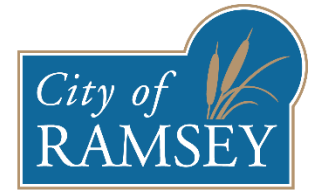


SEPTEMBER 26, 2017

**CITY OF RAMSEY
REQUESTED LEVY/BUDGET
For Fiscal Year 2018**

Purpose of the Budget:

1. To prioritize activity.
2. Financially support strategic initiatives.
3. Identify and manage resources.
4. Communicate the direction of the City.
5. Create a expenditure and revenue plan.
6. Legally required document.



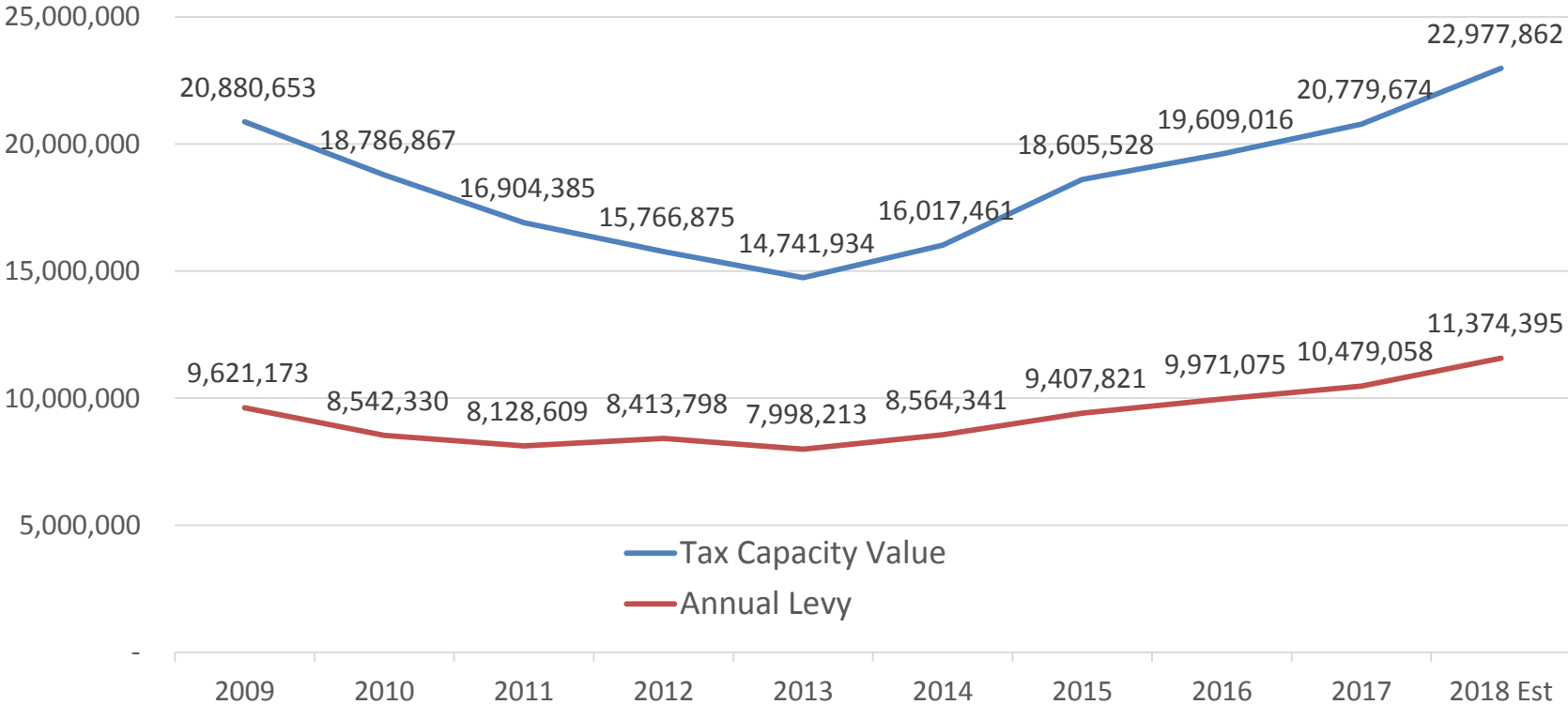
Purpose of tonight's meeting:

1. To consider approval of a preliminary budget and levy for 2018.
2. Continue discussion of preliminary budget until final consideration in December. Levy may be reduced, but not increased from preliminary level.
3. Final Budget/Levy to be considered for adoption at the regular City Council meeting of December 12, 2017.

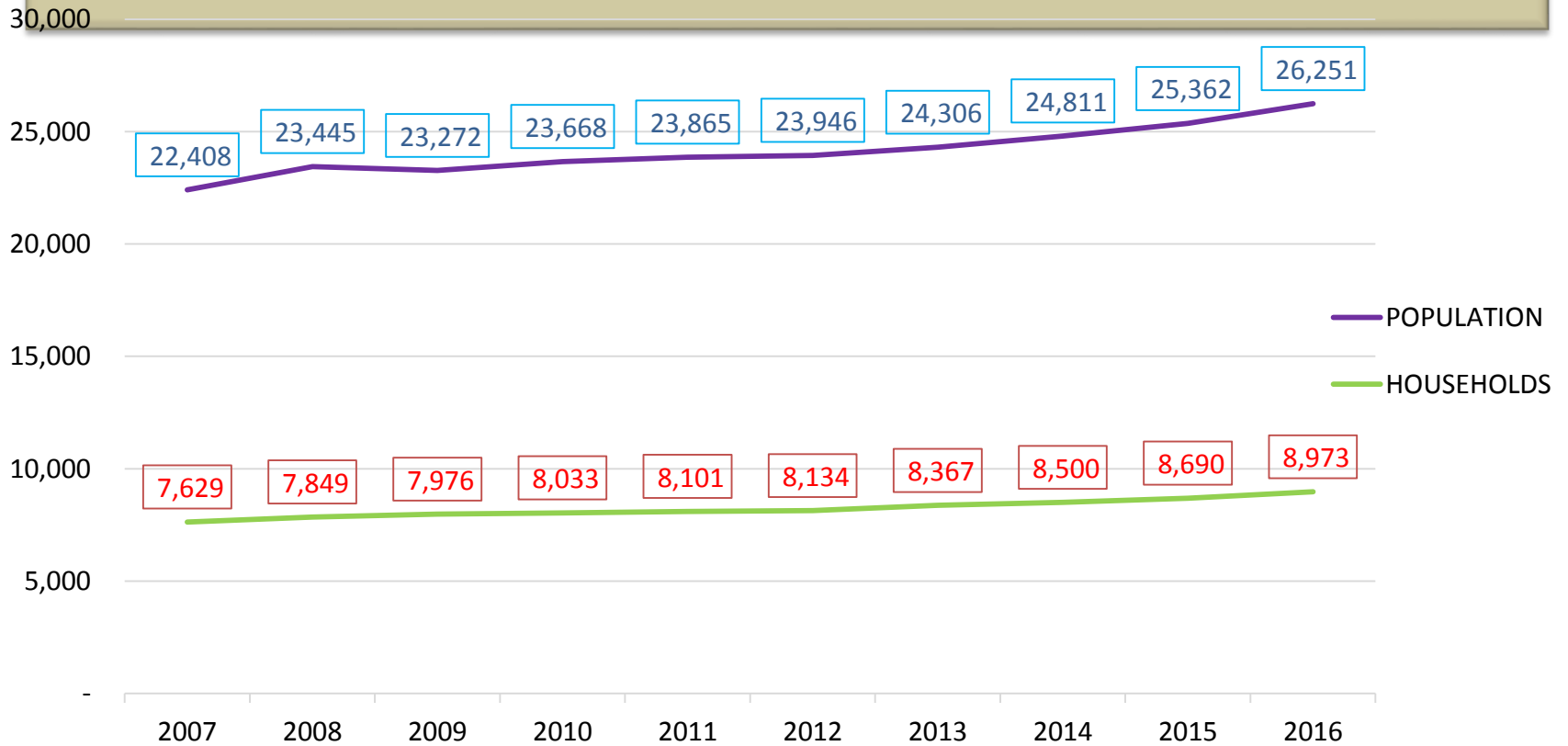
A large, light-colored graphic of stylized reeds or grasses, positioned on the left side of the slide. The reeds are depicted with long, slender blades and two prominent, elongated seed heads. The background of the slide is white, with a dark blue wavy shape at the bottom representing water or a field. The text "Background and Metrics" is centered in the white area.

Background and Metrics

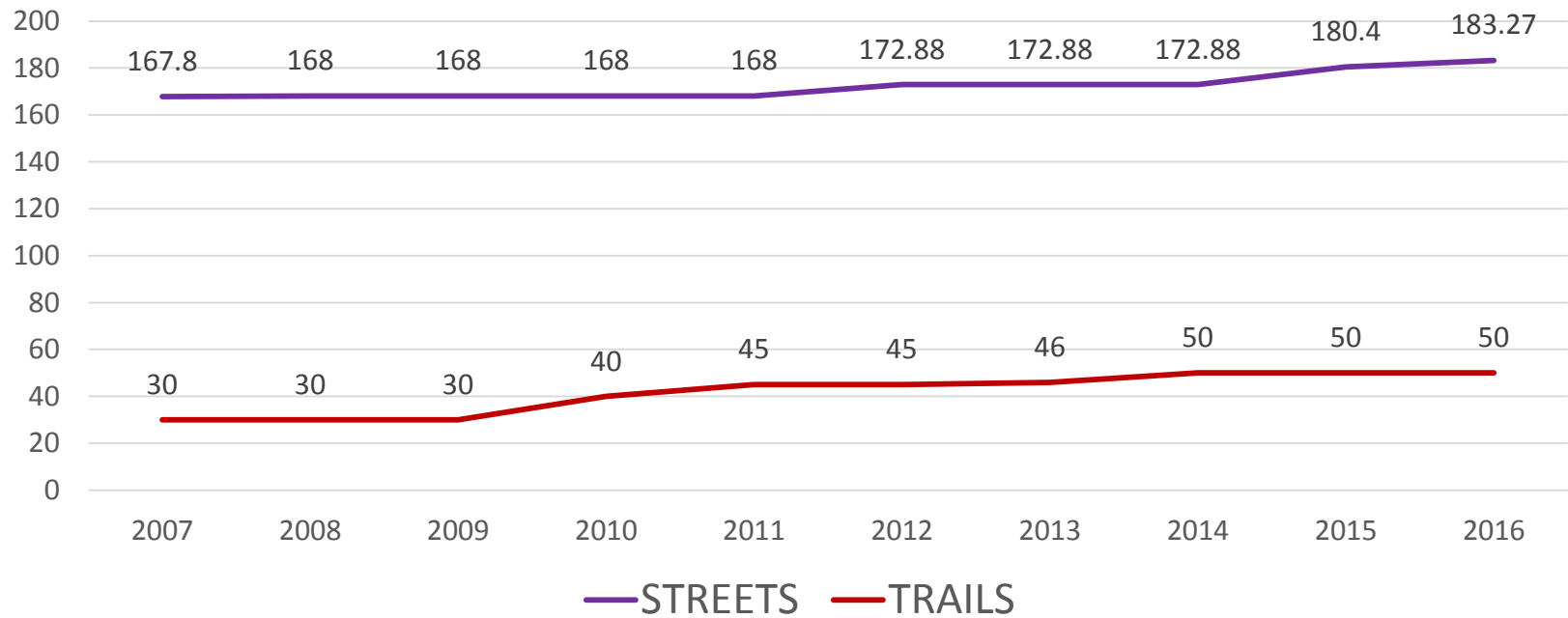
TAX CAPACITY and ANNUAL LEVY



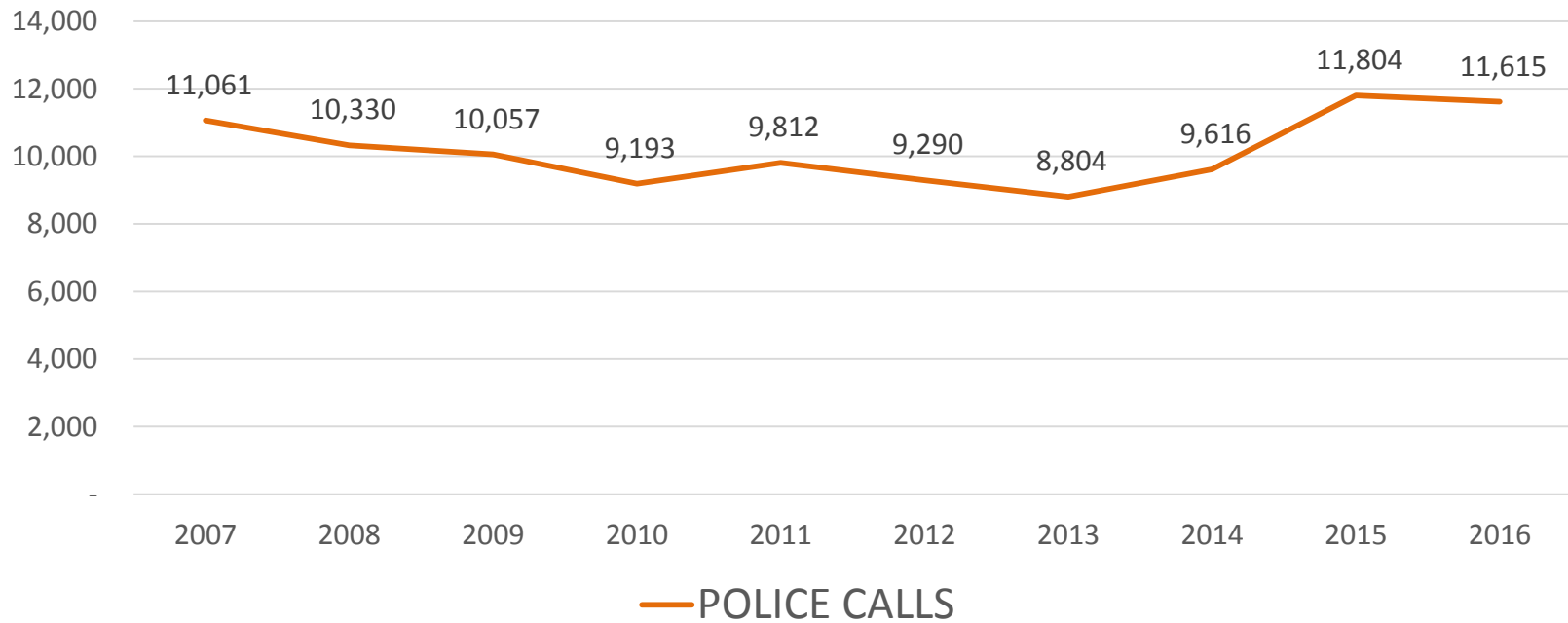
POPULATION and HOUSEHOLD GROWTH



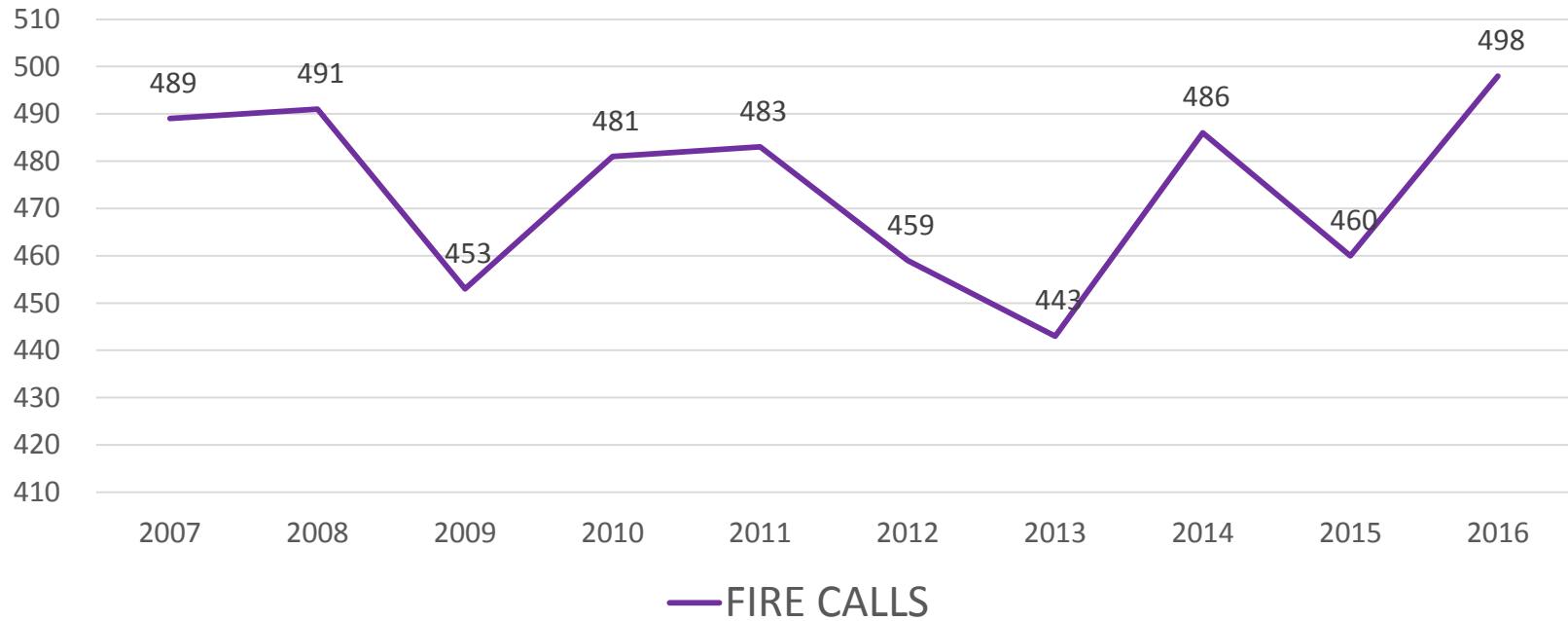
STREET MILES and TRAILS MAINTAINED



POLICE CALLS FOR SERVICE



FIRE CALLS FOR SERVICE



Four Key Goals:

- Financial Stability
- A Connected Community
- Smart Citizen-focused Government
- An Effective Organization



Financial Stability

- *Improve budget preparation to identify operational efficiencies and cost-savings*
- *Increase economic growth and development*
- *Leverage outside funding sources*

Budget examples: *The 2018 budget seeks to accomplish these strategic initiatives by:*

- *Maintaining a consistent tax capacity rate (reduce from 42.455% to 41.686 % est.)*
- *Continue investing in technology to create efficiency (e.g., web site, e-plans)*
- *Hiring additional planning staff to assist with economic growth and development*
- *Hiring additional engineering staff to apply and administer transportation grant requests*

A Connected Community

- *Improve the safety and mobility of major road corridors*
- *Create a diverse and robust offering of recreational opportunities*

Budget examples: *The 2018 budget seeks to accomplish these strategic initiatives by:*

- *- Hiring of additional planning and engineering staff to assist with road projects,*
- *planning, grants administration, and implementation.*
- *- Support of the Resilient Communities Plan through the University of Minnesota.*

Smart, citizen-focus government

- *Improve and maintain the safety of the community*
- *Create a strong positive image for residential neighborhoods and business districts*
- *Enhance community engagement*
- *Define and promote Ramsey brand*
- *Improve the image of key hwy. corridors*
- *Ensure long-term sustainability of public water and sanitary sewer systems*

Budget examples:

- *The 2018 budget seeks to accomplish these strategic initiatives by:*
- *- Support of the Resilient Communities Plan through the University of Minnesota.*
- *- Hiring of a Senior Planner/Neighborhood Advocate position.*
- *- Hiring additional Engineering administrative staff to assist with projects and citizen inquiries.*
- *- Hiring Parks Maintenance worker to maintain and improve function and appearance of Parks.*

An Effective Organization

- *Plan for public facilities to meet City's growth*
- *Invest in technology to improve service and efficiency*

Budget examples: The 2018 budget seeks to accomplish these strategic initiatives by:

- *- Providing for full implementation of new City web page initiated in 2017.*
- *- Hiring of Senior Planner/Neighborhood advocate will assist in the comprehensive planning of the community to guide large infrastructure and facility investments.*
- *- Continues planning and design work for a new public works facility.*



14 Key Strategic Initiatives

- Improve **budget preparation** to identify operational efficiencies and cost-savings
- Increase **economic growth** and development
- Leverage **outside funding** sources
- Improve the safety and mobility of **major road corridors**
- Create a diverse and robust offering of **recreational opportunities**
- Improve and maintain the **safety** of the community
- Create a strong **positive image** for residential neighborhoods and business districts
- Enhance **community engagement**
- Enhance the level of **customer service**
- Define and promote **Ramsey brand**
- Improve city **communications** with the community
- Improve and sustain high **employee morale**
- Continue to implement **process improvement** initiatives
- Plan for **public facilities** to meet City's growth

City of Ramsey

2018 Preliminary Levy Summary

<u>Proposed Tax Levies:</u>	<u>2017</u>	<u>2018</u>
General Fund Levy	\$8,670,635	\$9,395,242
EDA Levy	103,981	103,981
Debt Service Levies:		
2013 Capital Equipment Certificates	73,875	73,119
Lease Revenue Bond (Municipal Ctr)	1,098,813	1,118,613
2014 Capital Equipment Certif	102,905	101,879
2015 Road Reconstruct Debt	119,078	116,663
2016 Road Reconstruct Debt	152,308	146,571
2017 Road Reconstruct Debt	0	94,079
CIP Bond (Fire Station #2)	<u>157,463</u>	<u>224,248</u>
 Total Proposed Levy	 \$10,479,058	 \$11,374,395

2018 GENERAL FUND BUDGET AND LEVY

2018 Total levy of \$11,374,395

Increase of \$895,337 or 8.54% from 2017

2018 General Fund Budget: \$12,123,284

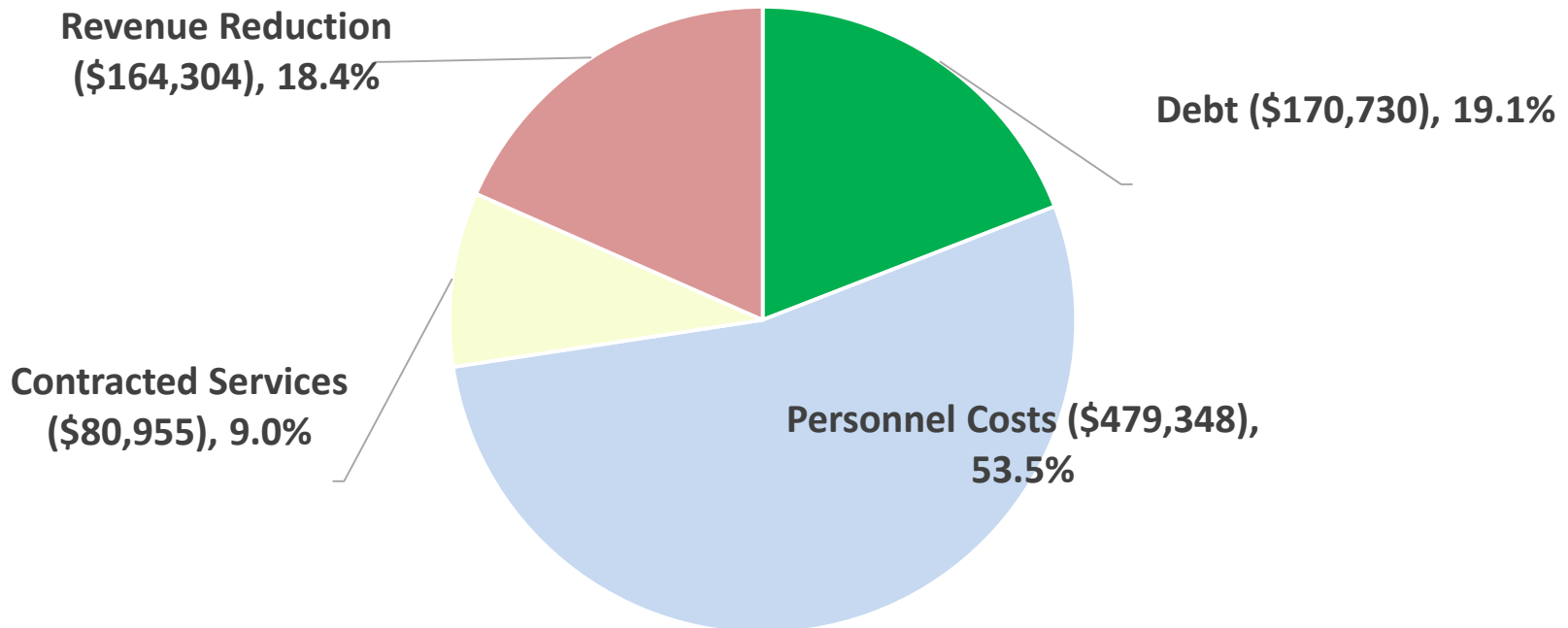
Increase of \$994,525 or 8.94% from 2017 Adopted

2018 Estimated Tax Capacity Rate 41.686%

2017 Tax Capacity rate of 42.455%

2018 GENERAL FUND BUDGET AND LEVY

What Makes Up Levy Increase of \$ 895,337?



2018 GENERAL FUND BUDGET AND LEVY

FOUR MAIN LEVY INCREASE FACTORS

1. PERSONNEL FUNDING:

- \$479,348 of Levy Increase
- Cost of Living Adjustment – 2-1/2% January 1; 1/2% July 1; Step Increases
- Insurance: Health 7.38% increase & Single Dental For all FT Employees
- Election Year
- Increase hours for IT Technician from 29 hours week to 40 hours week (full-time status)
 - Accommodate the growing IT needs: New buildings (fire), room rentals, assume cell phone maintenance allow current employee assist City Clerk due to Phased Retirement
- Full-Time Senior Planner
 - Address current workload for land use and zoning applications. Enhanced levels of customer service
 - Implement Strategic Plan initiatives to clean up Hwy 10 and Key nodes and corridors (5 & 47)
- Part-Time Engineering Administrative Assistant
 - Free up City Engineer time from performing admin tasks such as mailings, notices, etc.
- Full-Time Park Maintenance Worker:
 - Bring department back to 2011 staffing levels
 - Assist with snow removal

2018 GENERAL FUND BUDGET AND LEVY

FOUR MAIN LEVY INCREASE FACTORS

2. DEBT SERVICE:

- \$170,730 of Levy Increase
- Increased debt service on Fire Station #2 (Offset by \$125,000 remaining bond proceeds for 2017 payable)
- First year of 10-Year Debt Levy for the reconstruction of Sunwood Drive and Alpine Drive (3rd Road Project funded via the property tax & special assessments)

3. REVENUE REDUCTION:

- \$164,304 of Levy Increase
- Reduction in interest earnings
- Reduction in other financing sources (transfers in)

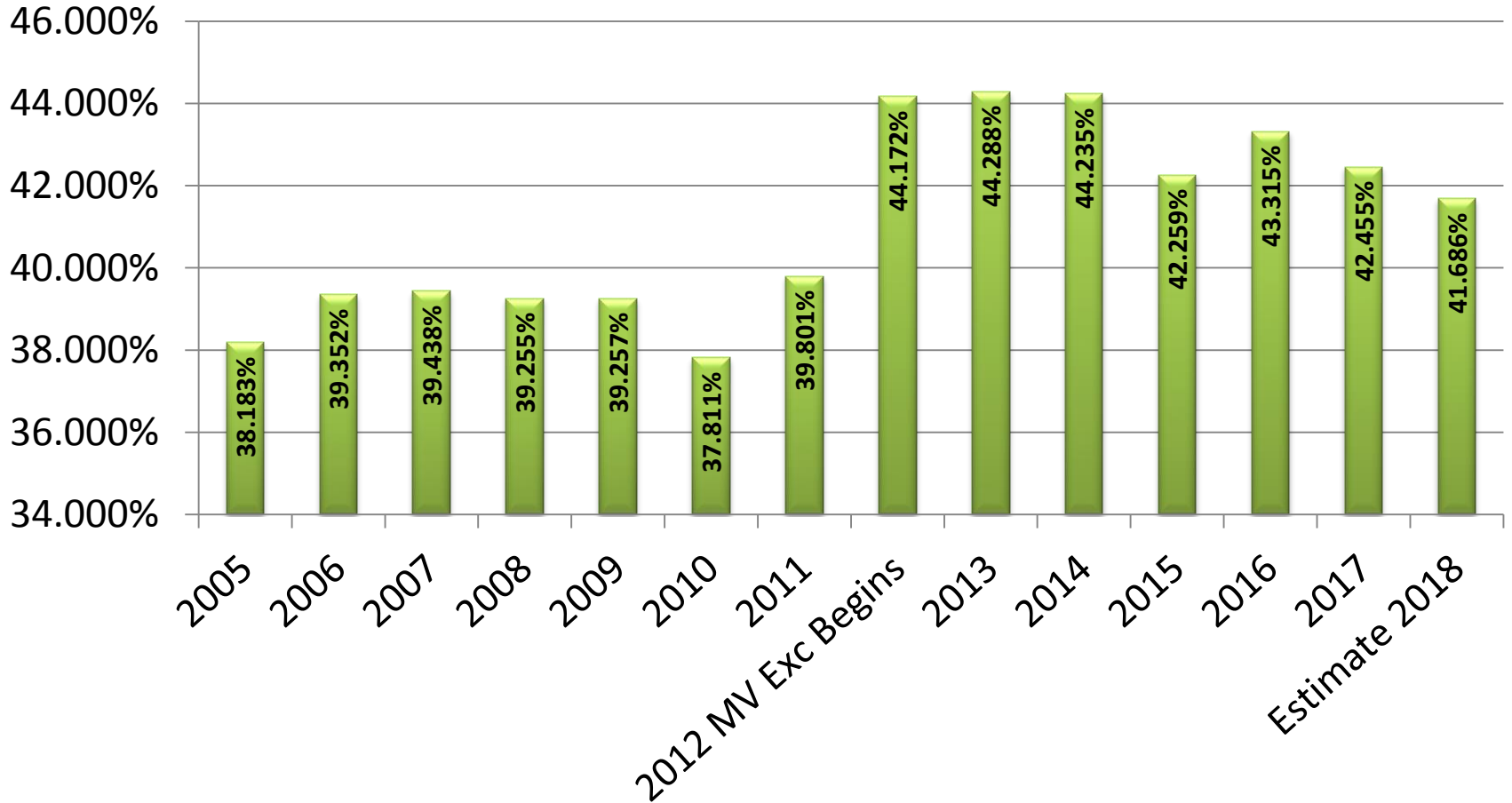
2018 GENERAL FUND BUDGET AND LEVY

FOUR MAIN LEVY INCREASE FACTORS

4. CONTRACTED SERVICES:

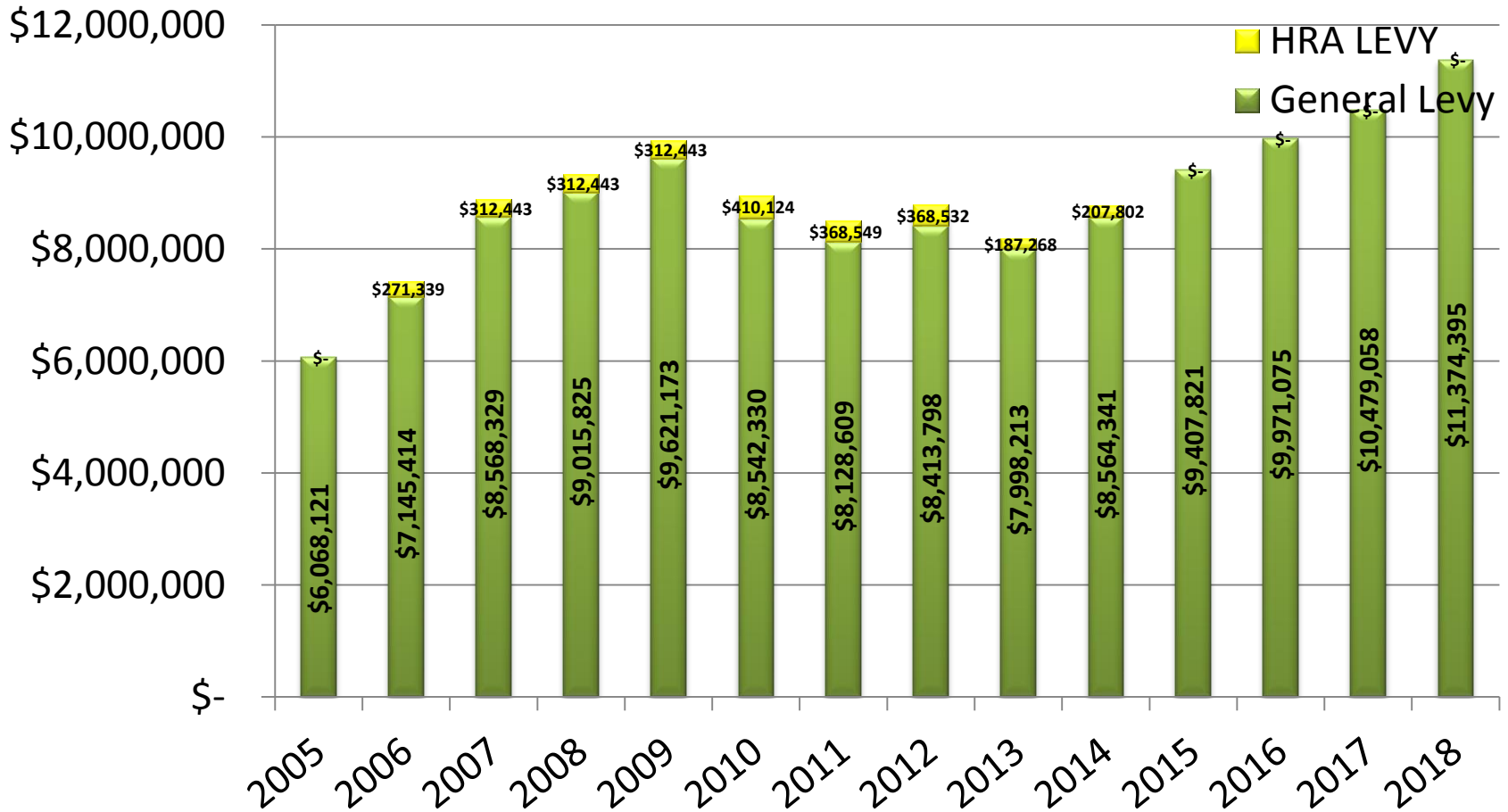
- \$80,955 of Levy Increase
- Bi-Annual Survey (3rd city-wide survey)
- Professional services increase in engineering due to phased retirement
- Professional services increase in building for inspection contract

Tax Capacity Rate Comparison



TOTAL LEVY

GENERAL, EDA, DEBT SERVICE & HRA



Tax Capacity Rate

Anoka County Cities

City	2016 Final Tax Rate	2017 Final Tax Rate
Ham Lake	27.02%	25.578%
Oak Grove	26.32%	25.580%
Nowthen	28.70%	26.417%
Blaine	36.37%	34.946%
Andover	38.28%	37.375%
Anoka	42.35%	40.913%
Ramsey	43.41%	42.454%
Coon Rapids	45.10%	44.212%
Lino Lakes	45.99%	45.140%
East Bethel	51.00%	47.222%
Fridley	44.91%	48.218%
Columbus	53.64%	50.259%
Spring Lake Park	54.56%	52.464%
St. Francis	58.35%	54.117%
Circle Pines	59.68%	59.484%
Bethel	69.75%	63.964%
Lexington	76.78%	63.665%
Columbia Heights	79.24%	68.546%
Centerville	70.99%	69.654%
Hilltop	98.61%	94.971%

Proposed Property Taxes - Tax Capacity Based Only

(Not Including School District School Ref)

(Holds County & School Levies constant)

2018 Proposed Levy of \$11,374,395
(8.54% Increase)

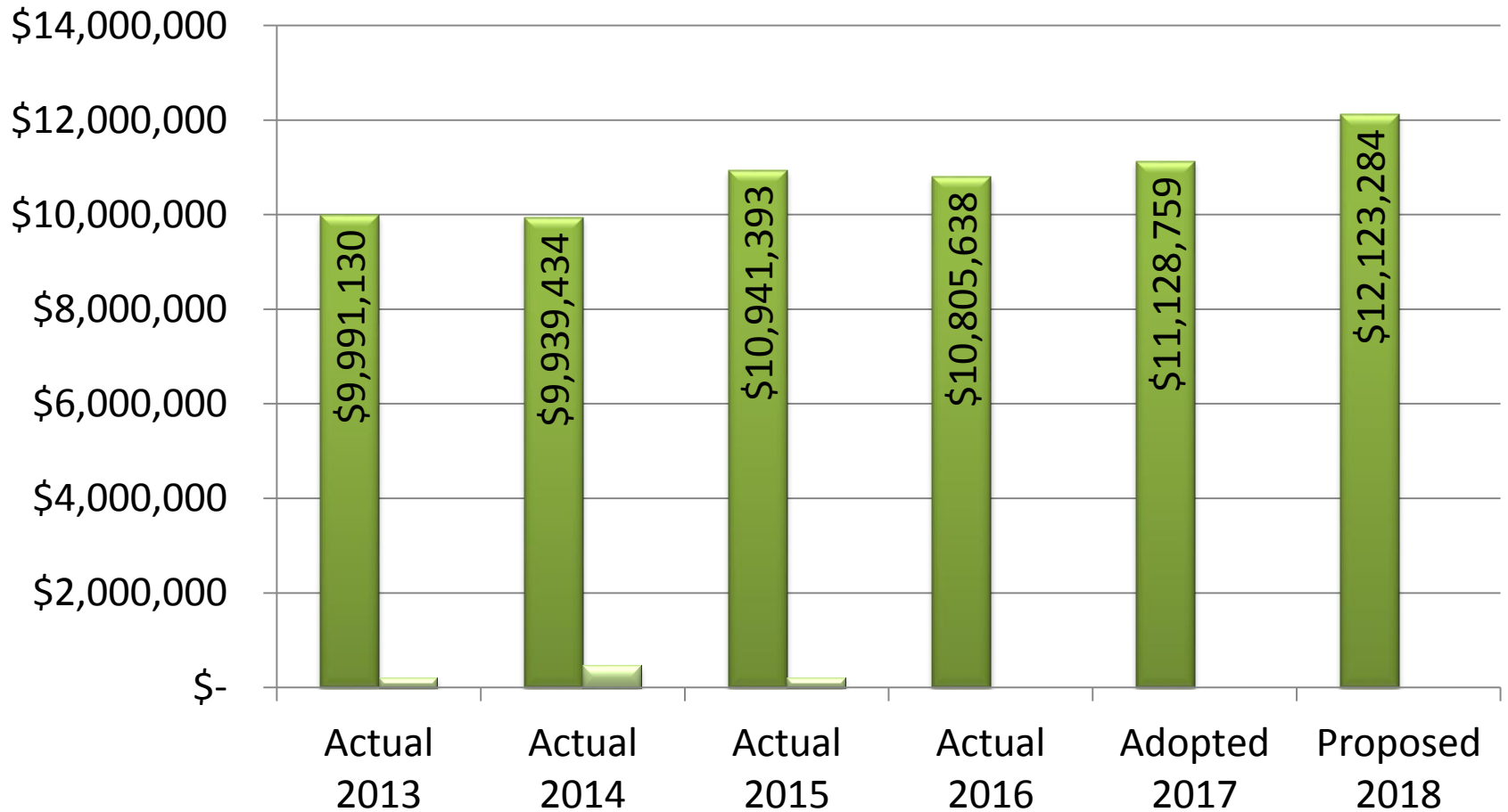
		2017 Taxes	2017			2018 Taxes	2018	City Portion	% Increase
2017	2017	42.45%	City	2018	2018	41.69%	City	Increase	City
House	House Tax Value	(Tax Capacity	Portion of	House	House Tax Value	(Tax Capacity	Portion of	Over	Portion
<u>Market Value</u>	<u>After Mkt Value Excl</u>	<u>Based Only)</u>	Taxes (A)	<u>Market Value</u>	<u>After Mkt Value Excl</u>	<u>Based Only)</u>	Taxes (B)	<u>2017</u>	<u>Only</u>
\$ 112,400	\$ 85,276	\$ 882	\$ 362	\$ 122,000	\$ 95,740	\$ 982	\$ 399	\$ 37	10.16%
\$ 143,700	\$ 119,393	\$ 1,235	\$ 507	\$ 153,700	\$ 130,293	\$ 1,337	\$ 543	\$ 36	7.16%
\$ 177,800	\$ 156,562	\$ 1,619	\$ 665	\$ 200,100	\$ 180,869	\$ 1,857	\$ 754	\$ 89	13.43%
\$ 247,100	\$ 232,099	\$ 2,400	\$ 985	\$ 269,600	\$ 256,624	\$ 2,634	\$ 1,070	\$ 84	8.56%
\$ 273,700	\$ 261,093	\$ 2,700	\$ 1,108	\$ 295,800	\$ 285,182	\$ 2,927	\$ 1,189	\$ 80	7.25%
\$ 293,000	\$ 282,130	\$ 2,917	\$ 1,198	\$ 321,000	\$ 312,650	\$ 3,209	\$ 1,304	\$ 106	8.84%
\$ 350,100	\$ 344,369	\$ 3,561	\$ 1,462	\$ 386,700	\$ 384,263	\$ 3,944	\$ 1,602	\$ 140	9.57%
\$ 464,200	\$ 464,200	\$ 4,800	\$ 1,971	\$ 505,100	\$ 505,100	\$ 5,197	\$ 2,111	\$ 140	7.12%

(A) City Portion of taxes for 2017 calculates to 41.056%

(B) City Portion of taxes for 2018 calculates to 40.615%

**** Median Value home was \$177,800 for pay 2017 and \$200,100 for pay 2018 (12.54% Increase)**

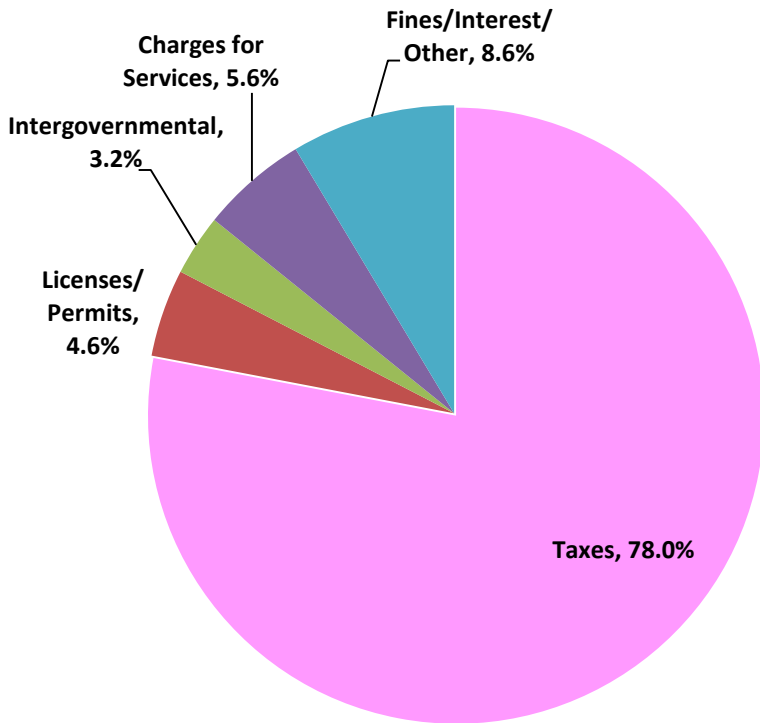
GENERAL FUND BUDGET EXPENDITURE COMPARISON



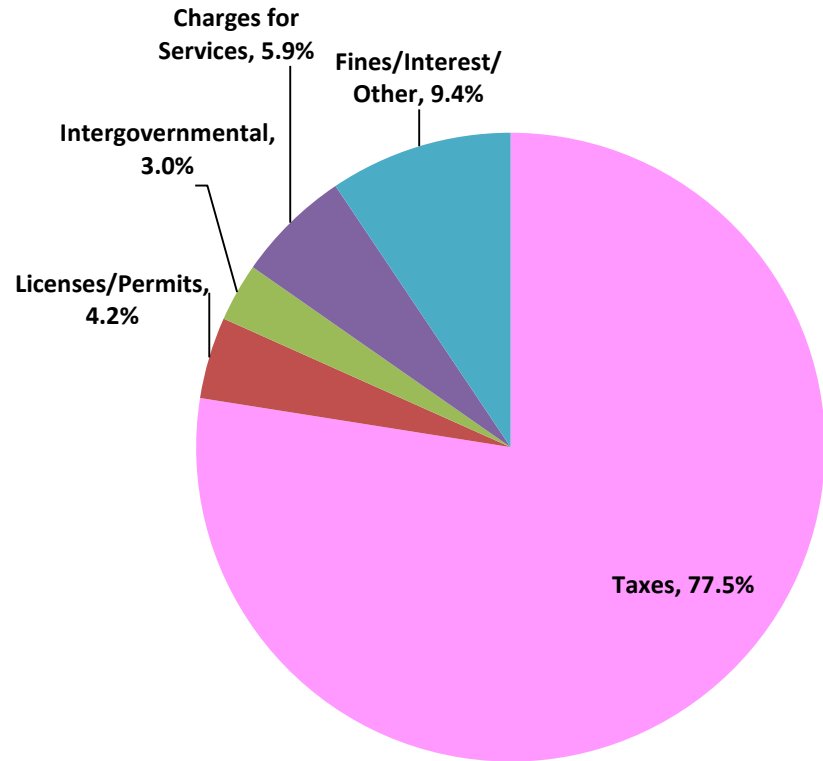
General Fund

Where It Comes From

2017 - General Fund Revenues

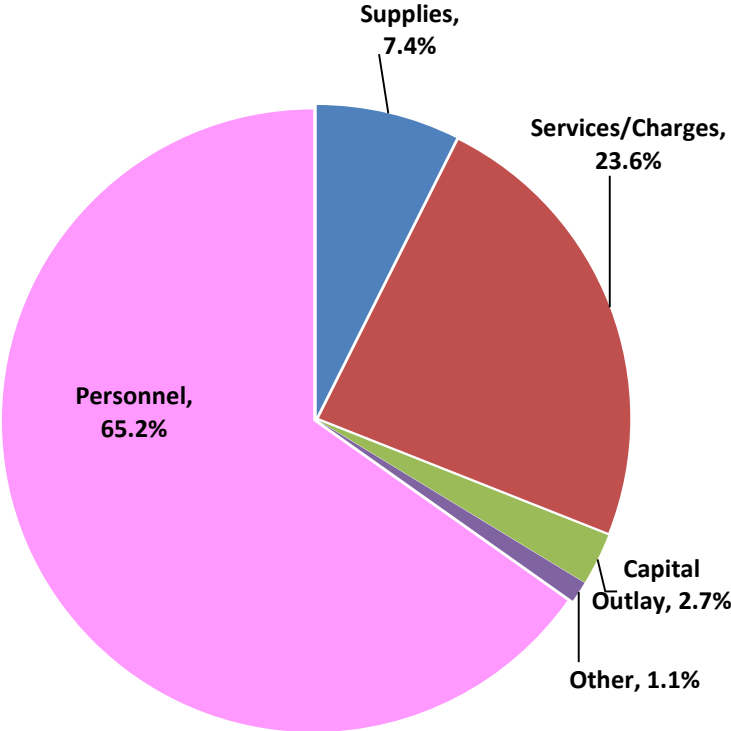


2018 - General Fund Revenues

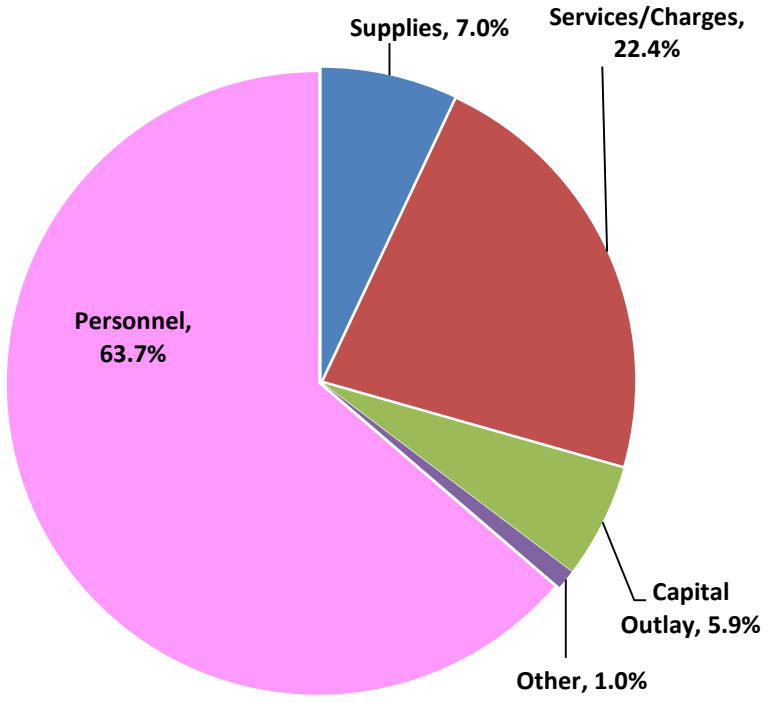


2018 Proposed General Fund Expenditures - By Type

2017 Expenditures

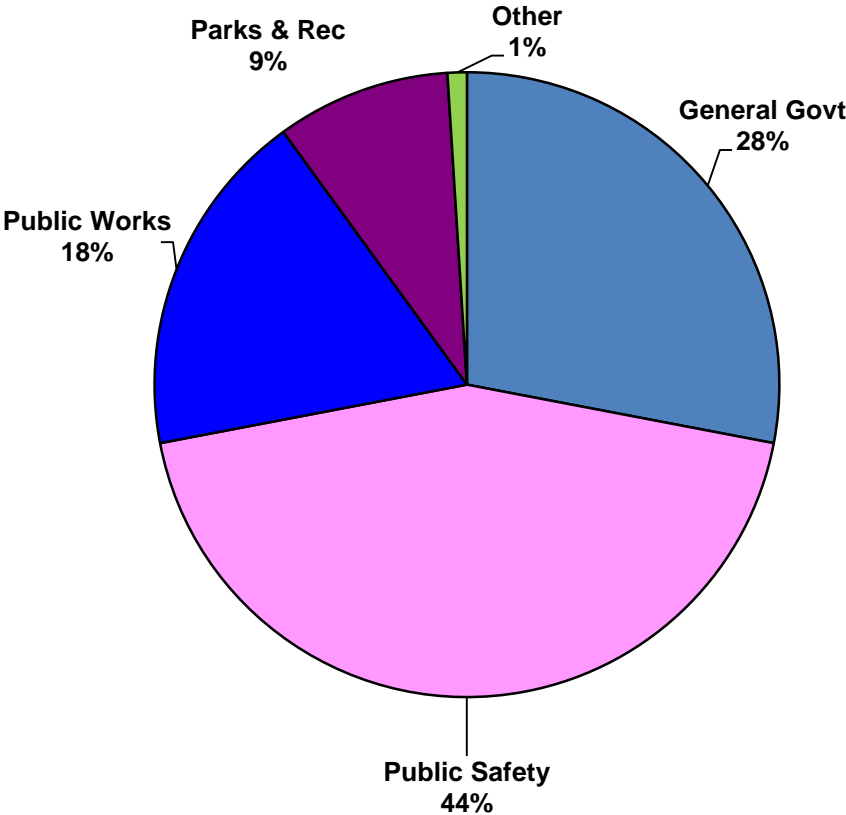


2018 Expenditures

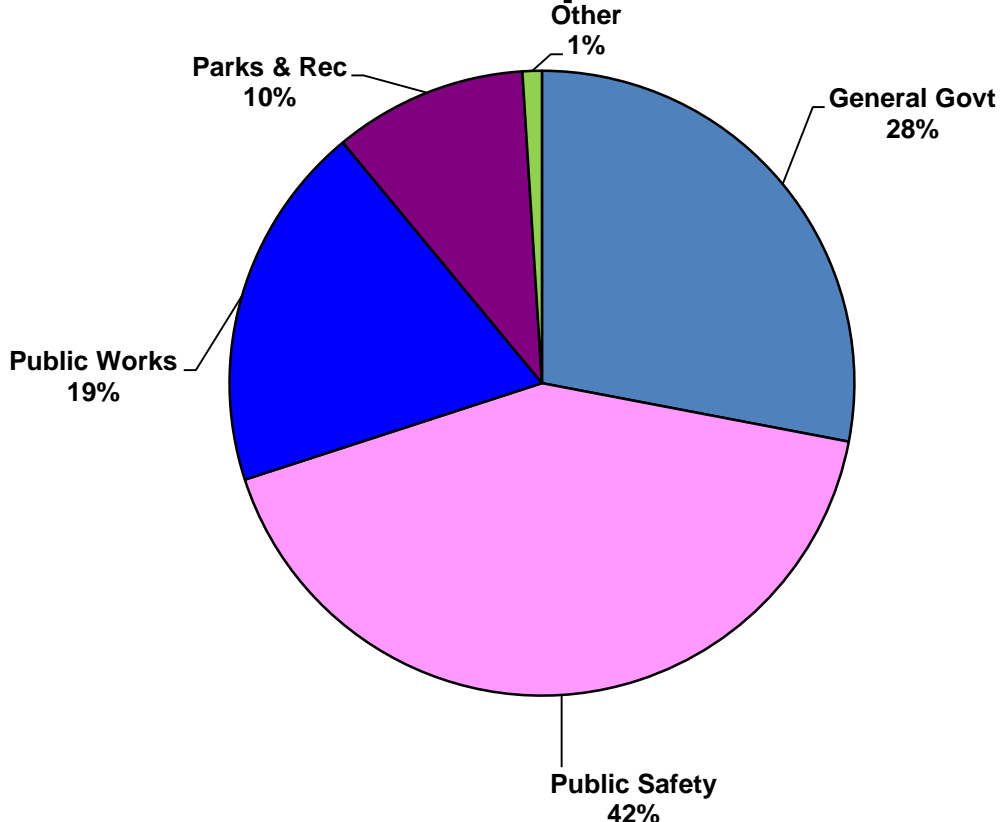


2018 Proposed General Fund Expenditures - By Function

2017 Expenditures



2018 Expenditures



2018 ECONOMIC DEVELOPMENT AUTHORITY BUDGET AND LEVY

- Levy of \$103,981 (\$103,981-2017) 0% Increase
- Calculates into city's est. net tax capacity rate of 41.686%
- Budget of \$111,481 (\$113,981-2017)
- Reviewed By EDA Board on September 7, 2017

Final Budget/Levy will be considered for adoption at the regular City Council meeting of December 12, 2017.

Preliminary Tax Statements will be mailed from Anoka County November 11 – November 24, 2017

The background features a light beige illustration of reeds on the left side, with long, thin blades and two larger, rounded seed heads. At the bottom of the page, there is a dark blue wavy graphic that resembles a horizon or a body of water.

QUESTIONS?