

City of Farmington
430 Third Street
Farmington, MN 55024

Mission Statement
*Through teamwork and
cooperation, the City of
Farmington provides quality
services that preserve our proud
past and foster a promising
future.*

**AGENDA
CITY COUNCIL WORKSHOP**

July 10, 2017

6:30 PM

Farmington City Hall

1. CALL TO ORDER

2. APPROVE AGENDA

3. DISCUSSION ITEMS

- (a) Rambling River Center Plaza Preferred Concept Update
- (b) Dakota Broadband Update
- (c) Draft 2018 Budget Review

4. CITY ADMINISTRATOR UPDATE

- (a) City Council Roundtable

5. ADJOURN



City of Farmington

430 Third Street
Farmington, Minnesota
651.280.6800 - Fax 651.280.6899
www.ci.farmington.mn.us

TO: Mayor, Councilmembers and City Administrator
FROM: Adam Kienberger, Community Development Director
SUBJECT: Rambling River Center Plaza Preferred Concept Update
DATE: July 10, 2017

INTRODUCTION

The Downtown Redevelopment Plan project was started in August of 2015 as a tool for guiding and defining the vision of downtown Farmington. A task force was appointed by the City Council to oversee this project consisting of representatives from city boards and commissions, FBA, business owners, residents, and a student.

Several public input meetings were held over the course of drafting the plan and the input was incorporated into the final document adopted by the City Council on April 18, 2016.

One of the action items of the Downtown Redevelopment Plan includes:

“Design and build a Rambling River Center Plaza in the open area west of the Rambling River Center and fronting onto Oak Street as a multi-functional plaza for daily informal uses as well as event uses, such as Dew Days and Dazzle Day.”

The EDA, RRC Advisory Commission, and Parks & Recreation Commission all reviewed and commented on the original concepts for a public plaza at the Rambling River Center as recommended in the Downtown Redevelopment Plan.

On March 6, 2017 Hoisington Koegler Group, Inc (consultant) was hired by the City Council to develop a preferred concept plan for the design of a plaza adjacent to the Rambling River Center.

DISCUSSION

On April 27, 2017 an open house was held in City Hall to allow the public to view the two draft design concept options and then provide feedback to the consultant about what features they liked in the two options, what features they disliked and what other features they would like to add to the plaza design. There were about 20 people who attended the open house. The two draft design concept options were displayed in the City Hall lobby and were also accessible on the city’s website, which allowed additional time for gathering public input. The public was able to provide further feedback on the two plaza concept options through May 9, 2017.

The Parks and Recreation Commission reviewed and recommended approval of a preferred concept for the proposed Rambling River Center (RRC) Plaza at their meeting on May 17. The preferred concept is attached. Additional information on the Downtown Redevelopment Plan and the RRC Plaza can be found on the city’s website under Community Development.

The consultant from HKGi will present the preferred concept as recommended by the Parks and Recreation

Commission. Included in this presentation is a construction estimate with a phasing plan illustrating how the plaza can be created in incremental steps as funding is secured.

BUDGET IMPACT

The total estimated cost of the preferred concept as shown is approximately \$679,000. Construction estimates and a project phasing plan is attached to the preferred concept.

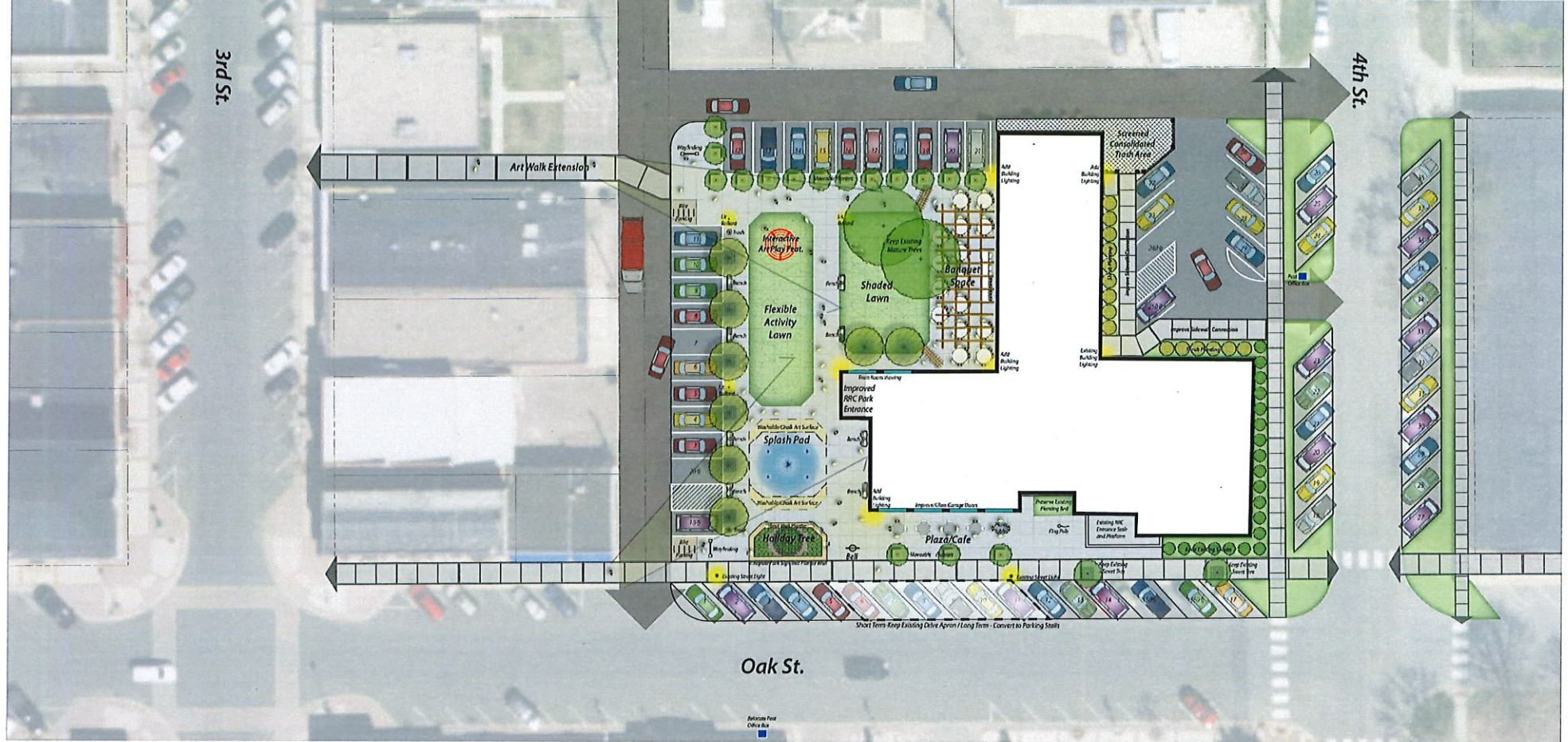
ACTION REQUESTED

Participate in the RRC Plaza preferred concept presentation and discuss funding options.

ATTACHMENTS:

Type	Description
▣ Backup Material	RRC Plaza Preferred Concept

PREFERRED CONCEPT - PARK AND PLAZA PLAN, PURPOSE, AND FEATURES



PURPOSE:

The impetus for this plaza/park concept was established in the Downtown Farmington Redevelopment Plan (Adopted in 2016) which identifies the need for a downtown 'destination' park/plaza. The current poor condition of the Rambling River Center parking lot presents an opportunity for the city to achieve many of the initiative laid out in the plan through the construction of the park/plaza and improvements to surrounding facilities. The preferred concept (shown above) help facilitate these initiatives by:

- » **Adding a Downtown Destination** - Create a major park and plaza destination with features that will attract both residents and visitors to Downtown Farmington
- » **Being Attractive and Interesting** - Create a park and plaza which provides a variety of amenities and activities that offer year round interest for a broad range of users
- » **Being Flexible** - Create a park with a series of unique interconnected spaces which are flexible enough to accommodate range of community events from daily use to major events
- » **Being Safe and Organized** - Enhance safety and visual quality of the park and adjoining areas by improving visibility, lighting, and circulation while minimizing the impacts on existing parking
- » **Improving Function and Efficiency** - Accommodate existing community events and the proposed park program while providing a long term net gain in public parking and improved access for RRC users, local businesses and the adjacent neighborhood

KEY PARK FEATURES

- » Interactive at-grade splash pad (can be turned off to enlarge plaza space for events)
- » Indoor/outdoor flexible space (Garage Renovation) with picnic table seating and glass roll-up doors can host music, food and beverages, art, classes, and more
- » Interactive art that is visually interesting and physically accessible for climbing, etc.
- » Prominent location for existing historic bell
- » Lawn areas with sun and shade for picnicking, performance/movie watching, and more
- » Rentable indoor/outdoor banquet space for private and public events/festivals
- » Improve parking circulation and efficiency creating 57 total spaces including 6 handicap accessible spaces, a net gain of 1 space over the existing lot
- » Screen unattractive alley features using existing trees, tree planting, and planters/pots and guide views inward towards planting, art work, splash pad and other park features
- » Enhance safety and visibility by maintaining clear sight lines throughout the park, providing additional lighting, and activating the space with users during all hours of operation

POTENTIAL PARK EVENTS/USES

Existing (and Proposed) Major Uses:

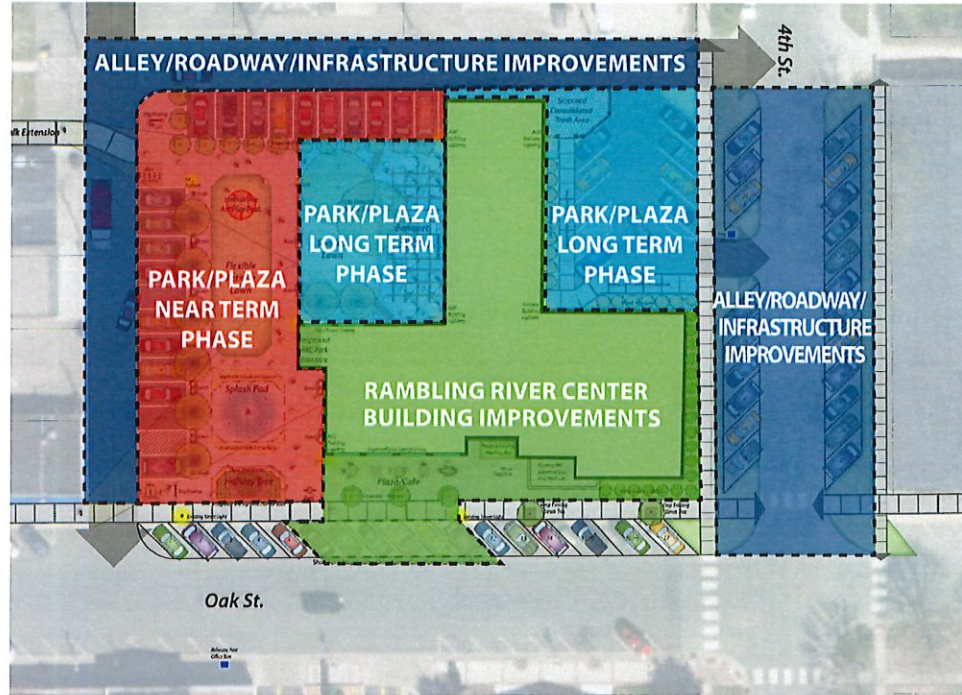
- » Dew Days
- » Concert in the Park
- » Movie Night in the Park (On Lawn/Plaza w/ Inflatable Screen)
- » Holiday Tree Lighting
- » Farmers Market
- » Live Performances (Music, etc.)
- » Annual Art Exhibition/Festival
- » Beer and Wine Tasting
- » Food Truck/Restaurant Venue (Garage Space)

Existing (and Proposed) Daily Uses:

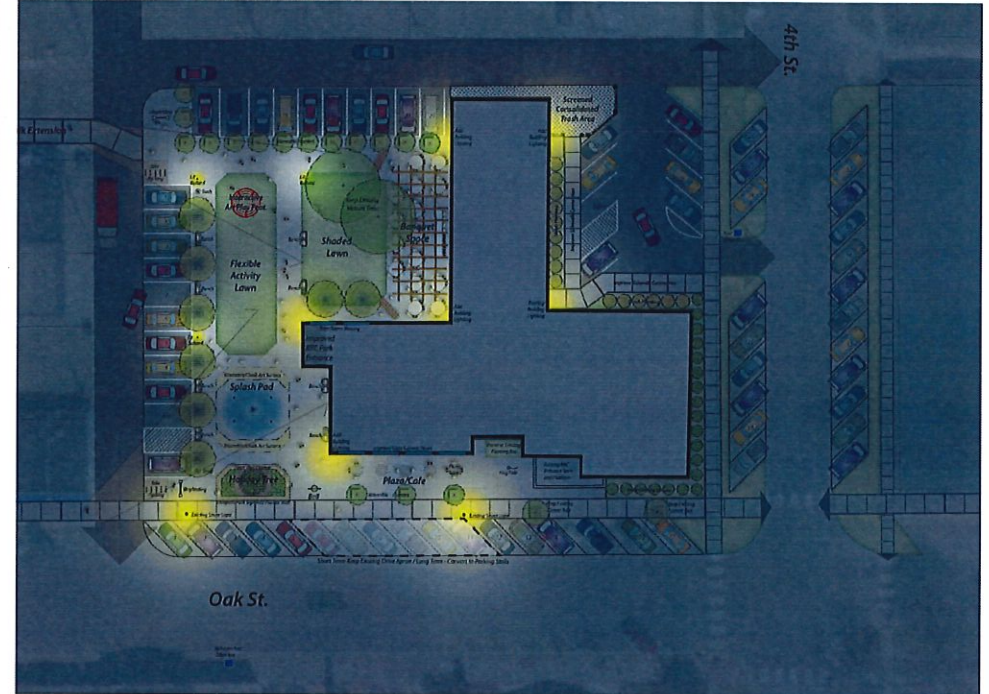
- » Downtown Lunch-Hour Destination
- » A Destination for Children and Parents
- » Outdoor Green Space/Refuge
- » Bike/Trail Amenity Destination
- » RRC Indoor/Outdoor Activity Space
- » Private Event Space
- » RRC, Local Business, and Neighborhood Parking
- » Permanent Home for Historic Bell
- » Long Term Art Exhibition

PREFERRED CONCEPT - PHASING DIAGRAM, LIGHTING DIAGRAM, AND AMENITIES

PHASING DIAGRAM



PARK/PLAZA LIGHTING



POTENTIAL AMENITIES EXAMPLES



INTERACTIVE ART/WATER FEATURE



OUTDOOR BANQUET AREA/PATIO



BIKE PARKING AND AMENITIES



PLAY SCULPTURE / INTERACTIVE ART



CAFE SPACE / GLASS GARAGE DOORS



HOLIDAY TREE LIGHTING



SPLASH PAD / FOUNTAIN

MATERIALS/FEATURES/PLANTING



SEATING



BENCHES



PAVING COLOR/PATTERN



PLANTERS



SITE FURNISHINGS



LIGHTING AND SAFETY



WAYFINDING/SIGNAGE

PREFERRED CONCEPT - COST ESTIMATE

Rambling River Center Park/Plaza Preferred Concept - Near Term Phase

FEATURE	UNIT	QUANTITY	LOW EST. COST	HIGH EST. COST	LOW EST. SUBTOTALS	HIGH EST. SUBTOTALS
SPLASH PAD	SQFT	750	\$100.00	\$120.00	\$75,000.00	\$90,000.00
CONCRETE CURB AND GUTTER	LF	355	\$45.00	\$55.00	\$15,975.00	\$19,525.00
CONCRETE PAVING	SQYD	575	\$45.00	\$55.00	\$25,875.00	\$31,625.00
BENCH	EACH	8	\$600.00	\$2,000.00	\$4,800.00	\$16,000.00
WASTE RECEPTACLE	EACH	2	\$600.00	\$1,000.00	\$1,200.00	\$2,000.00
BICYCLE RACK	EACH	2	\$1,000.00	\$2,500.00	\$2,000.00	\$5,000.00
MOVEABLE PLANTER POTS W/ PLANTING SOIL	EACH	10	\$500.00	\$800.00	\$5,000.00	\$8,000.00
DECIDUOUS TREE 2.5" CAL B&B	EACH	6	\$350.00	\$400.00	\$2,100.00	\$2,400.00
BLACK HILLS BLUE SPRUCE 10-15' HEIGH	EACH	1	\$750.00	\$1,000.00	\$750.00	\$1,000.00
TREE GRATE	EACH	6	\$1,000.00	\$2,000.00	\$6,000.00	\$12,000.00
STRUCTURAL SOIL	CUYD	125	\$100.00	\$120.00	\$12,500.00	\$15,000.00
PICNIC TABLE	EACH	5	\$1,000.00	\$2,000.00	\$5,000.00	\$10,000.00
TURF SEEDING + TOP SOIL	SQYD	210	\$3.00	\$5.00	\$630.00	\$1,050.00
HISTORIC BELL RELOCATION	LUMP	1	\$2,000.00	\$3,500.00	\$2,000.00	\$3,500.00
LARGE SHRUBS (IN PLANTER POTS)	EACH	10	\$100.00	\$150.00	\$1,000.00	\$1,500.00
LIT BOLLARD (W/ GFCI OUTLET)	EACH	2	\$2,000.00	\$2,500.00	\$4,000.00	\$5,000.00
BIKE REPAIR STATION	EACH	1	\$800.00	\$1,200.00	\$800.00	\$1,200.00
WAYFINDING SIGNS	EACH	2	\$1,500.00	\$2,500.00	\$3,000.00	\$5,000.00
PRECAST SEATWALL PLANTER W/ PLANTING SOIL	EACH	1	\$14,000.00	\$18,000.00	\$14,000.00	\$18,000.00
SEATWALL PLANTER PLANTING	LUMP	1	\$500.00	\$1,500.00	\$500.00	\$1,500.00
GFCI OUTLETS (PLANTER AND TREES)	EACH	8	\$600.00	\$800.00	\$4,800.00	\$6,400.00
INTERACTIVE ART FEATURE	LUMP	1	\$25,000.00	\$25,000.00	\$25,000.00	\$25,000.00
BITUMINOUS PARKING LOT PAVING	SQYD	500	\$25.00	\$30.00	\$12,500.00	\$15,000.00
PARK SIGN	EACH	1	\$1,500.00	\$2,500.00	\$1,500.00	\$2,500.00
				PARK SUBTOTAL:	\$224,430.00	\$295,700.00
				CONTINGENCY (15%)	\$33,664.50	\$44,355.00
				SUBTOTAL	\$258,094.50	\$340,055.00

Rambling River Center Park/Plaza Preferred Concept - Long Term Phase

FEATURE	UNIT	QUANTITY	COST	COST	SUBTOTALS	SUBTOTALS
BITUMINOUS PARKING LOT/TRASH ENCLOSURE PAVING	SQYD	480	\$25.00	\$30.00	\$12,000.00	\$14,400.00
CONCRETE PAVING	SQYD	300	\$45.00	\$55.00	\$13,500.00	\$16,500.00
MOVEABLE PLANTER POTS W/ PLANTING SOIL	EACH	6	\$500.00	\$800.00	\$3,000.00	\$4,800.00
6' SIDEWALK	LF	130	\$30.00	\$35.00	\$3,900.00	\$4,550.00
ORNAMENTAL SHRUB	EACH	15	\$60.00	\$90.00	\$900.00	\$1,350.00
TRASH ENCLOSURE FENCING	LF	35	\$75.00	\$100.00	\$2,625.00	\$3,500.00
TURF SEEDING + TOP SOIL	SQYD	350	\$3.00	\$5.00	\$1,050.00	\$1,750.00
DECIDUOUS TREE 2.5" CAL B&B	EACH	2	\$350.00	\$400.00	\$700.00	\$800.00
LARGE SHRUBS (IN PLANTER POTS)	EACH	6	\$100.00	\$150.00	\$600.00	\$900.00
LIT BOLLARD (W/ GFCI OUTLET)	EACH	1	\$2,000.00	\$2,500.00	\$2,000.00	\$2,500.00
ENTRY TRELLIS	EACH	2	\$500.00	\$1,000.00	\$1,000.00	\$2,000.00
GFCI OUTLETS (PLANTER AND TREES)	EACH	4	\$600.00	\$800.00	\$2,400.00	\$3,200.00
PERGOLA	EACH	1	\$25,000.00	\$40,000.00	\$25,000.00	\$40,000.00
BUILDING ENTRANCE LIGHTS	EACH	5	\$800.00	\$1,500.00	\$4,000.00	\$7,500.00
				SUBTOTAL:	\$72,675.00	\$103,750.00
				CONTINGENCY (15%)	\$10,901.25	\$15,562.50
				SUBTOTAL	\$83,576.25	\$119,312.50

Alley/Roadway/Infrastructure Improvements

FEATURE	UNIT	QUANTITY	COST	COST	SUBTOTALS	SUBTOTALS
BITUMINOUS ALLEY PAVING	SQYD	1000	\$25.00	\$30.00	\$25,000.00	\$30,000.00
CONCRETE CURB AND GUTTER - 4TH STREET	LF	600	\$45.00	\$55.00	\$27,000.00	\$33,000.00
BITUMINOUS PAVING - 4TH STREET	SQYD	1200	\$25.00	\$30.00	\$30,000.00	\$36,000.00
TURF SEEDING + TOP SOIL - 4TH STREET	SQYD	420	\$3.00	\$5.00	\$1,260.00	\$2,100.00
IMPROVE ALLEY STORMWATER INFRASTRUCTURE	TBD	TBD	TBD	TBD	TBD	TBD
				SUBTOTAL:	\$83,260.00	\$101,100.00
				CONTINGENCY (15%)	\$12,489.00	\$15,165.00
				SUBTOTAL	\$95,749.00	\$116,265.00

Rambling River Center Building Improvements

FEATURE	UNIT	QUANTITY	COST	COST	SUBTOTALS	SUBTOTALS
GLASS GARAGE DOORS	EACH	4	\$8,000.00	\$15,000.00	\$32,000.00	\$60,000.00
BANQUET HALL FRENCH DOORS	EACH	2	\$5,000.00	\$10,000.00	\$10,000.00	\$20,000.00
TRAIN ROOM WINDOWS	EACH	1	\$4,000.00	\$6,000.00	\$4,000.00	\$6,000.00
CONCRETE CURB AND GUTTER - OAK STREET	LF	80	\$45.00	\$55.00	\$3,600.00	\$4,400.00
EXTERIOR GFCI OUTLET (POSSIBLE 220V FOR EVENTS)	EACH	2	\$600.00	\$800.00	TBD	TBD
IMPROVE RRC GARAGE INTERIOR AND PARK SIDE ENTRANCE	SQFT	TBD	\$100.00	\$150.00	TBD	TBD
RRG HALLWAY AND INTERIOR SPACE REORGANIZATION	SQFT	TBD	\$150.00	\$200.00	TBD	TBD
				SUBTOTAL:	\$49,600.00	\$90,400.00
				CONTINGENCY (15%)	\$7,440.00	\$13,560.00
				SUBTOTAL	\$57,040.00	\$103,960.00
			TOTAL:		\$494,459.75	\$679,592.50

PLEASE NOTE: All estimates are based on 2017 construction costs and are for planning purposes only. Cost estimates do not include contingency for unexpected underground conditions. Items highlighted in yellow will require further design to develop an accurate estimate of cost.



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TO: Mayor, Councilmembers and City Administrator
FROM: Adam Kienberger, Community Development Director
SUBJECT: Dakota Broadband Update
DATE: July 10, 2017

INTRODUCTION

Farmington, along with most other cities throughout Dakota County, has a variety of fiber (broadband) assets in place for providing governmental services. Dakota County has been working with cities throughout the county to explore ways to leverage these assets along with county fiber assets to establish more robust network infrastructure.

Attached is an updated executive summary regarding the efforts of the Dakota Broadband group. Please review the attached document which outlines the formation of a joint powers agreement and board for continuing work on increasing our broadband capabilities throughout Dakota County.

DISCUSSION

The city managers/administrators along with Dakota County staff met on May 26 to receive an update from the consultant team. The attached summary attempts to clarify the big picture efforts of the group to date and identify some preliminary costs for each of the potential partners.

If additional discussions or more detailed answers are requested by the City Council, Dakota County staff and their consultant can attend a future work session or City Council meeting.

BUDGET IMPACT

TBD - potential IT cost savings and economic development benefits are proposed outcomes of this regional effort.

ACTION REQUESTED

Receive an update on the efforts of the Dakota Broadband group and provide direction to staff.

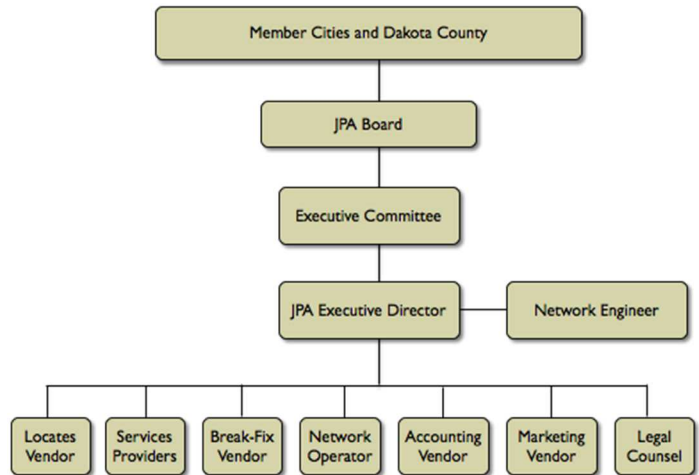
ATTACHMENTS:

Type	Description
❏ Executive Summary	Executive Summary

Overview of the JPA

Goals of the JPA

- Create a high performance institutional network (I-Net) for efficient management of physical network assets owned among the members (e.g. telecom conduit, fiber cable, handholes, cabinets, network equipment).
- Provide improved management of fiber and conduit lease agreements and IRUs.
- Use the I-Net to enable more efficient and lower cost price agreements for a variety of IP-based services, including Internet, network services, and other services that could benefit from shared member purchases.
- Create a commercial network infrastructure (C-Net) in Dakota County to enhance business attraction, business retention and jobs creation. The C-Net will provide wholesale access to private sector service providers to deliver a variety of services to business, commercial and residential customers. The JPA will not be a retail provider of services to businesses and residents in Dakota County.
- Provide improved network redundancy. The I-Net will provide local governments with a more resilient network for public safety and data security. The C-Net will offer businesses a similarly resilient option for improved Internet and data services.



Cost Sharing

Implementation of the concept will include three kinds of costs:

- One-time capital costs for the I-Net,
- One-time capital costs for the C-Net and
- Operational costs.

Prospective members will need to know what the proposed costs are for them. The chart on the next page shows the cost sharing, based on the principals articulated in the Plan.

One-time Capital Costs for the I-Net

It is proposed that the city members bear the cost of providing and installing their switches and the accompanying optics as well as any costs relating to furnishing an appropriate location for the equipment at their sites. They will also bear their proportionate share of splicing and other construction related costs. They must also bear the costs of any lateral fiber cable necessary to reach their site (no municipal member would be required to install more than 2,000 feet of fiber optic cable). Dakota County would fund the costs of lateral fiber optic cable installations of more than 2,000 feet and would also fund the costs related to the core nodes necessary to run the I-Net.

One-Time Capital Costs for the C-Net

The Plan proposes that the Dakota County Community Development Agency fund this one-time C-Net cost using a portion of the funds allocated to the annual Redevelopment Incentive Grants (RIG) program. These funds have historically been available to cities to foster redevelopment efforts. This proposal would appropriate a portion of those dollars from the program for one or more years. This will make fewer dollars available to cities for other redevelopment projects.

Operational Costs

The Plan proposes to share operational costs based on a series of distribution parameters. The general rule governing these parameters is that members who own larger portions of the infrastructure that will be operated

Overview of the JPA

and managed on their behalf will bear a proportionately larger share of the operational costs. Considerable effort has been expended to inventory existing assets to provide a basis for this sharing. More work remains. The chart reflects assets whose details have been confirmed as-built records and physical inspection. This is most of the system but additions to the inventory will be made throughout this calendar year. It is also important to remember that members, especially the municipal members, will be adding to the system as time passes—adding to their share of the assets managed by the consortium. Thus, this cost sharing chart will be updated each year, modifying the members' relative costs sharing based on changes that have occurred during the year.

Revenue Sharing

From the beginning there has been consensus that the primary goals of the JPA are to enhance governmental operations through the I-Net and to foster economic development through the C-Net. "Profit" has never been the primary consideration. Nevertheless, revenue will be generated from the operations of the C-Net. Prospective members need to know how they might share in that revenue if and when it is generated. The Plan proposes that revenue be shared based on three concepts – a portion would be retained by individual city members who sponsor the C-Net implementation within their city limits – 45%. A larger share will go to those members who have provided and will be providing the infrastructure necessary to make the I-Net and C-Net functional – 50%. This infrastructure share will in turn be shared based on the portion of the infrastructure provided by each member.

Finally, the plan proposes a 5% share of any C-Net revenue to be dedicated to a "pool" to be shared by all members in proportion to their population. The reasoning there is that by the time the I-Net and C-Net are mobilized all members will be providing some portion of the infrastructure and that the countywide nature of the consortium provides a value in and of itself.

Two of the prospective members currently have C-Net capabilities and have borrowed funds to support portions of their investments. The plan proposes that these members be allowed to retain the "pre-consortium" revenues that they were planning on to retire debt for a period of years (probably five years).

The amount of overall C-Net revenue that may be available and the timing for when that revenue will begin are very difficult to predict. The report authors believe that revenue clearly will be generated at some point. In order to DEMONSTRATE how these principals might play out, example revenues for the various members were assumed to show what percentage of the overall revenues would accrue to the various members based on those assumption. That exercise is the genesis of the Revenue Sharing column in the chart. Please bear in mind that the numbers and percentages will vary based on the revenues that are ultimately generated.

Overview of the JPA

Member	I- Net "Gap" Project		Operational Costs		EXAMPLE Revenue		C-Net "Gap"	
	Capital Costs				Sharing - 2		Capital Costs	
	\$	%	\$	%	\$	%	\$	%
Apple Valley	\$ 27,566	1.7%	\$ 23,265	4.3%	\$ 33,317	8.5%	\$ -	0.0%
Burnsville	\$ 112,267	7.0%	\$ 67,540	12.4%	\$ 49,205	12.6%	\$ -	0.0%
Dakota County	\$ 1,079,544	67.3%	\$ 274,300	50.4%	\$ 127,665	32.7%	\$ -	0.0%
Eagan	\$ 25,773	1.6%	\$ 104,420	19.2%	\$ 72,120	18.5%	\$ -	0.0%
Farmington	\$ 34,941	2.2%	\$ 7,050	1.3%	\$ 11,792	3.0%	\$ -	0.0%
Hastings	\$ 25,773	1.6%	\$ 14,815	2.7%	\$ 15,525	4.0%	\$ -	0.0%
Inver Grove Heights	\$ 93,682	5.8%	\$ 8,420	1.5%	\$ 12,121	3.1%	\$ -	0.0%
Lakeville	\$ 25,773	1.6%	\$ 11,539	2.1%	\$ 23,938	6.1%	\$ -	0.0%
Mendota Heights	\$ 93,682	5.8%	\$ 6,753	1.2%	\$ 11,535	3.0%	\$ -	0.0%
Rosemount	\$ 30,290	1.9%	\$ 7,424	1.4%	\$ 11,812	3.0%	\$ -	0.0%
South St. Paul	\$ 28,150	1.8%	\$ 8,213	1.5%	\$ 10,103	2.6%	\$ -	0.0%
West St. Paul	\$ 25,773	1.6%	\$ 10,061	1.9%	\$ 10,867	2.8%	\$ -	0.0%
Dakota County CDA-1	\$ -	0.0%	\$ -	0.0%	\$ -	0.0%	\$ 339,178	100.0%
Total	\$ 1,603,214	100.0%	\$ 543,800	100.0%	\$ 390,000	100.0%	\$ 339,178	100.0%

Note 1 - The CDA may opt to become a regular member of the organization. In that event it would share in costs and revenues which would in turn change the percentages borne by other members.

Note 2 - The revenues shown are based on a series of assumptions regarding C-Net revenues in each member's territory. The numbers are intended only to demonstrate how the revenues may be shared. C-Net expansions in the municipalities will directly affect their shares.



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TO: Mayor, Councilmembers and City Administrator
FROM: Robin Hanson, Finance Director
SUBJECT: Draft 2018 Budget Review
DATE: July 10, 2017

INTRODUCTION

Please see attached cover memo and related attachments.

ATTACHMENTS:

Type	Description
▣ Backup Material	2018 Budget Memo
▣ Backup Material	General Fund Draft 2018 Budget
▣ Backup Material	General Fund Draft 2018 Budget - Revenue Detail
▣ Backup Material	General Fund Draft 2018 Budget - Expenditure Detail
▣ Backup Material	Debt Service Funds Draft 2018 Budget
▣ Backup Material	Special Revenue Funds Draft 2018 Budget
▣ Backup Material	Capital Projects Funds Draft 2018 Budget
▣ Backup Material	Enterprise Funds Draft 2018 Budget



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TO: Mayor, Council and City Administrator

FROM: Robin Hanson, Finance Director

SUBJECT: Draft 2018 Budgets and Tax Levy

DATE: July 10, 2017

INTRODUCTION:

Adopting comprehensive, sound, balanced budgets supports the city council's priority of becoming a city of fiscal excellence. The timing set forth in Minnesota statutes requires the preliminary property tax levy be certified to the county on or before September 30. Once the preliminary tax levy is adopted, you may adopt the same or lower final property tax levy in December, but you may not increase it.

This workshop provides you with your first opportunity to review the draft 2018 budgets. You will have another opportunity to review this information in a workshop setting before being asked to adopt the preliminary tax levy at your Tues., Sept. 5, 2017 council meeting. The full 2018 budget development calendar is as follows:

Date	Task	Note
May 16	Finance reviews budget development timeline, approach and process with management group	Management Team
Before May 18	David enters estimated human resource costs budget amounts	Online
May 18	Finance opens the 2018-2019 operating budgets, which include three years (i.e. 2014-2016) of actual activity and 2017 year-to-date posted activity	Online
May 22	Legislature adjourns –LGA amounts and levy limits, if any, may be known	
May 31	Deadline for 2018 and 2019 budget amounts to be entered	Online
June 1	Management team reviews initial budget	
June 12	Staff reviews updated 2030 Financial Plan with city council	Council Workshop
July 10	City council reviews initial budgets—General, Debt, Special Revenue, Capital Projects and Enterprise funds	Council Workshop
August 14	City council reviews updated draft budgets—General, Debt, Special Revenue, Capital Projects and Enterprise funds—before preliminary levy is adopted in September	Council Workshop
Mid-to-Late Aug	Estimated fiscal disparities amount is published	
September 5	City council adopts preliminary levy	City Council Mtg
Before Sept 30	Finance submits preliminary 2018 levy to Dakota County	
October 9	City council reviews proposed 2018 rates and fees schedule	Council Workshop
November 13	City council reviews proposed final 2018—General, Debt, Special Revenue, Capital Projects and Enterprise funds budgets	Council Workshop
December 4	Truth-in-Taxation hearing City council adopts final 2018 tax levy and General, Debt, Special Revenue, Capital Projects and Enterprise funds budgets	City Council Mtg
Mid-December	Finance submits final 2018 tax levy to Dakota County	

DISCUSSION:

The city's needs, not wants, outstrip available financial resources. Taxpayers have limited resources and face similar budget challenges. Not addressing needs in a timely manner often results in higher costs. This requires the city to thoughtfully and intentionally prioritize its spending.

The proposed budgets continue to provide police, fire, streets, parks and recreation, administrative services and scheduled debt service repayments. The proposed budgets do not fully fund the city's building maintenance, street maintenance, trail maintenance, or park improvement needs. Difficult choices have had to be made in preparing this draft for your initial review and consideration.

Your packet includes proposed budgets for 2018 and 2019. You will only be asked to approve the 2018 budgets, but staff wanted to provide you with a snapshot of 2019. The majority of staff time thus far has been spent refining the 2018 budgets, especially the General Fund and Debt Service budgets. The 2019 budgets will require considerably more staff review.

General Fund

The following assumptions have been made for the 2018 General Fund budget. Remarks are generally for the more significant budget changes and are in the order the line items appear on the General Fund Budget Summary which is included as the first attachment for this agenda item.

General Fund Revenues

Overall, revenues are projected to increase \$49,295 or 1.59% to \$3,157,032.

Licenses and permit revenues reflect a decrease in budgeted amounts due to the reduction in available lots for new construction.

Intergovernmental revenues are projected to increase primarily due to an increase in local government aid (LGA) which was recently approved by the 2017 state legislature and signed by the Governor.

Fines and forfeitures revenue has continued to decrease over the past several years. This downward trend has been reflected as a further decrease in the 2018 budget numbers.

Investment income is budgeted to increase due to an increase in the General Fund's investment portfolio related to the strengthening of the city's General Fund fund balance and an increase in short-term investment rates.

Transfers In represent reimbursement from the city's liquor operations and storm water, solid waste, sewer and water funds for administrative services and human resource costs paid for by the General Fund which benefit these funds. This reflects an increase related to increased compensation and benefits arrangements.

General Fund Expenditures

Overall, General Fund expenditures are budgeted to increase \$499,644 or 4.09%.

Human resource costs are budgeted at \$8,563,786, a 5.32% increase when compared to 2017 budget amounts. This amount funds existing union contract obligations (all four union contracts expire December 2018) and estimated benefits arrangements, assumes currently vacant positions are filled and provides for one additional 'to be determined' (TBD) staff position.

Several new staff positions have been requested. Similar to 2017, if the new position is approved, management group would work together to determine which staffing need is the highest priority. For this draft the TBD position is included in the administration budget.

Non-human resource costs are budgeted at \$4,139,348 or a 1.66% increase from 2017. This includes utilities, programming expenses, legal, information technology, equipment and supplies, training and subsistence, outside printing, postage, professional services, etc. Staff has worked hard to keep the increase in these costs

low, especially in the information technology area. The IT staff is working to utilize internal staff (one position added in 2017) to manage more of the city's network services internally at less cost to the taxpayer.

Department budgets for which their non-human resource budgets increased by more than 1.0% are detailed below.

Administration – The administration budget increased \$10,521 or 3.06%. This includes \$19,000 for a community survey. The city and school coordinate schedules to conduct surveys in opposite years. The school is conducting their survey this year (odd year). You will hear a summary of their 2017 survey results during your joint city-school meeting later this month. The city survey will conduct its survey next year in the even number year. While the results are of interest to both governing bodies, the survey audiences and questions are different, so it makes more sense to stagger the survey years, then combine them. On a net basis the remainder of the administration's non-human resource budgets are lower than a year ago.

Human Resources: The 2018 budget is \$28,190 or 31.37% higher than the current year's budget. This includes \$19,900 for amounts which the city has historically paid, but staff noted have not been included in city budgets. These items relate to the administration or provision of certain employee benefits, specifically, the Employee Assistance Program (EAP), Health Reimbursement Accounts (HRA's), ICMA Trust Fees, long-term disability insurance premiums. The 2018 amounts also provide funding for citywide safety training which is required by OSHA (Occupational Safety and Health Administration) and anticipated increased legal costs as all of the city's four union contracts will be renegotiated in 2018.

Police – The 2018 budget for police increased \$59,188 or 6.83%. Of this amount, the more significant changes are as follows: \$24,000 relates to equipping officers as staffing changes within the department, \$6,806 for the Dakota County Electronic Crimes Unit (ECU) was reclassified from fire to police budget, \$5,000 for increased gun training (ammo and frequency), \$2,000 for increased building maintenance (aging building), and \$1,800 for a new maintenance agreement for the Insight Public Sector software maintenance agreement.

Community Development – The 2018 budget increase of \$5,090 or 3.90% provides funding to cover the payment processing costs associated with electronic payment for non-plan review permits. A corresponding increase in fee permit revenue has been budgeted to cover the cost of this convenience for customers.

Parks and Recreation – The 2018 budget increase of \$23,439 or 4.98% includes \$5,000 to replace an old mower deck. The other mower deck is being replaced in 2017. The remainder of the increase relates to the pool.

Each year you continue to review and decide how long to keep the city's pool open. The General Fund expenditures assume the pool remains open and includes \$15,000 in replacement of the bath house windows, a new concrete sidewalk and entrance area, and increased funding for ongoing maintenance as the facility ages. The 2019 budget includes \$45,000 to replace the bathhouse roof. If the pool were to remain open through 2019, the city's subsidy is budgeted as follows: 2017-\$76,139; 2018-\$97,397 and 2019-\$105,463.

Transfers out primarily represent the annual funding of the various capital improvement plans. The transfers in and out are detailed in the attached Operating Transfers worksheet.

Fiscal Disparities

This is a metro wide program that is used to balance the development of commercial and industrial growth throughout the region. It is a complex calculation that is completed by the city of Anoka on behalf of the metro cities. The fiscal disparities amounts are published in late August. If the actual amount is higher than the budgeted amount (currently the same as 2017), then staff recommends that amount be transferred into the building maintenance fund to address the city's deferred building maintenance needs. If the amount is less than

the amount included in the draft 2018 budget, staff will need to review the situation and make a recommendation to city council at that time.

Debt Levy

The debt levy represents the amount of tax levy needed to meet the city's 2018 debt repayment obligations.

Use of Fund Balance to Lower Debt Levy

Council has indicated a preference for using a portion of the General Fund fund balance to lower the impact of the 2018 increase on taxpayers. A provision for \$150,000 was set-aside at the end of 2016 for this purpose.

Net Tax Levy

The proposed net tax levy for 2018 is \$10,644,009 or a 6.47% increase when compared to 2017.

The proposed General Fund budget and net tax levy are as follows:

	<u>2017 Budget</u>	<u>2018 Proposed Budget</u>	<u>Change</u>
General Fund Expenditures	\$12,203,490	\$12,703,134	4.09%
Less:			
General Fund Revenues	3,107,737	3,157,032	1.59%
Fiscal Disparities	<u>2,136,834</u>	<u>2,115,466</u>	(1.00)%
General Fund Levy	6,958,919	7,430,636	
Debt Levy	3,037,903	3,363,373	10.71%
Less:			
Use of Gen'l Fund Fund Balance	<u>0</u>	<u>150,000</u>	N/A
Proposed Farmington Net Tax Levy	<u>\$9,996,822</u>	<u>\$10,644,009</u>	6.47%

Remaining Budgets

In addition to the General Fund and Debt Service Funds budgets, the Special Revenue Funds, Capital Projects Funds and Enterprise Funds are included in your packet. The following comments highlight more notable items. Comments do not address routine operations.

Special Revenue Funds

EDA – The 2018 budget does not provide any additional funding for the EDA. This fund currently has cash available for programming. So, 2018 resources have been directed to other areas.

Park Improvement – Historically, the Park Improvement Fund has been used to fund the initial purchase of park furnishings and playground replacements. Routine maintenance and larger maintenance items have been funded from within the General Fund budget. As the Park Improvement CIP is developed staff is recommending a change. Routine maintenance, generally less than \$5,000, will continue to be funded from within the General Fund. Larger maintenance items, generally \$5,000 or more, will be budgeted within the Park Improvement Fund. The 2018 and 2019 budgets provide for \$20,000 in tax levy and \$75,000 of liquor store operation profits to be deposited into the Park Improvement Fund. This is not enough to make the Park Improvement Fund self-sustaining, but it is a solid start to providing a couple of ongoing funding sources for park improvements and larger maintenance items.

Capital Project Funds

Cable Communications – Negotiations with Charter have stalled. The 2018 budget assumes the negotiations will need to move to the FCC formal franchise process which will require increased legal costs and also provides for the increase from part-time to full-time of a cable commission staff person.

Road and Bridge Fund – The 2018 operating transfers is for debt service for the related bonds.

Fire Capital – The transfers into the Fire Capital projects fund (\$150,000) are being made as part of the Fire capital improvement plan (CIP) and will be used to purchase a new fire engine in 2019.

Storm Water Trunk – The transfers in represent the annual repayment of principal and interest on interfund loans. The city utilized interfund loans because in certain situations it was less costly and provided more flexibility than bond re-financing.

Recreation Capital Projects Fund – Accounts for the capital improvement funds for the Rambling River Center and the ice arena. The 2018 budget anticipates continued fundraising for the senior center of approximately \$16,500 in 2018 for capital improvements as prioritized by the Rambling River Center Advisory Board. The ice arena budget includes the continuing planned annual donation by Farmington Youth Hockey of \$5,000 and the transfer in of \$20,000 for ice arena operations for capital improvements.

General Capital Equipment -- The 2018 budget provides for police (\$18,100) and fire (\$79,500) equipment and police vehicle (\$110,000) replacements per the corresponding CIP's included in the city's 2030 Financial Plan. The underlying fire equipment CIP budget relies on the receipt of \$8,000 in donations from Fire Relief to assist with the fire equipment purchases.

Maintenance Fund – This funds accounts for funds related to maintenance projects. The 2018 budgets provide the following in accordance with their CIP's: seal coating (\$460,000), street maintenance (\$300,000 in planning for TBD street project to occur in 2019), trail maintenance (\$22,750), township road maintenance (\$3,000), emerald ash borer treatments (\$18,000).

MSA 195th street construction reimbursements are initially recorded here. They will be subsequently transferred to the Storm Water Trunk Fund to pay off the interfund loan for this project. Any remaining and future MSA construction reimbursements related to the 195th street project will be captured in the Maintenance Fund and used for future street projects. The next large-scale project (exact location TBD) is planned for 2019.

Finally, approximately \$37,000 is being transferred into the building maintenance account. This is far less than the building study indicated the city needs for building maintenance. The current draft also includes several building maintenance needs for the police and fire department buildings. These are placeholders for discussion. The building study will be used to help prioritize the projects for which building maintenance funds are used and the next version of the budget updated accordingly. Funding and prioritizing building maintenance needs will be an ongoing challenge for the city for the next 10 years.

Enterprise Funds

Liquor Operations – The liquor operations budgets provide for the annual transfer to reimburse the General Fund for administrative services (payroll, finance, IT, communications, administration, etc.) and a transfer of \$75,000 of liquor store profits to the Park Improvement Fund to help fund a portion of the city's park improvement needs.

Sewer Fund – The 2018 provides for a typical year of operations. As mentioned during the first quarter 2017 financial review the Metropolitan Council Environmental Services (MCES) fee increases have outpaced the city's fees increases. The draft 2018 budget assumes the current fee structure is in effect for 2018 which would result in a projected \$592,000 deficit. Sewer rates will need to be re-visited this fall when you adopt the fees for 2018 as the current fee structure is not adequate.

Solid Waste– For 2018 the notable expenditures include approximately \$100,000 to replace a hook truck and approximately \$260,000 to replace a rapid rail. The replacement of these items has been planned for in this fund. No borrowing will be needed. Sample pictures of both trucks are included on the following page.

Sample picture of a hook truck (excluding the large dumpster).
The city's oldest hook truck is a 2000 (i.e. 17 years old).



Sample picture of a rapid rail truck.
The city's oldest rapid rail is from 2005 (i.e. 12 years old).

Storm Water Fund – The 2018 provides for a planned rate increase, effective 1/1/18, in accordance with the long-term storm water financial plan and for the purchase of a new street sweeper at an estimated cost of \$160,000 to replace the city's current 1999 street sweeper.

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Water Fund – The 2018 budget provides for the purchase of a new plow truck at an estimated cost of \$215,000. The city's dump trucks are used year round, including for snow removal (with plow) and to support the water, storm and sewer fund operations. The city needs to replace several trucks. The city's vehicle CIP has been updated to reflect the following purchase replacement plan for dump/plow trucks: water fund (2018), sewer (2019), storm (2020), and general fund (2021).

Funding Gaps

Some areas where funding gaps remain (not a complete list) in 2018 and will continue to be challenges into the future:

- Additional staffing needs
- Building maintenance funding
- Compensated absences funding
- Emerald Ash Borer funding
- Park improvement funding
- Street and trail maintenance funding

BUDGET IMPACT:

The budget impact is summarized within the content of this memo.

ACTION REQUESTED:

- Review, discuss, ask questions about and provide direction to staff on the proposed 2018 budgets.

City of Farmington
Budget and Tax Levy
2017 Budget, 2018 Proposed and 2019 Proposed

Company	2017 Budget	2018 Proposed	Budget % Change	2019 Proposed	Budget Change %
Non-Property Tax Revenues					
Licenses and Permits	397,615	366,245	(7.89)%	363,645	(0.71)%
Intergovernmental Revenue	847,432	886,636	4.63%	886,636	0.00%
Charge for Service	601,950	596,000	(0.99)%	599,000	0.50%
Fines and Forfeitures	40,000	35,000	(12.50)%	30,000	(14.29)%
Investment Income	23,005	31,000	34.75%	31,000	0.00%
Miscellaneous	47,385	45,775	(3.40)%	45,775	0.00%
Transfers In	1,150,350	1,196,376	4.00%	1,244,256	4.00%
Total Revenues	3,107,737	3,157,032	1.59%	3,200,312	1.37%
Expenditures					
Administration	726,999	883,950	21.59%	875,088	(1.00)%
Human Resource	294,176	330,831	12.46%	360,486	8.96%
Finance and Risk Mgmt	740,102	732,495	(1.03)%	769,981	5.12%
Police	4,330,234	4,451,333	2.80%	4,586,651	3.04%
Fire	1,145,404	1,188,352	3.75%	1,220,513	2.71%
Community Development	725,021	806,083	11.18%	842,124	4.47%
Engineering	685,908	705,474	2.85%	734,487	4.11%
Municipal Services	1,278,532	1,315,049	2.86%	1,337,676	1.72%
Parks and Recreation	1,324,772	1,363,360	2.91%	1,523,732	11.76%
Transfers Out	952,342	926,207	(2.74)%	1,064,775	14.96%
Total Expenditures	12,203,490	12,703,134	4.09%	13,315,513	4.82%
Revenues Over (Under) Expenditures	(9,095,753)	(9,546,102)	4.95%	(10,115,201)	5.96%
Fiscal Disparities	2,136,834	2,115,466	(1.00)%	2,094,311	(1.00)%
General Fund Levy	6,958,919	7,430,636	6.78%	8,020,890	7.94%
Debt Levy					
Bonds	2,738,903	3,058,373	11.66%	3,046,439	(0.39)%
2005C Loan Repay-Storm Water Tr Adv	166,000	166,000	0.00%	166,000	0.00%
2010D Loan Repay-Storm Water Tr Adv	133,000	139,000	4.51%	240,000	72.66%
Total Debt Levy	3,037,903	3,363,373	10.71%	3,452,439	2.65%
Use of Fund Balance to Lower Debt Levy	0	(150,000)		0	(100.00)%
Net Debt Levy	3,037,903	3,213,373	5.78%	3,452,439	7.44%
Farmington Net Tax Levy	9,996,822	10,644,009	6.47%	11,473,329	7.79%

General Fund Detailed Non-Property Tax Revenue Summary
2016 Budget, 2017 Budget,
2018 Proposed and 2019 Proposed

Object Account	2016 Budget	2017 Budget	2018 Proposed	2019 Proposed
LIQUOR LICENSES	31,000	29,600	40,700	40,700
BEER & WINE LICENSES	2,200	2,200	1,750	1,750
CLUB LICENSES	300	500	500	500
ARCADE LICENSE	655	540	0	0
MASSAGE LICENSE	100	100	50	50
GAMBLING LICENSE/PERMIT	200	200	200	200
OTHER LICENSE & PERMIT	1,900	1,200	1,500	1,500
ANIMAL LICENSES	5,000	4,000	4,000	1,400
Licenses	41,355	38,340	48,700	46,100
BUILDING PERMITS	265,298	301,075	255,835	255,835
REINSPECTION FEES	600	600	800	800
PLUMBING & HEATING PERMITS	32,000	30,000	30,000	30,000
SEWER PERMITS	5,000	5,000	5,000	5,000
ELECTRIC PERMITS	12,000	12,000	14,000	14,000
ISTS PERMITS	350	350	250	250
COUNTY SEPTIC FEE				
UTILITY PERMITS	5,500	5,500	6,130	6,130
SIGN PERMITS	500	500	570	570
BURNING PERMITS	1,000	1,000	1,710	1,710
OTHER PERMITS	4,100	3,250	3,250	3,250
Permits	326,348	359,275	317,545	317,545
Licenses and Permits	367,703	397,615	366,245	363,645
FEDERAL GRANT	0	0		
LOCAL GOVERNMENT AID	284,884	287,432	313,640	313,640
MSA MAINTENANCE	190,000	220,000	215,000	215,000
POLICE AID	180,000	180,000	190,400	190,400
POST TRAINING	31,000	17,000	15,371	15,371
FIRE AID	110,000	127,000	134,461	134,461
STATE GRANT	2,000	0		
MARKET VALUE CREDIT	0	0		
COUNTY MISCELLANEOUS	5,250	16,000	17,764	17,764
OTHER MISCELLANEOUS	0	0		
Intergovernmental	803,134	847,432	886,636	886,636
CUSTOMER SERVICES NONTAXABLE	0	0	350	350
ZONING & SUBDIVISION FEES	0	0	1,250	1,250
ADMINISTRATION FEES - PROJECTS	0	0	450	450
FIRE CHARGES	(215,000)	(212,000)	(228,000)	(231,000)
POLICE SERVICE CHARGES	75,000	75,000	75,000	75,000
EROSION & SEDIMENT CONTROL	12,000	12,000	12,000	12,000
G.I.S. FEES	0	0		
RECREATION FEES - GENERAL	96,000	93,000	93,000	93,000
POOL ADMISSIONS	37,000	37,000	35,000	35,000
SWIM LESSON FEES	13,000	11,000	10,000	10,000
CONCESSIONS	11,000	11,000	11,000	11,000
RECREATION FEES - SENIOR CTR	18,000	19,000	18,000	18,000
MEMBERSHIP FEES - SENIOR CTR	12,000	9,000	9,000	9,000
MOBILE MEALS - SENIOR CTR				
ADVERTISING	500	750	750	750

General Fund Detailed Non-Property Tax Revenue Summary
2016 Budget, 2017 Budget,
2018 Proposed and 2019 Proposed

Object Account	2016 Budget	2017 Budget	2018 Proposed	2019 Proposed
LESSONS				
ADVERTISING	2,200	2,200	2,200	2,200
FRANCHISE FEE	100,000	120,000	100,000	100,000
Charges For Services	591,700	601,950	596,000	599,000
COURT FINES	65,000	40,000	35,000	30,000
Fines & Forfeitures	65,000	40,000	35,000	30,000
INTEREST ON INVESTMENTS	18,462	23,005	31,000	31,000
GAIN/LOSS INVEST MKT VALUE				
Investment Income	18,462	23,005	31,000	31,000
MISCELLANEOUS REVENUE	15,000	5,000	5,000	5,000
CASH OVER & SHORT				
RENTAL INCOME - RRC	20,000	21,000	22,000	22,000
RENTAL INCOME - POOL	2,000	2,200	2,000	2,000
RENTAL INCOME	19,685	19,185	16,775	16,775
DONATIONS	0	0		
Misc Revenue	56,685	47,385	45,775	45,775
OPERATING TRANSFERS	1,148,371	1,150,350	1,196,376	1,244,256
Transfers In	1,148,371	1,150,350	1,196,376	1,244,256
Total Revenues	\$3,051,055	\$3,107,737	\$3,157,032	\$3,200,312

**General Fund Expenditure Detail Summary
2016 Budget, 2017 Budget 2018 Proposed
and 2019 Proposed**

Company	2016 Budget	2017 Budget	2018 Proposed	2019 Proposed
Expenditures				
Administration				
Legislative (1005)	86,906	90,121	113,779	96,106
Historical Preservation (1006)	3,855	0		
Administration (1010)	376,379	295,408	417,793	422,856
Elections (1013)	57,548	34,370	38,668	29,548
Communications (1014)	102,105	109,072	109,341	114,995
City Hall (1015)	195,321	198,028	204,369	211,583
Administration	822,114	726,999	883,950	875,088
Human Resources	279,035	294,176	330,831	360,486
Human Resource (1011)	279,035	294,176	330,831	360,486
Human Resources	279,035	294,176	330,831	360,486
Finance and Risk Management				
Finance (1021)	491,973	563,802	566,015	600,171
Risk Management (1022)	190,000	176,300	166,480	169,810
Finance and Risk Management	681,973	740,102	732,495	769,981
Police				
Police Administration (1050)	840,955	823,992	850,566	894,030
Patrol Services (1051)	2,679,435	2,680,419	2,750,258	2,811,677
Investigations (1052)	662,472	820,923	843,859	874,294
Emergency Management (1054)	4,900	4,900	6,650	6,650
Police	4,187,762	4,330,234	4,451,333	4,586,651
Fire				
Fire (1060)	1,140,007	1,145,404	1,188,352	1,220,513
Rescue (1061)	0	0		
Fire	1,140,007	1,145,404	1,188,352	1,220,513
Community Development	604,498	725,021	806,083	842,124
Planning (1030)	347,774	420,914	438,231	465,676
Building Inspection (1031)	256,724	304,107	367,852	376,448
Community Development	604,498	725,021	806,083	842,124
Engineering				
Engineering (1070)	531,112	543,757	568,573	594,210
Natural Resources (1076)	125,576	142,151	136,901	140,277
Engineering	656,688	685,908	705,474	734,487
Municipal Services				
Streets (1072)	1,018,604	1,047,993	1,085,798	1,112,261
Snow Removal (1073)	226,895	230,539	229,251	225,415
Municipal Services	1,245,499	1,278,532	1,315,049	1,337,676
Parks and Recreation				
Park Maintenance (1090)	608,700	631,213	653,873	769,608
Rambling River Center (1093)	149,166	171,358	177,225	191,828
Park & Rec Admin (1094)	262,158	271,040	264,004	267,522
Recreation Programs (1095)	113,407	113,822	112,861	113,311
Swimming Pool (1097)	135,232	137,339	155,397	181,463
Parks and Recreation	1,268,663	1,324,772	1,363,360	1,523,732
Perm Levy Adj (2015 & 2016) and 1/3 Delq Exp (2016)	5,379	0		
Transfers Out	906,607.00	952,342.00	926,207.00	1,064,775.00
Transfers Out	906,607.00	952,342.00	926,207.00	1,064,775.00
Total Expenditures	11,798,225	12,203,490	12,703,134	13,315,513

Debt Service Funds Summary
2016 Actual, 2017 Budget,
2018 Proposed and 2019 Proposed

Company	Actual 2016	Budget 2017	Proposed 2018	Proposed 2019
Revenues				
Property Taxes (i.e. Debt Levy)	2,752,122	3,037,903	3,363,373	3,452,439
Special Assessments	454,065	436,440	418,235	403,781
Deferred Assessments (VRC)	23,545	0		
MSA Construction	200,000	0		
Interest on Investments	41,061	4,160	8,500	8,500
Total Revenues	3,470,793	3,478,503	3,790,108	3,864,720
Expenditures				
Principal Repayment	4,411,533	16,511,459	2,965,000	3,269,000
Interest on Debt	950,036	720,756	453,978	385,514
Debt-Fiscal Charges	144,163	46,905	28,395	90,395
Total Expenditures	5,505,732	17,279,120	3,447,373	3,744,909
Other Financing Sources				
Bond Proceeds	9,620,000	0		2,460,000
Transfers In	11,799,261	12,607,167	304,552	168,823
Transfers Out	(9,991,812)	(10,590,850)	(311,900)	(2,857,171)
Total Transfers	11,427,449	2,016,317	(7,348)	(228,348)
Change in Fund Balance	9,392,511	(11,784,300)	335,387	(108,537)

Special Revenue Funds Budget Summary
2016 Actual, 2017 Budget,
2018 Proposed and 2019 Proposed

Company	2016 Actual	2017 Budget	2018 Proposed	2019 Proposed
Revenues				
EDA (2000)	45,014	2,374	3,100	3,100
TIF - City Center (2050)	56,049	0		
TIF - Trident (2054)				
Police Donations & Forfeitures (2100)	7,899	5,082	5,100	5,100
Park Improvement Fund (2300)	127,771	9,000	10,487	3,400
Ice Arena (2500)	330,126	333,786	343,000	342,000
Total Revenues	566,860	350,242	361,687	353,600
Expenditures				
EDA (2000)	69,174	45,255	51,407	51,690
TIF - City Center (2050)	114,536	0		
TIF - Trident (2054)	827		2,850	2,850
Police Donations & Forfeitures (2100)	5,763	6,500	6,500	6,500
Park Improvement Fund (2300)	76,985	150,000	74,500	274,500
Ice Arena (2500)	316,995	313,952	319,421	329,624
Total Expenditures	584,279	515,707	454,678	665,164
Transfers				
Transfers In	95,013	80,000	97,850	97,850
Transfers Out	(60,000)	0	(22,850)	(12,850)
Total Transfers	35,013	80,000	75,000	85,000
Change in Fund Balance	17,593	(85,465)	(17,991)	(226,564)

Capital Projects Funds Summary
2016 Actual, 2017 Budget,
2018 Proposed and 2019 Proposed

Company	2016 Actual	2017 Budget	2018 Proposed	2019 Proposed
Revenues				
Sanitary Sewer Trunk (3900)	79,981	2,981	3,700	3,700
Cable Communications Fund (4000)	183,871	174,347	176,000	176,000
Road and Bridge/Street Reconstruction Fund (4100)	156,712	9,465	9,179	8,848
Fire Capital Projects Fund (4300)	59,426	1,293	2,500	2,500
Storm Water Trunk (4400)	155,768	31,173	8,904	8,903
RRC & Youth Hockey Cap Proj Donations (Rec Cap Proj Fund- 4500)	34,942	17,012	21,900	21,900
Private Capital Projects (4600)	26,538	22,892	23,000	23,000
Permanent Imp Revolving Fund (4900)	15,988	1,002	1,300	1,300
Gen'l Cap Equip Fund (5600)	16,132	441	9,500	1,500
Maintenance Fund (5700)	476,614	560,782	355,600	15,600
Total Revenues	1,205,973	821,388	611,583	263,251
Expenditures				
Sanitary Sewer Trunk	64,751	0		
Cable Communications Fund	82,487	81,000	140,000	115,000
Road and Bridge/Street Reconstruction Fund (4100)	196	0	0	
Fire Capital Projects Fund (4300)	256,749	0		870,000
Storm Water Trunk Fund	163	0		
RRC & Youth Hockey Cap Proj Donations (Rec Cap Proj Fund- 4500)	178,530	14,250	11,600	11,600
Private Capital Projects	22,097	20,000	20,000	20,000
Permanent Imp Revolving Fund	366	0		
Gen'l Cap Equip Fund (5600)	139,368	157,546	207,600	251,665
Maintenance Fund	1,972,255	719,179	948,750	3,556,418
Total Expenditures	2,716,961	991,975	1,327,950	4,824,683
Transfers				
Transfers In	1,334,636	1,630,170	1,528,877	4,444,653
Transfers Out	(1,501,000)	(2,642,615)	(520,000)	
Total Transfers	(166,364)	(1,012,445)	1,008,877	4,444,653
Change in Fund Balance	(1,677,351)	(1,183,032)	292,510	(116,779)

Enterprise Funds Budget Summary
2016 Actual, 2017 Budget,
2018 Proposed and 2019 Proposed

Company	2016 Actual	2017 Budget	2018 Proposed	2019 Proposed
Revenues				
Liquor Stores, Net of Cost of Goods Sold (6100:6115)	1,216,009	1,172,471	1,177,848	1,181,760
Sewer Operations (6200:6205)	2,069,783	2,060,012	2,070,357	2,332,605
Solid Waste (6300:6302)	2,102,466	1,986,203	2,163,362	2,185,062
Storm Water (6400:6405)	654,666	650,003	744,787	748,459
Water (6500:6508)	1,704,640	1,813,099	1,527,475	1,086,440
Streetlights (6600:6602)	226,464	220,838	225,300	225,300
Total Revenues	7,974,028	7,902,626	7,909,129	7,759,626
Expenditures				
Liquor Stores	911,075	962,953	965,828	965,415
Sewer Operations	2,051,152	2,231,750	2,332,889	2,656,820
Solid Waste	1,775,162	1,905,011	2,387,984	2,083,949
Storm Water	534,982	690,995	852,487	673,500
Water	1,359,211	1,506,024	1,775,587	1,217,914
Streetlights	288,925	266,200	209,200	216,500
Total Expenditures	6,920,507	7,562,933	8,523,975	7,814,098
Transfers				
Transfers In	0	63,849	66,846	69,520
Transfers Out	(1,428,106)	(1,384,861)	(1,468,884)	(2,119,438)
Total Transfers	(1,428,106)	(1,321,012)	(1,402,038)	(2,049,918)
Change in Fund Balance	(374,585)	(981,319)	(2,016,884)	(2,104,390)



City of Farmington

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TO: Mayor, Councilmembers and City Administrator
FROM: David McKnight, City Administrator
SUBJECT: City Council Roundtable
DATE: July 10, 2017

INTRODUCTION

This is an opportunity for city councilmembers to ask questions or bring up topics not on the agenda.

DISCUSSION

NA

BUDGET IMPACT

NA

ACTION REQUESTED

Ask any questions you may have or bring up topics not on the agenda.