



2019 Budget Update
September 18th, 2018

9/13/18

Budget & Levy Scenarios

- 5 Levy Options presented
 - 4.9%
 - 6.0%
 - 7.0%
 - 8.85%
 - 9.86%
- Final levy can go down, but not up

Estimated Market Value and Net Tax Capacity Changes

- Preliminary estimates for market value and net tax capacity have been received from both Rice and Dakota County
 - Estimated Market Value increase of 6.6%
 - Approximately 10% of increase is related to new development
 - Estimated Net Tax Capacity increase of 7.7%
 - An increase in net tax capacity helps offset the impact of an increase in the levy

Additional Personnel Budget Requests

- **Police Officers**
 - \$102,000 Investigator
 - \$121,956 Patrol Sergeant
- **Communication Specialist PT to FT**
 - \$40,000 Benefits & additional hours
- **Streets and Parks Operators**
 - \$180,700 for two


Police Staffing Increase

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

- 22 Sworn officers since 2000. Population has increased by about 3000, and 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
 - *Mental Health Calls:* 2013 = 48 cases 2017 = 147
- Since 2012, Overtime paid each year has averaged \$176,835; budgeted OT is \$110,000. Current staffing levels cannot absorb officer absences.
- POST mandated trainings (Implicit Bias, De-Escalation, Community engagement,) continue to increase.
- All other nearby, comparable departments have three or more Investigators.
- Currently gaps in supervisory coverage on Patrol

Police – Budget Increase Request


Investigator \$100,000/year = 1.12% Levy Increase

- 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
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Police – Budget Increase Request


Patrol Sergeant \$122,000/year = 1.37% Levy Increase

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.
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Communication – Personnel Budget

Increase Request .6 FTE to 1.0 FTE

- Results from “Northfield should place more emphasis on communication effort to improve public information on City services and activities” indicated strong agreement from participants of the Northfield Community Survey conducted as part of the 2017 Strategic Plan process.
 - Requests for communications support and services demand more staff time.
 - City Website and App updates and maintenance.
 - Consistent social media posts and monitoring of social media pages.
 - Create/coordinate content for monthly City Employee Newsletter, Utility Bill Inserts, and monthly contributions to the Link Center newsletter.
 - Management of the City Administrator’s memo.
 - Development of Laserfiche digital forms.
 - Photography
 - Videography
 - Signage
 - Event planning and support (script writing, evites, venue arrangements, etc).
 - Support Strategic Plan priorities related to communications outreach and enhancement.
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Communications Staffing Increase

Communications Staff has not increased to meet the demands of the Community.

- May 2013: New department! Before May 2013, Staff supported Human Resources and IT functions. IT functions shifted to the Library. Communications duties were added to provide centralized, specialized responsibilities.
 - 1.0 Communications & Human Resources Manager
 - 1.6 Human Resources Technician
- September 2016 - .6 Change from Human Resources Technician to .6 Administrative Assistant
- February 2018: Job Classification & Compensation Study approved by Northfield City Council.
 - 1.0 Communications & Human Resources Director
 - 1.0 Human Resources Specialist
 - .6 Communications Specialist

Proactive communications and monitoring of digital communications systems is limited.




Streets & Parks – Budget Increase Request

Streets & Parks Operator \$90,350/year = 1.01% Levy Increase

- Request for 2 Street & Park Operators
 - \$180,700/year for two – 2.02% levy increase
 - Park Maintenance, Mowing, Trimming, Patching, and repairs falling behind.

Comparable

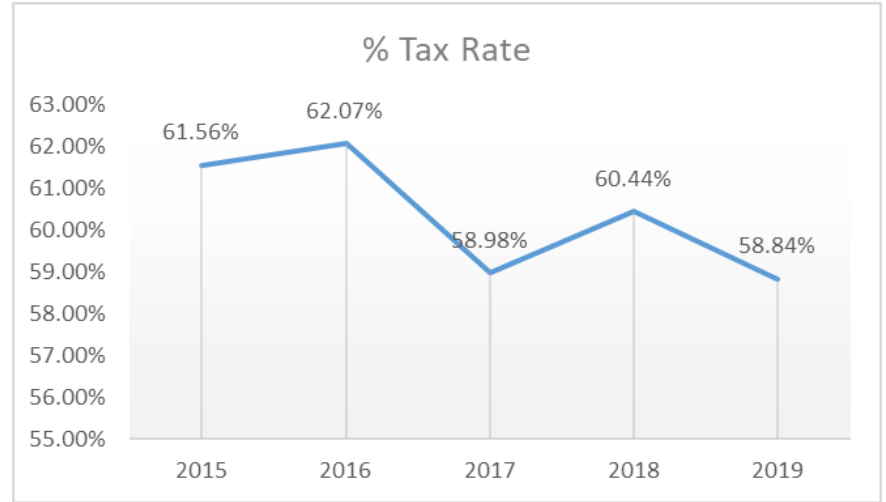
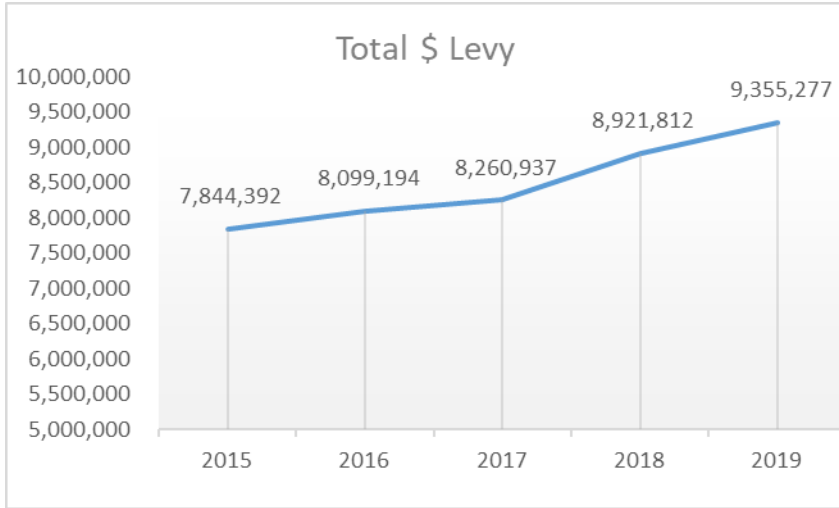
- Northfield Street & Parks – 5 Street & Parks Operators = 5 FTE
 - Faribault - Streets – 7 Street Operators & 5 Parks Maintenance = 12 FTE
 - Rosemount – Street – 5 Operators & 5 Parks Maintenance = 10 FTE
 - Owatonna – Street – 4 mechanics, 12 Operators & 6 Parks Maintenance = 18 FTE, they also have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

- \$443K NAFRS Fire Truck
- \$ 50K Accounting Software Upgrade
- \$100K Temporary Project Manager - Strategic Initiatives (\$200K total over 2 years)

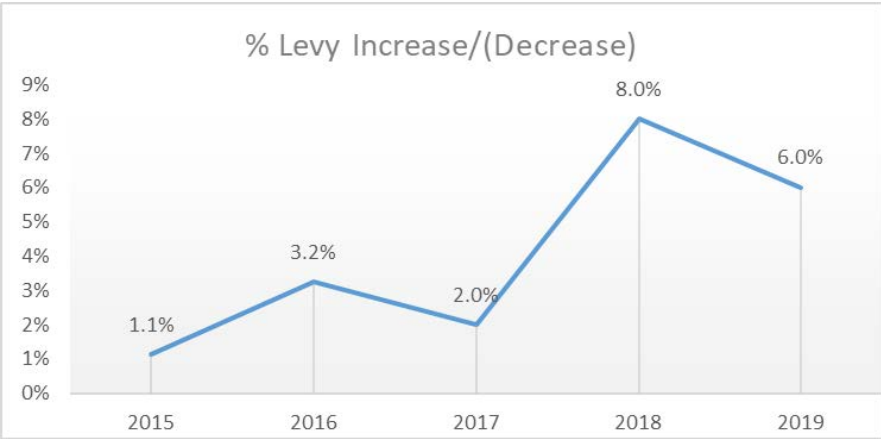
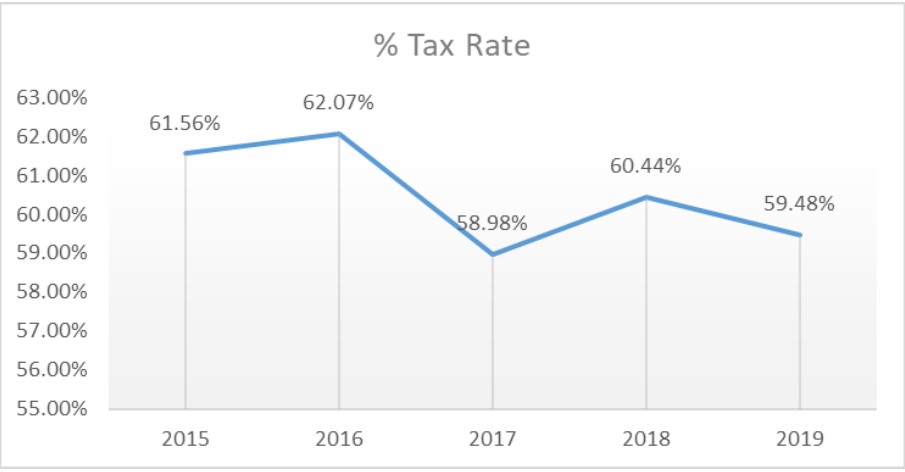
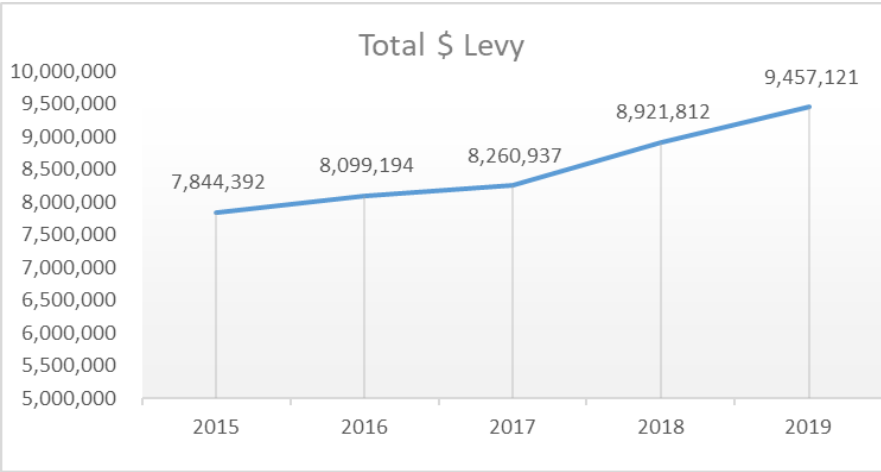
- These items not included in preliminary budget and levy
 - Expect to utilize excess general fund reserves

4.9% Levy increase



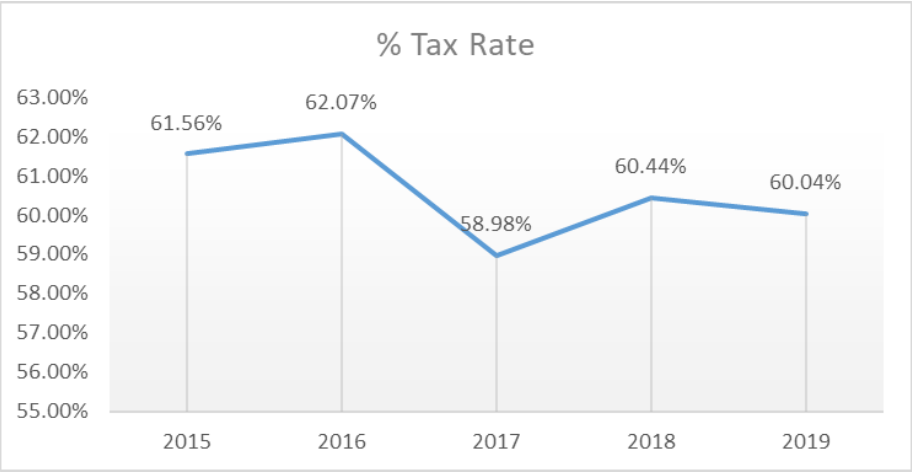
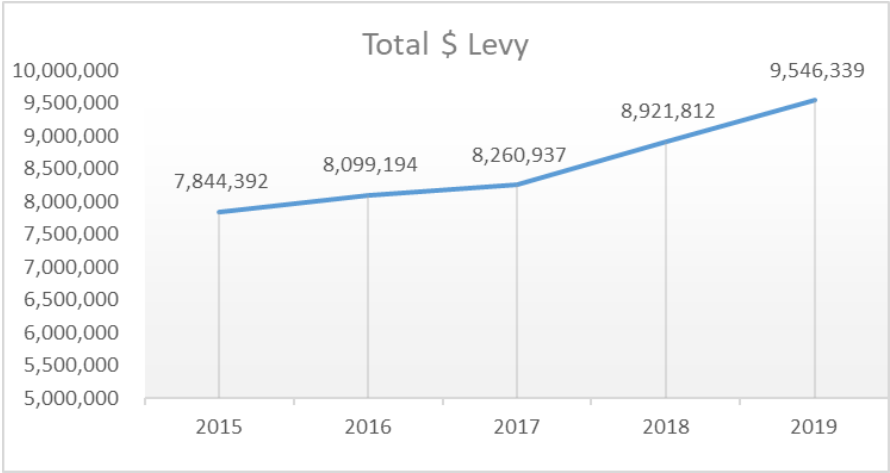
Homestead Residential Property - City Tax only						
2018	2019	2018	2019	2019v2018		
Value	Value	Tax Paid	Tax Paid	Annual Change	Monthly Change	% Change
\$150,000	\$150,000	\$763	\$743	-\$20	-\$2	-2.7%
\$150,000	\$159,900	\$763	\$807	\$43	\$4	5.7%
\$175,000	\$175,000	\$928	\$903	-\$25	-\$2	-2.7%
\$175,000	\$186,550	\$928	\$977	\$49	\$4	5.3%
\$200,000	\$200,000	\$1,093	\$1,064	-\$29	-\$2	-2.7%
\$200,000	\$266,500	\$1,093	\$1,148	\$55	\$5	5.0%
\$250,000	\$250,000	\$1,422	\$1,384	-\$38	\$6	-2.7%
\$250,000	\$266,500	\$1,422	\$1,490	\$68	\$6	4.7%
\$300,000	\$300,000	\$1,752	\$1,705	-\$47	-\$4	-2.7%
\$300,000	\$319,800	\$1,752	\$1,832	\$80	\$7	4.6%

6.0% Levy increase



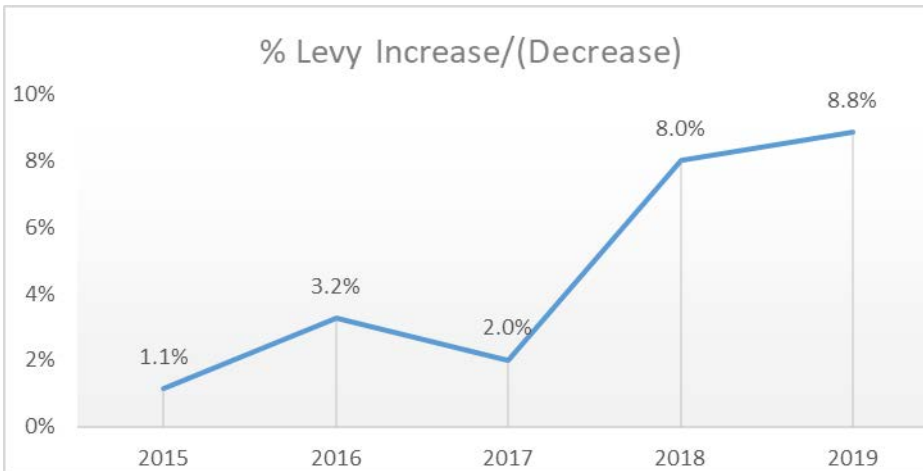
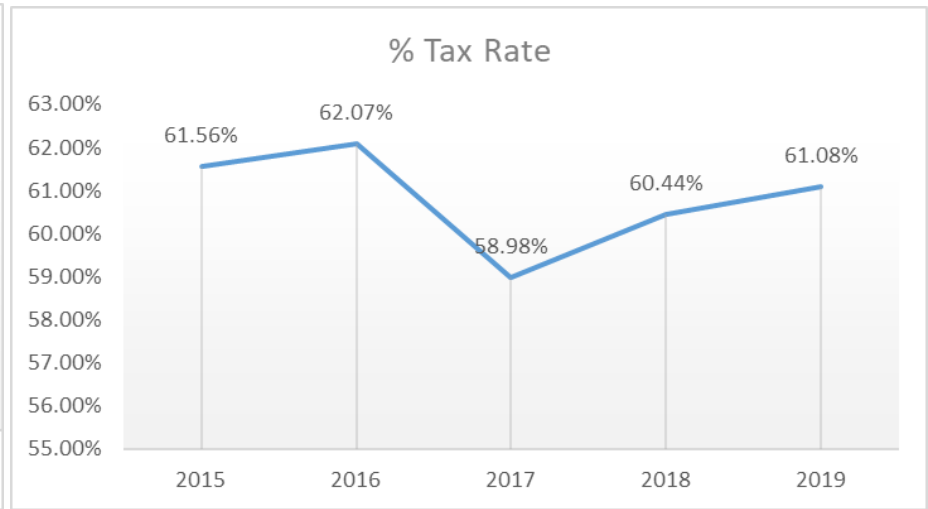
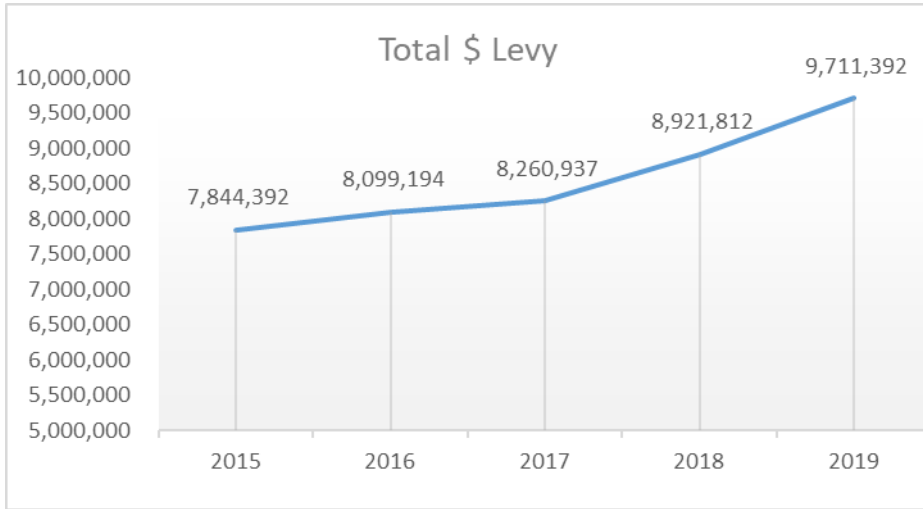
Homestead Residential Property - City Tax only						
2018	2019	2018	2019	2019v2018		
Value	Value	Tax Paid	Tax Paid	Annual Change	Monthly Change	% Change
\$150,000	\$150,000	\$763	\$751	-\$12	-\$1	-1.6%
\$150,000	\$159,900	\$763	\$815	\$52	\$4	6.8%
\$175,000	\$175,000	\$928	\$913	-\$15	-\$1	-1.6%
\$175,000	\$186,550	\$928	\$988	\$60	\$5	6.4%
\$200,000	\$200,000	\$1,093	\$1,075	-\$17	-\$1	-1.6%
\$200,000	\$266,500	\$1,093	\$1,160	\$68	\$6	6.2%
\$250,000	\$250,000	\$1,422	\$1,400	-\$23	\$7	-1.6%
\$250,000	\$266,500	\$1,422	\$1,506	\$84	\$7	5.9%
\$300,000	\$300,000	\$1,752	\$1,724	-\$28	-\$2	-1.6%
\$300,000	\$319,800	\$1,752	\$1,852	\$100	\$8	5.7%

7.0% Levy increase



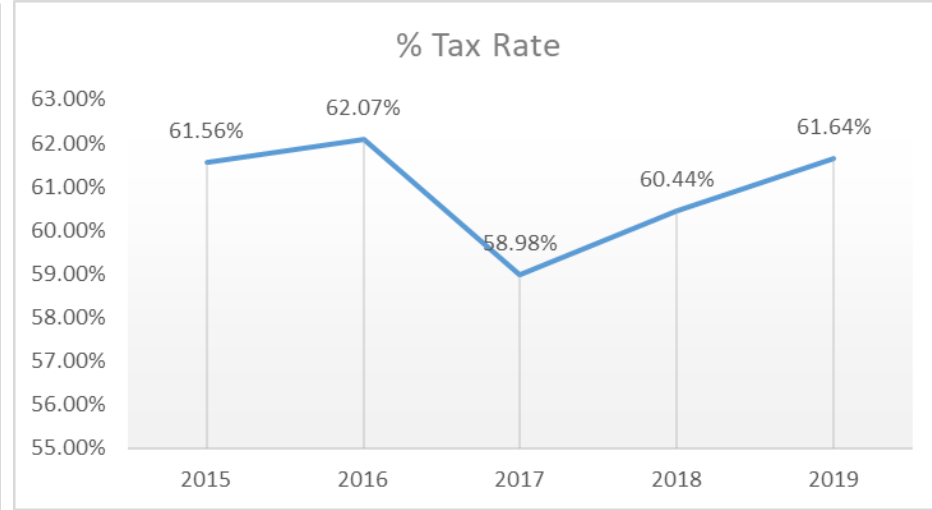
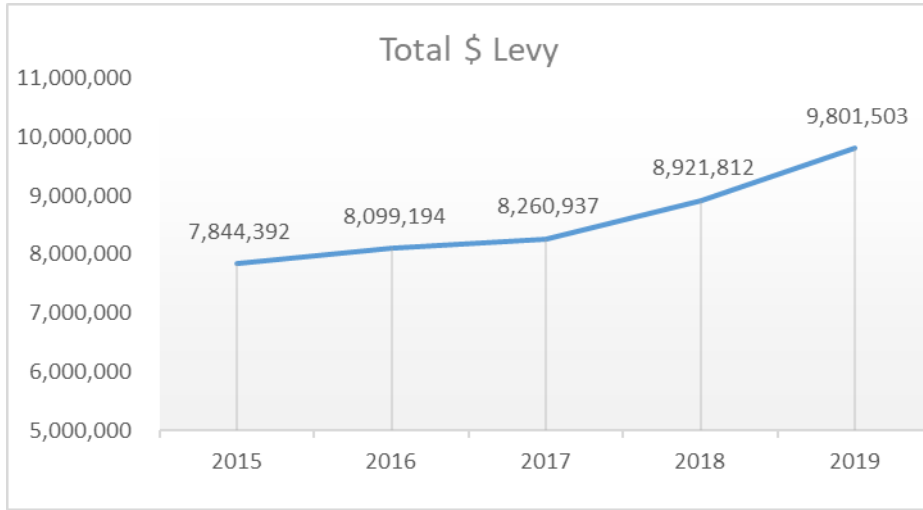
Homestead Residential Property - City Tax only						
2018	2019	2018	2019	2019v2018		
Value	Value	Tax Paid	Tax Paid	Annual Change	Monthly Change	% Change
\$150,000	\$150,000	\$763	\$758	-\$5	\$0	-0.7%
\$150,000	\$159,900	\$763	\$823	\$60	\$5	7.8%
\$175,000	\$175,000	\$928	\$922	-\$6	-\$1	-0.7%
\$175,000	\$186,550	\$928	\$997	\$69	\$6	7.5%
\$200,000	\$200,000	\$1,093	\$1,086	-\$7	-\$1	-0.7%
\$200,000	\$266,500	\$1,093	\$1,171	\$79	\$7	7.2%
\$250,000	\$250,000	\$1,422	\$1,413	-\$9	\$8	-0.7%
\$250,000	\$266,500	\$1,422	\$1,520	\$98	\$8	6.9%
\$300,000	\$300,000	\$1,752	\$1,740	-\$12	-\$1	-0.7%
\$300,000	\$319,800	\$1,752	\$1,869	\$117	\$10	6.7%

8.85% Levy increase



Homestead Residential Property - City Tax only						
2018	2019	2018	2019	2019v2018		
Value	Value	Tax Paid	Tax Paid	Annual Change	Monthly Change	% Change
\$150,000	\$150,000	\$763	\$771	\$8	\$1	1.0%
\$150,000	\$159,900	\$763	\$837	\$74	\$6	9.7%
\$175,000	\$175,000	\$928	\$938	\$10	\$1	1.0%
\$175,000	\$186,550	\$928	\$1,014	\$86	\$7	9.3%
\$200,000	\$200,000	\$1,093	\$1,104	\$11	\$1	1.0%
\$200,000	\$266,500	\$1,093	\$1,192	\$99	\$8	9.0%
\$250,000	\$250,000	\$1,422	\$1,437	\$15	\$10	1.0%
\$250,000	\$266,500	\$1,422	\$1,546	\$124	\$10	8.7%
\$300,000	\$300,000	\$1,752	\$1,770	\$18	\$2	1.0%
\$300,000	\$319,800	\$1,752	\$1,901	\$150	\$12	8.5%

9.86% Levy increase



Homestead Residential Property - City Tax only						
2018	2019	2018	2019	2019v2018		
Value	Value	Tax Paid	Tax Paid	Annual Change	Monthly Change	% Change
\$150,000	\$150,000	\$763	\$779	\$15	\$1	2.0%
\$150,000	\$159,900	\$763	\$845	\$82	\$7	10.7%
\$175,000	\$175,000	\$928	\$946	\$18	\$2	2.0%
\$175,000	\$186,550	\$928	\$1,024	\$96	\$8	10.3%
\$200,000	\$200,000	\$1,093	\$1,115	\$22	\$2	2.0%
\$200,000	\$266,500	\$1,093	\$1,203	\$110	\$9	10.1%
\$250,000	\$250,000	\$1,422	\$1,450	\$28	\$12	2.0%
\$250,000	\$266,500	\$1,422	\$1,561	\$139	\$12	9.7%
\$300,000	\$300,000	\$1,752	\$1,786	\$35	\$3	2.0%
\$300,000	\$319,800	\$1,752	\$1,919	\$167	\$14	9.6%

Levy Options

- 4.9% (\$9,355,277)
 - Baseline initial budget
- 6.0% (\$9,457,121)
 - Additional \$101,844 vs 4.9% baseline
 - Allows for approximately 1 additional staff request
- 7.0% (\$9,546,339)
 - Additional \$191,062 vs 4.9% baseline
 - Allows for approximately 2 additional staff requests
- 8.85% (\$9,711,392)
 - Additional \$356,115 vs 4.9% baseline
 - Allows for all but 1 additional staff requests
- 9.86% (\$9,801,503)
 - Additional \$446,226 vs 4.9% baseline
 - Allows for all personnel requests noted earlier

Discussion

- Staff supportive of the five levy resolutions
- Staff does not recommend a preliminary levy below 4.9%
- Further consideration of adjustments may occur prior to adoption of a final levy in December