

# 2016 Preliminary Budget/Levy

**GENERAL FUND LEVY\*:** \$8,552,204 -\$7,921,570 (2015). **Increase of \$630,634**

**EDA LEVY\*:** \$80,018 -\$116,444 (2015). **Decrease of \$36,426**

**DEBT SERVICE LEVY:** \$1,609,736-\$1,369,807 (2015). **Increase of \$239,929**

**TOTAL LEVY:** \$10,241,958 - \$9,407,821 (2015). **Increase of \$834,137 or 8.87%**

\*The General Fund Levy has been reduced by the HRA remaining fund balance of \$230,000. This funding will not be available next year and will become part of the tax levy for each respective fund.

**Estimated tax capacity rate of 44.140% (42.259% in 2015)**

## LEVY BREAKDOWN:

### -General Levy:

General Fund: Levy Increase of \$630,634

#### A. Contributing Factors of Increase:

1. Personnel (\$684,046 increase):
  - a. 2% COLA, Steps & Market Rate Adjustments (LELS contracts)
  - b. Health Insurance Rate Increase & Plan Changes
  - c. Election Judges for Election Year
  - d. 2088 Hours (Full-Time Employee) due to Leap Year
  - e. All Staff Positions funded under General Fund (FTE's no longer funded under EDA)
  - f. Personnel Request – new positions & increased hours: \$247,768 (See Personnel Spreadsheet)
2. Public Works New Campus Design: \$30,000
3. Inflationary adjustments Departmental line Items

### -EDA Levy:

EDA Fund: Levy Decrease of \$36,426

#### A. Contributing Factor of Decrease:

1. % of FTE Staff members (Administrator, Ass't City Admin & Community Development Director now funded 100% under General Fund

**-Debt Levy:** Levy Increase of \$239,929

A. Contributing Factors of Increase:

1. Fire Station #2 & 2015 Road Funding Debt
2. Debt Summary:

Fire Station #1	\$ 147,420	Ends 2016
2013 Capital Equipment Certificates	\$ 74,505	Ends 2023
Municipal Center	\$ 1,072,013	Ends 2031
2014 Capital Equipment Certificates	\$ 103,441	Ends 2024
Garnet & Overlays Road Debt (2015 Debt Issue)	\$ 103,144	Ends 2025
Fire Station #2 (2015 Debt Issue)	\$ 109,213	Ends 2033
Total Debt Levied	<u>\$ 1,609,736</u>	

## GENERAL FUND BUDGET:

**Proposed Budget: \$11,197,615** (\$10,423,759 in 2015) **Increase of \$773,856 or 7.42%**

### Major Changes from 2015 Adopted Budget:

#### Revenue:

- Property tax: \$8,557,204 (\$7,926,570 in 2015) **Increase of \$630,634**
- LGA: \$111,305 (\$110,350 in 2015) **Increase of \$955**
- Permit Revenue: \$447,100 (\$417,132) **Increase of \$29,968**
- Charges for Services: \$596,700 (\$555,700 in 2015) **Increase of \$41,000**
- Interest on Investments: \$160,000 (\$60,000 in 2015) **Increase of \$100,000**  
Based on 2014 rate of return
- Transfers In: \$892,256 (\$962,007 in 2015) **Decrease of \$69,751**
  - A. Decrease mostly attributed to capital equipment funding
  - B.. HRA remaining fund balance in the amount of \$230,000 held here

## GENERAL FUND BUDGET CONTINUED:

### Expenditures:

- Cola -2% For Everyone + Market Rate Adjustments for Patrol & Sergeants Effective April 1, 2016  
(Per union contracts) (all departments affected with increase in personnel costs)
- Health Insurance: Single: \$10,461 to \$11,493 (9.9% increase)  
E&Spouse: \$13,704 to \$14,004 (2.2% increase)  
E & Child: \$14,712 to \$15,012 (2% increase)  
Waiver: \$4,140 to \$4,440 (7.25% increase)
- Leap Year all full time employees paid 2088 hours instead of 2080 hours
- HRA related expenses funded from remaining HRA fund balance
- Capital Equipment: 50% Funded from 2014 Capital Equipment Certificates (Year 2 of 3 funding)  
and 50% from Equipment Fund

### Departmental Budget Changes: Increase/Decrease Reflect Comparison 2015 Adopted Budget

- City Council (111) - \$18,497 Increase:
  - \$12,250 Bi-Annual Resident Survey
  - \$5,000 Travel for Hwy 10 Lobbying (Strategic Planning Item)
- Administration (130) - \$142,790 Increase:
  - Public Information I reclass to Public Information II
  - 70% of Assistant City Administrator salary now funded under General Fund - was EDA
  - 20% of City Administrator salary now funded under General Fund – was EDA
- Elections (141) - \$42,742 Increase
  - Election Year
- Finance (153) - \$13,554 Increase:
  - Accounting Clerk reclass to Senior Accounting Clerk
  - Accountant I reclass to Accountant II
- Community Development (191) - \$105,908:
  - New Position of full-time Code Enforcement/License Coordinator (costs will be netted against rental licensing intern not hired (Strategic Planning Item) (See staffing costs sheet)
  - 20% of Community Development Direct salary now funded under General Fund was EDA
- Data Processing (192) – (\$10,404) Decrease:
  - \$13,800 for cameras at Elm Crest Park Building & Front of Muni Center Lot (Strategic Planning Item)
  - LOGIS Application Support - \$10,195 Increase (Finance, GIS, Internet Support)
  - IT Support Tech Position hours increased 20 to 29 hours per week (see staffing costs sheet)
  - (\$60,000) reduction for capital purchases

## **Departmental Budget Changes Continued:**

- General Government (194): - \$14,056 Increase
  - \$13,741 additional for municipal parking ramp maintenance expense
  
- Newsletter (195): - \$15,986 Increase
  - Expand full-color newsletter from 4 to 6 (postage and printing)
  
- Police (211): \$258,655 Increase
  - New Position of full-time Drug Task Force Officer (2016 Strategic Plan) (See staffing sheet)
  - \$47,000 Capital for 2 squad vehicles
  - Holiday buy-back for Police-Allowed 96 hour buyback used to be capped at 54 hours (union contract)
  - \$8,500 Increase in maintenance costs for shared Public Safety Data System
  - \$6,800 Police department policy/procedures recodification and software system (Lexipol)
  - Code Enforcement Intern not included in budget (See Comm Dev Code Enforce position)
  - Full year of Police Lead Tech position not budgeted for in 2015
  
- Fire (220): \$98,209 Increase
  - \$50,000 Capital for Fire Truck Box
  - \$17,490 On-Call Firefighter 12.3% pay increase
  - Part-Time Fire Secretary hired midyear 2015 now full year
  
- Building (240): \$4,480 Increase
  - Permit Tech increased from part-time to full-time (Building intern & part-time Inspector not included in budget) (See staffing costs sheet)
  
- Engineering (301): (\$10,016) Decrease:
  - Civil Engineer II reclass to Civil Engineer IV
  - Market Rate adjustment for Engineering Tech II
  - (\$27,200) Capital Decrease
  
- Public Works (311): \$50,279 Increase
  - Full-Time Public Works Maintenance Worker begin April 1, 2016 (See staffing costs sheet)
  - Reclass Public Works Maintenance Worker to Mechanic
  - Market Rate Adjustment for Maintenance Workers
  - \$20,000 Increase for additional contract for spray patching
  - \$30,000 for next steps of Public Workers Campus
  - Capital Equipment of a snowplow truck & 1-ton truck
  
- Park & Rec (452): \$125,721 Increase
  - \$10,000 increase for professional services related to comprehensive trail plan (Strategic Planning item)
  - Market Rate Adjustment for Maintenance Workers
  - Parks worker coded incorrectly under PW budget in 2015
  
- Community Programs (455): \$2,225 Increase
  - \$3,000 – First time funding for Contribution to Family Promise in Anoka County
  
- Council Contingency (461): \$113,065 Decrease
  - Decrease attributed to 1<sup>st</sup> year of road funding in 2015 – now under annual debt levy