



City of Canton

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Proposed Operating Budget/Tax Levy Set for CY2021

The Canton City Council has approved a \$253,000 preliminary operating budget for CY2021. We stress this is a preliminary budget used by the County for tax levy purposes. The council voted on a proposed 4% increase for the City's tax levy. The final levy will be set by the council in December. The goal, and current intent, is reduce the proposed tax levy to a 0% increase. The preliminary levy can be lowered; however, it cannot be raised come December. The 4% proposed increase provides a cushion for possible unforeseen circumstances in our financial planning. In the coming weeks, we'll be reviewing the numbers and finalizing next year's budget.

Here's a look at some of the proposed expenditures for 2021:

- Creation of a deputy clerk position (16 hours/week, starting proposed wage of \$15/hour with PERA benefits) to oversee the utility billing program and handle front-of-office needs. The clerk/treasurer position transitions to an administrative role focusing on long-term planning/budgeting. Cross-training becomes an essential staff function. (An additional administrative employee has been recommended by the City's auditor.)
- Transition to a new fund accounting and payroll software system designed for municipalities. (Another recommendation of our auditor.)
- Elimination of General Fund dollars for street repaving projects. Shift switches toward planning for complete street reconstruction projects, funded through a combination of loans, grants and special assessments. A comprehensive streets improvement plan would be developed to be completed over a 20-year period.
- Inclusion of additional funds to make exterior repairs to the former school bus shed on Prairie Avenue (now used for City storage), replace the deteriorating wooden gazebo with a metal structure, replace streetlight fixtures on Main Street with LEDs, and additional equipment purchases for the streets department.

For comparative purposes, the city council set CY2020 General Fund spending at \$252,500 (almost identical to the proposed CY2021 budget, with the deputy clerk salary factored in), which included a 7% tax levy increase for current year taxes payable. CY2019's final operating budget was approved at \$295,500, representing a 7.5% increase in the tax levy. Keep in mind, the General Fund does not account for public utilities – those are budgeted for separately, with funds also contributing toward staff salaries.

Hopefully, these numbers show we're working to do more for you while holding the line on taxes. The financial health of the City of Canton is sound. We are committed to investing your dollars wisely as we shift toward a more proactive local unit of government. As always, please contact city hall or a city council member with questions or concerns. The next council meeting is October 14.

City of Canton CY2021 Proposed Operating Budget

GENERAL FUND EXPENDITURES	
	<i>2021 Budget</i>
General Government	
Mayor/Council Salaries	\$3,300.00
Administrative Salaries*	\$26,500.00
Insurance	\$15,000.00
Office Supplies	\$7,500.00
Utilities	\$13,000.00
Telephone/Internet	\$3,000.00
Professional Services	\$15,000.00
Repairs/Maintenance	\$15,000.00
Training/Instruction	\$0.00
Communciations	\$1,200.00
Elections	\$0.00
Miscellaneous	\$2,000.00
General Gov't Total	\$101,500.00
Public Safety	
Ambulance	\$3,200.00
Fire Department	\$6,000.00
Police	\$24,000.00
Public Safety Total	\$33,200.00
Community Development	
Park/Rec	\$1,000.00
Equipment	\$1,000.00
Community Dev. Total	\$2,000.00
Streets	
Maintenance Salaries*	\$59,500.00
Repairs/Maintenance	\$20,000.00
Equipment/Maintenance	\$20,000.00
Capital Outlay	\$15,000.00
Supplies	\$2,000.00
Streets Total	\$116,500.00
TOTAL EXPENDITURES	\$253,200.00

GENERAL FUND REVENUE	
	<i>2021 Budget</i>
Property Taxes	\$165,523.00 ↑ 4.0%
Local Government Aid	\$95,773.00
Other Aid	\$500.00
Fines/Forefeits	\$500.00
Licenses/Permits	\$1,000.00
Rentals	\$1,200.00
Interest Earnings	\$1,600.00
Dividends	\$1,000.00
Reimbursements	\$1,200.00
TOTAL REVENUE	\$268,296.00

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TOTAL EXPENSES	\$253,200.00
NET DIFFERENCE	\$15,096.00

*Salaries do not reflect possible COLA to be determined by council.