

# 20 city of richfield 20 budget

january 1, 2020 - december 31, 2020



6700 portland avenue • richfield, mn 55423

[www.richfieldmn.gov](http://www.richfieldmn.gov)

---

## 2020 BUDGET TABLE OF CONTENTS

---

| <u>INTRODUCTORY SECTION</u>  | Page No |
|--|---------|
| Welcome to Richfield   | 5       |
| Letter of Transmittal  | 6       |
| Budget Procedures and Methods  | 21      |
| City Policies  | 24      |
| Planning Process   | 31      |
| City Officials   | 37      |
| Administrative Organization Chart  | 38      |
| City Fund Structure  | 39      |
| Relationship Between Departments and Funds                                   | 40      |
| Major Funds and Fund Descriptions  | 41      |
| Distinguished Budget Presentation Award                                      | 42      |
| <br><u>BUDGET SUMMARY INFORMATION</u>  |         |
| Summary of 2019 Revised Budget - All Funds                                   | 45      |
| Summary of 2020 Budget - All Funds   | 46      |
| 2018-2020 Summary of Financial Sources and Uses and Changes in Fund Balance  | 47      |
| Comparative Analysis of Revenues - All Funds                                 | 49      |
| Comparative Analysis of Expenditures - All Funds                             | 50      |
| Comparative Analysis of Expenditures - By Major Objective All Funds          | 51      |
| Revenue Assumptions and Trends   | 52      |
| <br><u>OPERATING BUDGETS</u>   |         |
| General Fund Analysis  |         |
| Comparative Analysis of 2019 Adopted, Revised and 2020 Budget - General Fund | 59      |
| Comparative Analysis of Fund Balance - General Fund                          | 60      |
| Comparative Analysis of Revenues - General Fund                              | 61      |
| Comparative Analysis of Expenditures - General Fund                          | 63      |
| General Funds  |         |
| Legislative/Executive - Summary  | 66      |
| City Council/Mayor   | 67      |
| Other Agencies   | 71      |
| City Manager   | 73      |
| Legal  | 77      |
| Administrative Services - Summary  | 80      |
| Administration   | 81      |
| Human Resources  | 84      |
| City Clerk   | 87      |
| Finance - Summary  | 92      |
| Finance  | 93      |
| Assessing  | 97      |
| Public Safety - Summary  | 100     |
| Support Services   | 101     |
| Police   | 106     |
| Emergency Services   | 111     |
| Fire - Summary   | 114     |
| Fire   | 115     |
| Community Development - Summary  | 120     |
| Community Development  | 121     |
| Planning & Zoning  | 124     |
| Inspections  | 126     |

---

## 2020 BUDGET TABLE OF CONTENTS

---

|  |            |
|--|------------|
| <b>General Funds (continued)</b>               |            |
| <b>Public Works - Summary</b>                  | <b>130</b> |
| Administration                                 | 131        |
| Engineering                                    | 134        |
| Street Maintenance                             | 139        |
| Park Maintenance                               | 143        |
| <b>Recreation Services - Summary</b>           | <b>148</b> |
| Recreation Services Administration             | 149        |
| Recreation Programs                            | 152        |
| Wood Lake Nature Center                        | 157        |
| <br>   |            |
| <b>Special Revenue Funds</b>                   |            |
| Liquor Contribution Fund                       | 162        |
| Tourism Administration                         | 163        |
| Communications Fund                            | 164        |
| Election                                       | 167        |
| Drug/Felony Forfeiture                         | 168        |
| Public Safety Compliance                       | 169        |
| Recreation Services Contributions              | 170        |
| Nature Center Contributions                    | 171        |
| Public Health Grants                           | 172        |
| Wood Lake Half Marathon                        | 173        |
| Franchise Fees                                 | 174        |
| Ice Arena                                      | 175        |
| Swimming Pool                                  | 177        |
| Special Facilities                             | 178        |
| <br>   |            |
| <b>Enterprise Funds</b>                        |            |
| Liquor Fund - Summary                          | 180        |
| Liquor Fund Projection                         | 181        |
| Liquor Operations                              | 183        |
| Lyndale Store                                  | 185        |
| Cedar Store                                    | 189        |
| Penn Store                                     | 193        |
| Wine & Spirits                                 | 197        |
| Water and Wastewater - Summary                 | 201        |
| Water and Wastewater Fund Projection           | 202        |
| Water Utility Fund Projection                  | 204        |
| Wastewater Utility Fund Projection             | 214        |
| Stormwater Utility Fund - Summary              | 223        |
| Stormwater Utility Fund Projection             | 224        |
| <br>   |            |
| <b>Internal Service Funds</b>                  |            |
| Central Garage Fund Summary                    | 238        |
| Information Technologies Fund Summary          | 247        |
| Property Liability Self Insurance Fund Summary | 256        |
| Building Services Fund Summary                 | 262        |

---

## 2020 BUDGET TABLE OF CONTENTS

---

|  |     |
|--|-----|
| <b>Debt Service Funds</b>  |     |
| Debt Service Narrative   | 270 |
| General Obligation Improvement Bonds   | 271 |
| General Obligation Improvement Bonds Scheduled Debt Service Requirements   | 272 |
| General Obligation Redevelopment Bonds   | 273 |
| General Obligation Redevelopment Bonds Scheduled Debt Service Requirements   | 274 |
| Computation of Legal Debt Margin   | 275 |
| <b>Capital Improvement Funds</b>   |     |
| Capital Improvement Budget and Plan  | 276 |
| Capital Improvement Funds - Appropriation  | 282 |
| Budget Summary Capital Improvement Funds - 2020  | 283 |
| 2021-2024 Capital Improvement Plan   | 284 |
| Capital Improvement Reserve Fund   | 287 |
| <b><u>BUDGET RESOLUTIONS</u></b>   |     |
| Resolution Adopting a Budget and Tax Levy For The Year 2020  | 288 |
| Resolution Authorizing Budget Revisions  | 290 |
| Resolution Authorizing Revision of 2019 Budget of Various Departments  | 291 |
| Resolution Adopting the 2020 Capital Improvement Budget  | 292 |
| Resolution Adopting the 2021-2024 Capital Improvement Program  | 293 |
| Resolution Establishing Wastewater Service Rates and Charges, Water Rates and Charges, Special Water Service Charges, Storm Sewer Rates and Charges, and 6.5% Penalty on Past Due Accounts | 294 |
| Resolution Relating to Purchasing Practices In The City of Richfield Amending Resolution No. 11586   | 299 |
| Resolution Authorizing Adjustment to City's Mileage Reimbursement Rate to Conform to Internal Revenue Service Statutory Mileage Reimbursement Rate   | 300 |
| Resolution Establishing a Public Works On Call Compensation Policy   | 301 |
| <b><u>APPENDIX A</u></b>   |     |
| Municipal Property Tax Levy Rate/Comparative Analysis of Total Property Tax Levy Rate/Property Taxation Levy Analysis  | 302 |
| Assessed and Estimated Actual (Market) Value of All Taxable Property   | 303 |
| Total Number of Full-Time Regular Personnel  | 304 |
| Profile of City and Miscellaneous Statistics   | 305 |
| <b><u>GLOSSARY</u></b>   | 310 |



---

## Welcome to Richfield

---

The City of Richfield, located in Hennepin County, is a historically residential community. The City benefits from its favorable locations adjacent to the Minneapolis-St. Paul International Airport and the cities of Minneapolis, Bloomington and Edina. The City operates under a home rule charter form of government consisting of a five-member City Council of which the Mayor is a voting member.

Hennepin County was incorporated in 1852. Its largest City is Minneapolis, which is the county seat. Hennepin has the largest population of Minnesota's 87 counties with almost a quarter of the state's population. It has a broad-based economy with strong trade, service, and manufacturing sectors. Employment is relatively stable, and the unemployment rate is consistently below the national average.

Richfield began as a township and was named in 1858 for its fertile land. It became a village in 1908. In its early days it was much larger than it is now. It extended from Lake Street in Minneapolis on the north to 78<sup>th</sup> Street on the south. It included what is now the City of Edina on the west and extended to the Mississippi River on the east. The present north boundary at 62<sup>nd</sup> Street resulted from annexations by Minneapolis. In 1905, the area east of 34<sup>th</sup> Avenue was acquired for Fort Snelling. More recently, the Minneapolis-St. Paul International Airport has pushed the eastern boundary to Trunk Highway 77.

The City's population has decreased in recent decades, though the trend has stabilized. Today, Richfield has a population of 36,436 (2018 Metropolitan Council Estimate) residents who live within its seven square miles. In order to remain vital, the community is focusing on commercial and residential redevelopment, taking advantage of its favorable location near major freeways, the airport and downtown Minneapolis

Demographics within the City have been changing leading to an aging population. The City has responded to this by actively seeking to develop multifamily housing units for senior citizens, which would make available single family housing and encourage young families to settle in the City.

The City experiences income levels that are above state and national levels, while per capita and median family incomes are at or above state levels.

Even lying as it does in the middle of an urban area, Richfield retains a small town flavor. The pace is easy, the streets are clean, City government is accessible, and community spirit runs high. Furthermore, it has strong residential neighborhoods, an excellent public school system, and established infrastructure and amenities like Wood Lake Nature Center that make it a community attractive to all ages.

*Accordingly, Richfield's mission is to be known as the best place to live, work, learn, and do business in the Twin Cities area. We are a customer focused and caring community that strives to foster a sense of neighborliness.*



December 10, 2019

The Honorable Mayor  
and  
Members of the City Council  
City of Richfield

Subject: Budget Message for the 2020 Fund Budgets  
and the 2019 Revised Fund Budgets

Council Members:

In accordance with the Charter of the City of Richfield, submitted for your consideration are the recommended budgets, including a balanced General Fund budget, for the City of Richfield for the period January 1, 2020 to December 31, 2020 and for the remainder of the calendar year 2019. A City Council work session was held on August 27, 2019 to review the proposed and revised budgets.

Pursuant to State law, the City Council must certify the new budget and the revenue required to be raised by ad valorem tax levy to the County Auditor. The deadline for the certification is December 30, 2019. A proposed 2020 tax levy must be submitted to the County Auditor on or before September 30, 2019. Any amendments to the proposed budget, which would increase the property tax levy, must be made prior to the September 30, 2019 proposed levy certification deadline. No increases in the tax levy are permissible after that date, only reductions.

The resolution required to certify the 2020 Adopted Budget and tax levy, as well as the 2019 Revised Budget is presented within the final adopted budget document completed in December.

The Budget Document includes the General Fund, Special Revenue Funds, Internal Service Funds, Enterprise Funds, Debt Service Funds and Capital Improvement Projects. A diagram of the fund structure is included in the Introductory Section. Budgets for the General Fund and Special Revenue Funds are adopted on a basis consistent with generally accepted accounting principles. Budgetary control for Capital Projects Funds is accomplished through the use of project controls and for the Debt Service Funds by bond indentures. An administrative organizational chart, which summarizes all departments and divisions in the City, is included in the Introductory Section. This chart indicates the divisions for which each department is responsible. The 2020 Adopted Budget includes total appropriations from all funds of \$87,715,950, including all inter-fund transfers.

## OVERVIEW PROSPECTIVE

Richfield is experiencing a renaissance: the redevelopment boom and strong housing market continued into 2019 and does not appear to be slowing down for 2020. The City has approved \$277 million in redevelopment projects in the last couple years and has been named one of the hottest housing markets. The City also continues to increase its population which is projected to be 35,700 by 2020. The robust local economy has strengthened and diversified the City's tax base, which is a key City goal. The City has a number of strategic programs to ensure that the economic boom extends to all of our residents.

The City has also worked to strengthen its financial condition by relying less on state aid programs, specifically Local Government Aid (LGA), to fund operations. LGA accounts for only 5.7% of General Fund revenue today as compared to 24% in 2001. Over the same period, the City has also made significant investments in infrastructure, both to rehabilitate aging capital and to improve our assets to better deliver services today and tomorrow.

The City continues to value our most important asset: our residents. We celebrate our growing diversity and are working to engage better with all of our communities. And, Richfield is determined to sustain its commitment to provide superior services to our community on a cost efficient basis.

The future is bright, but not without challenges. Managing the redevelopment boom, engaging effectively with a growing and changing population, and providing additional programs has led to an increase in demand for City services. The investment in infrastructure is also a significant fiscal pressure.

The 2020 City of Richfield budget and tax levy, as proposed, is expected to increase by 4.90%. The increase can be split into two primary components: the first component is the base tax levy, which includes funding for general fund operations, where the majority of city services are provided, the EDA levy, and the levy for equipment replacement purchases. The second component is the special levies, which comprise the debt service and tax abatement levies. The increase projected for 2020 over 2019 can be directly traced to pressure on the General Fund budget and the debt service levy required as a result of the issuance of the General Obligation Bonds, Series 2019A. These bonds were issued to fund the reconstruction of 66<sup>th</sup> Street and Lyndale Avenue.

### **Strategic Development**

Presently, the city has a number of redevelopment initiatives underway. The most active redevelopment areas are:

- The Lakes at Lyndale Area - This area is considered the City's "downtown" and has experienced significant redevelopment and investment over the past 20 years. This work continued in 2019.
  - Work is well underway on two new housing developments at the former Lyndale Garden Center site. The Henley will front on Lyndale Avenue and is made up of 66 apartments and 8 rental townhomes. This project is slated to open in January 2020. Lakeside at Lyndale Gardens is comprised of 30 new luxury condominiums fronting on Richfield Lake. This project is expected to finish up in summer 2020.
  - Two additional multi-family residential proposals were presented at work sessions in the fall of 2019. These projects would be on the east side of Lyndale Avenue at 64th and 65th Streets.

- 66th & Nicollet Area – A small area plan for this area was completed as part of the decennial update of the City’s Comprehensive Plan. The plan calls for a mix of uses, significantly improved connectivity, placemaking/outdoor plaza spaces, street-oriented architecture and more.
  - Brixmor, the property owner for the HUB shopping center, participated in this planning process and continues to explore options for redevelopment of the site.
  - Partnership Academy Charter School completed construction of a new K-8 school at 6500 Nicollet Avenue (formerly Bremer Bank) and opened for the 2019-2020 school year.
  
- Cedar Point Development Area – Construction of the RF64 townhome and apartment project directly across from Target and Home Depot is underway. The first two townhome buildings are framed and expected to be complete in March 2020. Construction of the apartment buildings is expected to begin in 2020.
  
- The Cedar Avenue Redevelopment Area (CARA) – This is the portion of the legislatively defined airport noise impact redevelopment area that lies south of 66th Street.
  - The Chamberlain project held a ribbon cutting ceremony in November, signaling completion of the first new apartments on Richfield’s east side since the 1970s. All 3 new buildings (283 units), 3 rehabilitated buildings (11 units), and construction of the 2-block extension of Richfield Parkway are now complete.
  
- The 494 Corridor Area
  - The new Morrie’s Jaguar - Land Rover dealership is under construction at 1550 78th Street East (current Adler Graduate School). Construction, including a rooftop solar array, is expected to finish up by early 2020.
  - A Development Agreement to sell the former City Garage South site (7600 Pillsbury) for the construction of 55 workforce apartment units was approved in 2019. The developer applied for, but in a very competitive and crowded field of applicants, fell just short of an award by Minnesota Housing. The developer and HRA staff will meet to discuss next steps.
  - The cities of Richfield and Bloomington were selected for a Congress for New Urbanism Legacy Project. The cities will work with a national consultant to explore redevelopment options in the area surrounding the Portland Avenue and I-494 interchange. A charrette is scheduled for some time during the week of March 23 (details to follow); and a presentation at the Annual Congress in the Twin Cities in June 2020.
  
- The Penn Corridor (Penn Avenue from Crosstown Hwy. 62 to 68th Street) - This area is considered Richfield’s “Main Street” and, as such, plans are underway to revitalize the area through improved public amenities, private improvements and selective redevelopment of underutilized properties.
  - In 2017, the City secured grant funding from Hennepin County for a façade improvement program in this area. Promotional materials have been distributed on three different occasions to businesses in the area and thus far three grants have been awarded. Despite staff’s advertising efforts, not all of the available funding was able to be spent and will be returned to Hennepin County at the end of 2019.
  - In 2019, the City successfully applied for \$50,000 from Hennepin County’s Community Works Corridor Planning fund. This money will be used to study safe and effective multimodal connections that will stimulate economic development



along Penn Avenue. This work is now underway and is expected to be complete in 2020 – in advance of the 2021 restripe of Penn Avenue by Hennepin County.

- Construction of the Novo apartment project (66th Street and Queen Avenue) is expected to begin before the end of 2019. This project includes 183 market-rate apartments, the closure of Queen Avenue between 65 ½ Street and 66th Street, and construction of a new section of Russell Avenue between 65 ½ Street and 66th Street.
- Plans for a new apartment building in the northwest corner of the Lund's parking lot were approved in November 2019. This project includes 127 new units of market-rate housing and is expected to be under construction in spring 2020.
- Staff has worked with the Council, HRA, and Planning Commission to explore two proposals for redevelopment of the HRA-owned building at 6501 Penn Avenue. Based on feedback from two work sessions, staff will move forward with the team from NHH, Boisclair, and Locus architects to explore a new housing / mixed use project at this location.

To complement the commercial redevelopment, the City has a number of programs in place to reinvest in the housing stock of the city, including:

- Apartment Remodeling Program – This program offers no-interest, deferred loans to make improvements to apartment buildings and is funded through the Economic Development Authority. Priority is given to buildings with affordable rents, and owners provide matching funds.
- Richfield Rediscovered Program - This program provides for the replacement of small, substandard homes within residential neighborhoods and is funded primarily through the Housing & Redevelopment Fund. One hundred and forty-three homes have been constructed in conjunction with this program since it began in 1991. The program is designed to provide larger, higher-value, single-family housing options for households. When possible, the HRA acquires substandard homes for this program and clears the properties in order to sell the lots for new construction. Four homes will be completed in 2019.
- Transformation Loan Program – This is an incentive loan program for remodeling homes to encourage investment in neighborhoods, encourage households to stay in the City, and increase home values. The Transformation Home Loan is a zero-interest, deferred payment loan that covers 15% of the overall project cost, for projects valued at \$50,000 or greater. Four loans have been issued in 2019, leveraging over a million dollars in improvements.
- New Home Program – The New Home Program was established to address deteriorated, substandard structures and to provide home ownership opportunities for low to moderate-income households. Non-profit builders and developers like Twin Cities Habitat for Humanity and West Hennepin Affordable Housing Land Trust have rehabilitated or built 52 new homes since 1993.
- Community Development Block Grant Program (CDBG) – The HRA receives federal CDBG funds through Hennepin County, annually, to assist low-income home owners to make necessary repairs to their houses and to facilitate the construction of new affordable housing in the City. Hennepin County administers the home-improvement Richfield Deferred Loan Program and typically assists 6 to 10 households annually. Program funding has also been used to acquire substandard houses for the future construction of new, affordable homes and to purchase and rehabilitate homes under the New Home

Program. Funds were approved for a Down Payment Assistance Program to help Richfield renters get homeownership ready and buy their first home in Richfield. Five loans are anticipated in 2019.

- Remodeling Advising - The HRA offers both free Remodeling Advising services as well as low-cost Architectural Advising to help homeowners make wise decisions when planning home improvements. Both programs are highly utilized.
- Community Fix-Up Fund Interest Rate Write-Down Program – In 2012, the HRA established this interest rate write-down program for home improvement loans for qualified households. This program targets households with incomes that fall between 80% and 115% of the area median income and currently offers an interest rate of just three percent. Funds are supplemented with an Impact Fund grant from Minnesota Housing.
- The Home Energy Squad Enhanced Program – This program began in 2013 to provide enhanced energy audit visits to homeowners at a reduced price of \$50, which can be waived for low-income homeowners. Since the program began in March 2013, over 600 visits have been conducted throughout the city, helping owners reduce energy usage and save money.

### **State Aid**

Over the last several years, the City of Richfield, under City Council direction, has been following a policy to minimize its reliance on Local Government Aid (LGA). The State's past budget issues have had a negative, trickle-down effect on cities and, therefore, the City feels it is in its best interest to not rely on 100% of its LGA funding for operations, even though the State's financial outlook has improved and stabilized in recent years.

The 2019 session of the Minnesota Legislature opened with a new democratic governor, democratic control of the House of Representatives, and republican control of the Senate. The session, which marked the first year of the State's fiscal biennium, was set to focus primarily on setting the budget for the next two years.

As with any legislative session there are always a mix of successes and failures. Some of the 2019 session successes were an increase in Local Government Aid (LGA) funding back to levels last seen in 2002, \$40 million in broadband grant funding and money to help cities with water/wastewater infrastructure. However, some of the disappointments was the failure of the legislature to pass a much needed transportation bill, there was no bill to simplify the process for construction sales tax exemption and the process for local sales tax authorization was made more cumbersome. The most significant positive impact for the City of Richfield will be the increase in LGA. It is estimated that the City will see an increase of \$117,710 in 2020 from the 2019 level.

At the present time, the State is projecting a budget surplus of \$1.052 billion for the 2020-2021 biennium. Despite this positive news from the State, the City still plans to move forward with the policy of not relying on all of our LGA for operations. However, due to infrastructure projects which required the issuance of tax supported debt, the formation of the Richfield Economic Development Authority (EDA), and increases in General Fund budgeted expenditures, there has been increased pressure on the City's tax levy. Consequently, to mitigate the pressure on the levy, the City has slowly increased its budgeted level of LGA, with an increase of \$600,000 in 2018, \$50,000 in 2019, to a proposed increase of \$250,000 in 2020. The City realizes it has a responsibility to provide basic services at a reasonable cost,

and by increasing the level of budgeted LGA this will help mitigate tax levy increases. The City still has sufficient LGA reserves to mitigate volatility in state funding in the short-term.

Richfield remains one of the top ten beneficiaries of the metropolitan Fiscal Disparities Program. Fiscal Disparities is a mechanism for tax base sharing for new commercial/industrial property development. Under the program, a certain percentage of new commercial/industrial growth in the metropolitan area is contributed to a pool. The tax base growth is then redistributed to cities in the seven county metropolitan area based on a needs formula. In the past, there has been discussion at the Legislature about changing the Fiscal Disparities Program, but so far it has only been discussion. The City will monitor and respond to any future attempts to change the program.

### **Infrastructure**

The City will continue to reinvest in its infrastructure and schedule major projects to minimize the debt impacts on property taxes. In 2015, the City made the decision to invest in a six year program to mill and overlay all city streets. This process will extend the life of city streets at a fraction of the cost of completely reconstructing a street. It is planned that up to 85 miles of residential roads will be milled and overlaid in addition to the repair of catch basins, manholes and the replacement of curb and gutter. The first year of the program was 2015; 2020 will be the sixth and final year of the program. The overall program is estimated to cost \$19,500,000. The project will be funded through the issuance of street reconstruction bonds, with gas and electric franchise fees providing the debt service on the bonds. At the completion of the six year project, the gas and electric franchise fees will continue to be used to fund the next phase of planned City street maintenance, the sealcoating of the streets to ensure that they remain viable. The City will also continue to reinvest in its rolling stock, technology and City facilities through dedicated tax levies, as needed.

Second, there are several transportation and right-of-way projects that will continue to be addressed in 2019 and 2020 and several years out. They are as follows:

- 66<sup>th</sup> Street Reconstruction. This project consisted of the reconstruction of 66<sup>th</sup> Street from Xerxes Avenue east to 16<sup>th</sup> Avenue. It included the replacement of city utilities, undergrounding of parallel overhead utility lines, and improved bicycle and pedestrian accommodations. This is a County road project; however, the City shared in the costs, including 10% of road construction, 50% of storm sewer, 100% of water/sewer replacement and any additional streetscape elements not cost-shared by the County. The total estimated cost is \$61,292,000. Construction began in 2017 and will continue through 2019 into early 2020.
- 77<sup>th</sup> Street Underpass. This project will extend 77<sup>th</sup> Street under Trunk Highway 77, connecting to the 24<sup>th</sup> Avenue Interchange at I-494. This project will provide regional access to the Minneapolis-St. Paul International Airport and to the Mall of America. The project also completes the last link in the local ring route that, together with the additional access, is needed before expansion on I-494. The total estimated cost is \$30,500,000. Design of the project began in 2015, with construction estimated to begin in 2020.
- Lyndale Avenue Reconstruction. This project will reconstruct Lyndale Avenue between 67<sup>th</sup> Street and 76<sup>th</sup> Street and will include the replacement of city utilities. The total estimated cost is \$12,912,290 with construction to begin in 2019 and completion in early 2020.

## **Personnel**

Richfield significantly trimmed staff in response to LGA cuts in 2010 and has maintained a lean staff since. The City continues to look at reallocating human resource costs to provide the most cost effective service delivery model wherever such an opportunity may present itself. However, service demand has steadily increased in recent years due primarily to the development boom, increase in infrastructure projects, technology support and increased engagement. There are several staff additions and changes in 2019 and planned for 2020. The 2019 changes that impact the General Fund include; the City Clerk division will add one full time position, and begin a transition from utilizing intermittent staffing to permanent part-time staffing. The City Manager division will add a Senior Office Assistant position to be shared with the Fire department, with 60% to City Manager and 40% to the Fire department. The Engineering division will add a new Assistant City Engineer position and a Project Engineer position and eliminate two Project Civil Engineer positions. Finally, the Park Maintenance division will add a new parks maintenance Public Works worker position. For 2020, the Fire department will add a Battalion Chief position, and the Information Technologies fund will add a Help Desk Technician position. Personnel costs also increased due to a 3% cost of living adjustment for all employees, step increases for eligible employees and a 10% increase in health insurance.

## **2020 Budget Goals**

The 2020 budget includes funding and staffing to advance City Council goals:

- Investing in infrastructure to best serve today's and tomorrow's residents, businesses and visitors;
- Attracting and retaining development that creates prosperity for all and is consistent with the City's "Urban Hometown" character;
- Ensuring that the City's services are accessible to people of all races, ethnicities, incomes and abilities;
- Providing a full range of quality housing options through our policies and programs;
- Utilizing a wide variety of communication and engagement tools to build a stronger relationship with residents, businesses and visitors; and
- Promoting and valuing core services and its contributions to making Richfield an exceptional place to live, learn, work and play.

Just as importantly, the budget advances these goals in a fiscally responsible manner by balancing the need to invest in achieving these goals with the need to keep property tax increases reasonable.

## **GENERAL FUND**

The General Fund serves as the chief operating fund of the City. It is used to account for all financial resources, except those required to be accounted for in another fund.

## **Revenues**

The General Fund, which provides for most of the traditional services that residents have come to expect, receives the majority of its funding from property taxes. Other sources of funding, to a lesser degree, come from intergovernmental revenue, charges for services, licenses and permits, and transfers in from other funds.

The 2020 Proposed budget was prepared with the strategy that the primary funding source for the General Fund operations now, and in the future, will come from property taxes. The impact of limiting dependence on state aids can create a funding gap in General Fund revenues. The challenge is to fill this gap. Since cities are limited in the type and extent of revenues that they



can generate, the outcome is an increase in property taxes. The result of this funding choice has been a continued and dramatic shift in General Fund revenues. For example, in 2001, LGA accounted for 24% of General Fund revenues. In 2020, it will account for 5.7%. Conversely, property taxes have grown from 40% of revenues in 2001 to 68% in 2020.

The 2020 budgeted General Fund revenues of \$25,460,720 represents a 5.08% increase from the 2019 Adopted budget. The sources of General Fund revenues, with the exception of property taxes and intergovernmental revenues have remained relatively comparable to the prior years' budget levels. However, revenues from transfers-in from other funds continue to be a major source. In 2020, the General Fund will receive: \$150,000 from the Communications Fund; \$318,210 from the Liquor Operations fund to offset administrative costs related to the liquor operation; \$435,000 from a closed bond fund; and \$704,980 of prior years' LGA set aside reserves. A comparison of actual General Fund revenues from 2019 to 2020 is shown in Figures 1 and 2 below.

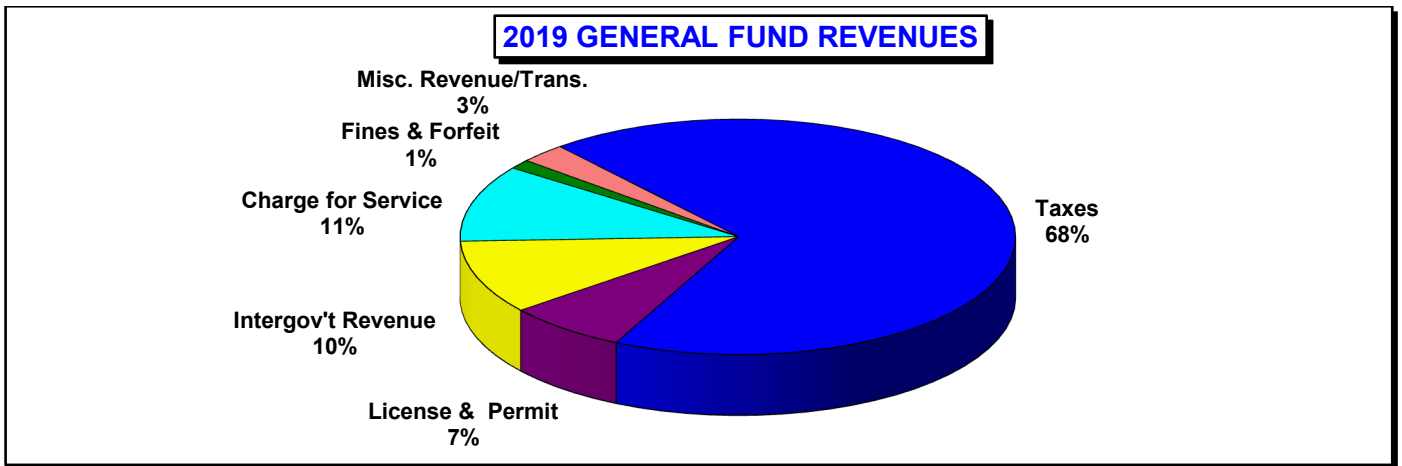


Figure 1

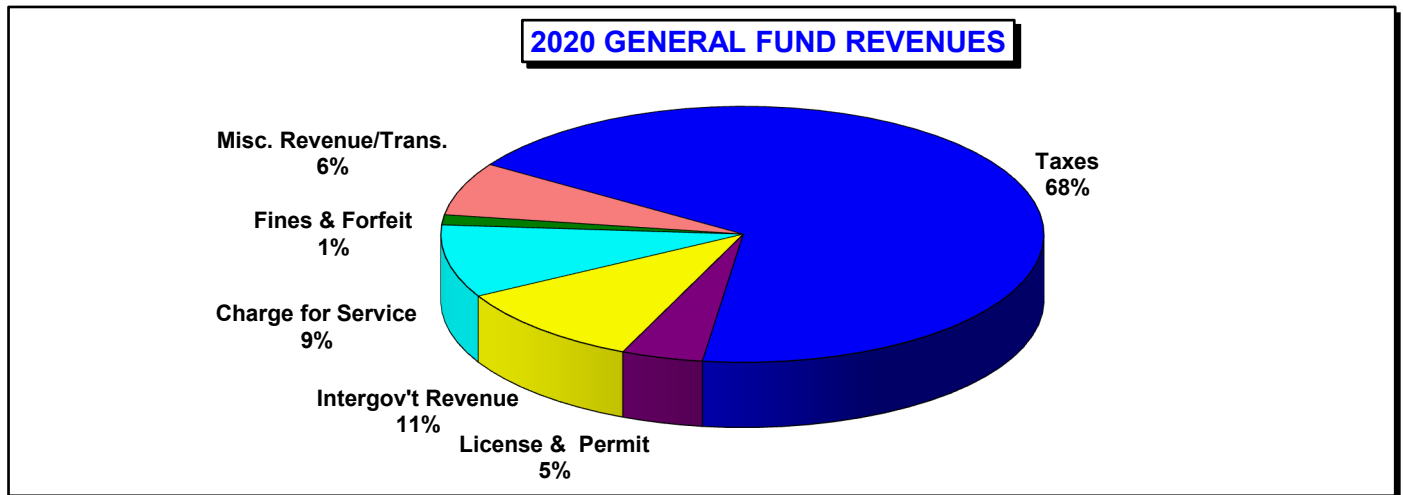


Figure 2

### Expenditures

The City's General Fund is used to account for most of the services that the City provides to its residents, such as police, fire, public works, parks, recreation and general administration. Richfield's General Fund is organized into eight major departments; Legislative/Executive, Administrative Services, Finance, Public Safety, Fire, Community Development, Public Works, and Recreation Services. Each department, in turn, encompasses divisions that provide an array of services, either directed to the public or in support of other City services. A General Fund organizational chart, which includes all departments and divisions, is shown in the

Introductory Section of this document. City policy requires that all budgeted expenditures under \$1,000 must be approved by a division manager and department director. Any expenditure over \$1,000 must be approved by the division manager, department director, the Finance Director and City Manager. Any expenditure over \$175,000 must be approved by the City Council.

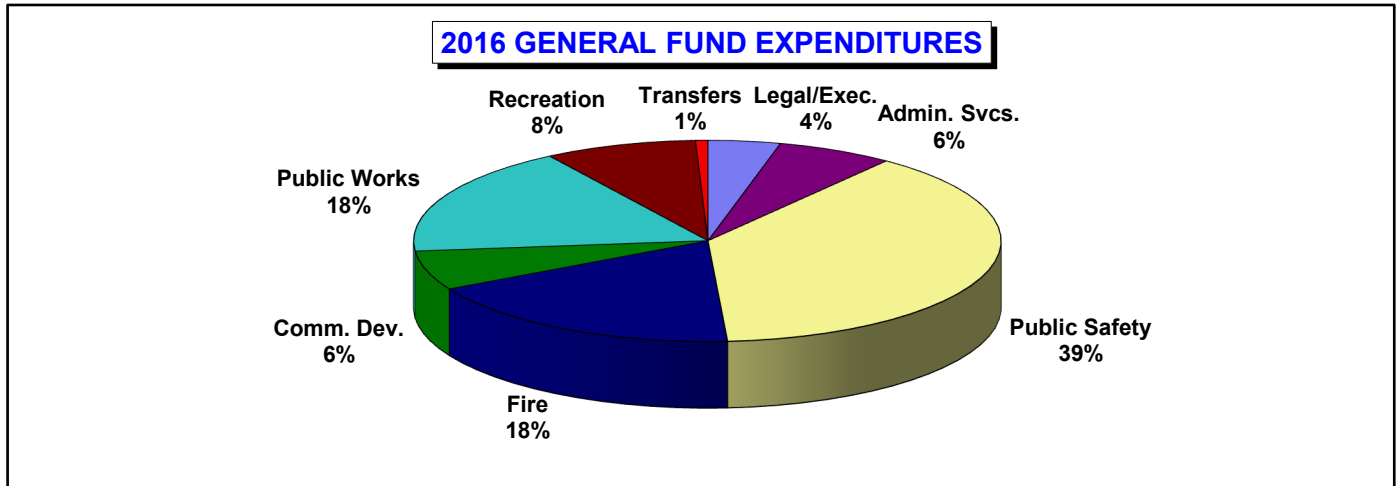


Figure 3

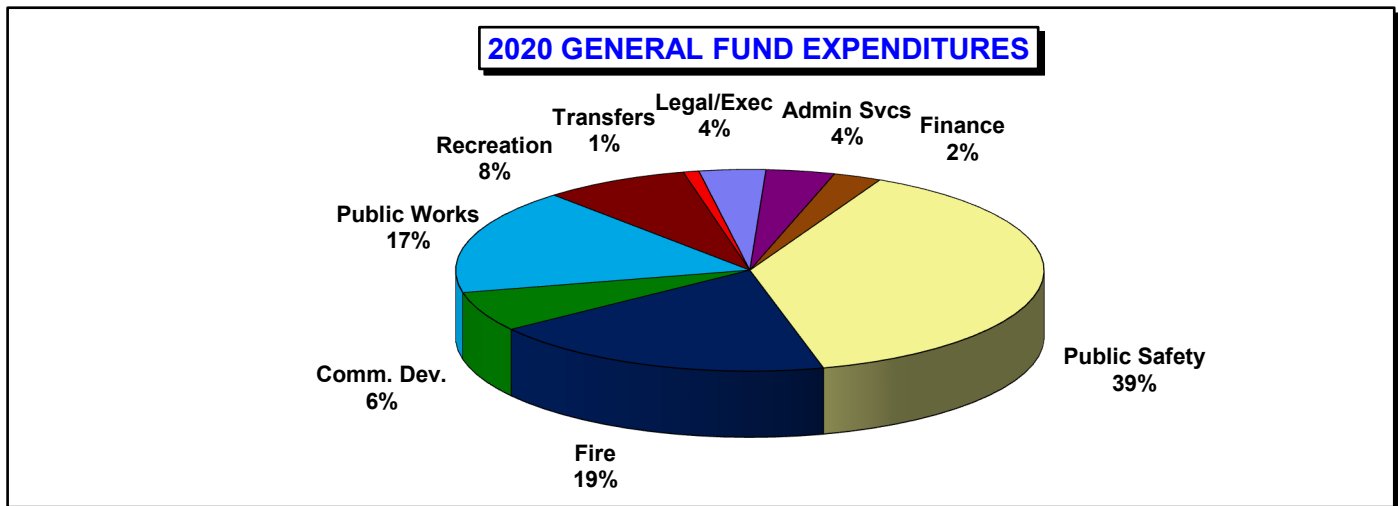


Figure 4

It is logical that over a period of years, the type and mix of City services would likely change as the community changes. However, in a mature community such as Richfield, it is also important that a consistent balance of services be maintained, even in the face of budgetary constraints. Richfield's mix of services, as seen through an expenditure analysis of the seven major departments, reflects a stable, consistent approach. The 2020 expenditures are consistent with the expenditures from 2016 (Figures 3 and 4). In the 2020 Budget, 57% of the total expenditures are designated for Public Safety and Fire Department operations, while an additional 17% is designated for Public Works operations. As a comparison, the 2016 actual expenditures reflected 57% and 18% of total expenditures for the Public Safety, Fire and Public Works Departments.

While there have been adjustments, the total balance of services provided by the major departments remains relatively constant. City staff made every effort to limit 2020 expenditure increases for all departments of the General Fund in an attempt to maintain the current level of

City services and in response to the internal and external constraints placed on the City as mentioned previously. The most significant issues for the 2019 Revised and 2020 Adopted General Fund Department Budgets are summarized in the following section.

## **2019 REVISED AND 2020 ADOPTED DEPARTMENT BUDGETS**

### Legislative/Executive

The 2019 Revised budget reflects an 8.09% decrease due to a decrease in labor costs within the City Manager division. The 2020 Proposed budget reflects a .26% increase due to increased professional service costs in the City Manager division.

### Administrative Services

The Administrative Services Department budget for 2020 reflects an increase of 28.84%. The increase is the result of 100% of the Administrative Services department director's time being reallocated to the Administrative division and the City Clerk division adding one full time position and transitioning from intermittent staffing to permanent part-time staffing.

### Finance

The Finance Department reflects a 2.33% increase for 2019. The increase can be traced to an increase in personnel costs and the contract with Hennepin County for property assessing services.

### Public Safety

The Public Safety Department reflects a 3.48% increase in the 2020 Proposed budget as compared to the 2019 Adopted budget. The increase is a result of personnel cost increases due to a large number of collective bargaining step increases and an increase in the City's share of public health inspection costs.

### Fire

The Fire Department budget for 2020 reflects a 9.2% increase over the 2019 Adopted budget. The increase is a result of increased personnel costs as firefighters work their way through step increases and become eligible for longevity payments and the addition of the Battalion Chief position.

### Community Development

The Community Development Department 2019 Proposed budget reflects a 3.49% increase over the 2019 Adopted budget. The increase can be attributed to salary and benefit costs.

### Public Works

The 2020 Public Works Department budget reflects a 3.13% increase from the 2019 Adopted budget. The increase is the result of increases in personnel and operational costs.

### Recreation Services

The Recreation Services Department 2020 Proposed budget indicates a 3.14% increase over the 2019 Adopted budget. The increase is a result of an increase in personnel and operating costs.

## **SPECIAL REVENUE FUNDS**

### Liquor Contribution Fund

The Liquor Contribution Fund traditionally receives profits from the municipal off-sale liquor operations. However, beginning in 2017 and lasting through 2019, this will not be the case.

Funding will instead come from the Capital Improvement Revolving Fund. The change is due to the renovations to the Lyndale, Cedar, and Penn avenue liquor store locations and the need to preserve cash for the renovations. Expenditures from the fund are restricted in use to financing capital improvements that would otherwise be financed by a General Obligation bond issue. Beginning in 2020 transfers from Liquor Operations will resume with a transfer of \$450,000 to fund planned project costs including:

- Park Play Equipment Replacement at three parks
- Major park maintenance.

#### Tourism Administration Fund

This fund accounts for the collection of lodging tax revenues and the pass-through of these funds to the Richfield Tourism Promotion Board. The Tourism Promotion Board promotes the city as a tourist/visitor destination and promotes civic activities to enhance the city's image.

#### Communications Fund

The Communications Fund is maintained to account for the quarterly cable franchise fees received, cable television and community communication activities. The fund provides 100% of the Communications & Engagement Manager position, which is responsible for the City's website, social media, cable bulletin board, press releases and other public communications and the Communications Specialist and Video Production Assistant positions.

#### Election Fund

The Election Fund was established to isolate the large fluctuation over time in election costs from year to year. The fund provides voter registration services, voter information services and election administration. Funding for the costs of elections services is derived from rental revenues from cellular telephone carriers who rent space for their antennas on City infrastructure.

#### Drug/Felony Forfeiture Fund

The Drug/Felony Forfeitures Fund receives its revenues as a result of cash and property seized related to drug and/or felony criminal activity. The revenues received are used to purchase equipment for public safety purposes and to provide funding for training.

#### Public Safety Compliance Fund

Revenue from this fund is derived from fines levied against businesses that fail alcohol and tobacco compliance checks. The monies received from the fines are then used to fund the costs involved in performing compliance checks. This fund will also account for the Community Emergency Response Team (CERT) and Justice Assistance Grants (JAG).

#### Recreation Services Contribution Fund

The Recreation Services Contributions Fund serves as a method to account for donations received that are intended to benefit activities of the Recreation Services Department. Uses of the donations include staffing costs, the purchase of supplies and equipment and to help fund parks-related construction projects.

#### Nature Center Contribution Fund

The Nature Center Contribution Fund serves as a method to account for donations received that are intended to benefit Wood Lake Nature Center. The source of the donations comes from fundraising activities of the Friends of Wood Lake (FOWL). The donations are used to supplement the Wood Lake Nature Center operating budget and for the purchase of supplies, equipment and to help fund nature center construction projects.



### Public Health Grants Fund

This fund accounts for the receipt of federal grant funds that are to be used by the City to assess and enhance the capacity of local public health departments to respond to bio-terrorism, infectious diseases and other threats to public health.

### Wood Lake Half Marathon Fund

This fund was established to provide an alternative revenue source to fund the Wood Lake Nature Center's environmental education curriculum for Richfield Public School students in kindergarten through eighth grade. Funding for the program is derived from proceeds from the annual Urban Wildland Half Marathon and 5K race.

### Utility Franchise Fees Fund

This fund accounts for gas and electric franchise fees collected from the public utilities. The majority of fees collected will be directed to the mill and overlay program and toward the debt service for the bonds issued to help fund the program. This may cause a decrease in the fund balance. In addition, a smaller portion of the fees collected will continue to fund the annual tree planting program, the Dutch Elm disease tree program, and the Emerald Ash Borer disease program.

### Ice Arena Fund

The Ice Arena maintains two sheets of ice and is the home to a Junior A Tier II hockey team, the Minnesota Magicians. The operation provides skating lessons, open skating, and sponsors an annual ice show. It also rents ice to local high schools for practices and games and to youth associations for clinics, practices, games and tournaments.

### Swimming Pool Fund

This fund accounts for all activities related to the swimming pool operation. It strives to provide users with an outstanding outdoor recreational swimming experience for all ages and groups. For 2020, the feasibility of opening the zero depth pool on Memorial Day and Labor Day weekends will be explored along with adding a splash pad to the facility.

### Special Facilities Fund

This fund maintains the City's mini-golf course which is run by Wheel Fun Rentals, Inc. through a concession agreement with the City. In late 2018 and into 2019 Wheel Fun Rentals invested approximately \$240,000 into a new mini-golf course and walkways. In addition, the operation provides a picnic shelter to be used by the Richfield Farmers Market and park users.

## **ENTERPRISE FUNDS**

### Liquor Stores Fund

The City of Richfield operates four municipal liquor stores. Total sales for the four liquor stores for 2019 are projected to be \$12.5 million and grow to \$13.4 million in 2020, a 7% increase. Operating expenses budgeted for 2020 for the four stores total \$2.39 million. This reflects an increase from the 2019 adopted operating expenses. For the four stores, the projected profit before transfers for 2020 is expected to be \$1,050,950 with budgeted transfers to the Special Revenue Fund of \$450,000 and \$318,210 to the General Fund for administrative costs, police duty and payments in lieu of taxes. The net effect of the 2020 budget is an estimated increase in retained earnings of \$282,740 or 6.38% increase from 2019 revised budget, primarily due to projected increase in sales.

### Water and Wastewater Utility Fund

The Water and Wastewater Utility Fund accounts for the operation and maintenance of the City's water plant and the maintenance of 120 miles of sanitary sewer lines. Operating

revenues for the Water Fund for 2020 Proposed reflect an increase from 2019 Adopted levels. The increase can be attributed to a planned increase in water rates as result of a rate study conducted in 2017. The Water Fund continues to reinvest in its infrastructure in 2019 and 2020. Included in the current budgets are capital improvements totaling \$2,090,000 in 2019 and \$1,500,000 in 2020. The improvements relate to the city wide water meter upgrade, lining of the water main under I-35W, a new sludge mixer and the rehab of the filter press.

The Wastewater Utility Fund provides collection of sanitary wastewater from approximately 11,500 accounts in the city. The 2020 Sanitary Wastewater Operating Budget is approximately \$4.5 million. The most significant expense is the wastewater treatment charges paid to Metropolitan Council Environmental Services (MCES). MCES charges are expected to decrease from the budgeted 2019 level of \$2,681,950 to \$2,550,770, a 4.89% decrease.

Water rates for 2020 will increase based on the rate study performed in 2017. Accordingly, the rates will increase across the three tier levels by 5%. Tier 1 will increase 20 cents per thousand gallons, Tier 2 will increase 23 cents per thousand gallons and Tier 3 will increase 28 cents per thousand gallons. In addition, wastewater rates will increase by 5% or 28 cents per thousand gallons.

#### Storm Water Utility Fund

The Storm Water Utility Fund provides for the disposal of storm water for the city and is funded through user fees. The fund provides for routine maintenance and major capital improvements to the system. The Storm Water Utility was part of the 2017 rate study and as such rates for 2020 will increase by 7% or \$1.33 per quarter over 2019 levels.

### **INTERNAL SERVICE FUNDS**

#### Central Garage Fund

The Central Garage Fund accounts for the acquisition, maintenance, and repair of all motor vehicles and motor-driven equipment used by the City. It is funded by internal operating user fees charged to other City departments and funds. Fees for 2020 will increase 3.13% over 2019 levels. The funding for the replacement of equipment that the operation maintains will be accomplished through a general tax levy in the amount of \$685,000, an increase of \$15,000 from 2019. The increase is in response to increased costs incurred in the purchase of rolling stock and equipment. In addition, it is projected that for 2019 and 2020 the fund may not cash flow, therefore, operating transfers are planned to mitigate the decrease in cash of the operation until such a time that rates charged to user departments and the tax levy amounts can be increased. The fund is scheduled to make purchases in 2019 of \$974,730 and \$880,000 in 2020. The significant purchases planned for 2020 are:

- Dump Truck (\$220,000);
- Two – Sidewalk Plows (\$260,000);
- Two – 1 Ton Dump & Plow Trucks (\$100,000); and
- Two Interceptor Squads (\$85,000)

#### Information Technologies Fund

The Information Technologies (IT) Fund's primary purpose is to provide computer hardware and software support, programming and training to City staff. In response to increased support needs, security requirements, and increased technology demands, the fund has budgeted for one additional staff position in 2020. As with the Central Garage

Fund, the purchase and replacement of equipment in the IT Fund has been funded through a general tax levy. The scheduled purchase of technology equipment for 2019 and 2020 is estimated to be \$135,000 each year. The IT Fund also provides office supplies and copying services for all City departments.

#### Self Insurance Fund

The Self Insurance Fund accounts for all of the City's costs for claims related to Workers' Compensation, unemployment insurance benefits, property insurance, flexible benefits, dental insurance, and all other City self insurance costs. For 2020, the fund has increased property/casualty rates, however, due to a reduction in claims, workers compensation rates were reduced. Finally, operating results of the fund are dependent on the number and scope of claims paid during any given year and consequently, results can fluctuate from year to year.

#### Building Services Fund

The Building Services Fund is responsible for the maintenance and upkeep of the Richfield Municipal Center and Fire Station 2. 2020 will be the ninth year of operation for the municipal center. After this amount of time the operating budget is coming into focus. User fees will still be adjusted on an annual basis to keep pace with operating costs and to provide funding for replacement costs of fixtures within the building.

### **DEBT SERVICE FUND**

The Debt Service Fund is used to record financial operations from special assessments, tax increment, and, as necessary, property taxes to meet debt service payments and outstanding bond issues.

General Obligation improvement bonds are payable through 2040, with outstanding principal at the beginning of 2020 of \$48,460,000. The fund balance in the fund, along with debt service tax levies, special assessment collections and interest earnings are pledged to service the debt.

The General Obligation redevelopment bonds are retired from tax increment collected from the project area. Redevelopment bond principal of \$4,220,000 is payable through 2025.

### **OPERATING CAPITAL EXPENDITURES**

Capital expenditures represent all tangible or intangible assets that are used in operations, that have initial useful lives extending beyond a single reporting period and whose dollar value is greater than \$5,000. In the 2019 Revised Budget the City has budgeted for \$1,316,040 operating capital expenditures, while there are no operating capital expenditures currently budgeted for 2020. The capital expenditures budgeted for 2019 are within the Special Revenue and Proprietary Funds. These budgeted items are not to be confused with the projects that are part of the Capital Improvement Budget and Capital Improvement Program.

### **CAPITAL IMPROVEMENTS BUDGET**

The Capital Improvement Budget recommends \$18,285,980 of expenditures in 2020. There are four projects that comprise the majority of the budgeted amount. The first project is the Ice Arena Refrigeration project. The estimated cost for 2020 is \$3,680,000. The second project is the final funding for the 66<sup>th</sup> Street project and this amount is \$2,748,910. The third project is the final year of the Lyndale Avenue reconstruction. The estimated cost is \$3,212,070. The fourth project is year two of the city wide water meter replacement

project. Total cost for the three year project is estimated to be \$4,000,000. The projects are to be funded by general obligation bonds, State Bond funds, State Aid monies, county funds, franchise fees, and internal funding sources. The City will also continue with improvements for various City parks in 2020 with funding of \$450,000 from the Liquor Contribution Special Revenue Fund.

### **CONCLUSION**

The City of Richfield continues to be a sound financial operation. The City has a bright future and can be proud of its accomplishments. It has taken on the challenge to redevelop and reinvest in order to continue to be a vibrant, sustaining community.

For the 2020 Budget year, the City has presented a balanced General Fund Budget, which has increased 4.99% from the 2019 Adopted budget. This budget will allow the City to continue to provide the excellent core services required, expected and needed by its residents and businesses, advance City Council goals and make investments to position the City well for the future. In addition to our residents, the City's most valuable assets are our employees who make up a large portion of the budget. Whether an employee is just starting or has worked at the City for many years, we all take pride in providing quality service to the residents of Richfield.

The information presented in this budget document provides the background and funding plan to address the opportunities and challenges facing the City in 2020, and beyond. I would like to take this opportunity to thank Finance Director Chris Regis and all City departments for their input and help in preparing the 2020 budget.

Respectfully submitted,



Katie Rodriguez  
City Manager



---

## BUDGET PROCEDURES AND METHODS

---

This information is provided to familiarize the reader with the budget structure, as well as the process of budget preparation and implementation.

### Preparing the Budget

During the month of May, materials are distributed to departments for preparation of a revised estimate for both 2019 revenues and expenditures and anticipated 2020 revenue and expenditure requirements. At the time of distribution the Finance Director meets with departmental management personnel to review the budget preparation cycle and procedure and to explain the forms and methods to be used in developing the budget. As part of the materials is a printout that reflects each operating department/divisions prior three-year actual results along with the most recent years adopted budget. These printouts reflect both revenues and expenditures/expenses. Along with expenditure requests each department is required to also submit revenue projections for their individual operations. Department directors, managers and supervisors use these printouts along with current year's actual results to simultaneously prepare a revised 2019 and a proposed 2020 budget. The process of revising the current year's budget is an integral part of the entire budget process.

For the preparation of the 2019 Revised/2020 Proposed budgets, department personnel are required to enter their requests into the network wide budget program. In addition, three hard copies of all requests are submitted to the Finance Director who compiles the requests and distributes one copy to the City Manager one copy to the Assistant City Manager and keeps one copy for himself. At this point meetings are scheduled with the departments to review the respective requests with the City Manager and the Finance Director.

At these meetings, discussions center on staffing levels, services to be provided, and the ability to fund those services. Programs are reviewed to determine funding and if funding is not sufficient, recommendations are made to adjust the programs to fit the funding level. In addition, budget year goals are reviewed and the effect these goals have on budget requests. These discussions not only focus on the proposed 2020 budget but also the revision of the current 2019 budget. The outcome of these meetings forms the basis of the 2019 Revised and 2020 Proposed budgets.

At this point the revised 2019 and proposed 2020 budget documents are compiled and distributed to the City Council and a work session or sessions are scheduled with council and staff to review the proposed budgets.

The work sessions involve a presentation that gives a general overview of the budget and proposed tax levy and more detailed presentations of each department's budgets. Subsequent to the work session revisions are made based on council direction and a preliminary tax levy to be certified to the county is finalized.

In late November, prior to final adoption of the budget and final tax levy, a "Truth in Taxation" public hearing is held to allow public input on the proposed budget documents. The final step in the process is final adoption of the revised and proposed budgets and tax levy at the first city council meeting in December.

## BUDGET CALENDAR

| Activity                                | Start Date | Finish Date | March | May | June | July | August | Sept. | Oct. | Nov. | Dec. |
|---|------------|-------------|-------|-----|------|------|--------|-------|------|------|------|
| City Council/Staff Goal Setting         | 5/14/19    | 5/14/19     |       | ■   |      |      |        |       |      |      |      |
| Distribute budget instructions          | 5/2/19     | 5/2/19      |       | ■   |      |      |        |       |      |      |      |
| Preparation of budget detail            | 5/2/19     | 6/20/19     |       | ■   |      |      |        |       |      |      |      |
| Budget submitted to Finance Director    | 6/20/19    | 6/20/19     |       |     | ■    |      |        |       |      |      |      |
| City Manager review                     | 7/8/19     | 7/18/19     |       |     |      | ■    |        |       |      |      |      |
| Compilation of proposed budget document | 7/22/19    | 8/8/19      |       |     |      |      | ■      |       |      |      |      |
| City Council review                     | 8/15/19    | 9/10/19     |       |     |      |      | ■      |       |      |      |      |
| Budget revisions                        | 9/10/19    | 11/29/19    |       |     |      |      |        | ■     |      |      |      |
| City Council approval                   | 11/29/19   | 12/10/19    |       |     |      |      |        |       |      |      | ■    |

### Budget Methods

The budget was prepared using a modified accrual basis of accounting for all governmental funds and an accrual basis of accounting for enterprise and internal service funds. This is consistent with the accounting methods used for accounting and the audited financial statements of the City. The modified accrual basis of accounting recognizes revenues in the accounting period in which they become available and measurable, and expenditures in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt, which should be recognized when due. The accrual basis of accounting recognizes revenues in the accounting period in which they are earned and become measurable and expenses in the period incurred, if measurable.

As noted above, as part of the 2020 Budget preparation process, the current year 2019 budget is reviewed and revised. As a result, expenditure estimates are as accurate as possible, based on actual history and anticipated needs calculated for the remainder of the year. Consequently, the budget prepared closely reflects the expected level of spending.

The advantages of this method are: (1) current experience is used to refine expenditure estimates and develop the appropriation figures proposed in the 2020 budget, and (2) when possible, the use of prior years' revenues in the form of expenditure savings and unanticipated current year revenues to help finance the proposed budget.

### Controlling Expenditures

While the adjusted budget establishes appropriation levels, control of expenditures is also necessary to ensure that its day-to-day execution complies with the approved program. The Finance Department is responsible for reviewing all expenditure requests initiated by designated requisitioning authorities to determine their compliance with the approved budget.

This control function embraces the management philosophy that existence of a particular appropriation in the approved budget does not automatically mean that it will, or must, be spent. Budget preparation begins nearly seven months before the beginning of the budget year, and conditions do change during the 19-month period of budget preparation and execution. Therefore, each expenditure will be reviewed to determine actual need in terms of programs and services to be provided. The expenditures will be approved only if demonstrated need

exists. Conversely, some expenditure requirements will occur which while falling within the total appropriation, will not exactly match minor or major object expenditure estimates. In these instances where need can be adequately demonstrated, an adjustment can be made within the department budget or within the funds.

The City Charter makes provision for summarizing and approving any such adjustment during the final three months of the budget year. In summary, expenditures will not be approved until it has been determined that (1) adequate funds were appropriated, (2) the expenditure is still necessary, and (3) funds are available.

### Amending the Budget

The City Charter's provision for altering or amending the adopted budget is as follows:

*After the budget has been duly adopted, the Council shall have no power to increase the amounts fixed in the budget resolution, by the insertion of new items or otherwise, beyond the estimated revenues, unless the actual receipts exceed the estimates and then not beyond the actual receipts. The Council may at any time, by resolution approved by a four-fifths majority of its members, reduce the sums appropriated for any purpose by the budget resolution. At the request of the Manager, within the last three months of the fiscal year, the Council may transfer unencumbered appropriation balances from one office, department or agency to another within the same fund. All appropriations shall lapse at the end of the budget year to the extent that they shall not have been expended or lawfully encumbered.*

---

## CITY POLICIES

---

### **OPERATING BUDGET POLICIES**

The Operating Budget is the annual financial plan for funding the costs of City services and programs. The General Fund is the primary operating budget of the City and as such provides all of the basic governmental services. Enterprise operations are budgeted in separate Enterprise Funds.

The City Manager shall submit a balanced General Fund budget in which appropriations shall not exceed the total of the estimated revenues and available fund balance. A balanced budget is defined where sources of funds (revenues) is equal to the uses of funds (expenditures).

The City will provide for all current expenditures with current revenues. The City will avoid budgetary procedures that balance current expenditures at the expense of meeting future years' revenues, or rolling over short-term debt, or that rely on accumulated fund balances to meet current obligations.

The City Manager will coordinate the development of the capital improvement budget with the development of the operating budget. Operating costs associated with new capital improvements will be projected and included in future operating budget forecasts.

The budget will provide for adequate maintenance of the capital plant and equipment, and for their orderly replacement.

The impact on the operating budget from any new programs or activities being proposed should be minimized by providing funding with newly created revenues whenever possible.

The City Manager will insure that a budgetary control system is in place to adhere to the adopted budget.

The Finance Division will provide regular monthly reports comparing actual revenues and expenditures to the budgeted amounts.

The operating budget will describe the major goals to be achieved and the services and programs to be delivered for the level of funding provided.

In addition to operating expenses, Enterprise funds shall be budgeted to provide for replacement costs of property, plant, and equipment, if appropriate, when establishing rates and charges for services.

The budget will provide for adequate funding of all retirement systems.

Where possible the City will integrate performance measurement and productivity indicators with the budget.

### **REVENUE POLICIES**

It is essential to responsibly manage the City's revenue sources to provide maximum service value to the community.

1. The City will attempt to maintain a diversified and stable revenue system to shelter it from short run fluctuations in any one revenue source.
2. The City will estimate its annual revenues by an objective, analytical process.

3. The City will maintain sound appraisal procedures to keep property values correct. Property will be assessed at the legally mandated market value for each type of property.

#### 4. Property Taxes

- When possible, property tax increases should accommodate incremental adjustments. Further, when discussing property taxes, the City should simultaneously explore other revenue and expenditure alternatives that will maximize the City's future financial flexibility and ability to provide services. This may include considering options such as debt management, fees and charges, cost allocation, use of reserves, and expenditure cuts.

Possible factors for considering an increase in property tax include:

- Maintenance of City services.
- Long-term protection of the City's infrastructure.
- Meeting legal mandates imposed by outside agencies.
- Maintaining adequate fund balance and reserve funds sufficient to maintain or improve the City's bond rating.
- Funding City development and redevelopment projects that will clearly result in future tax base increases. The expenditures of development and redevelopment funds must be in accordance with a defined strategy as shown in the City's Comprehensive Plan, Capital Improvement Program, and other Council documents.

Property tax increases to meet other purposes will be based on the following criteria:

- A clear expression of community need.
- The existence of community partnerships willing to share resources.

#### 5. Service Fees and Charges

The City may want to consider service fees and charges wherever appropriate for the twin purposes of keeping the property tax rate at a minimum and to fairly allocate the full cost of services to the users of those services. As an example of appropriate cost allocation, service fees and charges broaden the base to include tax exempt properties, which still have municipal costs associated with the property. Specifically, the City may:

- Establish rates and fees for each Enterprises Fund, such as Water and Sewer, at a level sufficient to fund both the operating costs and the long-term depreciation and replacement of infrastructure assets of the activity.
- As part of the City's revenue management, evaluate City services and aggressively pursue actions to make the services financially self supporting or, when possible, profitable.
- Annually review City services and identify those for which charging user fees are appropriate. Established fees will be at a level that will recover the cost of providing that service.
- On an annual basis City staff will review existing user fees with the City Council to ensure that the fees are keeping consistent with the effects of inflation and the City's cost of providing the service.
- The City will set fees and user charges for other activities, such as recreational services, at a level to support the full cost of promoting the services for all programs except those oriented to youth, adult disabled, and/or senior citizen population.

In the process to establish, evaluate and set fees for a new or existing service staff will utilize the following rate criteria approaches below:

- Market Comparison
- Maximum set by External Source  
Fees set by legislation, International Building Code, etc.
- Entrepreneurial Approach
- Recover the Cost of Service

Program will be self-supporting.

- Utility Fees  
A rate study will be periodically updated or reviewed.

## 6. Non-recurring Revenues

Several revenue sources, such as intergovernmental transfers, one-time grants, court fines and other non-recurring revenues are outside of direct City control and must be relied upon conservatively. The City Manager / Finance Director shall insure that the budget preparation process includes an evaluation of all major non-recurring revenues, in order to minimize reliance on unpredictable revenues for on-going operating costs.

## **CAPITAL IMPROVEMENT BUDGET POLICIES**

The demand for services and the cost of building and maintaining the City's infrastructure continues to increase. No city can afford to accomplish every project or meet every service demand. Therefore, a methodology must be employed that provides a realistic projection of community needs, the meeting of those needs, and a framework to support City Council prioritization of those needs. That is the broad purpose of the CIP.

The CIP includes the scheduling of public improvements for the community over a five-year period and takes into account the community's financial capabilities as well as its goals and priorities. A "capital improvement" is defined as any major nonrecurring expenditure for physical facilities of government. Typical expenditures are the cost of land acquisition or interest in land, construction of roads, utilities and parks. Vehicles and equipment can be covered in a CIP or covered separately under an equipment schedule. The CIP is directly linked to goals and policies, land use, and community facility sections of the Comprehensive Plan since these sections indicate general policy of development, redevelopment, and the maintenance of the community.

The City will make all capital improvements in accordance with an adopted Capital Improvement Budget.

The City will develop a plan for capital improvements that encompasses four years following the fiscal year end of the budget and update it annually.

The City will enact an annual Capital Budget based on the multi year capital improvement plan. Future capital expenditures necessitated by changes in population, changes in real estate development, or changes in economic base will be calculated and included in Capital Budget projections.

The City will coordinate development of the Capital Improvement Budget with the development of the operating budget. Future operating costs associated with new capital improvements will be projected and included in operating budget forecasts.

The City will use intergovernmental funding to finance only those capital improvements that are consistent with the adopted capital improvement plan and City priorities and for which operating and maintenance costs have been included in operating budget forecasts.

The City will project its equipment replacement and maintenance needs for the same term as its capital plan and will update this projection each year. From this projection, a maintenance and replacement schedule will be developed and followed in the Central Garage Fund.

The City staff will identify the estimated costs and potential funding sources for each capital project proposal before it is submitted to the City Council for approval.

The City will determine the most cost effective financing method for all new projects.

The City will utilize profits from its municipal liquor operation solely for the support of capital improvements. Each year, an amount up to, but not to exceed \$500,000 of available current year liquor store profits will be transferred to the Liquor Contribution Fund for capital improvements. Any remaining profits will be retained in the Liquor Fund as working capital for the maintenance and expansion of physical assets, including store facilities. The accumulation of funds in working capital will be reviewed annually by the City Council.

At the completion of capital projects funded by the Liquor Contribution Fund, any residual balance remaining in the project fund will be closed back to the Liquor Contribution Fund.

At the completion of a capital project, any residual balance remaining in the project fund will be closed to the Capital Improvement Reserve Fund.

## **DEBT POLICIES**

### I. Debt Limits

#### a. Legal Limits:

- i. Minnesota Statutes, Section 475 prescribes the statutory debt limit that outstanding principal of debt cannot exceed 3% of taxable market value. This limitation applies to "Net Debt" as defined in Section 475.51, Minnesota Statutes, as well as lease purchases or installment contracts (465.71) greater than or equal to \$1,000,000. HRA public project revenue bonds or lease revenue bonds with financing lease agreement with a city or county also count against the statutory debt limit.
- ii. The City's ability to issue debt will conform to the City Charter.

#### b. Policy Limits:

- i. The City will weigh the benefits and costs of long-term borrowing for planned capital improvements and short-term debt for capital outlay. In addition, when considering financing of capital expenditures, the City may consider paying cash for capital financing as well as debt financing.
- ii. Uses of Debt: Debt will be used only for capital improvements, projects, or acquisitions that cannot be financed from current revenue. The City will not utilize debt for cash flow borrowing or to support current operations.
- iii. In the in event of some unforeseen cause where taxes or other sources become insufficient or a natural disaster or public emergency should subject the City to making extraordinary expenditures, the City may by resolution issue debt emergency certificates on a short term basis.
- iv. CIP and Financial Planning: The City's capital improvement plan shall contain debt assumptions which match this policy and requires a commitment to long range financial planning which looks at multiple years of capital and debt needs.
- v. Tax Increment Bonds: The City shall use G.O. Tax Increment Bonds only when the project meets statutory requirements.
- vi. When capital improvements/projects are financed by issuing debt, the debt will be paid back within a period not to exceed the expected useful life of the project, with at least 50% of the principal retired within 2/3 of the term of the bond issue.
- vii. Where possible the City will use special assessment, revenue or other self supporting debt not counting against statutory imposed limitations.
- viii. The City will retire any tax anticipation debt annually and will retire bond anticipation debt within six months after completion of the project.

#### c. Financial Limits:

- i. Direct debt is the amount of general obligation principal or lease obligations supported by taxes which are outstanding for which the City is obligor. Indirect debt is the amount of the City's share of tax supported debt of other overlying taxing jurisdictions. Direct debt as a percentage of the City's taxable market value shall not exceed 6.67%.
- ii. Bond issues may require a special debt levy. The City's goal has been to maintain the amount of the property tax levy dedicated to debt service (principal and interest plus 5%



for G.O. bonds) will not exceed 25% of total annual locally generated operating expenditures.

## II. Use of Variable Rate Debt and Derivatives

- a. Variable Rate Debt. The City will shall use variable rate debt only if total principal and interest of the debt constitutes less than 20% of the City's total debt payments and only if circumstances dictate the need for a short term call date.
- b. Derivatives. The City will not use derivative based debt.

## III. Debt Structuring Practices

- a. Term: State law limits general obligation debt to 30 years in most circumstances. The City will attempt to keep the stated maturity of debt at or below 20 years.
- b. Term of Equipment: State law allows cities to issue debt (known as equipment certificates or capital notes) up to a term of 10 years for the purpose of purchasing equipment. The City will utilize the issuance of capital notes when the option of funding equipment purchases with other resources is not available. The term of any debt issue for purposes of acquiring equipment shall not exceed the useful life of the assets financed.

## IV. Debt Issuance Practices

- a. Rating Agencies: The City will maintain good communications with bond rating agencies regarding its financial condition. The City will follow a policy of full disclosure in every financial report and bond prospectus.
- b. Bondholders: The City will maintain good communications with its bondholders regarding its financial condition.
- c. Method of Sale: The City shall use competitive bidding for all of its debt unless the debt is so specialized in its nature that it will not attract more than 2 bids.
- d. Refunding:
  - i. The City with the assistance of a financial advisor will track and identify opportunities for restructuring or refinancing debt. Furthermore, when feasible, the City will use refunding mechanisms to reduce interest and evaluate the use of debt reserves or other accumulated balances to lower overall debt service where possible.
  - ii. Advance refunding bonds shall not be utilized unless present value savings of 3% of refunded principal is achieved and unless the call date is within 4 years. This is in accordance with state law.
  - iii. Current refunding bonds shall not be utilized unless present value savings of 3% of refunded principal is achieved or in concert with other bond issues to save costs of issuance.
  - iv. Special assessment or revenue debt will not be refunded unless it is determined that special assessments or other sufficient revenues will not be collected soon enough to pay off the debt fully at the call date.
- e. Professional Services. The City shall use an outside bond attorney, an independent financial advisor to structure the sale of debt, and a paying agent for book entry transactions.

## V. Debt Management Practices

- a. Investment of bond proceeds. The City shall invest bond proceeds in a separate account in order to account for earnings on invested proceeds for the purposes of complying with arbitrage regulations.
- b. Disclosure: The City shall comply with SEC rule 15(c)2(12) on primary and continuing disclosure. Continuing disclosure reports shall be filed no later than 180 days after the end of the fiscal year.
- c. Arbitrage Rebate: The City shall complete an arbitrage rebate report for each issue no less than every five years after its date of issuance.
- d. The City will transfer any residual balances in matured debt service funds to the Closed Bond Fund.

## VI. Updates of Policy

- a. The Finance Director will be responsible for reviewing and amending this policy as dictated by changes in related statutes and bring these updates to the City Council for approval.

## **RESERVE POLICIES**

The City will attempt to establish reserve that will provide for adequate and effective cash-flows, reducing/eliminating the need for short-term internal borrowing; provide for temporary revenue shortfalls; provide financial stability and a positive trend of fund balance levels; generate investment earnings which will provide a revenue source to the fund.

The fund balance of the General Fund shall include an amount for cash flows for the subsequent year's operating budget. The targeted amount of unassigned fund balance shall be an amount not less than 40% of the current year end actual General Fund revenues. Fund balance is defined as the net position of a governmental fund (difference between assets, liabilities, deferred outflow of resources, and deferred inflows of resources).

Deficits are to be avoided. Elimination of deficits in fund balance shall be addressed during the budget process.

Amounts in excess of the targeted balance may be utilized in subsequent years' budgets and/or transferred to other funds upon approval by the City Council.

The City Council may determine to assign portions of the fund balance for other items such as City projects and/or improvements, emergency or unanticipated expenditures, etc.

## **INVESTMENT POLICIES**

The primary objectives of the investment portfolio, in this order of importance include safety, liquidity and yield.

The investment portfolio shall be designed to ensure that capital losses are avoided, to provide sufficient funds to meet cash flows and to attain a market average rate of return consistent with state laws that restrict the placement of public funds.

It is the policy of the City of Richfield that available funds be invested to first meet cash flow projections and the excess to the maximum extent possible at the highest possible rates obtainable at the time of investment in conformance with the legal and administrative guidelines outlined herein.

The City shall invest 100% of idle cash at all times.

To control default risk, investments purchased shall include those authorized by Minnesota Statutes, such as U.S. Government Securities and the highest quality commercial paper. Certificates of deposit shall be purchased only from FDIC insured banks in amounts less than the FDIC insured level of \$250,000.

Investment in securities with maturities in excess of two years shall be placed with the intention to hold the security until maturity

To control risks of illiquidity, the investment portfolio shall include any marketable securities, with a minimum of approximately \$1,000,000 invested in highly liquid funds which can be liquidated within one day.

To protect against potential fraud and embezzlement, the assets of the City and the HRA shall be secured through third party custody and safekeeping procedures.

A monthly report shall be provided to the Treasurer and to the City Council which includes a summary of investments held at month end.

## **ACCOUNTING, AUDITING AND FINANCIAL REPORTING POLICIES**

The key to effective financial management is to provide accurate, current, and meaningful information about the City's operations to guide decision making and enhance and protect the City's financial position.

The City's accounting system will maintain records on a basis consistent with generally accepted accounting standards and principles for local government accounting as set forth by the Government Accounting Standards Board (GASB) and in conformance with the State Auditor's requirements per State Statutes. This allows for modified accrual basis for all governmental funds and accrual basis for proprietary funds.

The City will establish and maintain a high standard of accounting practices.

The City will follow a policy of full disclosure written in clear and understandable language in all reports on its financial condition.

The Finance Division will provide timely monthly and annual financial reports to users.

An independent public accounting firm will perform an annual audit and issue an opinion on the City's financial statements.

Annually the City Council and staff will meet with the Auditors to review the audit report.

Periodic financial reports on budget performance will be provided to the City Council monthly.

### **RISK MANAGEMENT**

A comprehensive risk management plan seeks to manage the risks of loss encountered in the everyday operations of an organization. Risk management involves such key components as risk avoidance, risk reduction, risk assumption, and risk transfers through the purchase of insurance. The purpose of establishing a risk management policy is to help maintain the integrity and financial stability of the City, protect its employees from injury, and reduce overall costs of operations.

1. The City will maintain a risk management program that will minimize the impact of legal liabilities, natural disasters or other emergencies through the following activities:
  - a) Loss prevention - prevent losses where possible
  - b) Loss control - reduce or mitigate losses
  - c) Loss financing - provide a means to finance losses
  - d) Loss information management - collect and analyze data to make prudent prevention, control and financing decisions
2. The City will review and analyze all areas of risk in order to, whenever possible, avoid and reduce risks or transfer risks to other entities. Of the risks that must be retained, it shall be the policy to fund the risks which the City can afford and transfer all other risks to insurers.
3. The City will maintain an active safety committee comprised of City employees.
4. The City will periodically conduct educational safety and risk avoidance programs within its various divisions.
5. The City will, on an ongoing basis, analyze the feasibility of self funding and other cooperative funding options in lieu of purchasing outside insurance in order to provide the best coverage at the most economical cost.
6. Staff will report to the Council, annually on the results of the City's risk management program for the preceding year.
7. The City will maintain a separate Self Insurance Fund within its fund and account groups.
8. The City will periodically review the reserve balance within the Self Insurance and provide estimates of Incurred But Not Reported (IBNR) claims.
9. The City will maintain an unrestricted Self Insurance Fund balance of no less than \$500,000.

All of the above documented policies have been formally adopted by the City Council.

# **Richfield Strategic Planning**

At the onset of 2019, the Richfield City Council, along with city staff, worked in unison to develop long-term strategic goals to best serve the needs of residents. After numerous work sessions and a considerable amount of research, the city council settled on six core values that would become the guiding framework for the city.

Core values are the fundamental beliefs of an organization. These guiding principles dictate behavior and help people understand why an organization is taking a certain course of action. Core values also help organizations determine if they are on the right path and fulfilling their goals by creating an unwavering guide.

After due consideration the city council decided on six core values: lead the way, responsive, fiscally responsible, community centered, celebrate diversity and equitable.

1. **Lead the way** – The City of Richfield seeks to continuously improve the services it provides to residents through innovative and creative solutions. The city cultivates an environment of growth for its staff and residents.
2. **Responsive** – The City of Richfield listens and responds to feedback from residents. New projects undertaken by the city will reflect the needs of residents. Both elected officials and city staff will provide timely, knowledgeable customer service to residents at all times.
3. **Fiscally responsible** – The City of Richfield manages its resources in a responsible manner. The city aims to provide services that promote an active and healthy community in the most fiscally-responsible way.
4. **Community centered** – The City of Richfield puts its citizens first. The city is citizen-focused and makes all decisions based on what is in the best interest of current and future residents. Richfield is constantly seeking opportunities to collaborate with residents to set goals and accomplish objectives.
5. **Celebrate diversity** – The City of Richfield celebrates the diversity of its residents and staff. The city seeks to better understand the needs of the community's different cultures. Richfield's diverse culture is one of its greatest strengths and assets.
6. **Equitable** – The City of Richfield believes that every citizen deserves access to high-quality municipal services. The city will work with its community partners to promote an environment of equity and inclusion. Richfield will reduce inequity by focusing on the areas of greatest need.

Following the development of the city's core values, the city council worked with city staff to determine goals and objectives for the coming years. The goals established through this work include: infrastructure, development, equity, housing, community engagement, and core services. The goals and objectives are as follows:

1. **Infrastructure** – Invest in the city's infrastructure to best serve today's and tomorrow's residents, businesses and visitors.

### **Objectives**

- a) Invest in the city's infrastructure in a fiscally-responsible manner.
  - b) Engage with the community on infrastructure project priorities and details.
  - c) Communicate and promote the value of ongoing infrastructure projects.
  - d) Build climate resiliency into city infrastructure.
2. **Development** – Attract and retain development that creates prosperity for all and is consistent with the city's "Urban Hometown" character.

### **Objectives**

- a) Cultivate a healthy, local economic environment that values the city's small businesses and promotes living wage jobs.
  - b) Proactively engage with residents and businesses about development projects and programs.
  - c) Understand the needs of existing and prospective Richfield businesses and create a supportive business environment.
3. **Equity** – Ensure that the city's services are accessible to people of all races, ethnicities, incomes and abilities.

### **Objectives**

- a) Continue our partnership with the Government Alliance on Race and Equity.
  - b) Support both internal and external trainings and policies to advance racial equity.
  - c) Broaden our equity work to include people of color, women, people with disabilities, seniors, LGBTQ, and low-income individuals, as well as any other marginalized or disadvantaged groups.
  - d) Enhance and promote the city's equity initiatives.
4. **Housing** – Provide a full range of quality housing options through our policies and programs.

### **Objectives**

- a) Identify and support an optimal mix of housing to serve all residents' needs.
  - b) Continue to implement affordable housing tools and investigate additional methods to address unmet housing needs, including very affordable housing and accessible housing.
  - c) Maintain and improve the quality and safety of the city's housing stock, especially naturally occurring affordable housing (NOAH).
  - d) Work towards closing the racial disparity gap in homeownership.
  - e) Strengthen the city's rental housing environment and communicate its value to the community.
5. **Community Engagement** – Utilize a wide variety of communication and engagement tools to build stronger relationships with residents, businesses and visitors.

### **Objectives**

- a) Enhance the city's communication offerings through the utilization of plain language and the use of multiple communication channels.
- b) Strengthen partnerships with surrounding communities, Hennepin County, Metropolitan Council, Metropolitan Airport Commission, state agencies and other regional organizations.

- c) Expand community partnerships to build civic capital with schools, non-profit organizations, businesses, and faith communities.
  - d) Build a stronger relationship with residents, especially the city's underserved communities.
6. **Core Services** – Promote and value the city's core services and its contributions to making Richfield an exceptional place to live, learn, work and play.

**Objectives**

- a) Provide excellent core services across all departments.
- b) Continuously review core services for improvements, efficiencies, and cost savings.
- c) Maintain and improve core services given increasing demand and fiscal constraints.
- d) Communicate the value of the city's core services to our residents, elected officials, and staff.
- e) Provide a safe, accessible, and flexible work environment where employees will thrive.

In conjunction with the annual strategic planning process, the city also utilized long-term financial planning known as Key Financial Strategies (KFS). The objective of KFS is to provide a framework for decision making required to identify and implement strategies that will assure long-term community viability. This is especially true for a community such as Richfield because of its combination of opportunities and challenges.

The city's long-range financial plan is based on the assumption of a three percent annual growth in both revenues and expenditures. At the same time, in response to city council direction the city is making the effort to eliminate its dependence on Local Government Aid (LGA) with the goal of eventually eliminating its dependence on LGA as a viable source of revenue.

However, the elimination of LGA as a budgeted source of revenue is easier said than done. In response to infrastructure projects, which required the issuance of tax supported debt, the formation of the Richfield Economic Development Authority (EDA), and increases in General Fund budgeted expenditures, there has been increased pressure on the city's tax levy. To mitigate the pressure on the levy, the city has increased its budgeted level of LGA revenues. Beginning in 2018, budgeted LGA was increased by \$600,000, in 2019 by \$50,000 and \$250,000 in 2020.

Despite the increases in budgeted LGA, the long-term plan is to still reduce or eliminate the use of LGA as a budgeted revenue source. Within the KFS plan, the budgeted level of LGA will be slowly reduced each year beginning in 2021. However, it needs to be noted that the reduction and future elimination of this revenue source can and will create a funding gap within the General Fund. The challenge will be to fill this gap and since cities are limited in the type and extent of revenue they can generate, the outcome is typically an increase in the tax levy.

Furthermore, as noted above, the city is in the process of rebuilding and improving its infrastructure. This process will continue for the next four to five years. Past and future projects have been and will be funded through General Obligation Street Reconstruction Bonds, which will impact the overall tax levy of the city.

Key Financial Strategies provides policymakers the opportunity to look forward and see the impact that future road infrastructure projects and pending debt service tax levies will have on the overall tax levy of the city.

Therefore, it will be the city's challenge to manage the use of LGA and to maintain General Fund operating costs at reasonable levels and balance this with increased debt issuance and subsequent debt service tax levies to mitigate impacts on the residents of Richfield.

The following schedule provides a visual perspective of the Key Financial Strategies planning process.



**City of Richfield**  
**LONG RANGE GENERAL FUND**  
**FINANCIAL OUTLOOK**  
**Through 2026**

|   | 2018<br>Actual    | 2019<br>Adopted   | 2019<br>Revised   | 2020<br>Adopted   | 2021<br>Forecast  |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|
| <b>REVENUE</b>  |                   |                   |                   |                   |                   |
| GENERAL PROPERTY TAX                                  | 13,362,738        | 12,911,737        | 12,911,737        | 13,868,080        | 14,806,706        |
| FISCAL DISPARITIES                                    | 2,640,686         | 3,637,413         | 3,637,413         | 3,443,450         | 3,477,885         |
| LICENSES & PERMITS                                    | 1,385,288         | 1,066,100         | 1,701,500         | 1,106,600         | 1,139,798         |
| LOCAL GOVERNMENT AID                                  | 1,150,000         | 1,200,000         | 1,200,000         | 1,450,000         | 1,100,000         |
| OTHER INTERGOVERNMENTAL                               | 1,233,163         | 1,213,850         | 1,247,540         | 1,213,520         | 1,234,970         |
| CHARGES FOR SERVICES                                  | 2,246,618         | 2,210,420         | 2,551,370         | 2,337,800         | 2,407,934         |
| FINES & FORFEITS                                      | 310,713           | 330,000           | 310,000           | 325,000           | 310,000           |
| MISC. REVENUE   | 153,773           | 110,550           | 96,800            | 108,080           | 108,850           |
| OTHER FINANCING SOURCES                               | 299,920           | 1,550,550         | 606,620           | 1,608,190         | 1,619,242         |
| <b>TOTAL REVENUE</b>                                  | <b>22,782,899</b> | <b>24,230,620</b> | <b>24,262,980</b> | <b>25,460,720</b> | <b>26,205,385</b> |
| <b>EXPENDITURES</b>                                   |                   |                   |                   |                   |                   |
| LEGISLATIVE/EXECUTIVE                                 | 837,836           | 928,660           | 853,530           | 931,070           | 955,232           |
| ADMINISTRATIVE  | 668,263           | 746,390           | 856,240           | 961,630           | 990,479           |
| FINANCE   | 674,332           | 657,700           | 650,850           | 673,000           | 693,190           |
| PUBLIC SAFETY   | 8,671,310         | 9,516,580         | 9,515,850         | 9,847,770         | 10,143,203        |
| FIRE  | 4,237,354         | 4,441,800         | 4,505,500         | 4,850,230         | 4,995,737         |
| COMMUNITY DEVELOPMENT                                 | 1,471,067         | 1,574,280         | 1,576,120         | 1,629,150         | 1,678,025         |
| PUBLIC WORKS  | 4,075,249         | 4,187,140         | 4,123,330         | 4,318,050         | 4,428,804         |
| RECREATION SERVICES                                   | 1,896,519         | 1,968,070         | 1,971,560         | 2,029,820         | 2,090,715         |
| TRANSFER OUT  | 195,000           | 210,000           | 210,000           | 220,000           | 230,000           |
| <b>TOTAL EXPENDITURES</b>                             | <b>22,726,930</b> | <b>24,230,620</b> | <b>24,262,980</b> | <b>25,460,720</b> | <b>26,205,385</b> |
| <b>REVENUE OVER (UNDER) EXPENDITURES</b>              | <b>55,969</b>     | <b>-</b>          | <b>-</b>          | <b>-</b>          | <b>-</b>          |
| <b>GENERAL FUND OPERATING TAX LEVY(Net of Uncoll)</b> | <b>15,835,440</b> | <b>16,549,150</b> | <b>16,549,150</b> | <b>17,311,530</b> | <b>18,284,591</b> |
| <b>Add Back Uncollectible</b>                         | <b>159,954</b>    | <b>167,163</b>    | <b>167,163</b>    | <b>174,864</b>    | <b>182,846</b>    |
| <b>TOTAL OPERATING LEVY</b>                           | <b>15,995,394</b> | <b>16,716,313</b> | <b>16,716,313</b> | <b>17,486,394</b> | <b>18,467,437</b> |
| <b>DEBT/SPECIAL LEVY</b>                              | <b>4,626,517</b>  | <b>4,910,379</b>  | <b>4,910,379</b>  | <b>5,201,077</b>  | <b>5,106,399</b>  |
| <b>TOTAL CERTIFIED LEVY</b>                           | <b>20,621,911</b> | <b>21,626,692</b> | <b>21,626,692</b> | <b>22,687,471</b> | <b>23,573,836</b> |
| <b>Forecasted Certified Levy % Increase</b>           |                   | <b>4.87%</b>      | <b>0.00%</b>      | <b>4.90%</b>      | <b>3.91%</b>      |

The City's long range financial plan (the plan) is based on the assumption of a 3% growth annually in both revenues and expenditures. At the same time, in response to City Council direction, the City is making the effort to eliminate its dependence on Local Government Aid (LGA) as a budgeted general fund revenue. However, due to increased debt issuances to fund local road improvements and increasing general fund costs, there has been increased pressure on the tax levy over the last several years. To mitigate the pressure on the tax levy, the City has increased the budgeted level of LGA by \$600,000 in 2018, \$50,000 in 2019, and \$250,000 in 2020 and pushed several right of way projects out 1 - 2 years.

Despite these recent increases in budgeted LGA, the ultimate goal remains to reduce or eliminate LGA as a budgeted revenue source. Beginning with budget year 2021, the level of budgeted LGA will slowly be reduced. However, it needs to be noted, that any reduction or future elimination of LGA, can and will create a funding gap within the General Fund. The challenge will be to fill this gap and since cities are limited in the type and extent of revenue they can generate, the outcome is an increase in the tax levy.

As always, it will be the challenge of the City to maintain operating costs at reasonable levels and to issue debt in a fiscally responsible manner and to balance the level of budgeted LGA to mitigate any potential increases in the overall tax levy.

|   | 2022              | 2023              | 2024              | 2025              | 2026              |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|
|   | Forecast          | Forecast          | Forecast          | Forecast          | Forecast          |
| <b>REVENUE</b>  |                   |                   |                   |                   |                   |
| GENERAL PROPERTY TAX                                  | 15,488,607        | 16,188,627        | 16,907,678        | 17,646,340        | 18,405,211        |
| FISCAL DISPARITIES                                    | 3,512,663         | 3,547,790         | 3,583,268         | 3,619,101         | 3,655,292         |
| LICENSES & PERMITS                                    | 1,173,992         | 1,209,212         | 1,245,488         | 1,282,853         | 1,321,338         |
| LOCAL GOVERNMENT AID                                  | 1,000,000         | 900,000           | 800,000           | 700,000           | 600,000           |
| OTHER INTERGOVERNMENTAL                               | 1,272,019         | 1,310,180         | 1,349,485         | 1,389,970         | 1,431,669         |
| CHARGES FOR SERVICES                                  | 2,480,172         | 2,554,577         | 2,631,214         | 2,710,151         | 2,791,455         |
| FINES & FORFEITS                                      | 320,000           | 330,000           | 340,000           | 350,000           | 360,000           |
| MISC. REVENUE   | 111,758           | 115,110           | 118,564           | 122,121           | 125,785           |
| OTHER FINANCING SOURCES                               | 1,635,435         | 1,651,789         | 1,668,307         | 1,684,990         | 1,701,840         |
| <b>TOTAL REVENUE</b>                                  | <b>26,994,646</b> | <b>27,807,285</b> | <b>28,644,004</b> | <b>29,505,526</b> | <b>30,392,590</b> |
| <b>EXPENDITURES</b>                                   |                   |                   |                   |                   |                   |
| LEGISLATIVE/EXECUTIVE                                 | 983,889           | 1,013,406         | 1,043,808         | 1,075,122         | 1,107,376         |
| ADMINISTRATIVE  | 1,020,193         | 1,050,799         | 1,082,323         | 1,114,793         | 1,148,237         |
| FINANCE   | 713,986           | 735,406           | 757,467           | 780,193           | 803,598           |
| PUBLIC SAFETY   | 10,447,499        | 10,760,924        | 11,083,752        | 11,416,264        | 11,758,752        |
| FIRE  | 5,145,609         | 5,299,977         | 5,458,977         | 5,622,746         | 5,791,428         |
| COMMUNITY DEVELOPMENT                                 | 1,728,365         | 1,780,216         | 1,833,623         | 1,888,631         | 1,945,290         |
| PUBLIC WORKS  | 4,561,668         | 4,698,518         | 4,839,474         | 4,984,658         | 5,134,198         |
| RECREATION SERVICES                                   | 2,153,436         | 2,218,039         | 2,284,580         | 2,353,118         | 2,423,711         |
| TRANSFER OUT  | 240,000           | 250,000           | 260,000           | 270,000           | 280,000           |
| <b>TOTAL EXPENDITURES</b>                             | <b>26,994,646</b> | <b>27,807,285</b> | <b>28,644,004</b> | <b>29,505,525</b> | <b>30,392,590</b> |
| <b>REVENUE OVER (UNDER) EXPENDITURES</b>              | <b>(0)</b>        | <b>-</b>          | <b>0</b>          | <b>0</b>          | <b>(0)</b>        |
| <b>GENERAL FUND OPERATING TAX LEVY(Net of Uncoll)</b> | <b>19,001,270</b> | <b>19,736,417</b> | <b>20,490,946</b> | <b>21,265,441</b> | <b>22,060,503</b> |
| <b>Add Back Uncollectible</b>                         | <b>190,013</b>    | <b>197,364</b>    | <b>204,909</b>    | <b>212,654</b>    | <b>220,605</b>    |
| <b>TOTAL OPERATING LEVY</b>                           | <b>19,191,283</b> | <b>19,933,781</b> | <b>20,695,855</b> | <b>21,478,095</b> | <b>22,281,108</b> |
| <b>DEBT/SPECIAL LEVY</b>                              | <b>5,604,694</b>  | <b>5,633,210</b>  | <b>5,969,284</b>  | <b>6,145,412</b>  | <b>6,684,127</b>  |
| <b>TOTAL CERTIFIED LEVY</b>                           | <b>24,795,977</b> | <b>25,566,991</b> | <b>26,665,139</b> | <b>27,623,507</b> | <b>28,965,235</b> |
| <b>Forecasted Certified Levy % Increase</b>           | <b>5.18%</b>      | <b>3.11%</b>      | <b>4.30%</b>      | <b>3.59%</b>      | <b>4.86%</b>      |

---

## CITY OFFICIALS

---

|                                  | <u>Term of Office</u> | <u>Term Expires</u> |
|----------------------------------|-----------------------|---------------------|
| MAYOR - MARIA REGAN GONZALEZ     | 4 Years               | December 31, 2022   |
| COUNCIL MEMBER – MARY SUPPLE     | 4 Years               | December 31, 2022   |
| COUNCIL MEMBER – SIMON TRAUTMANN | 4 Years               | December 31, 2020   |
| COUNCIL MEMBER – EDWINA GARCIA   | 4 Years               | December 31, 2020   |
| COUNCIL MEMBER – BEN WHALEN      | 4 Years               | December 31, 2020   |

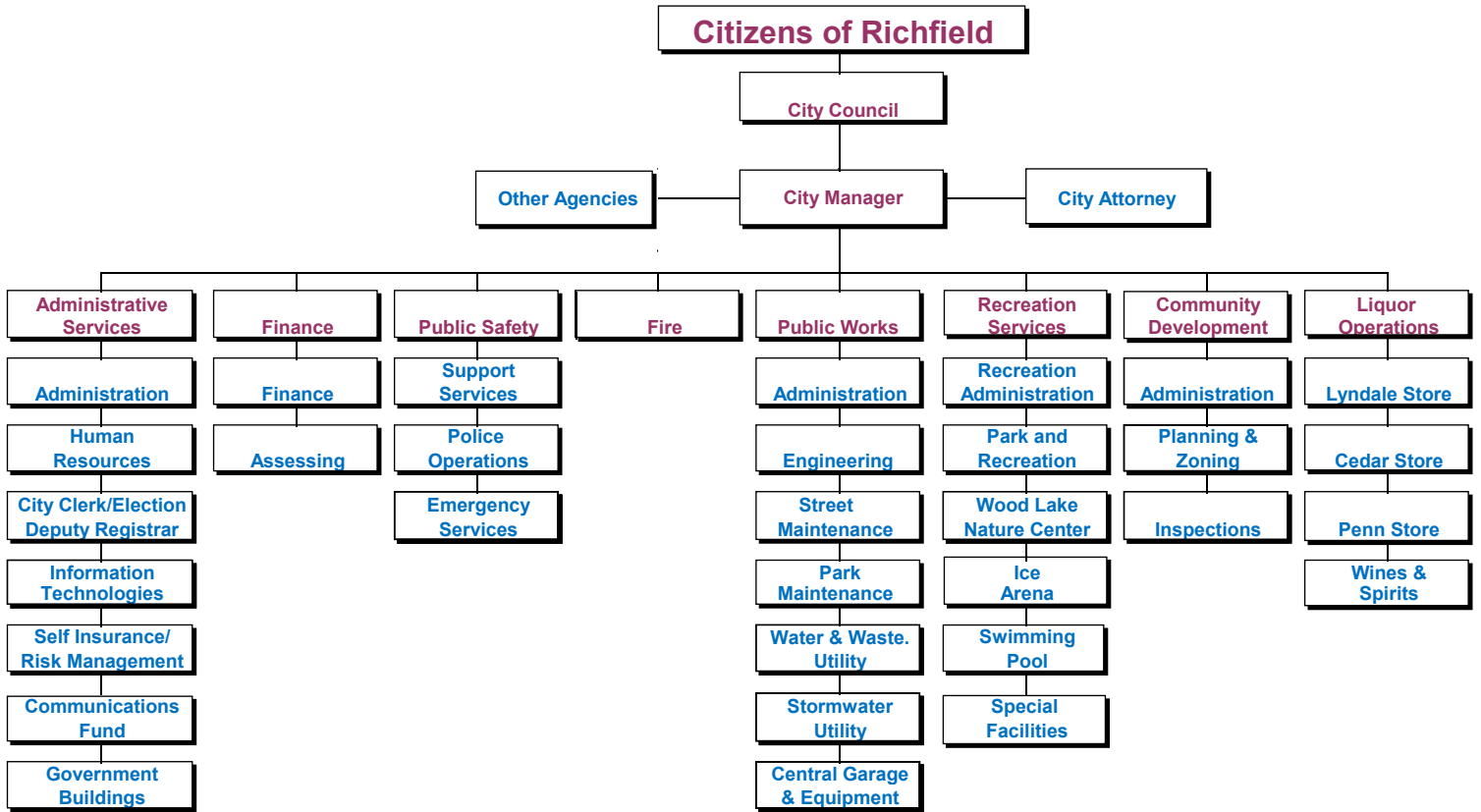
### ADMINISTRATIVE STAFF

KATIE RODRIGUEZ – CITY MANAGER

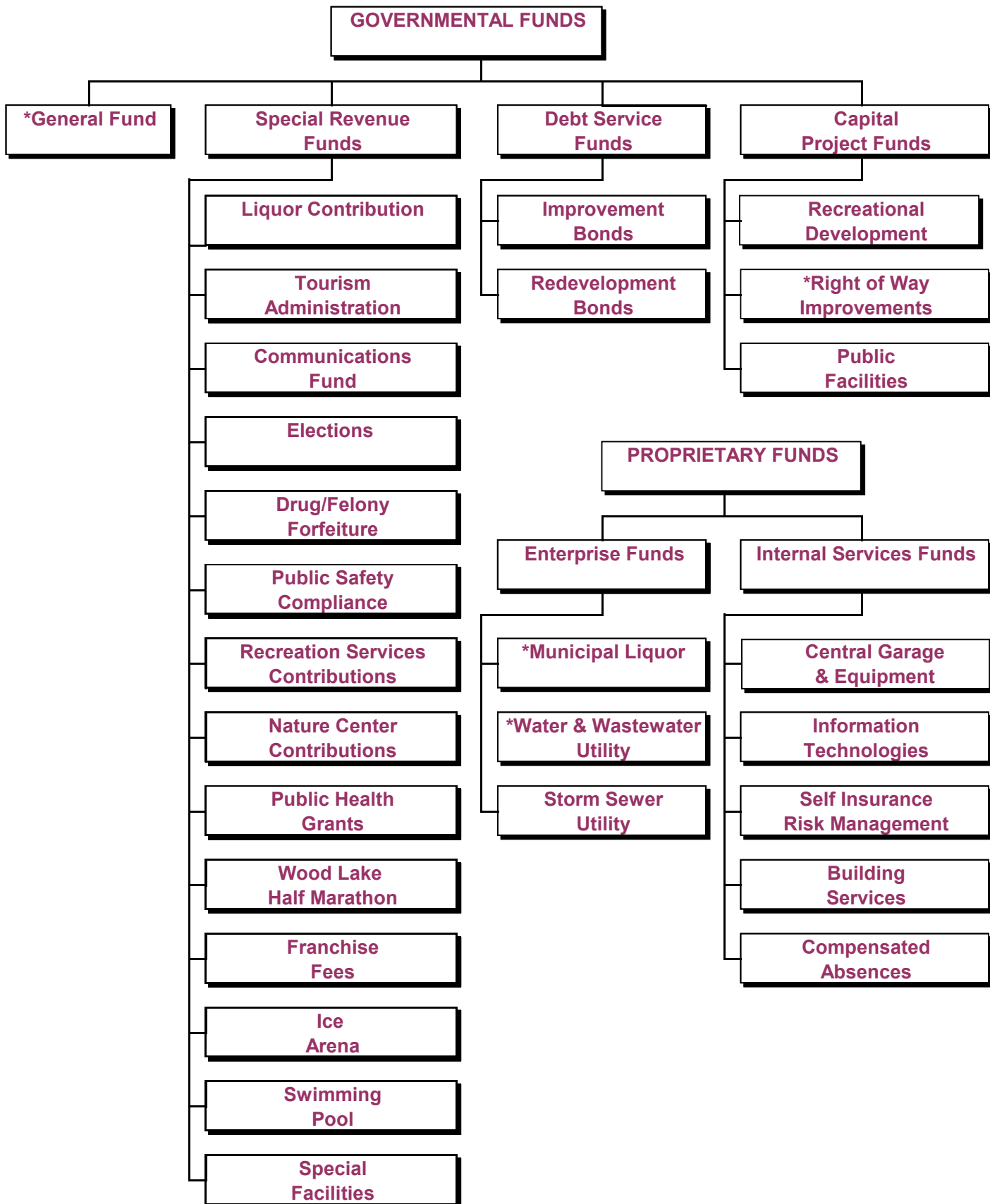
CHRIS REGIS - FINANCE DIRECTOR

ELIZABETH VANHOOSE - CITY CLERK

## City of Richfield Administrative Organization Chart



# CITY OF RICHFIELD - FUND STRUCTURE



The City's budget is prepared using a modified accrual basis of accounting for all governmental funds and an accrual basis of accounting for proprietary funds.

\* Denotes Major Fund

**CITY OF RICHFIELD**  
**2020**  
**RELATIONSHIP BETWEEN DEPARTMENTS & FUNDS**

| Funds                          | Departments           |                         |                     |                    |                    |                       |                     |                     |
|--------------------------------|-----------------------|-------------------------|---------------------|--------------------|--------------------|-----------------------|---------------------|---------------------|
|                                | Legislative Executive | Administrative Services | Finance             | Public Safety      | Fire               | Community Development | Public Works        | Recreation Services |
| <b>Total Department Budget</b> | <b>\$14,125,140</b>   | <b>\$ 5,099,870</b>     | <b>\$ 6,555,340</b> | <b>\$9,947,300</b> | <b>\$4,850,230</b> | <b>\$ 1,629,150</b>   | <b>\$33,887,530</b> | <b>\$11,621,390</b> |
| <b>General Fund</b>            | X                     | X                       | X                   | X                  | X                  | X                     | X                   | X                   |
| <b>Special Revenue Funds:</b>  |                       |                         |                     |                    |                    |                       |                     |                     |
| Liquor Contribution Fund       |                       |                         | X                   |                    |                    |                       |                     |                     |
| Tourism                        |                       | X                       |                     |                    |                    |                       |                     |                     |
| Communications                 |                       | X                       |                     |                    |                    |                       |                     |                     |
| Elections                      |                       | X                       |                     |                    |                    |                       |                     |                     |
| Drug/Felony Forfeiture         |                       |                         |                     | X                  |                    |                       |                     |                     |
| Public Safety Compliance       |                       |                         |                     | X                  |                    |                       |                     |                     |
| F Recreation Contribution      |                       |                         |                     |                    |                    |                       |                     | X                   |
| U Wood Lake Contribution       |                       |                         |                     |                    |                    |                       |                     | X                   |
| N Public Health Grants         |                       |                         |                     | X                  |                    |                       |                     |                     |
| D Wood Lake Half Marathon      |                       |                         |                     |                    |                    |                       |                     | X                   |
| Franchise Fees                 |                       |                         |                     |                    |                    |                       | X                   |                     |
| T Ice Arena                    |                       |                         |                     |                    |                    |                       |                     | X                   |
| Y Swimming Pool                |                       |                         |                     |                    |                    |                       |                     | X                   |
| P Special Facilities           |                       |                         |                     |                    |                    |                       |                     | X                   |
| E                              |                       |                         |                     |                    |                    |                       |                     |                     |
| S <b>Enterprise Funds:</b>     |                       |                         |                     |                    |                    |                       |                     |                     |
| Liquor                         | X                     |                         |                     |                    |                    |                       |                     |                     |
| Water & Wastewater             |                       |                         |                     |                    |                    |                       | X                   |                     |
| Stormwater                     |                       |                         |                     |                    |                    |                       | X                   |                     |
| <b>Internal Service:</b>       |                       |                         |                     |                    |                    |                       |                     |                     |
| Central Garage & Maintenance   |                       |                         |                     |                    |                    |                       | X                   |                     |
| Information Technologies       |                       | X                       |                     |                    |                    |                       |                     |                     |
| Self Insurance                 |                       | X                       |                     |                    |                    |                       |                     |                     |
| Building Services              |                       | X                       |                     |                    |                    |                       |                     |                     |
| <b>Debt Service Funds:</b>     |                       |                         |                     |                    |                    |                       |                     |                     |
| G.O. Improvement Bonds         |                       |                         | X                   |                    |                    |                       |                     |                     |
| G.O. Redevelopment Bonds       |                       |                         | X                   |                    |                    |                       |                     |                     |
| <b>Capital Project Funds:</b>  |                       |                         |                     |                    |                    |                       |                     |                     |
| Recreation & Open Space        |                       |                         |                     |                    |                    |                       |                     | X                   |
| Right of Way Improvements      |                       |                         |                     |                    |                    |                       | X                   |                     |
| Public Facilities              |                       |                         |                     |                    |                    |                       | X                   |                     |

---

## Major Funds and Fund Descriptions

---

Major funds represent the significant activities of the City and basically include any fund whose revenues or expenditures, excluding other financing sources and uses, constitute more than 10% of the revenues or expenditures of the appropriated budget. The breakdown of the City's fund structure is as follows:

### Major Governmental Funds

The main operating fund for the City of Richfield, the General Fund is a major fund of the City and is used to account for the resources devoted to funding services traditionally associated with local governments.

### Major Proprietary Funds

Account for the acquisition, operation and maintenance of government facilities and services, which are entirely self supported by user charges. The City of Richfield incorporates both Enterprise Funds and Internal Service Funds. The only major fund of this type is the Municipal Liquor Fund, which is a retail establishment where merchandise is purchased and marketed with the intent for resale and responsible distribution and the Water and Wastewater Utility Fund which accounts for the City's water and wastewater operations.

### Major Capital Project Funds

These funds account for the financial resources to be used for the acquisition or construction of major capital facilities. The major fund of this type only includes the Right of Way Improvement Fund.

### Nonmajor Special Revenue Funds

These funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes. Funds includes: Liquor Contribution Fund, Tourism Administration Fund, Communications Fund, Elections Fund, Drug/Felony Forfeiture Fund, Public Safety Compliance Fund, Recreation Services Contributions Fund, Nature Center Contributions Fund, Public Health Grants Fund, Wood Lake Half Marathon Fund, Franchise Fee Fund, Ice Arena Fund, Swimming Pool Fund, and Special Facilities Fund.

### Nonmajor Proprietary Funds

These funds account for the acquisition and maintenance of government facilities and services, which are entirely self-supported by user charges. The City of Richfield incorporates both Enterprise Funds and Internal Service Funds into its processes. Enterprise Funds include: only the Storm Sewer Utility Fund. Internal Service Funds include: Central Garage & Equipment Fund, Information Technology Fund, Self Insurance Risk Management Fund, Building Services Fund and Compensated Absences Fund.

### Nonmajor Debt Service Funds

These funds are used to account for the accumulation of resources for, and the repayment of general long-term debt, interest and related costs. The funds included are the General Obligation Redevelopment Bonds Fund and the General Obligation Improvement Bonds.

### Nonmajor Capital Project Funds

These funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities. The two funds included are the Recreational Development Fund and the Public Facility Funds.





GOVERNMENT FINANCE OFFICERS ASSOCIATION

***Distinguished  
Budget Presentation  
Award***

PRESENTED TO

**City of Richfield  
Minnesota**

For the Fiscal Year Beginning

**January 1, 2019**

*Christopher P. Morrill*

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Richfield, Minnesota for its annual budget for the fiscal year beginning January 1, 2019. In order to receive this award, a governmental unit must publish a budget document that meet program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.



## **BUDGET SUMMARY**

## SUMMARY OF 2019 REVISED BUDGET ALL FUNDS

| <u>FUND</u>                      | Fund Balance<br>January 1, 2019 | Revenues             | Expenditures         | Fund Balance<br>December 31, 2019 |
|----------------------------------|---------------------------------|----------------------|----------------------|-----------------------------------|
| <u>General</u>                   | \$ 8,810,296                    | \$ 24,262,980        | \$ 24,262,980        | \$ 8,810,296                      |
| <u>Special Revenue Funds</u>     |                                 |                      |                      |                                   |
| Liquor Contribution              | 136,873                         | 950                  | -                    | 137,823                           |
| Tourism Administration           | 55,646                          | 10,500               | 10,130               | 56,016                            |
| Communications                   | 2,035,076                       | 392,000              | 300,570              | 2,126,506                         |
| Elections                        | 1,267,878                       | 361,000              | 160,300              | 1,468,578                         |
| Drug Felony/Forfeiture           | 185,839                         | 61,200               | 41,630               | 205,409                           |
| Public Safety Compliance         | 139,630                         | 65,790               | 49,840               | 155,580                           |
| Recreation Contributions         | 38,328                          | 30,200               | 21,000               | 47,528                            |
| Nature Center Contributions      | 53,961                          | 94,100               | 91,100               | 56,961                            |
| Public Health Grants             | 104,510                         | 53,050               | 48,330               | 109,230                           |
| Wood Lake Half Marathon          | 25,636                          | 69,500               | 63,800               | 31,336                            |
| Franchise Fees                   | 2,208,703                       | 1,852,000            | 2,039,480            | 2,021,223                         |
| Ice Arena                        | (3,841,402)                     | 1,237,170            | 1,026,470            | (3,630,702)                       |
| Swimming Pool                    | (952,039)                       | 537,310              | 466,860              | (881,589)                         |
| Special Facilities               | 26,791                          | 141,190              | 137,690              | 30,291                            |
| <u>Enterprise Funds *</u>        |                                 |                      |                      |                                   |
| Liquor                           | 3,838,831                       | 12,595,000           | 12,003,270           | 4,430,561                         |
| Water & Sewer Utility**          | 17,839,830                      | 9,250,710            | 8,169,200            | 18,921,340                        |
| Storm Sewer Utility **           | 7,753,160                       | 1,804,420            | 2,092,040            | 7,465,540                         |
| <u>Internal Service Funds *</u>  |                                 |                      |                      |                                   |
| Central Garage                   | 4,646,213                       | 2,194,950            | 1,892,750            | 4,948,413                         |
| Information Technologies         | 197,659                         | 1,186,920            | 1,258,090            | 126,489                           |
| Self Insurance                   | 4,776,472                       | 972,920              | 1,163,590            | 4,585,802                         |
| Building Services                | 772,161                         | 897,140              | 897,140              | 772,161                           |
| <u>Debt Service Funds **</u>     |                                 |                      |                      |                                   |
| G.O. Improvement Bonds           | 10,844,148                      | 9,624,400            | 15,217,050           | 5,251,498                         |
| G.O. Redevelopment Bonds         | -                               | 868,100              | 868,100              | -                                 |
| <u>Capital Improvement Funds</u> |                                 |                      |                      |                                   |
| Recreational Development         | 4,362,917                       | 450,000              | 450,000              | 4,362,917                         |
| Right-of-Way Improvements        | 14,455,969                      | 16,730,220           | 16,730,220           | 14,455,969                        |
| Public Facilities                | -                               | 2,565,000            | 2,565,000            | -                                 |
| <b>TOTALS</b>                    | <b>\$ 79,783,086</b>            | <b>\$ 88,308,720</b> | <b>\$ 92,026,630</b> | <b>\$ 76,065,176</b>              |

\* In municipal accounting, all capital outlay acquired by the Enterprise and Internal Service Funds is recorded at cost. This cost is charged as depreciation expense over the estimated useful life of the asset.

\*\* Bonds are not recorded as current expenditures, but rather as adjustments to the cash position.

## SUMMARY OF 2020 BUDGET ALL FUNDS

| FUND                             | Fund Balance<br>January 1, 2020 | Revenues             | Expenditures         | Fund Balance<br>December 31, 2020 |
|----------------------------------|---------------------------------|----------------------|----------------------|-----------------------------------|
| <u>General</u>                   | \$ 8,810,296                    | \$ 25,460,720        | \$ 25,460,720        | \$ 8,810,296                      |
| <u>Special Revenue Funds</u>     |                                 |                      |                      |                                   |
| Liquor Contribution              | 137,823                         | 450,950              | 450,000              | 138,773                           |
| Tourism Administration           | 56,016                          | 10,500               | 10,130               | 56,386                            |
| Communications                   | 2,126,506                       | 395,800              | 480,260              | 2,042,046                         |
| Elections                        | 1,468,578                       | 378,500              | 133,460              | 1,713,618                         |
| Drug Felony/Forfeiture           | 205,409                         | 42,000               | 43,000               | 204,409                           |
| Public Safety Compliance         | 155,580                         | 14,700               | 8,200                | 162,080                           |
| Recreation Contributions         | 47,528                          | 30,220               | 21,000               | 56,748                            |
| Nature Center Contributions      | 56,961                          | 94,200               | 92,000               | 59,161                            |
| Public Health Grants             | 109,230                         | 53,150               | 48,330               | 114,050                           |
| Wood Lake Half Marathon          | 31,336                          | 69,500               | 63,800               | 37,036                            |
| Franchise Fees                   | 2,021,223                       | 1,847,000            | 2,943,020            | 925,203                           |
| Ice Arena                        | (3,630,702)                     | 4,959,990            | 4,755,310            | (3,426,022)                       |
| Swimming Pool                    | (881,589)                       | 563,150              | 481,490              | (799,929)                         |
| Special Facilities               | 30,291                          | 40,400               | 47,970               | 22,721                            |
| <u>Enterprise Funds *</u>        |                                 |                      |                      |                                   |
| Liquor                           | 4,430,561                       | 13,476,810           | 13,194,070           | 4,713,301                         |
| Water & Sewer Utility**          | 18,921,340                      | 9,571,700            | 8,354,280            | 20,138,760                        |
| Storm Sewer Utility **           | 7,465,540                       | 1,917,130            | 2,286,100            | 7,096,570                         |
| <u>Internal Service Funds *</u>  |                                 |                      |                      |                                   |
| Central Garage                   | 4,948,413                       | 2,248,010            | 1,830,100            | 5,366,323                         |
| Information Technologies         | 126,489                         | 1,223,900            | 1,453,700            | (103,311)                         |
| Self Insurance                   | 4,585,802                       | 968,000              | 1,136,880            | 4,416,922                         |
| Building Services                | 772,161                         | 924,180              | 923,810              | 772,531                           |
| <u>Debt Service Funds **</u>     |                                 |                      |                      |                                   |
| G.O. Improvement Bonds           | 5,251,498                       | 4,330,130            | 4,338,060            | 5,243,568                         |
| G.O. Redevelopment Bonds         | -                               | 874,280              | 874,280              | -                                 |
| <u>Capital Improvement Funds</u> |                                 |                      |                      |                                   |
| Recreational Development         | 4,362,917                       | 4,130,000            | 4,130,000            | 4,362,917                         |
| Right-of-Way Improvements        | 14,455,969                      | 9,290,980            | 9,290,980            | 14,455,969                        |
| Public Facilities                | -                               | 4,865,000            | 4,865,000            | -                                 |
| <b>TOTALS</b>                    | <b>\$ 76,065,176</b>            | <b>\$ 88,230,900</b> | <b>\$ 87,715,950</b> | <b>\$ 76,580,126</b>              |

\* In municipal accounting, all capital outlay acquired by the Enterprise and Internal Service Funds is recorded at cost. This cost is charged as depreciation expense over the estimated useful life of the asset.

\*\* Bonds are not recorded as current expenditures, but rather as adjustments to the cash position.

**2018-2020 SUMMARY OF FINANCIAL SOURCES AND USES  
AND CHANGES IN FUND BALANCES**

|   | General Fund         |                      |                      | Special Revenue Funds |                     |                     | Enterprise Funds     |                      |                      |
|---|----------------------|----------------------|----------------------|-----------------------|---------------------|---------------------|----------------------|----------------------|----------------------|
|   | 2018<br>Actual       | 2019<br>Revised      | 2020<br>Budget       | 2018<br>Actual        | 2019<br>Revised     | 2020<br>Budget      | 2018<br>Actual       | 2019<br>Revised      | 2020<br>Budget       |
| <b>FINANCIAL SOURCES</b>                |                      |                      |                      |                       |                     |                     |                      |                      |                      |
| Property Taxes                          | \$ 16,003,424        | \$ 16,549,150        | \$ 17,311,530        | \$ -                  | \$ -                | \$ -                | \$ -                 | \$ -                 | \$ -                 |
| Licenses and Permits                    | 1,385,288            | 1,701,500            | 1,106,600            | -                     | -                   | -                   | -                    | -                    | -                    |
| Intergovernmental Revenues              | 2,383,163            | 2,447,540            | 2,663,520            | 112,378               | 107,670             | 85,900              | 24,605               | -                    | -                    |
| Charges for Services                    | 2,246,618            | 2,551,370            | 2,337,800            | 3,677,911             | 3,763,680           | 3,815,120           | 21,978,680           | 23,261,320           | 24,569,800           |
| Special Assessments                     | -                    | -                    | -                    | -                     | -                   | -                   | -                    | -                    | -                    |
| Fines and Forfeitures                   | 310,713              | 310,000              | 325,000              | 53,093                | 51,200              | 40,000              | -                    | -                    | -                    |
| Miscellaneous Revenues                  | 153,773              | 96,800               | 108,080              | 827,556               | 773,410             | 659,040             | 409,635              | 388,810              | 395,840              |
| Other Financing Sources                 | 299,920              | 606,620              | 1,608,190            | 365,000               | 210,000             | 4,350,000           | 3,027,149            | -                    | -                    |
| Total Financial Sources                 | <u>\$ 22,782,899</u> | <u>\$ 24,262,980</u> | <u>\$ 25,460,720</u> | <u>\$ 5,035,938</u>   | <u>\$ 4,905,960</u> | <u>\$ 8,950,060</u> | <u>\$ 25,440,069</u> | <u>\$ 23,650,130</u> | <u>\$ 24,965,640</u> |
| <b>FINANCIAL USES</b>                   |                      |                      |                      |                       |                     |                     |                      |                      |                      |
| Personnel Services                      | \$ 15,783,443        | \$ 16,861,730        | \$ 17,830,870        | \$ 1,110,648          | \$ 1,105,140        | \$ 1,193,080        | \$ 3,909,090         | \$ 4,058,360         | \$ 4,280,970         |
| Other Services & Charges                | 6,706,174            | 7,191,250            | 7,409,850            | 1,072,685             | 1,270,640           | 1,256,870           | 6,011,132            | 6,046,780            | 6,206,780            |
| Depreciation                            | -                    | -                    | -                    | -                     | -                   | -                   | 2,011,687            | 2,157,220            | 2,130,500            |
| Capital Outlay Improvements             | 42,313               | -                    | -                    | 309,992               | 136,940             | 3,680,000           | -                    | -                    | -                    |
| Cost of Goods Sold                      | -                    | -                    | -                    | -                     | -                   | -                   | 8,645,844            | 9,420,630            | 10,080,090           |
| Other Financing Uses                    | 195,000              | 210,000              | 220,000              | 423,340               | 1,944,480           | 3,448,020           | 299,920              | 308,930              | 768,210              |
| Debt Service                            |                      |                      |                      |                       |                     |                     |                      |                      |                      |
| Principal                               | -                    | -                    | -                    | -                     | -                   | -                   | -                    | -                    | -                    |
| Interest                                | -                    | -                    | -                    | 18,573                | -                   | -                   | 256,796              | 272,590              | 367,900              |
| Total Financial Uses                    | <u>\$ 22,726,930</u> | <u>\$ 24,262,980</u> | <u>\$ 25,460,720</u> | <u>\$ 2,935,238</u>   | <u>\$ 4,457,200</u> | <u>\$ 9,577,970</u> | <u>\$ 21,134,469</u> | <u>\$ 22,264,510</u> | <u>\$ 23,834,450</u> |
| Net increase (decrease) in fund balance | \$ 55,969            | \$ -                 | \$ -                 | \$ 2,100,700          | \$ 448,760          | \$ (627,910)        | \$ 4,305,600         | \$ 1,385,620         | \$ 1,131,190         |
| Change in Accounting Principle          | -                    | -                    | -                    | -                     | -                   | -                   | (5,313)              | -                    | -                    |
| Prior Period Adjustment                 | -                    | -                    | -                    | -                     | -                   | -                   | (318,362)            | -                    | -                    |
| <b>FUND BALANCES:</b>                   |                      |                      |                      |                       |                     |                     |                      |                      |                      |
| Fund Balance - Beginning                | \$ 8,754,327         | \$ 8,810,296         | \$ 8,810,296         | \$ (615,270)          | \$ 1,485,430        | \$ 1,934,190        | \$ 25,126,221        | \$ 29,431,821        | \$ 30,817,441        |
| Fund Balance - Ending                   | <u>\$ 8,810,296</u>  | <u>\$ 8,810,296</u>  | <u>\$ 8,810,296</u>  | <u>\$ 1,485,430</u>   | <u>\$ 1,934,190</u> | <u>\$ 1,306,280</u> | <u>\$ 29,431,821</u> | <u>\$ 30,817,441</u> | <u>\$ 31,948,631</u> |

| Internal Service Funds |                      |                      | Debt Service Funds   |                      |                     | Capital Improvement Funds |                      |                      | Totals               |                      |                      |
|------------------------|----------------------|----------------------|----------------------|----------------------|---------------------|---------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| 2018                   | 2019                 | 2020                 | 2018                 | 2019                 | 2020                | 2018                      | 2019                 | 2020                 | 2018                 | 2019                 | 2020                 |
| Actual                 | Revised              | Budget               | Actual               | Revised              | Budget              | Actual                    | Revised              | Budget               | Actual               | Revised              | Budget               |
| \$ -                   | \$ -                 | \$ -                 | \$ 2,884,805         | \$ 3,170,340         | \$ 3,478,690        | \$ 1,152,799              | \$ 795,000           | \$ 815,000           | \$ 20,041,028        | \$ 20,514,490        | \$ 21,605,220        |
| -                      | -                    | -                    | -                    | -                    | -                   | -                         | -                    | -                    | 1,385,288            | 1,701,500            | 1,106,600            |
| -                      | -                    | -                    | -                    | -                    | -                   | 3,630,323                 | 3,030,000            | 6,450,980            | 6,150,469            | 5,585,210            | 9,200,400            |
| 3,860,861              | 3,982,450            | 4,071,990            | -                    | -                    | -                   | -                         | -                    | -                    | 31,764,070           | 33,558,820           | 34,794,710           |
| -                      | -                    | -                    | 56,015               | 56,000               | 55,000              | 146,293                   | -                    | -                    | 202,308              | 56,000               | 55,000               |
| -                      | -                    | -                    | -                    | -                    | -                   | -                         | -                    | -                    | 363,806              | 361,200              | 365,000              |
| 382,658                | 181,480              | 187,100              | 220,761              | 45,000               | 45,000              | 434,319                   | 8,188,340            | 8,020,000            | 2,428,702            | 9,673,840            | 9,415,060            |
| 855,000                | 1,088,000            | 1,105,000            | 11,148,580           | 7,221,160            | 1,625,720           | 10,273,964                | 7,731,880            | 3,000,000            | 25,969,613           | 16,857,660           | 11,688,910           |
| <u>\$ 5,098,519</u>    | <u>\$ 5,251,930</u>  | <u>\$ 5,364,090</u>  | <u>\$ 14,310,161</u> | <u>\$ 10,492,500</u> | <u>\$ 5,204,410</u> | <u>\$ 15,637,698</u>      | <u>\$ 19,745,220</u> | <u>\$ 18,285,980</u> | <u>\$ 88,305,284</u> | <u>\$ 88,308,720</u> | <u>\$ 88,230,900</u> |
| \$ 1,474,614           | \$ 1,562,130         | \$ 1,720,490         | \$ -                 | \$ -                 | \$ -                | \$ -                      | \$ -                 | \$ -                 | \$ 22,277,795        | \$ 23,587,360        | \$ 25,025,410        |
| 2,284,711              | 2,870,950            | 2,997,320            | -                    | 72,950               | -                   | 6,894,351                 | -                    | -                    | 22,969,053           | 17,452,570           | 17,870,820           |
| 828,458                | 696,430              | 586,680              | -                    | -                    | -                   | -                         | -                    | -                    | 2,840,145            | 2,853,650            | 2,717,180            |
| -                      | -                    | -                    | -                    | -                    | -                   | 4,089,009                 | 19,745,220           | 18,285,980           | 4,441,314            | 19,882,160           | 21,965,980           |
| -                      | -                    | -                    | -                    | -                    | -                   | -                         | -                    | -                    | 8,645,844            | 9,420,630            | 10,080,090           |
| 70,000                 | 82,060               | 40,000               | 9,800,000            | 5,656,200            | 435,000             | 1,433,064                 | -                    | -                    | 12,221,324           | 8,201,670            | 4,911,230            |
| -                      | -                    | -                    | 2,365,000            | 8,870,000            | 3,290,000           | -                         | -                    | -                    | 2,365,000            | 8,870,000            | 3,290,000            |
| -                      | -                    | -                    | 1,579,424            | 1,486,000            | 1,487,340           | -                         | -                    | -                    | 1,854,793            | 1,758,590            | 1,855,240            |
| <u>\$ 4,657,783</u>    | <u>\$ 5,211,570</u>  | <u>\$ 5,344,490</u>  | <u>\$ 13,744,424</u> | <u>\$ 16,085,150</u> | <u>\$ 5,212,340</u> | <u>\$ 12,416,424</u>      | <u>\$ 19,745,220</u> | <u>\$ 18,285,980</u> | <u>\$ 77,615,268</u> | <u>\$ 92,026,630</u> | <u>\$ 87,715,950</u> |
| \$ 440,736             | \$ 40,360            | \$ 19,600            | \$ 565,737           | \$ (5,592,650)       | \$ (7,930)          | \$ 3,221,274              | \$ -                 | \$ -                 | \$ 10,690,016        | \$ (3,717,910)       | \$ 514,950           |
| (2,124)                | -                    | -                    | -                    | -                    | -                   | -                         | -                    | -                    | (7,437)              | -                    | -                    |
| -                      | -                    | -                    | -                    | -                    | -                   | -                         | -                    | -                    | (318,362)            | -                    | -                    |
| <u>\$ 9,951,769</u>    | <u>\$ 10,392,505</u> | <u>\$ 10,432,865</u> | <u>\$ 10,278,411</u> | <u>\$ 10,844,148</u> | <u>\$ 5,251,498</u> | <u>\$ 15,597,612</u>      | <u>\$ 18,818,886</u> | <u>\$ 18,818,886</u> | <u>\$ 69,093,070</u> | <u>\$ 79,783,086</u> | <u>\$ 76,065,176</u> |
| <u>\$ 10,392,505</u>   | <u>\$ 10,432,865</u> | <u>\$ 10,452,465</u> | <u>\$ 10,844,148</u> | <u>\$ 5,251,498</u>  | <u>\$ 5,243,568</u> | <u>\$ 18,818,886</u>      | <u>\$ 18,818,886</u> | <u>\$ 18,818,886</u> | <u>\$ 79,783,086</u> | <u>\$ 76,065,176</u> | <u>\$ 76,580,126</u> |



## COMPARATIVE ANALYSIS OF REVENUES ALL FUNDS

|                                  | 2018<br>Actual       | 2019<br>Budget       | 2019<br>Revised      | 2020<br>Budget       |
|----------------------------------|----------------------|----------------------|----------------------|----------------------|
| <u>*General Fund</u>             | 22,782,899           | 24,230,620           | \$ 24,262,980        | 25,460,720           |
| <u>Special Revenue Funds</u>     |                      |                      |                      |                      |
| Liquor Contribution Fund         | 2,128                | 450,950              | 950                  | 450,950              |
| Tourism Administration           | 14,266               | 13,400               | 10,500               | 10,500               |
| Communications                   | 427,234              | 443,700              | 392,000              | 395,800              |
| Elections                        | 359,783              | 271,500              | 361,000              | 378,500              |
| Drug Felony/Forfeiture           | 55,589               | 41,850               | 61,200               | 42,000               |
| Public Safety Compliance         | 50,879               | 31,380               | 65,790               | 14,700               |
| Recreation Contributions         | 42,659               | 30,150               | 30,200               | 30,220               |
| Nature Center Contributions      | 93,601               | 73,500               | 94,100               | 94,200               |
| Public Health Grants             | 53,861               | 36,870               | 53,050               | 53,150               |
| Wood Lake Half Marathon          | 59,824               | 69,100               | 69,500               | 69,500               |
| Franchise Fees                   | 1,860,744            | 1,837,000            | 1,852,000            | 1,847,000            |
| Ice Arena                        | 1,388,119            | 1,169,390            | 1,237,170            | 4,959,990            |
| Swimming Pool                    | 470,936              | 507,010              | 537,310              | 563,150              |
| Special Facilities               | 156,315              | 46,090               | 141,190              | 40,400               |
| <u>Enterprise Funds</u>          |                      |                      |                      |                      |
| *Liquor                          | 11,671,168           | 12,572,020           | 12,595,000           | 13,476,810           |
| *Water & Sewer Utility           | 10,421,236           | 9,214,210            | 9,250,710            | 9,571,700            |
| Storm Sewer Utility              | 3,347,665            | 1,791,920            | 1,804,420            | 1,917,130            |
| <u>Internal Service Funds</u>    |                      |                      |                      |                      |
| Central Garage                   | 2,011,653            | 2,186,970            | 2,194,950            | 2,248,010            |
| Information Technologies         | 1,116,525            | 1,188,800            | 1,186,920            | 1,223,900            |
| Self Insurance                   | 1,049,085            | 981,430              | 972,920              | 968,000              |
| Building Services                | 890,849              | 886,940              | 897,140              | 924,180              |
| Compensated Absences             | 30,407               | -                    | -                    | -                    |
| <u>Debt Service Funds</u>        |                      |                      |                      |                      |
| G.O. Improvement Bonds           | 13,440,795           | 3,997,580            | 9,624,400            | 4,330,130            |
| G.O. Redevelopment Bonds         | 869,366              | 868,050              | 868,100              | 874,280              |
| <u>Capital Improvement Funds</u> |                      |                      |                      |                      |
| Recreational Development         | 418,472              | 450,000              | 450,000              | 4,130,000            |
| *Right-of-Way Improvements       | 15,219,226           | 27,690,000           | 16,730,220           | 9,290,980            |
| Public Facilities                | -                    | 2,935,000            | 2,565,000            | 4,865,000            |
| <b>Total</b>                     | <b>\$ 88,305,284</b> | <b>\$ 94,015,430</b> | <b>\$ 88,308,720</b> | <b>\$ 88,230,900</b> |

\* These funds represent major funds of the City. Major funds represent the significant activities of the City and basically include any fund whose revenues or expenditures, excluding other financing sources and uses, constitute more than 10% of the revenues or expenditures of the appropriated budget.

## COMPARATIVE ANALYSIS OF EXPENDITURES ALL FUNDS

|                                  | 2018<br>Actual       | 2019<br>Budget       | 2019<br>Revised      | 2020<br>Budget       |
|----------------------------------|----------------------|----------------------|----------------------|----------------------|
| <b>*General Fund</b>             |                      |                      |                      |                      |
| Legislative/Executive            | \$ 837,836           | \$ 928,660           | \$ 853,530           | \$ 931,070           |
| Administrative Services          | 668,263              | 746,390              | 856,240              | 961,630              |
| Finance                          | 674,332              | 657,700              | 650,850              | 673,000              |
| Public Safety                    | 8,671,310            | 9,516,580            | 9,515,850            | 9,847,770            |
| Fire                             | 4,237,354            | 4,441,800            | 4,505,500            | 4,850,230            |
| Community Development            | 1,471,067            | 1,574,280            | 1,576,120            | 1,629,150            |
| Public Works                     | 4,075,249            | 4,187,140            | 4,123,330            | 4,318,050            |
| Recreation Services              | 1,896,519            | 1,968,070            | 1,971,560            | 2,029,820            |
| Operating transfers              | 195,000              | 210,000              | 210,000              | 220,000              |
| Subtotal                         | <u>\$ 22,726,930</u> | <u>\$ 24,230,620</u> | <u>\$ 24,262,980</u> | <u>\$ 25,460,720</u> |
| <b>Special Revenue Funds</b>     |                      |                      |                      |                      |
| Liquor Contribution Fund         | -                    | 450,000              | -                    | 450,000              |
| Tourism Administration           | 9,839                | 10,130               | 10,130               | 10,130               |
| Communications                   | 376,886              | 490,100              | 300,570              | 480,260              |
| Election                         | 118,254              | 141,690              | 160,300              | 133,460              |
| Drug Felony/Forfeiture           | 10,484               | 42,160               | 41,630               | 43,000               |
| Public Safety Compliance         | 25,690               | 29,300               | 49,840               | 8,200                |
| Recreation Contributions         | 20,214               | 20,000               | 21,000               | 21,000               |
| Nature Center Contributions      | 87,294               | 74,200               | 91,100               | 92,000               |
| Public Health Grants             | 48,554               | 36,320               | 48,330               | 48,330               |
| Wood Lake Half Marathon          | 66,803               | 60,000               | 63,800               | 63,800               |
| Franchise Fees                   | 398,265              | 2,039,480            | 2,039,480            | 2,943,020            |
| Ice Arena                        | 1,205,071            | 993,860              | 1,026,470            | 4,755,310            |
| Swimming Pool                    | 423,453              | 464,420              | 466,860              | 481,490              |
| Special Facilities               | 144,431              | 46,460               | 137,690              | 47,970               |
| <b>Enterprise Funds</b>          |                      |                      |                      |                      |
| *Liquor                          | 11,105,484           | 12,347,750           | 12,003,270           | 13,194,070           |
| *Water & Sewer Utility           | 8,228,587            | 8,211,380            | 8,169,200            | 8,354,280            |
| Storm Sewer Utility              | 1,800,398            | 2,127,390            | 2,092,040            | 2,286,100            |
| <b>Internal Service Funds</b>    |                      |                      |                      |                      |
| Central Garage                   | 2,000,854            | 2,059,120            | 1,892,750            | 1,830,100            |
| Information Technologies         | 1,079,420            | 1,222,810            | 1,258,090            | 1,453,700            |
| Self Insurance                   | 690,949              | 1,145,220            | 1,163,590            | 1,136,880            |
| Building Services                | 856,153              | 893,870              | 897,140              | 923,810              |
| Compensated Absences             | 30,407               | -                    | -                    | -                    |
| <b>Debt Service Funds</b>        |                      |                      |                      |                      |
| G.O. Improvement Bonds           | 12,875,058           | 9,993,890            | 15,217,050           | 4,338,060            |
| G.O. Redevelopment Bonds         | 869,366              | 868,050              | 868,100              | 874,280              |
| <b>Capital Improvement Funds</b> |                      |                      |                      |                      |
| Recreational Development         | 458,387              | 450,000              | 450,000              | 4,130,000            |
| *Right-of-Way Improvements       | 11,958,037           | 27,690,000           | 16,730,220           | 9,290,980            |
| Public Facilities                | -                    | 2,935,000            | 2,565,000            | 4,865,000            |
| Total                            | <u>\$ 77,615,268</u> | <u>\$ 99,073,220</u> | <u>\$ 92,026,630</u> | <u>\$ 87,715,950</u> |

\* These funds represent major funds of the City. Major funds represent the significant activities of the City and basically include any fund whose revenues or expenditures, excluding other financing sources and uses, constitute more than 10% of the revenues or expenditures of the appropriated budget.

---

**COMPARATIVE ANALYSIS OF EXPENDITURES  
BY MAJOR OBJECTIVE ALL FUNDS**

---

|                             | <u>2018<br/>Actual</u>      | <u>2019<br/>Budget</u>      | <u>2019<br/>Revised</u>     | <u>2020<br/>Budget</u>      |
|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| <u>Current Expenses</u>     |                             |                             |                             |                             |
| Personal Services           | \$ 22,277,795               | \$ 23,656,090               | \$ 23,587,360               | \$ 25,025,410               |
| Other Services & Charges    | <u>22,969,053</u>           | <u>17,196,920</u>           | <u>17,452,570</u>           | <u>17,870,820</u>           |
| Subtotal                    | \$ 45,246,848               | \$ 40,853,010               | \$ 41,039,930               | \$ 42,896,230               |
| Capital Outlay Improvements | 4,441,314                   | 31,075,000                  | 19,882,160                  | 21,965,980                  |
| Depreciation                | 2,840,145                   | 2,887,320                   | 2,853,650                   | 2,717,180                   |
| Liquor and Recreation:      |                             |                             |                             |                             |
| Cost of Goods Sold          | 8,645,844                   | 9,413,600                   | 9,420,630                   | 10,080,090                  |
| Transfers                   | 12,221,324                  | 4,141,410                   | 8,201,670                   | 4,911,230                   |
| Debt Service                | <u>4,219,793</u>            | <u>10,702,880</u>           | <u>10,628,590</u>           | <u>5,145,240</u>            |
| TOTAL                       | <u><u>\$ 77,615,268</u></u> | <u><u>\$ 99,073,220</u></u> | <u><u>\$ 92,026,630</u></u> | <u><u>\$ 87,715,950</u></u> |

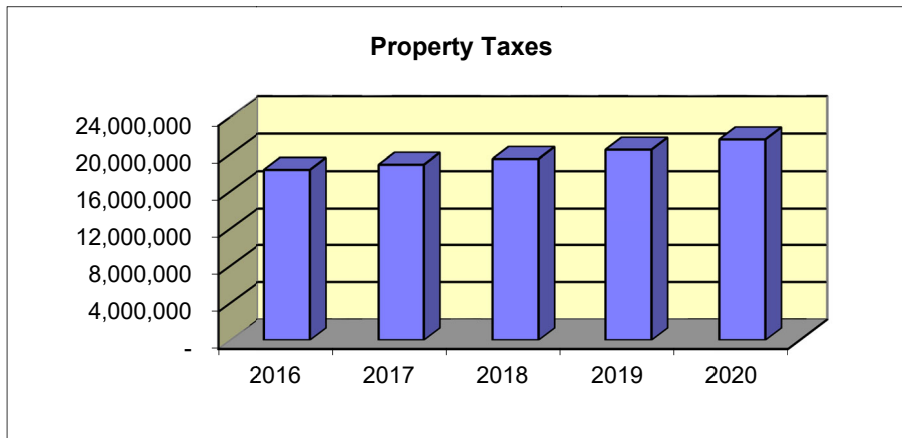
---

## REVENUE ASSUMPTIONS AND TRENDS

---

Included below is a description of major revenue sources reflected in the 2020 Budget.

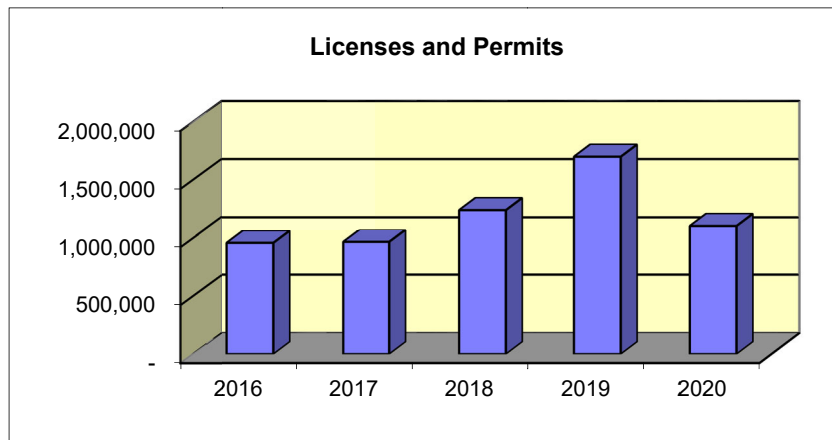
Property Taxes – Property taxes are the primary funding source for the City’s General Fund which is the City’s primary operating fund. The level of General Fund revenues comprising property taxes has increased steadily over the last several years due to shifts in Local Government Aid (LGA) funding. As far back as 2001, taxes accounted for only 38% of General Fund revenues, however, for 2020 they now account for 68%. Accordingly, the total tax levy for 2020 will be \$22,687,471 of which \$17,486,394 will be identified for the General Fund. The balance of taxes collected will be deposited into Capital Projects Funds and Debt Service Funds. Monies deposited into the General Fund help fund general operations of the City. The monies deposited into the Capital Projects Funds are used to fund the replacement of the City’s rolling stock and technology equipment. Finally, the monies deposited into the debt service funds are used to payoff bonds issued for several infrastructure improvements throughout the City.



Licenses and Permits – Business license fees are required to be paid annually by businesses wishing to operate in the City. The level of fees charged are reviewed annually and are adjusted to respond to increased costs in providing the service. Estimated revenues for 2019 and 2020 are \$327,000 and \$338,000 respectively.

Non-business license and permit fees are levied to finance the cost of inspecting and regulating new construction. The revenues generated from these fees can fluctuate from year to year as they are dependent on the amount of new construction, the timing of the new construction and most important market conditions which affect development and redevelopment. For example, actual revenues in 2018 were \$1,025,899, while 2019 revenues projected to increase to \$1,357,500. For 2020, the City is projecting revenues to decrease to \$750,600. The revenue increases in 2018 and 2019 are in response to increased development activity in the City due to positive market conditions.

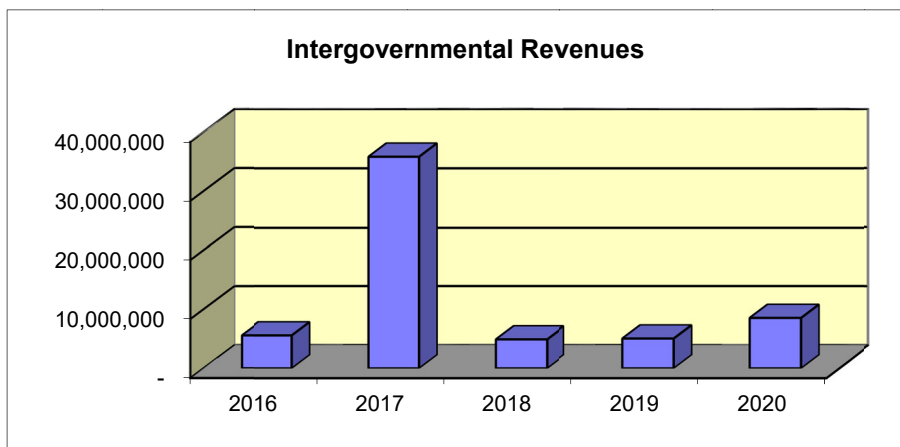
Finally, the revenues generated from these fees are used to support the cost of operating the City Inspection and Support Services divisions of the General Fund. Fees are reviewed annually to ensure that the costs involved for providing the service are recovered.



**Intergovernmental Revenue** - Intergovernmental revenues are monies from other governments in the form of grants, entitlements and shared revenues. Examples of these revenues include Local Government Aid (LGA), state street construction and maintenance aid (MSA), federal and state highway grants, state police aid, and state fire aid.

Citywide intergovernmental revenues for 2019 Revised are estimated at \$5,585,210, while for 2020 they are expected to increase to \$9,200,400. The increase from 2019 to 2020 is a result of two major road projects to be funded by state funds and a recreation project utilizing local funds. The two projects are the reconstruction of 66<sup>th</sup> Street and Lyndale Avenue, the recreation project is replacement of the refrigeration equipment at the City’s ice arena.

In 2020, the City will continue to follow the City Council policy that began in 2011 to eliminate its dependence on LGA. This policy was enacted in response to past State budget issues that had negative trickle down effects on cities. However, beginning in 2014, the financial outlook for the State improved, and along with that, improved funding for LGA. As a result, the City will see increases in LGA for 2019 and 2020 of \$6,363 and \$117,710. However, despite the State’s improved budget outlook, the City feels it is in its best interest to not rely 100% on LGA and will continue City Council policy with regard to LGA. The additional LGA revenues received and not included in the budget, will be set aside and future uses will be determined by the City Council. The decision to end its dependence on LGA presents a financial challenge to budgeted revenues as it has the effect to increase the City’s tax levy to fill the gap in funding. Consequently, in light of the decision made by the City regarding LGA, it will continue to explore alternative revenue options such as gas and electric franchise fees and street light utility fees.



**Charges for Services** - Charges for services include all fees collected for goods sold or services provided. Fees are collected from several sources of which can be characterized into two primary categories.

The first category includes fees collected from the City's governmental funds, with the majority coming from the City's General Fund. Within the General Fund, fees are collected for services provided such as the City Deputy Registrar which provides motor vehicle licensing services and passport services, recreation fees generated from recreation, and nature center programs, and finally inspection fees derived from the housing inspection program and plan review fees that are a result of construction in the City. The dynamics of charges for services within the General Fund differ based on the service provided. With regards to Deputy Registrar fees and recreation program fees these are "fees of choice" that is, the customer pays no fee unless they choose to use the service, where the inspection and plan review fees are generated through City ordinance requirements and building permits.

Within the City's Special Revenue Funds are the Ice Arena, Swimming Pool, and Special Facilities/Mini Golf operations. These operations charge a fee for the opportunity to ice skate, swim or play mini-golf. These operations are dependent on customers choosing to use these facilities and as such, they will continue to market to customers and strive to provide safe, clean facilities for recreational activities.

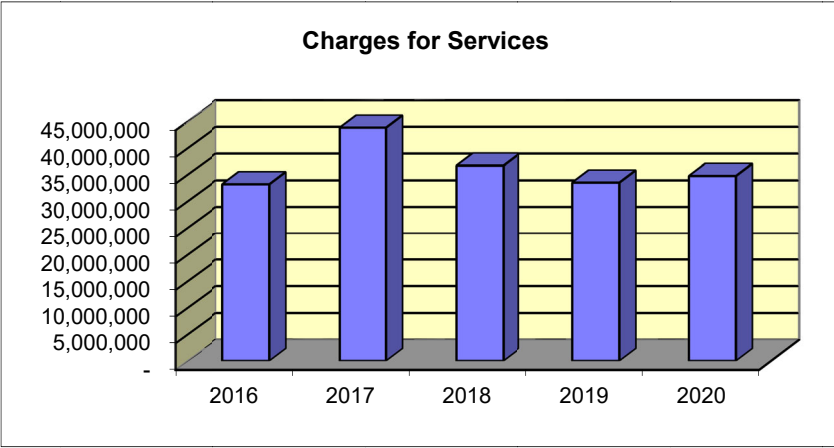
The second category revolves around the City's proprietary funds. These funds include the City's Enterprise and Internal Service Fund activities. The enterprise fund activities involve a four-store municipal liquor operation to provide the responsible distribution of alcoholic beverages at retail. Three utility operations of water, wastewater, and stormwater, where the mission of these three operations is to provide the distribution of high quality water, the collection of wastewater and the treatment and disposal of stormwater. As such, the City has constructed significant infrastructure to provide these services. Fees are charged based on the premise to recover costs and support the operation for which it is collected. Consequently, revenues are generated based on consumption.

The dynamics of fees collected for the enterprise operations of liquor and the three utilities are different based on the service provided. The municipal liquor operation is a retail establishment where merchandise is purchased and marketed with the intent for resale. The utility operations charge a user fee for an essential service that users need and require. The only variable in terms of charges is that fees are based on consumption.

Finally, the City maintains four internal service funds that provide services that include the rental of motor vehicles and heavy equipment, computer equipment and services, office services, self-insurance coverage and maintenance of government buildings. These funds charge other City funds an internal charge or user fee for the services they provide.

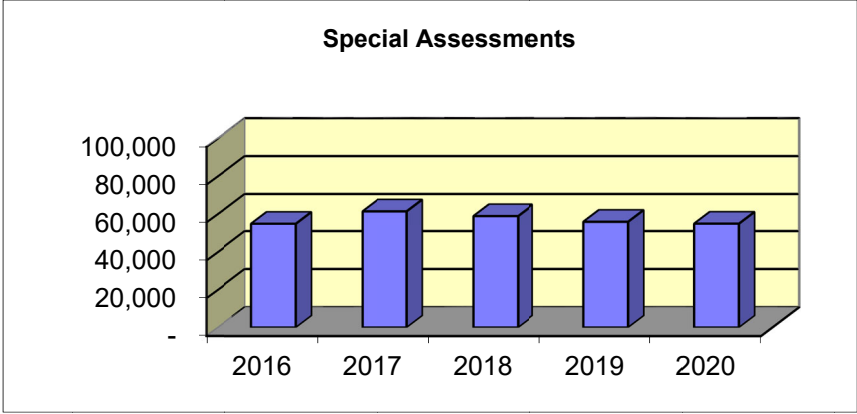
The goal of any fee charged for a provided service is to support the operation for which it is collected. As discussed, the dynamics of the charges for service differ based on the service provided. It will be important for the City, in those instances where a user has a choice, to provide clean, safe and equitable services. Likewise, in those instances where the service is essential or required, it will be necessary to ensure that the fee is commensurate with the service provided. With that stated, for most fees, budgeted revenue projections are based on prior year experiences, the nature of the service provided for the fee, current market conditions and costs involved in the service.

Finally, the City will need to continue to carefully monitor revenues received for charges for services in the future. As the City falls into a position of providing more revenue through locally generated services, charges for service will play a greater part in the future. It will be essential that revenues in this category increase in the future to assure that the costs of providing certain services are covered by the fees charged



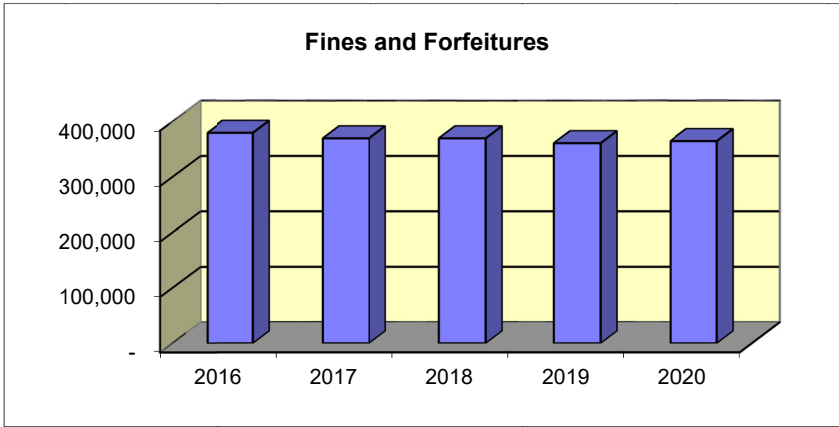
**Special Assessments** - Special assessments are levied on property owners for specific improvements that benefit the property owners. They relate directly to past public improvement projects that were initially funded by General Obligation debt. The special assessments levied, service the debt issued for the projects. Consequently, the amount of debt issues funded by special assessments has decreased in recent years.

While typically a very small portion of the budget, the City will continue to carefully analyze where the use of special assessments procedures are appropriate, and use them accordingly.

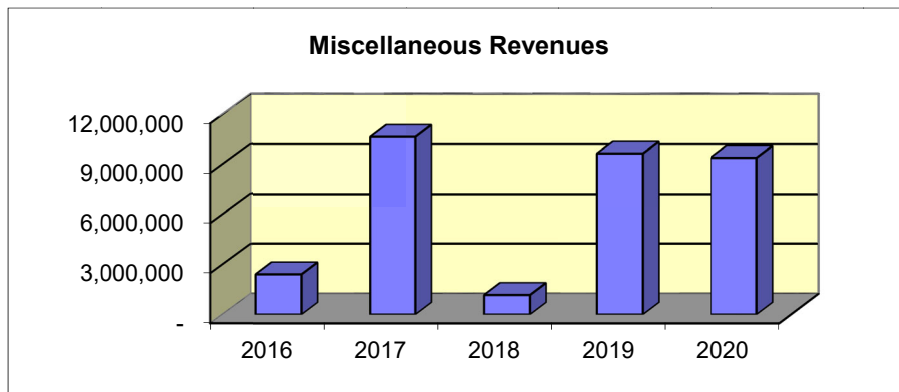


**Fines and Forfeitures** - Fines and forfeitures consist of the City’s share of fines collected by the County for court actions and revenues from drug forfeiture proceedings. Revenue projections for 2019 and 2020 are estimated to be \$310,000 and \$325,000 for each respective budget year. These projections are somewhat optimistic when compared to the average of actual revenues for the years 2016-2018, which is \$297,501.

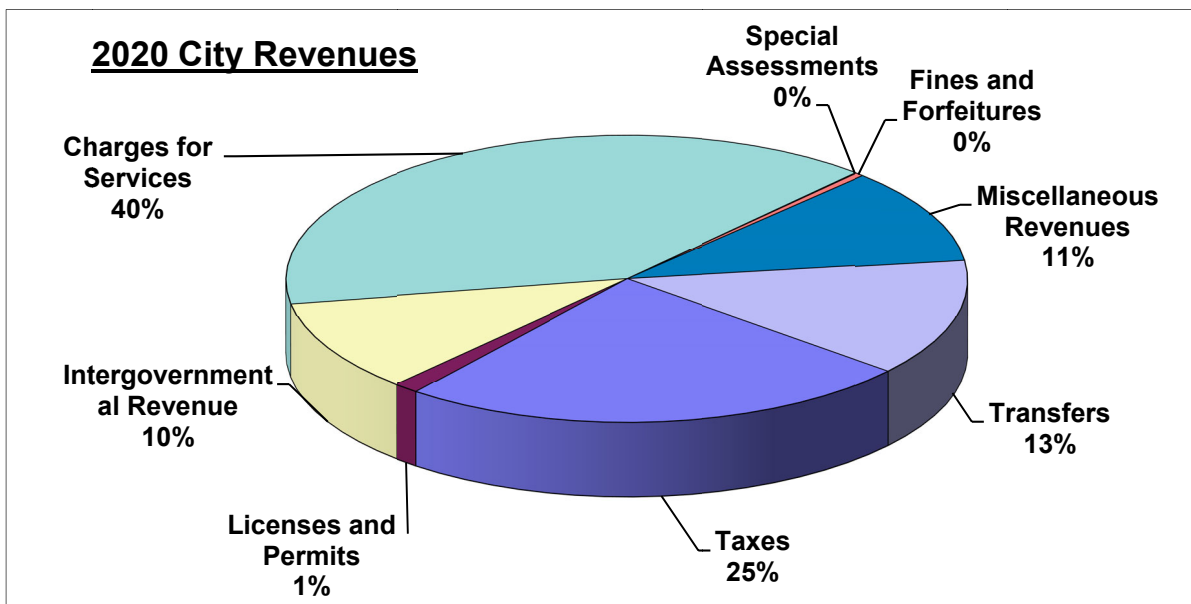
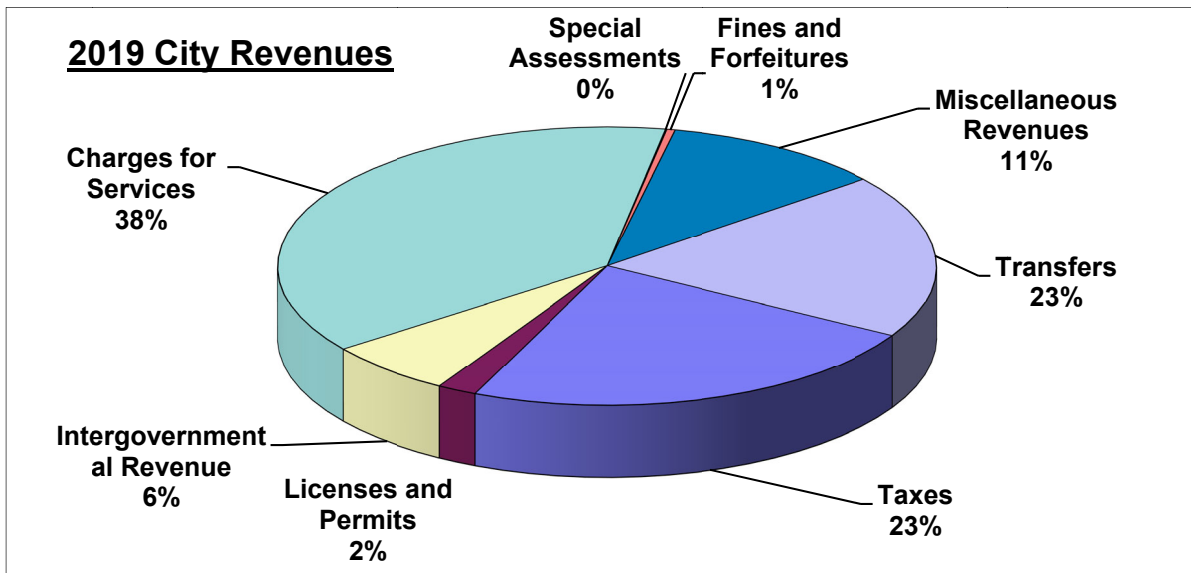
The majority of these revenues are used to support General Fund operations and represent less than 1% of the City’s total budget.



Miscellaneous Revenues - Miscellaneous revenues include interest earnings, rentals, contributions, and sale of property. It is difficult to project the level of revenues to be received in this category. The trend for future revenues in this category is not clear. Interest earnings which typically makes up a large portion of miscellaneous revenue has decreased significantly the last several years due to lower interest rates. If rates were to start increasing, revenues in this category would likewise increase.



The following charts illustrate all revenue components for 2019 and 2020.







**GENERAL FUND**

---

**COMPARATIVE ANALYSIS OF 2019 ADOPTED, 2019 REVISED AND 2020 BUDGET - GENERAL FUND**

---

|                           | Adopted 2019         | Revised 2019         | Proposed 2020        | Adopted/<br>Proposed %<br>Increase/<br>(Decrease) |
|---------------------------|----------------------|----------------------|----------------------|---|
| <b>REVENUES</b>           |                      |                      |                      |   |
| Property Taxes            | \$ 16,549,150        | \$ 16,549,150        | \$ 17,311,530        | 4.61%   |
| Licenses and Permits      | 1,066,100            | 1,701,500            | 1,106,600            | 3.80%   |
| Intergovernmental Revenue | 2,413,850            | 2,447,540            | 2,663,520            | 10.34%  |
| Charges for Services      | 2,210,420            | 2,551,370            | 2,337,800            | 5.76%   |
| Fines and Forfeitures     | 330,000              | 310,000              | 325,000              | -1.52%  |
| Miscellaneous Revenues    | 110,550              | 96,800               | 108,080              | -2.23%  |
| Transfers                 | 1,550,550            | 606,620              | 1,608,190            | 3.72%   |
| Total Revenues            | <u>\$ 24,230,620</u> | <u>\$ 24,262,980</u> | <u>\$ 25,460,720</u> | 5.08%   |
| <b>EXPENDITURES</b>       |                      |                      |                      |   |
| Legislative/Executive     | \$ 928,660           | \$ 853,530           | \$ 931,070           | 0.26%   |
| Administrative Services   | 746,390              | 856,240              | 961,630              | 28.84%  |
| Finance                   | 657,700              | 650,850              | 673,000              | 0.00%   |
| Public Safety             | 9,516,580            | 9,515,850            | 9,847,770            | 3.48%   |
| Fire                      | 4,441,800            | 4,505,500            | 4,850,230            | 9.20%   |
| Community Development     | 1,574,280            | 1,576,120            | 1,629,150            | 3.49%   |
| Public Works              | 4,187,140            | 4,123,330            | 4,318,050            | 3.13%   |
| Recreation Services       | 1,968,070            | 1,971,560            | 2,029,820            | 3.14%   |
| Transfers                 | 210,000              | 210,000              | 220,000              | 4.76%   |
| Total Expenditures        | <u>\$ 24,230,620</u> | <u>\$ 24,262,980</u> | <u>\$ 25,460,720</u> | 5.08%   |

The 2019 Proposed General Fund budget reflects a 5.08% increase in revenues and expenditures as compared to the 2019 Adopted budget. The 2019 Revised budget reflects a .13% increase when compared to the 2019 Adopted budget.

**REVENUES**

The primary source of revenues for the General Fund continues to be property taxes, charges for services, intergovernmental revenues and the transfer in of revenues to fund general fund operations. For the 2020 Proposed budget these four sources account for 94% of total General Fund revenues. Over the last several years the City has employed a strategy to eliminate its dependence on Local Government Aid (LGA) as a response to reductions and unallotments of state aid by the State of Minnesota. However, in response to pressures on the General Fund, debt service levies, and an Economic Development Authority levy, the City has increased it's budgeted level of LGA to \$1,450,000 in order to mitigate these pressures on the tax levy.

**EXPENDITURES**

The largest expenditures incurred by the General Fund remain those for public safety, fire and public works. The proposed 2020 tax levy for the General Fund does not even cover the budgeted 2020 expenditures of these three departments.

## COMPARATIVE ANALYSIS OF FUND BALANCE - GENERAL FUND

|                            | 2018<br>Actual      | 2019<br>Budget      | 2019<br>Revised     | 2020<br>Budget      |
|----------------------------|---------------------|---------------------|---------------------|---------------------|
| Fund Balance - January 1   | \$ 8,754,327        | \$ 8,810,296        | \$ 8,810,296        | \$ 8,810,296        |
| Revenue and Transfers      | 22,782,899          | 24,230,620          | 24,262,980          | 25,460,720          |
| Total Available            | 31,537,226          | 33,040,916          | 33,073,276          | 34,271,016          |
| Expenditures and Transfers | 22,726,930          | 24,230,620          | 24,262,980          | 25,460,720          |
| Fund Balance - December 31 | <u>\$ 8,810,296</u> | <u>\$ 8,810,296</u> | <u>\$ 8,810,296</u> | <u>\$ 8,810,296</u> |
| Fund Balances:             |                     |                     |                     |                     |
| Nonspendable               | \$ 91,050           | 82,273              | \$ 91,050           | \$ 91,050           |
| Unassigned                 | <u>8,719,246</u>    | <u>8,672,054</u>    | <u>8,719,246</u>    | <u>8,719,246</u>    |
| Total Fund Balance         | <u>\$ 8,810,296</u> | <u>\$ 8,754,327</u> | <u>\$ 8,810,296</u> | <u>\$ 8,810,296</u> |

| SOURCE                      | Revised Budget 2019  |                | Budget 2020          |                |
|-----------------------------|----------------------|----------------|----------------------|----------------|
|                             | Total                | Percent        | Total                | Percent        |
| Taxes                       | \$ 16,549,150        | 68.21%         | \$ 17,311,530        | 67.99%         |
| Licenses and Permits        | 1,701,500            | 7.01%          | 1,106,600            | 4.34%          |
| Intergovernmental Revenues: |                      |                |                      |                |
| Local Government Aid        | 1,200,000            | 4.95%          | 1,450,000            | 5.70%          |
| Other                       | 1,247,540            | 5.14%          | 1,213,520            | 4.77%          |
| Subtotal                    | <u>2,447,540</u>     | <u>85.31%</u>  | <u>2,663,520</u>     | <u>82.80%</u>  |
| Charges for Services        | 2,551,370            | 10.52%         | 2,337,800            | 9.18%          |
| Fines and Forfeitures       | 310,000              | 1.28%          | 325,000              | 1.28%          |
| Miscellaneous Revenues      | 96,800               | 0.40%          | 108,080              | 0.42%          |
| Transfers                   | <u>606,620</u>       | <u>2.50%</u>   | <u>1,608,190</u>     | <u>6.32%</u>   |
| Total Revenues              | <u>\$ 24,262,980</u> | <u>100.00%</u> | <u>\$ 25,460,720</u> | <u>100.00%</u> |

## COMPARATIVE ANALYSIS OF REVENUES - GENERAL FUND

|  | 2018<br>Actual       | 2019<br>Budget       | 2019<br>Revised      | 2020<br>Budget       |
|--|----------------------|----------------------|----------------------|----------------------|
| <u>Taxes</u>                           |                      |                      |                      |                      |
| Current Ad Valorem                     | \$ 13,362,738        | \$ 12,911,737        | \$ 12,911,737        | \$ 13,868,080        |
| Fiscal Disparities                     | 2,640,686            | 3,637,413            | 3,637,413            | 3,443,450            |
| <b>Total Property Taxes</b>            | <b>\$ 16,003,424</b> | <b>\$ 16,549,150</b> | <b>\$ 16,549,150</b> | <b>\$ 17,311,530</b> |
| <u>License and Permits</u>             |                      |                      |                      |                      |
| Business Licenses                      | \$ 340,866           | \$ 345,100           | \$ 327,000           | \$ 338,000           |
| Non Business Licenses and Permits      | 1,044,422            | 721,000              | 1,374,500            | 768,600              |
| <b>Total License and Permits</b>       | <b>\$ 1,385,288</b>  | <b>\$ 1,066,100</b>  | <b>\$ 1,701,500</b>  | <b>\$ 1,106,600</b>  |
| <u>Intergovernmental Revenue</u>       |                      |                      |                      |                      |
| Federal -                              |                      |                      |                      |                      |
| Grants                                 | \$ 97,568            | \$ 128,820           | \$ 125,630           | \$ 110,920           |
| State :                                |                      |                      |                      |                      |
| Local Government Aid                   | 1,150,000            | 1,200,000            | 1,200,000            | 1,450,000            |
| Law Officer Training                   | 40,194               | 40,000               | 40,000               | 40,000               |
| Police State Aid                       | 412,971              | 383,000              | 390,000              | 395,000              |
| Fire State Aid                         | 163,754              | 164,000              | 164,000              | 168,600              |
| State-aid Street Maintenance           | 315,000              | 315,000              | 315,000              | 315,000              |
| Grants - Other                         | 37,701               | 25,250               | 49,630               | 20,750               |
| Community Health Services              | 134,407              | 134,440              | 134,440              | 134,410              |
| County-                                |                      |                      |                      |                      |
| Grants - Other                         | 31,568               | 23,340               | 28,840               | 28,840               |
| <b>Total Intergovernmental Revenue</b> | <b>\$ 2,383,163</b>  | <b>\$ 2,413,850</b>  | <b>\$ 2,447,540</b>  | <b>\$ 2,663,520</b>  |
| <u>Charges for Services</u>            |                      |                      |                      |                      |
| General Government                     | \$ 974,201           | \$ 814,000           | \$ 1,079,100         | \$ 833,600           |
| Deputy Registrar                       | 789,085              | 935,000              | 1,015,000            | 1,050,000            |
| Public Safety                          | 50,086               | 40,300               | 44,500               | 49,000               |
| Park and Recreation                    | 357,411              | 348,570              | 338,790              | 331,140              |
| Nature Center                          | 75,835               | 72,550               | 73,980               | 74,060               |
| <b>Total Charges for Services</b>      | <b>\$ 2,246,618</b>  | <b>\$ 2,210,420</b>  | <b>\$ 2,551,370</b>  | <b>\$ 2,337,800</b>  |

---

**COMPARATIVE ANALYSIS OF REVENUES - GENERAL FUND**

---

|                               | 2018<br><u>Actual</u>       | 2019<br><u>Budget</u>       | 2019<br><u>Revised</u>      | 2020<br><u>Budget</u>       |
|-------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| <u>Fines and Forfeits</u>     |                             |                             |                             |                             |
| Municipal Court Fines         | \$ 310,713                  | \$ 330,000                  | \$ 310,000                  | \$ 325,000                  |
| Total Fines and Forfeits      | <u>\$ 310,713</u>           | <u>\$ 330,000</u>           | <u>\$ 310,000</u>           | <u>\$ 325,000</u>           |
| <u>Miscellaneous Revenues</u> |                             |                             |                             |                             |
| Investment Income             | \$ 93,957                   | \$ 46,570                   | \$ 46,570                   | \$ 55,000                   |
| Rents                         | 30,391                      | 32,680                      | 32,930                      | 33,630                      |
| Recovery - Damage to Property | 13,391                      | 5,000                       | 5,500                       | 5,500                       |
| Other                         | 16,034                      | 26,300                      | 11,800                      | 13,950                      |
| Total Miscellaneous Revenues  | <u>\$ 153,773</u>           | <u>\$ 110,550</u>           | <u>\$ 96,800</u>            | <u>\$ 108,080</u>           |
| <u>Transfers</u>              | <u>\$ 299,920</u>           | <u>\$ 1,550,550</u>         | <u>\$ 606,620</u>           | <u>\$ 1,608,190</u>         |
| <u>TOTAL REVENUES</u>         | <u><u>\$ 22,782,899</u></u> | <u><u>\$ 24,230,620</u></u> | <u><u>\$ 24,262,980</u></u> | <u><u>\$ 25,460,720</u></u> |

## COMPARATIVE ANALYSIS OF EXPENDITURES - GENERAL FUND

|                                | 2018<br>Actual      | 2019<br>Budget      | 2019<br>Revised     | 2020<br>Budget      |
|--------------------------------|---------------------|---------------------|---------------------|---------------------|
| <u>Legislative/Executive</u>   |                     |                     |                     |                     |
| Mayor-Council                  | \$ 261,521          | \$ 235,440          | \$ 237,220          | \$ 217,310          |
| Other Agencies                 | 98,230              | 99,560              | 99,560              | 100,860             |
| City Manager                   | 224,746             | 246,260             | 169,350             | 259,460             |
| Legal                          | 253,339             | 347,400             | 347,400             | 353,440             |
| Subtotal                       | <u>\$ 837,836</u>   | <u>\$ 928,660</u>   | <u>\$ 853,530</u>   | <u>\$ 931,070</u>   |
| <u>Administrative Services</u> |                     |                     |                     |                     |
| Administration                 | \$ 60,596           | \$ 114,630          | \$ 154,820          | \$ 165,580          |
| Human Resources                | 24,499              | 69,330              | 52,280              | 63,260              |
| City Clerk                     | 583,168             | 562,430             | 649,140             | 732,790             |
| Subtotal                       | <u>\$ 668,263</u>   | <u>\$ 746,390</u>   | <u>\$ 856,240</u>   | <u>\$ 961,630</u>   |
| <u>Finance</u>                 |                     |                     |                     |                     |
| Finance                        | \$ 295,319          | \$ 308,070          | \$ 308,010          | \$ 319,420          |
| Assessing                      | 379,013             | 349,630             | 342,840             | 353,580             |
| Subtotal                       | <u>\$ 674,332</u>   | <u>\$ 657,700</u>   | <u>\$ 650,850</u>   | <u>\$ 673,000</u>   |
| <u>Public Safety</u>           |                     |                     |                     |                     |
| Support Services               | \$ 914,476          | \$ 981,370          | \$ 996,960          | \$ 1,077,240        |
| Police                         | 7,733,912           | 8,498,720           | 8,481,860           | 8,733,420           |
| Emergency Services             | 22,922              | 36,490              | 37,030              | 37,110              |
| Subtotal                       | <u>\$ 8,671,310</u> | <u>\$ 9,516,580</u> | <u>\$ 9,515,850</u> | <u>\$ 9,847,770</u> |
| <u>Fire</u>                    |                     |                     |                     |                     |
| Fire                           | \$ 4,237,354        | \$ 4,441,800        | \$ 4,505,500        | \$ 4,850,230        |
| Subtotal                       | <u>\$ 4,237,354</u> | <u>\$ 4,441,800</u> | <u>\$ 4,505,500</u> | <u>\$ 4,850,230</u> |
| <u>Community Development</u>   |                     |                     |                     |                     |
| Administration                 | \$ 67,543           | \$ 69,310           | \$ 70,800           | \$ 72,900           |
| Planning & Zoning              | 300,603             | 307,980             | 310,930             | 318,560             |
| Inspections                    | 1,102,921           | 1,196,990           | 1,194,390           | 1,237,690           |
| Subtotal                       | <u>\$ 1,471,067</u> | <u>\$ 1,574,280</u> | <u>\$ 1,576,120</u> | <u>\$ 1,629,150</u> |
| <u>Public Works</u>            |                     |                     |                     |                     |
| Administration                 | \$ 179,744          | \$ 188,970          | \$ 185,220          | \$ 190,700          |
| Engineering                    | 340,546             | 336,820             | 262,080             | 296,800             |
| Streets                        | 2,263,665           | 2,335,600           | 2,332,560           | 2,393,320           |
| Park Maintenance               | 1,291,294           | 1,325,750           | 1,343,470           | 1,437,230           |
| Subtotal                       | <u>\$ 4,075,249</u> | <u>\$ 4,187,140</u> | <u>\$ 4,123,330</u> | <u>\$ 4,318,050</u> |

---

**COMPARATIVE ANALYSIS OF EXPENDITURES - GENERAL FUND**

---

|                            | 2018<br>Actual                  | 2019<br>Budget                  | 2019<br>Revised                 | 2020<br>Budget                  |
|----------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
| <u>Recreation Services</u> |                                 |                                 |                                 |                                 |
| Recreation Administration  | \$ 386,198                      | \$ 375,590                      | \$ 353,290                      | \$ 361,800                      |
| Recreation                 | 955,276                         | 1,038,020                       | 1,038,370                       | 1,085,640                       |
| Nature Center              | 555,045                         | 554,460                         | 579,900                         | 582,380                         |
| Subtotal                   | <u>\$ 1,896,519</u>             | <u>\$ 1,968,070</u>             | <u>\$ 1,971,560</u>             | <u>\$ 2,029,820</u>             |
| <u>Transfers Out</u>       |                                 |                                 |                                 |                                 |
| Special Revenue Funds      | <u>\$ 195,000</u>               | <u>\$ 210,000</u>               | <u>\$ 210,000</u>               | <u>\$ 220,000</u>               |
|                            | <u>\$ 195,000</u>               | <u>\$ 210,000</u>               | <u>\$ 210,000</u>               | <u>\$ 220,000</u>               |
| <br>TOTAL EXPENDITURES     | <br><u><u>\$ 22,726,930</u></u> | <br><u><u>\$ 24,230,620</u></u> | <br><u><u>\$ 24,262,980</u></u> | <br><u><u>\$ 25,460,720</u></u> |

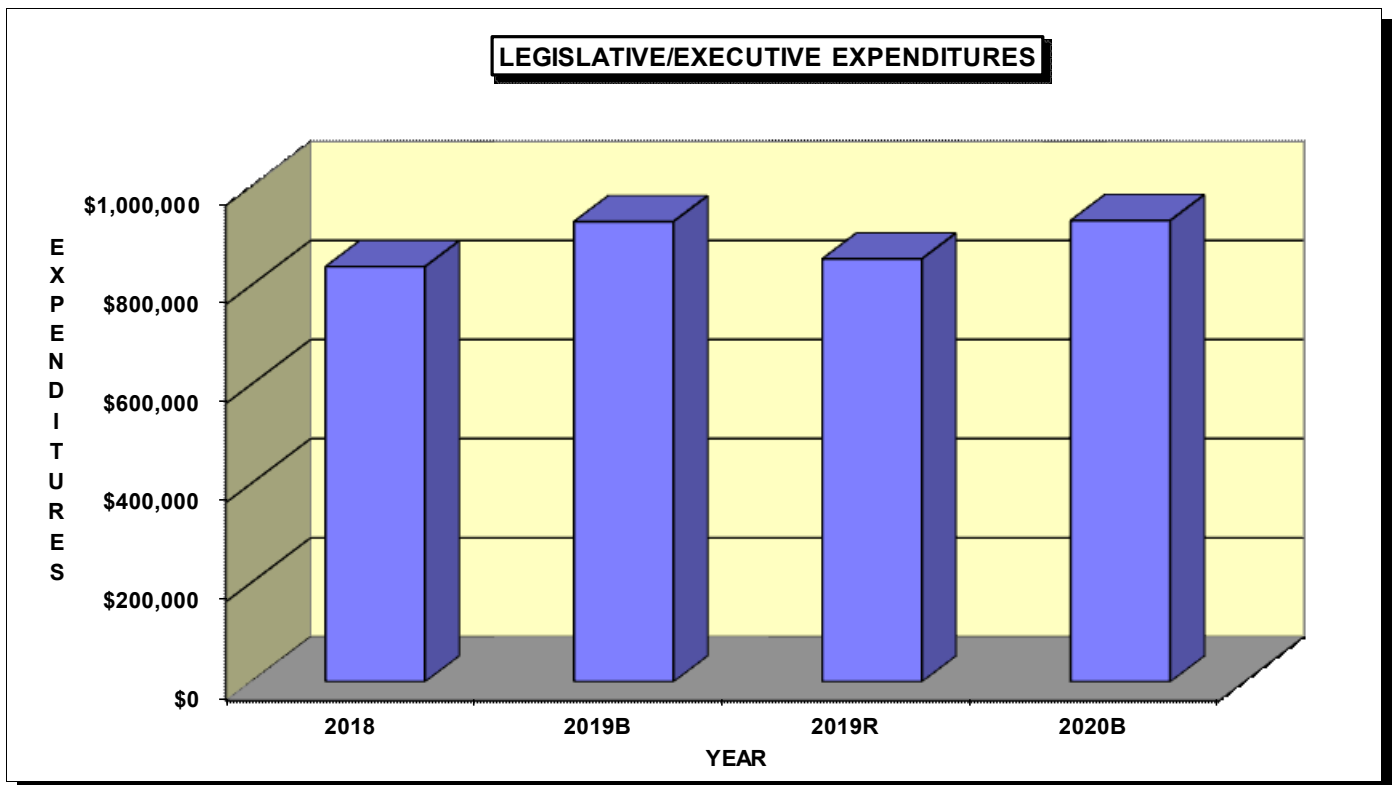




**FUND:** GENERAL FUND  
**DEPARTMENT:** Legislative/Executive

**DEPARTMENT SUMMARY BY BUSINESS UNIT**

| BUSINESS UNIT                      | 2018<br>ACTUAL    | 2019<br>BUDGET    | 2019<br>REVISED   | 2020<br>BUDGET    | Increase/<br>(Decrease)<br>2019 Budget/<br>2020 Budget |
|------------------------------------|-------------------|-------------------|-------------------|-------------------|--|
| 10100 Mayor Council                | \$ 261,521        | \$ 235,440        | \$ 237,220        | \$ 217,310        | (7.70%)  |
| 10105 Other Agencies               | 98,230            | 99,560            | 99,560            | 100,860           | 1.31%  |
| 10115 City Manager                 | 224,746           | 246,260           | 169,350           | 259,460           | 5.36%  |
| 10120 Legal                        | 253,339           | 347,400           | 347,400           | 353,440           | 1.74%  |
| <i>Legislative/Executive TOTAL</i> | <u>\$ 837,836</u> | <u>\$ 928,660</u> | <u>\$ 853,530</u> | <u>\$ 931,070</u> | 0.26%  |



## **CITY COUNCIL DIVISION**

### **MISSION STATEMENT**

To function as the legislative and policy-making body of Richfield city government.

### **DIVISION FOCUS**

The Richfield City Council is composed of an elected at-large Mayor and four Council Members, one of which is elected at-large. The Mayor and the Council Members are each elected to four-year terms. The City Council sets the long-range direction of the City and establishes policies that maintain a high quality of life for Richfield residents.

### **2019 HIGHLIGHTS**

- Managed the transition to a new City Manager, new Mayor and 2 new Council Members with new Council onboarding process and Council/Staff retreats.
- Developed 2020 goals and objectives at strategic planning work sessions. Goals and objectives guided staff development of action steps and budget for 2020.
- Strengthened relationships with community organizations including virtual State of the Community event with Richfield Public Schools, Richfield Chamber of Commerce and the Richfield Foundation.
- Fostered greater community engagement by serving as liaisons to City boards and commissions, meeting with residents and by supporting a variety of community initiatives.
- Increased Richfield's regional presence with positive earned media and partnering with regional organizations like the I-494 Corridor Commission, I-35W Solutions Alliance, Greater MSP and Regional Council of Mayors.
- Advocated for City priorities at the federal, state and county level.

### **2020 DIVISION GOALS**

- Expand strategic planning process to include greater community, Council and staff engagement, including a community survey (City Council Goal 5c & d).
- Incorporate updated mission, vision, values and goals into the City budget and Capital Improvement Plan (City Council Goal 6 a-d).
- Strengthen relationship with staff and continue to create operating norms that enable a high functioning team (City Council Goal 6e).
- Provide additional equity training to staff, develop an equity tool kit to operationalize equity in City programs and procedures (City Council Goal 3b).
- Work with community organizations to increase participation in the 2020 Census - especially Richfield's hard to count populations (City Council Goal 3c, 5c & d).
- Continue to improve partnership with community organizations, including schools, civic groups, nonprofits and local businesses (City Council Goal 5c).
- Increase Richfield's visibility with earned media, public speaking at key local and regional events and by regularly engaging with our neighbors and regional organizations (City Council Goal 5 a & b).

- Continue to advocate for City priorities at the federal, state and county level (City Council Goal 5b).

### **DIVISION EXPENDITURE COMMENT**

The 2019 Revised budget has an increase of .76% over the 2019 Adopted budget due to increases in personal services and a consultant for \$4,500. The 2020 Proposed budget has a decrease of 7.7% from the 2019 Adopted budget due to decreases in personal services from removing the Executive Analyst and Deputy City Clerk positions from this budget and moving their costs to the City Manager and City Clerk Divisions, respectively.

**FUND: GENERAL FUND**  
**DEPARTMENT: Legislative/Executive**  
**BUSINESS UNIT: Mayor Council - 10100**

**DETAIL EXPENDITURES BY BUSINESS UNIT**

| <b>CLASSIFICATIONS</b>                    | <b>2018<br/>ACTUAL</b>   | <b>2019<br/>BUDGET</b>   | <b>2019<br/>REVISED</b>  | <b>2020<br/>BUDGET</b>   |
|---|--------------------------|--------------------------|--------------------------|--------------------------|
| <u>Personal Services</u>                  |                          |                          |                          |                          |
| 6005 Full Time                            | \$ 101,761               | \$ 101,860               | \$ 98,580                | \$ 50,810                |
| 6031 Employer Social Security             | 5,227                    | 5,690                    | 4,380                    | 1,370                    |
| 6032 Employer Medicare                    | 1,325                    | 1,470                    | 1,430                    | 740                      |
| 6033 Employer Pera                        | 4,957                    | 4,870                    | 5,100                    | 1,440                    |
| 6035 Medical Insurance                    | 7,930                    | 9,480                    | 8,260                    | -                        |
| 6036 Dental Insurance                     | 571                      | 540                      | 520                      | -                        |
| 6037 Term Life                            | 17                       | 30                       | 30                       | -                        |
| 6038 Workers Compensation                 | 1,056                    | 60                       | 60                       | 60                       |
| 6040 Long Term Disability                 | -                        | 180                      | 170                      | -                        |
| <i>Personal Services Total</i>            | <u>\$ 122,844</u>        | <u>\$ 124,180</u>        | <u>\$ 118,530</u>        | <u>\$ 54,420</u>         |
| <u>Other Services &amp; Charges</u>       |                          |                          |                          |                          |
| 6103 Professional Services -General       | \$ 30,245                | \$ 200                   | \$ 200                   | \$ 42,200                |
| 6202 Data Processing Rental               | 1,990                    | 2,110                    | 2,190                    | 2,370                    |
| 6207 Utility Services                     | 14,904                   | 15,370                   | 15,370                   | 15,830                   |
| 6301 Advertising & Publication            | 351                      | 150                      | 150                      | 150                      |
| 6303 Professional Development             | 4,619                    | 8,000                    | 13,760                   | 14,630                   |
| 6305 Subscriptions & Memberships          | 58,329                   | 56,140                   | 57,380                   | 58,030                   |
| 6307 Insurance & Bonds                    | 734                      | 720                      | 770                      | 790                      |
| 6308 Property Liability                   | 480                      | 490                      | 490                      | 510                      |
| 6401 Office Supplies                      | 278                      | 800                      | 800                      | 800                      |
| 6402 Copy Charges                         | 588                      | 700                      | 700                      | 700                      |
| 6403 Postage                              | 19                       | 80                       | 80                       | 80                       |
| 6409 Uniforms & Clothing                  | -                        | -                        | 750                      | 750                      |
| 6513 Other Charges                        | 26,140                   | 26,000                   | 26,050                   | 26,050                   |
| 6530 Contingency                          | -                        | 500                      | -                        | -                        |
| <i>Other Services &amp; Charges Total</i> | <u>\$ 138,677</u>        | <u>\$ 111,260</u>        | <u>\$ 118,690</u>        | <u>\$ 162,890</u>        |
| <i>Mayor Council TOTAL</i>                | <u><u>\$ 261,521</u></u> | <u><u>\$ 235,440</u></u> | <u><u>\$ 237,220</u></u> | <u><u>\$ 217,310</u></u> |

**FUND:** GENERAL FUND  
**DEPARTMENT:** Legislative/Executive  
**BUSINESS UNIT:** Mayor Council - 10100

**DIVISION PERSONNEL**

| CLASSIFICATIONS                    | SALARY<br>GRADE | NUMBER OF EMPLOYEES |                 |                |
|------------------------------------|-----------------|---------------------|-----------------|----------------|
|                                    |                 | 2019<br>ADOPTED     | 2019<br>REVISED | 2020<br>BUDGET |
| <u>Regular Full-Time Employees</u> |                 |                     |                 |                |
| Executive Analyst                  | GS-5E           | .40                 | .40             | -              |
| Deputy City Clerk                  | GS-4            | .40                 | .40             | -              |
| <i>Total</i>                       |                 | <u>.80</u>          | <u>.80</u>      | <u>-</u>       |
| <u>Part-Time Employees</u>         |                 |                     |                 |                |
| Mayor                              | Exempt          | 1.00                | 1.00            | 1.00           |
| Council Member                     | Exempt          | 4.00                | 4.00            | 4.00           |
| <i>Total</i>                       |                 | <u>5.00</u>         | <u>5.00</u>     | <u>5.00</u>    |

**CAPITAL OUTLAY**

| ITEMS        | 2019<br>ADOPTED | 2019<br>REVISED | 2020<br>BUDGET |
|--------------|-----------------|-----------------|----------------|
| None         | \$ -            | \$ -            | \$ -           |
| <i>Total</i> | <u>\$ -</u>     | <u>\$ -</u>     | <u>\$ -</u>    |

## **OTHER AGENCIES DIVISION**

### **MISSION STATEMENT**

To award grants to certain agencies delivering services to residents in Richfield that are within the legal guidelines as provided by Minnesota State Statutes, the State of Minnesota Constitution and the Minnesota Attorney General's office.

### **DIVISION FOCUS**

The Other Agencies Division focus is providing the annual grants to human service agencies serving Richfield residents in a legally responsible way.

### **2019 HIGHLIGHTS**

- Eight non-profit agencies were awarded \$70,480 in grants to provide services to Richfield residents.

### **2020 DIVISION GOALS**

- Where legally allowable under State Statutes, fund social service agencies as an illustration of the City and community support for these agency services (City Council Goal 5d).

### **DIVISION EXPENDITURE COMMENT**

The 2019 Revised budget has no change from the 2019 Adopted budget. The 2020 Proposed budget has an increase of 1.31% from the 2019 Adopted budget due to increases in personal services.

The allocation of the 2020 grants, where legally allowable, will be determined by the City Council in early 2020.

**FUND: GENERAL FUND**  
**DEPARTMENT: Legislative/Executive**  
**BUSINESS UNIT: Other Agencies - 10105**

**DETAIL EXPENDITURES BY BUSINESS UNIT**

| <b>CLASSIFICATIONS</b>                    | <b>2018<br/>ACTUAL</b>  | <b>2019<br/>BUDGET</b>  | <b>2019<br/>REVISED</b> | <b>2020<br/>BUDGET</b>   |
|---|-------------------------|-------------------------|-------------------------|--------------------------|
| <u>Personal Services</u>                  |                         |                         |                         |                          |
| 6051 Interdepartmental Labor              | \$ 27,750               | \$ 29,080               | \$ 29,080               | \$ 30,380                |
| <i>Personal Services Total</i>            | <u>\$ 27,750</u>        | <u>\$ 29,080</u>        | <u>\$ 29,080</u>        | <u>\$ 30,380</u>         |
| <u>Other Services &amp; Charges</u>       |                         |                         |                         |                          |
| 6515 Human Services - Unallocated         | \$ 70,480               | \$ 70,480               | \$ 70,480               | \$ 70,480                |
| <i>Other Services &amp; Charges Total</i> | <u>\$ 70,480</u>        | <u>\$ 70,480</u>        | <u>\$ 70,480</u>        | <u>\$ 70,480</u>         |
| <i>Other Agencies TOTAL</i>               | <u><u>\$ 98,230</u></u> | <u><u>\$ 99,560</u></u> | <u><u>\$ 99,560</u></u> | <u><u>\$ 100,860</u></u> |



## **CITY MANAGER DIVISION**

### **MISSION STATEMENT**

Plan and direct the administration of City projects and programs as established by the City Charter, City ordinances and the City Council to ensure efficient, cost-effective municipal services and development consistent with City Council direction and goals.

### **DIVISION FOCUS**

The City Manager is the chief administrative officer of the City and is responsible to the City Council for the supervision of all departments and divisions of City administration except where otherwise provided by law or City Charter.

The implementation of City Council policies takes precedence over all other City Manager responsibilities.

### **2019 HIGHLIGHTS**

- Managed the transition to a new City Manager, new Mayor and 2 new Council Members with new Council onboarding process and Council-staff retreats.
- Developed 2020 goals and objectives at strategic planning work sessions. Goals and objectives guided staff development of action steps and budget for 2020.
- Presented the City's Key Financial Strategies to the Council earlier in the budget process to inform critical 2020 budget decisions.
- Implemented a weekly City Manager Report to improve communication with Council and staff.
- Improved work sessions to facilitate better policy discussions and more transparency.
- Improved the commission recruitment process; resulting in near record number of applicants.
- Continue to manage City budgets to meet targeted fund balance goals; the 2018 audited financial results reflected an increase in the City's General Fund balance by \$55,969, and 2019 is on track produce similar results.
- Hired a new Recreation Services Director, established regular one-on-one meetings with department directors and attend Division meetings/events to meet directly with staff to learn more about daily operations.
- Partnered with local legislators to advance key City priorities at the Legislature including funding for the 77<sup>th</sup> Underpass, increasing Local Government Aid, and MNLARS reimbursement and rate increases for Deputy Registrar operations.

### **2020 DIVISION GOALS**

- Improve communication and engagement with community, Council and staff: including an expanded strategic planning process and community survey (City Council Goal 5c & 5d).
- Prepare 2021 City budget to better align resources with strategic planning outcomes.

(City Council Goal 6a-d).

- Continue to provide and review a variety of options to ensure the most cost effective and efficient mean of providing service (City Council Goal 6b).
- Work with community organizations to increase participation in the 2020 Census - especially Richfield's hard to count populations (City Council Goal 3c, 5c & d).
- Participate in regional organizations like I-494 Corridor Commission, I-35W Solutions Alliance, Greater MSP and regularly engage with neighboring cities, MAC, Met Council, MnDOT and Hennepin County (City Council Goal 5b).
- Work with Administrative Services and department directors to implement priorities highlighted in the 2019 Employee Engagement Survey (City Council Goal 6e & f).
- Review procurement and workforce policies to promote diversity and inclusion and a strong local economy (City Council Goal 2a).
- Update the agreement with Richfield Tourism and Promotion Board which was first enacted in 1990 (City Council Goal 2a & c).
- Partner with local legislators to advance key City priorities at the Legislature including funding for the 77<sup>th</sup> St Underpass (City Council Goal 1c).

#### **DIVISION EXPENDITURE COMMENT**

The 2019 Revised budget has a decrease of 31.23% from the 2019 Adopted budget due to decreases in personal services from removing the Administrative Services Director/Assistant City Manager position from this budget and moving the costs to the Administrative Services Division budget. The 2020 Proposed budget has an increase of 5.36% from the 2019 Adopted budget due to changes in personal services, including moving the Executive Analyst position fully into the City Manager Division and the addition of a Senior Office Assistant position shared between the City Manager Division and the Fire Department.

**FUND: GENERAL FUND**  
**DEPARTMENT: Legislative/Executive**  
**BUSINESS UNIT: City Manager - 10115**

**DETAIL EXPENDITURES BY BUSINESS UNIT**

| <b>CLASSIFICATIONS</b>                    | <b>2018<br/>ACTUAL</b>   | <b>2019<br/>BUDGET</b>   | <b>2019<br/>REVISED</b>  | <b>2020<br/>BUDGET</b>   |
|---|--------------------------|--------------------------|--------------------------|--------------------------|
| <u>Personal Services</u>                  |                          |                          |                          |                          |
| 6005 Full Time                            | \$ 257,064               | \$ 281,910               | \$ 195,950               | \$ 257,590               |
| 6031 Employer Social Security             | 13,461                   | 12,840                   | 9,790                    | 13,190                   |
| 6032 Employer Medicare                    | 3,841                    | 4,000                    | 2,840                    | 3,700                    |
| 6033 Employer Pera                        | 18,898                   | 20,910                   | 14,700                   | 19,320                   |
| 6035 Medical Insurance                    | 27,195                   | 28,200                   | 19,010                   | 33,010                   |
| 6036 Dental Insurance                     | 1,345                    | 1,430                    | 1,180                    | 1,880                    |
| 6037 Term Life                            | 784                      | 1,000                    | 80                       | 110                      |
| 6038 Workers Compensation                 | 1,536                    | 1,250                    | 1,250                    | 1,340                    |
| 6040 Long Term Disability                 | 648                      | 670                      | 670                      | 880                      |
| 6054 Interdepartmental Labor Credit       | -                        | (5,000)                  | -                        | -                        |
| 6055 Administrative Labor Credit          | (134,640)                | (135,390)                | (121,150)                | (111,140)                |
| <i>Personal Services Total</i>            | <u>\$ 190,132</u>        | <u>\$ 211,820</u>        | <u>\$ 124,320</u>        | <u>\$ 219,880</u>        |
| <u>Other Services &amp; Charges</u>       |                          |                          |                          |                          |
| 6103 Professional Services -General       | \$ 157                   | \$ 150                   | \$ 4,340                 | \$ 2,340                 |
| 6202 Data Processing Rental               | 16,000                   | 16,480                   | 16,580                   | 16,900                   |
| 6207 Utility Services                     | 7,440                    | 7,670                    | 7,670                    | 7,900                    |
| 6302 Communications                       | 450                      | 540                      | 1,080                    | 1,080                    |
| 6303 Professional Development             | 6,457                    | 3,500                    | 10,030                   | 5,900                    |
| 6305 Subscriptions & Memberships          | 1,118                    | 2,900                    | 2,000                    | 2,040                    |
| 6307 Insurance & Bonds                    | 1,836                    | 1,800                    | 1,930                    | 1,990                    |
| 6308 Property Liability                   | 920                      | 950                      | 950                      | 980                      |
| 6401 Office Supplies                      | 142                      | 300                      | 300                      | 300                      |
| 6402 Copy Charges                         | 78                       | 100                      | 100                      | 100                      |
| 6403 Postage                              | 16                       | 50                       | 50                       | 50                       |
| <i>Other Services &amp; Charges Total</i> | <u>\$ 34,614</u>         | <u>\$ 34,440</u>         | <u>\$ 45,030</u>         | <u>\$ 39,580</u>         |
| <i>City Manager TOTAL</i>                 | <u><u>\$ 224,746</u></u> | <u><u>\$ 246,260</u></u> | <u><u>\$ 169,350</u></u> | <u><u>\$ 259,460</u></u> |

**FUND: GENERAL FUND**  
**DEPARTMENT: Legislative/Executive**  
**BUSINESS UNIT: City Manager - 10115**

**DIVISION PERSONNEL**

| CLASSIFICATIONS                    | SALARY<br>GRADE | NUMBER OF EMPLOYEES |                 |                |
|------------------------------------|-----------------|---------------------|-----------------|----------------|
|                                    |                 | 2019<br>ADOPTED     | 2019<br>REVISED | 2020<br>BUDGET |
| <u>Regular Full-Time Employees</u> |                 |                     |                 |                |
| City Manager                       | Exempt          | 1.00                | 1.00            | 1.00           |
| Asst. City Manager                 | M-4             | .40                 | -               | -              |
| Executive Analyst                  | GS-5E           | .60                 | .60             | 1.00           |
| Senior Office Assistant            | GS-2            | -                   | .60             | .60            |
|                                    | <i>Total</i>    | <u>2.00</u>         | <u>2.20</u>     | <u>2.60</u>    |

**CAPITAL OUTLAY**

| ITEMS | 2019<br>ADOPTED | 2019<br>REVISED | 2020<br>BUDGET |
|-------|-----------------|-----------------|----------------|
| None  | \$ -            | \$ -            | \$ -           |
|       | <i>Total</i>    | <u>\$ -</u>     | <u>\$ -</u>    |

## **LEGAL DIVISION**

### **MISSION STATEMENT**

To provide legal services as required by the City of Richfield.

### **DIVISION FOCUS**

The Legal Division includes legal services and costs for general corporate representation and municipal prosecution representation.

The firm of Kennedy and Graven provides general corporate representation for the City. Services provided include attendance at all City Council meetings; attendance as requested by the Council or City staff at meetings with staff, public groups and public hearings; review and preparation of contracts, performance bonds, insurance and other routine legal documents; review and preparation of ordinance code amendments and resolutions; formal and informal legal advice to Council, staff, commissions and committees; training sessions with officials and staff to discuss topics including but not limited to important legislative or judicial developments; and formal and informal advice on human resource matters including interpretations of federal, state and local rules and regulations relating to human resources matters.

Martin J. Costello provides prosecution services. Prosecution legal services provided include advising; ordinance enforcement; peace officer training; charging; calendar appearances; court trials; pretrial conferences and omnibus hearings; jury trials; sentencing; and appeals.

### **2019 HIGHLIGHTS**

- Continued excellent legal representation by both Kennedy and Graven and Martin J. Costello (City Council Goal 6a)

### **2020 DIVISION GOALS**

- To ensure that the City has the best legal representation possible for all facets of its operation.

### **DIVISION EXPENDITURE COMMENT**

The 2019 Revised budget has no change from the 2019 Adopted budget. The 2020 Proposed budget has an increase of 1.7% from the 2019 Adopted budget due to increases associated with prosecutions.

---

**FUND:** GENERAL FUND  
**DEPARTMENT:** Legislative/Executive  
**BUSINESS UNIT:** Legal - 10120

---

**DETAIL EXPENDITURES BY BUSINESS UNIT**

| <b>CLASSIFICATIONS</b>                    | <b>2018<br/>ACTUAL</b>   | <b>2019<br/>BUDGET</b>   | <b>2019<br/>REVISED</b>  | <b>2020<br/>BUDGET</b>   |
|---|--------------------------|--------------------------|--------------------------|--------------------------|
| <u>Other Services &amp; Charges</u>       |                          |                          |                          |                          |
| 6103 Professional Services -General       | \$ 95,280                | \$ 178,230               | \$ 178,230               | \$ 178,230               |
| 6105 Prosecution                          | 156,919                  | 168,000                  | 168,000                  | 174,000                  |
| 6308 Property Liability                   | 1,140                    | 1,170                    | 1,170                    | 1,210                    |
| <i>Other Services &amp; Charges Total</i> | <u>\$ 253,339</u>        | <u>\$ 347,400</u>        | <u>\$ 347,400</u>        | <u>\$ 353,440</u>        |
| <i>Legal TOTAL</i>                        | <u><u>\$ 253,339</u></u> | <u><u>\$ 347,400</u></u> | <u><u>\$ 347,400</u></u> | <u><u>\$ 353,440</u></u> |



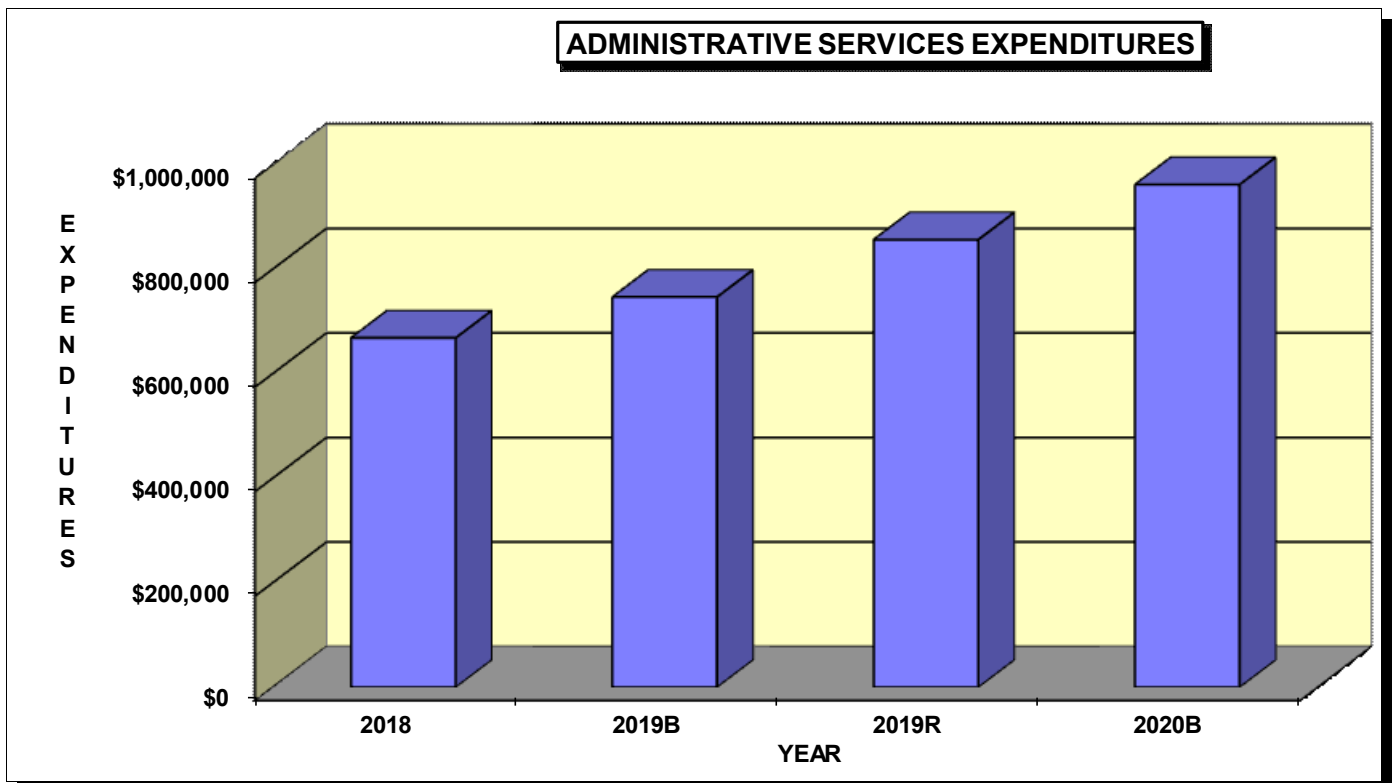
**FUND:** GENERAL FUND  
**DEPARTMENT:** Administrative Services

**DEPARTMENT SUMMARY BY BUSINESS UNIT**

| BUSINESS UNIT                        | 2018<br>ACTUAL    | 2019<br>BUDGET    | 2019<br>REVISED   | 2020<br>BUDGET    | Increase/<br>(Decrease)<br>2019 Budget/<br>2020 Budget |
|--------------------------------------|-------------------|-------------------|-------------------|-------------------|--|
| 10200 Administration                 | \$ 60,596         | \$ 114,630        | \$ 154,820        | \$ 165,580        | 44.45%   |
| 10205 Human Resources                | 24,499            | 69,330            | 52,280            | 63,260            | (8.76%)  |
| 10215 City Clerk                     | 583,168           | 562,430           | 649,140           | 732,790           | 30.29%   |
| <i>Administrative Services TOTAL</i> | <u>\$ 668,263</u> | <u>\$ 746,390</u> | <u>\$ 856,240</u> | <u>\$ 961,630</u> | 28.84%   |

**REVENUES**

|                  |            |            |              |              |        |
|------------------|------------|------------|--------------|--------------|--------|
| 10215 City Clerk | \$ 789,085 | \$ 935,000 | \$ 1,015,000 | \$ 1,050,000 | 12.30% |
|------------------|------------|------------|--------------|--------------|--------|





## **ADMINISTRATION DIVISION**

### **MISSION STATEMENT**

To provide managerial direction to the Administrative Services Department, including the general supervision of human resources, licensing/city clerk activities, communications and engagement, government buildings, information technologies, and risk management.

### **DIVISION FOCUS**

The Administrative Services Director serves as the supervisor of Administrative Services Department, including this division.

The Administrative Services Director is responsible for the overall direction and coordination of most of the City's administrative support service activity that allows the other City departments to operate more effectively and to create an optimal environment for employees.

Within the Human Resources function, the Administrative Services Director is responsible for contract administration, contract negotiation and employee relations. Much of the policy making of the area is handled by the Human Resources Manager, with input from the Administrative Services Director and City Manager.

This division is also responsible for the overall administration of the City's self-insurance fund and risk management program. These coverages include workers' compensation, property/casualty, dental and specialty coverages for the City, HRA and EDA. Rate changes for the coverages are determined by the division.

### **2019 HIGHLIGHTS**

- Acknowledged by the Minnesota Governor for our 100% timeliness in reporting workers compensation claims within the 14-day state-mandated timeline.
- Continued to promote employee wellness through the THRIVE program. Realized improved medical claims experience resulting in lower premiums.
- Conducted an employee survey to provide baseline data on our racial awareness (City Council Goal 3d).
- Coordinated Racial IQ workshop for all staff. Hosted a Somali culture presentation for staff (City Council Goal 3).

### **2020 GOALS**

- Continue to encourage and promote employee wellness (City Council Goal 6e).
- Support City-wide staff training on equity and diversity (City Council Goal 3).
- Focus efforts on the delivery of excellent customer service, both internally and externally (City Council Goal 6a & 6d).

### **DIVISION EXPENDITURE COMMENT**

The Administrative Services Division budget reflects a significant increase due to the reallocation of the entire Administrative Services Director position to this budget as well as the reclassification of the position. Additionally, there are some nominal increases to account for planned city-wide employee training costs and costs associated with the City's racial equity work.

**FUND: GENERAL FUND**  
**DEPARTMENT: Administrative Services**  
**BUSINESS UNIT: Administration - 10200**

**DETAIL EXPENDITURES BY BUSINESS UNIT**

| <b>CLASSIFICATIONS</b>                    | <b>2018<br/>ACTUAL</b>  | <b>2019<br/>BUDGET</b>   | <b>2019<br/>REVISED</b>  | <b>2020<br/>BUDGET</b>   |
|---|-------------------------|--------------------------|--------------------------|--------------------------|
| <u>Personal Services</u>                  |                         |                          |                          |                          |
| 6005 Full Time                            | \$ 23,323               | \$ 126,690               | \$ 139,840               | \$ 146,610               |
| 6031 Employer Social Security             | 1,070                   | 5,740                    | 6,620                    | 6,620                    |
| 6032 Employer Medicare                    | 250                     | 1,820                    | 2,020                    | 2,080                    |
| 6033 Employer Pera                        | 1,321                   | 7,720                    | 10,490                   | 11,000                   |
| 6035 Medical Insurance                    | 991                     | 13,500                   | 11,990                   | 15,740                   |
| 6036 Dental Insurance                     | 71                      | 1,010                    | 720                      | 720                      |
| 6037 Term Life                            | 2                       | 60                       | 40                       | 40                       |
| 6038 Workers Compensation                 | 48                      | 40                       | 40                       | 70                       |
| 6040 Long Term Disability                 | -                       | 380                      | 480                      | 500                      |
| 6054 Interdepartmental Labor Credit       | -                       | (75,870)                 | (56,760)                 | (58,460)                 |
| 6055 Administrative Labor Credit          | (80,840)                | (82,760)                 | (81,940)                 | (84,240)                 |
| <i>Personal Services Total</i>            | <u>\$ (53,764)</u>      | <u>\$ (1,670)</u>        | <u>\$ 33,540</u>         | <u>\$ 40,680</u>         |
| <u>Other Services &amp; Charges</u>       |                         |                          |                          |                          |
| 6103 Professional Services -General       | \$ 63                   | \$ 50                    | \$ 50                    | \$ 50                    |
| 6202 Data Processing Rental               | 9,765                   | 10,130                   | 10,350                   | 10,520                   |
| 6207 Utility Services                     | 100,632                 | 103,800                  | 103,800                  | 106,910                  |
| 6303 Professional Development             | 2,229                   | 500                      | 3,300                    | 3,400                    |
| 6305 Subscriptions & Memberships          | 25                      | -                        | 1,550                    | 1,580                    |
| 6307 Insurance & Bonds                    | 913                     | 900                      | 960                      | 990                      |
| 6308 Property Liability                   | 580                     | 600                      | 600                      | 620                      |
| 6401 Office Supplies                      | 80                      | 100                      | 100                      | 100                      |
| 6402 Copy Charges                         | 3                       | 30                       | 30                       | 30                       |
| 6403 Postage                              | -                       | 40                       | 40                       | 40                       |
| 6414 Other Supplies                       | 70                      | 150                      | 500                      | 660                      |
| <i>Other Services &amp; Charges Total</i> | <u>\$ 114,360</u>       | <u>\$ 116,300</u>        | <u>\$ 121,280</u>        | <u>\$ 124,900</u>        |
| <i>Administration TOTAL</i>               | <u><u>\$ 60,596</u></u> | <u><u>\$ 114,630</u></u> | <u><u>\$ 154,820</u></u> | <u><u>\$ 165,580</u></u> |

**FUND: GENERAL FUND**  
**DEPARTMENT: Administrative Services**  
**BUSINESS UNIT: Administration - 10200**

**DIVISION PERSONNEL**

| CLASSIFICATIONS                    | SALARY<br>GRADE | NUMBER OF EMPLOYEES |                 |                |
|------------------------------------|-----------------|---------------------|-----------------|----------------|
|                                    |                 | 2019<br>ADOPTED     | 2019<br>REVISED | 2020<br>BUDGET |
| <u>Regular Full-Time Employees</u> |                 |                     |                 |                |
| Administrative Services Director   | M-5A            | 1.00                | 1.00            | 1.00           |
| <i>Total</i>                       |                 | <u>1.00</u>         | <u>1.00</u>     | <u>1.00</u>    |

**CAPITAL OUTLAY**

| ITEMS        | 2019<br>ADOPTED | 2019<br>REVISED | 2020<br>BUDGET |
|--------------|-----------------|-----------------|----------------|
|              | None            | \$ -            | \$ -           |
| <i>Total</i> | <u>\$ -</u>     | <u>\$ -</u>     | <u>\$ -</u>    |

## **HUMAN RESOURCES DIVISION**

### **MISSION STATEMENT**

To enhance the quality of City employment by formulating, implementing and administering ordinances, policies and procedures pertaining to Human Resources and Risk Management issues.

### **DIVISION FOCUS**

This Division is responsible for the administration of the Human Resources ordinances, personnel policies, classification and pay plans, recruitment and selection activities, employee safety, employee relations, employee training, labor contract administration, labor negotiations, the Americans with Disabilities Act plan, and risk management.

The Division is administered by the Administrative Services Director and the HR Manager, with input from the City Manager.

The Administrative Service Director is responsible for contract administration, contract negotiation and employee relations. The HR Manager is responsible for recruitment, employee benefits, compensation and insurance claims. Both positions work with the City Manager in the administration of the Risk Management/Self-Insurance and labor relation functions.

### **2019 HIGHLIGHTS**

- Negotiated labor agreements with all five City employee labor groups achieving a three percent wage adjustment for 2019.
- Continued to work on the City's recruitment process and onboarding experience for new employees.
- Executed a 2019 employee engagement survey, and is actively implementing suggested enhancements within the organization (City Council Goal 6f).
- Administrative Services Director served on LOGIS Healthcare Committee, which worked on determining long-range health models for the insurance consortium members.

### **2020 DIVISION GOALS**

- Continue to review and update Personnel Policies, both to respond to changes in law and update outdated ones.
- Continue to monitor the changes to the federal health insurance model.
- Assist with succession planning for all City departments.
- Focus efforts to increase diversity in the workforce (City Council Goal 3 & 6e).
- Negotiate labor agreements with all labor groups with open contracts.
- Continue to assist with organizational changes in response to financial constraints.
- Continue training on new or changing Human Resources law.
- Continue to work on implementing new measures to make the work place more flexible and nimble for both the benefit of City employees and our City customers (City Council Goal 6a & 6f).

### **DIVISION EXPENDITURE COMMENT**

The Human Resources budget reflects personnel services changes. For transparency the budget no longer has an allocation for the Administrative Services Director and is instead only for the HR Manager and HR Administrative Assistant. There no longer is an Assistant HR Manager.

**FUND: GENERAL FUND**  
**DEPARTMENT: Administrative Services**  
**BUSINESS UNIT: Human Resources - 10205**

**DETAIL EXPENDITURES BY BUSINESS UNIT**

| <b>CLASSIFICATIONS</b>                    | <b>2018<br/>ACTUAL</b>  | <b>2019<br/>BUDGET</b>  | <b>2019<br/>REVISED</b> | <b>2020<br/>BUDGET</b>  |
|---|-------------------------|-------------------------|-------------------------|-------------------------|
| <u>Personal Services</u>                  |                         |                         |                         |                         |
| 6005 Full Time                            | \$ 194,717              | \$ 153,070              | \$ 158,220              | \$ 168,830              |
| 6031 Employer Social Security             | 11,991                  | 9,620                   | 9,760                   | 10,420                  |
| 6032 Employer Medicare                    | 2,804                   | 2,220                   | 2,280                   | 2,440                   |
| 6033 Employer Pera                        | 14,608                  | 11,480                  | 11,870                  | 12,660                  |
| 6035 Medical Insurance                    | 23,219                  | 21,450                  | 20,560                  | 22,860                  |
| 6036 Dental Insurance                     | 1,666                   | 1,430                   | 1,430                   | 1,440                   |
| 6037 Term Life                            | 47                      | 80                      | 80                      | 80                      |
| 6038 Workers Compensation                 | 120                     | 120                     | 120                     | 90                      |
| 6040 Long Term Disability                 | 320                     | 330                     | 330                     | 340                     |
| 6054 Interdepartmental Labor Credit       | (198,208)               | (113,800)               | (135,800)               | (139,880)               |
| 6055 Administrative Labor Credit          | (43,920)                | (41,070)                | (41,070)                | (40,800)                |
| <i>Personal Services Total</i>            | <u>\$ 7,364</u>         | <u>\$ 44,930</u>        | <u>\$ 27,780</u>        | <u>\$ 38,480</u>        |
| <u>Other Services &amp; Charges</u>       |                         |                         |                         |                         |
| 6103 Professional Services -General       | \$ 152                  | \$ 130                  | \$ 130                  | \$ 130                  |
| 6202 Data Processing Rental               | 2,307                   | 2,450                   | 2,530                   | 2,740                   |
| 6301 Advertising & Publication            | -                       | 100                     | 100                     | 100                     |
| 6302 Communications                       | 540                     | 400                     | 400                     | 400                     |
| 6303 Professional Development             | 3,018                   | 3,500                   | 1,000                   | 1,000                   |
| 6304 Employee Training                    | -                       | 1,000                   | 3,500                   | 3,500                   |
| 6305 Subscriptions & Memberships          | 522                     | 1,200                   | 1,200                   | 1,200                   |
| 6307 Insurance & Bonds                    | 2,203                   | 2,100                   | 2,320                   | 2,380                   |
| 6308 Property Liability                   | 460                     | 470                     | 470                     | 480                     |
| 6312 REEP Program                         | 3,775                   | 10,000                  | 10,000                  | 10,000                  |
| 6315 Other Contractual Services           | 2,000                   | 750                     | 750                     | 750                     |
| 6401 Office Supplies                      | 1,096                   | 1,000                   | 1,000                   | 1,000                   |
| 6402 Copy Charges                         | 979                     | 1,000                   | 1,000                   | 1,000                   |
| 6403 Postage                              | 83                      | 300                     | 100                     | 100                     |
| <i>Other Services &amp; Charges Total</i> | <u>\$ 17,135</u>        | <u>\$ 24,400</u>        | <u>\$ 24,500</u>        | <u>\$ 24,780</u>        |
| <i>Human Resources TOTAL</i>              | <u><u>\$ 24,499</u></u> | <u><u>\$ 69,330</u></u> | <u><u>\$ 52,280</u></u> | <u><u>\$ 63,260</u></u> |

**FUND: GENERAL FUND**  
**DEPARTMENT: Administrative Services**  
**BUSINESS UNIT: Human Resources - 10205**

**DIVISION PERSONNEL**

| CLASSIFICATIONS                    | SALARY<br>GRADE | NUMBER OF EMPLOYEES |                 |                |
|------------------------------------|-----------------|---------------------|-----------------|----------------|
|                                    |                 | 2019<br>ADOPTED     | 2019<br>REVISED | 2020<br>BUDGET |
| <u>Regular Full-Time Employees</u> |                 |                     |                 |                |
| Assistant City Manager/HR Manager  | M-4             | .40                 | -               | -              |
| HR Manager                         | M-3             | 1.00                | 1.00            | 1.00           |
| Administrative Assistant           | GS-4            | 1.00                | 1.00            | 1.00           |
| <i>Total</i>                       |                 | <u>2.40</u>         | <u>2.00</u>     | <u>2.00</u>    |

**CAPITAL OUTLAY**

| ITEMS        | 2019        | 2019        | 2020        |
|--------------|-------------|-------------|-------------|
|              | ADOPTED     | REVISED     | BUDGET      |
| None         | \$ -        | \$ -        | \$ -        |
| <i>Total</i> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

## **CITY CLERK DIVISION**

### **MISSION STATEMENT**

To serve as clerk to the city council, maintain official city records, serve as Deputy Registrar for the State of Minnesota, manager for the Passport Acceptance Facility, information desk and administer elections and voter registration activities.

### **DIVISION FOCUS**

The City Clerk Division includes the City Clerk, the Documents Secretary/Deputy City Clerk, One Lead Licensing Clerk, two full time Licensing Clerk and five part time Licensing Clerks. Intermittent and seasonal employees provide the additional staffing flexibility to respond to the peak customer periods and election responsibilities.

The City Clerk Division performs customer service functions for the City in the areas of records/information, motor vehicle licensing, passport applications and photos, fish and game license, boat, snowmobiles and ATV registration, information desk, room reservations, domestic partner registration, data requests and voter registration/election function.

The division is responsible for preparing, maintaining and distributing information regarding City Council actions through minutes, resolutions and ordinances. These documents are official records of council actions and legislation that governs the City.

The division provides customer services to the community in its function as a Deputy Registrar for the State of Minnesota Department of Motor Vehicle Services.

Approximately 105,000 transactions are processed each year related to the issuance of license plates, tabs and vehicle title transfers. The division processes passport books and passcard applications and passport/card photos for the United States Department of State. Additional transactions are processed for the Department of Natural Resources, including fishing and other licenses, transfers for boats, snowmobiles, over the road vehicles and registration.

The division is responsible for administering and conducting the elections in the City. Voter registration and voter information services are provided throughout the year.

In 2019, the Division will continue to work on increasing revenues in both motor vehicle transactions and passport services by being as efficient and accurate as possible. It will be implementing limited driver license services and disability certificates with the new FAST program through DVS. In addition, it will assist the Richfield School District to train election judges, issue absentee ballots and direct balloting and provide them the use of the City's voting equipment for the November School Board Election.

In 2020, the Division's primary focus will be to conduct the first Presidential Primary, State Primary and General Elections and provide adequate staffing for the continued increase in direct balloting voters. Staff will work to maintain accuracy in its data entry and to ensure limited wait times for customers. To minimize customer wait times, a drop-box was installed to be used 24 hours a day for tab renewal and a fast lane was opened for registration/tabs transactions during the day. Staff also works overtime and

on days not scheduled to help with the increase in dealer work and long lines. We will also continue providing excellent customer service in our passport division and maintain a level of quality customer service and work towards 100% error free applications. With all the services we offer, we will continue to maximize revenues generated and communicate our core services of equity, equality and efficiency to our customers.

### **2019 HIGHLIGHTS**

- Assured all customer service functions of the City Clerk Division met the goals of the City Council of being operationally, excellent and customer focused to maintain Richfield's competitiveness with surrounding communities (City Council Goal 6a, 6b & 6c).
- Maintained an accurate record of all City Council Minutes, Ordinances, Resolutions and Legal Notices. Continue with procedure in weekly director meetings to check in with departments to assure all legal notices are published in a timely manner (City Council Goal 6b).
- Decreased the wait times for motor vehicle customers by implementing a fast lane for registration/tabs and continue to use and advertise the 24 hour drop box for tabs (City Council Goal 6a, 6b & 6c).

### **2020 DIVISION GOALS**

- Continue to produce and maintain accurate City records, ordinances and legal notices.
- Manage the Election Division to assure the election and voter registration activities are conducted in accordance with Federal, State and City Charter provisions.
- Be a fully functional limited driver license office and provide disability certificate services to customers. A registration renewal fast lane will be open all day with this new addition (City Council Goal 6a, 6b & 6c).
- Implement a new election management system to create efficiencies to decrease redundancies within elections (City Council Goal 6a, 6b & 6c).
- Initiate a customer service feedback survey of the Deputy Registrar and passport customers to identify opportunities to improve and ensure service is equitable, inclusive and meets the needs of our customers (City Council Goal 3c & 3d, Goal 5d and Goal 6b).

### **DIVISION EXPENDITURE COMMENT**

The revised 2019 budget reflects a 15.42% increase over the adopted 2019 budget due to the addition of one full time employee and two part time employees. The 2020 Proposed Budget 30.29% increase over the 2019 Adopted budget due to changes in staffing allocation to increase production and to account for additional election staff for the 2020 Presidential Election



**FUND: GENERAL FUND**  
**DEPARTMENT: Administrative Services**  
**BUSINESS UNIT: City Clerk - 10215**

**DETAIL EXPENDITURES BY BUSINESS UNIT**

| <b>CLASSIFICATIONS</b>                    | <b>2018<br/>ACTUAL</b>   | <b>2019<br/>BUDGET</b>   | <b>2019<br/>REVISED</b>  | <b>2020<br/>BUDGET</b>   |
|---|--------------------------|--------------------------|--------------------------|--------------------------|
| <u>Personal Services</u>                  |                          |                          |                          |                          |
| 6005 Full Time                            | \$ 231,025               | \$ 239,000               | \$ 286,530               | \$ 326,460               |
| 6006 Part-time                            | 162,008                  | 144,610                  | 208,940                  | 217,340                  |
| 6007 Seasonal                             | 140,576                  | 126,000                  | 68,930                   | 80,030                   |
| 6009 Overtime                             | 38                       | -                        | -                        | -                        |
| 6031 Employer Social Security             | 30,613                   | 30,540                   | 34,710                   | 38,320                   |
| 6032 Employer Medicare                    | 7,159                    | 7,140                    | 8,120                    | 8,960                    |
| 6033 Employer Pera                        | 36,577                   | 37,830                   | 41,620                   | 44,790                   |
| 6035 Medical Insurance                    | 76,915                   | 78,950                   | 104,950                  | 121,200                  |
| 6036 Dental Insurance                     | 2,570                    | 2,580                    | 3,590                    | 3,900                    |
| 6037 Term Life                            | 76                       | 140                      | 180                      | 200                      |
| 6038 Workers Compensation                 | 756                      | 750                      | 750                      | 740                      |
| 6040 Long Term Disability                 | 526                      | 530                      | 630                      | 650                      |
| 6054 Interdepartmental Labor Credit       | (88,740)                 | (91,400)                 | (91,400)                 | (94,140)                 |
| 6055 Administrative Labor Credit          | (90,480)                 | (93,200)                 | (93,200)                 | (96,000)                 |
| <i>Personal Services Total</i>            | <u>\$ 509,619</u>        | <u>\$ 483,470</u>        | <u>\$ 574,350</u>        | <u>\$ 652,450</u>        |
| <u>Other Services &amp; Charges</u>       |                          |                          |                          |                          |
| 6103 Professional Services -General       | \$ 258                   | \$ 300                   | \$ 200                   | \$ 200                   |
| 6202 Data Processing Rental               | 40,960                   | 43,710                   | 45,520                   | 49,570                   |
| 6205 Maintenance & Repairs                | -                        | 400                      | 180                      | 200                      |
| 6301 Advertising & Publication            | 123                      | 150                      | 100                      | 100                      |
| 6302 Communications                       | 540                      | 540                      | 540                      | 540                      |
| 6303 Professional Development             | 3,087                    | 4,840                    | 4,000                    | 4,200                    |
| 6305 Subscriptions & Memberships          | 795                      | 700                      | 800                      | 820                      |
| 6307 Insurance & Bonds                    | 3,295                    | 3,240                    | 3,470                    | 3,580                    |
| 6308 Property Liability                   | 1,730                    | 1,780                    | 1,780                    | 1,830                    |
| 6401 Office Supplies                      | 8,471                    | 12,000                   | 10,200                   | 10,500                   |
| 6402 Copy Charges                         | 297                      | 100                      | 100                      | 100                      |
| 6403 Postage                              | 11,653                   | 9,500                    | 5,200                    | 5,800                    |
| 6414 Other Supplies                       | -                        | 500                      | 500                      | 500                      |
| 6513 Other Charges                        | 2,340                    | 1,200                    | 2,200                    | 2,400                    |
| <i>Other Services &amp; Charges Total</i> | <u>\$ 73,549</u>         | <u>\$ 78,960</u>         | <u>\$ 74,790</u>         | <u>\$ 80,340</u>         |
| <i>City Clerk TOTAL</i>                   | <u><u>\$ 583,168</u></u> | <u><u>\$ 562,430</u></u> | <u><u>\$ 649,140</u></u> | <u><u>\$ 732,790</u></u> |

## Performance Measures

### Department/Division

### Administrative Services/City Clerk

|                                    | <b>Actual<br/>2017</b> | <b>Actual<br/>2018</b> | <b>Budget<br/>2019</b> | <b>Budget<br/>2020</b> |
|------------------------------------|------------------------|------------------------|------------------------|------------------------|
| <b>Inputs:</b>                     |                        |                        |                        |                        |
| Number of Full Time Employees      | 3.60                   | 3.60                   | 4.60                   | 5.00                   |
| Division Expenditures              | \$ 499,130             | \$ 583,168             | \$ 649,140             | \$ 732,790             |
| <b>Outputs:</b>                    |                        |                        |                        |                        |
| Motor Vehicle Transactions - Year  | 57,900                 | 64,100                 | 70,800                 | 74,000                 |
| Passport/Photo Transactions - Year | 8,200                  | 8,300                  | 8,500                  | 8,700                  |
| <b>Effectiveness Measures:</b>     |                        |                        |                        |                        |
| Motor Vehicle Revenues - Year      | \$ 425,811             | \$ 438,071             | \$ 600,000             | \$ 620,000             |
| Passport Revenues - Year           | \$ 331,000             | \$ 351,014             | \$ 415,000             | \$ 430,000             |
| Motor Vehicle Processing Time      | 5 minutes              | 14 minutes             | 12 minutes             | 12 minutes             |
| Passport Processing Time           | 10 minutes             | 8 minutes              | 8 minutes              | 8 minutes              |
| <b>Efficiency Measures:</b>        |                        |                        |                        |                        |
| Accuracy of Motor Vehicle Trans    | 96.00%                 | 97.90%                 | 99.90%                 | 99.90%                 |
| Division Revenue per capita        | \$ 20.71               | \$ 21.66               | \$ 27.86               | \$ 28.82               |
| Division Expenditures per capita   | \$ 13.66               | \$ 16.01               | \$ 17.82               | \$ 20.11               |

**FUND: GENERAL FUND**  
**DEPARTMENT: Administrative Services**  
**BUSINESS UNIT: City Clerk - 10215**

**DIVISION PERSONNEL**

| CLASSIFICATIONS                    | SALARY<br>GRADE | NUMBER OF EMPLOYEES |                 |                |
|------------------------------------|-----------------|---------------------|-----------------|----------------|
|                                    |                 | 2019<br>ADOPTED     | 2019<br>REVISED | 2020<br>BUDGET |
| <u>Regular Full-Time Employees</u> |                 |                     |                 |                |
| City Clerk                         | M-1             | 1.00                | 1.00            | 1.00           |
| Deputy City Clerk                  | GS-4            | .60                 | .60             | 1.00           |
| Motor Vehicle Lead                 | GS-3            | 1.00                | 1.00            | 1.00           |
| Licensing Clerk                    | GS-2            | 1.00                | 2.00            | 2.00           |
|                                    | <i>Total</i>    | <u>3.60</u>         | <u>4.60</u>     | <u>5.00</u>    |
| <u>Intermittent Employees</u>      |                 |                     |                 |                |
| Admin Serv Clerk                   | SP9-E           | 1.00                | 1.00            | 1.00           |
| Receptionist                       | SP-6            | 1.00                | 1.00            | 1.00           |
| Licensing Clerk                    | SP-11           | 5.00                | 2.00            | 2.00           |
|                                    | <i>Total</i>    | <u>7.00</u>         | <u>4.00</u>     | <u>4.00</u>    |
| <u>Part-Time Employees</u>         |                 |                     |                 |                |
| Licensing Clerk                    | GS-2            | 4.00                | 6.00            | 6.00           |
|                                    | <i>Total</i>    | <u>4.00</u>         | <u>6.00</u>     | <u>6.00</u>    |

**CAPITAL OUTLAY**

| ITEMS | 2019         | 2019        | 2020        |
|-------|--------------|-------------|-------------|
|       | ADOPTED      | REVISED     | BUDGET      |
| None  | \$ -         | \$ -        | \$ -        |
|       | <i>Total</i> | <u>\$ -</u> | <u>\$ -</u> |

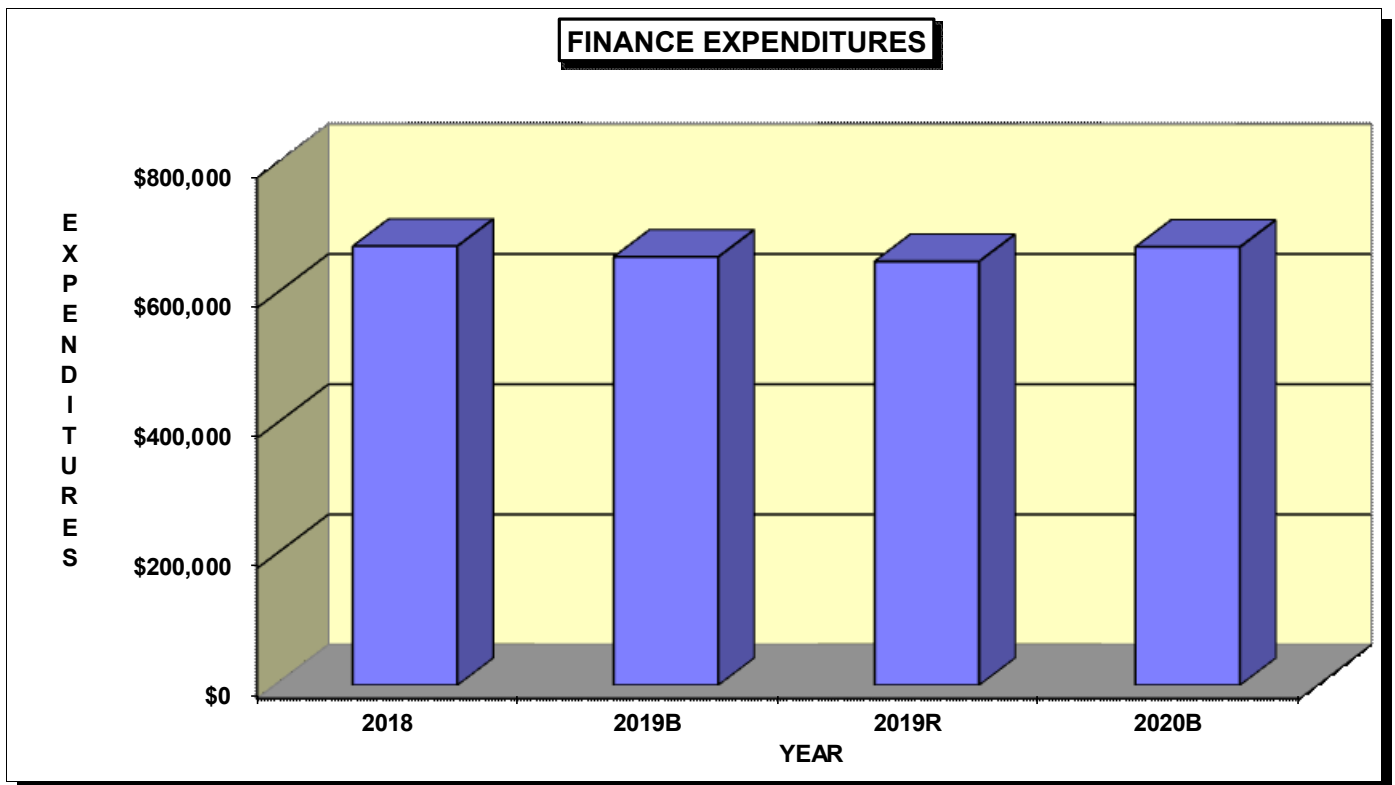
FUND: GENERAL FUND  
 DEPARTMENT: Finance

**DEPARTMENT SUMMARY BY BUSINESS UNIT**

| BUSINESS UNIT        | 2018<br>ACTUAL    | 2019<br>BUDGET    | 2019<br>REVISED   | 2020<br>BUDGET    | Increase/<br>(Decrease)<br>2019 Budget/<br>2020 Budget |
|----------------------|-------------------|-------------------|-------------------|-------------------|--|
| 10210 Finance        | \$ 295,320        | \$ 308,070        | \$ 308,010        | \$ 319,420        | 3.68%  |
| 10220 Assessing      | 379,012           | 349,630           | 342,840           | 353,580           | 1.13%  |
| <i>Finance TOTAL</i> | <u>\$ 674,332</u> | <u>\$ 657,700</u> | <u>\$ 650,850</u> | <u>\$ 673,000</u> | 2.33%  |

**REVENUES**

|                 |        |        |        |        |          |
|-----------------|--------|--------|--------|--------|----------|
| 10220 Assessing | \$ 393 | \$ 500 | \$ 100 | \$ 100 | (80.00%) |
|-----------------|--------|--------|--------|--------|----------|



# **FINANCE DIVISION**

## **MISSION STATEMENT**

To maintain all of the City's financial records, to provide accounting, and financial support services to other City departments and the City's Housing and Redevelopment Authority (HRA).

## **DIVISION FOCUS**

The Finance Division includes an accountant, a payroll accountant, three account clerical personnel, a utility billing clerk, and the Finance Director, who supervises division activities.

- The division prepares and maintains the City's multi-million dollar budget.
- The division provides payroll services for approximately 193 full-time employees and as much as 400 employees when seasonal and intermittent employees are added.
- In addition, division staff monitors and maintains fixed asset records, miscellaneous accounts receivable and processes disbursements for all divisions.
- Process quarterly utility bills for approximately 11,000 customers.
- The division monitors and manages the City and HRA investment portfolios which total approximately \$39 million.
- The division has the responsibility to monitor and manage the City' debt service of approximately \$68.3 million.

## **2019 HIGHLIGHTS**

- Awarding of the Distinguished Budget Award for the 2019 budget. This is the 35th consecutive year the City has earned this award.
- Awarding of the GFOA Certificate of Achievement for Excellence in Financial Reporting for the 2017 fiscal year. This is the 38th year the City has earned this award.

## **2020 FINANCE DIVISION GOALS**

- Prepare the City's Comprehensive Annual Financial Report before June 30 and maintain the GFOA Certificate of Achievement for Excellence in Financial Reporting award.
- Prepare the annual budget and provide the City Council a balanced budget prior to September 15.
- Assure that monthly revenue and expenditure reports are distributed by the 10th of the following month to all City departments.
- Receipt of the Distinguished Budget Award.
- Receipt of an unqualified audit opinion for 2019.

## **DIVISION EXPENDITURE COMMENT**

The revised 2019 budget reflects a .02% decrease from the 2019 Adopted Budget. The 2020 Proposed budget reflects an increase from the 2019 Adopted Budget of 3.68%. The increases are reflective of personnel and insurance cost increases.

**FUND: GENERAL FUND**  
**DEPARTMENT: Finance**  
**BUSINESS UNIT: Finance - 10210**

**DETAIL EXPENDITURES BY BUSINESS UNIT**

| <b>CLASSIFICATIONS</b>                    | <b>2018<br/>ACTUAL</b>   | <b>2019<br/>BUDGET</b>   | <b>2019<br/>REVISED</b>  | <b>2020<br/>BUDGET</b>   |
|---|--------------------------|--------------------------|--------------------------|--------------------------|
| <u>Personal Services</u>                  |                          |                          |                          |                          |
| 6005 Full Time                            | \$ 356,179               | \$ 343,760               | \$ 343,770               | \$ 354,570               |
| 6006 Part-time                            | 23,562                   | 48,240                   | 48,240                   | 49,690                   |
| 6013 Longevity                            | 1,576                    | 1,590                    | 1,620                    | 1,670                    |
| 6031 Employer Social Security             | 22,338                   | 21,900                   | 22,070                   | 22,540                   |
| 6032 Employer Medicare                    | 5,343                    | 5,600                    | 5,640                    | 5,800                    |
| 6033 Employer Pera                        | 28,552                   | 29,520                   | 29,530                   | 30,440                   |
| 6035 Medical Insurance                    | 55,525                   | 59,670                   | 58,100                   | 63,330                   |
| 6036 Dental Insurance                     | 3,183                    | 2,870                    | 2,870                    | 2,880                    |
| 6037 Term Life                            | 92                       | 100                      | 90                       | 90                       |
| 6038 Workers Compensation                 | 216                      | 220                      | 220                      | 220                      |
| 6040 Long Term Disability                 | 784                      | 790                      | 800                      | 820                      |
| 6054 Interdepartmental Labor Credit       | (39,280)                 | (40,460)                 | (40,460)                 | (41,540)                 |
| 6055 Administrative Labor Credit          | (221,490)                | (228,140)                | (228,140)                | (234,990)                |
| <i>Personal Services Total</i>            | <u>\$ 236,580</u>        | <u>\$ 245,660</u>        | <u>\$ 244,350</u>        | <u>\$ 255,520</u>        |
| <u>Other Services &amp; Charges</u>       |                          |                          |                          |                          |
| 6103 Professional Services -General       | \$ 5,552                 | \$ 7,300                 | \$ 7,300                 | \$ 7,400                 |
| 6202 Data Processing Rental               | 35,480                   | 36,140                   | 36,370                   | 37,080                   |
| 6205 Maintenance & Repairs                | 120                      | 120                      | 120                      | 120                      |
| 6302 Communications                       | 2,083                    | 2,240                    | 2,130                    | 2,170                    |
| 6303 Professional Development             | 324                      | 1,760                    | 1,740                    | 1,740                    |
| 6305 Subscriptions & Memberships          | 1,060                    | 910                      | 1,160                    | 1,160                    |
| 6307 Insurance & Bonds                    | 5,267                    | 5,170                    | 4,830                    | 4,970                    |
| 6308 Property Liability                   | 1,040                    | 1,070                    | 1,070                    | 1,100                    |
| 6401 Office Supplies                      | 4,631                    | 4,200                    | 5,490                    | 4,630                    |
| 6402 Copy Charges                         | 521                      | 800                      | 600                      | 600                      |
| 6403 Postage                              | 2,662                    | 2,700                    | 2,850                    | 2,930                    |
| <i>Other Services &amp; Charges Total</i> | <u>\$ 58,740</u>         | <u>\$ 62,410</u>         | <u>\$ 63,660</u>         | <u>\$ 63,900</u>         |
| <i>Finance TOTAL</i>                      | <u><u>\$ 295,320</u></u> | <u><u>\$ 308,070</u></u> | <u><u>\$ 308,010</u></u> | <u><u>\$ 319,420</u></u> |

## Performance Measures

### Department/Division

### Finance/Finance

|                                   | <u>Actual<br/>2017</u> | <u>Actual<br/>2018</u> | <u>Budget<br/>2019</u> | <u>Budget<br/>2020</u> |
|-----------------------------------|------------------------|------------------------|------------------------|------------------------|
| <b>Inputs:</b>                    |                        |                        |                        |                        |
| Number of full time employees     | 5.75                   | 5.00                   | 5.00                   | 5.00                   |
| Division Expenditures             | \$ 297,262             | \$ 295,320             | \$ 308,010             | \$ 319,420             |
| <b>Outputs:</b>                   |                        |                        |                        |                        |
| Accounts Payable Checks Processed |                        |                        |                        |                        |
| City                              | 8,930                  | 9,381                  | 9,400                  | 9,410                  |
| HRA                               | 427                    | 342                    | 360                    | 370                    |
| Payroll Remittances Processed     | 8,766                  | 9,029                  | 9,025                  | 9,050                  |
| Number of Investments Purchased   | 37                     | 28                     | 30                     | 35                     |
| Number of Investments Matured     | 39                     | 38                     | 33                     | 30                     |
| <b>Effectiveness Measures:</b>    |                        |                        |                        |                        |
| Interest Earnings on Investments  | \$ 315,411             | \$ 852,586             | \$ 855,000             | \$ 855,000             |
| Investment Portfolio Balance      | \$ 48,699,951          | \$ 60,122,862          | \$ 47,930,000          | \$ 53,500,000          |
| <b>Efficiency Measures:</b>       |                        |                        |                        |                        |
| Average Investment Yield          | 1.30%                  | 2.26%                  | 2.48%                  | 2.30%                  |
| Expenditure per Capita            | \$ 8.13                | \$ 8.11                | \$ 8.45                | \$ 8.77                |
| Outstanding Debt Per Capita       | \$ 1,686.07            | \$ 1,874.88            | \$ 1,839.34            | \$ 1,667.44            |
| Debt Service Levy Per Capita      | \$ 62.37               | \$ 79.88               | \$ 87.01               | \$ 95.47               |

**FUND: GENERAL FUND**  
**DEPARTMENT: Finance**  
**BUSINESS UNIT: Finance - 10210**

**DIVISION PERSONNEL**

| CLASSIFICATIONS                        | SALARY<br>GRADE | NUMBER OF EMPLOYEES |                 |                |
|--|-----------------|---------------------|-----------------|----------------|
|  |                 | 2019<br>ADOPTED     | 2019<br>REVISED | 2020<br>BUDGET |
| <u>Regular Full-Time Employees</u>     |                 |                     |                 |                |
| Finance Director                       | M-5A            | 1.00                | 1.00            | 1.00           |
| Accountant                             | GS-6E           | 1.00                | 1.00            | 1.00           |
| Payroll Accountant                     | GS-5E           | 1.00                | 1.00            | 1.00           |
| Accounting Clerk (Accounts Payable)    | GS-3            | 1.00                | 1.00            | 1.00           |
| Accounting Clerk (Accounts Receivable) | GS-3            | 1.00                | 1.00            | 1.00           |
|  | <i>Total</i>    | <u>5.00</u>         | <u>5.00</u>     | <u>5.00</u>    |
| <u>Part-Time Employees</u>             |                 |                     |                 |                |
| Accounting Clerk                       |                 | 1.00                | 1.00            | 1.00           |
|  | <i>Total</i>    | <u>1.00</u>         | <u>1.00</u>     | <u>1.00</u>    |

**CAPITAL OUTLAY**

| ITEMS | 2019<br>ADOPTED | 2019<br>REVISED | 2020<br>BUDGET |
|-------|-----------------|-----------------|----------------|
| None  | \$ -            | \$ -            | \$ -           |
|       | <i>Total</i>    | <u>\$ -</u>     | <u>\$ -</u>    |



## **ASSESSING DIVISION**

### **MISSION STATEMENT**

To establish the valuation and classification of all real property for taxation purposes and to maintain current information on special assessments placed on individual properties in the City.

### **DIVISION FOCUS**

The duties of the Assessing staff are defined by the Minnesota Statutes and the Minnesota Department of Revenue. Those statutes regulate the assessment and valuation process. An Assessor's responsibilities are to value and classify property, uniformly and accurately. Each year, one fifth of the properties are physically inspected within the City and records are updated. Assessors review sales and perform interior inspections as needed. In addition, assessors annually check on all property for which building permits have been issued during the course of the year in order to establish and adjust value based on the amount of improvements.

The homestead application process formerly a function of City staff is now the responsibility of Hennepin County. City staff is now responsible for receiving and recording special assessment records, payments, and perform special assessment searches for property owners, realtors, and appraisers regarding property records and pending special assessments. The search fee derived from this activity is shown as general government revenue to the General Fund.

### **2019 HIGHLIGHTS**

- Maintained and updated all property records on the computer database.
- Continued successful "Open Book Meetings".
- Completed revaluation of residential, commercial, and industrial properties.
- Performed an on-going sales verification process.
- Monitored exempt properties to keep property files up to date for future valuations.

### **2020 ASSESSING DIVISION GOALS**

- Complete the 2020 Assessment by Jan. 2, 2020.
- Revaluation of all Residential/Commercial/Industrial properties.
- Review all sales, analyze market trends, and accurately set the assessment.
- Continue verifying sales for Assessor's Commercial Exchange (ACE) data system.
- Continue verifying electronic Certificate of Real Estate Value (ECRV) in the system.
- Incorporate additional responsibilities as legislature and market conditions dictate, such as:
  - Review of Foreclosure Sheriff Sales of City property.
  - Disabled Veteran Exclusion.
  - Educate the public on the Homestead Market Value Exclusion.

### **DIVISION EXPENDITURE COMMENT**

The 2019 Revised Budget reflects a decrease from the 2019 Adopted Budget due to a decrease in data processing and insurance charges. The 2020 Proposed Budget reflects a slight increase due to an anticipated increase in the contract with Hennepin County for property assessment services.

**FUND: GENERAL FUND**  
**DEPARTMENT: Finance**  
**BUSINESS UNIT: Assessing - 10220**

**DETAIL EXPENDITURES BY BUSINESS UNIT**

| <b>CLASSIFICATIONS</b>                    | <b>2018<br/>ACTUAL</b>   | <b>2019<br/>BUDGET</b>   | <b>2019<br/>REVISED</b>  | <b>2020<br/>BUDGET</b>   |
|---|--------------------------|--------------------------|--------------------------|--------------------------|
| <u>Personal Services</u>                  |                          |                          |                          |                          |
| 6005 Full Time                            | \$ 39,240                | \$ -                     | \$ -                     | \$ -                     |
| 6031 Employer Social Security             | 2,723                    | -                        | -                        | -                        |
| 6032 Employer Medicare                    | 637                      | -                        | -                        | -                        |
| 6033 Employer Pera                        | 2,996                    | -                        | -                        | -                        |
| 6035 Medical Insurance                    | 6,541                    | -                        | -                        | -                        |
| 6036 Dental Insurance                     | 506                      | -                        | -                        | -                        |
| 6037 Term Life                            | 13                       | -                        | -                        | -                        |
| 6038 Workers Compensation                 | 47                       | -                        | -                        | -                        |
| 6040 Long Term Disability                 | 78                       | -                        | -                        | -                        |
| <i>Personal Services Total</i>            | <u>\$ 52,781</u>         | <u>\$ -</u>              | <u>\$ -</u>              | <u>\$ -</u>              |
| <u>Other Services &amp; Charges</u>       |                          |                          |                          |                          |
| 6103 Professional Services -General       | \$ 315,375               | \$ 339,500               | \$ 339,560               | \$ 350,180               |
| 6201 Rents & Leases                       | 1,310                    | 1,430                    | 1,590                    | 1,660                    |
| 6202 Data Processing Rental               | 6,973                    | 5,980                    | 210                      | 230                      |
| 6302 Communications                       | -                        | 70                       | -                        | -                        |
| 6303 Professional Development             | 14                       | -                        | -                        | -                        |
| 6307 Insurance & Bonds                    | 1,145                    | 1,120                    | -                        | -                        |
| 6308 Property Liability                   | 850                      | 880                      | 880                      | 910                      |
| 6401 Office Supplies                      | 372                      | 200                      | 200                      | 200                      |
| 6402 Copy Charges                         | 84                       | 200                      | 200                      | 200                      |
| 6403 Postage                              | 108                      | 250                      | 200                      | 200                      |
| <i>Other Services &amp; Charges Total</i> | <u>\$ 326,231</u>        | <u>\$ 349,630</u>        | <u>\$ 342,840</u>        | <u>\$ 353,580</u>        |
| <i>Assessing TOTAL</i>                    | <u><u>\$ 379,012</u></u> | <u><u>\$ 349,630</u></u> | <u><u>\$ 342,840</u></u> | <u><u>\$ 353,580</u></u> |



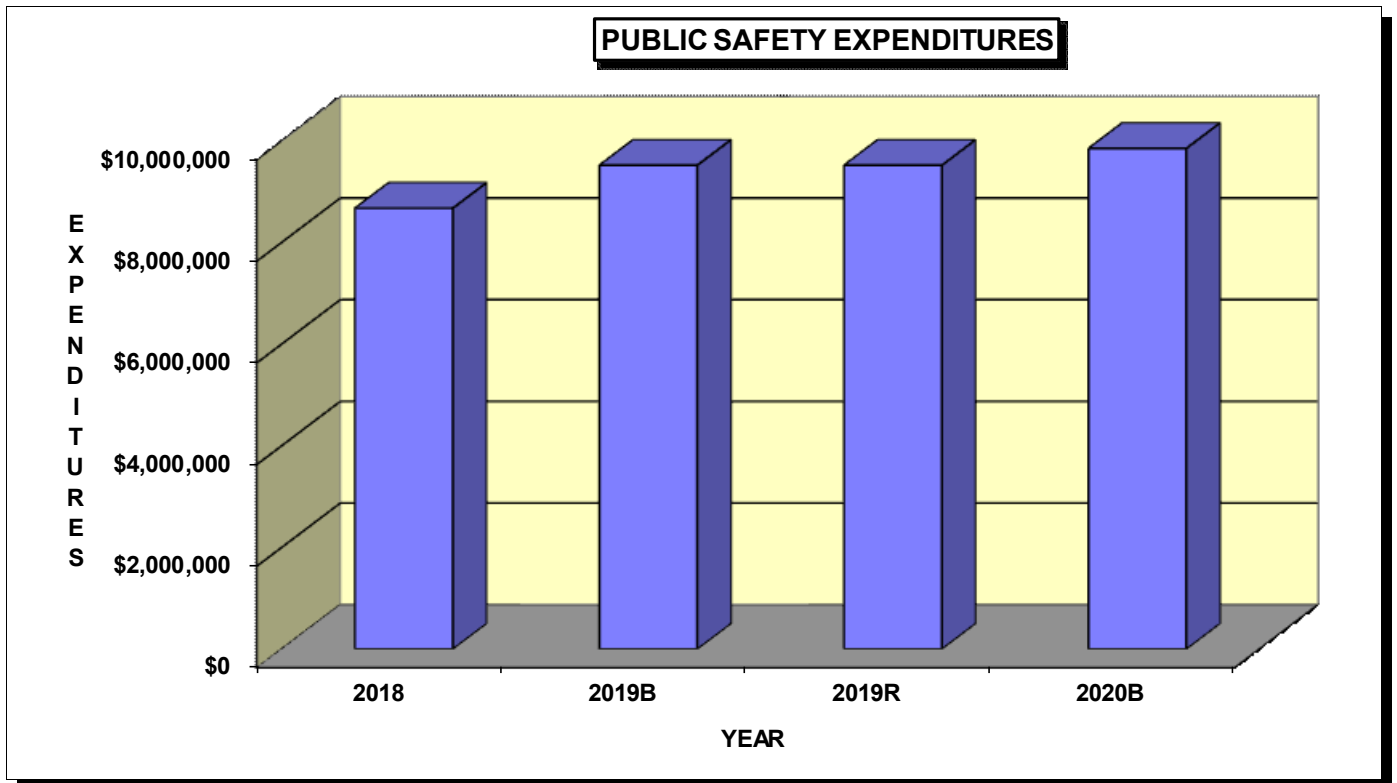
**FUND: GENERAL FUND**  
**DEPARTMENT: Public Safety**

**DEPARTMENT SUMMARY BY BUSINESS UNIT**

| BUSINESS UNIT              | 2018<br>ACTUAL      | 2019<br>BUDGET      | 2019<br>REVISED     | 2020<br>BUDGET      | Increase/<br>(Decrease)<br>2019 Budget/<br>2020 Budget |
|----------------------------|---------------------|---------------------|---------------------|---------------------|--|
| 10300 Support Services     | \$ 914,476          | \$ 981,370          | \$ 996,960          | \$ 1,077,240        | 9.77%  |
| 10305 Police Operations    | 7,733,912           | 8,498,720           | 8,481,860           | 8,733,420           | 2.76%  |
| 10315 Emergency Services   | 22,922              | 36,490              | 37,030              | 37,110              | 1.70%  |
| <i>Public Safety TOTAL</i> | <u>\$ 8,671,310</u> | <u>\$ 9,516,580</u> | <u>\$ 9,515,850</u> | <u>\$ 9,847,770</u> | 3.48%  |

**REVENUES**

|                         |            |            |            |            |         |
|-------------------------|------------|------------|------------|------------|---------|
| 10300 Support Services  | \$ 525,699 | \$ 521,440 | \$ 502,940 | \$ 519,410 | (0.39%) |
| 10305 Police Operations | 915,510    | 927,460    | 915,670    | 920,960    | (0.70%) |



## **SUPPORT SERVICES DIVISION**

### **MISSION STATEMENT**

To provide management and administration of health services, business licensing, animal control, food inspections and environmental health services.

### **DIVISION FOCUS**

The Support Services Division includes the Support Services Division Manager, two part-time Environmental Health Specialists, one full-time Code Compliance Specialist, two part-time Business Licensing Clerks and one part-time Community Service Officer.

The Support Services Division performs six major functions for the City. They are:

- Environmental Health Code Enforcement
- Animal Control
- Business Licensing
- Public Health Nursing Services
- Food Inspection Services
- Liaison to the Richfield Advisory Board of Health (Citizens Commission)

The division is responsible for responding to complaints received concerning environmental health code violations of private and public property. The division is also responsible for all animal control functions in the community which is handled by a supervisor and one part-time employee. Additionally, the division provides business licensing functions for the City including the licensing and inspection of all food establishments and all liquor/wine/beer establishments in the City. This is also staffed with two part-time job share employees.

The division, for 42 years now, provides health services to the residents of Richfield through a contract with the Bloomington Public Health Division. The division also provides a staff liaison to the Richfield Advisory Board of Health.

Staff continues to respond to approximately 2,300 complaints/pro-actives a year for environmental health violations while utilizing two part-time staff that job share to conduct case management. The Community Service Officer is the field inspector for environmental health complaints along with conducting other traditional CSO duties of animal control, assisting patrol, errands and minor traffic violations, etc. This position is also part-time.

In 2018, the division employed a 19 hour a week Environmental Health Tech for approximately five months during the summer who pro-actively monitored the City for obvious common violations. This helped assist the CSO and gained a handle on conducting even more proactive inspections to ensure quality of life for all residents.

### **2019 HIGHLIGHTS**

- A CSO moved to a full-time Community Development position allowing her to remain with the City as her employer of choice. Another CSO made the transition from CSO

to Cadet. We've been able to look internally at the Police Explorers for candidates to fill the CSO position.

- A summer Code Enforcement Tech was hired again to address the top 5 property violations throughout the summer season (May – August).
- All city codes relevant to the Support Services division have been identified for updating in the second half of 2019.

### **2020 DIVISION GOALS**

- On-going work will continue with the completion of standard operating procedural manuals for both Environmental Health and Business Licensing areas. (City Council Goal 6b)
- Staff will continue to participate in GARE work to advance racial equity in the city. (City Council Goal 3a)

### **DIVISION EXPENDITURE COMMENT**

The majority of the division's expenditures are employee salaries. Three staff are still stepping in their pay plan while three have reached their maximum salary. Additionally, the public health nursing and food/pool/lodging inspection contracts the City of Richfield has with the City of Bloomington continue to increase annually.

The Public Health contract (5% increase) and the Food Inspection contract (3% increase) with the City of Bloomington is due in large part to rising salary/benefit costs.

In addition, Richfield, along with the City of Edina recently agreed to a shared services budget increase that will have Richfield paying nearly \$139,000 in additional payments over the next three years to cover the city's share of administration, planning and internal service charges that the City of Bloomington has been covering over the last several years. This will be an ongoing charge for the foreseeable future.

**FUND: GENERAL FUND**  
**DEPARTMENT: Public Safety**  
**BUSINESS UNIT: Support Services - 10300**

**DETAIL EXPENDITURES BY BUSINESS UNIT**

| <b>CLASSIFICATIONS</b>                    | <b>2018<br/>ACTUAL</b>   | <b>2019<br/>BUDGET</b>   | <b>2019<br/>REVISED</b>  | <b>2020<br/>BUDGET</b>     |
|---|--------------------------|--------------------------|--------------------------|----------------------------|
| <u>Personal Services</u>                  |                          |                          |                          |                            |
| 6005 Full Time                            | \$ 146,587               | \$ 149,080               | \$ 149,080               | \$ 159,720                 |
| 6006 Part-time                            | 168,311                  | 212,230                  | 189,250                  | 219,370                    |
| 6007 Seasonal                             | 5,408                    | 8,460                    | 8,460                    | 8,710                      |
| 6009 Overtime                             | -                        | 500                      | 500                      | 500                        |
| 6031 Employer Social Security             | 18,824                   | 21,220                   | 20,340                   | 22,970                     |
| 6032 Employer Medicare                    | 4,402                    | 4,960                    | 4,760                    | 5,380                      |
| 6033 Employer Pera                        | 23,197                   | 27,820                   | 25,450                   | 29,100                     |
| 6035 Medical Insurance                    | 59,058                   | 68,420                   | 63,570                   | 76,380                     |
| 6036 Dental Insurance                     | 1,428                    | 1,440                    | 1,440                    | 1,440                      |
| 6037 Term Life                            | 42                       | 80                       | 80                       | 80                         |
| 6038 Workers Compensation                 | 612                      | 380                      | 380                      | 390                        |
| 6040 Long Term Disability                 | 296                      | 300                      | 320                      | 330                        |
| <i>Personal Services Total</i>            | <u>\$ 428,165</u>        | <u>\$ 494,890</u>        | <u>\$ 463,630</u>        | <u>\$ 524,370</u>          |
| <u>Other Services &amp; Charges</u>       |                          |                          |                          |                            |
| 6103 Professional Services -General       | \$ 398,516               | \$ 408,050               | \$ 455,330               | \$ 474,200                 |
| 6202 Data Processing Rental               | 34,250                   | 34,860                   | 35,130                   | 35,750                     |
| 6204 Motor Pool Operating Rental          | 16,290                   | 17,100                   | 17,100                   | 17,610                     |
| 6207 Utility Services                     | 10,776                   | 11,120                   | 11,120                   | 11,450                     |
| 6301 Advertising & Publication            | 1,023                    | 1,000                    | 1,000                    | 1,000                      |
| 6302 Communications                       | 1,106                    | 830                      | 1,050                    | 830                        |
| 6303 Professional Development             | 230                      | 1,500                    | 1,000                    | 1,000                      |
| 6305 Subscriptions & Memberships          | 493                      | 400                      | 400                      | 400                        |
| 6307 Insurance & Bonds                    | 1,836                    | 1,800                    | 1,930                    | 1,990                      |
| 6308 Property Liability                   | 650                      | 670                      | 670                      | 690                        |
| 6315 Other Contractual Services           | 11,300                   | 750                      | 750                      | 750                        |
| 6401 Office Supplies                      | 4,005                    | 2,500                    | 2,000                    | 2,000                      |
| 6402 Copy Charges                         | 640                      | 1,000                    | 800                      | 800                        |
| 6403 Postage                              | 1,393                    | 1,500                    | 1,500                    | 1,500                      |
| 6409 Uniforms & Clothing                  | 1,992                    | 1,700                    | 1,700                    | 1,000                      |
| 6513 Other Charges                        | 1,811                    | 1,700                    | 1,850                    | 1,900                      |
| <i>Other Services &amp; Charges Total</i> | <u>\$ 486,311</u>        | <u>\$ 486,480</u>        | <u>\$ 533,330</u>        | <u>\$ 552,870</u>          |
| <i>Support Services TOTAL</i>             | <u><u>\$ 914,476</u></u> | <u><u>\$ 981,370</u></u> | <u><u>\$ 996,960</u></u> | <u><u>\$ 1,077,240</u></u> |

## Performance Measures

### Department/Division

### Public Safety/Support Services

|   | <u>Actual<br/>2017</u> |   | <u>Actual<br/>2018</u> |   | <u>Budget<br/>2019</u> |    | <u>Budget<br/>2020</u> |
|---|------------------------|---|------------------------|---|------------------------|----|------------------------|
| <b>Inputs:</b>                            |                        |   |                        |   |                        |    |                        |
| Number of full-time employees             | 2.00                   | # | 2.00                   | # | 2.00                   | #  | 2.00                   |
| Number of part-time Employees             | 6.00                   |   | 6.00                   |   | 6.00                   |    | 6.00                   |
| Division Expenditures                     | \$ 887,286             |   | \$ 914,476             |   | \$ 996,960             |    | \$ 1,077,240           |
| <b>Outputs:</b>                           |                        |   |                        |   |                        |    |                        |
| Number of proactive inspections conducted | 1,177                  |   | 1,058                  |   | 1,420                  |    | 1,450                  |
| Number of citizen generated complaints    | 1,197                  |   | 620                    |   | 400                    |    | 400                    |
| <b>Effectiveness Measures:</b>            |                        |   |                        |   |                        |    |                        |
| Staff Response Time to Complaints         |                        |   |                        |   |                        |    |                        |
| % within 5 days                           | 65%                    |   | 65%                    |   | 65%                    |    | 65%                    |
| % within 10 days                          | 25%                    |   | 25%                    |   | 25%                    |    | 25%                    |
| More than 10 days                         | 10%                    |   | 10%                    |   | 10%                    |    | 10%                    |
| <b>Efficiency Measures:</b>               |                        |   |                        |   |                        |    |                        |
| Number of proactive insp.cond./inspector  | 588                    |   | 529                    |   | 710                    |    | 725                    |
| Number of citizen comp. cond./inspector   | 598                    |   | 310                    |   | 200                    |    | 200                    |
| Division expenditure per capita           | \$24.28                |   | \$25.10                |   | \$27.36                | \$ | 29.57                  |



**FUND: GENERAL FUND**  
**DEPARTMENT: Public Safety**  
**BUSINESS UNIT: Support Services - 10300**

**DIVISION PERSONNEL**

| CLASSIFICATIONS                    | SALARY<br>GRADE | NUMBER OF EMPLOYEES |                 |                |
|------------------------------------|-----------------|---------------------|-----------------|----------------|
|                                    |                 | 2019<br>ADOPTED     | 2019<br>REVISED | 2020<br>BUDGET |
| <u>Regular Full-Time Employees</u> |                 |                     |                 |                |
| Health Administrator               | M-1             | 1.00                | 1.00            | 1.00           |
| Code Compliance Officer            | GS-5            | 1.00                | 1.00            | 1.00           |
| <i>Total</i>                       |                 | <u>2.00</u>         | <u>2.00</u>     | <u>2.00</u>    |
| <u>Part-Time Employees</u>         |                 |                     |                 |                |
| Health/Licensing Specialist        | GS-3            | 2.00                | 2.00            | 2.00           |
| Business Licensing Clerk           | GS-2            | 2.00                | 2.00            | 2.00           |
| Community Service Officer          | GS-2            | 2.00                | 2.00            | 2.00           |
| <i>Total</i>                       |                 | <u>6.00</u>         | <u>6.00</u>     | <u>6.00</u>    |

**CAPITAL OUTLAY**

| ITEMS        | 2019<br>ADOPTED | 2019<br>REVISED | 2020<br>BUDGET |
|--------------|-----------------|-----------------|----------------|
| None         | \$ -            | \$ -            | \$ -           |
| <i>Total</i> | <u>\$ -</u>     | <u>\$ -</u>     | <u>\$ -</u>    |

## **POLICE DIVISION**

### **MISSION STATEMENT**

It is the Mission of the Richfield Police Department to safeguard the lives and property of the people we serve, to reduce the incidence and fear of crime, and to enhance public safety while working with the community to improve their quality of life. The men and women of the Richfield Police Department are committed to accomplishing these goals with courage, honor, integrity and hard work.

### **DIVISION FOCUS**

Our mission statement provides the foundation upon which all operational decisions and organizational policies are based. Under the leadership of the Public Safety Director, the Police Division works tirelessly to accomplish the mission. To effectively achieve these stated goals, the Police Division is divided into three sections:

- The Patrol Section consists of the uniformed officers patrolling the streets of Richfield in marked police squads. These officers provide timely 24/7 police coverage to the citizens of Richfield. There are three specialty units embedded in the patrol section or available to assist the patrol section. The specialty units are one canine unit assigned to the patrol section, traffic unit, and the SWAT team. The canine unit enhances officer's ability to locate offenders, persons, contraband and/or property. The traffic unit allows flexibility in enforcement efforts and affords the patrol section the ability to focus on problem traffic areas in the city. Finally, the SWAT team provides the patrol section the ability to respond to high risk incidents that do not fall within the scope of routine policing.
- The Investigative Section consists of a promoted detective, Officers assigned to investigation, school liaison officers, and the Special Investigative Unit (SIU). Investigations are responsible for conducting all criminal investigations in the City of Richfield. School liaison officers' work in partnership with school officials and other agencies to build a strong relationship with the youth in the community. The Richfield Special Investigative Unit (SIU) proactively investigates narcotic, vice, and gang related crimes in Richfield. We also have a continued partnership with the Hennepin County Sheriff's Office with the Violent Offender Task Force (VOTF)
- The Administrative Section consists of support services, Joint Community Police Partnership unit (JCPP) and the Crime Prevention Unit (CPU). Support services personnel are responsible for administrative and clerical support, planning and research, processing criminal complaints and conducting statistical analyses for the police division. CPU provides citizens with the knowledge necessary to protect their person and property from becoming victimized by crime through community education and prevention programs.

### **2019 HIGHLIGHTS**

Community Relations in keeping with Council Goal 5a-d.

- Annual Citizen Police Academy
- Nite to Unite
- New Americans Academy
- Heroes & Helpers
- Home Alone Program(s) and Internet Safety for Parents

- Numerous Public Safety Announcements (ex. Burglary Prevention)
- Police Department FACEBOOK viewership has increased
- Unity in the Community Event
- Bicycle Program in collaboration with Richfield Schools
- Performed over 1700 hours of Community Oriented Policing
- 26<sup>th</sup> annual Safety Day in collaboration with the Fire Department

Personnel:

- In keeping with Council Goal 3a-d, and 6e, Hired 2 new police officers and anticipate hiring an additional two new officers. One of the new officers is a person of color
- Hired one of our cadets as an officer.

**REVISED 2019 BUDGET CHANGES**

- The revised 2019 budget is lower than the adopted 2019 budget due to some changes in contracts for service and the hiring of newer officers at lower pay scales along with filling promoted ranks at lower pay scales.

**2020 POLICE DIVISION GOALS**

- Enhance police effectiveness with additional technology upgrades and apps.
  - Deploy “Vitals” app on police cell phones and electronic devices.
  - Field based reporting by the patrol division.
  - Use of Force Program dashboards to be placed on website to create transparency.
- Continue to seek out grant funding opportunities for new programs/equipment.
- In keeping with Council Goal 6b-c, Continue to enhance the partnership between members of the community and the police through proactive programs based on the Community Oriented Policing philosophy.
- In keeping with Council Goal 5a-c and 6a-f, Reduce crime and increase the feeling of safety and security through a partnership between members of the community and the police department.
- In keeping with Council Goal 5b-d and 6a-f, continue with “Coffee with a Cop” and “Cook out with a Cop” to meet with the public on a monthly basis and collaborate on issues or concerns in the community. Develop and Initiate new programs for the community.
- In keeping with Council Goal 5c, collaboration with schools for more youth opportunities (ex. Mentoring programs and other outreach programs.)

**DIVISION EXPENDITURE COMMENT**

The increases in the Proposed 2020 Budget are due mainly to:

- The personal services increases for 2020 reflect collective bargaining agreement step increases. 20 Officers will receive step increases.
- Now have to participate in funding of JCCP with Hennepin County.
- Increase in professional services due to payments for LOGIS maintenance and software upgrades.
- Increase in Health Insurance, Workers Compensation, and PERA.

**FUND: GENERAL FUND**  
**DEPARTMENT: Public Safety**  
**BUSINESS UNIT: Police Operations - 10305**

**DETAIL EXPENDITURES BY BUSINESS UNIT**

| <b>CLASSIFICATIONS</b>                    | <b>2018<br/>ACTUAL</b> | <b>2019<br/>BUDGET</b> | <b>2019<br/>REVISED</b> | <b>2020<br/>BUDGET</b> |
|---|------------------------|------------------------|-------------------------|------------------------|
| <u>Personal Services</u>                  |                        |                        |                         |                        |
| 6005 Full Time                            | \$ 4,121,088           | \$ 4,601,010           | \$ 4,623,650            | \$ 4,679,750           |
| 6006 Part-time                            | 180,010                | 194,030                | 196,600                 | 194,030                |
| 6009 Overtime                             | 149,647                | 145,000                | 145,000                 | 150,000                |
| 6011 Education Pay                        | 54,438                 | 73,940                 | 70,800                  | 91,920                 |
| 6031 Employer Social Security             | 35,381                 | 38,810                 | 39,040                  | 39,160                 |
| 6032 Employer Medicare                    | 64,618                 | 67,450                 | 67,460                  | 68,460                 |
| 6033 Employer Pera                        | 676,768                | 772,850                | 774,210                 | 811,680                |
| 6035 Medical Insurance                    | 647,966                | 756,920                | 703,750                 | 755,850                |
| 6036 Dental Insurance                     | 34,903                 | 38,000                 | 38,230                  | 37,460                 |
| 6037 Term Life                            | 1,023                  | 2,120                  | 2,130                   | 2,080                  |
| 6038 Workers Compensation                 | 139,524                | 146,870                | 146,870                 | 151,340                |
| 6040 Long Term Disability                 | 8,215                  | 8,080                  | 8,580                   | 8,830                  |
| 6051 Interdepartmental Labor              | -                      | 200                    | 200                     | 200                    |
| 6053 Labor Services Billed                | 56,459                 | 30,000                 | 38,000                  | 38,000                 |
| 6054 Interdepartmental Labor Credit       | (84,245)               | (96,660)               | (96,660)                | (99,560)               |
| 6055 Administrative Labor Credit          | (19,810)               | (20,410)               | (20,410)                | (21,010)               |
| 6056 Labor Services Billed Credit         | (105,013)              | (60,000)               | (60,000)                | (65,000)               |
| 6057 Juvenile Investigation Credit        | (77,498)               | (79,830)               | (79,830)                | (81,430)               |
| <i>Personal Services Total</i>            | <u>\$ 5,883,474</u>    | <u>\$ 6,618,380</u>    | <u>\$ 6,597,620</u>     | <u>\$ 6,761,760</u>    |
| <u>Other Services &amp; Charges</u>       |                        |                        |                         |                        |
| 6103 Professional Services -General       | \$ 561,410             | \$ 518,100             | \$ 495,360              | \$ 542,910             |
| 6201 Rents & Leases                       | 103,487                | 109,270                | 108,370                 | 111,640                |
| 6202 Data Processing Rental               | 223,760                | 229,080                | 234,100                 | 241,160                |
| 6204 Motor Pool Operating Rental          | 286,440                | 300,450                | 300,450                 | 309,460                |
| 6205 Maintenance & Repairs                | 31,826                 | 29,140                 | 49,900                  | 38,900                 |
| 6207 Utility Services                     | 311,052                | 320,850                | 320,850                 | 330,480                |
| 6301 Advertising & Publication            | 107                    | 250                    | 250                     | 250                    |
| 6302 Communications                       | 3,586                  | 5,800                  | 4,600                   | 5,000                  |
| 6303 Professional Development             | 66,926                 | 72,000                 | 78,000                  | 78,000                 |
| 6305 Subscriptions & Memberships          | 4,076                  | 5,000                  | 4,800                   | 4,800                  |
| 6307 Insurance & Bonds                    | 49,282                 | 48,360                 | 51,910                  | 53,470                 |
| 6308 Property Liability                   | 16,930                 | 17,440                 | 17,440                  | 17,960                 |
| 6315 Other Contractual Services           | 1,330                  | 1,100                  | 1,500                   | 1,600                  |
| 6319 Detention Costs                      | 57,251                 | 63,000                 | 65,000                  | 65,000                 |
| 6401 Office Supplies                      | 13,672                 | 18,000                 | 16,000                  | 16,000                 |
| 6402 Copy Charges                         | 284                    | 500                    | 400                     | 400                    |
| 6403 Postage                              | 1,795                  | 2,100                  | 2,000                   | 2,000                  |
| 6409 Uniforms & Clothing                  | 53,968                 | 70,000                 | 66,000                  | 66,000                 |
| 6414 Other Supplies                       | 63,256                 | 69,900                 | 67,310                  | 86,630                 |
| <i>Other Services &amp; Charges Total</i> | <u>\$ 1,850,438</u>    | <u>\$ 1,880,340</u>    | <u>\$ 1,884,240</u>     | <u>\$ 1,971,660</u>    |
| <i>Police Operations TOTAL</i>            | <u>\$ 7,733,912</u>    | <u>\$ 8,498,720</u>    | <u>\$ 8,481,860</u>     | <u>\$ 8,733,420</u>    |

## Performance Measures

### Department/Division

### Public Safety/Police Operations

|                                    | <u>Actual<br/>2017</u> | <u>Actual<br/>2018</u> | <u>Budget<br/>2019</u> | <u>Budget<br/>2020</u> |
|------------------------------------|------------------------|------------------------|------------------------|------------------------|
| <b>Inputs:</b>                     |                        |                        |                        |                        |
| Number of full time employees      | 53.80                  | 53.80                  | 53.80                  | 53.80                  |
| Division Expenditures              | \$7,306,739            | \$ 7,733,912           | \$ 8,481,860           | \$ 8,733,420           |
| <b>Outputs:</b>                    |                        |                        |                        |                        |
| Annual Calls for Service           | 35,800                 | 40,909                 | 40,100                 | 40,100                 |
| Crime Prevention Activities        |                        |                        |                        |                        |
| Neighborhood Crime Watch Blocks    | 252                    | 252                    | 243                    | 243                    |
| National Night Out - Block Parties | 163                    | 163                    | 197                    | 197                    |
| Traffic Enforcement - Citations    | 6,000                  | 5,000                  | 4,500                  | 4,500                  |
| <b>Effectiveness Measures:</b>     |                        |                        |                        |                        |
| Crime Occurrences                  |                        |                        |                        |                        |
| Part 1                             | 955                    | 1,009                  | 870                    | 870                    |
| Part 2                             | 1,100                  | 1,281                  | 1,335                  | 1,335                  |
| Motor Vehicle Crashes              | 430                    | 480                    | 478                    | 460                    |
| <b>Efficiency Measures:</b>        |                        |                        |                        |                        |
| Police Call Response Time-Minutes  | 4.40                   | 4.00                   | 4.40                   | 4.40                   |
| Expenditure per Capita             | \$199.94               | \$ 212.26              | \$ 232.79              | \$ 239.69              |
| Cost Per Response                  | \$204.10               | \$ 189.05              | \$ 211.52              | \$ 217.79              |

**FUND: GENERAL FUND**  
**DEPARTMENT: Public Safety**  
**BUSINESS UNIT: Police Operations - 10305**

**DIVISION PERSONNEL**

| CLASSIFICATIONS                      | SALARY<br>GRADE | NUMBER OF EMPLOYEES |                 |                |
|--------------------------------------|-----------------|---------------------|-----------------|----------------|
|                                      |                 | 2019<br>ADOPTED     | 2019<br>REVISED | 2020<br>BUDGET |
| <u>Regular Full-Time Employees</u>   |                 |                     |                 |                |
| Public Safety Director               | M-5B            | 1.00                | 1.00            | 1.00           |
| Deputy Director                      | M-4             | 1.00                | 1.00            | 1.00           |
| Lieutenant                           | PS-5            | 3.00                | 3.00            | 3.00           |
| Sergeant                             | PS-4            | 8.00                | 8.00            | 8.00           |
| Detective                            | PS-3            | 1.00                | 1.00            | 1.00           |
| Police Officer                       | PS-2            | 33.00               | 33.00           | 33.00          |
| Records Supervisor                   | GS-5E           | 1.00                | 1.00            | 1.00           |
| Civilian Crime Prevention Specialist | GS-5E           | 1.00                | 1.00            | 1.00           |
| Police IT Specialist                 | GS-5            | .80                 | .80             | .80            |
| Administrative Assistant             | GS-4SN          | 1.00                | 1.00            | 1.00           |
| Records Technician                   | GS-4            | 1.00                | 1.00            | 1.00           |
| Senior Office Assistant              | GS-2            | 2.00                | 2.00            | 2.00           |
|                                      | <i>Total</i>    | <u>53.80</u>        | <u>53.80</u>    | <u>53.80</u>   |
| <u>Part-Time Employees</u>           |                 |                     |                 |                |
| Senior Office Assistant              | GS-1            | 2.00                | 2.00            | 2.00           |
| Office Assistant                     | GS-1            | 2.00                | 2.00            | 2.00           |
|                                      | <i>Total</i>    | <u>4.00</u>         | <u>4.00</u>     | <u>4.00</u>    |

**CAPITAL OUTLAY**

| ITEMS | 2019         | 2019        | 2020        |
|-------|--------------|-------------|-------------|
|       | ADOPTED      | REVISED     | BUDGET      |
| None  | \$ -         | \$ -        | \$ -        |
|       | <i>Total</i> | <u>\$ -</u> | <u>\$ -</u> |

# EMERGENCY SERVICES DIVISION

## Mission Statement

The Richfield Emergency Services Unit's mission is to cooperate with and assist the licensed, sworn officers of the Richfield Police Department, Richfield Fire Department, and Emergency Medical Services by maintaining a state of preparedness for disasters, community events and other emergencies. This is accomplished with professional training standards and the maintenance of emergency plans and an Emergency Operations Center set up by the Richfield Police Department.

## Division Focus

### The Richfield Police Reserve Unit

The unit is comprised entirely of citizen volunteers and was established to provide assistance to the sworn officers and command staff of the Richfield Police Department. This requires monthly training in specific areas such as patrol tactics, traffic, crowd control, and emergency medical services. The execution of this division focus is accomplished by spending several documented hours in active support of police operations.

These programs include but are not limited to:

- The 4<sup>th</sup> of July event – parade and fireworks
- High School sporting events
- Race events sponsored by various churches and Woodlake Nature Center
- Environmental Home Checks
- Vacation Home Checks – proactive measures to deal with burglaries when homeowners are gone
- Assist officers with traffic and crowd control at events, emergency call outs for disasters, crime scene protection and Toward Zero Death “TZD” enforcement events.
- Provide patrol support during busy evening and weekend hours
- Weekly squad maintenance checks
- Traffic security during VIP visits
- Standing Guard at LEMA site at the State Capital

### Richfield CERT Program

In keeping with Council Goal 5a-c and 6a-f, the Richfield Community Emergency Response Team (CERT) has over 110 citizen volunteers trained in areas of traffic control, medical triage, fire safety, and emergency sheltering.

The program holds two introductory training classes each year for new volunteers. Volunteers who pass the initial training program are formed into teams that train once a month.

The program has expanded on a more regional basis to include the Cities of Bloomington, Burnsville, Eden Prairie, St. Louis Park and Minneapolis. This past year CERT held a class for Somalian Students in collaboration with the City of Bloomington.

CERT volunteers have been used to assist the city during the following events.

- Traffic/Crowd Control at The 4<sup>th</sup> of July event- parade and fireworks
- Youth CERT presentations at Safety Day
- Teen Academies
- Promoting CERT and Emergency Preparedness at Nite to Unite
- Traffic Control at Urban Half Marathon
- Maintenance and command of the Mobile Operations Center (Communications Van) which is utilized as a coordination point and headquarters for major events such as weather disasters, major crime scenes, community events.

Over the past seven-years CERT has expanded into the business community as a business CERT model. Teen CERT has also been taught to children in collaboration with Safety Day to better prepare children for natural or man-made disasters.

#### Emergency Management Team

In keeping with Council Goal 5c, the police department works on a quarterly basis with members of the school district and principals from the individual schools on school safety and emergency protocols.

#### Division Expenditure

The budget reflects personnel costs for the extra pay the Reserve Coordinator receives. Other costs are for uniforms, supplies, equipment and maintenance necessary for the operation of the Division. There is a large expenditure that occurred in 2018 and 2019 when we replaced the last six of seven warning sirens in the city. The sirens were well over 50 years old and were in need of replacement. The work was completed the spring of 2019 on the new sirens. The sirens will be included in the budget for the next 10 years.



**FUND: GENERAL FUND**  
**DEPARTMENT: Public Safety**  
**BUSINESS UNIT: Emergency Services - 10315**

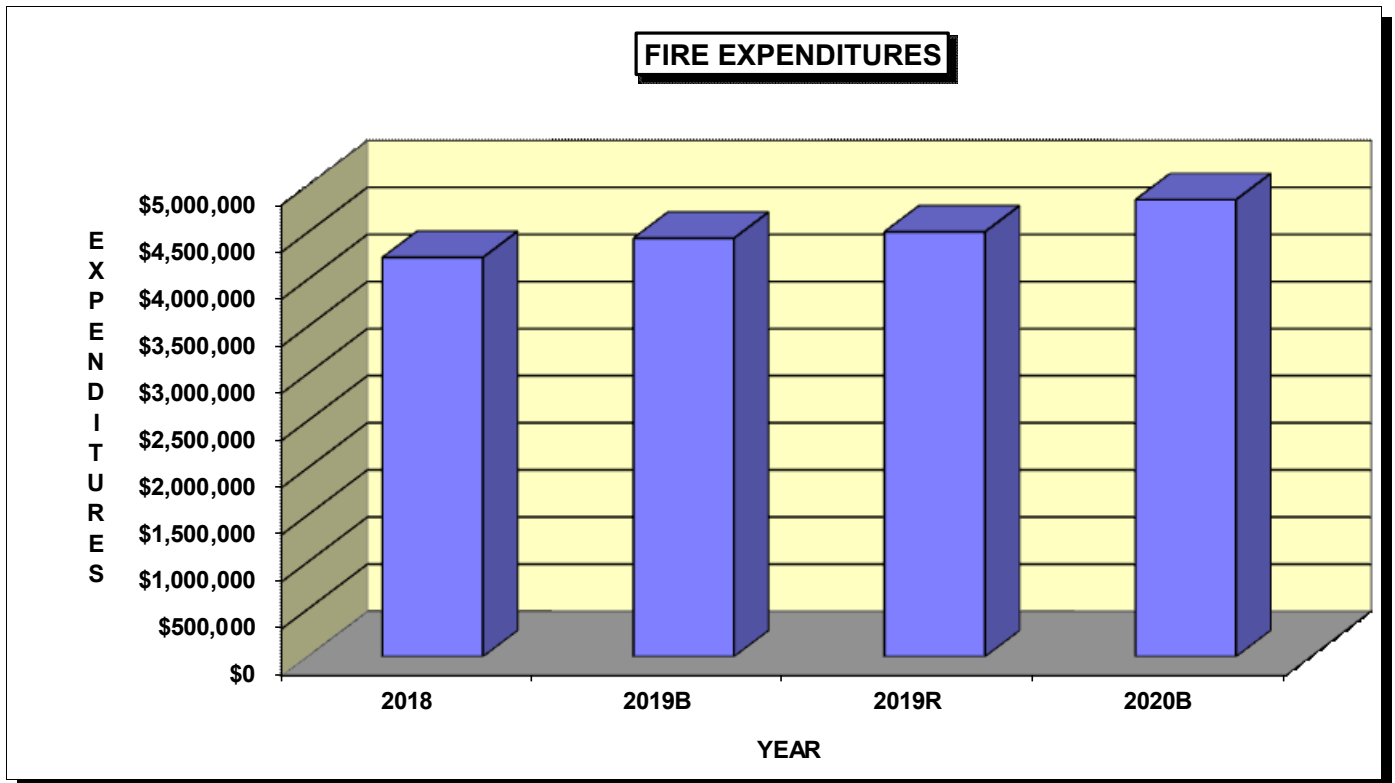
**DETAIL EXPENDITURES BY BUSINESS UNIT**

| <b>CLASSIFICATIONS</b>                    | <b>2018<br/>ACTUAL</b>  | <b>2019<br/>BUDGET</b>  | <b>2019<br/>REVISED</b> | <b>2020<br/>BUDGET</b>  |
|---|-------------------------|-------------------------|-------------------------|-------------------------|
| <u>Personal Services</u>                  |                         |                         |                         |                         |
| 6009 Overtime                             | \$ 7,350                | \$ 7,350                | \$ 7,350                | \$ 7,350                |
| 6038 Workers Compensation                 | 84                      | 90                      | 80                      | 90                      |
| <i>Personal Services Total</i>            | <u>\$ 7,434</u>         | <u>\$ 7,440</u>         | <u>\$ 7,430</u>         | <u>\$ 7,440</u>         |
| <u>Other Services &amp; Charges</u>       |                         |                         |                         |                         |
| 6201 Rents & Leases                       | \$ -                    | \$ 11,250               | \$ 11,250               | \$ 11,250               |
| 6204 Motor Pool Operating Rental          | 2,010                   | 2,120                   | 2,120                   | 2,180                   |
| 6205 Maintenance & Repairs                | 4,152                   | 4,150                   | 4,400                   | 4,400                   |
| 6207 Utility Services                     | 381                     | 400                     | 400                     | 400                     |
| 6303 Professional Development             | -                       | 1,150                   | 1,150                   | 1,150                   |
| 6305 Subscriptions & Memberships          | -                       | 400                     | 400                     | 400                     |
| 6308 Property Liability                   | 250                     | 260                     | 260                     | 270                     |
| 6401 Office Supplies                      | -                       | 20                      | 20                      | 20                      |
| 6409 Uniforms & Clothing                  | 3,565                   | 5,000                   | 5,000                   | 5,000                   |
| 6414 Other Supplies                       | 5,130                   | 4,300                   | 4,600                   | 4,600                   |
| <i>Other Services &amp; Charges Total</i> | <u>\$ 15,488</u>        | <u>\$ 29,050</u>        | <u>\$ 29,600</u>        | <u>\$ 29,670</u>        |
| <i>Emergency Services TOTAL</i>           | <u><u>\$ 22,922</u></u> | <u><u>\$ 36,490</u></u> | <u><u>\$ 37,030</u></u> | <u><u>\$ 37,110</u></u> |

FUND: GENERAL FUND  
 DEPARTMENT: Fire

**DEPARTMENT SUMMARY BY BUSINESS UNIT**

| BUSINESS UNIT     | 2018<br>ACTUAL      | 2019<br>BUDGET      | 2019<br>REVISED     | 2020<br>BUDGET      | Increase/<br>(Decrease)<br>2019 Budget/<br>2020 Budget |
|-------------------|---------------------|---------------------|---------------------|---------------------|--|
| 10400 Fire        | \$ 4,237,354        | \$ 4,441,800        | \$ 4,505,500        | \$ 4,850,230        | 9.20%  |
| <i>Fire TOTAL</i> | <u>\$ 4,237,354</u> | <u>\$ 4,441,800</u> | <u>\$ 4,505,500</u> | <u>\$ 4,850,230</u> | 9.20%  |
| <b>REVENUES</b>   |                     |                     |                     |                     |  |
| 10400 Fire        | \$ 186,836          | \$ 184,400          | \$ 208,280          | \$ 184,000          | (0.22%)  |



## **FIRE DEPARTMENT**

### **MISSION STATEMENT**

The mission of the Richfield Fire Department (RFD) is to provide outstanding fire and emergency medical response to all.

Various services, programs and philosophies help achieve this mission such as:

- Provide a rapid response to all types of emergencies with exceptionally trained personnel executing a standard, rapid, effective, safe, managed and caring plan to solve the problem. (City Council Goal 6)
- Provide a variety of fire prevention, safety education and loss mitigation plans and programs for the Richfield community. (City Council Goals 2c, 4c, 4e, 5a, 5c and 5d)
- Partner closely with our neighboring fire departments and other emergency response agencies to provide, and utilize, resources efficiently to provide the highest level of service. (City Council Goals 5b and 6c)
- Department members are empowered to regard everyone as a customer and “to, do the right thing” for our customers, the residents and visitors of Richfield.

### **DIVISION FOCUS**

Two fire stations are staffed by twenty-four career personnel 24 hours per day operating two fire engines and one rescue response unit. This staffing provides the capability to respond to up to three simultaneous emergencies or to initiate definitive rescue and fire suppression operations at structure fires. The Fire Chief and the Assistant Fire Chief provide daily and long term administrative, operations and fire code/enforcement functions. The department strives to have one or both chief officers available to respond 24/7 to significant incidents to support or assume incident command and to provide city administrative representation.

### **2019 HIGHLIGHTS**

- The department continued its investment in Spanish language education with quarterly refresher workshops. (City Council Goal 5d)
- Conducted a Fire Lieutenant promotional process.
- Conducted an entry-level Firefighter eligibility process.
- Promoted one Fire Captain and one Fire Lieutenant due to retirements.
- Transitioned records management system to a new, updated and more functional platform.

- Expanded leadership and management training opportunities for staff to increase skill development in anticipation of upcoming officer retirements.
- Managed through the impacts resulting from the reconstruction of 66<sup>th</sup> Street and Lyndale Ave.
- Conducted an unprecedented number of fire plan reviews and inspections due to new development.

### **2020 DIVISION GOALS**

- Continue to develop relationships in the health care sector to implement Community EMT services in order to facilitate a healthier community.
- Conduct a Fire Captain promotional process.
- Implement the position of Fire Battalion Chief which will be responsible for community risk reduction (prevention, community engagement and education).
- Continue to develop staff in anticipation of additional officer retirements.

### **DIVISION EXPENDITURE COMMENT**

The 2019 revised budget shows an increase, from the 2019 adopted budget. This increase is due to Richfield acting as a fiscal agent for a multiagency grant received from the Minnesota Board of Firefighter Training and Education. The expense increase is offset by an equal amount of grant revenue.

The 2020 proposed budget reflects an overall increase of 9.20%. This is primarily due to personnel costs with a number of factors coming to bear in 2020:

- Six firefighters moving through contractually negotiated wage steps along with one becoming eligible for the first step of longevity pay.
- An increase in the employer PERA component of 0.75%.
- Adding a Sr. Office Assistant two days per week. Department has had zero administrative support since mid-2018.
- Addition of the Battalion Chief position in July, 2020.

**FUND: GENERAL FUND**  
**DEPARTMENT: Fire**  
**BUSINESS UNIT: Fire - 10400**

**DETAIL EXPENDITURES BY BUSINESS UNIT**

| <b>CLASSIFICATIONS</b>                    | <b>2018<br/>ACTUAL</b>     | <b>2019<br/>BUDGET</b>     | <b>2019<br/>REVISED</b>    | <b>2020<br/>BUDGET</b>     |
|---|----------------------------|----------------------------|----------------------------|----------------------------|
| <u>Personal Services</u>                  |                            |                            |                            |                            |
| 6005 Full Time                            | \$ 2,299,888               | \$ 2,420,000               | \$ 2,420,000               | \$ 2,680,000               |
| 6006 Part-time                            | 14,198                     | -                          | -                          | -                          |
| 6009 Overtime                             | 267,443                    | 220,000                    | 219,500                    | 226,600                    |
| 6013 Longevity                            | 59,213                     | 81,000                     | 81,000                     | 82,000                     |
| 6031 Employer Social Security             | 863                        | -                          | 330                        | 1,100                      |
| 6032 Employer Medicare                    | 36,987                     | 38,750                     | 39,000                     | 43,280                     |
| 6033 Employer Pera                        | 417,983                    | 450,000                    | 488,040                    | 515,000                    |
| 6035 Medical Insurance                    | 353,110                    | 374,950                    | 374,950                    | 417,000                    |
| 6036 Dental Insurance                     | 18,504                     | 19,500                     | 19,500                     | 21,000                     |
| 6037 Term Life                            | 542                        | 1,100                      | 1,100                      | 2,100                      |
| 6038 Workers Compensation                 | 44,328                     | 49,430                     | 49,430                     | 50,910                     |
| 6040 Long Term Disability                 | 4,609                      | 4,610                      | 4,610                      | 4,750                      |
| 6051 Interdepartmental Labor              | 83,330                     | 96,670                     | 96,670                     | 99,560                     |
| <i>Personal Services Total</i>            | <u>\$ 3,600,998</u>        | <u>\$ 3,756,010</u>        | <u>\$ 3,794,130</u>        | <u>\$ 4,143,300</u>        |
| <u>Other Services &amp; Charges</u>       |                            |                            |                            |                            |
| 6103 Professional Services -General       | \$ 10,969                  | \$ 12,000                  | \$ 11,500                  | \$ 11,250                  |
| 6201 Rents & Leases                       | 43,190                     | 43,710                     | 47,350                     | 46,020                     |
| 6202 Data Processing Rental               | 48,510                     | 49,290                     | 49,670                     | 50,670                     |
| 6204 Motor Pool Operating Rental          | 107,010                    | 112,360                    | 112,360                    | 115,730                    |
| 6205 Maintenance & Repairs                | 11,365                     | 19,080                     | 19,080                     | 20,500                     |
| 6207 Utility Services                     | 229,056                    | 236,280                    | 236,280                    | 243,370                    |
| 6208 800 MHz Charges                      | 25,093                     | 28,500                     | 28,200                     | 28,500                     |
| 6302 Communications                       | 13,386                     | 19,500                     | 15,000                     | 13,500                     |
| 6303 Professional Development             | 25,525                     | 25,750                     | 25,000                     | 29,500                     |
| 6305 Subscriptions & Memberships          | 2,656                      | 2,030                      | 2,030                      | 2,300                      |
| 6307 Insurance & Bonds                    | 24,730                     | 24,270                     | 25,090                     | 25,840                     |
| 6308 Property Liability                   | 8,240                      | 8,490                      | 8,490                      | 8,750                      |
| 6315 Other Contractual Services           | 1,740                      | 4,200                      | 4,000                      | 4,200                      |
| 6401 Office Supplies                      | 1,486                      | 1,350                      | 1,350                      | 1,500                      |
| 6402 Copy Charges                         | 774                        | 900                        | 850                        | 850                        |
| 6403 Postage                              | 73                         | 130                        | 130                        | 500                        |
| 6409 Uniforms & Clothing                  | 25,899                     | 28,000                     | 28,000                     | 34,000                     |
| 6412 Maint. & Const. Materials            | 2,074                      | 4,200                      | 4,000                      | 4,200                      |
| 6414 Other Supplies                       | 36,890                     | 45,000                     | 72,240                     | 45,000                     |
| 6523 Public Education Supplies            | 3,689                      | 3,000                      | 3,000                      | 3,000                      |
| 6524 EMS Supplies                         | 14,001                     | 17,750                     | 17,750                     | 17,750                     |
| <i>Other Services &amp; Charges Total</i> | <u>\$ 636,356</u>          | <u>\$ 685,790</u>          | <u>\$ 711,370</u>          | <u>\$ 706,930</u>          |
| <i>Fire TOTAL</i>                         | <u><u>\$ 4,237,354</u></u> | <u><u>\$ 4,441,800</u></u> | <u><u>\$ 4,505,500</u></u> | <u><u>\$ 4,850,230</u></u> |

## Performance Measures

### Department/Division

### Fire Services/Fire

|                                      | Actual<br>2017 | Actual<br>2018 | Budget<br>2019 | Budget<br>2020 |
|--------------------------------------|----------------|----------------|----------------|----------------|
| <b>Inputs:</b>                       |                |                |                |                |
| Number of full time employees        | 27.50          | 26.00          | 26.00          | 27.40          |
| Division Expenditures                | \$ 4,140,668   | \$ 4,237,354   | \$ 4,505,500   | \$4,850,230    |
| <b>Outputs:</b>                      |                |                |                |                |
| Average Daily Staffing               | 6.2            | 6.2            | 6.2            | 6.2            |
| Total Responses                      | 4,281          | 4,165          | 4,350          | 4,250          |
| Fire Responses                       | 1,164          | 954            | 1,100          | 1,100          |
| EMS Responses                        | 3117           | 3,211          | 3,250          | 3,150          |
| Property Value Lost to Fire          | \$ 173,025     | \$ 754,507     | \$800,000      | \$900,000      |
| <b>Effectiveness Measures:</b>       |                |                |                |                |
| % of Property Saved                  | 99%            | 95%            | 99%            | 99%            |
| Property Value Saved                 | \$ 22,649,383  | \$ 18,500,000  | \$75,000,000   | \$76,000,000   |
| <b>Efficiency Measures:</b>          |                |                |                |                |
| Average Response Time - Minutes      | 4.79           | 4.87           | 4.75           | 4.75           |
| Cost Per Response                    | \$ 967.22      | \$ 1,017.37    | \$ 1,035.75    | \$ 1,141.23    |
| Expenditure per Capita               | \$ 113.31      | \$ 116.30      | \$ 123.66      | \$ 133.12      |
| Property Saved to Expenditures Ratio | 5.47           | 24.52          | 93.75          | 84.44          |

**FUND: GENERAL FUND**  
**DEPARTMENT: Fire**  
**BUSINESS UNIT: Fire - 10400**

**DIVISION PERSONNEL**

| CLASSIFICATIONS                    | SALARY<br>GRADE | NUMBER OF EMPLOYEES |                 |                |
|------------------------------------|-----------------|---------------------|-----------------|----------------|
|                                    |                 | 2019<br>ADOPTED     | 2019<br>REVISED | 2020<br>BUDGET |
| <u>Regular Full-Time Employees</u> |                 |                     |                 |                |
| Fire Services Director/Fire Chief  | M-5A            | 1.00                | 1.00            | 1.00           |
| Assistant Chief                    | M-3             | 1.00                | 1.00            | 1.00           |
| Battalion Chief - Fire Prevention  | M-2             | -                   | -               | 1.00           |
| Fire Captain                       | FS-3            | 3.00                | 3.00            | 3.00           |
| Fire Lieutenant                    | FS-2            | 3.00                | 3.00            | 3.00           |
| Firefighter                        | FS-1            | 18.00               | 18.00           | 18.00          |
| Sr. Office Assistant               | GS-2            | -                   | .40             | .40            |
|                                    | <i>Total</i>    | <u>26.00</u>        | <u>26.40</u>    | <u>27.40</u>   |

**CAPITAL OUTLAY**

| ITEMS        | 2019<br>ADOPTED | 2019<br>REVISED | 2020<br>BUDGET |
|--------------|-----------------|-----------------|----------------|
|              | \$ -            | \$ -            | \$ -           |
| <i>Total</i> | <u>\$ -</u>     | <u>\$ -</u>     | <u>\$ -</u>    |

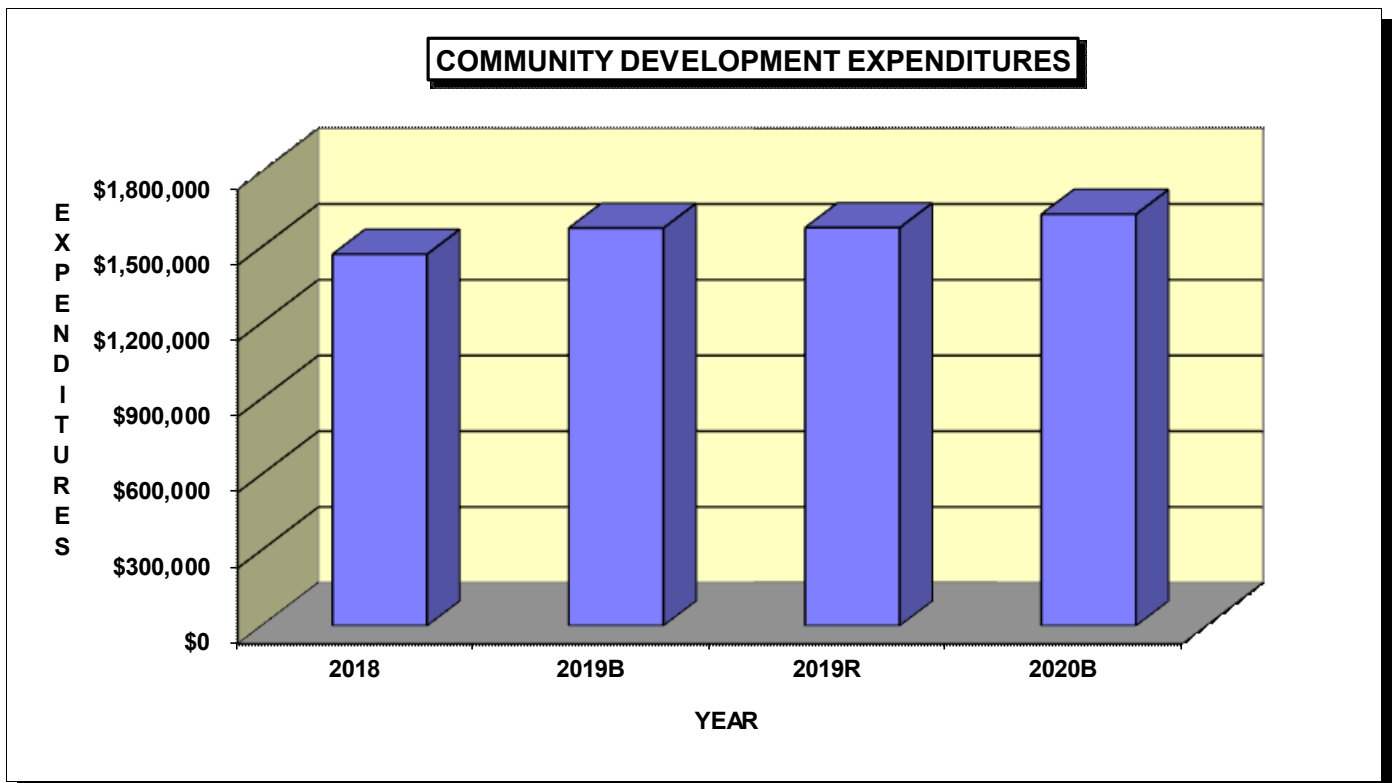
**FUND:** GENERAL FUND  
**DEPARTMENT:** Community Development

**DEPARTMENT SUMMARY BY BUSINESS UNIT**

| BUSINESS UNIT                      | 2018<br>ACTUAL      | 2019<br>BUDGET      | 2019<br>REVISED     | 2020<br>BUDGET      | Increase/<br>(Decrease)<br>2019 Budget/<br>2020 Budget |
|------------------------------------|---------------------|---------------------|---------------------|---------------------|--|
| 10500 Community Development        | \$ 67,543           | \$ 69,310           | \$ 70,800           | \$ 72,900           | 5.18%  |
| 10502 Planning & Zoning            | 300,603             | 307,980             | 310,930             | 318,560             | 3.44%  |
| 10505 Inspections                  | 1,102,921           | 1,196,990           | 1,194,390           | 1,237,690           | 3.40%  |
| <i>Community Development TOTAL</i> | <u>\$ 1,471,067</u> | <u>\$ 1,574,280</u> | <u>\$ 1,576,120</u> | <u>\$ 1,629,150</u> | 3.49%  |

**REVENUES**

|                             |           |           |           |           |       |
|-----------------------------|-----------|-----------|-----------|-----------|-------|
| 10500 Community Development | \$ 33,270 | \$ 26,000 | \$ 20,000 | \$ 26,000 | 0.00% |
| 10505 Inspections           | 1,644,884 | 1,174,600 | 2,103,500 | 1,245,100 | 6.00% |





## **COMMUNITY DEVELOPMENT DEPARTMENT**

### **MISSION STATEMENT**

The mission of the Community Development Department is to ensure and maintain a quality of life that protects the health and safety of residents, visitors, and businesses. The Department works to achieve this by providing responsible, responsive, and professional zoning administration, comprehensive planning, redevelopment services, housing programs, enterprise facilitation, community marketing, and communication initiatives.

### **DEPARTMENT FOCUS**

The 21 employees of the Community Development Department are committed to professional development, integrity, and service to the community. There are five primary areas of focus within the Department:

- Planning and Zoning
- Housing and Redevelopment
- Inspections
- Economic Development
- Administrative Support

The Community Development Department also serves as staff to the City Council, the Housing and Redevelopment Authority (HRA), the Economic Development Authority (EDA), and the Planning Commission.

While the funding for staff salaries and benefits are compiled in this budget, those costs are ultimately reallocated to individual City, HRA, and EDA program/project budgets. All non-personnel costs are included separately in individual City, HRA, and EDA program/project budgets.

2019 highlights and 2020 goals are also provided separately for each individual program/project. The Community Development goals identified by the City Council at its annual goalsetting session relate to activities undertaken by the Richfield Housing and Redevelopment Authority (HRA) and the Richfield Economic Development Authority (EDA).

### **DEPARTMENT EXPENDITURE COMMENT**

The 2019 Revised Budget represents 2.15% increase from the 2019 Adopted Budget and the 2020 Proposed Budget represents a 5.18% increase over the 2019 Adopted Budget. These increases are due to salary and benefit costs.

**FUND: GENERAL FUND**  
**DEPARTMENT: Community Development**  
**BUSINESS UNIT: Community Development - 10500**

**DETAIL EXPENDITURES BY BUSINESS UNIT**

| <b>CLASSIFICATIONS</b>                    | <b>2018<br/>ACTUAL</b> | <b>2019<br/>BUDGET</b> | <b>2019<br/>REVISED</b> | <b>2020<br/>BUDGET</b> |
|---|------------------------|------------------------|-------------------------|------------------------|
| <u>Personal Services</u>                  |                        |                        |                         |                        |
| 6005 Full Time                            | \$ 665,856             | \$ 694,150             | \$ 694,170              | \$ 733,650             |
| 6006 Part-time                            | 111,210                | 126,910                | 131,470                 | 140,360                |
| 6031 Employer Social Security             | 45,258                 | 47,520                 | 48,400                  | 51,140                 |
| 6032 Employer Medicare                    | 10,737                 | 11,570                 | 11,780                  | 12,480                 |
| 6033 Employer Pera                        | 57,329                 | 61,380                 | 61,760                  | 65,350                 |
| 6035 Medical Insurance                    | 100,609                | 112,310                | 107,140                 | 118,610                |
| 6036 Dental Insurance                     | 5,652                  | 5,740                  | 5,740                   | 5,760                  |
| 6037 Term Life                            | 168                    | 320                    | 320                     | 320                    |
| 6038 Workers Compensation                 | 456                    | 450                    | 450                     | 390                    |
| 6040 Long Term Disability                 | 1,313                  | 1,300                  | 1,380                   | 1,430                  |
| 6051 Interdepartmental Labor              | 91,680                 | 98,200                 | 78,480                  | 68,870                 |
| 6054 Interdepartmental Labor Credit       | (1,090,268)            | (1,159,850)            | (1,141,090)             | (1,198,360)            |
| <i>Personal Services Total</i>            | \$ -                   | \$ -                   | \$ -                    | \$ -                   |
| <u>Other Services &amp; Charges</u>       |                        |                        |                         |                        |
| 6103 Professional Services -General       | \$ 388                 | \$ 370                 | \$ 430                  | \$ 430                 |
| 6207 Utility Services                     | 59,604                 | 61,480                 | 61,480                  | 63,320                 |
| 6307 Insurance & Bonds                    | 6,411                  | 6,290                  | 7,720                   | 7,950                  |
| 6308 Property Liability                   | 1,140                  | 1,170                  | 1,170                   | 1,200                  |
| <i>Other Services &amp; Charges Total</i> | \$ 67,543              | \$ 69,310              | \$ 70,800               | \$ 72,900              |
| <i>Community Development TOTAL</i>        | \$ 67,543              | \$ 69,310              | \$ 70,800               | \$ 72,900              |

**FUND: GENERAL FUND**  
**DEPARTMENT: Community Development**  
**BUSINESS UNIT: Community Development - 10500**

**DIVISION PERSONNEL**

| CLASSIFICATIONS                      | SALARY<br>GRADE | NUMBER OF EMPLOYEES |                 |                |
|--------------------------------------|-----------------|---------------------|-----------------|----------------|
|                                      |                 | 2019<br>ADOPTED     | 2019<br>REVISED | 2020<br>BUDGET |
| <u>Regular Full-Time Employees</u>   |                 |                     |                 |                |
| Community Development Director       | M-5B            | 1.00                | 1.00            | 1.00           |
| Community Development Asst. Director | M-3             | 1.00                | 1.00            | 1.00           |
| Housing Manager                      | M-1             | 1.00                | 1.00            | 1.00           |
| CD Accountant                        | GS-6E           | 1.00                | 1.00            | 1.00           |
| Multi Family Housing Coordinator     | GS-5E           | 1.00                | -               | -              |
| Multi Family Housing Administrator   | GS-6E           | -                   | 1.00            | 1.00           |
| Associate Planner                    | GS-4            | 1.00                | 1.00            | -              |
| Planner                              | GS-5E           | -                   | -               | 1.00           |
| Assistant Planner                    | GS-3            | 1.00                | 1.00            | 1.00           |
| Administrative Assistant             | GS-4            | 1.00                | 1.00            | 1.00           |
|                                      | <i>Total</i>    | <u>8.00</u>         | <u>8.00</u>     | <u>8.00</u>    |
| <u>Part-Time Employees</u>           |                 |                     |                 |                |
| Housing Specialist                   | GS-5            | 2.00                | 2.00            | 2.00           |
| Community Development Technician     | GS-2            | 2.00                | 2.00            | 2.00           |
|                                      | <i>Total</i>    | <u>4.00</u>         | <u>4.00</u>     | <u>4.00</u>    |

**CAPITAL OUTLAY**

| ITEMS | 2019<br>ADOPTED | 2019<br>REVISED | 2020<br>BUDGET |
|-------|-----------------|-----------------|----------------|
| None  | \$ -            | \$ -            | \$ -           |
|       | <i>Total</i>    | <u>\$ -</u>     | <u>\$ -</u>    |

## **PLANNING AND ZONING DIVISION**

### **MISSION STATEMENT**

To provide local land use regulation, policy, and vision information and guidance to residents, local businesses, and developers. To help shape the future of Richfield through development and implementation of long-range plans.

### **DIVISION FOCUS**

- Long range comprehensive planning for the community.
- Shorter range strategy and implementation planning for specific areas.
- Administration and enforcement (on a complaint-basis) of the City's Zoning Ordinance, including processing a variety of land use applications.

### **2019 HIGHLIGHTS.**

- Complete 2040 Comprehensive Plan, addressing items identified through Metropolitan Council review process.
- Review and begin Zoning Ordinance amendment process to ensure consistency of regulations with 2040 Comprehensive Plan.
- Work with developers to begin/complete approved developments throughout the City (The Chamberlain Apartments, Primrose School, RF64, Lakeside at Lyndale Gardens, The Henley, Novo).
- Continue to increase responsibilities of Associate Planner.
- Continue Asst. Director/Planning & Redevelopment Manager's participation in Richfield equity work through Richfield CAREs group.
- Process land use permits related to new development.
- Revise ordinances related to Mixed Use Districts and subdivision and platting regulations.
- Secure vehicle and begin pop-up meeting project.

### **2020 PROGRAM GOALS**

- To continue to provide excellent customer service to residents and businesses (City Council Goal 6a).
- To continue to monitor emerging trends and recommend ordinance changes that will keep Richfield competitive (e.g. light industrial, urban agriculture) (City Council Goals 2a, 2c, 6b).
- Fully establish pop-up meeting program and continue to engage other departments (City Council Goal 5a).

### **DIVISION EXPENDITURE COMMENT**

- The 2019 Revised Planning and Zoning budget reflects a .96% increase due to increased operating costs.
- The increase in the 2020 proposed budget is primarily related to staff costs (salary step increases and health insurance). The proposed increase is 3.44%.

**FUND: GENERAL FUND**  
**DEPARTMENT: Community Development**  
**BUSINESS UNIT: Planning & Zoning - 10502**

**DETAIL EXPENDITURES BY BUSINESS UNIT**

| <b>CLASSIFICATIONS</b>                    | <b>2018<br/>ACTUAL</b>   | <b>2019<br/>BUDGET</b>   | <b>2019<br/>REVISED</b>  | <b>2020<br/>BUDGET</b>   |
|---|--------------------------|--------------------------|--------------------------|--------------------------|
| <u>Personal Services</u>                  |                          |                          |                          |                          |
| 6051 Interdepartmental Labor              | \$ 246,080               | \$ 258,900               | \$ 258,900               | \$ 265,020               |
| <i>Personal Services Total</i>            | <u>\$ 246,080</u>        | <u>\$ 258,900</u>        | <u>\$ 258,900</u>        | <u>\$ 265,020</u>        |
| <u>Other Services &amp; Charges</u>       |                          |                          |                          |                          |
| 6103 Professional Services -General       | \$ 28,646                | \$ 19,910                | \$ 22,760                | \$ 22,760                |
| 6202 Data Processing Rental               | 10,600                   | 10,920                   | 10,920                   | 11,250                   |
| 6205 Maintenance & Repairs                | -                        | 180                      | 180                      | 180                      |
| 6301 Advertising & Publication            | 4,046                    | 3,220                    | 3,220                    | 3,320                    |
| 6302 Communications                       | 420                      | 420                      | 420                      | 420                      |
| 6303 Professional Development             | 4,246                    | 4,130                    | 4,130                    | 4,500                    |
| 6305 Subscriptions & Memberships          | 2,987                    | 3,100                    | 3,100                    | 3,500                    |
| 6401 Office Supplies                      | 646                      | 1,750                    | 1,750                    | 1,750                    |
| 6402 Copy Charges                         | 914                      | 1,100                    | 1,100                    | 1,150                    |
| 6403 Postage                              | 1,961                    | 3,600                    | 2,000                    | 2,000                    |
| 6409 Uniforms & Clothing                  | -                        | -                        | 100                      | 150                      |
| 6414 Other Supplies                       | 57                       | 750                      | 2,350                    | 2,560                    |
| <i>Other Services &amp; Charges Total</i> | <u>\$ 54,523</u>         | <u>\$ 49,080</u>         | <u>\$ 52,030</u>         | <u>\$ 53,540</u>         |
| <i>Planning &amp; Zoning TOTAL</i>        | <u><u>\$ 300,603</u></u> | <u><u>\$ 307,980</u></u> | <u><u>\$ 310,930</u></u> | <u><u>\$ 318,560</u></u> |

## **INSPECTIONS DIVISION**

### **MISSION STATEMENT**

To serve the citizens of Richfield by providing inspection services to safeguard life, health, property and public welfare by enforcing the minimum requirements of the Richfield City Code and the Minnesota State Building Code.

### **DIVISION FOCUS**

- The Division consists of nine employees: Building Official, two Building Inspectors, Plumbing/Mechanical Inspector, two Housing Inspectors, Permit Technician, Housing Inspections Clerk, and Senior Office Assistant.
- The Inspections Division administers and enforces City Ordinances relating to Building Code requirements including building, plumbing, heating, ventilation and air conditioning, electrical, sign and driveway installations.
- The Division administers a contract with two inspectors to perform electrical inspections.
- The Division spends a significant amount of time advising homeowners who are doing their own remodeling or additions.

### **2019 HIGHLIGHTS**

- The construction activity in 2019 has almost doubled from 2018 to the highest level in recent history.

### **2020 INSPECTION DIVISION GOALS**

- To continue to maintain the quality of homes and buildings within the City by eliminating potential building safety concerns through building inspections and enforcing the Minnesota State Building Code (City Council Goals 4c, 6a, 6d).
- Continue a close working relationship with the Fire Department, Support Services Division, Public Safety, Public Works and other departments within the City to effectively implement programs that affect the residents of Richfield (City Council Goal 6a, 6c, and 6e).

### **DIVISION EXPENDITURE COMMENT**

- The 2019 revised budget reflects a .22% decrease from the 2019 adopted budget. The 2020 proposed budget reflects a 3.4% increase over the 2019 adopted budget.

**FUND: GENERAL FUND**  
**DEPARTMENT: Community Development**  
**BUSINESS UNIT: Inspections - 10505**

**DETAIL EXPENDITURES BY BUSINESS UNIT**

| <b>CLASSIFICATIONS</b>                    | <b>2018<br/>ACTUAL</b>     | <b>2019<br/>BUDGET</b>     | <b>2019<br/>REVISED</b>    | <b>2020<br/>BUDGET</b>     |
|---|----------------------------|----------------------------|----------------------------|----------------------------|
| <u>Personal Services</u>                  |                            |                            |                            |                            |
| 6005 Full Time                            | \$ 637,933                 | \$ 693,520                 | \$ 696,590                 | \$ 710,190                 |
| 6009 Overtime                             | 2,779                      | 6,000                      | 10,000                     | 10,000                     |
| 6013 Longevity                            | 2,144                      | 2,210                      | 2,290                      | 2,390                      |
| 6031 Employer Social Security             | 38,125                     | 41,900                     | 42,130                     | 43,140                     |
| 6032 Employer Medicare                    | 8,916                      | 9,800                      | 9,850                      | 10,230                     |
| 6033 Employer Pera                        | 47,081                     | 51,600                     | 51,390                     | 53,440                     |
| 6035 Medical Insurance                    | 98,511                     | 119,120                    | 99,280                     | 110,410                    |
| 6036 Dental Insurance                     | 5,890                      | 6,450                      | 6,370                      | 6,480                      |
| 6037 Term Life                            | 177                        | 360                        | 360                        | 360                        |
| 6038 Workers Compensation                 | 6,312                      | 7,430                      | 7,430                      | 7,190                      |
| 6040 Long Term Disability                 | 1,273                      | 2,350                      | 1,380                      | 1,420                      |
| 6051 Interdepartmental Labor              | 33,504                     | 33,950                     | 33,950                     | 37,570                     |
| <i>Personal Services Total</i>            | <u>\$ 882,645</u>          | <u>\$ 974,690</u>          | <u>\$ 961,020</u>          | <u>\$ 992,820</u>          |
| <u>Other Services &amp; Charges</u>       |                            |                            |                            |                            |
| 6103 Professional Services -General       | \$ 95,728                  | \$ 98,190                  | \$ 102,730                 | \$ 114,100                 |
| 6202 Data Processing Rental               | 37,180                     | 37,780                     | 38,110                     | 38,860                     |
| 6204 Motor Pool Operating Rental          | 11,500                     | 14,600                     | 14,600                     | 15,040                     |
| 6207 Utility Services                     | 22,572                     | 23,280                     | 23,280                     | 23,980                     |
| 6301 Advertising & Publication            | -                          | 200                        | 200                        | 200                        |
| 6302 Communications                       | 5,322                      | 3,660                      | 3,660                      | 3,800                      |
| 6303 Professional Development             | 4,536                      | 6,800                      | 6,800                      | 7,000                      |
| 6305 Subscriptions & Memberships          | 705                        | 600                        | 600                        | 620                        |
| 6307 Insurance & Bonds                    | 7,324                      | 7,190                      | 8,670                      | 8,940                      |
| 6308 Property Liability                   | 2,010                      | 2,070                      | 2,070                      | 2,130                      |
| 6401 Office Supplies                      | 5,476                      | 4,750                      | 5,600                      | 5,800                      |
| 6402 Copy Charges                         | 956                        | 2,580                      | 1,000                      | 1,000                      |
| 6403 Postage                              | 2,544                      | 3,000                      | 3,000                      | 3,000                      |
| 6409 Uniforms & Clothing                  | 209                        | 750                        | 1,000                      | 1,100                      |
| 6414 Other Supplies                       | 4,422                      | 3,850                      | 8,550                      | 4,800                      |
| 6513 Other Charges                        | 19,792                     | 13,000                     | 13,000                     | 14,000                     |
| 6523 Public Education Supplies            | -                          | -                          | 500                        | 500                        |
| <i>Other Services &amp; Charges Total</i> | <u>\$ 220,276</u>          | <u>\$ 222,300</u>          | <u>\$ 233,370</u>          | <u>\$ 244,870</u>          |
| <i>Inspections TOTAL</i>                  | <u><u>\$ 1,102,921</u></u> | <u><u>\$ 1,196,990</u></u> | <u><u>\$ 1,194,390</u></u> | <u><u>\$ 1,237,690</u></u> |

**FUND: GENERAL FUND**  
**DEPARTMENT: Community Development**  
**BUSINESS UNIT: Inspections - 10505**

**DIVISION PERSONNEL**

| CLASSIFICATIONS                    | SALARY<br>GRADE | NUMBER OF EMPLOYEES |                 |                |
|------------------------------------|-----------------|---------------------|-----------------|----------------|
|                                    |                 | 2019<br>ADOPTED     | 2019<br>REVISED | 2020<br>BUDGET |
| <u>Regular Full-Time Employees</u> |                 |                     |                 |                |
| Chief Building Official            | M-2             | 1.00                | 1.00            | 1.00           |
| Trade/Building Inspector           | GS-6            | 5.00                | 5.00            | 5.00           |
| Permit Technician                  | GS-3            | 1.00                | 1.00            | 1.00           |
| Housing Inspections Clerk          | GS-3            | 1.00                | 1.00            | 1.00           |
| Senior Office Assistant            | GS-2            | 1.00                | 1.00            | 1.00           |
|                                    | <i>Total</i>    | <u>9.00</u>         | <u>9.00</u>     | <u>9.00</u>    |

**CAPITAL OUTLAY**

| ITEMS | 2019<br>ADOPTED | 2019<br>REVISED | 2020<br>BUDGET |
|-------|-----------------|-----------------|----------------|
|       | None            | \$ -            | \$ -           |
|       | <u>\$ -</u>     | <u>\$ -</u>     | <u>\$ -</u>    |
|       | <i>Total</i>    | <i>Total</i>    | <i>Total</i>   |





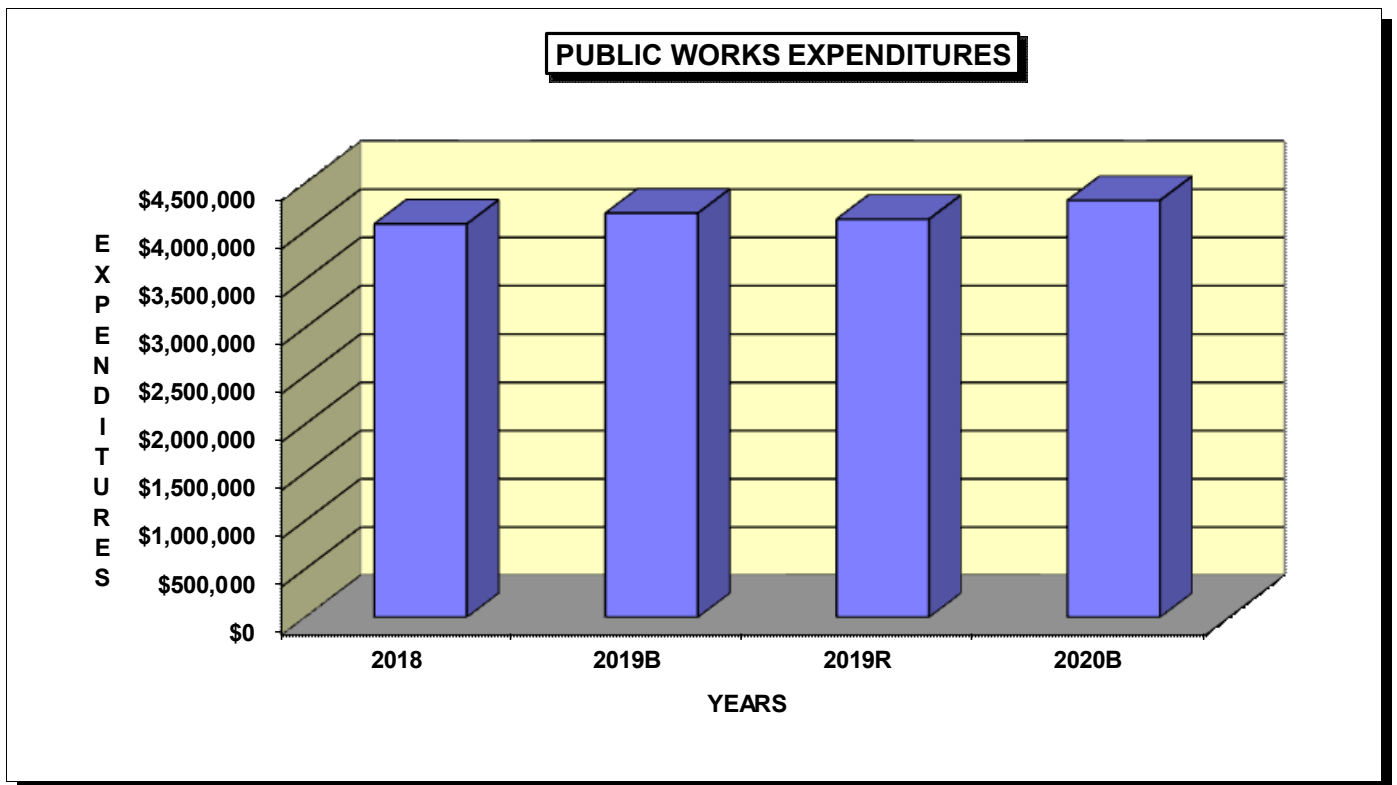
**FUND:** GENERAL FUND  
**DEPARTMENT:** Public Works

**DEPARTMENT SUMMARY BY BUSINESS UNIT**

| BUSINESS UNIT             | 2018<br>ACTUAL      | 2019<br>BUDGET      | 2019<br>REVISED     | 2020<br>BUDGET      | Increase/<br>(Decrease)<br>2019 Budget/<br>2020 Budget |
|---------------------------|---------------------|---------------------|---------------------|---------------------|--|
| 10600 PW Administration   | \$ 179,744          | \$ 188,970          | \$ 185,220          | \$ 190,700          | 0.92%  |
| 10605 Engineering         | 340,546             | 336,820             | 262,080             | 296,800             | (11.88%)   |
| 10610 Street Maintenance  | 2,263,665           | 2,335,600           | 2,332,560           | 2,393,320           | 2.47%  |
| 10615 Park Maintenance    | 1,291,294           | 1,325,750           | 1,343,470           | 1,437,230           | 8.41%  |
| <i>Public Works TOTAL</i> | <u>\$ 4,075,249</u> | <u>\$ 4,187,140</u> | <u>\$ 4,123,330</u> | <u>\$ 4,318,050</u> | 3.13%  |

**REVENUES**

|                          |           |           |           |           |          |
|--------------------------|-----------|-----------|-----------|-----------|----------|
| 10605 Engineering        | \$ 20,502 | \$ 14,000 | \$ 11,500 | \$ 11,500 | (17.86%) |
| 10610 Street Maintenance | 625,480   | 615,000   | 615,000   | 615,000   | 0.00%    |



## **PUBLIC WORKS ADMINISTRATION DIVISION**

### **MISSION STATEMENT**

The Public Works Department works hard to sustain and improve the quality of life for our community by offering the highest standards in essential municipal services and providing them in a timely, responsible and professional manner.

### **DIVISION FOCUS**

The Public Works Administration Division is responsible for overseeing delivery of public capital improvement projects, ongoing maintenance and operations of the Public Works divisions, and staying aware of and contributing to the regional discussions surrounding emerging public works issues (i.e., State and Interstate Highways around Richfield; storm water quality management; water supply; environmental issues; and public education and engagement.)

### **2019 HIGHLIGHTS**

- Began to implement “smart city” initiatives, including but not limited to smart compacting garbage receptacles, the incorporation of 4 hybrid electric vehicles into the fleet, and solar panels on City buildings (City Council Goals 1d & 6b).
- Managed social media communications and public outreach for street reconstruction projects and projects in design (City Council Goals 1b, 1c & 5a).
- Began review of ordinances pertaining to the Public Works Department and updated as needed with consideration of equity and core services (City Council Goals 3b & 6a).
- Began development of a K-12 “What is Public Works?” educational campaign that can be utilized by local schools and community leaders (City Council Goal 5c).
- Utilized Public Work’s outreach mediums/social media outlets to promote the water meter replacement project in addition to the “WaterSmart” utility software roll-out (City Council Goals 1b, 5a, 6a & 6d).

### **2020 DIVISION GOALS**

- Continue review of ordinances pertaining to the Public Works Department and update as needed with consideration of equity and core services(City Council Goals 3b & 6a).
- Develop and implement a “Public Art Policy” to guide arts investments on city property (City Council Goals 1b & 5a).
- Continue to utilize Public Work’s outreach mediums/social media outlets to promote the water meter replacement project in addition to the “WaterSmart” utility software roll-out (City Council Goals 1b, 5a, 6a & 6d).
- Work with the University of Minnesota’s Resilient Communities Project to develop a comprehensive Emerald Ash Borer Public Outreach Campaign (City Council Goals 1d & 5b).

### **DIVISION EXPENDITURE COMMENT**

The 2019 Revised Budget has a 1.98% decrease from the 2019 Adopted Budget.

The 2020 Proposed Budget reflects a .92% increase from the 2019 Adopted Budget due to Personnel Services.

**FUND: GENERAL FUND**  
**DEPARTMENT: Public Works**  
**BUSINESS UNIT: PW Administration - 10600**

**DETAIL EXPENDITURES BY BUSINESS UNIT**

| <b>CLASSIFICATIONS</b>                    | <b>2018<br/>ACTUAL</b>   | <b>2019<br/>BUDGET</b>   | <b>2019<br/>REVISED</b>  | <b>2020<br/>BUDGET</b>   |
|---|--------------------------|--------------------------|--------------------------|--------------------------|
| <u>Personal Services</u>                  |                          |                          |                          |                          |
| 6005 Full Time                            | \$ 211,089               | \$ 217,780               | \$ 215,150               | \$ 224,890               |
| 6031 Employer Social Security             | 11,979                   | 12,210                   | 10,830                   | 11,160                   |
| 6032 Employer Medicare                    | 2,987                    | 3,080                    | 3,110                    | 3,250                    |
| 6033 Employer Pera                        | 15,470                   | 16,130                   | 15,930                   | 16,670                   |
| 6035 Medical Insurance                    | 23,860                   | 24,530                   | 24,840                   | 26,990                   |
| 6036 Dental Insurance                     | 1,368                    | 1,460                    | 1,440                    | 1,440                    |
| 6037 Term Life                            | 40                       | 80                       | 80                       | 80                       |
| 6038 Workers Compensation                 | 132                      | 120                      | 120                      | 120                      |
| 6040 Long Term Disability                 | 371                      | 390                      | 390                      | 400                      |
| 6054 Interdepartmental Labor Credit       | (119,000)                | (132,200)                | (130,800)                | (140,000)                |
| <i>Personal Services Total</i>            | <u>\$ 148,296</u>        | <u>\$ 143,580</u>        | <u>\$ 141,090</u>        | <u>\$ 145,000</u>        |
| <u>Other Services &amp; Charges</u>       |                          |                          |                          |                          |
| 6103 Professional Services -General       | \$ 3,244                 | \$ 12,110                | \$ 10,000                | \$ 10,000                |
| 6202 Data Processing Rental               | 10,600                   | 10,920                   | 11,170                   | 11,690                   |
| 6302 Communications                       | 2,428                    | 1,300                    | 2,500                    | 2,500                    |
| 6303 Professional Development             | 5,478                    | 6,760                    | 6,750                    | 7,300                    |
| 6305 Subscriptions & Memberships          | 804                      | 810                      | 810                      | 930                      |
| 6307 Insurance & Bonds                    | 1,836                    | 1,800                    | 1,930                    | 1,990                    |
| 6308 Property Liability                   | 650                      | 670                      | 670                      | 690                      |
| 6401 Office Supplies                      | 1,777                    | 4,710                    | 5,000                    | 5,000                    |
| 6402 Copy Charges                         | 2,059                    | 1,520                    | 2,250                    | 2,250                    |
| 6403 Postage                              | 137                      | 1,940                    | 500                      | 500                      |
| 6414 Other Supplies                       | 2,435                    | 2,850                    | 2,550                    | 2,850                    |
| <i>Other Services &amp; Charges Total</i> | <u>\$ 31,448</u>         | <u>\$ 45,390</u>         | <u>\$ 44,130</u>         | <u>\$ 45,700</u>         |
| <i>PW Administration TOTAL</i>            | <u><u>\$ 179,744</u></u> | <u><u>\$ 188,970</u></u> | <u><u>\$ 185,220</u></u> | <u><u>\$ 190,700</u></u> |

**FUND: GENERAL FUND**  
**DEPARTMENT: Public Works**  
**BUSINESS UNIT: PW Administration - 10600**

**DIVISION PERSONNEL**

| CLASSIFICATIONS                    | SALARY<br>GRADE | NUMBER OF EMPLOYEES |                 |                |
|------------------------------------|-----------------|---------------------|-----------------|----------------|
|                                    |                 | 2019<br>ADOPTED     | 2019<br>REVISED | 2020<br>BUDGET |
| <u>Regular Full-Time Employees</u> |                 |                     |                 |                |
| PW Director/City Engineer          | M-5B            | 1.00                | 1.00            | 1.00           |
| Administrative Aide/Analyst        | GS-5E           | 1.00                | 1.00            | 1.00           |
| <i>Total</i>                       |                 | <u>2.00</u>         | <u>2.00</u>     | <u>2.00</u>    |

**CAPITAL OUTLAY**

| ITEMS        | 2019<br>ADOPTED | 2019<br>REVISED | 2020<br>BUDGET |
|--------------|-----------------|-----------------|----------------|
|              | None            | \$ -            | \$ -           |
| <i>Total</i> | <u>\$ -</u>     | <u>\$ -</u>     | <u>\$ -</u>    |

## **ENGINEERING DIVISION**

### **MISSION STATEMENT**

The Public Works Department works hard to sustain and improve the quality of life for our community by offering the highest standards in essential municipal services and providing them in a timely, responsible and professional manner.

### **DIVISION FOCUS**

To provide planning, design, and construction management support for Public Works operations, construction, and maintenance projects. Conducting plan reviews for permits and developers with a focus on protecting the City's interest in the public rights-of-way. Specifically, to:

- Maintain record drawings of the City's existing infrastructure and provide guidance to any proposed changes that would impact that infrastructure.
- Develop and administer the department's Sweet Streets® capital improvement and maintenance projects and Hennepin County's reconstruction of their arterials through the City.
- Represent Richfield's interests in regional transportation planning and construction projects.
- Manage storm water related issues within the City including:
  - Review of redevelopment plans for storm water regulation compliance and permitting;
  - Coordination of the Storm Water Pollution Prevention Program;
  - Lead the Minnesota Pollution Control Agency permitting and annual reporting process for the City; and
  - Follow and track changes in the regulations of storm water that impact the City.
- Provide technical support to other divisions.
- Provide Staff support for the Transportation Commission.

### **2019 HIGHLIGHTS**

- Completed 66<sup>th</sup> Street Reconstruction and the streetscape elements (City Council Goals 1a, 1b, 1c & 1d).
- Administered concrete and mill & overlay contracts for City's Sweet Streets

Program, completing year five of the 6-Year Mill and Overlay Project (City Council Goal 1a).

- Administered the second year of reclamite application on mill & overlay areas in an effort to extend the life of the new pavement and preserve the major investment made in City streets (City Council Goals 1a & 6a).
- Reached substantial completion on the Lyndale Avenue Reconstruction Project (City Council Goal 1a).
- Coordinated completion of South Richfield Parkway (City Council Goal 1a).
- Continue to address roadblocks for pedestrians and bicyclists by engaging with the public to understand where opportunities exist (City Council Goals 1b, 3c, & 6b).

### **2020 DIVISION GOALS**

- Coordinate with Metro Transit on Orange Line construction and D Line Planning/Design (City Council Goals 1a, 1b & 3c).
- Continue to encourage Hennepin County to program full reconstruction of Nicollet and Penn Avenues (City Council Goals 1a, 2b & 2c).
- Complete the funding package for the 77<sup>th</sup> Underpass and have the project authorized for construction in 2021 (City Council Goals 1a).
- Continue to coordinate with MnDOT and represent Richfield's interests related to the future I-494 corridor improvements (City Council Goals 1a, 2b & 2c).
- Continue to address roadblocks for pedestrians and bicyclists by engaging with the public to understand where opportunities exist (City Council Goals 1a, 1b & 5a).

### **DIVISION EXPENDITURE COMMENT**

The 2019 Revised Budget reflects a 22.19% reduction in expenditures from the 2019 Adopted Budget primarily due to vacancies in personnel.

The 2020 Proposed Budget reflects a 11.88% decrease in expenditures from the 2019 Adopted Budget due to staffing changes in the division. This results from the elimination of the two Civil Engineer positions and one City Engineer position and the creation of a Project Engineer position and an Assistant Engineer Position in 2019.

**FUND: GENERAL FUND**  
**DEPARTMENT: Public Works**  
**BUSINESS UNIT: Engineering - 10605**

**DETAIL EXPENDITURES BY BUSINESS UNIT**

| <b>CLASSIFICATIONS</b>                    | <b>2018<br/>ACTUAL</b>   | <b>2019<br/>BUDGET</b>   | <b>2019<br/>REVISED</b>  | <b>2020<br/>BUDGET</b>   |
|---|--------------------------|--------------------------|--------------------------|--------------------------|
| <u>Personal Services</u>                  |                          |                          |                          |                          |
| 6005 Full Time                            | \$ 443,125               | \$ 496,060               | \$ 376,920               | \$ 409,660               |
| 6009 Overtime                             | 1,794                    | 2,400                    | 2,400                    | 2,400                    |
| 6031 Employer Social Security             | 26,813                   | 30,660                   | 23,280                   | 25,400                   |
| 6032 Employer Medicare                    | 6,281                    | 7,170                    | 5,450                    | 5,940                    |
| 6033 Employer Pera                        | 32,986                   | 37,210                   | 28,270                   | 30,730                   |
| 6035 Medical Insurance                    | 51,466                   | 68,600                   | 51,270                   | 56,430                   |
| 6036 Dental Insurance                     | 3,986                    | 4,310                    | 3,450                    | 3,600                    |
| 6037 Term Life                            | 117                      | 240                      | 190                      | 190                      |
| 6038 Workers Compensation                 | 5,520                    | 7,480                    | 7,480                    | 7,170                    |
| 6040 Long Term Disability                 | 861                      | 1,040                    | 950                      | 980                      |
| 6054 Interdepartmental Labor Credit       | (325,883)                | (425,000)                | (345,000)                | (355,000)                |
| <i>Personal Services Total</i>            | <u>\$ 247,066</u>        | <u>\$ 230,170</u>        | <u>\$ 154,660</u>        | <u>\$ 187,500</u>        |
| <u>Other Services &amp; Charges</u>       |                          |                          |                          |                          |
| 6103 Professional Services -General       | \$ 24,702                | \$ 25,000                | \$ 25,220                | \$ 25,220                |
| 6202 Data Processing Rental               | 46,840                   | 48,150                   | 48,570                   | 49,500                   |
| 6204 Motor Pool Operating Rental          | 4,250                    | 9,790                    | 9,790                    | 9,790                    |
| 6301 Advertising & Publication            | 202                      | -                        | -                        | -                        |
| 6302 Communications                       | 6,400                    | 4,500                    | 6,500                    | 6,500                    |
| 6303 Professional Development             | 4,043                    | 11,000                   | 8,600                    | 9,200                    |
| 6305 Subscriptions & Memberships          | 495                      | 1,230                    | 1,500                    | 1,700                    |
| 6307 Insurance & Bonds                    | 3,662                    | 3,600                    | 3,860                    | 3,980                    |
| 6308 Property Liability                   | 850                      | 880                      | 880                      | 910                      |
| 6414 Other Supplies                       | 2,036                    | 2,500                    | 2,500                    | 2,500                    |
| <i>Other Services &amp; Charges Total</i> | <u>\$ 93,480</u>         | <u>\$ 106,650</u>        | <u>\$ 107,420</u>        | <u>\$ 109,300</u>        |
| <i>Engineering TOTAL</i>                  | <u><u>\$ 340,546</u></u> | <u><u>\$ 336,820</u></u> | <u><u>\$ 262,080</u></u> | <u><u>\$ 296,800</u></u> |



## Performance Measures

### Department/Division

### Public Works/Engineering

|  | <u>Actual<br/>2017</u> | <u>Actual<br/>2018</u> | <u>Budget<br/>2019</u> | <u>Budget<br/>2020</u> |
|--|------------------------|------------------------|------------------------|------------------------|
| <b>Inputs:</b>                                     |                        |                        |                        |                        |
| Number of full time employees                      | 6.00                   | 6.00                   | 4.00                   | 5.00                   |
| Total General Fund Expenditures                    | \$ 359,465             | \$ 340,546             | \$ 262,080             | \$ 296,800             |
| <b>Outputs:</b>                                    |                        |                        |                        |                        |
| Number of engineering contracts                    | 10                     | 5                      | 5                      | 3                      |
| Value of engineering contracts                     | \$ 1,350,000           | \$ 1,830,000           | \$ 1,520,000           | \$ 600,000             |
| Number of construction projects                    | 3                      | 5                      | 6                      | 2                      |
| Value of construction projects                     | \$31,250,000           | \$9,290,000            | \$14,900,000           | \$ 4,000,000           |
| <b>Effectiveness Measures:</b>                     |                        |                        |                        |                        |
| Value of change orders                             | \$ 300,000             | \$ 215,000             | \$ 100,000             | \$ 100,000             |
| % of project costs (goal <5%)                      | 1.0%                   | 2.3%                   | 0.7%                   | 2.5%                   |
| Number of right-of-way permits issued/inspected    | 185                    | 155                    | 160                    | 140                    |
| <b>Efficiency Measures:</b>                        |                        |                        |                        |                        |
| % of GF expenditures to construction projects      | 1.2%                   | 3.7%                   | 1.8%                   | 7.4%                   |
| % of consultant contracts to construction projects | 4.3%                   | 19.7%                  | 10.2%                  | 15.0%                  |

**FUND: GENERAL FUND**  
**DEPARTMENT: Public Works**  
**BUSINESS UNIT: Engineering - 10605**

**DIVISION PERSONNEL**

| CLASSIFICATIONS                    | SALARY<br>GRADE | NUMBER OF EMPLOYEES |                 |                |
|------------------------------------|-----------------|---------------------|-----------------|----------------|
|                                    |                 | 2019<br>ADOPTED     | 2019<br>REVISED | 2020<br>BUDGET |
| <u>Regular Full-Time Employees</u> |                 |                     |                 |                |
| City Engineer                      | M-3             | 1.00                | -               | -              |
| Transportation Engineer            | M-2             | 1.00                | 1.00            | 1.00           |
| Assistant City Engineer            | M-2             | -                   | 1.00            | 1.00           |
| Project Engineer                   | M-1             | -                   | 1.00            | 1.00           |
| Engineer Assistant                 | GS-4            | 1.00                | 1.00            | 1.00           |
| Water Resources Specialist         | GS-4            | 1.00                | 1.00            | 1.00           |
|                                    | <i>Total</i>    | <u>4.00</u>         | <u>5.00</u>     | <u>5.00</u>    |
| <u>Project Full-Time Employees</u> |                 |                     |                 |                |
| Civil Engineer                     | GS-6            | 2.00                | -               | -              |
|                                    | <i>Total</i>    | <u>2.00</u>         | <u>-</u>        | <u>-</u>       |

**CAPITAL OUTLAY**

| ITEMS | 2019<br>ADOPTED | 2019<br>REVISED | 2020<br>BUDGET |
|-------|-----------------|-----------------|----------------|
|       | None            | \$ -            | \$ -           |
|       | <i>Total</i>    | <u>\$ -</u>     | <u>\$ -</u>    |

## **STREET MAINTENANCE DIVISION**

### **MISSION STATEMENT**

The Public Works Department works hard to sustain and improve the quality of life for our community by offering the highest standards in essential municipal services and providing them in a timely, responsible and professional manner.

### **DIVISION FOCUS**

To provide pavement management, street signage, signal lights, streetlights, asphalt patching, ice control, and snow removal. These programs are necessary to ensure the citizens of Richfield have a safe, efficient, and reliable transportation system.

The Street Maintenance Division also protects Richfield's urban forest and existing tree canopy through tree inspections, monitoring both public and private trees, tree removal, trimming, and replacing trees on the boulevard as they are removed.

### **2019 HIGHLIGHTS**

- Completed the fifth year of the six year Mill and Overlay Project (City Council Goal 1a).
- Continued assistance with private property diseased/hazardous tree removals using the assessment option for paying removal costs (City Council Goals 1d & 3c).
- Began design of an EAB outreach plan for property owners to address trees on their property (City Council Goals 1d & 5a).

### **2020 DIVISION GOALS**

- Create an inventory of pavement markings to establish a replacement program (City Council Goals 1a & 6a).
- Continue the Emerald Ash Borer (EAB) injection program to preserve the health of the City's trees (City Council Goals 1d & 6a).
- Finalize long-term street maintenance plan including additional mill and overlay for residential streets (City Council Goals 1a & 6a).
- Initiate system-wide change out of streetlights from High Pressure Sodium bulbs to LED (City Council Goals 1a, 1d, & 6b)

### **DIVISION EXPENDITURE COMMENT**

The 2019 Revised Budget reflects a .13% decrease from the 2019 Adopted Budget. Budget line items for Salt (6411) and Overtime (6009) have adjusted upwards due to heavy snowfall in February and March but were offset for 2019 by decreased actual personnel costs in 2019.

The 2020 Proposed Budget reflects a 2.47% increase from the 2019 Adopted Budget. The increases are to account for increased personnel costs.

**FUND: GENERAL FUND**  
**DEPARTMENT: Public Works**  
**BUSINESS UNIT: Street Maintenance - 10610**

**DETAIL EXPENDITURES BY BUSINESS UNIT**

| <b>CLASSIFICATIONS</b>                    | <b>2018<br/>ACTUAL</b>     | <b>2019<br/>BUDGET</b>     | <b>2019<br/>REVISED</b>    | <b>2020<br/>BUDGET</b>     |
|---|----------------------------|----------------------------|----------------------------|----------------------------|
| <u>Personal Services</u>                  |                            |                            |                            |                            |
| 6005 Full Time                            | \$ 859,331                 | \$ 908,050                 | \$ 887,120                 | \$ 935,060                 |
| 6007 Seasonal                             | 24,829                     | 39,460                     | 44,720                     | 47,410                     |
| 6009 Overtime                             | 36,388                     | 15,000                     | 36,000                     | 23,000                     |
| 6031 Employer Social Security             | 55,083                     | 57,750                     | 57,340                     | 60,390                     |
| 6032 Employer Medicare                    | 12,882                     | 13,510                     | 13,410                     | 14,120                     |
| 6033 Employer Pera                        | 65,867                     | 70,180                     | 66,380                     | 69,980                     |
| 6035 Medical Insurance                    | 146,879                    | 166,580                    | 146,500                    | 159,950                    |
| 6036 Dental Insurance                     | 9,038                      | 9,710                      | 9,640                      | 9,580                      |
| 6037 Term Life                            | 267                        | 540                        | 540                        | 530                        |
| 6038 Workers Compensation                 | 31,512                     | 38,860                     | 38,860                     | 38,360                     |
| 6040 Long Term Disability                 | 1,841                      | 1,900                      | 2,030                      | 2,080                      |
| 6054 Interdepartmental Labor Credit       | (61,252)                   | (78,380)                   | (78,380)                   | (78,380)                   |
| <i>Personal Services Total</i>            | <u>\$ 1,182,665</u>        | <u>\$ 1,243,160</u>        | <u>\$ 1,224,160</u>        | <u>\$ 1,282,080</u>        |
| <u>Other Services &amp; Charges</u>       |                            |                            |                            |                            |
| 6103 Professional Services -General       | \$ 12,848                  | \$ 9,790                   | \$ 9,750                   | \$ 9,750                   |
| 6202 Data Processing Rental               | 6,567                      | 8,980                      | 6,960                      | 7,540                      |
| 6204 Motor Pool Operating Rental          | 363,910                    | 378,780                    | 378,780                    | 390,140                    |
| 6205 Maintenance & Repairs                | 19,511                     | 25,600                     | 11,500                     | 11,500                     |
| 6207 Utility Services                     | 269,710                    | 264,000                    | 264,000                    | 264,000                    |
| 6209 Utility Lighting                     | 47,312                     | 62,060                     | 61,040                     | 60,200                     |
| 6301 Advertising & Publication            | 855                        | 240                        | 240                        | 240                        |
| 6302 Communications                       | 7,012                      | 4,500                      | 4,500                      | 4,500                      |
| 6303 Professional Development             | 7,917                      | 13,760                     | 5,560                      | 11,360                     |
| 6305 Subscriptions & Memberships          | 506                        | 180                        | 400                        | 400                        |
| 6307 Insurance & Bonds                    | 12,003                     | 11,780                     | 12,980                     | 13,370                     |
| 6308 Property Liability                   | 2,990                      | 3,080                      | 3,080                      | 3,170                      |
| 6315 Other Contractual Services           | 112,944                    | 145,000                    | 186,150                    | 183,570                    |
| 6409 Uniforms & Clothing                  | 9,285                      | 11,000                     | 11,000                     | 11,000                     |
| 6410 Small Tools & Parts                  | 5,483                      | 6,200                      | 6,200                      | 6,200                      |
| 6411 Salt                                 | 118,855                    | 85,000                     | 93,360                     | 85,000                     |
| 6412 Maint. & Const. Materials            | 33,418                     | 42,840                     | 32,650                     | 31,150                     |
| 6414 Other Supplies                       | 13,561                     | 3,000                      | 3,000                      | 3,000                      |
| 6415 Sign Parts & Supplies                | 13,200                     | 16,650                     | 17,250                     | 15,150                     |
| <i>Other Services &amp; Charges Total</i> | <u>\$ 1,057,887</u>        | <u>\$ 1,092,440</u>        | <u>\$ 1,108,400</u>        | <u>\$ 1,111,240</u>        |
| <u>Capital Outlay</u>                     |                            |                            |                            |                            |
| 7700 Office Equipment                     | \$ 23,113                  | \$ -                       | \$ -                       | \$ -                       |
| <i>Capital Outlay Total</i>               | <u>\$ 23,113</u>           | <u>\$ -</u>                | <u>\$ -</u>                | <u>\$ -</u>                |
| <b>Street Maintenance TOTAL</b>           | <u><u>\$ 2,263,665</u></u> | <u><u>\$ 2,335,600</u></u> | <u><u>\$ 2,332,560</u></u> | <u><u>\$ 2,393,320</u></u> |

## Performance Measures

### Department/Division

### Public Works/Street Maintenance

|  | Actual<br>2017 | Actual<br>2018 | Budget<br>2019R | Budget<br>2020P |
|--|----------------|----------------|-----------------|-----------------|
| <b>Inputs:</b>   |                |                |                 |                 |
| Number of Full-Time Employees                                | 13.10          | 13.45          | 13.40           | 13.30           |
| Division Expenditures  | \$ 2,120,567   | \$ 2,263,665   | \$ 2,332,560    | \$ 2,393,320    |
| <b>Outputs:</b>  |                |                |                 |                 |
| Number of City-Owned Street Lights                           | 2,730          | 2,730          | 3,000           | 3,000           |
| Work Orders for Street Light Out                             | 184            | 179            | 280             | 280             |
| Annual Number of Trees Removed                               | 152            | 127            | 170             | 170             |
| Annual Number of Trees Planted                               | 179            | 187            | 177             | 180             |
| Tree Trimmings-Routine                                       | 103            | 134            | 200             | 200             |
| <b>Effectiveness Measures:</b>                               |                |                |                 |                 |
| Days to Repair Street Light After Request                    | 6.2            | 11.0           | 6.0             | 6.0             |
| Average Days to Complete After Tree Service Request Received | 19             | 8              | 10              | 10              |
| <b>Efficiency Measures:</b>                                  |                |                |                 |                 |
| Cost to Operate Street Lights                                | \$ 254,773     | \$ 269,710     | \$ 264,000      | \$ 264,000      |
| Cost to Maintain Street Lights                               | \$ 46,631      | \$ 47,312      | \$ 61,040       | \$ 60,200       |
| Total Cost to Operate and Maintain Street Lights             | \$ 301,404     | \$ 317,022     | \$ 325,040      | \$ 324,200      |
| Expenditure per Capita to Maintain Street Lights             | \$ 8.25        | \$ 8.70        | \$ 8.92         | \$ 8.90         |
| Cost per New Tree Planted                                    | \$ 256.29      | \$ 255.98      | \$ 282.49       | \$ 277.78       |
| Annual Dollars Spent on New Trees                            | \$ 25,000      | \$ 25,103      | \$ 24,746       | \$ 25,000       |
| Division Expenditure per Capita                              | \$ 58.03       | \$62.13        | \$ 64.02        | \$ 65.69        |

**FUND: GENERAL FUND**  
**DEPARTMENT: Public Works**  
**BUSINESS UNIT: Street Maintenance - 10610**

**DIVISION PERSONNEL**

| CLASSIFICATIONS                    | SALARY<br>GRADE | NUMBER OF EMPLOYEES |                 |                |
|------------------------------------|-----------------|---------------------|-----------------|----------------|
|                                    |                 | 2019<br>ADOPTED     | 2019<br>REVISED | 2020<br>BUDGET |
| <u>Regular Full-Time Employees</u> |                 |                     |                 |                |
| Operations Superintendent          | M-3             | .80                 | .75             | .75            |
| Operations Supervisor              | M-1             | 1.00                | 1.00            | 1.00           |
| GIS Analyst/IT Technician          | GS-5            | .30                 | .30             | .20            |
| Forester                           | GS-4            | 1.00                | 1.00            | 1.00           |
| Senior Office Assistant            | GS-2            | .35                 | .35             | .35            |
| Public Works Worker                | LT-1            | 10.00               | 10.00           | 10.00          |
|                                    | <i>Total</i>    | <u>13.45</u>        | <u>13.40</u>    | <u>13.30</u>   |

**CAPITAL OUTLAY**

| ITEMS | 2019<br>ADOPTED | 2019<br>REVISED | 2020<br>BUDGET |
|-------|-----------------|-----------------|----------------|
| None  | \$ -            | \$ -            | \$ -           |
|       | <u>\$ -</u>     | <u>\$ -</u>     | <u>\$ -</u>    |
|       | <i>Total</i>    | <i>Total</i>    | <i>Total</i>   |

## **PARK MAINTENANCE DIVISION**

### **MISSION STATEMENT**

The Public Works Department works hard to sustain and improve the quality of life for our community by offering the highest standards in essential municipal services and providing them in a timely, responsible and professional manner.

### **DIVISION FOCUS**

To maintain and repair Richfield's 21 park areas that provides space and facilities for leisure activities. These areas vary in size from one-quarter acre (Little Bob's Park) to over 100 acres (Veterans Memorial Park). The Park Maintenance Division is responsible for maintaining and repairing:

- Buildings
- Play features
- Tennis/Pickleball courts
- Ballfields
- Turf areas
- Trash pick-up and disposal
- Winter maintenance of sidewalks/trails

The Park Maintenance Division also manages the maintenance of the LHN and 77<sup>th</sup> Street Maintenance Districts.

### **2019 HIGHLIGHTS**

- Added plantings, both annual and perennial, to minimal mowing areas (City Council Goals 1d, 6b & 6c).
- Installed the remainder of the new park signs (City Council Goal 6a).
- Introduced expanded recycling efforts in City parks (City Council Goals 1a & 1d).
- Enhanced sidewalk/trail snow removal program (City Council Goals 3c, 5d & 6a).

### **2020 DIVISION GOALS**

- Install additional solar trail lighting at various parks (City Council Goal 1d).
- Continue support of City-sponsored events such as 4<sup>th</sup> of July Celebration and "Penn Fest" at Open Streets (City Council Goal 5c).
- Continue to identify park areas to enhance with ornamental/edible plantings (City Council Goals 6a & 6b).

### **DIVISION EXPENDITURE COMMENT**

The 2019 Revised Budget reflects a 1.34% increase from the 2019 Adopted Budget.

The 2020 Proposed budget reflects an 8.41% increase from the 2019 Adopted Budget.

These increases are due to the addition of a new Public Works Worker to the Division in late summer 2019. Enhanced maintenance to street medians and winter sidewalk clearing are major factors why the position is being added. The costs associated with this position will be offset through a reduction in the Public Works Engineering Budget.

**FUND: GENERAL FUND**  
**DEPARTMENT: Public Works**  
**BUSINESS UNIT: Park Maintenance - 10615**

**DETAIL EXPENDITURES BY BUSINESS UNIT**

| <b>CLASSIFICATIONS</b>                    | <b>2018<br/>ACTUAL</b>     | <b>2019<br/>BUDGET</b>     | <b>2019<br/>REVISED</b>    | <b>2020<br/>BUDGET</b>     |
|---|----------------------------|----------------------------|----------------------------|----------------------------|
| <u>Personal Services</u>                  |                            |                            |                            |                            |
| 6005 Full Time                            | \$ 467,722                 | \$ 490,010                 | \$ 498,010                 | \$ 558,180                 |
| 6007 Seasonal                             | 41,821                     | 45,580                     | 43,410                     | 45,600                     |
| 6009 Overtime                             | 22,667                     | 13,870                     | 23,000                     | 23,000                     |
| 6013 Longevity                            | 1,096                      | 1,130                      | 1,100                      | 1,130                      |
| 6031 Employer Social Security             | 32,445                     | 32,920                     | 33,400                     | 37,220                     |
| 6032 Employer Medicare                    | 7,588                      | 7,700                      | 7,810                      | 8,710                      |
| 6033 Employer Pera                        | 36,987                     | 36,690                     | 37,480                     | 41,950                     |
| 6035 Medical Insurance                    | 71,510                     | 75,440                     | 75,400                     | 91,120                     |
| 6036 Dental Insurance                     | 5,370                      | 5,380                      | 5,580                      | 6,120                      |
| 6037 Term Life                            | 156                        | 300                        | 310                        | 340                        |
| 6038 Workers Compensation                 | 33,780                     | 39,390                     | 29,390                     | 13,700                     |
| 6040 Long Term Disability                 | 846                        | 840                        | 870                        | 900                        |
| 6054 Interdepartmental Labor Credit       | (28,438)                   | (34,770)                   | (34,770)                   | (34,770)                   |
| <i>Personal Services Total</i>            | <u>\$ 693,550</u>          | <u>\$ 714,480</u>          | <u>\$ 720,990</u>          | <u>\$ 793,200</u>          |
| <u>Other Services &amp; Charges</u>       |                            |                            |                            |                            |
| 6103 Professional Services -General       | \$ 6,004                   | \$ 6,600                   | \$ 3,920                   | \$ 3,920                   |
| 6202 Data Processing Rental               | 3,780                      | 3,890                      | 4,030                      | 4,360                      |
| 6204 Motor Pool Operating Rental          | 189,500                    | 198,980                    | 198,980                    | 204,950                    |
| 6205 Maintenance & Repairs                | 105,588                    | 120,300                    | 120,300                    | 120,300                    |
| 6207 Utility Services                     | 112,195                    | 102,920                    | 102,920                    | 111,290                    |
| 6302 Communications                       | 6,824                      | 4,850                      | 6,700                      | 7,150                      |
| 6303 Professional Development             | 6,548                      | 8,610                      | 4,790                      | 7,260                      |
| 6305 Subscriptions & Memberships          | -                          | 100                        | 100                        | 100                        |
| 6307 Insurance & Bonds                    | 44,938                     | 44,110                     | 45,130                     | 46,490                     |
| 6308 Property Liability                   | 3,290                      | 3,390                      | 3,390                      | 3,490                      |
| 6310 Taxes & Licenses                     | 110                        | 200                        | 200                        | 200                        |
| 6315 Other Contractual Services           | 62,326                     | 53,550                     | 64,250                     | 68,750                     |
| 6409 Uniforms & Clothing                  | 3,657                      | 4,790                      | 4,790                      | 4,790                      |
| 6410 Small Tools & Parts                  | 2,360                      | 3,300                      | 3,300                      | 3,300                      |
| 6412 Maint. & Const. Materials            | 3,607                      | 10,000                     | 10,000                     | 10,000                     |
| 6414 Other Supplies                       | 27,817                     | 45,680                     | 49,680                     | 47,680                     |
| <i>Other Services &amp; Charges Total</i> | <u>\$ 578,544</u>          | <u>\$ 611,270</u>          | <u>\$ 622,480</u>          | <u>\$ 644,030</u>          |
| <u>Capital Outlay</u>                     |                            |                            |                            |                            |
| 7350 Other Improvements                   | \$ 19,200                  | \$ -                       | \$ -                       | \$ -                       |
| <i>Capital Outlay Total</i>               | <u>\$ 19,200</u>           | <u>\$ -</u>                | <u>\$ -</u>                | <u>\$ -</u>                |
| <i>Park Maintenance TOTAL</i>             | <u><u>\$ 1,291,294</u></u> | <u><u>\$ 1,325,750</u></u> | <u><u>\$ 1,343,470</u></u> | <u><u>\$ 1,437,230</u></u> |



## Performance Measures

### Department/Division

### Public Works/Park Maintenance

|  | <u>Actual<br/>2017</u> | <u>Actual<br/>2018</u> | <u>Budget<br/>2019R</u> | <u>Budget<br/>2020P</u> |
|--|------------------------|------------------------|-------------------------|-------------------------|
| <b>Inputs:</b>   |                        |                        |                         |                         |
| Number of full time employees                            | 7.50                   | 7.50                   | 8.50                    | 8.50                    |
| Division Expenditures                                    | \$ 1,298,740           | \$ 1,291,294           | \$ 1,343,470            | \$ 1,437,230            |
| <b>Outputs:</b>  |                        |                        |                         |                         |
| No. of Parks Maintained                                  | 21                     | 21                     | 21                      | 21                      |
| No. of Athletic Fields                                   | 24                     | 24                     | 24                      | 24                      |
| No. of Games on Athletic Fields                          | 2,303                  | 2,569                  | 2,500                   | 2,500                   |
| <b>Effectiveness Measures:</b>                           |                        |                        |                         |                         |
| Games Not Played Due to Weather-Related Field Conditions | 23                     | 21                     | 10                      | 10                      |
| <b>Efficiency Measures:</b>                              |                        |                        |                         |                         |
| Average Cost to Maintain Ath Fields                      | \$ 57,854              | \$ 61,270              | \$ 62,244               | \$ 64,400               |
| Cost to Maintain Parks per Capita                        | \$ 35.54               | \$ 35.44               | \$ 36.87                | \$ 39.45                |

**FUND: GENERAL FUND**  
**DEPARTMENT: Public Works**  
**BUSINESS UNIT: Park Maintenance - 10615**

**DIVISION PERSONNEL**

| CLASSIFICATIONS                    | SALARY<br>GRADE | NUMBER OF EMPLOYEES |                 |                |
|------------------------------------|-----------------|---------------------|-----------------|----------------|
|                                    |                 | 2019<br>ADOPTED     | 2019<br>REVISED | 2020<br>BUDGET |
| <u>Regular Full-Time Employees</u> |                 |                     |                 |                |
| Operations Manager                 | M-2             | .50                 | .50             | .50            |
| Public Works Worker                | LT-1            | 7.00                | 8.00            | 8.00           |
| <i>Total</i>                       |                 | <u>7.50</u>         | <u>8.50</u>     | <u>8.50</u>    |

**CAPITAL OUTLAY**

| ITEMS        | 2019<br>ADOPTED | 2019<br>REVISED | 2020<br>BUDGET |
|--------------|-----------------|-----------------|----------------|
|              | None            | \$ -            | \$ -           |
| <i>Total</i> | <u>\$ -</u>     | <u>\$ -</u>     | <u>\$ -</u>    |



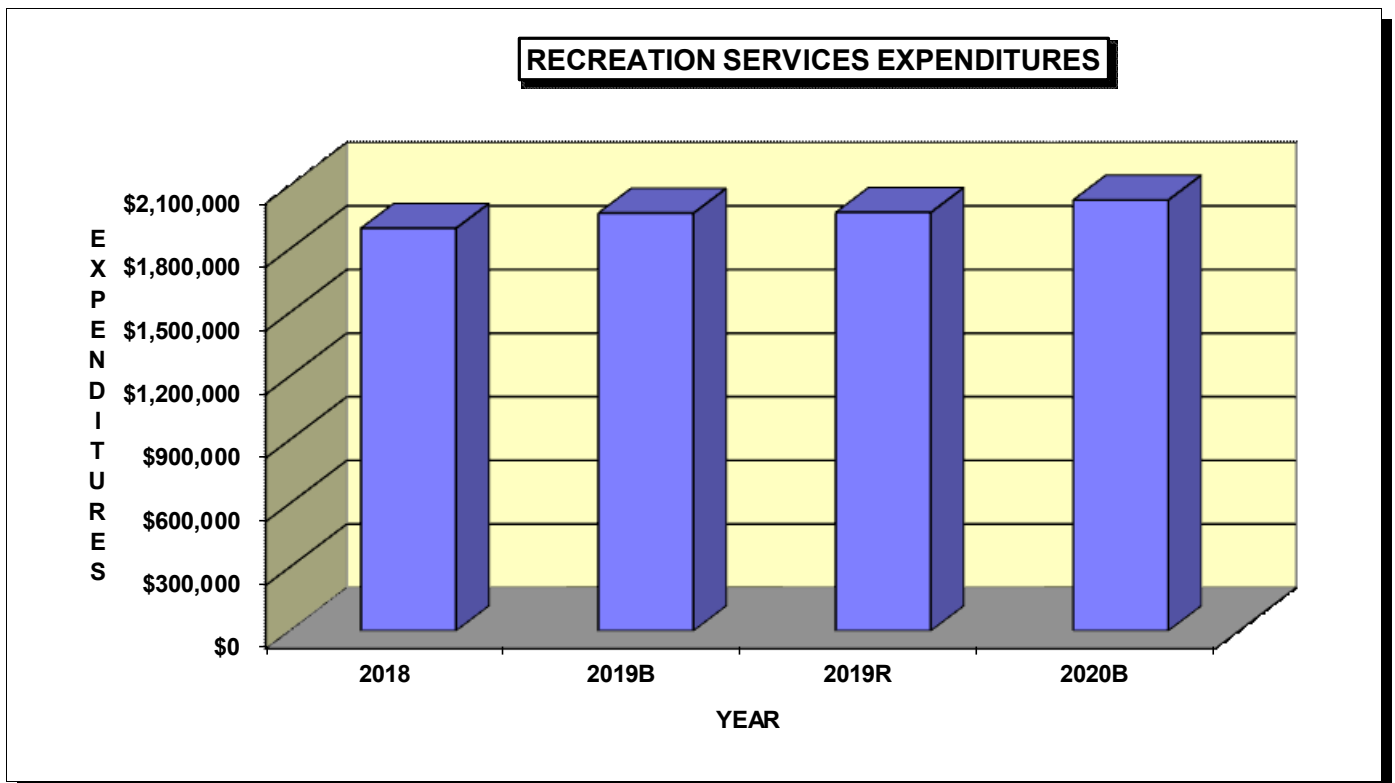
**FUND:** GENERAL FUND  
**DEPARTMENT:** Recreation Services

**DEPARTMENT SUMMARY BY BUSINESS UNIT**

| BUSINESS UNIT                    | 2018<br>ACTUAL      | 2019<br>BUDGET      | 2019<br>REVISED     | 2020<br>BUDGET      | Increase/<br>(Decrease)<br>2019 Budget/<br>2020 Budget |
|----------------------------------|---------------------|---------------------|---------------------|---------------------|--|
| 17000 Recreation Administration  | \$ 386,198          | \$ 375,590          | \$ 353,290          | \$ 361,800          | (3.67%)  |
| 17501 Recreation Programs        | 955,276             | 1,038,020           | 1,038,370           | 1,085,640           | 4.59%  |
| 18000 Wood Lake Nature Center    | 555,045             | 554,460             | 579,900             | 582,380             | 5.04%  |
| <i>Recreation Services TOTAL</i> | <u>\$ 1,896,519</u> | <u>\$ 1,968,070</u> | <u>\$ 1,971,560</u> | <u>\$ 2,029,820</u> | 3.14%  |

**REVENUES**

|                               |            |            |            |            |         |
|-------------------------------|------------|------------|------------|------------|---------|
| 17501 Recreation Programs     | \$ 370,475 | \$ 354,820 | \$ 349,840 | \$ 342,190 | (3.56%) |
| 18000 Wood Lake Nature Center | 92,758     | 90,050     | 91,730     | 92,060     | 2.23%   |



## **RECREATION SERVICES ADMINISTRATION**

### **MISSION STATEMENT**

The mission of the Recreation Services Department is to provide residents with quality recreational services reflecting Richfield's high service standards.

### **DIVISION FOCUS**

The Recreation Services Administration Division provides support for the Recreation Services Department including Wood Lake Nature Center, Recreation Programs and Athletics, Ice Arena, Outdoor Pool, and Mini-Golf. The Administrative Division also contains items related to parks planning and development.

- Facilitate strategic planning of the City's parks system and recreational programming and oversee all park capital projects (City Council Goal 1a).
- Provide support for the Community Services Commission, Arts Commission, Friendship City Commission and other planning groups (City Council Goal 5d).
- Provide registration software, online services and other technological support to the Recreation Services Department.
- Coordinate Department program guide and other publications and maintain Department web pages (City Council Goal 6d).
- Administer engraving activity and communications for the Honoring All Veterans Memorial, Adopt a Park, Adopt a Tree and other park donations.
- Coordinate the MN GreenStep Cities Program for the City (City Council Goal 5b).

### **2019 HIGHLIGHTS**

- Established a fund for public art (City Council Goals 1b, 5c, 6c).
- Launched operation of the band shell (City Council Goal 1a).
- Passed the organization of recycling and organics curbside hauling (City Council Goals 1a, 6c)
- Passed the approval to hire a Sustainability Coordinator position.
- Established a citizen-based organics taskforce to plan and launched two organics drop-off sites (City Council Goals 5d, 6c).

### **2020 DIVISION GOALS**

- Consider the establishment of a park dedication ordinance (City Council Goal 1a).
- Establish quarterly department meetings/training.
- Continue to gather community and financial support for an all-inclusive playground in Augsburg Park (City Council Goal 1a).
- Increase ADA efforts with facilities, programming, and events (City Council Goals 1a, 3d, 5b, 6b).
- Develop plans for capital projects including: costs, schematic drawings, and a variety of engagement offerings.

Recruit a new Community Center Senior Office Aide after Deb's retirement.

### **DIVISION EXPENDITURE COMMENTS**

- The Recreation Services/Administration Division shows a 5.94% decrease in expenditures for the 2019 revised budget, mainly because of a new Recreation Services Director with a starting salary lower on the pay range than the previous director. The 2020 expenditure budget shows a 3.67% decrease over the 2019 adopted budget; due to savings with personnel costs.

**FUND: GENERAL FUND**  
**DEPARTMENT: Recreation Services**  
**BUSINESS UNIT: Recreation Administration - 17000**

**DETAIL EXPENDITURES BY BUSINESS UNIT**

| <b>CLASSIFICATIONS</b>                    | <b>2018<br/>ACTUAL</b> | <b>2019<br/>BUDGET</b> | <b>2019<br/>REVISED</b> | <b>2020<br/>BUDGET</b> |
|---|------------------------|------------------------|-------------------------|------------------------|
| <u>Personal Services</u>                  |                        |                        |                         |                        |
| 6005 Full Time                            | \$ 218,244             | \$ 222,330             | \$ 189,020              | \$ 196,900             |
| 6031 Employer Social Security             | 12,675                 | 11,000                 | 11,090                  | 11,230                 |
| 6032 Employer Medicare                    | 3,085                  | 2,980                  | 2,590                   | 2,690                  |
| 6033 Employer Pera                        | 15,495                 | 15,950                 | 13,790                  | 14,330                 |
| 6035 Medical Insurance                    | 34,536                 | 31,320                 | 30,980                  | 33,370                 |
| 6036 Dental Insurance                     | 1,428                  | 1,440                  | 1,440                   | 1,440                  |
| 6037 Term Life                            | 40                     | 80                     | 80                      | 80                     |
| 6038 Workers Compensation                 | 3,780                  | 2,720                  | 2,720                   | 2,500                  |
| 6040 Long Term Disability                 | 395                    | 400                    | 400                     | 410                    |
| 6051 Interdepartmental Labor              | 2,223                  | -                      | 2,200                   | 2,200                  |
| <i>Personal Services Total</i>            | <u>\$ 291,901</u>      | <u>\$ 288,220</u>      | <u>\$ 254,310</u>       | <u>\$ 265,150</u>      |
| <u>Other Services &amp; Charges</u>       |                        |                        |                         |                        |
| 6103 Professional Services -General       | \$ 424                 | \$ 500                 | \$ 5,000                | \$ 1,500               |
| 6202 Data Processing Rental               | 14,925                 | 15,190                 | 15,330                  | 15,630                 |
| 6207 Utility Services                     | 1,331                  | 1,800                  | 1,500                   | 1,500                  |
| 6301 Advertising & Publication            | 29,574                 | 25,000                 | 29,000                  | 29,000                 |
| 6302 Communications                       | 803                    | -                      | 500                     | 500                    |
| 6303 Professional Development             | 957                    | 1,500                  | 1,500                   | 1,500                  |
| 6305 Subscriptions & Memberships          | 336                    | 350                    | 350                     | 350                    |
| 6307 Insurance & Bonds                    | 4,669                  | 4,590                  | 4,760                   | 4,900                  |
| 6308 Property Liability                   | 7,320                  | 7,540                  | 7,540                   | 7,770                  |
| 6402 Copy Charges                         | 7,048                  | 9,400                  | 9,000                   | 9,000                  |
| 6513 Other Charges                        | 26,910                 | 21,500                 | 24,500                  | 25,000                 |
| <i>Other Services &amp; Charges Total</i> | <u>\$ 94,297</u>       | <u>\$ 87,370</u>       | <u>\$ 98,980</u>        | <u>\$ 96,650</u>       |
| <i>Recreation Administration TOTAL</i>    | <u>\$ 386,198</u>      | <u>\$ 375,590</u>      | <u>\$ 353,290</u>       | <u>\$ 361,800</u>      |

**FUND: GENERAL FUND**  
**DEPARTMENT: Recreation Services**  
**BUSINESS UNIT: Recreation Administration - 17000**

**DIVISION PERSONNEL**

| CLASSIFICATIONS                    | SALARY<br>GRADE | NUMBER OF EMPLOYEES |                 |                |
|------------------------------------|-----------------|---------------------|-----------------|----------------|
|                                    |                 | 2019<br>ADOPTED     | 2019<br>REVISED | 2020<br>BUDGET |
| <u>Regular Full-Time Employees</u> |                 |                     |                 |                |
| Recreation Services Director       | M-5A            | 1.00                | 1.00            | 1.00           |
| Recreation Specialist              | GS-5            | 1.00                | 1.00            | 1.00           |
| <i>Total</i>                       |                 | <u>2.00</u>         | <u>2.00</u>     | <u>2.00</u>    |

**CAPITAL OUTLAY**

| ITEMS        | 2019<br>ADOPTED | 2019<br>REVISED | 2020<br>BUDGET |
|--------------|-----------------|-----------------|----------------|
|              | None            | \$ -            | \$ -           |
| <i>Total</i> | <u>\$ -</u>     | <u>\$ -</u>     | <u>\$ -</u>    |

## **RECREATION PROGRAMS**

### **MISSION STATEMENT**

The mission of the Recreation Programs Division is to provide high-quality programs, services, and facilities that enhance the physical, emotional and mental well being of our diverse population.

### **DIVISION FOCUS**

The Recreation Programs Division provides high-quality programs, activities and special events throughout the year to the entire community. The division is the conduit to find ways to ensure inclusion of all people, especially people with physical and economic challenges and people of color. The incorporation of these services includes programs and services for youth through seniors/mature adults. The Division also coordinates scheduling of athletic and park facilities for Richfield youth and adult recreational sports associations, schools and other groups.

### **2019 HIGHLIGHTS**

- Introduced Amazing Athletes, a sports-focused program for youth ages 18 months to five years, with great success (City Council Goals 5a, 6c).
- Conducted a successful eighth-annual Open Streets at Penn Fest event and recruited new entertainment options for the event, including logrolling and an entertainment stage (City Council Goal 5c).
- Launched the operation of the Richfield Community Band Shell (City Council Goal 1a).
- The Farmers Market was able to find a local sponsor to implement a new program called the POP Club at the market. The Power of Produce (POP) Club provides a fun opportunity for children to engage in the local food system through conversations directly with farmers, educational games and demonstrations, and exposure to new fruits and vegetables.
- The Farmers Market expanded their season and offered seven Winter Farmers Market events that featured local produce, hot food and artists.
- A projected 1,000 meals will be served in 2019 to youth ages 18 and younger through the free Summer Food Services Program (City Council Goals 3d, 5d, 6b).
- Coordinated a city-wide 4<sup>th</sup> of July event with the 4<sup>th</sup> of July Committee.
- More than 29,000 individual program participation/registrations projected in 2019 (City Council Goal 6a).
- Registrations for reduced-cost youth sports camps have continued to climb year after year. We have been able to find new partners which have allowed us to continue to offer more camp and a wider and variety of activities (City Council Goals 3d, 5c, 6a).

### **2020 GOALS**

- Increased outreach to underserved populations in our community to increase recreation participation (City Council Goals 3d, 5c, 6a).
- Continue expanding the Free Summer Playground and Food Services Programs



(City Council Goals 3d, 5c, 6a).

- Expand senior programming and increase facility use at the Community Center.
- Establish a spring/summer Recreation Intern program to expand current offerings and increase service levels of current programs.
- The City of Richfield is a part of the Richfield Dementia Friends committee and is working to have an online resources guide by 2020 for residents. The resource guide is part of an effort to help those living with or caring for someone with Dementia or memory loss. This is part of the mission of the Richfield Dementia Friends to become a dementia-friendly-community.

#### **DIVISION REVENUE COMMENT**

Revenue was reduced by \$17,000 from the adopted budget. Adult softball participation fell 26% last year and is expected to fall another 17%, a trend experienced statewide and throughout the industry.

#### **DIVISION EXPENDITURE COMMENT**

Expenditures in the 2019 revised budget will stay approximately the same from the 2019 adopted budget (\$380 increase) and will increase in 2020 by \$50,000. The increase in 2020 is due, primarily, to increases in personal services (salary step increases and the addition of an intern to the division).

**FUND: GENERAL FUND**  
**DEPARTMENT: Recreation Services**  
**BUSINESS UNIT: Recreation Programs - 17501**

**DETAIL EXPENDITURES BY BUSINESS UNIT**

| <b>CLASSIFICATIONS</b>                    | <b>2018<br/>ACTUAL</b>   | <b>2019<br/>BUDGET</b>     | <b>2019<br/>REVISED</b>    | <b>2020<br/>BUDGET</b>     |
|---|--------------------------|----------------------------|----------------------------|----------------------------|
| <u>Personal Services</u>                  |                          |                            |                            |                            |
| 6005 Full Time                            | \$ 275,891               | \$ 285,120                 | \$ 286,660                 | \$ 300,040                 |
| 6006 Part-time                            | 118,884                  | 130,030                    | 132,470                    | 138,980                    |
| 6007 Seasonal                             | 87,814                   | 107,730                    | 102,530                    | 119,670                    |
| 6031 Employer Social Security             | 28,721                   | 32,050                     | 32,310                     | 34,640                     |
| 6032 Employer Medicare                    | 6,717                    | 7,510                      | 7,560                      | 8,100                      |
| 6033 Employer Pera                        | 32,141                   | 31,050                     | 31,440                     | 32,920                     |
| 6035 Medical Insurance                    | 60,096                   | 58,680                     | 61,020                     | 67,850                     |
| 6036 Dental Insurance                     | 2,856                    | 2,870                      | 2,870                      | 2,880                      |
| 6037 Term Life                            | 84                       | 170                        | 170                        | 170                        |
| 6038 Workers Compensation                 | 11,040                   | 8,430                      | 8,430                      | 7,940                      |
| 6040 Long Term Disability                 | 575                      | 580                        | 600                        | 620                        |
| <i>Personal Services Total</i>            | <u>\$ 624,819</u>        | <u>\$ 664,220</u>          | <u>\$ 666,060</u>          | <u>\$ 713,810</u>          |
| <u>Other Services &amp; Charges</u>       |                          |                            |                            |                            |
| 6103 Professional Services -General       | \$ 220                   | \$ 210                     | \$ 220                     | \$ 220                     |
| 6201 Rents & Leases                       | 1,354                    | 4,300                      | 4,300                      | 4,300                      |
| 6202 Data Processing Rental               | 25,153                   | 26,690                     | 27,070                     | 27,970                     |
| 6204 Motor Pool Operating Rental          | -                        | -                          | 1,000                      | 1,030                      |
| 6205 Maintenance & Repairs                | 20,258                   | 17,400                     | 17,400                     | 17,930                     |
| 6207 Utility Services                     | 15,901                   | 17,000                     | 17,000                     | 17,000                     |
| 6301 Advertising & Publication            | 2,887                    | 4,200                      | 4,200                      | 4,200                      |
| 6302 Communications                       | 4,633                    | 5,000                      | 5,000                      | 5,000                      |
| 6303 Professional Development             | 3,427                    | 4,600                      | 4,000                      | 4,000                      |
| 6305 Subscriptions & Memberships          | 2,165                    | 2,200                      | 2,200                      | 2,300                      |
| 6307 Insurance & Bonds                    | 3,662                    | 3,600                      | 3,860                      | 3,980                      |
| 6308 Property Liability                   | 120                      | 120                        | 120                        | 120                        |
| 6315 Other Contractual Services           | 109,525                  | 131,220                    | 123,760                    | 126,210                    |
| 6401 Office Supplies                      | 4,869                    | 4,500                      | 5,000                      | 5,000                      |
| 6403 Postage                              | 1,731                    | 2,500                      | 2,500                      | 2,500                      |
| 6414 Other Supplies                       | 129,517                  | 141,760                    | 140,380                    | 143,770                    |
| 6513 Other Charges                        | 5,035                    | 8,500                      | 14,300                     | 6,300                      |
| <i>Other Services &amp; Charges Total</i> | <u>\$ 330,457</u>        | <u>\$ 373,800</u>          | <u>\$ 372,310</u>          | <u>\$ 371,830</u>          |
| <i>Recreation Programs TOTAL</i>          | <u><u>\$ 955,276</u></u> | <u><u>\$ 1,038,020</u></u> | <u><u>\$ 1,038,370</u></u> | <u><u>\$ 1,085,640</u></u> |

## Performance Measures

### Department/Division

### Recreation Services/Recreation Programs

|                                     | <u>Actual<br/>2017</u> | <u>Actual<br/>2018</u> | <u>Budget<br/>2019</u> | <u>Budget<br/>2020</u> |
|-------------------------------------|------------------------|------------------------|------------------------|------------------------|
| <b>Inputs:</b>                      |                        |                        |                        |                        |
| Number of Full Time Employees       | 4.00                   | 4.00                   | 4.00                   | 4.00                   |
| Division Revenues                   | \$ 384,694             | \$ 370,475             | \$ 349,840             | \$ 342,190             |
| Division Expenditures               | \$ 935,379             | \$ 955,492             | \$ 1,038,370           | \$ 1,085,640           |
| <b>Outputs:</b>                     |                        |                        |                        |                        |
| Older Adult Registrants             | 21,510                 | 22,500                 | 22,500                 | 23,060                 |
| Youth Recreation Registrations      | 2,680                  | 2,198                  | 2,310                  | 2,310                  |
| Youth/Adult Athletics Registrations | 4,150                  | 3,362                  | 3,060                  | 3,040                  |
| Adaptive Registrations              | 1,350                  | 1,385                  | 1,440                  | 1,480                  |
| Total Registrations                 | 29,690                 | 29,445                 | 29,310                 | 29,890                 |
| <b>Effectiveness Measures:</b>      |                        |                        |                        |                        |
| Average Revenue per Registration    | \$ 12.96               | \$ 12.58               | \$ 11.94               | \$ 11.45               |
| <b>Efficiency Measures:</b>         |                        |                        |                        |                        |
| Average Cost per Registration       | \$ 31.50               | \$ 32.45               | \$ 35.43               | \$ 36.32               |
| Revenues Per Capita                 | \$ 10.53               | \$ 10.17               | \$ 9.60                | \$ 9.39                |
| Expenditures Per Capita             | \$ 25.60               | \$ 26.22               | \$ 28.50               | \$ 29.80               |

**FUND: GENERAL FUND**  
**DEPARTMENT: Recreation Services**  
**BUSINESS UNIT: Recreation Programs - 17501**

**DIVISION PERSONNEL**

| CLASSIFICATIONS                    | SALARY<br>GRADE | NUMBER OF EMPLOYEES |                 |                |
|------------------------------------|-----------------|---------------------|-----------------|----------------|
|                                    |                 | 2019<br>ADOPTED     | 2019<br>REVISED | 2020<br>BUDGET |
| <u>Regular Full-Time Employees</u> |                 |                     |                 |                |
| Recreation Supervisor              | GS-5E           | 3.00                | 3.00            | 3.00           |
| Senior Office Aide                 | GS-2            | 1.00                | 1.00            | 1.00           |
| <i>Total</i>                       |                 | <u>4.00</u>         | <u>4.00</u>     | <u>4.00</u>    |
| <u>Part-Time Employees</u>         |                 |                     |                 |                |
| Recreation Supervisor              | GS-5            | 1.00                | 1.00            | 1.00           |
| Custodian                          | GS-2            | 2.00                | 2.00            | 2.00           |
| <i>Total</i>                       |                 | <u>3.00</u>         | <u>3.00</u>     | <u>3.00</u>    |

**CAPITAL OUTLAY**

| ITEMS        | 2019<br>ADOPTED | 2019<br>REVISED | 2020<br>BUDGET |
|--------------|-----------------|-----------------|----------------|
| None         | \$ -            | \$ -            | \$ -           |
| <i>Total</i> | <u>\$ -</u>     | <u>\$ -</u>     | <u>\$ -</u>    |

## **WOOD LAKE NATURE CENTER**

### **MISSION STATEMENT**

Wood Lake Nature Center, part of the Recreation Services Department, exists to enhance the quality of life in Richfield by providing the highest-quality, community-based nature experience while serving the widest possible audiences.

### **2019 HIGHLIGHTS**

- Conducted a very successful FOWL dinner in April at the Minnesota Valley Country Club.
- Removed old boardwalk destroyed in storm with insurance funds and put in new Lagoon boardwalk in the Marlene Glaus amphitheater area (City Council Goal 1a).
- Built a new raised-bed children's garden with donated funds.
- Worked with Green Corps member Rachel Lindholm and created an organics drop off program for Richfield.
- Welcomed new full time naturalist staff person, Brianna Rogers, to replace Amy Markle's position.
- Conducted a successful 17th-annual Urban Wildland Half Marathon and 5K with new sponsorships.

### **2020 DIVISION GOALS**

- Welcome and orient a new Manager to Wood Lake
- Work to implement a curbside recycling and organics program for Richfield residents (City Council Goal 6d).
- Develop a plan for the construction of a new nature center building (City Council Goal 1a).
- Build the Friends of Wood Lake Board to include more members that can provide more support.
- Build a new floating boardwalk working through our insurance claim with the League of Minnesota Cities (Council Goal 1a).

### **DIVISION EXPENDITURE COMMENT**

For the final four months of 2019 and all of 2020, Wood Lake is budgeting for the addition of a Sustainability Specialist, which will be partially funded by an increase in funds from Hennepin County. The additional expense of this position is also offset by the hiring of a new naturalist in 2019 at a lower pay step, and in 2020 with the hiring of a new manager starting at the lower end of the range. Also, there is an increase in contractual services in order to add a much-needed cleaning service for the building. The net increase in expenditures is \$25,750 for 2019, and \$28,130 for 2020.

### **DIVISION REVENUE COMMENT**

No new events are planned and public programs have continued to decrease in attendance, therefore the revenue is forecasted to remain steady.

**FUND: GENERAL FUND**  
**DEPARTMENT: Recreation Services**  
**BUSINESS UNIT: Wood Lake Nature Center - 18000**

**DETAIL EXPENDITURES BY BUSINESS UNIT**

| <b>CLASSIFICATIONS</b>                    | <b>2018<br/>ACTUAL</b>   | <b>2019<br/>BUDGET</b>   | <b>2019<br/>REVISED</b>  | <b>2020<br/>BUDGET</b>   |
|---|--------------------------|--------------------------|--------------------------|--------------------------|
| <u>Personal Services</u>                  |                          |                          |                          |                          |
| 6005 Full Time                            | \$ 372,173               | \$ 376,190               | \$ 389,880               | \$ 425,540               |
| 6007 Seasonal                             | 43,629                   | 45,820                   | 47,540                   | 50,060                   |
| 6013 Longevity                            | 1,893                    | 1,950                    | 1,960                    | -                        |
| 6031 Employer Social Security             | 25,053                   | 26,100                   | 25,650                   | 25,080                   |
| 6032 Employer Medicare                    | 5,859                    | 6,100                    | 6,000                    | 5,870                    |
| 6033 Employer Pera                        | 28,874                   | 30,380                   | 29,630                   | 28,750                   |
| 6035 Medical Insurance                    | 46,371                   | 46,540                   | 45,190                   | 45,180                   |
| 6036 Dental Insurance                     | 2,856                    | 2,870                    | 2,870                    | 2,880                    |
| 6037 Term Life                            | 105                      | 200                      | 200                      | 200                      |
| 6038 Workers Compensation                 | 40,548                   | 20,660                   | 20,660                   | 12,550                   |
| 6040 Long Term Disability                 | 762                      | 760                      | 760                      | 800                      |
| 6054 Interdepartmental Labor Credit       | (115,080)                | (109,350)                | (104,560)                | (139,300)                |
| <i>Personal Services Total</i>            | <u>\$ 453,043</u>        | <u>\$ 448,220</u>        | <u>\$ 465,780</u>        | <u>\$ 457,610</u>        |
| <u>Other Services &amp; Charges</u>       |                          |                          |                          |                          |
| 6103 Professional Services -General       | \$ 3,712                 | \$ 4,500                 | \$ 4,000                 | \$ 4,000                 |
| 6202 Data Processing Rental               | 17,469                   | 18,540                   | 19,130                   | 20,230                   |
| 6204 Motor Pool Operating Rental          | 6,170                    | 8,000                    | 8,000                    | 8,240                    |
| 6205 Maintenance & Repairs                | 10,924                   | 8,500                    | 9,000                    | 9,500                    |
| 6207 Utility Services                     | 21,601                   | 25,750                   | 22,000                   | 22,600                   |
| 6301 Advertising & Publication            | 2,021                    | 3,200                    | 3,000                    | 3,200                    |
| 6302 Communications                       | 2,514                    | 2,160                    | 2,500                    | 2,700                    |
| 6303 Professional Development             | 1,339                    | 500                      | 1,400                    | 1,400                    |
| 6305 Subscriptions & Memberships          | 15                       | -                        | -                        | -                        |
| 6307 Insurance & Bonds                    | 8,457                    | 8,300                    | 8,670                    | 8,930                    |
| 6308 Property Liability                   | 2,980                    | 3,070                    | 3,070                    | 3,160                    |
| 6315 Other Contractual Services           | 2,244                    | 3,600                    | 9,900                    | 16,540                   |
| 6401 Office Supplies                      | 244                      | 300                      | 300                      | 320                      |
| 6403 Postage                              | 23                       | 250                      | 50                       | 50                       |
| 6410 Small Tools & Parts                  | 485                      | 1,100                    | 1,000                    | 1,000                    |
| 6414 Other Supplies                       | 19,238                   | 16,000                   | 19,300                   | 20,000                   |
| 6513 Other Charges                        | 2,566                    | 2,470                    | 2,800                    | 2,900                    |
| <i>Other Services &amp; Charges Total</i> | <u>\$ 102,002</u>        | <u>\$ 106,240</u>        | <u>\$ 114,120</u>        | <u>\$ 124,770</u>        |
| <i>Wood Lake Nature Center TOTAL</i>      | <u><u>\$ 555,045</u></u> | <u><u>\$ 554,460</u></u> | <u><u>\$ 579,900</u></u> | <u><u>\$ 582,380</u></u> |

## Performance Measures

### Department/Division

### Recreation Services/Wood Lake Nature Center

|  | Actual<br>2017 | Actual<br>2018 | Budget<br>2019 | Budget<br>2020 |
|--|----------------|----------------|----------------|----------------|
| <b>Inputs:</b>                                     |                |                |                |                |
| Number of Full Time Employees                      | 5.00           | 5.00           | 5.00           | 6.00           |
| Division Revenues                                  | \$ 89,021      | \$ 92,758      | \$ 91,730      | \$ 92,060      |
| Division Expenditures                              | \$ 547,342     | \$ 555,045     | \$ 579,900     | \$ 582,380     |
| <b>Outputs:</b>                                    |                |                |                |                |
| Volunteer Hours                                    | 4,264          | 4,200          | 4,200          | 4,300          |
| Number of contact hours for all programs delivered | 25,293         | 27,500         | 25,500         | 26,000         |
| <b>Effectiveness Measures:</b>                     |                |                |                |                |
| Number of programs delivered annually              | 686            | 720            | 730            | 730            |
| Number of people attending all programs annually   | 20,918         | 22,200         | 22,200         | 22,500         |
| <b>Efficiency Measures:</b>                        |                |                |                |                |
| Dollars saved by volunteers                        | \$ 98,370      | \$ 103,698     | \$ 106,806     | \$ 109,349     |
| verage cost/person of programs delivered           | \$ 21.91       | \$ 20.82       | \$ 21.99       | \$ 21.79       |
| verage cost of programs per hour delivered         | \$ 18.12       | \$ 16.81       | \$ 19.14       | \$ 18.86       |
| Revenues Per Capita                                | \$ 2.44        | \$ 2.55        | \$ 2.52        | \$ 2.53        |
| Expenditures Per Capita                            | \$ 14.98       | \$ 15.23       | \$ 15.92       | \$ 15.98       |

**FUND: GENERAL FUND**  
**DEPARTMENT: Recreation Services**  
**BUSINESS UNIT: Wood Lake Nature Center - 18000**

**DIVISION PERSONNEL**

| CLASSIFICATIONS                    | SALARY<br>GRADE | NUMBER OF EMPLOYEES |                 |                |
|------------------------------------|-----------------|---------------------|-----------------|----------------|
|                                    |                 | 2019<br>ADOPTED     | 2019<br>REVISED | 2020<br>BUDGET |
| <u>Regular Full-Time Employees</u> |                 |                     |                 |                |
| Manager                            | M-1             | 1.00                | 1.00            | 1.00           |
| Naturalist                         | GS-5E           | 2.00                | 2.00            | 2.00           |
| Sustainability Specialist          | GS-4            | -                   | 1.00            | 1.00           |
| Senior Office Aide                 | GS-2            | 1.00                | 1.00            | 1.00           |
| Public Works Worker                | LT-3            | 1.00                | 1.00            | 1.00           |
|                                    | <i>Total</i>    | <u>5.00</u>         | <u>6.00</u>     | <u>6.00</u>    |

**CAPITAL OUTLAY**

| ITEMS | 2019<br>ADOPTED | 2019<br>REVISED | 2020<br>BUDGET |
|-------|-----------------|-----------------|----------------|
| None  | \$ -            | \$ -            | \$ -           |
|       | <i>Total</i>    | <u>\$ -</u>     | <u>\$ -</u>    |





**BUDGET SUMMARY  
LIQUOR CONTRIBUTION FUND**

| <b><u>AVAILABLE FOR APPROPRIATION</u></b> | <b>2018<br/>Actual</b> | <b>2019</b>       |                   | <b>2020<br/>Budget</b> |
|---|------------------------|-------------------|-------------------|------------------------|
|   |                        | <b>Budget</b>     | <b>Revised</b>    |                        |
| <b><u>PRIOR YEAR FUND BALANCE</u></b>     | \$ 134,745             | \$ 135,645        | \$ 136,873        | \$ 137,823             |
| <b><u>Sources</u></b>                     |                        |                   |                   |                        |
| Liquor Profits                            | -                      | 450,000           | -                 | 450,000                |
| Interest                                  | 2,128                  | 950               | 950               | 950                    |
| Subtotal                                  | <u>2,128</u>           | <u>450,950</u>    | <u>950</u>        | <u>450,950</u>         |
| <b><u>Uses</u></b>                        |                        |                   |                   |                        |
| Transfers                                 | -                      | 450,000           | -                 | 450,000                |
| Subtotal                                  | <u>-</u>               | <u>450,000</u>    | <u>-</u>          | <u>450,000</u>         |
| <b><u>FUND BALANCE</u></b>                | <u>\$ 136,873</u>      | <u>\$ 136,595</u> | <u>\$ 137,823</u> | <u>\$ 138,773</u>      |

**MISSION STATEMENT**

The Liquor Contribution Fund is financed by earnings of the Municipal Liquor Fund, which are transferred to this fund annually. As capital improvement projects are undertaken, money is transferred out of this fund to the capital improvement funds to finance the project.

**DIVISION FOCUS**

For the 2019 Revised there will be no liquor profits transferred to or from the Liquor Contribution fund. The Liquor fund will retain it's profits for 2019 in order to rebuild the fund's cash balance. Beginning again in 2020, it is hoped that the Liquor fund will be able contribute \$450,000 to the Liquor Contribution fund.

Projects that have historically been funded through the Liquor Contribution fund will be funded by Capital Project fund sources for 2019.

**BUDGET SUMMARY  
TOURISM ADMINISTRATION**

| <b><u>AVAILABLE FOR APPROPRIATION</u></b> | <b>2018</b>      | <b>2019</b>      |                  | <b>2020</b>      |
|---|------------------|------------------|------------------|------------------|
|   | <b>Actual</b>    | <b>Budget</b>    | <b>Revised</b>   | <b>Budget</b>    |
| <b><u>PRIOR YEAR FUND BALANCE</u></b>     | <b>\$ 51,219</b> | <b>\$ 54,789</b> | <b>\$ 55,646</b> | <b>\$ 56,016</b> |
| <b><u>Sources</u></b>                     |                  |                  |                  |                  |
| Hotel/Motel Lodging Tax                   | 13,233           | 13,000           | 10,000           | 10,000           |
| Interest                                  | 1,033            | 400              | 500              | 500              |
| Subtotal                                  | <u>14,266</u>    | <u>13,400</u>    | <u>10,500</u>    | <u>10,500</u>    |
| <b><u>Uses</u></b>                        |                  |                  |                  |                  |
| Personal Services                         | 9,839            | 10,130           | 10,130           | 10,130           |
| Subtotal                                  | <u>9,839</u>     | <u>10,130</u>    | <u>10,130</u>    | <u>10,130</u>    |
| <b><u>FUND BALANCE</u></b>                | <b>\$ 55,646</b> | <b>\$ 58,059</b> | <b>\$ 56,016</b> | <b>\$ 56,386</b> |

**MISSION STATEMENT**

To set up funding for the Richfield Tourism Promotion Board through a Lodging Tax on the gross receipts on lodging from hotels and motels within the city. The purpose of this fund is to promote and market the city as a tourist or convention center.

**DIVISION FOCUS**

To create a climate supportive of the hotel industry in the city of Richfield. This includes sponsoring events and other appropriate activities which provide visibility for Richfield as a tourist center.

**2020 TOURISM ADMINISTRATION GOALS**

1. To promote the city of Richfield as a tourist or convention center.
2. To promote civic activities which enhance the city's positive image.
3. To carry out such activities as permitted under Minnesota statutes.

**DIVISION EXPENDITURE COMMENT**

This fund is responsible for the collection of lodging tax revenues and the distribution of these funds to the Richfield Tourism Promotion Board (RTPB), and for the examination of the records of any operator for verification of accuracy on the Lodging Tax Returns as well as an annual report to the State of Minnesota. Revenue here represents 5% of the total taxes generated and submitted to the Richfield Tourism Promotion Board.

The Richfield Tourism Promotion Board, which meets monthly, is comprised of a representative of the Richfield Chamber of Commerce and a representative from each of the four hotel/motel properties in Richfield. The City Manager serves as the City's liaison to the Board. The duties of the Board include the annual expenditure and a allocation of lodging tax revenues for permissible activities.

**BUDGET SUMMARY  
COMMUNICATIONS FUND**

| <b><u>AVAILABLE FOR APPROPRIATION</u></b> | <b>2018<br/>Actual</b> | <b>2019</b>         |                     | <b>2020<br/>Budget</b> |
|---|------------------------|---------------------|---------------------|------------------------|
|   |                        | <b>Budget</b>       | <b>Revised</b>      |                        |
| <b><u>PRIOR YEAR FUND BALANCE</u></b>     | \$ 1,984,728           | \$ 1,873,128        | \$ 2,035,076        | \$ 2,126,506           |
| <b><u>Sources</u></b>                     |                        |                     |                     |                        |
| Franchise Fees                            | 401,332                | 434,000             | 370,000             | 373,000                |
| Interest                                  | 22,801                 | 9,700               | 22,000              | 22,800                 |
| Miscellaneous Revenues                    | 3,101                  | -                   | -                   | -                      |
| Subtotal                                  | <u>427,234</u>         | <u>443,700</u>      | <u>392,000</u>      | <u>395,800</u>         |
| <b><u>Uses</u></b>                        |                        |                     |                     |                        |
| Personal Services                         | 182,660                | 201,260             | 180,770             | 206,910                |
| Other Service & Charges                   | 116,701                | 138,840             | 119,800             | 123,350                |
| Capital Outlay                            | 7,525                  | -                   | -                   | -                      |
| Transfers Out:                            |                        |                     |                     |                        |
| General Fund                              | -                      | 150,000             | -                   | 150,000                |
| Enterprise Fund                           | 70,000                 | -                   | -                   | -                      |
| Subtotal                                  | <u>376,886</u>         | <u>490,100</u>      | <u>300,570</u>      | <u>480,260</u>         |
| <b><u>FUND BALANCE</u></b>                | <u>\$ 2,035,076</u>    | <u>\$ 1,826,728</u> | <u>\$ 2,126,506</u> | <u>\$ 2,042,046</u>    |

**COMMUNICATIONS FUND**

**MISSION STATEMENT**

To provide communication services to Richfield residents via the City's Cable TV channel, web site, publications, social media, and media relations. Administer the City's Cable Television ordinance.

**DIVISION FOCUS**

The communication fund is financed through franchise fees derived from cable television subscribers. These funds are paid to the city under obligations of the Cable Television Franchise Ordinance. The funds are used to finance public service-related cable television programming and public information activities.

The overall administration of this fund is performed through the city's Administrative Services Department. Positions funded by this division include: Communications and Engagement Manager (100 percent), Video Production Assistant (100 percent), Communications Specialist (100 percent), and Communications Intern (100 percent). The Communications and Engagement Manager oversees the city's website, social media, cable TV programming, intranet, internal communications and external communications. Both the part-time Communications Specialist and Communications Intern assist the Communications and Engagement Manager in accomplishing the city's communication goals. The part-time Video Production Assistant records city meetings, as well as assists in the production of other videos.

The city's primary programming focus is the cable casting of Richfield City Council, Housing and Redevelopment Authority and Planning Commission meetings. All additional city programming is produced through this division. In an effort to adequately produce these programs cameras, a control counsel, editing equipment and various accessories are needed. Equipment is updated as needed.

This fund also enhances government transparency and improves civic engagement by funding the *OpenGov*, online budget transparency tool, and Richfield Connect, the city's online engagement program.

## **2019 Highlights**

- Broadcasted 48 public meetings live on Channel 16. These meetings were also recorded for rebroadcast on Channel 16, the city's website and social media channels.
- Produced informational and promotional videos.
- Produced 60 project updates, recruitment videos and the mayor's *State of the Community*.
- Maintained the city's YouTube channel, posted various Richfield content which accrued 85,804 views.
- Maintained city's Facebook, Twitter, Instagram accounts.
- Maintained additional Facebook pages for Wood Lake Nature Center, Farmers Market, Richfield Police Department and Sweet Streets.
- Expanded municipal liquor store's social media presence.
- Created stand-alone website for Richfield's municipal liquor stores.
- Established, planned and edited 50 episodes of the *That's Rich(field)* Podcast, which to date has been downloaded more than 5,000 times.
- Increased the number of likes on Richfield's Facebook page to 8,038.
- Increased the number of followers on Richfield's Twitter account to 3,499.
- Increased the number of followers on Richfield's Instagram account to 955.
- Created the communications intern program.
- Added a communication specialist to the Communication and Engagement Unit.
- Created an annual citizen's academy entitled *Richfield University* to provide residents with a better understanding of the services, programs and events offered by the city.
- Continued to work with media contacts at the Star Tribune, Sun Current and other media outlets.
- Redesigned, produced and expanded the offerings in the annual report.
- Expanded the communications relationships with the communications personnel at the Richfield Chamber of Commerce and Richfield School District.
- Provided professional-quality graphic design support for city initiatives.
- Promote new core values, mission and vision with internal and external stakeholders.
- Worked closely with the Richfield Tourism and Promotion Board to enhance Richfield's reputation.

## **2020 Goals**

- Continue to balance revenue limitations with the costs associated with providing city services.
- Continue Richfield's participation in the Southwest Suburban Cable Commission.
- Broadcast and record City Council, Housing and Redevelopment Authority and Planning Commission meetings.
- Expand the city's e-notify and newsletter contact lists.
- Expand content offerings for Channel 16, website and social media channels.
- Keep up-to-date on latest trends in cable broadcasting, web development, graphic design and social media.
- Continue to expand social networking presence.
- Seek further media relationships to promote mission, vision and goals of the city.
- Coordinate the implementation of the new Richfield brand throughout all departments.

**FUND: COMMUNICATIONS FUND**  
**DEPARTMENT: Administrative Services**  
**BUSINESS UNIT: Communications - 20004**

**DIVISION PERSONNEL**

| CLASSIFICATIONS                     | SALARY<br>GRADE | NUMBER OF EMPLOYEES |                 |                |
|-------------------------------------|-----------------|---------------------|-----------------|----------------|
|                                     |                 | 2019<br>ADOPTED     | 2019<br>REVISED | 2020<br>BUDGET |
| <u>Regular Full-Time Employees</u>  |                 |                     |                 |                |
| Assistant City Manager              | M-4             | .20                 | -               | -              |
| Communications & Engagement Manager | M-1             | 1.00                | 1.00            | 1.00           |
| <i>Total</i>                        |                 | <u>1.20</u>         | <u>1.00</u>     | <u>1.00</u>    |
| <u>Intermittent Employees</u>       |                 |                     |                 |                |
| Video Production Assistant          | SP9-3           | 1.00                | 1.00            | 1.00           |
| <i>Total</i>                        |                 | <u>1.00</u>         | <u>1.00</u>     | <u>1.00</u>    |
| <u>Part-Time Employees</u>          |                 |                     |                 |                |
| Communication Specialist            | GS4-6           | 1.00                | 1.00            | 1.00           |
| <i>Total</i>                        |                 | <u>1.00</u>         | <u>1.00</u>     | <u>1.00</u>    |

**CAPITAL OUTLAY**

| ITEMS        | 2019<br>ADOPTED | 2019<br>REVISED | 2020<br>BUDGET |
|--------------|-----------------|-----------------|----------------|
| None         | \$ -            | \$ -            | \$ -           |
| <i>Total</i> | <u>\$ -</u>     | <u>\$ -</u>     | <u>\$ -</u>    |

## BUDGET SUMMARY - ELECTIONS FUND

| <u>AVAILABLE FOR APPROPRIATION</u> | 2018                | 2019                |                     | 2020                |
|------------------------------------|---------------------|---------------------|---------------------|---------------------|
|                                    | Actual              | Budget              | Revised             | Budget              |
| <u>PRIOR YEAR FUND BALANCE</u>     | \$ 1,026,379        | \$ 1,129,949        | \$ 1,267,908        | \$ 1,468,608        |
| <u>Sources</u>                     |                     |                     |                     |                     |
| Other Revenues                     | 343,064             | 265,000             | 345,000             | 362,000             |
| Interest                           | 16,719              | 6,500               | 16,000              | 16,500              |
| Subtotal                           | <u>359,783</u>      | <u>271,500</u>      | <u>361,000</u>      | <u>378,500</u>      |
| <u>Uses</u>                        |                     |                     |                     |                     |
| Personal Services                  | 88,802              | 99,400              | 96,400              | 99,140              |
| Other Services and Charges         | 29,452              | 42,290              | 33,900              | 34,320              |
| Capital Outlay                     | -                   | -                   | 30,000              | -                   |
| Subtotal                           | <u>118,254</u>      | <u>141,690</u>      | <u>160,300</u>      | <u>133,460</u>      |
| <u>FUND BALANCE</u>                | <u>\$ 1,267,908</u> | <u>\$ 1,259,759</u> | <u>\$ 1,468,608</u> | <u>\$ 1,713,648</u> |

### MISSION STATEMENT

The Elections Fund was established to isolate the large fluctuation in costs from year to year.

### DIVISION FOCUS

The Election Division provides voter registration services, voter information services, and election administration services for the City. The City Clerk is responsible for the management of these services. City Clerk Division employees provide staffing and support to the Election Division.

Responsibilities include the conduct of primary, general, and special elections, the recruitment and training of election judges, maintenance of voter registration records, programming/testing of voting equipment, polling place arrangements, legal notices, candidate filings, ballot printing, administration of absentee ballot process, and acting as an information resource for the public regarding election information.

### DIVISION EXPENDITURE COMMENT

The 2019 Revised Budget reflects the level of services to be provided during a non-election year. The 2020 reflects the anticipation of costs associated with the upcoming State Primary and General Elections and voter registration activities.

**BUDGET SUMMARY  
DRUG/FELONY FORFEITURE**

| <u>AVAILABLE FOR APPROPRIATION</u> | <u>2018<br/>Actual</u> | <u>2019</u>       |                   | <u>2020<br/>Budget</u> |
|------------------------------------|------------------------|-------------------|-------------------|------------------------|
|                                    |                        | <u>Budget</u>     | <u>Revised</u>    |                        |
| <u>PRIOR YEAR FUND BALANCE</u>     | \$ 140,734             | \$ 156,134        | \$ 185,839        | \$ 205,409             |
| <u>Sources</u>                     |                        |                   |                   |                        |
| Drug/Felony Forfeiture             | 53,093                 | 40,000            | 51,200            | 40,000                 |
| Interest                           | 2,496                  | 850               | 1,500             | 2,000                  |
| Sale of Property                   | -                      | 1,000             | 1,000             | -                      |
| Other Revenues                     | -                      | -                 | 7,500             | -                      |
| Subtotal                           | <u>55,589</u>          | <u>41,850</u>     | <u>61,200</u>     | <u>42,000</u>          |
| <u>Uses</u>                        |                        |                   |                   |                        |
| Other Service & Charges            | 10,484                 | 42,160            | 41,630            | 43,000                 |
| Subtotal                           | <u>10,484</u>          | <u>42,160</u>     | <u>41,630</u>     | <u>43,000</u>          |
| <u>FUND BALANCE</u>                | <u>\$ 185,839</u>      | <u>\$ 155,824</u> | <u>\$ 205,409</u> | <u>\$ 204,409</u>      |

**MISSION STATEMENT**

The Drug/Felony Forfeitures Fund receives its revenues as the result of cash and property seized relating to drug and/or felony type criminal activity and vehicles seized due to aggravated DUI violations. By law, the funds can only be used for law enforcement purposes.

**DIVISION FOCUS**

The funds will be used for various police equipment and training needs. The 2019 revised budget reflects the purchase of digital forensic training (\$20,000), Level III bunkers for SWAT (\$6,000), Armors Tool/Gun Mat and Gun Cleaning Machine (\$1,200), First Aid Kit backpacks for SWAT (\$300), MP5 Magazines (\$600), Thor Hammer 2 (\$130), Bunker for Investigations (\$1,400), Camera Bundle and Lens for investigations (\$6,000) and Badge item changes (\$6,000)..

In 2020, planned purchases are for new monitors and four Surface Pro's for command staff (\$6,400), Level III bunker for Patrol (\$3,000), digital forensic training (\$20,000), Badge item changes (\$5,000), Suppressors for SWAT (\$6,400), Less Lethal Conversion Shotguns for Patrol (\$2,200).



**BUDGET SUMMARY  
PUBLIC SAFETY COMPLIANCE**

| <b><u>AVAILABLE FOR APPROPRIATION</u></b> | <b>2018</b>              | <b>2019</b>              |                          | <b>2020</b>              |
|---|--------------------------|--------------------------|--------------------------|--------------------------|
|   | <b><u>Actual</u></b>     | <b><u>Budget</u></b>     | <b><u>Revised</u></b>    | <b><u>Budget</u></b>     |
| <b><u>PRIOR YEAR FUND BALANCE</u></b>     | <b><u>\$ 114,441</u></b> | <b><u>\$ 113,361</u></b> | <b><u>\$ 139,630</u></b> | <b><u>\$ 155,580</u></b> |
| <b><u>Sources</u></b>                     |                          |                          |                          |                          |
| Intergovernmental:                        |                          |                          |                          |                          |
| Federal Grants                            | 4,424                    | 6,230                    | 12,770                   | 6,000                    |
| State Grants                              | 3,158                    | -                        | 3,000                    | 3,000                    |
| County Grants                             | 20,000                   | 20,000                   | 20,000                   | -                        |
| APS Revenue                               | 5,422                    | 4,500                    | 4,600                    | 4,600                    |
| Interest                                  | 1,882                    | 650                      | 1,000                    | 1,100                    |
| Other Revenues                            | 15,993                   | -                        | 24,420                   | -                        |
| Subtotal                                  | <u>50,879</u>            | <u>31,380</u>            | <u>65,790</u>            | <u>14,700</u>            |
| <b><u>Uses</u></b>                        |                          |                          |                          |                          |
| Personnel Services                        | 915                      | 2,300                    | 2,300                    | 2,200                    |
| Other Service & Charges                   | 24,775                   | 27,000                   | 47,540                   | 6,000                    |
|   | <u>25,690</u>            | <u>29,300</u>            | <u>49,840</u>            | <u>8,200</u>             |
| <b><u>FUND BALANCE</u></b>                | <b><u>\$ 139,630</u></b> | <b><u>\$ 115,441</u></b> | <b><u>\$ 155,580</u></b> | <b><u>\$ 162,080</u></b> |

**MISSION STATEMENT**

This fund accounts for revenue generated from several sources. The first two sources are received from fines levied against local business that fail alcohol and tobacco compliance checks and the Automated Pawn System which is managed by the City of Minneapolis.

The next source of revenue is derived from grants received from federal, state, and county agencies. For 2019 the City was awarded a Justice Assistance Grant (JAG) for \$9,650. It is unknown if the City will receive a JAG grant in 2020..

**DIVISION FOCUS**

Funds received from compliance failure fines will be used to fund future ongoing compliance checks and the Automated Pawn System. Grants awarded to the department will be administered within this fund. The Joint Community Police Partnership (JCCP) grant money will also be administered within this fund. However, the City has been notified that it will not be receiving and JCCP funding for 2020 and it is unknown whether any funding will be received beyond 2020. It is anticipated that federal and state bullet proof vest grant funds will be received in 2019 and 2020.

**BUDGET SUMMARY  
RECREATION CONTRIBUTIONS**

| <b><u>AVAILABLE FOR APPROPRIATION</u></b> | <b>2018</b>             | <b>2019</b>             |                         | <b>2020</b>             |
|---|-------------------------|-------------------------|-------------------------|-------------------------|
|   | <b>Actual</b>           | <b>Budget</b>           | <b>Revised</b>          | <b>Budget</b>           |
| <b><u>PRIOR YEAR FUND BALANCE</u></b>     | <b>\$ 15,883</b>        | <b>\$ 25,983</b>        | <b>\$ 38,328</b>        | <b>\$ 47,528</b>        |
| <b><u>Sources</u></b>                     |                         |                         |                         |                         |
| Intergovernmental                         |                         |                         |                         |                         |
| County                                    | 11,250                  | -                       | -                       | -                       |
| Contributions                             | 31,038                  | 30,000                  | 30,000                  | 30,000                  |
| Interest                                  | 371                     | 150                     | 200                     | 220                     |
| Subtotal                                  | <u>42,659</u>           | <u>30,150</u>           | <u>30,200</u>           | <u>30,220</u>           |
| <b><u>Uses</u></b>                        |                         |                         |                         |                         |
| Other Services & Charges                  | 20,214                  | 20,000                  | 21,000                  | 21,000                  |
| Subtotal                                  | <u>20,214</u>           | <u>20,000</u>           | <u>21,000</u>           | <u>21,000</u>           |
| <b><u>FUND BALANCE</u></b>                | <b><u>\$ 38,328</u></b> | <b><u>\$ 36,133</u></b> | <b><u>\$ 47,528</u></b> | <b><u>\$ 56,748</u></b> |

**MISSION STATEMENT**

The Recreation Contributions Fund serves as a way to account for donations that are intended to benefit activities of the Recreation Services Department. Sources of revenue include donations/contributions come from individuals, businesses or corporations, as well grants and interest earnings. Uses of the funds include staffing costs, supplies, equipment, construction and other charges.

**DIVISION FOCUS**

Fund activity includes donations from individuals for donated park features, receipt of on-line engraving donations for the Honoring All Veterans Memorial, and Community Center fundraising events like the Boutique and the Garage Sale.

**BUDGET SUMMARY  
NATURE CENTER CONTRIBUTIONS**

| <b><u>AVAILABLE FOR APPROPRIATION</u></b> | <b>2018</b>      | <b>2019</b>      |                  | <b>2020</b>      |
|---|------------------|------------------|------------------|------------------|
|   | <b>Actual</b>    | <b>Budget</b>    | <b>Revised</b>   | <b>Budget</b>    |
| <b><u>PRIOR YEAR FUND BALANCE</u></b>     | <b>\$ 47,654</b> | <b>\$ 43,874</b> | <b>\$ 53,961</b> | <b>\$ 56,961</b> |
| <b><u>Sources</u></b>                     |                  |                  |                  |                  |
| Intergovernmental                         |                  |                  |                  |                  |
| State Grant                               | 19,574           | -                | 19,500           | 19,500           |
| County                                    | 1,575            | -                | -                | 5,000            |
| Contributions                             | 67,815           | 71,000           | 70,000           | 65,000           |
| Interest                                  | 4,637            | 2,500            | 4,600            | 4,700            |
| Subtotal                                  | <u>93,601</u>    | <u>73,500</u>    | <u>94,100</u>    | <u>94,200</u>    |
| <b><u>Uses</u></b>                        |                  |                  |                  |                  |
| Personal Services                         | 41,180           | 37,200           | 42,000           | 42,500           |
| Other Services & Charges                  | 46,114           | 37,000           | 49,100           | 49,500           |
| Subtotal                                  | <u>87,294</u>    | <u>74,200</u>    | <u>91,100</u>    | <u>92,000</u>    |
| <b><u>FUND BALANCE</u></b>                | <b>\$ 53,961</b> | <b>\$ 43,174</b> | <b>\$ 56,961</b> | <b>\$ 59,161</b> |

**MISSION STATEMENT**

The Nature Center Contribution Fund serves as a way to account for donations that are intended to benefit Wood Lake Nature Center. Sources of donations mostly come from the fundraising activities of the Friends of Wood Lake (FOWL). Other donations are received from individuals, businesses or corporations. Another source includes interest earned from the fund balance. Uses of the fund include a transfer into to the Woodlake Nature Center Operating Budget for staffing costs, supplies, equipment, construction and other charges.

**DIVISION FOCUS**

Sources of revenue include proceeds from the FOWL Dinner, FOWL membership fees, the Turkey Trailblazer, garden leaf sales, and miscellaneous donations received for park features. Uses of funds include the cost of the FOWL newsletter, volunteer shirts, and sponsorship of the Halloween Program.

**BUDGET SUMMARY  
PUBLIC HEALTH GRANTS**

| <b><u>AVAILABLE FOR APPROPRIATION</u></b> | <b>2018</b>              | <b>2019</b>              |                          | <b>2020</b>              |
|---|--------------------------|--------------------------|--------------------------|--------------------------|
|   | <b><u>Actual</u></b>     | <b><u>Budget</u></b>     | <b><u>Revised</u></b>    | <b><u>Budget</u></b>     |
| <b><u>PRIOR YEAR FUND BALANCE</u></b>     | <b><u>\$ 99,203</u></b>  | <b><u>\$ 99,703</u></b>  | <b><u>\$ 104,510</u></b> | <b><u>\$ 109,230</u></b> |
| <b><u>Sources</u></b>                     |                          |                          |                          |                          |
| Intergovernmental Revenues:               |                          |                          |                          |                          |
| Public Health Grants                      | 52,397                   | 36,320                   | 52,400                   | 52,400                   |
| Interest                                  | 1,464                    | 550                      | 650                      | 750                      |
| Subtotal                                  | <u>53,861</u>            | <u>36,870</u>            | <u>53,050</u>            | <u>53,150</u>            |
| <b><u>Uses</u></b>                        |                          |                          |                          |                          |
| Other Service & Charges                   | 48,554                   | 36,320                   | 48,330                   | 48,330                   |
|   | <u>48,554</u>            | <u>36,320</u>            | <u>48,330</u>            | <u>48,330</u>            |
| <b><u>FUND BALANCE</u></b>                | <b><u>\$ 104,510</u></b> | <b><u>\$ 100,253</u></b> | <b><u>\$ 109,230</u></b> | <b><u>\$ 114,050</u></b> |

**MISSION STATEMENT**

To prepare for internally and provide services to the community in the area of strengthening the City's ability to assess and enhance the capacity of local public health departments to respond to bioterrorism, infectious diseases, and other threats to public health.

**DIVISION FOCUS**

These dollars are grant funds that are provided to each Community Health Service agency, of which Richfield is one, from or through the State of Minnesota to work on providing services in the area of public health emergency preparedness services. The grant dollars originate from the Centers for Disease Control and Prevention and are intended to be used to assess and enhance the capacity of the state and local public health departments to respond to bioterrorism, infectious diseases, and other threats to public health.

**BUDGET SUMMARY  
WOOD LAKE HALF MARATHON**

| <b><u>AVAILABLE FOR APPROPRIATION</u></b> | <b>2018<br/>Actual</b> | <b>2019</b>      |                  | <b>2020<br/>Budget</b> |
|---|------------------------|------------------|------------------|------------------------|
|   |                        | <b>Budget</b>    | <b>Revised</b>   |                        |
| <u>PRIOR YEAR FUND BALANCE</u>            | \$ 32,615              | \$ 33,715        | \$ 25,636        | \$ 31,336              |
| <u>Sources</u>                            |                        |                  |                  |                        |
| Charges for Service                       | 48,830                 | 55,000           | 55,000           | 55,000                 |
| Contributions                             | 10,500                 | 14,000           | 14,000           | 14,000                 |
| Interest Earnings                         | 494                    | 100              | 500              | 500                    |
| Subtotal                                  | <u>59,824</u>          | <u>69,100</u>    | <u>69,500</u>    | <u>69,500</u>          |
| <u>Uses</u>                               |                        |                  |                  |                        |
| Personal Services                         | 33,000                 | 30,000           | 30,000           | 30,000                 |
| Other Service & Charges                   | 33,803                 | 30,000           | 33,800           | 33,800                 |
| Subtotal                                  | <u>66,803</u>          | <u>60,000</u>    | <u>63,800</u>    | <u>63,800</u>          |
| <u>FUND BALANCE</u>                       | <u>\$ 25,636</u>       | <u>\$ 42,815</u> | <u>\$ 31,336</u> | <u>\$ 37,036</u>       |

**MISSION STATEMENT**

The Urban Wildland Half Marathon & 5K has been held since 2003. The event was initiated in response to proposed cuts in Local Government Aid and was seen as a way to fund Wood Lake Nature Center's environmental education curriculum for Richfield Public School students in kindergarten through eighth grade.

The costs of the environmental education program are offset by revenue from the Urban Wildland Half Marathon & 5K.

**DIVISION FOCUS**

Event sponsorships are detailed as "contributions" and revenues from race registration, detailed as "charges for service. The "uses" include expenditures related to the race, as well as the amount that will offset environmental education program costs.

**BUDGET SUMMARY  
FRANCHISE FEES**

| <u>AVAILABLE FOR APPROPRIATION</u> | <u>2018<br/>Actual</u> | <u>2019<br/>Budget</u> | <u>Revised</u>      | <u>2020<br/>Budget</u> |
|------------------------------------|------------------------|------------------------|---------------------|------------------------|
| <u>PRIOR YEAR FUND BALANCE</u>     | \$ 746,224             | \$ 2,017,754           | \$ 2,208,703        | \$ 2,021,223           |
| <u>Sources</u>                     |                        |                        |                     |                        |
| Franchise Fee                      | 1,840,884              | 1,832,000              | 1,832,000           | 1,832,000              |
| Interest                           | 19,860                 | 5,000                  | 20,000              | 15,000                 |
| Subtotal                           | <u>1,860,744</u>       | <u>1,837,000</u>       | <u>1,852,000</u>    | <u>1,847,000</u>       |
| <u>Uses</u>                        |                        |                        |                     |                        |
| Other Services & Charges           | 44,925                 | 95,000                 | 95,000              | 95,000                 |
| <u>Transfers Out:</u>              |                        |                        |                     |                        |
| Debt Service Fund                  | 353,340                | 744,480                | 744,480             | 748,020                |
| Capital Project Fund               | -                      | 1,200,000              | 1,200,000           | 2,100,000              |
| Subtotal                           | <u>398,265</u>         | <u>2,039,480</u>       | <u>2,039,480</u>    | <u>2,943,020</u>       |
| <u>FUND BALANCE</u>                | <u>\$ 2,208,703</u>    | <u>\$ 1,815,274</u>    | <u>\$ 2,021,223</u> | <u>\$ 925,203</u>      |

**MISSION STATEMENT**

The establishment of gas and electric franchise fees was in response to reductions in state aids and the potential for state imposed levy limits. The fees allow the City to have a reliable revenue stream..

**DIVISION FOCUS**

The primary purpose of the establishment of gas and electric franchise fees was to replace revenues lost to reductions in state aids and to offset the potential for state imposed levy limits. The fees provide funding for the maintenance of city streets, and diseased tree treatments, removal, and replacement. The most recent increase in Franchise fees took affect in the second quarter or 2014. The purpose of this last increase was to fund the City's six year mill and overlay project of all city streets. As part of that funding, the City issued general obligation street reconstruction bonds in 2015 and 2018 and franchise fees will serve as the source of the funding for the bonds debt service. 2020 will be the year six of the mill and overlay program.

**BUDGET SUMMARY  
ICE ARENA**

| <b><u>AVAILABLE FOR APPROPRIATION</u></b> | <b>2018<br/>Actual</b>       | <b>2019<br/>Budget</b>       | <b>Revised</b>               | <b>2020<br/>Budget</b>       |
|---|------------------------------|------------------------------|------------------------------|------------------------------|
| <b><u>PRIOR YEAR FUND BALANCE</u></b>     | <b><u>\$ (4,024,450)</u></b> | <b><u>\$ (3,896,720)</u></b> | <b><u>\$ (3,841,402)</u></b> | <b><u>\$ (3,630,702)</u></b> |
| <b><u>Sources</u></b>                     |                              |                              |                              |                              |
| User Fees                                 | 1,004,546                    | 941,390                      | 1,009,170                    | 1,040,040                    |
| Commodities                               | 60,213                       | 60,200                       | 60,200                       | 61,930                       |
| Other Revenues                            | 68,360                       | 67,800                       | 67,800                       | 68,020                       |
| <b><u>Transfers In:</u></b>               |                              |                              |                              |                              |
| General Fund                              | 85,000                       | 100,000                      | 100,000                      | 110,000                      |
| Capital Project Fund                      | 170,000                      | -                            | -                            | 3,680,000                    |
| Subtotal                                  | <u>1,388,119</u>             | <u>1,169,390</u>             | <u>1,237,170</u>             | <u>4,959,990</u>             |
| <b><u>Uses</u></b>                        |                              |                              |                              |                              |
| Personal Services                         | 542,879                      | 505,290                      | 521,650                      | 573,960                      |
| Other Service & Charges                   | 450,084                      | 472,090                      | 472,500                      | 487,220                      |
| Interest Charges                          | 18,573                       | 16,480                       | 16,480                       | 14,130                       |
| Capital Outlay                            | 193,535                      | -                            | 15,840                       | 3,680,000                    |
| Subtotal                                  | <u>1,205,071</u>             | <u>993,860</u>               | <u>1,026,470</u>             | <u>4,755,310</u>             |
| <b><u>FUND BALANCE</u></b>                | <b><u>\$ (3,841,402)</u></b> | <b><u>\$ (3,721,190)</u></b> | <b><u>\$ (3,630,702)</u></b> | <b><u>\$ (3,426,022)</u></b> |

**MISSION STATEMENT**

The Ice Arena operation serves to provide recreational skating and on ice programs for a variety of ages; to provide equitable ice availability for male and females; to provide a quality ice sheet, and a clean and safe facility.

The operation provides skating lessons, open skating, and sponsors the annual ice show. Ice is rented to the local high schools for practice and games, youth associations for clinics, practices, games, and hockey tournaments. The St. Paul Figure Skating Competition rents ice along with private hockey schools and various groups for hockey and broomball.

**DIVISION FOCUS**

During 2019 successfully completed our first full year of curling. The addition of curling should help increase revenues during off peak times of the year. Finally, in another effort to create new revenue streams, "private lesson time" was added.

Continue to work on developing a budget plan to replace the current refrigeration systems in Rink 1 and 2 in 2020. In addition create a new management agreement with the Minnesota Magicians hockey team. Finally, staff will continue the partnerships with the Minnesota Magicians, Holy Angels and Southwest Christian/Richfield High Schools in efforts to generate more revenues during off peak times.

Finally, the operation will continue to look for ways to maximize revenues and maintain or reduce operating costs while still providing a quality facility and experience.

**FUND: ICE ARENA**  
**DEPARTMENT: Recreation Services**  
**BUSINESS UNIT: Ice Arena - 20035**

**DIVISION PERSONNEL**

| CLASSIFICATIONS                    | SALARY<br>GRADE | NUMBER OF EMPLOYEES |                 |                |
|------------------------------------|-----------------|---------------------|-----------------|----------------|
|                                    |                 | 2019<br>ADOPTED     | 2019<br>REVISED | 2020<br>BUDGET |
| <u>Regular Full-Time Employees</u> |                 |                     |                 |                |
| Facility Manager                   | M-1             | 1.00                | 1.00            | 1.00           |
| Facility Operations Assistant      | GS-3            | 1.00                | -               | -              |
| Public Works Worker                | LT-1            | 1.00                | 1.00            | 1.00           |
| Recreation Supervisor              | GS-5E           | 1.00                | 2.00            | 2.00           |
|                                    | <i>Total</i>    | <u>4.00</u>         | <u>4.00</u>     | <u>4.00</u>    |
| <u>Part-Time Employees</u>         |                 |                     |                 |                |
| Custodian                          | GS-2            | -                   | 1.00            | 1.00           |
| Senior Office Aide                 | GS-2            | 1.00                | -               | -              |
|                                    | <i>Total</i>    | <u>1.00</u>         | <u>1.00</u>     | <u>1.00</u>    |

**CAPITAL OUTLAY**

| ITEMS                   | 2019<br>ADOPTED | 2019<br>REVISED | 2020<br>BUDGET      |
|-------------------------|-----------------|-----------------|---------------------|
| HVAC                    | \$ -            | \$ 15,840       | \$ -                |
| Ice Arena Refrigeration | -               | -               | 3,680,000           |
|                         | <i>Total</i>    | <u>\$ -</u>     | <u>\$ 3,680,000</u> |



**BUDGET SUMMARY  
SWIMMING POOL**

| <u>AVAILABLE FOR APPROPRIATION</u> | <u>2018<br/>Actual</u> | <u>2019</u>         |                     | <u>2020<br/>Budget</u> |
|------------------------------------|------------------------|---------------------|---------------------|------------------------|
|                                    |                        | <u>Budget</u>       | <u>Revised</u>      |                        |
| <u>PRIOR YEAR FUND BALANCE</u>     | \$ (999,522)           | \$ (960,522)        | \$ (952,039)        | \$ (881,589)           |
| <u>Sources</u>                     |                        |                     |                     |                        |
| User Fees                          | 305,886                | 342,120             | 372,420             | 386,310                |
| Commodities                        | 65,050                 | 64,890              | 64,890              | 66,840                 |
| <u>Transfers In:</u>               |                        |                     |                     |                        |
| General Fund                       | 100,000                | 100,000             | 100,000             | 110,000                |
| Subtotal                           | <u>470,936</u>         | <u>507,010</u>      | <u>537,310</u>      | <u>563,150</u>         |
| <u>Uses</u>                        |                        |                     |                     |                        |
| Personal Services                  | 201,512                | 211,720             | 211,720             | 217,770                |
| Other Service & Charges            | 221,941                | 252,700             | 255,140             | 263,720                |
| Subtotal                           | <u>423,453</u>         | <u>464,420</u>      | <u>466,860</u>      | <u>481,490</u>         |
| <u>FUND BALANCE</u>                | <u>\$ (952,039)</u>    | <u>\$ (917,932)</u> | <u>\$ (881,589)</u> | <u>\$ (799,929)</u>    |

**MISSION STATEMENT**

The Swimming Pool strives to provide the community with an outstanding outdoor recreational swimming experience for various ages and groups; to provide quality pool water; to provide a clean and safe facility and to provide healthy concession choices for customers.

**DIVISION FOCUS**

The Living Social season pass promotion was offered for the sixth year and resulted in 6,300 season passes being sold, generating an estimated \$175,000 in revenue. New security cameras were added throughout the facility to provide extra security.

For 2020, the feasibility of opening the zero depth pool on Memorial and Labor Day weekends will be explored and adding a splash pad to the facility to increase revenues. Also, continue to add more shading units and patio furniture to the facility.

**BUDGET SUMMARY  
SPECIAL FACILITIES**

| <u>AVAILABLE FOR APPROPRIATION</u> | <u>2018<br/>Actual</u> | <u>2019</u>      |                  | <u>2020<br/>Budget</u> |
|------------------------------------|------------------------|------------------|------------------|------------------------|
|                                    |                        | <u>Budget</u>    | <u>Revised</u>   |                        |
| <u>PRIOR YEAR FUND BALANCE</u>     | \$ 14,907              | \$ 14,997        | \$ 26,791        | \$ 30,291              |
| <u>Sources</u>                     |                        |                  |                  |                        |
| Other Revenues                     | 146,083                | 36,090           | 131,190          | 40,400                 |
| Interest                           | 232                    | -                | -                | -                      |
| Transfers In:                      |                        |                  |                  |                        |
| General Fund                       | 10,000                 | 10,000           | 10,000           | -                      |
| Subtotal                           | <u>156,315</u>         | <u>46,090</u>    | <u>141,190</u>   | <u>40,400</u>          |
| <u>Uses</u>                        |                        |                  |                  |                        |
| Personal Services                  | 9,870                  | 10,170           | 10,170           | 10,470                 |
| Other Service & Charges            | 25,629                 | 36,290           | 36,420           | 37,500                 |
| Capital Outlay                     | 108,932                | -                | 91,100           | -                      |
| Subtotal                           | <u>144,431</u>         | <u>46,460</u>    | <u>137,690</u>   | <u>47,970</u>          |
| <u>FUND BALANCE</u>                | <u>\$ 26,791</u>       | <u>\$ 14,627</u> | <u>\$ 30,291</u> | <u>\$ 22,721</u>       |

**MISSION STATEMENT**

To provide leisure activity for the public through miniature golf and picnics; to provide a well landscaped, attractive and fun miniature golf course, and to provide a clean and safe picnic area.

**DIVISION FOCUS**

City staff and Wheel Fun Rentals, Inc. operate the miniature golf and picnic shelter facilities. The operation provides recreational miniature golf for all ages, plans special events, promotes group events, provides newspaper and direct mail advertisement, and provides a quality picnic shelter for the Richfield Farmers Market and park users.

In 2019 a new lease was executed with Wheel Fun Rentals for a period of 15 years. At the same time Wheel Fun Rentals is investing over \$240,000 into a new mini golf course and walkways. In addition, the inside of the existing park building was renovated to provide a more inviting dining area and patio area. Looking ahead to 2020, efforts will be made to increase revenue from shelter rentals, develop a new programming event for the Christmas season, and install new gutters on the park building.



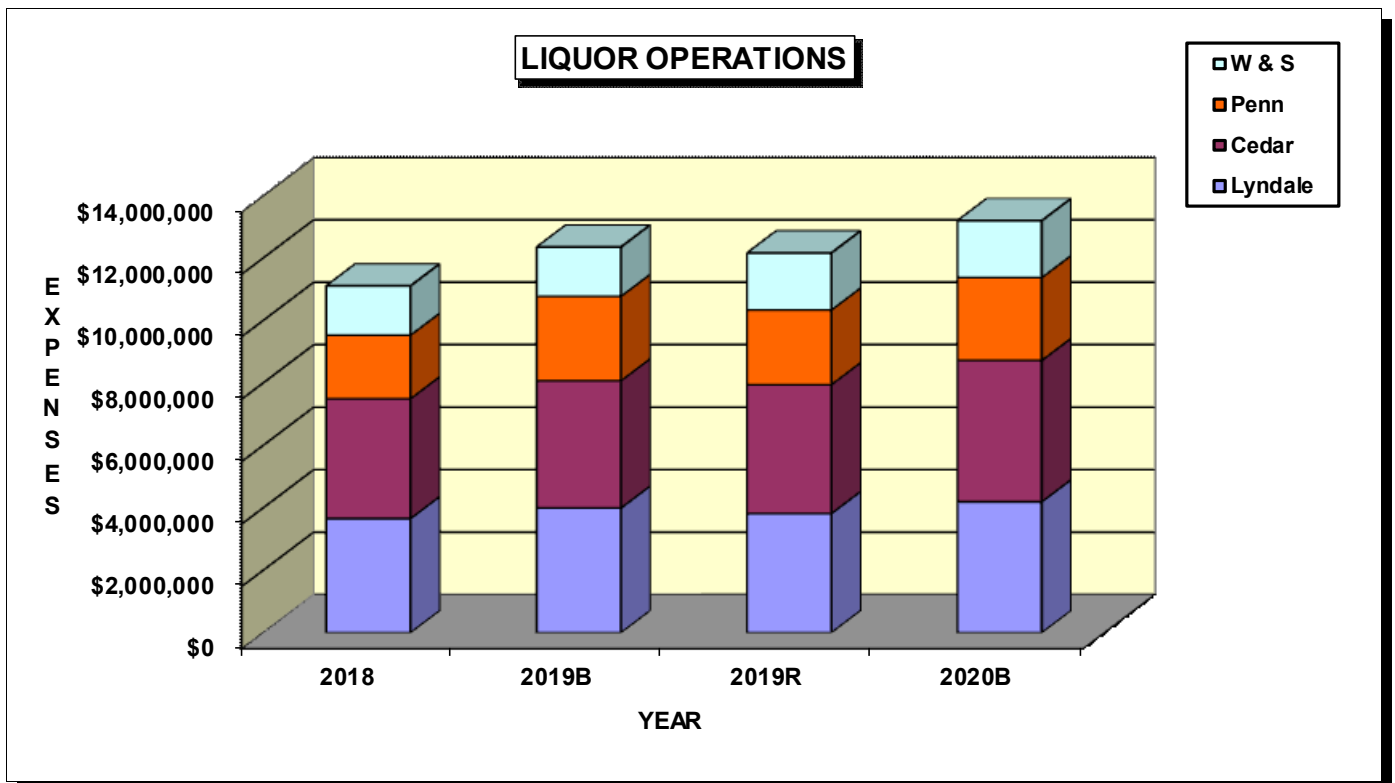
**FUND:** LIQUOR OPERATIONS FUND  
**DEPARTMENT:** Liquor Operations

**DEPARTMENT SUMMARY BY BUSINESS UNIT**

| BUSINESS UNIT                  | 2018<br>ACTUAL      | 2019<br>BUDGET      | 2019<br>REVISED     | 2020<br>BUDGET      | Increase/<br>(Decrease)<br>2019 Budget/<br>2020 Budget |
|--------------------------------|---------------------|---------------------|---------------------|---------------------|--|
| 50010 LYNDALE LIQUOR STORE     | \$ 3,656,221        | \$ 3,992,300        | \$ 3,815,870        | \$ 4,193,440        | 5.04%  |
| 50020 CEDAR LIQUOR STORE       | 3,837,730           | 4,075,140           | 4,127,080           | 4,526,410           | 11.07%   |
| 50030 PENN LIQUOR STORE        | 2,035,129           | 2,703,560           | 2,390,310           | 2,651,660           | (1.92%)  |
| 50040 WINE & SPIRITS           | 1,576,410           | 1,576,750           | 1,826,010           | 1,822,560           | 15.59%   |
| <i>Liquor Operations TOTAL</i> | <u>\$11,105,490</u> | <u>\$12,347,750</u> | <u>\$12,159,270</u> | <u>\$13,194,070</u> | 6.85%  |

**REVENUES**

|                            |              |              |              |              |         |
|----------------------------|--------------|--------------|--------------|--------------|---------|
| 50010 LYNDALE LIQUOR STORE | \$ 3,909,692 | \$ 4,179,500 | \$ 4,042,700 | \$ 4,325,950 | 3.50%   |
| 50020 CEDAR LIQUOR STORE   | 4,147,066    | 4,232,740    | 4,456,200    | 4,768,000    | 12.65%  |
| 50030 PENN LIQUOR STORE    | 2,040,719    | 2,645,250    | 2,404,430    | 2,572,710    | (2.74%) |
| 50040 WINE & SPIRITS       | 1,573,689    | 1,514,530    | 1,691,670    | 1,810,150    | 19.52%  |



**BUDGET SUMMARY**  
**LIQUOR FUND PROJECTION**

| <b><u>AVAILABLE FOR APPROPRIATION</u></b>    | <b>2018<br/>Actual</b> | <b>2019<br/>Revised</b> | <b>2020<br/>Budget</b> | <b>2021<br/>Projected</b> |
|--|------------------------|-------------------------|------------------------|---------------------------|
| <b><u>PRIOR YEAR RETAINED EARNINGS</u></b>   | \$ 3,273,147           | \$ 3,838,831            | \$ 4,430,561           | \$ 4,713,301              |
| <b><u>Revenues</u></b>                       |                        |                         |                        |                           |
| Sales  | 11,561,557             | 12,560,850              | 13,440,120             | 13,843,320                |
| Less Cost of Sales                           | <u>(8,645,844)</u>     | <u>(9,420,630)</u>      | <u>(10,080,090)</u>    | <u>(10,382,490)</u>       |
| Net Sales                                    | <u>2,915,713</u>       | <u>3,140,220</u>        | <u>3,360,030</u>       | <u>3,460,830</u>          |
| <b><u>Miscellaneous Revenues</u></b>         |                        |                         |                        |                           |
| Interest                                     | -                      | -                       | 1,000                  | 1,000                     |
| Other Revenues (Net)                         | <u>39,611</u>          | <u>34,150</u>           | <u>35,690</u>          | <u>36,760</u>             |
| Total Miscellaneous Revenues                 | <u>39,611</u>          | <u>34,150</u>           | <u>36,690</u>          | <u>37,760</u>             |
| Total Revenues                               | <u>2,955,324</u>       | <u>3,174,370</u>        | <u>3,396,720</u>       | <u>3,498,590</u>          |
| <b><u>Expenses</u></b>                       |                        |                         |                        |                           |
| Personal Services                            | 1,372,924              | 1,480,280               | 1,537,720              | 1,576,160                 |
| Other Services and Charges                   | <u>579,474</u>         | <u>557,990</u>          | <u>571,960</u>         | <u>589,120</u>            |
| Total Operating Expenses                     | <u>1,952,398</u>       | <u>2,038,270</u>        | <u>2,109,680</u>       | <u>2,165,280</u>          |
| Net Income before Depreciation               | 1,002,926              | 1,136,100               | 1,287,040              | 1,333,310                 |
| <b><u>Depreciation</u></b>                   | <u>207,322</u>         | <u>235,440</u>          | <u>236,090</u>         | <u>243,170</u>            |
| Net Income (Loss)                            | 795,604                | 900,660                 | 1,050,950              | 1,090,140                 |
| <b><u>Operating Transfers From (To):</u></b> |                        |                         |                        |                           |
| Special Revenue Fund                         | 70,000                 | -                       | -                      | -                         |
| General Fund                                 | (299,920)              | (308,930)               | (318,210)              | (327,750)                 |
| Special Revenue Fund                         | <u>-</u>               | <u>-</u>                | <u>(450,000)</u>       | <u>(450,000)</u>          |
| Net Transfers                                | <u>(229,920)</u>       | <u>(308,930)</u>        | <u>(768,210)</u>       | <u>(777,750)</u>          |
| <b><u>RETAINED EARNINGS</u></b>              | <u>\$ 3,838,831</u>    | <u>\$ 4,430,561</u>     | <u>\$ 4,713,301</u>    | <u>\$ 5,025,691</u>       |
| <b><u>CAPITAL OUTLAY</u></b>                 | <u>\$ -</u>            | <u>\$ 156,000</u>       | <u>\$ -</u>            | <u>\$ -</u>               |

**BUDGET SUMMARY**  
**LIQUOR FUND PROJECTION**

| <b><u>CASH FLOW SUMMARY</u></b>     | <b>2018<br/>Actual</b> | <b>2019<br/>Revised</b> | <b>2020<br/>Budget</b> | <b>2021<br/>Projected</b> |
|-------------------------------------|------------------------|-------------------------|------------------------|---------------------------|
| <b><u>SOURCES OF CASH</u></b>       |                        |                         |                        |                           |
| Total Revenues                      | \$ 11,601,168          | \$ 12,595,000           | \$ 13,476,810          | \$ 13,881,080             |
| Items not requiring cash -          |                        |                         |                        |                           |
| Decrease in Receivables             | 508                    | -                       | -                      | -                         |
| Decrease in Prepaid items           | 1,006                  | -                       | -                      | -                         |
| Interfund Loan                      | 212,511                | -                       | -                      | -                         |
| Depreciation                        | 207,322                | 235,440                 | 236,090                | 243,170                   |
| Transfer from Special Revenue Fund  | 70,000                 | -                       | -                      | -                         |
| TOTAL SOURCES                       | <u>12,092,515</u>      | <u>12,830,440</u>       | <u>13,712,900</u>      | <u>14,124,250</u>         |
| <b><u>USES OF CASH</u></b>          |                        |                         |                        |                           |
| Total Expenses                      | 10,805,564             | 11,694,340              | 12,425,860             | 12,790,940                |
| Increase in Inventory               | 59,530                 | -                       | -                      | -                         |
| Decrease in Payables                | 275,709                | -                       | -                      | -                         |
| Capital Outlay                      | 1,376,122              | 156,000                 | -                      | -                         |
| Transfer to General Fund            | 299,920                | 308,930                 | 318,210                | 327,750                   |
| Transfer to Special Revenue Fund    | -                      | -                       | 450,000                | 450,000                   |
| TOTAL USES                          | <u>12,816,845</u>      | <u>12,159,270</u>       | <u>13,194,070</u>      | <u>13,568,690</u>         |
| NET INCREASE (DECREASE) IN CASH     | <u>(724,330)</u>       | <u>671,170</u>          | <u>518,830</u>         | <u>555,560</u>            |
| CASH BALANCE - JANUARY 1            | <u>724,330</u>         | <u>-</u>                | <u>671,170</u>         | <u>1,190,000</u>          |
| CASH BALANCE - DECEMBER 31          | <u>\$ -</u>            | <u>\$ 671,170</u>       | <u>\$ 1,190,000</u>    | <u>\$ 1,745,560</u>       |
| <b><u>CASH TO BE AVAILABLE</u></b>  |                        |                         |                        |                           |
| Current Assets - December 31        | 1,320,529              |                         |                        |                           |
| Less: Current Liabilities - Dec. 31 | <u>764,249</u>         |                         |                        |                           |
| CASH TO BE AVAILABLE                | <u>\$ 556,280</u>      |                         |                        |                           |

## **LIQUOR OPERATIONS**

### **MISSION STATEMENT**

To responsibly distribute alcoholic beverages at retail, consistently provide assistance in the form of quality customer service, well maintained, attractive city-owned facilities while also providing adequate funds for recreational projects in Richfield.

### **DIVISION FOCUS**

The Richfield Liquor Dispensary was established in 1943. The operations consist of four retail beverage outlets with annual sales in 2018 of 11.5 million dollars. The liquor operations employ seven full time, eight permanent part time and approximately 50 seasonal and intermittent staff members.

### **2019 HIGHLIGHTS**

- The 7700 Lyndale Liquor Store underwent a complete roof replacement at an estimated cost of \$150,000. (City Council Goal 1a)
- A new cooling system was installed at the 7700 Lyndale Liquor Store. (City Council Goal 1a)
- Creation of a “Round Up” program so that customers would voluntarily donate to generate short-term funding for various city recreation projects. (City Council Goal 1a)

### **2020 DIVISION GOALS**

- Establish a broad social media presence (Instagram, Facebook, Twitter etc.).
- Establish a free-standing web page for the liquor operations.
- Establish on-going Community Awareness campaign of liquor store profit destinations. (City Recreation).

### **DIVISION EXPENDITURE COMMENT**

The Department has completed the upgrade of the Lyndale Liquor Store, May 2013, Cedar, November 2016 and the Penn Store in June 2018. (City Council Goal 1a)

## Performance Measures

### *Department/Division*

### **Liquor/Liquor Operations**

|                                  | <b>Actual<br/>2017</b> | <b>Actual<br/>2018</b> | <b>Budget<br/>2019</b> | <b>Budget<br/>2020</b> |
|----------------------------------|------------------------|------------------------|------------------------|------------------------|
| <b>Inputs:</b>                   |                        |                        |                        |                        |
| Number of Employees              | 6.00                   | 6.00                   | 6.00                   | 6.00                   |
| Operating Expenditure            | \$2,211,546            | \$2,159,720            | \$ 2,273,710           | \$2,345,770            |
| Cost of Sales                    | \$8,505,073            | \$8,645,844            | \$9,420,630            | \$10,080,090           |
| <b>Outputs:</b>                  |                        |                        |                        |                        |
| Annual Sales                     | 11,351,640             | 11,561,557             | 12,560,850             | 13,440,120             |
| Annual Customer Count            | 579,405                | 582,385                | 585,290                | 588,220                |
| Annual Advertising Expense       | 17,512                 | 28,122                 | 21,500                 | 22,400                 |
| <b>Effectiveness Measures:</b>   |                        |                        |                        |                        |
| Gross Profit                     | \$ 2,846,567           | \$ 2,915,713           | \$ 3,140,220           | \$ 3,360,030           |
| % of Sales                       | 25%                    | 25%                    | 25%                    | 25%                    |
| Operating Income                 | \$ 635,021             | \$ 755,993             | \$ 866,510             | \$ 1,014,260           |
| <b>Efficiency Measures:</b>      |                        |                        |                        |                        |
| Advertising Cost per Total Sales | \$ 0.0015              | \$ 0.0024              | \$ 0.0017              | \$ 0.0017              |
| Sales per Customer               | \$ 19.59               | \$ 19.85               | \$ 21.46               | \$ 22.85               |



**FUND: LIQUOR OPERATIONS FUND**  
**DEPARTMENT: Liquor Operations**  
**BUSINESS UNIT: LYNDALE LIQUOR STORE - 50010**

**DETAIL REVENUES BY BUSINESS UNIT**

| <b>CLASSIFICATIONS</b>            | <b>2018<br/>ACTUAL</b>     | <b>2019<br/>BUDGET</b>     | <b>2019<br/>REVISED</b>    | <b>2020<br/>BUDGET</b>     |
|-----------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| <u>Liquor Sales</u>               |                            |                            |                            |                            |
| 5005 Sales - Liquor               | \$ 1,297,815               | \$ 1,392,270               | \$ 1,330,680               | \$ 1,423,820               |
| 5010 Sales - Wine                 | 958,776                    | 1,039,470                  | 1,034,700                  | 1,107,160                  |
| 5015 Sales - Beer                 | 1,484,420                  | 1,593,840                  | 1,532,290                  | 1,639,550                  |
| 5025 Sales - Cigarettes           | 63,364                     | 52,220                     | 48,390                     | 51,780                     |
| 5030 Sales - Food                 | 22,848                     | 22,570                     | 21,770                     | 23,300                     |
| 5035 Sales- Other                 | 68,763                     | 68,090                     | 64,520                     | 69,000                     |
| <i>Liquor Sales Total</i>         | <u>\$ 3,895,986</u>        | <u>\$ 4,168,460</u>        | <u>\$ 4,032,350</u>        | <u>\$ 4,314,610</u>        |
| <u>Other Income</u>               |                            |                            |                            |                            |
| 8011 Investment Earnings          | \$ -                       | \$ 350                     | \$ -                       | \$ 250                     |
| 8032 Commissions                  | 4,481                      | 6,070                      | 4,500                      | 4,700                      |
| 8033 Cash/Over Short              | 291                        | 100                        | 100                        | 100                        |
| 8035 Other Miscellaneous Revenues | 2,325                      | 420                        | 250                        | 290                        |
| 8040 Sales - Lottery Commissions  | 6,609                      | 4,100                      | 5,500                      | 6,000                      |
| <i>Other Income Total</i>         | <u>\$ 13,706</u>           | <u>\$ 11,040</u>           | <u>\$ 10,350</u>           | <u>\$ 11,340</u>           |
| <b>LYNDALE LIQUOR STORE TOTAL</b> | <u><u>\$ 3,909,692</u></u> | <u><u>\$ 4,179,500</u></u> | <u><u>\$ 4,042,700</u></u> | <u><u>\$ 4,325,950</u></u> |

**FUND: LIQUOR OPERATIONS FUND**  
**DEPARTMENT: Liquor Operations**  
**BUSINESS UNIT: LYNDALE LIQUOR STORE - 50010**

**DETAIL EXPENDITURES BY BUSINESS UNIT**

| <b>CLASSIFICATIONS</b>                    | <b>2018<br/>ACTUAL</b> | <b>2019<br/>BUDGET</b> | <b>2019<br/>REVISED</b> | <b>2020<br/>BUDGET</b> |
|---|------------------------|------------------------|-------------------------|------------------------|
| <u>Costs of Goods Sold</u>                |                        |                        |                         |                        |
| 5510 Purchases for Resale                 | \$ 2,899,675           | \$ 3,129,420           | \$ 3,024,260            | \$ 3,235,960           |
| <i>Costs of Goods Sold Total</i>          | <u>\$ 2,899,675</u>    | <u>\$ 3,129,420</u>    | <u>\$ 3,024,260</u>     | <u>\$ 3,235,960</u>    |
| <u>Personal Services</u>                  |                        |                        |                         |                        |
| 6005 Full Time                            | \$ 135,598             | \$ 129,630             | \$ 140,020              | \$ 143,860             |
| 6006 Part-time                            | 86,850                 | 87,280                 | 88,870                  | 91,530                 |
| 6007 Seasonal                             | 105,133                | 100,500                | 106,000                 | 109,180                |
| 6009 Overtime                             | 1,328                  | 600                    | 1,500                   | 1,500                  |
| 6013 Longevity                            | 1,145                  | 1,120                  | 1,180                   | 1,210                  |
| 6031 Employer Social Security             | 19,887                 | 19,600                 | 20,020                  | 20,670                 |
| 6032 Employer Medicare                    | 4,651                  | 4,600                  | 4,720                   | 4,820                  |
| 6033 Employer Pera                        | (718)                  | 23,800                 | 30,330                  | 31,010                 |
| 6035 Medical Insurance                    | 41,616                 | 17,220                 | 38,860                  | 42,160                 |
| 6036 Dental Insurance                     | 1,230                  | 1,170                  | 1,170                   | 1,180                  |
| 6037 Term Life                            | 34                     | 70                     | 70                      | 70                     |
| 6038 Workers Compensation                 | 2,136                  | 2,160                  | 2,160                   | 2,370                  |
| 6040 Long Term Disability                 | 268                    | 270                    | 460                     | 470                    |
| 6051 Interdepartmental Labor              | 8,104                  | 5,000                  | 8,400                   | 8,500                  |
| <i>Personal Services Total</i>            | <u>\$ 407,262</u>      | <u>\$ 393,020</u>      | <u>\$ 443,760</u>       | <u>\$ 458,530</u>      |
| <u>Other Services &amp; Charges</u>       |                        |                        |                         |                        |
| 6103 Professional Services -General       | \$ 6,244               | \$ 6,250               | \$ 6,300                | \$ 6,400               |
| 6202 Data Processing Rental               | 21,950                 | 21,760                 | 23,480                  | 23,950                 |
| 6205 Maintenance & Repairs                | 4,429                  | 3,900                  | 4,000                   | 4,200                  |
| 6207 Utility Services                     | 31,502                 | 31,500                 | 32,000                  | 32,200                 |
| 6301 Advertising & Publication            | 9,048                  | 6,300                  | 7,000                   | 7,200                  |
| 6302 Communications                       | 745                    | 930                    | 770                     | 780                    |
| 6303 Professional Development             | 8                      | 100                    | 100                     | 100                    |
| 6305 Subscriptions & Memberships          | 75                     | 50                     | 60                      | 60                     |
| 6307 Insurance & Bonds                    | 13,798                 | 13,800                 | 13,000                  | 13,390                 |
| 6308 Property Liability                   | 3,970                  | 4,090                  | 4,090                   | 4,210                  |
| 6310 Taxes & Licenses                     | 925                    | 1,050                  | 950                     | 970                    |
| 6315 Other Contractual Services           | 9,519                  | 10,500                 | 10,000                  | 10,200                 |
| 6401 Office Supplies                      | 1,364                  | 1,200                  | 1,200                   | 1,200                  |
| 6402 Copy Charges                         | 67                     | 50                     | 50                      | 50                     |
| 6403 Postage                              | 655                    | 720                    | 650                     | 660                    |
| 6409 Uniforms & Clothing                  | 1,136                  | -                      | 1,000                   | 1,000                  |
| 6414 Other Supplies                       | 9,989                  | 9,200                  | 9,000                   | 9,000                  |
| 6513 Other Charges                        | 58,812                 | 58,000                 | 60,000                  | 62,000                 |
| <i>Other Services &amp; Charges Total</i> | <u>\$ 174,236</u>      | <u>\$ 169,400</u>      | <u>\$ 173,650</u>       | <u>\$ 177,570</u>      |
| <u>Depreciation</u>                       |                        |                        |                         |                        |
| 6610 Depreciation                         | \$ 79,077              | \$ 57,600              | \$ 75,340               | \$ 75,550              |

**FUND:** LIQUOR OPERATIONS FUND  
**DEPARTMENT:** Liquor Operations  
**BUSINESS UNIT:** LYNDALE LIQUOR STORE - 50010

**DETAIL EXPENDITURES BY BUSINESS UNIT**

| <b>CLASSIFICATIONS</b>            | <b>2018<br/>ACTUAL</b> | <b>2019<br/>BUDGET</b> | <b>2019<br/>REVISED</b> | <b>2020<br/>BUDGET</b> |
|-----------------------------------|------------------------|------------------------|-------------------------|------------------------|
| <i>Depreciation Total</i>         | \$ 79,077              | \$ 57,600              | \$ 75,340               | \$ 75,550              |
| <u>Other Financing Uses</u>       |                        |                        |                         |                        |
| 8511 Operating Transfers Out      | \$ 95,971              | \$ 242,860             | \$ 98,860               | \$ 245,830             |
| <i>Other Financing Uses Total</i> | \$ 95,971              | \$ 242,860             | \$ 98,860               | \$ 245,830             |
| <b>LYNDALE LIQUOR STORE TOTAL</b> | <b>\$ 3,656,221</b>    | <b>\$ 3,992,300</b>    | <b>\$ 3,815,870</b>     | <b>\$ 4,193,440</b>    |

**FUND:** LIQUOR OPERATIONS FUND  
**DEPARTMENT:** Liquor Operations  
**BUSINESS UNIT:** LYNDALE LIQUOR STORE - 50010

**DIVISION PERSONNEL**

| CLASSIFICATIONS                    | SALARY<br>GRADE | NUMBER OF EMPLOYEES |                 |                |
|------------------------------------|-----------------|---------------------|-----------------|----------------|
|                                    |                 | 2019<br>ADOPTED     | 2019<br>REVISED | 2020<br>BUDGET |
| <u>Regular Full-Time Employees</u> |                 |                     |                 |                |
| Liquor Operation Director          | M-4             | .25                 | .25             | .25            |
| Liquor Store Manager               | M-1             | 1.00                | 1.00            | 1.00           |
| Liquor Account Clerk               | GS-3            | .25                 | .25             | .25            |
| <i>Total</i>                       |                 | <u>1.50</u>         | <u>1.50</u>     | <u>1.50</u>    |
| <u>Part-Time Employees</u>         |                 |                     |                 |                |
| Liquor Operations Shift Leader     | GS-2            | 1.00                | 1.00            | 1.00           |
| Liquor Operations Shift Leader     | GS-2            | 1.00                | 1.00            | 1.00           |
| Liquor Operations Shift Leader     | GS-2            | 1.00                | 1.00            | 1.00           |
| <i>Total</i>                       |                 | <u>3.00</u>         | <u>3.00</u>     | <u>3.00</u>    |

**CAPITAL OUTLAY**

| ITEMS        | 2019<br>ADOPTED | 2019<br>REVISED | 2020<br>BUDGET |
|--------------|-----------------|-----------------|----------------|
| None         | \$ -            | \$ -            | \$ -           |
| <i>Total</i> | <u>\$ -</u>     | <u>\$ -</u>     | <u>\$ -</u>    |

**FUND: LIQUOR OPERATIONS FUND**  
**DEPARTMENT: Liquor Operations**  
**BUSINESS UNIT: CEDAR LIQUOR STORE - 50020**

**DETAIL REVENUES BY BUSINESS UNIT**

| <b>CLASSIFICATIONS</b>                 | <b>2018<br/>ACTUAL</b>     | <b>2019<br/>BUDGET</b>     | <b>2019<br/>REVISED</b>    | <b>2020<br/>BUDGET</b>     |
|--|----------------------------|----------------------------|----------------------------|----------------------------|
| <u>Liquor Sales</u>                    |                            |                            |                            |                            |
| 5005 Sales - Liquor                    | \$ 1,247,691               | \$ 1,273,340               | \$ 1,380,990               | \$ 1,477,680               |
| 5010 Sales - Wine                      | 947,285                    | 1,002,000                  | 1,227,200                  | 1,313,100                  |
| 5015 Sales - Beer                      | 1,746,890                  | 1,773,380                  | 1,689,600                  | 1,807,870                  |
| 5025 Sales - Cigarettes                | 92,958                     | 75,140                     | 53,360                     | 57,090                     |
| 5030 Sales - Food                      | 21,336                     | 22,300                     | 24,010                     | 25,690                     |
| 5035 Sales- Other                      | 79,941                     | 77,660                     | 71,140                     | 76,120                     |
| <i>Liquor Sales Total</i>              | <u>\$ 4,136,101</u>        | <u>\$ 4,223,820</u>        | <u>\$ 4,446,300</u>        | <u>\$ 4,757,550</u>        |
| <u>Other Income</u>                    |                            |                            |                            |                            |
| 8011 Investment Earnings               | \$ -                       | \$ 350                     | \$ -                       | \$ 250                     |
| 8032 Commissions                       | 3,430                      | 3,700                      | 3,700                      | 3,800                      |
| 8033 Cash/Over Short                   | (869)                      | 100                        | 100                        | 100                        |
| 8035 Other Miscellaneous Revenues      | 2,495                      | 420                        | 100                        | 100                        |
| 8040 Sales - Lottery Commissions       | 5,909                      | 4,350                      | 6,000                      | 6,200                      |
| <i>Other Income Total</i>              | <u>\$ 10,965</u>           | <u>\$ 8,920</u>            | <u>\$ 9,900</u>            | <u>\$ 10,450</u>           |
| <b><i>CEDAR LIQUOR STORE TOTAL</i></b> | <u><u>\$ 4,147,066</u></u> | <u><u>\$ 4,232,740</u></u> | <u><u>\$ 4,456,200</u></u> | <u><u>\$ 4,768,000</u></u> |

**FUND: LIQUOR OPERATIONS FUND**  
**DEPARTMENT: Liquor Operations**  
**BUSINESS UNIT: CEDAR LIQUOR STORE - 50020**

**DETAIL EXPENDITURES BY BUSINESS UNIT**

| <b>CLASSIFICATIONS</b>                    | <b>2018<br/>ACTUAL</b> | <b>2019<br/>BUDGET</b> | <b>2019<br/>REVISED</b> | <b>2020<br/>BUDGET</b> |
|---|------------------------|------------------------|-------------------------|------------------------|
| <u>Costs of Goods Sold</u>                |                        |                        |                         |                        |
| 5510 Purchases for Resale                 | \$ 3,113,900           | \$ 3,171,130           | \$ 3,334,720            | \$ 3,568,160           |
| <i>Costs of Goods Sold Total</i>          | <u>\$ 3,113,900</u>    | <u>\$ 3,171,130</u>    | <u>\$ 3,334,720</u>     | <u>\$ 3,568,160</u>    |
| <u>Personal Services</u>                  |                        |                        |                         |                        |
| 6005 Full Time                            | \$ 140,616             | \$ 139,670             | \$ 143,450              | \$ 147,330             |
| 6006 Part-time                            | 79,033                 | 93,250                 | 82,030                  | 86,720                 |
| 6007 Seasonal                             | 108,616                | 112,300                | 110,200                 | 112,010                |
| 6009 Overtime                             | 1,747                  | 1,250                  | 2,000                   | 2,100                  |
| 6013 Longevity                            | 1,145                  | 1,120                  | 1,180                   | 1,200                  |
| 6031 Employer Social Security             | 20,136                 | 21,390                 | 20,430                  | 21,080                 |
| 6032 Employer Medicare                    | 4,709                  | 5,000                  | 4,780                   | 4,920                  |
| 6033 Employer Pera                        | (432)                  | 25,880                 | 30,000                  | 31,630                 |
| 6035 Medical Insurance                    | 39,599                 | 30,370                 | 43,680                  | 45,010                 |
| 6036 Dental Insurance                     | 1,171                  | 1,170                  | 1,170                   | 1,180                  |
| 6037 Term Life                            | 36                     | 60                     | 60                      | 60                     |
| 6038 Workers Compensation                 | 2,328                  | 2,560                  | 2,560                   | 2,880                  |
| 6040 Long Term Disability                 | 290                    | 290                    | 490                     | 500                    |
| 6051 Interdepartmental Labor              | 7,133                  | 5,100                  | 5,100                   | 5,200                  |
| <i>Personal Services Total</i>            | <u>\$ 406,127</u>      | <u>\$ 439,410</u>      | <u>\$ 447,130</u>       | <u>\$ 461,820</u>      |
| <u>Other Services &amp; Charges</u>       |                        |                        |                         |                        |
| 6103 Professional Services -General       | \$ 5,799               | \$ 6,200               | \$ 5,900                | \$ 6,000               |
| 6202 Data Processing Rental               | 22,990                 | 22,970                 | 24,410                  | 25,240                 |
| 6205 Maintenance & Repairs                | 7,106                  | 3,100                  | 3,000                   | 3,100                  |
| 6207 Utility Services                     | 24,178                 | 23,000                 | 25,000                  | 26,000                 |
| 6301 Advertising & Publication            | 8,976                  | 6,100                  | 7,000                   | 7,200                  |
| 6302 Communications                       | 1,087                  | 1,350                  | 1,100                   | 1,200                  |
| 6303 Professional Development             | 8                      | 100                    | 100                     | 100                    |
| 6305 Subscriptions & Memberships          | 125                    | 100                    | 100                     | 100                    |
| 6307 Insurance & Bonds                    | 13,913                 | 13,900                 | 13,110                  | 13,500                 |
| 6308 Property Liability                   | 2,870                  | 2,960                  | 2,960                   | 3,050                  |
| 6310 Taxes & Licenses                     | 538                    | 590                    | 590                     | 600                    |
| 6315 Other Contractual Services           | 8,409                  | 10,500                 | 8,700                   | 9,000                  |
| 6401 Office Supplies                      | 958                    | 1,000                  | 1,000                   | 1,100                  |
| 6402 Copy Charges                         | 56                     | 70                     | 60                      | 60                     |
| 6409 Uniforms & Clothing                  | 1,286                  | -                      | 1,000                   | 1,000                  |
| 6414 Other Supplies                       | 12,070                 | 11,200                 | 11,500                  | 11,800                 |
| 6513 Other Charges                        | 64,344                 | 61,000                 | 65,500                  | 66,000                 |
| <i>Other Services &amp; Charges Total</i> | <u>\$ 174,713</u>      | <u>\$ 164,140</u>      | <u>\$ 171,030</u>       | <u>\$ 175,050</u>      |
| <u>Depreciation</u>                       |                        |                        |                         |                        |
| 6610 Depreciation                         | \$ 47,019              | \$ 57,600              | \$ 75,340               | \$ 75,550              |
| <i>Depreciation Total</i>                 | <u>\$ 47,019</u>       | <u>\$ 57,600</u>       | <u>\$ 75,340</u>        | <u>\$ 75,550</u>       |

---

**FUND:** LIQUOR OPERATIONS FUND  
**DEPARTMENT:** Liquor Operations  
**BUSINESS UNIT:** CEDAR LIQUOR STORE - 50020

---

**DETAIL EXPENDITURES BY BUSINESS UNIT**

| <b>CLASSIFICATIONS</b>            | <b>2018<br/>ACTUAL</b>     | <b>2019<br/>BUDGET</b>     | <b>2019<br/>REVISED</b>    | <b>2020<br/>BUDGET</b>     |
|-----------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| <u>Other Financing Uses</u>       |                            |                            |                            |                            |
| 8511 Operating Transfers Out      | \$ 95,971                  | \$ 242,860                 | \$ 98,860                  | \$ 245,830                 |
| <i>Other Financing Uses Total</i> | <u>\$ 95,971</u>           | <u>\$ 242,860</u>          | <u>\$ 98,860</u>           | <u>\$ 245,830</u>          |
| <b>CEDAR LIQUOR STORE TOTAL</b>   | <u><u>\$ 3,837,730</u></u> | <u><u>\$ 4,075,140</u></u> | <u><u>\$ 4,127,080</u></u> | <u><u>\$ 4,526,410</u></u> |

**FUND: LIQUOR OPERATIONS FUND**  
**DEPARTMENT: Liquor Operations**  
**BUSINESS UNIT: CEDAR LIQUOR STORE - 50020**

**DIVISION PERSONNEL**

| CLASSIFICATIONS                    | SALARY<br>GRADE | NUMBER OF EMPLOYEES |                 |                |
|------------------------------------|-----------------|---------------------|-----------------|----------------|
|                                    |                 | 2019<br>ADOPTED     | 2019<br>REVISED | 2020<br>BUDGET |
| <u>Regular Full-Time Employees</u> |                 |                     |                 |                |
| Liquor Operation Director          | M-4             | .25                 | .25             | .25            |
| Liquor Store Manager               | M-1             | 1.00                | 1.00            | 1.00           |
| Liquor Account Clerk               | GS-3            | .25                 | .25             | .25            |
|                                    | <i>Total</i>    | <u>1.50</u>         | <u>1.50</u>     | <u>1.50</u>    |
| <u>Part-Time Employees</u>         |                 |                     |                 |                |
| Liquor Operations Shift Leader     | GS-2            | 1.00                | 1.00            | 1.00           |
| Liquor Operations Shift Leader     | GS-2            | 1.00                | 1.00            | 1.00           |
| Liquor Operations Shift Leader     | GS-2            | 1.00                | 1.00            | 1.00           |
|                                    | <i>Total</i>    | <u>3.00</u>         | <u>3.00</u>     | <u>3.00</u>    |

**CAPITAL OUTLAY**

| ITEMS | 2019<br>ADOPTED | 2019<br>REVISED | 2020<br>BUDGET |
|-------|-----------------|-----------------|----------------|
| NONE  | \$ -            | \$ -            | \$ -           |
|       | <i>Total</i>    | <u>\$ -</u>     | <u>\$ -</u>    |



**FUND: LIQUOR OPERATIONS FUND**  
**DEPARTMENT: Liquor Operations**  
**BUSINESS UNIT: PENN LIQUOR STORE - 50030**

**DETAIL REVENUES BY BUSINESS UNIT**

| <b>CLASSIFICATIONS</b>               | <b>2018<br/>ACTUAL</b>     | <b>2019<br/>BUDGET</b>     | <b>2019<br/>REVISED</b>    | <b>2020<br/>BUDGET</b>     |
|--------------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| <u>Liquor Sales</u>                  |                            |                            |                            |                            |
| 5005 Sales - Liquor                  | \$ 601,199                 | \$ 809,000                 | \$ 719,260                 | \$ 769,600                 |
| 5010 Sales - Wine                    | 538,622                    | 686,740                    | 655,480                    | 701,380                    |
| 5015 Sales - Beer                    | 794,280                    | 1,043,580                  | 935,040                    | 1,000,490                  |
| 5025 Sales - Cigarettes              | 31,886                     | 50,200                     | 45,560                     | 48,740                     |
| 5030 Sales - Food                    | 6,593                      | 9,530                      | 8,630                      | 9,240                      |
| 5035 Sales- Other                    | 25,368                     | 37,620                     | 33,560                     | 35,910                     |
| <i>Liquor Sales Total</i>            | <u>\$ 1,997,948</u>        | <u>\$ 2,636,670</u>        | <u>\$ 2,397,530</u>        | <u>\$ 2,565,360</u>        |
| <u>Other Income</u>                  |                            |                            |                            |                            |
| 8011 Investment Earnings             | \$ -                       | \$ 250                     | \$ -                       | \$ 250                     |
| 8032 Commissions                     | 2,743                      | 3,250                      | 3,000                      | 3,100                      |
| 8033 Cash/Over Short                 | (433)                      | 100                        | 100                        | 100                        |
| 8035 Other Miscellaneous Revenues    | 1,784                      | 200                        | 100                        | 100                        |
| 8040 Sales - Lottery Commissions     | 3,677                      | 4,780                      | 3,700                      | 3,800                      |
| <i>Other Income Total</i>            | <u>\$ 7,771</u>            | <u>\$ 8,580</u>            | <u>\$ 6,900</u>            | <u>\$ 7,350</u>            |
| <u>Other Financing Sources</u>       |                            |                            |                            |                            |
| 8051 Operating Transfers In          | \$ 35,000                  | \$ -                       | \$ -                       | \$ -                       |
| <i>Other Financing Sources Total</i> | <u>\$ 35,000</u>           | <u>\$ -</u>                | <u>\$ -</u>                | <u>\$ -</u>                |
| <b>PENN LIQUOR STORE TOTAL</b>       | <u><u>\$ 2,040,719</u></u> | <u><u>\$ 2,645,250</u></u> | <u><u>\$ 2,404,430</u></u> | <u><u>\$ 2,572,710</u></u> |

**FUND: LIQUOR OPERATIONS FUND**  
**DEPARTMENT: Liquor Operations**  
**BUSINESS UNIT: PENN LIQUOR STORE - 50030**

**DETAIL EXPENDITURES BY BUSINESS UNIT**

| <b>CLASSIFICATIONS</b>                    | <b>2018<br/>ACTUAL</b> | <b>2019<br/>BUDGET</b> | <b>2019<br/>REVISED</b> | <b>2020<br/>BUDGET</b> |
|---|------------------------|------------------------|-------------------------|------------------------|
| <u>Costs of Goods Sold</u>                |                        |                        |                         |                        |
| 5510 Purchases for Resale                 | \$ 1,475,141           | \$ 1,981,090           | \$ 1,798,150            | \$ 1,924,020           |
| <i>Costs of Goods Sold Total</i>          | <u>\$ 1,475,141</u>    | <u>\$ 1,981,090</u>    | <u>\$ 1,798,150</u>     | <u>\$ 1,924,020</u>    |
| <u>Personal Services</u>                  |                        |                        |                         |                        |
| 6005 Full Time                            | \$ 114,880             | \$ 125,560             | \$ 119,250              | \$ 122,820             |
| 6006 Part-time                            | 68,313                 | 69,730                 | 70,790                  | 72,200                 |
| 6007 Seasonal                             | 72,005                 | 87,940                 | 74,160                  | 75,640                 |
| 6009 Overtime                             | 880                    | 1,300                  | 900                     | 950                    |
| 6013 Longevity                            | 931                    | 1,200                  | 1,180                   | 1,200                  |
| 6031 Employer Social Security             | 15,834                 | 17,560                 | 16,060                  | 16,370                 |
| 6032 Employer Medicare                    | 3,703                  | 4,100                  | 3,750                   | 3,820                  |
| 6033 Employer Pera                        | (769)                  | 21,240                 | 15,980                  | 16,370                 |
| 6035 Medical Insurance                    | 22,440                 | 15,970                 | 21,780                  | 26,570                 |
| 6036 Dental Insurance                     | 1,085                  | 1,070                  | 1,170                   | 1,180                  |
| 6037 Term Life                            | 31                     | 60                     | 60                      | 60                     |
| 6038 Workers Compensation                 | 2,160                  | 1,930                  | 1,930                   | 2,500                  |
| 6040 Long Term Disability                 | 132                    | 140                    | 400                     | 420                    |
| 6051 Interdepartmental Labor              | 13,899                 | 4,100                  | 4,100                   | 4,200                  |
| <i>Personal Services Total</i>            | <u>\$ 315,524</u>      | <u>\$ 351,900</u>      | <u>\$ 331,510</u>       | <u>\$ 344,300</u>      |
| <u>Other Services &amp; Charges</u>       |                        |                        |                         |                        |
| 6103 Professional Services -General       | \$ 5,078               | \$ 4,650               | \$ 5,000                | \$ 5,200               |
| 6202 Data Processing Rental               | 22,440                 | 23,120                 | 23,320                  | 23,790                 |
| 6205 Maintenance & Repairs                | 4,746                  | 3,100                  | 2,500                   | 2,700                  |
| 6207 Utility Services                     | 17,602                 | 17,000                 | 16,000                  | 16,200                 |
| 6301 Advertising & Publication            | 7,293                  | 4,650                  | 5,500                   | 5,800                  |
| 6302 Communications                       | 1,534                  | 1,600                  | 1,500                   | 1,550                  |
| 6303 Professional Development             | 8                      | 100                    | 100                     | 100                    |
| 6305 Subscriptions & Memberships          | 61                     | 40                     | 50                      | 50                     |
| 6307 Insurance & Bonds                    | 11,416                 | 11,450                 | 10,810                  | 11,140                 |
| 6308 Property Liability                   | 3,210                  | 3,310                  | 3,310                   | 3,410                  |
| 6310 Taxes & Licenses                     | 538                    | 590                    | 550                     | 570                    |
| 6315 Other Contractual Services           | 8,030                  | 9,000                  | 8,000                   | 8,100                  |
| 6401 Office Supplies                      | 1,321                  | 1,250                  | 1,400                   | 1,450                  |
| 6402 Copy Charges                         | 29                     | 90                     | 50                      | 50                     |
| 6403 Postage                              | 11                     | -                      | 20                      | 20                     |
| 6409 Uniforms & Clothing                  | 970                    | -                      | 1,000                   | 1,000                  |
| 6414 Other Supplies                       | 11,736                 | 6,000                  | 6,000                   | 6,100                  |
| 6513 Other Charges                        | 32,586                 | 40,500                 | 34,000                  | 35,000                 |
| <i>Other Services &amp; Charges Total</i> | <u>\$ 128,609</u>      | <u>\$ 126,450</u>      | <u>\$ 119,110</u>       | <u>\$ 122,230</u>      |
| <u>Depreciation</u>                       |                        |                        |                         |                        |
| 6610 Depreciation                         | \$ 37,868              | \$ 46,800              | \$ 61,220               | \$ 61,380              |

**FUND:** LIQUOR OPERATIONS FUND  
**DEPARTMENT:** Liquor Operations  
**BUSINESS UNIT:** PENN LIQUOR STORE - 50030

**DETAIL EXPENDITURES BY BUSINESS UNIT**

| <b>CLASSIFICATIONS</b>            | <b>2018<br/>ACTUAL</b> | <b>2019<br/>BUDGET</b> | <b>2019<br/>REVISED</b> | <b>2020<br/>BUDGET</b> |
|-----------------------------------|------------------------|------------------------|-------------------------|------------------------|
| <i>Depreciation Total</i>         | \$ 37,868              | \$ 46,800              | \$ 61,220               | \$ 61,380              |
| <u>Other Financing Uses</u>       |                        |                        |                         |                        |
| 8511 Operating Transfers Out      | \$ 77,987              | \$ 197,320             | \$ 80,320               | \$ 199,730             |
| <i>Other Financing Uses Total</i> | \$ 77,987              | \$ 197,320             | \$ 80,320               | \$ 199,730             |
| <b>PENN LIQUOR STORE TOTAL</b>    | <b>\$ 2,035,129</b>    | <b>\$ 2,703,560</b>    | <b>\$ 2,390,310</b>     | <b>\$ 2,651,660</b>    |

**FUND:** LIQUOR OPERATIONS FUND  
**DEPARTMENT:** Liquor Operations  
**BUSINESS UNIT:** PENN LIQUOR STORE - 50030

**DIVISION PERSONNEL**

| CLASSIFICATIONS                    | SALARY<br>GRADE | NUMBER OF EMPLOYEES |                 |                |
|------------------------------------|-----------------|---------------------|-----------------|----------------|
|                                    |                 | 2019<br>ADOPTED     | 2019<br>REVISED | 2020<br>BUDGET |
| <u>Regular Full-Time Employees</u> |                 |                     |                 |                |
| Liquor Operation Director          | M-4             | .25                 | .25             | .25            |
| Liquor Store Manager               | M-L             | 1.00                | 1.00            | 1.00           |
| Liquor Account Clerk               | GS-3            | .25                 | .25             | .25            |
| <i>Total</i>                       |                 | <u>1.50</u>         | <u>1.50</u>     | <u>1.50</u>    |
| <u>Part-Time Employees</u>         |                 |                     |                 |                |
| Liquor Operations Shift Leader     | GS-2            | 1.00                | 1.00            | 1.00           |
| Liquor Operations Shift Leader     | GS-2            | 1.00                | 1.00            | 1.00           |
| <i>Total</i>                       |                 | <u>2.00</u>         | <u>2.00</u>     | <u>2.00</u>    |

**CAPITAL OUTLAY**

| ITEMS        | 2019<br>ADOPTED | 2019<br>REVISED | 2020<br>BUDGET |
|--------------|-----------------|-----------------|----------------|
| None         | \$ -            | \$ -            | \$ -           |
| <i>Total</i> | <u>\$ -</u>     | <u>\$ -</u>     | <u>\$ -</u>    |

**FUND: LIQUOR OPERATIONS FUND**  
**DEPARTMENT: Liquor Operations**  
**BUSINESS UNIT: WINE & SPIRITS - 50040**

**DETAIL REVENUES BY BUSINESS UNIT**

| <b>CLASSIFICATIONS</b>               | <b>2018<br/>ACTUAL</b>     | <b>2019<br/>BUDGET</b>     | <b>2019<br/>REVISED</b>    | <b>2020<br/>BUDGET</b>     |
|--------------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| <u>Liquor Sales</u>                  |                            |                            |                            |                            |
| 5005 Sales - Liquor                  | \$ 555,453                 | \$ 506,500                 | \$ 596,380                 | \$ 638,120                 |
| 5010 Sales - Wine                    | 314,886                    | 355,320                    | 387,480                    | 414,600                    |
| 5015 Sales - Beer                    | 588,619                    | 570,370                    | 623,330                    | 666,960                    |
| 5025 Sales - Cigarettes              | 35,022                     | 38,230                     | 37,060                     | 39,660                     |
| 5030 Sales - Food                    | 8,021                      | 7,640                      | 8,420                      | 9,010                      |
| 5035 Sales- Other                    | 29,521                     | 28,100                     | 32,000                     | 34,250                     |
| <i>Liquor Sales Total</i>            | <u>\$ 1,531,522</u>        | <u>\$ 1,506,160</u>        | <u>\$ 1,684,670</u>        | <u>\$ 1,802,600</u>        |
| <u>Other Income</u>                  |                            |                            |                            |                            |
| 8011 Investment Earnings             | \$ -                       | \$ 250                     | \$ -                       | \$ 250                     |
| 8032 Commissions                     | 3,155                      | 3,200                      | 3,200                      | 3,300                      |
| 8033 Cash/Over Short                 | (241)                      | 100                        | 100                        | 100                        |
| 8035 Other Miscellaneous Revenues    | 1,787                      | 1,700                      | 1,200                      | 1,300                      |
| 8040 Sales - Lottery Commissions     | 2,466                      | 3,120                      | 2,500                      | 2,600                      |
| <i>Other Income Total</i>            | <u>\$ 7,167</u>            | <u>\$ 8,370</u>            | <u>\$ 7,000</u>            | <u>\$ 7,550</u>            |
| <u>Other Financing Sources</u>       |                            |                            |                            |                            |
| 8051 Operating Transfers In          | \$ 35,000                  | \$ -                       | \$ -                       | \$ -                       |
| <i>Other Financing Sources Total</i> | <u>\$ 35,000</u>           | <u>\$ -</u>                | <u>\$ -</u>                | <u>\$ -</u>                |
| <b>WINE &amp; SPIRITS TOTAL</b>      | <u><u>\$ 1,573,689</u></u> | <u><u>\$ 1,514,530</u></u> | <u><u>\$ 1,691,670</u></u> | <u><u>\$ 1,810,150</u></u> |

**FUND: LIQUOR OPERATIONS FUND**  
**DEPARTMENT: Liquor Operations**  
**BUSINESS UNIT: WINE & SPIRITS - 50040**

**DETAIL EXPENDITURES BY BUSINESS UNIT**

| <b>CLASSIFICATIONS</b>                    | <b>2018<br/>ACTUAL</b> | <b>2019<br/>BUDGET</b> | <b>2019<br/>REVISED</b> | <b>2020<br/>BUDGET</b> |
|---|------------------------|------------------------|-------------------------|------------------------|
| <u>Costs of Goods Sold</u>                |                        |                        |                         |                        |
| 5510 Purchases for Resale                 | \$ 1,157,129           | \$ 1,131,960           | \$ 1,263,500            | \$ 1,351,950           |
| <i>Costs of Goods Sold Total</i>          | <u>\$ 1,157,129</u>    | <u>\$ 1,131,960</u>    | <u>\$ 1,263,500</u>     | <u>\$ 1,351,950</u>    |
| <u>Personal Services</u>                  |                        |                        |                         |                        |
| 6005 Full Time                            | \$ 83,562              | \$ 83,330              | \$ 86,950               | \$ 94,160              |
| 6006 Part-time                            | 65,108                 | 74,410                 | 67,060                  | 68,400                 |
| 6007 Seasonal                             | 38,695                 | 36,250                 | 40,630                  | 42,660                 |
| 6009 Overtime                             | 573                    | 400                    | 600                     | 620                    |
| 6013 Longevity                            | 469                    | 350                    | 360                     | 370                    |
| 6031 Employer Social Security             | 11,718                 | 12,120                 | 11,700                  | 12,370                 |
| 6032 Employer Medicare                    | 2,740                  | 28,350                 | 2,730                   | 2,890                  |
| 6033 Employer Pera                        | 6,029                  | 14,660                 | 12,400                  | 12,950                 |
| 6035 Medical Insurance                    | 26,082                 | 20,480                 | 27,660                  | 30,690                 |
| 6036 Dental Insurance                     | 797                    | 860                    | 860                     | 860                    |
| 6037 Term Life                            | 25                     | 50                     | 50                      | 50                     |
| 6038 Workers Compensation                 | 1,512                  | 1,530                  | 1,530                   | 1,450                  |
| 6040 Long Term Disability                 | 80                     | 90                     | 250                     | 300                    |
| 6051 Interdepartmental Labor              | 6,620                  | 3,200                  | 5,100                   | 5,300                  |
| <i>Personal Services Total</i>            | <u>\$ 244,010</u>      | <u>\$ 276,080</u>      | <u>\$ 257,880</u>       | <u>\$ 273,070</u>      |
| <u>Other Services &amp; Charges</u>       |                        |                        |                         |                        |
| 6103 Professional Services -General       | \$ 1,898               | \$ 1,950               | \$ 1,950                | \$ 2,100               |
| 6202 Data Processing Rental               | 9,760                  | -                      | 10,720                  | 11,570                 |
| 6205 Maintenance & Repairs                | 7,544                  | 2,800                  | 6,200                   | 6,400                  |
| 6207 Utility Services                     | 22,043                 | 21,500                 | 21,500                  | 22,000                 |
| 6301 Advertising & Publication            | 2,805                  | 2,000                  | 2,000                   | 2,200                  |
| 6302 Communications                       | 848                    | 850                    | 860                     | 880                    |
| 6303 Professional Development             | 8                      | 100                    | 100                     | 100                    |
| 6305 Subscriptions & Memberships          | 23                     | 20                     | 30                      | 30                     |
| 6307 Insurance & Bonds                    | 6,254                  | 6,400                  | 6,190                   | 6,370                  |
| 6308 Property Liability                   | 2,870                  | 2,960                  | 2,960                   | 3,050                  |
| 6310 Taxes & Licenses                     | 997                    | 1,000                  | 1,200                   | 1,250                  |
| 6315 Other Contractual Services           | 9,025                  | 4,650                  | 7,500                   | 7,550                  |
| 6401 Office Supplies                      | 635                    | 450                    | 450                     | 450                    |
| 6402 Copy Charges                         | 21                     | 40                     | 40                      | 40                     |
| 6409 Uniforms & Clothing                  | 817                    | -                      | 900                     | 920                    |
| 6414 Other Supplies                       | 11,382                 | 6,100                  | 6,100                   | 6,200                  |
| 6513 Other Charges                        | 24,992                 | 24,000                 | 25,500                  | 26,000                 |
| <i>Other Services &amp; Charges Total</i> | <u>\$ 101,922</u>      | <u>\$ 74,820</u>       | <u>\$ 94,200</u>        | <u>\$ 97,110</u>       |
| <u>Depreciation</u>                       |                        |                        |                         |                        |
| 6610 Depreciation                         | \$ 43,358              | \$ 18,000              | \$ 23,540               | \$ 23,610              |
| <i>Depreciation Total</i>                 | <u>\$ 43,358</u>       | <u>\$ 18,000</u>       | <u>\$ 23,540</u>        | <u>\$ 23,610</u>       |

**FUND: LIQUOR OPERATIONS FUND**  
**DEPARTMENT: Liquor Operations**  
**BUSINESS UNIT: WINE & SPIRITS - 50040**

**DETAIL EXPENDITURES BY BUSINESS UNIT**

| <b>CLASSIFICATIONS</b>            | <b>2018<br/>ACTUAL</b>     | <b>2019<br/>BUDGET</b>     | <b>2019<br/>REVISED</b>    | <b>2020<br/>BUDGET</b>     |
|-----------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| <u>Capital Outlay</u>             |                            |                            |                            |                            |
| 7230 Building Improvements        | \$ -                       | \$ -                       | \$ 150,000                 | \$ -                       |
| 7400 Machinery & Equipment        | -                          | -                          | 6,000                      | -                          |
| <i>Capital Outlay Total</i>       | <u>\$ -</u>                | <u>\$ -</u>                | <u>\$ 156,000</u>          | <u>\$ -</u>                |
| <u>Other Financing Uses</u>       |                            |                            |                            |                            |
| 8511 Operating Transfers Out      | \$ 29,991                  | \$ 75,890                  | \$ 30,890                  | \$ 76,820                  |
| <i>Other Financing Uses Total</i> | <u>\$ 29,991</u>           | <u>\$ 75,890</u>           | <u>\$ 30,890</u>           | <u>\$ 76,820</u>           |
| <b>WINE &amp; SPIRITS TOTAL</b>   | <u><u>\$ 1,576,410</u></u> | <u><u>\$ 1,576,750</u></u> | <u><u>\$ 1,826,010</u></u> | <u><u>\$ 1,822,560</u></u> |

**FUND: LIQUOR OPERATIONS FUND**  
**DEPARTMENT: Liquor Operations**  
**BUSINESS UNIT: WINE & SPIRITS - 50040**

**DIVISION PERSONNEL**

| CLASSIFICATIONS                    | SALARY<br>GRADE | NUMBER OF EMPLOYEES |                 |                |
|------------------------------------|-----------------|---------------------|-----------------|----------------|
|                                    |                 | 2019<br>ADOPTED     | 2019<br>REVISED | 2020<br>BUDGET |
| <u>Regular Full-Time Employees</u> |                 |                     |                 |                |
| Liquor Operation Director          | M-4             | .25                 | .25             | .25            |
| Liquor Store Manager               | M-L             | 1.00                | 1.00            | 1.00           |
| Liquor Account Clerk               | GS-3            | .25                 | .25             | .25            |
|                                    | <i>Total</i>    | <u>1.50</u>         | <u>1.50</u>     | <u>1.50</u>    |
| <u>Part-Time Employees</u>         |                 |                     |                 |                |
| Liquor Operations Shift Leader     | GS-2            | 1.00                | 1.00            | 1.00           |
| Liquor Operations Shift Leader     | GS-2            | 1.00                | 1.00            | 1.00           |
|                                    | <i>Total</i>    | <u>2.00</u>         | <u>2.00</u>     | <u>2.00</u>    |

**CAPITAL OUTLAY**

| ITEMS            | 2019<br>ADOPTED | 2019<br>REVISED | 2020<br>BUDGET    |
|------------------|-----------------|-----------------|-------------------|
| Roof Replacement | \$ -            | \$ 150,000      | \$ -              |
| Baler            | -               | 6,000           | -                 |
|                  | <i>Total</i>    | <u>\$ -</u>     | <u>\$ 156,000</u> |



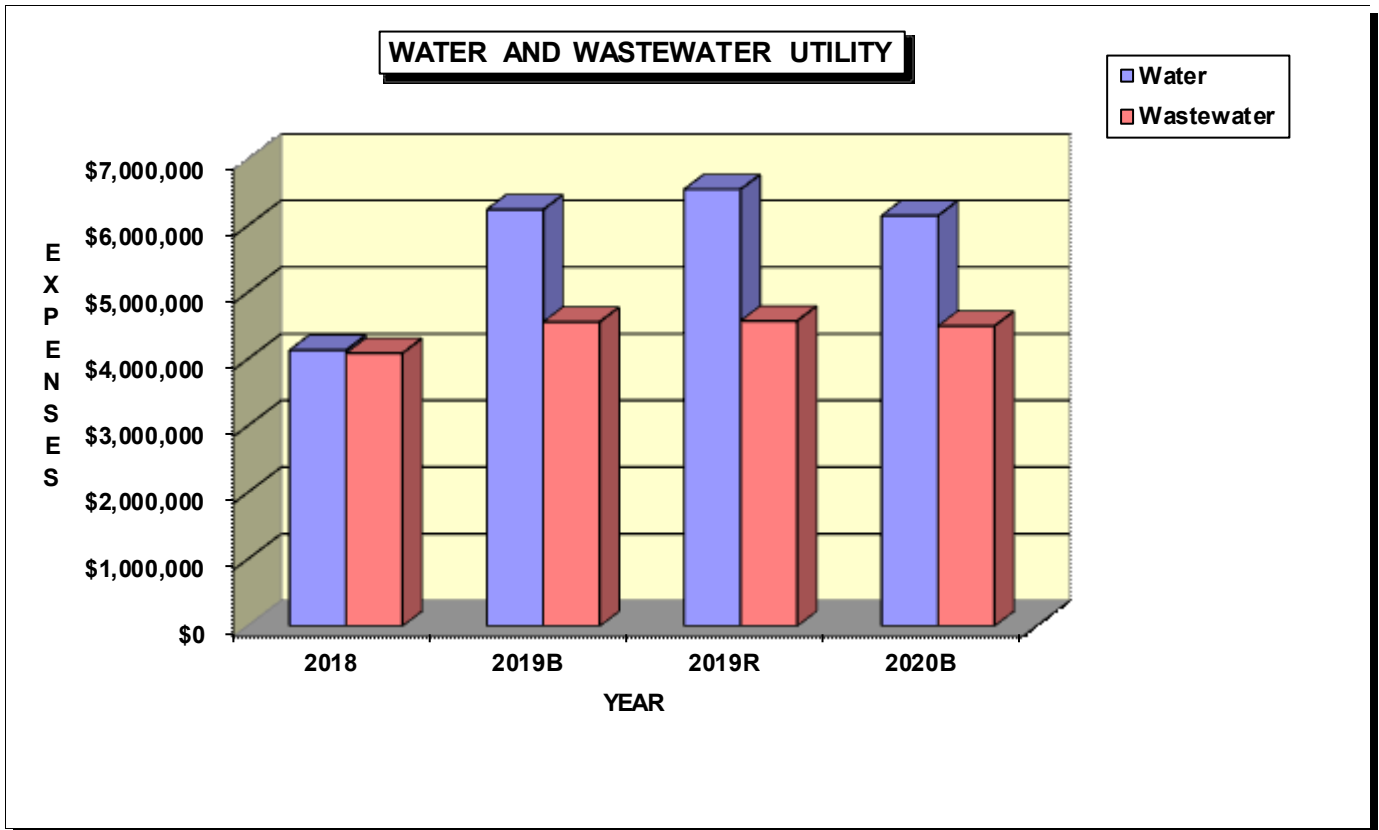
**FUND: WATER AND WASTEWATER UTILITIES**  
**DEPARTMENT: Public Works**

**DEPARTMENT SUMMARY BY BUSINESS UNIT**

| BUSINESS UNIT             | 2018<br>ACTUAL      | 2019<br>BUDGET       | 2019<br>REVISED      | 2020<br>BUDGET       | Increase/<br>(Decrease)<br>2019 Budget/<br>2020 Budget |
|---------------------------|---------------------|----------------------|----------------------|----------------------|--|
| 51000 WATER UTILITY       | \$ 4,137,350        | \$ 6,248,950         | \$ 6,549,270         | \$ 6,153,930         | (1.52%)  |
| 52000 WASTEWATER UTILITY  | 4,091,237           | 4,562,000            | 4,577,000            | 4,499,580            | (1.37%)  |
| <i>Public Works TOTAL</i> | <u>\$ 8,228,587</u> | <u>\$ 10,810,950</u> | <u>\$ 11,126,270</u> | <u>\$ 10,653,510</u> | (1.46%)  |

**REVENUES**

|                          |              |              |              |              |       |
|--------------------------|--------------|--------------|--------------|--------------|-------|
| 51000 WATER UTILITY      | \$ 5,232,631 | \$ 4,433,000 | \$ 4,458,000 | \$ 4,631,450 | 4.48% |
| 52000 WASTEWATER UTILITY | 5,188,605    | 4,781,210    | 4,792,710    | 4,940,250    | 3.33% |



**BUDGET SUMMARY  
WATER AND WASTEWATER FUND PROJECTION**

| <b><u>AVAILABLE FOR APPROPRIATION</u></b>  | <b>2018<br/>Actual</b> | <b>2019<br/>Revised</b> | <b>2020<br/>Budget</b> | <b>2021<br/>Projected</b> |
|--|------------------------|-------------------------|------------------------|---------------------------|
| <b><u>PRIOR YEAR RETAINED EARNINGS</u></b> | <b>\$ 15,647,182</b>   | <b>\$ 17,839,830</b>    | <b>\$ 18,921,340</b>   | <b>\$ 20,138,760</b>      |
| <b>Revenues</b>                            |                        |                         |                        |                           |
| <b>Charges for Service:</b>                |                        |                         |                        |                           |
| Water & Wastewater Usage                   | 8,648,729              | 9,083,460               | 9,402,450              | 9,684,520                 |
| <b>Miscellaneous Revenues</b>              |                        |                         |                        |                           |
| Interest                                   | 74,943                 | 52,000                  | 54,000                 | 56,000                    |
| Other Revenues                             | 109,828                | 115,250                 | 115,250                | 120,250                   |
| <b>Total Miscellaneous Revenues</b>        | <b>184,771</b>         | <b>167,250</b>          | <b>169,250</b>         | <b>176,250</b>            |
| <b>Total Revenues</b>                      | <b>8,833,500</b>       | <b>9,250,710</b>        | <b>9,571,700</b>       | <b>9,860,770</b>          |
| <b>Expenses</b>                            |                        |                         |                        |                           |
| Personal Services                          | 2,160,927              | 2,184,810               | 2,339,390              | 2,409,570                 |
| Other Services and Charges                 | 4,753,196              | 4,622,360               | 4,600,530              | 4,779,310                 |
| Interest                                   | 114,229                | 121,070                 | 196,590                | 169,800                   |
| <b>Total Operating Expenses</b>            | <b>7,028,352</b>       | <b>6,928,240</b>        | <b>7,136,510</b>       | <b>7,358,680</b>          |
| Net Income before Depreciation             | 1,805,148              | 2,322,470               | 2,435,190              | 2,502,090                 |
| <b><u>Depreciation</u></b>                 | <b>1,200,236</b>       | <b>1,240,960</b>        | <b>1,217,770</b>       | <b>1,254,300</b>          |
| Net Income (Loss)                          | 604,912                | 1,081,510               | 1,217,420              | 1,247,790                 |
| Capital Contributions                      | 1,587,736              | -                       | -                      | -                         |
| <b><u>RETAINED EARNINGS</u></b>            | <b>17,839,830</b>      | <b>18,921,340</b>       | <b>20,138,760</b>      | <b>21,386,550</b>         |
| <b><u>BOND PRINCIPAL *</u></b>             | <b>\$ -</b>            | <b>\$ 375,000</b>       | <b>\$ 390,000</b>      | <b>\$ 485,000</b>         |
| <b><u>INTERNAL LOAN PAYMENT*</u></b>       | <b>\$ -</b>            | <b>\$ 107,070</b>       | <b>\$ 109,230</b>      | <b>\$ -</b>               |
| <b><u>CAPITAL OUTLAY **</u></b>            | <b>\$ -</b>            | <b>\$ 2,475,000</b>     | <b>\$ 1,800,000</b>    | <b>\$ -</b>               |

\* Bonds and internal loans are not recorded as current expenses, but rather as adjustments to cash position.

\*\* Capital outlay expense is recorded as depreciation over the useful life of the fixed asset.

**BUDGET SUMMARY**  
**WATER AND WASTEWATER FUND PROJECTION**

| <b><u>CASH FLOW SUMMARY</u></b>     | <b><u>2018<br/>Actual</u></b> | <b><u>2019<br/>Revised</u></b> | <b><u>2020<br/>Budget</u></b> | <b><u>2021<br/>Projected</u></b> |
|-------------------------------------|-------------------------------|--------------------------------|-------------------------------|----------------------------------|
| <b><u>SOURCES OF CASH</u></b>       |                               |                                |                               |                                  |
| Total Revenues                      | \$ 8,833,500                  | \$ 9,250,710                   | \$ 9,571,700                  | \$ 9,860,770                     |
| Items not requiring cash:           |                               |                                |                               |                                  |
| Depreciation                        | 1,200,236                     | 1,240,960                      | 1,217,770                     | 1,254,300                        |
| Increase in Payables                | 9,859                         | -                              | -                             | -                                |
| <b>TOTAL SOURCES</b>                | <b><u>10,043,595</u></b>      | <b><u>10,491,670</u></b>       | <b><u>10,789,470</u></b>      | <b><u>11,115,070</u></b>         |
| <b><u>USES OF CASH</u></b>          |                               |                                |                               |                                  |
| Total Expenses                      | 8,114,359                     | 8,048,130                      | 8,157,690                     | 8,443,180                        |
| Increase in Receivables             | 151,125                       | -                              | -                             | -                                |
| Capital Outlay                      | 516,426                       | 2,475,000                      | 1,800,000                     | -                                |
| Interenal Loan Payments             | 317,461                       | 107,070                        | 109,230                       | -                                |
| Bond Principal Payments             | 370,000                       | 375,000                        | 390,000                       | 485,000                          |
| Interest Payments                   | 137,488                       | 121,070                        | 196,590                       | 169,800                          |
| <b>TOTAL USES</b>                   | <b><u>9,606,859</u></b>       | <b><u>11,126,270</u></b>       | <b><u>10,653,510</u></b>      | <b><u>9,097,980</u></b>          |
| NET INCREASE (DECREASE) IN CASH     | 436,736                       | (634,600)                      | 135,960                       | 2,017,090                        |
| CASH BALANCE - JANUARY 1            | <u>2,768,076</u>              | <u>3,204,812</u>               | <u>2,570,212</u>              | <u>2,706,172</u>                 |
| CASH BALANCE - DECEMBER 31          | <b><u>\$ 3,204,812</u></b>    | <b><u>\$ 2,570,212</u></b>     | <b><u>\$ 2,706,172</u></b>    | <b><u>\$ 4,723,262</u></b>       |
| <b><u>CASH TO BE AVAILABLE</u></b>  |                               |                                |                               |                                  |
| Current Assets - December 31        | \$ 5,955,324                  |                                |                               |                                  |
| Less: Current Liabilities - Dec. 31 | <u>794,564</u>                |                                |                               |                                  |
| <b>CASH TO BE AVAILABLE</b>         | <b><u>\$ 5,160,760</u></b>    |                                |                               |                                  |

**BUDGET SUMMARY  
WATER FUND PROJECTION**

| <u>AVAILABLE FOR APPROPRIATION</u>  | <u>2018<br/>Actual</u> | <u>2019<br/>Revised</u> | <u>2020<br/>Budget</u> | <u>2021<br/>Projected</u> |
|-------------------------------------|------------------------|-------------------------|------------------------|---------------------------|
| <u>PRIOR YEAR RETAINED EARNINGS</u> | \$ 11,804,831          | \$ 12,900,112           | \$ 13,380,912          | \$ 13,857,662             |
| <u>Revenues</u>                     |                        |                         |                        |                           |
| Water Usage                         | \$ 4,002,853           | \$ 4,301,500            | \$ 4,474,950           | \$ 4,609,200              |
| <u>Miscellaneous Revenues</u>       |                        |                         |                        |                           |
| Interest                            | 59,105                 | 42,000                  | 42,000                 | 43,000                    |
| Other Revenues                      | 99,301                 | 114,500                 | 114,500                | 119,500                   |
| Total Miscellaneous Revenues        | 158,406                | 156,500                 | 156,500                | 162,500                   |
| Total Revenues                      | 4,161,259              | 4,458,000               | 4,631,450              | 4,771,700                 |
| <u>Expenses</u>                     |                        |                         |                        |                           |
| Personal Services                   | 1,224,685              | 1,192,250               | 1,268,020              | 1,306,060                 |
| Other Services and Charges          | 1,758,751              | 1,611,750               | 1,703,260              | 1,745,840                 |
| Interest                            | 114,229                | 121,070                 | 154,620                | 134,700                   |
| Total Operating Expenses            | 3,097,665              | 2,925,070               | 3,125,900              | 3,186,600                 |
| Net Income before Depreciation      | 1,063,594              | 1,532,930               | 1,505,550              | 1,585,100                 |
| <u>Depreciation</u>                 | 1,039,685              | 1,052,130               | 1,028,800              | 1,059,670                 |
| Net Income (Loss)                   | 23,909                 | 480,800                 | 476,750                | 525,430                   |
| Capital Contributions               | 1,071,372              | -                       | -                      | -                         |
| <u>RETAINED EARNINGS</u>            | 12,900,112             | 13,380,912              | 13,857,662             | 14,383,092                |
| <u>BOND PRINCIPAL *</u>             | \$ -                   | \$ 375,000              | \$ 390,000             | \$ 445,000                |
| <u>INTERNAL LOAN PAYMENT*</u>       | \$ -                   | \$ 107,070              | \$ 109,230             | \$ -                      |
| <u>CAPITAL OUTLAY **</u>            | \$ -                   | \$ 2,090,000            | \$ 1,500,000           | \$ -                      |
| ***Water Revenue Bond Debt Coverage | 2.12                   | 3.09                    | 2.76                   | 2.73                      |

\* Bonds and internal loans are not recorded as current expenses, but rather as adjustments to cash position.

\*\* Capital outlay expense is recorded as depreciation over the useful life of the fixed asset.

\*\*\*Calculation excludes depreciation.

## **WATER UTILITY DIVISION**

### **MISSION STATEMENT**

The Public Works Department works hard to sustain and improve the quality of life for our community by offering the highest standards in essential municipal services and providing them in a timely, responsible and professional manner.

### **DIVISION FOCUS**

To provide dependable, quality, high-grade softened water to the City of Richfield. Water is supplied by operating a 14 million-gallon per day lime softening plant 24 hours a day, 365 days per year. The water is delivered to 10,820 services by a 116-mile piping system that ranges in size from 4 inches to 24 inches in diameter. The piping system services two towers that store 2.5 million gallons of water, 1,062 hydrants, and approximately 2,460 valves.

The division also produces the annual Consumer Confidence Report and distributes the report to all residents and businesses.

### **2019 HIGHLIGHTS**

- Completed the installation of water main replacement with the Lyndale Avenue reconstruction (City Council Goal 1a).
- Continued with nonintrusive (acoustic testing) water main inspection in order to gather information on the state of the City's water mains (City Council Goal 1a).
- Determined future emergency water interconnect(s) (City Council Goal 1a).
- Lined the 3 water main crossings under 35W & 65<sup>th</sup> Street (City Council Goal 1a).
- Started the Citywide water meter upgrade, ultimately enhancing the accuracy and efficiency of the water delivery service (City Council Goals 1a & 6a).
- Developed a plan for resilience of our water infrastructure (City Council Goals 1a & 6a).

### **2020 GOALS**

- Continue the Citywide water meter upgrade, ultimately enhancing the accuracy and efficiency of the water delivery service (City Council Goals 1a & 6a).
- Complete the planning for the City's emergency water interconnect project (City Council Goal 1a).
- Continue with nonintrusive (acoustic testing) water main inspection in order to gather information on the state of the City's water mains (City Council Goal 1a).
- Upgrade filter presses and the sludge tank mixers at the water treatment plant (City Council Goals 1a & 6a).

### **DIVISION EXPENDITURE COMMENT**

The 2019 Revised Budget reflects an increase of 4.8% from the 2019 Adopted Budget due to an increase in Professional Services (6103) for the emergency interconnect study and Machinery and Equipment (7400) for the water meter replacement project.

The 2020 Proposed Budget reflects a decrease of 1.5% from the 2019 Adopted Budget due to a decrease in capital outlay.

**FUND: WATER UTILITY**  
**DEPARTMENT: Public Works**  
**BUSINESS UNIT: WATER UTILITY - 51000**

**DETAIL REVENUES BY BUSINESS UNIT**

| <b>CLASSIFICATIONS</b>                  | <b>2018<br/>ACTUAL</b>     | <b>2019<br/>BUDGET</b>     | <b>2019<br/>REVISED</b>    | <b>2020<br/>BUDGET</b>     |
|---|----------------------------|----------------------------|----------------------------|----------------------------|
| <u>License &amp; permits</u>            |                            |                            |                            |                            |
| 4164 Water Permit                       | \$ 2,000                   | \$ 2,500                   | \$ 2,500                   | \$ 2,500                   |
| <i>License &amp; permits Total</i>      | <u>\$ 2,000</u>            | <u>\$ 2,500</u>            | <u>\$ 2,500</u>            | <u>\$ 2,500</u>            |
| <u>Intergovernmental Revenues</u>       |                            |                            |                            |                            |
| 4244 Grants Other                       | \$ 10,000                  | \$ -                       | \$ 10,000                  | \$ -                       |
| <i>Intergovernmental Revenues Total</i> | <u>\$ 10,000</u>           | <u>\$ -</u>                | <u>\$ 10,000</u>           | <u>\$ -</u>                |
| <u>Special Assessments</u>              |                            |                            |                            |                            |
| 4730 Special Assessments-Delinquent     | \$ 2,791                   | \$ -                       | \$ -                       | \$ -                       |
| 4740 Special Assessments-Penalty &      | 3,790                      | 4,500                      | 4,500                      | 4,500                      |
| <i>Special Assessments Total</i>        | <u>\$ 6,581</u>            | <u>\$ 4,500</u>            | <u>\$ 4,500</u>            | <u>\$ 4,500</u>            |
| <u>Utility Revenues</u>                 |                            |                            |                            |                            |
| 4812 Metered Water - Tax Exempt         | \$ 3,019,064               | \$ 3,469,000               | \$ 3,469,000               | \$ 3,642,450               |
| 4814 Metered Water                      | 502,741                    | 455,000                    | 455,000                    | 455,000                    |
| 4816 Water Service Charges              | 435,536                    | 350,000                    | 350,000                    | 350,000                    |
| 4818 Other Water Charges/Services       | 25,816                     | 12,500                     | 12,500                     | 12,500                     |
| 4848 Certification Fee                  | 11,115                     | 12,500                     | 12,500                     | 12,500                     |
| <i>Utility Revenues Total</i>           | <u>\$ 3,994,272</u>        | <u>\$ 4,299,000</u>        | <u>\$ 4,299,000</u>        | <u>\$ 4,472,450</u>        |
| <u>Other Income</u>                     |                            |                            |                            |                            |
| 8011 Investment Earnings                | \$ 59,105                  | \$ 42,000                  | \$ 42,000                  | \$ 42,000                  |
| 8031 Contributions & Donations          | 1,071,372                  | -                          | -                          | -                          |
| 8035 Other Miscellaneous Revenues       | 89,301                     | 85,000                     | 100,000                    | 110,000                    |
| <i>Other Income Total</i>               | <u>\$ 1,219,778</u>        | <u>\$ 127,000</u>          | <u>\$ 142,000</u>          | <u>\$ 152,000</u>          |
| <b>WATER UTILITY TOTAL</b>              | <u><u>\$ 5,232,631</u></u> | <u><u>\$ 4,433,000</u></u> | <u><u>\$ 4,458,000</u></u> | <u><u>\$ 4,631,450</u></u> |

**FUND: WATER UTILITY**  
**DEPARTMENT: Public Works**  
**BUSINESS UNIT: WATER UTILITY - 51000**

**DETAIL EXPENDITURES BY BUSINESS UNIT**

| <b>CLASSIFICATIONS</b>                    | <b>2018<br/>ACTUAL</b> | <b>2019<br/>BUDGET</b> | <b>2019<br/>REVISED</b> | <b>2020<br/>BUDGET</b> |
|---|------------------------|------------------------|-------------------------|------------------------|
| <u>Personal Services</u>                  |                        |                        |                         |                        |
| 6005 Full Time                            | \$ 678,779             | \$ 674,870             | \$ 667,960              | \$ 711,620             |
| 6006 Part-time                            | -                      | 5,630                  | -                       | -                      |
| 6007 Seasonal                             | 33,215                 | 16,440                 | 28,770                  | 29,630                 |
| 6009 Overtime                             | 30,832                 | 22,500                 | 22,500                  | 22,500                 |
| 6031 Employer Social Security             | 44,845                 | 44,800                 | 43,080                  | 45,820                 |
| 6032 Employer Medicare                    | 10,484                 | 9,760                  | 10,080                  | 10,710                 |
| 6033 Employer Pera                        | 96,967                 | 52,890                 | 50,860                  | 54,170                 |
| 6035 Medical Insurance                    | 102,117                | 112,260                | 104,860                 | 115,980                |
| 6036 Dental Insurance                     | 7,063                  | 7,330                  | 7,210                   | 7,230                  |
| 6037 Term Life                            | 207                    | 430                    | 400                     | 400                    |
| 6038 Workers Compensation                 | 27,276                 | 35,210                 | 35,210                  | 35,400                 |
| 6040 Long Term Disability                 | 1,308                  | 1,220                  | 1,340                   | 1,390                  |
| 6051 Interdepartmental Labor              | 23,672                 | 45,750                 | 47,000                  | 55,000                 |
| 6052 Administrative Charges               | 167,920                | 172,980                | 172,980                 | 178,170                |
| <i>Personal Services Total</i>            | <u>\$ 1,224,685</u>    | <u>\$ 1,202,070</u>    | <u>\$ 1,192,250</u>     | <u>\$ 1,268,020</u>    |
| <u>Other Services &amp; Charges</u>       |                        |                        |                         |                        |
| 6103 Professional Services -General       | \$ 233,491             | \$ 150,630             | \$ 173,950              | \$ 144,660             |
| 6201 Rents & Leases                       | -                      | 1,750                  | 1,750                   | 1,750                  |
| 6202 Data Processing Rental               | 46,140                 | 47,070                 | 47,450                  | 48,390                 |
| 6204 Motor Pool Operating Rental          | 33,970                 | 40,760                 | 40,760                  | 41,980                 |
| 6205 Maintenance & Repairs                | 526,122                | 288,500                | 308,500                 | 366,000                |
| 6207 Utility Services                     | 277,594                | 278,220                | 278,220                 | 290,000                |
| 6301 Advertising & Publication            | 208                    | 11,500                 | 11,500                  | 12,000                 |
| 6302 Communications                       | 10,596                 | 11,500                 | 11,500                  | 11,500                 |
| 6303 Professional Development             | 8,874                  | 7,250                  | 8,250                   | 9,250                  |
| 6305 Subscriptions & Memberships          | 4,025                  | 5,650                  | 5,650                   | 5,650                  |
| 6307 Insurance & Bonds                    | 36,786                 | 36,100                 | 36,760                  | 37,870                 |
| 6308 Property Liability                   | 30,640                 | 31,660                 | 31,660                  | 32,610                 |
| 6310 Taxes & Licenses                     | 12,654                 | 15,250                 | 15,250                  | 15,250                 |
| 6315 Other Contractual Services           | 5,030                  | 1,750                  | 1,750                   | 1,750                  |
| 6401 Office Supplies                      | 1,222                  | 12,000                 | 6,000                   | 6,000                  |
| 6402 Copy Charges                         | 430                    | 500                    | 500                     | 500                    |
| 6403 Postage                              | 1,124                  | 4,500                  | 3,000                   | 3,000                  |
| 6409 Uniforms & Clothing                  | 4,613                  | 4,900                  | 5,800                   | 5,800                  |
| 6410 Small Tools & Parts                  | 31,615                 | 72,000                 | 84,000                  | 97,000                 |
| 6412 Maint. & Const. Materials            | 51,000                 | 63,500                 | 63,500                  | 83,500                 |
| 6413 Chemicals                            | 409,254                | 423,700                | 400,300                 | 413,100                |
| 6414 Other Supplies                       | 8,434                  | 42,200                 | 43,700                  | 44,700                 |
| 6513 Other Charges                        | 24,929                 | 32,000                 | 32,000                  | 31,000                 |
| <i>Other Services &amp; Charges Total</i> | <u>\$ 1,758,751</u>    | <u>\$ 1,582,890</u>    | <u>\$ 1,611,750</u>     | <u>\$ 1,703,260</u>    |

**FUND: WATER UTILITY**  
**DEPARTMENT: Public Works**  
**BUSINESS UNIT: WATER UTILITY - 51000**

**DETAIL EXPENDITURES BY BUSINESS UNIT**

| <b>CLASSIFICATIONS</b>            | <b>2018<br/>ACTUAL</b>     | <b>2019<br/>BUDGET</b>     | <b>2019<br/>REVISED</b>    | <b>2020<br/>BUDGET</b>     |
|-----------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| <u>Depreciation</u>               |                            |                            |                            |                            |
| 6610 Depreciation                 | \$ 1,039,685               | \$ 1,010,000               | \$ 1,052,130               | \$ 1,028,800               |
| <i>Depreciation Total</i>         | <u>\$ 1,039,685</u>        | <u>\$ 1,010,000</u>        | <u>\$ 1,052,130</u>        | <u>\$ 1,028,800</u>        |
| <u>Capital Outlay</u>             |                            |                            |                            |                            |
| 7230 Building Improvements        | \$ -                       | \$ 22,500                  | \$ -                       | \$ -                       |
| 7400 Machinery & Equipment        | -                          | 1,775,000                  | 2,090,000                  | 1,500,000                  |
| <i>Capital Outlay Total</i>       | <u>\$ -</u>                | <u>\$ 1,797,500</u>        | <u>\$ 2,090,000</u>        | <u>\$ 1,500,000</u>        |
| <u>Other Financing Uses</u>       |                            |                            |                            |                            |
| 8511 Operating Transfers Out      | \$ -                       | \$ 50,000                  | \$ -                       | \$ -                       |
| 8521 Principal Payments           | -                          | 482,070                    | 482,070                    | 499,230                    |
| 8522 Interest Payments            | 113,004                    | 123,190                    | 119,840                    | 153,390                    |
| 8523 Paying Agent Fees            | 1,225                      | 1,230                      | 1,230                      | 1,230                      |
| <i>Other Financing Uses Total</i> | <u>\$ 114,229</u>          | <u>\$ 656,490</u>          | <u>\$ 603,140</u>          | <u>\$ 653,850</u>          |
| <b>WATER UTILITY TOTAL</b>        | <u><u>\$ 4,137,350</u></u> | <u><u>\$ 6,248,950</u></u> | <u><u>\$ 6,549,270</u></u> | <u><u>\$ 6,153,930</u></u> |



## Performance Measures

### Department/Division

### Public Works/Water Utility

|  | <u>Actual<br/>2017</u> | <u>Actual<br/>2018</u> | <u>Budget<br/>2019</u> | <u>Budget<br/>2020</u> |
|--|------------------------|------------------------|------------------------|------------------------|
| <b>Inputs:</b>   |                        |                        |                        |                        |
| Number of Full-Time Employees                            | 9.75                   | 10.05                  | 10.05                  | 10.05                  |
| Division Operating Revenues                              | \$ 3,700,106           | \$ 4,002,853           | \$ 4,301,500           | \$ 4,474,950           |
| Division Operating Expenses                              | \$ 3,712,176           | \$ 4,023,121           | \$ 3,856,130           | \$ 4,000,080           |
| <b>Outputs:</b>  |                        |                        |                        |                        |
| Total Miles of Water Mains                               | 120                    | 120                    | 116                    | 116                    |
| Water Pumped in Gallons                                  | 1,010,500,000          | 991,400,000            | 1,000,000,000          | 1,000,000,000          |
| Cost Per 1 Million Gallons Pumped                        | \$ 3,662               | \$ 4,038               | \$ 4,302               | \$ 4,475               |
| Annual Number of Water Main Breaks                       | 16                     | 15                     | 20                     | 20                     |
| Total Accumulative of Water Main<br>Replace/Rehab (feet) | 26,517                 | 34,517                 | 44,152                 | 54,000                 |
| % of System Replaced/Rehabbed                            | 4                      | 5                      | 7                      | 8.82                   |
| <b>Effectiveness Measures:</b>                           |                        |                        |                        |                        |
| Total Number of Service Requests                         | 949                    | 1,000                  | 1,465                  | 1,500                  |
| % of Missed Service Requests                             | 1.3%                   | 0.50%                  | 0.50%                  | 0%                     |
| Requests for Service Response Time                       |                        |                        |                        |                        |
| Percent Within 24 Hours                                  | 99.6%                  | 100%                   | 100%                   | 100%                   |
| Percent Within 12 Hours                                  | 99%                    | 99%                    | 98%                    | 100%                   |
| Total Number of Gopher State 1 Calls                     | 4,052                  | 4,735                  | 4,000                  | 4,000                  |
| % of Accuracy  | 99.8%                  | 99%                    | 100%                   | 100%                   |
| <b>Efficiency Measures:</b>                              |                        |                        |                        |                        |
| Average Cost per Main Break                              | \$ 6,500               | \$ 7,000               | \$ 8,000               | \$ 10,000              |
| Expenses per Capita                                      | \$ 101.58              | \$ 110.42              | \$ 105.83              | \$ 109.78              |

**FUND: WATER UTILITY**  
**DEPARTMENT: Public Works**  
**BUSINESS UNIT: WATER UTILITY - 51000**

**DIVISION PERSONNEL**

| CLASSIFICATIONS                    | SALARY<br>GRADE | NUMBER OF EMPLOYEES |                 |                |
|------------------------------------|-----------------|---------------------|-----------------|----------------|
|                                    |                 | 2019<br>ADOPTED     | 2019<br>REVISED | 2020<br>BUDGET |
| <u>Regular Full-Time Employees</u> |                 |                     |                 |                |
| Utility Superintendent             | M-3             | .50                 | .50             | .50            |
| Utility Supervisor                 | M-1             | .50                 | .50             | .50            |
| Utility Supervisor/Engineer        | M-2             | .35                 | .35             | .35            |
| Water Plant Operator               | LT-5            | 4.00                | 4.00            | 4.00           |
| Water Plant Mechanic               | LT-5            | 2.00                | 2.00            | 2.00           |
| Public Works Worker                | LT-1            | 2.00                | 2.00            | 2.00           |
| Utility Billing Clerk              | GS-3            | .40                 | .40             | .40            |
| GIS Analyst/IT Technician          | GS-5            | .15                 | .15             | .15            |
| Senior Office Assistant            | GS-2            | .15                 | .15             | .15            |
|                                    | <i>Total</i>    | <u>10.05</u>        | <u>10.05</u>    | <u>10.05</u>   |
| <u>Part-Time Employees</u>         |                 |                     |                 |                |
| Utility Billing Assistant          | SP-13           | -                   | .25             | .25            |
|                                    | <i>Total</i>    | <u>-</u>            | <u>.25</u>      | <u>.25</u>     |

**CAPITAL OUTLAY**

| ITEMS                           | 2019<br>ADOPTED | 2019<br>REVISED     | 2020<br>BUDGET      |
|---------------------------------|-----------------|---------------------|---------------------|
| Wellhouse security improvements | \$ 12,500       | \$ -                | \$ -                |
| Safety Improvements             | 10,000          | -                   | -                   |
| Water Meter Upgrade             | 1,025,000       | 1,340,000           | 1,340,000           |
| Emergency Interconnect          | 750,000         | -                   | -                   |
| 35W WM Crossings Lining         | -               | 750,000             | -                   |
| Sludge Mixer                    | -               | -                   | 90,000              |
| Filter Press Rehab              | -               | -                   | 70,000              |
|                                 | <i>Total</i>    | <u>\$ 1,797,500</u> | <u>\$ 2,090,000</u> |
|                                 |                 | <u>\$ 2,090,000</u> | <u>\$ 1,500,000</u> |

**G.O. WATER REVENUE BONDS, SERIES 2011A**  
**SCHEDULE OF DEBT SERVICE REQUIREMENTS**  
December 31, 2019

| <u>PAYMENT<br/>YEAR</u> | <u>PRINCIPAL</u>    | <u>INTEREST</u>   | <u>TOTAL</u>        | <u>UNPAID<br/>PRINCIPAL</u> |
|-------------------------|---------------------|-------------------|---------------------|-----------------------------|
|                         |                     |                   |                     | \$ 1,055,000                |
| 2020                    | \$ 65,000           | \$ 38,150         | \$ 103,150          | 990,000                     |
| 2021                    | 70,000              | 36,123            | 106,123             | 920,000                     |
| 2022                    | 70,000              | 33,952            | 103,952             | 850,000                     |
| 2023                    | 70,000              | 31,660            | 101,660             | 780,000                     |
| 2024                    | 75,000              | 29,159            | 104,159             | 705,000                     |
| 2025                    | 75,000              | 26,477            | 101,477             | 630,000                     |
| 2026                    | 80,000              | 23,610            | 103,610             | 550,000                     |
| 2027                    | 85,000              | 20,494            | 105,494             | 465,000                     |
| 2028                    | 85,000              | 17,221            | 102,221             | 380,000                     |
| 2029                    | 90,000              | 13,763            | 103,763             | 290,000                     |
| 2030                    | 95,000              | 10,016            | 105,016             | 195,000                     |
| 2031                    | 95,000              | 6,121             | 101,121             | 100,000                     |
| 2032                    | 100,000             | 2,075             | 102,075             | -                           |
|                         | <u>\$ 1,055,000</u> | <u>\$ 288,821</u> | <u>\$ 1,343,821</u> |                             |

**GENERAL OBLIGATION REFUNDING BONDS, SERIES 2015B**  
**SCHEDULE OF DEBT SERVICE REQUIREMENTS**  
**December 31, 2018**

| <u>PAYMENT<br/>YEAR</u> | <u>PRINCIPAL</u>    | <u>INTEREST</u>   | <u>TOTAL</u>        | <u>UNPAID<br/>PRINCIPAL</u> |
|-------------------------|---------------------|-------------------|---------------------|-----------------------------|
|                         |                     |                   |                     | \$ 2,895,000                |
| 2020                    | \$ 325,000          | \$ 70,280         | \$ 395,280          | 2,570,000                   |
| 2021                    | 335,000             | 60,375            | 395,375             | 2,235,000                   |
| 2022                    | 340,000             | 50,250            | 390,250             | 1,895,000                   |
| 2023                    | 355,000             | 39,825            | 394,825             | 1,540,000                   |
| 2024                    | 370,000             | 28,950            | 398,950             | 1,170,000                   |
| 2025                    | 380,000             | 19,600            | 399,600             | 790,000                     |
| 2026                    | 390,000             | 11,900            | 401,900             | 400,000                     |
| 2027                    | 400,000             | 4,000             | 404,000             | -                           |
|                         | <u>\$ 2,895,000</u> | <u>\$ 285,180</u> | <u>\$ 3,180,180</u> |                             |

**WATER GENERAL OBLIGATION BONDS, SERIES 2019A**  
**SCHEDULE OF DEBT SERVICE REQUIREMENTS**  
**DECEMBER 31, 2019**

| <b>PAYMENT<br/>YEAR</b> | <b>PRINCIPAL</b>    | <b>INTEREST</b>   | <b>TOTAL</b>        | <b>UNPAID<br/>PRINCIPAL</b> |
|-------------------------|---------------------|-------------------|---------------------|-----------------------------|
|                         |                     |                   |                     | \$ 1,175,000                |
| 2020                    | \$ -                | \$ 44,960         | \$ 44,960           | 1,175,000                   |
| 2021                    | 40,000              | 38,200            | 78,200              | 1,135,000                   |
| 2022                    | 40,000              | 36,600            | 76,600              | 1,095,000                   |
| 2023                    | 45,000              | 34,900            | 79,900              | 1,050,000                   |
| 2024                    | 45,000              | 33,100            | 78,100              | 1,005,000                   |
| 2025                    | 50,000              | 31,200            | 81,200              | 955,000                     |
| 2026                    | 50,000              | 29,200            | 79,200              | 905,000                     |
| 2027                    | 50,000              | 27,200            | 77,200              | 855,000                     |
| 2028                    | 55,000              | 25,100            | 80,100              | 800,000                     |
| 2029                    | 55,000              | 23,175            | 78,175              | 745,000                     |
| 2030                    | 60,000              | 21,450            | 81,450              | 685,000                     |
| 2031                    | 60,000              | 19,650            | 79,650              | 625,000                     |
| 2032                    | 60,000              | 17,850            | 77,850              | 565,000                     |
| 2033                    | 65,000              | 15,975            | 80,975              | 500,000                     |
| 2034                    | 65,000              | 14,025            | 79,025              | 435,000                     |
| 2035                    | 65,000              | 12,075            | 77,075              | 370,000                     |
| 2036                    | 70,000              | 10,050            | 80,050              | 300,000                     |
| 2037                    | 70,000              | 7,950             | 77,950              | 230,000                     |
| 2038                    | 75,000              | 5,775             | 80,775              | 155,000                     |
| 2039                    | 75,000              | 3,525             | 78,525              | 80,000                      |
| 2040                    | 80,000              | 1,200             | 81,200              | -                           |
|                         | <u>\$ 1,175,000</u> | <u>\$ 453,160</u> | <u>\$ 1,628,160</u> |                             |

**BUDGET SUMMARY**  
**WASTEWATER UTILITY FUND PROJECTION**

| <b><u>AVAILABLE FOR APPROPRIATION</u></b>  | <b>2018<br/>Actual</b> | <b>2019<br/>Revised</b> | <b>2020<br/>Budget</b> | <b>2021<br/>Projected</b> |
|--|------------------------|-------------------------|------------------------|---------------------------|
| <b><u>PRIOR YEAR RETAINED EARNINGS</u></b> | \$ 3,842,350           | \$ 4,939,718            | \$ 5,540,428           | \$ 6,281,098              |
| <b><u>Revenues</u></b>                     |                        |                         |                        |                           |
| Sewer Usage                                | 4,645,876              | 4,781,960               | 4,927,500              | 5,075,320                 |
| <b><u>Miscellaneous Revenues</u></b>       |                        |                         |                        |                           |
| Interest                                   | 15,838                 | 10,000                  | 12,000                 | 13,000                    |
| Other Revenues                             | 10,527                 | 750                     | 750                    | 750                       |
| Total Miscellaneous Revenues               | 26,365                 | 10,750                  | 12,750                 | 13,750                    |
| Total Revenues                             | 4,672,241              | 4,792,710               | 4,940,250              | 5,089,070                 |
| <b><u>Expenses</u></b>                     |                        |                         |                        |                           |
| Personal Services                          | 936,241                | 992,560                 | 1,071,370              | 1,103,510                 |
| Other Services and Charges                 | 2,994,445              | 3,010,610               | 2,897,270              | 3,033,470                 |
| Interest                                   | -                      | -                       | 41,970                 | 35,100                    |
| Operating Expenses                         | 3,930,686              | 4,003,170               | 4,010,610              | 4,172,080                 |
| Net Income before Depreciation             | 741,555                | 789,540                 | 929,640                | 916,990                   |
| Depreciation                               | 160,551                | 188,830                 | 188,970                | 194,640                   |
| Net Income (Loss)                          | 581,004                | 600,710                 | 740,670                | 722,350                   |
| Capital Contributions                      | 516,364                | -                       | -                      | -                         |
| <b><u>RETAINED EARNINGS</u></b>            | <b>4,939,718</b>       | <b>5,540,428</b>        | <b>6,281,098</b>       | <b>7,003,448</b>          |
| <b><u>BOND PRINCIPAL *</u></b>             | <b>\$ -</b>            | <b>\$ -</b>             | <b>\$ -</b>            | <b>\$ 40,000</b>          |
| <b><u>CAPITAL OUTLAY **</u></b>            | <b>\$ -</b>            | <b>\$ 385,000</b>       | <b>\$ 300,000</b>      | <b>\$ -</b>               |
| ***Wastewater Revenue Bond Coverage        | -                      | -                       | 22.15                  | 12.21                     |

\* Bonds are not recorded as current expenses, but rather as adjustments to cash position.

\*\* Capital outlay expense is recorded as depreciation over the useful life of the fixed asset.

\*\*\*Calculation excludes depreciation.

## **WASTEWATER UTILITY DIVISION**

### **MISSION STATEMENT**

The Public Works Department works hard to sustain and improve the quality of life for our community by offering the highest standards in essential municipal services and providing them in a timely, responsible and professional manner.

### **DIVISION FOCUS**

To provide the collection and responsible disposal of wastewater from the community with minimal inconvenience to residents and businesses.

The division focus is operation and maintenance of a 100-mile collection system consisting of pipe in diameter from 9 inches to 36 inches. This collection system serves approximately 10,820 services. This division also operates a series of 9 sanitary sewer lift stations that lift wastewater from low areas to a higher elevation where it flows by gravity to the Metropolitan Council Environmental Services (MCES) wastewater system.

### **2019 HIGHLIGHTS**

- Completed sanitary sewer system risk assessment (City Council Goal 1a).
- Completed the installation of the sanitary sewer main replacement as part of the Lyndale Avenue Reconstruction Project. On this project, the City removed dual sanitary lines and replaced with a single sanitary line (City Council Goals 1a & 1d).
- Completed the Lift Station #3 control panel replacement (City Council Goal 1a).
- Continued the sanitary sewer main lining (City Council Goals 1a & 6a).
- Continued to be aggressive with maintenance on the wastewater collection system by jetting/proofing the entire city on an annual basis, including televising and root sawing (City Council Goals 1a & 6a).
- Began creation of a Fats, Oils, and Grease (FOG) ordinance (City Council Goals 1a & 6a).

### **2020 GOALS**

- Install safety grates on lift station hatches (City Council Goals 1a, 6a & 6b).
- Continue the sanitary sewer main lining (City Council Goals 1a & 6a).
- Continue to be aggressive with maintenance on the wastewater collection system by jetting/proofing the entire City on an annual basis, including televising and root sawing (City Council Goals 1a & 6a).
- Update Inflow/Infiltration (I&I) ordinances in accordance with the Sanitary Sewer Comprehensive Plan (City Council Goals 1a & 1d).

- Implement the Fats, Oils, and Grease (FOG) ordinance (City Council Goals 1a & 6a).

### **DIVISION EXPENDITURE COMMENT**

The majority of the Wastewater Division expenditures are to the Metropolitan Council Environmental Services (MCES) which provides wastewater treatment services for the City of Richfield. The 2019 charge from MCES is \$2,681,944 which represents approximately 60% of the total wastewater budget, and the 2020 is \$2,550,771 which is also approximately 60% of the total budget. The decreasing MCES charge is a result of declining wastewater output, even while the MCES rates increase.

The 2019 Revised Budget reflects an increase of 0.3% from the 2019 Adopted Budget due to capital improvements.

The 2020 Proposed Budget reflects a decrease of 1.4% from the 2019 Adopted Budget. The decrease is due to declining MCES charges and professional service expenditures.



**FUND: WASTEWATER UTILITY**  
**DEPARTMENT: Public Works**  
**BUSINESS UNIT: WASTEWATER UTILITY - 52000**

**DETAIL REVENUES BY BUSINESS UNIT**

| <b>CLASSIFICATIONS</b>             | <b>2018<br/>ACTUAL</b>     | <b>2019<br/>BUDGET</b>     | <b>2019<br/>REVISED</b>    | <b>2020<br/>BUDGET</b>     |
|------------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| <u>License &amp; permits</u>       |                            |                            |                            |                            |
| 4162 Sewer Permit                  | \$ 12,580                  | \$ 8,500                   | \$ 10,500                  | \$ 10,500                  |
| <i>License &amp; permits Total</i> | <u>\$ 12,580</u>           | <u>\$ 8,500</u>            | <u>\$ 10,500</u>           | <u>\$ 10,500</u>           |
| <u>Utility Revenues</u>            |                            |                            |                            |                            |
| 4832 Sewer Charges                 | \$ 4,613,348               | \$ 4,754,460               | \$ 4,754,460               | \$ 4,900,000               |
| 4836 Other Sewer Charges/Services  | -                          | 500                        | 500                        | 500                        |
| 4838 Sewer Availability Charge     | 8,573                      | 4,000                      | 4,000                      | 4,000                      |
| 4848 Certification Fee             | 11,375                     | 12,500                     | 12,500                     | 12,500                     |
| <i>Utility Revenues Total</i>      | <u>\$ 4,633,296</u>        | <u>\$ 4,771,460</u>        | <u>\$ 4,771,460</u>        | <u>\$ 4,917,000</u>        |
| <u>Other Income</u>                |                            |                            |                            |                            |
| 8011 Investment Earnings           | \$ 15,838                  | \$ 500                     | \$ 10,000                  | \$ 12,000                  |
| 8031 Contributions & Donations     | 516,364                    | -                          | -                          | -                          |
| 8035 Other Miscellaneous Revenues  | 10,527                     | 750                        | 750                        | 750                        |
| <i>Other Income Total</i>          | <u>\$ 542,729</u>          | <u>\$ 1,250</u>            | <u>\$ 10,750</u>           | <u>\$ 12,750</u>           |
| <b>WASTEWATER UTILITY TOTAL</b>    | <u><u>\$ 5,188,605</u></u> | <u><u>\$ 4,781,210</u></u> | <u><u>\$ 4,792,710</u></u> | <u><u>\$ 4,940,250</u></u> |

**FUND: WASTEWATER UTILITY**  
**DEPARTMENT: Public Works**  
**BUSINESS UNIT: WASTEWATER UTILITY - 52000**

**DETAIL EXPENDITURES BY BUSINESS UNIT**

| <b>CLASSIFICATIONS</b>                    | <b>2018<br/>ACTUAL</b> | <b>2019<br/>BUDGET</b> | <b>2019<br/>REVISED</b> | <b>2020<br/>BUDGET</b> |
|---|------------------------|------------------------|-------------------------|------------------------|
| <u>Personal Services</u>                  |                        |                        |                         |                        |
| 6005 Full Time                            | \$ 505,188             | \$ 489,720             | \$ 521,040              | \$ 567,800             |
| 6006 Part-time                            | -                      | 5,630                  | -                       | -                      |
| 6007 Seasonal                             | 16,269                 | 17,540                 | 29,200                  | 30,080                 |
| 6009 Overtime                             | 21,341                 | 16,000                 | 16,000                  | 16,000                 |
| 6031 Employer Social Security             | 32,072                 | 30,750                 | 33,090                  | 35,870                 |
| 6032 Employer Medicare                    | 7,497                  | 7,130                  | 7,740                   | 8,390                  |
| 6033 Employer Pera                        | 51,428                 | 36,580                 | 39,850                  | 43,380                 |
| 6035 Medical Insurance                    | 93,565                 | 100,540                | 97,390                  | 106,710                |
| 6036 Dental Insurance                     | 5,248                  | 5,480                  | 5,770                   | 5,790                  |
| 6037 Term Life                            | 159                    | 330                    | 320                     | 320                    |
| 6038 Workers Compensation                 | 9,900                  | 10,850                 | 10,850                  | 12,800                 |
| 6040 Long Term Disability                 | 979                    | 900                    | 1,030                   | 1,060                  |
| 6051 Interdepartmental Labor              | 24,675                 | 57,200                 | 57,300                  | 65,000                 |
| 6052 Administrative Charges               | 167,920                | 172,980                | 172,980                 | 178,170                |
| <i>Personal Services Total</i>            | <u>\$ 936,241</u>      | <u>\$ 951,630</u>      | <u>\$ 992,560</u>       | <u>\$ 1,071,370</u>    |
| <u>Other Services &amp; Charges</u>       |                        |                        |                         |                        |
| 6103 Professional Services -General       | \$ 49,103              | \$ 109,000             | \$ 69,310               | \$ 65,520              |
| 6201 Rents & Leases                       | -                      | 1,000                  | 1,000                   | 1,000                  |
| 6202 Data Processing Rental               | 20,160                 | 20,520                 | 20,700                  | 21,100                 |
| 6204 Motor Pool Operating Rental          | 48,890                 | 58,680                 | 58,680                  | 60,440                 |
| 6205 Maintenance & Repairs                | 66,720                 | 58,000                 | 58,000                  | 68,000                 |
| 6207 Utility Services                     | 15,739                 | 19,000                 | 19,000                  | 19,000                 |
| 6301 Advertising & Publication            | 173                    | 100                    | 100                     | 100                    |
| 6302 Communications                       | 6,874                  | 8,000                  | 8,000                   | 8,000                  |
| 6303 Professional Development             | 6,824                  | 11,000                 | 8,000                   | 9,000                  |
| 6305 Subscriptions & Memberships          | -                      | 250                    | 250                     | 250                    |
| 6307 Insurance & Bonds                    | 8,834                  | 8,680                  | 8,980                   | 9,250                  |
| 6308 Property Liability                   | 6,120                  | 6,300                  | 6,300                   | 6,490                  |
| 6310 Taxes & Licenses                     | -                      | 200                    | 200                     | 200                    |
| 6315 Other Contractual Services           | 18,562                 | 12,860                 | 12,850                  | 12,850                 |
| 6401 Office Supplies                      | 116                    | 100                    | 100                     | 100                    |
| 6403 Postage                              | -                      | 100                    | 100                     | 100                    |
| 6409 Uniforms & Clothing                  | 4,003                  | 4,500                  | 4,500                   | 4,500                  |
| 6410 Small Tools & Parts                  | 7,990                  | 15,500                 | 15,500                  | 15,500                 |
| 6412 Maint. & Const. Materials            | 9,267                  | 33,000                 | 25,000                  | 33,000                 |
| 6414 Other Supplies                       | 3,066                  | 12,100                 | 12,100                  | 12,100                 |
| <i>Other Services &amp; Charges Total</i> | <u>\$ 272,441</u>      | <u>\$ 378,890</u>      | <u>\$ 328,670</u>       | <u>\$ 346,500</u>      |
| <u>MCES Charges</u>                       |                        |                        |                         |                        |
| 6601 MCES Charges                         | \$ 2,722,004           | \$ 2,681,950           | \$ 2,681,940            | \$ 2,550,770           |
| <i>MCES Charges Total</i>                 | <u>\$ 2,722,004</u>    | <u>\$ 2,681,950</u>    | <u>\$ 2,681,940</u>     | <u>\$ 2,550,770</u>    |

**FUND: WASTEWATER UTILITY**  
**DEPARTMENT: Public Works**  
**BUSINESS UNIT: WASTEWATER UTILITY - 52000**

**DETAIL EXPENDITURES BY BUSINESS UNIT**

| <b>CLASSIFICATIONS</b>            | <b>2018<br/>ACTUAL</b>     | <b>2019<br/>BUDGET</b>     | <b>2019<br/>REVISED</b>    | <b>2020<br/>BUDGET</b>     |
|-----------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| <u>Depreciation</u>               |                            |                            |                            |                            |
| 6610 Depreciation                 | \$ 160,551                 | \$ 179,530                 | \$ 188,830                 | \$ 188,970                 |
| <i>Depreciation Total</i>         | <u>\$ 160,551</u>          | <u>\$ 179,530</u>          | <u>\$ 188,830</u>          | <u>\$ 188,970</u>          |
| <u>Capital Outlay</u>             |                            |                            |                            |                            |
| 7230 Building Improvements        | \$ -                       | \$ 60,000                  | \$ -                       | \$ -                       |
| 7350 Other Improvements           | -                          | 200,000                    | 300,000                    | 300,000                    |
| 7400 Machinery & Equipment        | -                          | 60,000                     | 85,000                     | -                          |
| <i>Capital Outlay Total</i>       | <u>\$ -</u>                | <u>\$ 320,000</u>          | <u>\$ 385,000</u>          | <u>\$ 300,000</u>          |
| <u>Other Financing Uses</u>       |                            |                            |                            |                            |
| 8511 Operating Transfers Out      | \$ -                       | \$ 50,000                  | \$ -                       | \$ -                       |
| 8522 Interest Payments            | -                          | -                          | -                          | 41,390                     |
| 8523 Paying Agent Fees            | -                          | -                          | -                          | 580                        |
| <i>Other Financing Uses Total</i> | <u>\$ -</u>                | <u>\$ 50,000</u>           | <u>\$ -</u>                | <u>\$ 41,970</u>           |
| <b>WASTEWATER UTILITY TOTAL</b>   | <u><u>\$ 4,091,237</u></u> | <u><u>\$ 4,562,000</u></u> | <u><u>\$ 4,577,000</u></u> | <u><u>\$ 4,499,580</u></u> |

## Performance Measures

### Department/Division

### Public Works/Wastewater Utility

|  | <b>Actual<br/>2017</b> | <b>Actual<br/>2018</b> | <b>Budget<br/>2019</b> | <b>Budget<br/>2020</b> |
|--|------------------------|------------------------|------------------------|------------------------|
| <b>Inputs:</b>   |                        |                        |                        |                        |
| Number of Full-Time Employees                                  | 7.25                   | 7.55                   | 8.05                   | 8.05                   |
| Division Operating Revenues                                    | \$ 4,322,995           | \$ 4,645,876           | \$ 4,781,960           | \$ 4,927,500           |
| Division Operating Expenses                                    | \$ 4,096,027           | \$ 4,091,237           | \$ 4,192,000           | \$ 4,157,610           |
| <b>Outputs:</b>  |                        |                        |                        |                        |
| Total Miles of Sanitary Sewer Mains                            | 119                    | 119                    | 100                    | 100                    |
| Total Sanitary Flow in Gallons                                 | 1,075,996              | 1,124,080              | 1,061,160              | 951,460                |
| Accumulative Sanitary Main Lined/<br>Replaced (feet)           | 28,687                 | 41,924                 | 54,036                 | 59,036                 |
| % of System Replaced/Lined                                     | 5                      | 7                      | 10                     | 11                     |
| <b>Effectiveness Measures:</b>                                 |                        |                        |                        |                        |
| Request for Service Response Time<br>Percent Within 24 Hours   | 100%                   | 100%                   | 100%                   | 100%                   |
| Response Time for Emergency<br>Backup Requests (Checking Main) |                        |                        |                        |                        |
| Percent Within 1 Hour  | 95%                    | 99%                    | 99%                    | 99%                    |
| Percent Within 2 Hours   | 99%                    | 100%                   | 100%                   | 100%                   |
| Percent Within 3 Hours   | 100%                   | 100%                   | 100%                   | 100%                   |
| <b>Efficiency Measures:</b>                                    |                        |                        |                        |                        |
| Sanitary Sewer Back Ups<br>Caused by City Mains                | 0                      | 0                      | 0                      | 0                      |
| Expense Per Capita   | \$ 112.08              | \$ 112.29              | \$ 115.05              | \$ 114.11              |

**FUND: WASTEWATER UTILITY**  
**DEPARTMENT: Public Works**  
**BUSINESS UNIT: WASTEWATER UTILITY - 52000**

**DIVISION PERSONNEL**

| CLASSIFICATIONS                    | SALARY<br>GRADE | NUMBER OF EMPLOYEES |                 |                |
|------------------------------------|-----------------|---------------------|-----------------|----------------|
|                                    |                 | 2019<br>ADOPTED     | 2019<br>REVISED | 2020<br>BUDGET |
| <u>Regular Full-Time Employees</u> |                 |                     |                 |                |
| Utility Superintendent             | M-3             | .50                 | .50             | .50            |
| Utility Supervisor                 | M-1             | .50                 | .50             | .50            |
| Utility Supervisor/Engineer        | M-2             | .35                 | .35             | .35            |
| Public Works Worker                | LT-1            | 5.50                | 6.00            | 6.00           |
| Utility Billing Clerk              | GS-3            | .40                 | .40             | .40            |
| GIS Analyst/IT Technician          | GS-5            | .15                 | .15             | .15            |
| Senior Office Assistant            | GS-2            | .15                 | .15             | .15            |
|                                    | <i>Total</i>    | <u>7.55</u>         | <u>8.05</u>     | <u>8.05</u>    |
| <u>Part-Time Employees</u>         |                 |                     |                 |                |
| Utility Billing Clerk              | SP-13           | -                   | .25             | .25            |
|                                    | <i>Total</i>    | <u>-</u>            | <u>.25</u>      | <u>.25</u>     |

**CAPITAL OUTLAY**

| ITEMS                         | 2019<br>ADOPTED | 2019<br>REVISED   | 2020<br>BUDGET    |
|-------------------------------|-----------------|-------------------|-------------------|
| Woodlake Lift Station Upgrade | \$ 35,000       | \$ -              | \$ -              |
| Building Improvements         | 60,000          | -                 | -                 |
| Sewer Main Lining             | 200,000         | 300,000           | 300,000           |
| Lift #3 Control Panel         | 25,000          | 30,000            | -                 |
| Generator 100 Kw              | -               | 55,000            | -                 |
|                               | <i>Total</i>    | <u>\$ 320,000</u> | <u>\$ 300,000</u> |

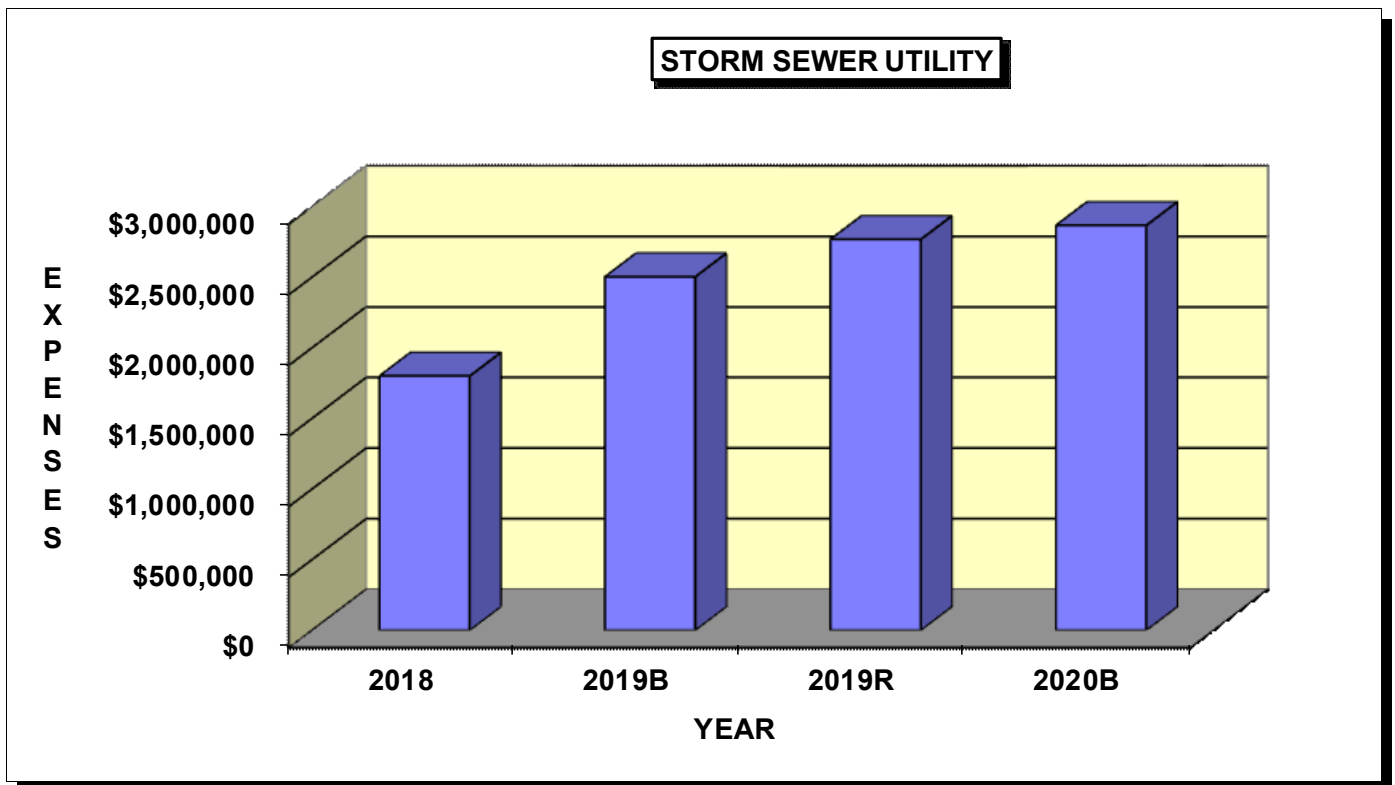
**SEWER GENERAL OBLIGATION BONDS, SERIES 2019A**  
**SCHEDULE OF DEBT SERVICE REQUIREMENTS**  
**DECEMBER 31, 2019**

| <b>PAYMENT<br/>YEAR</b> | <b>PRINCIPAL</b>    | <b>INTEREST</b>   | <b>TOTAL</b>        | <b>UNPAID<br/>PRINCIPAL</b> |
|-------------------------|---------------------|-------------------|---------------------|-----------------------------|
|                         |                     |                   |                     | \$ 1,080,000                |
| 2020                    | \$ -                | \$ 41,390         | \$ 41,390           | 1,080,000                   |
| 2021                    | 40,000              | 35,100            | 75,100              | 1,040,000                   |
| 2022                    | 40,000              | 33,500            | 73,500              | 1,000,000                   |
| 2023                    | 40,000              | 31,900            | 71,900              | 960,000                     |
| 2024                    | 40,000              | 30,300            | 70,300              | 920,000                     |
| 2025                    | 45,000              | 28,600            | 73,600              | 875,000                     |
| 2026                    | 45,000              | 26,800            | 71,800              | 830,000                     |
| 2027                    | 50,000              | 24,900            | 74,900              | 780,000                     |
| 2028                    | 50,000              | 22,900            | 72,900              | 730,000                     |
| 2029                    | 50,000              | 21,150            | 71,150              | 680,000                     |
| 2030                    | 55,000              | 19,575            | 74,575              | 625,000                     |
| 2031                    | 55,000              | 17,925            | 72,925              | 570,000                     |
| 2032                    | 55,000              | 16,275            | 71,275              | 515,000                     |
| 2033                    | 60,000              | 14,550            | 74,550              | 455,000                     |
| 2034                    | 60,000              | 12,750            | 72,750              | 395,000                     |
| 2035                    | 60,000              | 10,950            | 70,950              | 335,000                     |
| 2036                    | 65,000              | 9,075             | 74,075              | 270,000                     |
| 2037                    | 65,000              | 7,125             | 72,125              | 205,000                     |
| 2038                    | 65,000              | 5,175             | 70,175              | 140,000                     |
| 2039                    | 70,000              | 3,150             | 73,150              | 70,000                      |
| 2040                    | 70,000              | 1,050             | 71,050              | -                           |
|                         | <u>\$ 1,080,000</u> | <u>\$ 414,140</u> | <u>\$ 1,494,140</u> |                             |

FUND: STORMWATER UTILITY  
 DEPARTMENT: Public Works

**DEPARTMENT SUMMARY BY BUSINESS UNIT**

| BUSINESS UNIT             | 2018<br>ACTUAL      | 2019<br>BUDGET      | 2019<br>REVISED     | 2020<br>BUDGET      | Increase/<br>(Decrease)<br>2019 Budget/<br>2020 Budget |
|---------------------------|---------------------|---------------------|---------------------|---------------------|--|
| 53000 STORMWATER UTILITY  | \$ 1,800,398        | \$ 2,502,390        | \$ 2,767,040        | \$ 2,866,100        | 14.53%   |
| <i>Public Works TOTAL</i> | <u>\$ 1,800,398</u> | <u>\$ 2,502,390</u> | <u>\$ 2,767,040</u> | <u>\$ 2,866,100</u> | 14.53%   |
| <b>REVENUES</b>           |                     |                     |                     |                     |  |
| 53000 STORMWATER UTILITY  | \$ 3,347,665        | \$ 1,791,920        | \$ 1,804,420        | \$ 1,917,130        | 6.99%  |



**BUDGET SUMMARY**  
**STORMWATER UTILITY FUND PROJECTION**

| <b><u>AVAILABLE FOR APPROPRIATION</u></b>  | <b>2018</b><br><b><u>Actual</u></b> | <b>2019</b><br><b><u>Revised</u></b> | <b>2020</b><br><b><u>Budget</u></b> | <b>2021</b><br><b><u>Projected</u></b> |
|--|-------------------------------------|--------------------------------------|-------------------------------------|--|
| <b><u>PRIOR YEAR RETAINED EARNINGS</u></b> | \$ 6,205,893                        | \$ 7,753,160                         | \$ 7,465,540                        | \$ 7,096,570                           |
| <b><u>Revenues</u></b>                     |                                     |                                      |                                     |  |
| Storm Sewer Usage                          | 1,768,394                           | 1,617,010                            | 1,727,230                           | 1,779,050                              |
| Miscellaneous Revenues                     | <u>209,858</u>                      | <u>187,410</u>                       | <u>189,900</u>                      | <u>206,350</u>                         |
| Total Revenues                             | <u>1,978,252</u>                    | <u>1,804,420</u>                     | <u>1,917,130</u>                    | <u>1,985,400</u>                       |
| <b><u>Expenses</u></b>                     |                                     |                                      |                                     |  |
| Personal Services                          | 375,240                             | 393,270                              | 403,860                             | 415,980                                |
| Other Services and Charges                 | 585,199                             | 866,430                              | 1,034,290                           | 1,065,320                              |
| Interest                                   | <u>142,567</u>                      | <u>151,520</u>                       | <u>171,310</u>                      | <u>156,500</u>                         |
| Total Operating Expenses                   | <u>1,103,006</u>                    | <u>1,411,220</u>                     | <u>1,609,460</u>                    | <u>1,637,800</u>                       |
| Net Income before Depreciation             | 875,246                             | 393,200                              | 307,670                             | 347,600                                |
| <b><u>Depreciation</u></b>                 | <u>604,129</u>                      | <u>680,820</u>                       | <u>676,640</u>                      | <u>696,940</u>                         |
| Net Income (Loss)                          | 271,117                             | (287,620)                            | (368,970)                           | (349,340)                              |
| Capital Contributions                      | 1,369,413                           | -                                    | -                                   | -                                      |
| Special Item                               | <u>(93,263)</u>                     | <u>-</u>                             | <u>-</u>                            | <u>-</u>                               |
| <b><u>RETAINED EARNINGS</u></b>            | <u>7,753,160</u>                    | <u>7,465,540</u>                     | <u>7,096,570</u>                    | <u>6,747,230</u>                       |
| <b><u>BOND PRINCIPAL *</u></b>             | <u>\$ -</u>                         | <u>\$ 375,000</u>                    | <u>\$ 380,000</u>                   | <u>\$ 420,000</u>                      |
| <b><u>CAPITAL OUTLAY **</u></b>            | <u>\$ -</u>                         | <u>\$ 300,000</u>                    | <u>\$ 200,000</u>                   | <u>\$ -</u>                            |
| ***Stormwater Revenue Bond Coverage        | <u>1.67</u>                         | <u>0.75</u>                          | <u>0.56</u>                         | <u>0.60</u>                            |

\* Bonds are not recorded as current expenses, but rather as adjustments to the cash position.

\*\* Capital outlay expense is recorded as depreciation over the useful life of the fixed asset.

\*\*\*Calculation excludes depreciation.



**BUDGET SUMMARY  
STORMWATER UTILITY FUND PROJECTION**

| <b><u>CASH FLOW SUMMARY</u></b>     | <b>2018<br/>Actual</b>     | <b>2019<br/>Revised</b> | <b>2020<br/>Budget</b>  | <b>2021<br/>Projected</b> |
|-------------------------------------|----------------------------|-------------------------|-------------------------|---------------------------|
| <b><u>SOURCES OF CASH</u></b>       |                            |                         |                         |                           |
| Total Revenues                      | \$ 1,978,252               | \$ 1,804,420            | \$ 1,917,130            | \$ 1,985,400              |
| Items not requiring cash:           |                            |                         |                         |                           |
| Depreciation                        | 604,129                    | 680,820                 | 676,640                 | 696,940                   |
| <b>TOTAL SOURCES</b>                | <b>2,582,381</b>           | <b>2,485,240</b>        | <b>2,593,770</b>        | <b>2,682,340</b>          |
| <b><u>USES OF CASH</u></b>          |                            |                         |                         |                           |
| Total Expenses                      | 1,564,568                  | 1,940,520               | 2,114,790               | 2,178,240                 |
| Increase in Receivables             | 16,379                     | -                       | -                       | -                         |
| Decrease in Payables                | 73                         | -                       | -                       | -                         |
| Capital Outlay                      | 70,650                     | 300,000                 | 200,000                 | -                         |
| Bond Principal Payment              | 365,000                    | 375,000                 | 380,000                 | 420,000                   |
| Interest Payments                   | 161,394                    | 151,520                 | 171,310                 | 156,500                   |
| <b>TOTAL USES</b>                   | <b>2,178,064</b>           | <b>2,767,040</b>        | <b>2,866,100</b>        | <b>2,754,740</b>          |
| <br>NET INCREASE (DECREASE) IN CASH | <br>404,317                | <br>(281,800)           | <br>(272,330)           | <br>(72,400)              |
| <br>CASH BALANCE - JANUARY 1        | <br>1,994,498              | <br>2,398,815           | <br>2,117,015           | <br>1,844,685             |
| <br>CASH BALANCE - DECEMBER 31      | <br><u>\$ 2,398,815</u>    | <br><u>\$ 2,117,015</u> | <br><u>\$ 1,844,685</u> | <br><u>\$ 1,772,285</u>   |
| <b><u>CASH TO BE AVAILABLE</u></b>  |                            |                         |                         |                           |
| Current Assets - December 31        | \$ 2,772,029               |                         |                         |                           |
| Less: Current Liabilities - Dec. 31 | 654,536                    |                         |                         |                           |
| <b>CASH TO BE AVAILABLE</b>         | <b><u>\$ 2,117,493</u></b> |                         |                         |                           |

## **STORM WATER UTILITY DIVISION**

### **MISSION STATEMENT**

The Public Works Department works hard to sustain and improve the quality of life for our community by offering the highest standards in essential municipal services and providing them in a timely, responsible and professional manner.

### **DIVISION FOCUS**

To provide flood protection and environmentally responsible treatment of storm water for the City of Richfield, as well as community outreach to residents and businesses on the impacts they have on the quality of ponds, lakes, and streams.

The Division's mission is achieved by City of Richfield staff and contractors, who perform the following functions:

- Responsibly maintaining Municipal Separate Storm Sewer Systems (MS4) permit from the Minnesota Pollution Control Agency (MPCA) for the operations of the City's storm water discharge program;
- Active education and outreach activities;
- Maintaining and operating ten storm water lift stations;
- Contracting with the Street Division for the sweeping of streets to remove silt, organic matter, and phosphorus;
- Water quality monitoring;
- Operating and maintaining a flocculation treatment system for the removal of phosphorus to fulfill watershed reduction requirements; and
- Improving the flood protection of property by upgrading the storm water system as opportunities arise.

### **2019 HIGHLIGHTS**

- Continued storm system condition assessment (City Council Goals 1a & 1d).
- Continued storm system manhole structure assessment and rehabilitation (City Council Goal 1a).
- Completed city wide water quality monitoring (City Council Goal 6a).
- Completed pond survey in preparation for dredging project (City Council Goals 1a & 1d).

- Began targeted storm system improvements based on hydraulic/hydrologic model and Storm System Risk Assessment (City Council Goal 1d).

### **2020 GOALS**

- Continue storm system condition assessment (City Council Goal 1d).
- Continue storm system manhole structure assessment and rehabilitation (City Council Goal 1a).
- Investigate opportunities for water quality improvements based on results of water quality model (City Council Goals 1d & 6a).
- Begin dredging of storm ponds (City Council Goals 1a & 1d).
- Continue targeted storm system improvements based on hydraulic/hydrologic model and Storm System Risk Assessment (City Council Goal 1d).

### **DIVISION EXPENDITURE COMMENT**

The 2019 Revised Budget reflects an increase of 1.3% from the 2019 Adopted Budget. This slight decrease is due to reductions in maintenance and repair and interest costs.

The 2020 Proposed Budget reflects an increase from the 2019 Adopted Budget of 2.27%. This increase is a result of the planned increase in maintenance and repair costs for pond dredging and infrastructure improvements.

**FUND: STORMWATER UTILITY**  
**DEPARTMENT: Public Works**  
**BUSINESS UNIT: STORMWATER UTILITY - 53000**

**DETAIL REVENUES BY BUSINESS UNIT**

| <b>CLASSIFICATIONS</b>                  | <b>2018<br/>ACTUAL</b>     | <b>2019<br/>BUDGET</b>     | <b>2019<br/>REVISED</b>    | <b>2020<br/>BUDGET</b>     |
|---|----------------------------|----------------------------|----------------------------|----------------------------|
| <u>Intergovernmental Revenues</u>       |                            |                            |                            |                            |
| 4290 Other Local Grants                 | \$ 2,112                   | \$ -                       | \$ -                       | \$ -                       |
| <i>Intergovernmental Revenues Total</i> | <u>\$ 2,112</u>            | <u>\$ -</u>                | <u>\$ -</u>                | <u>\$ -</u>                |
| <u>Utility Revenues</u>                 |                            |                            |                            |                            |
| 4848 Certification Fee                  | \$ 2,326                   | \$ 2,500                   | \$ 2,500                   | \$ 2,500                   |
| 4852 Storm Drainage Fee                 | 1,646,908                  | 1,574,510                  | 1,574,510                  | 1,684,730                  |
| 4854 Storm Drainage Service Charges     | 117,048                    | 40,000                     | 40,000                     | 40,000                     |
| <i>Utility Revenues Total</i>           | <u>\$ 1,766,282</u>        | <u>\$ 1,617,010</u>        | <u>\$ 1,617,010</u>        | <u>\$ 1,727,230</u>        |
| <u>Other Income</u>                     |                            |                            |                            |                            |
| 8011 Investment Earnings                | \$ 33,202                  | \$ 2,500                   | \$ 15,000                  | \$ 20,000                  |
| 8031 Contributions & Donations          | 1,369,413                  | -                          | -                          | -                          |
| 8035 Other Miscellaneous Revenues       | 176,656                    | 172,410                    | 172,410                    | 169,900                    |
| <i>Other Income Total</i>               | <u>\$ 1,579,271</u>        | <u>\$ 174,910</u>          | <u>\$ 187,410</u>          | <u>\$ 189,900</u>          |
| <b>STORMWATER UTILITY TOTAL</b>         | <u><u>\$ 3,347,665</u></u> | <u><u>\$ 1,791,920</u></u> | <u><u>\$ 1,804,420</u></u> | <u><u>\$ 1,917,130</u></u> |

**FUND: STORMWATER UTILITY**  
**DEPARTMENT: Public Works**  
**BUSINESS UNIT: STORMWATER UTILITY - 53000**

**DETAIL EXPENDITURES BY BUSINESS UNIT**

| <b>CLASSIFICATIONS</b>                    | <b>2018<br/>ACTUAL</b> | <b>2019<br/>BUDGET</b> | <b>2019<br/>REVISED</b> | <b>2020<br/>BUDGET</b> |
|---|------------------------|------------------------|-------------------------|------------------------|
| <u>Personal Services</u>                  |                        |                        |                         |                        |
| 6005 Full Time                            | \$ 59,431              | \$ 54,190              | \$ 53,790               | \$ 58,410              |
| 6031 Employer Social Security             | 4,046                  | 3,330                  | 3,330                   | 3,620                  |
| 6032 Employer Medicare                    | 943                    | 780                    | 780                     | 850                    |
| 6033 Employer Pera                        | 4,587                  | 4,030                  | 4,040                   | 4,380                  |
| 6035 Medical Insurance                    | 9,317                  | 7,480                  | 7,460                   | 8,300                  |
| 6036 Dental Insurance                     | 666                    | 500                    | 520                     | 530                    |
| 6037 Term Life                            | 20                     | 30                     | 30                      | 30                     |
| 6038 Workers Compensation                 | 1,884                  | 2,140                  | 2,140                   | 1,980                  |
| 6040 Long Term Disability                 | 121                    | 80                     | 80                      | 80                     |
| 6051 Interdepartmental Labor              | 210,615                | 234,970                | 234,970                 | 236,970                |
| 6052 Administrative Charges               | 83,610                 | 86,130                 | 86,130                  | 88,710                 |
| <i>Personal Services Total</i>            | <u>\$ 375,240</u>      | <u>\$ 393,660</u>      | <u>\$ 393,270</u>       | <u>\$ 403,860</u>      |
| <u>Other Services &amp; Charges</u>       |                        |                        |                         |                        |
| 6103 Professional Services -General       | \$ 303,659             | \$ 196,030             | \$ 227,910              | \$ 188,720             |
| 6201 Rents & Leases                       | -                      | 5,500                  | 5,500                   | 5,500                  |
| 6202 Data Processing Rental               | 11,030                 | 11,230                 | 11,320                  | 11,540                 |
| 6204 Motor Pool Operating Rental          | 109,490                | 114,900                | 114,900                 | 118,350                |
| 6205 Maintenance & Repairs                | 156,156                | 411,750                | 367,250                 | 570,250                |
| 6207 Utility Services                     | 17,214                 | 28,200                 | 28,200                  | 28,200                 |
| 6301 Advertising & Publication            | 2,479                  | 2,700                  | 2,700                   | 2,700                  |
| 6302 Communications                       | 522                    | 1,600                  | 1,600                   | 1,600                  |
| 6303 Professional Development             | -                      | 1,880                  | 1,880                   | 1,880                  |
| 6305 Subscriptions & Memberships          | 1,805                  | 3,800                  | 4,800                   | 4,800                  |
| 6307 Insurance & Bonds                    | 1,994                  | 1,960                  | 2,220                   | 2,290                  |
| 6308 Property Liability                   | 1,090                  | 1,120                  | 1,120                   | 1,150                  |
| 6310 Taxes & Licenses                     | 1,305                  | 3,000                  | 3,000                   | 3,000                  |
| 6315 Other Contractual Services           | 50,867                 | 46,620                 | 46,620                  | 46,900                 |
| 6401 Office Supplies                      | 181                    | 150                    | 150                     | 150                    |
| 6402 Copy Charges                         | -                      | 150                    | 150                     | 150                    |
| 6403 Postage                              | -                      | 50                     | 50                      | 50                     |
| 6410 Small Tools & Parts                  | 166                    | 4,500                  | 4,500                   | 4,500                  |
| 6412 Maint. & Const. Materials            | 4,328                  | 16,310                 | 16,310                  | 16,310                 |
| 6413 Chemicals                            | 15,671                 | 30,000                 | 25,000                  | 25,000                 |
| 6414 Other Supplies                       | 505                    | 1,250                  | 1,250                   | 1,250                  |
| <i>Other Services &amp; Charges Total</i> | <u>\$ 678,462</u>      | <u>\$ 882,700</u>      | <u>\$ 866,430</u>       | <u>\$ 1,034,290</u>    |
| <u>Depreciation</u>                       |                        |                        |                         |                        |
| 6610 Depreciation                         | \$ 604,129             | \$ 649,510             | \$ 680,820              | \$ 676,640             |
| <i>Depreciation Total</i>                 | <u>\$ 604,129</u>      | <u>\$ 649,510</u>      | <u>\$ 680,820</u>       | <u>\$ 676,640</u>      |
| <u>Capital Outlay</u>                     |                        |                        |                         |                        |
| 7350 Other Improvements                   | \$ -                   | \$ -                   | \$ 100,000              | \$ 200,000             |

**FUND: STORMWATER UTILITY**  
**DEPARTMENT: Public Works**  
**BUSINESS UNIT: STORMWATER UTILITY - 53000**

**DETAIL EXPENDITURES BY BUSINESS UNIT**

| <b>CLASSIFICATIONS</b>            | <b>2018<br/>ACTUAL</b>     | <b>2019<br/>BUDGET</b>     | <b>2019<br/>REVISED</b>    | <b>2020<br/>BUDGET</b>     |
|-----------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| 7400 Machinery & Equipment        | -                          | -                          | 200,000                    | -                          |
| <i>Capital Outlay Total</i>       | <u>\$ -</u>                | <u>\$ -</u>                | <u>\$ 300,000</u>          | <u>\$ 200,000</u>          |
| <u>Other Financing Uses</u>       |                            |                            |                            |                            |
| 8511 Operating Transfers Out      | \$ -                       | \$ 50,000                  | \$ -                       | \$ -                       |
| 8521 Principal Payments           | -                          | 375,000                    | 375,000                    | 380,000                    |
| 8522 Interest Payments            | 141,042                    | 150,020                    | 150,020                    | 169,810                    |
| 8523 Paying Agent Fees            | 1,525                      | 1,500                      | 1,500                      | 1,500                      |
| <i>Other Financing Uses Total</i> | <u>\$ 142,567</u>          | <u>\$ 576,520</u>          | <u>\$ 526,520</u>          | <u>\$ 551,310</u>          |
| <b>STORMWATER UTILITY TOTAL</b>   | <u><u>\$ 1,800,398</u></u> | <u><u>\$ 2,502,390</u></u> | <u><u>\$ 2,767,040</u></u> | <u><u>\$ 2,866,100</u></u> |

## Performance Measures

### Department/Division

### Public Works/Stormwater Utility

|   | <b>Actual<br/>2017</b> | <b>Actual<br/>2018</b> | <b>Budget<br/>2019</b> | <b>Budget<br/>2020</b> |
|---|------------------------|------------------------|------------------------|------------------------|
| <b>Inputs:</b>  |                        |                        |                        |                        |
| Number of Full-Time Employees                                     | 1.00                   | 1.20                   | 0.70                   | 0.70                   |
| Division Operating Revenues                                       | \$ 1,495,191           | \$ 1,768,394           | \$ 1,617,010           | \$ 1,727,230           |
| Division Operating Expenses                                       | \$ 1,462,700           | \$ 1,564,568           | \$ 1,940,520           | \$ 2,114,790           |
| <b>Outputs:</b>   |                        |                        |                        |                        |
| Total Miles of Roadway  | 120                    | 120                    | 120                    | 120                    |
| Frequency of Street Sweeping<br>Annually                          | 6                      | 6                      | 6                      | 6                      |
| Total Miles of Storm Water Main                                   | 60                     | 60                     | 60                     | 60                     |
| Total Miles of Main Inspected/Cleaned                             | 0                      | 20                     | 20                     | 20                     |
| <b>Effectiveness Measures:</b>                                    |                        |                        |                        |                        |
| Annual Pounds of TP Removed<br>from Sweeping Activities           | 9.1                    | 9.1                    | 9.1                    | 9.1                    |
| Annual Pounds of TP Removed<br>from Infiltration and Floc Systems | 22.3                   | 39.8                   | 70.0                   | 70.0                   |
| <b>Efficiency Measures:</b>                                       |                        |                        |                        |                        |
| Total Cost for Street Sweeping                                    | \$ 30,332              | \$ 49,787              | \$ 35,000              | \$ 35,000              |
| Total cost for Infiltration/Floc                                  | \$ 78,922              | \$ 102,692             | \$ 106,000             | \$ 79,000              |
| Cost per Pound of TP Removed                                      | \$ 3,479               | \$ 3,120               | \$ 1,783               | \$ 1,441               |
| Expense per Capita  | \$ 40.03               | \$ 42.94               | \$ 53.26               | \$ 58.04               |

**FUND: STORMWATER UTILITY**  
**DEPARTMENT: Public Works**  
**BUSINESS UNIT: STORMWATER UTILITY - 53000**

**DIVISION PERSONNEL**

| CLASSIFICATIONS                    | SALARY<br>GRADE | NUMBER OF EMPLOYEES |                 |                |
|------------------------------------|-----------------|---------------------|-----------------|----------------|
|                                    |                 | 2019<br>ADOPTED     | 2019<br>REVISED | 2020<br>BUDGET |
| <u>Regular Full-Time Employees</u> |                 |                     |                 |                |
| Utility Supervisor/Engineer        | M-2             | .30                 | .30             | .30            |
| Public Works Worker                | LT-1            | .50                 | -               | -              |
| Utility Billing Clerk              | GS-3            | .20                 | .20             | .20            |
| GIS Analyst/IT Technician          | GS-5            | .20                 | .20             | .20            |
|                                    | <i>Total</i>    | <u>1.20</u>         | <u>.70</u>      | <u>.70</u>     |

**CAPITAL OUTLAY**

| ITEMS                   | 2019<br>ADOPTED | 2019<br>REVISED   | 2020<br>BUDGET    |
|-------------------------|-----------------|-------------------|-------------------|
| Manhole Structure Rehab | \$ -            | \$ 100,000        | \$ 100,000        |
| Storm Mains Rehab       | -               | -                 | 100,000           |
| Sweeper                 | 200,000         | 200,000           | -                 |
|                         | <i>Total</i>    | <u>\$ 200,000</u> | <u>\$ 300,000</u> |
|                         |                 | <u>\$ 300,000</u> | <u>\$ 200,000</u> |



**STORM SEWER REVENUE BONDS, SERIES 2013B**  
**SCHEDULE OF DEBT SERVICE REQUIREMENTS**  
**DECEMBER 31, 2019**

| <u>PAYMENT<br/>YEAR</u> | <u>PRINCIPAL</u>    | <u>INTEREST</u>   | <u>TOTAL</u>        | <u>UNPAID<br/>PRINCIPAL</u> |
|-------------------------|---------------------|-------------------|---------------------|-----------------------------|
|                         |                     |                   |                     | \$ 2,030,000                |
| 2020                    | \$ 125,000          | \$ 44,905         | \$ 169,905          | 1,905,000                   |
| 2021                    | 130,000             | 42,355            | 172,355             | 1,775,000                   |
| 2022                    | 130,000             | 39,755            | 169,755             | 1,645,000                   |
| 2023                    | 135,000             | 37,105            | 172,105             | 1,510,000                   |
| 2024                    | 135,000             | 34,405            | 169,405             | 1,375,000                   |
| 2025                    | 140,000             | 31,655            | 171,655             | 1,235,000                   |
| 2026                    | 140,000             | 28,750            | 168,750             | 1,095,000                   |
| 2027                    | 145,000             | 25,686            | 170,686             | 950,000                     |
| 2028                    | 150,000             | 22,365            | 172,365             | 800,000                     |
| 2029                    | 150,000             | 18,840            | 168,840             | 650,000                     |
| 2030                    | 155,000             | 15,101            | 170,101             | 495,000                     |
| 2031                    | 160,000             | 11,085            | 171,085             | 335,000                     |
| 2032                    | 165,000             | 6,818             | 171,818             | 170,000                     |
| 2033                    | 170,000             | 2,295             | 172,295             | -                           |
|                         | <u>\$ 2,030,000</u> | <u>\$ 361,120</u> | <u>\$ 2,391,120</u> |                             |

**GENERAL OBLIGATION REFUNDING BONDS, SERIES 2015B**  
**SCHEDULE OF DEBT SERVICE REQUIREMENTS**  
**DECEMBER 31, 2019**

| <u>PAYMENT<br/>YEAR</u> | <u>PRINCIPAL</u>    | <u>INTEREST</u>   | <u>TOTAL</u>        | <u>UNPAID<br/>PRINCIPAL</u> |
|-------------------------|---------------------|-------------------|---------------------|-----------------------------|
|                         |                     |                   |                     | \$ 1,210,000                |
| 2020                    | \$ 135,000          | \$ 29,425         | \$ 164,425          | 1,075,000                   |
| 2021                    | 140,000             | 25,300            | 165,300             | 935,000                     |
| 2022                    | 145,000             | 21,025            | 166,025             | 790,000                     |
| 2023                    | 150,000             | 16,600            | 166,600             | 640,000                     |
| 2024                    | 155,000             | 12,025            | 167,025             | 485,000                     |
| 2025                    | 160,000             | 8,100             | 168,100             | 325,000                     |
| 2026                    | 160,000             | 4,900             | 164,900             | 165,000                     |
| 2027                    | 165,000             | 1,650             | 166,650             | -                           |
|                         | <u>\$ 1,210,000</u> | <u>\$ 119,025</u> | <u>\$ 1,329,025</u> |                             |

**STORM SEWER REVENUE BONDS, SERIES 2016A**  
**SCHEDULE OF DEBT SERVICE REQUIREMENTS**  
**DECEMBER 31, 2019**

| <u>PAYMENT<br/>YEAR</u> | <u>PRINCIPAL</u>    | <u>INTEREST</u>   | <u>TOTAL</u>        | <u>UNPAID<br/>PRINCIPAL</u> |
|-------------------------|---------------------|-------------------|---------------------|-----------------------------|
|                         |                     |                   |                     | \$ 2,735,000                |
| 2020                    | \$ 120,000          | \$ 65,620         | \$ 185,620          | 2,615,000                   |
| 2021                    | 125,000             | 61,940            | 186,940             | 2,490,000                   |
| 2022                    | 130,000             | 58,115            | 188,115             | 2,360,000                   |
| 2023                    | 130,000             | 54,215            | 184,215             | 2,230,000                   |
| 2024                    | 135,000             | 50,240            | 185,240             | 2,095,000                   |
| 2025                    | 140,000             | 46,115            | 186,115             | 1,955,000                   |
| 2026                    | 145,000             | 42,565            | 187,565             | 1,810,000                   |
| 2027                    | 150,000             | 39,615            | 189,615             | 1,660,000                   |
| 2028                    | 150,000             | 36,615            | 186,615             | 1,510,000                   |
| 2029                    | 155,000             | 33,565            | 188,565             | 1,355,000                   |
| 2030                    | 155,000             | 30,465            | 185,465             | 1,200,000                   |
| 2031                    | 160,000             | 27,235            | 187,235             | 1,040,000                   |
| 2032                    | 165,000             | 23,740            | 188,740             | 875,000                     |
| 2033                    | 165,000             | 20,028            | 185,028             | 710,000                     |
| 2034                    | 170,000             | 16,090            | 186,090             | 540,000                     |
| 2035                    | 175,000             | 11,863            | 186,863             | 365,000                     |
| 2036                    | 180,000             | 7,335             | 187,335             | 185,000                     |
| 2037                    | 185,000             | 2,497             | 187,497             | -                           |
|                         | <u>\$ 2,735,000</u> | <u>\$ 627,858</u> | <u>\$ 3,362,858</u> |                             |

**STORM SEWER GENERAL OBLIGATION BONDS, SERIES 2019A**  
**SCHEDULE OF DEBT SERVICE REQUIREMENTS**  
**DECEMBER 31, 2019**

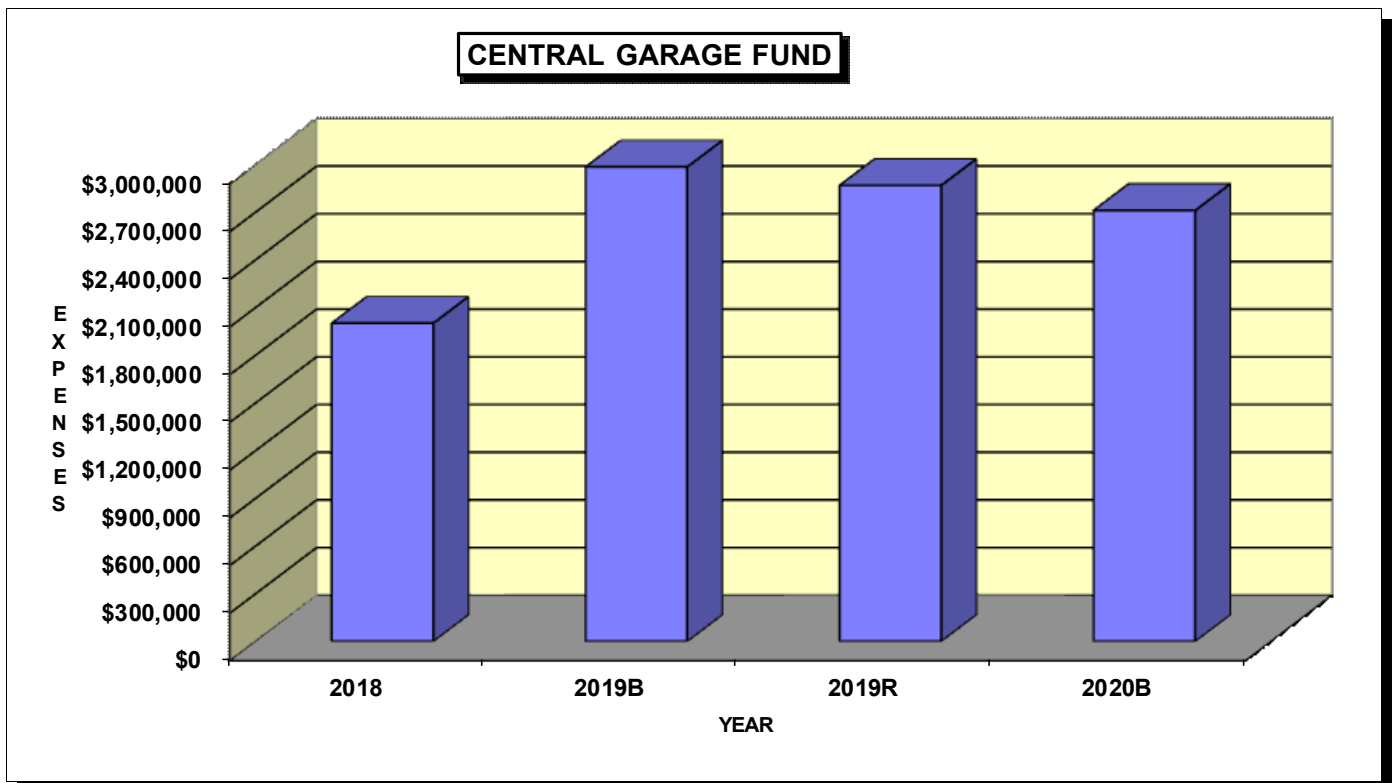
| <b>PAYMENT<br/>YEAR</b> | <b>PRINCIPAL</b>  | <b>INTEREST</b>   | <b>TOTAL</b>        | <b>UNPAID<br/>PRINCIPAL</b> |
|-------------------------|-------------------|-------------------|---------------------|-----------------------------|
|                         |                   |                   |                     | \$ 780,000                  |
| 2020                    | \$ -              | \$ 29,860         | \$ 29,860           | 780,000                     |
| 2021                    | 25,000            | 25,400            | 50,400              | 755,000                     |
| 2022                    | 30,000            | 24,300            | 54,300              | 725,000                     |
| 2023                    | 30,000            | 23,100            | 53,100              | 695,000                     |
| 2024                    | 30,000            | 21,900            | 51,900              | 665,000                     |
| 2025                    | 30,000            | 20,700            | 50,700              | 635,000                     |
| 2026                    | 35,000            | 19,400            | 54,400              | 600,000                     |
| 2027                    | 35,000            | 18,000            | 53,000              | 565,000                     |
| 2028                    | 35,000            | 16,600            | 51,600              | 530,000                     |
| 2029                    | 40,000            | 15,300            | 55,300              | 490,000                     |
| 2030                    | 40,000            | 14,100            | 54,100              | 450,000                     |
| 2031                    | 40,000            | 12,900            | 52,900              | 410,000                     |
| 2032                    | 40,000            | 11,700            | 51,700              | 370,000                     |
| 2033                    | 40,000            | 10,500            | 50,500              | 330,000                     |
| 2034                    | 45,000            | 9,225             | 54,225              | 285,000                     |
| 2035                    | 45,000            | 7,875             | 52,875              | 240,000                     |
| 2036                    | 45,000            | 6,525             | 51,525              | 195,000                     |
| 2037                    | 45,000            | 5,175             | 50,175              | 150,000                     |
| 2038                    | 50,000            | 3,750             | 53,750              | 100,000                     |
| 2039                    | 50,000            | 2,250             | 52,250              | 50,000                      |
| 2040                    | 50,000            | 750               | 50,750              | -                           |
|                         | <u>\$ 780,000</u> | <u>\$ 299,310</u> | <u>\$ 1,079,310</u> |                             |



**FUND:** CENTRAL GARAGE  
**DEPARTMENT:** Public Works

**DEPARTMENT SUMMARY BY BUSINESS UNIT**

| BUSINESS UNIT             | 2018<br>ACTUAL      | 2019<br>BUDGET      | 2019<br>REVISED     | 2020<br>BUDGET      | Increase/<br>(Decrease)<br>2019 Budget/<br>2020 Budget |
|---------------------------|---------------------|---------------------|---------------------|---------------------|--|
| 61000 CENTRAL GARAGE      | \$ 2,000,854        | \$ 2,983,850        | \$ 2,867,480        | \$ 2,710,100        | (9.17%)  |
| <i>Public Works TOTAL</i> | <u>\$ 2,000,854</u> | <u>\$ 2,983,850</u> | <u>\$ 2,867,480</u> | <u>\$ 2,710,100</u> | (9.17%)  |
| <b>REVENUES</b>           |                     |                     |                     |                     |  |
| 61000 CENTRAL GARAGE      | \$ 2,011,653        | \$ 2,186,970        | \$ 2,194,950        | \$ 2,248,010        | 2.79%  |



**BUDGET SUMMARY  
CENTRAL GARAGE FUND PROJECTION**

| <b><u>AVAILABLE FOR APPROPRIATION</u></b>  | <b><u>2018<br/>Actual</u></b> | <b><u>2019<br/>Revised</u></b> | <b><u>2020<br/>Budget</u></b> | <b><u>2021<br/>Projected</u></b> |
|--|-------------------------------|--------------------------------|-------------------------------|----------------------------------|
| <b><u>PRIOR YEAR RETAINED EARNINGS</u></b> | \$ 4,635,414                  | \$ 4,646,213                   | \$ 4,948,413                  | \$ 5,366,323                     |
| <b><u>Revenues</u></b>                     |                               |                                |                               |                                  |
| Charges for Service:                       |                               |                                |                               |                                  |
| Equipment Rental                           | 1,192,520                     | 1,272,570                      | 1,310,010                     | 1,349,308                        |
| <b><u>Miscellaneous Revenues</u></b>       |                               |                                |                               |                                  |
| Interest                                   | 19,561                        | 10,500                         | 11,000                        | 12,000                           |
| Other Revenues                             | 144,572                       | 46,880                         | 47,000                        | 50,000                           |
| Total Misc. Revenues                       | 164,133                       | 57,380                         | 58,000                        | 62,000                           |
| Total Revenues                             | 1,356,653                     | 1,329,950                      | 1,368,010                     | 1,411,308                        |
| <b><u>Expenses</u></b>                     |                               |                                |                               |                                  |
| Personal Services                          | 412,873                       | 395,950                        | 413,060                       | 425,450                          |
| Other Services and Charges                 | 854,113                       | 893,630                        | 915,030                       | 942,486                          |
| Operating Expenses                         | 1,266,986                     | 1,289,580                      | 1,328,090                     | 1,367,936                        |
| Net Income before Depreciation             | 89,667                        | 40,370                         | 39,920                        | 43,373                           |
| Depreciation                               | 733,868                       | 603,170                        | 502,010                       | 517,070                          |
| Net Income (Loss)                          | (644,201)                     | (562,800)                      | (462,090)                     | (473,698)                        |
| Operating Transfers From (To)              |                               |                                |                               |                                  |
| Capital Projects Funds                     | 655,000                       | 865,000                        | 880,000                       | 690,000                          |
|  | 655,000                       | 865,000                        | 880,000                       | 690,000                          |
| <b><u>RETAINED EARNINGS</u></b>            | 4,646,213                     | 4,948,413                      | 5,366,323                     | 5,582,625                        |
| <b><u>CAPITAL OUTLAY</u></b>               | \$ -                          | \$ 974,730                     | \$ 880,000                    | \$ -                             |

\* Capital outlay expense is recorded as depreciation over the useful life of the fixed asset.

**BUDGET SUMMARY  
CENTRAL GARAGE FUND PROJECTION**

| <b><u>CASH FLOW SUMMARY</u></b>               | <b>2018<br/>Actual</b>     | <b>2019<br/>Revised</b>    | <b>2020<br/>Budget</b>     | <b>2021<br/>Projected</b>  |
|---|----------------------------|----------------------------|----------------------------|----------------------------|
| <b><u>SOURCES OF CASH</u></b>                 |                            |                            |                            |                            |
| Total Revenues                                | \$ 1,300,528               | \$ 1,329,950               | \$ 1,368,010               | \$ 1,411,308               |
| Items not requiring cash -                    |                            |                            |                            |                            |
| Depreciation                                  | 733,868                    | 603,170                    | 502,010                    | 517,070                    |
| Decrease in Receivables                       | 14,691                     |                            |                            |                            |
| Increase in Payables                          | 71,499                     | -                          | -                          | -                          |
| Transfer in                                   | 655,000                    | 865,000                    | 880,000                    | 690,000                    |
| <b>TOTAL SOURCES</b>                          | <b><u>2,775,586</u></b>    | <b><u>2,798,120</u></b>    | <b><u>2,750,020</u></b>    | <b><u>2,618,379</u></b>    |
| <b><u>USES OF CASH</u></b>                    |                            |                            |                            |                            |
| Total Expenses                                | 2,000,854                  | 1,892,750                  | 1,830,100                  | 1,885,006                  |
| Capital Outlay                                | 582,619                    | 974,730                    | 880,000                    | -                          |
| <b>TOTAL USES</b>                             | <b><u>2,583,473</u></b>    | <b><u>2,867,480</u></b>    | <b><u>2,710,100</u></b>    | <b><u>1,885,006</u></b>    |
| <b><u>NET INCREASE (DECREASE) IN CASH</u></b> | 192,113                    | (69,360)                   | 39,920                     | 733,373                    |
| <b><u>CASH BALANCE - JANUARY 1</u></b>        | <b><u>1,414,647</u></b>    | <b><u>1,606,760</u></b>    | <b><u>1,537,400</u></b>    | <b><u>1,577,320</u></b>    |
| <b><u>CASH BALANCE - DECEMBER 31</u></b>      | <b><u>\$ 1,606,760</u></b> | <b><u>\$ 1,537,400</u></b> | <b><u>\$ 1,577,320</u></b> | <b><u>\$ 2,310,693</u></b> |
| <b><u>CASH TO BE AVAILABLE</u></b>            |                            |                            |                            |                            |
| Current assets - December 31                  | \$ 1,606,760               |                            |                            |                            |
| Less: Current liabilities - December 31       | 140,018                    |                            |                            |                            |
| <b>Cash To Be Available</b>                   | <b><u>\$ 1,466,742</u></b> |                            |                            |                            |



## **CENTRAL GARAGE DIVISION**

### **MISSION STATEMENT**

The Public Works Department works hard to sustain and improve the quality of life for our community by offering the highest standards in essential municipal services and providing them in a timely, responsible and professional manner.

### **DIVISION FOCUS**

To procure, maintain, repair and replace all motor vehicles, heavy equipment and attachments used by the City. To also provide quality, durable equipment for all divisions and maintain that equipment so that it performs 24 hours a day, seven days a week, and is always able to respond to emergencies as needed.

Staff maintains 141 motorized pieces of equipment and another 52 non-motorized pieces of equipment.

### **2019 HIGHLIGHTS**

- Installation of a 40kW solar system on top of the garage building (City Council Goals 1d & 6b).
- Evaluated where Hybrid/Electric vehicles can fit into the fleet (City Council Goals 1d & 6b).
- Purchase PHEVs (Plug-in Hybrid Electric Vehicle) for use by the Engineering and Recreation Divisions (City Council Goals 1d & 6b).
- Introduction of Staff Public Engagement Vehicle (City Council Goals 5a, 5c & 6d).

### **2020 DIVISION GOALS**

- Continue to evaluate repurposing Police Patrol vehicles for other divisions' use (City Council Goals 6b & 6c).
- Continue evaluation of opportunities to introduce more Hybrid/Electric vehicles into the fleet (Council Goals 1d & 6b).
- Purchase of 3 Hybrid vehicles for Police Detectives (City Council Goals 1d & 6b).

### **DIVISION EXPENDITURE COMMENT**

The 2019 Revised Budget reflects a 3.9% decrease from the 2019 Adopted Budget due a reduction in depreciation.

The 2020 Proposed Budget reflects a 9.0% decrease from the 2019 Adopted Budget due to decreases in vehicle purchases and depreciation. It is to be expected that expenditure increases will be needed in the future due to needed vehicle purchases.

**FUND: CENTRAL GARAGE**  
**DEPARTMENT: Public Works**  
**BUSINESS UNIT: CENTRAL GARAGE - 61000**

**DETAIL REVENUES BY BUSINESS UNIT**

| <b>CLASSIFICATIONS</b>               | <b>2018<br/>ACTUAL</b>     | <b>2019<br/>BUDGET</b>     | <b>2019<br/>REVISED</b>    | <b>2020<br/>BUDGET</b>     |
|--------------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| <u>Charges for Service</u>           |                            |                            |                            |                            |
| 4318 Equipment Rental - Operating    | \$ 1,192,520               | \$ 1,270,270               | \$ 1,272,570               | \$ 1,310,010               |
| <i>Charges for Service Total</i>     | <u>\$ 1,192,520</u>        | <u>\$ 1,270,270</u>        | <u>\$ 1,272,570</u>        | <u>\$ 1,310,010</u>        |
| <u>Other Income</u>                  |                            |                            |                            |                            |
| 8011 Investment Earnings             | \$ 19,561                  | \$ 6,100                   | \$ 10,500                  | \$ 11,000                  |
| 8034 Other Refund/Reimbursements     | 6,447                      | -                          | -                          | -                          |
| 8035 Other Miscellaneous Revenues    | 2,428                      | 600                        | 1,880                      | 2,000                      |
| 8037 Recovery From Damage City Prop  | 48,835                     | 20,000                     | 20,000                     | 20,000                     |
| 8038 Gain on disposal of Assets      | 86,862                     | 25,000                     | 25,000                     | 25,000                     |
| <i>Other Income Total</i>            | <u>\$ 164,133</u>          | <u>\$ 51,700</u>           | <u>\$ 57,380</u>           | <u>\$ 58,000</u>           |
| <u>Other Financing Sources</u>       |                            |                            |                            |                            |
| 8051 Operating Transfers In          | \$ 655,000                 | \$ 865,000                 | \$ 865,000                 | \$ 880,000                 |
| <i>Other Financing Sources Total</i> | <u>\$ 655,000</u>          | <u>\$ 865,000</u>          | <u>\$ 865,000</u>          | <u>\$ 880,000</u>          |
| <b>CENTRAL GARAGE TOTAL</b>          | <u><u>\$ 2,011,653</u></u> | <u><u>\$ 2,186,970</u></u> | <u><u>\$ 2,194,950</u></u> | <u><u>\$ 2,248,010</u></u> |

**FUND: CENTRAL GARAGE**  
**DEPARTMENT: Public Works**  
**BUSINESS UNIT: CENTRAL GARAGE - 61000**

**DETAIL EXPENDITURES BY BUSINESS UNIT**

| <b>CLASSIFICATIONS</b>                    | <b>2018<br/>ACTUAL</b> | <b>2019<br/>BUDGET</b> | <b>2019<br/>REVISED</b> | <b>2020<br/>BUDGET</b> |
|---|------------------------|------------------------|-------------------------|------------------------|
| <u>Personal Services</u>                  |                        |                        |                         |                        |
| 6005 Full Time                            | \$ 300,129             | \$ 296,490             | \$ 296,020              | \$ 307,980             |
| 6009 Overtime                             | 5,329                  | 5,000                  | 5,000                   | 7,000                  |
| 6013 Longevity                            | 1,035                  | 1,130                  | 1,100                   | 1,130                  |
| 6031 Employer Social Security             | 17,990                 | 18,290                 | 18,390                  | 19,120                 |
| 6032 Employer Medicare                    | 4,207                  | 4,280                  | 4,300                   | 4,470                  |
| 6033 Employer Pera                        | 37,553                 | 22,240                 | 22,240                  | 23,140                 |
| 6035 Medical Insurance                    | 34,004                 | 35,810                 | 30,990                  | 34,000                 |
| 6036 Dental Insurance                     | 2,817                  | 2,930                  | 2,930                   | 2,940                  |
| 6037 Term Life                            | 84                     | 160                    | 160                     | 160                    |
| 6038 Workers Compensation                 | 9,060                  | 8,550                  | 8,550                   | 6,840                  |
| 6040 Long Term Disability                 | 665                    | 700                    | 700                     | 710                    |
| 6051 Interdepartmental Labor              | -                      | -                      | 5,570                   | 5,570                  |
| <i>Personal Services Total</i>            | <u>\$ 412,873</u>      | <u>\$ 395,580</u>      | <u>\$ 395,950</u>       | <u>\$ 413,060</u>      |
| <u>Other Services &amp; Charges</u>       |                        |                        |                         |                        |
| 6103 Professional Services -General       | \$ 1,823               | \$ 4,220               | \$ 4,230                | \$ 4,230               |
| 6202 Data Processing Rental               | 19,055                 | 20,230                 | 20,480                  | 21,190                 |
| 6205 Maintenance & Repairs                | 130,560                | 132,330                | 132,330                 | 132,330                |
| 6206 Accident Repairs                     | 63,173                 | 30,000                 | 30,000                  | 35,000                 |
| 6207 Utility Services                     | 70,378                 | 67,780                 | 67,780                  | 67,780                 |
| 6302 Communications                       | 1,370                  | 2,750                  | 2,750                   | 2,750                  |
| 6303 Professional Development             | 1,992                  | 2,580                  | 2,580                   | 2,580                  |
| 6307 Insurance & Bonds                    | 50,258                 | 49,340                 | 56,690                  | 61,480                 |
| 6308 Property Liability                   | 24,070                 | 24,790                 | 24,790                  | 25,530                 |
| 6310 Taxes & Licenses                     | 2,081                  | 5,000                  | 5,000                   | 5,000                  |
| 6315 Other Contractual Services           | 33,506                 | 34,560                 | 34,560                  | 35,760                 |
| 6401 Office Supplies                      | 43                     | 660                    | 660                     | 660                    |
| 6402 Copy Charges                         | -                      | 120                    | 120                     | 120                    |
| 6403 Postage                              | 12                     | 100                    | 100                     | 100                    |
| 6405 Fuels                                | 220,754                | 281,900                | 279,400                 | 279,400                |
| 6406 Lubricants                           | 4,736                  | 8,500                  | 8,500                   | 9,500                  |
| 6407 Auto Operating Supplies              | 9,268                  | 10,460                 | 10,460                  | 12,460                 |
| 6408 Tires                                | 21,350                 | 22,000                 | 22,000                  | 24,000                 |
| 6409 Uniforms & Clothing                  | 4,002                  | 3,360                  | 3,360                   | 4,360                  |
| 6410 Small Tools & Parts                  | 135,018                | 126,310                | 126,310                 | 127,390                |
| 6414 Other Supplies                       | 60,664                 | 61,530                 | 61,530                  | 63,410                 |
| <i>Other Services &amp; Charges Total</i> | <u>\$ 854,113</u>      | <u>\$ 888,520</u>      | <u>\$ 893,630</u>       | <u>\$ 915,030</u>      |
| <u>Depreciation</u>                       |                        |                        |                         |                        |
| 6610 Depreciation                         | \$ 733,868             | \$ 775,020             | \$ 603,170              | \$ 502,010             |
| <i>Depreciation Total</i>                 | <u>\$ 733,868</u>      | <u>\$ 775,020</u>      | <u>\$ 603,170</u>       | <u>\$ 502,010</u>      |

---

**FUND: CENTRAL GARAGE**  
**DEPARTMENT: Public Works**  
**BUSINESS UNIT: CENTRAL GARAGE - 61000**

---

**DETAIL EXPENDITURES BY BUSINESS UNIT**

| <b>CLASSIFICATIONS</b>      | <b>2018<br/>ACTUAL</b>     | <b>2019<br/>BUDGET</b>     | <b>2019<br/>REVISED</b>    | <b>2020<br/>BUDGET</b>     |
|-----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| <u>Capital Outlay</u>       |                            |                            |                            |                            |
| 7500 Motor Vehicles         | \$ -                       | \$ 924,730                 | \$ 974,730                 | \$ 880,000                 |
| <i>Capital Outlay Total</i> | <u>\$ -</u>                | <u>\$ 924,730</u>          | <u>\$ 974,730</u>          | <u>\$ 880,000</u>          |
| <b>CENTRAL GARAGE TOTAL</b> | <u><u>\$ 2,000,854</u></u> | <u><u>\$ 2,983,850</u></u> | <u><u>\$ 2,867,480</u></u> | <u><u>\$ 2,710,100</u></u> |

## Performance Measures

### Department/Division

### Public Works/Central Garage

|                                 | Actual<br>2017 | Actual<br>2018 | Budget<br>2019 | Budget<br>2020 |
|---------------------------------|----------------|----------------|----------------|----------------|
| <b>Inputs:</b>                  |                |                |                |                |
| Number of full-time employees   | 4.20           | 4.05           | 4.10           | 4.10           |
| Division Operating Revenues     | \$ 1,153,690   | \$ 1,192,520   | \$ 1,272,570   | \$ 1,310,010   |
| Division Operating Expenditures | \$ 1,831,992   | \$ 2,000,854   | \$ 1,892,750   | \$ 1,830,100   |
| <b>Outputs:</b>                 |                |                |                |                |
| Number of Vehicles Maintained   | 141            | 141            | 141            | 141            |
| Number of Pieces of Equipment   | 52             | 53             | 53             | 53             |
| <b>Effectiveness Measures:</b>  |                |                |                |                |
| Scheduled Service Work Orders   | 254            | 243            | 300            | 300            |
| Unscheduled Service Work Orders | 614            | 725            | 600            | 600            |
| <b>Efficiency Measures:</b>     |                |                |                |                |
| Total Cost of Repairs           | \$ 704,296     | \$ 854,113     | \$ 893,430     | \$ 914,820     |
| Average Cost/Vehicle Owned      | \$ 4,995.00    | \$ 6,057.54    | \$ 6,336.38    | \$ 6,488.09    |
| Division Expenditure per Capita | \$ 50.13       | \$ 54.91       | \$ 51.95       | \$ 50.23       |

**FUND: CENTRAL GARAGE**  
**DEPARTMENT: Public Works**  
**BUSINESS UNIT: CENTRAL GARAGE - 61000**

**DIVISION PERSONNEL**

| CLASSIFICATIONS                    | SALARY<br>GRADE | NUMBER OF EMPLOYEES |                 |                |
|------------------------------------|-----------------|---------------------|-----------------|----------------|
|                                    |                 | 2019<br>ADOPTED     | 2019<br>REVISED | 2020<br>BUDGET |
| <u>Regular Full-Time Employees</u> |                 |                     |                 |                |
| Operations Superintendent          | M-3             | .20                 | .25             | .25            |
| Operations Manager                 | M-2             | .50                 | .50             | .50            |
| Automotive Mechanic                | LT-2            | 3.00                | 3.00            | 3.00           |
| Senior Office Assistant            | GS-2            | .35                 | .35             | .35            |
|                                    | <i>Total</i>    | <u>4.05</u>         | <u>4.10</u>     | <u>4.10</u>    |

**CAPITAL OUTLAY**

| ITEMS                       | 2019<br>ADOPTED | 2019<br>REVISED   | 2020<br>BUDGET    |                   |
|-----------------------------|-----------------|-------------------|-------------------|-------------------|
| Fire Pumper Body            | \$ 303,100      | \$ 303,100        | \$ -              |                   |
| Zamboni                     | 111,630         | 111,630           | -                 |                   |
| 2 - Park 1-Ton Dump & Plow  | 100,000         | -                 | 100,000           |                   |
| 4 - Police SUV Interceptors | 150,000         | 150,000           | -                 |                   |
| Z-Mower                     | 20,000          | 20,000            | -                 |                   |
| 1-Ton Puckup W/tommygate    | 50,000          | 50,000            | -                 |                   |
| 3/4-Ton Utility 4x4         | 50,000          | 50,000            | -                 |                   |
| 4 - Inspections PHEV SUV's  | 140,000         | -                 | -                 |                   |
| 2 - Inspections PHEV SUV's  | -               | 70,000            | -                 |                   |
| 3 - Detective Hybrid Cars   | -               | 85,000            | -                 |                   |
| 2 - VOTAF SUV's Police      | -               | 70,000            | -                 |                   |
| Tool Cat                    | -               | 65,000            | -                 |                   |
| Dump Truck                  | -               | -                 | 220,000           |                   |
| 2 - MT Sidewalk Plows       | -               | -                 | 260,000           |                   |
| 3/4-Ton Pickup Truck        | -               | -                 | 35,000            |                   |
| Fire Tahoe                  | -               | -                 | 50,000            |                   |
| 2 - Police SUV Interceptors | -               | -                 | 85,000            |                   |
| 1-Ton Utility Box Truck     | -               | -                 | 40,000            |                   |
| 3 - Detective Hybrid Cars   | -               | -                 | 90,000            |                   |
|                             | <i>Total</i>    | <u>\$ 924,730</u> | <u>\$ 974,730</u> | <u>\$ 880,000</u> |

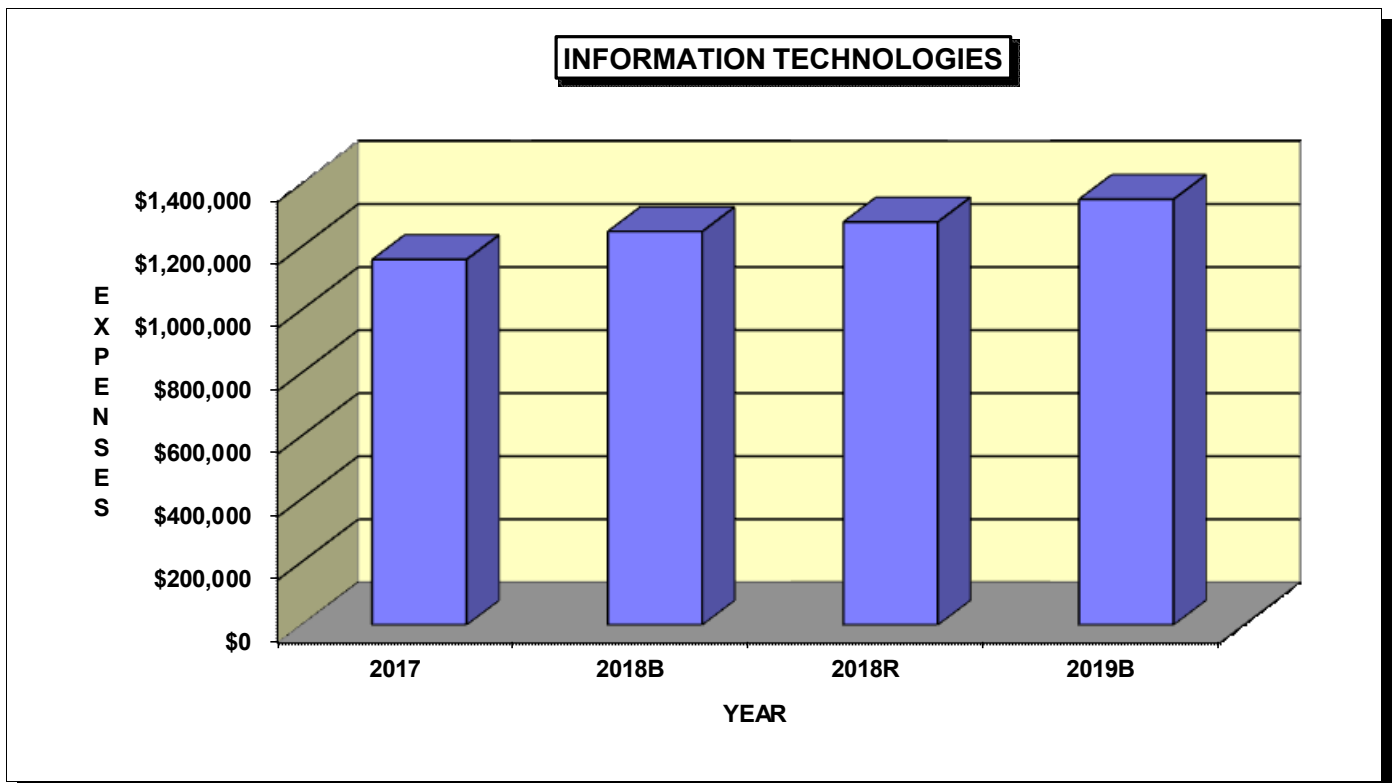
FUND: INFORMATION TECHNOLOGIES  
 DEPARTMENT: Administrative Services

**DEPARTMENT SUMMARY BY BUSINESS UNIT**

| BUSINESS UNIT                        | 2018<br>ACTUAL      | 2019<br>BUDGET      | 2019<br>REVISED     | 2020<br>BUDGET      | Increase/<br>(Decrease)<br>2019 Budget/<br>2020 Budget |
|--------------------------------------|---------------------|---------------------|---------------------|---------------------|--|
| 62000 INFORMATION TECHNOLOGIES       | \$ 1,079,420        | \$ 1,350,070        | \$ 1,397,890        | \$ 1,513,130        | 12.08%   |
| <i>Administrative Services TOTAL</i> | <u>\$ 1,079,420</u> | <u>\$ 1,350,070</u> | <u>\$ 1,397,890</u> | <u>\$ 1,513,130</u> | 12.08%   |

**REVENUES**

|                                |              |              |              |              |       |
|--------------------------------|--------------|--------------|--------------|--------------|-------|
| 62000 INFORMATION TECHNOLOGIES | \$ 1,116,525 | \$ 1,188,800 | \$ 1,186,920 | \$ 1,223,900 | 2.95% |
|--------------------------------|--------------|--------------|--------------|--------------|-------|



**BUDGET SUMMARY  
INFORMATION TECHNOLOGIES FUND PROJECTION**

| <b><u>AVAILABLE FOR APPROPRIATION</u></b>    | <b>2018<br/>Actual</b> | <b>2019<br/>Revised</b> | <b>2020<br/>Budget</b> | <b>2021<br/>Projected</b> |
|--|------------------------|-------------------------|------------------------|---------------------------|
| <b><u>PRIOR YEAR RETAINED EARNINGS</u></b>   | \$ 160,554             | \$ 197,659              | \$ 126,489             | \$ (103,311)              |
| <b><u>Revenues</u></b>                       |                        |                         |                        |                           |
| Charges for Service                          | \$ 978,946             | \$ 1,006,320            | \$ 1,038,300           | 1,069,450                 |
| Subtotal                                     | 978,946                | 1,006,320               | 1,038,300              | 1,069,450                 |
| <b><u>Miscellaneous Revenues</u></b>         |                        |                         |                        |                           |
| Interest                                     | 5,638                  | 600                     | 600                    | 620                       |
| Other  | 1,941                  | -                       | -                      | -                         |
| Total Miscellaneous Revenues                 | 7,579                  | 600                     | 600                    | 620                       |
| Total Revenues                               | 986,525                | 1,006,920               | 1,038,900              | 1,070,070                 |
| <b><u>Expenses</u></b>                       |                        |                         |                        |                           |
| Personal Service                             | 368,949                | 440,770                 | 566,330                | 583,320                   |
| Other Services and Charges                   | 646,296                | 754,480                 | 833,200                | 805,150                   |
| Total Operating Expenses                     | 1,015,245              | 1,195,250               | 1,399,530              | 1,388,470                 |
| Net Income before Depreciation               | (28,720)               | (188,330)               | (360,630)              | (318,400)                 |
| <b><u>Depreciation</u></b>                   | 64,175                 | 62,840                  | 54,170                 | 55,800                    |
| Net Income (Loss)                            | (92,895)               | (251,170)               | (414,800)              | (374,200)                 |
| <b><u>Operating Transfers: From (To)</u></b> |                        |                         |                        |                           |
| Capital Project Funds                        | 130,000                | 180,000                 | 185,000                | 185,000                   |
| Net Transfers                                | 130,000                | 180,000                 | 185,000                | 185,000                   |
| <b><u>RETAINED EARNINGS</u></b>              | 197,659                | 126,489                 | (103,311)              | (292,511)                 |
| <b><u>CAPITAL OUTLAY *</u></b>               | \$ -                   | \$ 139,800              | \$ 59,430              | \$ -                      |

\* Capital outlay expense is recorded as depreciation over the useful life of the fixed asset.



**BUDGET SUMMARY  
INFORMATION TECHNOLOGIES FUND PROJECTION**

| <b><u>CASH FLOW SUMMARY</u></b>               | <b><u>2018<br/>Actual</u></b> | <b><u>2019<br/>Revised</u></b> | <b><u>2020<br/>Budget</u></b> | <b><u>2021<br/>Projected</u></b> |
|---|-------------------------------|--------------------------------|-------------------------------|----------------------------------|
| <b><u>SOURCES OF CASH</u></b>                 |                               |                                |                               |                                  |
| Total Revenues                                | \$ 986,525                    | \$ 1,006,920                   | \$ 1,038,900                  | \$ 1,070,070                     |
| Items not requiring cash -                    |                               |                                |                               |                                  |
| Decrease in Prepaid Items                     | 1,418                         | -                              | -                             | -                                |
| Depreciation                                  | 64,175                        | 62,840                         | 54,170                        | 55,800                           |
| Transfers                                     | 130,000                       | 180,000                        | 185,000                       | 185,000                          |
| TOTAL SOURCES                                 | <u>1,182,118</u>              | <u>1,249,760</u>               | <u>1,278,070</u>              | <u>1,310,870</u>                 |
| <b><u>USES OF CASH</u></b>                    |                               |                                |                               |                                  |
| Total Expenses                                | 1,079,420                     | 1,258,090                      | 1,453,700                     | 1,444,270                        |
| Decrease in Payables                          | 49,986                        | -                              | -                             | -                                |
| Capital Outlay                                | -                             | 139,800                        | 59,430                        | -                                |
| TOTAL USES                                    | <u>1,129,406</u>              | <u>1,397,890</u>               | <u>1,513,130</u>              | <u>1,444,270</u>                 |
| <b><u>NET INCREASE (DECREASE) IN CASH</u></b> | <u>52,712</u>                 | <u>(148,130)</u>               | <u>(235,060)</u>              | <u>(133,400)</u>                 |
| <b><u>CASH BALANCE - JANUARY 1</u></b>        | <u>382,033</u>                | <u>434,745</u>                 | <u>286,615</u>                | <u>51,555</u>                    |
| <b><u>CASH BALANCE - DECEMBER 31</u></b>      | <u>\$ 434,745</u>             | <u>\$ 286,615</u>              | <u>\$ 51,555</u>              | <u>\$ (81,845)</u>               |
| <b><u>CASH TO BE AVAILABLE</u></b>            |                               |                                |                               |                                  |
| Current Assets - December 31                  | \$ 434,745                    |                                |                               |                                  |
| Less: Current Liabilities - Dec. 31           | 120,458                       |                                |                               |                                  |
| Cash To Be Available                          | <u>\$ 314,287</u>             |                                |                               |                                  |

## **INFORMATION TECHNOLOGIES DIVISION**

### **MISSION STATEMENT**

We recognize the individual strengths and qualities of each person on our team and we combine our skills, knowledge and resources to deliver quality technology support to the City of Richfield staff and vendors. We are committed to developing our services to meet the needs and the expectations of staff, while continuing to protect the integrity and security of the data and the network.

### **DIVISION FOCUS**

Information Technologies' primary focus is to provide a variety of computer services utilized by city departments. Help desk support is available for all aspects of the computer system. Hardware and software procurement, installation, testing and troubleshooting services are also provided. The division is responsible for the administration of the City's computer network and Voice over IP (VoIP) telephony system. This includes ensuring the security and integrity of the systems, providing local and wide-area networking services, and system planning. The I.T. Division works closely with the Network Services staff at LOGIS, a consortium of Minnesota cities and other government agencies. LOGIS provides critical services to the City, including network server backups, redundancy for network components, hot spare equipment, and network engineering and security services.

This division also provides a variety of other services utilized by various City departments. The division provides support for the processing of outgoing mail, purchases items for the City's internal office supplies store, maintenance and support for all the main copiers and printers, administers the Municipal Center building security system, assists the City Clerk with election results and assists the Finance department with budget processing.

City departments are charged for the cost of services, supplies, maintenance, and support based on their use of the City's computer and telephony systems.

In both 2019 and 2020 the focus of the division is to continue to provide high quality computer and VoIP telephony support services, maintain a reliable and cost effective computer network, and insure the continued security of the network and data.

### **2019 HIGHLIGHTS**

- Continue to provide high quality Help Desk support to City staff.
- Create and distribute a help desk ticketing system for staff to use (City Council Goal 6a & 6b).
- Install fiber optics along 66th Street to create more redundancy with the City's connection to LOGIS and State. This will also allow the City to complete a fiber connection to the Penn Liquor store and possibly other facilities, such as park buildings (City Council Goal 1).
- Collaborate with Human Resources to develop and implement a Flexible Workplace environment while ensuring network security (City Council Goal 6e & 6f).
- Implement and manage city-owned mobile devices to enhance the security and safety of the City's network. (City Council Goal 6)

- Upgrade of the City's VoIP telephony system.
- Replace the City's camera security system (equipment/software) to bring the aging system up to date.
- Replace and upgrade components of the City's network infrastructure so as to maintain an up to date, secure, and reliable computer system (City Council Goal 1a).
- Continue developing the City's network and computer security, staff training, and City policies into compliance with the Payment Card Industry data security standards.
- Continue to expand use of the Laserfiche functions to enhance efficiency (City Council Goal 6b).
- Replace hardware and upgrade the operating system on City PCs and laptops.
- Support the City Hall Conference Rooms and Cablecast Servers.
- Install and train staff on Cisco Jabber for instant messaging and softphone capabilities.
- Install and train staff using Cisco WebEx to help improve productivity with video conferencing, online meetings, screen share, and webinars.

### **2020 DIVISION GOALS**

- Upgrade to Microsoft Office 365 selecting the best options for Richfield's environment and training for all staff.
- Provide more training opportunities for City staff.
- Help implement and support the recommended process from the Records Management and Business Processes Report to improve and enhance our records management processes. (City Council Goal 6)
- Evaluate the need and cost to connect our current Fiber Optics network to other city facilities (i.e. park buildings).
- Replace the aging Security System Door Access (software and hardware). Begin to evaluate and add other city facilities to the system.
- Upgrade any remaining PC's from Windows 7 to Windows 10.

### **DIVISION EXPENDITURE COMMENT**

The 2019 Revised Budget reflects an increase over the 2019 Adopted Budget for the following reasons:

- Emergency move of the City's fiber optics for the Chamberlin Development Project
- Increase in equipment costs
- Additional training for IT Staff
- A slight increase to replacing existing desktop PCs with laptops
- Upgrade the server's operating systems to keep the OS current due to Microsoft End of Life support.

The 2020 Proposed Budget increase from 2019 Revised Budget is due to the following:

- Addition of full time IT Staff position. IT has been operating with 4 fulltime staff members, with the addition, in 2014, of 2 employees at 20% of their time. Since moving into the new building, the number of PC's supported has almost doubled, the addition of mobile devices, more security requirements and the higher demand in technology requires more staff.
- Increase in Mobile Device Management
- Upgrading to Office 365.

**FUND: INFORMATION TECHNOLOGIES**  
**DEPARTMENT: Administrative Services**  
**BUSINESS UNIT: INFORMATION TECHNOLOGIES - 62000**

**DETAIL REVENUES BY BUSINESS UNIT**

| <b>CLASSIFICATIONS</b>                | <b>2018<br/>ACTUAL</b>     | <b>2019<br/>BUDGET</b>     | <b>2019<br/>REVISED</b>    | <b>2020<br/>BUDGET</b>     |
|---------------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| <u>Charges for Service</u>            |                            |                            |                            |                            |
| 4320 IT Equipment Rental              | \$ 919,876                 | \$ 948,830                 | \$ 947,020                 | \$ 977,220                 |
| 4322 Sale of Supplies                 | 28,957                     | 29,290                     | 35,720                     | 36,790                     |
| 4324 Copying Services                 | 11,055                     | 10,780                     | 8,260                      | 8,510                      |
| 4326 Postage Services                 | 19,058                     | 19,300                     | 15,320                     | 15,780                     |
| <i>Charges for Service Total</i>      | <u>\$ 978,946</u>          | <u>\$ 1,008,200</u>        | <u>\$ 1,006,320</u>        | <u>\$ 1,038,300</u>        |
| <u>Other Income</u>                   |                            |                            |                            |                            |
| 8011 Investment Earnings              | \$ 5,638                   | \$ 600                     | \$ 600                     | \$ 600                     |
| 8039 State Pension Contribution       | 1,941                      | -                          | -                          | -                          |
| <i>Other Income Total</i>             | <u>\$ 7,579</u>            | <u>\$ 600</u>              | <u>\$ 600</u>              | <u>\$ 600</u>              |
| <u>Other Financing Sources</u>        |                            |                            |                            |                            |
| 8051 Operating Transfers In           | \$ 130,000                 | \$ 180,000                 | \$ 180,000                 | \$ 185,000                 |
| <i>Other Financing Sources Total</i>  | <u>\$ 130,000</u>          | <u>\$ 180,000</u>          | <u>\$ 180,000</u>          | <u>\$ 185,000</u>          |
| <b>INFORMATION TECHNOLOGIES TOTAL</b> | <u><u>\$ 1,116,525</u></u> | <u><u>\$ 1,188,800</u></u> | <u><u>\$ 1,186,920</u></u> | <u><u>\$ 1,223,900</u></u> |

**FUND: INFORMATION TECHNOLOGIES**  
**DEPARTMENT: Administrative Services**  
**BUSINESS UNIT: INFORMATION TECHNOLOGIES - 62000**

**DETAIL EXPENDITURES BY BUSINESS UNIT**

| <b>CLASSIFICATIONS</b>                    | <b>2018<br/>ACTUAL</b>     | <b>2019<br/>BUDGET</b>     | <b>2019<br/>REVISED</b>    | <b>2020<br/>BUDGET</b>     |
|---|----------------------------|----------------------------|----------------------------|----------------------------|
| <u>Costs of Goods Sold</u>                |                            |                            |                            |                            |
| 5510 Purchases for Resale                 | \$ 28,872                  | \$ 52,020                  | \$ 50,000                  | \$ 51,500                  |
| <i>Costs of Goods Sold Total</i>          | <u>\$ 28,872</u>           | <u>\$ 52,020</u>           | <u>\$ 50,000</u>           | <u>\$ 51,500</u>           |
| <u>Personal Services</u>                  |                            |                            |                            |                            |
| 6005 Full Time                            | \$ 317,353                 | \$ 322,940                 | \$ 329,450                 | \$ 422,430                 |
| 6013 Longevity                            | 2,548                      | 1,880                      | 1,920                      | 2,030                      |
| 6031 Employer Social Security             | 19,332                     | 19,450                     | 20,100                     | 25,840                     |
| 6032 Employer Medicare                    | 4,521                      | 4,550                      | 4,700                      | 6,040                      |
| 6033 Employer Pera                        | (13,708)                   | 24,360                     | 24,850                     | 31,840                     |
| 6035 Medical Insurance                    | 35,081                     | 62,290                     | 54,400                     | 72,000                     |
| 6036 Dental Insurance                     | 2,904                      | 4,250                      | 4,250                      | 5,040                      |
| 6037 Term Life                            | 85                         | 240                        | 240                        | 280                        |
| 6038 Workers Compensation                 | 216                        | 210                        | 210                        | 180                        |
| 6040 Long Term Disability                 | 617                        | 650                        | 650                        | 650                        |
| <i>Personal Services Total</i>            | <u>\$ 368,949</u>          | <u>\$ 440,820</u>          | <u>\$ 440,770</u>          | <u>\$ 566,330</u>          |
| <u>Other Services &amp; Charges</u>       |                            |                            |                            |                            |
| 6103 Professional Services -General       | \$ 235,984                 | \$ 278,280                 | \$ 271,900                 | \$ 305,100                 |
| 6201 Rents & Leases                       | 15,362                     | -                          | 15,370                     | -                          |
| 6205 Maintenance & Repairs                | 55,305                     | 54,030                     | 67,110                     | 84,200                     |
| 6207 Utility Services                     | 65,640                     | 67,710                     | 67,710                     | 69,740                     |
| 6302 Communications                       | 60,380                     | 64,890                     | 66,460                     | 69,940                     |
| 6303 Professional Development             | 322                        | 1,720                      | 2,800                      | 2,880                      |
| 6305 Subscriptions & Memberships          | 1,668                      | 1,770                      | 1,770                      | 1,830                      |
| 6307 Insurance & Bonds                    | 5,590                      | 6,880                      | 4,250                      | 4,370                      |
| 6308 Property Liability                   | 2,120                      | 2,180                      | 2,180                      | 2,250                      |
| 6401 Office Supplies                      | 3,499                      | 1,750                      | 1,700                      | 1,750                      |
| 6402 Copy Charges                         | 526                        | 220                        | 340                        | 350                        |
| 6403 Postage                              | 75                         | 100                        | 100                        | 100                        |
| 6414 Other Supplies                       | 170,953                    | 187,600                    | 202,790                    | 239,190                    |
| <i>Other Services &amp; Charges Total</i> | <u>\$ 617,424</u>          | <u>\$ 667,130</u>          | <u>\$ 704,480</u>          | <u>\$ 781,700</u>          |
| <u>Depreciation</u>                       |                            |                            |                            |                            |
| 6610 Depreciation                         | \$ 64,175                  | \$ 62,840                  | \$ 62,840                  | \$ 54,170                  |
| <i>Depreciation Total</i>                 | <u>\$ 64,175</u>           | <u>\$ 62,840</u>           | <u>\$ 62,840</u>           | <u>\$ 54,170</u>           |
| <u>Capital Outlay</u>                     |                            |                            |                            |                            |
| 7350 Other Improvements                   | \$ -                       | \$ 90,000                  | \$ 90,000                  | \$ 19,000                  |
| 7400 Machinery & Equipment                | -                          | 37,260                     | 49,800                     | 40,430                     |
| <i>Capital Outlay Total</i>               | <u>\$ -</u>                | <u>\$ 127,260</u>          | <u>\$ 139,800</u>          | <u>\$ 59,430</u>           |
| <b>INFORMATION TECHNOLOGIES TOTAL</b>     | <u><u>\$ 1,079,420</u></u> | <u><u>\$ 1,350,070</u></u> | <u><u>\$ 1,397,890</u></u> | <u><u>\$ 1,513,130</u></u> |

## Performance Measures

### Department/Division

### Administrative Services/Information Technologies

|  | <u>Actual<br/>2017</u> | <u>Budget<br/>2018</u> | <u>Budget<br/>2019</u> | <u>Budget<br/>2020</u> |
|--|------------------------|------------------------|------------------------|------------------------|
| <b>Inputs:</b>   |                        |                        |                        |                        |
| Number of full-time employees                                      | 4.40                   | 4.40                   | 4.40                   | 5.50                   |
| Division operating revenue   | \$ 956,072             | \$ 978,946             | \$ 1,006,320           | \$ 1,038,300           |
| Division operating expenses  | \$ 1,159,037           | \$ 1,079,420           | \$ 1,258,090           | \$ 1,453,700           |
| <b>Outputs:</b>  |                        |                        |                        |                        |
| Number of devices supported<br>(PCs, laptops, servers, & printers) | 400                    | 400                    | 400                    | 400                    |
| Number of telephony devices supported                              | 280                    | 280                    | 280                    | 280                    |
| Number of sites supported  | 15                     | 15                     | 15                     | 15                     |
| Number of users supported  | 280                    | 280                    | 280                    | 280                    |
| <b>Effectiveness Measures:</b>                                     |                        |                        |                        |                        |
| Number of disruptive virus events                                  | 0                      | 0                      | 0                      | 0                      |
| Number of unplanned network outages                                | 0                      | 0                      | 0                      | 0                      |
| Network availability (estimate)                                    | 99%                    | 99%                    | 99%                    | 99%                    |
| <b>Efficiency Measures:</b>  |                        |                        |                        |                        |
| Division operating expenses per user                               | \$ 4,139               | \$ 3,855               | \$ 4,493               | \$ 5,192               |
| Division operating revenue per user                                | \$ 3,415               | \$ 3,496               | \$ 3,594               | \$ 3,708               |
| Division operating expenses per capita                             | \$ 31.72               | \$ 29.63               | \$ 34.53               | \$ 39.90               |

**FUND: INFORMATION TECHNOLOGIES**  
**DEPARTMENT: Administrative Services**  
**BUSINESS UNIT: INFORMATION TECHNOLOGIES - 62000**

**DIVISION PERSONNEL**

| CLASSIFICATIONS                    | SALARY<br>GRADE | NUMBER OF EMPLOYEES |                 |                |
|------------------------------------|-----------------|---------------------|-----------------|----------------|
|                                    |                 | 2019<br>ADOPTED     | 2019<br>REVISED | 2020<br>BUDGET |
| <u>Regular Full-Time Employees</u> |                 |                     |                 |                |
| IT Manager                         | M-3             | 1.00                | 1.00            | 1.00           |
| IT Technician                      | GS-5            | 1.00                | 1.00            | -              |
| Help Desk Technician               | GS-5            | 1.00                | 1.00            | 1.00           |
| Network Administrator              | GS-6E           | 1.00                | 1.00            | 1.00           |
| GIS Analyst/IT Technician          | GS-5            | .20                 | .20             | -              |
| Police IT Specialist               | GS-5            | .20                 | .20             | -              |
| IT/PW Help Desk Technician         | GS-5            | -                   | -               | 1.00           |
| IT Technician                      | GS-6            | -                   | -               | 1.00           |
| GIS Analyst/IT Technician          | GS-6            | -                   | -               | .30            |
| Police IT Specialist               | GS-6            | -                   | -               | .20            |
| <i>Total</i>                       |                 | <u>4.40</u>         | <u>4.40</u>     | <u>5.50</u>    |

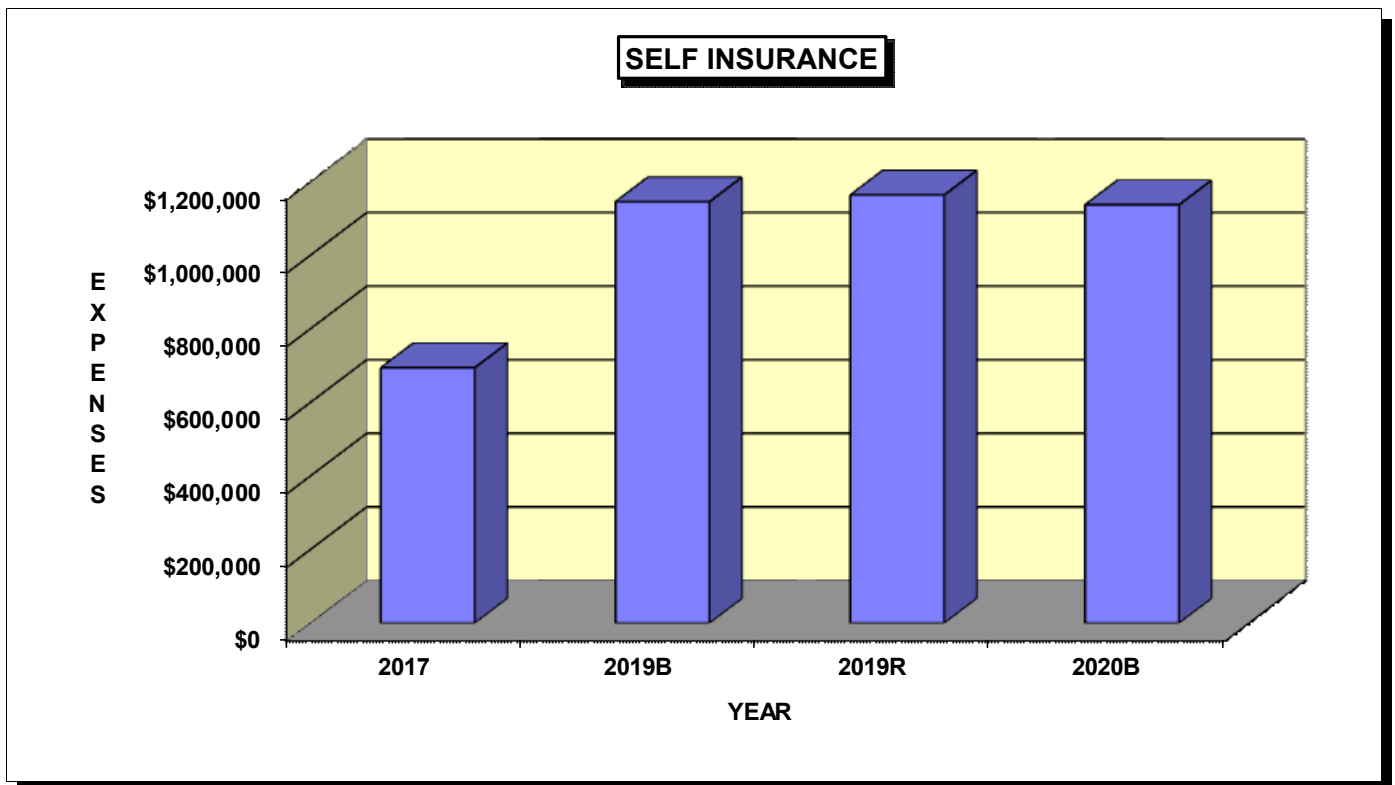
**CAPITAL OUTLAY**

| ITEMS                                 | 2019<br>ADOPTED   | 2019<br>REVISED   | 2020<br>BUDGET   |
|---------------------------------------|-------------------|-------------------|------------------|
| 66th Street Fiber                     | \$ 90,000         | \$ 90,000         | \$ -             |
| ASA 5525-X Firewall - Server Room     | 12,000            | 12,000            | -                |
| 1-24 port Switch LO-RIL3-ASR          | -                 | 8,500             | -                |
| 4-48 Port Switches-PW,Arena,Cedar Liq | 25,260            | 29,300            | -                |
| Penn Liquor Store Fiber               | -                 | -                 | 19,000           |
| Penn Liq Replace Switch for Fiber     | -                 | -                 | 8,500            |
| 48 port Switch RI-ASr2                | -                 | -                 | 7,780            |
| Voice Bundle                          | -                 | -                 | 9,150            |
| Door Access Security System           | -                 | -                 | 10,000           |
| Add PubWorks to Security System       | -                 | -                 | 5,000            |
| <i>Total</i>                          | <u>\$ 127,260</u> | <u>\$ 139,800</u> | <u>\$ 59,430</u> |

FUND: SELF INSURANCE  
 DEPARTMENT: Administrative Services

**DEPARTMENT SUMMARY BY BUSINESS UNIT**

| BUSINESS UNIT                        | 2018<br>ACTUAL    | 2019<br>BUDGET      | 2019<br>REVISED     | 2020<br>BUDGET      | Increase/<br>(Decrease)<br>2019 Budget/<br>2020 Budget |
|--------------------------------------|-------------------|---------------------|---------------------|---------------------|--|
| 64000 SELF INSURANCE                 | \$ 690,949        | \$ 1,145,220        | \$ 1,163,590        | \$ 1,136,880        | (0.73%)  |
| <i>Administrative Services TOTAL</i> | <u>\$ 690,949</u> | <u>\$ 1,145,220</u> | <u>\$ 1,163,590</u> | <u>\$ 1,136,880</u> | (0.73%)  |
| <b>REVENUES</b>                      |                   |                     |                     |                     |  |
| 64000 SELF INSURANCE                 | \$ 1,049,085      | \$ 981,430          | \$ 972,920          | \$ 968,000          | (1.37%)  |





**BUDGET SUMMARY  
SELF INSURANCE FUND PROJECTION**

| <b><u>AVAILABLE FOR APPROPRIATION</u></b>  | <b>2018<br/>Actual</b>     | <b>2019<br/>Revised</b>    | <b>2020<br/>Budget</b>     | <b>2021<br/>Projected</b>  |
|--|----------------------------|----------------------------|----------------------------|----------------------------|
| <b><u>PRIOR YEAR RETAINED EARNINGS</u></b> | <b>\$ 4,418,336</b>        | <b>\$ 4,776,472</b>        | <b>\$ 4,585,802</b>        | <b>\$ 4,416,922</b>        |
| <b><u>Revenues</u></b>                     |                            |                            |                            |                            |
| Charges for Service:                       |                            |                            |                            |                            |
| Employers' Contribution                    | 726,998                    | 693,020                    | 679,800                    | 700,190                    |
| Employees' Contribution                    | 90,688                     | 127,400                    | 133,700                    | 137,710                    |
| Operating Revenues                         | <u>817,686</u>             | <u>820,420</u>             | <u>813,500</u>             | <u>837,900</u>             |
| <b><u>Miscellaneous Revenues</u></b>       |                            |                            |                            |                            |
| Interest                                   | 85,668                     | 85,000                     | 90,000                     | 92,700                     |
| Claims/Refunds                             | <u>75,731</u>              | <u>24,500</u>              | <u>24,500</u>              | <u>25,240</u>              |
| Total Miscellaneous Revenues               | <u>161,399</u>             | <u>109,500</u>             | <u>114,500</u>             | <u>117,940</u>             |
| Total Revenues                             | <u>979,085</u>             | <u>929,920</u>             | <u>928,000</u>             | <u>955,840</u>             |
| <b><u>Expenses</u></b>                     |                            |                            |                            |                            |
| Personal Services                          | 316,553                    | 363,280                    | 364,520                    | 375,460                    |
| Other Services and Charges                 | <u>304,396</u>             | <u>718,250</u>             | <u>732,360</u>             | <u>754,335</u>             |
| Total Expenses                             | 620,949                    | 1,081,530                  | 1,096,880                  | 1,129,794                  |
| Net Income (Loss)                          | <u>358,136</u>             | <u>(151,610)</u>           | <u>(168,880)</u>           | <u>(173,954)</u>           |
| Operating Transfers From (To)              |                            |                            |                            |                            |
| Capital Project Fund                       | -                          | (39,060)                   | -                          | -                          |
| Self Insurance - Workers Comp.             | 70,000                     | 43,000                     | 40,000                     | -                          |
| Self Insurance - Property Liab.            | <u>(70,000)</u>            | <u>(43,000)</u>            | <u>(40,000)</u>            | <u>-</u>                   |
|  | <u>-</u>                   | <u>(39,060)</u>            | <u>-</u>                   | <u>-</u>                   |
| <b><u>RETAINED EARNINGS</u></b>            | <b><u>\$ 4,776,472</u></b> | <b><u>\$ 4,585,802</u></b> | <b><u>\$ 4,416,922</u></b> | <b><u>\$ 4,242,968</u></b> |

**BUDGET SUMMARY  
SELF INSURANCE FUND PROJECTION**

| <b><u>CASH FLOW SUMMARY</u></b>               | <b>2018<br/>Actual</b> | <b>2019<br/>Revised</b> | <b>2020<br/>Budget</b> | <b>2021<br/>Projected</b> |
|---|------------------------|-------------------------|------------------------|---------------------------|
| <b><u>SOURCES OF CASH</u></b>                 |                        |                         |                        |                           |
| Charges for Service                           | \$ 979,085             | \$ 929,920              | \$ 928,000             | \$ 955,840                |
| Internal Loan                                 | 62,247                 | 62,250                  | 63,500                 | 64,780                    |
| Transfer In                                   | 70,000                 | 43,000                  | 40,000                 | -                         |
| TOTAL SOURCES                                 | <u>1,111,332</u>       | <u>1,035,170</u>        | <u>1,031,500</u>       | <u>1,020,620</u>          |
| <b><u>USES OF CASH</u></b>                    |                        |                         |                        |                           |
| Total Expenses                                | 620,949                | 1,081,530               | 1,096,880              | 1,129,794                 |
| Decrease in Payables                          | 74,044                 |                         |                        |                           |
| Decrease in Reserve for Claims                | 81,560                 | -                       | -                      | -                         |
| Transfer Out                                  | 70,000                 | 82,060                  | 40,000                 | -                         |
| TOTAL USES                                    | <u>846,553</u>         | <u>1,163,590</u>        | <u>1,136,880</u>       | <u>1,129,794</u>          |
| <b><u>NET INCREASE (DECREASE) IN CASH</u></b> | 264,779                | (128,420)               | (105,380)              | (109,174)                 |
| <b><u>CASH BALANCE - JANUARY 1</u></b>        | <u>4,334,918</u>       | <u>4,599,697</u>        | <u>4,471,277</u>       | <u>4,365,897</u>          |
| <b><u>CASH BALANCE - DECEMBER 31</u></b>      | <u>\$ 4,599,697</u>    | <u>\$ 4,471,277</u>     | <u>\$ 4,365,897</u>    | <u>\$ 4,256,723</u>       |
| <b><u>CASH TO BE AVAILABLE</u></b>            |                        |                         |                        |                           |
| Current Assets - December 31                  | \$ 4,663,200           |                         |                        |                           |
| Less: Current Liabilities - Dec. 31           | <u>16,971</u>          |                         |                        |                           |
| CASH TO BE AVAILABLE                          | <u>\$ 4,646,229</u>    |                         |                        |                           |

## **SELF INSURANCE FUND**

### **MISSION STATEMENT**

To support all of the City's costs for claims related to workers' compensation, unemployment insurance benefits and all other City self-insurance costs. To account for employee contributions and claims in the Flexible Spending Account (FSA) benefits plan and Dental insurance plan.

### **DIVISION FOCUS**

This fund functions to service the City's workers' compensation program including safety programs, incentives and claims. It also provides funds for dental insurance coverage and serves as the account for the City's Flexible Spending Account benefits plan. In addition, all claims paid below the City's significant deductible limit for virtually all liability and property exposures are paid from this fund as well as awards of compensation, legal costs and administrative costs. Finally, the account also serves as a self insurance fund to cover risk exposures which are not insurable or which would require extraordinary premiums.

While the majority of the City's workers' compensation program is self insured, excess coverage for individual workers' compensation claims which exceed \$500,000 is purchased from the Workers' Compensation Reinsurance Association (WCRA) as mandated by State Statute. All costs below that amount on each claim are paid from this fund.

Funding from the Self-Insurance Fund pay for disability benefits, medical costs, legal fees, administrative charges and safety and risk management/reduction programs. The fund also provides for the periodic maintenance and upgrade of the City's fitness equipment.

The Administrative Services Director/Assistant City Manager and the Human Resources Manager and Human Resources Administrative Assistant regulate the Self-Insurance Fund and perform other associated duties. Accordingly, a portion of those individuals' time is charged to this fund. The administration of the City's risk management program is a very comprehensive and time-intensive function.

### **2019 HIGHLIGHTS**

- 2019 and 2020 base workers' compensation premiums charged to City departments were decreased based on prior years claim history.
- The rates charged to City departments for property/casualty liability coverage reflect a 3% increase for 2020.

### **2020 SELF INSURANCE DIVISION GOALS**

- Continue to monitor rates charged to user departments and divisions for workers' compensation and property casualty and adjust accordingly.
- Reduce workers' compensation claims for the City of Richfield, both occurrence and severity.
- Promote employee health and safety (City Council Goal 6e).
- Administer a successful risk management program, identifying risk exposures and dealing with them appropriately.
- Continue to manage the City's Wellness Program.

### **DIVISION EXPENDITURE COMMENT**

The budgeted expenditures for the Self-Insurance Fund for the 2019 Revised/2020 Proposed Budget reflect the anticipated costs for claims and to administer the risk management program. Rates charged to user departments reflect a decrease in worker's compensation and a 3% increase in property/casualty coverage for both 2019 and 2020. The City's municipal liability loss experience modification went from a debit modification of 1.254 to 1.213 (3.3% decrease) for the 2019-2020 renewal period.

**FUND: SELF INSURANCE**  
**DEPARTMENT: Administrative Services**  
**BUSINESS UNIT: SELF INSURANCE - 64000**

**DETAIL REVENUES BY BUSINESS UNIT**

| <b>CLASSIFICATIONS</b>               | <b>2018<br/>ACTUAL</b>     | <b>2019<br/>BUDGET</b>   | <b>2019<br/>REVISED</b>  | <b>2020<br/>BUDGET</b>   |
|--------------------------------------|----------------------------|--------------------------|--------------------------|--------------------------|
| <u>Charges for Service</u>           |                            |                          |                          |                          |
| 4328 Self Insurance City Contributi  | \$ 526,256                 | \$ 537,000               | \$ 527,090               | \$ 508,900               |
| 4330 Self Insurance Employee Contri  | 63,769                     | 67,500                   | 64,000                   | 67,500                   |
| 4332 Property Contribution           | 161,000                    | 165,930                  | 165,930                  | 170,900                  |
| 4334 Flex Daycare                    | 39,742                     | 34,500                   | 36,400                   | 38,700                   |
| 4336 Flex Health                     | 26,918                     | 27,000                   | 27,000                   | 27,500                   |
| 4338 Insurance Claims                | 58,119                     | 6,500                    | 6,500                    | 6,500                    |
| 4340 Insurance Premium Refunds       | 17,612                     | 50,000                   | 18,000                   | 18,000                   |
| <i>Charges for Service Total</i>     | <u>\$ 893,416</u>          | <u>\$ 888,430</u>        | <u>\$ 844,920</u>        | <u>\$ 838,000</u>        |
| <u>Other Income</u>                  |                            |                          |                          |                          |
| 8011 Investment Earnings             | \$ 85,669                  | \$ 50,000                | \$ 85,000                | \$ 90,000                |
| <i>Other Income Total</i>            | <u>\$ 85,669</u>           | <u>\$ 50,000</u>         | <u>\$ 85,000</u>         | <u>\$ 90,000</u>         |
| <u>Other Financing Sources</u>       |                            |                          |                          |                          |
| 8051 Operating Transfers In          | \$ 70,000                  | \$ 43,000                | \$ 43,000                | \$ 40,000                |
| <i>Other Financing Sources Total</i> | <u>\$ 70,000</u>           | <u>\$ 43,000</u>         | <u>\$ 43,000</u>         | <u>\$ 40,000</u>         |
| <b>SELF INSURANCE TOTAL</b>          | <u><u>\$ 1,049,085</u></u> | <u><u>\$ 981,430</u></u> | <u><u>\$ 972,920</u></u> | <u><u>\$ 968,000</u></u> |

**FUND: SELF INSURANCE**  
**DEPARTMENT: Administrative Services**  
**BUSINESS UNIT: SELF INSURANCE - 64000**

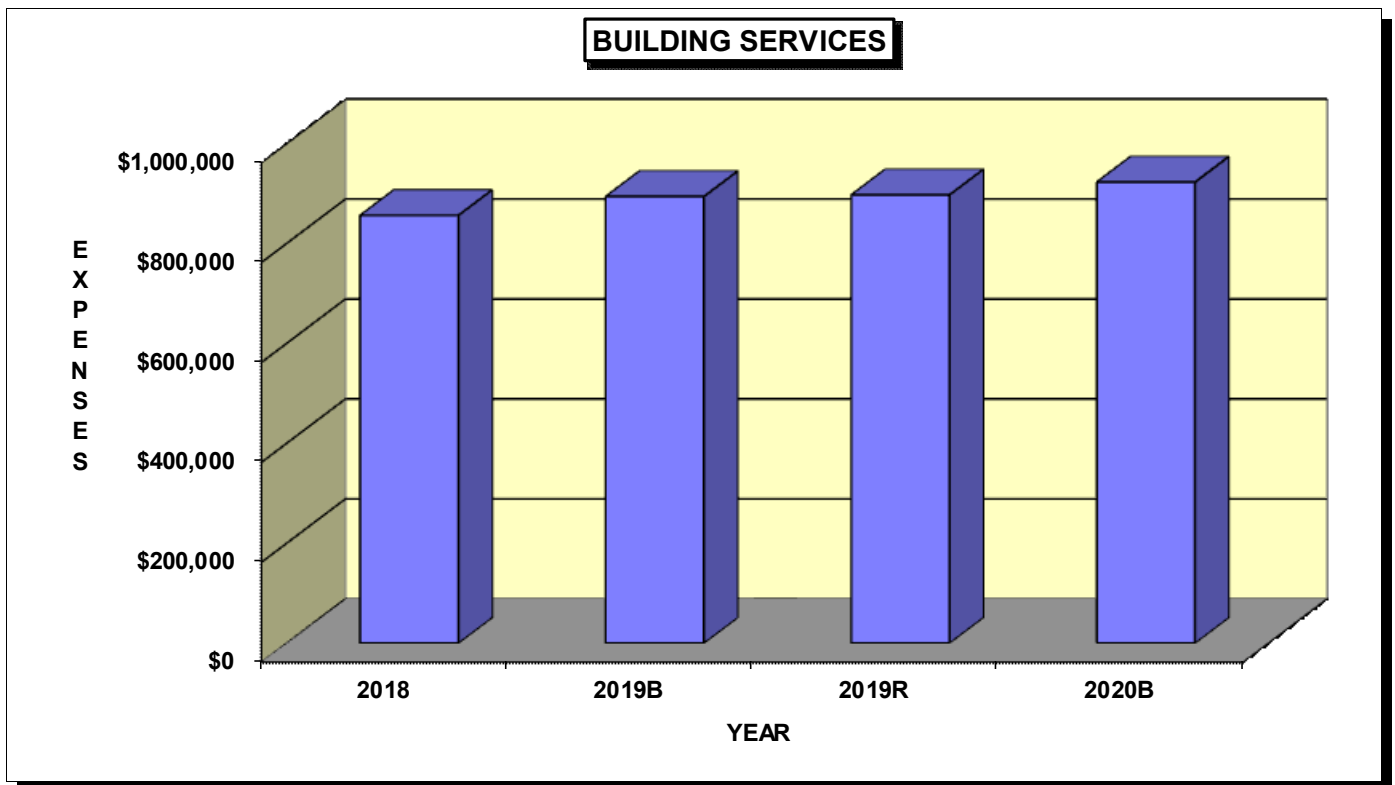
**DETAIL EXPENDITURES BY BUSINESS UNIT**

| <b>CLASSIFICATIONS</b>                    | <b>2018<br/>ACTUAL</b>   | <b>2019<br/>BUDGET</b>     | <b>2019<br/>REVISED</b>    | <b>2020<br/>BUDGET</b>     |
|---|--------------------------|----------------------------|----------------------------|----------------------------|
| <u>Personal Services</u>                  |                          |                            |                            |                            |
| 6005 Full Time                            | \$ 4,303                 | \$ 20,000                  | \$ 15,000                  | \$ 15,000                  |
| 6038 Workers Compensation                 | 56,362                   | 70,000                     | 70,000                     | 70,000                     |
| 6039 MN Unemployment                      | 7,700                    | 35,000                     | 34,000                     | 35,000                     |
| 6051 Interdepartmental Labor              | 198,208                  | 189,670                    | 198,300                    | 200,000                    |
| 6052 Administrative Charges               | 49,980                   | 45,980                     | 45,980                     | 44,520                     |
| <i>Personal Services Total</i>            | <u>\$ 316,553</u>        | <u>\$ 360,650</u>          | <u>\$ 363,280</u>          | <u>\$ 364,520</u>          |
| <u>Other Services &amp; Charges</u>       |                          |                            |                            |                            |
| 6103 Professional Services -General       | \$ 31,677                | \$ 41,000                  | \$ 40,000                  | \$ 41,000                  |
| 6202 Data Processing Rental               | 4,274                    | 4,470                      | 4,550                      | 4,760                      |
| 6303 Professional Development             | 847                      | 1,100                      | 1,100                      | 1,100                      |
| 6306 Care of Persons                      | 59,978                   | 118,000                    | 118,000                    | 118,000                    |
| 6307 Insurance & Bonds                    | 12,094                   | 10,000                     | 12,100                     | 13,000                     |
| 6313 Day Care Reimbursement               | 44,368                   | 32,000                     | 44,500                     | 46,500                     |
| 6314 Health Care Reimbursement            | 28,750                   | 37,000                     | 29,000                     | 30,000                     |
| 6315 Other Contractual Services           | (35,745)                 | 210,000                    | 210,000                    | 210,000                    |
| 6316 Dental Single                        | 79,321                   | 87,000                     | 82,000                     | 83,000                     |
| 6317 Dental Spouse                        | 28,627                   | 29,000                     | 29,000                     | 30,000                     |
| 6318 Dental Dependent                     | 36,492                   | 56,000                     | 37,000                     | 39,000                     |
| 6414 Other Supplies                       | 1,329                    | 1,000                      | 1,000                      | 1,000                      |
| 6513 Other Charges                        | 12,384                   | 115,000                    | 110,000                    | 115,000                    |
| <i>Other Services &amp; Charges Total</i> | <u>\$ 304,396</u>        | <u>\$ 741,570</u>          | <u>\$ 718,250</u>          | <u>\$ 732,360</u>          |
| <u>Other Financing Uses</u>               |                          |                            |                            |                            |
| 8511 Operating Transfers Out              | \$ 70,000                | \$ 43,000                  | \$ 82,060                  | \$ 40,000                  |
| <i>Other Financing Uses Total</i>         | <u>\$ 70,000</u>         | <u>\$ 43,000</u>           | <u>\$ 82,060</u>           | <u>\$ 40,000</u>           |
| <b>SELF INSURANCE TOTAL</b>               | <u><u>\$ 690,949</u></u> | <u><u>\$ 1,145,220</u></u> | <u><u>\$ 1,163,590</u></u> | <u><u>\$ 1,136,880</u></u> |

**FUND: BUILDING SERVICES FUND**  
**DEPARTMENT: Administrative Services**

**DEPARTMENT SUMMARY BY BUSINESS UNIT**

| BUSINESS UNIT                        | 2018<br>ACTUAL    | 2019<br>BUDGET    | 2019<br>REVISED   | 2020<br>BUDGET    | Increase/<br>(Decrease)<br>2019 Budget/<br>2020 Budget |
|--------------------------------------|-------------------|-------------------|-------------------|-------------------|--|
| 67000 BUILDING SERVICES FUND         | \$ 856,153        | \$ 893,870        | \$ 897,140        | \$ 923,810        | 3.35%  |
| <i>Administrative Services TOTAL</i> | <u>\$ 856,153</u> | <u>\$ 893,870</u> | <u>\$ 897,140</u> | <u>\$ 923,810</u> | 3.35%  |
| <b>REVENUES</b>                      |                   |                   |                   |                   |  |
| 67000 BUILDING SERVICES FUND         | \$ 890,849        | \$ 886,940        | \$ 897,140        | \$ 924,180        | 4.20%  |



**BUDGET SUMMARY  
BUILDING SERVICES FUND PROJECTION**

| <u>AVAILABLE FOR APPROPRIATION</u>  | <u>2018<br/>Actual</u> | <u>2019<br/>Revised</u> | <u>2020<br/>Budget</u> | <u>2021<br/>Projected</u> |
|-------------------------------------|------------------------|-------------------------|------------------------|---------------------------|
| <u>PRIOR YEAR RETAINED EARNINGS</u> | \$ 737,465             | \$ 772,161              | \$ 772,161             | \$ 772,531                |
| <u>Revenues</u>                     |                        |                         |                        |                           |
| Charges for Service:                |                        |                         |                        |                           |
| Building Rental                     | 871,709                | 883,140                 | 910,180                | 937,480                   |
| <u>Miscellaneous Revenues</u>       |                        |                         |                        |                           |
| Interest                            | 13,895                 | 13,000                  | 13,000                 | 13,000                    |
| Other Revenue                       | 5,245                  | 1,000                   | 1,000                  | 1,000                     |
| Total Misc. Revenues                | 19,140                 | 14,000                  | 14,000                 | 14,000                    |
| Total Revenues                      | 890,849                | 897,140                 | 924,180                | 951,480                   |
| <u>Expenses</u>                     |                        |                         |                        |                           |
| Personal Services                   | 345,832                | 362,130                 | 376,580                | 387,880                   |
| Other Services and Charges          | 479,906                | 504,590                 | 516,730                | 532,234                   |
| Operating Expenses                  | 825,738                | 866,720                 | 893,310                | 920,114                   |
| Net Income before Depreciation      | 65,111                 | 30,420                  | 30,870                 | 31,366                    |
| Depreciation                        | 30,415                 | 30,420                  | 30,500                 | 30,500                    |
| Net Income (Loss)                   | 34,696                 | -                       | 370                    | 866                       |
| <u>RETAINED EARNINGS</u>            | <u>772,161</u>         | <u>772,161</u>          | <u>772,531</u>         | <u>773,397</u>            |
| <u>CAPITAL OUTLAY</u>               | <u>\$ -</u>            | <u>\$ -</u>             | <u>\$ -</u>            | <u>\$ -</u>               |

\* Capital outlay expense is recorded as depreciation over the useful life of the fixed asset.

**BUDGET SUMMARY  
BUILDING SERVICES FUND PROJECTION**

| <u>CASH FLOW SUMMARY</u>                | <u>2018<br/>Actual</u> | <u>2019<br/>Revised</u> | <u>2020<br/>Budget</u> | <u>2021<br/>Projected</u> |
|---|------------------------|-------------------------|------------------------|---------------------------|
| <u>SOURCES OF CASH</u>                  |                        |                         |                        |                           |
| Total Revenues                          | \$ 890,849             | \$ 897,140              | \$ 924,180             | \$ 951,480                |
| Items not requiring cash -              |                        |                         |                        |                           |
| Decrease in Receivables                 | 230                    | -                       | -                      | -                         |
| Depreciation                            | 30,415                 | 30,420                  | 30,500                 | 30,500                    |
| TOTAL SOURCES                           | <u>921,494</u>         | <u>927,560</u>          | <u>954,680</u>         | <u>981,980</u>            |
| <u>USES OF CASH</u>                     |                        |                         |                        |                           |
| Total Expenses                          | 856,153                | 897,140                 | 923,810                | 950,614                   |
| Decrease in Payables                    | 39,485                 | -                       | -                      | -                         |
| TOTAL USES                              | <u>895,638</u>         | <u>897,140</u>          | <u>923,810</u>         | <u>950,614</u>            |
| <u>NET INCREASE (DECREASE) IN CASH</u>  | 25,856                 | 30,420                  | 30,870                 | 31,366                    |
| <u>CASH BALANCE - JANUARY 1</u>         | <u>893,556</u>         | <u>919,412</u>          | <u>949,832</u>         | <u>980,702</u>            |
| <u>CASH BALANCE - DECEMBER 31</u>       | <u>\$ 919,412</u>      | <u>\$ 949,832</u>       | <u>\$ 980,702</u>      | <u>\$ 1,012,068</u>       |
| <u>CASH TO BE AVAILABLE</u>             |                        |                         |                        |                           |
| Current assets - December 31            | \$ 919,412             |                         |                        |                           |
| Less: Current liabilities - December 31 | 55,079                 |                         |                        |                           |
| Cash To Be Available                    | <u>\$ 864,333</u>      |                         |                        |                           |



## **BUILDING SERVICES DIVISION**

### **MISSION STATEMENT**

To provide mechanical and janitorial services to the Richfield Municipal Center complex and Fire Station 2 and to plan, administer and finance major maintenance for these buildings.

### **DIVISION FOCUS**

The Building Services Division is made up of the Building Operations Manager, two Building Maintenance Mechanics and a Building Services Custodian.

The Division is responsible for the maintenance and upkeep of the Richfield Municipal Center, Fire Station 2, and City's four liquor stores.

The Division charges City departments a rental charge based on their square footage use of the Richfield Municipal Center and Fire Station 2. The rental charge covers the costs of services, supplies and maintenance. The City's Liquor operation is charged directly for time and materials incurred.

The Division also assists with maintenance tasks at the City's swimming pool, ice arena, park buildings, Woodlake Nature Center and the Community Center as needed.

In both 2019 and 2020, the focus of the division will be to provide high quality service to its customers and to maintain a clean and safe environment for City employees to work.

### **2019 HIGHLIGHTS**

- Working with the Public Works Director, managed the demolition of the former Motel 6 property.
- Managed the bid process to replace the roof and the HVAC system at the South Lyndale liquor location which resulted in savings to the liquor operation (City Council Goal 1a).

### **2020 BUILDING SERVICES DIVISION GOALS**

- Continue to refine the operating budget between increased user charges and operating costs to ensure a balanced operation.
- Work with the Finance Director to establish a replacement plan for capital items at the Richfield Municipal Center to ensure its long term viability (City Council Goal 1a).

### **DIVISION EXPENDITURE COMMENT**

The 2020 Proposed budget was prepared to provide the necessary services and to maintain the infrastructure of the various buildings. User charges will be reviewed annually to ensure that they meet expected operating costs.

**FUND: BUILDING SERVICES FUND**  
**DEPARTMENT: Administrative Services**  
**BUSINESS UNIT: BUILDING SERVICES FUND - 67000**

**DETAIL REVENUES BY BUSINESS UNIT**

| <b>CLASSIFICATIONS</b>                     | <b>2018<br/>ACTUAL</b>   | <b>2019<br/>BUDGET</b>   | <b>2019<br/>REVISED</b>  | <b>2020<br/>BUDGET</b>   |
|--|--------------------------|--------------------------|--------------------------|--------------------------|
| <u>Charges for Service</u>                 |                          |                          |                          |                          |
| 4346 Building Rental                       | \$ 841,632               | \$ 868,140               | \$ 868,140               | \$ 894,180               |
| 4348 Labor Services                        | 30,077                   | 13,000                   | 15,000                   | 16,000                   |
| <i>Charges for Service Total</i>           | <u>\$ 871,709</u>        | <u>\$ 881,140</u>        | <u>\$ 883,140</u>        | <u>\$ 910,180</u>        |
| <u>Other Income</u>                        |                          |                          |                          |                          |
| 8011 Investment Earnings                   | \$ 13,895                | \$ 5,800                 | \$ 13,000                | \$ 13,000                |
| 8034 Other Refund/Reimbursements           | 5,245                    | -                        | 1,000                    | 1,000                    |
| <i>Other Income Total</i>                  | <u>\$ 19,140</u>         | <u>\$ 5,800</u>          | <u>\$ 14,000</u>         | <u>\$ 14,000</u>         |
| <b><i>BUILDING SERVICES FUND TOTAL</i></b> | <b><u>\$ 890,849</u></b> | <b><u>\$ 886,940</u></b> | <b><u>\$ 897,140</u></b> | <b><u>\$ 924,180</u></b> |

**FUND: BUILDING SERVICES FUND**  
**DEPARTMENT: Administrative Services**  
**BUSINESS UNIT: BUILDING SERVICES FUND - 67000**

**DETAIL EXPENDITURES BY BUSINESS UNIT**

| <b>CLASSIFICATIONS</b>                    | <b>2018<br/>ACTUAL</b>   | <b>2019<br/>BUDGET</b>   | <b>2019<br/>REVISED</b>  | <b>2020<br/>BUDGET</b>   |
|---|--------------------------|--------------------------|--------------------------|--------------------------|
| <u>Personal Services</u>                  |                          |                          |                          |                          |
| 6005 Full Time                            | \$ 234,776               | \$ 240,570               | \$ 240,060               | \$ 248,210               |
| 6006 Part-time                            | 24,219                   | 23,380                   | 23,380                   | 24,950                   |
| 6009 Overtime                             | 28                       | 500                      | 500                      | 500                      |
| 6013 Longevity                            | 1,810                    | 1,940                    | 1,960                    | 2,030                    |
| 6031 Employer Social Security             | 15,525                   | 16,000                   | 16,170                   | 16,650                   |
| 6032 Employer Medicare                    | 3,631                    | 3,740                    | 3,790                    | 3,910                    |
| 6033 Employer Pera                        | 9,630                    | 19,940                   | 19,910                   | 20,640                   |
| 6035 Medical Insurance                    | 44,113                   | 45,800                   | 43,910                   | 48,290                   |
| 6036 Dental Insurance                     | 2,142                    | 2,150                    | 2,160                    | 2,160                    |
| 6037 Term Life                            | 63                       | 120                      | 120                      | 120                      |
| 6038 Workers Compensation                 | 9,408                    | 9,340                    | 9,340                    | 8,260                    |
| 6040 Long Term Disability                 | 487                      | 490                      | 830                      | 860                      |
| <i>Personal Services Total</i>            | <u>\$ 345,832</u>        | <u>\$ 363,970</u>        | <u>\$ 362,130</u>        | <u>\$ 376,580</u>        |
| <u>Other Services &amp; Charges</u>       |                          |                          |                          |                          |
| 6103 Professional Services -General       | \$ 168                   | \$ 1,160                 | \$ 1,170                 | \$ 1,170                 |
| 6202 Data Processing Rental               | 12,880                   | 13,090                   | 13,200                   | 13,440                   |
| 6204 Motor Pool Operating Rental          | 7,290                    | 7,660                    | 7,660                    | 8,100                    |
| 6205 Maintenance & Repairs                | 45,508                   | 42,000                   | 42,000                   | 42,000                   |
| 6207 Utility Services                     | 213,547                  | 211,150                  | 215,760                  | 224,580                  |
| 6302 Communications                       | 8,796                    | 9,940                    | 9,940                    | 10,230                   |
| 6303 Professional Development             | -                        | 1,200                    | 1,200                    | 1,200                    |
| 6307 Insurance & Bonds                    | 18,634                   | 18,300                   | 18,800                   | 19,360                   |
| 6308 Property Liability                   | 19,150                   | 19,730                   | 19,730                   | 20,320                   |
| 6310 Taxes & Licenses                     | 1,002                    | 1,140                    | 1,140                    | 1,140                    |
| 6315 Other Contractual Services           | 122,974                  | 133,030                  | 132,910                  | 133,110                  |
| 6401 Office Supplies                      | 118                      | 500                      | 500                      | 500                      |
| 6409 Uniforms & Clothing                  | 1,595                    | 1,780                    | 1,780                    | 1,780                    |
| 6410 Small Tools & Parts                  | 722                      | 1,200                    | 1,200                    | 1,200                    |
| 6412 Maint. & Const. Materials            | 10,162                   | 13,600                   | 13,600                   | 13,600                   |
| 6414 Other Supplies                       | 17,360                   | 24,000                   | 24,000                   | 25,000                   |
| <i>Other Services &amp; Charges Total</i> | <u>\$ 479,906</u>        | <u>\$ 499,480</u>        | <u>\$ 504,590</u>        | <u>\$ 516,730</u>        |
| <u>Depreciation</u>                       |                          |                          |                          |                          |
| 6610 Depreciation                         | \$ 30,415                | \$ 30,420                | \$ 30,420                | \$ 30,500                |
| <i>Depreciation Total</i>                 | <u>\$ 30,415</u>         | <u>\$ 30,420</u>         | <u>\$ 30,420</u>         | <u>\$ 30,500</u>         |
| <b>BUILDING SERVICES FUND TOTAL</b>       | <u><u>\$ 856,153</u></u> | <u><u>\$ 893,870</u></u> | <u><u>\$ 897,140</u></u> | <u><u>\$ 923,810</u></u> |

## Performance Measures

### Department/Division

### Administrative Services/Building Services

|   | Actual<br>2017 | Actual<br>2018 | Budget<br>2019 | Budget<br>2020 |
|---|----------------|----------------|----------------|----------------|
| <b>Inputs:</b>  |                |                |                |                |
| Number of full time employees                           | 3.00           | 3.00           | 3.00           | 3.00           |
| Division Operating Revenues                             | \$ 827,867     | \$ 871,709     | \$ 883,140     | \$ 910,180     |
| Division Operating Expenditures                         | \$ 862,978     | \$ 856,153     | \$ 897,140     | \$ 923,810     |
| <b>Outputs:</b>   |                |                |                |                |
| Annual Contract Cleaning Cost<br>City Hall              | \$ 85,600      | \$ 85,600      | \$ 86,560      | \$ 86,560      |
| <b>Effectiveness Measures:</b>                          |                |                |                |                |
| Cost per Square Foot to Clean City<br>Hall              | \$ 1.22        | \$ 1.22        | \$ 1.24        | \$ 1.24        |
| <b>Efficiency Measures:</b>                             |                |                |                |                |
| Estimated Cost per Square Foot<br>to Maintain City Hall | \$ 9.86        | \$ 9.78        | \$ 10.25       | \$ 10.56       |
| Rent Revenue per Square Foot                            | \$ 7.96        | \$ 8.38        | \$ 8.49        | \$ 8.75        |
| Expense per Capita                                      | \$ 23.61       | \$ 23.50       | \$ 24.62       | \$ 25.35       |

**FUND: BUILDING SERVICES FUND**  
**DEPARTMENT: Administrative Services**  
**BUSINESS UNIT: BUILDING SERVICES FUND - 67000**

**DIVISION PERSONNEL**

| CLASSIFICATIONS                    | SALARY<br>GRADE | NUMBER OF EMPLOYEES |                 |                |
|------------------------------------|-----------------|---------------------|-----------------|----------------|
|                                    |                 | 2019<br>ADOPTED     | 2019<br>REVISED | 2020<br>BUDGET |
| <u>Regular Full-Time Employees</u> |                 |                     |                 |                |
| Building Operations Manager        | M-2             | 1.00                | 1.00            | 1.00           |
| Building Maintenance Mechanic      | LT-2            | 1.00                | 1.00            | 1.00           |
| Building Maintenance Mechanic      | LT-2            | 1.00                | 1.00            | 1.00           |
|                                    | <i>Total</i>    | <u>3.00</u>         | <u>3.00</u>     | <u>3.00</u>    |
| <u>Part-Time Employees</u>         |                 |                     |                 |                |
| Custodian                          | GS-2            | 1.00                | 1.00            | 1.00           |
|                                    | <i>Total</i>    | <u>1.00</u>         | <u>1.00</u>     | <u>1.00</u>    |

**CAPITAL OUTLAY**

| ITEMS | 2019<br>ADOPTED | 2019<br>REVISED | 2020<br>BUDGET |
|-------|-----------------|-----------------|----------------|
|       | None            | \$ -            | \$ -           |
|       | <i>Total</i>    | <u>\$ -</u>     | <u>\$ -</u>    |

## **DEBT SERVICE FUNDS**

### **MISSION STATEMENT**

To account for the accumulation for resources used to service the City's general obligation long-term debt.

### **DIVISION FOCUS**

The activity in these funds is a function of the debt service schedule of the outstanding bond issues, as well as any covenants regarding fund and account structure that may be contained in the original selling agreement for the different bond issues.

The debt service budget is made up of two primary funds; General Obligation Improvement bonds and General Obligation Redevelopment bonds.

The General Obligation (G.O.) Improvement Bond fund provides for the collection of tax debt service levies and special assessments for the payment of principal and interest on the bonds issued for the purpose of public improvements. Beginning in 2007, in response to infrastructure improvements within the City, the City has predominantly issued bonds that require the levying of taxes to service the debt. Accordingly, the result is an annual debt service tax levy. For 2020, the total tax levy required will be \$3,478,690. The bonds that will be serviced by this levy and future levies, were issued to fund several City projects, from the construction of the City municipal center to the reconstruction of roadways within the City.

During 2019, the City issued the \$8,325,000 G.O. Bonds, Series 2019A to fund the Lyndale Avenue Reconstruction project and the final phase of funding for the 66<sup>th</sup> Street project. In addition, the City will complete the refunding of the Series 2008A and Series 2009A. These bonds were refunded by the Series 2016C and 2017B respectively. The spend down of the refunding proceeds will have the effect to reduce the fund balance within the fund in excess of 10%. The outstanding principal for G.O. Improvement bonds at the end of 2019 is \$48,460,000.

The G.O. Redevelopment Bonds are issued by the City of Richfield for the Richfield Housing and Redevelopment Authority (HRA). The bonds are issued to provide funding for public improvements in relation to redevelopment projects. The debt service on the outstanding bonds is provided through the collection of tax increments remitted to the HRA from Hennepin County. As part of the bond issuance, the HRA pledges the tax increment collections to the City for the purpose of the annual debt service requirements of the bonds. There are currently no plans for issuance of redevelopment bonds in the near future. The outstanding G.O. Redevelopment Bond principal at the end of 2019 is \$4,220,000.

The City continues to evaluate outstanding bond issues to determine if cost savings can be achieved by refinancing bonds or calling the bonds early. General Obligation bond debt service will be paid in full in the year 2040. Redevelopment bond debt service will be paid in full in the year 2025.

### **BOND RATINGS**

The bond rating process is a comprehensive analysis of the City's financial practices and performances (past and current). Forecasts of future performance and projected long-term planning practices are also reviewed.

The City of Richfield has maintained an excellent bond rating for many years. The City currently has received a AA+ rating from Standard and Poor's and an AA2 rating from Moody's Investors Service prior to that.

Finally, the City's Debt Policies can be found on pages 27-28 in the introductory section of the document.

**BUDGET SUMMARY**  
**GENERAL OBLIGATION IMPROVEMENT BONDS**

|                                   | <u>2018<br/>Actual</u> | <u>2019<br/>Budget</u> | <u>2019<br/>Revised</u> | <u>2020<br/>Budget</u> |
|-----------------------------------|------------------------|------------------------|-------------------------|------------------------|
| <u>Fund Balance - January 1</u>   | \$ 10,278,411          | \$ 10,358,281          | \$ 10,844,148           | \$ 5,251,498           |
| <u>Source of Funds</u>            |                        |                        |                         |                        |
| Taxes                             | \$ 2,884,805           | \$ 3,170,340           | 3,170,340               | \$ 3,478,690           |
| Special Assessment Collections    | 56,015                 | 59,000                 | 56,000                  | 55,000                 |
| Interest                          | 220,761                | 20,000                 | 45,000                  | 45,000                 |
| Bond Proceeds                     | 9,921,774              | -                      | 5,604,820               | -                      |
| Transfer in:                      |                        |                        |                         |                        |
| Special Revenue Fund              | 353,340                | 744,480                | 744,480                 | 748,020                |
| Capital Project Fund              | 4,100                  | 3,760                  | 3,760                   | 3,420                  |
| Total Sources                     | <u>\$ 13,440,795</u>   | <u>\$ 3,997,580</u>    | <u>\$ 9,624,400</u>     | <u>\$ 4,330,130</u>    |
| <u>Use of Funds</u>               |                        |                        |                         |                        |
| Bond Principal                    | \$ 1,660,000           | \$ 8,150,000           | \$ 8,150,000            | \$ 2,545,000           |
| Bond Interest                     | 1,282,730              | 1,403,140              | 1,332,150               | 1,352,310              |
| Fiscal Agent Charges              | 6,275                  | 5,750                  | 5,750                   | 5,750                  |
| Other Services & Charges          | 126,053                | -                      | 72,950                  | -                      |
| Transfers to:                     |                        |                        |                         |                        |
| General Fund                      | -                      | 435,000                | 51,380                  | 435,000                |
| Capital Project Fund              | 9,800,000              | -                      | 5,604,820               | -                      |
| Total Uses                        | <u>\$ 12,875,058</u>   | <u>\$ 9,993,890</u>    | <u>\$ 15,217,050</u>    | <u>\$ 4,338,060</u>    |
| <u>Fund Balance - December 31</u> | <u>\$ 10,844,148</u>   | <u>\$ 4,361,971</u>    | <u>\$ 5,251,498</u>     | <u>\$ 5,243,568</u>    |

**General Obligation Improvement Bonds**  
**Scheduled Debt Service Requirements - Annual Payments**  
**December 31, 2019**

| <b>TAX LEVY<br/>REQUIREMENT</b> | <b>YEAR</b> | <b>PRINCIPAL</b>     | <b>INTEREST</b>      | <b>TOTAL</b>        | <b>UNPAID<br/>PRINCIPAL</b> |
|---------------------------------|-------------|----------------------|----------------------|---------------------|-----------------------------|
|                                 |             |                      |                      |                     | \$ 48,460,000               |
| 3,468,690                       | 2020        | 2,545,000            | 1,352,312            | 3,897,312           | 45,915,000                  |
| 3,451,255                       | 2021        | 2,800,000            | 1,256,979            | 4,056,979           | 43,115,000                  |
| 3,456,451                       | 2022        | 2,855,000            | 1,179,191            | 4,034,191           | 40,260,000                  |
| 3,474,316                       | 2023        | 2,935,000            | 1,098,299            | 4,033,299           | 37,325,000                  |
| 3,483,059                       | 2024        | 3,035,000            | 1,013,119            | 4,048,119           | 34,290,000                  |
| 3,472,517                       | 2025        | 3,130,000            | 925,148              | 4,055,148           | 31,160,000                  |
| 3,477,703                       | 2026        | 3,210,000            | 838,774              | 4,048,774           | 27,950,000                  |
| 3,491,129                       | 2027        | 3,300,000            | 753,398              | 4,053,398           | 24,650,000                  |
| 2,972,789                       | 2028        | 3,395,000            | 664,936              | 4,059,936           | 21,255,000                  |
| 1,844,035                       | 2029        | 2,955,000            | 579,323              | 3,534,323           | 18,300,000                  |
| 1,861,549                       | 2030        | 1,960,000            | 511,479              | 2,471,479           | 16,340,000                  |
| 1,856,148                       | 2031        | 2,035,000            | 455,378              | 2,490,378           | 14,305,000                  |
| 1,843,967                       | 2032        | 2,080,000            | 396,837              | 2,476,837           | 12,225,000                  |
| 1,727,237                       | 2033        | 2,130,000            | 335,863              | 2,465,863           | 10,095,000                  |
| 1,568,832                       | 2034        | 2,070,000            | 274,250              | 2,344,250           | 8,025,000                   |
| 1,560,300                       | 2035        | 1,980,000            | 214,025              | 2,194,025           | 6,045,000                   |
| 1,288,324                       | 2036        | 1,695,000            | 159,119              | 1,854,119           | 4,350,000                   |
| 1,286,525                       | 2037        | 1,490,000            | 112,294              | 1,602,294           | 2,860,000                   |
| 661,316                         | 2038        | 1,530,000            | 66,856               | 1,596,856           | 1,330,000                   |
| 378,525                         | 2039        | 980,000              | 26,813               | 1,006,813           | 350,000                     |
|                                 | 2040        | 350,000              | 5,250                | 355,250             |                             |
| <u>46,624,667</u>               |             | <u>\$ 48,460,000</u> | <u>\$ 12,219,643</u> | <u>\$60,679,643</u> |                             |

Debt as a Percentage of Taxable Market Value

1.31%

Debt Per Capita

\$ 1,330.00



**BUDGET SUMMARY**  
**GENERAL OBLIGATION REDEVELOPMENT BONDS**

|                                    | <u>2018<br/>Actual</u> | <u>2019<br/>Budget</u> | <u>2019<br/>Revised</u> | <u>2020<br/>Budget</u> |
|------------------------------------|------------------------|------------------------|-------------------------|------------------------|
| <u>Fund Balance - January 1</u>    | \$ -                   | \$ -                   | \$ -                    | \$ -                   |
| <u>Source of Funds</u>             |                        |                        |                         |                        |
| Transfers from -<br>Component Unit | 869,366                | 868,050                | 868,100                 | 874,280                |
| Total Sources                      | <u>\$ 869,366</u>      | <u>\$ 868,050</u>      | <u>\$ 868,100</u>       | <u>\$ 874,280</u>      |
| <u>Use of Funds</u>                |                        |                        |                         |                        |
| Principal Bonds                    | \$ 705,000             | \$ 720,000             | \$ 720,000              | \$ 745,000             |
| Bond Interest                      | 163,416                | 147,150                | 147,150                 | 128,330                |
| Fiscal Charges                     | 950                    | 900                    | 950                     | 950                    |
| Total Uses                         | <u>\$ 869,366</u>      | <u>\$ 868,050</u>      | <u>\$ 868,100</u>       | <u>\$ 874,280</u>      |
| <u>Fund Balance - December 31</u>  | <u>\$ -</u>            | <u>\$ -</u>            | <u>\$ -</u>             | <u>\$ -</u>            |

**GENERAL OBLIGATION REDEVELOPMENT BONDS**  
**SCHEDULED DEBT SERVICE REQUIREMENTS - ANNUAL PAYMENTS**  
**December 31, 2019**

| <u>YEAR</u> | <u>PRINCIPAL</u>    | <u>INTEREST</u>   | <u>TOTAL</u>        | <u>UNPAID<br/>PRINCIPAL</u> |
|-------------|---------------------|-------------------|---------------------|-----------------------------|
|             |                     |                   |                     | 4,220,000                   |
| 2020        | 745,000             | 128,321           | 873,321             | 3,475,000                   |
| 2021        | 760,000             | 107,430           | 867,430             | 2,715,000                   |
| 2022        | 790,000             | 84,528            | 874,528             | 1,925,000                   |
| 2023        | 815,000             | 56,772            | 871,772             | 1,110,000                   |
| 2024        | 850,000             | 24,256            | 874,256             | 260,000                     |
| 2025        | 260,000             | 3,738             | 263,738             | -                           |
|             | <u>\$ 4,220,000</u> | <u>\$ 405,045</u> | <u>\$ 4,625,045</u> |                             |

|  |           |
|--|-----------|
| Debt as a Percentage of Taxable Market Value | 0.11%     |
| Debt Per Capita                              | \$ 115.82 |

---

**COMPUTATION OF LEGAL DEBT MARGIN  
DECEMBER 31, 2019**

---

|  |                         |                                |
|--|-------------------------|--------------------------------|
| <b>Market Value of Taxable Property</b>                  |                         | <b><u>\$ 3,421,012,095</u></b> |
| <b>Debt Limit 3% of Market Value of Taxable Property</b> |                         | <b>\$ 102,630,362</b>          |
| <b>Amount of Debt Applicable to Debt Limit:</b>          |                         |                                |
| <b>Total Bonded Debt</b>                                 | <b>\$ 65,640,000</b>    |                                |
| <b>Less:</b>   |                         |                                |
| <b>Redevelopment Bonds</b>                               | <b>\$ 4,220,000</b>     |                                |
| <b>Special Assessment Bonds</b>                          | <b>488,000</b>          |                                |
| <b>Water Revenue Bonds</b>                               | <b>5,125,000</b>        |                                |
| <b>Sewer Revenue Bonds</b>                               | <b>1,080,000</b>        |                                |
| <b>Storm Sewer Revenue Bonds</b>                         | <b><u>6,755,000</u></b> | <b><u>17,668,000</u></b>       |
| <b>Total Debt Applicable to Debt Limit</b>               |                         | <b><u>47,972,000</u></b>       |
| <b>Available Debt Capacity</b>                           |                         | <b><u>\$ 54,658,362</u></b>    |

The redevelopment bonds are paid primarily from tax increment and will be paid in full in 2025. General obligation improvement bonds are paid from special assessment collections, interest earnings, and tax levies. General obligation bonds will be paid in full in 2040. It is anticipated that for existing bonds the special assessment collections will be sufficient to service that portion of the outstanding debt. However, for bond issues in 2010, 2012, 2013, 2015, 2016, 2017, 2018 and 2019 authorized tax levies will be used.

The City will continue to limit long-term borrowing to capital improvements or projects that cannot be financed from current revenues.

The City's Debt Service policies are summarized in the Introductory Section.

# **CAPITAL IMPROVEMENT BUDGET AND PLAN**

## **MISSION STATEMENT**

The Richfield Capital Improvement Budget and Plan is a comprehensive list of major improvements necessary to meet the needs of the community over a five-year period. This list is prepared through compiling the project needs requested by the various city departments. The Capital Plan sets forth the proposed scheduling and details of specific projects by year, estimated cost, and a justification or description to those responsible for making policy decisions regarding expenditures for new facilities. In addition, the Plan provides information so that individual project requests can be better evaluated against community needs and the community's ability to pay for and maintain these facilities in the succeeding years.

## **CAPITAL IMPROVEMENT PLAN GOALS**

The specific goals of the Capital Improvement Plan are:

- To develop a realistic list of capital improvement needs which relates proposed projects to the City's capacity to finance such projects.
- To minimize the impact of projects on the residents' ability to pay.
- To schedule various projects and improvements in a way which allows adequate time to detailed design and engineering of the projects, preparing environmental statements or grant applications or exploring alternative methods of financing.
- To provide coordination between City departments, various units of special and general local government, and public utilities.
- To implement the community's Comprehensive Plan in an orderly fashion.
- To keep the public involved and informed about needed public improvements and to better enable the public to schedule private improvements.

## **OVERVIEW**

Richfield's Capital Improvement Plan is a process for identifying annual project needs and priorities for project coordination as well as for financial planning. In addition, the Capital Improvement process provides for public discussion of short range City improvements.

The Capital Improvement Budget (CIB)/Capital Improvement Plan (CIP) projects are identified through discussions of the various City commissions and the City departments. From these discussions City staff compiles estimated costs, scope and potential funding sources for the projects.

A preliminary report is then generated by the Finance Director based on these discussions and presented to a meeting of the Planning Commission.

The Planning Commission then reviews the projects and scheduling based on the following consideration:

- The proposed project's conformance to the Comprehensive Plan.

The CIB/CIP, as recommended by the Planning Commission, is then returned to the Finance Director formalized submitted to the City Council as part of the annual budget process. The Council may delete projects from the Plan or may change the scheduling and priority of the allocation of funds. In accordance with state statutes, the City Council should refer any new project they may add to the Capital Improvement Plan to the Planning Commission for review.

Accordingly, the 2019 Revised/2020 Proposed Capital Improvement Budget (CIB)

reflects funding for several improvement projects throughout the City. Included are costs for the 65<sup>th</sup> Street Reconstruction, 66<sup>th</sup> Street Reconstruction, 77<sup>th</sup> Street Underpass, and the six year Mill and Overlay program. Also included are funds for park and recreation projects and water and wastewater projects.

The funding for the right of way projects is expected to come from sources such as Federal and State grants, Municipal State Aid (MSA), street reconstruction bonds, and utility franchise fees. Funding for other projects included in the CIB will come from intergovernmental revenues, special revenues, and user fees. The City's main operating budgets should not be materially affected by the planned projects as all funding is outside those budgets. The only possible effect would be on the maintenance of the newly constructed projects. In some cases the maintenance costs may increase, but in others, it is expected to decrease.

The Capital Improvement Plan, which represents the next four year period, also contains a number of significant proposed projects including, several park projects, major street improvement and reconstruction projects throughout the city, replacement of rolling stock and technology equipment, and several projects to improve public facilities throughout the City.

## **2020 Capital Improvement Budget Projects**

### **Recreation Open Space**

#### **Park Maintenance/Wood Lake Fence Repair - \$50,000**

- This project is an annual project that manages the maintenance of existing park infrastructure.
- Annual funding for these projects normally comes from an allotment that can range from \$45,000 to \$100,000 of special revenue funds from the Liquor Contribution Fund.
- The impact on operating costs should be minimal as parks maintenance staff perform the majority of the planned projects and accordingly, the parks maintenance budget includes the costs involved with the projects.

#### **Community Center/Wood Lake Building Repair - \$50,000**

- There are various maintenance projects related to the upkeep of the Community Center and Wood Lake Nature Center buildings.
- These projects will be identified and prioritized on an annual basis.
- Projects may include HVAC, roofing, window, and flooring repairs.
- The annual funding from special revenue funds will allow the buildings to be maintained properly and reduce operating costs within Recreation Services General Fund Department.

#### **Replacement of Park Play Equipment - \$350,000**

- This project involves the replacement of play equipment structures at three city park; Augsburg Park, Madison Park, and Washington Park.
- The replacement is in accordance with the Play Equipment Replacement Schedule established in 2018.
- Funding will be provided by special revenue funding.
- Operating costs for the play equipment should be reduced for initial years of use since it will be new equipment.

#### **Ice Arena Refrigeration Project - \$3,680,000**

- Legislation requires ice arenas in Minnesota to change their refrigeration systems by the year 2020 to avoid the use of the R22 refrigerant.

- The conversion will include a renovated mechanical room that combines compressors for both Rink 1 and Rink 2. This will significantly improve the efficiency and reduce energy costs.
- Funding for the project will come from \$280,000 of Special Revenue funds and internal funding of \$3,400,000.
- Once the project is completed, it is expected that operating costs will decrease due to combining the compressors for both ice sheets.

### **Right of Way Improvements**

#### **66<sup>th</sup> Street Reconstruction** - \$61,292,000

- This project consists of reconstruction of 66<sup>th</sup> Street from Xerxes Avenue east to 16<sup>th</sup> Avenue. It will include replacement of City utilities, undergrounding of parallel overhead utility lines, and improved bicycle and pedestrian accommodations.
- Since this is a County road, the City cost share includes 10% of road construction, 50% of storm sewer, 100% water/sewer utility replacement, and any additional streetscape elements not cost shared by the County.
- Annual maintenance costs for road will be the responsibility of the County. There will be no increase in operating costs for the City.
- Funding for the project will be provided by the planned issuance of a Street Reconstruction Bonds, Municipal State Aid, Federal Grants, and the County.

#### **Lyndale Avenue Reconstruction** - \$3,212,000

- This project involves the reconstruction of Lyndale Avenue between 67<sup>th</sup> Street and 76<sup>th</sup> Street.
- The new roadway cross-section would be consistent with the recommendation identified in the 2009 Arterial Roads Study which would be a 3-lane section.
- The project would also include the replacement of City utilities.
- Annual operating costs should increase since the new roadway contains several roundabouts in which the center island will require routine maintenance throughout the year.

#### **Bicycle and Pedestrian Improvements** - \$80,000

- Bike and pedestrian facilities would be installed in the year following mill and overlay improvements.
- Funding for the improvements would come from municipal state aid funds.
- Operating costs are expected to increase 3%-5% annually in order to maintain these improvements.

#### **Mill and Overlay Program** - \$3,250,000

- This is the sixth and final year of a planned six year timeframe and when completed 85 miles of residential roads will be milled and overlaid, as well as the repair of catch basins, manhole covers, and the repair of curb and gutter.
- Total estimated cost of the six year program is \$19,500,000, with funding to be provided by the issuance of Street Reconstruction bonds, with the debt service on the bonds paid by gas and electric utility franchise fees.
- The project should significantly reduce annual operating costs on city roadways into the near future.

## **Public Facilities**

### **Replacement of Central Garage Equipment - \$680,000**

- This represents the replacement of motor pool equipment used by General Fund departments. Budgeted replacement cost for 2019 is \$655,000. With funding for the replacement coming from a levy of property taxes as part of the City's general tax levy.
- Regular, scheduled replacement of equipment will reduce the amount of repair costs. Typically, repair costs accelerate as the age of equipment increases. Consequently, the City should realize lower repair costs with newer equipment.

### **Technology Replacement - \$135,000**

- This represents replacement of outdated equipment and acquisition of new technology for the City's computer network. Budgeted equipment costs for 2019 total \$135,000. Funding will come from the levying of property taxes as part of the City's general tax levy.
- Repair expenses accelerate as the age of equipment increases. The City will realize lower maintenance costs by replacement of equipment on a regular schedule.

### **Water Main Lining 65<sup>th</sup> Street - \$1,200,000**

- Lining consists of the installation of a liner in the existing clay pipe, expanding/heating then is applied and the liner adheres to the existing clay pipe.
- Lining of this water main will restore it back to a "like new" condition and will result in a new life for the water main.
- This project will be completed prior to the reconstruction of 65<sup>th</sup> Street and will result in lower costs for the reconstruction of the roadway.

### **Lining of Water Mains Under Interstate Highway 35W - \$580,000**

- The City's water distribution system has three water mains that supply water west of I-35W. One of the water mains was updated in the early 1990's, while the other two mains date back to the 1960's.
- Lining consists of the installation of a liner in the existing clay pipe, expanding/heating then is applied and the liner adheres to the existing clay pipe.
- Lining of these water mains will restore them back to a "like new" condition and will result in a new life for the water mains.

### **Sewer Main Lining - \$300,000**

- The wastewater collection system was installed in the late 1950's and consists of VCP (Vitrified Clay Pipe).
- Lining consists of the installation of a liner in the existing clay pipe, expanding/heating then is applied and the liner adheres to the existing clay pipe.
- This technique is widely used in the wastewater industry and is able to be done at a fraction of the cost of cutting open a street and installing a new line.
- Consequently, this should reduce maintenance costs on sewer lines and extend their useful life.
- Funding will be provided through the operations of the sewer utility.

### **Lime Filter Press Rehabilitation - \$70,000**

- The Lime Filter presses were newly installed in 2008.

- The presses include numerous components that were over time and require replacement.
- Replacement of the components will result in a more efficient and reliable operation and extend the useful life of the filter presses.
- With the rehabilitation, maintenance costs will decrease significantly.
- Funding for the project will come from water utility operations.

#### City Wide Water Meter Upgrade - \$1,340,000

- The current city-wide system of 11,000 water meters was installed in 2007. This system requires utility employees to drive by each property to obtain meter readings.
- The current system is failing and maintenance is becoming costly and time consuming.
- The proposed new system will have a signal read radio device which eliminates the need to drive by each property.
- The new system will reduce operating costs and allow the utility divisions to operate much more efficiently.
- Funding for the project will be provided through the operations of the water utility.

#### Rehabilitation of Stormwater Collection System Manhole Structures - \$100,000

- The stormwater collection system was installed in the mid 1950's and is constructed of brick structures.
- Staff has encountered structures that are passing water between the bricks.
- The rehabilitation of the structures consists of installing a liner inside the existing structure. The liner is installed by heating the liner which causes it to adhere to the bricks.
- The lining of the structures will reduce operating costs and increase the life expectancy by 30 years.
- Funding will be provided from stormwater operating revenues.

#### Rehabilitation of Stormwater Collection Mains - \$100,000

- The stormwater collection system was installed in the 1950's and is comprised of mostly reinforced concrete pipe (RCP).
- A cleaning and inspection program is underway to determine the condition of the mains.
- Mains that are identified as being in poor condition and not in need of upsizing for capacity will be rehabilitated using a cast-in-place-pipe lining method.
- The rehabilitation will reduce maintenance costs and extend the life of the mains by up to 75 years.
- Funding will be provided from stormwater operating revenues.

#### Sludge Tank Mixer Upgrade - \$90,000

- The current sludge tank mixers are submersible in style sit in a high pH environment.
- Do to this style of mixers, they require constant maintenance at a high cost.
- The mixer upgrade would be a floor mounted style and be out of the harsh pH environment, thus reducing maintenance costs and improving safety.
- Funding will be provided from water utility operating revenues.

#### Stormwater Pond Dredging - \$200,000

- The City's stormwater is treated in a regional system of stormwater ponds.



- Over time sediments and pollutants build up at the bottom of the ponds requiring removal through dredging.
- Dredging will return the ponds to original capacity and result in improved pond water quality.
- Funding will be provided through stormwater utility operating revenues.

Taft Dumpsite Improvements - \$70,000

- The Public Works Department utilizes this site for temporary storage of construction and maintenance materials throughout the year.
- At times due to rain and snow melt the site is unusable.
- The project will grade, pave and install permanent erosion control measures for the entire site thus reducing maintenance costs at the site.
- Funding will be provided through stormwater utility operating revenues.

**CAPITAL IMPROVEMENT FUNDS - APPROPRIATION**

|  | 2019 Budget |                   | 2019 Revised |           | 2020 Budget       |    |           |                   |    |
|--|-------------|-------------------|--------------|-----------|-------------------|----|-----------|-------------------|----|
| <b>RECREATION AND OPEN SPACE</b>                   |             |                   |              |           |                   |    |           |                   |    |
| Park Maintenance/Wood Lake Fence Repair            | \$          | 50,000            | R            | \$        | 50,000            | I  | \$        | 50,000            | R  |
| Community Center/Wood Lake Building Repair         |             | 50,000            | R            |           | 50,000            | I  |           | 50,000            | R  |
| Recycling System in Parks                          |             | 45,000            | R            |           | 45,000            | I  |           | -                 |    |
| Park Play Equipment Replacement                    |             | 225,000           | R            |           | 225,000           | I  |           | -                 |    |
| Dog Park #1  |             | 80,000            | R            |           | 80,000            | I  |           | -                 |    |
| Augsburg Park Play Equipment                       |             | -                 |              |           | -                 |    |           | 180,000           | R  |
| Madison Park Play Equipment                        |             | -                 |              |           | -                 |    |           | 85,000            | R  |
| Washington Park Play Equipment                     |             | -                 |              |           | -                 |    |           | 85,000            | R  |
| Ice Arena Refrigeration Project                    |             | -                 |              |           | -                 |    |           | 280,000           | R  |
|  |             |                   |              |           |                   |    |           | 3,400,000         | I  |
| <b>TOTAL RECREATION/OPEN SPACE</b>                 | <b>\$</b>   | <b>450,000</b>    |              | <b>\$</b> | <b>450,000</b>    |    | <b>\$</b> | <b>4,130,000</b>  |    |
| <b>RIGHT OF WAY IMPROVEMENTS</b>                   |             |                   |              |           |                   |    |           |                   |    |
| 66th Street Reconstruction                         | \$          | 2,200,000         | B            | \$        | 2,200,000         | B  | \$        | 1,992,040         | M  |
|  |             | 1,500,000         | M            |           | 1,500,000         | M  |           | 756,870           | I  |
| 77th Street Underpass                              |             | 8,000,000         | SB           |           | -                 |    |           | -                 |    |
|  |             | 2,500,000         | C            |           | -                 |    |           | -                 |    |
|  |             | 200,000           | TR           |           | -                 |    |           | -                 |    |
| Lyndale Avenue Reconstruction                      |             | 9,500,000         | B            |           | 5,531,880         | B  |           | 3,000,000         | B  |
|  |             | 450,000           | M            |           | 3,168,340         | U  |           | 212,070           | M  |
|  |             | 50,000            | X            |           | 1,000,000         | I  |           | -                 |    |
| Pedestrian Improvements                            |             | -                 |              |           | 40,000            | M  |           | 40,000            | M  |
| Bicycle Improvements                               |             | 40,000            | M            |           | 40,000            | M  |           | 40,000            | M  |
| Mill & Overlay                                     |             | 3,250,000         | FF           |           | 3,250,000         | FF |           | 3,250,000         | FF |
| <b>TOTAL RIGHT OF WAY IMPROVEMENTS</b>             | <b>\$</b>   | <b>27,690,000</b> |              | <b>\$</b> | <b>16,730,220</b> |    | <b>\$</b> | <b>9,290,980</b>  |    |
| <b>PUBLIC FACILITIES</b>                           |             |                   |              |           |                   |    |           |                   |    |
| Replacement Central Garage Equipment               | \$          | 665,000           | T            | \$        | 665,000           | T  | \$        | 680,000           | T  |
| Technology Replacement                             |             | 135,000           | T            |           | 130,000           | T  |           | 135,000           | T  |
| City Wide Water Meter Upgrade                      |             | 1,025,000         | U            |           | 1,340,000         | U  |           | 1,340,000         | U  |
| Water Main Lining 65th Street                      |             | -                 |              |           | -                 |    |           | 1,200,000         | U  |
| Water Main Lining Under 35W                        |             | -                 |              |           | -                 |    |           | 580,000           | U  |
| Lime Filter Press Rehabilitation                   |             | -                 |              |           | -                 |    |           | 70,000            | U  |
| Rehab. of Stormwater Collection Manhole Structures |             | 100,000           | U            |           | 100,000           | U  |           | 100,000           | U  |
| Rehab. of Stormwater Collection Mains              |             | -                 |              |           | -                 |    |           | 100,000           | U  |
| Sanitary Sewer Main Lining                         |             | 200,000           | U            |           | 300,000           | U  |           | 300,000           | U  |
| Wood Lake Lift Station Renovation                  |             | 35,000            | U            |           | -                 |    |           | -                 |    |
| Emergency Water Interconnect                       |             | 750,000           | U            |           | -                 |    |           | -                 |    |
| Lift Station No. 3 Control Panel                   |             | 25,000            | U            |           | 30,000            | U  |           | -                 |    |
| Sludge Tank Mixers Upgrade                         |             | -                 |              |           | -                 |    |           | 90,000            | U  |
| Stormwater Pond Dredging                           |             | -                 |              |           | -                 |    |           | 200,000           | U  |
| Taft Dumpsite Improvements                         |             | -                 |              |           | -                 |    |           | 60,000            | U  |
|  |             | -                 |              |           | -                 |    |           | 10,000            | C  |
| <b>TOTAL PUBLIC FACILITIES</b>                     | <b>\$</b>   | <b>2,935,000</b>  |              | <b>\$</b> | <b>2,565,000</b>  |    | <b>\$</b> | <b>4,865,000</b>  |    |
| <b>TOTAL PROJECTS</b>                              | <b>\$</b>   | <b>31,075,000</b> |              | <b>\$</b> | <b>19,745,220</b> |    | <b>\$</b> | <b>18,285,980</b> |    |
| <b>PROJECT FUNDING BY SOURCE</b>                   |             |                   |              |           |                   |    |           |                   |    |
| (B) G.O. Street Reconstruction Bonds               | \$          | 11,700,000        |              | \$        | 7,731,880         |    | \$        | 3,000,000         |    |
| (C) Hennepin County                                |             | 2,500,000         |              |           | -                 |    |           | 10,000            |    |
| (FF) Franchise Fees                                |             | 3,250,000         |              |           | 3,250,000         |    |           | 3,250,000         |    |
| (I) Internal Funding                               |             | -                 |              |           | 1,450,000         |    |           | 4,156,870         |    |
| (M) Municipal State Aid                            |             | 1,990,000         |              |           | 1,580,000         |    |           | 2,284,110         |    |
| (R) Special Revenues                               |             | 450,000           |              |           | -                 |    |           | 730,000           |    |
| (SB) State Bonding                                 |             | 8,000,000         |              |           | -                 |    |           | -                 |    |
| (T) Property Taxes                                 |             | 800,000           |              |           | 795,000           |    |           | 815,000           |    |
| (TR) Three Rivers Park District                    |             | 200,000           |              |           | -                 |    |           | -                 |    |
| (U) User Fees                                      |             | 2,135,000         |              |           | 4,938,340         |    |           | 4,040,000         |    |
| (X) Xcel Energy Rate Payers                        |             | 50,000            |              |           | -                 |    |           | -                 |    |
| <b>TOTAL ESTIMATED REVENUES</b>                    | <b>\$</b>   | <b>31,075,000</b> |              | <b>\$</b> | <b>19,745,220</b> |    | <b>\$</b> | <b>18,285,980</b> |    |

Those projects supported by user fees (U) are also a part of the Enterprise Fund capital outlay budgets.

**BUDGET SUMMARY  
CAPITAL IMPROVEMENT FUNDS 2020**

**PROJECT EXPENDITURES**

**RECREATION & OPEN SPACE**

|   |                            |   |
|---|----------------------------|---|
| Park Maintenance/Wood Lake Fence Repair         | \$ 50,000                  | R |
| Community Center/Wood Lake Building Repair      | 50,000                     | R |
| Augsburg Park Play Equipment                    | 180,000                    | R |
| Madison Park Play Equipment                     | 85,000                     | R |
| Washington Park Play Equipment                  | 85,000                     | R |
| Ice Arena Refrigeration Project                 | 280,000                    | R |
|   | <u>3,400,000</u>           | I |
| <b><u>TOTAL RECREATION &amp; OPEN SPACE</u></b> | <b><u>\$ 4,130,000</u></b> |   |

**RIGHT OF WAY IMPROVEMENTS**

|   |                            |    |
|---|----------------------------|----|
| 66th Street Reconstruction                    | \$ 1,992,040               | M  |
|   | 756,870                    | I  |
| Lyndale Avenue Reconstruction                 | 3,000,000                  | B  |
|   | 212,070                    | M  |
| Pedestrian Improvements                       | 40,000                     | M  |
| Bicycle Improvements                          | 40,000                     | M  |
| Mill & Overlay                                | 3,250,000                  | FF |
| <b><u>TOTAL RIGHT OF WAY IMPROVEMENTS</u></b> | <b><u>\$ 9,290,980</u></b> |    |

**PUBLIC FACILITIES**

|  |                            |   |
|--|----------------------------|---|
| Replacement Central Garage Equipment               | \$ 680,000                 | T |
| Technology Replacement                             | 135,000                    | T |
| City Wide Water Meter Upgrade                      | 1,340,000                  | U |
| Water Main Lining 65th Street                      | 1,200,000                  | U |
| Water Main Lining Under 35W                        | 580,000                    | U |
| Lime Filter Press Rehabilitation                   | 70,000                     | U |
| Rehab. of Stormwater Collection Manhole Structures | 100,000                    | U |
| Rehab. of Stormwater Collection Mains              | 100,000                    | U |
| Sanitary Sewer Main Lining                         | 300,000                    | U |
| Sludge Tank Mixers Upgrade                         | 90,000                     | U |
| Stormwater Pond Dredging                           | 200,000                    | U |
| Taft Dumpsite Improvements                         | 60,000                     | U |
|  | <u>10,000</u>              | C |
| <b><u>TOTAL PUBLIC FACILITIES</u></b>              | <b><u>\$ 4,865,000</u></b> |   |

|                              |                             |  |
|------------------------------|-----------------------------|--|
| <b><u>TOTAL PROJECTS</u></b> | <b><u>\$ 18,285,980</u></b> |  |
|------------------------------|-----------------------------|--|

**PROJECT FUNDING BY SOURCE**

|                                      |                             |
|--------------------------------------|-----------------------------|
| (B) G.O. Street Reconstruction Bonds | \$ 3,000,000                |
| (C) Hennepin County                  | 10,000                      |
| (FF) Franchise Fees                  | 3,250,000                   |
| (I) Internal Funding                 | 4,156,870                   |
| (M) Municipal State Aid              | 2,284,110                   |
| (R) Special Revenues                 | 730,000                     |
| (T) Property Taxes                   | 815,000                     |
| (U) User Fees                        | <u>4,040,000</u>            |
|                                      | <b><u>\$ 18,285,980</u></b> |

**2021 - 2024 CAPITAL IMPROVEMENT PLAN - CITY OF RICHFIELD, MINNESOTA**

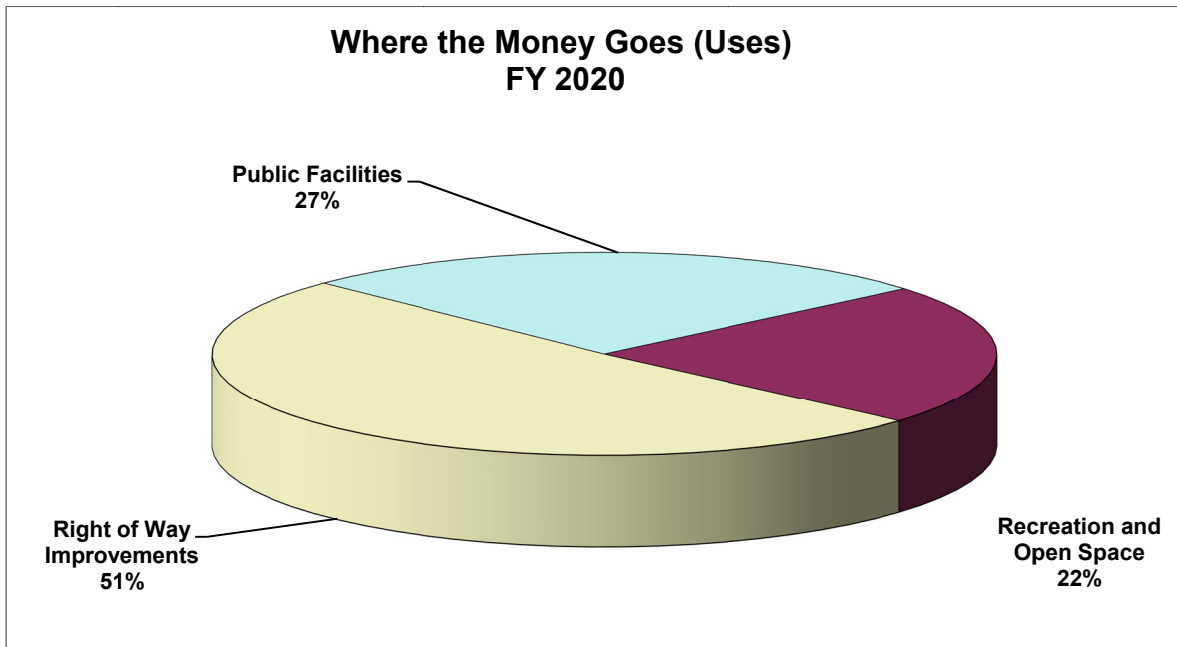
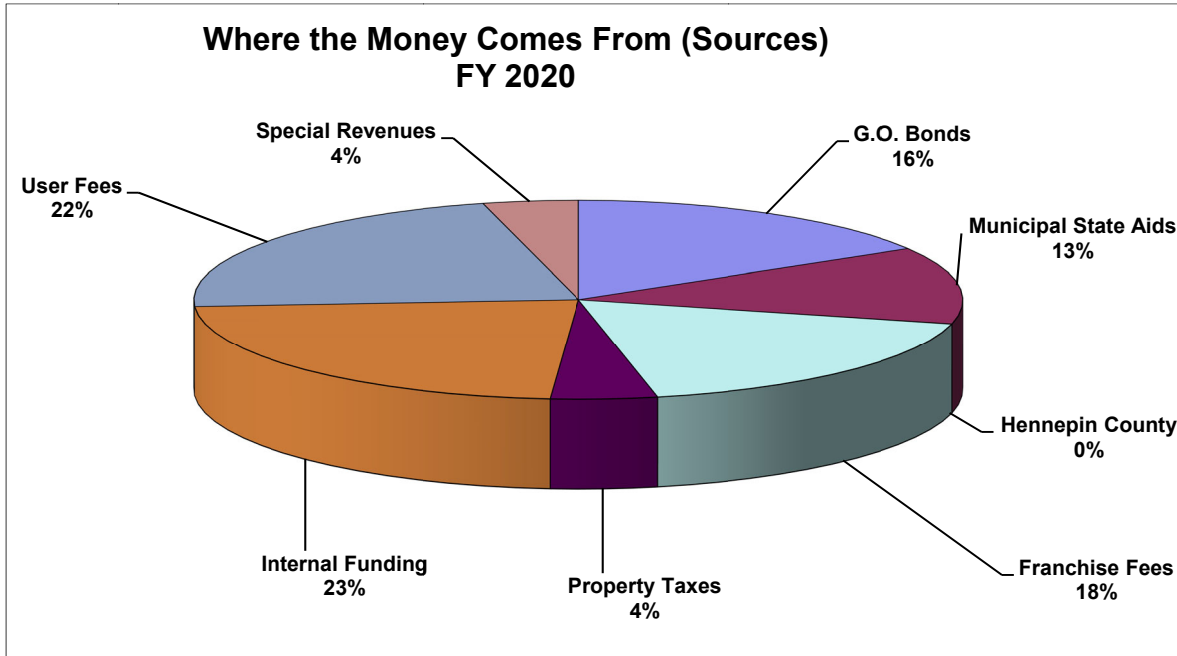
|  |               | Recommended and Scheduled for Four Year Period |              |               |              |               |             |  |
|--|---------------|--|--------------|---------------|--------------|---------------|-------------|--|
|  |               | TOTAL*   |              |               |              |               |             |  |
| PROJECTS                                     | CIP COST      | 2021   | 2022         | 2023          | 2024         | Beyond 2024   |             |  |
| <b>RECREATION</b>                            |               |  |              |               |              |               |             |  |
| <b>OPEN SPACE DEVELOPMENT</b>                |               |  |              |               |              |               |             |  |
| 1 Park Maintenance/Wood Lake Fence Repair    | \$ 250,000    | \$ 50,000 R                                    | \$ 50,000 R  | \$ 50,000 R   | \$ 50,000 R  | \$ 50,000 R   | \$ 50,000 R |  |
| 2 Community Center/Wood Lake Building Repair | \$ 320,000    | 50,000 R                                       | 120,000 R    | 50,000 R      | 50,000 R     | 50,000 R      | 50,000 R    |  |
| 3 Donaldson Park Play Equipment              | \$ 100,000    | 100,000 R                                      | -            | -             | -            | -             | -           |  |
| 4 Donaldson Park Shelter Renovation          | \$ 250,000    | 250,000 R                                      | -            | -             | -            | -             | -           |  |
| 5 Adams Hill Park Soccer Field               | \$ 25,000     | -  | 25,000 R     | -             | -            | -             | -           |  |
| 6 Christian Park Play Equipment              | \$ 85,000     | -  | 85,000 R     | -             | -            | -             | -           |  |
| 7 Roosevelt Park Parking Lot Expansion       | \$ 50,000     | -  | 50,000 R     | -             | -            | -             | -           |  |
| 8 Roosevelt Park Soccer Fields               | \$ 120,000    | -  | 120,000 R    | -             | -            | -             | -           |  |
| 9 Monroe Park Play Equipment                 | \$ 90,000     | -  | -            | 90,000 R      | -            | -             | -           |  |
| 10 Splash Pad Outdoor Pool                   | \$ 260,000    | -  | -            | 260,000 R     | -            | -             | -           |  |
| 11 Wood Lake Nature Center Facility          | \$ 15,600,000 | -  | -            | 15,600,000 O  | -            | -             | -           |  |
| 12 Freemont Park Play Equipment              | \$ 85,000     | -  | -            | -             | 85,000 R     | -             | -           |  |
| 13 Sheridan Park Play Equipment              | \$ 90,000     | -  | -            | -             | 90,000 R     | -             | -           |  |
| 14 Outdoor Pool Liner Replacement            | \$ 450,000    | -  | -            | -             | -            | 450,000 R     | -           |  |
| 15   | \$ 150,000    | -  | -            | -             | -            | -             | 150,000 OR  |  |
| 16 Taft Park Shelter Renovation              | \$ 400,000    | -  | -            | -             | -            | -             | 400,000 R   |  |
| 17 TOTAL RECREATION & OPEN SPACE             | \$ 18,325,000 | \$ 450,000                                     | \$ 450,000   | \$ 16,050,000 | \$ 275,000   | \$ 1,100,000  |             |  |
| 18   |               |  |              |               |              |               |             |  |
| 19 (R) Special Revenue                       | \$ 2,575,000  | \$ 450,000                                     | \$ 450,000   | \$ 450,000    | \$ 275,000   | \$ 950,000    |             |  |
| 20 (O) Other Funding Source                  | \$ 15,600,000 | -  | -            | 15,600,000    | -            | -             |             |  |
| 21 (OR) Other Recreation Funding             | \$ 150,000    | -  | -            | -             | -            | 150,000       |             |  |
| 22 TOTAL FUNDING BY SOURCE                   | \$ 18,325,000 | \$ 450,000                                     | \$ 450,000   | \$ 16,050,000 | \$ 275,000   | \$ 1,100,000  |             |  |
| 23   |               |  |              |               |              |               |             |  |
| 24   |               |  |              |               |              |               |             |  |
| <b>PROJECTS</b>                              |               |  |              |               |              |               |             |  |
|  |               | TOTAL *  |              |               |              |               |             |  |
|  | CIP COSTS     | 2021   | 2022         | 2023          | 2024         | Beyond 2024   |             |  |
| <b>RIGHT OF WAY IMPROVEMENTS</b>             |               |  |              |               |              |               |             |  |
| 28 65th Street Reconstruction                | \$ 7,800,000  | \$ 7,800,000 B                                 | \$ -         | \$ -          | \$ -         | \$ -          | \$ -        |  |
| 29 77th Street Underpass                     | \$ 14,000,000 | 7,000,000 F                                    | 7,000,000 SB | -             | -            | -             | -           |  |
| 30   | \$ 5,700,000  | 5,000,000 SB                                   | 700,000 M    | -             | -            | -             | -           |  |
| 31   | \$ 725,000    | 425,000 I                                      | 300,000 MC   | -             | -            | -             | -           |  |
| 32   | \$ 3,164,000  | 3,164,000 S                                    | -            | -             | -            | -             | -           |  |
| 33   | \$ 300,000    | 300,000 TR                                     | -            | -             | -            | -             | -           |  |
| 34 69th Street Reconstruction                | \$ 4,500,000  | -  | -            | 4,500,000 B   | -            | -             | -           |  |
| 35   | \$ 500,000    | -  | -            | 500,000 M     | -            | -             | -           |  |
| 36 70th Street Reconstruction                | \$ 2,500,000  | -  | -            | -             | 2,500,000 B  | -             | -           |  |
| 37   | \$ 100,000    | -  | -            | -             | 100,000 X    | -             | -           |  |
| 38 76th Street West Reconstruction           | \$ 3,500,000  | -  | -            | -             | -            | 3,500,000 B   | -           |  |
| 39   | \$ 1,000,000  | -  | -            | -             | -            | 1,000,000 M   | -           |  |
| 40   | \$ 800,000    | -  | -            | -             | -            | 800,000 X     | -           |  |
| 41 Humboldt Ave/Lakeshore Drive Recon.       | \$ 4,000,000  | -  | -            | -             | -            | 4,000,000 B   | -           |  |
| 42 Nicollet Avenue Reconstruction            | \$ 5,000,000  | -  | -            | -             | -            | 5,000,000 B   | -           |  |
| 43   | \$ 8,000,000  | -  | -            | -             | -            | 8,000,000 C   | -           |  |
| 44 Penn Avenue Reconstruction                | \$ 5,000,000  | -  | -            | -             | -            | 5,000,000 B   | -           |  |
| 45 Pedestrian Improvements                   | \$ 8,080,000  | 40,000 M                                       | 40,000 M     | -             | -            | 8,000,000 C   | -           |  |
| 46 Bicycle Improvements                      | \$ 80,000     | 40,000 M                                       | 40,000 M     | -             | -            | -             | -           |  |
| 47   |               |  |              |               |              |               |             |  |
| 48   | \$ 74,749,000 | \$ 23,769,000                                  | \$ 8,080,000 | \$ 5,000,000  | \$ 2,600,000 | \$ 35,300,000 |             |  |
| 49   |               |  |              |               |              |               |             |  |
| 50 (B) G.O. Improvement Bonds                | \$ 32,300,000 | \$ 7,800,000                                   | \$ -         | \$ 4,500,000  | \$ 2,500,000 | \$ 17,500,000 |             |  |
| 51 (C) Hennepin County                       | \$ 16,000,000 | -  | -            | -             | -            | 16,000,000    |             |  |
| 52 (F) Federal                               | \$ 7,000,000  | 7,000,000                                      | -            | -             | -            | -             |             |  |
| 53 (I) Internal Funding                      | \$ 425,000    | 425,000  | -            | -             | -            | -             |             |  |
| 54 (M) Municipal State Aid                   | \$ 2,360,000  | 80,000   | 780,000      | 500,000       | -            | 1,000,000     |             |  |
| 55 (MC) Metropolitan Airports Commission     | \$ 300,000    | -  | 300,000      | -             | -            | -             |             |  |
| 56 (S) State Grant                           | \$ 3,164,000  | 3,164,000                                      | -            | -             | -            | -             |             |  |
| 57 (SB) State Bonding                        | \$ 12,000,000 | 5,000,000                                      | 7,000,000    | -             | -            | -             |             |  |
| 58 (TR) Three Rivers Park District           | \$ 300,000    | 300,000  | -            | -             | -            | -             |             |  |
| 59 (X) Xcel Energy                           | \$ 900,000    | -  | -            | -             | 100,000      | 800,000       |             |  |
| 60 TOTAL FUNDING BY SOURCE                   | \$ 74,749,000 | \$ 23,769,000                                  | \$ 8,080,000 | \$ 5,000,000  | \$ 2,600,000 | \$ 35,300,000 |             |  |
| 61   |               |  |              |               |              |               |             |  |

**2021 - 2024 CAPITAL IMPROVEMENT PLAN - CITY OF RICHFIELD, MINNESOTA**

|     |  | Recommended and Scheduled for Four Year Period |                      |                      |                      |                     |                      |
|-----|--|--|----------------------|----------------------|----------------------|---------------------|----------------------|
| 62  | <u>PROJECTS</u>                                    | TOTAL*   |                      |                      |                      |                     |                      |
| 63  |  | CIP COSTS                                      | 2021                 | 2022                 | 2023                 | 2024                | Beyond 2024          |
| 64  | <u>PUBLIC FACILITIES</u>                           |  |                      |                      |                      |                     |                      |
| 65  | Replacement Central Garage Equipment               | \$ 2,840,000                                   | \$ 695,000 TL        | \$ 715,000 TL        | \$ 715,000 TL        | \$ 715,000 TL       | \$ -                 |
| 66  | Technology Replacement                             | \$ 540,000                                     | 135,000 TL           | 135,000 TL           | 135,000 TL           | 135,000 TL          | -                    |
| 67  | City Wide Water Meter Upgrade                      | \$ 1,340,000                                   | 1,340,000 U          | -                    | -                    | -                   | -                    |
| 68  | Lime Filter Press Rehabilitation                   | \$ 70,000                                      | 70,000 U             | -                    | -                    | -                   | -                    |
| 69  | Water High Service Pumps                           | \$ 17,000                                      | 17,000 U             | -                    | -                    | -                   | -                    |
| 70  |  | \$ 20,000                                      | 20,000 X             | -                    | -                    | -                   | -                    |
| 71  | Emergency Water Interconnect with Neighb. Comm.    | \$ 1,500,000                                   | -                    | 1,500,000 U          | -                    | -                   | -                    |
| 72  | Clarifier Rake Assembly                            | \$ 250,000                                     | -                    | -                    | 250,000 U            | -                   | -                    |
| 73  | Roof Replacement Wells 2 & 3                       | \$ 25,000                                      | -                    | -                    | 25,000 U             | -                   | -                    |
| 74  | Roof Replacement Wells 4, 5, & 6                   | \$ 60,000                                      | -                    | -                    | -                    | 60,000 U            | -                    |
| 75  | Water Plan Roof Replacement                        | \$ 450,000                                     | -                    | -                    | -                    | -                   | 450,000 U            |
| 76  | Rehabilitation of Stormwater Collection Mains      | \$ 500,000                                     | 100,000 U            | 100,000 U            | 100,000 U            | 100,000 U           | 100,000 U            |
| 77  | Rehab. of Stormwater Collection Manhole Structures | \$ 500,000                                     | 100,000 U            | 100,000 U            | 100,000 U            | 100,000 U           | 100,000 U            |
| 78  | Sanitary Sewer Main Lining                         | \$ 1,500,000                                   | 300,000 U            | 300,000 U            | 300,000 U            | 300,000 U           | 300,000 U            |
| 79  | Stormwater Pond Dredging                           | \$ 400,000                                     | -                    | 200,000 U            | -                    | 200,000 U           | -                    |
| 80  | Watermain Rehabilitation                           | \$ 600,000                                     | -                    | -                    | 200,000 U            | 200,000 U           | 200,000 U            |
| 81  | <b>TOTAL PUBLIC FACILITIES</b>                     | <b>\$ 10,612,000</b>                           | <b>\$ 2,777,000</b>  | <b>\$ 3,050,000</b>  | <b>\$ 1,825,000</b>  | <b>\$ 1,810,000</b> | <b>\$ 1,150,000</b>  |
| 82  |  |  |                      |                      |                      |                     |                      |
| 83  | (TL) Tax Levy                                      | \$ 3,380,000                                   | \$ 830,000           | \$ 850,000           | \$ 850,000           | \$ 850,000          | \$ -                 |
| 84  | (U) User Fees                                      | \$ 7,212,000                                   | 1,927,000            | 2,200,000            | 975,000              | 960,000             | 1,150,000            |
| 85  | (X) Xcel Energy                                    | \$ 20,000                                      | 20,000               | -                    | -                    | -                   | -                    |
| 86  | <b>TOTAL FUNDING BY SOURCE</b>                     | <b>\$ 10,612,000</b>                           | <b>\$ 2,777,000</b>  | <b>\$ 3,050,000</b>  | <b>\$ 1,825,000</b>  | <b>\$ 1,810,000</b> | <b>\$ 1,150,000</b>  |
| 87  |  |  |                      |                      |                      |                     |                      |
| 88  | <u>SUMMARY PROJECTS</u>                            |  |                      |                      |                      |                     |                      |
| 89  |  |  |                      |                      |                      |                     |                      |
| 90  | Recreation/Open Space Development                  | \$ 18,325,000                                  | \$ 450,000           | \$ 450,000           | \$ 16,050,000        | \$ 275,000          | \$ 1,100,000         |
| 91  | Right of Way Improvements                          | \$ 74,749,000                                  | 23,769,000           | 8,080,000            | 5,000,000            | 2,600,000           | 35,300,000           |
| 92  | Public Facilities                                  | \$ 10,612,000                                  | 2,777,000            | 3,050,000            | 1,825,000            | 1,810,000           | 1,150,000            |
| 93  | <b>TOTAL CAPITAL PROJECTS</b>                      | <b>\$ 103,686,000</b>                          | <b>\$ 26,996,000</b> | <b>\$ 11,580,000</b> | <b>\$ 22,875,000</b> | <b>\$ 4,685,000</b> | <b>\$ 37,550,000</b> |
| 94  |  |  |                      |                      |                      |                     |                      |
| 95  | (B) G.O. Improvement Bonds                         | \$ 32,300,000                                  | \$ 7,800,000         | \$ -                 | \$ 4,500,000         | \$ 2,500,000        | \$ 17,500,000        |
| 96  | (C) Hennepin County                                | \$ 16,000,000                                  | -                    | -                    | -                    | -                   | 16,000,000           |
| 97  | (F) Federal  | \$ 7,000,000                                   | 7,000,000            | -                    | -                    | -                   | -                    |
| 98  | (I) Internal Funding                               | \$ 425,000                                     | 425,000              | -                    | -                    | -                   | -                    |
| 99  | (M) Municipal State Aid                            | \$ 2,360,000                                   | 80,000               | 780,000              | 500,000              | -                   | 1,000,000            |
| 100 | (MC) Metropolitan Airports Commission              | \$ 300,000                                     | -                    | 300,000              | -                    | -                   | -                    |
| 101 | (O) Other Funding                                  | \$ 15,600,000                                  | -                    | -                    | 15,600,000           | -                   | -                    |
| 102 | (OR) Other Recreation Funding                      | \$ 150,000                                     | -                    | -                    | -                    | -                   | 150,000              |
| 103 | (R) Special Revenue                                | \$ 2,575,000                                   | 450,000              | 450,000              | 450,000              | 275,000             | 950,000              |
| 104 | (S) State Grant                                    | \$ 3,164,000                                   | 3,164,000            | -                    | -                    | -                   | -                    |
| 105 | (SB) State Bonding                                 | \$ 12,000,000                                  | 5,000,000            | 7,000,000            | -                    | -                   | -                    |
| 106 | (TL) Tax Levy                                      | \$ 3,380,000                                   | 830,000              | 850,000              | 850,000              | 850,000             | -                    |
| 107 | (TR) Three Rivers Park District                    | \$ 300,000                                     | 300,000              | -                    | -                    | -                   | -                    |
| 108 | (U) User Fees                                      | \$ 7,212,000                                   | 1,927,000            | 2,200,000            | 975,000              | 960,000             | 1,150,000            |
| 109 | (X) Xcel Energy                                    | \$ 920,000                                     | 20,000               | -                    | -                    | 100,000             | 800,000              |
| 110 | <b>TOTAL FUNDING SOURCES</b>                       | <b>\$ 103,686,000</b>                          | <b>\$ 26,996,000</b> | <b>\$ 11,580,000</b> | <b>\$ 22,875,000</b> | <b>\$ 4,685,000</b> | <b>\$ 37,550,000</b> |

111 \* Total CIP costs do not include any project costs reflected in the 2020 CIB.

## 2020 Capital Improvement Budget Sources and Uses



The City of Richfield's funding for capital projects comes from a variety of sources, but generally falls into one of several categories: federal grants, state money, county funds, local revenues, franchise fees, user fees, and bond proceeds. Total planned funding for 2020 is \$18,285,980.

Capital project expenditures are classified into three specific programs: Recreation and Open Space, Right of Way Improvements and Public Facilities. Total planned expenditures for 2020 are \$18,285,980.

**BUDGET SUMMARY  
CAPITAL IMPROVEMENT RESERVE FUND  
2019 REVISED AND 2020 PROPOSED**

|   | <u>2018<br/>Actual</u>     | <u>2019<br/>Budget</u>     | <u>2019<br/>Revised</u>    | <u>2020<br/>Budget</u>     |
|---|----------------------------|----------------------------|----------------------------|----------------------------|
| <b><u>FUND BALANCE, JANUARY 1</u></b>       | <b><u>\$ 8,054,423</u></b> | <b><u>\$ 8,715,143</u></b> | <b><u>\$ 8,678,352</u></b> | <b><u>\$ 7,910,562</u></b> |
| <b><u>Revenues</u></b>                      |                            |                            |                            |                            |
| Intergovernmental                           | 1,079,280                  | 1,229,280                  | 1,035,640                  | 1,035,640                  |
| Other revenues                              | 101,388                    | 71,130                     | 71,130                     | 94,230                     |
| Interest earnings                           | 127,985                    | 57,000                     | 125,000                    | 125,000                    |
| <b>Total Revenues</b>                       | <b><u>1,308,653</u></b>    | <b><u>1,357,410</u></b>    | <b><u>1,231,770</u></b>    | <b><u>1,254,870</u></b>    |
| <b><u>Expenditures</u></b>                  |                            |                            |                            |                            |
| Other services & charges                    | 79,340                     | -                          | -                          | -                          |
| Capital outlay                              | 155,384                    | 53,250                     | 53,250                     | -                          |
| <b>Total Expenditures</b>                   | <b><u>234,724</u></b>      | <b><u>53,250</u></b>       | <b><u>53,250</u></b>       | <b><u>-</u></b>            |
| <b>Excess of revenues over expenditures</b> | <b><u>1,073,929</u></b>    | <b><u>1,304,160</u></b>    | <b><u>1,178,520</u></b>    | <b><u>1,254,870</u></b>    |
| <b><u>Operating Transfers In (Out)</u></b>  |                            |                            |                            |                            |
| General Fund                                | -                          | (656,620)                  | (246,310)                  | (704,980)                  |
| Special Revenue Funds                       | (170,000)                  | -                          | -                          | -                          |
| Capital Projects Funds                      | (280,000)                  | -                          | (1,450,000)                | -                          |
| Internal Service Funds                      | -                          | (250,000)                  | (250,000)                  | (250,000)                  |
| <b>Net Transfers</b>                        | <b><u>(450,000)</u></b>    | <b><u>(906,620)</u></b>    | <b><u>(1,946,310)</u></b>  | <b><u>(954,980)</u></b>    |
| <b><u>FUND BALANCE, DECEMBER 31</u></b>     | <b><u>\$ 8,678,352</u></b> | <b><u>\$ 9,112,683</u></b> | <b><u>\$ 7,910,562</u></b> | <b><u>\$ 8,210,452</u></b> |

**RESOLUTION NO. 11685  
RESOLUTION ADOPTING A BUDGET AND TAX LEVY  
FOR THE YEAR 2020**

**WHEREAS**, the Minnesota Truth in Taxation law provides for a proposed tax levy to be certified to the County Auditor by September 30, 2019 and then recertified before December 30, 2019.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Richfield, Minnesota as follows:

1. The budget for the City of Richfield for the year 2020 is hereby approved and adopted with appropriations for each of the departments to be as follows:

General Fund

|                           |                            |
|---------------------------|----------------------------|
| Legislative/Executive     | \$ 931,070                 |
| Administrative Services   | 961,630                    |
| Finance                   | 673,000                    |
| Public Safety             | 9,847,770                  |
| Fire Services             | 4,850,230                  |
| Community Development     | 1,629,150                  |
| Public Works              | 4,318,050                  |
| Recreation Services       | 2,029,820                  |
| Transfers Out             | <u>220,000</u>             |
| <b>TOTAL GENERAL FUND</b> | <b><u>\$25,460,720</u></b> |

2. The estimated gross revenue of the City of Richfield from all sources, including general ad valorem tax levies as hereinafter set forth for the year 2020 which are more fully detailed in the City Manager's official copy of the 2020 budget, are hereby found and determined to be as follows:

|                           |                            |
|---------------------------|----------------------------|
| <b>TOTAL GENERAL FUND</b> | <b><u>\$25,460,720</u></b> |
|---------------------------|----------------------------|

3. There is hereby levied upon all taxable property in the City of Richfield a direct ad valorem tax in the year 2019, payable in 2020 for the following purposes and in the following amounts:

| <u>PURPOSE</u>                 | <u>AMOUNT</u>             |
|--------------------------------|---------------------------|
| General Fund <sup>1</sup>      | \$17,486,394 <sup>2</sup> |
| Equipment                      | 815,000                   |
| Economic Development Authority | 553,985                   |
| Debt Service                   | 3,478,690                 |
| Cedar Point Tax Abatement      | 353,402                   |

<sup>1</sup> Provision has been made in the General Fund for the payment of the City's contributory share to Public Employees' Retirement Association.

<sup>2</sup> General Fund Levy includes all fiscal disparities distribution amounts.



4. The debt service tax levy as established in the bond documents for the G.O. Street Reconstruction Bonds, Series 2012A, will be reduced from \$141,235.50 to \$128,855 due to the use surplus bond proceeds from the issue.
5. The debt service tax levy as established in the bond documents for the G.O. Street Reconstruction Bonds, Series 2015A will be reduced from \$636,490.32 to \$282,601 due to the utilization of gas and electric franchise fees.
6. The debt service tax levy established in the bond documents for the G.O. Street Reconstruction Bonds, Series 2018A will be reduced from \$702,476.25 to \$288,645 due to the utilization of gas and electric franchise fees.
7. The debt service tax levy as established in the bond documents for the G.O. Bonds, Series 2019A will be increased from \$378,840 to \$388,840 to offset interest costs in the year of issuance.
8. The budget for the Housing and Redevelopment Authority of Richfield for the year 2020 is hereby ratified and approved. There is hereby levied upon all taxable property in the City of Richfield a direct ad valorem tax in the year 2019, payable in 2020 for the following purposes:


| <u>PURPOSE</u>                      | <u>AMOUNT</u> |
|-------------------------------------|---------------|
| Housing and Redevelopment Authority | \$612,650     |

9. A certified copy of this resolution shall be transmitted to the County Auditor.

Adopted by the City Council of the City of Richfield, Minnesota this 10<sup>th</sup> day of December 2019.

  
 Maria Regan Gonzalez, Mayor

ATTEST:

  
 Elizabeth VanHoose, City Clerk

**RESOLUTION NO. 11686**  
**RESOLUTION AUTHORIZING BUDGET REVISIONS**

**WHEREAS**, the City Charter and Minnesota Statutes provide for a process for adopting an annual budget and tax levy; and

**WHEREAS**, the City Charter provides certain authority for the City Manager and/or City Council to revise the annual budget; and

**WHEREAS**, it would be beneficial to restate such authority with the adoption of the budget.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Richfield, Minnesota as follows:

The City Manager may increase the budget by City Council action provided that unbudgeted receipts will be available to equal or exceed the increased expenditures.

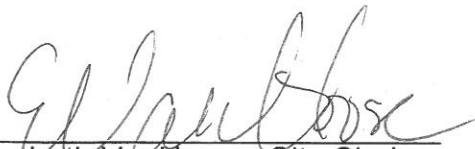
The City Manager may authorize transfers between divisions within a department providing the transfers do not increase or decrease the department or total budget.

The City Manager may transfer budgeted amounts between departments only with the approval of the City Council.

Adopted by the City Council of the City of Richfield, Minnesota this 10th day of December, 2019.

  
\_\_\_\_\_  
Maria Regan Gonzalez, Mayor

ATTEST:

  
\_\_\_\_\_  
Elizabeth VanHoose, City Clerk

**RESOLUTION NO. 11687**

**RESOLUTION AUTHORIZING REVISION OF 2019 BUDGET OF VARIOUS DEPARTMENTS**

**WHEREAS**, Resolution No. 11580 appropriated funds for personal services, other expenses and capital outlays for each department of the City for the year of 2019; and

**WHEREAS**, The City Charter, Chapter 7, Section 7.09, gives the Council authority to transfer unencumbered appropriation balances from one department to another within the same fund at the request of the City Manager; and

**WHEREAS**, The City Manager has requested a revision of the 2019 budget appropriations in accordance with Charter provisions and as detailed in the Proposed 2020 budget document.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Richfield, Minnesota as follows:

1. That the 2019 appropriations for each department of the General Fund be amended to establish the following totals:

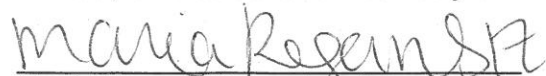
|                         |                     |
|-------------------------|---------------------|
| <u>General Fund</u>     |                     |
| Legislative/Executive   | \$ 853,530          |
| Administrative Services | 856,240             |
| Finance                 | 650,850             |
| Public Safety           | 9,515,850           |
| Fire Services           | 4,505,500           |
| Community Development   | 1,576,120           |
| Public Works            | 4,123,330           |
| Recreation Services     | 1,971,560           |
| Transfer Out            | <u>210,000</u>      |
| TOTAL GENERAL FUND      | <u>\$24,262,980</u> |
| INCREASE                | <u>\$ 32,360</u>    |

2. Estimated 2019 gross revenue of the City of Richfield from all sources, as the same are more fully detailed in the City Manager's official copy of the proposed 2020 budget, are hereby revised as follows:

INCREASE \$32,360

3. That the City Manager and the Finance Director bring into effect the provisions of this resolution.

Adopted by the City Council of the City of Richfield, Minnesota this 10th day of December 2019.

  
Maria Regan Gonzalez, Mayor

ATTEST:

  
Elizabeth VanHoose, City Clerk

**RESOLUTION NO. 11689**

**RESOLUTION ADOPTING THE 2020 CAPITAL IMPROVEMENT BUDGET**

**WHEREAS**, a proposed Capital Improvement Budget for 2020 has been prepared and submitted for review by the City Council in accordance with charter requirements; and

**WHEREAS**, the City Council has received the recommendations and benefit of review of these proposed documents by the Planning Commission and has itself reviewed these proposals.


**NOW, THEREFORE, BE IT RESOLVED** that the 2020 Capital Improvement Budget in the sum total of \$18,285,980 is hereby approved as amended and adopted with full recognition of the fact that the cost estimates are approximate and are subject to final cost estimates and that all awards of contracts for these projects are subject to necessary hearings and must be approved by the City Council in accordance with established laws and practices governing such action, and

**BE IT FURTHER RESOLVED** that the City Manager is hereby authorized and directed to initiate the procedures which will lead to more formal and detailed consideration of these projects in accordance with the aforementioned laws and practices.

Adopted by the City Council of the City of Richfield, Minnesota this 10th day of December, 2019.

  
\_\_\_\_\_  
Maria Regan Gonzalez, Mayor

ATTEST:

  
\_\_\_\_\_  
Elizabeth VanHoose, City Clerk

**RESOLUTION NO. 11690**  
**RESOLUTION ADOPTING THE 2021-2024 CAPITAL IMPROVEMENT PROGRAM**

**WHEREAS**, a proposed Capital Improvement Program 2021-2024 has been prepared for review by the Planning Commission in accordance with charter requirements; and

**WHEREAS**, the City Council has received the recommendations and benefit of review of these proposed documents by the Planning Commission and has itself reviewed these proposals.

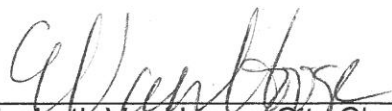
**NOW, THEREFORE, BE IT RESOLVED** that the 2021-2024 Capital Improvement Program is hereby approved and adopted subject to annual review and revision;

**BE IT FURTHER RESOLVED** that the City Manager is hereby authorized and directed to initiate the procedures which will lead to more formal and detailed consideration of these projects in accordance with the aforementioned laws and practices.

Adopted by the City Council of the City of Richfield, Minnesota this 10th day of December, 2019.

  
\_\_\_\_\_  
Maria Regan Gonzalez, Mayor

ATTEST:

  
\_\_\_\_\_  
Elizabeth VanHoose, City Clerk

RESOLUTION NO. 11692

RESOLUTION ESTABLISHING WASTEWATER SERVICE RATES AND CHARGES, WATER RATES AND CHARGES, SPECIAL WATER SERVICE CHARGES, STORM SEWER RATES AND CHARGES, STREET LIGHT RATES AND CHARGES, AND 6.5% PENALTY ON PAST DUE ACCOUNTS

BE IT RESOLVED by the City Council of the City of Richfield, Minnesota, as follows:

SANITARY SEWER SERVICE RATES AND CHARGES FOR 2020

1. Pursuant to the provisions of Section 705.0 of the Ordinance Code of the City of Richfield, the rates and charges for use and service of the sanitary sewer system are hereby established to be those set forth in the following paragraphs of this resolution which rescinds Resolution No. 11587
2. Where the rate is not based upon the metered use of water, the following quarterly flat charges are established effective January 1, 2020 for each billing district as defined in paragraph 3 of this resolution.

|   |                          |
|---|--------------------------|
| A) Residential per unit   | <u>2020</u><br>\$118.67  |
| B) Commercial -   |                          |
| For the equivalent of 10 or less persons  | \$118.67                 |
| More than 10, less than 15  | \$216.14                 |
| More than 15, less than 20  | \$302.75                 |
| More than 20, less than 26  | \$404.02                 |
| C) Institutional -  |                          |
| For each public or private school the quarterly flat charge shall be charged whether the school is in session or not (rates being charged upon average yearly use); shall be based upon the number of students enrolled at the beginning of the quarterly billing period or the preceding period if school is not then in session; and shall be as follows: |                          |
| For each 100 grade school students or fraction in excess thereof  | <u>2020</u><br>\$ 124.25 |
| For each 100 junior high school students or high School students or fraction thereof  | \$182.56                 |
| D) In addition to the above flat rates there shall be a customer Charge on each invoice as determined in paragraph 4 of this resolution and a certification charge as determined in Section 705.0 of the City Ordinance Code.   |                          |

3. Where the rate for sanitary sewer service is based upon the metered use of water on the premises, such rates shall be as follows:

- A) For all residential premises the rate shall be based on The actual use, or less of water for the preceding winter quarter, per thousand gallons with a minimum of 7,000 gallons, effective January 1, 2020, for each customer billing district and shall be as follows: 2020  
\$ 5.91

For the purpose of this paragraph A), the winter quarter shall be the winter quarter as specified in Subdivision 3 of said section 705.0.

- B) For all commercial, institutional, industrial, and other premises, the rate per thousand gallons of water effective January 1, 2020, shall be as follows: \$ 5.91

- C) A customer charge shall be made for each invoice rendered effective January 1, 2020 as follows: \$ 10.00

If the invoice is for water service, as well as sanitary sewer service, the customer charge, when collected, shall be allocated proportionally between the City's water fund, sewer fund, and its storm sewer fund based on the user fees billed for by each fund.

- D) Where the metered use of water on the premises for the preceding winter quarter was not normal, the rate may be adjusted as provided in Subdivision 3 of said Section 705.0.

4. The foregoing rates and charges are in addition to, and not in lieu of, other rates and charges established by ordinance or resolution.
5. The Metropolitan Airports Commission (MAC) will be charged a sanitary sewer rate based on the Met Council Environmental Services (MCES) rate plus 15% for Inflow/Infiltration and \$1,000.00 per quarter for administration costs.

#### WATER RATES AND CHARGES FOR 2020

1. Pursuant to the provisions of Section 715.0 of the Ordinance Code of the City of Richfield, the rates and charges for City water and water service are hereby established to be those set forth in the following paragraphs of this resolution:

The charges due and payable to the City by each water customer of the City, during any quarter shall be based upon the Conservation Rate Structure.

- Water-Tier 1: The first tier rate is (\$4.10 per thousand) charged for consumption of the first 15,000 gallons.
- Water-Tier 2: The second tier rate is (\$4.92 per thousand) charged for consumption of 15,001 gallons but less or equal to 25,000 gallons.
- Water-Tier 3: The third tier rate is (\$5.92 per thousand) charged for consumption in excess of 25,001 gallons.



Irrigation accounts: All consumption will be charged at the (\$5.92 per thousand) water-tier 3 rate.

The Conservation Rate Structure applies to multi-unit and residential premises. Commercial, institutional or industrial will only be subject to the Water-tier 1 rates for domestic use, irrigation accounts will be subject to the Water-tier 3 rate.

Water charges shall be payable quarterly, and all bills issued after January 1, 2020 shall be at this rate.

SPECIAL WATER SERVICE CHARGES FOR 2020

1. Pursuant to the provisions of Section 715.0 of the Ordinance Code of the City of Richfield, the rates and charges for special customer services are hereby established to be those set forth in the following paragraphs of this resolution:
2. The charge for establishing a new customer account shall be \$15.00 per account.
3. The charge for installation of meters shall be \$50.00 per installation.
4. The charge to flush and maintain fire hydrants located on privately owned property within the City shall be \$50.00 per hydrant per year plus any required parts.
5. The charge to thaw and service water pipes on customer property shall be actual cost to the City plus thirty percent.
6. The charge for any other services not covered by the above shall be based on actual hourly cost to the City plus thirty percent.
7. The MN lab fee will is \$9.72.

STORM SEWER RATES AND CHARGES FOR 2020

1. Pursuant to the provisions of Section 720.0 of the Ordinance Code of the City of Richfield, the rates and charges for City storm sewer service are hereby established to be those set forth in the following paragraphs of this resolution:
2. The rates and charges for the use and availability of the system are determined through the use of a "Residential Equivalent Factor" (REF). One REF is defined as the ratio of the average volume of surface runoff coming from one acre of land and subjected to a particular use, to the average volume of runoff coming from one acre of land subjected to typical single-family residential use within the City during a standard one year rainfall event. The REF's for the following land uses within the City and the billing classifications for such land uses are as follows:

| <u>LAND USES</u>                                     | <u>REF</u> | <u>CLASSIFICATION</u> |
|--|------------|-----------------------|
| Cemeteries   | .25        | 1                     |
| Parks and railroads                                  | .75        | 2                     |
| Two-family residential                               | 1.00       | 3                     |
| Single-family residential                            | 1.00       | 4                     |
| Public and private schools<br>and institutional uses | 1.25       | 5                     |



|   |      |   |
|---|------|---|
| Multiple-family residential uses and churches | 3.00 | 6 |
| Commercial, industrial, and Warehouse uses    | 5.00 | 7 |

3. The basic system quarterly rate for storm sewer service is \$101.78 per acre of land. \$20.35 is the quarterly rate for a single-family residence, which is considered to have an acreage of one-fifth acre. The charge made against each parcel of land is then determined by multiplying the REF for the parcel's land use classification times the parcel's acreage times the basic system rate.

**STREET LIGHT RATES AND CHARGES FOR 2020**

- Pursuant to the provisions of Minnesota State Statutes, Section 429.101 and Section 825 of the Ordinance Code of the City of Richfield, the rates and charges for City street light service are hereby established to be those set forth in the following paragraphs of this resolution:
- The street light fee for residential single family property is \$5.77 per quarter.
- Rates for other land uses will be determined by land use types based on the following table:

**STREET LIGHT LAND USES:**

- COM All commercial properties, to include multifamily residents (apartments) and industrial parcels.
- RES All residentially coded parcels.
- PUB Public buildings, i.e. City Hall, City Garage, and Fire Stations
- CHURCH All Churches also to include cemeteries and activity buildings associated with a Church
- SCH All schools, to include private and public schools.
- PRK All parks owned by the City of Richfield, also to include Nature Centers and all "properties" located within city park parcels
- DPLX Addresses that split a residential lot, to include townhomes, 3-plexes, and 4-plexes.

| LAND USE CODE      | MULTIPLIER | To Bill FACTOR   |
|--------------------|------------|------------------|
| COM (acres>0.2)    | 5*         | (5 x ACREAGE)    |
| if acres≤0.2       | ----       | 1                |
| RES                | ----       | 1                |
| PUB (acres>0.2)    | 5          | (5 x ACREAGE)    |
| if acres ≤0.2      | ----       | 1                |
| CHURCH (acres>0.2) | 1.25**     | (1.25 x ACREAGE) |
| if acres ≤0.8      | ----       | 1                |
| if acres ≤0.2      | ----       | 1                |
| SCH (acres>0.2)    | 1.25       | (1.25 x ACREAGE) |
| if acres ≤0.8      | ----       | 1                |
| if acres ≤0.2      | ----       | 1                |
| PRK                | 1.25       | (1.25 x ACREAGE) |
| DPLX               | ----       | 0.5              |

4. The multiplier of "5" is based on the definition that a residential lot is 1/5 of an acre; hence multiplying acreage by 5 produces the equivalent number of residential lots.
5. The multiplier of "1.25" is based on the definition that a residential lot is 1/5 of an acre and multiplying acreage by 5 produces the equivalent number of residential lots. However, the total area of each parcel is not proportional to the number of street lights in an equivalent residential area so the factor of 5 is reduced by 75%, producing 1.25.


6.5% PENALTY ON PAST DUE ACCOUNTS

1. Customers will have twenty eight (28) days to pay their water, sanitary sewer, storm sewer, and street light quarterly bills from the date of the mailing by the City. Any unpaid amount will be added to the next quarterly bill along with a 6.5% penalty on the delinquent amount.
2. The penalty charge when billed on past due accounts shall be allocated proportionally between the City's water fund, sewer fund, and storm sewer fund based on the user fees billed for each fund.

Adopted by the City Council of the City of Richfield, Minnesota this 10th day of December, 2019

  
\_\_\_\_\_  
Maria Regan Gonzalez, Mayor

ATTEST:

  
\_\_\_\_\_  
Elizabeth VanHoose, City Clerk

**RESOLUTION NO. 11691**

**RESOLUTION RELATING TO PURCHASING PRACTICES IN THE CITY OF  
RICHFIELD AMENDING RESOLUTION NO. 11586**

**WHEREAS**, the City Manager of the City of Richfield has purchasing authority pursuant to the City Charter and Administrative Ordinance Code; and

**WHEREAS**, the City Charter and Administrative Ordinance Code expressly state a purchasing authority limit for the City Manager, and

**WHEREAS**, all purchases in excess of \$175,000 will require approval by City Council.

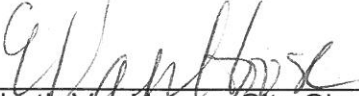
**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Richfield as follows:

That the City Manager of the City of Richfield is hereby granted the authority to enter into contracts or approve purchases on behalf of the City of Richfield up to, but not to exceed \$175,000.

Adopted by the City Council of the City of Richfield, Minnesota this 10th day of December, 2019.

  
\_\_\_\_\_  
Maria Regan Gonzalez, Mayor

ATTEST:

  
\_\_\_\_\_  
Elizabeth VanHoose, City Clerk

**RESOLUTION NO. 11688**

**RESOLUTION AUTHORIZING ADJUSTMENT TO CITY'S MILEAGE REIMBURSEMENT RATE TO CONFORM TO INTERNAL REVENUE SERVICE STATUTORY MILEAGE REIMBURSEMENT RATE**

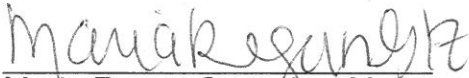
**WHEREAS**, the Internal Revenue Service periodically adjusts the business mileage reimbursement rate; and

**WHEREAS**, the City of Richfield's present mileage reimbursement is in conformance with the Internal Revenue Service business mileage reimbursement rate; and

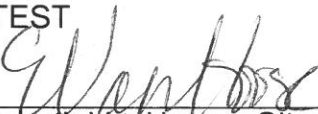
**NOW , THEREFORE, BE IT RESOLVED**, by the City Council of the City of Richfield, Minnesota:

1. That the City Manager of Richfield is hereby authorized and directed to adjust the City's mileage reimbursement rate to be in conformance with Internal Revenue Service guidelines.
2. That the City's mileage reimbursement rate is not to exceed the Internal Revenue Service guidelines.

Approved by the City Council of the City of Richfield, Minnesota this 10th day of December, 2019.

  
Maria Regan Gonzalez, Mayor

ATTEST

  
Elizabeth VanHoose, City Clerk

**RESOLUTION NO. 11693**

**RESOLUTION ESTABLISHING A PUBLIC WORKS ON-CALL COMPENSATION POLICY**

**WHEREAS**, the City Council has determined to provide Public Works Superintendent/Managers/Supervisors compensation for being on-call for possible Public Works emergencies; and

**WHEREAS**, the good judgment of a Public Works Superintendent/Managers/Supervisors is needed to provide quality response to Public Works emergencies such as water main breaks, street light knock downs, and sewer main back ups; and

**WHEREAS**, the City Council finds it necessary to establish a policy to provide such employees with on-call compensation.

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Richfield hereby adopts the following On-call Compensation Policy:

Public Works Superintendents/Managers/Supervisors who remain on-call by carrying the emergency cell phone (or similar device) for a period of one week will be compensated at a rate established annually as part of the budget preparation process, beginning with \$100 a month in 2020.

Adopted by the City Council of the City of Richfield, Minnesota this 10th day of December 2019.



\_\_\_\_\_  
Maria Regan Gonzalez, Mayor

ATTEST:



\_\_\_\_\_  
Elizabeth VanHoose, City Clerk

**MUNICIPAL PROPERTY TAX LEVY RATE  
COMPARATIVE ANALYSIS OF TOTAL PROPERTY TAX LEVY RATE  
PROPERTY TAXATION LEVY ANALYSIS**

**MUNICIPAL PROPERTY TAX LEVY RATE**

**2017-2020**

|   | <u>2017</u>         | <u>2018</u>         | <u>2019</u>         | <u>2020</u>         |
|---|---------------------|---------------------|---------------------|---------------------|
| General, Debt Service, & Econ. Dev. Authority | 56.85               | 57.73               | 53.27               | 53.64               |
| Housing & Redevelopment Authority             | 1.56                | 1.61                | 1.46                | 1.44                |
| <b>Total</b>                                  | <b><u>58.41</u></b> | <b><u>59.34</u></b> | <b><u>54.74</u></b> | <b><u>55.09</u></b> |

**COMPARATIVE ANALYSIS OF TOTAL PROPERTY TAX LEVY RATE**

**2018-2020**

|                   | <u>2018</u>          |                      | <u>2019</u>          |                      | <u>2020</u>          |                      |
|-------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
|                   | <u>Tax Capacity</u>  |                      | <u>Tax Capacity</u>  |                      | <u>Tax Capacity</u>  |                      |
|                   | <u>Rate</u>          | <u>Percent</u>       | <u>Rate</u>          | <u>Percent</u>       | <u>Rate</u>          | <u>Percent</u>       |
| City of Richfield | 59.34                | 40.0%                | 54.74                | 39.5%                | 55.09                | 40.2%                |
| Schools           | 37.05                | 25.0%                | 33.33                | 24.1%                | 32.78                | 23.9%                |
| Hennepin County   | 42.81                | 28.9%                | 41.86                | 30.2%                | 41.02                | 29.9%                |
| Other             | 8.97                 | 6.1%                 | 8.55                 | 6.2%                 | 8.21                 | 6.0%                 |
| <b>Total</b>      | <b><u>148.17</u></b> | <b><u>100.0%</u></b> | <b><u>138.48</u></b> | <b><u>100.0%</u></b> | <b><u>137.10</u></b> | <b><u>100.0%</u></b> |

**PROPERTY TAXATION LEVY ANALYSIS**

**2018-2020**

|                                  | <u>2018</u>                 | <u>2019</u>                 | <u>2020</u>                 |
|----------------------------------|-----------------------------|-----------------------------|-----------------------------|
| General Levy                     | \$ 17,340,861               | \$ 18,083,594               | \$ 18,855,379               |
| Special Levy:                    |                             |                             |                             |
| Bonded Indebtedness              | 2,910,328                   | 3,170,338                   | 3,478,690                   |
| Tax Abatement                    | 370,722                     | 372,760                     | 353,402                     |
| <b>Total Levy</b>                | <b><u>\$ 20,621,911</u></b> | <b><u>\$ 21,626,692</u></b> | <b><u>\$ 22,687,471</u></b> |
| <b>Allocation of Total Levy:</b> |                             |                             |                             |
| Local Levy                       | \$ 17,319,476               | \$ 17,989,279               | \$ 19,244,021               |
| Fiscal Disparities distribution  | 3,302,435                   | 3,637,413                   | 3,443,450                   |
| <b>Total Levy</b>                | <b><u>\$ 20,621,911</u></b> | <b><u>\$ 21,626,692</u></b> | <b><u>\$ 22,687,471</u></b> |

**ASSESSED AND ESTIMATED ACTUAL (MARKET) VALUE  
OF ALL TAXABLE PROPERTY FOR YEARS  
2017-2020**

| Assessed Value January,<br>for<br>Taxes Collectible In        | 2016                    | 2017                    | 2018                    | 2019                    |
|---|-------------------------|-------------------------|-------------------------|-------------------------|
|   | 2017                    | 2018                    | 2019                    | 2020                    |
| Population  | 36,338                  | 36,544                  | 36,436                  | 36,436                  |
| <b>Market Value:</b>  |                         |                         |                         |                         |
| Real Property   | \$ 2,879,065,930        | \$ 3,058,662,209        | \$ 3,399,789,095        | \$ 3,678,301,939        |
| Personal Property   | 18,698,200              | 20,497,500              | 21,223,000              | 21,559,300              |
| Total Market Value  | <u>\$ 2,897,764,130</u> | <u>\$ 3,079,159,709</u> | <u>\$ 3,421,012,095</u> | <u>\$ 3,699,861,239</u> |
| <b>Tax Capacity:</b>  |                         |                         |                         |                         |
| Real Property   | \$ 35,676,594           | \$ 37,352,456           | \$ 41,066,384           | \$ 44,287,781           |
| Personal Property   | 363,544                 | 399,785                 | 414,280                 | 419,496                 |
| Area Wide Allocation -<br>Contribution to (A)                 | (4,332,637)             | (4,218,332)             | (3,820,852)             | (4,603,752)             |
| Tax Increment Projects (B)                                    | (3,861,538)             | (3,532,491)             | (3,892,447)             | (4,229,016)             |
| Subtotal  | <u>\$ 27,845,963</u>    | <u>\$ 30,001,418</u>    | <u>\$ 33,767,365</u>    | <u>\$ 35,874,509</u>    |
| Area Wide Allocation -<br>Contribution from (A)               | 5,909,949               | 5,809,033               | 6,300,733               | 6,463,539               |
| Net Tax Capacity  | <u>\$ 33,755,912</u>    | <u>\$ 35,810,451</u>    | <u>\$ 40,068,098</u>    | <u>\$ 42,338,048</u>    |
| <b>Ratio of Total Tax Capacity to<br/>Total Market Value:</b> | <u>.0116</u>            | <u>.0116</u>            | <u>.0117</u>            | <u>.0114</u>            |
| <b>Per Capita Valuations:</b>                                 |                         |                         |                         |                         |
| Market Value  | <u>\$ 79,745</u>        | <u>\$ 84,259</u>        | <u>\$ 93,891</u>        | <u>\$ 101,544</u>       |
| Tax Capacity  | <u>\$ 929</u>           | <u>\$ 980</u>           | <u>\$ 1,100</u>         | <u>\$ 1,162</u>         |

(A) 1974 and subsequent property values include net amounts allocated pursuant to the "fiscal disparities law".  
Laws 1971 Extra Session. Chapter 24, from area-wide "pool".

(B) 1975 and subsequent years include properties "frozen" for the tax increment redevelopment properties  
Nos. 1271-1291 pursuant to Minnesota Statutes, Section 462.585, Subdivision 2.

**TOTAL NUMBER OF FULL-TIME REGULAR BUDGETED PERSONNEL  
2018-2020**

|                                      | <u>2018</u>   | <u>2019</u>   | <u>2019R</u>  | <u>2020</u>   |
|--------------------------------------|---------------|---------------|---------------|---------------|
| <b><u>GENERAL FUND</u></b>           |               |               |               |               |
| <b>Legislative/Executive</b>         |               |               |               |               |
| City Council                         | 0.80          | 0.80          | 0.80          | 0.00          |
| City Manager                         | 2.00          | 2.00          | 2.20          | 2.60          |
|                                      | <u>2.80</u>   | <u>2.80</u>   | <u>3.00</u>   | <u>2.60</u>   |
| <b>Administrative Services</b>       |               |               |               |               |
| Administration                       | 1.00          | 1.00          | 1.00          | 1.00          |
| Human Resources                      | 2.40          | 2.40          | 2.00          | 2.00          |
| City Clerk                           | 3.60          | 3.60          | 4.60          | 5.00          |
|                                      | <u>7.00</u>   | <u>7.00</u>   | <u>7.60</u>   | <u>8.00</u>   |
| <b>Finance</b>                       |               |               |               |               |
| Finance                              | 5.00          | 5.00          | 5.00          | 5.00          |
| Assessing                            | 1.00          | 0.00          | 0.00          | 0.00          |
|                                      | <u>6.00</u>   | <u>5.00</u>   | <u>5.00</u>   | <u>5.00</u>   |
| <b>Public Safety</b>                 |               |               |               |               |
| Support Services                     | 2.00          | 2.00          | 2.00          | 2.00          |
| Police Operations                    | 53.80         | 53.80         | 53.80         | 53.80         |
|                                      | <u>55.80</u>  | <u>55.80</u>  | <u>55.80</u>  | <u>55.80</u>  |
| <b>Fire</b>                          |               |               |               |               |
|                                      | 26.00         | 26.00         | 26.40         | 27.40         |
|                                      | <u>26.00</u>  | <u>26.00</u>  | <u>26.40</u>  | <u>27.40</u>  |
| <b>Community Development</b>         |               |               |               |               |
| Administration                       | 8.00          | 8.00          | 8.00          | 8.00          |
| Inspections                          | 9.00          | 9.00          | 9.00          | 9.00          |
|                                      | <u>17.00</u>  | <u>17.00</u>  | <u>17.00</u>  | <u>17.00</u>  |
| <b>Public Works</b>                  |               |               |               |               |
| PW Administration                    | 2.00          | 2.00          | 2.00          | 2.00          |
| Engineering                          | 4.00          | 4.00          | 5.00          | 5.00          |
| Street Maintenance                   | 13.45         | 13.45         | 13.40         | 13.30         |
| Park Maintenance                     | 7.50          | 7.50          | 8.50          | 8.50          |
|                                      | <u>26.95</u>  | <u>26.95</u>  | <u>28.90</u>  | <u>28.80</u>  |
| <b>Recreation Services</b>           |               |               |               |               |
| Recreation Services Administration   | 2.00          | 2.00          | 2.00          | 2.00          |
| Recreation Program & Athletics       | 4.00          | 4.00          | 4.00          | 4.00          |
| Wood Lake Nature Center              | 5.00          | 5.00          | 6.00          | 6.00          |
|                                      | <u>11.00</u>  | <u>11.00</u>  | <u>12.00</u>  | <u>12.00</u>  |
| Subtotal                             | 152.55        | 151.55        | 155.70        | 156.60        |
| <b><u>SPECIAL REVENUE FUNDS</u></b>  |               |               |               |               |
| Cable TV Fund                        | 1.20          | 1.20          | 1.00          | 1.00          |
| Ice Arena                            | 4.00          | 4.00          | 4.00          | 4.00          |
| Subtotal                             | 5.20          | 5.20          | 5.00          | 5.00          |
| <b><u>ENTERPRISE FUNDS</u></b>       |               |               |               |               |
| Liquor                               | 6.00          | 6.00          | 6.00          | 6.00          |
| Water & Wastewater Utility           | 17.60         | 17.60         | 18.10         | 18.10         |
| Storm Sewer Utility                  | 1.20          | 1.20          | 0.70          | 0.70          |
| Subtotal                             | 24.80         | 24.80         | 24.80         | 24.80         |
| <b><u>INTERNAL SERVICE FUNDS</u></b> |               |               |               |               |
| Central Garage                       | 4.05          | 4.05          | 4.10          | 4.10          |
| Information Technologies             | 4.40          | 4.40          | 4.40          | 5.50          |
| Government Buildings                 | 3.00          | 3.00          | 3.00          | 3.00          |
| Subtotal                             | 11.45         | 11.45         | 11.50         | 12.60         |
| <b>TOTAL</b>                         | <u>194.00</u> | <u>193.00</u> | <u>197.00</u> | <u>199.00</u> |



## Profile of the City

The City was incorporated on February 26, 1908. Since 1964, the City has operated under a council/manager form of government, as authorized by its charter, and exists under the laws of the State of Minnesota.

The City has a population of 36,436 (2018 Metropolitan Council Estimate) and covers an area of approximately seven square miles. Located in Hennepin County, Richfield is the first suburb south of Minneapolis. Richfield is bordered on the north by the Crosstown Highway 62; bordered on the east by the Minneapolis-St. Paul International Airport; bordered on the south by Interstate 494; and bordered on the west by Xerxes Avenue and the City of Edina. In addition, Interstate 35W, the major north/south thoroughfare in the Twin City area, runs north/south through the middle of Richfield.

The City of Richfield provides a full range of services, including police and fire protection; the construction and maintenance of streets and other infrastructure; and recreational activities and cultural events. The City of Richfield also operates four municipal liquor stores, water and wastewater utility and a storm water utility.

## Factors Affecting Financial Condition

Richfield was initially developed as a residential community. Residents of Richfield generally work at the adjacent airport, in the downtown Minneapolis-St. Paul area or on the I-494 corridor. Richfield's commercial/industrial base is comparatively small when looking at other Twin City metropolitan area communities. In fact, when viewing the total estimated market value of the community, approximately 68% of the market value is comprised of residential properties, 13% apartments, and only 19% commercial/industrial property. Changes in the state's tax policy have indicated for some time a need for a more diversified tax base, including more commercial development.

Richfield has responded to this by encouraging commercial development within the City. However, over 99% of the land area in Richfield is already developed. Commercial development in Richfield is a more complex process that requires extensive redevelopment and often the use of tax increment financing assistance.

Since 1975, the City has created twenty-six tax increment districts. These tax increment districts were formed in order to help transform areas which are becoming market obsolete into a more vital commercial tax base. The City has transformed itself as a result of this redevelopment which includes the development of a corporate headquarters of a Fortune 500 company within the City. Consequently, as the tax increment districts decertify, the City will realize the full market value benefit of these districts. The City has had one district decertified in 2002, a second district decertified in 2010, a third district decertified in 2012, and two districts decertified in 2019.

In addition to the City's efforts in commercial redevelopment, several housing programs have been established to encourage reinvestment in the City's housing stock.

The City enjoys an AA+ bond rating and an Aa2 bond rating from Standard and Poor's and Moody's respectively.

---

## MISCELLANEOUS STATISTICS

---

|   |                          |
|---|--------------------------|
| <b>Date of Incorporation</b>                | <b>February 26, 1908</b> |
| <b>Date of Adoption of City Charter</b>     | <b>November 3, 1964</b>  |
| <b>Effective</b>                            | <b>December 31, 1964</b> |
| <br>  |                          |
| <b>Form of Government</b>                   | <b>Council-Manager</b>   |
| <b>Fiscal Year Begins</b>                   | <b>January 1</b>         |
| <b>Area of City</b>                         | <b>7.0 square miles</b>  |
| <br>  |                          |
| <b>Miles of Streets and Alleys:</b>         |                          |
| Trunk Highways                              | 7.17                     |
| Paved - County                              | 9.83                     |
| Other                                       | 123.43                   |
| Sidewalks                                   | 43.80                    |
| Alleys                                      | 11.00                    |
| <br>  |                          |
| <b>Miles of Sewers:</b>                     |                          |
| Storm                                       | 59.90                    |
| Sanitary                                    | 119.40                   |
| <br>  |                          |
| <b>Fire Protection:</b>                     |                          |
| Number of Stations                          | 2                        |
| Number of Employees                         | 27                       |
| <br>  |                          |
| <b>Police Protection:</b>                   |                          |
| Number of Stations                          | 1                        |
| Number of Employees                         | 54                       |
| <br>  |                          |
| <b>Recreation -</b>                         |                          |
| <b>Parks:</b>                               |                          |
| Number of Parks and Playgrounds             | 21                       |
| Asphalt Trails (In miles)                   | 4.23                     |
| <br>  |                          |
| <b>Municipal Water Plant:</b>               |                          |
| Number of connections                       | 10,593                   |
| Daily average consumption (million gallons) | 2.710                    |
| Well capacity (million gallons)             | 16.700                   |
| Miles of water mains                        | 120                      |
| Number of fire hydrants                     | 1,073                    |
| <br>  |                          |
| <b>Number of Street Lights</b>              | <b>3,349</b>             |
| <br>  |                          |
| <b>Employees: 2020</b>                      |                          |
| Regular                                     | 199                      |
| Part time - Intermittent                    | 150                      |
| Total Employees                             | 349                      |
| <br>  |                          |
| <b>Elections:</b>                           |                          |
| Registered voters - last local election     | 22,127                   |
| Number of votes cast - last local election  | 16,955                   |
| Percentage of registered voters voting      | 76.6%                    |

## MISCELLANEOUS STATISTICS (CON'T)

| Population:                   | Year | Number      |
|-------------------------------|------|-------------|
| Metropolitan Council Estimate | 2011 | 35,376      |
| Metropolitan Council Estimate | 2012 | 35,979      |
| Metropolitan Council Estimate | 2013 | 36,041      |
| Metropolitan Council Estimate | 2014 | 36,157      |
| Metropolitan Council Estimate | 2015 | 36,557      |
| Metropolitan Council Estimate | 2016 | 36,338      |
| Metropolitan Council Estimate | 2017 | 36,544      |
| Metropolitan Council Estimate | 2018 | 36,436      |
| Metropolitan Council Estimate | 2019 | Unavailable |
| Metropolitan Council Estimate | 2020 | Unavailable |

| Building Permits:        | Year  | Number | Estimated<br>Valuation |
|--------------------------|-------|--------|------------------------|
|                          | 2010  | 1,323  | 38,208,077             |
|                          | 2011  | 1,379  | 18,306,022             |
|                          | 2012  | 1,278  | 40,625,178             |
|                          | 2013  | 1,389  | 28,847,812             |
|                          | 2014  | 1,486  | 43,814,949             |
|                          | 2015  | 1,214  | 24,281,587             |
|                          | 2016  | 1,174  | 56,668,005             |
|                          | 2017  | 1,287  | 39,629,236             |
|                          | 2018  | 1,273  | 79,355,038             |
| *As of November 30, 2019 | *2019 | 1,242  | 114,531,720            |

**\*Larger Taxpaying Parcels:**

| <u>Taxpayer</u>              | <u>Type of<br/>Property</u> | 2018/2019<br>Assessor's<br>Taxable<br>Mtk Value | Percent of Final<br>2018<br>Market<br>Value | 2018/2019<br>Net Tax<br>Capacity |
|------------------------------|-----------------------------|---|---|----------------------------------|
| Best Buy Company, Inc.       | Commercial                  | \$ 118,500,000                                  | 3.46%                                       | \$ 2,369,250                     |
| JRK Investors, Inc.          | Apartments                  | 71,526,000                                      | 2.09%                                       | 894,075                          |
| Meridian Crossings LLC       | Commercial                  | 60,923,030                                      | 1.78%                                       | 925,146                          |
| The Gramercy Club City Bella | Condominiums                | 46,125,825                                      | 1.35%                                       | 461,584                          |
| JIW Inc                      | Apartments                  | 35,000,000                                      | 1.02%                                       | 699,250                          |
| Gramercy Park Coop           | Cooperative                 | 30,037,230                                      | 0.88%                                       | 311,822                          |
| The Oaks LLC                 | Apartments                  | 22,167,000                                      | 0.65%                                       | 277,088                          |
| Twin City Christian Homes    | Apartments                  | 21,489,000                                      | 0.63%                                       | 268,613                          |
| ROP Investment Co LLC        | Apartments                  | 20,448,000                                      | 0.60%                                       | 255,600                          |
| Menard Inc                   | Commercial                  | 19,538,000                                      | 0.57%                                       | 390,010                          |
| Market Plaza Consolidated    | Commercial                  | 19,328,000                                      | 0.56%                                       | 241,600                          |
| Richfield Properties LLC     | Commercial                  | 18,965,000                                      | 0.55%                                       | 378,550                          |

Source: Hennepin County

**Top Employers in Richfield**

|                                   | <u>Employees</u> |
|-----------------------------------|------------------|
| Best Buy Corporate Campus         | 6,000            |
| U.S. Bancorp                      | 2,144            |
| Independent School District 280   | 763              |
| City of Richfield                 | 364              |
| Target @ Cedar Point Commons      | 350              |
| Metro Sales                       | 270              |
| Fraser School                     | 266              |
| Headway Emotional Health Services | 250              |
| Menards                           | 200              |
| Weis Builders                     | 75               |

Source: ReferenceUSA, Minnesota Department of Employment and Economic Development, and written and telephone survey.

## MISCELLANEOUS STATISTICS (CON'T)

### Population Characteristics

#### Population Trend: City of Richfield

|                                   |         |
|-----------------------------------|---------|
| 2000 U.S. Census Population       | 34,439  |
| 2010 U.S. Census Population       | 35,228  |
| 2017 State Demographer's Estimate | 36,544  |
| Percent of Change 2000 - 2010     | + 2.29% |

#### Income and Age Statistics

|  | City of<br>Richfield | Hennepin<br>County | State of<br>Minnesota | United<br>States |
|--|----------------------|--------------------|-----------------------|------------------|
| 2017 per capita income                 | \$ 31,715            | \$ 41,794          | \$ 34,712             | \$ 31,177        |
| 2017 median household income           | \$ 59,844            | \$ 71,154          | \$ 65,699             | \$ 57,652        |
| 2017 median family income              | \$ 75,585            | \$ 95,062          | \$ 82,785             | \$ 70,850        |
| 2017 median gross rent                 | \$ 963               | \$ 1,031           | \$ 906                | \$ 982           |
| 2017 median value owner-occupied units | \$ 197,500           | \$ 245,400         | \$ 199,700            | \$ 193,500       |
| 2017 median age                        | 36.7                 | 36.3               | 37.9                  | 37.8             |

|                                     | State of<br><u>Minnesota</u> | United<br><u>States</u> |
|-------------------------------------|------------------------------|-------------------------|
| City % of 2017 per capita income    | 91.37%                       | 101.73%                 |
| City % of 2017 median family income | 91.30%                       | 106.68%                 |

#### Housing Statistics

|                   | City of Richfield<br><u>2010</u> | City of Richfield<br><u>2017</u> | Percent of Change |
|-------------------|----------------------------------|----------------------------------|-------------------|
| All Housing Units | 14,818                           | 15,620                           | 5.41%             |

Source: Minnesota State Demographer and U.S. Census Bureau ([www.factfinder.census.gov](http://www.factfinder.census.gov))

#### Public School Enrollment

| Year               | 12-13 | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 | 18-19 | 19-20 |
|--------------------|-------|-------|-------|-------|-------|-------|-------|-------|
| Early Childhood    | 88    | 103   | 110   | 96    | 81    | 86    | 96    | 131   |
| Elementary (K-2)   | 1,238 | 1,215 | 1,205 | 1,137 | 1,003 | 985   | 936   | 915   |
| Intermediate (3-5) | 962   | 980   | 1,042 | 1,086 | 1,096 | 1,040 | 960   | 904   |
| Junior High (6-8)  | 910   | 917   | 878   | 835   | 891   | 936   | 972   | 952   |
| Senior High (9-12) | 1,171 | 1,173 | 1,149 | 1,134 | 1,151 | 1,168 | 1,143 | 1,157 |
| Adult Special      | 19    | 17    | 12    | 14    | 13    | 16    | 20    | 25    |
| Total              | 4,388 | 4,405 | 4,396 | 4,302 | 4,235 | 4,231 | 4,127 | 4,084 |

Source: Independent School District #280

#### Employment/Unemployment Data:

| Year  | Average<br>Employment |           | Average Unemployment |                    |                |
|-------|-----------------------|-----------|----------------------|--------------------|----------------|
|       | Hennepin<br>County    | Richfield | Richfield            | Hennepin<br>County | State of<br>MN |
| 2010  | 611,058               | 17,960    | 6.4%                 | 6.2%               | 6.8%           |
| 2011  | 618,156               | 19,295    | 5.8%                 | 6.0%               | 6.4%           |
| 2012  | 628,645               | 19,626    | 4.3%                 | 4.8%               | 5.4%           |
| 2013  | 637,514               | 19,829    | 3.8%                 | 4.1%               | 4.7%           |
| 2014  | 646,973               | 19,389    | 3.0%                 | 3.0%               | 3.6%           |
| 2015  | 649,491               | 19,095    | 2.7%                 | 3.3%               | 3.7%           |
| 2016  | 656,426               | 19,221    | 3.2%                 | 3.4%               | 3.9%           |
| 2017  | 672,273               | 19,966    | 2.7%                 | 3.1%               | 3.4%           |
| 2018  | 686,287               | 19,888    | 2.7%                 | 2.5%               | 3.2%           |
| *2019 | 698,310               | 20,025    | 2.3%                 | 2.4%               | 3.2%           |

Source: Department of Employment & Economic Development

\*As of September 2019



## **GLOSSARY**

**ACCOUNTING SYSTEM** - The total structure of records and procedures which record, classify, summarize, and report information on the financial position and results of operations of a government or any of its funds, fund types, balanced account groups, or organizational components.

**ACCOUNT PAYABLE** - A liability account reflecting amounts on an open account owing to private persons or organizations for goods and services received by a government.

**ACCOUNTS RECEIVABLE** - An asset account reflecting amounts owing on an open account from private persons or organizations for goods and services furnished by a government.

**ACCRUAL BASIS OF ACCOUNTING** – Method of accounting that recognizes the financial effect of transactions, events, and interfund activity when they occur, regardless of the timing of the related cash flows.

**ADOPTED BUDGET** - Refers to the budget amounts as originally approved by the council at the beginning of the year and also to budget document which consolidates all beginning-of - the-year operating appropriations and new capital project appropriations.

**AD VALOREM TAX** - A tax which is based on value, such as property taxes.

**APPROPRIATION** - An authorization made by the legislative body of a government, which permits officials to incur obligations against and to make expenditures of governmental resources. Appropriations are usually made for fixed amounts and are typically granted for a one-year period.

**ARBITRAGE** – In the context of governmental finance, the reinvestment of the proceeds of tax-exempt securities in materially higher-yielding taxable securities.

**ASSESSED VALUATION** – Valuation that a government sets on real estate or other property as a basis for levying taxes. Tax-exempt property is excluded from the assessable base.

**ASSETS** - Property and equipment owned by a government which has monetary value.

**BALANCED BUDGET** - A budget in which the sources of funds (revenues) is equal to the uses (expenditures).

**BASIS OF ACCOUNTING** - The technical term that describes the criteria governing the timing of the recognition of transactions and events.

**BONDS** - A written promise to pay a specified sum of money called principal at specified dates, including interest at a designated time. Bonds are typically used for long-term debt.

**BONDED DEBT** - The portion of City debt represented by outstanding bonds.

**BUDGET** - A financial operations plan of proposed expenditures for a given period of time and the proposed revenues to finance them. Proposed expenditures must equal proposed revenues.

**BUDGETARY CONTROL** - The control or management of a government or enterprise in accordance with an approved budget for the purpose of keeping expenditures within the limitations of available appropriations and available revenues.

**BUDGET MESSAGE** - A general discussion of the proposed budget presented in writing as a part of or supplement to the budget document. The budget message explains principal budget issues against the background of financial experience in recent years and presents recommendations regarding the financial policy for the coming year.

**COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)** - A form of federal grant received for a specific purpose.

**CAPITAL IMPROVEMENT PLAN (CIP)** - A plan for capital expenditures to be incurred each year for a fixed period of years and the estimated resources to finance the projected expenditures.

**CAPITAL OUTLAYS** - Expenditures which result in the acquisition of or addition to fixed assets which have a value of \$5,000 or more and have useful life of more than one year.

**CAPITAL PROJECT** - The largely one-time cost for acquisition construction, improvement, replacement, or renovation of land, structures and improvements thereon.

**CAPITAL PROJECT FUND** – Fund type used to account for financial resources that are restricted, committed, or assigned to expenditures for capital outlays including the acquisition or construction of capital facilities and other capital assets.

**CURRENT ASSETS** - Those assets which are available or can be made readily available to finance current operations or to pay current liabilities.

**CURRENT LIABILITIES** - Liabilities which are payable within one year.

**DEBT** - An obligation resulting from the borrowing of money or the purchase of goods or services.

**DEBT SERVICE FUND** – Governmental fund type used to account for accumulations of resources that are restricted, committed, or assigned to expenditure for principal and interest.

**DEFICIT** – an excess of expenditures over revenues, a loss in business operations.

**DEPRECIATION** - In accounting for depreciation, the cost of a fixed asset, less any salvage value is prorated over the estimated service life of such an asset, and each period is charged with a portion of such cost. Through this process, the entire cost of the asset is ultimately charged off as an expense.

**DERIVATIVE** – An arrangement to receive or make payments based on prices related to a specified transaction without actually entering into that transaction.

**DIVISION** - A major organization unit within a department. Usually divisions are responsible for carrying out a major component of the department.

**ENCUMBRANCES** – Commitments related to unperformed (executor) contracts for goods or services.

**ENTERPRISE FUND** – Proprietary fund type used to report an activity for which a fee is charged to external users for goods or services.

**EXPENDITURES/EXPENSES** - Where accounts are kept on the modified accrual or accrual basis of accounting, the cost of goods received or services rendered.

**FEES** - A general term used for any fixed charge levied by government associated with providing a service permitting an activity, or imposing a fine or penalty. Major types of fees include business and non-business licenses, fines, and user charges.

**FISCAL DISPARITIES** – A revenue sharing program comprised of local government units within the Twin Cities Metropolitan area. Under this program a portion of growth in commercial, industrial, and public utility property value of each community is contributed to a tax base sharing pool. Each community receives a distribution of property value from the pool based on market value and population of each city.

**FISCAL YEAR** - The twelve month period to which the annual budget applies and at the end of which the City determines its financial position. The City's fiscal year is January 1<sup>st</sup> to December 31<sup>st</sup>.

**FIXED ASSETS** - Long-term tangible assets which are “fixed” in nature, such as building, land, and equipment.

**FUND** - An accounting entity with a self-balancing set of accounts in which assets, liabilities, and equity are recorded for a specific activity or objective.

**FUND BALANCE** – Net position of a governmental fund (difference between assets, liabilities, deferred outflow of resources, and deferred inflows of resources).

**GASB** – Governmental Accounting Standards Board. The authoritative accounting and financial reporting standard-setting body for state and local governments.

**GENERAL FUND** – One of the five governmental fund types. The general fund typically serves as the chief operating fund of a government. The general fund is used to account for all financial resources not accounted for in some other fund.

**GENERAL OBLIGATION BONDS (G.O. BONDS)** - Bonds that are backed by the full faith and credit of the City.

**GFOA** – Government Finance Officers Association of the United States and Canada.

**GOAL** - A long-range desirable development attained by the time-phased objectives designed to implement a strategy.

**GOVERNMENTAL FUNDS** – Funds generally used to account for tax-supported activities. There are five different types of governmental funds: the general fund, special revenue funds, debt service funds, capital project funds, and permanent funds.

**GRANT** - A contribution of assets (usually cash) by one governmental unit or other organization to another. Typically, these contributions are made to local governments from the state and federal governments.

**HRA** – Housing and Redevelopment Authority of the City of Richfield. The HRA was formed by the City to provide housing and redevelopment assistance to Richfield citizens and businesses.

**INFRASTRUCTURE** - Long-lived capital assets that normally are stationary in nature and normally can be preserved for a significant greater number of years than most capital assets.



Example of infrastructure assets include roads, bridges, tunnels, drainage systems, water and sewer systems, and lighting systems that are of value only to the City.

**INTERGOVERNMENTAL REVENUES** - Revenues from other governments in the form of grants, entitlements or shared revenues.

**INTERNAL SERVICE FUND** – Proprietary fund type that may be used to report any activity that provides goods or services to other funds, departments, or agencies of the primary government and its component units, or to other governments, on a cost-reimbursement basis.

**INVESTMENT** - Securities permitted by law are purchased and held for the production of income in the form of interest.

**LEVY** - The total amount of taxes or special assessments imposed by the City.

**LIQUIDITY** – the amount of time that is expected to elapse until an asset is realized or otherwise converted into cash or until a liability has to be paid.

**LOCAL GOVERNMENT AID (LGA)** - An aid program consisting of sales and income revenues collected by the State of Minnesota and redistributed to local governments to reduce local property tax burdens.

**LOGIS** - Local Government Information Systems- A consortium of Minnesota local government units whose purpose is to provide effective, reliable and adaptable technology solutions through the sharing of ideas, risks, resources and costs in a cooperative partnership that evolves with the consortium's needs.

**LUCAS 2** – This is a mechanical device that performs standard cardio pulmonary resuscitation compressions in a consistent and standardized manner. The device has proven to increase circulation in individuals suffering from cardiac arrest and has been documented to increase survival from sudden cardiac arrest.

**MAJOR FUND** - These funds represent significant activities of the City and include any fund whose revenues or expenditures, excluding other financing sources and uses, constitute more than 10% of the revenues or expenditures of the appropriated budget.

**MARKET VALUE** - The value determined by the County Assessor for real estate or property used for levying taxes.

**MARKET VALUE HOMESTEAD CREDIT** - An aid program designed to provide state-paid property tax relief to owners of certain qualifying homestead property.

**MODIFIED ACCRUAL BASIS** - The basis of accounting which recognizes increases and decreases in financial resources only to the extent that they reflect near-term inflows or outflows of cash. Revenues are recognized to the degree that they are available to finance expenditures of the fiscal period. Similarly, debt service payments and a number of specific accrued liabilities are only recognized as expenditures when payment is due because it is only at that time that they normally are liquidated with expendable available financial resources.

**MUNICIPAL STATE AID (MSA)** - An aid program consisting of gas tax revenues collected by the State of Minnesota redistributed to local governments for road improvements.

**NON-MAJOR FUND** - Those funds whose revenues or expenditures do not constitute more than 10% of the revenues or expenditures of the appropriated budget.

**PROPOSED BUDGET** - The recommended city budget submitted by the city manager to the city council.

**PROPRIETARY FUND** – Funds that focus on the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. There are two types of proprietary funds: enterprise funds and internal service funds.

**PURCHASE ORDER** - A document issued to authorize a vendor or vendors to deliver specified merchandise or render a specified service for a stated estimated price. Outstanding purchase orders at the end of the fiscal year are called encumbrances.

**RESERVES** - Funds set aside for unanticipated expenditures or unforeseen emergencies, as well as to have adequate working capital for current operating needs to avoid short-term borrowing.

**REVENUE** - Funds collected as income to offset operational expenses including property taxes, charges for service, licenses and permits, etc.

**RISK MANAGEMENT** - The ways and means used to avoid accidental loss or to reduce its consequences if it does occur.

**SPECIAL ASSESSMENT** - A levy made against a property to defray all or part of the cost of a capital improvement or service deemed to benefit that property.

**SPECIAL REVENUE FUND** - A fund established used to account for the proceeds of specific revenue sources that are legally restricted to expenditure for specified purposes.

**TAX CAPACITY PERCENTAGES** - Old “classification percentages” that are applied to property’s market value; new tax capacity percentages will resemble effective tax rates (e.g., 1.00% for homes under \$500,000) and may help taxpayer understanding.

**TAX CAPACITY VALUE** - Is the taxable portion of the market value which is based on classification rates determined by the type of property tax.

**TAX CAPACITY RATE** - The old “mill rate” derived in same manner mill rates were determined. Tax capacity rate is equal to levy divided by tax capacity (old assessed value). New tax capacity rates will be expressed as percentages.

**TAX INCREMENT FINANCING** - Financing secured by the anticipated incremental increase in tax revenues, resulting from the redevelopment of an area.

**TAX LEVY** - The amount of property taxes levied to finance operations that are not funded by other services.

**TAXES** - Compulsory charges levied by a government to finance services performed for the common benefit.

**WORKING CAPITAL** - The difference between current assets and current liabilities.