



City of Blaine Anoka County, Minnesota

Blaine City Hall
10801 Town Sq Dr NE
Blaine MN 55449

Legislation Text

File #: WS 20-110, Version: 1

WORKSHOP ITEM - *Joe Huss, Finance Director*

FALL RETREAT - 2021 TAX LEVY AND BUDGET UPDATE

Through a series of budget workshops that have taken place over the preceding six months, Council has provided staff with certain direction on setting the 2021 Tax Levy and General Fund Budget. At the retreat, Staff will provide updated information for Council to assist in setting the final tax levy and budget. Information to be presented and discussed will be:

1. General Fund financial status as of August 31, 2020, with a projection through year-end 2020.
2. The Preliminary Levies, adopted Monday, September 21. Per Council direction, the total of all preliminary levies were set such that the combined tax rate equaled the combined tax rate for 2020 (36.802%). This would allow for a total increase in all levies of \$2,335,000 and was preliminarily allocated as follows:
 - a. General Fund - Up \$2,435,000 to \$28,335,000
 - b. Pavement Management - No change: \$100,000
 - c. Debt Service - Up \$25,000 to \$4,900,000
 - d. Parks & Trails - No change: \$350,000
 - e. EDA - Decrease of \$125,000 to \$700,000
3. The Preliminary General Fund Budget was adopted along with the Preliminary Levies on September 21 with an expenditure budget of \$36,073,800, which would be a 3.9% increase. At that amount and with the allocation of the levy as noted above, the 2021 General Fund Budget would provide a safe margin of revenue over expenditures of \$765,000. This exceeds the recommended safe margin by \$500,000.

With the likelihood of further budget adjustments that would actually increase this safe margin, the Council will be presented with a number of opportunities to reallocate or reduce the overall levy.

Staff is seeking Council's disposition on:

1. Formulating the final tax levy amount and allocation; and
2. The status of the 2021 General Fund Budget.