

City of New Richland  
203 N Broadway  
New Richland, MN 56072

Phone: (507) 465-3514  
Fax: (507) 465-3375  
E-mail: [nrcity@hickorytech.net](mailto:nrcity@hickorytech.net)

# **2020 GENERAL FUND BUDGET**

# 2020 Budget

Proposed

## BUDGET SUMMARY

The proposed General Fund Budget included with this report, for the City reflects a pay scale Cost of Living

Adjustment. Medical insurance premiums for 2020 reflecting no change in premium or coverage. The expense categories reflect projections of what is expected to be needed for 2020, each department detail to follow. Capital Reserve budget

FORMULA EXPLANATION	2019 Levy	2020 LEVY
Proposed General Fund Expenses	995,967	1,039,512
Fire Relief Assn	450	450
Bond Debt levy amount	140,420	140,607
<b>TOTAL</b>	<b>1,136,836</b>	<b>1,180,569</b>
Minus - Misc. Income & Spec Assmt& LGA	662,696	688,432
Capital Levy		14,200
<b>LEVY AMOUNTS</b>	<b>474,140</b>	<b>506,337</b>
% Of Levy Increase/Decrease	12.01%	6.79%
Increased Levy Amount	50,829	32,196

has been moved to a Capital Fund and a small budget levy of \$14,200 included. Cash is below the level required to meet City policy and if \$20,000 additional cash could be budgeted for the balance it would raise the levy increase to 8.9%. The general fund will again need to execute a loan to the TIF debt service. The final budget/levy will be certified after the December meeting.

### Information about the current draft budget

The General Fund budget for 2020 is currently \$1,039,512. The inflation rate is 1.6%. The levy is 6.79% over 2019 and the budget is 6.67% over 2019.

Capital expenditures have been moved to the Capital Fund, with a Capital Levy of \$14,200.

### Adoption of Budget

Final approval of the budget will be authorization of the pay scales and other expenses for the next year.

## REVENUE

### Property Taxes

The City certifies the amount it needs to collect for the year to cover expenses. The amount certified is determined by setting the General fund budget and subtracting all other sources of General fund revenue and adding the debt service levy.

Property tax is calculated using the market value of a property, use classification, and any qualified exemptions to get a tax rate to determine the share of the certified levy each individual property is charged

Tax capacity is the valuation of property based on market value and class rates. The property tax for each parcel is based on its tax capacity. Eligible homesteads pay property tax only on a portion of the value due to the Homestead market Value Exclusion. The maximum exclusion of 40% of value occurs at a home value of \$76,000 and phases out as value increases.

<u>Revenue</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
General Property Tax	296,120	333,271	365,280
In Lieu Of Taxes - NRCC	9,976	9,975	13,000
Property Tax - Fire Relief	454	450	450
<b>Total</b>	<b>306,550</b>	<b>343,696</b>	<b>378,730</b>

- Property Tax Revenue

### Government Aid

Historical LGA Data for New Richland.

<b>Year</b>	<b>Amount Certified</b>	<b>Amount Received</b>
<b>2011</b>	372,664	325,599
<b>2012</b>	325,599	325,599
<b>2013</b>	325,599	325,599
<b>2014</b>	377,598	377,598
<b>2015</b>	384,457	384,457
<b>2016</b>	386,750	386,750
<b>2017</b>	386,750	386,750
<b>2018</b>	401,496	401,496
<b>2019</b>	402,357	402,357
<b>2020</b>	<b>426,528</b>	

- LGA

The amount estimated LGA for 2020 is increased from \$402,357 to \$426,528 (6%) to the 2003 level.

**property Tax Levy**

The 2020 levy would result in a General Fund levy per capita of \$407 and a Capital Fund levy of \$12 per capita for a total pf \$419.

**Other State Aids**

In addition to LGA the State does have aid for Fire Pensions and training reimbursements for Police Fire and Ambulance. These aids are reimbursement for expenses in the budget. There is also a small PERA aid based on 1997 payroll that is to offset part of the City’s PERA contribution for employees.

<b>General Government</b> 000000				
PERA Aid	478.00	478	478	0
• PERA Aid				

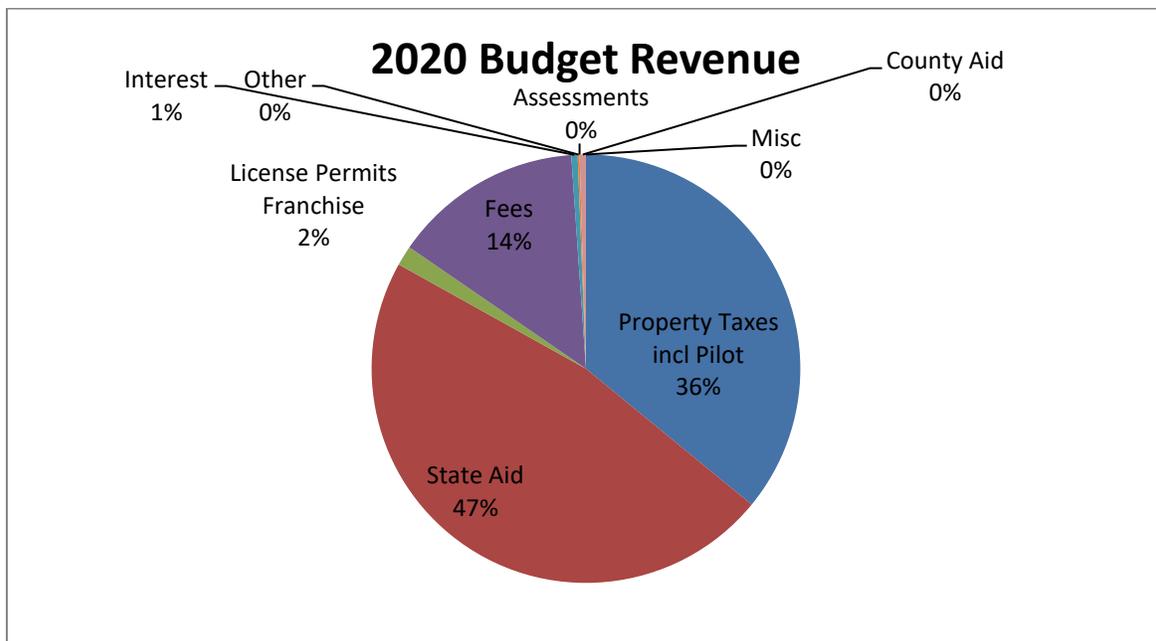
**Other Revenue Sources**

The City charges for specific services and permits that help offset the cost of operations in the City.

**Department specific Revenue**

Most of the other revenue line items are specific to departments and will be examined with the department discussion below.

**General Fund Revenue Category Percentages**



2020 Revenue Sources

## EXEPNSES

### Debt Levy

The continued increase in the amount required to be levied as property taxes.

2019 Budget	ACCOUNTS	Budget	Increase/ Decrease
		2020	
29,000	2012A 320	30,000	1,000
111,420	2014A 314	110,607	-813

• Table 1 Required Debt Levy

### Personnel

The costs associated with employees, as with any entity, comprise a major portion of the budget (48.29%) of the City.

### Wages

The salary of employees is determined by the Council. The City has used a pay scale based on 13 pay grades and 8+ steps. The grade is determined on evaluation of each job as applied to Minnesota Pay Equity and the steps have been determined by longevity in the job. Minnesota Pay Equity Law compliance helps to keep wages in the correct range compared to other employees employed by the City.

### Adjustments to Scale

The Council determines whether the scale will be adjusted periodically for inflation in the form of a Cost of Living Adjustment. The budget for 2020 currently incorporates a 1.6% COLA (CPI rate for one year ending June 2019) in the pay scale below. Minimum wage increases for 2020 will be set by the State of Minnesota; estimate for 2020 \$10.02.

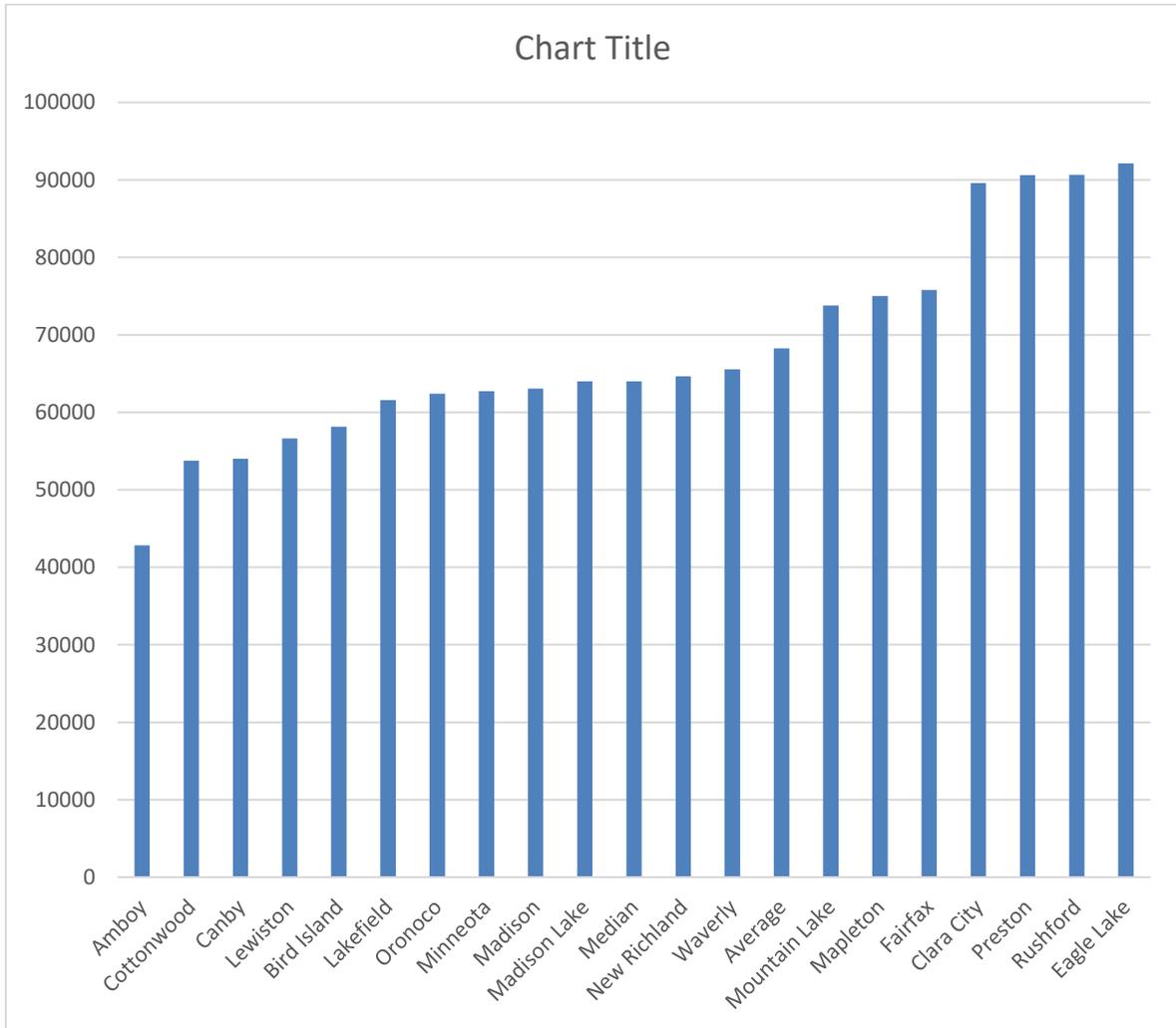
	1	2	3	4	5	6	7
Grade	Entry	6 Months	1 Year	2 Year	3 Year	4 Year	5 Year
		5%	5%	2%	2%	2%	2%
1	13.17	13.83	14.52	14.81	15.11	15.41	15.72
2	14.51	15.24	16.00	16.32	16.64	16.98	17.32
3	15.94	16.74	17.57	17.93	18.28	18.65	19.02
PTPol	17.69	-	-	-	-	-	-
4	17.54	18.42	19.34	19.72	20.12	20.52	20.93
5	19.34	20.31	21.32	21.75	22.18	22.63	23.08
6	21.78	22.87	24.00	24.49	24.98	25.48	25.99
7	24.60	25.83	27.11	27.66	28.22	28.78	29.36
8	27.53	28.91	30.35	30.96	31.58	32.21	32.85
14	39.28	41.24	43.31	44.17	45.06	45.96	46.88

• 2020 Proposed Pay Scale

## 2020 Salaries

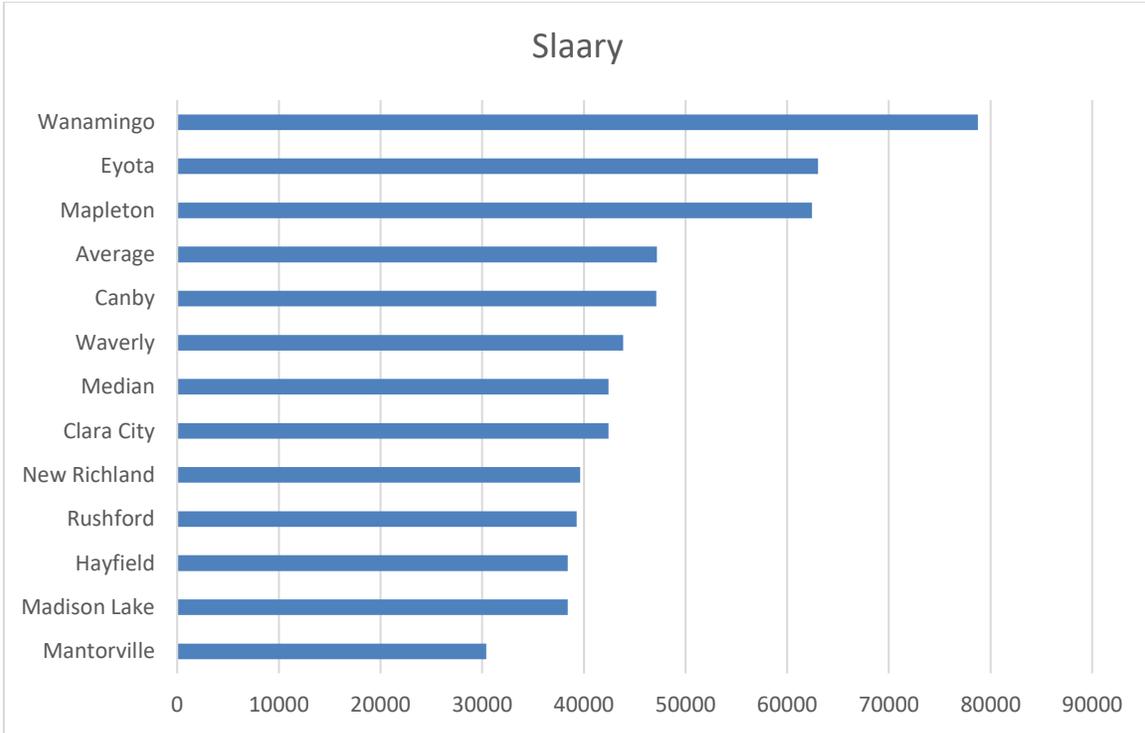
### Admin/Clerk/Treasurer

The top appointed official in the City, responsible for all statutory responsibilities as well as coordination and direction of all City departments. Current employee in position since February 2005. 2020 salary will be 66,997. Results from LMC Salary Survey:



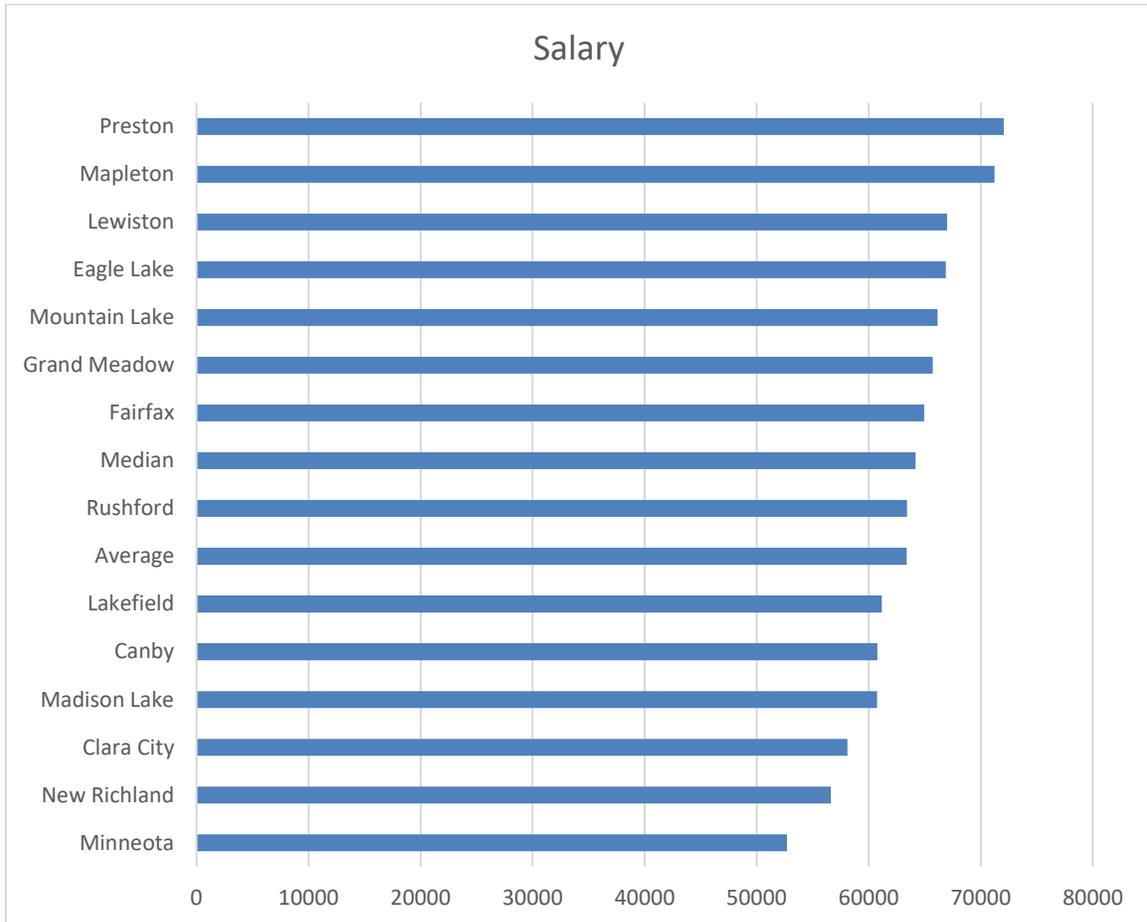
## Assistant Clerk

The assistant to the clerk, responsible for ambulance billing, St Olaf Swimming program and assisting the City Clerk with all need tasks. Current employee in position since February 2015. 2020 salary will be \$36,204 for 36 hours per week. Results from LMC Salary Survey:



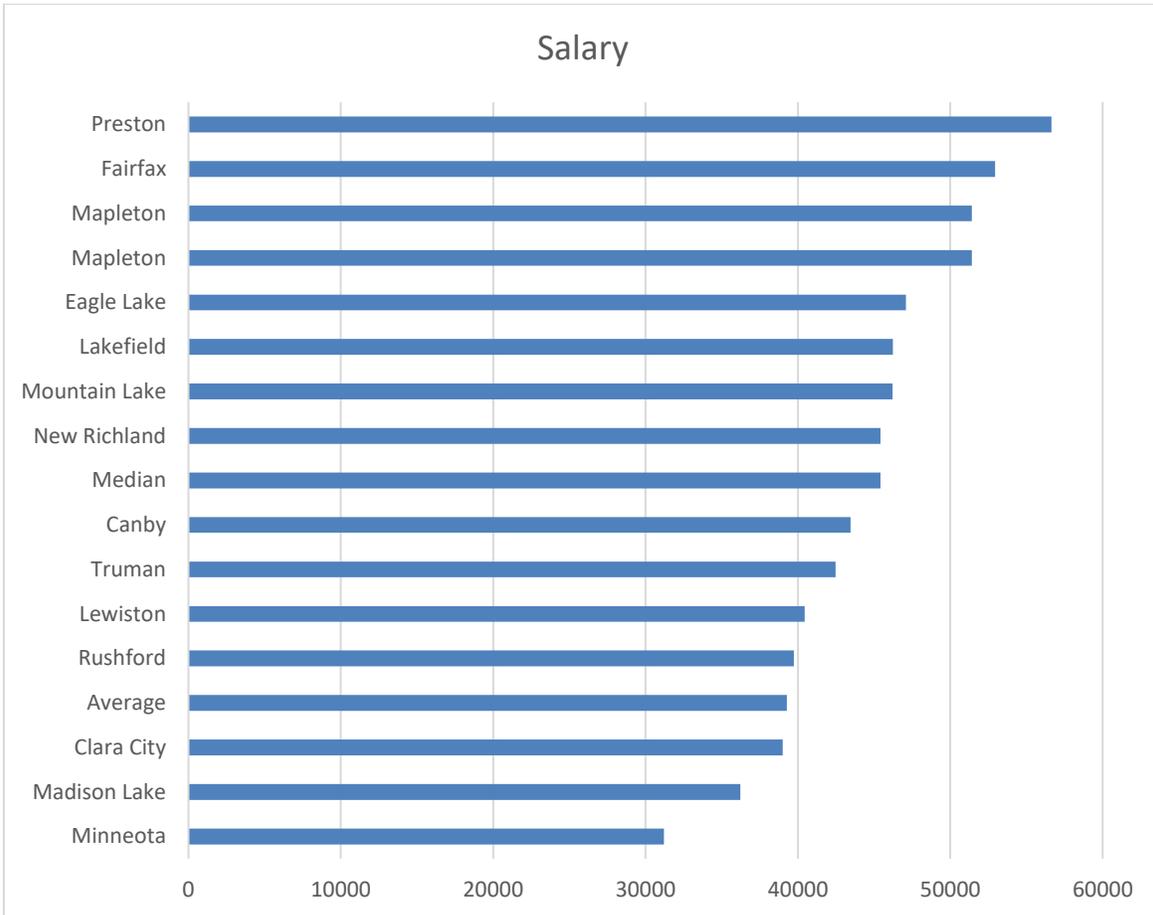
## Police Chief

The Chief of Police is responsible for law enforcement and emergency management in the City supervising one full time officer and part time officers as needed. Current employee in position since April 2017. 2020 salary will be 58,698 plus call time. Results from LMC Salary Survey:



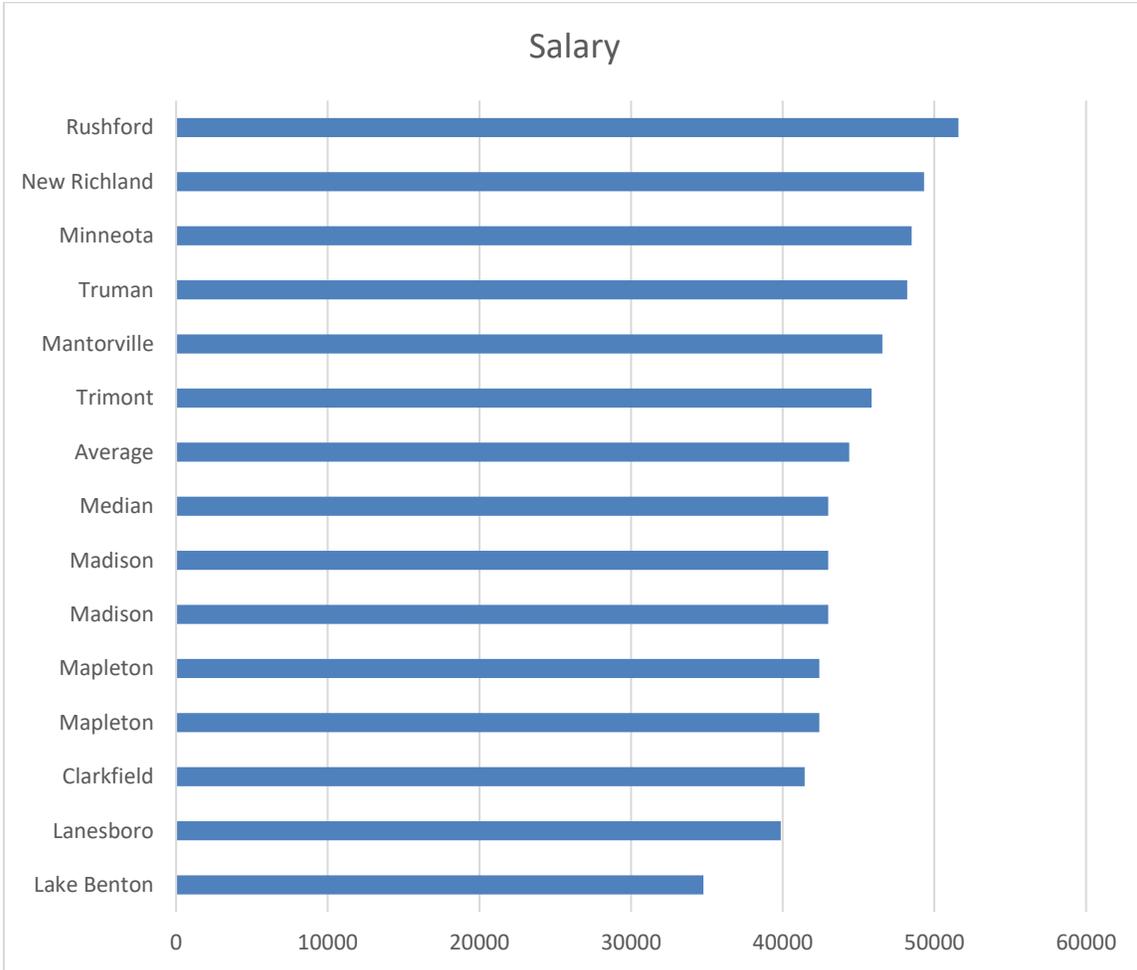
## Police Officer

The Police Officer is responsible for carrying out the directives of the Police Chief and patrolling the City as needed. Current employee in position since February 2014. 2020 salary will be 46,134 plus call time. Results from LMC Salary Survey:



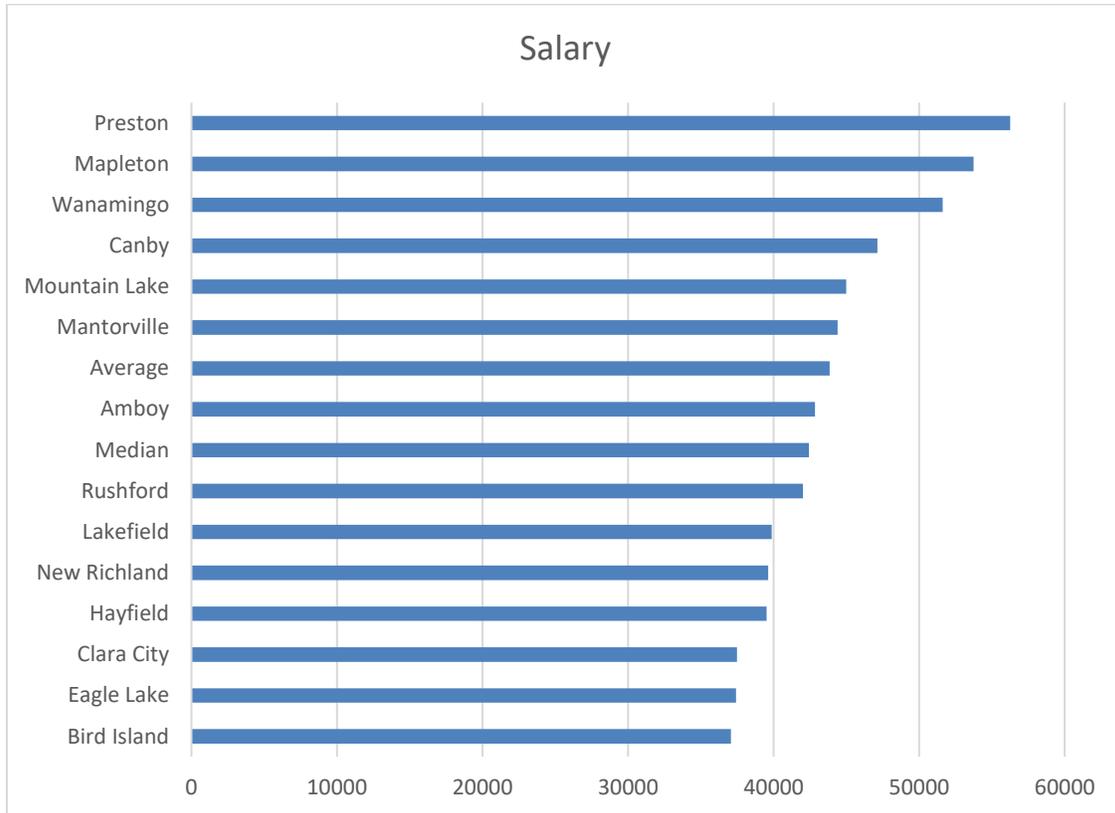
## Maintenance Lead

The Maintenance Department Head is responsible for physical upkeep of City property at the general direction of the City Council and Clerk. Current employee in position since July 1999. 2020 salary will be 50,606. Results from LMC Salary Survey:



## Maintenance Worker

The Maintenance Worker is responsible for assisting the head of the department in upkeep of the City. Current employee in position since January 2014. 2020 salary will be 41,018. Results from LMC Salary Survey:



### Benefits

The City provides retirement, health insurance, life insurance, and paid leave to the full-time employees. In addition, all employees are covered by workers compensation insurance.

The retirement is funded by Public Employee Retirement Association and FICA. Both programs are mandatory, and participation is directed by the State for PERA and the Federal for FICA.

The City currently provides eligible employees with health insurance coverage and \$10,000 term life insurance. The City pays the entire employee only premium for full time employees and offers family coverage to each employee at employee cost.

### Health Insurance Cost

The plan is a \$4,000/8,000 deductible plan with a Health Savings/VEBA Account funded by the City at \$1,600 per year.

The City is considered a large employer for health insurance and therefore needs to offer each employee that worked 30 or more hours in the lookback period insurance for the next year.

**Other Line Items**

Other expense line items in the budget use recent historical payments and account for inflation and upcoming needs to arrive at an approximation of the amount predicted to be needed to operate the City. Each department in the General Fund are examined below.

**Projected by Department**

**Mayor and Council 41100**

	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>
<b><u>Expense</u></b>	<b><u>2,018</u></b>	<b><u>2,019</u></b>	<b><u>2,020</u></b>
Wages	8,490	11,000	11,000
Social Security	526	682	682
Medicare	123	160	160
Workers Comp Insurance	59	60	61
Operating Expense	-	100	500
Schooling	-	950	-
Mileage	-		
Motel Expense	-		
Advertising	-	-	-
Prop/Liab Ins	358	365	371
Misc.	-	-	
<b>Totals</b>	<b>9,556</b>	<b>13,317</b>	<b>12,774</b>
<i>Reserve</i>	573	-	-
<b>Grand Total</b>	<b>10,129</b>	<b>13,317</b>	<b>12,774</b>

*Personnel Cost*

The projected wages are based on a \$10 increase per meeting rate and expected attendance at the meetings. Rate of pay can be increased for 2019 to take effect after the 2018 election.

*Operating Expenses*

The dues for membership in the Mayors Association are coded to Operating Expense. Training budget anticipates three Council Member requesting training for newly elected officials scheduled for January 25 and 26 in Mankato.

*Capital Reserve*

Moved to Capital Fund

**Administration**

*Personnel Cost*

Twenty-five percent of the Assistant Clerk's personnel cost is coded to the Water department and the position is budgeted for 36 hours per week in 2020.

<u>Expense</u>	<u>Actual 2,018</u>	<u>Adopted 2,019</u>	<u>Proposed 2,020</u>
Wages	86,859	90,237	95,120
PERA	6,514	6,768	7,134
Social Security	4,949	5,595	5,897
Medicare	1,157	1,308	1,379
Health Ins	13,856	19,148	16,108
Life Ins	300	248	292
Work Comp	428	429	346
Office Supp	1,097	1,000	878
Ordinance Expense	36	-	1,000
Operating Expense	21,135	6,500	5,000
Janitor Supplies/Repairs	2,508	2,500	2,000
Cleaning Services	5,260	5,250	4,000
Vehicle Operation	-	100	100
Professional Exp	-	-	-
Audit Expense	5,541	4,173	5,600
Engineer Fees	-	-	-
Legal Fees	80	-	100
Contract Fees	-	-	-
Schooling	139	200	1,000
Computer/Software Exp	928	4,000	4,000
Permits/Membership	1,686	1,500	1,640
Telephone	1,289	1,318	955
Mileage	-	-	-
Motel	-	-	-
Advertising	1,326	1,000	1,200
Prop/Liab Ins	1,304	1,330	1,356
Electric	-	-	-
Heat	998	1,220	1,361
Garbage	1,023	-	-
Uniform	105	250	250
Contingency	-	-	-
Regional Development	300	300	500
<b>Totals</b>	<b>158,820</b>	<b>154,374</b>	<b>157,218</b>
<i>Capital Reserve</i>	<i>39,003</i>	<i>2,181</i>	<i>-</i>
<b>Grand Total</b>	<b>197,822</b>	<b>156,555</b>	<b>157,218</b>

*Capital Reserve*  
 Moved to Capital Account

<u>Revenue</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Rents	1,953	1,800	1,878

City Hall rent is coded to the Administrative Department.

<b>Election</b>			
<u>Expense</u>	<u>Actual</u> <b>2,018</b>	<u>Adopted</u> <b>2,019</b>	<u>Proposed</u> <b>2,020</b>
Wages	2,195	-	2,200
Oper Expense	2,149	1,100	2,200
Mileage	283	-	300
Advertising	-	-	300
<b>Totals</b>	<b>4,627</b>	<b>1,100</b>	<b>5,000</b>

The City did not conduct an election in 2019.

Operating expense includes ballot counter maintenance.

<b>Police</b>			
<u>Expense</u>	<u>Actual</u> <b>2,018</b>	<u>Adopted</u> <b>2,019</b>	<u>Proposed</u> <b>2,020</b>
Wages Full Time	106,534	120,123	120,387
Wages Part Time	41,533	30,411	47,007
PERA	20,337	21,741	24,834
Social Security	2,575	4,895	6,034
Medicare	2,128	2,183	2,427
Health Ins	28,341	27,404	32,216
Life Ins	58	69	52
Work Comp	4,041	4,226	3,539
Office Sup	952	550	750
Operating Expense	6,705	3,000	5,070
Repairs & Maint Supplies	248	100	425
Vehicle Oper	3,547	3,200	2,200
Vehicle Maint	6,181	8,500	8,500
Minor Equipment	105	250	300
Professional Services	-	2,250	2,250
Audit Fees	2,335	1,530	2,000
Legal Fees	7,725	8,500	8,500
Medical Expenses	-	500	500
Animal Expenses	-	500	500

Contract Fees	789	3,315	790
Schooling	3,883	7,000	8,000
Computer Expenses	1,022	2,600	2,600
Permit/Membership Fees	225	500	700
Record Access	893	8,000	8,000
Telephone	1,530	1,394	1,518
Mileage	-	-	-
Motel	646	700	700
Advertising	122	200	100
Prop/Liab Ins	7,100	7,242	8,596
Electric	-	-	-
Heat	998	1,220	1,361
Uniform Allowance	7,088	3,500	4,500
Misc.	-	-	1,000
<b>Totals</b>	<b>257,641</b>	<b>275,603</b>	<b>305,355</b>
<i>Capital Reserve</i>	925	9,750	2,234
<b>Grand Totals</b>	<b>258,566</b>	<b>285,353</b>	<b>307,589</b>

*Personnel Cost*

In addition to the two full time officers the department utilizes part time patrol officers classified as part time casual employees that are scheduled as needed and available and will be paid \$17.69. The casual officers are expected to work fewer than 30 hours per work week and are not eligible for City health Insurance coverage. The part time officers are covered by Coordinated PERA pension plan authorized by Council Resolution.

*Capital Reserve*

Moved to Capital Fund. Radio and Police Reserve still budgeted to General Fund.

Police Revenue

<u>Revenue</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Animal License	155.00	100.00	128
Golf Cart Permit	130.00	150.00	210
Police State Aid	12,603.00	12,000	12,600
Police Services	105.00	50	90
Police Training Reimb	3,828.00	7,000	8,000
Police Fines	3,052.00	500	1,526
Misc. Revenues	25.00	0	0
Contributions/Donations	2,040.00	0	0
Sale of Assets	2,641.00	0	0
<b>Total</b>	<b>24,579.00</b>	<b>19,800.00</b>	<b>22,554.00</b>

Table 2 Budget Police Revenue

**Ambulance**

<u>Expense</u>	<u>Actual 2,018</u>	<u>Adopted 2,019</u>	<u>Proposed 2,020</u>
Wages	46,047	67,247	68,383
PERA	-	1,013	938
Social Security	2,852	4,169	4,240
Medicare	667	975	992
Work Comp	6,779	7,241	5,134
Office Supplies	82	400	415
Oper Expense	3,283	2,000	3,400
Medical Supply	13,978	10,000	12,100
Repairs/Maint/Janitorial	1,067	1,000	1,500
Vehicle Oper	2,954	1,700	2,500
Vehicle Maint	2,920	2,000	1,500
Professional	3,376	500	750
Audit	1,872	1,377	1,970
Legal Fees	-	-	-
Contract Fees	1,320	3,600	3,800
Schooling	946	2,000	3,500
Computer Expense	381	700	2,500
Permits/Membership	-	700	700
Electronic Collection Fees	62	100	50
Telephone	1,038	1,013	1,166
Mileage	-	-	-
Motel	-	-	-
Advertising	-	-	-
Prop/Liab Ins	1,411	1,439	1,589
Electric	-	-	-
Heat	998	1,220	1,361
Uniform Allowance	964	1,000	1,000
Misc	-	-	-
Bad Debt	-	3,000	3,000
Write Off	35,103	60,083	44,150
<b>Totals</b>	<b>128,100</b>	<b>174,477</b>	<b>166,636</b>
<i>Capital Reserve</i>	<i>170,490</i>	<i>7,486</i>	<i>7,986</i>
<b>Grand Totals</b>	<b>298,589</b>	<b>181,963</b>	<b>174,622</b>

*Personnel Cost*

The personnel cost in the Ambulance budget increases for call pay 2.00 weekdays and 3.00 weekend/holiday per hour. The Director salary is based on minimum wage (\$10.02) at the authorized 28 hours per week. The director would be covered by PERA if the director pay reaches the statutory threshold. The current director has not met the criteria but could in the coming year if 28 hours per week are worked.

Health Insurance

The Ambulance positions are not eligible for City offered health insurance benefit.

*Capital Reserve*

Moved to Capital Fund, but \$7,000 budgeted to General fund to cover Ambulance purchase deficit and radio payments.

**Ambulance Revenue**

<u>Revenue</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Other County Aids	5,000.00	5,000	5,000
Ambulance Charges	178,775	156,922	142,741
Amb/Fire School Reimb	0.00	1,000	1,000
Interest	0.00	0	0
Contributions/Donations	7,186	0	0
Refunds/Reimbursements	5,437	0	0
Sale of Assets	13,500	0	0
<b>Total</b>	<b>209,898</b>	<b>162,922</b>	<b>148,740</b>

Ambulance charges are estimated based on ten-year average ambulance runs and average charges per run in current year.

<u>Expense</u>	<u>Actual 2,018</u>	<u>Adopted 2,019</u>	<u>Proposed 2,020</u>
Pension Pymt	23,111	23,000	23,000
Work Comp	2,216	2,192	2,596
Oper Expense	6,520	5,000	5,000
Repair/Maint/Janitorial	310	1,200	2,500
Vehicle Oper	1,933	1,000	1,700
Vehicle Maint	2,239	4,258	4,300
Professional Services	125	-	250
Audit Fees	2,270	2,059	2,300
Medical Fees	81	500	500
Contract Fees	1,393	-	1,400
Schooling	1,363	3,500	2,500
Computer Expense	354	700	623
Telephone	494	481	529
Mileage	-	-	-
Advertising	-	-	-
Prop/Liab Ins	1,191	1,215	1,462
Electric	379	402	192
Heat	1,477	1,765	2,059
Uniform Allowance	7,058	7,000	5,000
Misc.	-	1,000	1,000

<b>Totals</b>	<b>52,513</b>	<b>55,272</b>	<b>56,911</b>
<i>Capital Reserve</i>	<u>27,501</u>	<u>-</u>	<u>1,484</u>
<b>Grand Totals</b>	<b>80,014</b>	<b>55,272</b>	<b>58,395</b>

*Personnel Cost*

The personnel related cost is the pension contribution and that is almost entirely offset by the receipt of State collected premium taxes.

An actuarial study of the Fire Pension was not undertaken. So far, no consequence to the City having an unmodified Audit Report.

*Capital Reserve*

Moved to Capital Fund. Radio payment reserved n General Fund.

Fire Revenue

<u>Revenue</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Property Tax - Fire Relief	454	450	450
Fire State Aid	22,661	24,000	23,000
Fire Charges	1,250	1,000	1,125
Amb/Fire School Reimb	725	2,000	1,700
Interest On investments	38	30	30
Contributions/Donations	26,500	0	0
Refunds/Reimbursements	361	0	0
Sale of Assets	0	0	0
<b>Total</b>	<b>51,989</b>	<b>27,480</b>	<b>26,305</b>

**Building Inspection**

	<b>Actual</b>	<b>Adopted</b>	<b>Proposed</b>
<b><u>Expense</u></b>	<b><u>2,018</u></b>	<b><u>2,019</u></b>	<b><u>2,020</u></b>
Officials Insurance	-	-	-
Operating Expense	-	-	-
Professional Services	-	-	-
Audit	208	156	200
Bldg Permit Surcharge	252	450	450
Engineering Fees	-	-	-
Legal Fees	-	-	-
Contract Fees	7,808	10,778	10,336
Schooling	-	-	-
Electronic pay fees	-	100	100
Mileage	-	-	-
Advertising	23	-	-
Insurance	358	365	372
Misc.	-	-	-
<b>Totals</b>	<b>8,649</b>	<b>11,849</b>	<b>11,458</b>
<i>Capital Reserve</i>	-	-	-
<b>Grand Totals</b>	<b>8,649</b>	<b>11,849</b>	<b>11,458</b>

**Contract Fees**

The major expense involves paying the contracted Building Official for services rendered. The expense amount is calculated from the anticipated issued permit revenue.

**Building Inspection Revenue**

<b><u>Revenue</u></b>	<b><u>2018</u></b>	<b><u>2019</u></b>	<b><u>2020</u></b>
Building Permits	6898	10231	10804
Rental Housing License	2480	2600	1500
Refunds and Reimbursements	0	0	0
<b>Total</b>	9378	12831	12304

Rental License revenue based on inspection schedule.

**Maintenance Department**

<u>Expense</u>	<u>Actual 2,018</u>	<u>Adopted 2,019</u>	<u>Proposed 2,020</u>
Wages Full Time	64,470	67,620	69,658
Wages Part Time	6,749	5,078	5,160
PERA	4,957	5,071	5,224
Social Security	4,293	4,507	4,639
Medicare	1,004	1,054	1,085
Health Ins	21,412	20,553	24,162
Life Ins	39	32	43
Work Comp	3,757	3,642	4,793
Office Supp	172	137	160
Operating Expense	12,285	7,500	8,000
Snow Removal	7,452	11,456	11,500
Tree Expense	449	-	-
Gravel	1,700	2,500	2,800
Spring Clean-up	2,634	1,000	2,400
Chemicals/Spray	14	25	50
County Ditches	1,224	-	-
Bldg Repairs & Maint	2,718	1,500	1,400
Vehicle Oper	4,398	4,000	5,000
Vehicle Maint	1,058	711	800
Lawn Equip Maint	1,064	833	1,100
Tractor Maint	577	650	2,500
Dump Truck Maint	2,777	1,935	1,500
Pickup Maint	754	926	1,250
Snow Equip Maint	2,220	3,354	2,300
Sweeper Maint	2,362	2,686	1,500
Small Tools & Equip	50	200	200
Professional Services	-	-	-
Audit	2,080	1,530	2,000
Engineer Fees	-	-	-
Computer	-	300	850
Medical Fees	-	200	200
Contract Fees	-	-	-
Schooling	-	500	500
Permits/Membership	-	-	-
Telephone	1,997	1,932	2,541
Mileage	-	-	-
Motel	-	-	-
Advertising	113	150	150
Prop/Liab Ins	4,642	4,735	5,184
Electric	4,803	5,542	1,040
Heat	3,023	3,659	4,725
Garbage F & C Toilet	396	-	-
Street Lighting	14,089	12,411	16,166
Uniform Allowance	554	500	500
Misc	-	-	-
<b>Totals</b>	<b>182,284</b>	<b>178,429</b>	<b>191,081</b>
<i>Capital Reserve</i>	<i>46,813</i>	<i>28,000</i>	<i>1,700</i>
<b>Grand Totals</b>	<b>229,097</b>	<b>206,429</b>	<b>192,781</b>

*Personnel Cost*

In addition to the two permanent employees the department utilizes a part time casual employee that is scheduled as needed and available. The casual employee is expected to work fewer than 30 hours per work week at \$9.84 for 2019 and is not eligible for City health Insurance coverage. The permanent employee’s personnel costs are split with the Water Fund. The General fund is responsible for 75% of the cost

*Capital Reserve*

*Needs*

The Capital needs have been moved to the Capital Fund. The amount reserved in General Fund is for Tree Expenses.

**Maintenance Revenue**

<b><u>Revenue</u></b>	<b><u>2018</u></b>	<b><u>2019</u></b>	<b><u>2020</u></b>
Right-Of-Way Permit Fee	100	300	233
Street Charges	2068	700	1945
Contributions/Donations	500	0	0
Refunds/Reimbursements	595	0	0
Sale of Assets	582	0	0
MNDOT	11691	0	0
<b>Total</b>	<b>17,786.61</b>	<b>1,000</b>	<b>1,000</b>

The last couple of years the State has provided funds for street maintenance, do not know if there will be any further funding for 2020.

**Recycling**

<b><u>Expense</u></b>	<b><u>Actual 2,018</u></b>	<b><u>Adopted 2,019</u></b>	<b><u>Proposed 2,020</u></b>
Wages	-	-	-
Social Security	-	-	-
Medicare	-	-	-
Operating Expense	15	-	63
Advertising	-	-	-
Recycle Bins	5,383	42,300	42,940.00
<b>Totals</b>	<b>5,398</b>	<b>42,300</b>	<b>43,003</b>
<i>Capital Reserve</i>	-	-	-
<b>Grand Totals</b>	<b>5,398</b>	<b>42,300</b>	<b>43,003</b>

Covers City Residential Recycling

**Legion Field**

<u>Expense</u>	<u>Actual 2,018</u>	<u>Adopted 2,019</u>	<u>Proposed 2,020</u>
Oper Expense	84	1,000	1,000
Gravel/Rock for Lot	3,291	2,000	2,000
Chemicals/Sprays	-	500	500
Repairs/Maint/Janitorial	1,093	1,500	1,500
Vehicle Operation	-	150	100
Vehicle Maintenance	-	750	500
Professional Services	-	-	-
Audit	785	765	800
Engineering	-	-	-
Advertising	-	-	-
Prop/Liab Ins	3,456	3,525	3,745
Electric	747	929	196
Garbage	-	150	400
L. Field Pump Expense	286	1,000	1,000
Baseball Association	-	1,500	1,500
<b>Totals</b>	<b>9,741</b>	<b>13,769</b>	<b>13,241</b>
<i>Capital Reserve</i>	-	2,000	-
<b>Grand Totals</b>	<b>9,741</b>	<b>15,769</b>	<b>13,241</b>

**Expenses**

The ballfield maintenance and drainage pump maintenance account for much of the Legion Field expense. The south softball field, infield was upgraded, the Capital Expense has been moved to the Capital Fund.

**Skating Rink**

<u>Expense</u>	<u>Actual 2,018</u>	<u>Adopted 2,019</u>	<u>Proposed 2,020</u>
Oper Expense	26	-	-
Electric	363	379	147
Advertising	-	-	-
<b>Totals</b>	<b>389</b>	<b>379</b>	<b>147</b>

**St Olaf Lake Park**

<u>Expense</u>	<u>Actual 2,018</u>	<u>Adopted 2,019</u>	<u>Proposed 2,020</u>
Wages	11,214	7,374	7,494
Social Security	695	457	465
Medicare	163	107	109
Work Comp	559	584	494
Oper Expense	10,791	5,000	1,500
Lifeguard Supplies/Exp	173	177	300
Concessions Expense	60	1,000	500
Chemicals/Sprays	390	400	400
Repairs/Maint/Janitorial	602	400	500
Professional	-	-	-
Audit	1,040	1,023	1,082
Contract fees	-	-	-
Schooling	700	800	800
Permit/License	205	225	225
Telephone	(2)	-	110
Mileage	-	-	-
Advertising	50	100	100
Prop/Liab Ins	2,180	2,223	2,351
Electric	1,408	715	774
Garbage	1,215	663	172
Misc.	115	-	-
<b>Totals</b>	<b>31,560</b>	<b>21,248</b>	<b>17,375</b>
<b>Capital Reserve</b>	<i>101</i>	-	-
<b>Grand Totals</b>	<b>31,661</b>	<b>21,248</b>	<b>17,375</b>

The Concession stand will need a roof, that will come from Capital budget in 2020.

**St Olaf Revenue**

<u>Revenue</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
St. Olaf Conc/Swimming Fee	2970	2900	2900
Concession	20	0	0
Contributions/Donations	7330	0	0
Interest	5	0	0
Refunds/Reimbursements	265	160	160
<b>Total</b>	<b>7600</b>	<b>3060</b>	<b>3060</b>

**Transportation**

<u>Expense</u>	<u>Actual 2,018</u>	<u>Adopted 2,019</u>	<u>Proposed 2,020</u>
Misc.	-	3,000	-
<i>Capital Reserve</i>	-	-	-
<b>Grand Totals</b>	<b>-</b>	<b>3,000</b>	<b>-</b>

**Library**

<u>Expense</u>	<u>Actual 2,018</u>	<u>Adopted 2,019</u>	<u>Proposed 2,020</u>
Oper Expense	645	-	-
Repairs/Maint Expense	49	-	-
Professional	-	-	-
Audit	416	514	500
Telephone	400	397	324
Prop/Liab Ins	1,876	1,684	2,030
Electric	2,606	3,532	950
Heat	873	955	1,098
Misc.	-	-	-
<b>Totals</b>	<b>6,864</b>	<b>7,082</b>	<b>4,903</b>
<i>Capital Reserve</i>	<i>413</i>	<i>-</i>	<i>-</i>
<b>Grand Totals</b>	<b>7,277</b>	<b>7,082</b>	<b>4,903</b>

Capital Reserve

To Capital Fund.

Healthcare Payment

The City budgets \$23,706 to the State of Minnesota to access Federal Funding at the Care Center. This is reimbursed to the City by the Care Center.

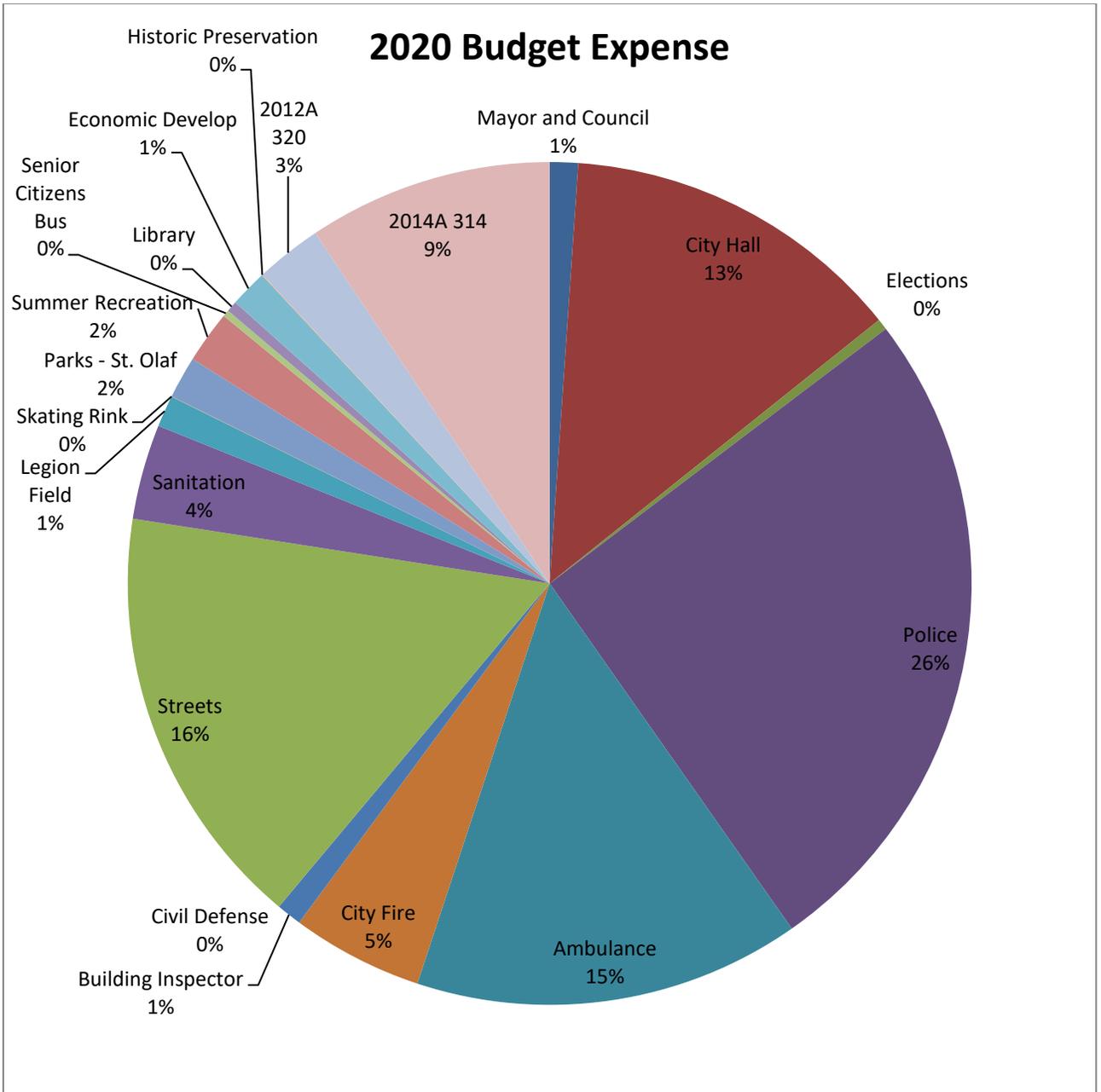
**Economic Development**

<u>Expense</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Misc./Transfer Out	5,000	17,000	17,000
<b>Totals</b>	<b>5,000</b>	<b>17,000</b>	<b>17,000</b>

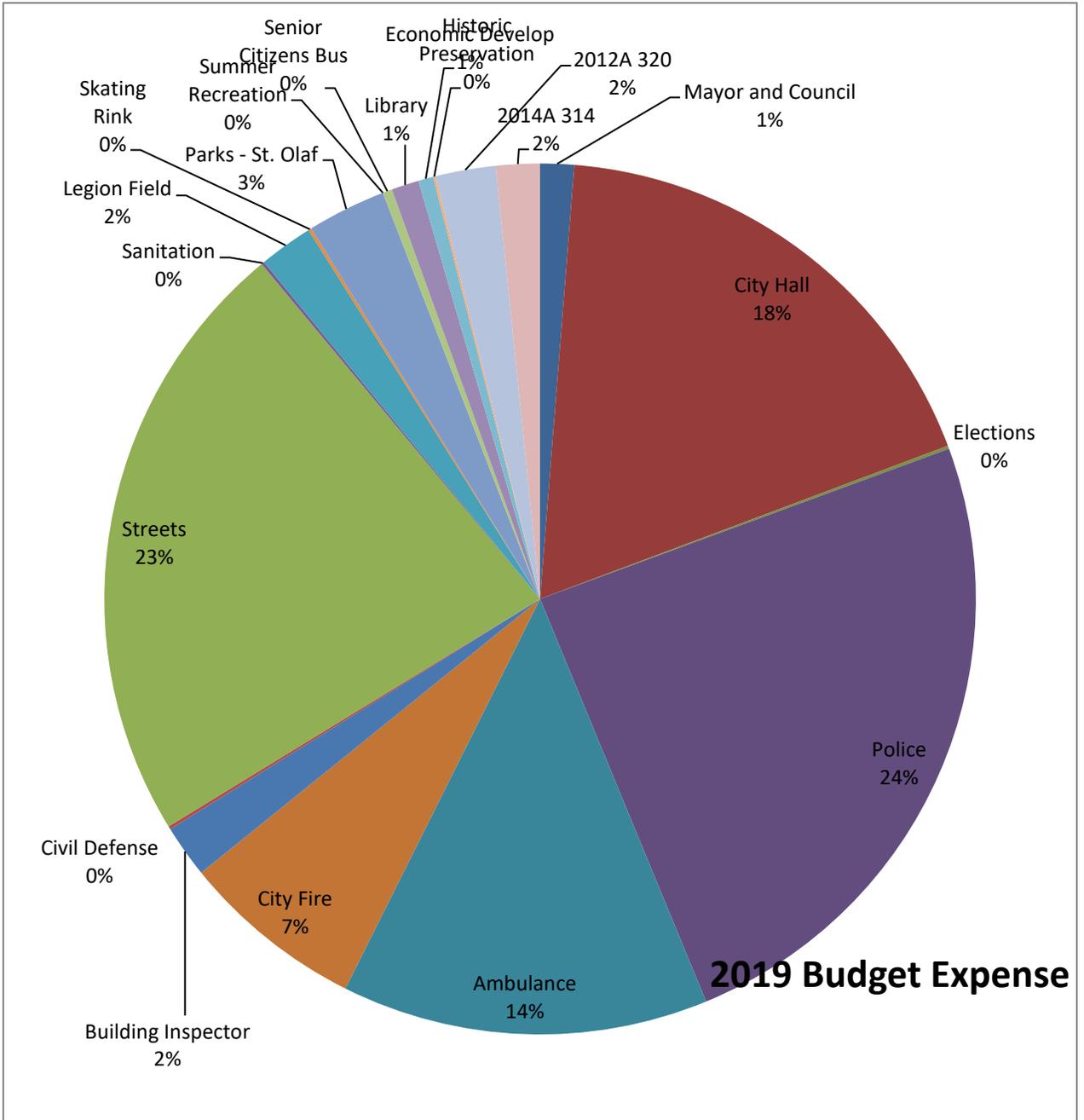
The EDA Allocation includes the tax abatement to repay the operating loan to extend water mains.

Historic Preservation

<u>Expense</u>	<u>Actual 2,018</u>	<u>Adopted 2,019</u>	<u>Proposed 2,020</u>
Waseca County Historical	-	-	-
Misc./Transfer Out	11,571	300	300
<b>Totals</b>	<b>11,571</b>	<b>300</b>	<b>300</b>



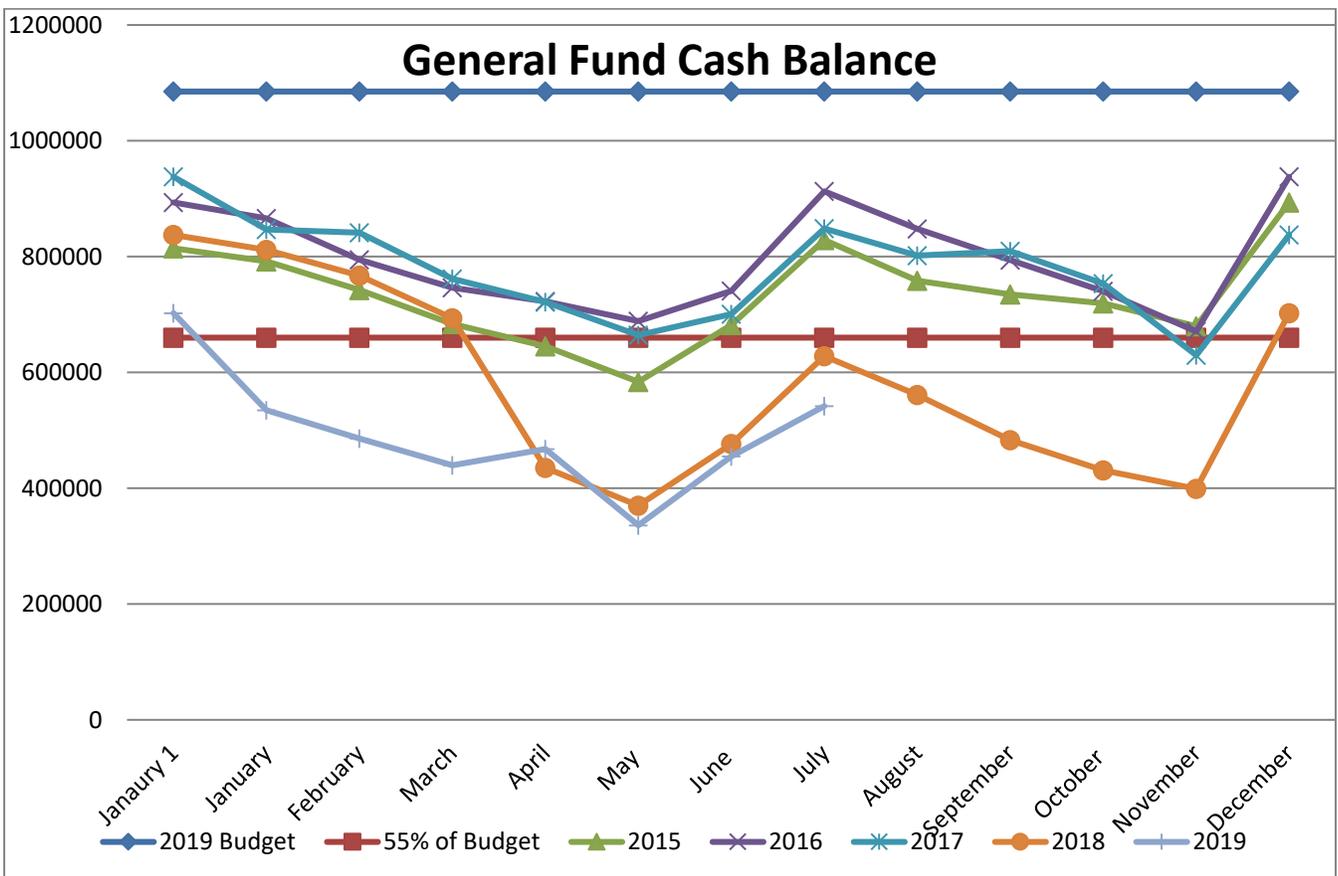
2017 Actual Expenditures for comparison.



**Cash Balances**

The City has a Cash Balance Policy that strives for a cash balance in the General Fund equaling 55% of the total budget

The chart below shows historical data for the General Fund Cash Balance:



The balance will decrease with the transfer of Capital Reserves to the Capital Fund. This will all but ensure the City will be below policy goal. The repay of the Ambulance purchase deficit was reduced last year to keep levy manageable. To make some headway with replacing the cash reserves an additional \$20,000 per year for the next five years would be desirable.

**CAPITAL FUND**

**Revenue Sources**

Franchise - Cable TV	7,080	6,700	6,700
Water Fee			6,000
Franchise - Electric	7,035	7,000	7,000
Franchise - Gas	5,837	5,800	5,800
<b>Total</b>	<b>19,952</b>	<b>19,500</b>	<b>25,500</b>

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**2014 Project Fund**

The balance of \$267,106 is being transferred to the Capital fund and is restricted to street improvements. The Water, Electric and Gas amounts above will also be designated to street improvements. The Cable Franchise fee will be available for other Capital Expenses. There is also a \$14,200 Capital Levy projected to help fund planned expenditures for 2020. More would be desirable to ensure funding into the future as capital needs will continue to increase. An additional document is being provided to help with the discussion about capital priorities.