



City of Northfield 2017 Budget Retreat
Northfield Police Department Meeting Room
August 15th, 2017 | 7:00pm

DRAFT as of 8/11/17

Agenda

- I. Discussion of the 2018 Budget Request by the Northfield Area Fire & Rescue Services (NAFRS).
- II. Review of 2018 Budget Development Calendar.
- III. Review of 2018 Budget Development Context.
 - A. Comparative Data.
 - B. General Fund Budget - Initial
 - C. General Fund Budget – Revenue & Expense Detail
 - D. Total Personnel – Initial
 - E. IT Allocation Change

Agenda – Cont.

VI. Review of Proposed 2018 Budget

- A. Community Services
- B. Administrative Services
- C. Public Safety
- D. Community Development and Planning
- E. Public Works – to be covered at August 15 meeting

Discussion of the 2018 Budget Request by the Northfield Area Fire & Rescue Services (NAFRS).

Budget Calendar

2018 Budget Calendar

June 2017

June 20, Council Meeting

- 2016 Certified Audit Presentation.

July 2017

July 11, Council Meeting

- Review of Budget Process
- Request of Council Budget Requests, Goals and Parameters

July 18, Council Meeting

- SMIF Presentation
- Strategic Planning

2018 Budget Calendar

August 2017

August 8, Council Meeting

- Nothing scheduled

August 15, Work Session (Budget Retreat)

- YTD Quarterly Financial Report
- Budget Version 1 (staff initial request) Summary Presentation and Detail Report
- NAFRS Presentation

August 22, Council Meeting

- Budget Version 1 – Public Works & Liquor Store
- Budget Version 1 – 5 year CIP/CEP, Preliminary Budget, Preliminary Levy
- Northfield Area Historical Society Request
- NDDC Budget Request Presentation

2018 Budget Calendar

September 2017

September 5, Council Meeting

- Nothing scheduled

September 12, Work Session

- Budget Version2 (Amended if necessary for Council)
- Discuss Preliminary Tax Levy and Preliminary General Fund budget for 2018
 - Alternate Option(s) for September 19th, if any
- Review Fee Schedule

September 19, Council Meeting

- Adopt Preliminary Tax Levy and General Fund Budget
- Adopt a proposed 2017/payable 2018 HRA levy
- Adopt a proposed 2017/payable 2018 EDA levy
- Set date for Public Hearing on Levy and Budget
 - 6pm, Dec 5, 2017

2018 Budget Calendar

October 2017

October 3, Council Meeting

- CVB Report

October 11, Council Work Session

- Review Enterprise Funds and Utility Rates
- Budget Version3 (Amended if necessary for Council)
- Budget Areas of Focus
 - Budget
 - Levy
 - CIP & CEP 2018-Year CIP and CEP – Version III

October 17, Council Meeting

- Nothing scheduled

2018 Budget Calendar

November 2017

November 14, Council Meeting

- Adopt Utility Rates for 2018

November 21, Work Session

- Budget & Levy – Final Amendments and Discussion in Preparation of Dec 5

December 2017

December 5, Council Meeting

- 6pm Public Hearing on the 2018 Budget and Tax Levy
- Final 2018 Budget and Levy Adoption.
- Adoption of 5-Year CIP & CEP.

December 12, Council Meeting

- 2017 Budget and Levy Adoption (if not approved Dec.5)
- Adoption of 5-Year CIP & CEP (if not approved Dec.5)

Review of 2018 Budget Development Context

Comparative Data

- Preliminary Estimated Market Value for 2018

	2016	2017	2018	Y/Y Change	% Change
Rice		\$ 1,200,112,100	\$ 1,266,473,300	\$ 66,361,200	5.53%
Dakota		\$ 115,041,436	\$ 121,402,748	\$ 6,361,312	5.53%
Total	\$ 1,227,403,000	\$ 1,315,153,536	\$ 1,387,876,048	\$ 72,722,512	5.53%

- 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 \$72,722,512 estimated
 - 5.5% increase over prior year

General Fund Budget - Initial

- Initial Roll up shows a budget shortfall of (\$833,837)
 - Assumes General Fund Levy is flat

	2017 Budget	2018 Proposed Budget	Y/Y Change	Y/Y % Change
Revenues				
- Levy	5,512,070	5,512,070	-	0.0%
- Other	6,313,539	6,281,636	(31,903)	-0.5%
Total Revenue	11,825,609	11,793,706	(31,903)	-0.3%
Expenses	11,915,609	12,627,543	711,934	6.0%
Excess/(Short)	(90,000)	(833,837)	(743,837)	826.5%
Levy Impact		-15.1%		

General Fund Budget - Initial

- Scenario showing 5.5% increase in General Fund Levy based on preliminary estimate of EMV
 - Budget shortfall decreases to (\$529,020)

	2017 Budget	2018 Proposed Budget	Y/Y Change	Y/Y % Change
Revenues				
- Levy	5,512,070	5,816,887	304,817	5.5%
- Other	6,313,539	6,281,636	(31,903)	-0.5%
Total Revenue	11,825,609	12,098,523	272,914	2.3%
Expenses	11,915,609	12,627,543	711,934	6.0%
Excess/(Short)	(90,000)	(529,020)	(439,020)	487.8%
Levy Impact		-9.60%		

General Fund Budget

- Current assumption is the general levy is flat
- Other revenue is down .5%

GENERAL FUND SUMMARY

2017 YTD and %

REVENUES BY MAJOR CATEGORY	of budgeted						2018 Proposed	2017 vs 2018 % increase	2019 Projected
	2014 Actual	2015 Actual	2016 Actual	2017	\$ as of	%			
				Adopted	6-30-17				
Property Taxes	5,166,751	5,140,354	5,337,371	5,512,070	1,610,448	29.22%	5,512,070	0.00%	5,512,070
Other Taxes	92,993	95,264	116,895	85,300	19,027	22.31%	85,300	0.00%	85,300
Licenses & Permits	396,899	428,758	679,474	412,630	270,046	65.45%	415,130	0.61%	415,130
Intergovernmental	3,517,984	3,608,311	3,674,907	3,617,301	203,517	5.63%	3,736,253	3.29%	3,736,253
Charges for Service	1,453,008	1,518,359	1,335,306	1,544,308	559,935	36.26%	1,465,288	-5.12%	1,465,288
Fines & Forfeitures	114,273	113,520	82,032	147,000	58,630	39.88%	129,000	-12.24%	129,000
Other Revenue	454,691	345,470	354,030	351,000	108,633	30.95%	355,625	1.32%	355,625
Other Financing Sources	344,530	223,223	594,079	156,000	800	0.51%	95,040	-39.08%	101,267
TOTAL REVENUES	11,541,129	11,473,259	12,174,094	11,825,609	2,831,036	23.94%	11,793,706	-0.27%	11,799,933

- Fines & Forfeitures are trending down

General Fund Budget

- Current expenses up \$711,934, 6.0%

GENERAL FUND SUMMARY

EXPENDITURES BY MAJOR FUNCTION	2014 Actual	2015 Actual	2016 Actual	2017 YTD and % of budgeted		%	2018 Proposed	2017 vs 2018 % increase	2019 Projected
				2017 Adopted	\$ as of 6-30-17				
GENERAL GOVERNMENT									
Mayor & Council	148,293	220,276	221,214	266,568	95,561	35.85%	354,778	33.09%	358,468
Administration	344,882	299,697	303,878	406,043	169,849	41.83%	457,501	12.67%	449,166
City Clerk	154,837	195,391	182,824	190,753	82,471	43.23%	199,582	4.63%	216,761
Elections	30,012	15,953	41,702	35,100	6,869	19.57%	144,714	312.29%	28,250
Finance	367,331	428,816	431,283	452,310	194,720	43.05%	506,785	12.04%	524,062
Human Resources	285,992	355,695	407,435	400,605	162,199	40.49%	429,245	7.15%	315,483
Community Development	109,666	147,565	126,332	127,873	65,391	51.14%	135,377	5.87%	121,619
Planning	139,687	143,634	145,383	164,347	71,173	43.31%	174,357	6.09%	144,372
City Hall Operations	142,194	120,715	105,587	118,348	47,179	39.86%	139,469	17.85%	124,169
Total General Government	1,722,894	1,927,742	1,965,638	2,161,947	895,412	41.42%	2,541,808	17.57%	2,282,350
PUBLIC SAFETY									
Police	2,846,883	3,140,513	3,295,680	3,481,330	1,509,175	43.35%	3,703,694	6.39%	3,835,154
Fire	430,045	519,232	532,282	531,000	380,097	71.58%	544,109	2.47%	-
Building Inspections	182,478	203,519	217,433	281,349	130,703	46.46%	302,504	7.52%	283,816
Total Public Safety	3,459,406	3,863,264	4,045,395	4,293,679	2,019,975	47.05%	4,550,307	5.98%	4,118,970
PUBLIC WORKS									
Engineering	433,942	523,819	511,852	529,235	243,276	45.97%	557,126	5.27%	550,841
Streets	1,407,692	1,208,236	1,418,913	1,409,670	639,088	45.34%	1,450,295	2.88%	1,477,380
Street Lighting	279,474	282,962	258,179	300,000	130,629	43.54%	300,000	0.00%	300,000
Facilities	226,823	229,968	225,731	252,916	109,475	43.29%	274,111	8.38%	289,911
Total Public Works	2,347,931	2,244,985	2,414,675	2,491,821	1,122,468	45.05%	2,581,532	3.60%	2,618,132
CULTURE & RECREATION									
Ice Arena	361,545	360,645	371,164	308,784	157,510	51.01%	351,718	13.90%	220,357
General Parks	157,138	204,019	222,161	267,430	53,383	19.96%	304,436	13.84%	277,872
Athletic Facilities	74,716	95,872	95,260	129,092	37,313	28.90%	133,283	3.25%	134,815
Recreation Administration	191,071	201,234	205,618	216,875	101,729	46.91%	219,544	1.23%	225,067
Outdoor Pool	170,481	191,945	190,010	237,034	45,601	19.24%	238,773	0.73%	233,731
Library	1,049,751	1,103,941	1,162,286	1,242,793	602,496	48.48%	1,298,026	4.44%	1,326,878
Total Culture & Recreation	2,004,702	2,157,656	2,246,499	2,402,008	998,032	41.55%	2,545,780	5.99%	2,418,720
OTHER FINANCING USES	404,093	333,269	292,454	476,153	126,770	26.62%	408,116	-14.29%	154,354
TRANSFERS OUT	1,751,443	936,236	794,600	90,000	-	0.00%	-	-100.00%	-
TOTAL EXPENDITURES	11,690,469	11,463,152	11,759,261	11,915,608	5,162,657	43.33%	12,627,543	5.97%	11,592,526
REVENUES OVER / (UNDER) EXPENDITURES	(149,340)	10,107	414,833	(89,999)	(2,331,621)	2590.72%	(833,837)	826.50%	207,407

General Fund Budget

GENERAL FUND SUMMARY

EXPENDITURES BY MAJOR FUNCTION	2014 Actual	2015 Actual	2016 Actual	2017 YTD and % of budgeted		%	2018 Proposed	2017 vs 2018 % increase	2019 Projected
				2017 Adopted	\$ as of 6-30-17				
GENERAL GOVERNMENT	1,722,894	1,927,742	1,965,638	2,161,947	895,412	41.4%	2,541,808	17.6%	2,282,350
PUBLIC SAFETY	3,459,406	3,863,264	4,045,395	4,293,679	2,019,975	47.0%	4,550,307	6.0%	4,118,970
PUBLIC WORKS	2,347,931	2,244,985	2,414,675	2,491,821	1,122,468	45.0%	2,581,532	3.6%	2,618,132
CULTURE & RECREATION	2,004,702	2,157,656	2,246,499	2,402,008	998,032	41.5%	2,545,780	6.0%	2,418,720
OTHER FINANCING USES	404,093	333,269	292,454	476,153	126,770	26.6%	408,116	-14.3%	154,354
TRANSFERS OUT	1,751,443	936,236	794,600	90,000	-	0.0%	-	-100.0%	-
TOTAL EXPENDITURES	11,690,469	11,463,152	11,759,261	11,915,608	5,162,657	43.3%	12,627,543	6.0%	11,592,526

Notable General Fund Increases

- No assumption yet for EMV increase on general levy
- Other Revenue relatively flat
- 2017 Pay plan projection – expected a minimum 4.5% levy increase impact
- 2018 personnel cost adjustments – 2.5% and step increases (2.0-2.5% dependent on where on scale)
- Election year \$109,614 increase in cost
- Ice Arena & Parks up over 10%
- 2019 has not been consistently updated, will continue to update

Total Personnel - Initial

- Personnel costs budgeted to increase 7.1% vs 2017 budget
 - 4.0% impact of pay plan implementation in 2017
 - 3.0% increase 2018 v 2017, 2.5% increase + step increases

		2014 ACTUAL	2015 ACTUAL	2016 ACTUAL	(----- 2017 --- -----)			2018 PROPOSED BUDGET	% INCREASE ADOPTED vs PROPOSED	2019 PROJECTED BUDGET
					CURRENT BUDGET	Y-T-D ACTUAL	% USED YTD			
Salaries FT		4,558,101	4,888,156	5,160,771	5,602,815	2,542,406	45.4%	6,178,395	10.3%	6,470,441
Salaries OT		316,765	265,610	289,815	198,887	112,629	56.6%	193,677	-2.6%	191,677
Salaries PT		837,122	711,615	725,089	803,071	332,741	41.4%	857,506	6.8%	809,376
Vehicle Allowance		16,385	15,478	15,118	21,308	6,923	32.5%	22,071	3.6%	22,671
PERA		518,167	566,573	596,793	662,962	282,072	42.5%	726,021	9.5%	744,683
FICA		330,939	333,601	357,545	352,995	169,142	47.9%	388,646	10.1%	402,906
Medical/Dental/Life		760,950	788,037	865,708	929,715	500,456	53.8%	863,252	-7.1%	905,829
ER HSA Contribution		109,754	122,594	128,941	133,089	61,615	46.3%	136,327	2.4%	134,577
Work Comp Ins		351,984	299,883	355,924	373,736	196,488	52.6%	357,390	-4.4%	174,180
Total:		7,800,167	7,991,547	8,495,704	9,078,578	4,204,472	46.3%	9,723,285	7.1%	9,856,340
			191,380	504,157	582,874			644,707		133,055
			2.5%	6.3%	6.9%			7.1%		1.4%

IT Allocation Change

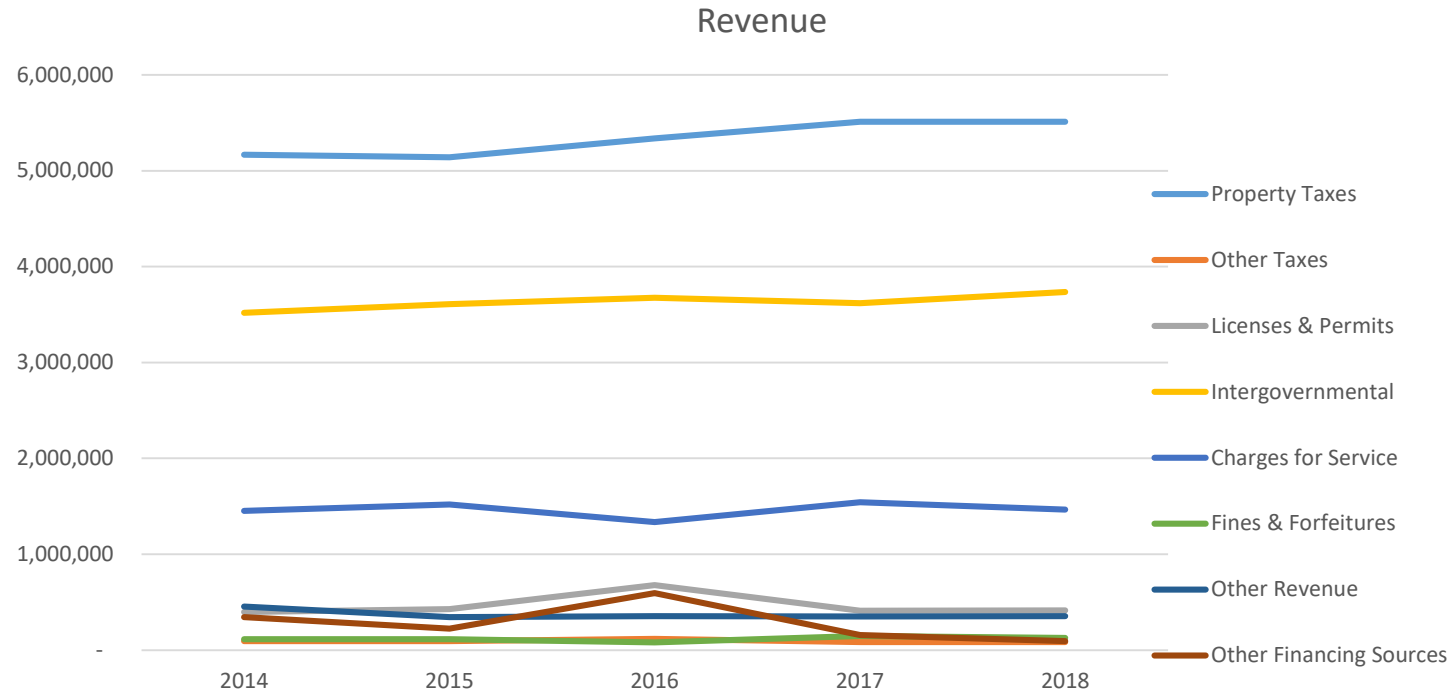
- IT as an Internal Service fund allocates its cost to departments utilizing IT services
 - Based on IT equipment and help tickets
- 2017 allocation was in Transfers
- 2018 allocation is in Charges for Services
- Departments will show a significant increase in Charges for Services vs prior year budget

IT Allocation	2017	2018
Mayor & Council	19,786	16,956
Administration	14,176	26,320
City Clerk	11,431	7,748
Finance	25,971	22,152
Human Resources	37,366	59,148
Community Development	16,921	19,754
Planning	4,120	2,430
City Hall Operations	9,687	10,108
Police	189,253	170,567
Building Inspection	10,379	12,935
Engineering	50,363	49,485
Streets	19,343	24,582
Buildings/Recreational Facilities	12,200	11,516
Arena	5,531	7,108
Pool	6,783	8,050
Library	147,962	134,567
Water	15,828	24,569
Waste Water	16,398	20,875
DMV	8,640	9,143
Liquor	13,284	8,592
HRA	1,857	5,742
EDA	2,827	2,883
Communications	6,788	8,695
Total IT Allocation	\$ 646,894	\$ 663,924

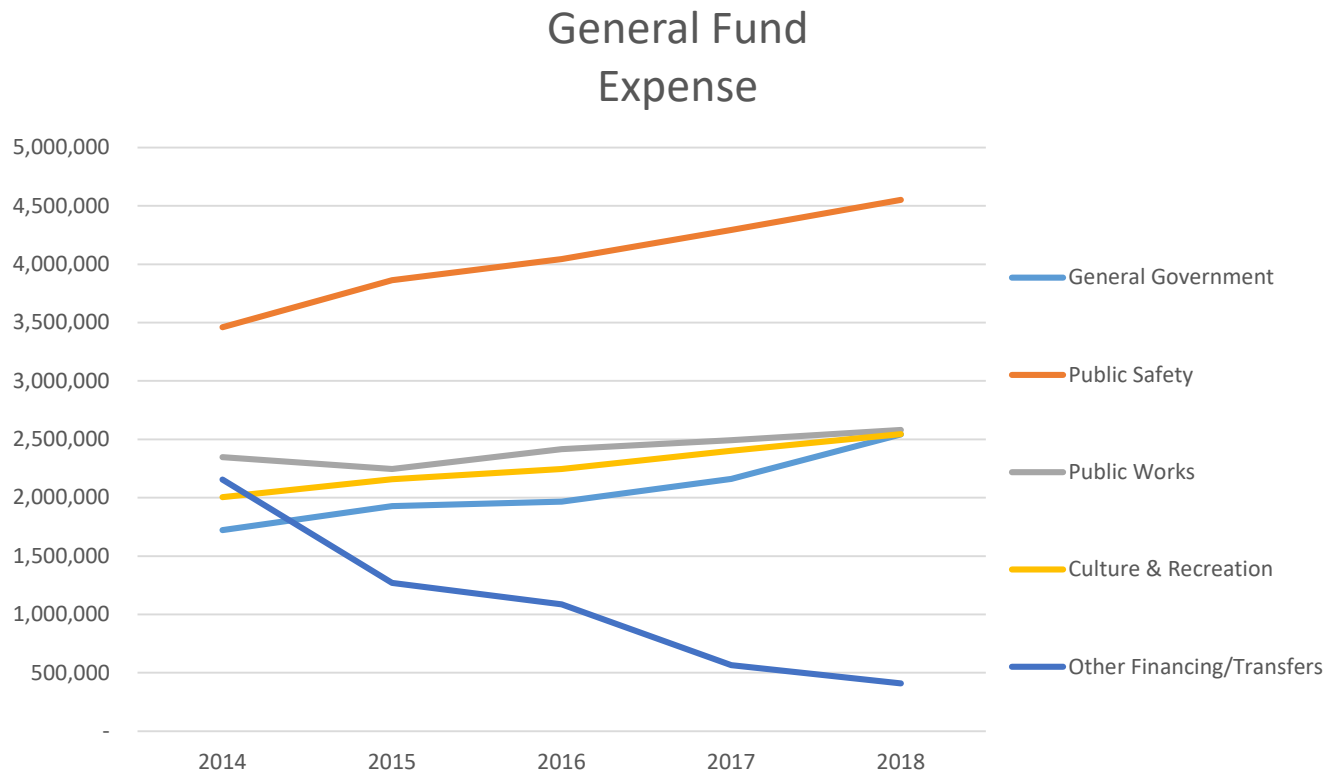
New employee requests (not included in initial budget)

- Police – 2 positions
 - Investigator at \$102,000
 - Patrol Sergeant at \$122,000
- Public Works – 1 position
 - Utility Operator (split 70% Water, 25% Wastewater, 5% Stormwater)
 - Annual impact \$75,000 wages and benefits
- Communications – move from part time (.6) to full time (1.0)
 - Annual impact \$40,000 wages and benefits
- Building Inspections - .5 position
 - Annual impact \$23,000 wages, not benefit eligible

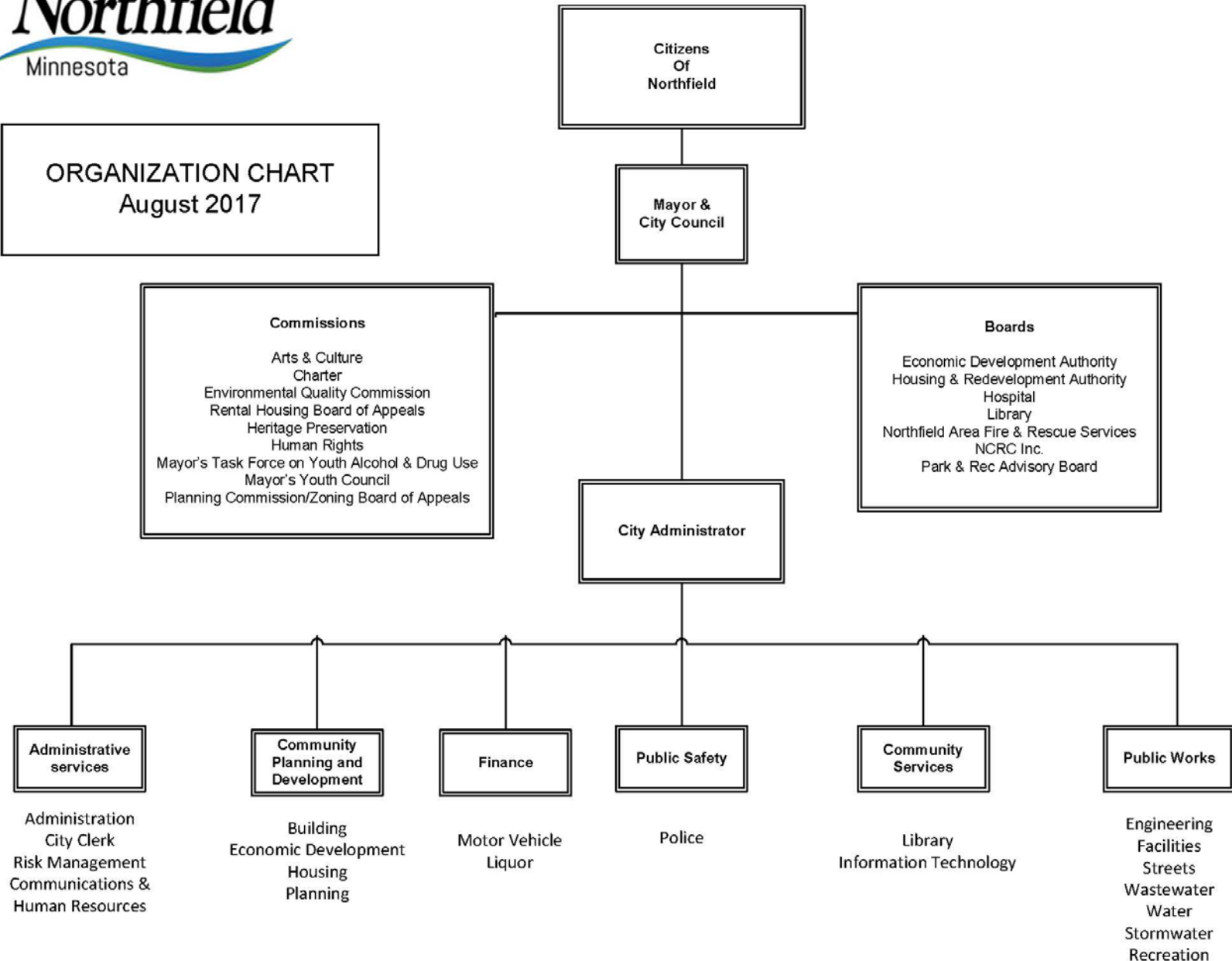
Budget Information

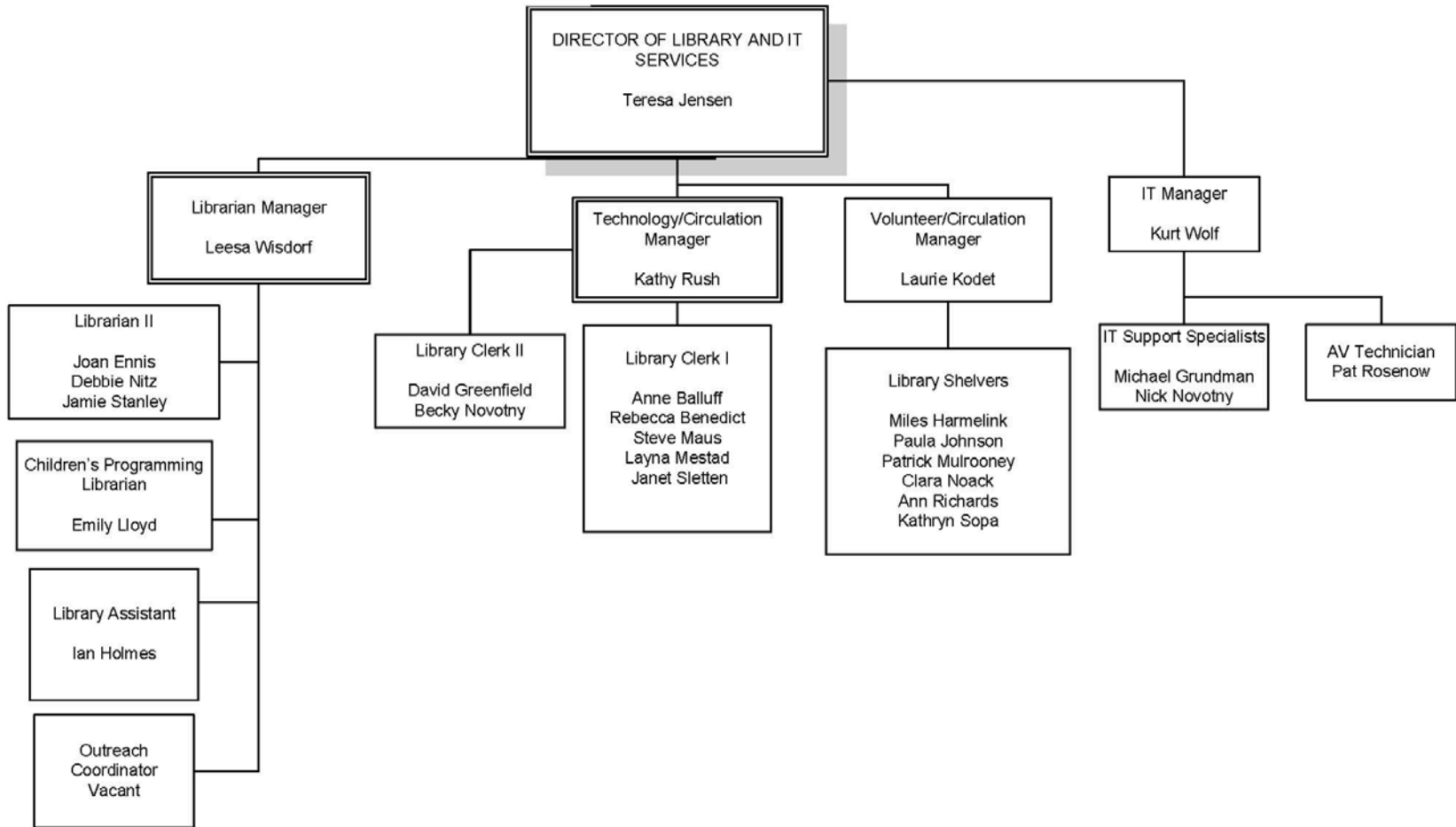


Budget Information



ORGANIZATION CHART
August 2017





LIBRARY AND IT
SERVICES

August 2017

Library

	2014 Actual	2015 Actual	2016 Actual	2017 YTD and % of budgeted		%	2018 Proposed	2017 vs 2018 % increase	2019 Projected
				2017 Adopted	\$ as of 6-30-17				
Personnel	785,725	790,354	841,182	845,431	420,948	49.79%	910,870	7.74%	949,311
Supplies	31,981	20,257	42,195	40,000	14,466	36.17%	38,300	-4.25%	37,300
Charges for Services	73,295	143,404	155,148	84,547	114,583	135.53%	218,747	158.73%	219,967
Other Charges	92,479	94,647	102,005	108,200	40,237	37.19%	111,200	2.77%	116,300
Capital Outlay	52,618	41,626	8,102	3,000	5,435	181.17%	5,000	66.67%	4,000
Debt Services	13,653	13,653	13,653	13,653	6,826	50.00%	13,909	1.88%	-
Transfer Out	-	-	-	147,962	-	0.00%	-	-100.00%	-
Total	1,049,751	1,103,941	1,162,285	1,242,793	602,495	48.48%	1,298,026	4.44%	1,326,878

Offsetting Revenues:

Intergovernmental	188,470	188,890	188,470	188,470	96,120	51.00%	188,470	0.00%	188,470
Fines & Forfeitures	26,553	17,754	17,915	33,000	9,954	30.16%	30,000	-9.09%	30,000
Total	215,023	206,644	206,385	221,470	106,074	47.90%	218,470	-1.35%	218,470

Areas of Note:

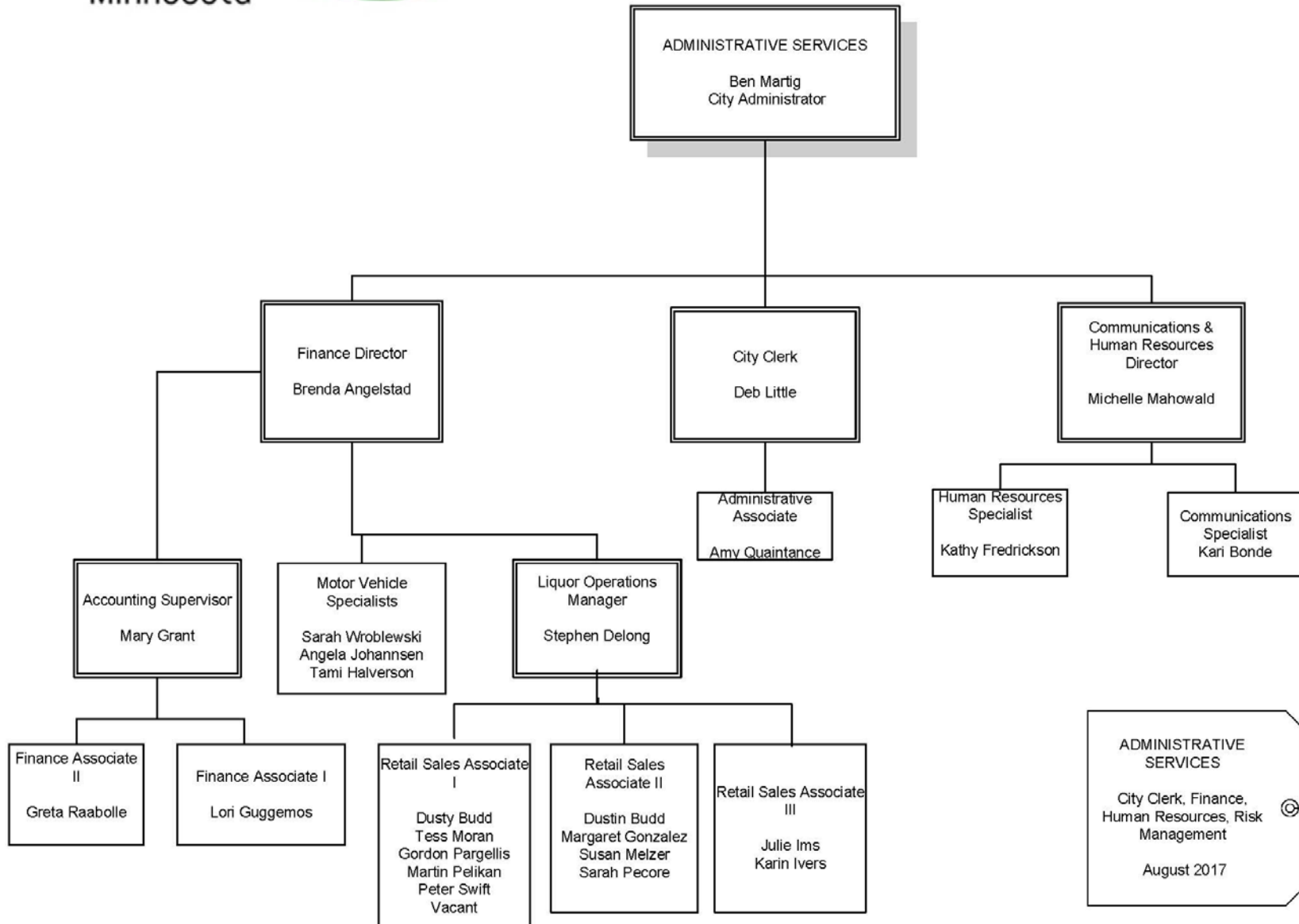
- Increase in Charges for Services reflect two changes; transfer of IT equipment charge to this line from Transfer Out line in 2018, and transfer of website hosting from HR/Comm to library budget.
- In 2017 a library position was reassigned to create the position of Outreach Coordinator/Spanish language liaison which supports the city's strategic priority of Diversity, Equity, Inclusion.

Information Technology

	2017 YTD and % of budgeted								
	2014 Actual	2015 Actual	2016 Actual	2017 Adopted	\$ as of 6-30-17	%	2018 Proposed	2017 vs 2018 % increase	2019 Projected
REVENUES									
Other Revenue	6,957	3,558	6,004	8,000	2,695	33.69%	-	-100.00%	-
Internal Service Revenue	64,376	622,204	636,167	646,894	392,604	60.69%	663,924	2.63%	674,050
Transfer In	360,000	-	-	-	-		-		-
Total Revenue	431,333	625,762	642,171	654,894	395,299	60.36%	663,924	1.38%	674,050
Expenses									
Personal Services	232,972	250,963	275,611	283,144	135,686	47.92%	308,324	8.89%	323,450
Supplies	81,073	20,959	36,719	49,000	20,369	41.57%	108,500	121.43%	49,000
Other Services and Charges	135,260	147,392	170,609	244,250	63,517	26.00%	224,100	-8.25%	229,100
Depreciation									
Capital Outlay	69,283	113,445	45,129	70,500	-	0.00%	23,000	-67.38%	72,500
Transfer Out	-	-	-	-	-		-		-
Total Expenses	518,588	532,759	528,068	646,894	219,572	33.94%	663,924	2.63%	674,050
Net Income/ (Loss)	(87,255)	93,003	114,103	8,000	175,727		-		-

Areas of Note:

Increase in Charges for Supplies reflect transfer to this line from Capital Outlay line in 2018.



Mayor and Council

	2017 YTD and % of budgeted						2018 Proposed	2017 vs 2018 % increase	2019 Projected
	2014 Actual	2015 Actual	2016 Actual	2017 Adopted	\$ as of 6-30-17	%			
Personal Services	59,254	64,909	67,165	69,815	31,195	44.68%	69,805	-0.01%	69,815
Supplies	4,512	1,620	526	1,600	306	19.13%	1,000	-37.50%	1,325
Charges for Services	7,284	69,512	68,789	107,525	35,252	32.78%	196,531	82.78%	198,588
Other Charges	77,243	84,234	84,734	67,842	28,807	42.46%	87,442	28.89%	88,740
Transfer Out	-	-	-	19,786	-	0.00%	-	-100.00%	-
Total	148,293	220,275	221,214	266,568	95,560	35.85%	354,778	33.09%	358,468

Areas of Note:

Personnel **Currently no change in Mayor or Council salaries.**

Charges for Services **Fireworks - \$15,000; Programs and Public Service:**

- Moved total costs to this budget for programs noted below to provide a clearer funding picture. The costs will be offset from transfers from other previously charged funds as noted):
 - Youth Investment - \$50,000 (\$20,000 Mayor/Council; \$15,000 – liquor; \$10,000 communications; \$5,000 – EDA)
 - Link Center - \$35,040 (Communications)

Administration

	2017 YTD and % of budgeted						2018 Proposed	2017 vs 2018 % increase	2019 Projected
	2014 Actual	2015 Actual	2016 Actual	2017 Adopted	\$ as of 6-30-17	%			
Personal Services	196,723	156,583	148,200	176,742	81,548	46.14%	187,546	6.11%	197,236
Supplies	1,234	377	1,124	2,200	223	10.14%	2,200	0.00%	2,200
Charges for Services	146,129	141,678	153,089	211,000	88,026	41.72%	263,720	24.99%	248,140
Other Charges	796	1,059	1,465	1,925	52	2.70%	1,535	-20.26%	1,590
Transfer Out	-	-	-	14,176	-	0.00%	-	-100.00%	-
Total	344,882	299,697	303,878	406,043	169,849	41.83%	455,001	12.06%	449,166

Areas of Note:

Personal Services College Intern requested to be included – no funds allocated at this time.

Charges for Services

- Budgeted increase in legal services based on trends (2017 shift consolidating costs to one budget and using project codes to track per department costs) plus rate adjustments allowed per contract.
- \$16,000 Implementation costs of strategic work plan & performance measurement (software).
- Office furniture potential office relocation.

City Clerk

	2014 Actual	2015 Actual	2016 Actual	2017 YTD and % of budgeted		%	2018 Proposed	2017 vs 2018 % increase	2019 Projected
				2017 Adopted	\$ as of 6-30-17				
Personnel	142,842	161,971	152,417	153,972	74,640	48.48%	161,404	4.83%	168,708
Supplies	1,382	255	396	1,300	185	14.22%	1,000	-23.08%	1,200
Charges for Services	10,252	32,915	29,721	23,750	7,465	31.43%	31,473	32.52%	35,743
Other Charges	360	250	290	300	180	60.00%	705	135.00%	1,110
Transfer Out	-	-	-	8,931	-	0.00%	-	-100.00%	10,000
Total	154,836	195,391	182,824	188,253	82,470	43.81%	194,582	3.36%	216,761

Areas of Note:

Personnel Addition of overtime for Admin. Asst. attendance at Work Sessions.

Charges for Services Slight increase in conferences, travel, training related to election year.

Other Charges Office furniture for potential office relocation. New dues for Risk management association membership.

Elections

2017 YTD and % of budgeted

	2014 Actual	2015 Actual	2016 Actual	2017 Adopted	\$ as of 6-30-17	%	2018 Proposed	2017 vs 2018 % increase	2019 Projected
Personnel	-	-	199	-	-	0.00%	10,074	0.00%	-
Supplies	567	-	1,329	-	-	0.00%	3,000	0.00%	500
Charges for Services	29,446	10,715	40,174	24,600	6,869	27.92%	44,440	0.00%	11,750
Capital outlay	-	5,239	-	10,500	-	0.00%	87,200	0.00%	16,000
Other Charges	-	-	-	-	-	-	-	-	-
Transfer Out	-	-	-	-	-	-	-	-	-
Total	30,013	15,954	41,702	35,100	6,869	19.57%	144,714	312.29%	28,250

Areas of Note:

Personnel & Supplies Election year – overtime for full time hourly employees and part time temporary personnel wages for assistance with absentee voting and elections.

Capital Outlay Election equipment replacement for Rice County (7 precincts).

ePollbook implementation in 1 Dakota County precinct (50% cost share + three year repayment to Dakota County); ePollbooks in Rice County precincts dependent on Grant funds/cost sharing scenarios for equipment replacement.

Human Resources

2017 YTD and %
of budgeted

	2014 Actual	2015 Actual	2016 Actual	2017 Adopted	\$ as of 6-30-17	%	2018 Proposed	2017 vs 2018 % increase	2019 Projected
Personnel	178,207	205,076	219,497	240,794	110,961	46.08%	247,652	2.85%	256,335
Supplies	650	767	977	2,497	850	34.04%	2,497	0.00%	-
Charges for Services	103,238	149,542	186,486	118,948	50,278	42.27%	178,096	49.73%	59,148
Other Charges	150	310	475	1,000	110	11.00%	1,000	0.00%	-
Transfer Out	-	-	-	37,366	-	0.00%	-	-100.00%	-
Total	282,245	355,695	407,435	400,605	162,199	40.49%	429,245	7.15%	315,483

Areas of Note:

2018 General Work Priorities

- Strategic Plan priorities related to Diversity, Equity, Inclusion and Operational Effectiveness in the areas of communication and human resources.
- Continue to enhance communications efforts through the website, media, and social media.
- Labor contracts expire December 31, 2018. Negotiate labor contracts.

Communications

	2014 Actual	2015 Actual	2016 Actual	2017 YTD and % of budgeted		%	2018 Proposed	2017 vs 2018 % increase	2019 Projected
				2017 Adopted	\$ as of 6-30-17				
REVENUE									
Taxes	225,989	223,611	236,578	199,000	57,168	28.73%	199,000	0.00%	-
Other Revenue	4,880	1,659	5,182	15,000	1,849	12.33%	15,000	0.00%	-
Total	230,869	225,270	241,760	214,000	59,017	27.58%	214,000	0.00%	-
EXPENDITURE									
Personnel	3,709	3,184	2,616	3,837	1,178	30.70%	4,031	5.06%	4,214
Supplies	260	-	143	4,500	674	14.98%	4,500	0.00%	-
Charges for Services	96,627	82,490	104,976	103,685	80,042	77.20%	125,424	20.97%	131,624
Other Charges	2,514	31,208	14,147	21,706	21,233	97.82%	4,805	-77.86%	1,005
Transfer Out	113,223	63,223	-	31,788	-	0.00%	45,040	41.69%	46,267
Total	216,333	180,105	121,882	165,516	103,127	62.31%	183,800	11.05%	183,110
Revenue over/under	14,536	45,165	119,878	48,484	(44,110)		30,200		(183,110)
Appropriated Fund Balance	-	-	-	-	-		-		-

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)

Finance

2017 YTD and % of budgeted

	2014 Actual	2015 Actual	2016 Actual	2017 Adopted	\$ as of 6-30-17	%	2018 Proposed	2017 vs 2018 % increase	2019 Projected
Personnel	304,622	336,822	357,462	374,492	162,624	43.43%	412,033	10.02%	429,310
Supplies	4,237	10,144	3,583	3,000	1,007	33.57%	3,500	16.67%	3,500
Charges for Services	57,641	81,269	69,744	47,547	30,917	65.02%	89,952	89.19%	89,952
Other Charges	831	581	495	1,300	172	13.23%	1,300	0.00%	1,300
Transfer Out	-	-	-	25,971	-	0.00%	-	-100.00%	-
Total	367,331	428,816	431,284	452,310	194,720	43.05%	506,785	12.04%	524,062

Areas of Note:

Charges for Services

- Increased Professional Services and Accounting Services by \$22,000
 - consulting for potential system upgrade
 - finance organization process review

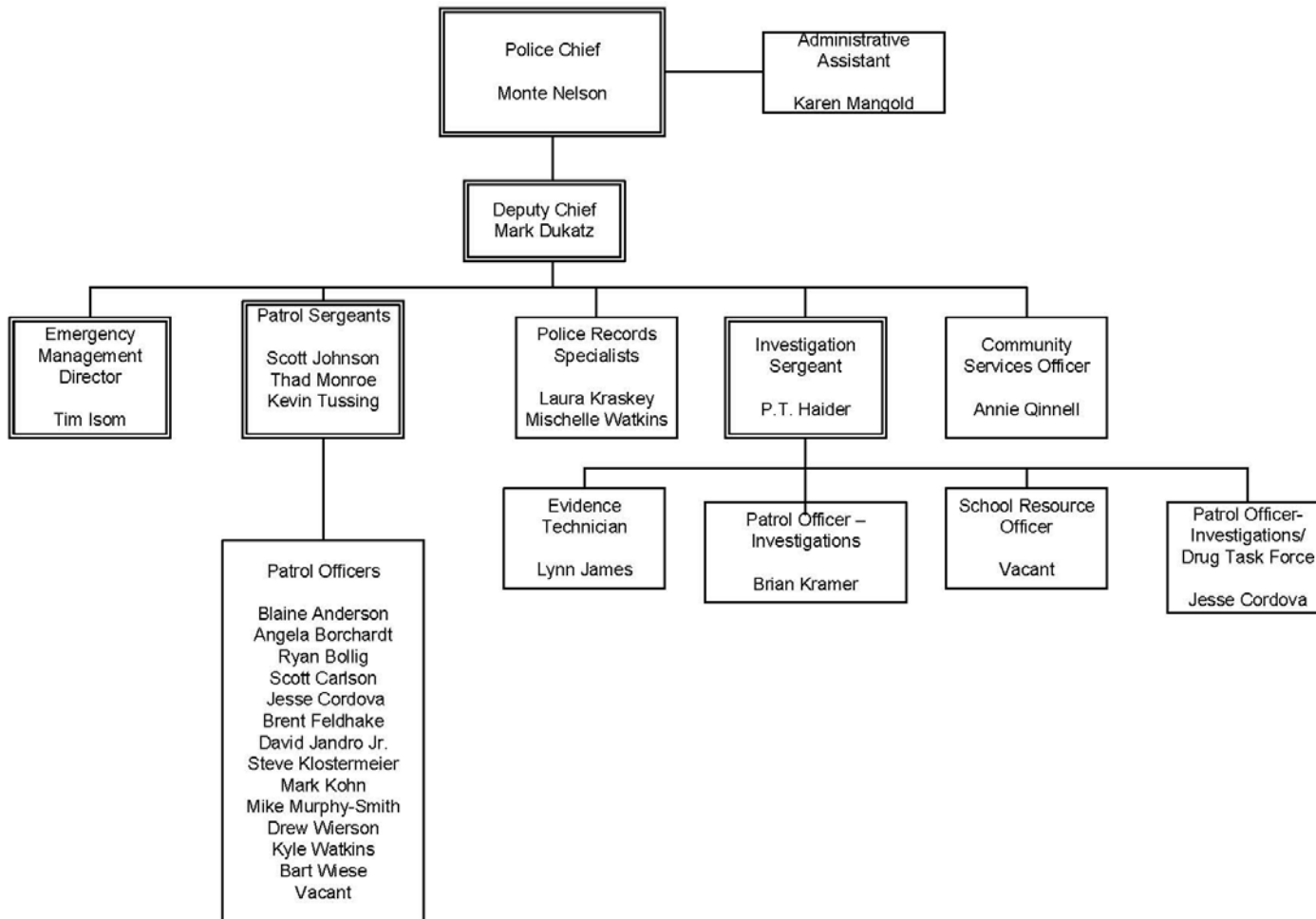
Other Financing Uses

	2014 Actual	2015 Actual	2016 Actual	2017 YTD and % of budgeted		%	2018 Proposed	2017 vs 2018 % increase	2019 Projected
				2017 Adopted	\$ as of 6-30-17				
Charges for Services	154,354	154,355	154,354	154,354	77,177	50.00%	154,354	0.00%	154,354
Other Charges	221,323	150,623	109,809	293,508	35,447	12.08%	225,470	-23.18%	0
Debt Services	28,416	28,291	28,291	28,291	14,146	50.00%	28,292	0.00%	0
Transfers out	1,751,443	936,236	794,600	90,000	-	0.00%	-	-100.00%	-
Total	2,155,536	1,269,505	1,087,054	566,153	126,770	22.39%	408,116	-27.91%	154,354

Areas of Note:

Other Charges

- Fireworks \$15,000 moved to Mayor and Council
- CVB down 8.7%



Police

	2017 YTD and % of budgeted						2018 Proposed	2017 vs 2018 % increase	2019 Projected
	2014 Actual	2015 Actual	2016 Actual	2017 Adopted	\$ as of 6-30-17	%			
Personnel	2,472,836	2,673,864	2,772,353	2,895,237	1,275,978	44.1%	3,126,287	7.98%	3,257,747
Supplies	171,057	144,881	169,508	190,000	80,213	42.2%	200,000	5.26%	200,000
Charges for services	183,748	287,686	333,532	180,640	141,814	78.5%	351,207	94.42%	351,207
Other Charges	19,243	20,795	20,287	26,200	11,170	42.6%	26,200	0.00%	26,200
Capital outlay	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	189,253	-	0.00%	-	-100.00%	-
Total	2,846,884	3,127,226	3,295,680	3,481,330	1,509,175	43.4%	3,703,694	6.39%	3,835,154
Offsetting Revenues:									
Intergovernmental	159,068	162,967	179,478	156,050	-	0.0%	156,050	0.00%	156,050
Charges for Services	69,251	55,236	71,539	74,800	4,233	7.7%	73,400	-1.87%	73,400
Fines & Forfeitures	86,974	95,436	64,117	108,000	48,426	50.7%	99,000	-8.33%	99,000
Total	315,293	313,639	315,134	338,850	(1,654)	-0.5%	328,450	-3.07%	328,450

- **Personnel:** The Chief is requesting the addition of two additional Sworn Officer positions for the department; see additional slides for details.

- **Supplies:** The Department continues to adjust the amounts for Fuel, General Supplies, Building Maintenance, and Emergency Preparedness lines to align with actual/expected expenditures.

Police – Budget Increase Request

Additional Investigator

- Currently One full-time Investigator and Sergeant of Investigations.
- Investigations caseload has increased. In 2014 there were 42 cases accepted for investigation, 2015 – 70, 2016 – 88 cases, and 2017 – 52 cases as of June.
- The number of Child Neglect/Abuse and Mental Health reports is increasing. These are time-consuming calls/investigations.
- Technology has made nearly all investigations more complex and time consuming.
- Investigators also support the Drug Task Force, Patrol, and Community Programming and Events.
- Quantity of evidence items has increased each year. Body cameras will add significantly to evidence load.

Additional Patrol Sergeant

- Currently three 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



2018 Police Vehicle CEP

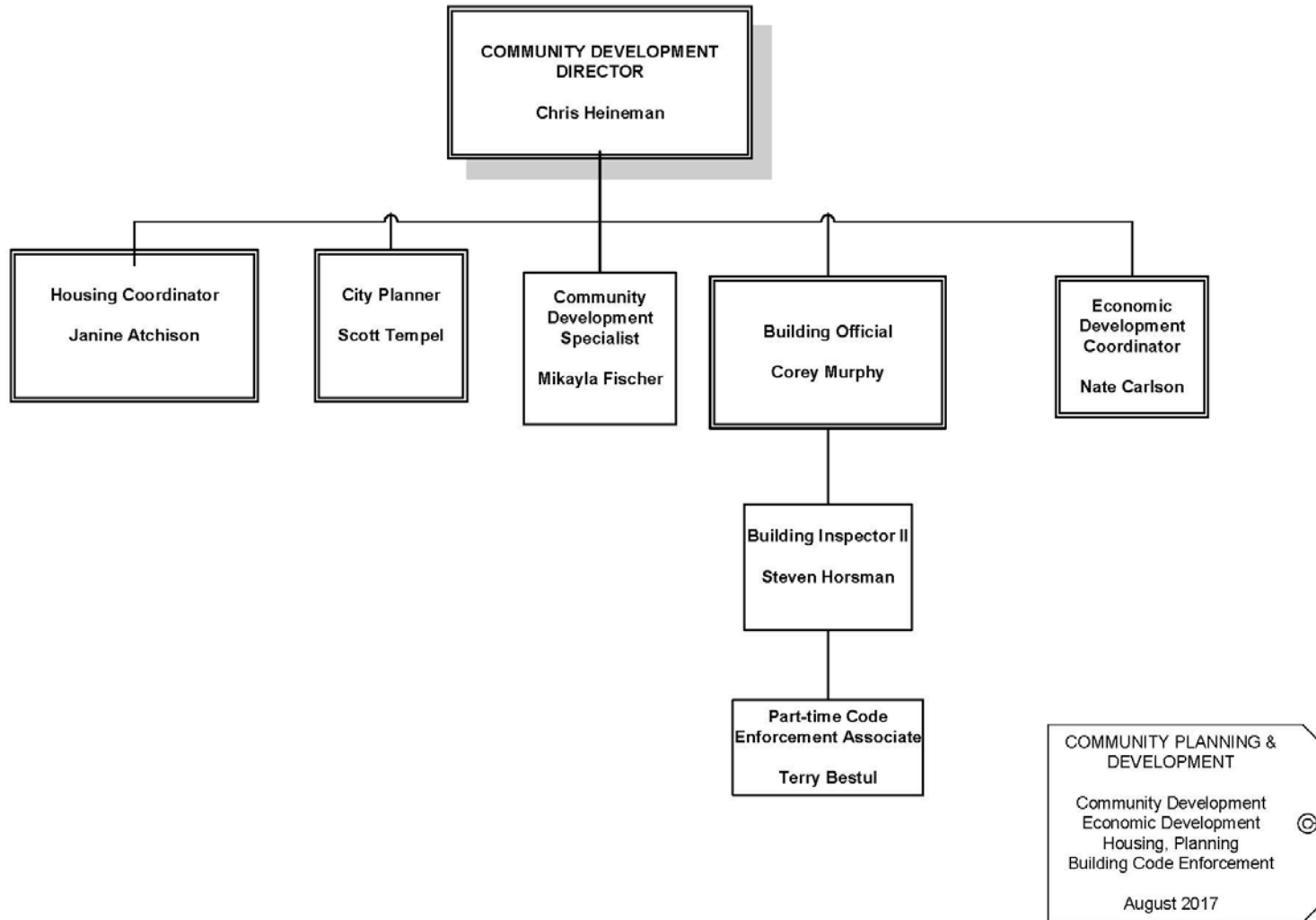
- 2 Interceptor Sedans & 1 F150 Pickup (2008) to be replaced by 2 Interceptor SUV's and one Dodge 1500 Pickup = \$108,000.
- 2 Interceptor SUV's fully equipped/marked, \$36,000 each w/equipment – less sale of used squads.
- 1 Dodge 1500 Pickup, fully equipped marked, \$36,000 w/equip. – less sale/trade of old squad.
 - Pickup serves as the CSO and Reserve vehicle, range vehicle, and speed trailer moving.

CEP – Police Department

2018 CEP Police – Body Cameras

- Request funds to purchase Body Camera Systems and related Data Storage and Software. This purchase is currently unfunded.
- Planning, testing, and policy creation phase in 2017, with purchase in 2018.
- Potential of future staffing increases to manage, copy, and redact related video.
- Cost estimate based on the WatchGuard system, compatible w/current squad car video systems in use. This could change.
 - **WatchGuard 4RE-VISTA** body cameras and related chargers, docking stations, and software (11) \$18,042
 - **WatchGuard 4RE VISTA Redaction Software** \$3995
 - Servers and Drives for proper data storage \$33,213 = \$55,250





Community Development

	2014 Actual	2015 Actual	2016 Actual	2017 YTD and % of budgeted		2018 Proposed	2017 vs 2018 % increase	2019 Projected
				2017 Adopted	\$ as of 6-30-17 %			
Personnel	98,092	110,848	100,635	95,252	53,773 56.45%	97,923	2.80%	101,865
Supplies	1,777	524	403	500	241 48.20%	500	0.00%	-
Charges for Services	8,295	36,107	24,460	11,700	10,501 89.75%	33,454	185.93%	19,754
Other Charges	1,503	86	834	1,500	876 58.40%	1,500	0.00%	-
Transfers out	-	-	-	16,921	- 0.00%	-	-100.00%	-
Total	109,667	147,565	126,332	125,873	65,391 51.95%	133,377	5.96%	121,619

- Increase in Charges for Services due to IT allocation change
- Additional .5 FTE Building Permit Technician / Administrative Assistant requested for 2018 (not reflected) to assist with building permit activity

Planning

	2014 Actual	2015 Actual	2016 Actual	2017 YTD and % of budgeted			2018 Proposed	2017 vs 2018 % increase	2019 Projected
				2017 Adopted	\$ as of 6-30-17	%			
Personnel	93,070	108,488	115,051	125,227	58,136	46.42%	135,927	8.54%	141,942
Supplies	2,640	174	239	500	74	14.80%	500	0.00%	-
Charges for Services	43,883	33,672	28,793	34,000	11,918	35.05%	37,430	10.09%	2,430
Other Charges	95	1,300	1,300	500	1,046	209.20%	500	0.00%	-
Transfers out	-	-	-	4,120	-	0.00%	-	-100.00%	-
Total	139,688	143,634	145,383	164,347	71,174	43.31%	174,357	6.09%	144,372

- Personnel budget increase due to cost adjustments in adopted pay plan
- Increase of \$1,000 in Charges for Services for staff training and conferences
- Anticipated consultant services in 2018 for updates to key chapters of the Comprehensive Plan including Parks & Recreation, Transportation & Housing.

Building Inspection

	2017 YTD and % of budgeted						2018 Proposed	2017 vs 2018 % increase	2019 Projected
	2014 Actual	2015 Actual	2016 Actual	2017 Adopted	\$ as of 6-30-17	%			
Personnel	165,866	172,253	185,007	242,470	111,054	45.80%	261,069	7.67%	270,881
Supplies	10,670	8,082	8,094	12,800	7,907	61.77%	12,800	0.00%	-
Charges for Services	5,487	21,929	24,065	15,200	11,408	75.05%	28,135	85.10%	12,935
Other Charges	455	1,255	267	500	335	67.00%	500	0.00%	-
Transfers out	-	-	-	10,379	-	0.00%	-	-100.00%	-
Total	182,478	203,519	217,433	281,349	130,704	46.46%	302,504	7.52%	283,816

- Increase in Charges for Services due to IT allocation change
- Additional .5 FTE Building Permit Technician / Administrative Assistant requested for 2018 (not reflected) to assist with building permit activity
- Building permit revenues for 2018 anticipated to remain higher than average due to large construction projects at Carleton and St. Olaf colleges.

EDA & HRA Prelim Levies

- Assumes EMV increase of 4.4%
 - Based on 5 year average, better values available in September
 - EDA (.01813% of EMV max)
 - HRA (.01850 of EMV max)

	2017	2018 - proposed	% increase
EDA	\$ 229,488	\$ 239,680	4.44%
HRA	\$ 233,968	\$ 244,263	4.40%

EDA

	2017 YTD and % of budgeted								
	2014 Actual	2015 Actual	2016 Actual	2017 Adopted	\$ as of 6-30-17	%	2018 Proposed	2017 vs 2018 % increase	2019 Projected
OPERATIONS:									
REVENUES									
Taxes	205,122	213,844	220,344	229,488	77,444	33.75%	239,680	4.44%	239,680
Integovernmental	-	-	-	-	-		-		-
Other Revenue	59,665	17,439	15,646	25,500	9,416	36.93%	25,500	0.00%	25,500
Transfer in	-	-	-	-	138,318		-		-
Total Revenues	264,787	231,283	235,990	254,988	86,860	34.06%	265,180	4.00%	265,180
EXPENDITURES									
Personal Services	69,807	64,954	31,498	113,082	49,277	43.58%	104,450	-7.63%	109,332
Supplies	-	425	326	500	104	20.80%	500	0.00%	500
Charges for Services	20,215	27,497	22,661	34,079	13,636	40.01%	49,023	43.85%	31,223
Other Charges	89,220	110,128	84,471	104,000	37,518	36.08%	109,558	5.34%	120,808
Transfer Out	2,747	-	-	3,327	138,318	4157.44%	5,000	50.29%	5,000
Total Expenditures	181,989	203,004	138,956	254,988	238,853	93.67%	268,531	5.31%	266,863
Revenues over (under)	82,798	28,279	97,034	-	(151,993)	-0.59608	(3,351)		(1,683)

- EDA Strategic Planning taking place on August 24th and 25th

HRA

	2017 YTD and % of budgeted						2017 vs		
	2014 Actual	2015 Actual	2016 Actual	2017 Adopted	\$ as of 6-30-17	%	2018 Proposed	2018 % increase	2019 Projected
REVENUES BY MAJOR CATEGORY									
Taxes	209,441	218,174	224,826	233,968	78,955	33.75%	244,263	4.4%	244,263
Intergovernmental	-	-	-	-	-	-	-	-	-
Other Revenue	61,065	47,793	53,125	67,107	32,590	48.56%	60,752	-9.47%	60,752
Total Revenues	270,506	265,967	277,951	301,075	111,545	37.05%	305,015	-157.53%	305,015
EXPENDITURES									
Personal Services	78,020	63,254	100,057	105,963	51,686	48.78%	105,089	-0.82%	109,875
Supplies	-	206	128	300	-	0.00%	300	0.00%	300
Charges for Services	16,972	15,772	22,106	64,700	8,401	12.98%	70,942	9.65%	71,042
Other Charges	7,834	7,224	8,065	8,299	3,532	42.56%	8,299	0.00%	8,499
Debt Service									
Capital Outlay	549	-	-	-	-	-	-	-	-
Transfer Out	2,747	-	-	1,857	-	0.00%	-	-100.00%	1,845
Total	106,122	86,456	130,356	181,119	63,619	35.13%	184,630	1.94%	191,561
Revenues over (under)	164,384	179,511	147,595	119,956	47,926		120,385		113,454

- HRA Strategic Planning for 2018-2020 work plan anticipated in fall of 2017

Discussion

- September 19th adoption of levy
 - Preliminary levy at 15.1% total
- Initial budget includes more projects than money available
- Levy can go down, but not up