



**2019**  
ADOPTED  
**BUDGET**

&

**2020**  
CONCEPTUAL  
**BUDGET**

**2019-2020 Expense Budget Summary Report  
Street Improvement Fund**

| Revenues          | 2018<br>Budget   | 2019<br>Budget   | Change to<br>Net City Cost | % Change      | 2020<br>Forecast | Change to<br>Net City Cost | % Change       |
|-------------------|------------------|------------------|----------------------------|---------------|------------------|----------------------------|----------------|
| Intergovernmental | 900,525          | 2,594,618        | 1,694,093                  | 188.12%       | 1,000,000        | (1,594,618)                | -61.46%        |
| Bond Proceeds     | 2,948,214        | 5,110,557        | 2,162,343                  | 73.34%        | 2,807,851        | (2,302,706)                | -45.06%        |
| Transfer In       | 634,256          | -                | (634,256)                  | -100.00%      | -                | -                          | 0.00%          |
| <b>Total:</b>     | <b>4,482,995</b> | <b>7,705,175</b> | <b>3,856,436</b>           | <b>71.88%</b> | <b>3,807,851</b> | <b>(3,897,324)</b>         | <b>-50.58%</b> |

| Highlights        | 2018<br>Budget   | 2019<br>Budget   | Change to<br>Net City Cost | % Change      | 2020<br>Forecast | Change to<br>Net City Cost | % Change       | Description of Change            |
|-------------------|------------------|------------------|----------------------------|---------------|------------------|----------------------------|----------------|----------------------------------|
| <b>Expenses</b>   |                  |                  |                            |               |                  |                            |                |                                  |
| Salaries/Benefits | 133,149          | 138,656          | 5,507                      | 4.1%          | 135,001          | (3,655)                    | -2.6%          | 2020-No Intern                   |
| Capital Outlay    | 4,479,138        | 7,566,519        | 3,087,381                  | 68.9%         | 3,672,850        | (3,893,669)                | -51.5%         | 2020-Reduction to street project |
| <b>Total:</b>     | <b>4,612,287</b> | <b>7,705,175</b> | <b>3,092,888</b>           | <b>67.06%</b> | <b>3,807,851</b> | <b>(3,897,324)</b>         | <b>-50.58%</b> |                                  |

|                        |           |   |   |
|------------------------|-----------|---|---|
| Change in Fund Balance | (129,292) | - | - |
|------------------------|-----------|---|---|

| Positions                           | 2018        | 2019        | 2020        |
|-------------------------------------|-------------|-------------|-------------|
| Project Engineer-Rezac              | 0.25        | 0.25        | 0.25        |
| Engineering Tech III-Price          | 1.00        | 1.00        | 1.00        |
| <b>Full-Time Equivalents (FTEs)</b> | <b>1.25</b> | <b>1.25</b> | <b>1.25</b> |

**Service Description**

- > To develop/redevelopment the City's street infrastructure

**Capital Projects**

2019  
Livingston  
Wentworth-Dakota Led

2020  
Mill and Overlay Program



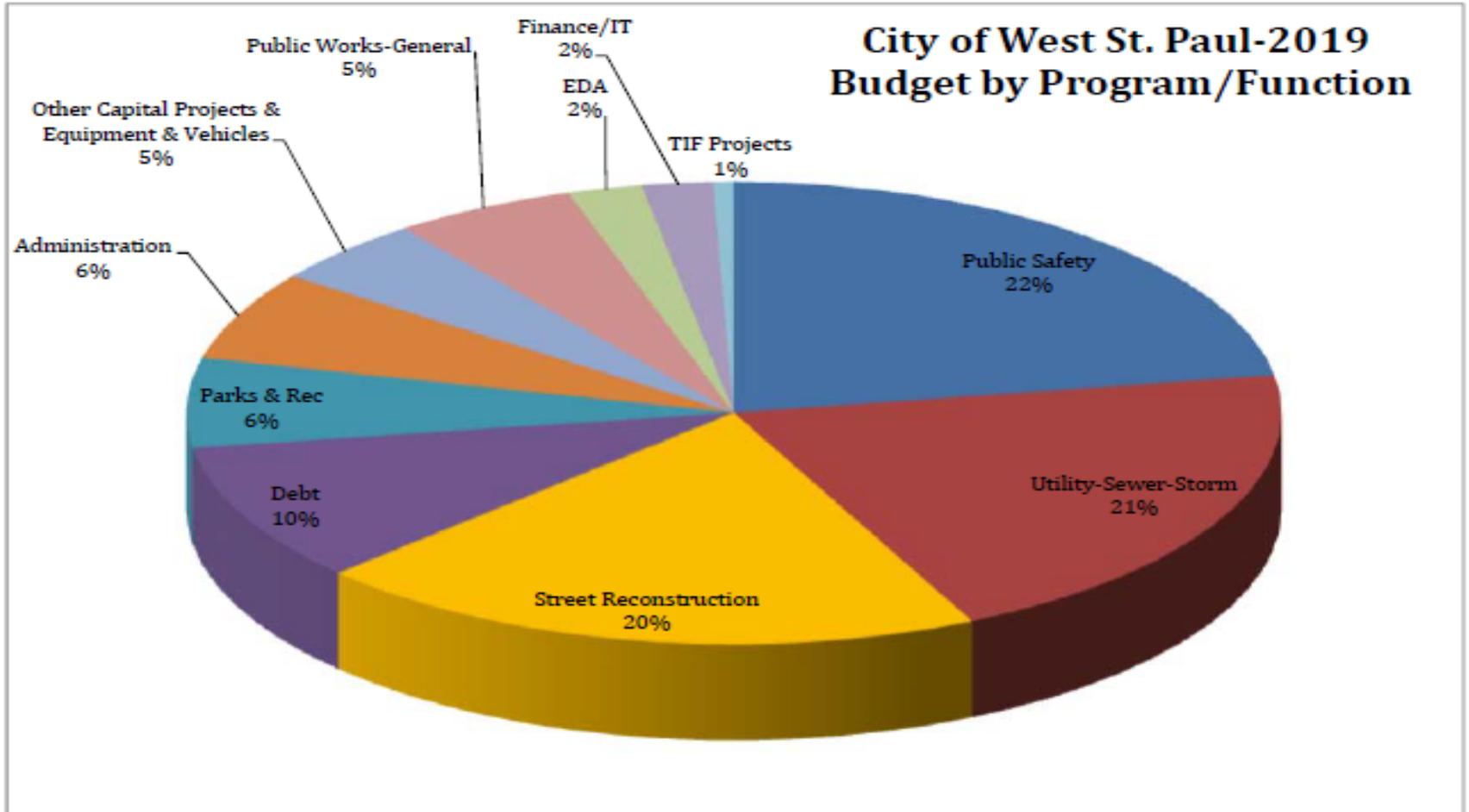
# STREET IMPROVEMENT FUND

# 2019 and 2020 BUDGET

## 2019-2020 Summary Budget City and EDA Levy

| Highlights                            | 2018<br>Budget    | 2019<br>Budget    | Change to<br>Net City Cost | % Change      | 2020<br>Forecast  | Change to<br>Net City Cost | % Change       |
|---------------------------------------|-------------------|-------------------|----------------------------|---------------|-------------------|----------------------------|----------------|
| Salaries/Benefits                     | 9,573,201         | 9,973,474         | 400,273                    | 4.18%         | 10,398,485        | 425,011                    | 4.26%          |
| Supplies                              | 716,510           | 731,510           | 15,000                     | 2.09%         | 724,501           | (7,009)                    | -0.96%         |
| Other Charges and Services            | 9,167,207         | 9,652,478         | 485,271                    | 5.29%         | 10,054,559        | 402,081                    | 4.17%          |
| <b>Total Operating Budget</b>         | <b>19,456,918</b> | <b>20,357,462</b> | <b>900,544</b>             | <b>4.63%</b>  | <b>21,177,545</b> | <b>820,083</b>             | <b>4.03%</b>   |
| Capital Outlay                        | 7,935,092         | 12,743,469        | 4,808,377                  | 60.60%        | 7,699,400         | (5,044,069)                | -39.58%        |
| Other Financing Uses - Transfers Out  | 725,000           | 650,000           | -75,000                    | -10.34%       | 650,000           | -                          | 0.00%          |
| Debt Service-Enterprise Funds         | 257,052           | 753,839           | 496,787                    | 193.26%       | 743,752           | (10,087)                   | -1.34%         |
| Debt Service-Governmental Funds       | 3,009,148         | 3,760,292         | 751,144                    | 24.96%        | 4,383,577         | 623,285                    | 16.58%         |
| Tax Increment Financing Operations    | 230,010           | 234,523           | 4,513                      | 1.96%         | 234,523           | -                          | 0.00%          |
| <b>Total Capital and Debt Budgets</b> | <b>12,156,302</b> | <b>18,142,123</b> | <b>5,985,821</b>           | <b>49.24%</b> | <b>13,711,252</b> | <b>(4,430,871)</b>         | <b>-24.42%</b> |
| <b>TOTAL BUDGET</b>                   | <b>31,613,220</b> | <b>38,499,585</b> | <b>6,886,365</b>           | <b>21.78%</b> | <b>34,888,797</b> | <b>(3,610,788)</b>         | <b>-9.38%</b>  |

# 2019 BUDGET





# 2019 Budget Initiatives:

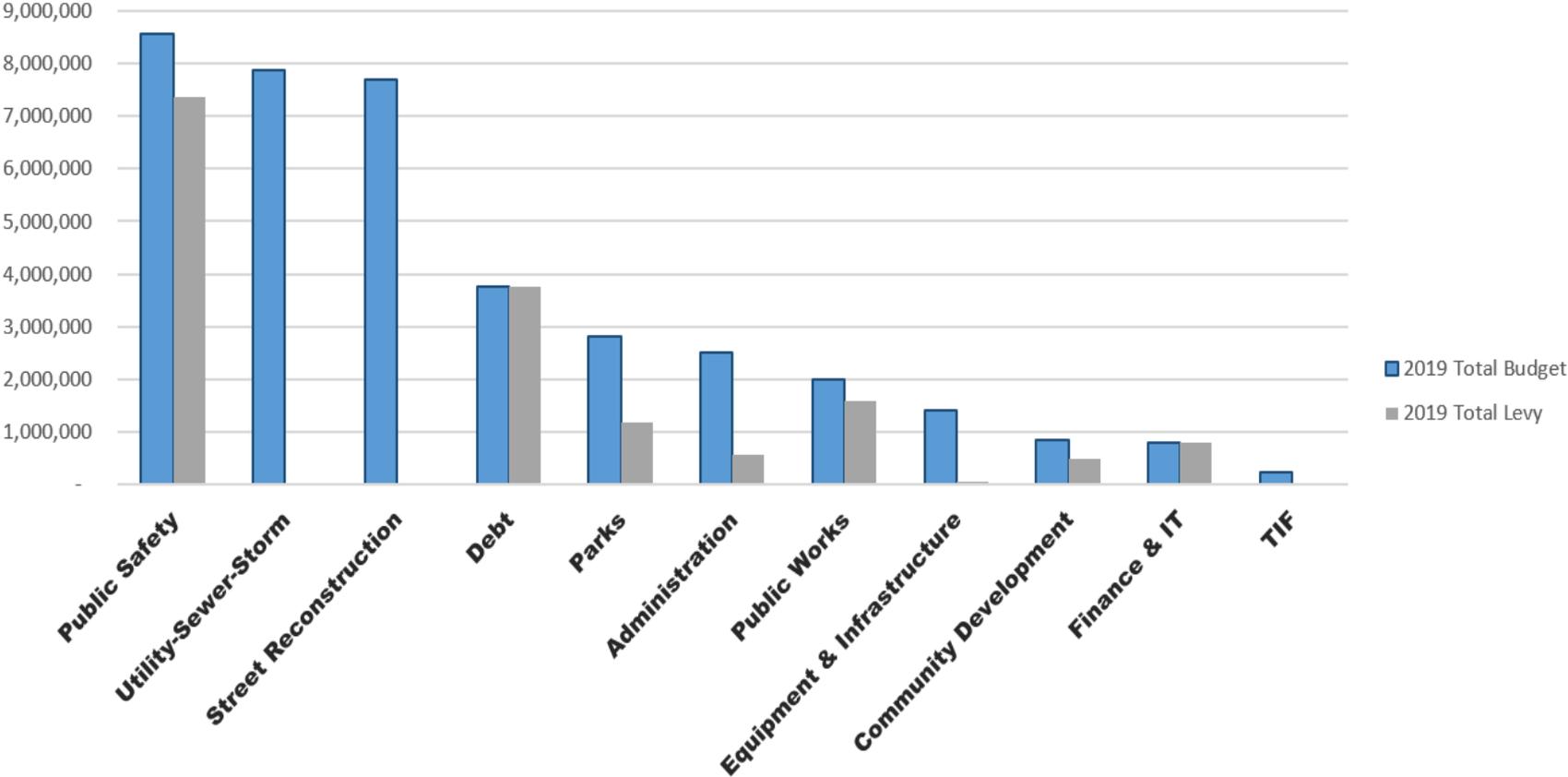
- 2019 Street Improvement Program-Livingston & Wentworth-Dakota County led project
- Both 2019 and 2020 budget focus on maintenance and repair of City infrastructure and facilities.
  - City Hall continued building maintenance-doors and windows in 2019 to increase energy efficiency, Police space needs in 2020.
  - Arena improvement in 2019 and 2020 to improve lighting-for energy efficiency and the parking lot
  - Swimming pool needs are being assessed
- Assume Robert Street Maintenance
- Increase Park Maintenance seasonal staff
- Lift Station 1 in 2019 and Lift Station 4 in 2020
- Improve Overall Cash Balance
  - Revenue allocations have been incorporated into the CIP and CEP plan
  - Working towards debt reduction
  - Cash goals have been set for all funds.

# 2019-2020 LEVY

| Fund                            | Adopted<br>2018<br>Levy | Percentage<br>of the<br>Levy | Preliminary<br>2019<br>Levy | Percentage<br>of the<br>Levy | Projected<br>2020<br>Levy | Percentage<br>of the<br>Levy |
|---------------------------------|-------------------------|------------------------------|-----------------------------|------------------------------|---------------------------|------------------------------|
| GENERAL FUND                    | 9,788,644               | 68.24%                       | 10,821,926                  | 68.61%                       | 11,855,997                | 68.65%                       |
| COMMUNITY EVENTS                | -                       | 0.00%                        | 4,000                       | 0.03%                        | 4,000                     | 0.02%                        |
| ECONOMIC DEVELOPMENT            | 338,171                 | 2.36%                        | 335,781                     | 2.13%                        | 40,579                    | 0.23%                        |
| INSURANCE FUND                  | 393,550                 | 2.74%                        | 466,300                     | 2.96%                        | 499,780                   | 2.89%                        |
| STREET MAINTENANCE              | 50,000                  | 0.35%                        | -                           | 0.00%                        | -                         | 0.00%                        |
| VEHICLE & EQUIPMENT REPLACEMENT | 75,000                  | 0.52%                        | 58,000                      | 0.37%                        | -                         | 0.00%                        |
| DEBT                            | 3,114,600               | 21.71%                       | 3,755,657                   | 23.81%                       | 4,445,399                 | 25.74%                       |
| ICE ARENA                       | 101,653                 | 0.71%                        | -                           | 0.00%                        | -                         | 0.00%                        |
| REGIONAL ATHLETIC CENTER        | 331,084                 | 2.31%                        | 231,820                     | 1.47%                        | 231,820                   | 1.34%                        |
| SWIMMING POOL                   | 151,969                 | 1.06%                        | 100,404                     | 0.64%                        | 191,479                   | 1.11%                        |
| TOTAL LEVY                      | <u>14,344,671</u>       | 100.00%                      | <u>15,773,888</u>           | 100.00%                      | <u>17,269,054</u>         | 100.00%                      |
| YEAR OVER YEAR CHANGE           |                         |                              | 9.96%                       |                              | 9.48%                     |                              |

# 2019 Budget & Levy Detail

2019 Budget to Tax levy Support



# Residential Example

## PROPOSED 2019-2020 CITY TAXES ON A MEDIAN SINGLE FAMILY HOME

|  | Final 2018           | Proposed<br>2019     | Proposed<br>2020     |
|--|----------------------|----------------------|----------------------|
| Total Tax Capacity                                 | 19,139,486.00        | 20,377,899.00        | 20,377,899.00        |
| Captured Tax Increment Tax Capacity                | (597,461.00)         | (597,461.00)         | (597,461.00)         |
| Fiscal Disp Contribution                           | (1,860,676)          | (1,913,093)          | (1,913,093)          |
| Value for Local Rate<br>(Taxable Net Tax Capacity) | <u>16,681,349</u>    | <u>17,867,345</u>    | <u>17,867,345</u>    |
| City Tax Levy                                      | 14,344,671.00        | 15,773,645           | 17,295,769           |
| Fiscal Disparities distribution                    | (2,786,076.00)       | (2,798,361.00)       | (2,798,361.00)       |
| Net City Tax Levy                                  | <u>11,558,595.00</u> | <u>12,975,284.00</u> | <u>14,497,408.00</u> |
| Calculated City Tax Rate                           | 69.291%              | 72.620%              | 81.139%              |
| ESTIMATED AVERAGE MARKET VALUE-MEAN VALUE          | 203,105.00           | 217,669.00           | 217,669.00           |
| Homestead Exclusion                                | (18,960.55)          | (17,649.79)          | (17,649.79)          |
| Average Taxable Market Value                       | <u>184,144.45</u>    | <u>200,019.21</u>    | <u>200,019.21</u>    |
| Class Rate   | 1%                   | 1%                   | 1%                   |
| Net Tax Capacity                                   | 1841                 | 2000                 | 2000                 |
| Estimated City Tax                                 | <u>\$ 1,275.95</u>   | <u>\$ 1,452.54</u>   | <u>\$ 1,622.94</u>   |
| Increase due to average change in MV from 2018     |                      | 110.00               | 110.00               |
| Increase due to City Increase in Tax Rate          |                      | 66.00                | 60.40                |
| Total Increase Year over Year                      |                      | <u>176.59</u>        | <u>170.40</u>        |

# Average Monthly Cost of Tax Bill

2019 Average Taxable Market Value Residential Property-\$200,020

2019 City Property Tax=1,453

|                            | Monthly Amount   | Annual Amount      |
|----------------------------|------------------|--------------------|
| Public Safety              | 56.48            | 677.72             |
| Debt                       | 28.83            | 345.95             |
| Public Works               | 12.16            | 145.94             |
| Parks                      | 9.09             | 109.05             |
| Administration             | 10.47            | 125.60             |
| Community Development      | 3.62             | 43.40              |
| Equipment & Infrastructure | 0.45             | 5.34               |
| <b>Total Tax Bill</b>      | <b>\$ 121.08</b> | <b>\$ 1,453.00</b> |

# Commercial Property Example

## PROPOSED 2019-2020 CITY TAXES ON A BUSINESS

|  | Final 2018           | Proposed<br>2019     | Proposed<br>2020     |
|--|----------------------|----------------------|----------------------|
| Total Tax Capacity                                 | 19,139,486.00        | 20,377,899.00        | 20,377,899.00        |
| Captured Tax Increment Tax Capacity                | (597,461.00)         | (597,461.00)         | (597,461.00)         |
| Fiscal Disp Contribution                           | (1,860,676)          | (1,913,093)          | (1,913,093)          |
| Value for Local Rate<br>(Taxable Net Tax Capacity) | <u>16,681,349</u>    | <u>17,867,345</u>    | <u>17,867,345</u>    |
| City Tax Levy                                      | 14,344,671.00        | 15,773,645           | 17,295,769           |
| Fiscal Disparities distribution                    | (2,786,076.00)       | (2,798,361.00)       | (2,798,361.00)       |
| Net City Tax Levy                                  | <u>11,558,595.00</u> | <u>12,975,284.00</u> | <u>14,497,408.00</u> |
| Calculated City Tax Rate                           | 69.291%              | 72.620%              | 81.139%              |
| BUSINESS VALUE                                     | 500,000.00           | 530,000.00           | 530,000.00           |
| Class Rate   |                      |                      |                      |
| 1.5% OF 1ST \$150,000                              | 2250                 | 2250                 | 2250                 |
| 2.0% OF \$350,000                                  | 7000                 | 7600                 | 7600                 |
| Less Fiscal Disparitie estimate                    | -899                 | -925                 | -925                 |
| Net Tax Capacity                                   | 8351                 | 8925                 | 8925                 |
| Estimated City Tax                                 | <u>\$ 5,786.38</u>   | <u>\$ 6,481.41</u>   | <u>\$ 7,241.67</u>   |
| Increase due to average change in MV               |                      | 397.9                | 397.90               |
| Increase due to City Increase in Tax Rate          |                      | 297.12               | 362.10               |
| Total Increase Year over Year                      |                      | <b>695.02</b>        | <b>760.26</b>        |

# Commercial Property Example

2019 Business Value           \$           530,000.00

2019 City Property Tax=6,481.41

|                            | Monthly Amount             | Annual Amount         |
|----------------------------|----------------------------|-----------------------|
| Public Safety              | 251.91                     | 3,022.92              |
| Debt                       | 128.59                     | 1,543.11              |
| Public Works               | 54.25                      | 650.97                |
| Parks                      | 40.53                      | 486.39                |
| Finance & IT               | 27.44                      | 329.31                |
| Administration             | 19.24                      | 230.90                |
| Community Development      | 16.13                      | 193.57                |
| Equipment & Infrastructure | 1.99                       | 23.83                 |
| Total Tax Bill             | <u>\$           540.08</u> | <u>\$    6,481.00</u> |

