



City of Baxter, MN

2019 Annual Operating Budget

December 4, 2018

PREPARED BY:
Department of Finance

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2019 Annual Operating Budget

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A serene sunset scene over a large body of water. The sky is filled with soft, golden light, with the sun low on the horizon, creating a bright glow. The water reflects the light, and two kayakers are visible in the foreground, their silhouettes dark against the shimmering water. The overall mood is peaceful and contemplative.

Section I

The City

Elected and Appointed Officials

2019 Annual Operating Budget

Elected Officials

Mayor	Term of Office Expires*
Darrel Olson	2021

Council Members

Steve Barrows	2019
Mark Cross	2021
Todd Holman	2021
Quinn Nystrom	2019

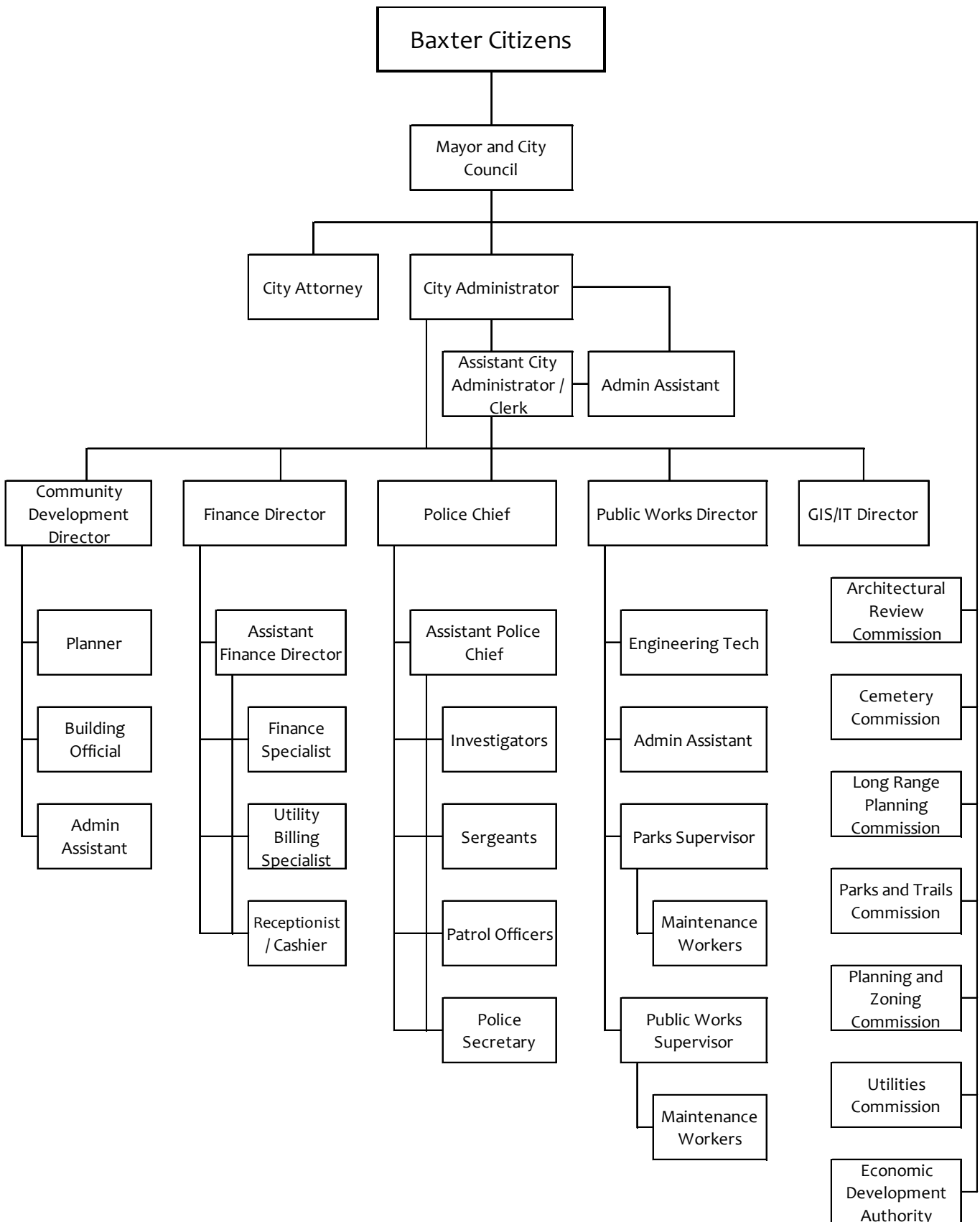
Appointed Officials

City Administrator	Bradley Chapulis
Assistant City Administrator/Clerk	Kelly Steele
Community Development Director	Josh Doty
Finance Director	Jeremy Vacinek
GIS/IT Director	Todd DeBoer
Police Chief	James Exsted
Public Works Director	Trevor Walter

* Expires on the first official business day in January

Organizational Chart

2019 Annual Operating Budget



Budget Calendar

2019 Annual Operating Budget

Friday, June 29, 2018	Budget Packets Distributed to Departments
Tuesday, July 24, 2018 5:30 p.m.	Council Budget Work Session to Discuss 2019 Goals and Priorities
Wednesday, July 25, 2018	Completed Department Budget Packets Returned to Finance
July 26 to August 24, 2018	Finance Assembly and Review of Initial Departmental Submittals Finance/Administration Meeting with Departments to discuss Proposed Budget Determine Initial 2019 Spending Targets and Preliminary Operating Levy & Debt Service Levy (the levies may not be increased after September 30 th)
Tuesday, August 28, 2018 6:00 p.m.	City Council Budget Work Session to Review and Discuss 2019 Governmental Funds Budgets, Proposed Property Tax Levy, and CIP
August 29 to September 3, 2018	Finance/Administration Continued Review and Refinement of Proposed Budget Meet with Department Heads to Formulate Proposed Budget
Tuesday, September 4, 2018 5:30 p.m. (prior to Council meeting)	City Council Budget Work Session to Review and Discuss 2019 Governmental Fund Budget (<i>Continuation Meeting, if necessary; additional meetings may be scheduled</i>)
Friday, September 14, 2018	Preliminary Governmental Funds Budget and Proposed Property Tax Levy Distributed to the City Council for Consideration
Tuesday, September 18, 2018 7:00 p.m.	City Council Meeting Council Approval of Preliminary Governmental Funds Budget and Levy (Levy can be decreased after this point, but not increased); Preliminary Levy must be certified to Crow Wing County and Minnesota by September 30 th
September 19 to October 29, 2018	Administration and Finance Continued Review and Refinement of Proposed Budget and 5-Year CIP Meet with Department Heads to Formulate Proposed Budget Finance Department Prepares Final Draft of Proposed Budget
Tuesday, October 30, 2018 6:00 p.m.	Council Budget Work Session to Review Proposed Budget and 5-Year CIP, including Introduction of Enterprise Funds Budgets
Wednesday, November 7, 2018 5:30 p.m. (prior to Council meeting)	Council Budget Work Session to Review Proposed Budget, continued, if necessary (<i>additional meetings may be scheduled, if necessary</i>)
Tuesday, November 20, 2018	Final Budget Document Submitted to City Council
Monday, December 3, 2018 6:00 p.m.	Informational Meeting to Review the 2019 Budget and Property Tax Levy with Public Testimony
Tuesday, December 4, 2018 7:00 p.m. or shortly thereafter	Council Adoption of 2019 Final Budget, Levy and 5-Year Capital Improvement Plan

Highlighted dates represent proposed City Council meetings and/or work sessions to be held at Baxter City Hall, 13190 Memorywood Drive. Other meetings may be scheduled as determined necessary during the budget process

Property Tax Levy

2019 Annual Operating Budget

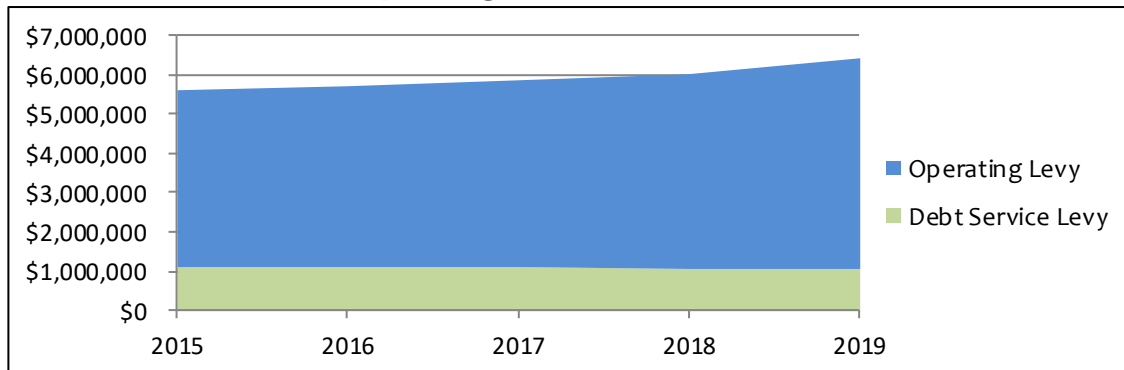
Changes in Property Taxes by Fund

Fund	2018 Approved Property Taxes	2019 Proposed Property Taxes	Increase (Decrease) Amount
General	\$ 4,347,400	\$ 4,814,500	\$ 467,100
Collector Street	387,000	387,000	-
Community Development	130,000	65,000	(65,000)
Capital Parks	8,000	9,000	1,000
Cemetery	11,700	15,000	3,300
Economic Development	38,500	31,500	(7,000)
Recycling	4,800	4,800	-
Total Operating Levy	4,927,400	5,326,800	399,400
Debt Service	1,076,000	1,076,000	-
Total Operating and Debt Service Levies	\$ 6,003,400	\$ 6,402,800	\$ 399,400

Detail of Debt Service Funds

Bond Issue	Debt Service Levy
G.O. Refunding Bonds 2013A (06A/06B portion)	\$ 311,300
G.O. Improvement Bonds 2014	31,500
G.O. Improvement Bonds 2015	240,800
G.O. Improvement Bonds 2016	304,200
G.O. Improvement Bonds 2018	188,200
Total	\$ 1,076,000

Operating vs. Debt Service Levy



Property Tax Levy (continued)

2019 Annual Operating Budget

Estimated Tax Capacity with Growth and New Construction

	2017	2018	2019*
Gross Net Tax Capacity	\$ 12,020,928	\$ 12,196,649	\$ 12,734,316
Less: Tax Increment Value	(479,155)	(521,962)	(632,770)
Net Tax Capacity for Operating and Debt Levies	\$ 11,541,773	\$ 11,674,687	\$ 12,101,546
Change in Net Tax Capacity Over Prior Year (Overall)	\$ 811,743	\$ 132,914	\$ 426,859
NTC Overall Rate	50.313%	51.423%	52.909%

*The 2019 Net Tax Capacity is estimated based upon figures available from Crow Wing County (CWC) as of October, 2018. The figures are subject to change until the final figures are certified after year end, including potential legislative impacts on the 2018 assessment, 2019 payable year. Tax Increment values (current projected estimates) are deducted from initial tax capacity to calculate the taxable tax capacity. The Minnesota JOBZ program, which excluded eligible properties from the City's operating levy, expired in 2016.

New Construction by Class and Change in Market Value and Tax Capacity Comparison of Prior Year to Current Year

New Construction Class	2017 New Construction*		2018 New Construction*	
	Market Value	Est. Tax Capacity	Market Value	Est. Tax Capacity**
Residential Homestead	\$ 2,294,700	\$ 22,947	\$ 4,918,800	\$ 49,188
Residential Non-Homestead & Other	1,576,600	15,766	8,200	82
Residential Non-Homestead 4+	1,549,100	19,364	1,340,200	16,753
Commercial	2,546,300	38,195	9,317,500	139,763
Industrial	850,400	12,756	192,400	2,886
Totals	\$ 8,817,100	\$ 109,027	\$ 15,777,100	\$ 208,671

*2017 and 2018 Market Value and Est. Tax Capacity Figures for individual construction classes were current as of the same period (prior to the Local Board of Appeal and Equalization), are based upon conservative CWC estimates, and have not been updated individually to reflect finalized figures for the individual classes; however, the actual tax capacities are included in the county's calculation of overall tax capacity. The purpose of this table is to compare for illustrative purposes only the current year's new construction added to the following year's tax base and estimated tax capacity with the new construction and estimated tax capacity added in the prior year.

**Conservative estimates utilizing lowest class rate multiplier applied to CWC market value estimates; does not account for the new market value potentially being included in a tax increment financing district.

Property Tax Levy (continued)

2019 Annual Operating Budget

Calculation of Levy for 2019 and the 2019 Estimated Tax Capacity Rate Based upon the 2019 Annual Operating Budget

	2019 Annual Operating Budget
General Fund Expenditures	\$ 5,972,200
General Fund Non-Levy Revenue	1,157,700
Net General Fund Levy Required	\$ 4,814,500
Other Funds Levies	\$ 512,300
Debt Service Levies	1,076,000
Net Levy	\$ 6,402,800
Tax Cap Rate (Overall)* - Preliminary Estimate for 2019	52.909%
Prior Year's Actual Tax Cap Rate (Overall)	51.423%
Change in Tax Capacity Rate (Overall)	1.486%

*Tax capacities and rates are estimated and subject to change with the final CWC certification based upon factors identified earlier.

Estimated Impact of the 2019 Levy on Various Valued Properties Based upon No Change in Valuation

The following table provides a comparison for certain Baxter homes and smaller commercial/industrial properties from 2018 to 2019 based on legislative, budget, and voter approved changes for the City of Baxter portion only. **The figures do not reflect a change in valuation.**

	2018 City Taxes	2019 City Taxes	Change 2018-19
\$76,000 Residential Property	\$ 234	\$ 241	\$ 7
\$175,000 Residential Property	789	812	23
\$250,000 Residential Property	1,210	1,245	35
\$500,000 Commercial Property	4,757	4,894	137

Estimated Impact of the 2019 Levy on Various Valued Properties with the Citywide Average Assessed Valuation Changes Included

The following table provides a comparison for certain Baxter homes and smaller commercial/industrial properties from 2018 to 2019 based on legislative, budget, and voter approved changes for the City of Baxter portion only. **The figures reflect an across the board average 1.82% increase in existing residential valuations and average 2.41% increase in existing commercial/industrial valuations,** based upon data provided by Crow Wing County in the 2017 Year-End and 2018 Fall Abstracts.

	2018 City Taxes	2019 City Taxes	Change 2018-19
\$76,000 Residential Property Increased to \$77,383	\$ 234	\$ 249	\$ 15
\$175,000 Residential Property Increased to \$178,185	789	831	42
\$250,000 Residential Property Increased to \$254,550	1,210	1,271	61
\$500,000 Commercial Property Increased to \$512,050	4,757	5,022	265

A serene sunset scene over a large body of water. The sky is filled with soft, golden light, transitioning from a pale yellow at the top to a deep orange near the horizon. The sun is partially obscured by a layer of clouds, creating a diffused glow. In the foreground, two kayakers are silhouetted against the shimmering water. They are positioned on the left and right sides of the lower third of the frame, each holding a paddle. The water's surface is textured with gentle ripples, reflecting the warm colors of the sky. The overall mood is peaceful and contemplative.

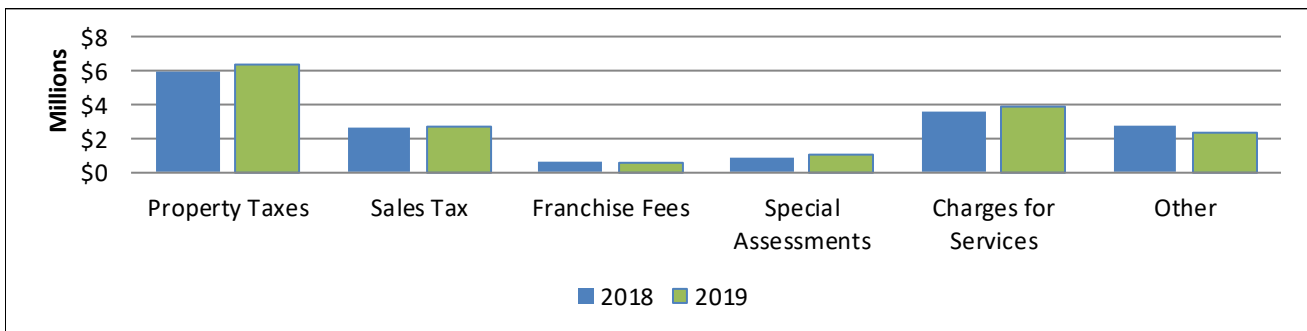
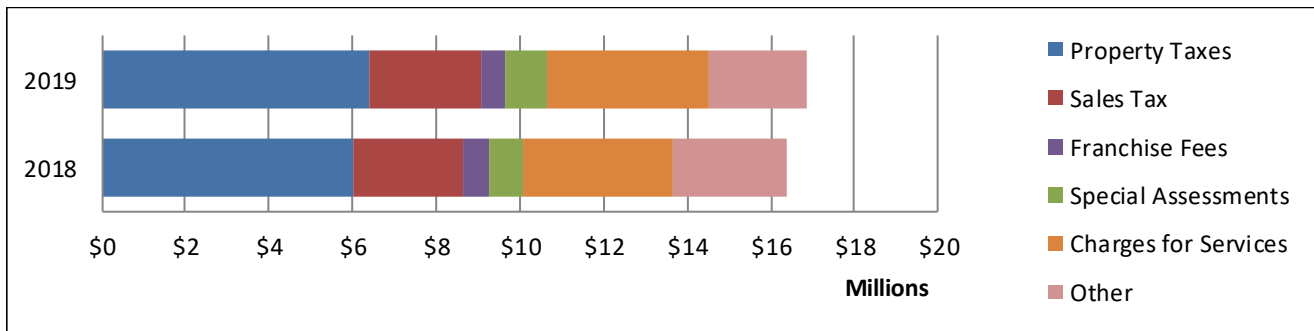
Section II

Budget by Funds

All Funds - Revenues and Transfers In

2019 Annual Operating Budget

	2018 Amended	2019 Operating	Increase / (Decrease)	
	Budget	Budget	\$	%
Property Taxes	\$ 6,011,400	\$ 6,402,800	\$ 391,400	7 %
Lodging Tax	372,400	402,800	30,400	8
Sales Tax	2,631,000	2,687,400	56,400	2
Tax Increments	539,500	650,000	110,500	20
Franchise Fees	621,100	565,700	(55,400)	(9)
Special Assessments	819,600	1,002,800	183,200	22
Licenses/Permits	221,000	268,800	47,800	22
Intergovernmental	1,137,000	381,700	(755,300)	(66)
Charges for Services	3,573,300	3,858,200	284,900	8
Fines & Forfeits	65,000	51,700	(13,300)	(20)
Interest	314,600	467,000	152,400	48
Other	94,500	96,400	1,900	2
Total Revenues Before Transfers	16,400,400	16,835,300	434,900	3
Transfers In	2,295,400	2,320,500	25,100	
Total Revenues and Transfers In	18,695,800	19,155,800	460,000	2 %



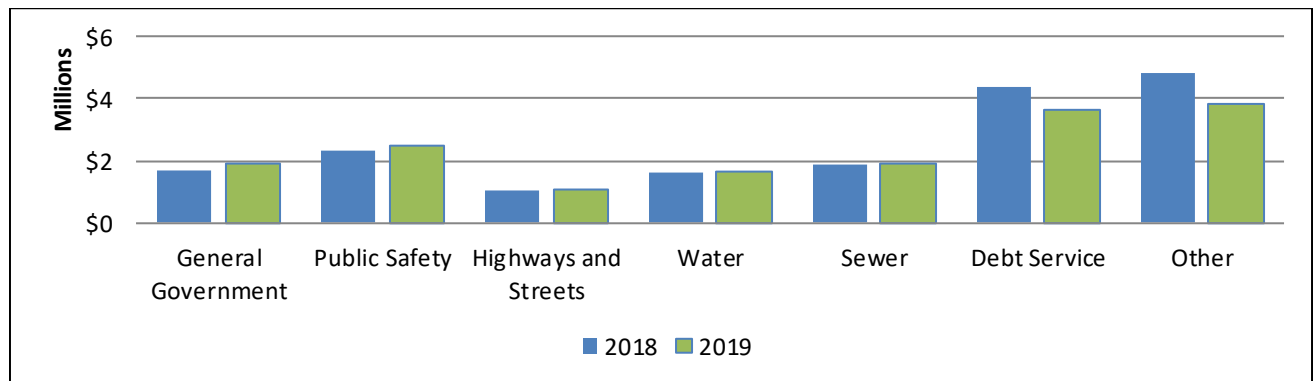
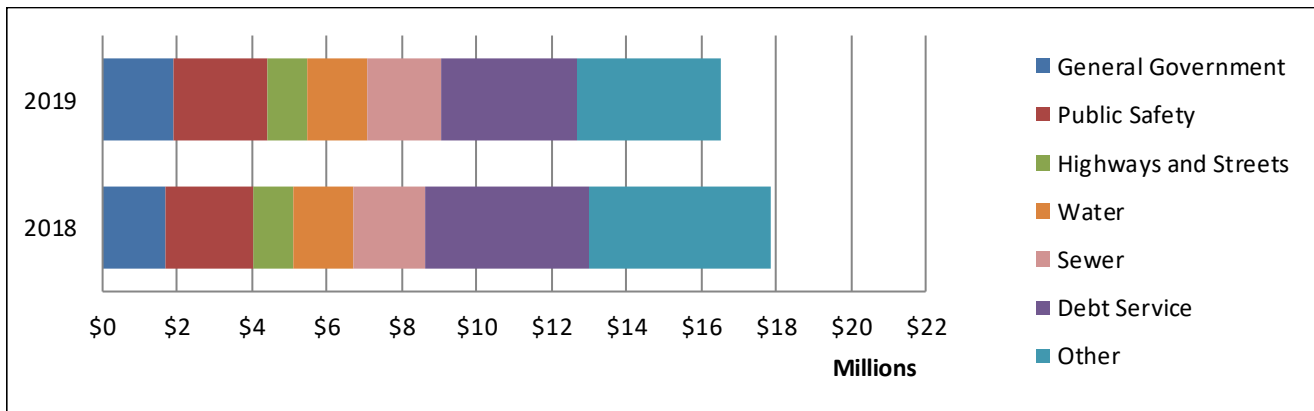
Charts exclude transfers

All Funds - Expenditures and Transfers Out

2019 Annual Operating Budget

	2018 Amended	2019 Operating	Increase / (Decrease)	
	Budget	Budget	\$	%
General Government	\$ 1,715,300	\$ 1,901,500	\$ 186,200	11 %
Public Safety	2,334,100	2,509,000	174,900	7
Highways and Streets	1,058,900	1,066,500	7,600	1
Sanitation	35,600	34,200	(1,400)	(4)
Culture and Recreation	728,600	880,800	152,200	21
Economic and Community Development	1,488,100	1,517,500	29,400	2
Water	1,610,600	1,632,900	22,300	1
Sewer	1,907,600	1,933,600	26,000	1
Storm Water	437,300	472,600	35,300	8
Capital Outlay	2,148,000	956,900	(1,191,100)	(55)
Debt Service	4,400,200	3,648,400	(751,800)	(17)
Total Expenditures Before Transfers	17,864,300	16,553,900	(1,310,400)	(7)
Transfers Out	7,965,800	8,132,300	166,500	2
Total Expenditures and Transfers Out	25,830,100	24,686,200	(1,143,900)	(4) %

Net Revenues Over/(Under) Expenditures including Transfers	\$ (7,134,300)	\$ (5,530,400)
Net Revenues Over/(Under) Expenditures excluding Transfers	\$ (1,463,900)	\$ 281,400



Charts exclude transfers

General Fund Revenues

2019 Annual Operating Budget

Revenues			
	2017 Actual	2018 Budget	2019 Budget
Property Taxes	\$ 4,704,898	\$ 4,935,400	\$ 5,326,800
Franchise Fees	133,737	214,600	198,600
Special Assessments	8,180	8,100	8,100
Licenses, Permits, and Fees	43,818	42,300	42,700
Intergovernmental Revenue	152,832	113,200	144,900
Charges for Services	433,334	76,500	146,000
Fines and Forfeits	70,127	65,000	51,700
Gifts and Contributions	3,850	-	-
Investment Earnings	52,735	46,600	66,900
Change in Fair Value of Investments	(11,883)	-	-
Other	93,384	88,100	91,000
Transfers In	25,937	383,000	407,800
Total Revenues	\$ 5,710,949	\$ 5,972,800	\$ 6,484,500

General Fund Expenditures

2019 Annual Operating Budget

General Government

	2017 Actual	2018 Budget	2019 Budget
Employee Full-Time Equivalency (FTE)	-	-	-

Expenditures

Personnel Services	\$ 575	\$ 13,000	\$ 1,000
Supplies	7,105	9,100	8,500
Services and Charges	238,610	201,800	212,100
Transfers Out	-	3,000	6,000
Total Expenditures	\$ 246,290	\$ 226,900	\$ 227,600

Council

	2017 Actual	2018 Budget	2019 Budget
Employee Full-Time Equivalency (FTE)	5.00	5.00	5.00

Expenditures

Personnel Services	\$ 30,946	\$ 31,800	\$ 37,700
Supplies	1,000	1,300	1,800
Services and Charges	5,441	6,100	6,900
Transfers Out	3,000	900	900
Total Expenditures	\$ 40,387	\$ 40,100	\$ 47,300

General Fund Expenditures (continued)

2019 Annual Operating Budget

Administration

	2017 Actual	2018 Budget	2019 Budget
Employee Full-Time Equivalency (FTE)	2.50	2.50	2.50

Expenditures

Personnel Services	\$ 269,711	\$ 335,100	\$ 360,400
Supplies	2,958	2,800	2,300
Services and Charges	15,503	19,800	18,600
Transfers Out	2,900	2,800	2,600
Total Expenditures	\$ 291,073	\$ 360,500	\$ 383,900

Finance

	2017 Actual	2018 Budget	2019 Budget
Employee Full-Time Equivalency (FTE)	4.00	4.00	4.00

Expenditures

Personnel Services	\$ 365,243	\$ 398,900	\$ 420,200
Supplies	10,718	13,100	14,900
Services and Charges	15,585	21,600	20,300
Transfers Out	4,000	4,000	3,800
Total Expenditures	\$ 395,546	\$ 437,600	\$ 459,200

Legal

	2017 Actual	2018 Budget	2019 Budget
Employee Full-Time Equivalency (FTE)	-	-	-

Expenditures

Services and Charges	\$ 64,524	\$ 46,000	\$ 82,900
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General Fund Expenditures (continued)

2019 Annual Operating Budget

Information Systems (GIS)

	2017 Actual	2018 Budget	2019 Budget
Employee Full-Time Equivalency (FTE)	1.00	1.00	1.00

Expenditures

Personnel Services	\$ 119,356	\$ 121,300	\$ 137,800
Supplies	15,899	21,500	26,900
Services and Charges	8,993	8,100	8,000
Transfers Out	1,200	1,500	1,400
Total Expenditures	\$ 145,447	\$ 152,400	\$ 174,100

Public Works Administration

	2017 Actual	2018 Budget	2019 Budget
Employee Full-Time Equivalency (FTE)	2.50	3.50	3.50

Expenditures

Personnel Services	\$ 269,787	\$ 365,100	\$ 439,600
Supplies	4,032	11,200	10,500
Services and Charges	19,023	13,400	17,200
Transfers Out	5,800	5,800	7,000
Total Expenditures	\$ 298,642	\$ 395,500	\$ 474,300

General Fund Expenditures (continued)

2019 Annual Operating Budget

Police

	2017 Actual	2018 Budget	2019 Budget
Employee Full-Time Equivalency (FTE)	15.00	16.00	16.00

Expenditures

Personnel Services	\$ 1,513,252	\$ 1,600,100	\$ 1,788,800
Supplies	71,440	88,500	67,600
Services and Charges	73,349	113,400	111,100
Transfers Out	99,300	82,800	103,300
Total Expenditures	\$ 1,757,341	\$ 1,884,800	\$ 2,070,800

Fire Protection

	2017 Actual	2018 Budget	2019 Budget
Employee Full-Time Equivalency (FTE)	-	-	-

Expenditures

Services and Charges	\$ 308,333	\$ 303,400	\$ 316,600
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General Fund Expenditures (continued)

2019 Annual Operating Budget

Streets

	2017 Actual	2018 Budget	2019 Budget
Employee Full-Time Equivalency (FTE)	2.04	2.04	2.04

Expenditures

Personnel Services	\$ 182,952	\$ 205,100	\$ 216,400
Supplies	90,717	124,900	130,200
Services and Charges	246,797	268,900	290,900
Capital Outlay	-	-	48,000
Transfers Out	43,600	88,300	78,900
Total Expenditures	\$ 564,067	\$ 687,200	\$ 764,400

Street Lighting

	2017 Actual	2018 Budget	2019 Budget
Employee Full-Time Equivalency (FTE)	-	-	-

Expenditures

Supplies	\$ 6,699	\$ 12,500	\$ 12,500
Services and Charges	96,077	102,500	102,500
Total Expenditures	\$ 102,776	\$ 115,000	\$ 115,000

General Fund Expenditures (continued)

2019 Annual Operating Budget

Parks, Trails, and Grounds Maintenance

	2017 Actual	2018 Budget	2019 Budget
Employee Full-Time Equivalency (FTE)	5.00	5.00	5.00

Expenditures

Personnel Services	\$ 427,165	\$ 428,000	\$ 467,700
Supplies	65,643	70,500	75,300
Services and Charges	98,686	158,100	225,500
Transfers Out	48,600	52,800	52,400
Total Expenditures	\$ 640,094	\$ 709,400	\$ 820,900

Recreation Programs

	2017 Actual	2018 Budget	2019 Budget
Employee Full-Time Equivalency (FTE)	-	-	-

Expenditures

Services and Charges	\$ 32,000	\$ 34,000	\$ 35,200
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General Fund Expenditures (continued)

2019 Annual Operating Budget

Operating Transfers to Other Funds

Cemetery	\$ 9,600	\$ 11,700	\$ 15,000
Community Development	65,000	130,000	65,000
Capital Parks	5,100	8,000	9,000
Economic Development	37,900	38,500	31,500
Recycling	4,000	4,800	4,800
Debt Service	129,961	-	-
Capital Projects	82,102	-	-
Collector Street	387,000	387,000	387,000
Total Transfers Out	\$ 720,663	\$ 580,000	\$ 512,300

Total General Fund Expenditures	\$ 5,607,183	\$ 5,972,800	\$ 6,484,500
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Net Revenues Over/(Under) Expenditures	\$ 103,766	\$ -	\$ -
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Cemetery Fund

2019 Annual Operating Budget

Revenues

	2017 Actual	2018 Budget	2019 Budget
Investment Earnings	\$ 655	\$ 500	\$ 600
Change in Fair Value of Investments	(174)	-	-
Other	5,400	5,400	5,400
Transfers In	9,600	11,700	15,000
Total Revenues	\$ 15,481	\$ 17,600	\$ 21,000

Expenditures

	2017 Actual	2018 Budget	2019 Budget
Personnel Services	\$ 4,051	\$ 4,300	\$ 4,200
Supplies	1,965	2,000	1,200
Services and Charges	6,150	11,300	12,900
Capital Outlay	-	-	8,500
Total Expenditures	\$ 12,166	\$ 17,600	\$ 26,800

Net Revenues Over/(Under) Expenditures	\$ 3,315	\$ -	\$ (5,800)
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Community Development Fund

2019 Annual Operating Budget

Revenues

	2017 Actual	2018 Budget	2019 Budget
Licenses, Permits, and Fees	\$ 277,166	\$ 178,700	\$ 226,100
Intergovernmental Revenue	95	-	-
Charges for Services	143,000	99,500	115,900
Fines and Forfeits	98	-	-
Investment Earnings	7,359	4,200	7,000
Change in Fair Value of Investments	(1,923)	-	-
Transfers In	65,000	130,000	65,000
Total Revenues	\$ 490,796	\$ 412,400	\$ 414,000

Planning Expenditures

	2017 Actual	2018 Budget	2019 Budget
Employee Full-Time Equivalency (FTE)	2.50	2.50	2.50
Personnel Services	\$ 234,053	\$ 252,400	\$ 266,700
Supplies	982	1,700	3,100
Services and Charges	21,077	55,900	43,600
Transfers Out	3,500	3,600	6,600
Total Expenditures	\$ 259,612	\$ 313,600	\$ 320,000

Community Development Fund (continued)

2019 Annual Operating Budget

Building Inspection Expenditures

	2017 Actual	2018 Budget	2019 Budget
Employee Full-Time Equivalency (FTE)	1.50	1.50	1.50
Personnel Services	\$ 123,417	\$ 133,600	\$ 146,600
Supplies	1,628	5,500	2,700
Services and Charges	50,647	64,600	75,600
Transfers Out	5,500	5,100	5,400
Total Expenditures	\$ 181,192	\$ 208,800	\$ 230,300
Total Fund Expenditures	\$ 440,804	\$ 522,400	\$ 550,300
Net Revenues Over/(Under) Expenditures	\$ 49,992	\$ (110,000)	\$ (136,300)

Capital Parks Fund

2019 Annual Operating Budget

Revenues

	2017 Actual	2018 Budget	2019 Budget
Investment Earnings	\$ 4,572	\$ 2,500	\$ 3,100
Change in Fair Value of Investments	(1,226)	-	-
Other	1,500	-	-
Transfers In	5,100	8,000	9,000
Total Revenues	\$ 9,946	\$ 10,500	\$ 12,100

Expenditures

	2017 Actual	2018 Budget	2019 Budget
Supplies	\$ 9,749	\$ 8,000	\$ 12,100
Services and Charges	-	-	25,000
Capital Outlay	29,020	5,000	30,000
Total Expenditures	\$ 38,768	\$ 13,000	\$ 67,100

Net Revenues Over/(Under) Expenditures	\$ (28,822)	\$ (2,500)	\$ (55,000)
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Economic Development Fund

2019 Annual Operating Budget

Revenues

	2017 Actual	2018 Budget	2019 Budget
Special Assessments	\$ 1,314	\$ -	\$ -
Investment Earnings	22,420	8,500	20,200
Change in Fair Value of Investments	(5,916)	-	-
Transfers In	37,900	38,500	31,500
Total Revenues	\$ 55,718	\$ 47,000	\$ 51,700

Expenditures

	2017 Actual	2018 Budget	2019 Budget
Services and Charges	\$ 42,276	\$ 47,000	\$ 47,000

Net Revenues Over/(Under) Expenditures	\$ 13,442	\$ -	\$ 4,700
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Lodging Tax Administration Fund

2019 Annual Operating Budget

Revenues

	2017 Actual	2018 Budget	2019 Budget
Lodging Tax	\$ 399,024	\$ 372,400	\$ 402,800
Investment Earnings	500	-	-
Total Revenues	\$ 399,524	\$ 372,400	\$ 402,800

Expenditures

	2017 Actual	2018 Budget	2019 Budget
Services and Charges	\$ 399,524	\$ 372,400	\$ 402,800

Net Revenues Over/(Under) Expenditures	\$ -	\$ -	\$ -
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Tax Increment Financing Funds

2019 Annual Operating Budget

Revenues

	2017 Actual	2018 Budget	2019 Budget
Tax Increments	\$ 496,504	\$ 539,500	\$ 650,000
Investment Earnings	5,734	1,800	5,100
Change in Fair Value of Investments	(1,199)	-	-
Other	7,150	-	-
Total Revenues	\$ 508,189	\$ 541,300	\$ 655,100

Expenditures

	2017 Actual	2018 Budget	2019 Budget
Services and Charges	\$ 251,893	\$ 243,800	\$ 227,900
Capital Outlay	168,502	-	-
Debt Service	263,364	270,500	281,000
Total Expenditures	\$ 683,759	\$ 514,300	\$ 508,900

Net Revenues Over/(Under) Expenditures	\$ (175,570)	\$ 27,000	\$ 146,200
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Sales Tax Collection Fund

2019 Annual Operating Budget

Revenues

	2017 Actual	2018 Budget	2019 Budget
Sales and Excise Tax	\$ 2,656,049	\$ 2,631,000	\$ 2,687,400
Investment Earnings	112,001	73,100	104,300
Change in Fair Value of Investments	(29,224)	-	-
Transfers In	134,490	-	-
Total Revenues	\$ 2,873,316	\$ 2,704,100	\$ 2,791,700

Expenditures

	2017 Actual	2018 Budget	2019 Budget
Services and Charges	\$ 573,877	\$ 571,600	\$ 582,000
Transfers Out	1,307,725	2,596,300	4,303,700
Total Expenditures	\$ 1,881,602	\$ 3,167,900	\$ 4,885,700

Net Revenues Over/(Under) Expenditures	\$ 991,714	\$ (463,800)	\$ (2,094,000)
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Recycling Fund

2019 Annual Operating Budget

Revenues

	2017 Actual	2018 Budget	2019 Budget
Intergovernmental Revenue	\$ 27,278	\$ 30,000	\$ 28,600
Charges for Services	365	300	300
Investment Earnings	888	500	500
Change in Fair Value of Investments	(256)	-	-
Transfers In	4,000	4,800	4,800
Total Revenues	\$ 32,275	\$ 35,600	\$ 34,200

Expenditures

	2017 Actual	2018 Budget	2019 Budget
Services and Charges	\$ 32,106	\$ 35,600	\$ 34,200

Net Revenues Over/(Under) Expenditures	\$ 170	\$ -	\$ -
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Capital Equipment Fund

2019 Annual Operating Budget

Purpose:

- Provide a sinking fund for future capital equipment replacement purchases
- Attempts to smooth annual capital outlay expenditures for systematic replacement of capital equipment, including squad cars, public works, and parks vehicles

Revenues

	2017 Actual	2018 Budget	2019 Budget
Investment Earnings	\$ 13,001	\$ 6,400	\$ 10,500
Change in Fair Value of Investments	(3,364)	-	-
Other	36,312	-	-
Transfers In	256,300	288,800	479,700
Total Revenues	\$ 302,249	\$ 295,200	\$ 490,200

Expenditures

	2017 Actual	2018 Budget	2019 Budget
Supplies	\$ 32,753	\$ 34,000	\$ -
Capital Outlay	133,035	131,100	455,400
Total Expenditures	\$ 165,787	\$ 165,100	\$ 455,400

Net Revenues Over/(Under) Expenditures	\$ 136,462	\$ 130,100	\$ 34,800
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Collector Street Fund

2019 Annual Operating Budget

Purpose:

- Provide a sinking fund for future collector street construction on a pay-as-you-go basis
- Minimizes the need to issue debt and levy for debt service for the City's share of project costs such as additional street width, lanes, and curb and gutter
- Provides an additional revenue source to leverage MSA for City collector streets

Revenues

	2017 Actual	2018 Budget	2019 Budget
Special Assessments	\$ 18,241	\$ -	\$ -
Intergovernmental Revenue	-	800,000	-
Investment Earnings	56,184	22,800	29,400
Change in Fair Value of Investments	(14,597)	-	-
Transfers In	751,538	387,000	387,000
Total Revenues	\$ 811,366	\$ 1,209,800	\$ 416,400

Expenditures

	2017 Actual	2018 Budget	2019 Budget
Transfers Out	\$ -	\$ 3,887,200	\$ 1,335,000
Net Revenues Over/(Under) Expenditures	\$ 811,366	\$ (2,677,400)	\$ (918,600)

Street Replacement Fund

2019 Annual Operating Budget

Revenues

	2017 Actual	2018 Budget	2019 Budget
Franchise Fees	\$ 328,486	\$ 379,500	\$ 335,100
Intergovernmental Revenue	134,894	134,000	153,000
Investment Earnings	5,930	4,800	11,200
Change in Fair Value of Investments	(1,797)	-	-
Total Revenues	\$ 467,512	\$ 518,300	\$ 499,300

Expenditures

	2017 Actual	2018 Budget	2019 Budget
Services and Charges	\$ 387,354	\$ 336,000	\$ 314,000
Transfers Out	-	-	22,000
Total Expenditures	\$ 387,354	\$ 336,000	\$ 336,000

Net Revenues Over/(Under) Expenditures	\$ 80,158	\$ 182,300	\$ 163,300
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Trail Construction and Maintenance Fund

2019 Annual Operating Budget

Purpose:

- Provide a sinking fund for future trail maintenance and reconstruction
- To provide a sinking fund for future trail construction by leveraging DNR and other grants with matching funds from this construction fund

Revenues

	2017 Actual	2018 Budget	2019 Budget
Franchise Fees	\$ 25,500	\$ 27,000	\$ 32,000
Investment Earnings	4,782	3,000	4,700
Change in Fair Value of Investments	(1,290)	-	-
Total Revenues	\$ 28,992	\$ 30,000	\$ 36,700

Expenditures

	2017 Actual	2018 Budget	2019 Budget
Services and Charges	\$ 39,206	\$ 30,000	\$ 40,000

Net Revenues Over/(Under) Expenditures	\$ (10,214)	\$ -	\$ (3,300)
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Water Operations Fund

2019 Annual Operating Budget

Revenues

	2017 Actual	2018 Budget	2019 Budget
Charges for Services	\$ 1,307,230	\$ 1,332,500	\$ 1,385,500
Investment Earnings	78,436	53,700	80,000
Change in Fair Value of Investments	(20,619)	-	-
Other	622,489	1,000	-
Transfers In	53,802	-	-
Total Revenues	\$ 2,041,337	\$ 1,387,200	\$ 1,465,500

Expenditures

	2017 Actual	2018 Budget	2019 Budget
Employee Full-Time Equivalency (FTE)	2.33	2.33	2.33
Personnel Services	\$ 220,307	\$ 226,900	\$ 240,100
Supplies	93,848	109,400	109,700
Services and Charges	1,331,524	1,274,300	1,283,100
Capital Outlay	-	6,500	-
Transfers Out	15,100	143,900	643,000
Total Expenditures	\$ 1,660,778	\$ 1,761,000	\$ 2,275,900

Net Revenues Over/(Under) Expenditures	\$ 380,559	\$ (373,800)	\$ (810,400)
Depreciation	928,447	989,800	1,021,200
Depreciation Coverage	1,309,006	616,000	210,800
Depreciation Coverage %	140.99%	62.23%	20.64%

WAC Fund

2019 Annual Operating Budget

Revenues

	2017 Actual	2018 Budget	2019 Budget
Investment Earnings	\$ 6,098	\$ 3,600	\$ 1,500
Change in Fair Value of Investments	(1,693)	-	-
Other	499,890	256,100	289,100
Total Revenues	\$ 504,294	\$ 259,700	\$ 290,600

Expenditures

	2017 Actual	2018 Budget	2019 Budget
Services and Charges	\$ 8,763	\$ -	\$ -
Capital Outlay	-	1,442,100	275,000
Transfers Out	333,247	25,000	204,200
Total Expenditures	\$ 342,010	\$ 1,467,100	\$ 479,200

Net Revenues Over/(Under) Expenditures	\$ 162,285	\$ (1,207,400)	\$ (188,600)
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Water Debt Service Fund

2019 Annual Operating Budget

Revenues

	2017 Actual	2018 Budget	2019 Budget
Transfers In	\$ 436,213	\$ 433,700	\$ 306,300

Expenditures

	2017 Actual	2018 Budget	2019 Budget
Debt Service	\$ 78,374	\$ 689,700	\$ 562,700

Net Revenues Over/(Under) Expenditures	\$ 357,839	\$ (256,000)	\$ (256,400)
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Entire Water Enterprise Fund			
Net Revenues Over/(Under) Expenditures	\$ 900,683	\$ (1,837,200)	\$ (1,255,400)

Sewer Operations Fund

2019 Annual Operating Budget

Revenues

	2017 Actual	2018 Budget	2019 Budget
Charges for Services	\$ 1,262,443	\$ 1,280,900	\$ 1,321,800
Investment Earnings	50,144	34,400	60,000
Change in Fair Value of Investments	(13,222)	-	-
Other	460,782	-	-
Transfers In	501,501	-	-
Total Revenues	\$ 2,261,649	\$ 1,315,300	\$ 1,381,800

Expenditures

	2017 Actual	2018 Budget	2019 Budget
Employee Full-Time Equivalency (FTE)	2.33	2.33	2.33
Personnel Services	\$ 214,646	\$ 226,900	\$ 240,100
Supplies	23,844	31,300	35,900
Services and Charges	1,704,695	1,649,400	1,657,600
Transfers Out	12,200	141,000	207,400
Total Expenditures	\$ 1,955,385	\$ 2,048,600	\$ 2,141,000

Net Revenues Over/(Under) Expenditures	\$ 306,264	\$ (733,300)	\$ (759,200)
Depreciation	899,326	912,300	967,900
Depreciation Coverage	745,304	179,000	208,700
Depreciation Coverage %	82.87%	19.62%	21.56%

SAC Fund

2019 Annual Operating Budget

Revenues

	2017 Actual	2018 Budget	2019 Budget
Investment Earnings	\$ 36,477	\$ 25,300	\$ 22,600
Change in Fair Value of Investments	(9,927)	-	-
Other	389,808	115,000	147,000
Total Revenues	\$ 416,358	\$ 140,300	\$ 169,600

Expenditures

	2017 Actual	2018 Budget	2019 Budget
Services and Charges	\$ 11,048	\$ -	\$ -
Capital Outlay	294,135	563,300	140,000
Transfers Out	526,501	152,600	543,100
Total Expenditures	\$ 831,684	\$ 715,900	\$ 683,100

Net Revenues Over/(Under) Expenditures	\$ (415,324)	\$ (575,600)	\$ (513,500)
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Entire Sewer Enterprise Fund			
Net Revenues Over/(Under) Expenditures	\$ (109,060)	\$ (1,308,900)	\$ (1,272,700)

Storm Water Operations Fund

2019 Annual Operating Budget

Revenues

	2017 Actual	2018 Budget	2019 Budget
Charges for Services	\$ 365,826	\$ 412,500	\$ 452,600
Investment Earnings	6,967	3,900	7,200
Change in Fair Value of Investments	(1,898)	-	-
Other	807,260	-	-
Total Revenues	\$ 1,178,156	\$ 416,400	\$ 459,800

Expenditures

	2017 Actual	2018 Budget	2019 Budget
Employee Full-Time Equivalency (FTE)	0.30	0.30	0.30
Personnel Services	\$ 39,719	\$ 40,700	\$ 41,400
Supplies	19,438	14,100	18,600
Services and Charges	411,456	382,500	412,600
Transfers Out	11,600	189,200	93,300
Total Expenditures	\$ 482,214	\$ 626,500	\$ 565,900

Net Revenues Over/(Under) Expenditures	\$ 695,942	\$ (210,100)	\$ (106,100)
Depreciation	179,842	239,900	272,900
Depreciation Coverage	360,895	29,800	166,800
Depreciation Coverage %	200.67%	12.42%	61.12%

Debt Service Fund

2019 Annual Operating Budget

Revenues

	2017 Actual	2018 Budget	2019 Budget
Property Taxes	\$ 1,077,988	\$ 1,076,000	\$ 1,076,000
Special Assessments	1,288,626	811,500	994,700
Intergovernmental Revenue	730,721	59,800	55,200
Investment Earnings	55,355	19,000	32,200
Change in Fair Value of Investments	(13,417)	-	-
Transfers In	80,473	609,900	614,400
Total Revenues	\$ 3,219,745	\$ 2,576,200	\$ 2,772,500

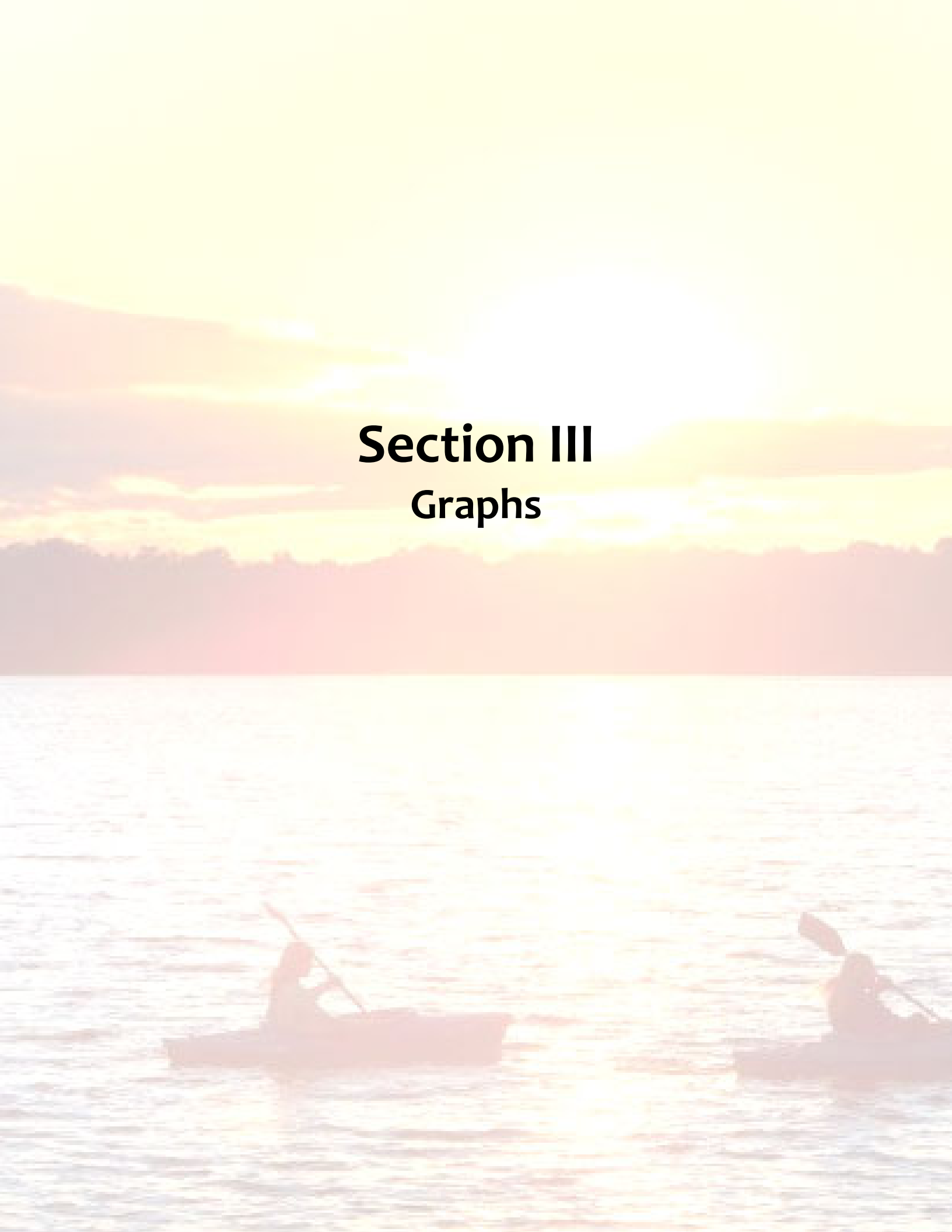
Expenditures

	2017 Actual	2018 Budget	2019 Budget
Debt Service	\$ 3,100,736	\$ 3,440,000	\$ 2,804,700

Net Revenues Over/(Under) Expenditures	\$ 119,009	\$ (863,800)	\$ (32,200)
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Debt Service Levies by Fund

	2017 Actual	2018 Budget	2019 Budget
G.O. Improvement Bonds 2007B	\$ 208	\$ -	\$ -
G.O. Refunding Bonds 2010 (04/05B)	257,226	-	-
G.O. Refunding Bonds 2013A (06A/06B portion)	197,638	206,500	311,300
G.O. Improvement Bonds 2014	178,125	171,000	31,500
G.O. Improvement Bonds 2015	444,791	240,600	240,800
G.O. Improvement Bonds 2016	-	457,900	304,200
G.O. Improvement Bonds 2018	-	-	188,200
Total Debt Service Levies	\$ 1,077,988	\$ 1,076,000	\$ 1,076,000

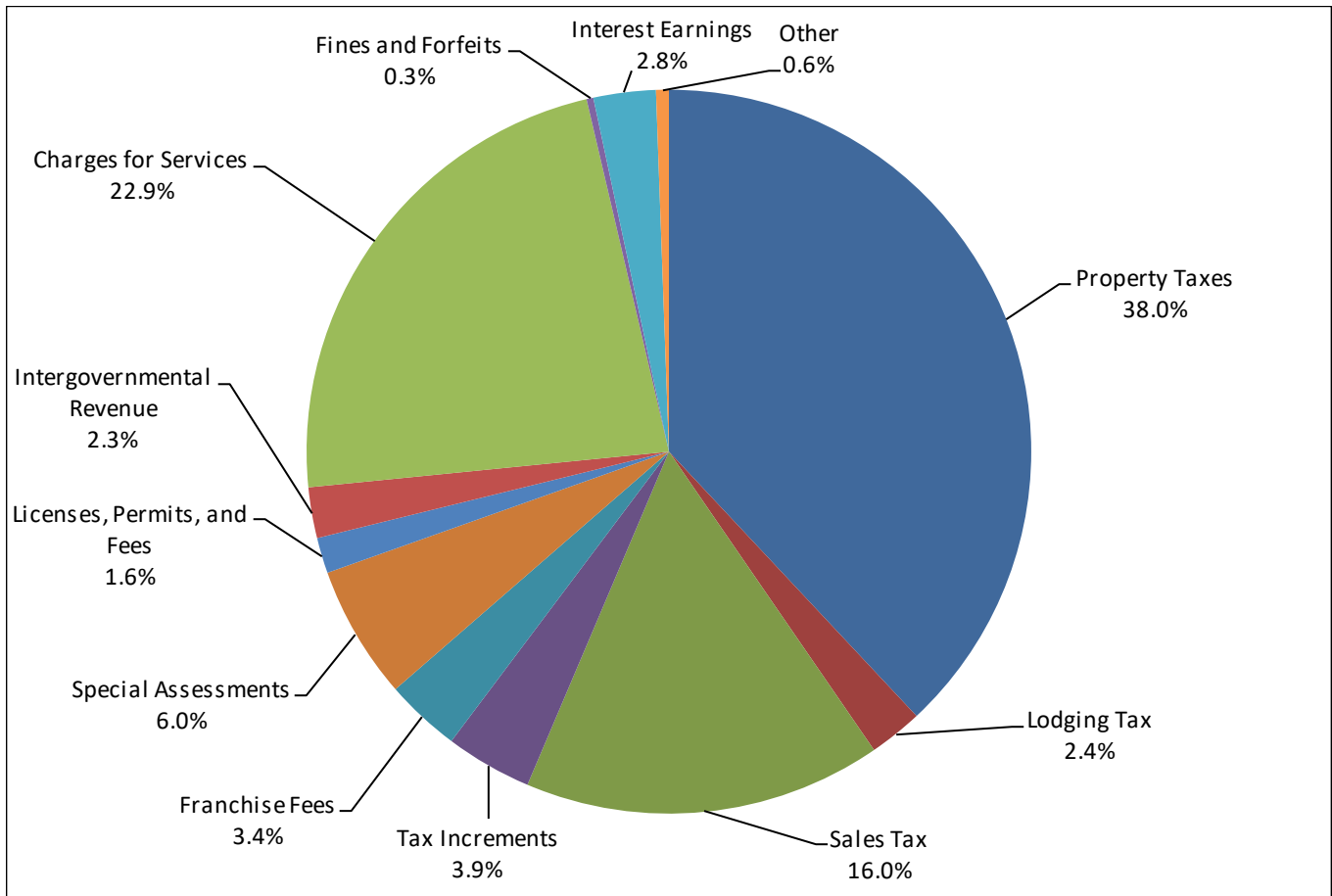
A serene sunset scene over a large body of water. The sky is filled with soft, golden light, with the sun low on the horizon, creating a bright glow. The water reflects the light, and two kayakers are visible in the foreground, their silhouettes dark against the shimmering water. The overall mood is peaceful and contemplative.

Section III

Graphs

All Funds – Revenues by Category

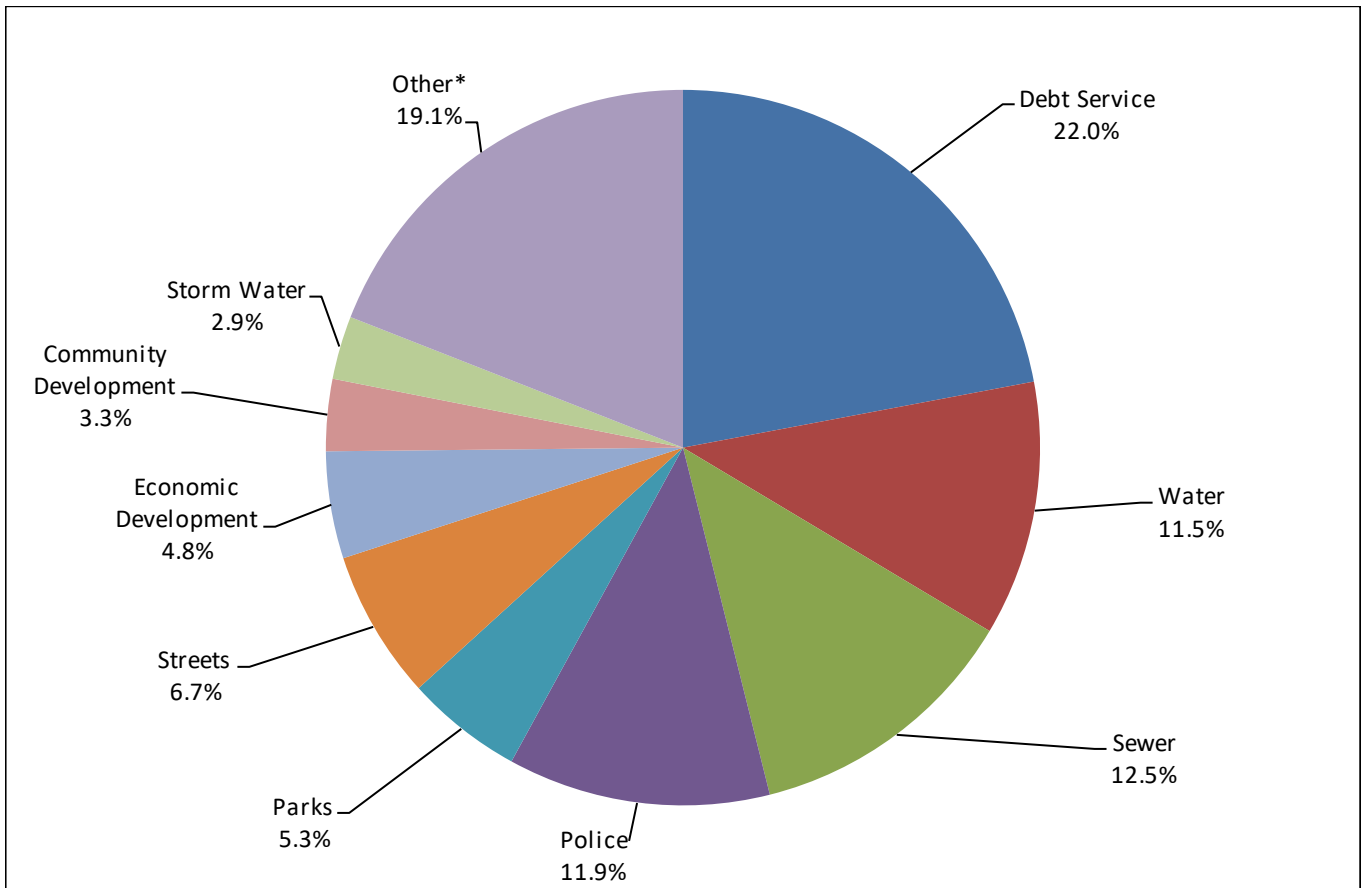
2019 Annual Operating Budget



Percentages may not foot to 100% due to rounding

All Funds – Expenditures by Department

2019 Annual Operating Budget

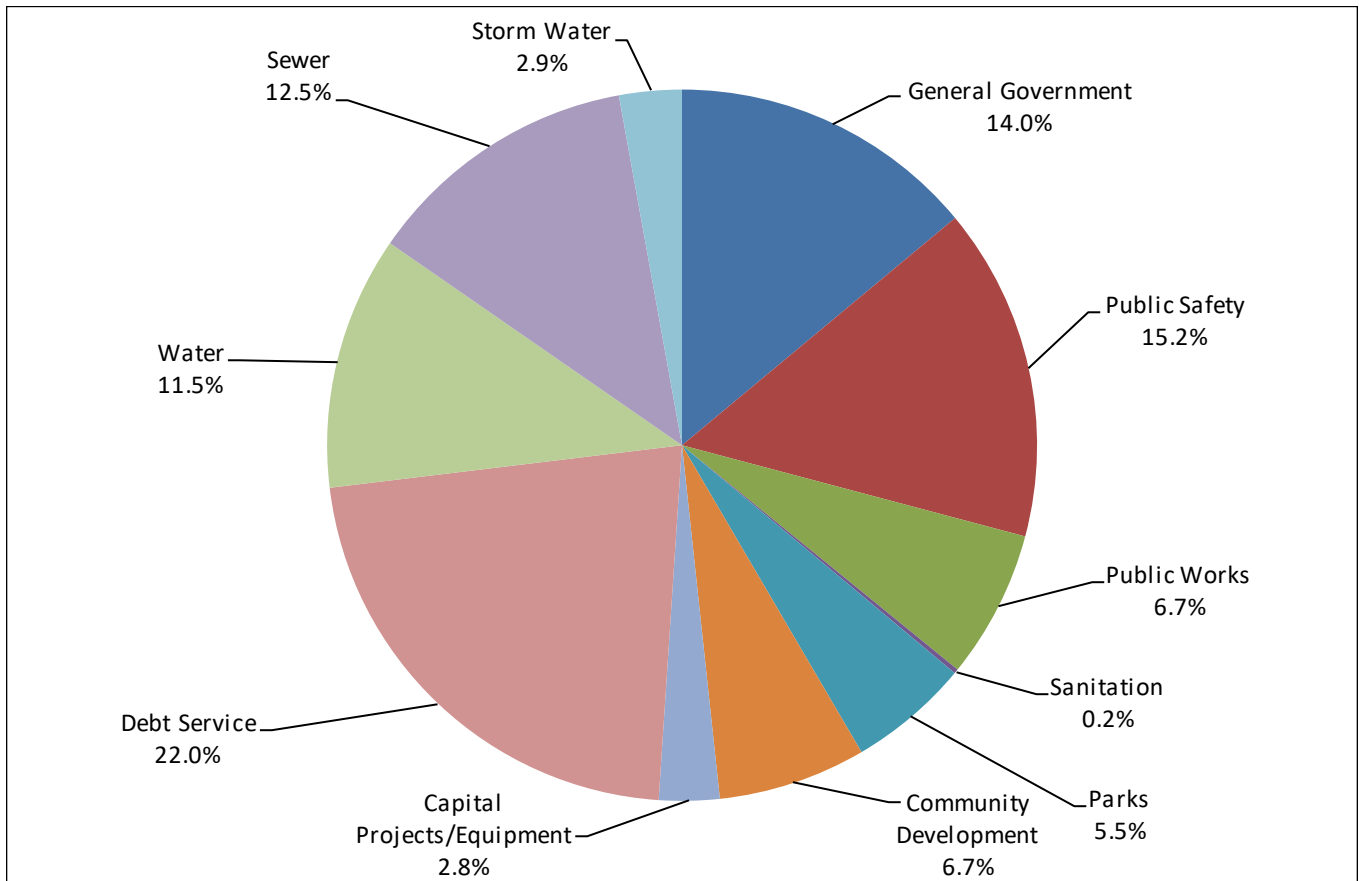


Percentages may not foot to 100% due to rounding

Other*	
General Government	1.5%
Finance	2.8%
Lodging Tax	2.4%
PW Administration	2.8%
Administration	2.3%
Fire	1.9%
Capital Equipment	2.9%
Information Systems	1.0%
Legal	0.5%
Sales Tax	0.3%
Recycling	0.2%
Council	0.3%
Recreation Programs	0.2%

All Funds – Expenditures by Function

2019 Annual Operating Budget



Percentages may not foot to 100% due to rounding

A serene sunset scene over a large body of water. The sky is filled with soft, warm colors of orange, yellow, and pink, with the sun low on the horizon. In the foreground, two kayakers are visible, their silhouettes dark against the shimmering water. The overall mood is peaceful and contemplative.

Section IV

Supporting Documents

Full-Time Equivalent Staff Positions by Department

2019 Annual Operating Budget

Department	2017 FTE	2018 FTE	2019 Annual Operating Budget	
	Approved	Approved	FTE	Increase
Administration	2.50	2.50	2.50	-
Finance	4.00	4.00	4.00	-
Information Systems	1.00	1.00	1.00	-
Planning	2.50	2.50	2.50	-
Police	15.00	16.00	16.00	-
Public Works Admin	2.50	3.50	3.50	-
Bldg Inspections	1.50	1.50	1.50	-
Park Maintenance	5.00	5.00	5.00	-
Streets Maintenance	2.04	2.04	2.04	-
Water	2.33	2.33	2.33	-
Sewer	2.33	2.33	2.33	-
Storm Water	0.30	0.30	0.30	-
Total FTE	41.00	43.00	43.00	-

Capital Equipment Program by Department

2019 Annual Operating Budget

Description	Total	General Property Tax	Enterprise Revenues	Replacement Funds	Fund Balance
General Government					
Pictometry	\$ 12,900	\$ -	\$ -	\$ 12,900	\$ -
Software	60,000	-	-	60,000	-
Total General Government	72,900	-	-	72,900	-
Cemetery					
Irrigation Improvements	8,500	-	-	-	8,500
Police					
Body and Fleet Camera System	117,600	-	-	117,600	-
Squad Car Replacement	42,600	-	-	42,600	-
Total Police	160,200	-	-	160,200	-
Parks, Parks Maintenance and Trails					
Pickup Truck with Plow Replacement	44,300	-	-	44,300	-
Public Works					
Public Works Facility Mezzanine	48,000	19,200	28,800	-	-
Snow Blower	25,000	-	-	25,000	-
Hot Patch Bituminus Trailer	30,000	-	-	30,000	-
Truck with Crane	85,000	-	-	85,000	-
Pickup Truck	38,000	-	-	38,000	-
Total Streets and Utilities	226,000	19,200	28,800	178,000	-
Water					
Plant Computers	25,000	-	25,000	-	-
Iron Sludge Drying Pad	30,000	-	30,000	-	-
Filter Media Replacement (#2 & #4)	220,000	-	220,000	-	-
Total Water	275,000	-	275,000	-	-
Sewer					
Lift Station #11 Rehab	140,000	-	140,000	-	-
Total Capital Improvement Budget	\$ 926,900	\$ 19,200	\$ 443,800	\$ 455,400	\$ 8,500