



TO: HONORABLE MAYOR AND CITY COUNCIL MEMBERS

FROM: CITY ADMINISTRATOR OSBERG

DATE: AUGUST 8, 2017

SUBJECT: PROPOSED 2018 AND 2019 GENERAL FUND OPERATING BUDGETS, PAYABLE 2018 AND 2019 PROPERTY TAX LEVIES, AND BUDGET INFORMATION

INTRODUCTION

As this City Council will see in the following pages, the 2018/2019 Budget will show increases in both the annual budget and levy, which can in large part be attributed to the significant development the community is experiencing. With community growth comes the need for a higher level of City service delivery. The increase in tax capacity from new construction alone over the next five years is projected to be 5% in total. About 1% of the increase will occur in 2018-19, with an additional 4% over 2020-2022.

Eagan is a changing City, as the last few years have included major commercial developments in Cedar Grove and Central Park Commons. In 2018, the first phase of the Viking Lakes development will open, as the Minnesota Vikings will open their world headquarters in Eagan, which will include corporate offices, an indoor practice facility, stadium, and outdoor fields. "Friday Night Lights" high school football games and events such as concerts and college football games will also be played in the stadium. Starting in August 2018 the Minnesota Vikings will also be conducting their summer training camp in Eagan. Additional development opening in 2018-2019 includes Twin Cities Orthopedic, Prime Therapeutic, Quarry Road housing and retail, Hilton Home2 Hotel in Cedar Grove, along with numerous other senior living facilities and hotels across the City.

MEETING PURPOSE

The City is required by State law to certify payable 2018 property tax levy to the County Treasurer-Auditor on or before September 29, 2017. The primary purpose of the August 8, 2017 Special City Council meeting is to review the preliminary 2018 General Fund Budget and property tax levy, to assure adjustments can be made in a timely manner before the September 29, 2017 deadline. This is also the first time Staff has prepared a two-year budget, thus, information on the preliminary 2019 General Fund Budget and levy are also included for discussion.

BUDGET ADOPTION PROCESS

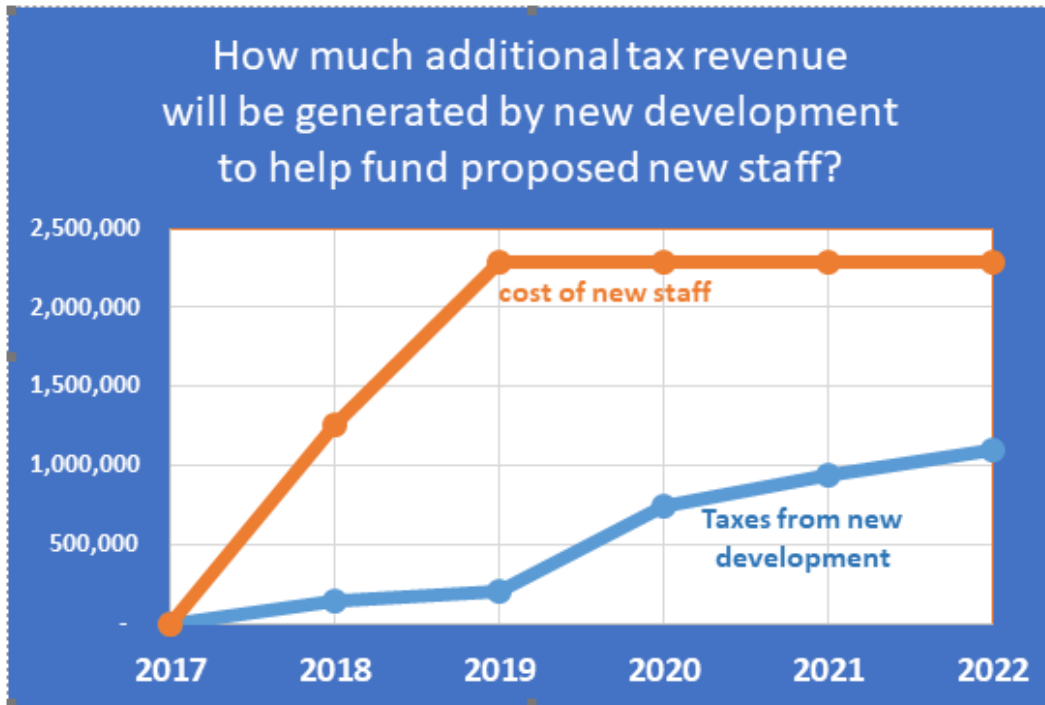
Department Heads began work on their two year budgets in April and submitted proposals in June. Formal action on the levy and preliminary 2018 General Fund budget is scheduled for the regular meeting on September 5, 2017, but could be delayed until the regular meeting on September 19, 2017. Should the City Council wish to have further discussion on the two year budget, time could be set aside at the September 12, 2017 City Council workshop; which could also be preceded by a meeting of the Finance Committee. The Truth in Taxation hearing is tentatively scheduled for Tuesday December 5, 2017. Final approval of the budget and levy could be scheduled for Tuesday December 19, 2017, should the City Council choose not to approve at the meeting on December 5, 2017.

EXECUTIVE SUMMARY

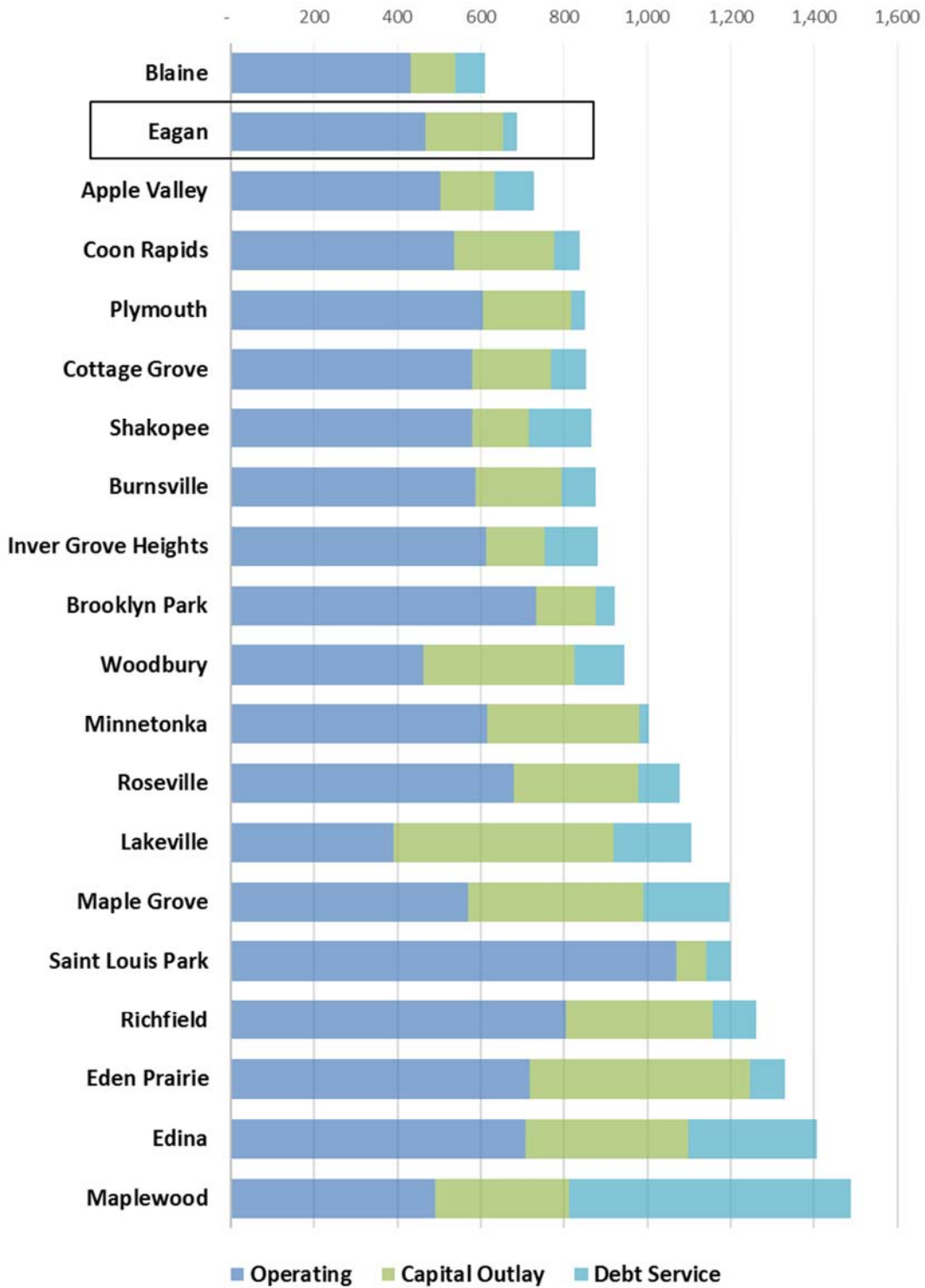
- The 2018 General Fund Budget is proposed to increase by 7.1% and the overall Levy would increase by 5.2%.
- The market value of the City has increased by 7.7% or \$578,179,136 from 2017 to 2018, mostly from valuation changes on existing property.
- The average Eagan household market value has increased from \$263,485 in 2017 to \$277,322 for payable 2018.
- The City's tax capacity rate would be .36425 for payable 2018, a slight decrease from the 2017 rate of .37385.
- City Taxes on the Average Market Value house in Eagan would be \$1,003 or an increase of 3.2%.
- Over \$1.1 million in additional staff are included in the 2018 budget to respond to service demands.
- Staff increases include Phase #1 of the Fire Staffing Study recommendations (4 Captains and 2 Firefighters), along with an additional three (3) Police Officers.
- Additional staff are included in Engineering (GIS); Parks Maintenance, and Central Maintenance Mechanic.
- The 2019 Budget is proposed to increase by 5.5% and the overall levy would increase by 5.6%
- Additional staff proposed in 2019 would include Phase #2 of the Fire Staffing Study recommendations (6 Firefighters), additional Police Officers (2); and one Park Maintenance Worker

- Property tax growth due to new construction over the next five years is estimated as follows:

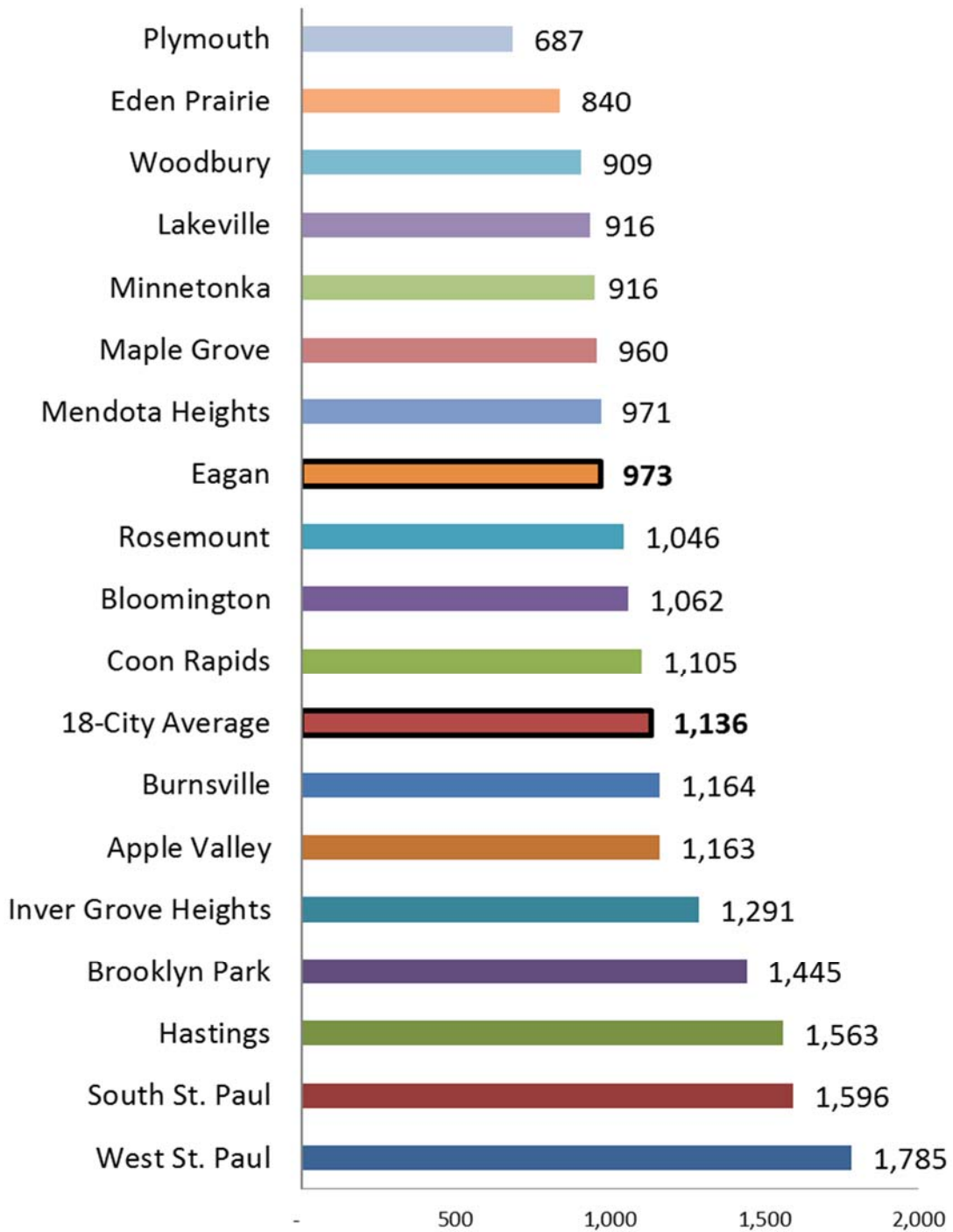
2018:	\$ 144,154
2019:	\$ 65,608
2020:	\$ 527,758
2021:	\$ 204,838
2022:	\$ 158,172



2015 EXPENDITURES PER CAPITA (METRO CITIES W/ POPULATION 35,000 TO 80,000)



**City Portion of Property Taxes
2017 Final Taxes
\$263,485 Homestead (Eagan avg.)**



General Fund Budget

The proposed 2018 General Fund budget is \$35,983,800, an increase of \$2,383,600 or 7.1% over the 2017 expenditure budget. The 2019 General Fund budget is programmed to increase \$1,979,200 over the 2018 General Fund budget, resulting in a total of \$37,963,000. Both budget years contemplate the use of \$210,000 of fund balance for each 2018 and 2019 operating budgets.

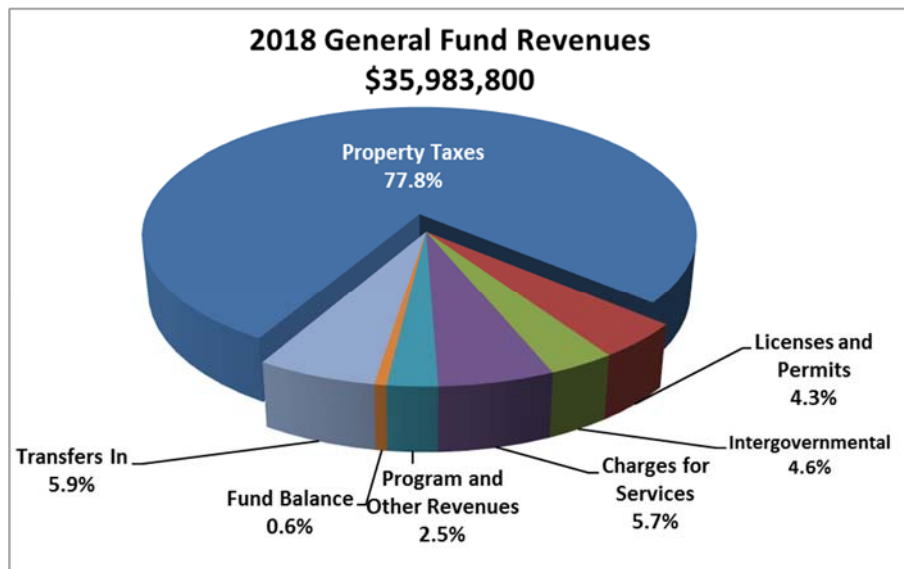
Revenue estimates

The 2018 and 2019 budget as proposed are based on a continuation of the City's established practice of estimating revenues on the conservative side within a realistic range. Significant revenue changes are noted below:

2018 Budget

- Permit revenue is expected to increase \$141,200 with Building and Mechanical permits resulting from the Viking Lakes development, making up the majority of the increase.
- Charges for Service revenue are programmed to increase \$204,100 which is mostly from the internal engineering service charges generated from Special assessments resulting from street improvement projects.
- Interest on Investments is expected to increase \$98,000 with rising interest rates and the current economic climate.

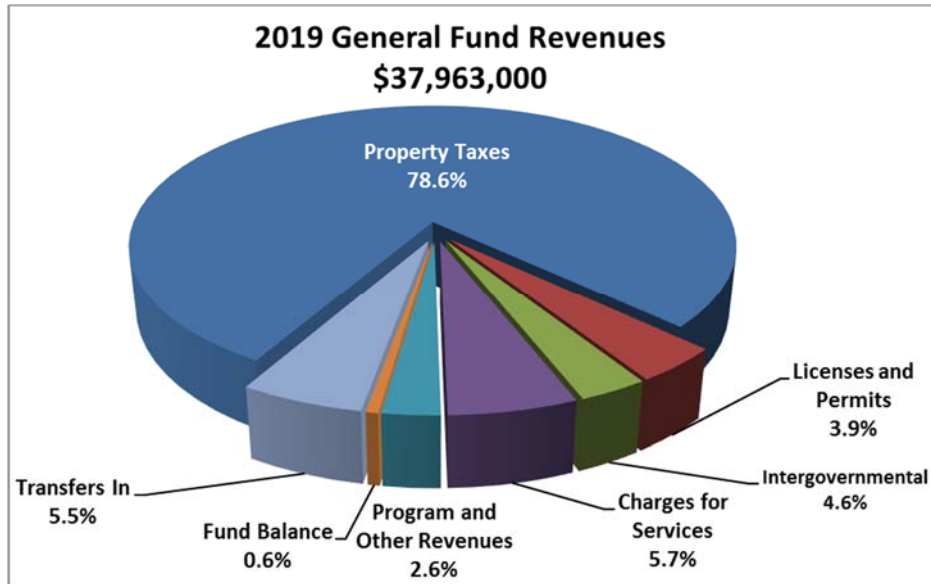
General Fund Revenues	2017	2018	Δ	
			\$	%
Property Taxes	26,427,500	27,995,600	1,568,100	5.9%
Licenses and Permits	1,408,800	1,565,100	156,300	11.1%
Inter-gov't Rev.	1,150,400	1,174,400	24,000	2.1%
Charges for Services	1,819,900	2,044,100	224,200	12.3%
Program and Other Revenues	846,800	885,700	38,900	4.6%
Fund Balance	0	210,000	210,000	0.0%
Transfers In	1,946,800	2,108,900	162,100	8.3%
	33,600,200	35,983,800	2,383,600	7.1%



2019 Budget

- Permit revenue is expected to decrease \$73,000 since significant portions of the Viking Lakes project are expected to be completed by 2019.
- Project Administration revenue is programmed to increase \$65,500 due to an expected increase in administrative services performed for utility, street, trail and street light projects.

General Fund Revenues	2018	2019	Δ	
			\$	%
Property Taxes	27,995,600	29,848,000	1,852,400	6.6%
Licenses and Permits	1,565,100	1,492,100	(73,000)	-4.7%
Inter-gov't Rev.	1,174,400	1,172,700	(1,700)	-0.1%
Charges for Services	2,044,100	2,175,800	131,700	6.4%
Program and Other Revenues	885,700	979,200	93,500	10.6%
Fund Balance	210,000	210,000	0	0.0%
Transfers In	2,108,900	2,085,200	(23,700)	-1.1%
	<u>35,983,800</u>	<u>37,963,000</u>	<u>1,979,200</u>	<u>5.5%</u>

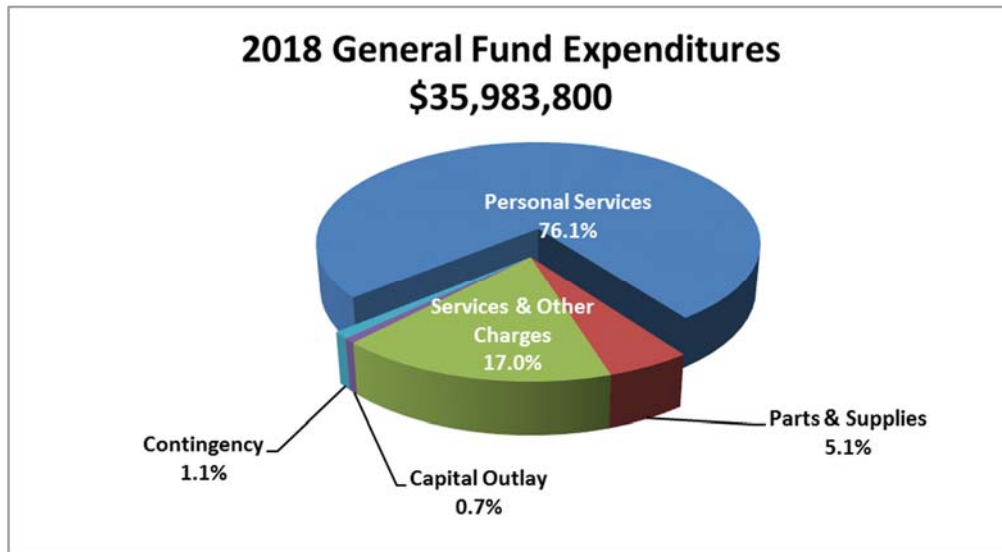


Expenditures

2018 Budget

- Parts and supplies is noted to increase by \$164,600 for the proposed 2018 budget. Items of significance are noted below:
 - o \$15,000 is included as part of the Fire Department budget to maintain and repair mobile equipment and an additional \$11,000 for Target Solution, a training software.
 - o Ice control materials are programmed in the Streets Department to increase \$48,000 for replenishment of low inventory levels.
 - o The proposed Parks and Recreation department budget \$8,800 for a new Rectrac software module called Rectrac venue ticket
- The proposed 2018 budget includes a contingency account of \$350,000 which is an estimated amount to implement the recently approved compensation and classification study in the 2018 budget.

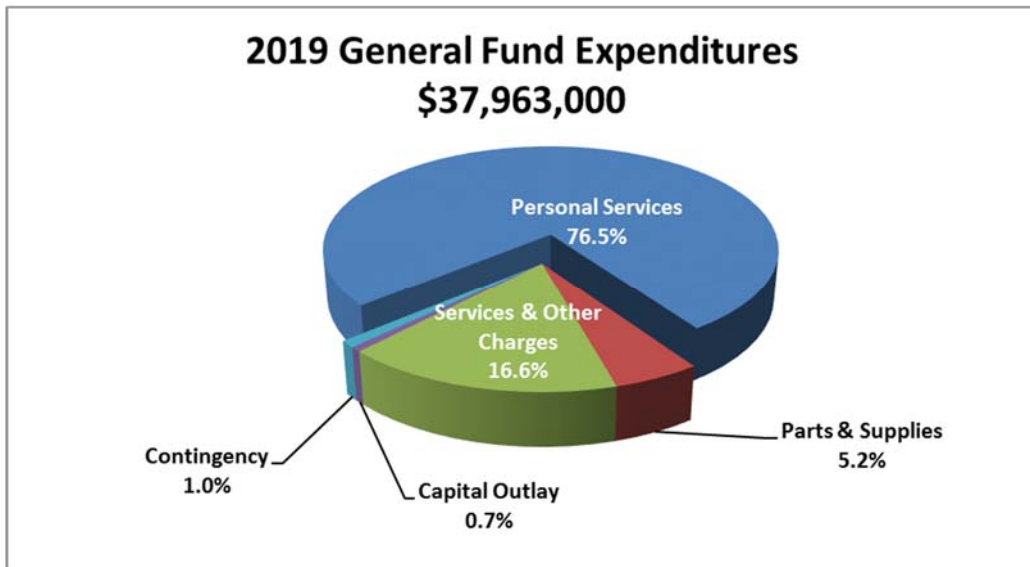
General Fund Expenditures	2017	2018	Δ	
			\$	%
Personal Services	\$ 25,038,000	\$ 27,394,100	\$ 2,356,100	9.4%
Parts & Supplies	1,680,000	1,844,600	164,600	9.8%
Services & Other Charges	6,120,900	6,106,000	(14,900)	-0.2%
Capital Outlay	217,800	260,100	42,300	19.4%
Contingency	543,500	379,000	(164,500)	-30.3%
	<u>\$ 33,600,200</u>	<u>\$ 35,983,800</u>	<u>\$ 2,383,600</u>	<u>7.09%</u>



2019 Budget

- Ice control materials are programmed to increase \$43,000 in order to keep inventory at safe levels.
- The proposed 2019 incorporates the increased use of technology with the following platforms:
 - o Human Resources is proposing the use of an open enrollment package that will assist the with process of benefit enrollment and Cobra coverage that is estimated to cost \$33,300
 - o A \$34,000 Network Security Assessment is proposed in the Information Technology budget. The proposal is intended to help maintain a highly secured network environment by possibly identifying threats and vulnerabilities so they can be eliminated.
 - o The addition of budgeting and financial reporting software for \$51,500 is included in the proposed 2019 budget. This software will benefit all departments by improving the timeliness of financial information with a more integrated approach.
 - o The Lexipol software is proposed in the 2019 Police budget at a cost of \$30,000. The software is designed to assist in keeping the department up to date on the latest risk management policies and provide additional resources based on federal and state statutes, case law, regulations and best practices.
- The proposed 2019 budget includes a contingency account of \$350,000 for an estimated amount to implement the recently approved compensation and classification study for the 2019 budget.

General Fund Expenditures	2018	2019	Δ	
			\$	%
Personal Services	\$ 27,394,100	\$ 29,051,000	\$ 1,656,900	6.0%
Parts & Supplies	1,844,600	1,974,700	130,100	7.1%
Services & Other Charges	6,106,000	6,299,900	193,900	3.2%
Capital Outlay	260,100	258,400	(1,700)	-0.7%
Contingency	379,000	379,000	-	0.0%
	<u>\$ 35,983,800</u>	<u>\$ 37,963,000</u>	<u>\$ 1,979,200</u>	<u>5.50%</u>



**General Fund Personnel Summary
2018-19 Budget**

	2017	2018	Δ	2019	Δ
	Adopted Budget	Proposed Budget	\$	Proposed Budget	\$
Existing Personnel					
Regular Employees					
Salaries/wages/overtime	\$ 16,986,600	\$ 17,570,800	\$ 584,200	\$ 18,180,400	\$ 609,600
Temporary/Seasonal	947,500	1,088,400		1,015,000	(73,400)
Police Contractual Security	100,000	100,000	-	100,000	-
PERA	1,990,400	2,057,900	67,500	2,129,300	71,400
FICA	878,200	907,700	29,500	932,400	24,700
Health/Life/LTD insurance	2,358,100	2,542,900	184,800	2,754,900	212,000
Worker's compensation	591,700	655,100	63,400	672,500	17,400
Volunteer firefighters compensation	458,500	498,700	40,200	382,000	(116,700)
Fire Relief Association (pension)	727,000	683,700	(43,300)	596,500	(87,200)
	25,038,000	26,105,200	1,067,200	26,763,000	657,800
Proposed Additions					
	FTE			FTE	
Police Officers	3.00	-	318,300	318,300	2.00
Fire Captains	4.00	-	487,300	487,300	-
Fire Fighters	2.00	-	199,700	199,700	6.00
GIS Technician/Op. Specialist (full-time)	0.50	-	50,400	50,400	-
Park Maintenance Worker	1.00	-	83,200	83,200	1.00
Equipment Maintenance Worker	1.00	-	78,300	78,300	-
	11.50	-	1,217,200	1,217,200	9.00
Proposed Adjustments					
PT GIS/Office Support	0.125	-	8,100	8,100	-
Property Room Tech	0.375	-	38,500	38,500	-
Accountant II Replacement	0.25	-	25,100	25,100	-
	0.75	-	71,700	71,700	-
Total Personnel	12.25	\$ 25,038,000	\$ 27,394,100	\$ 2,356,100	9.00
				\$ 29,051,000	\$ 1,656,900

Proposed Additions 2018-2019

The following new positions are proposed to be included in the 2018 and 2019 budgets.

Fire Department

*Proposed Positions: Four (4) Captains and Two (2) Fire Fighters in 2018;
Four (4) Fire Fighters in 2019*

How will public service be improved if the Captains and Firefighters are hired?

- In 2018, the Fire Department will seek to have two fully staffed units to respond to calls 24 hours a day, seven days per week. Each unit will include two fulltime fire fighters with one or two paid-on-call firefighter(s). During times where staffing is limited, firefighters may be combined to provide one fully staffed unit.
- By 2019, the Fire Department will consistently have two fully staffed units every day to respond 24 hours a day. Each unit will include three fulltime fire fighters and one paid-on-call firefighter.
- Response times to fires and medical calls for service will improve to meet widely accepted national fire guidelines.
- Fire fighters trained as EMT's will begin responding to additional medical calls for service.
- The number of paid-on-call firefighters is anticipated to decrease (by attrition) by approximately 12 people in 2018, and an additional 13 people in 2019.

Police Department

*Proposed Positions: Three (3) Police Officers in 2018;
Two (2) Police Officers in 2019*

How will public service be improved if the Police Officers are hired?

- The five new police officers would be assigned to the patrol division where they would be responsible for crime prevention, investigation, assistance to the public, and enforcement of state statute and City ordinances.
- These new positions would allow the department to fill the Traffic Enforcement Unit position and a rotating detective position, while also mitigating staffing issues that result from officers being on leave, attending training, etc.
- The officers will address increasing demands for service associated with existing and new development, including new retail areas and several new hotels.
- The additional officers will also alleviate traffic issues in and around the Viking Lakes development, particularly with the addition of training camp in 2018.
- The officers will gain valuable training and experience, which benefits the department as they continue to see a significant number of retirements by long-tenured officers.

Public Works

Proposed Position: One Geographic Information Systems (GIS) Technician/Operations Support Specialist in 2018

How will public service be improved if the Geographic Information Systems (GIS) Technician/Operations Support Specialist is hired?

- The new position would assist the City in the management of assets so we can proactively respond to infrastructure deficiencies. Repairs and improvements will be better planned, thus resulting in reduced labor costs, and the City will be in better compliance with regulatory requirements.
- Cross-division coordination by the new staff person will decrease disruptions to citizens and provide cost savings. Maps and data can be provided to all stakeholders about public and private projects happening in the community so citizens observe transparency, stay informed, ask questions, and provide feedback.
- This position will result in time savings for both staff and developers in reviewing development applications given readily available and accessible GIS data. Providing electronic maps to outside consultants allows users to quickly fulfill requests through e-mail, thus saving the developers' and property owners' time and expense.
- This position would address the public's desire for more web based, mobile applications, such as communicating the status of construction on citizens' streets and providing a user-friendly way to specify service needs/requests (pothole repair, dead animal pickup, etc.).

Proposed Position: One Equipment Maintenance Worker in 2018.

How will public service be improved if the Equipment Maintenance Worker is hired?

- The new Equipment Maintenance Worker will join a team of two other workers who are tasked with inspecting, diagnosing, maintaining, and repairing all City-owned vehicles, trucks, construction machinery, trailers, and other specialty equipment, which includes Police and Fire emergency response vehicles. The current staff is stretched beyond capacity, and thus the new position will bring added efficiency to the department.
- The position will allow the City to wire and set up emergency vehicles, which is currently being outsourced due to lack of staff capacity. The impact of providing these services will be less emergency vehicle downtime, and time savings for staff as the vehicles will no longer need to be transported off-site.
- The efficiencies gained by having another maintenance worker means staff utilizing vehicles and equipment out in the community are better and more quickly able to provide services to residents and stakeholders.

Parks and Recreation

*Proposed Positions: One (1) Park Maintenance Worker in 2018;
One (1) Park Maintenance Worker in 2019*

How will public service be improved if the Park Maintenance Workers are hired?

- The new park maintenance workers would ensure the City can meet community expectations by maintaining, constructing, and installing park features and infrastructure at the community's 56 parks. They also would maintain government building sites and perform turf maintenance.
- Over the past several years, the City has added new parks (e.g. Bridgeview and Moonshine), landscape beds, and amenities that contribute to the quality of life in Eagan, but require maintenance. In combination with aging infrastructure, current staff is not able to keep up with the inspections, repairs, and maintenance with current staffing levels.
- Additional acreage to maintain will be added at Quarry Park and George Ohmann Park, as new athletic fields and amenities are added. The development in NE Eagan and along Quarry Road also increase the amount of boulevard acreage to be mowed and maintained.
- By having two additional fulltime staff in place of seasonal help, the City can better meet demands for field maintenance, opening of restrooms, etc., which often is needed and expected by park users prior to seasonal staff coming on each year.
- The financial impact of the requested position is partially offset by the elimination of three seasonal, part-time positions and a reduction in overtime.

Proposed Adjustments 2018-2019

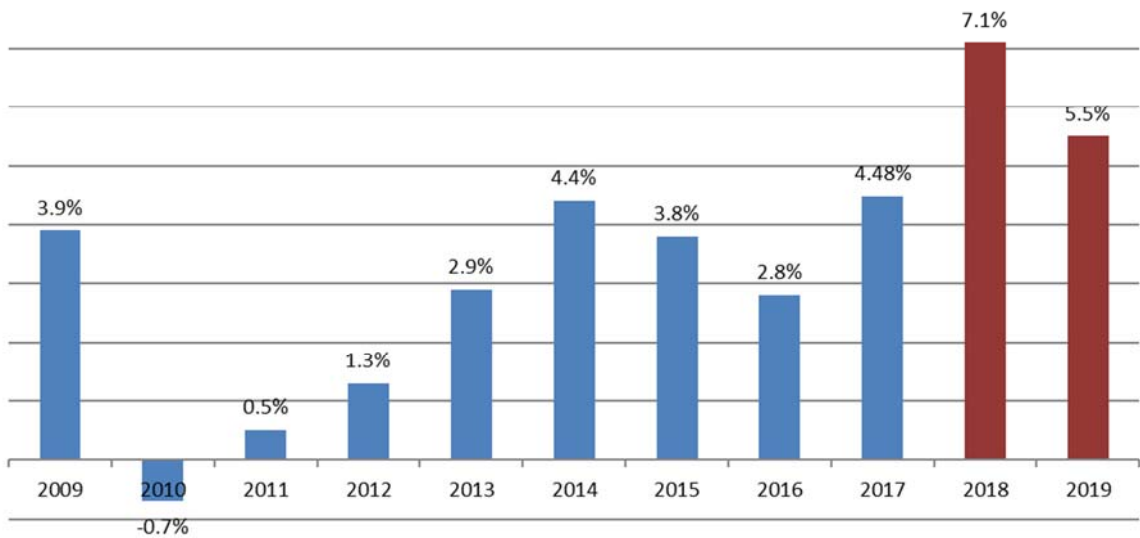
The adjustment for the Part-time GIS and office support position would increase the position from a 20 to 25 hour per week position. This adjustment will improve efficiency and support for multiple departments located in the Central Maintenance Facility.

The Property Room Technician position is currently a part-time position working 25 hours per week. The proposal would make this a full-time position and would allow the Police department to dispose of property that is no longer needed and manage video requests from the courts, prosecutor's office and defense attorney's.

It is anticipated that an Accountant II position will be retiring in early 2018. Due to the extensive knowledge and the nature of duties being complex, the finance team is proposing to hire a replacement three months in advance of the retirement in order for there to be overlap and training in duties prior to the retirement occurring.

The proposed 2018-19 budget includes a contingency account of \$379,000. A portion of this is set aside for recently approved compensation and classification study.

Change to General Fund Budget 2009-2019



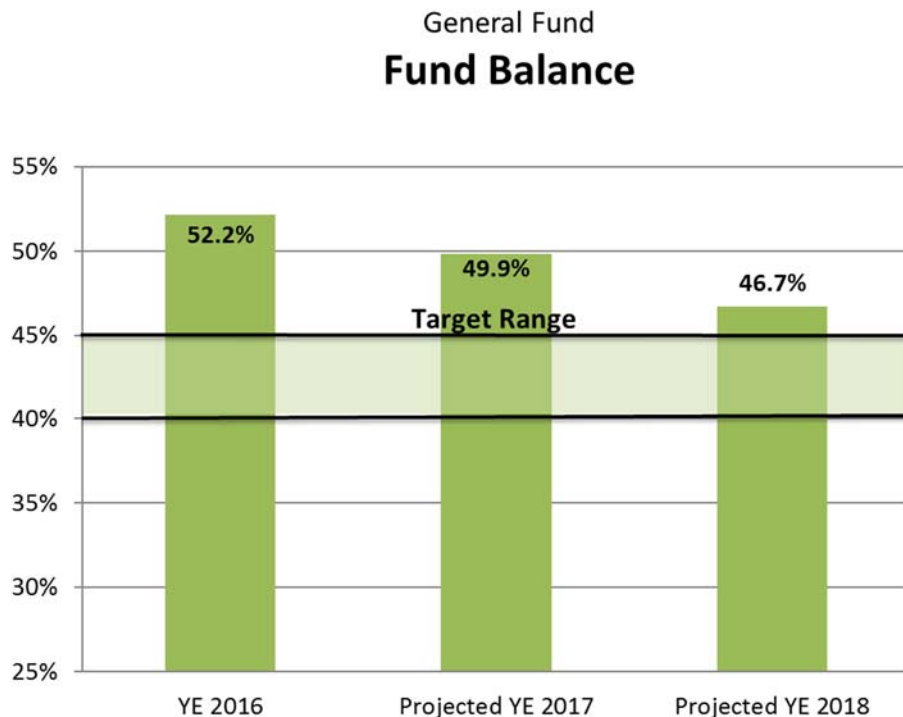
General Fund balance

The 2018 and 2019 operating budgets contemplate the use of \$420,000 of Fund Balance out of the General Fund. This amount is anticipated to be remaining out of the 2017 budget contingency funds programmed for the implementation of the recently completed compensation plan study. Both budget years contemplate the use of half of the remaining 2017 contingency funds in each year.

Per current policy, the City's fund balance target is 40% to 45% of the next year's expenditures. As a benchmark, the State Auditor recommends a target range of 35% to 50%.

The unassigned General Fund balance at December 31, 2016 was \$17,527,689, or 52.2% of the 2017 budget. In terms of dollars, the fund balance is \$2,407,599 over the 45% target maximum, and \$4,087,609 over the 40% target minimum.

Typically, current year operations result in an increase to the fund balance; nevertheless, in the fund balance projections table below, we assume the most conservative position: revenues will equal expenditures for 2017 and 2018, resulting in no change to the fund balance due to operations. However, we are including remaining contingency funds of \$420,000 in the fund balance projects for 2017.



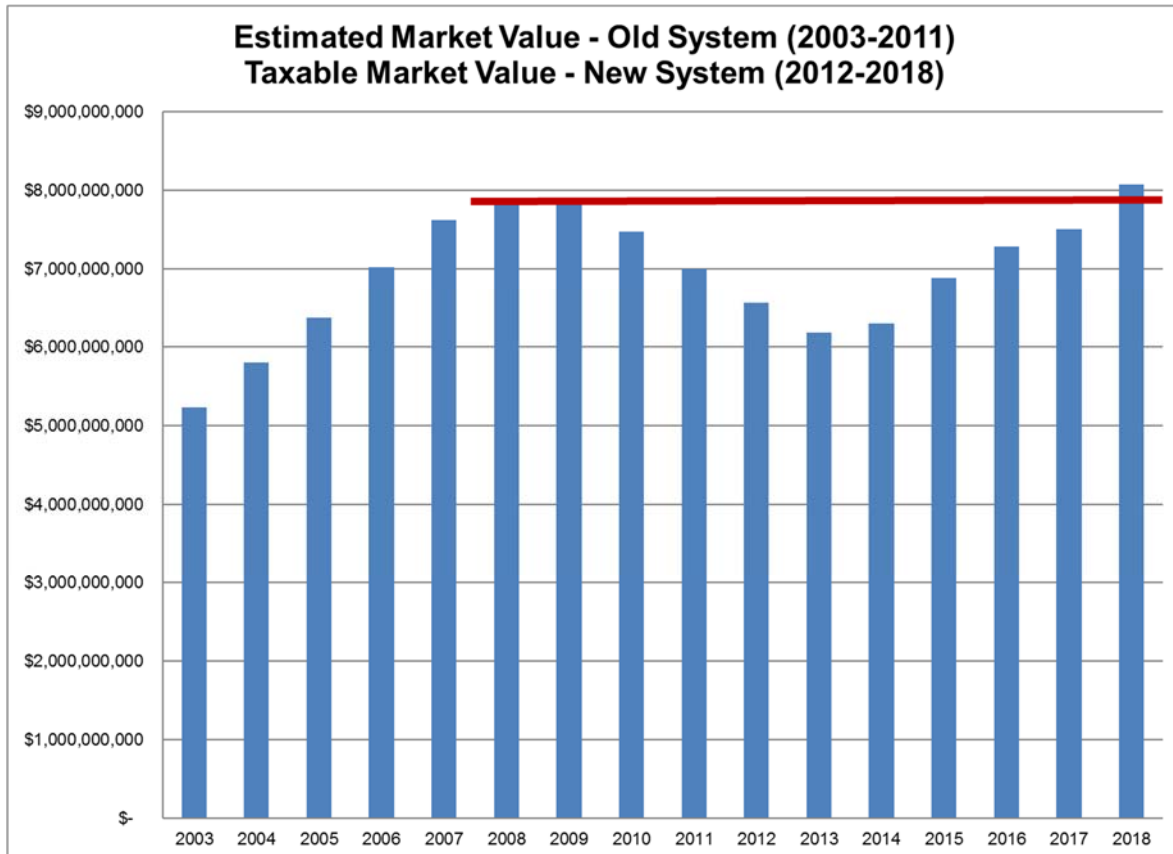
Market Value and Tax Capacity

After several years of decline, tax capacity values have increased the past 5 years. Preliminary numbers from Dakota County indicate a 7.5% for 2018. Property values have, for the most part, rebounded back to pre-Great Recession levels.

The horizontal bar in the chart below illustrates that the taxable market value has surpassed the 2007 level and is at its highest ever for the City of Eagan.

Based on preliminary information received from Dakota County, the City will see an increase in overall taxable market value of 7.5% from \$7,507,070,642 for payable 2017 to \$8,069,989,363 for payable 2018. Included in the market value increase is \$77,121,300 resulting from new construction.

The City will see a net tax capacity increase of 8% from \$77,667,598 to \$83,888,598.



Comparison of Taxable Market Value and Tax Capacity

	Final 2017 Payable	Preliminary 2018 Payable	Change 2017 / 2018	
			Dollars	%
Taxable Market Value	7,489,885,227	8,068,064,363	578,179,136	7.7%
Tax Capacity:				
Gross Tax Capacity	93,737,414	100,786,721	7,049,307	7.5%
Fiscal Disparities Contribution	(13,149,822)	(13,541,666)	(391,844)	-3.0%
Tax Increment Value	(2,919,994)	(3,356,457)	(436,463)	-14.9%
Net Local Tax Capacity	77,667,598	83,888,598	6,221,000	8.0%

Tax capacity-based levy

The tax capacity-based component of the City's 2018 proposed levy for operations and debt service is \$33,596,972, an increase of \$1,701,611 or 5.3% over the 2017 levy of \$31,895,361. The preliminary tax capacity rate calculated at .36425 is fractionally lower than the 2017 rate of .37385.

Comparison of Tax Capacity Levy & Tax Capacity Rates

	Final 2017	Preliminary 2018		%
		Amount		
Operating Levy	\$ 31,149,030	\$ 32,871,206	\$ 1,722,176	
Debt Service Levy	746,331	725,766	(20,565)	
Total Tax Capacity Levy	31,895,361	33,596,972	1,701,611	5.3%
F D Distribution	(2,859,487)	(3,040,702)	(181,215)	6.3%
Net Local Levy	\$ 29,035,874	\$ 30,556,270	\$ 1,520,396	5.2%
Tax Cap Rate-City:	\$ 29,035,874	\$ 30,556,270		
	\$ 77,667,598	\$ 83,888,598		
	0.37385	0.36425	(0.00960)	-2.6%

In summary, the City portion of the tax rate is expected to decrease 2.6% for payable 2018 taxes.

Market value-based levy (Community Center 2009B bonds)

Under statute, the levy for debt service on the referendum-approved Community Center bonds is spread across market value, not tax capacity. Bond covenants require this levy; it is not optional. The bonds will mature in 2021.

Comparison of Levy for Debt Service & Market Value Referendum Rates

	Final		Preliminary 2018	
	2017		Amount	%
Ref Mkt Value	\$ 7,738,297,880	\$ 8,286,967,229	\$ 548,669,349	7.1%
Debt Service Levy	\$ 1,119,615	\$ 1,124,970	\$ 5,355	0.5%
Mkt Value Ref Rate	0.0001447	0.0001358	(0.0000089)	-6.2%

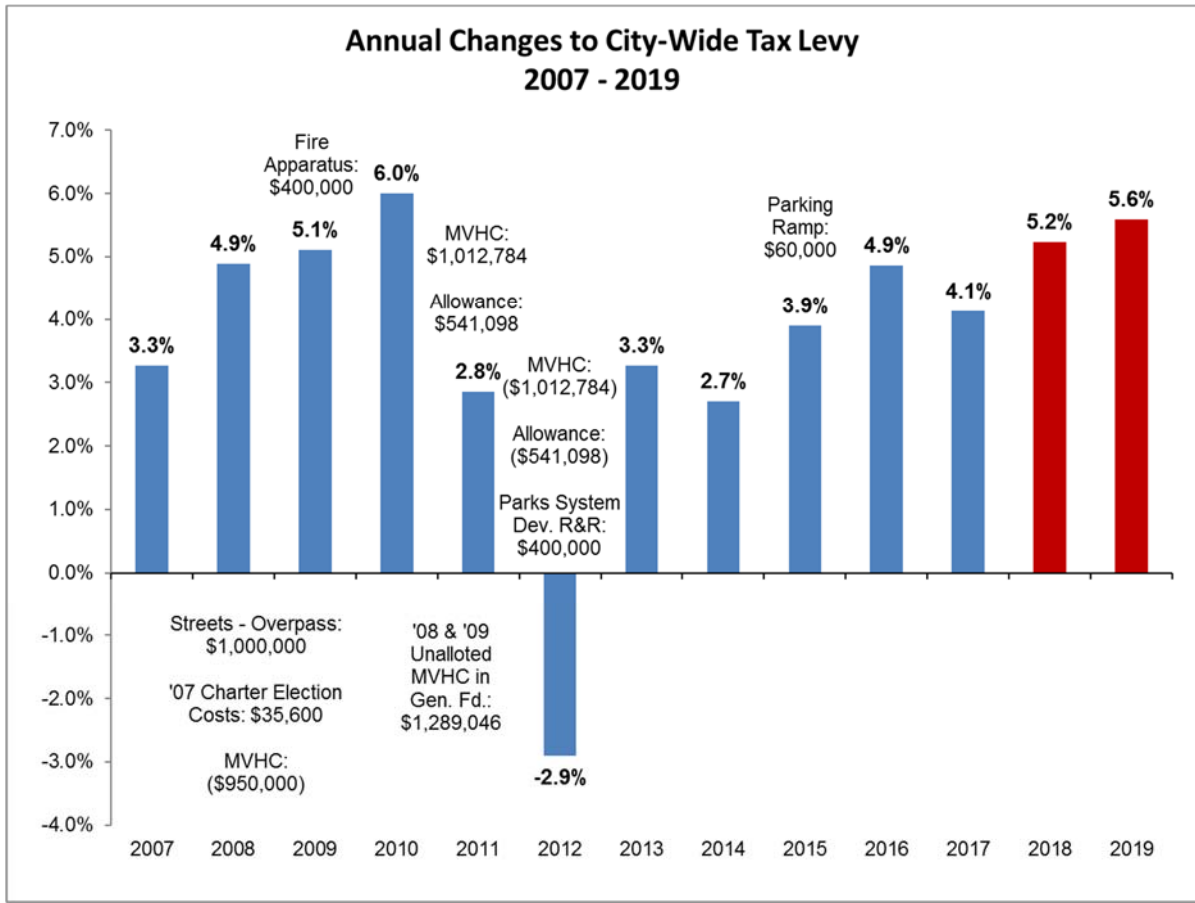
There is slight decrease in the market value levy to the average homeowner from 2017 to 2018:

Market Value Levy Tax Impact

Payable Year	Average Market Value	Rate Per \$1,000	Annual Tax Amount
2018	277,322	0.1358	37.66
2017	263,485	0.1447	38.13

Total levy and levy allocation

In total, the proposed levies are up 5.2% in 2018 and 6.1% in 2019. The chart below shows the annual fluctuations for the past 11 years. Significant changes to the levy have been noted by the year they were incorporated.



With the exception of the Fire Apparatus and Major Street Fund–Overpasses levies, the “capital” portion of the levy is proposed to increase 2%.

The Parking Ramp levy was new for 2015 and is used to pay for the City share of maintenance costs for the ramp. The City share will decrease as the properties adjacent to the ramp are sold and parking spaces are leased to the property owner(s).

DataBank improvements were completed after January 1, 2015 so a tax abatement levy was needed in payable 2017. The tax abatement levy is proposed to be reduced in 2018 due to the use of the abatement fund balance from 2017. The proposed 2019 budget includes a levy for abatement of \$22,000.

Allocation of Property Tax Levy

	Final 2017	Proposed 2018		Proposed 2019			
		Dollars	%	Dollars	%		
General Fund	\$ 26,427,500	\$ 27,995,600	\$ 1,568,100	5.9%	\$ 29,848,000	\$ 1,852,400	6.6%
Special Revenue - Parking Ramp	60,000	39,000	(21,000)	-35.0%	41,000	2,000	5.1%
General Facilities R & R	345,881	230,000	(115,881)	-33.5%	235,000	5,000	2.2%
Equipment Revolving Fund	1,260,055	1,500,000	239,945	19.0%	1,530,000	30,000	2.0%
Major Streets Fund - A	1,867,150	1,904,000	36,850	2.0%	1,942,000	38,000	2.0%
Major Streets Fund - B (Overpasses)	539,478	554,493	15,015	2.8%	553,601	(892)	-0.2%
Fire Apparatus - Debt	211,437	205,887	(5,550)	-2.6%	126,340	(79,547)	-38.6%
- Revolving	148,563	154,113	5,550	3.7%	233,660	79,547	51.6%
Park Systems Development & R & R	478,403	488,000	9,597	2.0%	498,000	10,000	2.0%
DataBank Abatement	22,000	6,000	(16,000)	N/A	22,000	16,000	266.7%
Debt Service - 2016 Bonds	534,894	519,879	(15,015)	-2.8%	520,771	892	0.2%
Fund Totals	\$ 31,895,361	\$ 33,596,972	\$ 1,701,611	5.3%	\$ 35,550,372	\$ 1,953,400	5.8%
Market Value Debt Service Levy	\$ 1,122,765	\$ 1,124,970	2,205	0.2%	\$ 1,113,210	(11,760)	-1.0%
Grand Total Levy	\$ 33,018,126	\$ 34,721,942	\$ 1,703,816	5.2%	\$ 36,663,582	\$ 1,941,640	5.6%

Tax Impact

As noted, the estimated 2018 tax capacity rate is down 2.5% from 2017. The market value tax rate, which represents a much smaller portion of the overall levy, will decrease by 6.2%.

The overall impact to the property owner of the change in tax rates depends on the property type and the value of the property. For simplicity's sake, a comparison of various values of homestead property is shown below with their associated City taxes over a range of years.

Again, pending final word on the fiscal disparities distribution, these tax figures could go up or down.

The shaded areas show the estimated market value and taxes in 2018 of the property value immediately above it, as it may have been valued/taxed in 2017. For example, a \$150,000 home in 2017 would have had city taxes of \$494. That same home may be valued at \$157,877 in 2018 (based on average value increases), causing it to have 2018 taxes of \$513, an increase of \$19. If the value of that home stayed the same from 2017 to 2018, the taxes would have decreased by \$14 to \$480.

**Eagan Property Tax History
City Taxes Only**

	2014	2015	2016	2017	Projected 2018
Tax Capacity Rate	0.38250	0.36525	0.37097	0.37361	0.36425
Market Value Rate	0.0001696	0.0001564	0.0001490	0.0001447	0.0001358
<u>Market Value</u>					
\$ 150,000	508	485	491	494	480
157,877					513
200,000	725	692	700	704	686
210,503					729
263,485				972	
277,322					1,003
300,000	1,159	1,105	1,120	1,126	1,096
315,755					1,151
400,000	1,593	1,519	1,539	1,548	1,161
421,006					1,591

The table below further illustrates the chart above for the average value home.

City Taxes on Average Market Value House in Eagan

2017 average value:	263,485	2017 city tax:	972
2018 average value:	277,322	2018 city tax:	1003
Increase	<u>13,837</u>	Increase	<u>31</u>
	5.3%		3.2%

Market Value for the average value home is noted by the County Assessor to increase by 5.3%. The City tax for the average valued property is proposed to increase by 3.2% or \$31.

Proposed Next Steps

- Staff incorporates City Council direction from this meeting into the budget and levy.
- City Council approves the preliminary levy at the regular meeting on September 5 (or regular meeting on September 19, if necessary).
- The preliminary levy is certified to Dakota County before September 30.
- Truth-in-Taxation hearing will be held on December 5 at the regular City Council meeting with the opportunity to adopt the 2018, 2019 Budget and the 2018 tax levy. If not adopted at the December 5 regular meeting, the City Council will be asked to take action on December 19.

Public Policy Issues

- Is the overall general fund budget increase of 7.1% acceptable for 2018 and 5.6 % for 2019?
- The overall levy for 2018 is projected to increase by 5.2% in 2018 and 5.9% in 2019. Are those projected increases acceptable? If not, is there a different target number you would like Staff to work toward before adoption of the preliminary levy and budget?
- Are there concerns or objections to any of the proposed staffing changes you would like to see changed or request additional information?
- Each of the two budget years include using funds from the 2017 contingency that was allocated to allow for implementation of the compensation study. The study resulted in less cost impact than anticipated in 2017, but greater impact in 2018 and 2019. A total of \$420,000 will remain unspent from the 2017 Budget. That amount will become part of the general fund balance on December 31, 2017.
 - a. Is the City Council comfortable with a transfer of \$210,000 from the general fund balance in both 2018 and 2019 for the continued implementation of the compensation study results?
 - b. If Yes; note that the 2020 levy percentage increase from 2019 will be roughly 0.6% higher than it would have been without this one-time use of contingency.
 - c. If No; shall the amounts be added to the levy in 2018 and/or 2019, or shall staff reduce each of the budgets by a like amount?

- Review and preliminary approval of the 2018 and 2019 Budgets does not need to be completed at the City Council meeting on August 8. Are there additional questions or issues you would like to see addressed by Staff, and thus include the 2018-2019 Budget as an item on the September 12, 2017 City Council Workshop agenda; which could be precluded by a meeting of the Finance Committee prior to September 12, 2017? Or, is the Council comfortable proceeding with the adoption of a preliminary levy and budget at the September 5 or 15 meeting based on feedback offered at tonight's workshop?

Together with the Department and Division Heads, I submit this 2018 and 2019 preliminary budget, the enclosed budget information and these policy issues for your consideration, while acknowledging the fluid status of budgeting in today's world and the need for ongoing work and discussion to reach a final product for adoption in December.



City Administrator

**General Fund
2018 Budget**

COMPARATIVE SUMMARY OF REVENUES

	2017	2018	Δ 2017 vs. 2018	
	<u>Budget</u>	<u>Budget</u>	<u>\$</u>	<u>%</u>
General Property Taxes	\$ 26,427,500	\$ 27,995,600	1,568,100	5.9%
Licenses	308,300	323,400	15,100	4.9%
Permits	1,100,500	1,241,700	141,200	12.8%
Intergovernmental Rev	1,150,400	1,174,400	24,000	2.1%
Charges for Services	1,068,000	1,272,100	204,100	19.1%
Recreation Charges	751,900	772,000	20,100	2.7%
Fines & Forfeits	251,000	251,500	500	0.2%
Other Revenues	273,000	366,300	93,300	34.2%
Program Revenues	322,800	267,900	(54,900)	-17.0%
Fund Balance	-	210,000	210,000	N/A
Transfers	<u>1,946,800</u>	<u>2,108,900</u>	<u>162,100</u>	8.3%
TOTAL GENERAL FUND	<u>\$ 33,600,200</u>	<u>\$ 35,983,800</u>	<u>2,383,600</u>	7.1%

**General Fund
2019 Budget**

COMPARATIVE SUMMARY OF REVENUES

	2018	2019	Δ 2018 vs. 2019	
	<u>Budget</u>	<u>Budget</u>	\$	%
General Property Taxes	27,995,600	29,848,000	1,852,400	6.6%
Licenses	323,400	323,400	-	0.0%
Permits	1,241,700	1,168,700	(73,000)	-5.9%
Intergovernmental Rev	1,174,400	1,172,700	(1,700)	-0.1%
Charges for Services	1,272,100	1,378,700	106,600	8.4%
Recreation Charges	772,000	797,100	25,100	3.3%
Fines & Forfeits	251,500	253,500	2,000	0.8%
Other Revenues	366,300	391,900	25,600	7.0%
Program Revenues	267,900	333,800	65,900	24.6%
Fund Balance	210,000	210,000	-	0.0%
Transfers	<u>2,108,900</u>	<u>2,085,200</u>	<u>(23,700)</u>	-1.1%
TOTAL GENERAL FUND	<u>\$ 35,983,800</u>	<u>\$ 37,963,000</u>	<u>1,979,200</u>	5.5%

Acct No.	DESCRIPTION	GENERAL FUND REVENUES BY LINE ITEM						2018 to 2018	%	2018 to 2019	%
		2015 Actual	2016 Budget	2017 Budget	2018 Budget	2019 Budget	Δ				
TAXES:											
4020	AD VALOREM TAXES - CURRENT	\$ 21,486,709	\$ 23,119,085	\$ 24,058,220	\$ 24,954,900	\$ 26,807,300	896,680	3.7%	1,852,400	6.9%	
4021	AD VALOREM TAXES - DELINQUENT	(114,695)	(92,551)	-	-	-	-	N/A	-	N/A	
4030	FISCAL DISPARITIES	2,078,157	2,072,267	2,369,280	3,040,700	3,040,700	671,420	28.3%	-	0.0%	
4031	PENALTIES AND INTEREST	21,282	11,977	-	-	-	-	N/A	-	N/A	
4032	FORFEITED TAX SALES	20,491	(126)	-	-	-	-	N/A	-	N/A	
	TOTAL	\$ 23,491,944	\$ 25,110,651	\$ 26,427,500	\$ 27,995,600	\$ 29,848,000	1,568,100	5.9%	1,852,400	6.2%	
LICENSES:											
4055	LIQUOR	\$ 250,005	\$ 286,938	\$ 250,000	\$ 270,000	\$ 270,000	20,000	8.0%	-	0.0%	
4056	BEER	-	-	-	-	-	-	N/A	-	N/A	
4057	TOBACCO	9,000	8,933	9,400	9,000	9,000	(400)	-4.3%	-	0.0%	
4058	TREE MTN CONTRACTOR	1,675	1,650	1,400	1,400	1,400	-	0.0%	-	0.0%	
4059	GARB/RUBBISH HAULING	8,900	7,681	9,000	8,600	8,600	(400)	-4.4%	-	0.0%	
4060	KENNEL	50	-	100	-	-	(100)	-100.0%	-	N/A	
4061	DOG	18,531	23,221	31,000	26,700	26,700	(4,300)	-13.9%	-	0.0%	
4063	PET SHOP LICENSE	150	100	200	200	200	-	0.0%	-	0.0%	
4064	MESSAGE THERAPIST	7,850	7,188	7,200	7,500	7,500	300	4.2%	-	0.0%	
	TOTAL	\$ 296,161	\$ 335,710	\$ 308,300	\$ 323,400	\$ 323,400	15,100	4.9%	-	0.0%	
PERMITS:											
4085	BUILDING	\$ 810,680	\$ 1,033,966	\$ 820,000	\$ 900,000	\$ 850,000	80,000	9.8%	(50,000)	-5.9%	
4087	PLUMBING	92,373	112,630	120,000	120,000	110,000	-	0.0%	(10,000)	-9.1%	
4088	MECHANICAL	94,244	181,021	100,000	140,000	130,000	40,000	40.0%	(10,000)	-7.7%	
4089	SIGN	22,739	48,458	20,000	20,000	20,000	-	0.0%	-	0.0%	
4091	WELL/PRIVATE SEPTIC	74	74	100	100	100	-	0.0%	-	0.0%	
4093	DEMOLITION/MOVING	55	59	-	-	-	-	N/A	-	N/A	
4094	EXCAVATING	5,600	5,900	2,500	2,500	2,500	-	0.0%	-	0.0%	
4095	CONDITIONAL/SPECIAL USE	4,950	4,718	4,000	5,000	5,000	1,000	25.0%	-	0.0%	
4096	FIRE SUPPRESSION PERMITS	19,915	37,853	-	23,000	20,000	23,000	N/A	(3,000)	-15.0%	
4097	FIREWORKS PERMITS	1,620	1,368	1,600	1,400	1,400	(200)	-12.5%	-	0.0%	
4098	SPECIAL EVENT PERMITS	1,050	300	1,000	400	400	(600)	-60.0%	-	0.0%	
4100	UTILITY	69,504	116,738	27,500	27,500	27,500	-	0.0%	-	0.0%	
4102	PUBLIC ROW CONST	270	120	800	800	800	-	0.0%	-	0.0%	
4116	CHICKEN PERMIT	1,200	1,150	1,200	600	600	(600)	-50.0%	-	0.0%	
4118	BEEKEEPING PERMIT	250	450	500	300	300	(200)	-40.0%	-	0.0%	
4120	OTHER	175	4,099	1,300	100	100	(1,200)	-92.3%	-	0.0%	
	TOTAL	\$ 1,124,699	\$ 1,548,903	\$ 1,100,500	\$ 1,241,700	\$ 1,168,700	141,200	12.8%	(73,000)	-6.2%	

Acct No.	DESCRIPTION	GENERAL FUND REVENUES BY LINE ITEM								
		2015 Actual	2016 Actual	2017 Budget	2018 Budget	2019 Budget	Δ 2017 to 2018	Δ 2018 to 2019	%	
	INTER-GOVT REV:									
4135	FEDERAL GRANTS	\$ 501,702	\$ 246,748	\$ 60,200	\$ 34,400	\$ 34,500	(25,800)	100	-42.9%	0.3%
4140	STATE GRANTS	31,641	54,609	44,300	40,000	38,100	(4,300)	(1,900)	-9.7%	-5.0%
4151	LOCAL PERFORMANCE AD	9,353	9,451	9,200	9,300	9,400	100	100	1.1%	1.1%
4153	MVHC	190	192	-	-	-	-	-	N/A	N/A
4155	MSA - MAINTENANCE	70,620	71,805	76,000	76,000	76,000	-	-	0.0%	0.0%
4158	POLICE TOWN AID	537,024	571,926	525,000	544,700	544,700	19,700	-	3.8%	0.0%
4159	POLICE TRAINING AID	22,656	21,261	22,600	22,600	22,600	-	-	0.0%	0.0%
4160	STATE PERA AID	33,114	33,114	33,100	33,100	33,100	-	-	0.0%	0.0%
4161	FIRE STATE AID	401,537	407,948	375,000	394,800	394,800	19,800	-	5.3%	0.0%
4175	COUNTY GRANTS	-	-	-	-	-	-	-	N/A	N/A
4177	OTHER GRANTS AND AIDS	-	-	5,000	19,500	19,500	14,500	-	290.0%	0.0%
	TOTAL	1,607,837	1,417,054	1,150,400	1,174,400	1,172,700	24,000	(1,700)	2.1%	-0.1%
	CHARGES FOR SERVICES:									
4205	VARIABLE FEES	\$ 3,700	\$ 3,400	\$ 3,500	\$ 2,000	\$ 2,000	(1,500)	-	-42.9%	0.0%
4206	PLATTING FEES	10,597	12,751	8,000	8,000	8,000	-	-	0.0%	0.0%
4207	REZONING FEES	5,000	5,950	5,000	5,000	5,000	-	-	0.0%	0.0%
4210	RETURNED CHECK FEE	796	1,470	700	800	800	100	-	14.3%	0.0%
4212	DOG IMPOUND/KENNEL FEE	4,270	3,320	5,000	5,000	5,000	-	-	0.0%	0.0%
4214	BURGLAR ALARM FEES	21,091	23,158	20,000	20,000	20,000	-	-	0.0%	0.0%
4215	REPEAT NUISANCE CALL FEE	-	1,250	300	500	500	200	-	66.7%	0.0%
4216	DAYCARE INSPECTION FEES	450	518	400	500	500	100	-	25.0%	0.0%
4220	VACATION PROCEEDINGS	2,800	4,400	2,800	3,000	3,000	200	-	7.1%	0.0%
4221	PUBLIC SAFETY FEES	1,072	398	1,000	1,200	1,200	200	-	20.0%	0.0%
4222	PLAN CHECKS	378,073	492,493	350,000	400,000	400,000	50,000	-	14.3%	0.0%
4223	PLANNED DEVELOPMENT REVIEW	500	-	-	-	-	-	-	N/A	N/A
4226	DEV ESCROW REIMBURS	199,567	241,399	100,000	100,000	100,000	-	-	0.0%	0.0%
4227	ENGINEERING SERVICES	569,760	559,368	270,600	381,100	493,500	110,500	112,400	40.8%	22.8%
4228	ENG/FINANCIAL ADMINISTRATION	6,068	7,356	6,000	6,200	6,200	200	-	3.3%	0.0%
4230	PRINT MATERIAL/OTHER FEES	4,116	4,357	4,100	4,200	4,300	100	100	2.4%	2.3%
4231	RESEARCH OF CITY RECORDS	-	-	-	-	-	-	-	N/A	N/A
4233	TOBACCO NON-COMPL. PENALTY	-	-	-	-	-	-	-	N/A	N/A
4234	POLICE SECURITY - EXEMPT	118,527	150,233	121,100	134,400	134,400	13,300	-	11.0%	0.0%
4236	POL SVCS TO SCHOOL DIST	100,387	77,377	77,900	79,400	79,400	1,500	-	1.9%	0.0%
4239	INVESTIGATION FOR LICENSING	13,200	22,550	15,000	20,000	20,000	5,000	-	33.3%	0.0%
4241	ALCOHOL NON-COMPL. PENALTY	500	1,500	-	-	-	-	-	N/A	N/A
4242	MAINT EQUIP & PERS CHG	8,274	8,381	11,000	13,700	13,700	2,700	-	24.5%	0.0%
4245	PERMIT SURCHARGE	1,031	1,511	1,000	900	900	(100)	-	-10.0%	0.0%
4246	ADMIN FEE ON SAC	5,616	16,079	5,600	16,000	5,600	10,400	(10,400)	185.7%	-185.7%
4247	ROOM TAX ADMIN FEE	47,669	50,630	48,000	48,000	48,000	-	-	0.0%	0.0%
4260	INVESTMENT MGMT FEE	11,077	12,374	11,000	22,200	26,700	11,200	4,500	101.8%	16.9%
	OTHER	50	20	-	-	-	-	-	N/A	N/A
	TOTAL	1,514,191	1,702,242	1,068,000	1,272,100	1,378,700	204,100	106,600	19.1%	7.7%

**GENERAL FUND
REVENUES BY LINE ITEM**

Acct No.	DESCRIPTION	2015 Actual	2016 Actual	2017 Budget	2018 Budget	2019 Budget	Δ 2017 to 2018	%	Δ 2018 to 2019	%
4310-13	RECREATION PROGRAM FEES:									
3001	GENERAL/ADMIN RECREATION	\$ 633	\$ -	\$ -	\$ -	\$ -	-	N/A	-	N/A
3027	HOLZ FARM	1,490	1,200	2,000	1,600	1,600	(400)	-20.0%	-	0.0%
3029	SAFETY CAMP	3,450	2,650	4,400	4,400	4,400	-	0.0%	-	0.0%
3032-5	TENNIS	14,175	7,340	15,700	9,400	10,700	(6,300)	-40.1%	1,300	12.1%
3037-8	GOLF	9,250	7,799	6,900	6,000	6,000	(900)	-13.0%	-	0.0%
3041-3	VOLLEBALL	23,851	22,850	28,600	29,600	29,700	1,000	3.5%	100	0.3%
3044-6	BROOMBALL	4,863	4,933	5,600	6,300	6,300	700	12.5%	-	0.0%
3047	T-BALL	18,782	17,777	16,100	17,000	17,100	900	5.6%	100	0.6%
3048	ADULT SOFTBALL-MEN	94,492	93,871	98,400	93,400	93,400	(5,000)	-5.1%	-	0.0%
3049	ADULT SOFTBALL-WOMEN	4,037	3,493	4,100	3,500	3,500	(600)	-14.6%	-	0.0%
3050	ADULT SOFTBALL-CO-REC	21,881	20,403	24,300	23,200	23,200	(1,100)	-4.5%	-	0.0%
3052	FOOTBALL	2,651	4,115	3,100	3,800	3,800	700	22.6%	-	0.0%
3054-6	HOCKEY/BOOT HOCKEY	-	-	1,300	-	-	(1,300)	-100.0%	-	N/A
3057	PRESCHOOL PROGRAMS	135,863	154,486	172,600	175,900	180,800	3,300	1.9%	4,900	2.7%
3058,75	TEENS	3,257	2,636	3,200	5,700	6,100	2,500	78.1%	400	6.6%
3059	SUMMER IN THE PARK	27,330	24,025	28,100	35,500	37,600	7,400	26.3%	2,100	5.6%
3060	PUPPET WAGON	1,569	1,776	1,500	1,700	1,700	200	13.3%	-	0.0%
3061	MARKETFEST	24,528	26,479	22,400	24,400	24,900	2,000	8.9%	500	2.0%
3062	SCHOOL'S OUT EVENTS	160	-	900	-	-	(900)	-100.0%	-	N/A
3063	SEASONAL SPECIAL EVENTS	5,767	6,351	9,800	-	-	(9,800)	-100.0%	-	N/A
3065	SPECIAL EVENTS	385	1,805	11,300	-	-	(11,300)	-100.0%	-	N/A
3066	DANCE	5,136	5,481	7,100	4,300	4,600	(2,800)	-39.4%	300	6.5%
3067	ADAPTIVE/INCLUSION	-	-	-	-	-	-	N/A	-	N/A
3071,74	TUBING HILLS	4,723	9,781	6,000	8,700	8,700	2,700	45.0%	-	0.0%
3076	BASKETBALL	21,854	18,298	22,300	26,200	26,100	3,900	17.5%	(100)	-0.4%
3077	WIFFLEBALL	2,194	2,684	2,200	2,800	2,800	600	27.3%	-	0.0%
3078	SENIOR CITIZENS	26,910	19,024	30,000	51,300	53,800	21,300	71.0%	2,500	4.6%
3079	FUN RUNS/WALKS	6,705	5,300	15,000	16,400	18,400	1,400	9.3%	2,000	10.9%
3080	CONCESSIONS	4,709	-	2,800	-	-	(2,800)	-100.0%	-	N/A
3081	ARTS COUNCIL	125,078	128,680	111,600	127,500	131,600	15,900	14.2%	4,100	3.1%
3082	SPORTS & CREATIVE CAMPS	18,550	15,063	23,400	21,300	21,800	(2,100)	-9.0%	500	2.3%
3085	FAMILY ACTIVITIES	1,770	-	-	-	-	-	N/A	-	N/A
3086	NEW PROGRAMS	-	-	-	2,000	-	2,000	N/A	(2,000)	N/A
3090	OFF-LEASH DOG AREA	4,613	3,480	4,000	8,500	-	4,500	112.5%	(8,500)	N/A
3092	CDGB SENIOR PROGRAMS	29,482	33,317	51,600	52,100	54,000	500	1.0%	1,900	3.5%
3097	MRAC COMMUNITY ARTS GRANT	1,558	-	-	9,500	9,500	9,500	N/A	-	0.0%
3201	TREE SALES	12,140	-	12,000	-	15,000	(12,000)	-100.0%	15,000	100.0%
	OTHER REVENUE	749	5,816	3,600	-	-	(3,600)	-100.0%	-	N/A
	TOTAL	664,585	650,913	751,900	772,000	797,100	20,100	2.7%	25,100	3.1%

GENERAL FUND REVENUES BY LINE ITEM										
Acct No.	DESCRIPTION	2015 Actual	2016 Actual	2017 Budget	2018 Budget	2019 Budget	Δ 2017 to 2018	%	Δ 2018 to 2019	%
FINES & FORFEITS:										
4410	COURT FINES/FORFEITS	\$ 205,187	\$ 227,447	\$ 218,000	\$ 216,300	\$ 216,300	(1,700)	-0.8%	-	0.0%
4411	PROSECUTION COSTS/FINES	28,318	36,112	32,000	34,000	36,000	2,000	6.3%	2,000	5.6%
4421	EVIDENCE FORFEITURES	429	1,359	1,000	1,200	1,200	200	20.0%	-	0.0%
	TOTAL	233,934	264,917	251,000	251,500	253,500	500	0.2%	2,000	0.8%
MISC. REVENUES:										
4610	INTEREST ON INVESTMENTS	\$ 109,277	\$ 127,423	\$ 52,000	\$ 150,000	\$ 175,000	98,000	188.5%	25,000	14.3%
4611/12	SPEC ASSMT-PRINCIPAL/INT	4,076	7,154	3,900	4,500	4,500	600	15.4%	-	0.0%
4615	CHANGE IN FMV - INVESTMTS	(10,793)	292	-	-	-	-	N/A	-	N/A
4620	ANTENNA LEASES - HOLZ FARM	34,000	36,100	38,700	41,000	43,400	2,300	5.9%	2,400	5.5%
4624	ATHLETIC FIELD RENT	72,103	45,700	61,000	61,300	61,300	300	0.5%	-	0.0%
4625	PARK SHELTER RENT	41,045	43,641	41,000	42,000	43,000	1,000	2.4%	1,000	2.3%
4628	SWITCHING STATION RENT	21,490	22,780	22,000	22,000	22,000	-	0.0%	-	0.0%
4634	ATHLETIC FIELD RENT-NON-RESIDENT	-	-	-	-	-	-	N/A	-	N/A
4657	SALE OF CITY PROPERTY	78	653	-	700	700	700	N/A	-	0.0%
4660	LAPEL PINS	26	16	-	-	-	-	N/A	-	N/A
4661	HISTORY BOOKS	56	173	3,000	3,200	3,200	200	6.7%	-	0.0%
4663	CONTRIBUTION/DONATION	42,103	34,741	40,900	41,400	38,600	500	1.2%	(2,800)	-7.3%
4666	HISTORY CARDS	35	187	-	-	-	-	N/A	-	N/A
4691	OTHER REVENUE	15,156	48,098	10,500	200	200	(10,300)	-98.1%	-	0.0%
	TOTAL	328,652	366,958	273,000	366,300	391,900	93,300	34.2%	25,600	6.5%
PROGRAM REVENUES:										
4810	PROJ. ADMIN	\$ 464,605	\$ 185,489	\$ 284,400	\$ 220,100	\$ 285,600	(64,300)	-22.6%	65,500	22.9%
4821	DRUG TASK FORCE REIMB	22,814	20,994	21,400	21,300	21,700	(100)	-0.5%	400	1.8%
4822	OTHER REIMBURSEMENTS	7,042	11,614	7,000	8,600	8,600	1,600	22.9%	-	0.0%
4831	CAPITAL CREDITS	18,531	25,058	10,000	17,900	17,900	7,900	79.0%	-	0.0%
	TOTAL	512,992	243,154	322,800	267,900	333,800	(54,900)	-17.0%	65,900	19.7%
FUND BALANCE										
		\$ -	\$ -	\$ -	\$ 210,000	\$ 210,000	210,000	N/A	-	0.0%
TRANSFERS:										
	CABLE FRANCHISE FEES	516,644	580,800	649,900	649,200	625,300	(700)	-0.1%	(23,900)	-3.8%
	UTILITY TRANSFERS	1,188,854	1,269,700	1,296,900	1,459,700	1,459,900	162,800	12.6%	200	0.0%
	TOTAL	1,705,498	1,850,500	1,946,800	2,108,900	2,085,200	162,100	8.3%	(23,700)	-1.1%
GRAND TOTAL										
		\$ 31,480,493	\$ 33,491,004	\$ 33,600,200	\$ 35,983,800	\$ 37,963,000	2,383,600	7.1%	1,979,200	5.2%

2018-2019 Comparative Summary of Expenditures General Fund Budget

	2017	2018	Difference		2019	Difference	
	Budget	Budget	\$	%	Budget	\$	%
GENERAL GOVERNMENT							
01 Mayor & Council	\$ 152,100	\$ 150,800	\$ (1,300)	-0.9%	\$ 155,100	\$ 4,300	2.9%
02 Administration	583,200	610,700	27,500	4.7%	620,500	9,800	1.6%
03 Information Technologies	1,660,000	1,717,500	57,500	3.5%	1,835,000	117,500	6.8%
04 City Clerk	273,700	379,100	105,400	38.5%	301,400	(77,700)	-20.5%
05 Finance	880,400	950,100	69,700	7.9%	1,000,700	50,600	5.3%
06 Legal	405,000	392,400	(12,600)	-3.1%	404,900	12,500	3.2%
07 Comm Dev--Planning	1,111,700	1,106,000	(5,700)	-0.5%	1,132,000	26,000	2.4%
08 Comm Dev--Inspections	1,194,900	1,330,900	136,000	11.4%	1,363,000	32,100	2.4%
09 Communications	649,900	653,500	3,600	0.6%	629,700	(23,800)	-3.6%
10 Human Resources	458,800	496,700	37,900	8.3%	544,000	47,300	9.5%
Gen Govt Total	<u>7,369,700</u>	<u>7,787,700</u>	<u>418,000</u>	<u>5.7%</u>	<u>7,986,300</u>	<u>198,600</u>	<u>2.6%</u>
PUBLIC SAFETY							
11 Police	13,004,700	13,869,900	865,200	6.7%	14,684,600	814,700	5.9%
12 Fire	2,957,200	3,689,000	731,800	24.7%	4,218,900	529,900	14.4%
Public Safety Total	<u>15,961,900</u>	<u>17,558,900</u>	<u>1,597,000</u>	<u>10.0%</u>	<u>18,903,500</u>	<u>1,344,600</u>	<u>7.7%</u>
PUBLIC WORKS							
21 Public Works/Engineering	1,343,300	1,344,500	1,200	0.1%	1,390,600	46,100	3.4%
22 Streets & Highways	1,986,200	2,104,900	118,700	6.0%	2,218,700	113,800	5.4%
24 Central Syces. Maint.	688,500	818,000	129,500	18.8%	839,400	21,400	2.6%
Public Works Total	<u>4,018,000</u>	<u>4,267,400</u>	<u>249,400</u>	<u>6.2%</u>	<u>4,448,700</u>	<u>181,300</u>	<u>4.2%</u>
PARKS & RECREATION							
30 Recreation	2,199,500	2,322,900	123,400	5.6%	2,370,500	47,600	2.0%
31 Parks	2,108,900	2,219,600	110,700	5.2%	2,377,100	157,500	7.1%
32 Tree Conservation	616,200	670,500	54,300	8.8%	703,700	33,200	5.0%
Parks & Rec Total	<u>4,924,600</u>	<u>5,213,000</u>	<u>288,400</u>	<u>5.9%</u>	<u>5,451,300</u>	<u>238,300</u>	<u>4.6%</u>
GENL GOVT BLDG MAINT							
33 Government Buildings	782,500	777,800	(4,700)	-0.6%	794,200	16,400	2.1%
Subtotal	<u>33,056,700</u>	<u>35,604,800</u>	<u>2,548,100</u>	<u>7.7%</u>	<u>37,584,000</u>	<u>1,979,200</u>	<u>5.6%</u>
41 Contingency--Undesignated	543,500	379,000	(164,500)	-30.3%	379,000	(164,500)	-43.4%
General Fund Total	<u>\$ 33,600,200</u>	<u>\$ 35,983,800</u>	<u>\$ 2,383,600</u>	<u>7.1%</u>	<u>\$ 37,963,000</u>	<u>\$ 1,979,200</u>	<u>5.5%</u>