

## 2022 Preliminary\* (Working Document) Budget/Levy

### GENERAL FUND LEVY:

With 8-18-21 Budget: **\$11,763,013**. Increase of \$608,165 (5.45%)

With 5% GF levy increase: **\$11,712,590**. Increase of \$557,742 (5.00%)

2021 Adopted General Fund Levy: \$11,154,848

### ROAD LEVY:

**\$1,673,227**: 15% of 2021 GF Levy of \$11,154,848

EDA LEVY: **\$75,360** -\$75,360 (2021 adopted). **No Change.**

DEBT SERVICE LEVY: **\$1,860,101**-\$1,779,600 (2021 adopted). **Increase of \$80,501 (increase 4.52%)**

### TOTAL LEVY:

**OPT. #1** Without Road Funding: **\$13,698,474**. Increase of \$688,666 (5.29%)

**OPT. #2** With 8-18-21 Budget & \$1.673M Road Funding: **\$15,371,701**. Increase of \$2,361,893 (18.15%)

**OPT. #3** With 5% GF levy incr. & \$1.637M Road Funding: **\$15,321,279**. Increase \$2,311,471 (17.77%)

2021 Adopted Total Levy: \$13,009,808

**TAXABLE VALUE: \$30,936,731-** \$28,227,332 (2021) **Increase of \$2,709,399 (increase 9.60%)**

(Estimated value: tax capacity #'s from County as of 8-18-21 & \$350,000 estimated TIF 8 tax capacity returned to General Tax Base after decertification of district in Dec 2021.)

### Estimated tax capacity rate of:

**37.697%** (without road funding)

**43.106%** - GF Levy increase of 5.45% & Road Funding of \$1.673M

**42.943%** - GF Levy incr. of 5% & Road Funding of \$1.673M (CM Heineman Proposal)

39.251% in 2021

39.592% in 2020

# LEVY BREAKDOWN:

## **-General Levy: BASED ON 8-18-21 Budget Notes amended from 7-7-21 Summary**

General Fund: Levy Increase of \$608,165

### A. Contributing Factors of Increase:

1. Personnel – Wages & Benefits (\$672,279 increase):
  - \$381,451 Current Positions)
  - \$290,864 New Position, Reclasses & Additional Hours Requests
    - Further Breakdown of \$672,279 Personnel Increase:
      - 3% COLA (Unions Negotiated)
      - Pera Increase: \$63,482
      - Health Insurance Increase: \$53,751 (Includes \$42,360 related to new positions/additional hours)
      - Workers Comp Increase: \$57,640 Ever-increasing police rates
- a. **NEW Personnel Requests/ Reclassifications & Additional Hours: \$290,864**
  1. **PT Receptionist/Secretary: \$244 (\$17,135-\$16,891 from eliminating Administration Intern) (Start 5/16/22)**
  2. **FT IT Systems & Security Administrator: \$94,501**
  3. **FT Parks Maintenance Worker: \$74,331**
  4. **PT Community Development Assistant New/Refill: \$32,577**
  5. **Reclass Senior Planner to Planning Manager: \$5,653**
  6. **Reclass Engineering Tech IV to Sr Engineering Tech: \$859**
  7. **Reclass Street Lead Person to Street Department Supervisor: \$3,453**
  8. **Reclass Street Maintenance Worker to Street Lead Person: \$3,422**
  9. **Additional Hours Building Maintenance Worker: 15 hours week brings position to Full-Time 40-hour week: \$33,395**
  10. **Additional Hours Police Tech 15 hours week brings position to Full-Time 40-hour week: \$28,055**
  11. **Additional Hours Permit Tech: 3.5 Hours per week from 32.5 hours to 36 hours week: \$6,552**
  12. **Additional Hours Recreational Specialist: 9 hours week from 20 hours to 29 hours week: \$7,823**
2. General Liability: \$34,600. (Line item 6361). Underbudgeted in 2021 & City has increased liability in equipment & Police. This does not include any additional excess liability coverage (2021 rates ranged from \$28,079 for \$1M to \$54,403 for \$5M of excess coverage).
3. Capital Equipment Requests: See Capital Spreadsheet
  - Total Requested: \$ 664,800
  - Trade Ins: \$(25,000)
  - Capital Maint Fund: \$(35,000)
  - Fleet Vehicle Fund: \$(23,800) - \$60,300 remaining in fund. Vehicle in CIP for 2023
  - Landfill Fund: \$(63,000) - \$0 remaining in fund
  - Equipment Fund: \$(518,000) - \$15,000 remaining in fund. Will need to change excess Revenue policy if empty fund

4. Nowthen Fire Services Discontinued (-\$60,000) Line Item 9101.4327
5. Interest Earnings: (-\$50,000) Decreased funding due to PW Campus & Water Treatment Plant. Line item 9101.4701
6. Building Permit Increase of \$50,000 is mostly offset by expense increase in Contracted Services for building inspections \$30,000 to more accurately reflect actual expenditures
7. Note: Reason for larger increase in Departmental Wages & Salaries line items 6102-6104 - All 2020 Departmental Wage Lines were reported with a 2% COLA with an additional .75% COLA recorded under Council Contingency Dept 0892. Police negotiations of the additional 1% was held in fund balance.
8. Citizen Survey: ~~\$15,500~~ Line Item 0111.6315. This was pushed out to 2023 budget as 2020 survey was not received until January 2021
9. Election Year: \$29,858 Increase Department 0141-Elections
10. All Cell Phones & Phones (Line items 0192.6321 & 0192.6323) are now centralized under Dept 0192 – Data Processing for tracking purposes. Overall expense: minimal increase of \$200
11. Replace PC's, Security Cameras, Any thing that breaks-IT related: \$14,000 increase. Line item 0192.6281
12. LaserFische Upgrade: ~~\$55,000~~ Line Item 0192.6405. This was removed from budget
13. Riot Gear & uniforms: \$21,000 increase Line Item 0211.6231
14. Body Cameras: ~~\$117,000~~ (Possible use of American Recovery Funds) Line Item 0211.6281 Removed from Budget. Funded from American Recovery Funds)
15. Building Repairs on Fire Station #1: \$20,000 – Facility Fund Funded Line Item 0220.6259
16. Gas & Electric for new PW Campus: \$50,500 Increase Line items 0311.6371 & 0311.6373
17. Road Funding Remains at ~~\$500,000~~ \$200,000. \$200,000 for Cracksealing/Rejuvenations & ~~\$300,000 transferred to Pavement Management Fund for Overlays/Reconstructions~~ Line Item 0311.6488. All road funding now included under Road Levy
18. Salt Price Increases: \$33,472 increase. Line item 0312.6267

**-EDA Levy:**

EDA Fund: No Levy/Budget Changes. Approval from EDA on August 12, 2021.

**-Debt Levy: Levy Increase of \$80,501**

A. Contributing Factors of Increase:

- \*Municipal Center Debt reduced by \$402,514 due to refinancing of debt \$102,514 and \$300,000 from debt service funds available (2022 will be last year of available debt service funds to offset debt).
- \*\*Fire Station Debt was reduced by \$93,000 for 2021 levy. No funds available to offset, so full levy of \$280,153 for 2022 levy

- Debt Summary:

2020 Public Works Campus (2041 Last Year)	127,276
2013 Capital Equipment Certificates (2023 Last Year)	77,910
2014 Capital Equipment Certificates (2024 last year)	101,173
2015 Road Improvement Debt (2025 last year)	117,293
Muni Center (2031 last Year)	796,698*
Fire Station #2 (2033 last year)	280,153**
2016 Road Improvement Debt (2026 last year)	153,477
2017 Road Improvement Debt (2027 last year)	95,781
2018 Road Improvement Debt (2028 last year)	110,340
Total Bonded Debt Levied	1,860,101

<b>GENERAL FUND BUDGET:</b>
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**Proposed Budget: \$14,546,063** (\$14,383,348 2021 final) **Increase of \$162,715** (increase 1.13%)

**Major Changes from 2021 Adopted Budget:**

**Revenue:**

-Property tax: \$11,706,013 (\$11,109,848 in 2021) **Increase of \$596,165**

-LGA: \$0

-Permit Revenue: **Increase of \$59,100 (See increase in inspection prof service of \$30,000)**

**Recommended: Increase permit fees for 2022 to cover administrative costs & mirror/or be in ballpark of neighboring communities**

-Intergovernmental Revenue: **Increase of \$40,500**

-Charges for Services: \$566,300 (\$621,500 in 2021) **Decrease of \$55,200 due to ending of contracted Fire services with Nowthen**

-Transfers In: \$998,000 (\$1,422,200 in 2021) **Decrease of \$422,400**

-Decrease in Capital Equipment Requests: \$450,400

## **Expenditures:**

- Cola – 3% For Everyone + Steps (if available)
- Single Dental for all full-time employees
- Health Insurance: - (-3%)% decrease for each employer paid plan.
- Capital Equipment: See A3 above outlining Capital Equipment funding

## **Departmental Budget Changes:**

**Note: All departments with staff have increases in personnel costs due to COLA, Steps & Health Ins. Please note comment above in regards to how personnel costs were reported in 2021 budget.**

### **-City Council (111) – \$10,294 Decrease:**

Bi-Annual Resident Survey – \$15,500 pushed out to 2023

### **-Administration (130) – \$35,606 Increase:**

COLA, Steps

New Part-Time Receptionist/Secretary starting 5/16/22 - \$17,135

Eliminate Administration Intern – (\$16,891)

### **-Elections (141) – \$35,678 Increase:**

Election Year

### **-Finance (153) – (\$12,299) Decrease:**

Assign 5% of Assistant Finance Director Salary to Storm Utility

No Expectation of Single Audit in 2022

### **-Legal (161) – (\$7,000) Decrease:**

Legal Services Contract for Civil currently ongoing

### **-Community Development (191) - \$40,573 Increase:**

COLA, Steps

Reclass Senior Planner to Planning Manager - \$5,653

Refill/New Position: 20 Hour Week Community Development Assistant - \$32,577

Eliminate Intern – (\$16,891)

# GENERAL FUND BUDGET CONTINUED:

## Departmental Budget Changes Continued:

### **-Data Processing (192) – \$2224,448 Increase:**

New Full-Time System & Security Administrator: \$94,501  
~~LaserFiche Upgrade—\$55,000~~ - Removed from Original Budget Request  
All phones/cell phones expensed here starting 2022. No \$ change  
Capital Equipment Requests: 5 Copiers: 4 Replacements/1 New - \$70,000

### **-Government Buildings (194) – \$118,036 Increase:**

Current 25-Hour Part-Time Building Maintenance to Full-Time - \$33,395  
Capital Equipment Requests: ~~Floor Scrubber—\$15,000~~ (Removed) & Utility Tractor net \$10K  
trade: \$45K

### **-Police (211): \$330,824 Increase**

COLA, Steps & Health Insurance Changes  
Current PT 25-Hour Police Records Technician to Full-Time - \$28,055  
Overtime - \$11,730  
DWI Grant: Jan-Sept - \$-87,142)  
Workers Comp - \$25,233  
~~Body Cameras—\$117,000~~ (Removed from Original Budget. Funded American Recovery Fund)  
Riot Gear/Uniforms - \$21,000  
Capital Equipment Requests - \$140,000 (see breakdown below)  
Replace 2016 Chev Tahoe - \$40,000  
~~Replace 2017 Ford Explorer—\$40,000~~ - Moved out to 2023 Budget  
~~Replace 2018 Ford Taurus—\$30,000~~ - Moved out to 2023 Budget  
New Dodge Charger - \$30,000

### **Fire (220): (\$79,462) Decrease**

COLA, Steps, & On-Call increase cover increased calls  
Fire Station #1 Repairs - \$20,000 (Facility Fund Funded)  
Replace Epoxy Flooring in Fire #1 - \$20,000 (Capital Maintenance Fund Funded)  
Repaint Apparatus Bay - \$15,000 (Capital Maintenance Fund Funded)  
Capital Equipment Requests - \$105,000 (See breakdown below)  
Replace Training Room Tables/Chairs - \$30,000  
Refurbish Tank on Tanker II - \$25,000  
Replace Extrication Tools - \$50,000  
2<sup>nd</sup> half of fire truck in the amount of \$325,000 was in 2021 budget. Reason for  
Decrease in budget

### **-Building (240): \$66,316 Increase**

Increase Hours Permit Tech from 32.5 hours to 36 hours week - \$6,552  
Contracted Professional Services – Building & Electrical - \$30,000

### **-Civil Defense (250): \$30,000 Increase**

Capital Equipment Request: Replace 2 Sirens - \$30,000

# GENERAL FUND BUDGET CONTINUED;

## Departmental Budget Changes Continued:

### **-Traffic Engineering (260): (\$20,380) Decrease**

Staff time redistributed between Traffic Engineering, Streets, Snow Removal & Storm Drainage

### **-Engineering (301): \$51,763 Increase:**

COLA, Steps & Health Insurance

Reclass Engineering Tech IV to Sr Engr Tech - \$859

Reassign Personnel Costs previously recorded under Streets & Park & Rec

Lidar Mapping, Electronic Diaries & Calibrate Survey Equipment - \$8,900

### **-Public Works (311): (\$596,760) Decrease:**

**Reclass Street Lead Person to Streets Department Supervisor - \$3,453**

**Reclass Street Maintenance Worker to Street Lead Person - \$3,422**

**Increase Gas/Electric due to new Public Works Campus - \$50,500**

**Road Transfer of (-\$300,000) to Pavement Management Fund Removed**

**Full Road Costs will fall under Road Levy**

Capital Equipment Requests - \$265,800:

Replace Tandem Axle Plow Truck less \$15,000 trade in - \$265,800

2021 Capital Equipment Total was \$552,000

### **-Snow & Ice (312): \$27,320 Increase:**

Staff Time redistributed to Storm Utility

Salt Price Increase - \$33,472

Staff time redistributed between Traffic Engineering, Streets, and Snow Removal

### **-Park & Rec (452): \$283 Increase:**

Staff time redistributed between Traffic Engineering, Streets, Snow Removal & Storm Drainage

FT Park Maintenance Worker - \$74,331

Additional Hours Rec Specialist (20-29 hours/week) - \$7,823

Capital Equipment - \$19,000 Requested:

Replace 2008 Line Striper - \$19,000

2021 Capital Equipment Total was \$121,200. Why budget decreased

### **-Council Contingency (892): (\$49,000) Decrease**

2021 Salary Contingency of .75% - (\$59,000)

\$25,000 remains for contingency