



City of North Branch Agenda

Title:	RESCHEDULED City Council Work Session
Location:	City Council Chambers
Date:	August 28, 2014

Start	End	Time	Topic	Presenter
6:30 AM	6:31 AM	0:01	Pledge of Allegiance	
6:31 AM	8:31 AM	2:00	2015 Budget- Dept Reviews	Meyers/Hill/Konrad
Total		2:01		

Reminder--Please bring your budget books from the 7/17 meeting.



City of North Branch

Memo

Prepared By: Richard Hill
Date: August 21, 2014
Subject: Update Preliminary Budget - 2015

Attached is an update document that reflects the budget and levy impact of the phone system costs and the reduction in Fire Relief Contribution for 2015. The impact on the "Base" general levy as well as the combined city levies is listed for your information.

This work session will focus on the review of the various departmental "base" budgets along with your determination of Staffing and CIP items to be included in the City's Preliminary 2015 Budget and Levy.

The County Auditor update for the 2015 estimated tax impact was included at our last budget work session. The City's tax capacity numbers are increasing with the addition of Anderson Windows coming off Jobz, the new facilities for several businesses, as well as the increased homes build within the city. As discussed the tax pie is shifting and will result in changing residential (moving higher towards 2008/09 levels and industrial/commercial moving lower towards pre-market value exclusion rates).

The Preliminary Levy will set the "ceiling" for the City's final levy that is to be set in December. The Preliminary Levy needs to be certified to the County by September 30th. The second Council meeting is on September 22nd at which time the Preliminary Levy will need to be set as well as the December "Truth in Taxation" date and meeting time. In reviewing the December calendar, Thursday Dec. 4th at 6:30 pm seems to work best. Please review your calendar in order to provide direction to staff.

Again as you review the information, please let me know if you have any questions.

Budget Updates & Impact since Base Established

Update: Aug 21, 2014

	Allocations			
	General Fund	Sewer Fund	Storm Water	Liquor Store
Addition with Phone System Replacement	5,160	480		
Reduction with Change in Fire Relief Pension Contribution	(31,676)			
Net Impact of Updates before Staffing or CIP Items	(26,516)	480		
Total Levy (pg 3 Base Budget)	4,207,485			
Updated Total Levy-2015	4,180,969			
2014 Total Levy	3,879,854			
TOTAL LEVY -Percent Change from Prior Yr	7.76%			
TOTAL ALL CITY LEVIES(General and HRA/EDA)	7.30%	N/A		

updated 8/21/14

Capital Improvement Plan - Key Purchase Plan for 2015

Dent	CIP Project	Brief Description	Cost	Funding Source(s) and/or Options	General	Sewer	Storm Water	Grants/ State Aid	Assessments
Administration	Phone System Replacement	Our dated system no longer supported, repairs & parts no longer readily available	50,000	Property tax and/or Equip Cert	37,500	8,500	4,000		
Engineering	Sidewalk Replacement Main St Streetlights-Downtown Street Light Repair Northwest Old Town Phase I Bridges Road Bridge Replace	Repairs/replacement to City sidewalks Street repair/replace. May need to replace/upgrade water lines. Replace bridge & match existing road	20,000 32,000 Base Budget 800,000 500,000	Property tax Property tax Property tax State Aid / Assessments / Storm Sewer State Aid & Grant funds	20,000 32,000		60,000 90,000	640,000 500,000	100,000
Fire Dept	Large Diameter Hose Wild Fire Grass Truck Repairs to Fire Hall Assistant Chief/Utility Truck	Replace hose bought prior to 1987 Replace 1984 grass rig Repairs to Fire Hall apron & block work-tuk pt. Vehicle for assistant chief to go directly to scene for set up & evaluation	60,000 35,000 30,000	Property tax and/or Equip Cert Property tax Property tax and/or Equip Cert	60,000 35,000 30,000				
Municipal Bldgs	Computer System	City staff computers/network etc	Base Budget	Property tax					
Parks & Recreation	Trails Maint/Repair Northwood tennis court resurface	Maintenance & repair trails Resurfacing of existing tennis courts-installed in 1997	40,000 20,000	Property tax Property tax	40,000 20,000				
Police Dept	Squad Car Replacement AED Replacement Taser Replacement	On-going replacement program based on dept vehicle usage Auto External Defib replacement- end of useful life Replacement, units nearing end of useful life	Base Budget 10,000 7,500	Property tax Property tax	10,000 7,500				
Public Works	Pickup Replacement Plow Truck Felling Trailer	replacement; pickup truck program begun in 2014 replace 1992 snow plow truck replacement 2002 trailer-rusting away will not pass DOT inspection	Base Budget 220,000 12,000	Property tax and/or Equip Cert Property tax and/or Equip Cert	220,000 7,000		5,000		
Sewer/Wastewater	Influent & Effluent Samples	automated composit samples at wastewater plant	15,000	Sewer/wastewater fund		15,000			
City Total			1,851,500		519,000	23,500	69,000	1,140,000	100,000
Estimated Levy Impact									13.38%

NOTE: Items within Sewer, Storm Water, and Liquor Store plus Assessments or Grants (State Road Const) do not directly impact the General Levy

Base Budget	Estimated Gen Fund Impact Fund w/o Equip Cert	Use Equipment Fund with Equip Cert	Levy Impact 5 Year at 3.5%
1,851,500	90,500	12,500	29,371
	2.33%	78,500	0.76%
Alternative # 1	158,500	61,000	89,773
	4.09%	135,000	2.31%
Alternative # 2	109,500	32,000	56,633
	2.82%	115,000	1.46%
Alternative # 3	92,000	32,000	53,011
	2.37%	97,500	1.37%
Alternative # 4	55,000	15,000	31,664
	1.42%	77,500	0.82%
Alternative # 5	43,000	13,000	27,594
	1.11%	67,500	0.71%

To Be Considered (Discussed at 7-17 Work Session) Equipment & funding for mosquito control- Equip 7 to 8k plus materials 13 to 15k