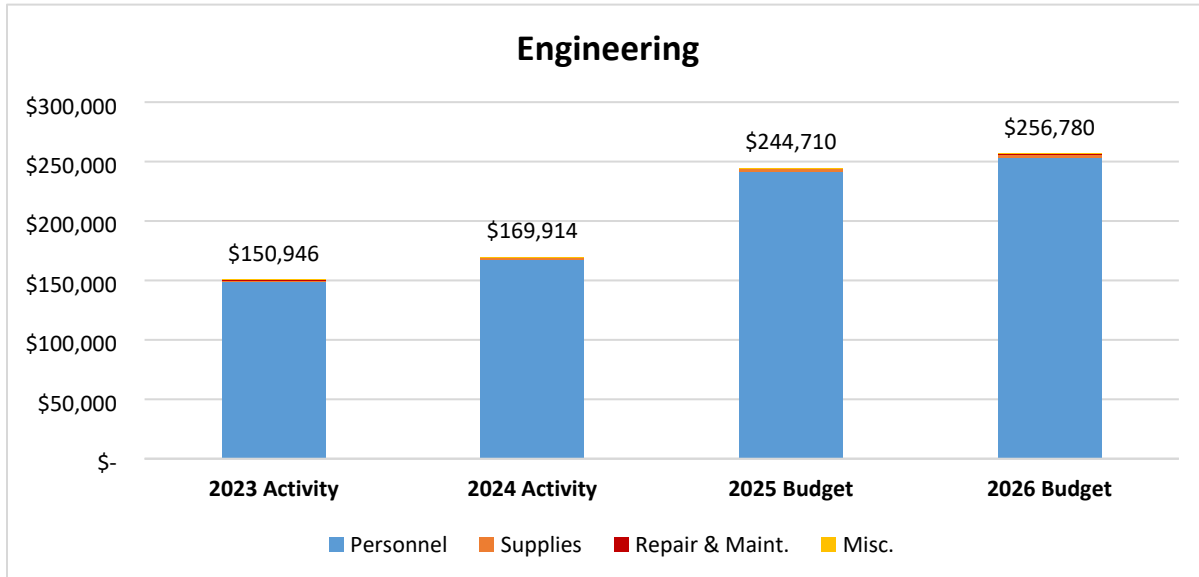
Description of Scope and Services: Responsible for maintenance of city right of way including pavement maintenance, snow plowing, pavement markings, street signs, street lighting, tree trimming, mechanic services, and more. The department has four FT employees.



Line Item	Increase (Decrease)	Reason
Full-Time Employees	\$12,405	COLA and step increases per union contract
Over-time Wages	(\$7,000)	To actual
Chemicals	(\$7,000)	To actual
Other Equipment Rentals	\$6,000	To actual

Engineering

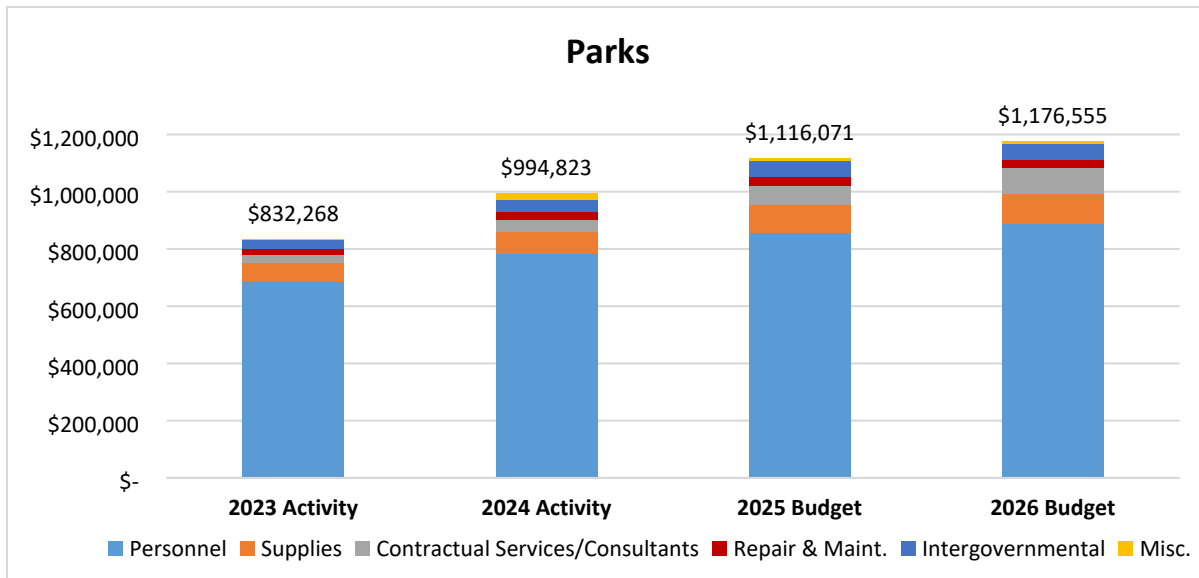
Description of Scope and Services: Oversees the design, management, and construction of the city's infrastructure, including streets, drainage, sanitary sewer lines, water lines, street lighting, and other projects to support residents and businesses. Ensures that projects meet design standards and engineering criteria. The department has three FT employees (PW Director/City Engineer, Assistant City Engineer, and a Public Works Technician) and a small portion of their salaries are paid for by utility funds.



Line Item	Increase (Decrease)	Reason
Full-Time Employees	\$8,295	COLA and step increases

Parks

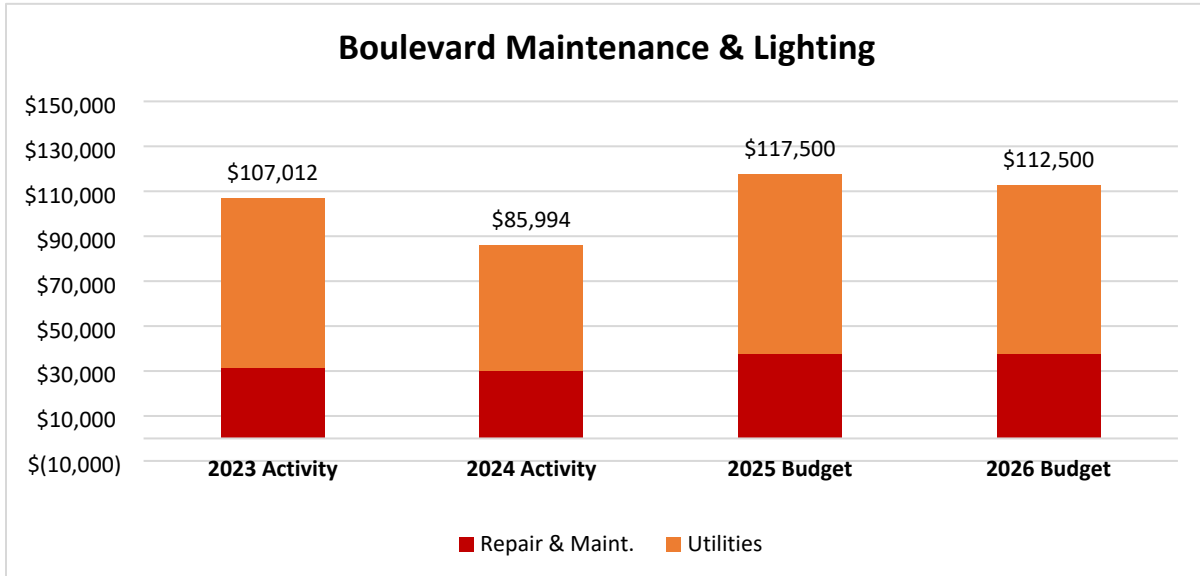
Description of Scope and Services: Responsible for maintenance for all city parks, trails, ice rinks, docks, marinas, sidewalks, playgrounds, decorative landscaping, cemetery, beaches and more. This department also houses forestry services. The department has seven FT employees (Lead Parks, Forester, and five Park Maintenance Workers), three employees who are partially paid out of Parks (Parks Planner, PW Administrative Assistant, and the PW Director), along with part time seasonals in the summer and winter.



Line Item	Increase (Decrease)	Reason
Full-Time Employees	\$29,140	COLA and step increases per union contract
Overtime	(\$6,500)	To actual
Contractual Services	\$24,700	<p>NEW - \$20,000 for installation and removal of Lakewalk Step Downs</p> <p>NEW - \$2,000 for Maple Tree Tapping services with Merrily</p>

Boulevard Maintenance & Lighting

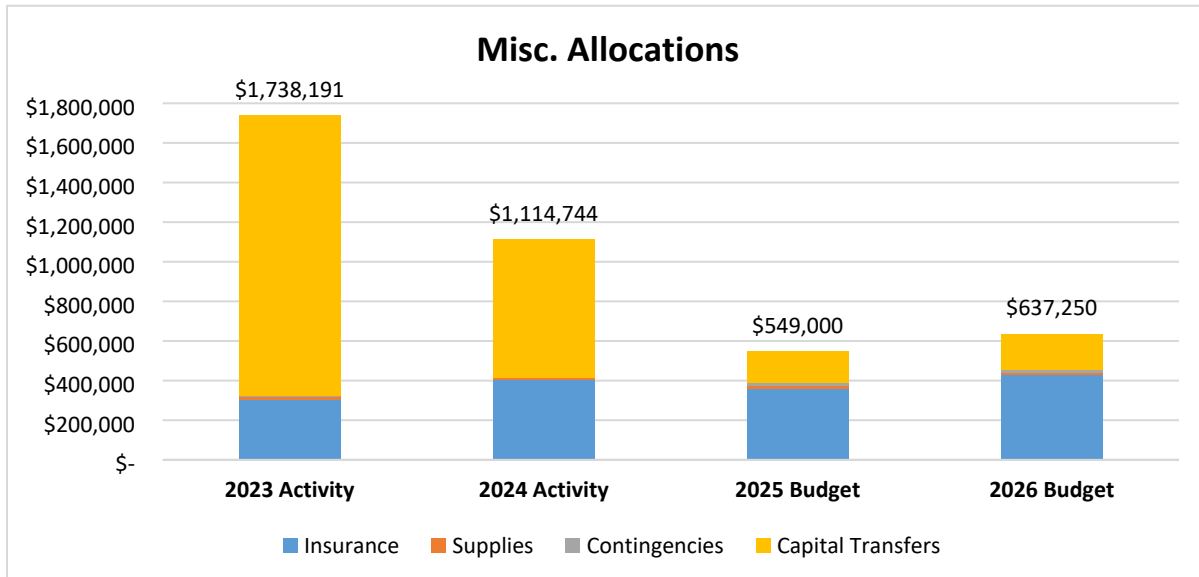
Description of Scope and Services: Provides for operating, repair, and maintenance costs of the City's street lights.



Line Item	Increase (Decrease)	Reason
Utilities	(\$5,000)	To actual

Misc. Allocations

Description of Scope and Services: Provides for city-wide costs some of which are split between the General Fund and other Funds including insurance, supplies. Also houses the capital transfers out and the General Fund contingency amount. Activity amounts tend to be higher than budget due to the transfer of excess reserves from prior years.



Line Item	Increase (Decrease)	Reason
General Liability Insurance	\$50,000	To actual with additional insurance coverage for Panoway Lakewalk and docks which was underestimated in 2024.
Workers Comp Insurance	\$17,000	To actual based on increased rates and experience rating
Operating Transfer - Equipment	\$5,000	Increase per CIP cash flows to ensure capital transfers keep pace with inflation.
Operating Transfer - Comp Plan	\$16,250	NEW – instead of transferring out 5% of building permit revenue from the revenue line item directly, staff recommend changing the practice to separate the transaction from the revenue line item. This aligns with pas practice but is represented differently in the budget.

Fee Schedule Updates (excluding Enterprise-related Fees)

- **Overall increase of 3% with the following exceptions:** (highlighted in yellow on the Fee Schedule)
 - Wetland Delineation Escrow: 6% based on actual consultant costs
 - Public Works Pickup Rental Costs: 5%
 - New Fee: USB Memory Stick – up to 16GB: \$3.00: covers cost of providing for a data practices request
 - New Fee: USB Memory Stick – up to 32GB: \$6.00: covers cost of providing for a data practices request
- No increases are proposed for building permit fees, administrative type records and copying fees, and any other charges set by Ordinance or State Statute.
- Enterprise related fees will be discussed as part of the Enterprise Budget Workshop on July 15, 2025.

Options to Reduce the Property Tax Levy

Staff recognize that the proposed 2026 preliminary budget and property tax levy are probably higher than the Council prefers. However, these budget requests are needed and/or important to meet operational needs and strategic plan priorities. The increases are mainly from implementing the Long-Term Staffing Plan and fairly and competitively compensating employees through their wages and retirement benefits.

Reduce Expenditures

Staff have prepared several options to reduce the general fund budget expenditures and property tax levy, each with their tradeoffs, for Council consideration. Options are listed in no particular order.

Expenditure Item	Savings Amount	Approx. Levy % Savings	Tradeoffs
Installation and removal of Lakewalk Step Downs	\$20,000	0.29%	The step downs would not be able to be installed and would be placed in storage instead of usable on the lakewalk.
Maple Tree Tapping services	\$2,000	0.03%	The City could partner with another agency or revert back to previous dispersed more on your own methods for collection.
Software for ADA PDF remediation	\$8,500	0.12%	Remediation of PDFs on the City's website is required to be compliant with new ADA standards by 2027. Without this software, staff are unable to comply with new standards by the due date.
Software for DocuSign for Notary Services	\$2,550	0.03%	This request would make completing recording processes more efficient.
Reduce Fire Relief Contribution from City	Up to \$55,000	0.79%	This request was included to bring the Fire Department pension amounts closer to the market. The City could work with the Fire Relief Association to explore other options to increase competitiveness such as adjusting the vesting schedule, phasing the increases over a longer term, or exploring another plan such as through PERA.
Remove Direct Mailing to Folkstone	\$5,000	0.07%	This request was included to support efforts to engage our residents more directly. Folkstone previously received a copy digitally only since they only recently disclosed addresses to the City.
Delay Police Officer to mid-year 2026 or 2027	\$69,058-\$138,115	1.00%-2.00%	This position was included in the Long-Term Staffing Plan for 2026 to allow the Police Department the flexibility to hire above their normal staffing levels if there is a CSO candidate that becomes eligible for hire to ensure they have a committed spot in Wayzata instead of potentially losing them to another agency.

Expenditure Item	Savings Amount	Approx. Levy % Savings	Tradeoffs
Delay FT Fire Chief to mid-year 2026 or 2027	\$86,605-\$173,210	1.25%-2.51%	This position was included in the Long-Term Staffing Plan due to the need for succession planning and to keep up with Fire Department operating needs. Delaying this position will continue to leave the Fire Department open to risk if there is turnover in existing staff, and delay projects (pre-plans, increased development, community risk assessments, etc.).
Reduce Capital Transfers Out to Capital Equipment Fund	Up to \$165,000	Up to 2.39%	Maintaining annual capital allocations is key to continuing the City's commitment to funding capital projects with cash. While this decrease can be offset with transfers in excess reserves from 2024, reinstating capital contributions to higher levels in a future year when excess reserves aren't available would necessitate future levy increases. Excess reserves from 2024 are included in Appendix B .
Reduce Levied Capital Transfers Out	Up to \$517,000	Up to 7.49%	Maintaining annual capital allocations is key to continuing the City's commitment to funding capital projects with cash. While this decrease can be offset with transfers in excess reserves from 2024, reinstating capital contributions to higher levels in a future year when excess reserves aren't available would necessitate future levy increases. Excess reserves from 2024 are included in Appendix B .
Total Reduction Ideas	Up to \$1,086,375	0%-15.73%	

Increase Revenues

In addition to reducing expenditures, opportunities to increase revenues will continue to be explored and are noted below. They were not certain enough at this stage to include in this draft of the budget.

Item	Potential Amount	Approx. Levy % Savings
Increase existing or add new franchise fees	\$27,000+	0.39%

Appendix A.

Fire Department 2025 Compensation Study and Proposed Pay Scale and Pension Adjustments

Staff conducted a survey of the following five surrounding fire departments to compare hourly wages of Firefighters and pension benefits. Surrounding departments were only considered in the market analysis rather than the City's typical comparable cities list because Firefighter positions have response time restrictions. Therefore, we are competing for talent only with cities directly around us.

The results along with proposed 3-year market adjustments to their hourly wages and pension are included below.

2025 Hourly Wages

City	Probation/ Recruit	Firefighter
Mound		
Long Lake (also serves Orono, Medina)	\$16.12	\$16.12
Minnetonka	\$18.98	\$20.51
Plymouth	\$15.91	\$15.91
Excelsior	\$18.00	\$20.00
Wayzata	\$15.50	\$17.50
Average	\$17.25	\$18.13
Wayzata Below Average \$	(\$1.75)	(\$0.63)
Wayzata Below Average %	-10.16%	-3.50%

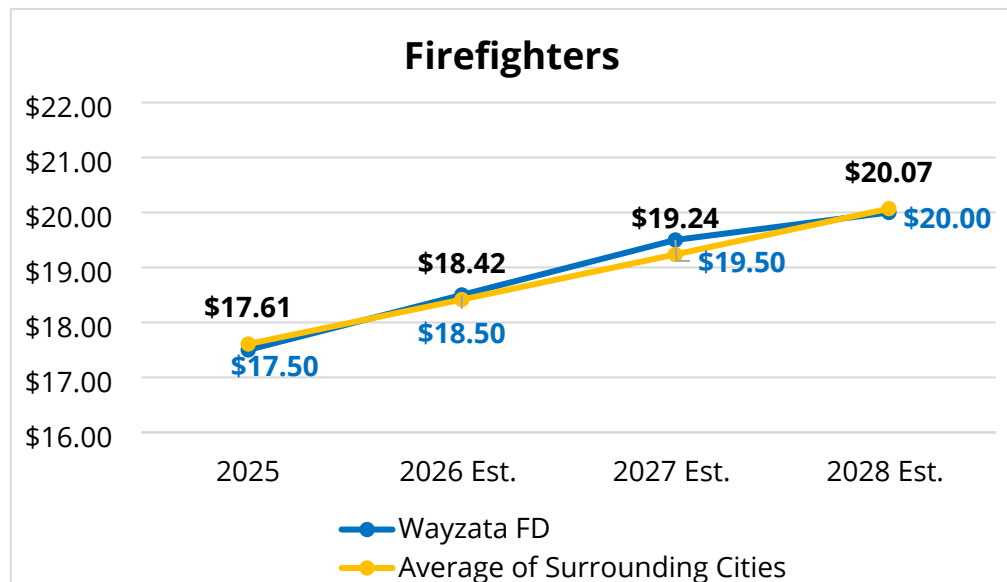
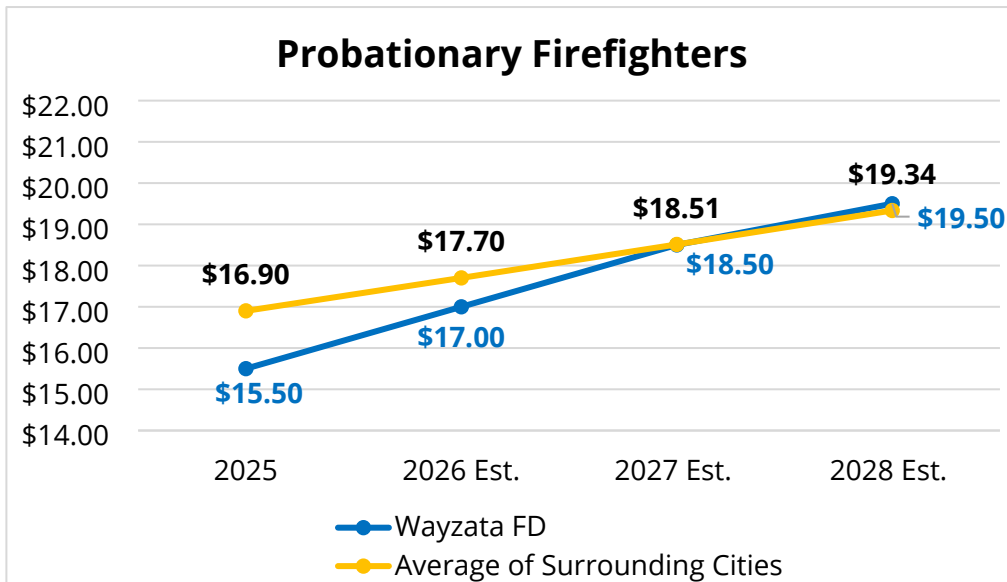
Proposed 2026-2028 Pay Scale

Position	Current	Proposed		
	2025	2026	2027	2028
Probationary Firefighter	\$15.50	\$17.00	\$18.50	\$20.00
Firefighter	\$17.50	\$18.75	\$20.00	\$21.00

Notes and Assumptions:

- 1) Where future wages were unknown in other cities, a 3% COLA was assumed.
- 2) Changes to stipends for Officer positions are not recommended based on the compensation study results showing at or above market results.

Proposed Pay Scale Implementation - Wayzata Compared to Projected Average



2025 Pension Benefit Comparison

Comparing pension benefits between Fire Departments is a particularly challenging task. The Wayzata Fire Relief switched from a defined benefit to a defined contribution plan in 2001 where most other departments still offer a defined benefit plan.

Defined benefit plans offer a fixed and guaranteed monthly retirement benefit based on years of service, with the employer/plan sponsor bearing the investment risk. Defined contribution plans provide a benefit based on a combination of both contributions into the plan and investment performance, with the employee bearing the investment risk. If the market performs well, the employee gets the benefit of improved pension benefits. The opposite is also true.

2025 Pension

City	Pension Type	Annual pension per year of service
Mound	Defined Benefit	\$6,185.00
Long Lake (also serves Orono, Medina)	Defined Benefit	\$7,000.00
Minnetonka	Defined Benefit	\$15,000.00
Plymouth	Defined Contribution	\$21,500.00
Excelsior	Defined Benefit	\$11,500.00
Wayzata	Defined Contribution	\$5,775.74*

Average	\$12,237.00
Wayzata \$ Below Average	(\$6,461.26)
Wayzata % Below Average	-52.80%

*Average of the last 3 years of contributions per employee. Average of the last 5 disbursements at retirement is about \$7,500 per year of service.

Contributions to Fire Relief Association

The Fire Department's pension is mainly funded in two ways: a contribution from the City which is budgeted annually in the General Fund Budget, and a pass through of Fire State Aid which varies from year to year. A history of those contributions is provided below along with an analysis on how the proposed increased contributions would impact on the benefit received per firefighter.

Pension Contribution History

Year	City Contribution	State Contribution	Total Pension Contribution	% Change	# of FF	\$ per FF
2020	\$47,000	\$75,413	\$122,413	4%	24	\$5,101
2021	\$47,000	\$80,110	\$127,110	4%	23	\$5,527
2022	\$47,000	\$86,952	\$133,952	5%	24	\$5,581
2023	\$47,000	\$95,562	\$142,562	6%	28	\$5,092
2024	\$48,500	\$111,780	\$160,280	12%	29	\$5,527
2025 Est.	\$48,500	\$118,996*	\$167,496	5%	29	\$5,776

*State Aid contribution amounts are determined in late September and paid by October 1st.

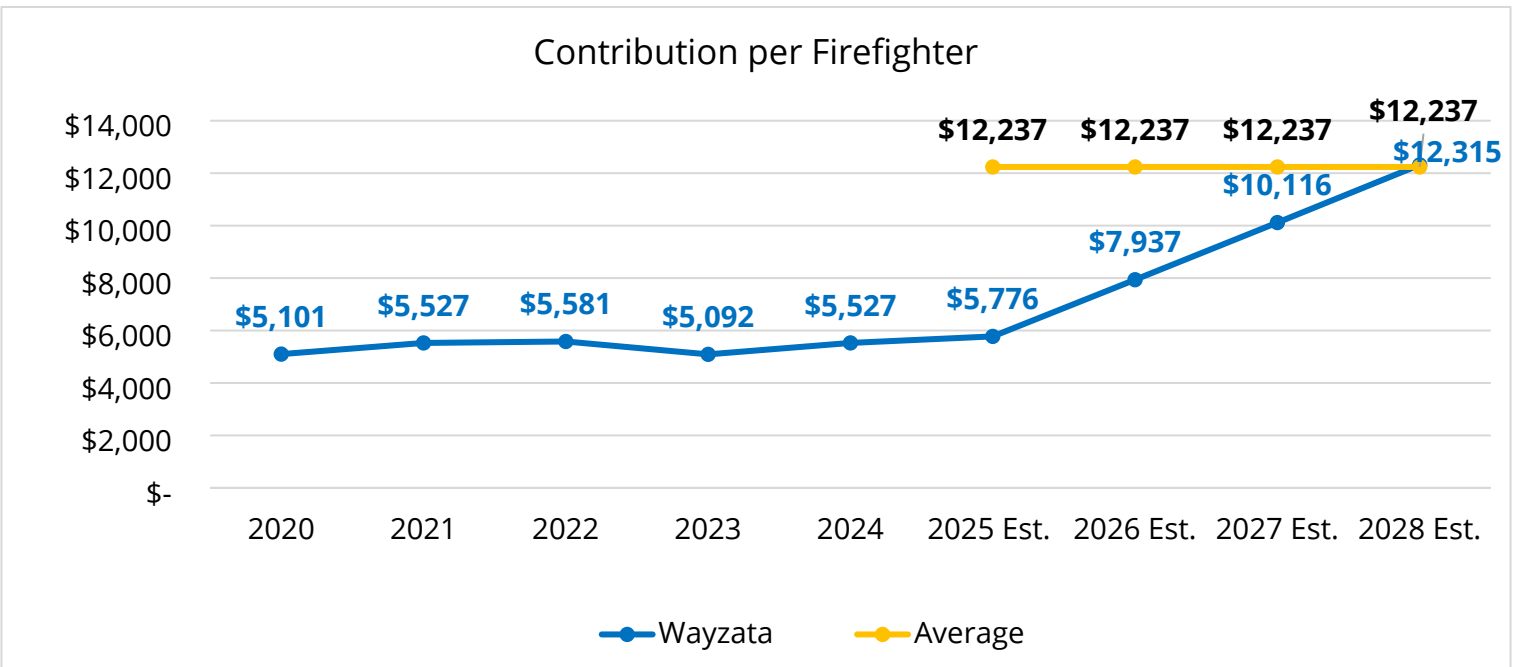
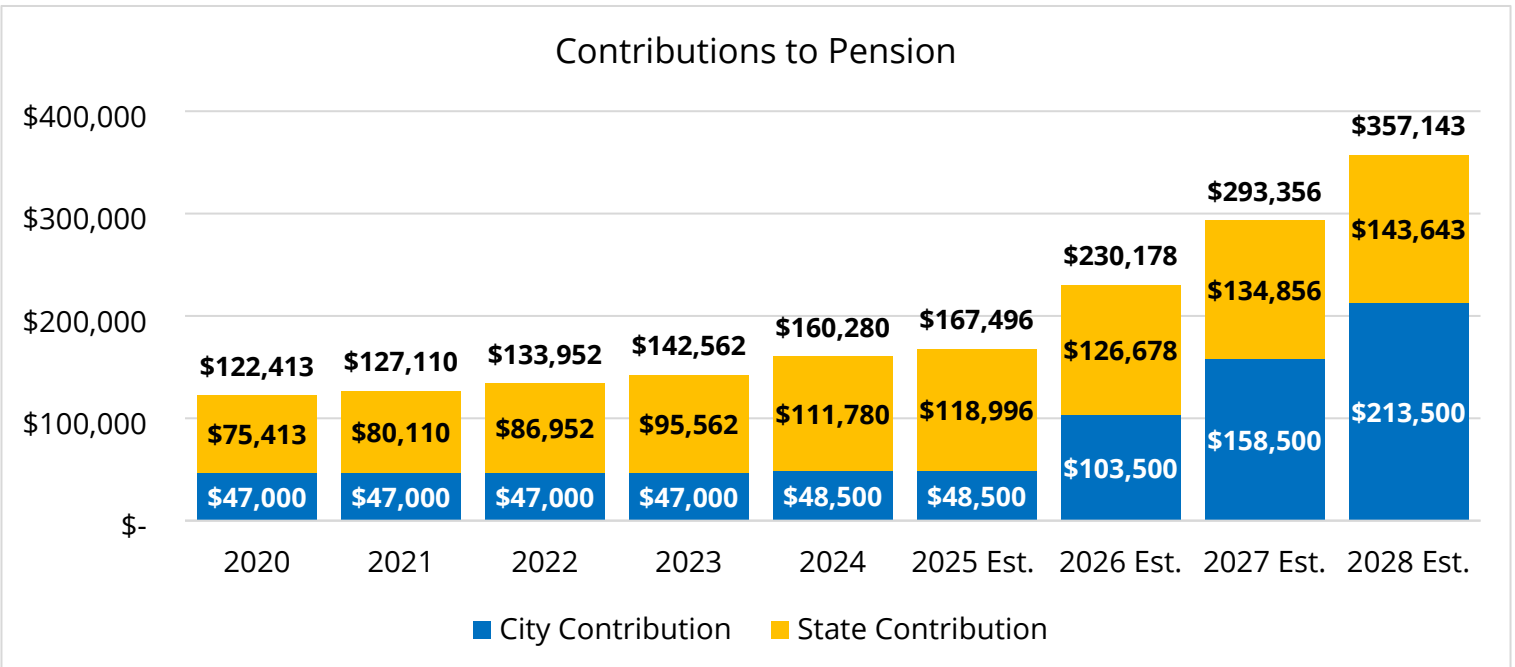
Proposed 2026-2028 Pension Contributions

Year	City Contribution	State Contribution	Total Pension Contribution	% Change	# of FF	\$ per FF
2026 Est.	\$103,500	\$126,678	\$230,178	37%	29	\$7,937
2027 Est.	\$158,500	\$134,856	\$293,356	27%	29	\$10,116
2028 Est.	\$213,500	\$143,643	\$357,143	22%	29	\$12,315

Notes and Assumptions:

- 1) Assumes the current number of firefighters is steady in future years.
- 2) Assumes the State contribution increases by the average % increase from 2020-2024.
- 3) Assumes the City Council is supportive of a \$55,000 increase in the contribution to the Relief Association per year (about 0.85% of the property tax levy).
- 4) Of the cities surveyed, only one contributed from their General Fund to the pension fund. The rest rely solely on State Aid.
- 5) Given that the pension amount received per year of service for Wayzata Fire is dependent not just on contributions, staff will need to consider both the contribution per firefighter each year along with the average distribution at retirement per year of service to ensure the projected and actual benefits stay in line with the market.

Proposed Pension Increase Implementation – Wayzata Compared to Projected Average



Appendix B.
2024 Excess Reserve Calculation and Potential Use Options

The Council currently has \$1,021,287 in excess that can be allocated for future capital projects. Based on the projected cash flows and projects identified in the Strategic Plan, staff recommend allocating the excess to the following Funds/Projects:

Fund	Project/Use	Amount	Reason
239 - Comprehensive Plan	2050 Comprehensive Plan (draft estimate below)	\$125,000	Fully fund future comprehensive plan which will occur in 2026-2028
404 – Parks and Trails	Any	\$46,287	Reduces future projected deficits.
408 – Facilities and Infrastructure	Any	\$350,000	Nearly eliminates future projected deficits which are otherwise funded primarily through property taxes.
409 – Equipment	Any	\$500,000	Reduces future projected deficits which are otherwise funded primarily through property taxes.
Total		\$1,021,287	

2050 Comprehensive Plan (DRAFT Estimate)	
Component	Cost
Visioning	\$80,000
Housing, Land Use & Transportation	\$29,693
Parks Plan	\$53,000
Sanitary Sewer	\$32,600
Water Supply	\$38,360
Surface Water Management	\$38,900
Total	\$272,553

Note: The 2025 starting balance is \$116,634. The projected shortfall by 2027 is about \$125,000.