

# 2018-2019 Budget

## Budget Public Hearing May 7, 2018

# Property Tax Millage Rates

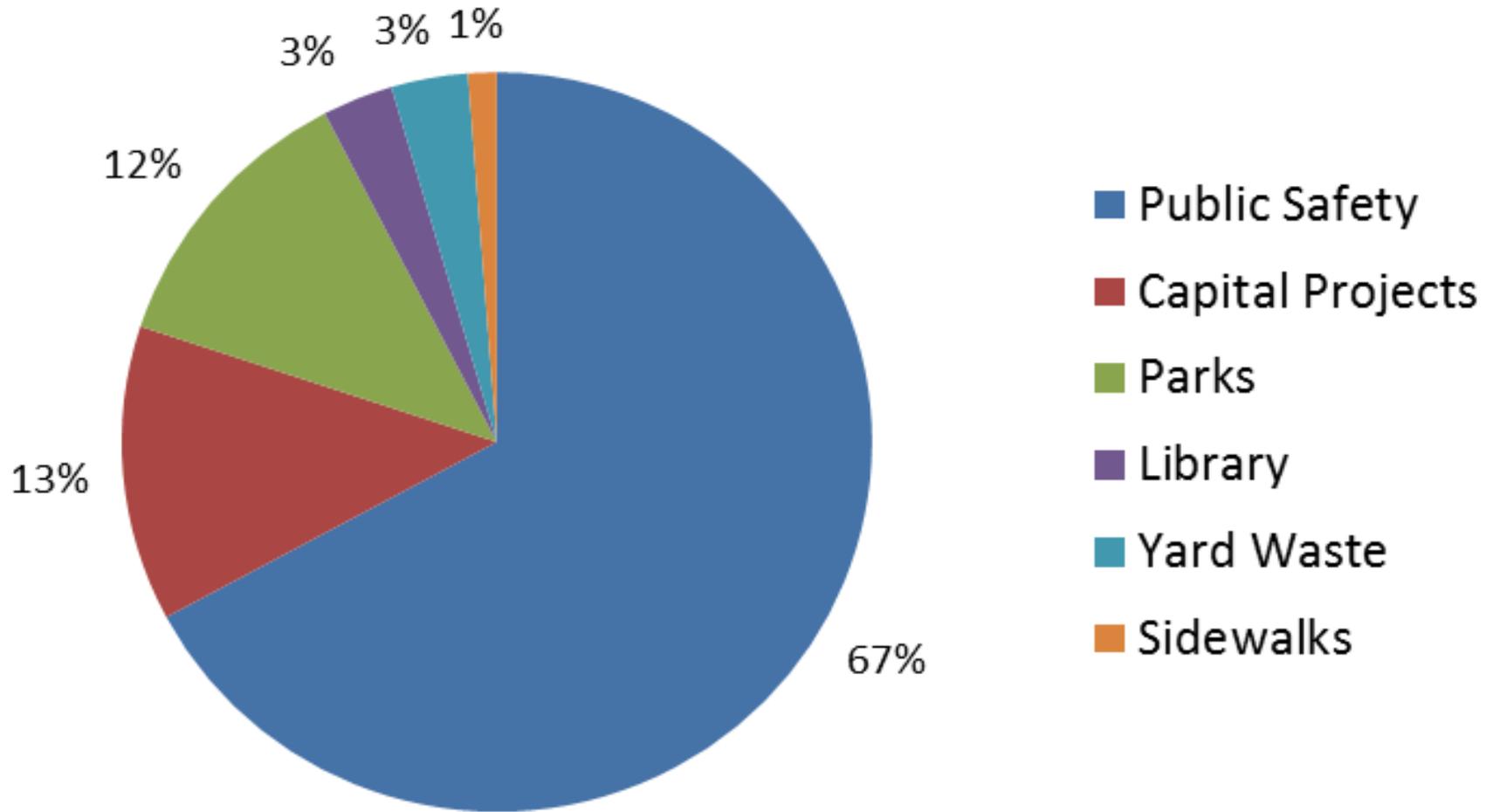
	Actual						Final
	2013	2014	2015	2016	2017	2018	2019
General Operations	4.6695	4.6695	4.6695	4.6695	4.6695	4.8938	4.8938
Fire Services	0.7500	0.7500	0.7500	0.7500	0.7500	0.7487	0.7487
Police Services	1.2500	1.2500	1.2500	1.2500	1.2500	1.2478	1.2478
Parks & Recreation	1.5000	1.5000	1.5000	1.5000	1.5000	1.4973	1.4973
Sidewalks	0.1500	0.2000	0.2000	0.2000	0.2000	0.1996	0.1496
Yard Waste	0.4000	0.3500	0.3500	0.3500	0.3500	0.3500	0.4000
Library Maintenance	0.1000	0.1000	0.1000	0.3700	0.3700		
Library Debt Service	0.2500	0.2700	0.2700				
Library Ops/Parks Capital						0.3693	0.3693
Capital Projects	1.5678	1.5678	1.5678	1.5678	1.5678	1.5650	1.5650
Public Safety	1.2500	1.0000	1.2500	1.2500	1.2500	1.2477	1.2477
<b>Total Mills</b>	<b>11.8873</b>	<b>11.6573</b>	<b>11.9073</b>	<b>11.9073</b>	<b>11.9073</b>	<b>12.1192</b>	<b>12.1192</b>

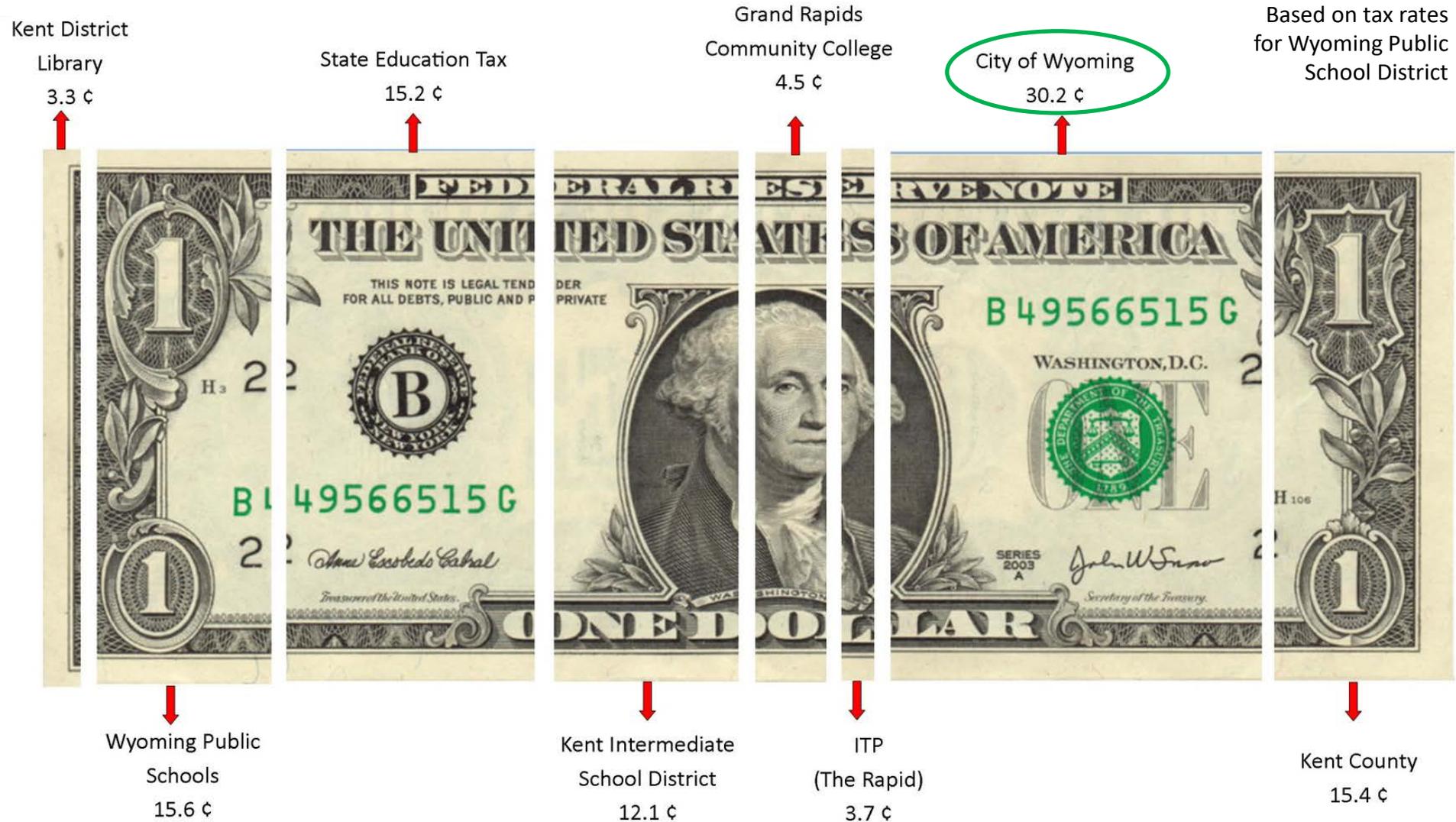
	Authorized*	Headlee Limit	Levied	Available
Charter-Aggregate	11.0900	10.5215	10.4715	0.0500
Charter-Public Safety	1.2500	1.2477	1.2477	-
State-Yard Waste	3.0000	2.7839	0.4000	2.3839
<b>Total Tax Rate</b>	<b>15.3400</b>	<b>14.5531</b>	<b>12.1192</b>	<b>2.4339</b>

\* Millage Authorized by Election, Charter, etc.

# Breakdown of City Tax



# Where does my tax dollar go?



# Business Assistance

	<u>Value</u>	<u>Impact</u>
IFTs	\$ 28,789,650	\$ 348,908
DDAs	1,419,515	17,203
Brownfields	4,942,185	59,895
PA 328s	65,966,000	799,455
	<b>\$ 101,117,350</b>	<b>\$ 1,225,461</b>

## Revenue Impact by Fund

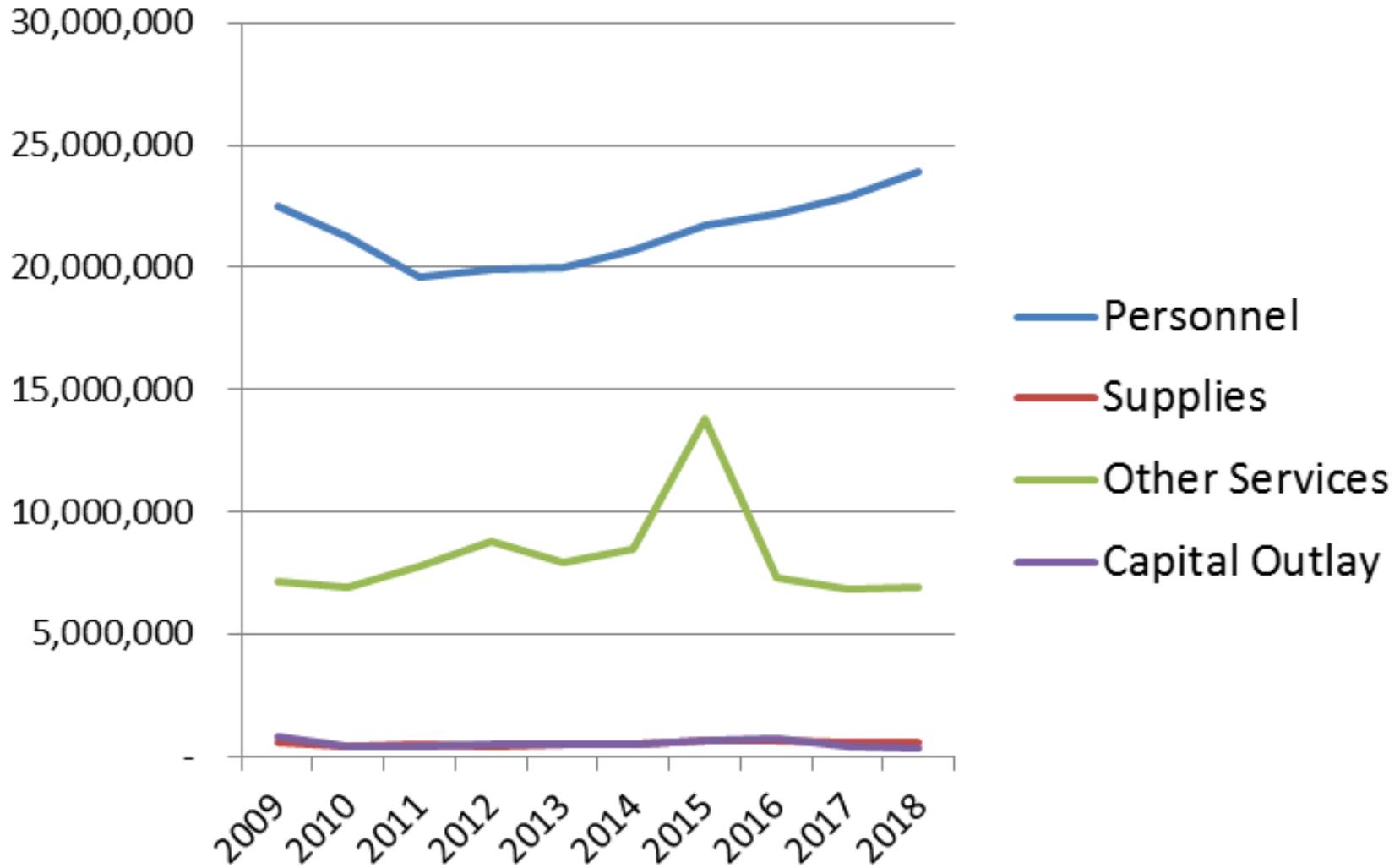
- General Fund \$822,893
- Parks \$151,403
- Sidewalks \$15,127
- Yard Waste \$40,447
- Library \$37,343
- Capital Projects \$158,249

# General Fund – 5x5

	<b>FYE Estimate <u>2018</u></b>	<b>Budget <u>2019</u></b>	<b>Projected <u>2020</u></b>	<b>Projected <u>2021</u></b>	<b>Projected <u>2022</u></b>	<b>Projected <u>2023</u></b>
Beginning Reserves	8,816,237	9,396,578	9,274,580	9,150,216	8,737,712	8,030,592
Revenues	32,438,717	32,606,254	33,364,303	34,106,098	34,888,262	35,682,138
Expenses	31,858,376	32,728,252	33,488,668	34,518,603	35,595,382	36,700,865
Surplus or (Deficit)	580,341	<b>(121,998)</b>	<b>(124,364)</b>	<b>(412,505)</b>	<b>(707,120)</b>	<b>(1,018,728)</b>
Ending Reserves	<b>9,396,578</b>	<b>9,274,580</b>	<b>9,150,216</b>	<b>8,737,712</b>	<b>8,030,592</b>	<b>7,011,864</b>
Fund Balance as a % of Expenditures	29%	28%	27%	25%	23%	19%

Does not include capital outlay for 2020-2023  
Assumes renewal of the Public Safety Millage

# General Fund – 10 Year History



# Payment In Lieu of Taxes

Sewer \$239,065

Water \$52,665

Total to General Fund \$291,730

Residential Impact (5/8" Meter)

\$2.69 per quarter

\$10.76 per year

# PILOT – Quarterly Impact

	FY 2018	FY 2019 Proposed				
	Current Amount	Annual Adjust		PILOT Amount	New Amount	
<b>Sewer</b>						
5/8" meter	14.94	0.23	1.5%	2.26	15.1%	17.43
1" meter	26.09	0.40	1.5%	3.95	15.1%	30.43
1-1/2" meter	48.42	0.74	1.5%	7.32	15.1%	56.48
2" meter	70.69	1.07	1.5%	10.69	15.1%	82.46
3" meter	171.09	2.60	1.5%	25.88	15.1%	199.57
4" meter	282.64	4.29	1.5%	42.75	15.1%	329.69
6" meter	561.45	8.53	1.5%	84.93	15.1%	654.91
8" meter	840.28	12.76	1.5%	127.11	15.1%	980.15
12" meter	1290.92	19.61	1.5%	195.27	15.1%	1505.80
<b>Water</b>						
5/8" meter	22.54	0.34	1.5%	0.43	1.9%	23.31
1" meter	46.21	0.69	1.5%	0.89	1.9%	47.79
1-1/2" meter	99.18	1.48	1.5%	1.91	1.9%	102.57
2" meter	153.29	2.29	1.5%	2.95	1.9%	158.53
3" meter	265.99	3.97	1.5%	5.13	1.9%	275.08
4" meter	497.05	7.41	1.5%	9.58	1.9%	514.04
6" meter	1023.83	15.26	1.5%	19.73	1.9%	1058.83
8" meter	1723.32	25.69	1.5%	33.21	1.9%	1782.23

# 2019 Summary of Funds Included in Budget

	Estimated Beginning Fund Balance	Revenues and Other Sources	Expenditures and Other Uses	Excess (Deficiency)	Fund Balance End of Year
General Fund	\$ 9,396,576	\$ 32,606,254	\$ 32,728,252	\$ (121,998)	\$ 9,274,578
Major Streets	2,030,624	10,120,000	11,817,056	(1,697,056)	333,568
Local Streets	907,200	1,740,000	1,911,116	(171,116)	736,084
Public Safety	17,141	2,656,981	2,656,981	-	17,141
Fire	9,073	1,604,856	1,604,856	-	9,073
Police	15,901	2,673,231	2,673,231	-	15,901
Parks & Recreation	611,411	3,792,192	3,720,230	71,962	683,373
Sidewalk Snow Removal	350,828	318,092	417,025	(98,933)	251,895
Solid Waste Disposal	399,058	847,909	937,166	(89,257)	309,801
Building Inspections	1,244,212	1,571,180	1,539,864	31,316	1,275,528
Community Dev Block Grant	-	746,084	746,084	-	-
Drug Law Enforcement	151,254	-	148,886	(148,886)	2,368
Library Maintenance	521,899	834,128	449,798	384,330	906,229
MTF Debt Service	-	422,163	422,163	-	-
Capital Improvement	1,477,386	5,715,041	5,802,548	(87,507)	1,389,879
Sewer Total	13,830,841	18,470,065	18,175,072	294,993	14,125,834
Water Total	15,805,850	22,837,665	21,916,842	920,823	16,726,673
Motor Pool Total	4,362,448	6,004,000	5,073,709	930,291	5,292,739
Capital Projects Revolving	2,092,143	332,625	113,825	218,800	2,310,943
<b>Total</b>	<b>\$ 53,223,845</b>	<b>\$ 113,292,466</b>	<b>\$ 112,854,704</b>	<b>\$ 437,762</b>	<b>\$ 53,661,607</b>

# 2019 Summary of Funds Not Included in Budget

	Estimated Beginning Fund Balance	Revenues	Expenditures	Excess (Deficiency)	Ending Fund Balance
<b>Self Insurance Funds:</b>					
General Liability	\$ 1,465,715	\$ 538,357	\$ 509,671	\$ 28,686	\$ 1,494,401
Fleet Insurance	682,007	52,639	155,522	(102,883)	579,124
Property Insurance	1,855,460	157,173	253,305	(96,132)	1,759,328
Life Insurance	26,457	30,179	44,400	(14,221)	12,236
Worker's Compensation	2,221,802	672,235	764,443	(92,208)	2,129,594
Health Insurance	4,221,071	8,928,781	8,292,463	636,318	4,857,389
Dental Insurance	405,981	473,582	398,607	74,975	480,956
<b>Self Insurance Sub-Total</b>	<b>10,878,493</b>	<b>10,852,946</b>	<b>10,418,411</b>	<b>434,535</b>	<b>11,313,028</b>
Pension Fund	184,022,793	16,297,617	12,389,218	3,908,399	187,931,192
OPEB Fund	42,388,767	5,786,000	2,974,985	2,811,015	45,199,782
<b>Total</b>	<b>\$ 237,290,053</b>	<b>\$ 32,936,563</b>	<b>\$ 25,782,614</b>	<b>\$ 7,153,949</b>	<b>\$ 244,444,002</b>

# General Fund – Highlights

• Court – Building and Security Upgrades	\$147,000
• HR – Promotional/Hiring Video	\$ 5,000
• IT – Computer Infrastructure Equipment	\$47,000
• Police – Expansion of Cadet Program	\$46,560
• Police – Detective Bureau Vehicle	\$22,900
• Police – In-Car HD Mobile Video Cameras	\$27,500
• Planning – Land Use Plan 2020 Consultant	<u>\$70,000</u>
TOTAL	\$365,960

# Major & Local Streets – Highlights

- Focus on resurfacing
- 44<sup>th</sup> Street – Burlingame to Clyde Park median rehabilitation
- Frog Hollow Trail
- 54<sup>th</sup> Street – Haughey to US 131
- 54<sup>th</sup> Street – Meijer access

# Parks & Recreation – Highlights

- Senior Center
  - HVAC replacement
  - Studio mirrors
  - Door replacements
- Tree planting
- Parking lot crack sealing at Pinery and Lamar Parks and Pinery trail
- Unitary playground surfacing sealing
- Lamar Park shelter cupola
- Lemery Park softball field fencing
- Prairie Park skate park equipment

# Sewer Fund – Highlights

- Replacements
  - Building roof
  - Building crane and door
  - Gas detection system
  - Staff vehicle
  - Plant samplers
  - Drain line
  - RTUs and boilers
- Lab microwave
- Renovation of entrance gates
- Upgrade to cake pumps
- Generator 100kW
- Significant increase in sewer main repairs

# Water Fund – Highlights

- Water main repairs
- Portable generator
- Gezon parking lot and turbidity meter
- LED lighting upgrade
- Hook tank inspection, painting, and electrical service
- Plant security system
- High Service surge protection valves
- Low Service actuator
- NTF filter pipe gallery renovation
- Pipeline 42” valve
- STF wetwell pump
- HAA instrument and PH probe

# Motor Pool – Highlights

## 15 Replacement Vehicles

- City Hall
- Fire
- Police
  - Includes specialty van
- Public Works
  - Includes 2 dump trucks
- Traffic
  - Includes F550 with aerial lift
- Water

## Equipment

- Parks
  - Two lawnmowers
  - Chipper
- Public Works
  - Arrow board
  - Cement saw trailer

## Building

- Air compressor
- Brine system tank
- Re-shingling salt dome

# Summary of Personnel Changes

## POSITION CHANGES:

- Fire\* – 1 FT Office Specialist I Replacing 2 PT Positions
- Inspections – Addition of Part-Time Inspector
- Police\* – Addition of 4 cadets

## OVERLAPPING POSITIONS:

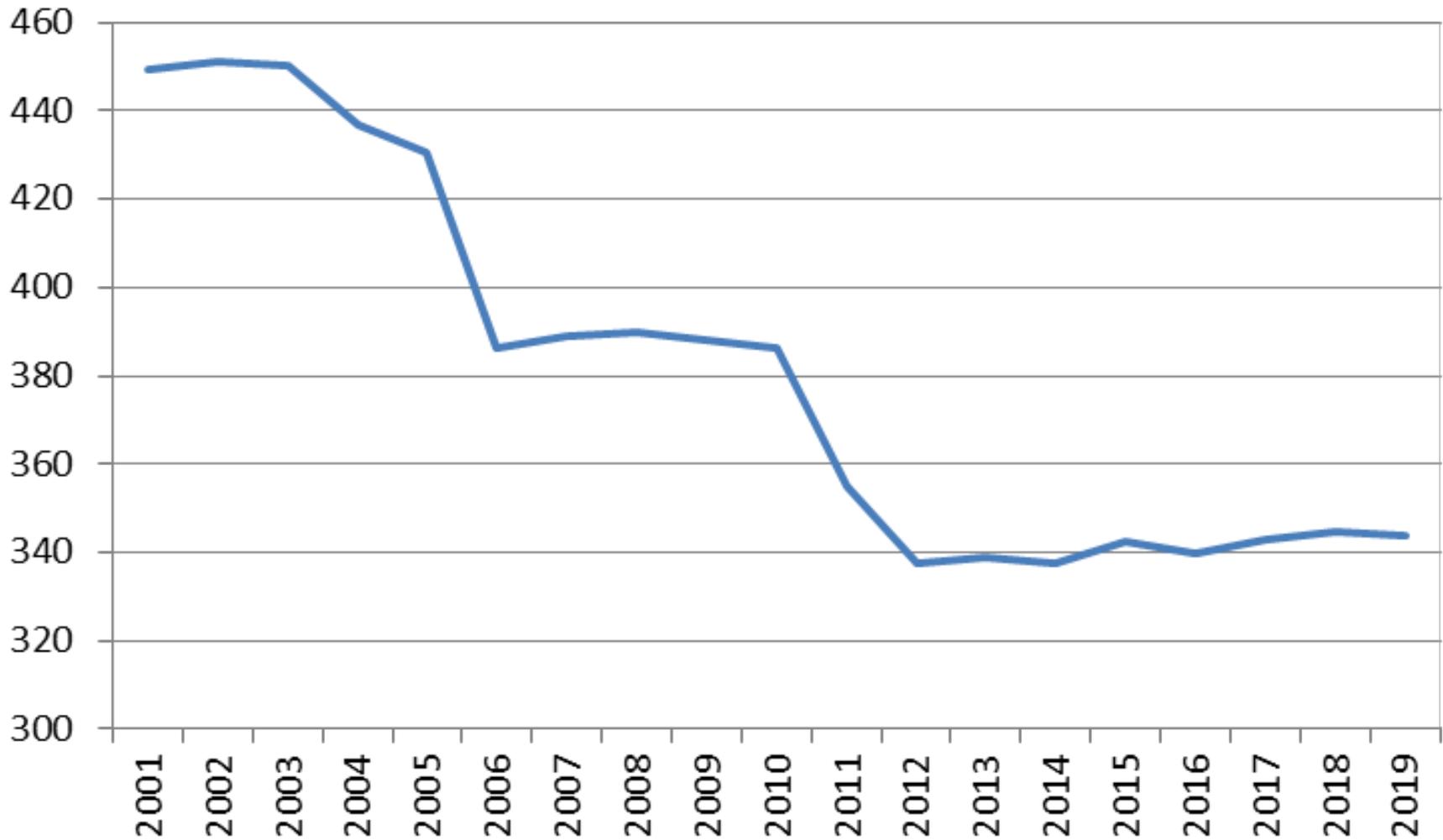
- Assessing\* – City Assessor
- Planning\* – Administrative Aide
- Planning\* – Principal Planner
- Parks – Office Specialist II
- Risk – Risk Control Supervisor

2018 Budget: **344.5 FTE**

2019 Budget: **349.0 FTE**

\* Indicates General Fund impact

# Historical Employee Counts



# Citizens General Fund Financial Review Task Force

## FINDINGS

- Recognize the structural deficit and constraints
- Maximize user fees before considering tax increases
- Income tax vs. property tax
  - Viewed as mostly equal
  - Concern over income tax being new to the City
  - Concern whether income tax creates more work for businesses
- More communication for public needed

# Future General Fund Concerns

- OPEB (Retiree Health Insurance) Costs
  - Underfunded by over \$1 million annually
- Funding Current Service Levels
  - Public Safety Millage expiration in FY 2020
- State Revenue Sharing/PPT Reimbursements