

Seneca tax hike may be necessary

City has spent about \$10M on tornado recovery

BY NORM CANNADA
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SENECA — City administrator Scott Moulder told Seneca City Council it may be necessary to raise taxes to balance the 2020-21 budget after spending about \$10 million in reserves to restore electrical power and other needs after the April 13 tornado.

"I know I made a statement in the last meeting that we're trying

to hold the line and not have any increases this year, but I'm telling you now with what we can see, we may have to propose an increase in our millage rate," Moulder told council at its meeting Tuesday.



Moulder

Moulder said after the meeting the tax hike could be 4 mills.

Council will next meet to discuss the budget on June 15, and the budget is scheduled for a final vote on June 29.

He said the city is expecting an increase in its general budget of about \$300,000 for health insurance and an anticipated \$500,000 in loss of revenue.

The budget numbers presented last month didn't include a pay increase for employees.

"The budget, as it stands, right now — we took out all training and travel in every department," Moulder said. "If there's something that's required, we'll look at it and see what we can do, but all training and travel is eliminated next year."

He said the anticipated tax increase would bring in another \$150,000 to \$180,000, with about a third of that used to replenish some of the money spent on tornado relief and the rest used to balance the budget.

"We've spent now upward of \$10 million on tornado recovery," Moulder said. "That's very difficult to manage. Just from a cash management standpoint every week and every payroll, we're managing it, but it is critical."

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