

City of Ramsey
Agenda
City Council Work Session
Tuesday March 20, 2012
7:00 p.m. or immediately following HRA
Lake Itasca Room 7550 Sunwood Drive NW

- 1. Call to Order**
- 2. Topics for Discussion**
 1. Continued Discussion of 2013 Budget
- 3. Future Topics for Discussion - *See Attached Calendar***
 1. Review Future Topics/Calendar
- 4. Mayor/Council/Staff Input**
- 5. Adjournment**

CC Work Session

2. 1.

Meeting Date: 03/20/2012

By: Diana Lund, Finance

Title:

Continued Discussion of 2013 Budget

Background:

At the February 14, 2012 City council worksession regarding the 2013 Budget, recommendations were made regarding the receptionist position and EDA levy.

An updated cash flow is attached reflecting these adjustments along with further reductions in staffing relating to the Deputy City Administrator position, excess 2011 General Fund Revenue and adding road reconstruction to the General Fund budget.

A major portion of the cash flow savings is attributed to the refinancing of the municipal center debt. Since the council meeting of March 13, long-term interest rates have risen, which has a long-term effect on the refinancing. A memo outlining the effects will be addressed at Tuesday's meeting.

As the road reconstruction has been added into the budget documents, the current impacts and future financing methods need to be addressed.

Funding Source:

N/A

Council Action:

Based upon discussion. Items that need to be addressed: Budget target, Municipal Center Refinancing and Long-Term Road Reconstruction financing.

Attachments

Budget Cash Flows & Tax Rates

Form Review

Inbox Kurt Ulrich	Reviewed By Jo Thieling	Date 03/15/2012 04:17 PM
Form Started By: Diana Lund		Started On: 03/15/2012 03:33 PM
Final Approval Date: 03/15/2012		

If Refinanced Debt to reduce annual payment to \$1.10M. Extends final date to 12/2031

	2009		2010		2011		2012		2013*		2014*		2015*		2016*		
General Fund	\$ 8,092,034	\$ 7,194,194	\$ 6,992,127	\$ 6,997,150	\$ 7,037,320	\$ 7,019,619	\$ 6,998,386	\$ 6,978,357									
EDA	\$ 291,705	\$ 291,705	\$ 291,705	\$ 169,853	\$ 169,853	\$ 169,853	\$ 169,853	\$ 169,853									
Debt Service:																	
Fire Station #1	\$ 152,024	\$ 153,925	\$ 150,121	\$ 151,386	\$ 152,289	\$ 147,630	\$ 147,630	\$ 147,630									
Capital Equip Cert	\$ 490,613	\$ 405,891	\$ 186,441	\$ 185,194	\$ -	\$ -	\$ -	\$ -									
Muni Center Debt	\$ 449,362	\$ 496,615	\$ 508,215	\$ 910,215	\$ 1,511,815	\$ 1,515,140	\$ 1,508,803	\$ 1,511,190									
** Muni debt 12/31 refinanced	\$ -	\$ -	\$ -	\$ -	\$ (457,479)	\$ (438,444)	\$ (410,874)	\$ (393,232)									
Total Levy	\$ 9,475,738	\$ 8,542,330	\$ 8,128,609	\$ 8,413,798	\$ 8,413,798	\$ 8,413,798	\$ 8,413,798	\$ 8,413,798									
** Based on Interest Rates 2-7-12																	
*Assumes Holding Levy Constant With 2012 Levy																	
Reduction in General Fund Levy (using 2012 Base levy)																	
(Net Reduction from 2012 General Fund Levy)																	
Refinancing Muni Debt in 2012: Savings on 2012 Debt Payment																	
\$ 492,953																	
TIF Districts Coming Back on Line Estimated:																	
TIF 10 (Decertifies 2012)																	
TIF 2 (Decertifies 2013)																	
TIF 4 (Decertifies 2014)																	
Net TIF Funding																	
\$ 64,870																	
\$ 64,870																	
\$ 612,532																	
\$ 765,776																	
\$ 597,993																	
\$ 767,012																	
\$ 746,983																	
Net Income (reduction) Needed to hold levy constant at 2012 Rates																	

2013 Budget Additions: (Based on 2012 Budget Numbers)

Wage Increases (0% COLA)	\$ -	\$ (33,400)	\$ (30,000)	\$ (30,000)	\$ (30,000)	\$ (30,000)	\$ (30,000)
Step Increases	\$ -	\$ 25,000	\$ -	\$ -	\$ -	\$ -	\$ -
Non-Election Year	\$ -	\$ (32,000)	\$ (65,300)	\$ (107,435)	\$ (152,103)	\$ (152,103)	\$ (152,103)
Health Insurance - 5% Increase	\$ -	\$ (59,803)	\$ (62,195)	\$ (64,683)	\$ (67,270)	\$ (67,270)	\$ (67,270)
Management Analyst (4% steps)	\$ -	\$ -	\$ (25,000)	\$ (90,000)	\$ (90,000)	\$ (90,000)	\$ (90,000)
Assoc Plann/Envir Coor Funded from Landfill Tip	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Inflationary on Contracted Services, Gas Electric (\$768,000 x .05) 5% annual inflation	\$ (38,500)	\$ (78,825)	\$ (121,056)	\$ (165,509)	\$ (165,509)	\$ (165,509)	\$ (165,509)
Anoka County System Admin - Katers removed	\$ (25,000)	\$ (50,000)	\$ (50,000)	\$ (50,000)	\$ (50,000)	\$ (50,000)	\$ (50,000)
Total Budget Revenue (Additional Cuts) needed	\$ 434,290	\$ 323,681	\$ 303,838	\$ 192,101	\$ 192,101	\$ 192,101	\$ 192,101

Possible Budget Reductions or Revenue: (Based on 2012 Budget Numbers)

Add'l Staff Hours for Code Enforcement Activities	\$	14,820				
Reclass of Public Works Position	\$	11,548				
Parks Seasonal Workers adjusted to 2011 Levels	\$	10,885				
Police Department Title Change - Adjust to Captain	\$	4,323				
Human Resources Intern	\$	6,507				
Engineering Intern	\$	7,485				
IT Intern (Admin)	\$	12,756				
Building Official - Contract	\$	20,000				
Employee Buyouts/Early Separation	\$	50,000				
Refinance Municipal Center Debt*		See Above				
Internal Transfer of Park & Ride Loan Completed in 2012	\$	10,868	\$	10,868	\$	10,868
Newsletter-4 printed; 2 u/b inserts	\$	10,000	\$	10,000	\$	10,000
Alpine Park Tower Lease	\$	18,000	\$	18,000	\$	18,000
Use of Park Fund for Park Maintenance (1/3 of fund)	\$	36,507	\$	36,507	\$	-
Engineering Revenue from Projects	\$	236,000				
Trail Overlay Delayed	\$	15,000				
Reduce EDA Levy	\$	50,000	\$	50,000	\$	50,000
Reduce HRA Levy	\$	70,000	\$	70,000	\$	70,000
Total Misc Reductions	\$	584,699	\$	195,375	\$	158,868

Possible Staffing Reductions: (Based on 2012 Budget Numbers)

Secretary (Fire Department)	\$	62,376	\$	62,376	\$	62,376
Crime Prevention Specialist (Police)	\$	71,288	\$	71,288	\$	71,288
Accounting Clerk to 3/4 time (General Fund)(Finance)	\$	19,960	\$	19,960	\$	19,960
Econ Dev/Marketing Manager (Gen Fund/EDA) (Admin)	\$	73,797	\$	73,797	\$	73,797
Police Officer (starting wage)	\$	62,853	\$	65,367	\$	70,701
Building Maintenance (part-time)	\$	24,838	\$	24,838	\$	24,838
Ass't City Admin/Comm Dev Dir	\$	131,163	\$	131,163	\$	131,163
Total Current Staffing Reductions	\$	446,275	\$	448,789	\$	454,123

Excess Revenue Over 2012 Target Budget:

	\$	1,465,264	\$	967,845	\$	805,092
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OTHER ADDITIONS/DEDUCTIONS:

Excess 2011 Revenue Over Expenditures (Fund Bal Pol)	\$	129,700				
Street Maint Program Not Covered by other Funding (\$275,000 TIF 4)	\$	(232,400)	\$	(245,000)	\$	(520,000)
Road Reconstruction	\$	(992,600)	\$	(980,000)	\$	(980,000)
Grand Totals	\$	369,964	\$	(257,155)	\$	(694,908)

Using all 2013 Budget reductions 3-20-12

Total Reductions of \$369,964 & Refinancing Debt with \$457,479 in savings & Adding Road Recon

(Based off of 2012 Adopted Levy & TAXable value decreased by 5% + TIF 10 Decertified)

2013 PROPOSED LEVY

	<u>Certified</u>	<u>Fiscal Disp</u>	<u>Local Levy</u>	<u>Estimated 2013 Taxable Value</u>	<u>Tax Capacity</u>
General	6,627,186	1,188,156	5,439,030	15,305,835	35.536%
EDA	169,853	52,522	117,331	15,305,835	0.767%
Bonds	1,206,625	140,403	1,066,222	15,305,835	6.966%
	<u>8,003,664</u>	<u>1,381,081</u>	<u>6,622,583</u>		<u>43.268%</u>

2012 ADOPTED LEVY

	<u>Certified</u>	<u>Fiscal Disp</u>	<u>Local Levy</u>	<u>Taxable Value</u>	<u>Tax Capacity</u>
General	6,997,150	1,254,486	5,742,664	15,766,875	36.422%
EDA	169,853	52,522	117,331	15,766,875	0.744%
Bonds	1,246,795	145,077	1,101,718	15,766,875	6.988%
	<u>8,413,798</u>	<u>1,452,085</u>	<u>6,961,713</u>		<u>44.154%</u>

2012 County Valuation	\$ 15,766,875
5% reduction for 2013	\$ 14,978,531
TIF 10 Decertifying	\$ 327,304
2013 Valuation	\$ 15,305,835

Using all 2013 Budget reductions 3-20-12 & to GET TO A 40% Tax Rate

Total Reductions of \$369,964 from sheet & addl \$500,000 & Refinancing Debt with \$457,479 in savings & Adding Road Recon

(Based off of 2012 Adopted Levy & TAXable value decreased by 5% + TIF 10 Decertified)

2013 PROPOSED LEVY

	<u>Certified</u>	<u>Fiscal Disp</u>	<u>Local Levy</u>	<u>Estimated 2013 Taxable Value</u>	<u>Tax Capacity</u>
General	6,127,186	1,098,513	5,028,673	15,305,835	32.855%
EDA	169,853	52,522	117,331	15,305,835	0.767%
Bonds	1,206,625	140,403	1,066,222	15,305,835	6.966%
	<u>7,503,664</u>	<u>1,291,438</u>	<u>6,212,226</u>		<u>40.587%</u>

2012 ADOPTED LEVY

	<u>Certified</u>	<u>Fiscal Disp</u>	<u>Local Levy</u>	<u>Taxable Value</u>	<u>Tax Capacity</u>
General	6,997,150	1,254,486	5,742,664	15,766,875	36.422%
EDA	169,853	52,522	117,331	15,766,875	0.744%
Bonds	1,246,795	145,077	1,101,718	15,766,875	6.988%
	<u>8,413,798</u>	<u>1,452,085</u>	<u>6,961,713</u>		<u>44.154%</u>

Using all 2014 Budget reductions 3-20-12

Total Additions of 257,155 & Refinancing Debt with \$438,444 in savings & adding Road Recon

(Based off of 2012 Adopted Levy & TAXable value decreased by 5% + TIF 10 Decertified)

2014 PROPOSED LEVY

	<u>Certified</u>	<u>Fiscal Disp</u>	<u>Local Levy</u>	<u>COUNTY #'s Taxable Value</u>	<u>Tax Capacity</u>
General	7,254,305	1,300,589	5,953,716	15,305,835	38.898%
EDA	169,853	52,522	117,331	15,305,835	0.767%
Bonds	1,224,326	142,462	1,081,864	15,305,835	7.068%
	<u>8,648,484</u>	<u>1,495,573</u>	<u>7,152,911</u>		<u>46.733%</u>

2012 ADOPTED LEVY

	<u>Certified</u>	<u>Fiscal Disp</u>	<u>Local Levy</u>	<u>Taxable Value</u>	<u>Tax Capacity</u>
General	6,997,150	1,254,486	5,742,664	15,766,875	36.422%
EDA	169,853	52,522	117,331	15,766,875	0.744%
Bonds	1,246,795	145,077	1,101,718	15,766,875	6.988%
	<u>8,413,798</u>	<u>1,452,085</u>	<u>6,961,713</u>		<u>44.154%</u>

Using all 2015 Budget reductions 3-20-12

Total Additions of \$549,383 & Refinancing Debt with \$410,874 in savings & adding Road Recon

(Based off of 2012 Adopted Levy & TAXable value decreased by 5% + TIF 10 Decertified)

2015 PROPOSED LEVY

	<u>Certified</u>	<u>Fiscal Disp</u>	<u>Local Levy</u>	<u>COUNTY #'s Taxable Value</u>	<u>Tax Capacity</u>
General	7,546,533	1,352,981	6,193,552	15,305,835	40.465%
EDA	169,853	52,522	117,331	15,305,835	0.767%
Bonds	1,245,562	144,933	1,100,629	15,305,835	7.191%
	<u>8,961,948</u>	<u>1,550,436</u>	<u>7,411,512</u>		<u>48.423%</u>

2012 ADOPTED LEVY

	<u>Certified</u>	<u>Fiscal Disp</u>	<u>Local Levy</u>	<u>Taxable Value</u>	<u>Tax Capacity</u>
General	6,997,150	1,254,486	5,742,664	15,766,875	36.422%
EDA	169,853	52,522	117,331	15,766,875	0.744%
Bonds	1,246,795	145,077	1,101,718	15,766,875	6.988%
	<u>8,413,798</u>	<u>1,452,085</u>	<u>6,961,713</u>		<u>44.154%</u>

Using all 2016 Budget reductions 3-20-12

Total Additions of \$694,908 & Refinancing Debt with \$393,232 in savings & adding Road Recon

(Based off of 2012 Adopted Levy & TAXable value decreased by 5% + TIF 10 Decertified)

2016 PROPOSED LEVY

	<u>Certified</u>	<u>Fiscal Disp</u>	<u>Local Levy</u>	<u>COUNTY #'s</u> <u>Taxable Value</u>	<u>Tax Capacity</u>
General	7,692,058	1,379,071	6,312,987	15,305,835	41.246%
EDA	169,853	52,522	117,331	15,305,835	0.767%
Bonds	1,265,588	147,263	1,118,325	15,305,835	7.307%
	<u>9,127,499</u>	<u>1,578,856</u>	<u>7,548,643</u>		<u>49.319%</u>

2012 ADOPTED LEVY

	<u>Certified</u>	<u>Fiscal Disp</u>	<u>Local Levy</u>	<u>Taxable Value</u>	<u>Tax Capacity</u>
General	6,997,150	1,254,486	5,742,664	15,766,875	36.422%
EDA	169,853	52,522	117,331	15,766,875	0.744%
Bonds	1,246,795	145,077	1,101,718	15,766,875	6.988%
	<u>8,413,798</u>	<u>1,452,085</u>	<u>6,961,713</u>		<u>44.154%</u>

CC Work Session

3. 1.

Meeting Date: 03/20/2012

By: Jo Thieling, Administrative Services

Title:

Review Future Topics/Calendar

Background:

Attached is the list of future topics for Council review.

Funding Source:

N/A

Council Action:

No formal action necessary.

Attachments

Future Topics/Calendar

Form Review

Inbox

Kurt Ulrich

Reviewed By

Jo Thieling

Date

03/15/2012 03:42 PM

Form Started By: Jo Thieling

Started On: 03/15/2012 03:40 PM

Final Approval Date: 03/15/2012

**Work Session Calendars
2011**

Month	Date	Topics for Discussion
March	27	<ul style="list-style-type: none"> • Discuss Comprehensive Sewer and Water Plan (Brian)
April	3	<ul style="list-style-type: none"> • Discuss Four-Wheeler Riding within the City (Jim Way)
Others on List – including 2011 Strategic Planning Items		<ul style="list-style-type: none"> • Lot Combination Policy (TG) • Consider Request Management (CRM) Proposal (Patrick/Kurt) • Discuss City Space/Booth at Game Fair 2012 (Kurt/Heidi) • Residential Uses Permitted by State Statute (Tim G.) • Update Animal Ordinance (Tim G.) • Consider Amendments to Facility Use Program (Jo) • Discuss Leash Law (JW) • 167th & 47 Water Services Extension/Master Planning • Review Pilot Programs (e.g. volunteer programs – low maintenance options) • Build on outdoors/sportsmen’s market (e.g. stock pond/lake) • Develop community center/indoor sports complex • Old Town Hall relocation • Strategic Action Plan Update • Seek grant funding for transportation projects and service delivery • Complete US 10/ County Road 83 interchange design – pursue funding • Establish position on TH #47 South of Bunker to Highway #10 <p><u>Public Works</u></p> <ul style="list-style-type: none"> • Review plan for US Highway #10 pedestrian overpass and connection with Municipal Center ramp • Consider opportunities for four-wheeler & golf cart use • Review Project Management Issues (e.g. 151st & 167th Projects)