

City of Baxter, MN

2020

Annual Operating Budget

December 3, 2019

PREPARED BY:
Department of Finance

Table of Contents

2020 Annual Operating Budget

Section I – The City

Elected and Appointed Officials.....	01
Organizational Chart.....	02
Budget Calendar	03
Property Tax Levy	
Changes in Property Taxes by Fund	04
Detail of Debt Service Funds.....	04
Operating vs. Debt Service Levy.....	04
Estimated Tax Capacity with Growth and New Construction	05
New Construction by Class and Change in Market Value and Tax Capacity – Comparison of Prior Year to Current Year.....	05
Calculation of Levy for 2020 and 2020 Estimated Tax Capacity Rate Based upon the 2020 Annual Operating Budget.....	06
Estimated Impact of the 2020 Levy on Various Valued Properties Based upon No Change in Valuation.....	06
Estimated Impact of the 2020 Levy on Various Valued Properties With the Citywide Average Assessed Valuation Changes Included.....	06

Section II – Budget by Funds

All Funds – Revenues and Transfers In	01
All Funds – Expenditures and Transfers Out	02
General Fund (1001)	
Revenues.....	03
Expenditures	
General Government.....	04
Council.....	04
Administration	05
Finance	05
Legal.....	05
Information Systems (GIS).....	06
Public Works Administration	06
Police.....	07
Fire Protection.....	07
Streets.....	08
Street Lighting.....	08
Parks, Trails, and Grounds Maintenance.....	09
Recreation Programs	09
Operating Transfers to Other Funds	10
Cemetery Fund (2025)	11

Table of Contents (continued)

2020 Annual Operating Budget

Section II – Budget by Funds (continued)

Community Development Fund (2101)	
Revenues	12
Expenditures	
Planning	12
Building Inspection	13
Capital Parks Fund (2201).....	14
Economic Development Fund (2501).....	15
Lodging Tax Administration Fund (2595).....	16
Tax Increment Financing Funds (26xx)	17
Sales Tax Collection Fund (2701).....	18
Recycling Fund (2901).....	19
Capital Equipment Fund (4701).....	20
Collector Street Fund (4801).....	21
Street Replacement Fund (4851).....	22
Trail Construction and Maintenance Fund (4901).....	23
Water Fund	
Water Operations Fund (6001).....	24
WAC Fund (6011).....	25
Water Debt Service Fund (6021).....	26
Sewer Fund	
Sewer Operations Fund (6501).....	27
SAC Fund (6515).....	28
Storm Water Fund (6801).....	29
Debt Service Funds	30

Section III - Graphs

All Funds – Revenues by Category	01
All Funds – Expenditures by Department.....	02
All Funds – Expenditures by Function.....	03

Section IV – Supporting Documents

Full-Time Equivalent Staff Positions by Department	01
Capital Equipment Program Budget by Funding Sources	02
2020 Capital Improvement Projects Funding Sources.....	03

A person is walking away from the camera on a sandy beach, looking out over a vast body of water. The sky is filled with soft, golden light from a setting or rising sun, creating a hazy, atmospheric scene. The water's surface is textured with gentle ripples, and the horizon line is visible in the distance. The overall mood is peaceful and contemplative.

Section I

The City

Elected and Appointed Officials

2020 Annual Operating Budget

Elected Officials

Mayor	Term of Office Expires*
Darrel Olson	2021

Council Members

Mark Cross	2021
Todd Holman	2021
Connie Lyscio	2023
Zach Tabatt	2023

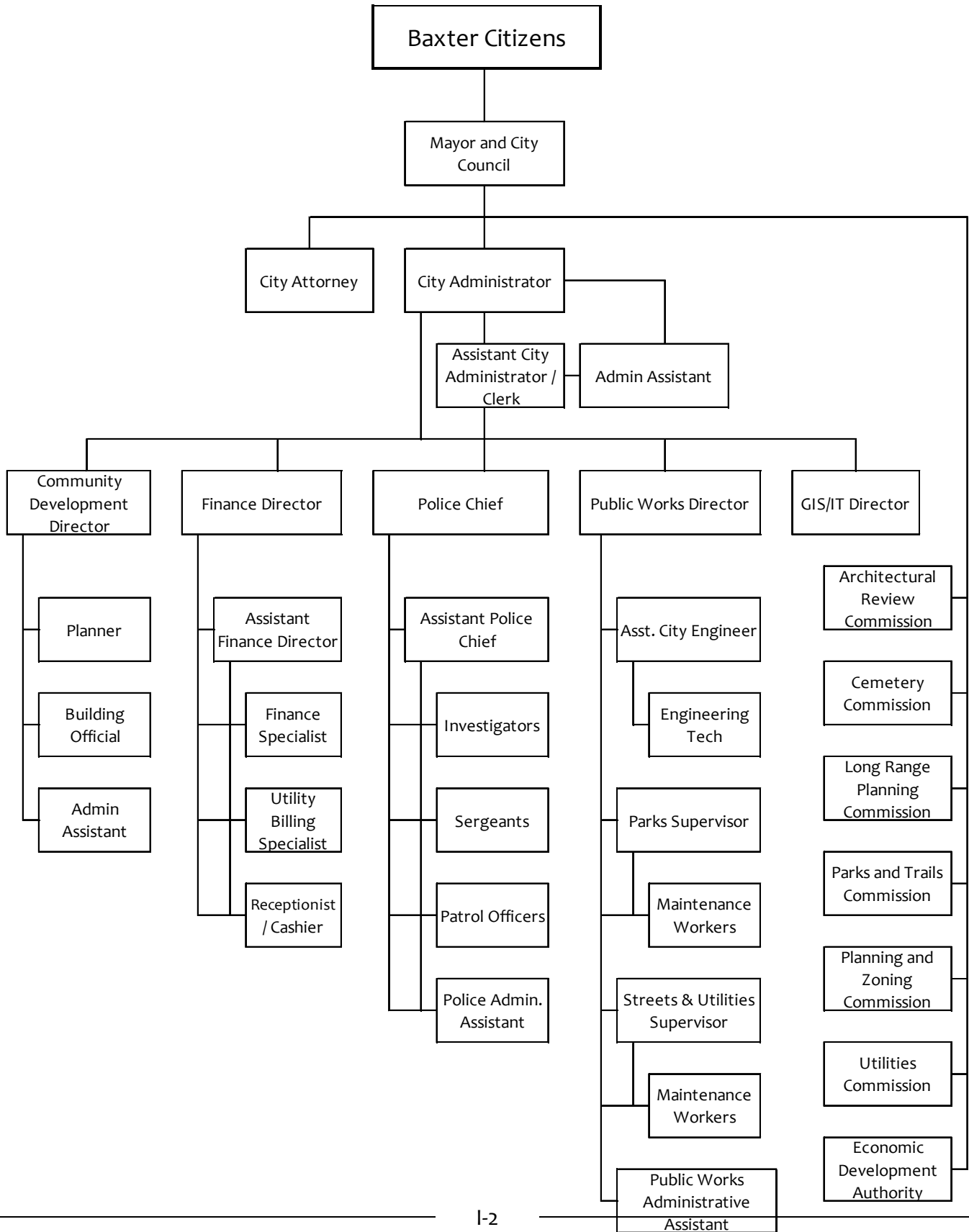
Appointed Officials

City Administrator	Bradley Chapulis
Assistant City Administrator/Clerk	Kelly Steele
Community Development Director	Josh Doty
Finance Director	Jeremy Vacinek
GIS/IT Director	Todd DeBoer
Police Chief	James Exsted
Public Works Director	Trevor Walter

* Expires on the first official business day in January

Organizational Chart

2020 Annual Operating Budget



Budget Calendar

2020 Annual Operating Budget

Friday, June 28, 2019	Budget Packets Distributed to Departments
Tuesday, July 2, 2019 5:30 p.m. (prior to Council meeting)	Council Budget Work Session to Discuss 2020 Goals and Priorities
Wednesday, July 17, 2019	Completed Department Budget Packets Returned to Finance
July 18 to August 23, 2019	Finance Assembly and Review of Initial Departmental Submittals Finance/Administration Meeting with Departments to discuss Proposed Budget Determine Initial 2020 Spending Targets and Preliminary Operating Levy & Debt Service Levy (the levies may not be increased after September 30 th)
Wednesday, August 28, 2019 6:00 p.m.	City Council Budget Work Session to Review and Discuss 2020 Governmental Funds Budgets, Proposed Property Tax Levy, and CIP
August 29 to August 30, 2019	Finance/Administration Continued Review and Refinement of Proposed Budget Meet with Department Heads to Formulate Proposed Budget
Tuesday, September 3, 2019 5:30 p.m. (prior to Council meeting)	City Council Budget Work Session to Review and Discuss 2020 Governmental Fund Budget (<i>Continuation Meeting, if necessary; additional meetings may be scheduled</i>)
Friday, September 13, 2019	Preliminary Governmental Funds Budget and Proposed Property Tax Levy Distributed to the City Council for Consideration
Tuesday, September 17, 2019 7:00 p.m.	City Council Meeting Council Approval of Preliminary Governmental Funds Budget and Levy (Levy can be decreased after this point, but not increased); Preliminary Levy must be certified to Crow Wing County and Minnesota by September 30 th
September 18 to November 12, 2019	Administration and Finance Continued Review and Refinement of Proposed Budget and CIP Meet with Department Heads to Formulate Proposed Budget Finance Department Prepares Final Draft of Proposed Budget
Wednesday, November 13, 2019 6:00 p.m.	Council Budget Work Session to Review Proposed Budget and CIP, including Introduction of Enterprise Funds Budgets
Tuesday, November 19, 2019 5:30 p.m. (prior to Council meeting)	Council Budget Work Session to Review Proposed Budget, continued, if necessary (<i>additional meetings may be scheduled, if necessary</i>)
Wednesday, November 27, 2019	Final Budget Document Submitted to City Council
Monday, December 2, 2019 6:00 p.m.	Informational Meeting to Review the 2020 Budget and Property Tax Levy with Public Testimony
Tuesday, December 3, 2019 7:00 p.m. or shortly thereafter	Council Adoption of 2020 Final Budget, Levy and Capital Improvement Plan

Highlighted dates represent proposed City Council meetings and/or work sessions to be held at Baxter City Hall, 13190 Memorywood Drive. Other meetings may be scheduled as determined necessary during the budget process.

Property Tax Levy

2020 Annual Operating Budget

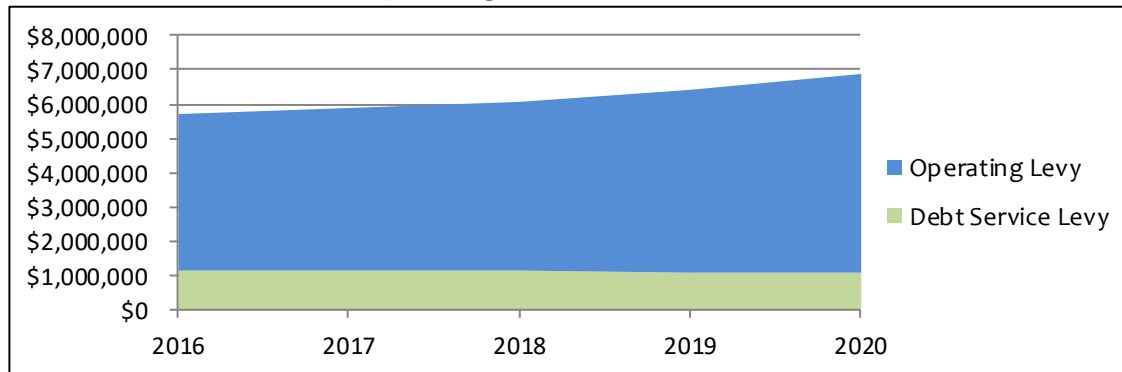
Changes in Property Taxes by Fund

Fund	2019 Approved Property Taxes	2020 Property Taxes (from Dept Requested)	Increase (Decrease) Amount
General	\$ 4,814,500	\$ 5,206,700	\$ 392,200
Collector Street	387,000	387,000	-
Community Development	65,000	65,000	-
Capital Parks	9,000	-	(9,000)
Cemetery	15,000	15,000	-
Capital Project Fund	-	95,000	95,000
Economic Development	31,500	30,000	(1,500)
Recycling	4,800	4,900	100
Total Operating Levy	5,326,800	5,803,600	476,800
Debt Service	1,076,000	1,076,000	-
Total Operating and Debt Service Levies	\$ 6,402,800	\$ 6,879,600	\$ 476,800

Detail of Debt Service Funds

Bond Issue	Debt Service Levy
G.O. Refunding Bonds 2013A (o6A/o6B portion)	\$ 166,300
G.O. Improvement Bonds 2015	205,800
G.O. Improvement Bonds 2016	208,500
G.O. Improvement Bonds 2018	236,400
G.O. Improvement Bonds 2019	259,000
Total	\$ 1,076,000

Operating vs. Debt Service Levy



Property Tax Levy (continued)

2020 Annual Operating Budget

Estimated Tax Capacity with Growth and New Construction

	2018	2019	2020*
Gross Net Tax Capacity	\$ 12,196,649	\$ 12,725,418	\$ 12,949,227
Less: Tax Increment Value	(521,962)	(632,770)	(675,416)
Net Tax Capacity for Operating and Debt Levies	\$ 11,674,687	\$ 12,092,648	\$ 12,273,811
Change in Net Tax Capacity Over Prior Year (Overall)	\$ 132,914	\$ 417,961	\$ 181,163
NTC Overall Rate	51.423%	52.949%	56.052%

*The 2020 Net Tax Capacity is estimated based upon figures available from Crow Wing County (CWC) as of October 2019. The figures are subject to change until the final figures are certified after year end, including potential legislative impacts on the 2019 assessment, 2020 payable year. Tax Increment values (current projected estimates) are deducted from initial tax capacity to calculate the taxable tax capacity.

New Construction by Class and Change in Market Value and Tax Capacity Comparison of Prior Year to Current Year

	2018 New Construction*		2019 New Construction*	
	Market Value	Est. Tax Capacity	Market Value	Est. Tax Capacity**
Residential Homestead	\$ 4,918,800	\$ 49,188	\$ 1,789,710	\$ 17,897
Residential Non-Homestead & Other	8,200	82	2,411,790	24,118
Residential Non-Homestead 4+	1,340,200	16,753	759,200	9,490
Commercial	9,317,500	139,763	313,940	4,709
Industrial	192,400	2,886	-	-
Totals	\$ 15,777,100	\$ 208,671	\$ 5,274,640	\$ 56,214

*2018 and 2019 Market Value and Est. Tax Capacity Figures for individual construction classes were current as of the same period (prior to the Local Board of Appeal and Equalization), are based upon conservative CWC estimates, and have not been updated individually to reflect finalized figures for the individual classes; however, the actual tax capacities are included in the county's calculation of overall tax capacity. The purpose of this table is to compare for illustrative purposes only the current year's new construction added to the following year's tax base and estimated tax capacity with the new construction and estimated tax capacity added in the prior year.

**Conservative estimates utilizing lowest class rate multiplier applied to CWC market value estimates; does not account for the new market value potentially being included in a tax increment financing district.

Property Tax Levy (continued)

2020 Annual Operating Budget

Calculation of Levy for 2020 and the 2020 Estimated Tax Capacity Rate Based upon the 2020 Annual Operating Budget

	2020 Annual Operating Budget
General Fund Expenditures	\$ 6,335,900
General Fund Non-Levy Revenue	1,129,200
Net General Fund Levy Required	\$ 5,206,700
Other Funds Levies	\$ 596,900
Debt Service Levies	1,076,000
Net Levy	\$ 6,879,600
Tax Cap Rate (Overall)* - Preliminary Estimate for 2020	56.052%
Prior Year's Actual Tax Cap Rate (Overall)	52.949%
Change in Tax Capacity Rate (Overall)	3.103%

*Tax capacities and rates are estimated and subject to change with the final CWC certification based upon factors identified earlier.

Estimated Impact of the 2020 Levy on Various Valued Properties Based upon No Change in Valuation

The following table provides a comparison for certain Baxter homes and smaller commercial/industrial properties from 2019 to 2020 based on legislative, budget, and voter approved changes for the City of Baxter portion only. **The figures do not reflect a change in valuation from the prior year.**

	2019 City Taxes	2020 City Taxes	Change 2019-20
\$76,000 Residential Property	\$ 241	\$ 256	\$ 15
\$175,000 Residential Property	813	860	47
\$250,000 Residential Property	1,246	1,319	73
\$500,000 Commercial Property	4,898	5,185	287

Estimated Impact of the 2020 Levy on Various Valued Properties with the Citywide Average Assessed Valuation Changes Included

The following table provides a comparison for certain Baxter homes and smaller commercial/industrial properties from 2019 to 2020 based on legislative, budget, and voter approved changes for the City of Baxter portion only. **The figures reflect an across the board average 3.31% increase in existing residential valuations and average 2.69% decrease in existing commercial/industrial valuations,** based upon data provided by Crow Wing County in the 2018 Year-End and 2019 Fall Abstracts.

	2019 City Taxes	2020 City Taxes	Change 2019-20
\$76,000 Residential Property Increased to \$78,516	\$ 241	\$ 271	\$ 30
\$175,000 Residential Property Increased to \$178,185	813	896	83
\$250,000 Residential Property Increased to \$258,275	1,246	1,369	123
\$500,000 Commercial Property Increased to \$486,550	4,898	5,034	136

A person is walking away from the camera on a sandy beach, looking out at a large body of water. The sky is filled with soft, warm light from a setting or rising sun, creating a hazy, golden atmosphere. The water's surface is textured with gentle ripples, and the horizon line is visible in the distance. The overall scene is peaceful and serene.

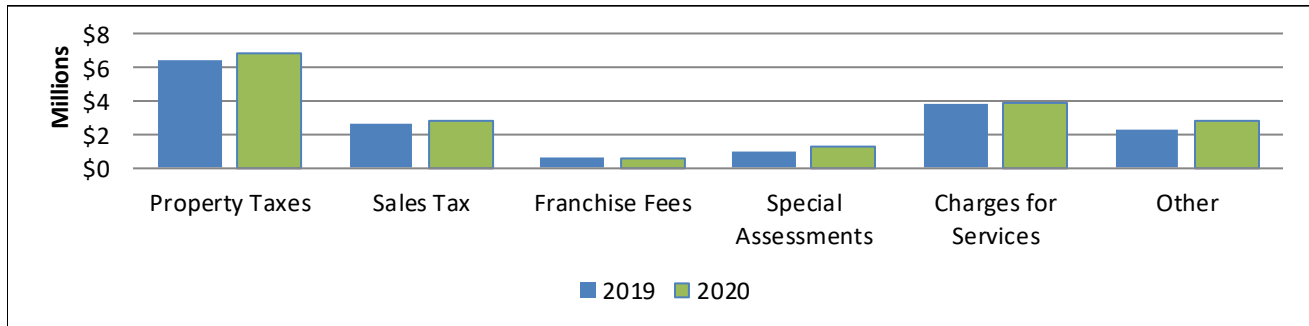
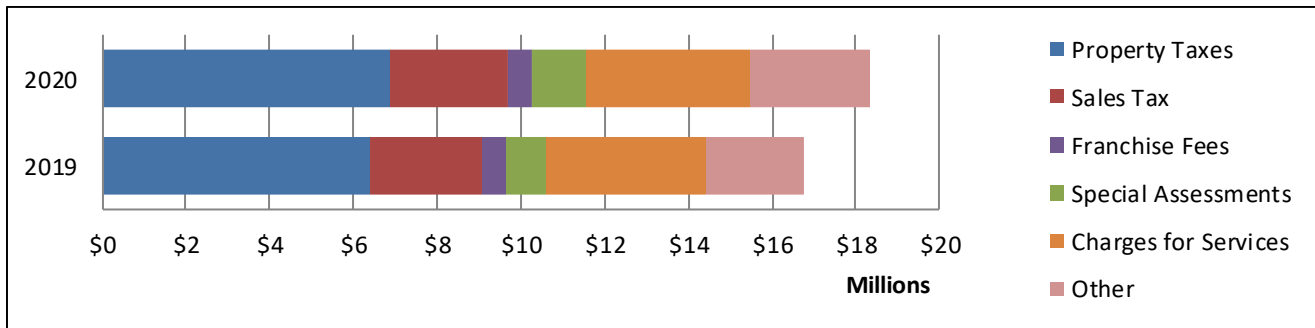
Section II

Budget by Funds

All Funds – Revenues and Transfers In

2020 Annual Operating Budget

	2019 Amended	2020 Operating	Increase / (Decrease)	
	Budget	Budget	\$	%
Property Taxes	\$ 6,402,800	\$ 6,879,600	\$ 476,800	7 %
Lodging Tax	402,800	403,500	700	0
Sales Tax	2,687,400	2,801,800	114,400	4
Tax Increments	650,000	705,300	55,300	9
Franchise Fees	565,700	561,400	(4,300)	(1)
Special Assessments	925,800	1,287,900	362,100	39
Licenses/Permits	268,800	255,900	(12,900)	(5)
Intergovernmental	381,700	374,900	(6,800)	(2)
Charges for Services	3,858,200	3,921,100	62,900	2
Fines & Forfeits	51,700	58,200	6,500	13
Interest	467,000	462,900	(4,100)	(1)
Other	96,400	600,900	504,500	523
Total Revenues Before Transfers	16,758,300	18,313,400	1,555,100	9
Transfers In	2,148,300	2,582,000	433,700	
Total Revenues and Transfers In	18,906,600	20,895,400	1,988,800	11 %



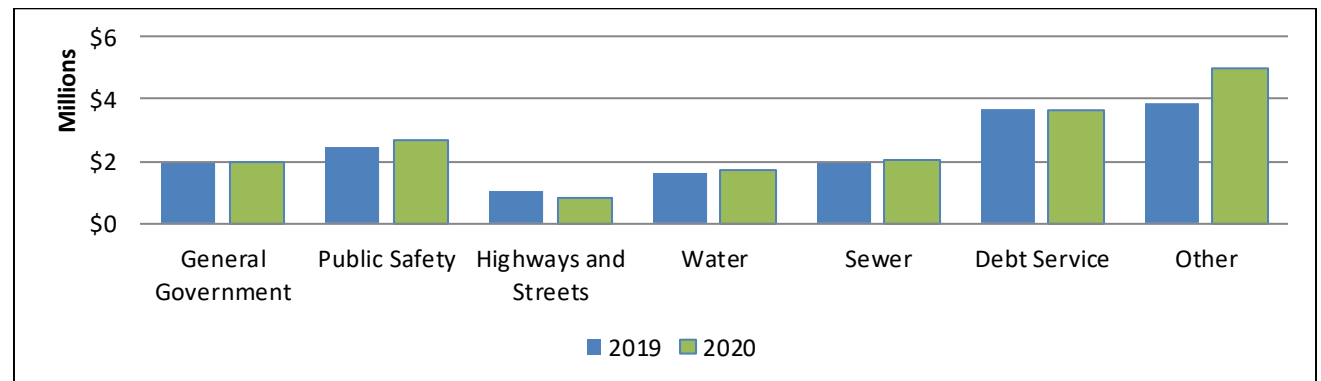
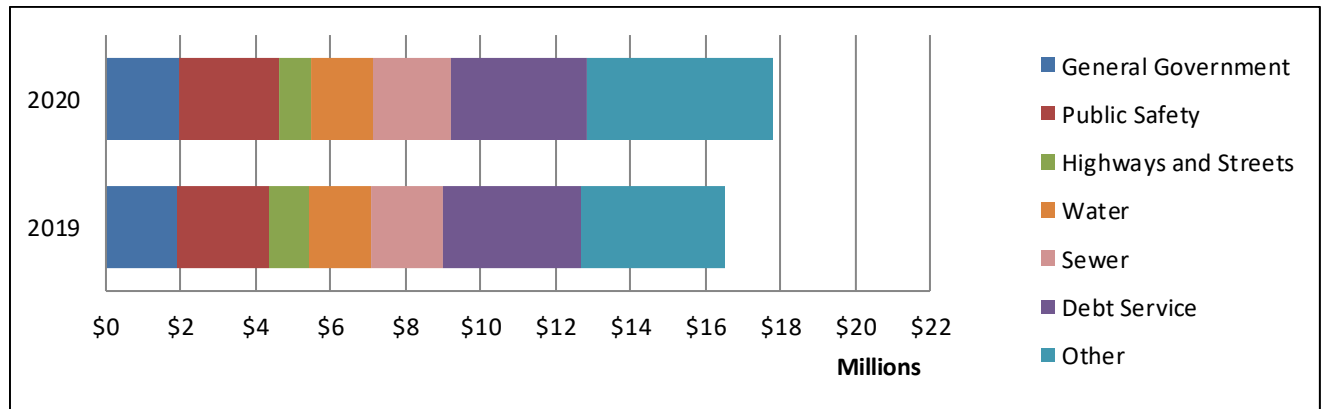
Charts exclude transfers

All Funds – Expenditures and Transfers Out

2020 Annual Operating Budget

	2019 Amended	2020 Operating	Increase / (Decrease)	
	Budget	Budget	\$	%
General Government	\$ 1,910,000	\$ 1,973,600	\$ 63,600	3 %
Public Safety	2,484,000	2,677,400	193,400	8
Highways and Streets	1,066,500	816,100	(250,400)	(23)
Sanitation	34,200	19,500	(14,700)	(43)
Culture and Recreation	880,800	1,028,300	147,500	17
Economic and Community Development	1,517,500	1,498,800	(18,700)	(1)
Water	1,632,900	1,698,200	65,300	4
Sewer	1,933,600	2,044,700	111,100	6
Storm Water	472,600	569,100	96,500	20
Capital Outlay	948,400	1,857,000	908,600	96
Debt Service	3,648,400	3,637,200	(11,200)	(0)
Total Expenditures Before Transfers	16,528,900	17,819,900	1,291,000	8
Transfers Out	8,132,100	7,034,100	(1,098,000)	(14)
Total Expenditures and Transfers Out	24,661,000	24,854,000	193,000	1 %

Net Revenues Over/(Under) Expenditures including Transfers	\$ (5,754,400)	\$ (3,958,600)
Net Revenues Over/(Under) Expenditures excluding Transfers	\$ 229,400	\$ 493,500



Charts exclude transfers

General Fund Revenues

2020 Annual Operating Budget

Revenues

	2018 Actual	2019 Budget	2020 Budget
Property Taxes	\$ 4,913,857	\$ 5,326,800	\$ 5,803,600
Franchise Fees	194,997	198,600	195,400
Special Assessments	8,100	8,100	8,100
Licenses, Permits, and Fees	44,944	42,700	39,100
Intergovernmental Revenue	167,052	144,900	149,100
Charges for Services	103,961	146,000	151,700
Fines and Forfeits	66,718	51,700	58,200
Gifts and Contributions	2,345	-	-
Investment Earnings	79,717	66,900	69,100
Change in Fair Value of Investments	(59)	-	-
Other	131,097	91,000	95,500
Transfers In	529,404	407,800	363,000
Total Revenues	\$ 6,242,133	\$ 6,484,500	\$ 6,932,800

General Fund Expenditures

2020 Annual Operating Budget

Expenditures

General Government

	2018 Actual	2019 Budget	2020 Budget
Employee Full-Time Equivalency (FTE)	-	-	-

Expenditures

Personnel Services	\$ 12,610	\$ 1,000	\$ 22,900
Supplies	6,858	8,500	8,500
Services and Charges	141,286	212,100	231,000
Transfers Out	3,000	6,000	6,000
Total Expenditures	\$ 163,754	\$ 227,600	\$ 268,400

Council

	2018 Actual	2019 Budget	2020 Budget
Employee Full-Time Equivalency (FTE)	5.00	5.00	5.00

Expenditures

Personnel Services	\$ 30,948	\$ 37,700	\$ 37,400
Supplies	980	1,800	1,800
Services and Charges	6,407	6,900	7,200
Transfers Out	900	900	900
Total Expenditures	\$ 39,235	\$ 47,300	\$ 47,300

General Fund Expenditures

2020 Annual Operating Budget

Administration

	2018 Actual	2019 Budget	2020 Budget
Employee Full-Time Equivalency (FTE)	2.50	2.50	2.50

Expenditures

Personnel Services	\$ 330,640	\$ 360,400	\$ 372,400
Supplies	555	2,300	700
Services and Charges	13,415	18,600	18,300
Transfers Out	2,800	2,600	2,600
Total Expenditures	\$ 347,410	\$ 383,900	\$ 394,000

Finance

	2018 Actual	2019 Budget	2020 Budget
Employee Full-Time Equivalency (FTE)	4.00	4.00	4.00

Expenditures

Personnel Services	\$ 396,543	\$ 420,200	\$ 436,100
Supplies	12,456	14,900	14,100
Services and Charges	15,951	20,300	20,400
Transfers Out	4,000	3,800	3,800
Total Expenditures	\$ 428,950	\$ 459,200	\$ 474,400

Legal

	2018 Actual	2019 Budget	2020 Budget
Employee Full-Time Equivalency (FTE)	-	-	-

Expenditures

Services and Charges	\$ 50,027	\$ 82,900	\$ 79,000
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General Fund Expenditures

2020 Annual Operating Budget

Information Systems (GIS)

	2018 Actual	2019 Budget	2020 Budget
Employee Full-Time Equivalency (FTE)	1.00	1.00	1.00

Expenditures

Personnel Services	\$ 119,923	\$ 137,800	\$ 136,000
Supplies	17,049	26,900	31,400
Services and Charges	4,794	8,000	13,000
Transfers Out	1,500	1,400	1,400
Total Expenditures	\$ 143,266	\$ 174,100	\$ 181,800

Public Works Administration

	2018 Actual	2019 Budget	2020 Budget
Employee Full-Time Equivalency (FTE)	2.50	3.50	3.50

Expenditures

Personnel Services	\$ 282,711	\$ 439,600	\$ 422,200
Supplies	4,295	10,500	11,000
Services and Charges	37,533	17,200	20,800
Transfers Out	5,800	7,000	7,000
Total Expenditures	\$ 330,339	\$ 474,300	\$ 461,000

General Fund Expenditures

2020 Annual Operating Budget

Police

	2018 Actual	2019 Budget	2020 Budget
Employee Full-Time Equivalency (FTE)	16.00	16.00	16.00

Expenditures

Personnel Services	\$ 1,590,303	\$ 1,788,800	\$ 1,882,800
Supplies	72,579	67,600	77,000
Services and Charges	115,358	111,100	124,900
Transfers Out	106,920	103,300	93,000
Total Expenditures	\$ 1,885,160	\$ 2,070,800	\$ 2,177,700

Fire Protection

	2018 Actual	2019 Budget	2020 Budget
Employee Full-Time Equivalency (FTE)	-	-	-

Expenditures

Services and Charges	\$ 303,342	\$ 316,600	\$ 353,900
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General Fund Expenditures (continued)

2020 Annual Operating Budget

Streets

	2018 Actual	2019 Budget	2020 Budget
Employee Full-Time Equivalency (FTE)	2.04	2.04	2.54

Expenditures

Personnel Services	\$ 203,457	\$ 216,400	\$ 247,600
Supplies	124,044	130,200	129,900
Services and Charges	333,624	290,900	335,900
Capital Outlay	2,141	48,000	-
Transfers Out	88,300	78,900	83,300
Total Expenditures	\$ 751,566	\$ 764,400	\$ 796,700

Street Lighting

	2018 Actual	2019 Budget	2020 Budget
Employee Full-Time Equivalency (FTE)	-	-	-

Expenditures

Supplies	\$ -	\$ 12,500	\$ -
Services and Charges	94,492	102,500	102,700
Total Expenditures	\$ 94,492	\$ 115,000	\$ 102,700

General Fund Expenditures (continued)

2020 Annual Operating Budget

Parks, Trails, and Grounds Maintenance

	2018 Actual	2019 Budget	2020 Budget
Employee Full-Time Equivalency (FTE)	5.00	5.00	6.50

Expenditures

Personnel Services	\$ 437,569	\$ 467,700	\$ 623,600
Supplies	74,617	75,300	54,500
Services and Charges	157,523	225,500	231,200
Transfers Out	52,800	52,400	54,700
Total Expenditures	\$ 722,509	\$ 820,900	\$ 964,000

Recreation Programs

	2018 Actual	2019 Budget	2020 Budget
Employee Full-Time Equivalency (FTE)	-	-	-

Expenditures

Services and Charges	\$ 34,200	\$ 35,200	\$ 35,000
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General Fund Expenditures (continued)

2020 Annual Operating Budget

Operating Transfers to Other Funds

Cemetery	\$ 9,000	\$ 15,000	\$ 15,000
Community Development	65,000	65,000	65,000
Capital Parks	8,000	9,000	-
Economic Development	38,500	31,500	30,000
Recycling	4,000	4,800	4,900
Capital Projects	408,946	-	95,000
Collector Street	387,000	387,000	387,000
Total Transfers Out	\$ 920,446	\$ 512,300	\$ 596,900

Total General Fund Expenditures	\$ 6,214,695	\$ 6,484,500	\$ 6,932,800
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Net Revenues Over/(Under) Expenditures	\$ 27,438	\$ -	\$ -
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Cemetery Fund

2020 Annual Operating Budget

Revenues

	2018 Actual	2019 Budget	2020 Budget
Investment Earnings	\$ 867	\$ 600	\$ 500
Change in Fair Value of Investments	-	-	-
Other	6,000	5,400	5,400
Transfers In	9,000	15,000	15,000
Total Revenues	\$ 15,867	\$ 21,000	\$ 20,900

Expenditures

	2018 Actual	2019 Budget	2020 Budget
Personnel Services	\$ 4,050	\$ 4,200	\$ 4,500
Supplies	3,057	1,200	1,200
Services and Charges	8,327	12,900	13,000
Capital Outlay	-	8,500	49,500
Total Expenditures	\$ 15,434	\$ 26,800	\$ 68,200

Net Revenues Over/(Under) Expenditures	\$ 433	\$ (5,800)	\$ (47,300)
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Community Development Fund

2020 Annual Operating Budget

Revenues

	2018 Actual	2019 Budget	2020 Budget
Licenses, Permits, and Fees	\$ 230,832	\$ 226,100	\$ 216,800
Intergovernmental Revenue	1,829	-	-
Charges for Services	135,456	115,900	113,800
Fines and Forfeits	155	-	-
Investment Earnings	9,340	7,000	5,000
Change in Fair Value of Investments	-	-	-
Transfers In	65,000	65,000	65,000
Total Revenues	\$ 442,612	\$ 414,000	\$ 400,600

Expenditures

Planning Expenditures

	2018 Actual	2019 Budget	2020 Budget
Employee Full-Time Equivalency (FTE)	2.50	2.50	2.50
Personnel Services	\$ 249,340	\$ 266,700	\$ 276,300
Supplies	1,147	3,100	2,100
Services and Charges	29,738	43,600	42,100
Transfers Out	3,600	6,600	6,600
Total Expenditures	\$ 283,825	\$ 320,000	\$ 327,100

Community Development Fund (continued)

2020 Annual Operating Budget

Building Inspection Expenditures

	2018 Actual	2019 Budget	2020 Budget
Employee Full-Time Equivalency (FTE)	1.50	1.50	1.50
Personnel Services	\$ 132,017	\$ 146,600	\$ 161,100
Supplies	1,993	2,700	2,400
Services and Charges	24,619	50,600	75,300
Transfers Out	30,100	30,400	30,400
Total Expenditures	\$ 188,729	\$ 230,300	\$ 269,200
Total Fund Expenditures	\$ 472,554	\$ 550,300	\$ 596,300
Net Revenues Over/(Under) Expenditures	\$ (29,942)	\$ (136,300)	\$ (195,700)

*Fund balance deficit currently anticipated in the Community Development Special Revenue Fund. During the recession when building permit revenue plummeted and the corresponding fund balance hovered near zero, a minimum level of service was required, and the special revenue fund was supported by the General Fund. The Community Development fund balance has been stabilizing. The anticipated deficit represents approximately 45% of the fund balance. The fund will continue to be monitored, along with building permit related revenues.

Capital Parks Fund

2020 Annual Operating Budget

Revenues

	2018 Actual	2019 Budget	2020 Budget
Investment Earnings	\$ 5,324	\$ 3,100	\$ 1,200
Change in Fair Value of Investments	-	-	-
Other	6,600	-	-
Transfers In	8,000	9,000	-
Total Revenues	\$ 19,924	\$ 12,100	\$ 1,200

Expenditures

	2018 Actual	2019 Budget	2020 Budget
Supplies	\$ 12,546	\$ 12,100	\$ -
Services and Charges	509	25,000	25,000
Capital Outlay	-	30,000	-
Total Expenditures	\$ 13,055	\$ 67,100	\$ 25,000

Net Revenues Over/(Under) Expenditures	\$ 6,869	\$ (55,000)	\$ (23,800)
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Economic Development Fund

2020 Annual Operating Budget

Revenues

	2018 Actual	2019 Budget	2020 Budget
Investment Earnings	\$ 23,747	\$ 20,200	\$ 16,500
Other	135,984	-	-
Transfers In	38,500	31,500	30,000
Total Revenues	\$ 198,231	\$ 51,700	\$ 46,500

Expenditures

	2018 Actual	2019 Budget	2020 Budget
Services and Charges	\$ 64,582	\$ 47,000	\$ 46,500

Net Revenues Over/(Under) Expenditures	\$ 133,649	\$ 4,700	\$ -
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Lodging Tax Administration Fund

2020 Annual Operating Budget

Revenues

	2018 Actual	2019 Budget	2020 Budget
Lodging Tax	\$ 401,802	\$ 402,800	\$ 403,500
Investment Earnings	159	-	-
Total Revenues	\$ 401,961	\$ 402,800	\$ 403,500

Expenditures

	2018 Actual	2019 Budget	2020 Budget
Services and Charges	\$ 401,961	\$ 402,800	\$ 403,500

Net Revenues Over/(Under) Expenditures	\$ -	\$ -	\$ -
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Tax Increment Financing Funds

2020 Annual Operating Budget

Revenues

	2018 Actual	2019 Budget	2020 Budget
Tax Increments	\$ 542,660	\$ 650,000	\$ 705,300
Investment Earnings	6,697	5,100	5,200
Change in Fair Value of Investments	-	-	-
Other	1,253,420	-	-
Total Revenues	\$ 1,802,777	\$ 655,100	\$ 710,500

Expenditures

	2018 Actual	2019 Budget	2020 Budget
Services and Charges	\$ 387,806	\$ 227,900	\$ 179,300
Capital Outlay	1,463,133	-	-
Debt Service	35,844	23,900	34,200
Transfers Out	251,763	257,100	303,300
Total Expenditures	\$ 2,138,545	\$ 508,900	\$ 516,800

Net Revenues Over/(Under) Expenditures	\$ (335,768)	\$ 146,200	\$ 193,700
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*

*Fund balance is expected to fluctuate in the combined funds due to the timing of revenues versus expenditures for funds.

Sales Tax Collection Fund

2020 Annual Operating Budget

Revenues

	2018 Actual	2019 Budget	2020 Budget
Sales and Excise Tax	\$ 2,682,041	\$ 2,687,400	\$ 2,801,800
Investment Earnings	149,375	104,300	64,000
Change in Fair Value of Investments	-	-	-
Total Revenues	\$ 2,831,416	\$ 2,791,700	\$ 2,865,800

Expenditures

	2018 Actual	2019 Budget	2020 Budget
Services and Charges	\$ 581,793	\$ 582,000	\$ 605,700
Transfers Out	2,988,958	4,303,700	4,462,500
Total Expenditures	\$ 3,570,751	\$ 4,885,700	\$ 5,068,200

Net Revenues Over/(Under) Expenditures	\$ (739,335)	\$ (2,094,000)	\$ (2,202,400)
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Recycling Fund

2020 Annual Operating Budget

Revenues

	2018 Actual	2019 Budget	2020 Budget
Intergovernmental Revenue	\$ 26,340	\$ 28,600	\$ 14,000
Charges for Services	283	300	300
Investment Earnings	877	500	300
Change in Fair Value of Investments	-	-	-
Transfers In	4,000	4,800	4,900
Total Revenues	\$ 31,500	\$ 34,200	\$ 19,500

Expenditures

	2018 Actual	2019 Budget	2020 Budget
Services and Charges	\$ 31,173	\$ 34,200	\$ 19,500

Net Revenues Over/(Under) Expenditures	\$ 327	\$ -	\$ -
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Capital Equipment Fund

2020 Annual Operating Budget

Purpose:

- Provide a sinking fund for future capital equipment replacement purchases
- Attempts to smooth annual capital outlay expenditures for systematic replacement of capital equipment, including squad cars, public works, and parks vehicles

Revenues

	2018 Actual	2019 Budget	2020 Budget
Investment Earnings	\$ 17,510	\$ 10,500	\$ 15,700
Change in Fair Value of Investments	-	-	-
Other	14,251	-	-
Transfers In	310,655	307,500	305,100
Total Revenues	\$ 342,416	\$ 318,000	\$ 320,800

Expenditures

	2018 Actual	2019 Budget	2020 Budget
Supplies	\$ 49,993	\$ -	\$ 14,000
Capital Outlay	180,470	455,400	403,400
Total Expenditures	\$ 230,463	\$ 455,400	\$ 417,400

Net Revenues Over/(Under) Expenditures	\$ 111,953	\$ (137,400)	\$ (96,600)
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Collector Street Fund

2020 Annual Operating Budget

Purpose:

- Provide a sinking fund for future collector street construction on a pay-as-you-go basis
- Minimizes the need to issue debt and levy for debt service for the City's share of project costs such as additional street width, lanes, and curb and gutter
- Provides an additional revenue source to leverage MSA for City collector streets

Revenues

	2018 Actual	2019 Budget	2020 Budget
Intergovernmental Revenue	\$ 142,093	\$ -	\$ -
Investment Earnings	81,413	29,400	13,800
Change in Fair Value of Investments	-	-	-
Transfers In	387,000	387,000	387,000
Total Revenues	\$ 610,506	\$ 416,400	\$ 400,800

Expenditures

	2018 Actual	2019 Budget	2020 Budget
Transfers Out	\$ -	\$ 1,335,000	\$ 650,000
Net Revenues Over/(Under) Expenditures	\$ 610,506	\$ (918,600)	\$ (249,200)

Street Replacement Fund

2020 Annual Operating Budget

Revenues

	2018 Actual	2019 Budget	2020 Budget
Franchise Fees	\$ 335,166	\$ 335,100	\$ 312,000
Intergovernmental Revenue	152,566	153,000	161,000
Investment Earnings	13,201	11,200	15,000
Change in Fair Value of Investments	-	-	-
Total Revenues	\$ 500,933	\$ 499,300	\$ 488,000

Expenditures

	2018 Actual	2019 Budget	2020 Budget
Services and Charges	\$ 9,059	\$ 314,000	\$ -
Transfers Out	-	22,000	-
Total Expenditures	\$ 9,059	\$ 336,000	\$ -

Net Revenues Over/(Under) Expenditures	\$ 491,874	\$ 163,300	\$ 488,000
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Trail Construction and Maintenance Fund

2020 Annual Operating Budget

Purpose:

- Provide a sinking fund for future trail maintenance and reconstruction
- To provide a sinking fund for future trail construction by leveraging DNR and other grants with matching funds from this construction fund

Revenues

	2018 Actual	2019 Budget	2020 Budget
Franchise Fees	\$ 27,000	\$ 32,000	\$ 54,000
Investment Earnings	5,917	4,700	5,000
Change in Fair Value of Investments	-	-	-
Total Revenues	\$ 32,917	\$ 36,700	\$ 59,000

Expenditures

	2018 Actual	2019 Budget	2020 Budget
Services and Charges	\$ 29,460	\$ 40,000	\$ 59,000
Net Revenues Over/(Under) Expenditures	\$ 3,457	\$ (3,300)	\$ -

Water Operations Fund

2020 Annual Operating Budget

Revenues

	2018 Actual	2019 Budget	2020 Budget
Charges for Services	\$ 1,381,858	\$ 1,385,500	\$ 1,392,300
Investment Earnings	104,679	80,000	94,500
Change in Fair Value of Investments	-	-	-
Other	302,149	-	-
Total Revenues	\$ 1,788,686	\$ 1,465,500	\$ 1,486,800

Expenditures

	2018 Actual	2019 Budget	2020 Budget
Employee Full-Time Equivalency (FTE)	2.33	2.33	2.33
Personnel Services	\$ 206,641	\$ 240,100	\$ 235,300
Supplies	102,692	109,700	110,400
Services and Charges	1,234,079	1,283,100	1,352,500
Transfers Out	164,631	360,700	351,900
Total Expenditures	\$ 1,708,043	\$ 1,993,600	\$ 2,050,100

Net Revenues Over/(Under) Expenditures	\$ 80,643	\$ (528,100)	\$ (563,300)
Depreciation	927,758	1,021,200	1,063,700
Depreciation Coverage	1,008,402	493,100	500,400
Depreciation Coverage %	108.69%	48.29%	47.04%

WAC Fund

2020 Annual Operating Budget

Revenues

	2018 Actual	2019 Budget	2020 Budget
Investment Earnings	\$ 2,857	\$ 1,500	\$ -
Change in Fair Value of Investments	-	-	-
Other	453,481	289,100	287,900
Transfers In	-	-	99,600
Total Revenues	\$ 456,337	\$ 290,600	\$ 387,500

Expenditures

	2018 Actual	2019 Budget	2020 Budget
Services and Charges	\$ 3,636	\$ -	\$ -
Capital Outlay	-	275,000	-
Transfers Out	25,000	204,200	15,000
Total Expenditures	\$ 28,636	\$ 479,200	\$ 15,000

Net Revenues Over/(Under) Expenditures	\$ 427,701	\$ (188,600)	\$ 372,500
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Water Debt Service Fund

2020 Annual Operating Budget

Revenues

	2018 Actual	2019 Budget	2020 Budget
Transfers In	\$ 433,759	\$ 306,300	\$ 311,000

Expenditures

	2018 Actual	2019 Budget	2020 Budget
Debt Service	\$ 666,531	\$ 562,700	\$ 567,900

Net Revenues Over/(Under) Expenditures	\$ (232,772)	\$ (256,400)	\$ (256,900)
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Sewer Operations Fund

2020 Annual Operating Budget

Revenues

	2018 Actual	2019 Budget	2020 Budget
Charges for Services	\$ 1,306,049	\$ 1,321,800	\$ 1,309,500
Investment Earnings	65,014	60,000	61,900
Change in Fair Value of Investments	-	-	-
Other	49,650	-	-
Total Revenues	\$ 1,420,713	\$ 1,381,800	\$ 1,371,400

Expenditures

	2018 Actual	2019 Budget	2020 Budget
Employee Full-Time Equivalency (FTE)	2.33	2.33	2.33
Personnel Services	\$ 204,784	\$ 240,100	\$ 235,200
Supplies	34,064	35,900	35,600
Services and Charges	1,744,027	1,657,600	1,773,900
Capital Outlay	-	-	55,000
Transfers Out	141,000	207,400	144,700
Total Expenditures	\$ 2,123,875	\$ 2,141,000	\$ 2,244,400

Net Revenues Over/(Under) Expenditures	\$ (703,162)	\$ (759,200)	\$ (873,000)
Depreciation	906,442	967,900	1,014,100
Depreciation Coverage	(257,006)	208,700	141,100
Depreciation Coverage %	-28.35%	21.56%	13.91%

SAC Fund

2020 Annual Operating Budget

Revenues

	2018 Actual	2019 Budget	2020 Budget
Investment Earnings	\$ 40,853	\$ 22,600	\$ 35,000
Change in Fair Value of Investments	-	-	-
Other	322,256	147,000	147,000
Transfers In	-	-	90,000
Total Revenues	\$ 363,109	\$ 169,600	\$ 272,000

Expenditures

	2018 Actual	2019 Budget	2020 Budget
Capital Outlay	\$ -	\$ 140,000	\$ 694,000
Transfers Out	285,602	543,100	15,000
Total Expenditures	\$ 285,602	\$ 683,100	\$ 709,000

Net Revenues Over/(Under) Expenditures	\$ 77,508	\$ (513,500)	\$ (437,000)
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Storm Water Operations Fund

2020 Annual Operating Budget

Revenues

	2018 Actual	2019 Budget	2020 Requested
Charges for Services	\$ 421,401	\$ 452,600	\$ 518,600
Investment Earnings	9,255	7,200	6,900
Change in Fair Value of Investments	-	-	-
Other	969,575	-	500,000
Total Revenues	\$ 1,400,231	\$ 459,800	\$ 1,025,500

Expenditures

	2018 Actual	2019 Budget	2020 Budget
Employee Full-Time Equivalency (FTE)	0.30	0.30	0.30
Personnel Services	\$ 37,301	\$ 41,400	\$ 43,500
Supplies	13,476	18,600	18,300
Services and Charges	370,818	412,600	507,300
Capital Outlay	-	-	655,100
Transfers Out	268,842	93,300	205,100
Total Expenditures	\$ 690,438	\$ 565,900	\$ 1,429,300

Net Revenues Over/(Under) Expenditures	\$ 709,793	\$ (106,100)	\$ (403,800)
Depreciation	202,644	272,900	323,800
Depreciation Coverage	397,549	166,800	(80,000)
Depreciation Coverage %	196.18%	61.12%	-24.71%

Debt Service Fund

2020 Annual Operating Budget

Revenues

	2018 Actual	2019 Budget	2020 Budget
Property Taxes	\$ 1,075,910	\$ 1,076,000	\$ 1,076,000
Special Assessments	1,301,801	917,700	1,279,800
Intergovernmental Revenue	59,812	55,200	50,800
Investment Earnings	65,803	32,200	53,300
Change in Fair Value of Investments	-	-	-
Transfers In	924,874	614,400	911,400
Total Revenues	\$ 3,428,200	\$ 2,695,500	\$ 3,371,300

Expenditures

	2018 Actual	2019 Budget	2020 Budget
Debt Service	\$ 3,589,327	\$ 3,061,800	\$ 3,035,100

Net Revenues Over/(Under) Expenditures	\$ (161,127)	\$ (366,300)	\$ 336,200
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Debt Service Levies by Fund

	2018 Actual	2019 Budget	2020 Budget
G.O. Improvement Bonds 2007B	\$ 74	\$ -	\$ -
G.O. Refunding Bonds 2013A (06A/06B portion)	212,259	311,300	166,300
G.O. Improvement Bonds 2014	170,815	31,500	-
G.O. Improvement Bonds 2015	239,626	240,800	205,800
G.O. Improvement Bonds 2016	453,137	304,200	208,500
G.O. Improvement Bonds 2018	-	188,200	236,400
G.O. Improvement Bonds 2019	-	-	259,000
Total Debt Service Levies	\$ 1,075,910	\$ 1,076,000	\$ 1,076,000

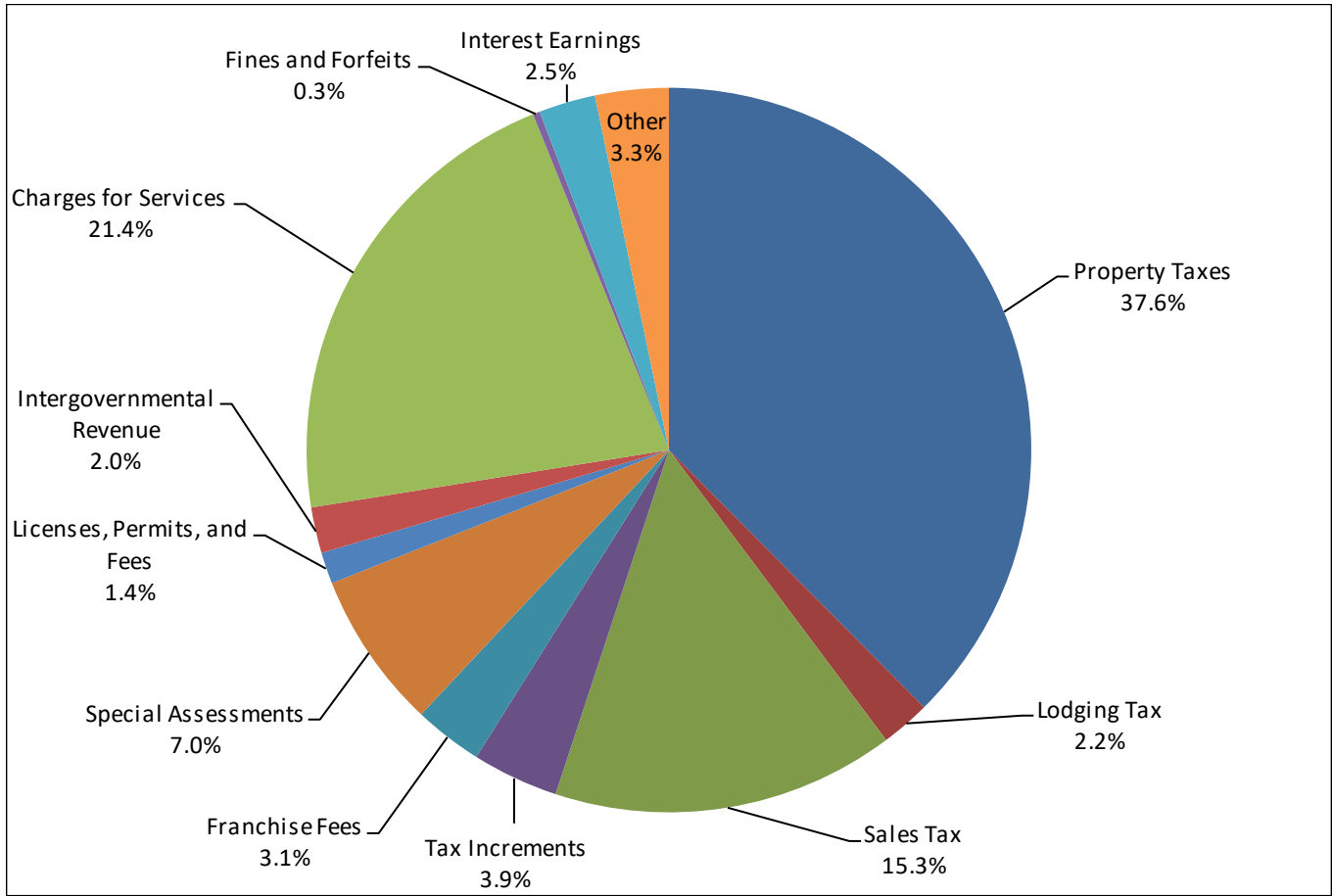
A person is walking away from the camera on a sandy beach, looking out at a large body of water under a sunset sky. The person is wearing a patterned shirt and pants. The water is calm with gentle ripples. The sky is filled with soft, warm colors from the setting sun, with some light clouds. The overall mood is peaceful and contemplative.

Section III

Graphs

All Funds – Revenues by Category

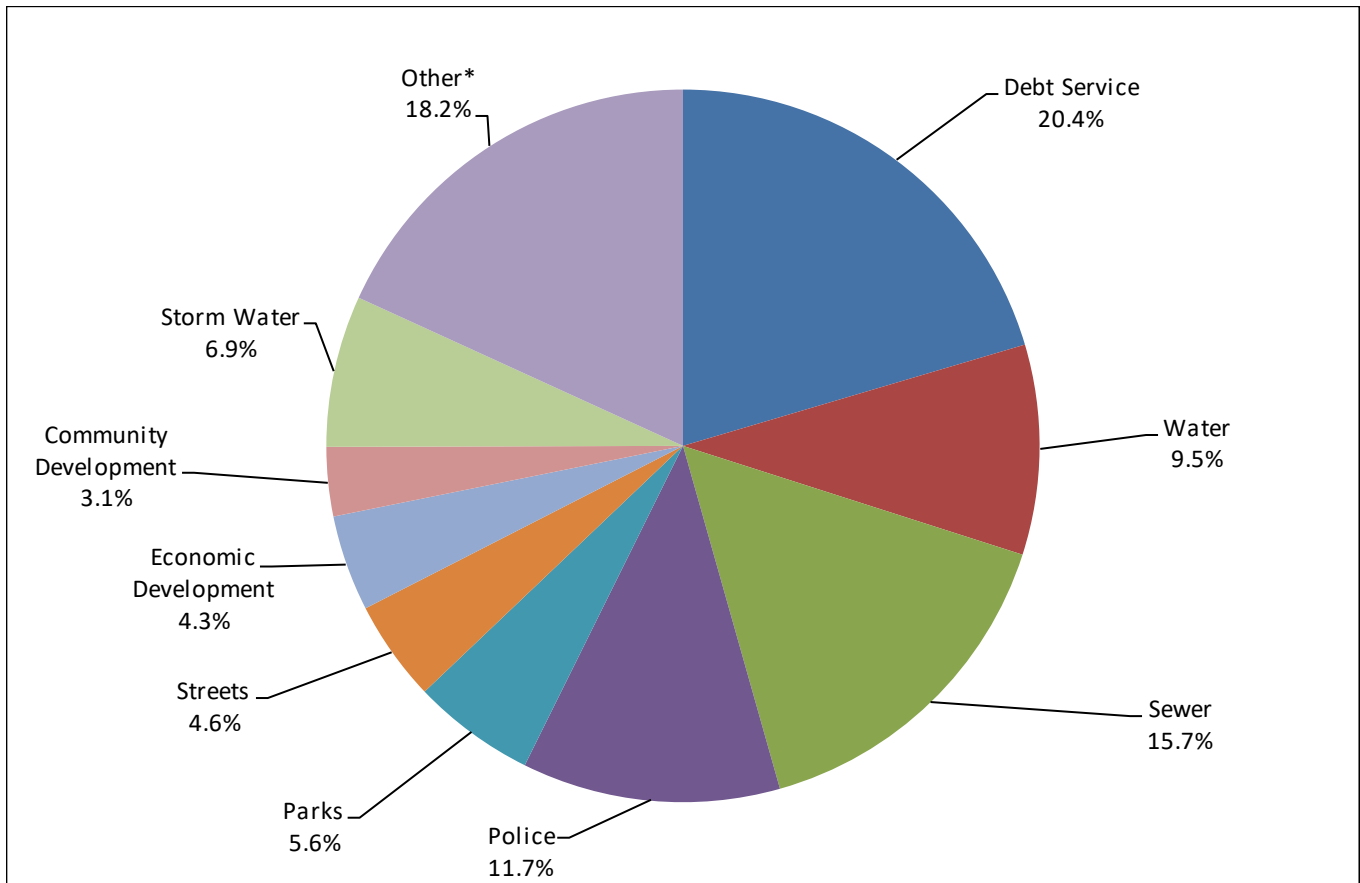
2020 Annual Operating Budget



Percentages may not foot to 100% due to rounding

All Funds – Expenditures by Function

2020 Annual Operating Budget



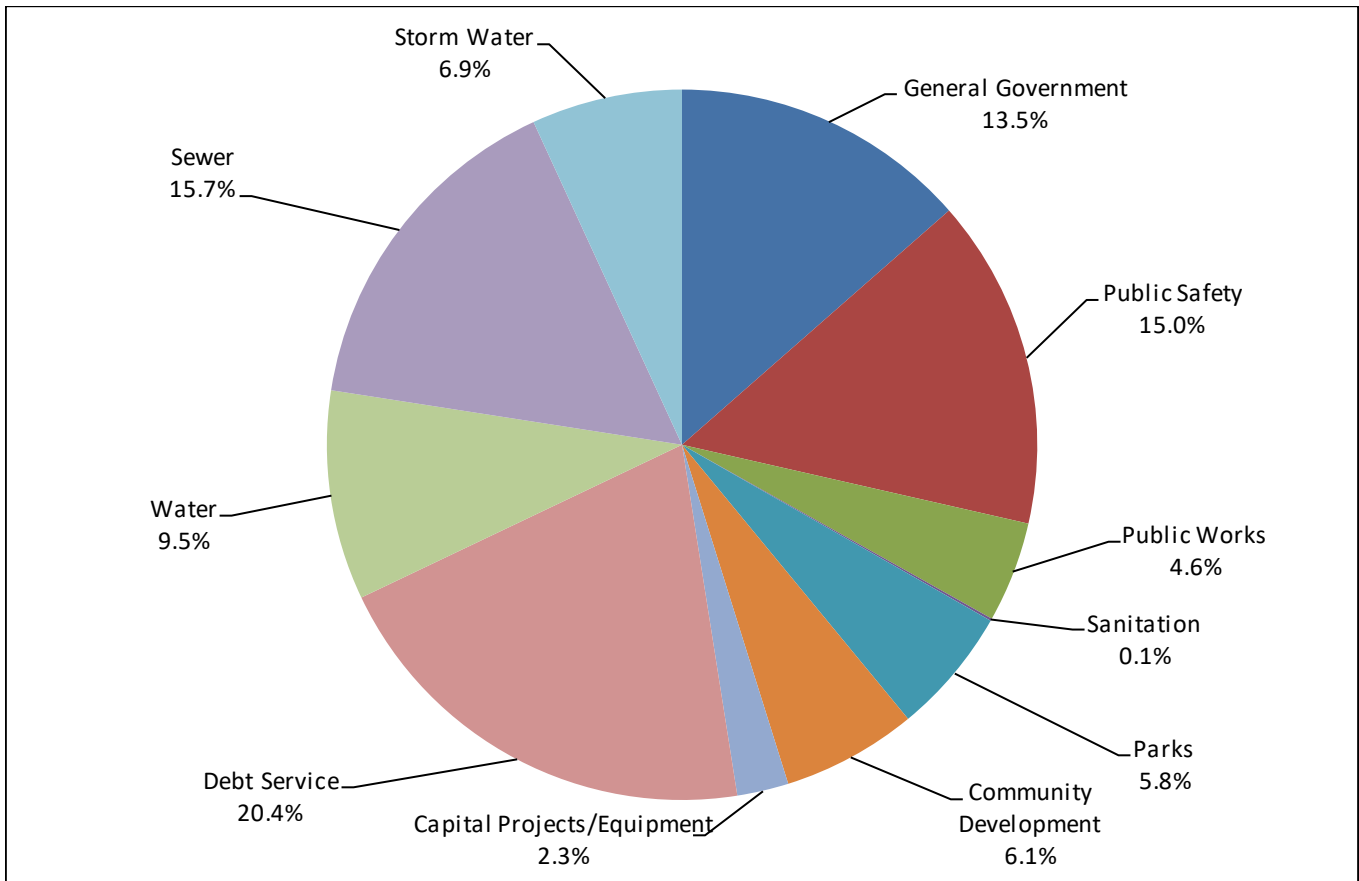
Percentages may not foot to 100% due to rounding

Other*

General Government	1.9%
Finance	2.5%
Lodging Tax	2.3%
PW Administration	2.5%
Administration	2.2%
Fire	2.0%
Capital Equipment	2.3%
Information Systems	1.0%
Legal	0.4%
Sales Tax	0.3%
Recycling	0.1%
Council	0.3%
Recreation Programs	0.2%

All Funds – Expenditures by Department

2020 Annual Operating Budget



Percentages may not foot to 100% due to rounding

A person is walking away from the camera on a sandy beach towards the ocean. The scene is captured during sunset, with a warm, golden glow over the water and sky. The person is wearing a light-colored, long-sleeved shirt and pants. The water is calm with gentle ripples. The sky is a mix of soft pinks, oranges, and yellows, with a few wispy clouds. The overall mood is peaceful and serene.

Section IV

Supporting Documents

Full-Time Equivalent Staff Positions Requested by Department

2020 Annual Operating Budget

Department	2018 FTE Approved	2019 FTE Approved	2020 Dept Requested Budget	
			FTE	Increase
Administration	2.50	2.50	2.50	-
Finance	4.00	4.00	4.00	-
Information Systems	1.00	1.00	1.00	-
Planning	2.50	2.50	2.50	-
Police	16.00	16.00	16.00	-
Public Works Admin	3.50	3.50	3.50	-
Bldg Inspections	1.50	1.50	1.50	-
Park Maintenance*	5.00	5.00	6.50	1.50
Streets Maintenance	2.04	2.04	2.54	0.50
Water	2.33	2.33	2.33	-
Sewer	2.33	2.33	2.33	-
Storm Water	0.30	0.30	0.30	-
Total FTE	43.00	43.00	45.00	2.00

Capital Equipment Program by Funding Sources

2020 Annual Operating Budget

Description	Total	Enterprise Revenues	Special Revenue Funds	Replacement Funds
General Government				
ERP Software	\$ 200,000	\$ -	\$ -	\$ 200,000
Cemetery				
Columbarium	49,500	-	49,500	-
Police				
Squad Car Replacement	133,200	-	-	133,200
Total Police	133,200	-	-	133,200
Parks, Parks Maintenance and Trails				
Toro Infield Pro	17,100	-	-	17,100
3/4 Ton Truck with Plow	53,100	-	-	53,100
Total Parks Maintenance	70,200	-	-	70,200
Sewer				
Generator	55,000	55,000	-	-
Lift Station #3 Reroute Project	33,000	33,000	-	-
Lift Station #11 Rehab	142,800	142,800	-	-
Total Sewer	230,800	230,800	-	-
Storm Water				
Mower Attachment	15,000	15,000	-	-
Total Storm Water	15,000	15,000	-	-
Total Capital Equipment Budget	\$ 698,700	\$ 245,800	\$ 49,500	\$ 403,400

2020 Capital Improvement Projects Funding Sources

2020 Annual Operating Budget

