



City of Northfield 2018 Budget Retreat
2019-2020 Budget

Northfield Police Department Meeting Room
August 6th, 2018 | 6:00pm

8/3/18

Work Session Agenda

2019-2020 Budget Retreat

- I. Review of Budget Calendar
- II. Review of Budget Survey
- III. High level Budget & Levy Review
- IV. Department Budgets
- V. CIP/CEP Review
- VI. Alternative Revenue Sources
- VII. Alternative Funding Sources

2019 Budget Calendar

June 2018		
6/12/2018 Council Work Session	#1 Pre-budget Planning	City Council - Initial Budget Goals or Requests for 2019-2020. Strategic Plan items included in discussion
6/19/2018 Council Meeting	#2 Receive/Adopt 2017 Audit	Abdo, Eick & Meyers to present Annual Audit
July 2018		
7/10/2018 Council Work Session	#3 "Kick Off" Budget Meeting	"Big Picture" review of budget. Existing Debt/Existing Personnel Forecast Including Levy Implications, new requests for headcount/capital/significant projects or items
August 2018		
8/6/2018 Council Work Session	#4 Budget Retreat (Police Dept.)	Council Discussion/Priorities. Other: General Department Budget Focus, Public Works budgets, Liquor Store budget, CIP
September 2018		
9/11/2018 Council Work Session	#5 Budget Review	Review & Prepare for General Fund Budget & Preliminary Levy.
9/18/2018 Council Meeting	#6 Approve Preliminary Levy	Approve Preliminary Levy & set Public Hearing in December
October 2018		
10/9/2018 Council Work Session	#7 Budget Review	Enterprise Funds, Utility Rates discussion, Fees. General Fund Review Ongoing Items.
10/16/2018 Council Meeting	#8 Approve Utility Rates	Approve Utility Rates
November 2018		
11/20/2018 Council Meeting	#9 Final Review	Review Presentation for December Public Hearing & Preparation for Final Levy & Budget Actions. Certify delinquent charges to taxes payable 2019
December 2018		
12/4/2018 Council Meeting	#10 Approve Final Levy & Budget	Public Hearing & Approve Final Levy & Budget

Review of Budget Survey Results

Northfield Estimated Market Value

- Preliminary Estimated Market Value for 2019

	2016	2017	2018	2019
Rice	\$ 1,119,413,300	\$ 1,200,112,100	\$ 1,258,304,700	\$ 1,340,228,600
Dakota	\$ 115,594,700	\$ 122,075,400	\$ 129,609,000	\$ 138,047,397
Total	\$ 1,235,008,000	\$ 1,322,187,500	\$ 1,387,913,700	\$ 1,478,275,997
\$ Change		\$ 87,179,500	\$ 65,726,200	\$ 90,362,297
% Change		7.06%	4.97%	6.51%

- Very preliminary data provided by Rice County, better estimates expected in early September
 - Assumed same increase for Dakota County
- Total Estimated Market Value
 - Total increase of \$90,362,297 estimated
 - 6.5% increase over prior year
 - 90% from valuation increase, 10% new development
 - 0.65% “real tax base growth”

General Fund Budget - Initial

- Initial Roll up shows a budget shortfall of (\$401,268)
 - Assumes General Fund Levy is flat
 - \$401,268 represents a 4.5% increase in City-wide levy

	2018 Budget	2019 Proposed Budget	Y/Y Change	Y/Y % Change
Revenues				
- Levy	6,155,318	6,155,318	-	0.0%
- Other	6,338,659	6,268,077	(70,582)	-1.1%
Total Revenue	12,493,977	12,423,395	(70,582)	-0.6%
Expenses	12,493,977	12,824,663	330,686	2.6%
Excess/(Short)	-	(401,268)	(401,268)	
General Fund Levy Impact		-6.5%		
City-wide Levy Impact	8,921,812	-4.5%		

City-wide Levy

City of Northfield Total Levy

For Operations

General Fund
NCRC Operations
Park Fund (\$25K for Capital Lease payment)
City Facilities Fund
Vehicle & Equipment Replacement Fund
Total Operations Levy

	Actual 2017	Actual 2018	Levy Preliminary 2019	\$ Change	% Change
General Fund	5,512,070	6,155,318	6,556,586	401,268	6.5%
NCRC Operations	189,472	189,472	189,472	-	0.0%
Park Fund (\$25K for Capital Lease payment)	94,500	94,500	94,500	-	0.0%
City Facilities Fund	42,000	42,000	42,000	-	0.0%
Vehicle & Equipment Replacement Fund	315,079	315,079	315,079	-	0.0%
Total Operations Levy	6,153,121	6,796,369	7,197,637	401,268	5.9%

For Other

COPS (debt) Police Facility

420,160	435,000	155,000	(280,000)	-64.4%
420,160	435,000	155,000	(280,000)	-64.4%

For Bonded Debt

2007A GO Improvement Bonds
2015A GO Improvement Bonds (refund 2008B)
2009A GO Improvement Bonds
2010A GO Improvement Bonds
2011A GO Improvement Bonds
2012A GO Improvement Bonds
2013A GO Improvement Bonds
20014 GO Improvement Bonds
2015 GO Improvement Bonds
2016 GO Improvement Bonds
2017A GO Improvement Bonds
2018B GO Improvement Bonds
Subtotal

25,000	10,500	-	(10,500)	-100.0%
85,000	83,000	35,000	(48,000)	-57.8%
60,000	56,000	35,000	(21,000)	-37.5%
155,000	151,000	151,000	-	0.0%
50,000	57,000	50,000	(7,000)	-12.3%
50,000	48,000	57,000	9,000	18.8%
75,000	75,000	75,000	-	0.0%
60,000	82,000	56,000	(26,000)	-31.7%
100,000	124,000	120,000	(4,000)	-3.2%
65,000	58,000	58,000	-	0.0%
-	-	55,000	55,000	#DIV/0!
-	-	212,000	212,000	#DIV/0!
725,000	744,500	904,000	159,500	21.4%

Facilities Related

2016 Equipment Certificates
Public Project Revenue (Pool)
2012 Equipment Certificates
2018A NAFRS

145,000	133,000	136,000	3,000	2.3%
245,000	238,000	239,000	1,000	0.4%
109,200	91,000	500	(90,500)	-99.5%
-	-	215,000	215,000	#DIV/0!
499,200	462,000	590,500	128,500	27.8%

Total Debt Levy

1,644,360	1,641,500	1,649,500	8,000	0.5%
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Total General Levy

7,797,481	8,437,869	8,847,137	409,268	4.9%
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EDA

229,488	\$ 239,680	\$ 251,664	\$ 11,984	5.0%
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HRA

233,968	\$ 244,263	\$ 256,476	\$ 12,213	5.0%
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Total City-Wide Levy

8,260,937	8,921,812	9,355,277	433,465	4.9%
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Overall 4.9% increase in
City-wide Levy

General Fund
4.5% increase

All Debt Service Funds
0.1% increase

EDA/HRA combined
0.3% increase

General Fund Budget

- Total revenue down .6%
 - Other revenue is down 1.1%
 - General Fund revenue to fill the gap, currently shown flat

GENERAL FUND SUMMARY

GENERAL FUND SUMMARY				2018 YTD and %			Balance Budget		
				of budgeted					
				2018	\$ as of		2019	2019 vs 2018 %	2020
REVENUES BY MAJOR CATEGORY	2015 Actual	2016 Actual	2017 Actual	Adopted	6-30-18	%	Proposed	increase	Projected
Property Taxes	5,140,354	5,337,371	5,508,033	6,155,318	2,073,691	33.69%	6,155,318	0.00%	6,155,318
Other Taxes	95,264	116,895	116,745	90,000	25,012	27.79%	100,000	11.11%	100,000
Licenses & Permits	428,758	679,474	859,248	416,130	331,999	79.78%	441,130	6.01%	466,130
Intergovernmental	3,608,311	3,674,907	3,659,007	3,768,203	214,947	5.70%	3,796,954	0.76%	3,796,954
Charges for Service	1,518,359	1,335,306	1,219,594	1,489,661	570,284	38.28%	1,354,101	-9.10%	1,380,609
Fines & Forfeitures	113,520	82,032	98,171	124,000	59,075	47.64%	119,000	-4.03%	119,000
Other Revenue	345,470	354,030	303,312	355,625	124,879	35.12%	355,625	0.00%	355,625
Other Financing Sources	223,223	594,079	167,464	95,040	16,960	17.85%	101,267	6.55%	101,267
TOTAL REVENUES	11,473,259	12,174,094	11,931,574	12,493,977	3,416,847	27.35%	12,423,395	-0.56%	12,474,903

General Fund Levy will
need to increase to
balance budget

- Fines & Forfeitures are trending down, Engineering Revenue and St. Olaf Ice Rental reduced
- Local Government Aid (LGA) fairly flat, increased 0.19%

General Fund Budget

GENERAL FUND SUMMARY

GENERAL FUND SUMMARY				2018 YTD and % of budgeted		%	2019 Proposed	2019 vs 2018 % increase	2020 Projected
EXPENDITURES BY MAJOR FUNCTION	2015 Actual	2016 Actual	2017 Actual	2018	\$ as of				
				Adopted	6-30-18				
GENERAL GOVERNMENT									
Mayor & Council	220,276	221,214	199,730	367,159	113,245	30.84%	385,315	4.94%	392,458
Administration	299,697	303,878	364,537	456,429	202,132	44.29%	466,410	2.19%	491,698
City Clerk	195,391	182,824	176,997	198,698	90,661	45.63%	200,405	0.86%	208,533
Elections	15,953	41,702	22,307	57,667	7,114	12.34%	38,052	-34.01%	123,002
Finance	428,816	431,283	463,551	503,584	226,840	45.05%	527,665	4.78%	547,822
Human Resources	355,695	407,435	357,926	428,673	170,674	39.81%	442,662	3.26%	454,308
Community Development	147,565	126,332	136,808	134,719	72,000	53.44%	129,395	-3.95%	133,751
Planning	143,634	145,383	150,517	173,547	62,216	35.85%	180,727	4.14%	187,404
City Hall Operations	120,715	105,587	108,200	139,361	61,958	44.46%	118,254	-15.15%	119,654
Total General Government	1,927,742	1,965,638	1,980,573	2,459,837	1,006,840	40.93%	2,488,885	1.18%	2,658,630
PUBLIC SAFETY									
Police	3,140,513	3,295,680	3,374,784	3,682,587	1,606,901	43.64%	3,752,127	1.89%	3,902,892
Fire	519,232	532,282	528,960	545,350	396,766	72.75%	526,742	-3.41%	547,750
Building Inspections	203,519	217,433	256,191	300,482	118,917	39.58%	324,292	7.92%	339,307
Total Public Safety	3,863,264	4,045,395	4,159,935	4,528,419	2,122,584	46.87%	4,603,161	1.65%	4,789,949
PUBLIC WORKS									
Engineering	523,819	511,852	521,099	555,536	250,738	45.13%	550,384	-0.93%	569,826
Streets	1,208,236	1,418,913	1,421,377	1,464,621	710,567	48.52%	1,494,040	2.01%	1,522,169
Street Lighting	282,962	258,179	319,906	300,000	58,362	19.45%	300,000	0.00%	300,000
Facilities	229,968	225,731	240,838	279,588	123,348	44.12%	288,761	3.28%	302,533
Total Public Works	2,244,985	2,414,675	2,503,220	2,599,745	1,143,015	43.97%	2,633,185	1.29%	2,694,528
CULTURE & RECREATION									
Ice Arena	360,645	371,164	364,744	350,793	165,789	47.26%	353,470	0.76%	368,493
General Parks	204,019	222,161	206,632	307,366	46,116	15.00%	310,908	1.15%	315,931
Athletic Facilities	95,872	95,260	122,300	134,800	22,283	16.53%	134,898	0.07%	136,490
Recreation Administration	201,234	205,618	210,275	219,226	105,216	47.99%	227,024	3.56%	230,455
Outdoor Pool	191,945	190,010	169,494	236,868	44,829	18.93%	247,488	4.48%	256,924
Library	1,103,941	1,162,286	1,266,140	1,263,831	627,739	49.67%	1,413,099	11.81%	1,460,657
Total Culture & Recreation	2,157,656	2,246,499	2,339,585	2,512,884	1,011,972	40.27%	2,686,887	6.92%	2,768,950
OTHER FINANCING USES	333,269	292,454	313,321	393,091	115,144	29.29%	412,545	4.95%	412,545
TRANSFERS OUT	936,236	794,600	302,192	-	-		-		-
TOTAL EXPENDITURES	11,463,152	11,759,261	11,598,826	12,493,976	5,399,555	43.22%	12,824,663	2.65%	13,324,602
REVENUES OVER / (UNDER)									
EXPENDITURES	10,107	414,833	332,748	1	(1,982,708)		(401,268)		(849,699)

General Fund Budget Expense by Category

GENERAL FUND SUMMARY

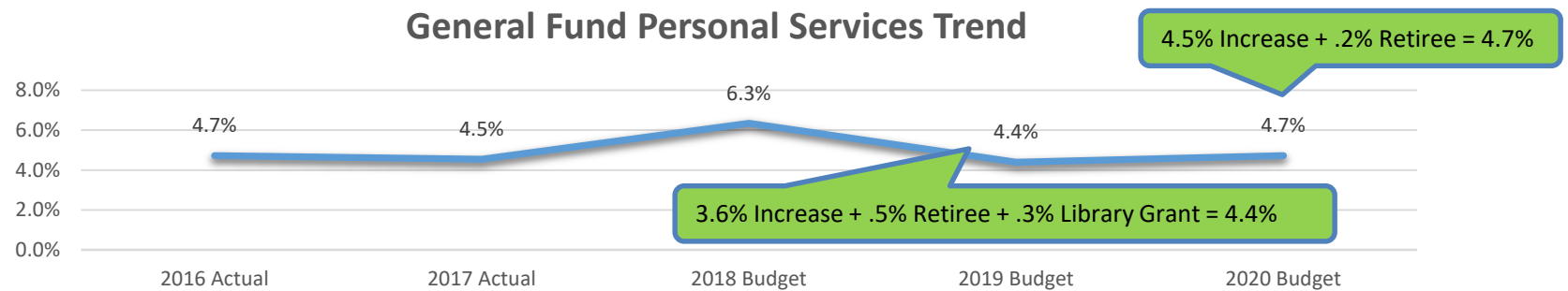
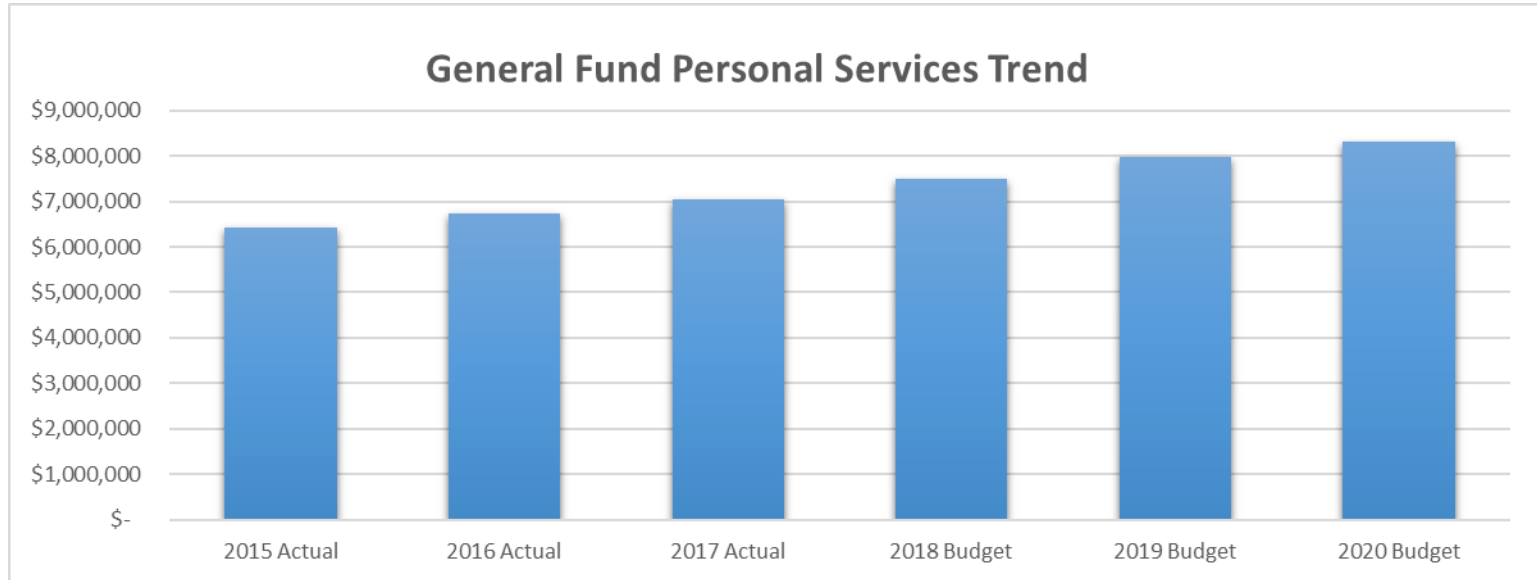
EXPENDITURES BY MAJOR FUNCTION	2015 Actual	2016 Actual	2017 Actual	2018 YTD and % of budgeted		%	2019 Proposed	2019 vs 2018 % increase	2020 Projected
				2018 Adopted	\$ as of 6-30-18				
GENERAL GOVERNMENT	1,927,742	1,965,638	1,980,573	2,459,837	1,006,840	40.9%	2,488,885	1.2%	2,658,630
PUBLIC SAFETY	3,863,264	4,045,395	4,159,935	4,528,419	2,122,584	46.9%	4,603,161	1.7%	4,789,949
PUBLIC WORKS	2,244,985	2,414,675	2,503,220	2,599,745	1,143,015	44.0%	2,633,185	1.3%	2,694,528
CULTURE & RECREATION	2,157,656	2,246,499	2,339,585	2,512,884	1,011,972	40.3%	2,686,887	6.9%	2,768,950
OTHER FINANCING USES	333,269	292,454	313,321	393,091	115,144	29.3%	412,545	4.9%	412,545
TRANSFERS OUT	936,236	794,600	302,192	-	-	0.0%	-	0.0%	-
TOTAL EXPENDITURES	11,463,152	11,759,261	11,598,826	12,493,976	5,399,555	43.2%	12,824,663	2.6%	13,324,602

General Fund Budget by Expense Type

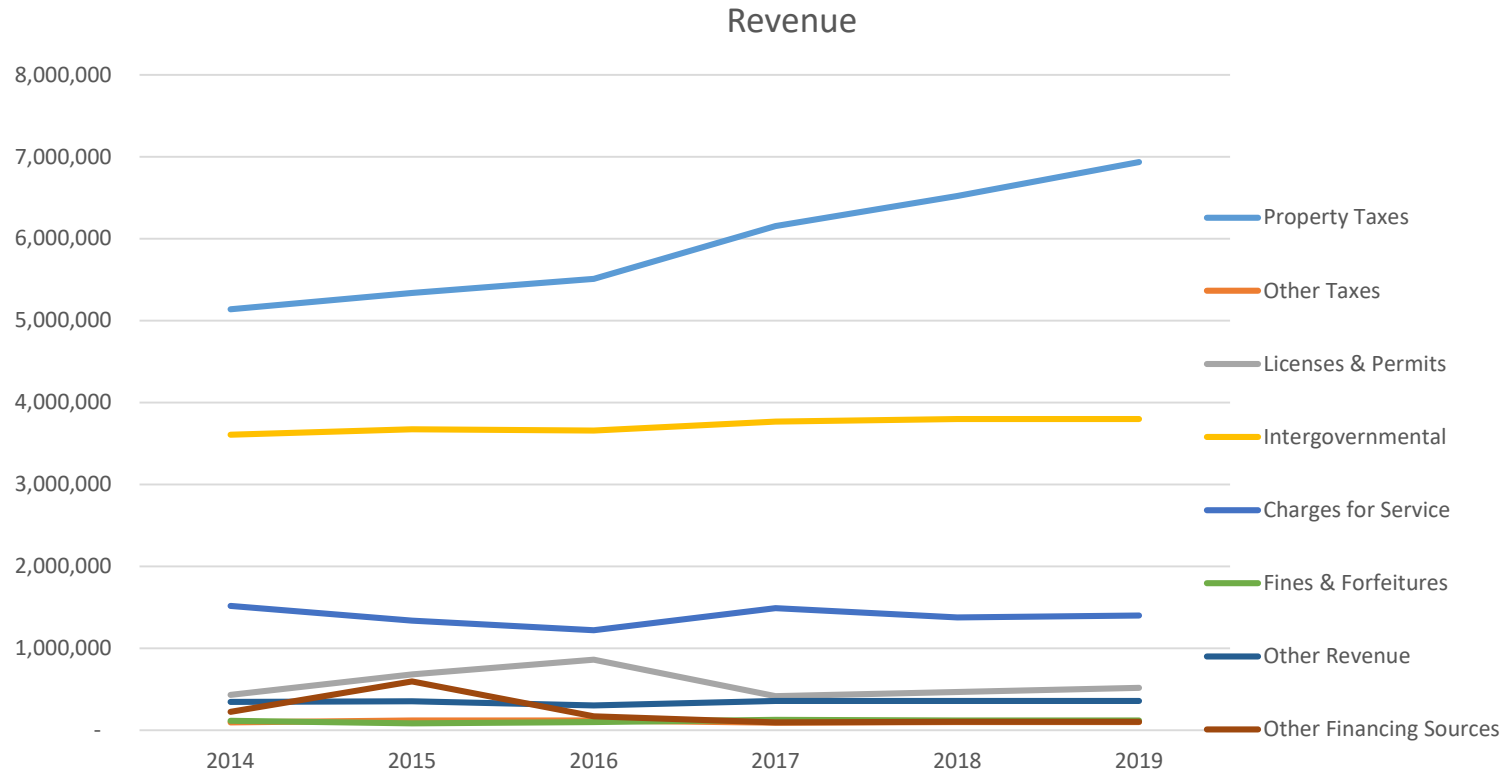
	2018 YTD and % of budgeted						2019 vs 2018 %		
	2015 Actual	2016 Actual	2017 Actual	2018 Adopted	\$ as of 6-30-18	%	2019 Proposed	2018 % increase	2020 Projected
Personnel	6,430,296	6,733,539	7,039,734	7,486,405	3,369,175	45.00%	7,815,090	4.39%	8,184,270
Supplies	547,407	636,707	643,388	727,377	290,181	39.89%	718,962	-1.16%	707,472
Charges for Services	2,892,912	3,001,865	3,047,534	3,588,903	1,501,941	41.85%	3,581,448	-0.21%	3,672,647
Other Charges	374,743	343,537	335,864	454,833	125,033	27.49%	479,205	5.36%	486,755
Capital Outlay	76,102	43,555	24,650	31,000	10,498	33.86%	24,500	-20.97%	68,000
Debt Services	205,458	205,458	205,458	205,458	102,729	50.00%	205,458	0.00%	205,458
Transfer Out	936,236	794,600	302,192	-	-	-	-	-	-
Total	11,463,154	11,759,261	11,598,820	12,493,976	5,399,557	43.22%	12,824,663	2.65%	13,324,602

- Personal Services increased 4.39%, as expected, based on pay study implementation in 2017

Personal Services Forecast

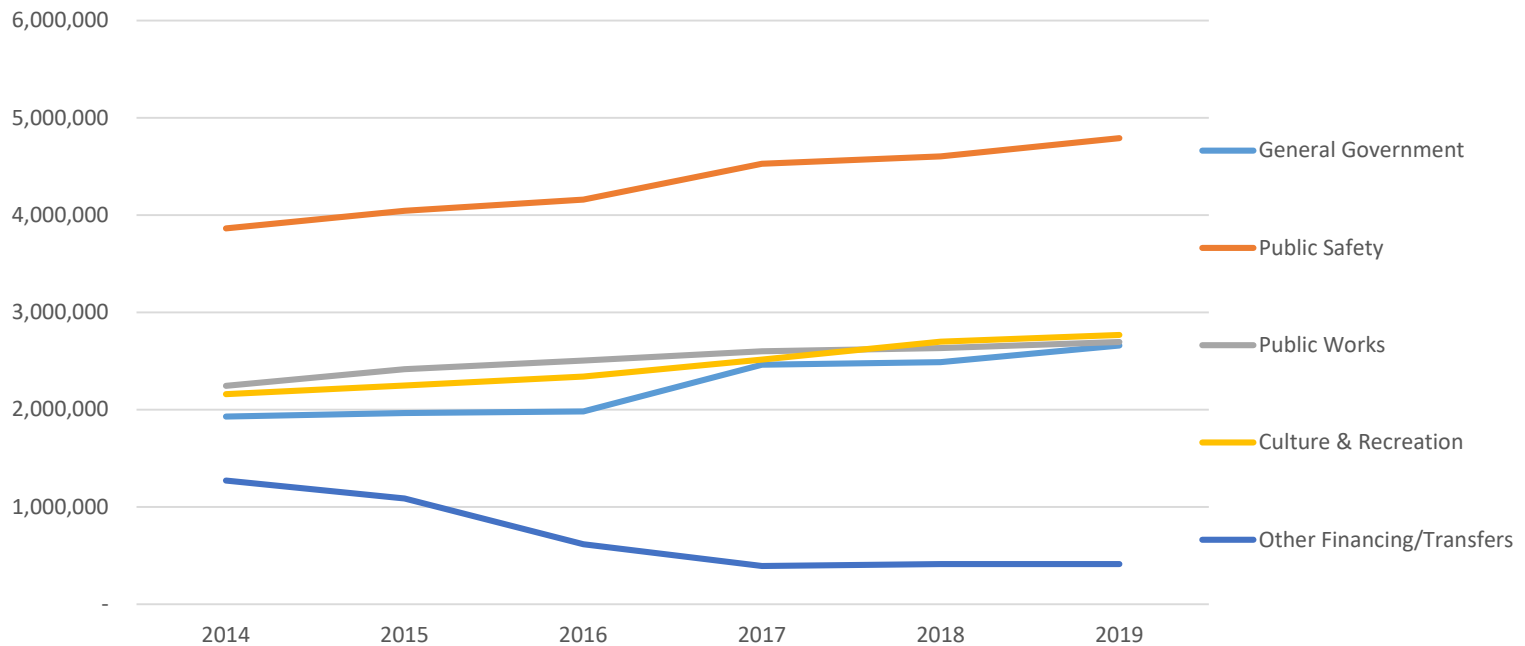


Budget Information



Budget Information

General Fund Expense



Notable General Fund Changes

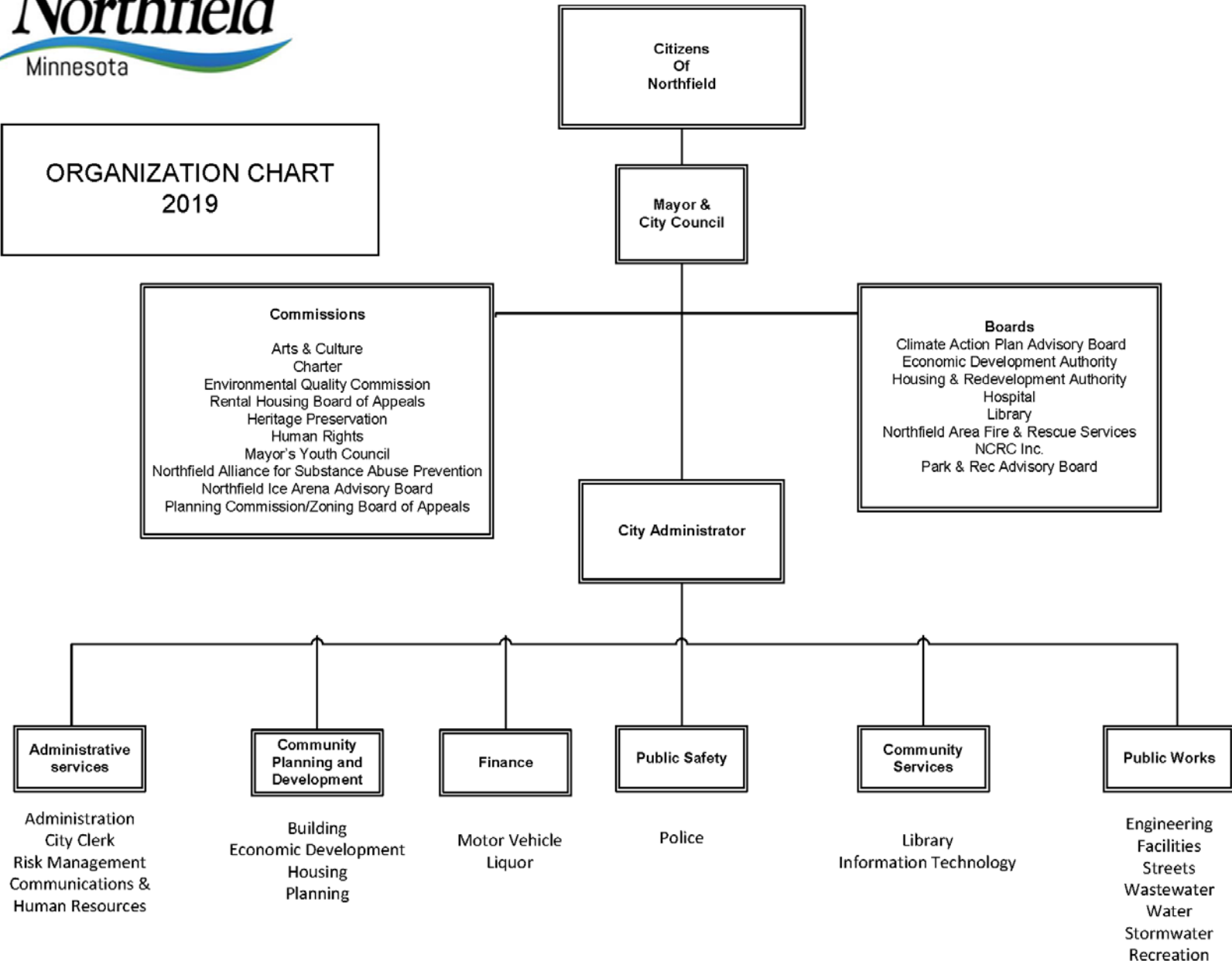
- Revenue
 - St. Olaf Ice Rental eliminated
 - Engineering Revenue reduced
 - Fines & Forfeitures trending down
- Expenses
 - Personal Services increase
 - Library Outreach Coordinator, partially grant funded for 2 years
 - Elections reduced, 2019 non-election year

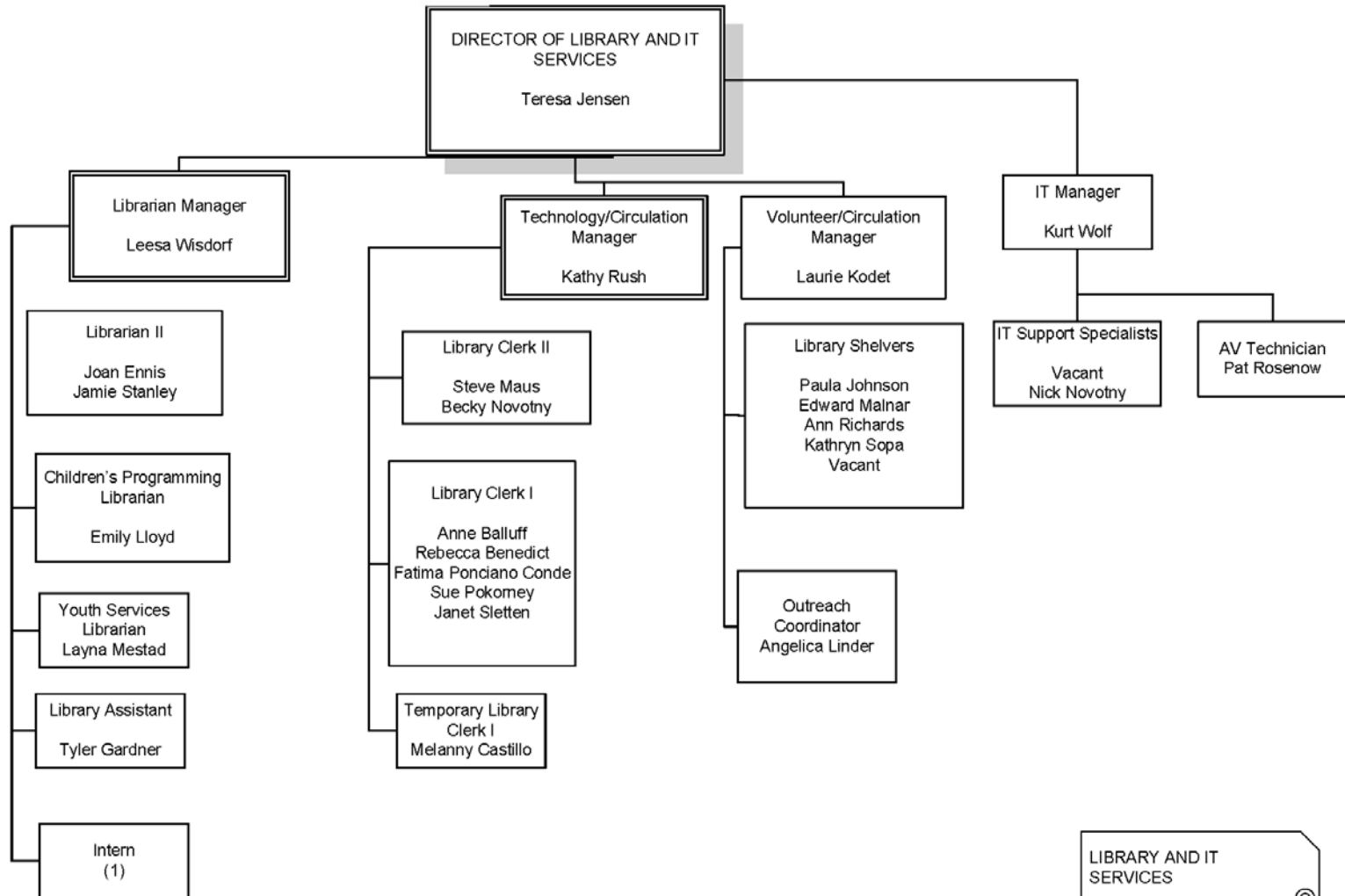
New employee requests (not included in initial budget)

- Police – 2 positions
 - Investigator at \$100,000
 - Patrol Sergeant at \$122,000
 - Evidence Technician supporting Body Cams \$46,000 - \$82,000
- Public Works – 2 positions
 - Street & Park Operators
 - Annual impact \$180,700 wages and benefits
- Communications – move from part time (.6) to full time (1.0)
 - Annual impact \$40,000 wages and benefits
- Building Permit Technician - .5 position
 - Annual impact \$35,000 wages, not benefit eligible
- Temporary 2 year position to support Strategic Initiative Project Management
 - Annual impact \$100,000 wage and benefits
- Paid Parental Leave – under discussion
 - Estimated impact of \$17,000 - \$34,000 (Range of 2-4 weeks)

Department Budgets

**ORGANIZATION CHART
2019**





Library

	2018 YTD and % of budgeted						2019 Proposed	2019 vs 2018 % increase	2020 Projected
	2015 Actual	2016 Actual	2017 Actual	2018 Adopted	\$ as of 6-30-18	%			
Personnel	790,354	841,182	869,774	878,372	438,751	49.95%	995,417	13.33%	1,039,308
Supplies	20,257	42,195	33,369	38,300	16,871	44.05%	40,900	6.79%	40,900
Charges for Services	143,404	155,148	236,198	217,306	113,798	52.37%	240,329	10.59%	242,456
Other Charges	94,647	102,005	107,712	111,200	47,689	42.89%	117,800	5.94%	119,340
Capital Outlay	41,626	8,102	5,435	5,000	3,804	76.08%	5,000	0.00%	5,000
Debt Services	13,653	13,653	13,653	13,653	6,826	50.00%	13,653	0.00%	13,653
Transfer Out	-	-	-	-	-	0.00%	-	0.00%	-
Total	1,103,941	1,162,285	1,266,141	1,263,831	627,739	49.67%	1,413,099	11.81%	1,460,657

Offsetting Revenues:

Intergovernmental	188,890	188,470	193,057	188,470	96,120	51.00%	188,470	0.00%	188,470
Grants	-	-	-	-	-	-	26,000	-	-
Fines & Forfeitures	17,754	17,915	18,963	30,000	9,651	32.17%	30,000	0.00%	30,000
Total	206,644	206,385	212,020	218,470	105,771	48.41%	244,470	11.90%	218,470

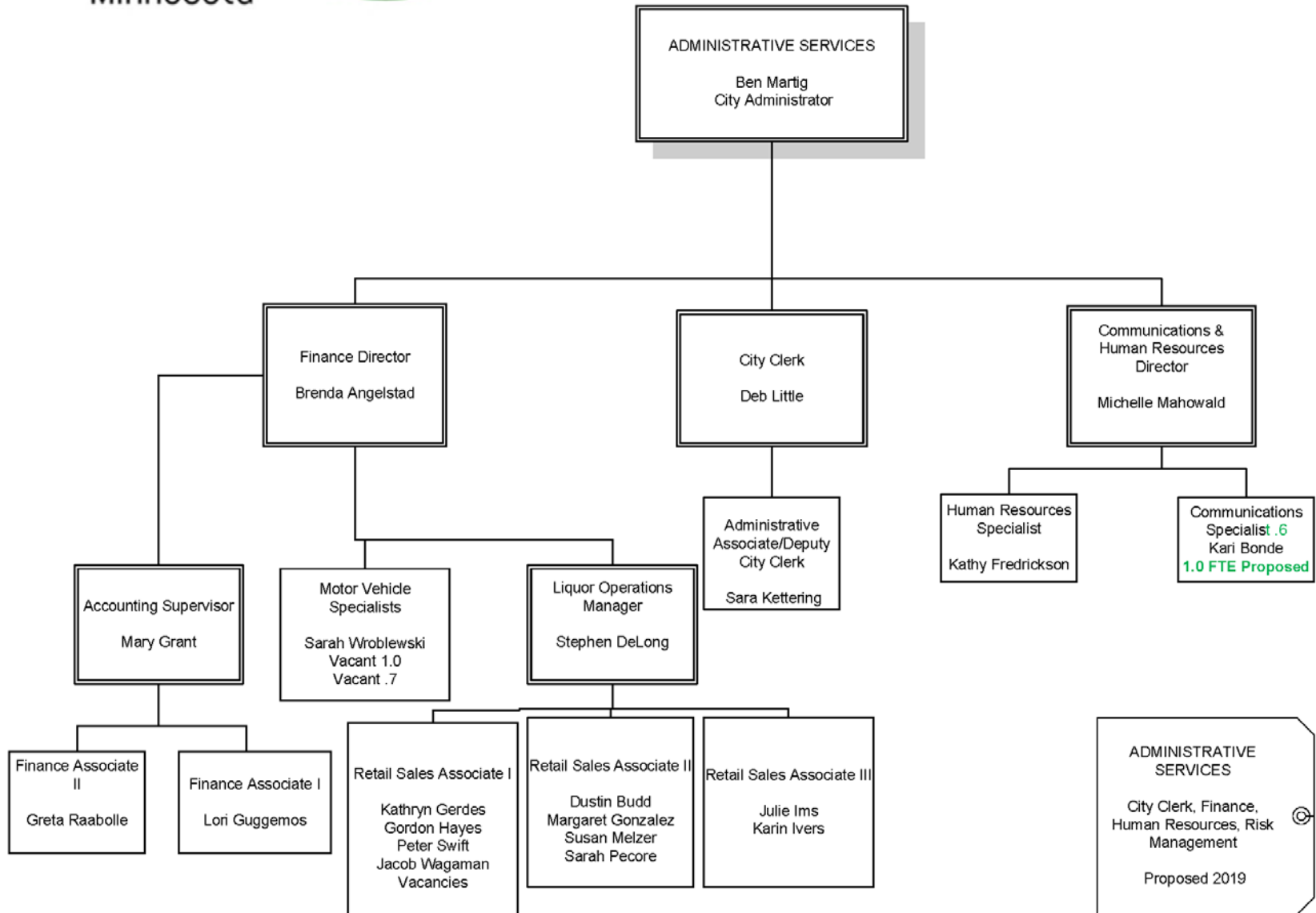
Areas of Note:

- 2019 grant of \$26,000 enables part-time Outreach Coordinator position to reach full time

Information Technology

	2018 YTD and % of budgeted						2019 Proposed	2019 vs 2018 % increase	2020 Projected
	2015 Actual	2016 Actual	2017 Actual	2018 Adopted	\$ as of 6-30-18	%			
REVENUES									
Other Revenue	3,558	6,004	1,715	6,000	2,372	39.53%	6,000	0.00%	6,000
Internal Service Revenue	622,204	636,167	646,894	656,813	331,947	50.54%	691,226	5.24%	691,226
Transfer In	-	-	-	-	-		-		-
Total Revenue	625,762	642,171	648,609	662,813	334,319	50.44%	697,226	5.19%	697,226
Expenses									
Personal Services	250,963	275,611	287,619	307,213	141,654	46.11%	318,526	3.68%	331,677
Supplies	20,959	36,719	124,533	108,500	16,201	14.93%	108,500	0.00%	108,500
Other Services and Charges	147,392	170,609	177,100	224,100	57,143	25.50%	241,200	7.63%	241,200
Depreciation									
Capital Outlay	113,445	45,129	1,489	23,000	10,887	47.33%	23,000	0.00%	23,000
Transfer Out	-	-	-	-	-		-		-
Total Expenses	532,759	528,068	590,741	662,813	225,885	34.08%	691,226	4.29%	704,377
Net Income/ (Loss)	93,003	114,103	57,868	-	108,434		6,000		(7,151)

Areas of Note:



Mayor and Council

	2018 YTD and % of budgeted						2019 Proposed	2019 vs 2018 % increase	2020 Projected
	2015 Actual	2016 Actual	2017 Actual	2018 Adopted	\$ as of 6-30-18	%			
Personal Services	64,909	67,165	68,002	69,867	32,058	45.88%	71,261	2.00%	72,696
Supplies	1,620	526	1,103	1,000	6,653	665.30%	2,365	136.50%	2,125
Charges for Services	69,512	68,789	62,515	208,850	36,234	17.35%	219,539	5.12%	224,647
Other Charges	84,234	84,734	68,110	87,442	38,300	43.80%	92,150	5.38%	92,990
Transfer Out	-	-	-	-	-	0.00%	-	0.00%	-
Total	220,275	221,214	199,730	367,159	113,245	30.84%	385,315	4.94%	392,458

Areas of Note:

Personnel Mayor/Council salary increase per Ord. 997 (2019 Mayor \$11,472.96; Council \$8,604.20) (2020 Mayor \$11,702.42; Council \$8,776.28).

Supplies Funds added for State of City and Board/Commission event supplies.

Charges for Services Fireworks - \$15,750; Programs and Public Service:

- Youth Investment – 2019-\$51,000; 2020-\$52,020 plus \$12,500 expenses;
- Link Center – 2019-\$36,267; 2020-\$37,355 (est.)
- Community Events In Kind Grant: increased to \$45,000
- Complete Count Committee expenses - \$5,000

Mayor and Council

Charges for services (cont.)

- Related to strategic plan initiatives:
- Human Rights Commission (MLK event expenses; printing & mail; Northfield reads and HRC State conference regis.)
- GARE Cohort - \$2,500

Other Charges

- Dues/Memberships LMC, NLC, Human Rights, MN Mayors, GARE
- Partnership programs:
 - NDDC \$35,000
 - SMIF \$6,000
 - NHS \$29,000 (contract)
 - Mill Towns Trail Joint Powers Board \$300.

Administration

	2018 YTD and % of budgeted						2019 Proposed	2019 vs 2018 % increase	2020 Projected
	2015 Actual	2016 Actual	2017 Actual	2018 Adopted	\$ as of 6-30-18	%			
Personal Services	156,583	148,200	175,601	186,756	86,493	46.31%	199,534	6.84%	207,827
Supplies	377	1,124	839	2,200	845	38.41%	1,800	-18.18%	2,200
Charges for Services	141,678	153,089	186,540	263,438	111,992	42.51%	263,236	-0.08%	279,696
Other Charges	1,059	1,465	1,556	1,535	302	19.67%	1,840	19.87%	1,975
Capital Outlay	-	-	-	2,500	2,500	100.00%	-	-100.00%	-
Transfer Out	-	-	-	-	-	0.00%	-	0.00%	-
Total	299,697	303,878	364,536	456,429	202,132	44.29%	466,410	2.19%	491,698

Areas of Note: No significant changes.

Charges for Services

- Budgeted increase in legal services (Civil & Criminal) based on trends (2017 shift consolidating costs to one budget and using project codes to track per department costs) plus rate adjustments. Contracts expire mid 2019

City Clerk

	2015 Actual	2016 Actual	2017 Actual	2018 YTD and % of budgeted		%	2019 Proposed	2019 vs 2018 % increase	2020 Projected
				2018 Adopted	\$ as of 6-30-18				
Personnel	161,971	152,417	159,339	160,603	80,151	49.91%	166,298	3.55%	173,791
Supplies	255	396	277	1,000	131	13.09%	1,200	20.00%	1,300
Charges for Services	32,915	29,721	17,041	31,390	5,910	18.83%	31,797	1.30%	32,297
Other Charges	250	290	340	705	275	39.01%	1,110	57.45%	1,145
Capital Outlay	-	-	-	5,000	4,194	83.88%	-	-100.00%	-
Transfer Out	-	-	-	-	-	0.00%	-	0.00%	-
Total	195,391	182,824	176,997	198,698	90,661	45.63%	200,405	0.86%	208,533

Areas of Note: No significant changes.

Charges for Services Slight increase in conferences, travel, training related to new staff

Other Charges Slight increase in dues and notary renewal fees.

Elections

	2015 Actual	2016 Actual	2017 Actual	2018 YTD and % of budgeted		%	2019 Proposed	2019 vs 2018 % increase	2020 Projected
				2018 Adopted	\$ as of 6-30-18				
Personnel	-	199	2,653	10,227	-	0.00%	2,153	0.00%	11,303
Supplies	-	1,329	386	3,000	-	0.00%	500	0.00%	3,700
Charges for Services	10,715	40,174	19,268	44,440	7,114	16.01%	19,399	0.00%	60,499
Capital outlay	5,239	-	-	-	-	0.00%	16,000	0.00%	47,500
Other Charges									
Transfer Out	-	-	-	-	-		-		-
Total	15,954	41,702	22,307	57,667	7,114	12.34%	38,052	-34.01%	123,002

Areas of Note:

Personnel, Supplies, Charges for Service 2019 – non election year; 2020 – election year – overtime for full time hourly employees and part time temporary personnel wages for assistance with absentee voting and elections. Increased costs for election judges (wages and training).

Capital Outlay 2020 – assistive voting device equipment replacement for Rice County (7 precincts). Estimated cost share for this replacement. Rice Co. paid full cost for ballot counter and ePollbook equipment in 2018.

Finance

	2015	2016	2017	2018 YTD and % of budgeted			2019	2019 vs 2018	2020
	Actual	Actual	Actual	2018 Adopted	\$ as of 6-30-18	%	Proposed	% increase	Projected
Personnel	336,822	357,462	371,613	409,070	191,440	46.80%	426,233	4.20%	444,490
Supplies	10,144	3,583	2,493	3,500	1,686	48.17%	3,500	0.00%	3,500
Charges for Services	81,269	69,744	88,837	89,714	33,562	37.41%	96,632	7.71%	98,532
Other Charges	581	495	607	1,300	152	11.69%	1,300	0.00%	1,300
Transfer Out	-	-	-	-	-	0.00%	-	0.00%	-
Total	428,816	431,284	463,550	503,584	226,840	45.05%	527,665	4.78%	547,822

Areas of Note:

Charges for Services

- Increased Professional Services and Accounting Services by \$7,000
- Not included, consider accounting & reporting software upgrade (\$100,000)

Finance

- Accounting Software & Reporting Upgrade
 - To improve efficiency and access to data
 - Core Accounting Software Upgrade - Incode
 - OpenGov enhancements
 - Budgeting and Planning
 - Operational Performance
 - Citizen Engagement

Other Financing Uses

	2015 Actual	2016 Actual	2017 Actual	2018 YTD and % of budgeted			2019 Proposed	2019 vs 2018 % increase	2020 Projected
				2018 Adopted	\$ as of 6-30-18	%			
Charges for Services	154,355	154,354	154,354	154,354	77,177	50.00%	154,354	0.00%	154,354
Other Charges	150,623	109,809	130,675	210,446	23,821	11.32%	229,900	9.24%	229,900
Debt Services	28,291	28,291	28,291	28,291	14,146	50.00%	28,291	0.00%	28,291
Transfers out	936,236	794,600	302,192	-	-		-		-
Total	1,269,505	1,087,054	615,512	393,091	115,144	29.29%	412,545	4.95%	412,545

Areas of Note:

Other Charges

- Fireworks \$15,000 moved to Mayor and Council

Liquor Store

	2018 YTD and % of budgeted						2019 Proposed	2019 vs 2018 % increase	2020 Projected
	2015 Actual	2016 Actual	2017 Actual	2018 Adopted	\$ as of 6-30-18				
<i>OPERATING REVENUES</i>									
Sales	3,072,255	3,142,917	3,061,127	2,723,703	1,427,462	52.41%	2,860,000	5.00%	2,931,801
Cost of Sales	(2,332,505)	(2,303,230)	(2,279,044)	(2,039,540)	(1,005,354)	49.29%	(2,141,401)	4.99%	(2,195,533)
Gross Profit	739,750	839,687	782,083	684,163	422,108	61.70%	718,599	5.03%	736,268
OTHER REVENUES	9,925	11,984	10,717	10,000	4,204	42.04%	10,000	0.00%	10,000
Total Revenues	749,675	851,671	792,800	694,163	426,312	61.41%	728,599	4.96%	746,268
<i>Expenses</i>									
Personnel	405,078	427,297	444,263	445,461	207,865	46.66%	460,053	3.28%	480,161
Supplies	18,368	16,313	13,323	20,404	12,492	61.22%	19,920	-2.37%	20,200
Other Services and Charges	192,987	193,611	204,928	154,681	68,240	44.12%	185,265	19.77%	164,749
Total Expenses	616,433	637,221	662,514	620,546	288,597	46.51%	665,238	7.20%	665,110
Net Income/ (Loss)	133,242	214,450	130,286	73,617	137,715		63,361		81,158
OTHER FINANCING SOURCES (USES)	(125,000)	(125,000)	(125,000)	(45,000)	-		(50,000)		(50,000)
CHANGES IN NET ASSETS	8,242	89,450	5,286	28,617	137,715		13,361		31,158
Beginning Fund Balance	1,025,768	1,034,010	1,123,460	1,128,746			1,157,363		1,170,724
Ending Fund Balance	1,034,010	1,123,460	1,128,746	1,157,363			1,170,724		1,201,882

- Tracking revenue closely

Liquor Store



Monitoring monthly sales based on new competition in market

- 2018 YTD sales below 2016 & 2017 levels, above 2018 budget and DWW forecast

Liquor Store – site location

- Location Options
 - EconoFoods
 - Q Block
 - Other location alternatives

Human Resources

	2015 Actual	2016 Actual	2017 Actual	2018 YTD and % of budgeted		2019 Proposed	2019 vs 2018 % increase	2020 Projected
				2018 Adopted	\$ as of 6-30-18 %			
Personnel	205,076	219,497	232,611	256,648	116,838 45.52%	255,289	-0.53%	266,935
Supplies	767	977	1,993	2,497	804 32.20%	2,497	0.00%	2,497
Charges for Services	149,542	186,486	121,880	168,528	52,912 31.40%	183,876	9.11%	183,876
Other Charges	310	475	1,442	1,000	120 12.00%	1,000	0.00%	1,000
Capital Outlay	-	-	-	-	- 0.00%	-	0.00%	-
Transfer Out	-	-	-	-	- 0.00%	-	0.00%	-
Total	355,695	407,435	357,926	428,673	170,674 39.81%	442,662	3.26%	454,308

Areas of Note:

- Labor contracts expire December 31, 2018. Negotiate labor contracts.
- Parental Leave Policy estimated cost of \$17,000 - \$34,000, not included in initial budget.
- Continue to work on Diversity, Equity, Inclusion and Operational Effectiveness strategic plan actions and meet targets.

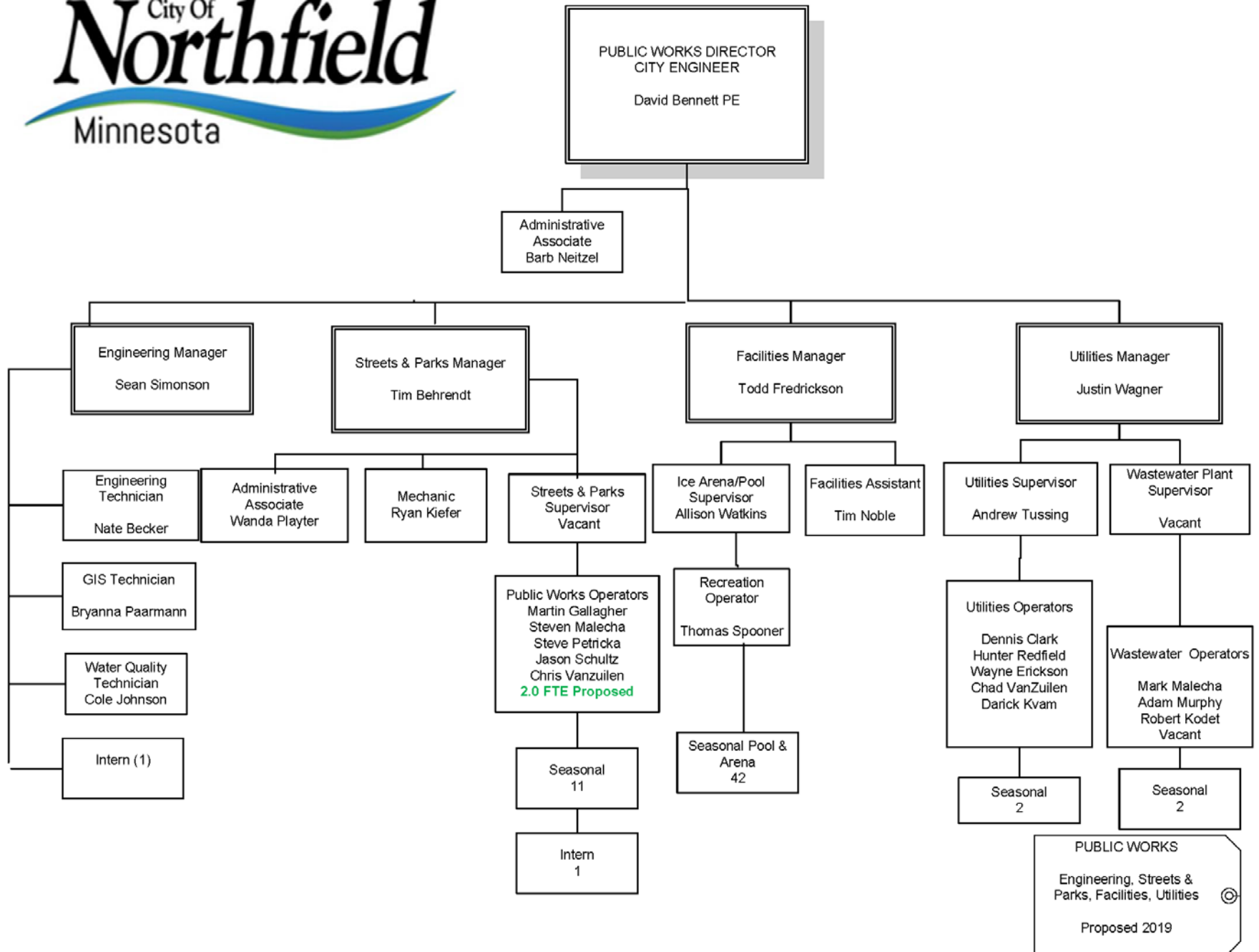
Communications

	2015 Actual	2016 Actual	2017 Actual	2018 YTD and % of budgeted		%	2019 Proposed	2019 vs 2018 % increase	2020 Projected
				2018 Adopted	\$ as of 6-30-18				
REVENUE									
Taxes	223,611	236,579	229,494	199,000	56,642	28.46%	199,000	0.00%	199,000
Other Revenue	1,659	5,182	1,519	15,000	2,109	14.06%	15,000	0.00%	15,000
Total	225,270	241,761	231,013	214,000	58,751	27.45%	214,000	0.00%	214,000
EXPENDITURE									
Personnel	3,183	2,616	2,707	4,025	2,429	60.35%	4,196	4.25%	4,366
Supplies	-	143	808	4,500	-	0.00%	4,500	0.00%	4,500
Charges for Services	82,490	104,976	114,585	160,370	36,142	22.54%	131,563	-17.96%	139,674
Other Charges	31,208	14,147	23,920	4,875	538	11.04%	13,618	179.34%	13,663
Capital Outlay	-	-	-	-	-	0.00%	-	0.00%	-
Transfer Out	63,223	-	-	45,040	-	0.00%	46,267	2.72%	46,267
Total	180,104	121,882	142,020	218,810	39,109	17.87%	200,144	-8.53%	208,470
Revenue over/under	45,166	119,879	88,993	(4,810)	19,642	-408.36%	13,856	-388.07%	5,530

Areas of Note:

Personnel Increase Communications Specialist hours from .6FTE to 1.0FTE (wages plus benefits). Additional Cost: \$40,000 (not included in expense above)

Other Professional Services: \$30,000 has been budgeted for a community survey in the 2019 budget.



City Hall

	2015 Actual	2016 Actual	2017 Actual	2018 YTD and % of budgeted		%	2019 Proposed	2019 vs 2018 % increase	2020 Projected
				2018 Adopted	\$ as of 6-30-18				
Supplies	35,550	26,695	27,988	36,500	20,216	55.4%	36,500	0.00%	36,500
Charges for services	61,525	54,037	51,509	83,600	35,111	42.0%	68,493	-18.07%	69,893
Other Charges	-	-	-	-	-		-		-
Capital outlay	10,379	11,594	15,441	6,000	-		-		-
Debt Services	13,261	13,261	13,261	13,261	6,631	50.0%	13,261	0.00%	13,261
Transfers out	-	-	-	-	-	#DIV/0!	-	#DIV/0!	-
Total	120,715	105,587	108,199	139,361	61,958	44.46%	118,254	-15.15%	119,654
Offsetting Revenues:									
Charges for Services	9,750	4,500	4,500	9,750	4,500	100.0%	9,750	0.00%	9,750
Total	9,750	4,500	4,500	9,750	4,500	100.0%	9,750	0.00%	9,750

City Hall Operations

- Carpet replacement copier room and facilities office.
- Breakroom furniture replacement
- Review engineering study on HVAC for potential updates or improvements

Engineering

	2015 Actual	2016 Actual	2017 Actual	2018 YTD and % of budgeted			2019 Proposed	2019 vs 2018 % increase	2020 Projected
				2018 Adopted	\$ as of 6-30-18	%			
Personnel	394,405	404,433	433,198	435,731	218,472	50.1%	454,281	4.26%	474,123
Supplies	15,403	15,575	11,974	16,700	3,868	23.2%	14,500	-13.17%	14,500
Charges for services	100,717	79,872	71,558	100,305	28,316	28.2%	78,803	-21.44%	78,403
Other Charges	9,725	8,621	595	800	82	10.3%	800	0.00%	800
Capital outlay	3,570	3,351	3,774	2,000	-	0.0%	2,000	0.00%	2,000
Transfers out	-	-	-	-	-	#DIV/0!	-	#DIV/0!	-
Total	523,820	511,852	521,099	555,536	250,738	45.13%	550,384	-0.93%	569,826
Offsetting Revenues:									
Charges for Services	310,694	172,908	83,927	255,000	15,351	6.02%	160,000	-37.25%	160,000
Total	310,694	172,908	83,927	255,000	(137,786)		160,000		160,000

2019 Street Improvement Project (NW Area Reclamation)

2020 Street Improvement Project (College/Winona/Eighth/Ninth Reconstruction)

Streets

	2015 Actual	2016 Actual	2017 Actual	2018 YTD and % of budgeted			2019 Proposed	2019 vs 2018 % increase	2020 Projected
				2018 Adopted	\$ as of 6-30-18	%			
Personnel	602,828	744,452	758,027	700,811	417,257	59.5%	743,089	6.03%	776,218
Supplies	144,569	140,399	162,604	194,500	76,700	39.4%	192,500	-1.03%	187,500
Charges for services	449,080	498,925	490,387	554,019	211,394	38.2%	543,660	-1.87%	543,660
Other Charges	1,968	4,839	568	4,000	320	8.0%	3,500	-12.50%	3,500
Capital outlay	-	20,508	-	1,500	-	0.0%	1,500	0.00%	1,500
Debt service	9,791	9,791	9,791	9,791	4,895	50.0%	9,791	0.00%	9,791
Transfers out	-	-	-	-	-	#DIV/0!	-	#DIV/0!	-
Total	1,208,236	1,418,914	1,421,377	1,464,621	710,566	48.52%	1,494,040	2.01%	1,522,169
Offsetting Revenues:									
Intergovernmental	223,684	227,100	225,522	226,272	111,154	49.1%	226,272	0.00%	226,272
Charges for Services	12,167	7,805	8,742	8,500	7,042	82.85%	8,500	0.00%	8,500
Total	235,851	234,905	234,264	234,772	(946)	-0.40%	234,772	0.00%	234,772

- Included \$23,000 for City Share of County Road 1 Improvements (5-Years total of \$115,000, 4 Years Remaining)
- Seal Coat approx. 5-Miles
- Assess/Repair ¼ of City Sidewalk (trip hazards)
- Replace a Pickup and Snowblower
- Emerald Ash Borer 10 year treatment plan not included at \$135,000/year
 - Includes treatment, removal and replanting

2019 Trail Maintenance Project



Trail Maintenance:

1. Linden Place Trail
2. Char Carlson Park
3. Riverside Park
4. Liberty Park
5. Sechler Park
6. Estimated Cost: \$50,000

Street Lighting

	2015 Actual	2016 Actual	2017 Actual	2018 YTD and % of budgeted		%	2019 Proposed	2019 vs 2018 % increase	2020 Projected
				2018 Adopted	\$ as of 6-30-18				
Supplies	17,587	46,283	51,081	35,000	9,496	27.1%	30,000	-14.29%	30,000
Charges for services	265,375	211,896	268,825	265,000	48,866	18.4%	270,000	1.89%	270,000
Transfers out	-	-	-	-	-		-		-
Total	282,962	258,179	319,906	300,000	58,362	19.5%	300,000	0.00%	300,000
Offsetting Revenues:									
Charges for Services	4,965	2,351	3,221	2,350	1,175		2,350		2,350
Total	4,965	2,351	3,221	2,350	(2,614)		2,350		2,350

This line item is associated with the painting of the posts, electricity expenses, and for locating City power lines.

Facilities

	2015 Actual	2016 Actual	2017 Actual	2018 YTD and % of budgeted		%	2019 Proposed	2019 vs 2018 % increase	2020 Projected
				2018 Adopted	\$ as of 6-30-18				
Personnel	152,585	141,971	157,062	192,609	79,215	41.1%	200,913	4.31%	217,489
Supplies	3,457	3,449	4,999	9,075	6,049	66.7%	9,500	4.68%	9,500
Charges for services	73,925	80,259	78,777	77,904	38,052	48.8%	78,348	0.57%	75,544
Other Charges	-	52	-	-	32		-		-
Transfers out	-	-	-	-	-	0.0%	-	0.00%	-
Total	229,967	225,731	240,838	279,588	123,348	44.1%	288,761	3.28%	302,533

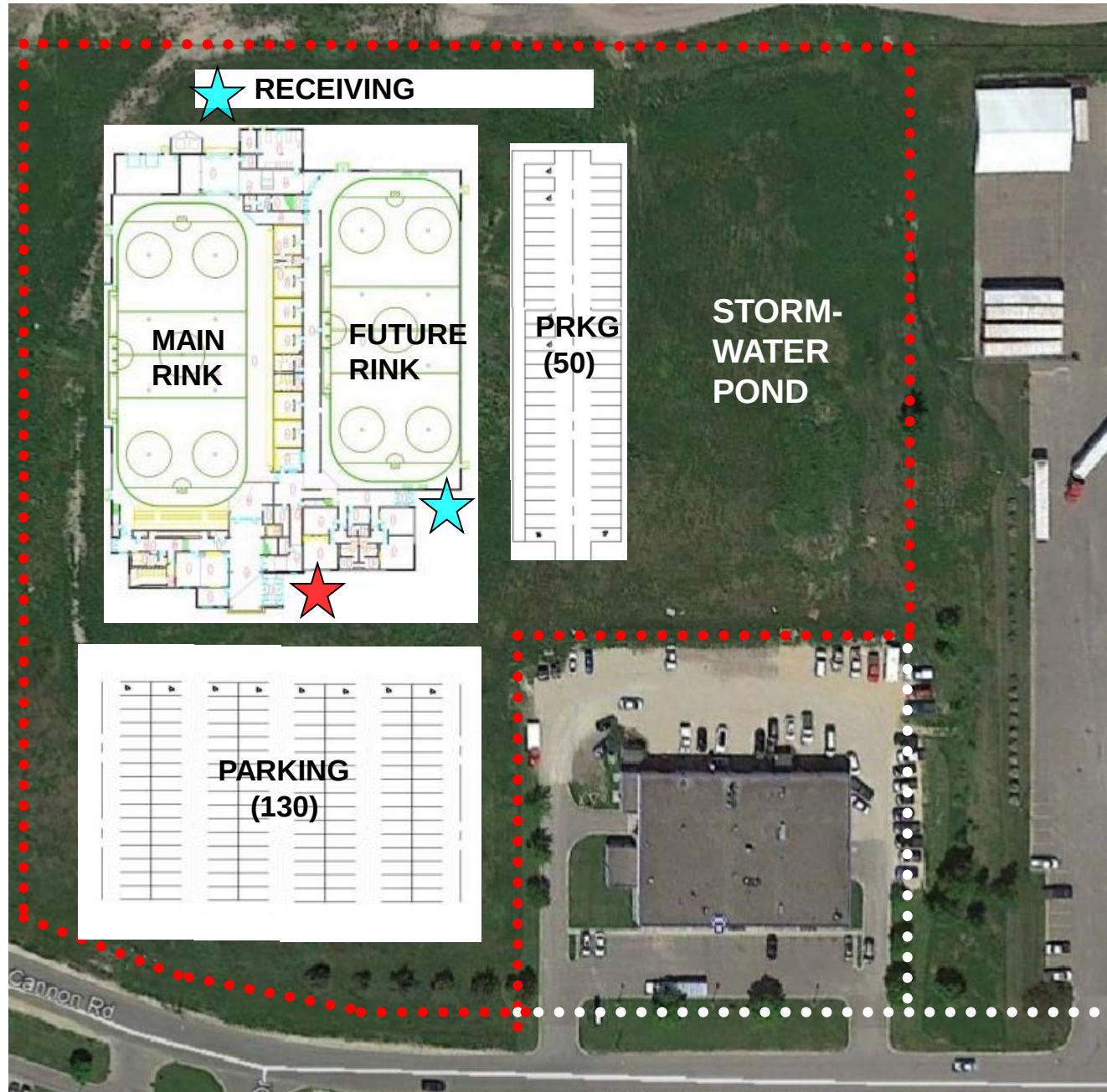
Primarily staff and janitorial services within this budget, no proposed major changes.

Ice Arena

	2015 Actual	2016 Actual	2017 Actual	2018 YTD and % of budgeted		%	2019 Proposed	2019 vs 2018 % increase	2020 Projected
				2018 Adopted	\$ as of 6-30-18				
Personnel	94,588	98,741	105,331	71,841	52,285	72.8%	85,381	18.85%	88,554
Supplies	29,245	40,948	29,574	34,655	13,610	39.3%	31,350	-9.54%	31,400
Charges for services	93,959	90,688	91,001	98,235	30,073	30.6%	97,677	-0.57%	97,477
Other Charges	3,891	3,824	1,875	2,100	1,340	63.8%	2,100	0.00%	2,100
Capital outlay	2,000	-	-	7,000	-	0.0%	-	-100.00%	12,000
Debt services	136,962	136,962	136,962	136,962	68,481	50.0%	136,962	0.00%	136,962
Transfers out	-	-	-	-	-	0.0%	-	0.00%	-
Total	360,645	371,163	364,743	350,793	165,789	47.3%	353,470	0.76%	368,493
Offsetting Revenues:									
Charges for Services	313,463	272,199	276,741	285,200	109,176	38.3%	225,200	-21.04%	225,200
Transfers In									
Total	313,463	272,199	276,741	285,200	109,176	38.3%	225,200	-21.04%	225,200

- \$60,000 revenue reduction – eliminates St. Olaf revenue, consider other user rate increases
- Compressor #2 Maintenance Work
- Summer Ice Included
- Purchase 200/lbs R-22

Cannon River Multi-Purpose Civic Center & Ice Arena



**Concept
Site Plan**

Options if November Vote Doesn't Pass Consider \$7 Million Tax Abatement Bond

**Existing Northfield Community Arena –
Proposed Addition and Alterations**

(Property Tax Impact)

Site: 2 – 3 Acres

Existing Building: 25,620 S.F.

Proposed Addition: 9,100 S.F.

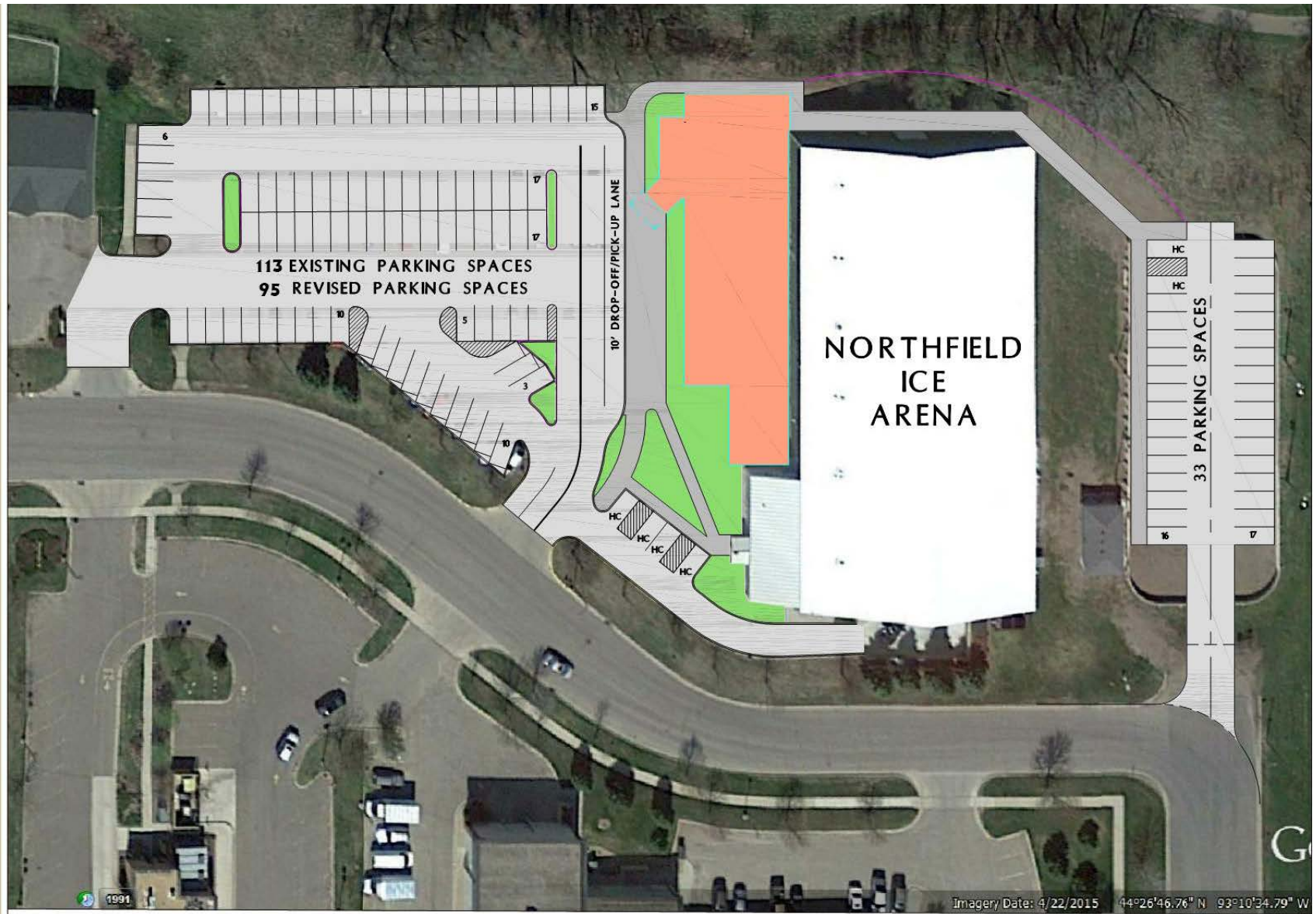
Total Building Area: 34,720 S.F.

Estimated Project / Construction Costs (Jan. 2020 Bid Date):

Construction Cost: \$ 5,600,000

Project Cost: \$ 6,984,000

Northfield Ice Arena – Long Range Facility Analysis



Context Aerial Plan

Policy Question

If the Multi-purpose Civic Center Referendum doesn't pass

- A. Consider \$7M remodel of existing facility, funded with a bond (no referendum)
- B. Consider \$1.3M to keep facility operational, funded with a bond (no referendum)
- C. City closes the Arena and gets out of arena operations
- D. Other alternative

General Parks

	2015 Actual	2016 Actual	2017 Actual	2018 YTD and % of budgeted		%	2019 Proposed	2019 vs 2018 % increase	2020 Projected
				2018 Adopted	\$ as of 6-30-18				
Personnel	44,880	39,452	41,196	101,936	8,030	7.9%	106,028	4.01%	111,051
Supplies	38,776	40,755	38,890	42,000	20,912	49.8%	41,500	-1.19%	41,500
Charges for services	119,033	141,373	126,461	160,250	17,174	10.7%	162,700	1.53%	162,700
Other Charges	1,330	582	85	3,180	-	0.0%	680	-78.62%	680
Transfers out	-	-	-	-	-		-		-
Total	204,019	222,162	206,632	307,366	46,116	15.00%	310,908	1.15%	315,931
Offsetting Revenues:									
Charges for Services	5,191	5,179	5,321	3,900	1,769	45.4%	3,900	0.00%	3,900
Total	5,191	5,179	5,321	3,900	1,769	45.4%	3,900	0.00%	3,900

- Replace Playground Mulch 4 Playgrounds (\$25,000)
- Trail Maintenance – Fog and Crack Seal
- Park Shelter Assessments
- Replace Mower and Tractor

Staffing Request

- Request for 2 Street & Park Operators
 - Park Maintenance, Mowing, Trimming, Patching, and repairs falling behind.

Comparable

- Northfield Street & Parks – 5 Street & Parks Operators = 5 FTE
- Faribault - Streets – 7 Street Operators & 5 Parks Maintenance = 12 FTE
- Rosemount – Street – 5 Operators & 5 Parks Maintenance = 10 FTE
- Owatonna – Street – 4 mechanics, 12 Operators & 6 Parks Maintenance = 18 FTE, they also have two parks FTE at the golf course that help in parks maintenance in the offseason.

Replace Playground Mulch at Five Parks



Playground Mulch Replacements:

1. Prairie Hills Park
2. John North Park
3. Way Park
4. Cherry Park
5. Washington Park
6. Estimated Cost: \$25,000

Athletic Facilities

	2015 Actual	2016 Actual	2017 Actual	2018 YTD and % of budgeted		%	2019 Proposed	2019 vs 2018 % increase	2020 Projected
				2018 Adopted	\$ as of 6-30-18				
Personnel	24,422	5,803	26,262	45,550	989	2.2%	44,148	-3.08%	46,240
Supplies	24,255	43,075	40,367	36,250	11,974	33.0%	36,250	0.00%	36,250
Charges for services	47,196	46,383	55,671	53,000	9,320	17.6%	54,500	2.83%	54,000
Transfers out	-	-	-	-	-		-		-
Total	95,873	95,261	122,300	134,800	22,283	16.5%	134,898	0.07%	136,490

No changes

Outdoor Pool

	2018 YTD and % of budgeted						2019 Proposed	2019 vs 2018 % increase	2020 Projected
	2015 Actual	2016 Actual	2017 Actual	2018 Adopted	\$ as of 6-30-18	%			
Personnel	98,175	102,395	87,735	127,104	19,460	15.3%	147,551	16.09%	156,487
Supplies	51,244	50,339	44,118	57,100	15,518	27.2%	52,100	-8.76%	52,100
Charges for services	36,614	30,403	34,132	47,164	8,092	17.2%	42,837	-9.17%	43,337
Other Charges	2,412	3,371	8	2,000	10	0.5%	1,500	-25.00%	1,500
Debt Services	3,500	3,500	3,500	3,500	1,750	50.0%	3,500	0.00%	3,500
Transfers out	-	-	-	-	-	#DIV/0!	-	#DIV/0!	-
Total	191,945	190,008	169,493	236,868	44,830	18.93%	247,488	4.48%	256,924
Offsetting Revenue									
Charges for Services	135,619	131,779	122,583	132,700	67,181	50.6%	132,700	0.00%	132,700

- Hollow plaster repairs.
- Pump preventative maintenance or overhaul.

Recreation Administration

	2015 Actual	2016 Actual	2017 Actual	2018 YTD and % of budgeted		2019 Proposed	2019 vs 2018 % increase	2020 Projected
				2018 Adopted	\$ as of 6-30-18			
Personnel	85,571	85,472	85,770	89,373	42,132	47.1%	93,645	97,076
Supplies	-	-	-	300	-	0.0%	-	-
Charges for services	115,386	119,859	124,505	129,128	63,084	48.9%	132,954	132,954
Other Charges	277	287	-	425	-	0.0%	425	425
Transfers out	-	-	-	-	-	-	-	-
Total	201,234	205,618	210,275	219,226	105,216	48.0%	227,024	230,455

Offsetting Revenues:

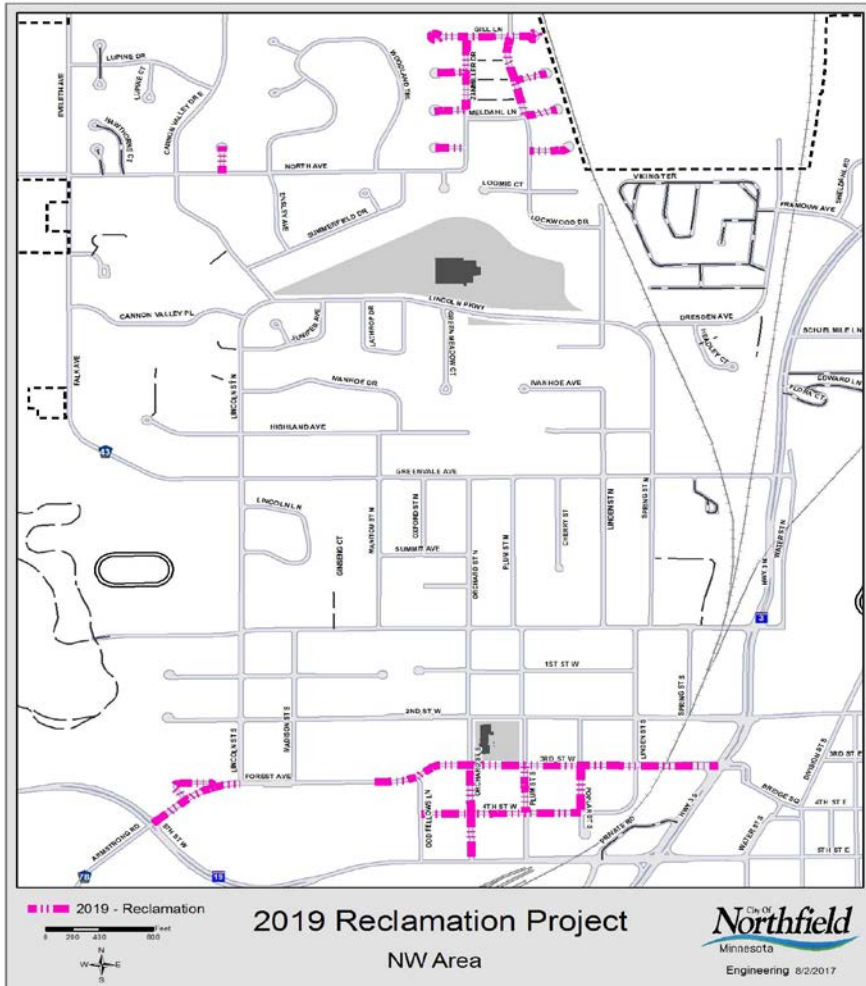
Contributions & Donations	110,315	110,315	113,072	113,072		113,072	-
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School District Agreement and pass through from hospital donation updated.

CIP [Street Projects]

2019 Street Improvements

Northwest Area Reclamation



- Grundhoffer Court
- Zanmiller Drive - Meldahl Lane to Gill Lane
- Ecklund Court
- Covey Court
- Wilson Court
- Simione Court
- Nelson Court
- Kimball Court
- Hackerson Court
- Blue Stem Court
- Lockwood Drive – Kimall Court to Simione Court
- Gill Lane – Lockwood Drive to Zanmiller Drive
- Third Street – TH #3 – Three Links
- Plum Street – Third Street to Fourth Street
- Poplar Street – Third Street to Fourth Street
- Orchard Street – Third Street to Fifth Street
- Fourth Street – Oddfellows Lane to Poplar Street
- Forest Avenue – Lincoln Street to TH 19

2019 Street Improvements

Northwest Area Reclamation



Lockwood Drive



Lockwood Drive



2019 Street Improvements

Northwest Area Reclamation



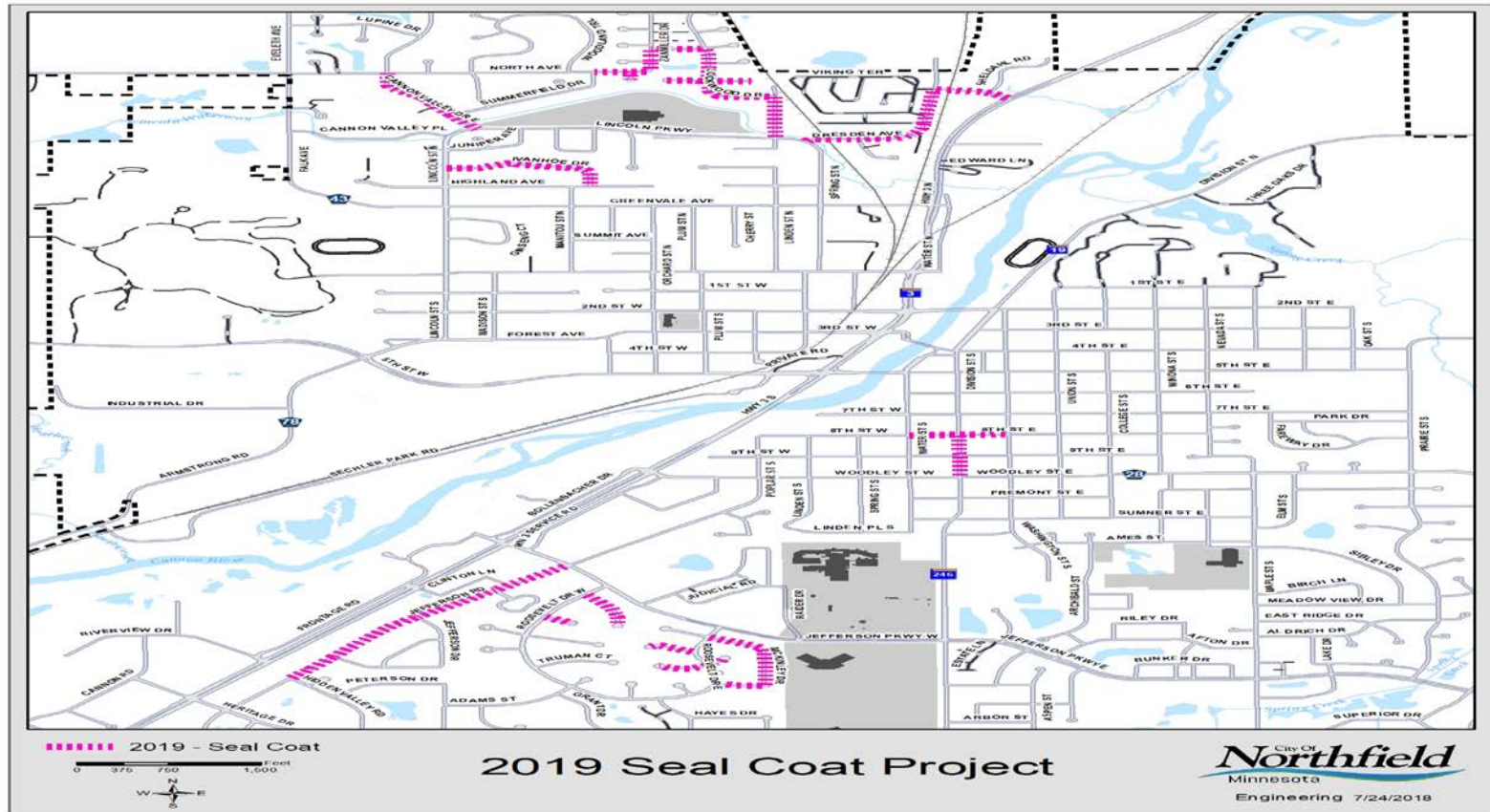
Fourth Street West



Plum Street South



CIP [Street Maintenance]



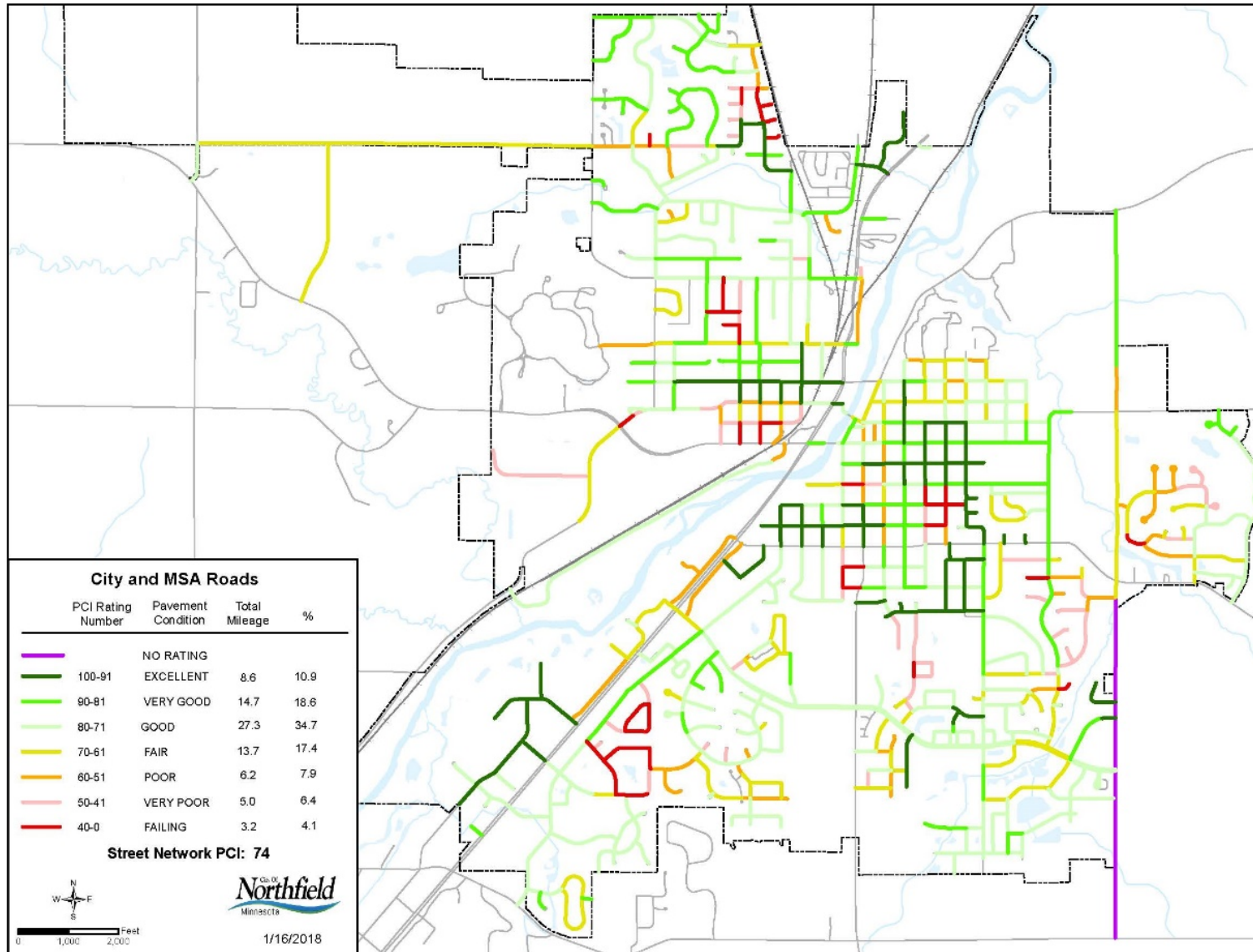
2019 Seal Coat - \$134,000 From MSA Maintenance

CIP 2019 Seal Coat

STREET	TERMINI	TERMINI
Eighth Street	Water Street	Washington
Division Street	Eighth	Woodley Street
Fremouw Avenue	Lincoln St	West Dead End
Dresden Avenue	TH #3	Dresden Avenue
Mckinley Drive	Zanmiller Drive	Summerfield Drive
Van Buren Court	Roosevelt Drive	Roosevelt Drive
Kennedy Court	Roosevelt Drive	Cul-de-sac
Monroe Court	Roosevelt Drive	Cul-de-sac
Eisenhower Court	Roosevelt Drive	Cul-de-sac
Buchanan Court	Roosevelt Drive	Cul-de-sac
Linden Street	Lincoln Parkway	Lockwood Drive
Lockwood Drive	Linden Street	Meldahl Lane
Meldahl Lane	Zanmiller Drive	Lockwood Drive
North Avenue	Zanmiller Drive	Summerfield Drive
Zanmiller Drive	Meldahl Lane	North Avenue
Livingston Court	Lockwood Drive	Cul-de-sac
Loomis Court	Lockwood Drive	Cul-de-sac
Nutting Court	North Avenue	Cul-de-sac
Jefferson Road	Jefferson Parkway	Hidden Valley Road
Cannon Valley Drive	North Avenue	Lincoln Parkway
Ivanhoe Drive	Lincoln Parkway	Highland Avenue

Pavement Condition Index

PCI: 74 Local Miles: 79

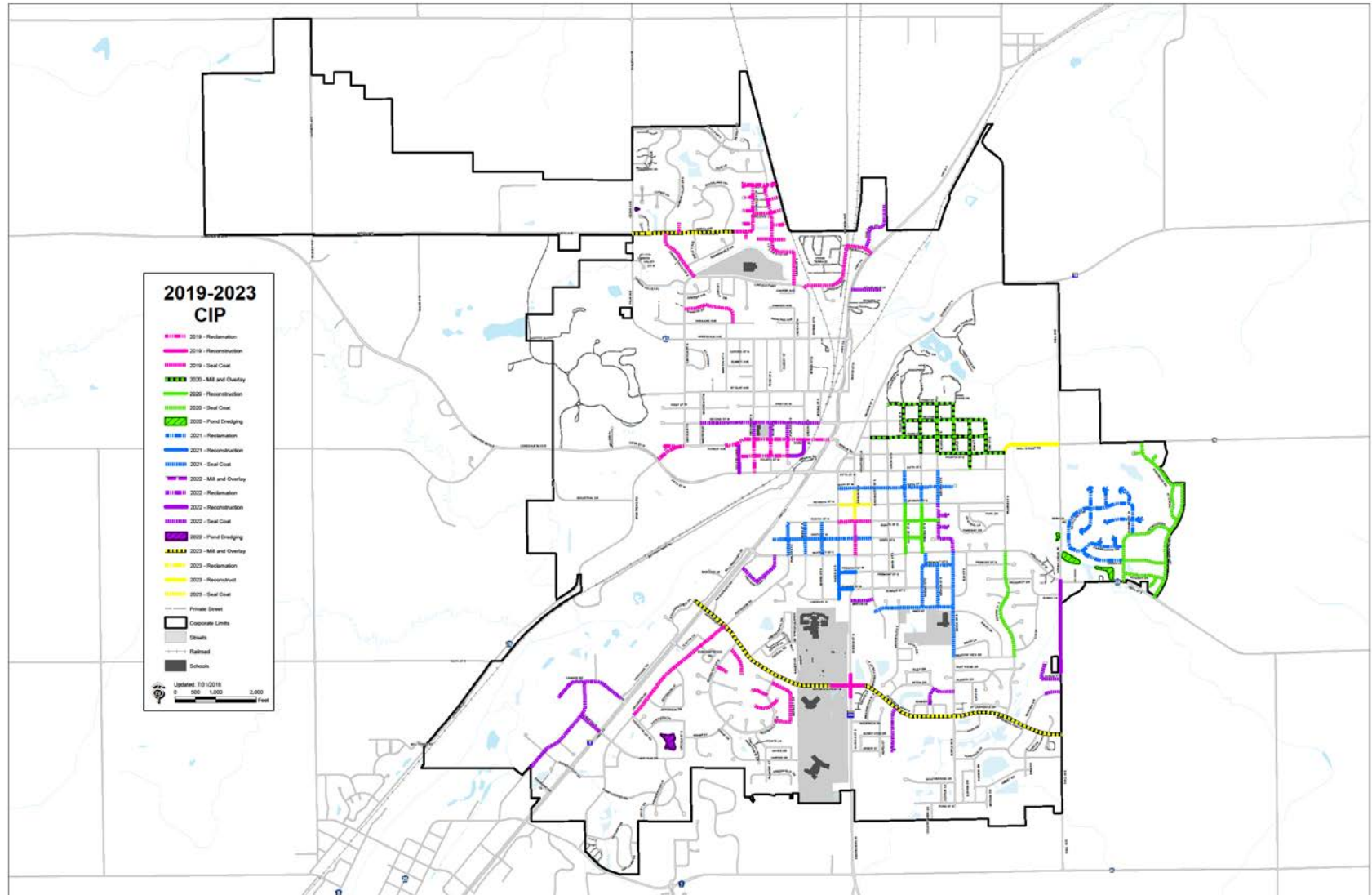


PCI Goals & Funding

Current PCI 74	
PCI Goal	Average Funding
66	\$1.6 Million/Year
68	\$1.9 Million/Year
70	\$2.4 Million/Year
72	\$2.5 Million/Year
74	\$2.8 Million/Year
76	\$3.1 Million/Year
78	\$3.4 Million/Year
80	\$3.8 Million/Year
82	\$4.1 Million/Year



2019-2023 Street Improvement



PCI Goals & Funding

vs. 2019-2023 CIP Program

Current PCI 74		Funding – Bonding/State-Aid/Assessment	
PCI Goal	Average Funding	2019	¹ \$1.7 Million
66	\$1.6 Million/Year	2020	\$2.8 Million
68	\$1.9 Million/Year	2021	\$2.0 Million
70	\$2.4 Million/Year	2022	² \$703,000
72	\$2.5 Million/Year	2023	\$2.9 Million
74	\$2.8 Million/Year	Total	\$10.1 Million
76	\$3.1 Million/Year	5 Year Average	\$2 Million/Year
78	\$3.4 Million/Year		
80	\$3.8 Million/Year		
82	\$4.1 Million/Year		

¹ - \$1.4 Million excluded Jeff. Pkwy & Th 246 Roundabout

² - \$2.9 Million excluded Phase II Spring Creek Road



Policy Question

- Pavement Management discussion



Facilities Fund

- Street Maintenance Facility Roof Replacement proposed 2019
- Staff had a Mechanical Engineering Study completed on HVAC and boiler replacement at City Hall. Results will impact CIP in the future.



Street Shop Roof

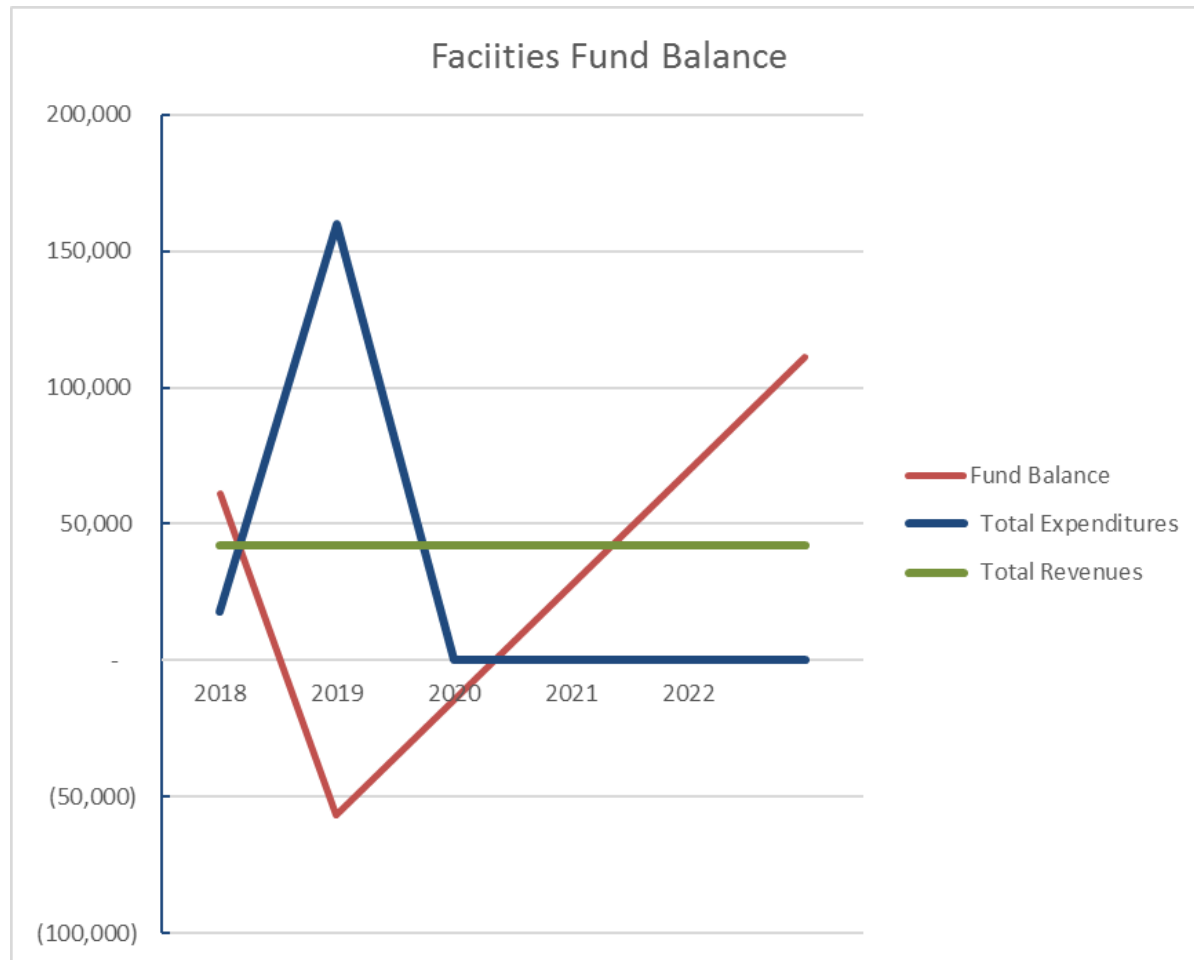


City Facilities Fund

	2018 YTD and % of budgeted								
	2015 Actual	2016 Actual	2017 Actual	2018 Adopted	\$ as of 6-30-18	%	2019 Proposed	2019 vs 2018 % increase	2020 Projected
Revenues by Major Category									
Property Taxes	40,000	40,000	42,000	42,000	14,492	34.5%	42,000	0.00%	42,000
Intergovernmental	-	-	-	-	-		-		-
Other Revenue	21	1,181	163	-	128	#DIV/0!	500	#DIV/0!	500
Transfers In	-	-	-	-	-		-		-
Total Revenue	40,021	41,181	42,163	42,000	14,620	34.8%	42,500	1.19%	42,500
Other financing sources									
Capital lease proceeds	-	-	-	-	-		-		-
Total Revenue and other financing	40,021	41,181	42,163	42,000	14,620	34.8%	42,500	1.19%	42,500
Expenditures									
Capital Outlay:									
Facilities Upgrade	-	-	-	-	-		-		-
Other Improvements	-	-	63,264	18,000	-	0.0%	160,000	788.89%	-
Total	-	-	63,264	18,000	-	0.0%	160,000	788.89%	-
Transfers out	-	-	-	-	-		-		-
Total Expenditures	-	-	63,264	18,000	-	0.00%	160,000	788.89%	-
Revenues over (under)									
Expenditures	40,021	41,181	(21,101)	24,000	14,620	60.9%	(117,500)	-589.58%	42,500
Fund Balance - Jan 1st	(22,921)	17,100	58,281	37,180			61,180		(56,320)
Fund Balance - Dec 31st	17,100	58,281	37,180	61,180			(56,320)		(13,820)

- Fund balance is not large enough to accommodate roof replacement, preliminary cost estimate of \$160,000

City Facilities Fund



- Fund balance is not large enough to accommodate roof replacement, preliminary cost estimate of \$160,000

Utility Funds

- Detail to be presented with Utility Rate Study prior to setting rates
- Items to be included
 - WasteWater Operation Analysis \$75,000
 - WasteWater Facility Update \$75,000
 - Climate Action Plan Consultant (Plan Development) \$60,000 (50% Storm 50% Garbage)
- Currently working on Utility Rate Study

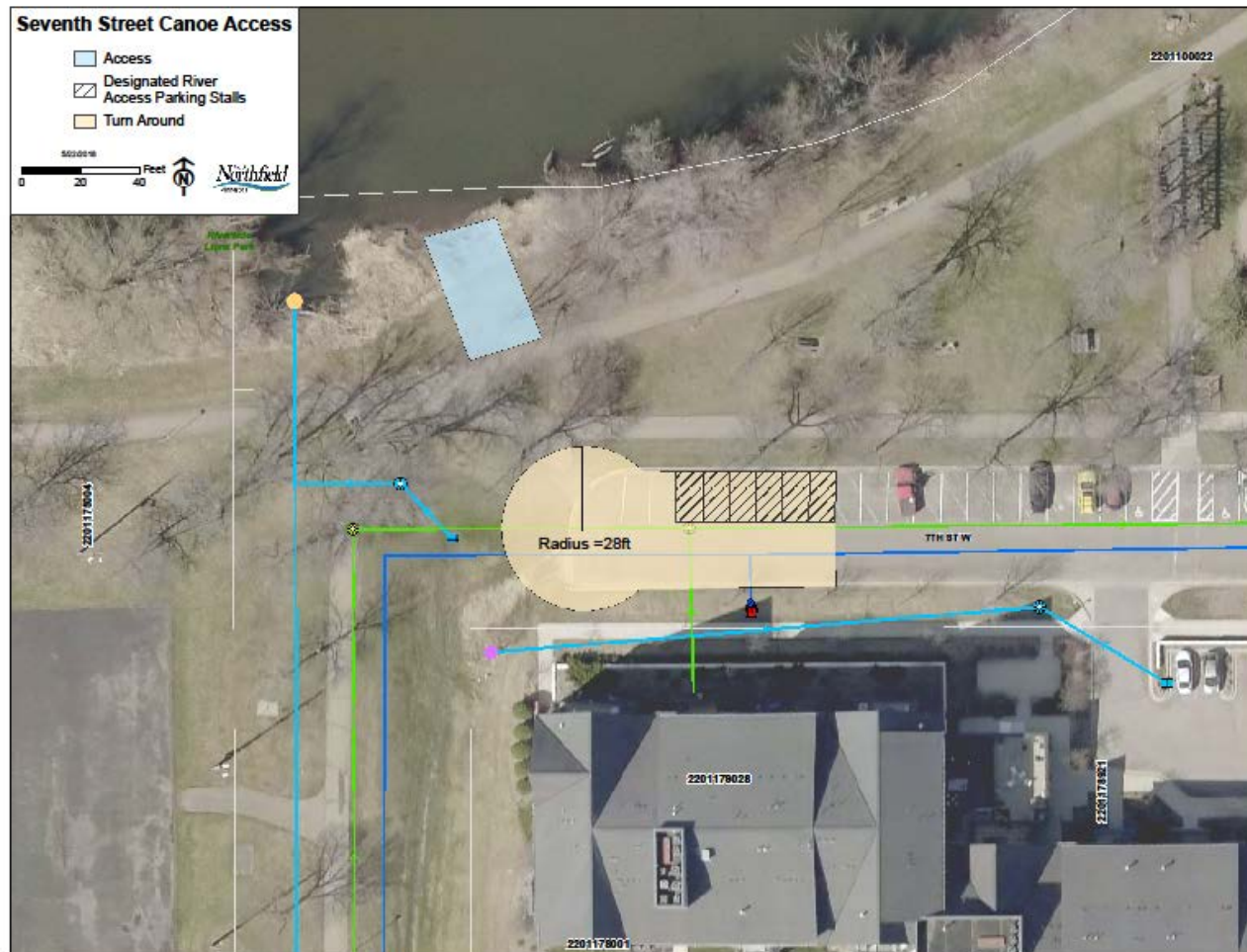


Park Fund

- 2019 Riverside Park River Access (\$50,000)
 - 2019 Way Park Paver Patio (\$7,500 City Share other 50% Friends of Way Park)
 - 2019 River Corridor Concept Planning (\$20,000)
 - 2019 Park Shelter Assessment (\$10,000)
 - Total 2019 = \$87,500
-
- Ames Park Gateway Enhancements \$175,000 not included
- 

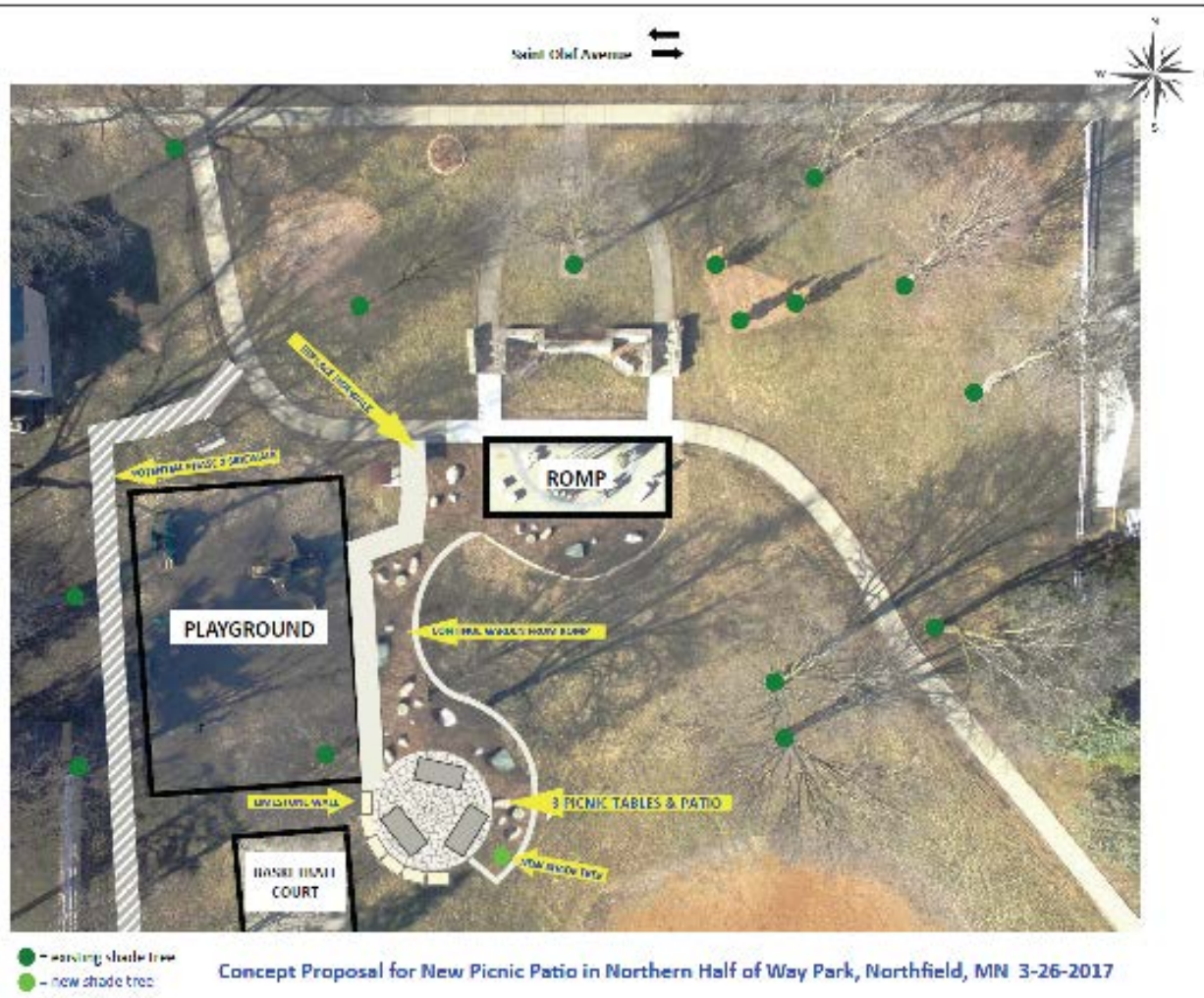
Park Fund

- 2019 Riverside Park River Access (\$50,000)



Park Fund

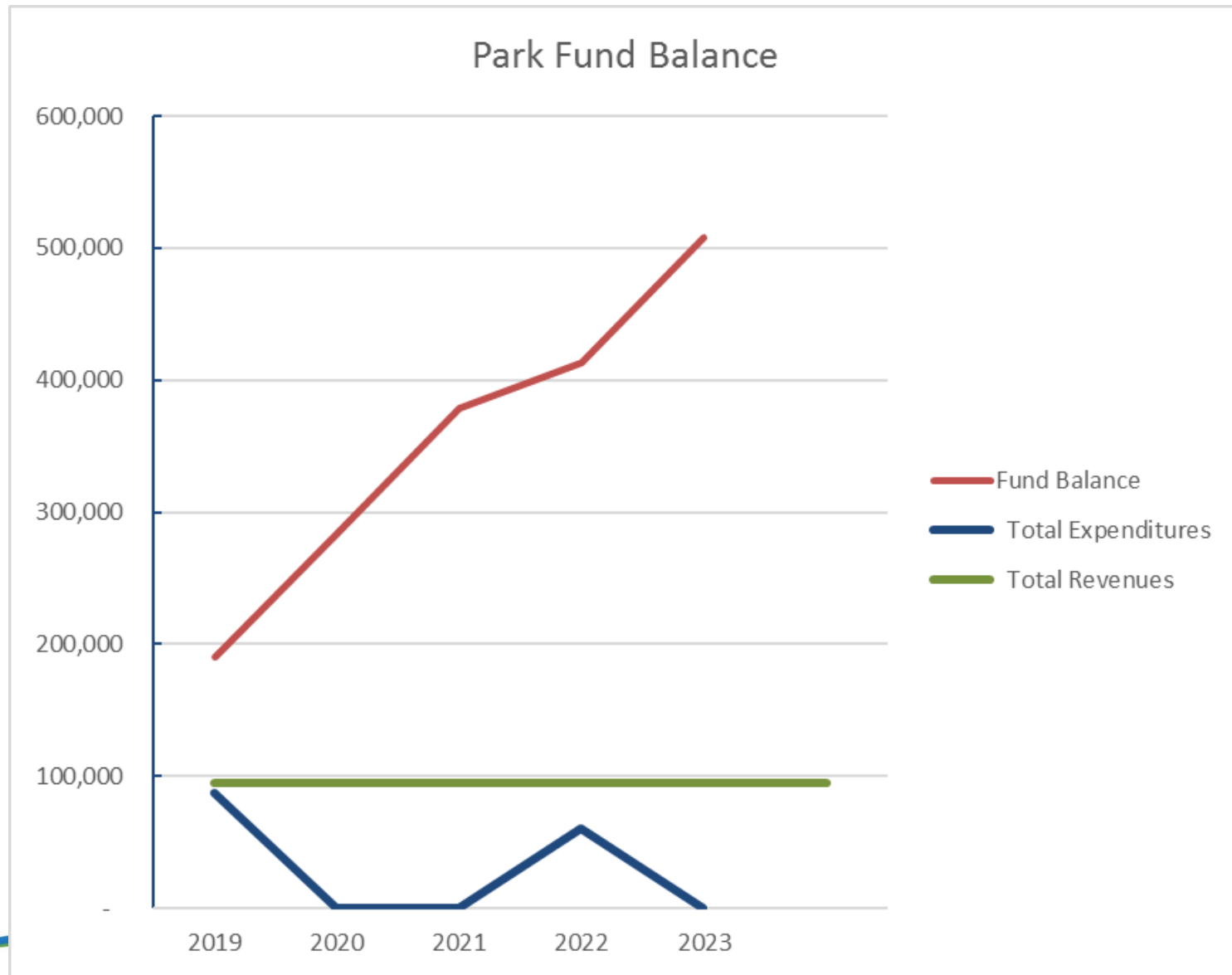
- Way Park Paver Patio/Picnic Area (\$7,500) other 50% Contribution from Friends of Way Park



Park Fund

	2015 Actual	2016 Actual	2017 Actual	2018 YTD and % of budgeted		%	2019 Proposed	2019 vs 2018 % increase	2020 Projected
				2018 Adopted	\$ as of 6-30-18				
Revenues by Major Category									
Property Taxes	65,000	90,000	94,500	94,500	32,608	34.5%	94,500	0.00%	94,500
Intergovernmental	-	326,764	463,700	-	-		-		-
Charges for Services **	7,551	5,310	4,179	-	2,090		4,000		4,000
Other Revenue	78,265	39,090	18,942	-	20,000	#DIV/0!	5,000	#DIV/0!	3,000
Transfers In	532,808	-	-	-	-		-		-
Total Revenue	683,624	461,164	581,321	94,500	54,698	57.9%	103,500	9.52%	101,500
Expenditures									
Other Services & Charges	296,413	538,969	44,945	10,000	3,638	36.4%	13,700	37.00%	-
Capital Outlay	12,867	263,807	618,975	-	195,649		77,500		-
Transfer Out	25,000	25,000	25,000	25,000	-	0.0%	25,000	0.00%	25,000
Total Expenditures	334,280	827,776	688,920	35,000	199,287	569.4%	116,200	232.00%	25,000
Revenues over (under)									
Expenditures	349,344	(366,612)	(107,599)	59,500	(144,589)	-243.0%	(12,700)	-121.34%	76,500
Fund Balance - Jan 1st	248,259	597,603	230,991	123,392			182,892		170,192
Fund Balance - Dec 31st	597,603	230,991	123,392	182,892			170,192		76,500

Park Fund



Policy Question

- Should the City consider cost sharing on the proposed project for Way Park?
- Project Prioritization?
- Support pursuit of grants related to playground equipment?



CEP - Intergovernmental

Joint Powers Agreements / Intergovernmental Hiawathaland Transit

- MNDOT Program, 80/20 split on capital expenditures
- New Bus, \$16,600



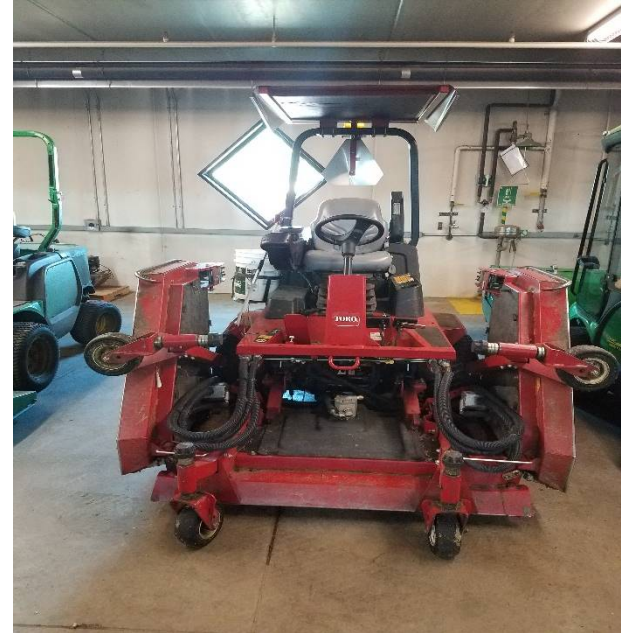
CEP – Street Department



2009 F-250 Pickup - \$37,000

1975 SnoGo Snowblower- \$150,000

CEP – Park Department



2003 Tractor - \$75,000

2009 Mower - \$60,000

CEP – Facilities

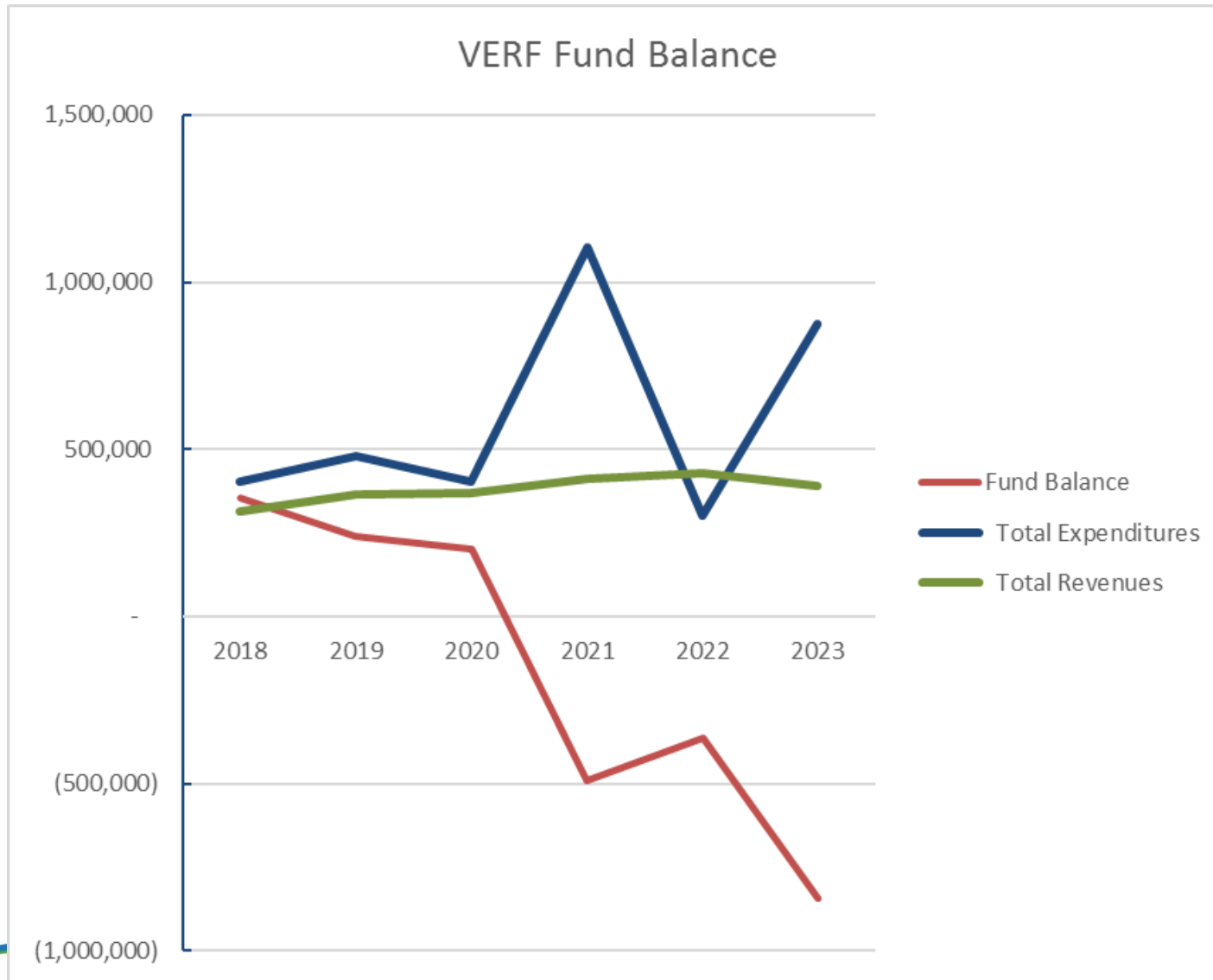


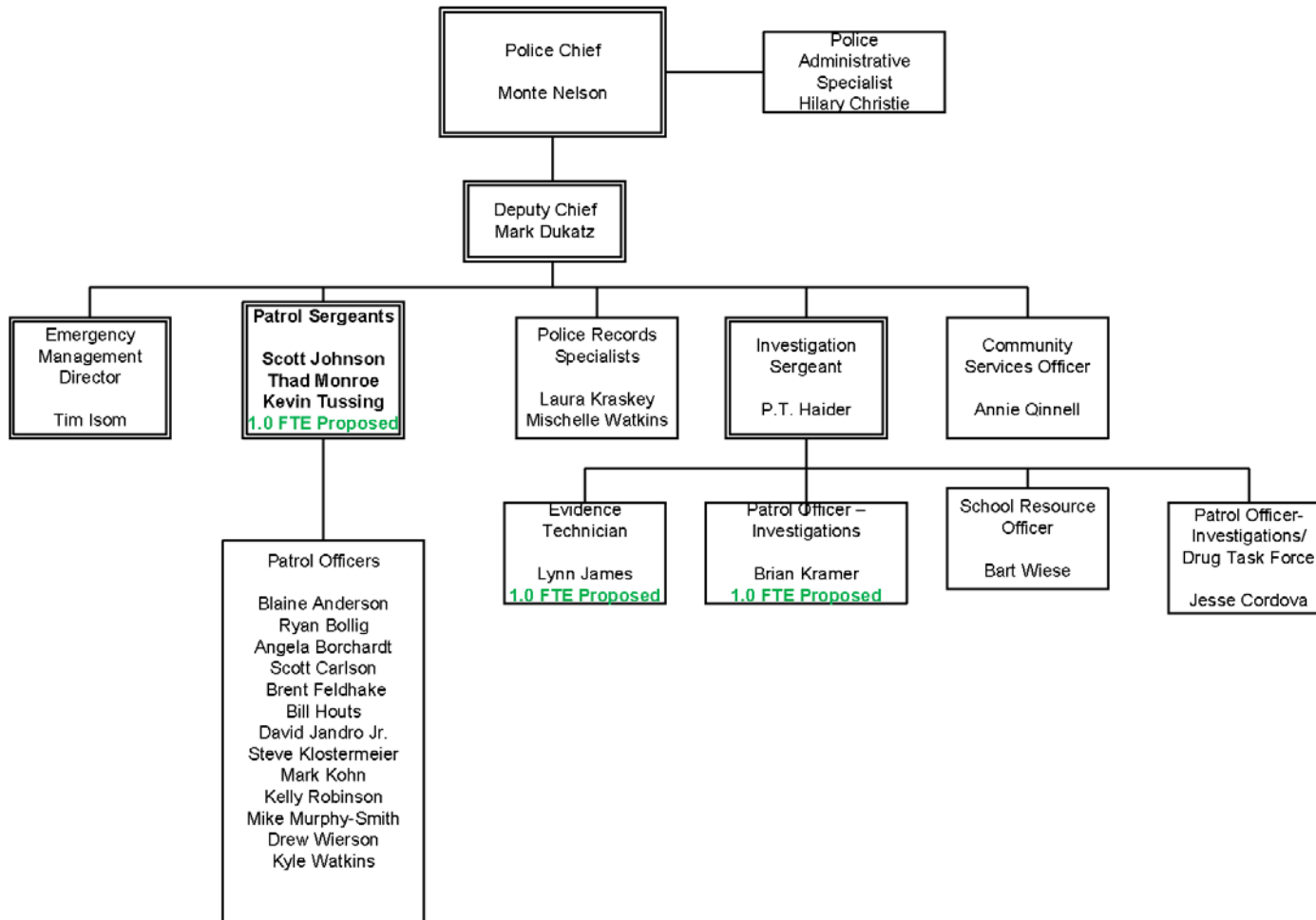
2009 Chevy 1500 - \$25,000

Vehicle & Equipment Fund

	2018 YTD and % of budgeted						2019 Proposed	2019 vs 2018 % increase	2020 Projected
	2015 Actual	2016 Actual	2017 Actual	2018 Adopted	\$ as of 6-30-18	%			
Revenues by Major Category									
Property Taxes	275,075	300,075	315,079	315,079	108,720	34.5%	315,079	0.00%	315,079
Intergovernmental	-	-	88,312	-	29,672		-		-
Other Revenue	3,052	2,837	33,169	-	1,669	#DIV/0!	2,000	#DIV/0!	2,000
Sales of Assets	-	-	-	-	-		-		-
Transfers In	-	-	-	-	-		-		-
Total Revenue	278,127	302,912	436,560	315,079	140,061	44.5%	317,079	0.63%	317,079
Expenditures									
Service Charges	14,835	-	-	26,600	-	0.0%	16,000	-39.85%	17,000
Capital Outlay	300,554	391,681	461,358	371,600	362,963	97.7%	422,257	13.63%	363,888
Transfer Out	-	-	-	-	-		-		-
Total Expenditures	315,389	391,681	461,358	398,200	362,963	91.2%	438,257	10.06%	380,888
Revenues over (under) Expenditures	(37,262)	(88,769)	(24,798)	(83,121)	(222,902)		(121,178)		(63,809)
Fund Beginning Balance	586,914	549,652	460,883	436,085			352,964		231,786
Fund Ending Balance	549,652	460,883	436,085	352,964			231,786		167,977

Vehicle & Equipment Fund





POLICE DEPARTMENT

Proposed 2019



Police

			2018 YTD and % of budgeted						2020 Projected
	2015 Actual	2016 Actual	2017 Actual	2018 Adopted	\$ as of 6-30-18	%	2019 Proposed	2019 vs 2018 % increase	
Personnel	2,673,864	2,772,353	2,869,816	3,107,101	1,367,463	44.0%	3,158,930	1.67%	3,309,695
Supplies	144,881	169,508	179,675	200,000	81,993	41.0%	210,000	5.00%	200,000
Charges for services	287,686	333,532	306,119	349,286	146,346	41.9%	361,997	3.64%	366,997
Other Charges	20,795	20,287	19,174	26,200	11,100	42.4%	21,200	-19.08%	26,200
Capital outlay	13,288	-	-	-	-		-		-
Transfers out	-	-	-	-	-		-		-
Total	3,140,514	3,295,680	3,374,784	3,682,587	1,606,902	43.64%	3,752,127	1.89%	3,902,892
Offsetting Revenues:									
Intergovernmental	162,967	179,478	180,920	179,000	-	0.0%	201,950	12.82%	201,950
Charges for Services	55,236	71,539	57,768	85,852	8,251	11.5%	82,304	-4.13%	82,304
Fines & Forfeitures	95,436	64,117	78,958	94,000	49,424	77.1%	89,000	-5.32%	89,000
Total	313,639	315,134	317,646	358,852	1,495	0.5%	373,254	4.01%	373,254

General: The department continues to monitor and replace equipment, adjust the budget to accommodate these changes without increasing the budget, and plan for the future.

Personnel: The Chief is requesting the addition of two additional Sworn Officer positions for the department.

Police Staffing Increase

Number of Sworn Officers has not increased with the population or demands of the Community.

- 22 Sworn officers since 2000. Nearly all measures of police activity have continued to climb.
 - *Calls for Service:* 2011 = 17,465 2017 = 21,254
 - *Investigative Caseload:* 2014 = 42 cases 2017 = 95
- Sworn Officers per 1000 population vary, but many out-state areas such as Northfield target 1.5 – 2 officers/1000.
 - NPD is currently at 1.1 officers/1000.
 - Increase to 24 sworn officers only raises to 1.2 officers/1000.
- Overtime paid has been far over budget since 2012. Current OT budget is \$110,000.
 - Since 2012, OT paid each year has averaged \$176,835
 - 2017 Actual OT paid was \$218,350
- At current staffing levels, the Department is incapable of absorbing any staffing shortages without significant OT cost.

Police – Budget Increase Request

Additional Investigator

\$102,000/year

- Currently One full-time Investigator. All other area agencies of similar size have Three Investigators.
- The number of reports of Elder and Child Neglect/Abuse and Mental Health reports is increasing. These are time-consuming calls/investigations.
- Liquor and Tobacco License checks, U-Visa reviews, maintain Sex Offender files.
- Technology has made nearly all investigations more complex and time consuming.
- Investigators also provide critical support to:
 - Patrol
 - Drug Task Force
 - Crime Victims
 - Partner Agencies
 - Community Programming and Events

Additional Patrol Sergeant

\$121,956/year

Currently three Patrol Sergeants: two on night shift, one on day shift.

An additional Day Sergeant would provide better supervisor coverage and take over many administrative duties, including:

- Tracking and scheduling vehicle maintenance, equipment installs, etc.
 - Review, organize, and prepare for community events and programs.
 - Supervise the Emergency Management Director and organize EM preparedness, training, and equipment.
 - Supervise the Community Service Officer and oversee Animal Control issues.
 - Work with the Deputy Chief to oversee equipment purchases, maintenance and planning.
- 

CEP – Police Department



2019 Police Vehicle CEP

- CEP has been monitored and modified for regular replacement and significant long term cost savings.
- 2 Interceptor SUV's fully equipped/marked, \$38,000 each w/equipment – less sale of used squads.
- Polaris Ranger UTV: Specialty Patrol Vehicle: marked/equipped, \$33,000

Polaris Ranger UTV – Specialty Patrol

Useful for: Special/Community Events, Patrol of remote areas (Parks, Bike Trails, College Trails and Nature areas,) Reserve Officer patrol, Parking Enforcement, Community Outreach/PR, Special rescue vehicle, towing speed and message trailers, Disaster/Flood Response, Inclement Weather patrol.

Additional Info: Year around use w/heat and AC, rescue basket/backboard, 4 door, equipped similar to regular patrol squad, full light and siren package.

CEP/Replacement: Estimate 10 -12 year replacement.

2019 CEP Purchase

- 2019 Ranger XP 1000
New:
 - Minimal equipment, LE panels, and Rescue basket
 - \$33,000

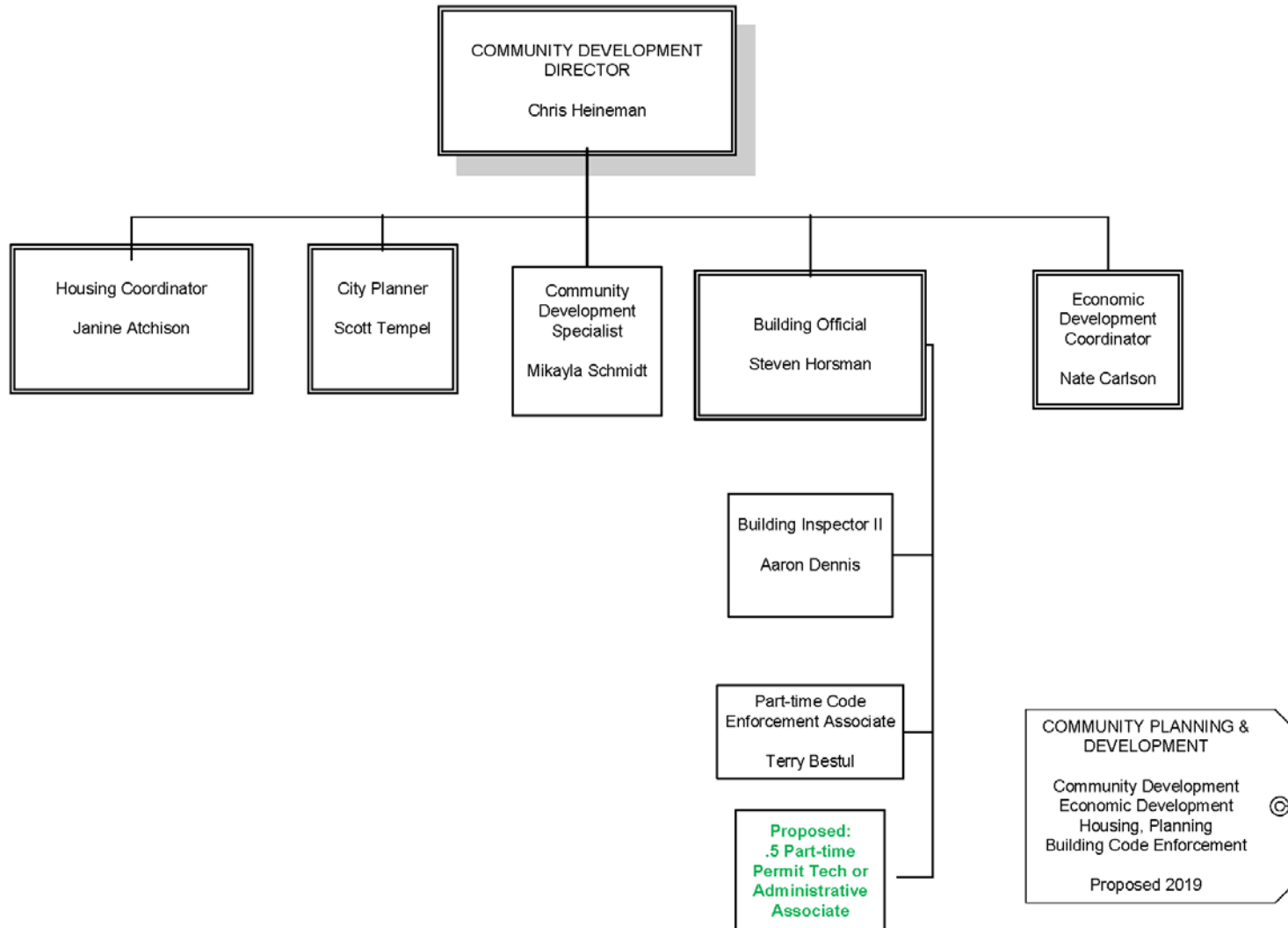
2018 Purchase

- 2018 Ranger XP 1000 – Demo Model
 - Fully Equipped LE edition
 - \$36,367 if purchased new
 - \$23,000 if purchased in 2018

CEP – Police Department

2019 CEP Police – Body Cameras

- Request funds to purchase Body Camera Systems and related Data Storage and Software. This purchase is currently unfunded.
- Planning, testing, policy creation and purchase in 2019.
- Technology is changing every year: can't test until cameras are funded.
- Cost estimate based on the WatchGuard system, compatible w/current squad car video systems in use: this could change.
 - **WatchGuard 4RE-VISTA**, 11 body cameras and related chargers, docking stations, and redaction software. \$22,555
 - Servers and Drives for proper data storage \$35,000
 - Camera Equipment Total = \$57,555
- Evidence staff increase to manage, copy, and redact related video.
 - Fulltime Evidence Tech w/Benefits \$81,869
 - Halftime Evidence Tech w/Benefits \$45,837



Community Development

	2015 Actual	2016 Actual	2017 Actual	2018 YTD and % of budgeted			2019 Proposed	2019 vs 2018 % increase	2020 Projected
				2018 Adopted	\$ as of 6-30-18	%			
Personnel	110,848	100,635	115,184	97,477	60,500	62.07%	97,750	0.28%	102,106
Supplies	524	403	791	500	99	19.80%	500	0.00%	500
Charges for Services	36,107	24,460	19,817	33,242	10,506	31.60%	29,645	-10.82%	29,645
Other Charges	86	834	1,016	1,500	895	59.67%	1,500	0.00%	1,500
Capital Outlay	-	-	-	2,000	-	0.00%	-	-100.00%	-
Transfers out	-	-	-	-	-	-	-	-	-
Total	147,565	126,332	136,808	134,719	72,000	53.44%	129,395	-3.95%	133,751

Wage Distribution

- 60% of Community Development Director position
- 10% of Community Development Specialist position
- Charges for Services line item includes budget for \$5,500 in consulting services, legal fees, IT, and staff training

Planning

	2015 Actual	2016 Actual	2017 Actual	2018 YTD and % of budgeted			2019 Proposed	2019 vs 2018 % increase	2020 Projected
				2018 Adopted	\$ as of 6-30-18	%			
Personnel	108,488	115,051	120,758	135,143	59,398	43.95%	140,869	4.24%	147,546
Supplies	174	239	90	500	286	57.20%	500	0.00%	500
Charges for Services	33,672	28,793	27,902	37,404	1,967	5.26%	37,458	0.14%	37,458
Other Charges	1,300	1,300	1,766	500	565	113.00%	1,900	280.00%	1,900
Transfers out	-	-	-	-	-	-	-	-	-
Total	143,634	145,383	150,516	173,547	62,216	35.85%	180,727	4.14%	187,404

- Charges for Services for 2019 includes anticipated consultant services for updating the Northfield Commercial Historic District National Register Nomination Form. Additional funds (\$20,000) are also include for consulting services for the NW Area planning process or a potential small area plan.
- An additional 3-5% increase in the Personnel Budget is anticipated with the proposed internal transfer of the Community Development Specialist position to Associate Planner.

Building Inspection

	2018 YTD and % of budgeted						2019 Proposed	2019 vs 2018 % increase	2020 Projected
	2015 Actual	2016 Actual	2017 Actual	2018 Adopted	\$ as of 6-30-18	%			
Personnel	172,253	185,007	212,032	259,186	97,243	37.52%	275,320	6.22%	290,335
Supplies	8,082	8,094	9,547	12,800	1,485	11.60%	11,000	-14.06%	11,000
Charges for Services	21,929	24,065	34,277	27,996	20,160	72.01%	37,472	33.85%	37,472
Other Charges	1,255	267	335	500	30	6.00%	500	0.00%	500
Transfers out	-	-	-	-	-	0.00%	-	0.00%	-
Total	203,519	217,433	256,191	300,482	118,918	39.58%	324,292	7.92%	339,307
Offsetting Revenues:									
Licenses and Permits	348,235	600,476	777,760	335,000	257,725	459	360,000	109	385,000
Charges for Services	6,160	4,970	6,020	10,000	5,740	57	6,000	(40)	6,000
Fines & Forfeitures	331	-	-	-	-	-	-	-	-
Total	354,726	605,446	783,780	345,000	263,465	76.37%	366,000	6.09%	391,000

- Additional .5 FTE Building Permit Technician / Administrative Assistant requested for 2019 (not reflected) to assist with building permit activity
- Building permit volume has increased by approximately 242% since 2014 with no additional Building Division staffing
- Building permit turnaround time increased to 4-weeks in 2018. Standard turnaround is 5-days for residential & 2-weeks for commercial projects.
- Building Permit Technician 100% funded by increased permit revenue.

EDA & HRA Prelim Levies

- Assumes EMV increase of 5.0%
 - Based on early estimates from Rice County, better values available in September
 - EDA (.01813% of EMV max)
 - HRA (.01850% of EMV max)

	2017	2018	2019 - proposed
EDA	\$ 229,488	\$ 239,680	\$ 251,664
HRA	\$ 233,968	\$ 244,263	\$ 256,476
\$ Change		\$ 10,295	\$ 12,213
% Change		4.4%	5.0%

EDA

	2015 Actual	2016 Actual	2017 Actual	2018 YTD and % of budgeted		2019 Proposed	2019 vs 2018 % increase	2020 Projected
				2018 Adopted	\$ as of 6-30-18 %			
OPERATIONS:								
REVENUES								
Taxes	213,844	220,344	229,536	239,680	83,223 34.72%	251,664	5.00%	254,105
Intergovernmental	-	-	-	-	-	-		-
Other Revenue	17,439	15,646	15,355	20,500	9,754 47.58%	20,000	-2.44%	20,000
Transfer in	-	-	138,549	-	-	-		-
Total Revenues	231,283	235,990	244,891	260,180	92,977 35.74%	271,664	4.41%	274,105
EXPENDITURES								
Personal Services	64,954	31,498	104,803	104,043	48,834 46.94%	108,426	4.21%	113,559
Supplies	425	326	104	500	26 5.20%	500	0.00%	500
Charges for Services	27,497	22,661	20,474	52,223	8,294 15.88%	34,867	-33.23%	34,867
Other Charges	110,128	84,471	80,027	102,750	75,040 73.03%	128,250	24.82%	128,250
Transfer Out	-	-	-	5,000	- 0.00%	5,000	-	5,000
Total Expenditures	203,004	138,956	205,408	264,516	132,194 49.98%	277,043	4.74%	282,176
Revenues over (under)	28,279	97,034	39,483	(4,336)	(39,217) -14.24%	(5,379)		(8,071)

HRA

2018 YTD and % of budgeted

	2015 Actual	2016 Actual	2017 Actual	2018 Adopted	\$ as of 6-30-18	%	2019 Proposed	2019 vs 2018 % increase	2020 Projected
REVENUES BY MAJOR CATEGORY									
Taxes	218,174	224,826	234,009	244,263	84,814	34.72%	256,476	5.00%	256,476
Intergovernmental	-	-	-	-	-	#DIV/0!	-	#DIV/0!	-
Other Revenue	47,793	53,125	62,052	60,752	29,324	48.27%	56,877	-6.38%	59,752
Total Revenues	265,967	277,951	296,061	305,015	114,138	37.42%	313,353	2.73%	316,228
EXPENDITURES									
Personal Services	63,254	100,057	109,269	104,716	49,682	47.44%	109,157	4.24%	114,340
Supplies	206	128	26	300	205	68.33%	300	0.00%	300
Charges for Services	21,559	30,283	33,352	95,100	21,080	22.17%	81,867	-13.91%	82,091
Other Charges	43,019	82,145	43,593	46,899	23,180	49.43%	49,523	5.60%	47,170
Debt Service						#DIV/0!		#DIV/0!	
Capital Outlay	56,513	96,253	53,681	58,000	4,059	7.00%	60,625	4.53%	58,000
Transfer Out	-	-	-	-	-	#DIV/0!	-	#DIV/0!	-
Total	184,551	308,866	239,921	305,015	98,206	32.20%	301,472	-1.16%	301,901
Revenues over (under)	81,416	(30,915)	56,140	-	15,932	5.22%	11,881		14,327

Other Items - Capital Equipment or Projects

- NAFRS – new Pumper Truck
 - \$620,000 (City Share 71.57% is \$443,734)
 - Funding: Cash Reserves vs Bonding
- Emerald Ash Borer – 10 year program
 - \$135,000 annual cost

Other Items not included

- Library Municipal ID – PT
 - Demand trend is decreasing
- Gardener/Landscaper - PT
 - Covered by Street & Park Operator request
- Non-annual Street Project Pedestrian Infrastructure
 - Trails & Gaps to be identified in Parks & Trail System Update
- City Hall safety & security enhancements
 - Window coverings included in City Hall Operations

Alternative Revenue Sources

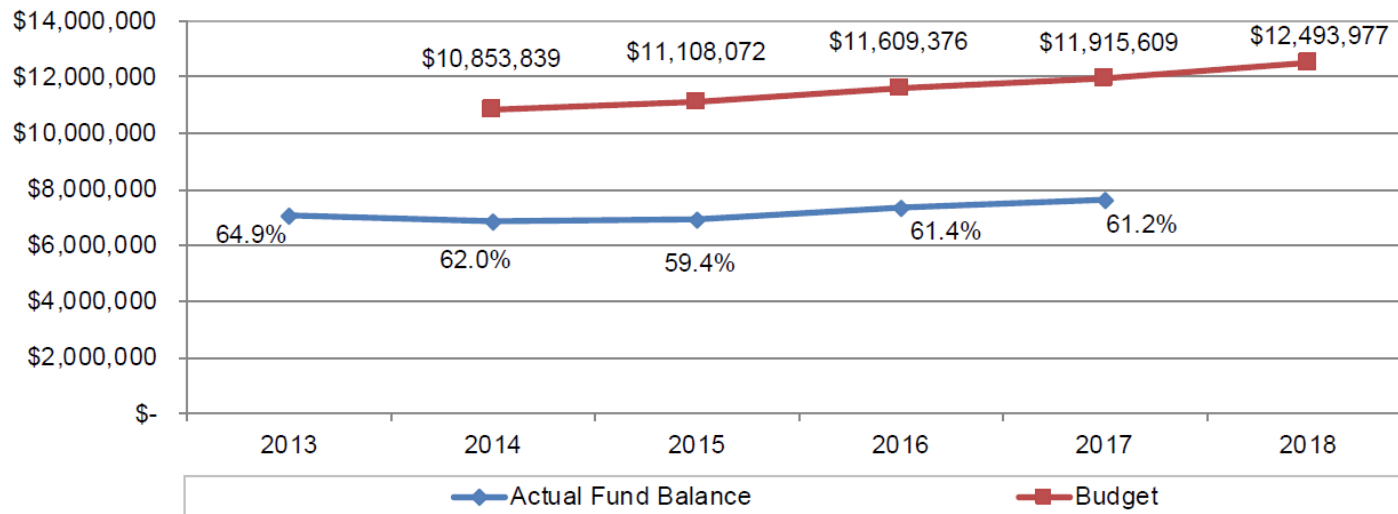
- Franchise Fees
 - Electric
 - Gas
- Local Sales Tax
 - 70% Multi-purpose Civic Center & Ice Arena
 - 30% Parks & Trails

General Fund Balance

Year	Total General Fund Balance December 31	Budget Year	General Fund Budget	of Fund Balance to Budget
2013	\$ 7,040,453	2014	\$ 10,853,839	64.9 %
2014	6,890,491	2015	11,108,072	62.0
2015	6,900,596	2016	11,609,376	59.4
2016	7,315,431	2017	11,915,609	61.4
2017	7,648,180	2018	12,493,977	61.2

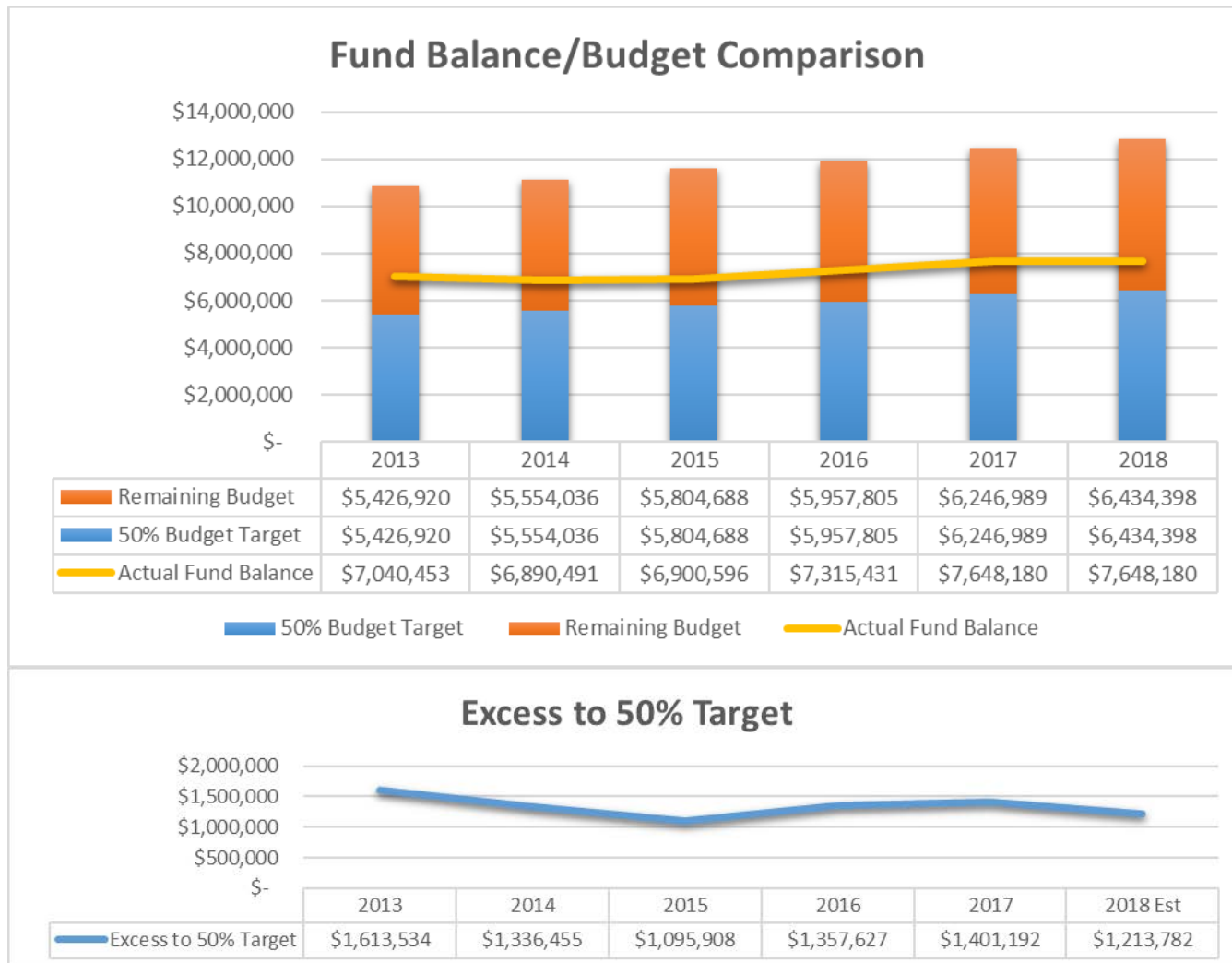
The following is an analysis of the General fund's fund balance for the past five years compared to the following year's budget:

Fund Balance/Budget Comparison



Source: Abdo, Eick & Meyers's 2017 Management Letter

General Fund Balance



Excess General Fund Cash Reserves

- Prioritization of opportunities (one-time items)
 - NAFRS Pumper Truck (\$444K City-share)
 - Transfer \$ to other Funds
 - Capital Reserve Fund
 - Vehicle & Equipment Fund (Polaris Ranger)
 - Park Fund (Ames Park Gateway Enhancements)
 - Temporary Strategic Initiative Project Management Position – 2 year
 - Accounting Software & Reporting Upgrades
 - Transit Hub Match
 - \$550K of total \$2.4M project (bond)
 - \$300K access drive only (consider 2019 if grant not approved)

Excess General Fund Cash Reserves

- Projected excess general fund balance reserve at the end of 2018/2019
 - \$1.2M - \$900K
- Prioritization of potential one-time projects noted on previous slide
 - Transfers to other Funds for current/future projects
 - Park Fund, Vehicle & Equipment, City Facilities, Capital Reserve
 - Current funding of one-time projects vs bonding (NAFRS Pumper Truck, Transit Match Hub)
 - Temporary Position – 2 year - Strategic Initiatives
 - One-time Technology Upgrade (Accounting Software/Reporting)

Discussion

- September 11th Budget Review
- September 18th adoption of Preliminary Levy
- Initial Budget review includes more project ideas than money available
- Final Levy can go down, but not up from Preliminary Levy set on September 18th