

2014 Preliminary Budgets as of 7-10-13: UPDATED

LEVY LIMIT: \$7,482,518 (General Fund & EDA Fund)- \$7,353,295-2013

-Estimated tax capacity rate of 43.37% (44.29% in 2013). TIF 2 decertified in 2013.

-City can only increase regular General levy & EDA levy by \$129,223 over 2013 adopted

-Debt Levy falls outside of limits:

Debt Levy Proposed for 2014: \$1,241,838 (\$644,918-2013)

Debt increase attributed to:

1. 2013 \$635,000 Capital Equipment Certificates-Annual levy Est of \$76,145
2. Refinanced Muni Debt in 2012-Used savings from refinancing to reduce 2013 Levy on muni debt

-Proposed 2014 Tax Levy Requests of General Fund & EDA: \$7,639,011

-Amount of Budget Reductions Needed in General/EDA Budgets to Reach levy limit:
\$156,493

GENERAL FUND:

Proposed Budget: \$10,050,677 (\$10,293,837) Decrease of \$243,160

Proposed Levy: \$7,502,272 (Exceeds levy Limits)

Major Changes from 2013 Adopted Budget:

Revenue:

-Property tax: Proposed General Levy of \$7,502,272 (exceeds levy limits)

-Building Permit Revenue \$27,885 (Offset by In-House Bldg Inspector)

-LGA-2013 Legislative Session reinstated \$91,376 (was \$0 since 2003)
(Had to subtract in calculating levy limits)

-Special Police Services decreased by \$25,000-County Systems Admin contract ended

-Engr Revenue decreased by \$372,500 (\$577,500-2013/\$205,000-2014)
Attributed to decrease in road funding in General Fund Budget from
\$1,327,500 to \$500,000)

-Transfers in from other funds decrease of \$260,272 – One time funding from the PIR
Fund in 2013 for road maintenance funding (\$219,493 decrease)

GENERAL FUND CONTINUED:

Expenditures:

- Cola-2.5% Non-Union; 2% January 1, 2% July 1-LELS (Per Contract)
2% January 1, 1% July 1-AFSCME (Per Contract)

- Police Pera (Mandatory rate increase)-\$26,000

- Personnel Changes From Strategic Planning Document
 - FT Office Assistant-\$55,853
 - PT IT Tech-\$24,259
 - 5 Position Reclasses-\$16,968
 - 7 Interns-\$87,077
 - Patrol Officer (bring to prior year levels)-\$67,942
 - P&R Maint Worker (bring to prior year levels)-58,261
This could be utility worker & funded from Enterprise Funds)

- Contracted Communication Services (Per Strategic Planning)-\$50,000

- Training for Supervisors (Per Strategic Planning)-\$5,000

- Professional Survey (Per Strategic Planning)-\$7,500

- Election Year-Increase of \$38,000

- Professional Services in Building decreased by \$63,000, but offset with Building Official position included in personnel costs

- Road Maintenance Funding Decreased from \$1,327,500 to \$500,000 (levels prior to year 2013). TIF #4 \$275,000 helps fund (2014 will be last year of funding/Decertifies)

- Capital Equipment of \$481,950 to be funded from Equipment Revolving Fund?
Estimated Fund balance after purchases of approximately \$1.35M

EDA FUND:

Maximum Levy Per Statutes: \$327,574 (.0001813 X \$1,806,808,800 Assessors Market Value-2013 Legislative Change)

Calculates into 2014 Levy Limits of \$7,482,518

Proposed Budget: \$136,739

Proposed Levy: \$136,739

Major Changes from 2013 Adopted Budget:

-Economic Development Manager funded 34% (20% in 2013)

HRA FUND:

Maximum Levy Per Statutes: \$334,260 (.000185 X \$1,806,808,800 Assessors Market Value-2013 Legislative Change)

Does Not calculate into 2014 Levy Limits of \$7,482,518

Proposed Budget: \$207,802

Proposed Levy: \$207,802

Tax Effect on Home Valued at \$200,000 – \$25.39

Major Changes from 2013 Adopted Budget:

-Economic Development Manager funded 46% (60% in 2013)

-Does not include funding for legal expenses in COR if issues arise

Prior to Preliminary Budget/Levy Adoption in September:

-Staff to determine budget cuts in the amount of \$156,493 to reach levy limits

-Possible Use of Anoka County HRA funds to fund EDA/HRA budgets: Approximately \$220,000 available from annual county levy.

