



City of Blaine Anoka County, Minnesota

Blaine City Hall
10801 Town Sq Dr NE
Blaine MN 55449

Legislation Text

File #: WS 19-81, Version: 1

WORKSHOP ITEM - *Joe Huss, Finance Director*

PROPOSED 2020 FACILITIES MANAGEMENT FUND BUDGET

In 2019, as part of the city's efforts to stabilize its General levy and provide a mechanism for ensuring long-term funding of facilities improvements is in place, the City Council authorized the creation of an internal service fund to account for Facilities Management and established a 2019 Facilities Management Fund Budget. Internal service funds are used to account for the financing of goods and services provided by one department or activity to other departments or activities of the government on a cost reimbursement basis.

The facilities managed under this fund include City Hall and attached garages, Public Works and the PW cold storage facility, the Police training facility and the Mary Ann Young Center. As activity in this fund was previously accounted for in the General Fund, Council authorized a transfer from the General Fund to the Facilities Fund to provide the new fund with a start-up balance of \$250,000. This funding provided a contingency reserve for emergency or unforeseen repairs that might be needed before the fund has had sufficient time to build reserves.

Operating expenditures in the 2020 Proposed Facilities Budget are up 4.75% with the most notable change from 2019 being the additional space to be maintained in the new Mary Ann Young Center. Internal fees have likewise increased, but, again, most of the increase is due to the increased space to be maintained at the MAY Center.

Proposed capital spending totals \$155,550 and includes \$50,000 for additional video security at the Public Works building as well as \$15,000 for masonry work at the Public Works cold storage facility. At City Hall there is \$13,500 appropriated for exterior caulking work as well as \$26,400 for scheduled replacement of HVAC components. Also in the proposed budget is \$50,000 for sealcoating the public and police parking lots at City Hall.

While the 2020 budget maintains an adequate fund reserve heading into 2021, there are a number of deferred capital expenses that will need to be addressed over the remaining four years of the five-year plan. Staff will be seeking Council's direction to reprioritize the plan so as to maintain the fund's financial viability.

Staff is seeking Council's review and comments on the 2020 Proposed Facilities Management Fund Budget and five-year plan.