

City of Blaine 2020 Budget

City Manager's Discussion Draft

August 12, 2019

2020 Budget

Presented to Council July 19:

- Revenue: \$35,333,100
- Expenditures: \$34,955,305

Safe Margin = \$377,795

2020 Budget

Updates Aug. 12:

- Revenue: **\$34,895,600**
 - *Reduced \$437,500*
- Expenditures: **\$34,642,830**
 - *Reduced \$312,475*

Safe Margin = \$252,770

2020 Tax Levy

Initial Council Direction

- Same overall rate as 2019
36.820%

2020 Tax Levy - Reallocated

July 15

August 12

	<u>2019 Levy</u>	<u>2020 Add'l Cap Allocation</u>	<u>2020 Prelim Levy</u>
General Fund	\$ 23,869,100	\$ 2,580,900	\$ 26,450,000
PMP	\$ 500,000	\$ (500,000)	\$ -
Debt Service	\$ 3,925,000	\$ 575,000	\$ 4,500,000
EDA	\$ 680,000	\$ 20,000	\$ 700,000
Parks, Trails	\$ 300,000	\$ 100,000	\$ 400,000
	\$ 29,274,100	\$ 2,775,900	\$ 32,050,000
<u>Tax Rate</u>			36.820%

	<u>2019 Levy</u>	<u>2020 Add'l Cap Allocation</u>	<u>2020 Prelim Levy</u>
General Fund	\$ 23,869,100	\$ 2,130,900	\$ 25,900,000
PMP	\$ 500,000	\$ (400,000)	\$ 100,000
Debt Service	\$ 3,925,000	\$ 925,000	\$ 4,950,000
EDA	\$ 680,000	\$ 170,000	\$ 850,000
Parks, Trails	\$ 300,000	\$ (50,000)	\$ 250,000
	\$ 29,274,100	\$ 2,775,900	\$ 32,050,000
<u>Tax Rate</u>			36.820%

2020 Strategic Planning

City of Blaine Plan Summary 2019--2022

STRATEGIC PRIORITY	DESIRED OUTCOME	KEY OUTCOME INDICATOR	TARGET	STRATEGIC INITIATIVES
EFFECTIVE COMMUNICATION	Improved internal communications	- Staff survey results	- Improve ___% from baseline	a) Develop internal communications strategy b) Create communication index c) Develop a strategic communication model d) Develop a council/staff communication model
	Meet information needs of community	- Community engagement metrics	- Increased + results/tonality	
	High functioning Council-Staff relationship	- Communication Index	- > 7 on a 1-10 scale	
FINANCIAL SUSTAINABILITY	Financial stability across all funds	- Y/E fund balances/reserves	- 5-year Capital Improvement Plan by 12/2019	a) Expand Fund Balance policy b) Revise Financial Management Policy
	Stable (structural balance) for all funds	- Revenues-expenditure results	- Comprehensive Financial Plan	
	Well managed capital resources	- Capital revenues	- Achieve AAA rating	
GROWTH MANAGEMENT	Successful redevelopment of 105 th Corridor	- Lot Inventory	- 2 new corridor projects along frontage by 2022	a) Implement 105 th Ave. Corridor Strategy b) Implement NE Area Plan c) Assist Developer to Complete Lexington Meadows Plan d) Develop Economic Development Market Strategy e) Create a Three-Year Implementation Plan-Northtown
	Maintain current growth	- Guided and zoned lots	- Build out NE area at 200 units/year	
	Successful 35W/Lex Corridor	- Available land-each area; conversion rate	- CSM Build out by 6/2022 - Wellington: 3 bldgs. completed by 2022 - N. side 109 th platted by 2022	
	Northtown redevelopment advancing	- Northtown plan milestones	- Complete private utilities by 2019 - Three outlots by 2022 - New Transit station by 2020 - Herberger's replaced by 2022	
ORGANIZATIONAL HEALTH	Well trained work force	- Performance evaluation results	- >80% meet expectations	a) Develop a performance review model b) Develop a feedback & follow up model that targets all stakeholders b) Develop an employee engagement plan
	Governance decision-making process that works	- Survey results: Council, Committee, businesses and citizens	- >75% positive response	
	Highly engaged workforce	- Employee survey results	- 85% of employees feel engaged	
TH 65 IMPROVEMENT	Corridor project direction	- PEL study schedule	- PEL completion by 4/2020	a) Implement PEL Study b) Corridor Options Plan c) Project Funding Matrix d) W. Frontage Road Alignment e) Construction Coordination
	Project funding alignment	- Secured bonding	- Funding sources align with completion of study	
	Clarity regarding internal relievers	- Planning milestones: ROW acquisition	- West side of 99 th -109 th alignment in place, study completed- 1/2020	
WELL MAINTAINED INFRASTRUCTURE	High quality street surfaces	- Pavement condition rating (PCI)	- PCI > 70: arterials by ___ - PCI > 55: neighborhood streets by ___	a) Revised pavement mgmt. plan b) Comprehensive CIP c) Develop system inspection & maintenance strategies d) Conduct Bldg. automation technology assessment e) Establish benchmarks
	Reliable utility systems	- Watermain break rate - Sewer back-ups	- < 10 breaks/100M pipe - < 5 year	
	Well maintained buildings & facilities	- Inspection results	- Meet industry benchmarks	

2020 Budget

Revenue Updates:

- GF Levy reduced by \$550,000
- Licenses/Permits increased \$25,000
(Liquor licenses)
- Internal Charges increased \$72,500
(Position charged to Water Utility)

2020 Budget

Expenditures Updates:

➤ Positions removed from budget:

➤ Elections Assistant - \$ 33,360

➤ GIS Analyst - \$ 91,430

➤ Parks/Rec Manager - \$143,930

\$268,720

2020 Budget

Expenditures Updates:

➤ Other major reductions:

- | | |
|-------------------|-----------|
| ➤ SBM contract - | \$ 12,875 |
| ➤ Police Patrol - | \$ 70,000 |

2020 Budget

Expenditures Updates:

- New positions remaining in budget:
 - Police Officer - \$104,830
 - Mechanic - \$113,300

2020 Recommended Budget

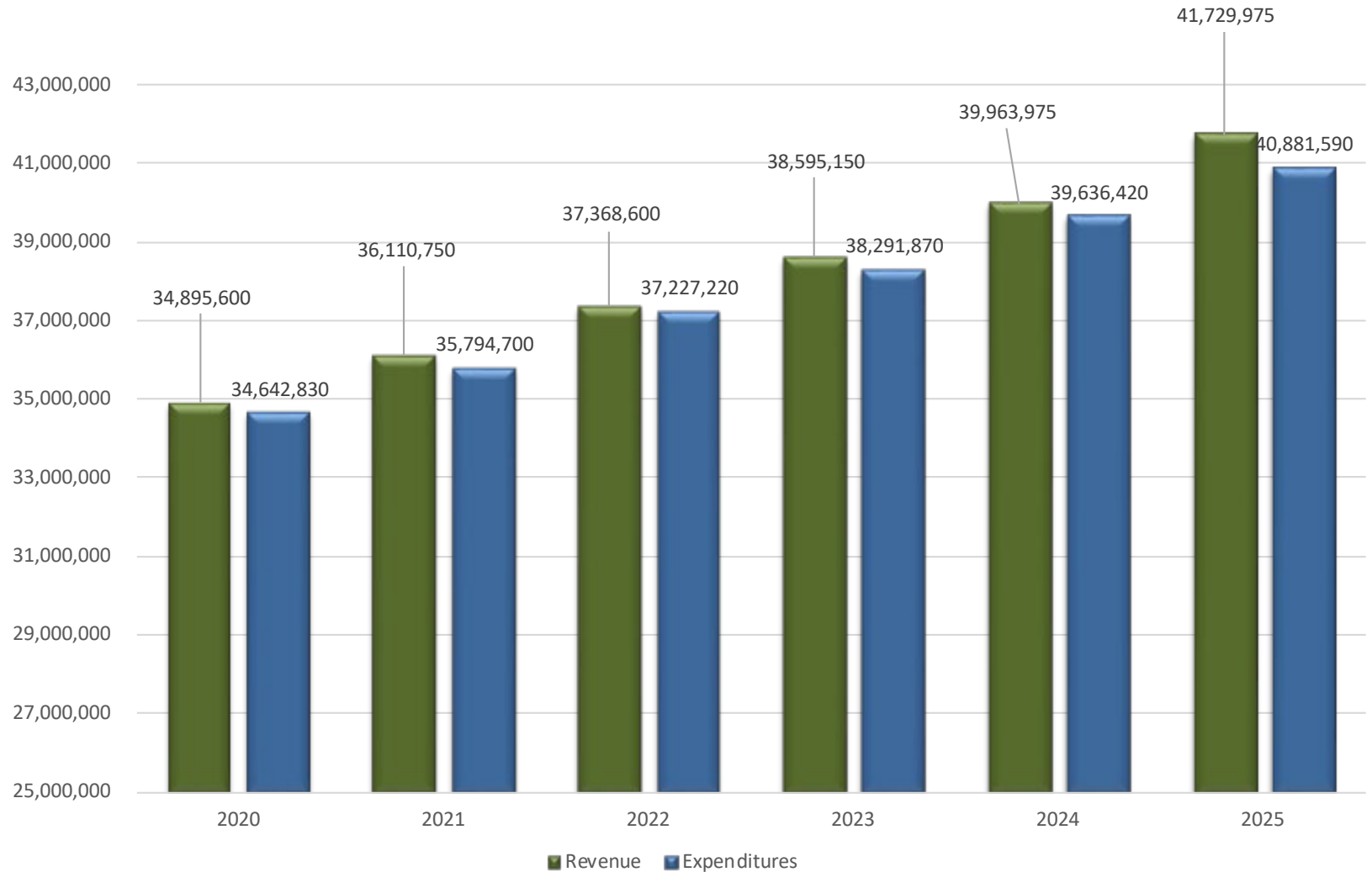
GENERAL FUND								
	2019	2020	2020	2020		2020	2020	
	2019 Adopted	June 2019 Dept Req	Finance Adjustments	Post-Finance Review		Manager Adjustments	Mgr Review	
Beginning Reserve	\$ 10,628,000	\$ 10,708,925		\$ 10,708,925			\$ 10,628,795	
REVENUES								
Net Levy	23,869,100	26,450,000	(450,000)	26,000,000	8.9%	(100,000)	25,900,000	8.5%
Licenses & permits	2,261,000	2,369,000	25,000	2,394,000	5.9%	-	2,394,000	5.9%
Intergovernmental revenues	1,505,500	1,590,500	-	1,590,500	5.6%	-	1,590,500	5.6%
Charges for services	4,245,300	4,459,600	72,500	4,532,100	6.8%	-	4,532,100	6.8%
Fines & Forfeits	213,000	245,500	-	245,500	15.3%	-	245,500	15.3%
Investment income	177,500	128,000	-	128,000	-27.9%	-	128,000	-27.9%
Miscellaneous	108,000	105,500	-	105,500	-2.3%	-	105,500	-2.3%
Reserve Draw	-	-	-	-		-	-	
Total Revenues	32,379,400	35,348,100	(352,500)	34,995,600	8.1%	(100,000)	34,895,600	7.8%
EXPENDITURES								
Legislative	442,690	454,240	(130)	454,110	2.6%	-	454,110	2.6%
Administration	2,069,650	2,413,265	(1,650)	2,411,615	16.5%	(32,090)	2,379,525	15.0%
Finance	2,597,670	2,811,335	(230)	2,811,105	8.2%	12,285	2,823,390	8.7%
Safety Services (net SBM Fire)	13,523,195	14,361,445	(2,900)	14,358,545	6.2%	(129,045)	14,229,500	5.2%
SBM Fire	2,085,000	2,244,250	(12,875)	2,231,375	7.0%	-	2,231,375	7.0%
Public Works	7,525,530	8,185,520	(3,590)	8,181,930	8.7%	17,620	8,199,550	9.0%
Public Services	1,623,870	1,891,540	11,000	1,902,540	17.2%	(206,780)	1,695,760	4.4%
Community Development	2,001,020	2,158,710	(270)	2,158,440	7.9%	36,180	2,194,620	9.7%
Unallocated Services	429,850	435,000	-	435,000	1.2%	-	435,000	1.2%
Total Expenditures	32,298,475	34,955,305	(10,645)	34,944,660	8.2%	(301,830)	34,642,830	7.3%
Safe Margin of Rev/Exp	80,925	392,795		50,940			252,770	

2020-25 Budget Projection

GENERAL FUND							
	2020		2021	2022	2023	2024	2025
	Mgr Review		Projected	Projected	Projected	Projected	Projected
Beginning Reserve	\$ 10,628,795		\$ 10,881,565	\$ 11,197,615	\$ 11,338,995	\$ 11,642,275	\$ 11,969,830
REVENUES							
Net Levy	25,900,000	8.5%	28,075,000	29,400,000	30,550,000	31,850,000	33,550,000
Licenses & permits	2,394,000	5.9%	1,992,750	1,850,000	1,850,000	1,850,000	1,850,000
Intergovernmental revenues	1,590,500	5.6%	1,505,000	1,539,700	1,574,600	1,599,700	1,620,000
Charges for services	4,532,100	6.8%	4,098,000	4,137,900	4,179,550	4,223,275	4,268,975
Fines & Forfeits	245,500	15.3%	213,000	213,000	213,000	213,000	213,000
Investment income	128,000	-27.9%	128,000	128,000	128,000	128,000	128,000
Miscellaneous	105,500	-2.3%	99,000	100,000	100,000	100,000	100,000
Reserve Draw	-		-	-	-	-	-
Total Revenues	34,895,600	7.8%	36,110,750	37,368,600	38,595,150	39,963,975	41,729,975
EXPENDITURES							
Legislative	454,110	2.6%	462,610	471,110	479,610	490,410	501,210
Administration	2,379,525	15.0%	2,281,240	2,508,840	2,407,670	2,645,820	2,541,720
Finance	2,823,390	8.7%	2,900,910	2,980,660	3,157,730	3,245,260	3,335,360
Safety Services (net SBM Fire)	14,229,500	5.2%	14,862,650	15,522,410	16,024,190	16,542,750	17,278,660
SBM Fire	2,231,375	7.0%	2,342,940	2,460,090	2,583,090	2,712,240	2,847,850
Public Works	8,199,550	9.0%	8,499,770	8,713,990	8,934,400	9,161,230	9,394,630
Public Services	1,695,760	4.4%	1,740,600	1,789,380	1,839,610	1,891,370	1,944,690
Community Development	2,194,620	9.7%	2,263,970	2,335,560	2,409,430	2,485,690	2,564,400
Unallocated Services	435,000	1.2%	440,010	445,180	456,140	461,650	473,070
Total Expenditures	34,642,830	7.3%	35,794,700	37,227,220	38,291,870	39,636,420	40,881,590
Safe Margin of Rev/Exp	252,770		316,050	141,380	303,280	327,555	848,385

2020-25 Budget Projection

General Fund 5-year Projection



2020 Budget

Addressing Strategic Initiatives

New initiatives should be evaluated based on how the initiative addresses the City's Strategic Plan

2020 Budget

Addressing Strategic Initiatives

- SBM Budget
- Emerald Ash Borer Initiative

2020 Budget Discussion

1. **2020 Proposed Levy**
2. **GF Recommended Budget**

Are Strategic Priorities sufficiently addressed?

2020 General Fund Budget

2020 General Fund Budget Calendar

- **September 16** – Adopt preliminary tax levy, GF budget
- **October-November** – Prioritize, reprioritize based on Strategic Plan, targeted service levels, and ability to fund

2020 General Fund Budget

2020 Budget Calendar

- **December** – Complete prioritization process; adopt 2020 Levy and GF Budget

