

2020 Preliminary* (Working Document) Budget/Levy

7-9-19 Worksession numbers are amended as noted

GENERAL FUND LEVY: \$10,813,003 ~~\$10,796,756~~ - \$9,972,432 (2018 adopted). **Increase of \$840,571**
~~\$824,324~~ (increase 8.43% ~~8.27%~~)

EDA LEVY: \$101,413 - \$101,663 (2019 adopted). **Decrease of \$250**

DEBT SERVICE LEVY: \$2,098,150 - \$1,757,241 (2019 adopted). **Increase of \$340,909 (increase 19.40%)**

TOTAL LEVY: \$13,012,566 ~~\$12,996,319~~ - \$11,831,336 (2019 adopted). **Increase of \$1,181,230**
~~\$1,164,983~~ (increase 9.98% ~~9.85%~~)

TAXABLE VALUE: \$26,977,042 - \$24,849,839 (2019) **Increase of \$2,127,203 (increase 8.56%)****
 **Estimate. TIF and Fiscal Disparities Distributions are not finalized and not available from County.

Estimated tax capacity rate of 41.033% ~~40.982%~~ (40.354% in 2019)**

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LEVY BREAKDOWN:

General Levy:

General Fund: Levy Increase of \$840,571

A. Contributing Factors of Increase:

1. Personnel – Wages & Benefits (~~\$716,001~~ ~~\$675,728~~ increase):
2. Union Negotiated Contracts for COLA & Health Insurance = \$490,107 of increase
 - a. 3.00% COLA January 1, 2020
 - a. 4/1/18-4/1/19 CPI – 2.3%
 - b. 2018-2019 New Construction Growth: 2.39%
 - c. Leap Year – additional 8 hours for each full-time employee
 - d. \$2/hr increase for interns/plow drivers; \$1/hr seasonals
 - b. Health Insurance Rate Increase of 10.4% (Single) - 11.5% (Family) employer paid:
 \$125,924 ~~\$97,427~~ – 4 Employees who waived at original budget request changed status
 - c. **NEW Personnel Requests & Reclassifications: \$67,534 ~~\$64,765~~ –net of phased retirement**
 1. **FT Planning Technician**
 2. **PT (25 hr week) Police Records Tech**
 3. **Reclass Admin Assistant to HR Generalist**
 4. **Reclass Community Development Director to Deputy City Administrator**
 5. **Reclass Engineering Tech III to Civil Engineer II**
 6. **Reclass Fire Marshal to Assistant Fire Chief/Fire Marshal (added)**

- d. Election Year: \$35,439 ~~\$21,584~~ increase over 2019 adopted
 - a. Presidential Primary now required – 3 elections in 2020
- e. Workers Comp Increase: \$33,075 ~~\$32,254~~
- f. Police & Fire Pera Rate Increase (from 16.95% to 17.70%): \$20,533 ~~\$20,488~~

A. Contributing Factors of Increase (Continued):

- 3. Citizen Survey: \$17,000 ~~\$18,000~~ (Bi-Annual)
- 4. Offsite - Hosting/Backups - \$26,648
- 5. Police Rifle Replacements (10) - \$49,000
- 6. Replace tablets in Fire Emergency Vehicles - \$20,000

-EDA Levy:

EDA Fund: Levy Decrease of Increase of \$250
 EDA approved at EDA meeting of August 8, 2019

-Debt Levy: Levy Increase of \$340,909

A. Contributing Factors of Increase:

- 1. Fire Station #2 debt – no offsetting bond dollars to apply
- 2. Debt levy related to roads was decreased by \$236,831 from PIR Fund
 - a. PIR Fund Unencumbered Fund balance: \$642,000.

3. Debt Summary:

2013 Capital Equipment Certificates(2023 Last Year)	76,073
2014 Capital Equipment Certificates (2024 last year)	99,380
2015 Road Improvement Debt (2025 last year)	117,083
Muni Center (2031 last Year)	1,157,813
Fire Station #2 (2033 last year)	282,358
2016 Road Improvement Debt (2026 last year)	152,754
2017 Road Improvement Debt (2027 last year)	97,755
2018 Road Improvement Debt (2028 last year)	114,934
Total Bonded Debt Levied	2,098,150

GENERAL FUND BUDGET:

Proposed Budget: \$13,503,065 \$13,492,492 (\$12,838,782 2019 final) **Increase of \$664,283 653,710** (increase 5.17% 5.09%)

Major Changes from 2019 Adopted Budget:

Revenue:

- Property tax: \$10,768,003 \$10,751,756 (\$9,927,432 in 2019) **Increase of \$840,571 \$824,324**
- LGA: \$0
- Permit Revenue: **Increase of \$101,000**
- Charges for Services: \$665,262 \$660,936 (\$703,600 in 2019) **Decrease of \$38,338 \$42,664**
- Miscellaneous Revenues: *Decrease of \$10,000 from Newsletter Ad sales revenue*
- Interest on Investments: \$100,000 (\$90,000 in 2019) **Increase of \$10,000**
Interest rates are rising
- Transfers In: \$878,000 (\$1,132,450 in 2019) **Decrease of \$254,450**
 - Decrease in Capital Equipment Requests: \$261,450 – Funded from the Equipment Revolving Fd

Expenditures:

- Cola – 3.00% For Everyone + Steps (if available) .
- Single Dental for all full-time employees
- Health Insurance: -10.4-11.5% increase for each employer paid plan.
- Capital Equipment: 100% Funded from Equipment Revolving Fund
Equipment Revolving Fund depleted after 2020

GENERAL FUND BUDGET CONTINUED:

Departmental Budget Changes:

Note: All departments with staff have increases in personnel costs due to COLA, Steps & Health Ins

-City Council (111) – \$20,489 ~~\$24,689~~ Increase:

\$17,000 – No Bi-Annual Resident Survey – next year of survey will be in 2022
(*\$4,200 – Memberships & Subscriptions reduced*)

-Administration (130) – \$16,266 ~~\$17,766~~ Increase:

Current 29 Hour Admin Assistant to Full Time
City Clerk Phased Retirement Ends – See extra hours for Admin Asst above
Reclass Admin Assistant to HR Generalist - \$1,423
Additional trainings for all staff - \$5,000
(*\$1,500-Misc Professional Services reduced*)

-Elections (141) – \$25,439 ~~\$21,584~~ Increase:

Election Year
\$3,855 added for temporary election support – 300 hours @ \$12/hr

-Finance (153) – \$12,500 Increase:

COLA, Steps & Health Insurance

-Community Development (191) ~~\$70,950~~–~~\$64,258~~ Increase:

Full-Time Planning Technician - \$\$24,928 after net CDA reduced hours)
Reclass Community Development Director to Deputy City Administrator - \$4,305
Phased Retirement of Community Development Assistant – 16 hours week
\$6,692 change in health insurance coverage from waiver to single

-Data Processing (192) – (\$136,649) Decrease:

(\$200,000) was budgeted for Server Virtualization: Capital Equipment in 2019
Backup/hosting of servers - \$26,648

-Government Buildings (194) – (\$36,041) Decrease:

(\$58,000) Decrease in capital
COLA, Steps & Health Insurance

-Newsletter (195): \$13,255 Decrease

*Outsource of Newsletter to Prime
See Reduction in Miscellaneous Revenue of \$10,000*

GENERAL FUND BUDGET CONTINUED:

Departmental Budget Changes Continued

-Police (211): \$384,036 \$384,147 Increase

PT Police Records Technician - \$31,996
Pera Rate Increase: \$18,360 (16.95% to 17.7%)
Rifle Replacements(10): \$49,000
Smartphone App for transcriptions - \$5,300
Gasoline Reduction: (\$4,000)
Health Insurance Change: \$3,889
Capital Equipment:
 Replace Chief's Vehicle: \$30,000
 ATV Replacements: \$12,000

-Fire (220): \$286,338 ~~\$285,221~~ Increase

Replace 5-Year old tablets in emergency vehicles - \$20,000
Reclass Fire Marshal to Assistant Fire Chief/Fire Marshal - \$3,397
Reduce Miscellaneous Office Supply – (\$2,000)
Capital Equipment:
 1st Year Funding (of 2 years) replace Fire Engine - \$325,000
 Replace Fire Prevention Vehicle - \$40,000

-Building (240): (\$26,267) Decrease

(\$78,500) budgeted in 2019 to replace 3 Building Inspection Vehicles

-Traffic Engineering (260): \$17,614 ~~\$21,708~~ Increase

Staff time redistributed between Traffic Engineering, Streets, and Snow Removal
Reduce Misc Office Supply (\$5,000)
Correct Wage Understatement: \$906

-Engineering (301): \$24,047 Increase:

Reclass Engineering Tech III to Civil Engineer II - \$1,485
COLA, Steps & Health Insurance

-Public Works (311): (\$165,916) ~~(\$186,822)~~ Decrease:

No capital equipment budgeted in 2020. \$179,250 included in 2019 budget
Rental of Patching Machine - \$10,000
\$15,931 Increase – 2 employees changed health coverage from waive to single & E&Sp
Correct Wage Understatement: \$4,975

GENERAL FUND BUDGET CONTINUED:

Departmental Budget Changes Continued:

-Snow & Ice (312): \$31,370 \$30,462 Increase:

\$21,600 Salt increase to bring back to level prior to 2017 when had excess
Staff time redistributed between Traffic Engineering, Streets, and Snow Removal
Correct Wage Understatement: \$908

-Park & Rec (452): \$144,771 Increase:

\$50,000: Asphalt to maintain trails per long-term cost estimate
No change from 2019 adopted. Funding from Capital Maintenance Fund
Capital Maintenance Fund Balance: \$785,000

Capital Equipment:

¾ Ton Truck Replace 2007 Chevy - \$33,000
Attachment for Kubota Tractor (new) - \$31,000
Replace Large Area Mower - \$92,000

-Council Contingency (892): \$10,000 Increase:

*\$10,000: Extra Election Costs to Cover Presidential Primary
May be offset by federal reimbursement funds*