

**Mayor:**  
David Grant

**Councilmembers:**  
Brenda Holden  
Fran Holmes  
Dave McClung  
Jonathan Wicklund



**Special City Council  
Work Session Agenda  
September 26, 2016  
6:00 p.m.  
City Hall**

**Address:**  
1245 W Highway 96  
Arden Hills MN 55112

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651-792-7800

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## **City Vision**

Arden Hills is a strong community that values its unique environmental setting, strong residential neighborhoods, vital business community, well-maintained infrastructure, fiscal soundness, and our long-standing tradition as a desirable City in which to live, work, and play.

## **CALL TO ORDER**

### **1. AGENDA ITEMS**

#### **1.A. 2017 Budget**

Sue Iverson, Interim City Administrator and Director of Finance  
and Administrative Services

Documents:

[PRELIM GEN FUND.PDF](#)

### **2. COUNCIL/STAFF COMMENTS**

## **ADJOURN**



**2017 Proposed General Fund Budget  
City of Arden Hills**



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**DATE:** September 26, 2016

**TO:** Honorable Mayor and City Council

**FROM:** Sue Iverson, Interim City Administrator/Director of Finance & Admin Services

**SUBJECT:** 2017 Proposed Preliminary General Fund Budget and Tax Levy

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## **INTRODUCTION**

In preparation for adoption of the preliminary tax levy in September, this memo addresses the following information: residential property values, discussion on preliminary levy, salary assumptions being used to prepare the preliminary budget, and a discussion on capital improvement funding.

## **RESIDENTIAL PROPERTY VALUES**

According to information provided by Ramsey County in May of this year, the median home value in Arden Hills will increase from \$300,300 for 2016 taxes, to \$306,350 for 2017 taxes which is a 2.0% increase (last year we saw a 1.8% increase) in value compared to the county average increase of 4.6%. According to Ramsey County, assessed value had declined for five consecutive assessments, the markets are stabilizing, and we are now experiencing an increase of residential, apartment, and commercial values. Arden Hills' values were very stable during this time or increased, thus we see a smaller average increase now vs. the county-wide increase.

In order to evaluate the true impact to the residential property owner, you need to take into account the increase in fiscal disparities (increase of 10.1%) and the change in the taxable value (increase of 1.9% after exclusions).

To help illustrate this, the following table shows the impact to the residential property owner due to the increase in fiscal disparity dollars and the changes in the assessed market values. This results in a net Tax Rate decrease of 2.6% before any levy changes are made. (Last year we saw a decrease of 6.5% in this same comparison)

Assuming **no** City levy change, the home owner that has a median valued home (value going from \$300,300 to \$306,350) will see their City taxes going down **annually** by \$3.18 or 0.4% as illustrated on the following chart.

Memo - City Council  
 2017 Proposed Preliminary Budget and Tax Levy

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Item		Actual Pay 2016 (A)	Proposed Pay 2017 (B)	% Change (C)
1. Levy before reduction for state aids		\$3,478,775	\$3,478,775	0.0%
2. State Aids	-	\$0	\$0	0.0%
3. <b>Certified Property Tax Levy</b>	=	<b>\$3,478,775</b>	<b>\$3,478,775</b>	0.0%
4. Fiscal Disparity Portion of Levy	-	\$264,113	\$290,710	10.1%
5. Local Portion of Levy	=	\$3,214,662	\$3,188,065	-0.8%
6. Local Taxable Value	÷	12,163,391	12,388,762	1.9%
7. <b>Local Tax Rate</b>	=	<b>26.429%</b>	<b>25.734%</b>	<b>-2.6%</b>
8. Market Value Referenda Levy		\$0	\$0	0.0%
9. Fiscal Disparity Portion of Levy (SDs only)	-	\$0	\$0	0.0%
10. Local Levy	=	\$0	\$0	0.0%
11. Referenda Market Value	÷	1,144,235,400	1,174,488,300	2.6%
12. <b>Market Value Referenda Rate</b>	=	<b>0.00000%</b>	<b>0.00000%</b>	<b>0.0%</b>

Taxable Market Value B/4 Credit	Homestead Exclusion Credit	Taxable Market Value	Tax Capacity	Taxing District Net Tax	Total Change	Impact from Market Shifts and Fiscal Disparities
Proposed Pay 2017					Annual Increase	Monthly incr.
Pay 2013 MV X 0.988	76,000@.40% rem up to 413799 @.09*	(D - E)	500,000@1.0% rem @ 1.25%	(B7 x G) + (B12 x D)		
Estimated Tax District rate as % of total rate:						
150,000	23,740	126,260	1,263	\$325.02	(\$0.32)	\$ (0.03)
306,350	9,669	296,681	2,967	\$763.53	(\$3.18)	\$ (0.27)
350,000	5,740	344,260	3,443	\$886.02	(\$3.84)	\$ (0.32)
500,000	-	500,000	5,000	\$1,286.70	(\$8.85)	\$ (0.74)
750,000	-	750,000	8,125	\$2,090.89	(\$7.84)	\$ (0.65)

The City's share of Fiscal Disparities (line 4) has increased, and the City's Tax Capacity (line 6) has increased, which results in a 2.6% decrease in the tax rate.

Fiscal Disparities runs on a one year lag and is based on the levy amounts that jurisdictions submitted for 2016 (or last year). Jurisdictions that increased their levies will receive more, while those that kept their levies flat or fairly small will see decreases.

**RECAP OF RAMSEY COUNTY FINANCE DIRECTORS MEETING**

On August 15, 2016, Ramsey County held a meeting with its Finance Directors from all taxing districts. The Assessor is optimistic that our real estate markets are much improved and still getting better.

Residential markets experienced the most positive improvements, with buyer activity improving, there are fewer foreclosure and short sales. Apartment markets continue to be very healthy and there is substantial construction of new apartments across the Twin Cities metro area.

Commercial and industrial markets have recovered most of the loss in value from the recession. County-wide Commercial/Industrial aggregate values have increased 4.0%.

**TAKING A LOOK AT ARDEN HILLS LEVY TAX RATE HISTORY**

The State of Minnesota has granted local municipalities the authority to levy taxes to fund operations and debt payments. The City’s entire tax levy goes for General Fund expenditures. For the City of Arden Hills, the property tax levy accounts for approximately 76% of the General Fund revenues. Historically, the City does not use reserves to balance the City’s budget, however, due to economic conditions the following chart illustrates the City’s use of reserves to balance the budget over the last six years:

	Reserves	
<u>Year</u>	<u>Used</u>	
2010	\$	41,201
2011	\$	20,000
2012	\$	-
2013	\$	20,454
2014	\$	-
2015	\$	58,305
2016	\$	160,325

The following table provides a historical view of the City’s property tax levies:

<u>Year</u>	<u>Tax Levy</u>	<u>% Change</u>	<u>Tax Rate</u>	<u>% Change</u>
2002	\$ 2,201,002	-	25.092%	-
2003	\$ 2,265,712	2.9%	23.930%	-4.63%
2004	\$ 2,333,337	3.0%	23.367%	-2.35%
2005	\$ 2,440,453	4.6%	21.299%	-8.85%
2006	\$ 2,537,520	4.0%	20.191%	-5.20%
2007	\$ 2,688,944	6.0%	20.206%	0.07%
2008	\$ 2,797,348	4.0%	19.585%	-3.07%
2009	\$ 2,948,646	5.4%	20.520%	4.77%
2010	\$ 3,016,465	2.3%	22.647%	10.37%
2011	\$ 3,040,964	0.8%	24.180%	6.77%
2012	\$ 3,096,994	1.8%	25.544%	5.64%
2013	\$ 3,191,230	3.0%	27.931%	9.34%
2014	\$ 3,257,456	2.1%	27.954%	0.08%
2015	\$ 3,359,775	3.1%	27.228%	-2.60%
2016	\$ 3,478,775	3.5%	26.429%	-2.93%

In 2009 the LJFD duty crew implementation began, while 2010 and 2011 saw the unallotment of the MVHC to cities. The City Council has been very conservative in budgeting and has reduced department budgets or used reserves to deal with the increased costs of our contracted services while still maintaining services the last few years.

## OPERATING BUDGET

### Salary and Benefits

The 2017 preliminary budget is currently being prepared assuming a 2.5% wage adjustment for non-union staff and 2.7% for union staff. Medical benefits are increasing by 14.3% and the cost share allocation was changed for 2017 so that the City will contribute 40% of the increase and the employee would contribute 60% of the increase were as previously it was a 50/50 split.

In surveying surrounding communities most have included a 2.0% - 3.0% COLA increase in their preliminary estimates for their 2017 budgets.

### General Fund

At the June 20, 2016 worksession, the Council directed staff to construct a budget with a 2.5% COLA and the 60/40 change to the benefit contributions as reference above. Council also directed staff to set a preliminary levy for discussion purposes at 2% plus the increase in public safety costs. This results in a levy increase of 4.7% or \$162,515. Other directives were to restore the PIR transfer to \$200,000 from \$100,000 in the 2016 budget and to show what was added to the budget. In addition to the salary and benefits increases the major increases from the 2016 budget to 2017 are shown in the chart to the right.

<b>General Fund Expenditures</b>	
Salary & Benefits	\$ 56,162
Sheriff Contract	72,211
Fire Contract	19,252
Dispatch Contract	1,052
Comprehensive Plan Costs	100,000
Addition of Working Foreman	36,658
EDA Transfer	30,000
PIR Transfer	100,000
Other Misc Adjustments	(14,496)
	<u>\$ 400,839</u>

The Sheriff's contract includes the addition of an investigator. The case load in 2009 was approximately 518 and has grown over the years to 1148 in 2016. Ramsey County has been subsidizing this cost up until now and the need is very real. The additional investigator was put into the budget with an April 1, 2017 start even though it is currently doing work for the contract cities with Ramsey County funding it. All other items were put on hold to help hold budget costs down.

Dispatch increases are down as we had the call center and the CAD system into our formula in 2016. Fire increases are down as the Duty Crew had been fully implemented for the 2016 budget.

Per Council discussion, \$100,000 was added to the budget for the Comprehensive Plan update – this could be considered a one-time expenditure which would be appropriate to use reserve funds for.

The PIR transfer was restored to \$200,000 per Council directive as referenced above. As per the forecast prepared in 2015 for the EDA operating fund as a result of the funding from the Round Lake Road TIF district expiring, an additional \$30,000 in transfers was added and was approved by the EDA on July 25, 2016.

All positions are currently still in the 2017 budget including the Working Foreman in Public Works.

Revenues have largely increased due to increased Antenna Rental revenue and Building Permits and Land Use applications. The chart at the right illustrates the increases.

<b>General Fund Revenues</b>	
Property Tax Levy	\$ 162,515
License and Permits	81,800
Antenna Rentals	40,000
Plan Check Fees	38,000
Other Misc Adjustments	19,417
	<u>\$ 341,732</u>

Issues to Consider

The current budget proposal is a \$400,839 increase from the previous year. Public Safety increases are equal to \$92,515 of the increase. Salaries and benefits are \$92,820 of the increase, but remember all vacant positions and the Working Foreman have been included in this budget. \$100,000 has been included for the Comprehensive Plan Update which could be a one-time expenditure. Unless there is a change in personnel and positions, most other increases are going to be on-going operation costs.

Last year the Council balanced the budget using \$160,325 in reserves, while we may not have used them as a result of vacancies and better than expected revenues with building permit activity and planning cases, this will not be sustainable in the future if we fill the vacant positions and as we are primarily built out the permit and planning revenue will not be a stable reliable source of revenue.

The budget presented as directed by the City Council shows using \$238,324 in reserves to balance the proposed 2017 budget. If we assume that \$100,000 of this amount is a one-time expense for the Comprehensive Plan amendment, then the on-going concern is \$138,324. This does include the General Fund portion of the Working Foreman position, if this were eliminated the on-going concern would amount to \$101,666. To correct this concern in the current proposed budget would mean a levy increase of 7.6% or \$264,181. We would then be using \$136,658 in reserves for this budget which would be appropriate for one-time expenditures.

Sample Levy Increases

Staff has prepared a number of tax levy scenarios for discussion in evaluating setting a levy.

Memo - City Council  
2017 Proposed Preliminary Budget and Tax Levy

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**4.7% Levy Increase (\$162,515) Directed by City Council June 20, 2016**

Item	Actual Pay 2016 (A)	Proposed Pay 2017 (B)	% Change (C)
1. Levy before reduction for state aids	\$3,478,775	\$3,641,290	4.7%
2. State Aids	\$0	\$0	0.0%
3. <b>Certified Property Tax Levy</b>	<b>\$3,478,775</b>	<b>\$3,641,290</b>	<b>4.7%</b>
4. Fiscal Disparity Portion of Levy	\$264,113	\$290,710	10.1%
5. Local Portion of Levy	\$3,214,662	\$3,350,580	4.2%
6. Local Taxable Value	12,163,391	12,388,762	1.9%
7. <b>Local Tax Rate</b>	<b>26.429%</b>	<b>27.045%</b>	<b>2.3%</b>
8. Market Value Referenda Levy	\$0	\$0	0.0%
9. Fiscal Disparity Portion of Levy (SDs only)	\$0	\$0	0.0%
10. Local Levy	\$0	\$0	0.0%
11. Referenda Market Value	1,144,235,400	1,174,488,300	2.6%
12. <b>Market Value Referenda Rate</b>	<b>0.00000%</b>	<b>0.00000%</b>	<b>0.0%</b>

Taxable Market Value B/4 Credit	Homestead Exclusion Credit	Taxable Market Value	Tax Capacity	Taxing District Net Tax	Total Change Annual Increase	Monthly incr.	Impact from Market Shifts and Fiscal Disparities Annual Increase	Monthly incr.	Impact from Levy Incr Annual Increase	Monthly incr.
Pay 2013 MV X 0.988	76,000 @ .40% rem up to 413799 @ .09%	(D - E)	500,000 @ 1.0% rem @ 1.25%	(B7 x G) + (B12 x D)						
Proposed Pay 2017										
Estimated Tax District rate as % of total rate:										
150,000	23,740	126,260	1,263	\$341.58	\$16.24	\$ 1.35	(\$0.32)	(\$ 1.19)	\$16.56	\$ 1.38
306,350	9,669	296,681	2,967	\$802.43	\$35.72	\$ 2.98	(\$3.18)	(\$ 3.00)	\$38.90	\$ 3.24
350,000	5,740	344,260	3,443	\$931.16	\$41.30	\$ 3.44	(\$3.84)	(\$ 3.56)	\$45.14	\$ 3.76
500,000	-	500,000	5,000	\$1,352.25	\$56.70	\$ 4.73	(\$8.85)	(\$ 5.41)	\$65.55	\$ 5.46
750,000	-	750,000	8,125	\$2,197.41	\$98.68	\$ 8.22	(\$7.84)	(\$ 8.27)	\$106.52	\$ 8.88

**7.6% Levy Increase (\$264,181) On-going operating costs presented in proposed budget**

Item	Actual Pay 2016 (A)	Proposed Pay 2017 (B)	% Change (C)
1. Levy before reduction for state aids	\$3,478,775	\$3,742,956	7.6%
2. State Aids	\$0	\$0	0.0%
3. <b>Certified Property Tax Levy</b>	<b>\$3,478,775</b>	<b>\$3,742,956</b>	<b>7.6%</b>
4. Fiscal Disparity Portion of Levy	\$264,113	\$290,710	10.1%
5. Local Portion of Levy	\$3,214,662	\$3,452,246	7.4%
6. Local Taxable Value	12,163,391	12,388,762	1.9%
7. <b>Local Tax Rate</b>	<b>26.429%</b>	<b>27.866%</b>	<b>5.4%</b>
8. Market Value Referenda Levy	\$0	\$0	0.0%
9. Fiscal Disparity Portion of Levy (SDs only)	\$0	\$0	0.0%
10. Local Levy	\$0	\$0	0.0%
11. Referenda Market Value	1,144,235,400	1,174,488,300	2.6%
12. <b>Market Value Referenda Rate</b>	<b>0.00000%</b>	<b>0.00000%</b>	<b>0.0%</b>

Taxable Market Value B/4 Credit	Homestead Exclusion Credit	Taxable Market Value	Tax Capacity	Taxing District Net Tax	Total Change Annual Increase	Monthly incr.	Impact from Market Shifts and Fiscal Disparities Annual Increase	Monthly incr.	Impact from Levy Incr Annual Increase	Monthly incr.
Pay 2013 MV X 0.988	76,000 @ .40% rem up to 413799 @ .09%	(D - E)	500,000 @ 1.0% rem @ 1.25%	(B7 x G) + (B12 x D)						
Proposed Pay 2017										
Estimated Tax District rate as % of total rate:										
150,000	23,740	126,260	1,263	\$351.95	\$26.61	\$ 2.22	(\$0.32)	(\$ 1.19)	\$26.93	\$ 2.24
306,350	9,669	296,681	2,967	\$826.78	\$60.07	\$ 5.01	(\$3.18)	(\$ 3.00)	\$63.25	\$ 5.27
350,000	5,740	344,260	3,443	\$959.43	\$69.57	\$ 5.80	(\$3.84)	(\$ 3.56)	\$73.41	\$ 6.12
500,000	-	500,000	5,000	\$1,393.30	\$97.75	\$ 8.15	(\$8.85)	(\$ 5.41)	\$106.60	\$ 8.88
750,000	-	750,000	8,125	\$2,264.11	\$165.38	\$ 13.78	(\$7.84)	(\$ 8.27)	\$173.22	\$ 14.44

***11.5% Levy Increase (\$400,839) Balanced budget as proposed***

Item	Actual Pay 2016 (A)	Proposed Pay 2017 (B)	% Change (C)
1. Levy before reduction for state aids	\$3,478,775	\$3,879,614	11.5%
2. State Aids	-	\$0	0.0%
3. <b>Certified Property Tax Levy</b>	=	<b>\$3,478,775</b>	<b>11.5%</b>
4. Fiscal Disparity Portion of Levy	-	\$264,113	10.1%
5. Local Portion of Levy	=	\$3,214,662	11.6%
6. Local Taxable Value	÷	12,163,391	1.9%
7. <b>Local Tax Rate</b>	=	<b>26.429%</b>	<b>9.6%</b>
8. Market Value Referenda Levy	\$0	\$0	0.0%
9. Fiscal Disparity Portion of Levy (SDs only)	-	\$0	0.0%
10. Local Levy	=	\$0	0.0%
11. Referenda Market Value	÷	1,144,235,400	2.6%
12. <b>Market Value Referenda Rate</b>	=	<b>0.00000%</b>	<b>0.0%</b>

Taxable Market Value B/4 Credit	Homestead Exclusion Credit	Taxable Market Value	Tax Capacity	Taxing District Net Tax
<b>Proposed Pay 2017</b>				
Pay 2013 MV X 0.988	76,000 @ .40% rem up to 413799 @ .09%	(D - E)	500,000 @ 1.0% rem @ 1.25%	(B7 x G) + (B12 x D)
Estimated Tax District rate as % of total rate:				
150,000	23,740	126,260	1,263	\$365.88
306,350	9,669	296,681	2,967	\$859.51
350,000	5,740	344,260	3,443	\$997.40
500,000	-	500,000	5,000	\$1,448.45
750,000	-	750,000	8,125	\$2,353.73

Total Change		Impact from Market Shifts and Fiscal Disparities		Impact from Levy Incr	
Annual Increase	Monthly incr.	Annual Increase	Monthly incr.	Annual Increase	Monthly incr.
\$40.54	\$ 3.38	(\$0.32)	\$ (1.19)	\$40.86	\$ 3.41
\$92.80	\$ 7.73	(\$3.18)	\$ (3.00)	\$95.98	\$ 8.00
\$107.54	\$ 8.96	(\$3.84)	\$ (3.56)	\$111.38	\$ 9.28
\$152.90	\$ 12.74	(\$8.85)	\$ (5.41)	\$161.75	\$ 13.48
\$255.00	\$ 21.25	(\$7.84)	\$ (8.27)	\$262.84	\$ 21.90

***2.5% Levy (85,250) Increase which would keep the Tax Rate Flat***

Item	Actual Pay 2016 (A)	Proposed Pay 2017 (B)	% Change (C)
1. Levy before reduction for state aids	\$3,478,775	\$3,564,025	2.5%
2. State Aids	-	\$0	0.0%
3. <b>Certified Property Tax Levy</b>	=	<b>\$3,478,775</b>	<b>2.5%</b>
4. Fiscal Disparity Portion of Levy	-	\$264,113	10.1%
5. Local Portion of Levy	=	\$3,214,662	1.8%
6. Local Taxable Value	÷	12,163,391	1.9%
7. <b>Local Tax Rate</b>	=	<b>26.422%</b>	<b>-0.0%</b>
8. Market Value Referenda Levy	\$0	\$0	0.0%
9. Fiscal Disparity Portion of Levy (SDs only)	-	\$0	0.0%
10. Local Levy	=	\$0	0.0%
11. Referenda Market Value	÷	1,144,235,400	2.6%
12. <b>Market Value Referenda Rate</b>	=	<b>0.00000%</b>	<b>0.0%</b>

Taxable Market Value B/4 Credit	Homestead Exclusion Credit	Taxable Market Value	Tax Capacity	Taxing District Net Tax
<b>Proposed Pay 2017</b>				
Pay 2013 MV X 0.988	76,000 @ .40% rem up to 413799 @ .09%	(D - E)	500,000 @ 1.0% rem @ 1.25%	(B7 x G) + (B12 x D)
Estimated Tax District rate as % of total rate:				
150,000	23,740	126,260	1,263	\$333.71
306,350	9,669	296,681	2,967	\$783.94
350,000	5,740	344,260	3,443	\$909.71
500,000	-	500,000	5,000	\$1,321.10
750,000	-	750,000	8,125	\$2,146.79

Total Change		Impact from Market Shifts and Fiscal Disparities		Impact from Levy Incr	
Annual Increase	Monthly incr.	Annual Increase	Monthly incr.	Annual Increase	Monthly incr.
\$8.37	\$ 0.70	(\$0.32)	\$ (1.19)	\$8.69	\$ 0.72
\$17.23	\$ 1.44	(\$3.18)	\$ (3.00)	\$20.41	\$ 1.70
\$19.85	\$ 1.65	(\$3.84)	\$ (3.56)	\$23.69	\$ 1.97
\$25.55	\$ 2.13	(\$8.85)	\$ (5.41)	\$34.40	\$ 2.87
\$48.06	\$ 4.01	(\$7.84)	\$ (8.27)	\$55.90	\$ 4.66

***1% Levy Increase (\$35,000) For discussion purposes of impact for each percentage increase***

Item		Actual Pay 2016 (A)	Proposed Pay 2017 (B)	% Change (C)
1. Levy before reduction for state aids		\$3,478,775	\$3,513,775	1.0%
2. State Aids	-	\$0	\$0	0.0%
3. <b>Certified Property Tax Levy</b>	=	<b>\$3,478,775</b>	<b>\$3,513,775</b>	1.0%
4. Fiscal Disparity Portion of Levy	-	\$264,113	\$290,710	10.1%
5. Local Portion of Levy	=	\$3,214,662	\$3,223,065	0.3%
6. Local Taxable Value	÷	12,163,391	12,388,762	1.9%
7. <b>Local Tax Rate</b>	=	<b>26.429%</b>	<b>26.016%</b>	<b>-1.6%</b>
8. Market Value Referenda Levy		\$0	\$0	0.0%
9. Fiscal Disparity Portion of Levy (SDs only)	-	\$0	\$0	0.0%
10. Local Levy	=	\$0	\$0	0.0%
11. Referenda Market Value	÷	1,144,235,400	1,174,488,300	2.6%
12. <b>Market Value Referenda Rate</b>	=	<b>0.00000%</b>	<b>0.00000%</b>	<b>0.0%</b>

Taxable Market Value B/4 Credit	Homestead Exclusion Credit	Taxable Market Value	Tax Capacity		Taxing District Net Tax	Total Change		Impact from Market Shifts and Fiscal Disparities		Impact from Levy Incr	
						Annual Increase	Monthly incr.	Annual Increase	Monthly incr.	Annual Increase	Monthly incr.
<b>Proposed Pay 2017</b>											
Pay 2013 MV X 0.988	76,000 @ .40% rem up to 43799 @ .09%	(D - E)	500,000 @ 1.0% rem @ 1.25%		(B7 x G) + (B12 x D)						
Estimated Tax District rate as % of total rate:											
150,000	23,740	126,260	1,263		\$328.58	\$3.24	\$ 0.27	(\$0.32)	\$ (1.19)	\$3.56	\$ 0.30
306,350	9,669	296,681	2,967		\$771.89	\$5.18	\$ 0.43	(\$3.18)	\$ (3.00)	\$8.36	\$ 0.70
350,000	5,740	344,260	3,443		\$895.73	\$5.87	\$ 0.49	(\$3.84)	\$ (3.56)	\$9.71	\$ 0.81
500,000	-	500,000	5,000		\$1,300.80	\$5.25	\$ 0.44	(\$8.85)	\$ (5.41)	\$14.10	\$ 1.18
750,000	-	750,000	8,125		\$2,113.80	\$15.07	\$ 1.26	(\$7.84)	\$ (8.27)	\$22.91	\$ 1.91

**GENERAL INFORMATION**

A final levy is established and certified in December. As Council knows, once a preliminary levy is established, the amount can be reduced, but it cannot be increased.

In order to proceed with budget preparation, it would be helpful to have additional Council input.

**DIRECTION REQUESTED:**

1. Discussion with staff regarding the 2017 preliminary levy and issues.
2. Further direction to staff regarding 2017 budget preparation.



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## **General Fund Summary**

# GENERAL FUND SUMMARY

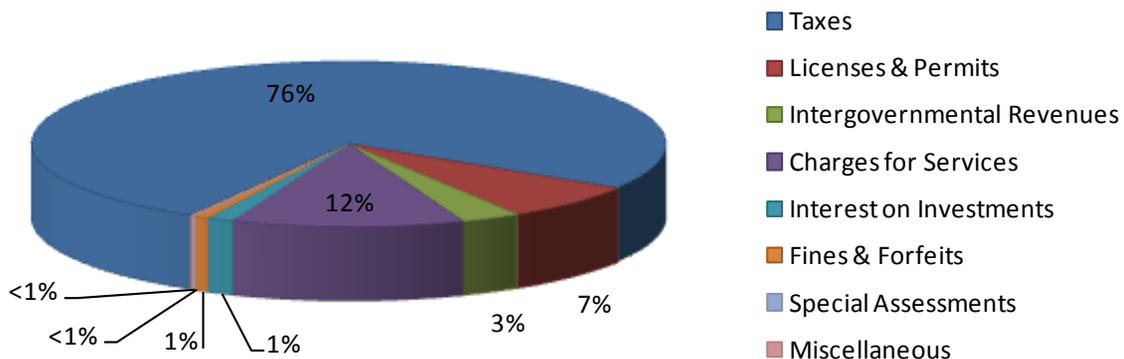
## Fund Description:

The General Fund is used to account for the ordinary operations of the City, which are financed from taxes and other general revenues, which are not accounted for in another fund. The modified accrual basis of accounting is used in the General Fund. This is, expenditures are recorded at the time liabilities are incurred and revenues are recorded when received. However, compensated absences are expended “when paid” for budgetary purposes.

## Budget Summary:

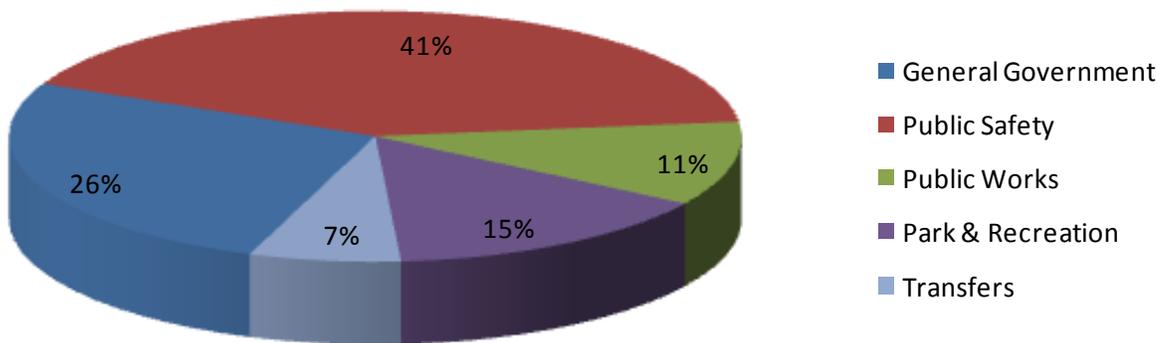
Total General Fund estimated revenues for 2017 are \$4,852,023. The three largest revenue sources for the City are property taxes, charges for current services, and license fees and permits. Property taxes are the largest revenue source with 76% of the revenue, charges for current services are 12%, license fees and permits are 7%, intergovernmental revenues are 3%, court fines are 1% and miscellaneous revenues are 1%. The graph below illustrates the projected revenue by type.

### 2017 Proposed Revenues By Classification



The 2017 General Fund budget of \$5,090,348 is a 8.99% increase over the City's 2016 amended budget. Public Safety and General Government expenditures represent the largest expenditure areas with 41% and 26% respectively, while Park & Recreation represents 15%. These areas account for 83% of the budgeted expenditures within the City. The remaining expenditures are represented by Public Works at 11% and Transfers at 7%. Generally, the City does not budget for Contingency expenses. Economic Development revenues and expenses are located in the EDA General Fund budget. Capital Outlay expenses are located in the Capital Improvement Plan and are not included in the General Fund. The following graph illustrates the budgeted expenditures by department.

## 2017 Proposed Expenditures By Department



**City of Arden Hills  
General Fund Summary  
2017 Budget**

	Actual FY 2014	Actual FY 2015	Budget FY 2016	Amended FY2016	YTD FY2016	Proposed FY 2017	% Change 16 vs 17
<b>Revenues</b>							
Taxes	3,210,026	3,203,004	3,508,875	3,508,875	1,734,832	3,671,390	4.63%
Licenses and Permits	327,726	518,845	265,530	265,530	246,147	347,330	30.81%
Other Intergovernmental	136,249	130,023	147,864	147,864	44,061	145,788	-1.40%
Charges for Services	510,247	686,443	476,303	476,303	203,389	573,865	20.48%
Fines & Forfeits	29,569	32,792	34,569	34,569	9,798	36,500	5.59%
Special Assessments	2,244	1,316	3,000	3,000	1,158	3,000	0.00%
Miscellaneous	75,024	77,665	74,150	74,150	55,919	74,150	0.00%
Transfers	-	-	-	-	-	-	0.00%
<b>Total Revenues</b>	<b>\$ 4,291,086</b>	<b>\$ 4,650,087</b>	<b>\$ 4,510,291</b>	<b>\$ 4,510,291</b>	<b>\$ 2,295,303</b>	<b>\$ 4,852,023</b>	<b>7.58%</b>
<b>Expenditures by Department</b>							
Mayor & Council	\$ 87,512	\$ 58,236	\$ 67,070	\$ 67,070	\$ 39,926	\$ 66,408	-0.99%
Elections	17,429	19,438	23,000	23,000	4,682	23,000	0.00%
Administration	248,387	245,608	293,870	293,870	78,279	307,915	4.78%
Finance & Administrative Services	157,352	162,546	180,530	180,530	89,037	185,676	2.85%
TCAAP	112,744	139,812	173,858	173,858	64,523	187,153	7.65%
Planning & Zoning	212,327	170,629	217,788	217,788	80,243	327,335	50.30%
Government Buildings	221,098	219,669	235,134	235,134	79,810	242,803	3.26%
Police & Animal Services	1,045,386	1,083,893	1,107,562	1,107,562	552,574	1,179,773	6.52%
Dispatch	60,352	68,328	67,780	67,780	22,593	68,832	1.55%
Fire Protection	431,006	459,179	495,216	495,216	247,608	514,468	3.89%
Emergency Management	5,975	2,580	13,638	13,638	2,831	13,729	0.67%
Protective Inspections	283,377	306,299	312,087	312,087	157,197	323,578	3.68%
Street Maintenance	580,871	336,397	530,443	530,443	133,417	552,956	4.24%
Park Maintenance	418,919	325,706	453,895	453,895	148,316	460,254	1.40%
Recreation	229,295	247,878	288,745	288,745	110,935	296,468	2.67%
Celebrating Arden Hills	-	-	-	-	-	-	0.00%
Reserves/Contingency	-	-	-	-	-	-	0.00%
Transfers	212,417	80,000	210,000	210,000	-	340,000	61.90%
Capital Outlay	-	-	-	-	-	-	0.00%
<b>Total Expenditures</b>	<b>\$ 4,324,449</b>	<b>\$ 3,926,197</b>	<b>\$ 4,670,617</b>	<b>\$ 4,670,617</b>	<b>\$ 1,811,969</b>	<b>\$ 5,090,348</b>	<b>8.99%</b>
Fund Balance - January 1	2,365,706	2,332,343	3,056,233	3,056,233	3,056,233	2,895,907	
Excess Revenue Over Expenditure	(33,363)	723,890	(160,325)	(160,325)	483,335	(238,324)	
Fund Balance - December 31	\$ 2,332,343	\$ 3,056,233	\$ 2,895,907	\$ 2,895,907	\$ 3,539,568	\$ 2,657,583	

The previous table summarizes the General Fund Revenues by classification and expenditures by departments, while the table below summarizes the General Fund revenues and expenditures both by classification.

**City of Arden Hills  
General Fund Summary  
2017 Budget**

	Actual FY 2014	Actual FY 2015	Budget FY 2016	Amended FY2016	YTD FY2016	Proposed FY 2017	% Change 16 vs 17
<b>Revenues</b>							
<b>Taxes</b>							
Taxes	3,210,026	3,203,004	3,508,875	3,508,875	1,734,832	3,671,390	4.63%
Licenses and Permits	327,726	518,845	265,530	265,530	246,147	347,330	30.81%
Other Intergovernmental	136,249	130,023	147,864	147,864	44,061	145,788	-1.40%
Charges for Services	510,247	686,443	476,303	476,303	203,389	573,865	20.48%
Fines & Forfeits	29,569	32,792	34,569	34,569	9,798	36,500	5.59%
Special Assessments	2,244	1,316	3,000	3,000	1,158	3,000	0.00%
Miscellaneous	75,024	77,665	74,150	74,150	55,919	74,150	0.00%
Transfers	-	-	-	-	-	-	0.00%
<b>Total Revenues</b>	<b>\$ 4,291,086</b>	<b>\$ 4,650,087</b>	<b>\$ 4,510,291</b>	<b>\$ 4,510,291</b>	<b>\$ 2,295,303</b>	<b>\$ 4,852,023</b>	<b>7.58%</b>
<b>Expenditures by Category</b>							
Personal Services	\$ 1,400,601	\$ 1,328,172	\$ 1,498,764	\$ 1,498,764	\$ 545,627	\$ 1,577,897	5.28%
Materials and Supplies	206,046	138,607	160,246	160,246	47,797	160,284	0.02%
Other Services and Charges	2,505,384	2,379,419	2,801,607	2,801,607	1,218,545	3,012,167	7.52%
Capital Outlay	-	-	-	-	-	-	0.00%
Transfers	212,417	80,000	210,000	210,000	-	340,000	61.90%
Contingency/Reserves	-	-	-	-	-	-	0.00%
Other Financing Uses	-	-	-	-	-	-	0.00%
<b>Total Expenditures</b>	<b>\$ 4,324,449</b>	<b>\$ 3,926,197</b>	<b>\$ 4,670,617</b>	<b>\$ 4,670,617</b>	<b>\$ 1,811,969</b>	<b>\$ 5,090,348</b>	<b>8.99%</b>
Fund Balance - January 1	2,365,706	2,332,343	3,056,233	3,056,233	3,056,233	2,895,907	
Excess Revenue Over Expenditure	(33,363)	723,890	(160,325)	(160,325)	483,335	(238,324)	
Fund Balance - December 31	<b>\$ 2,332,343</b>	<b>\$ 3,056,233</b>	<b>\$ 2,895,907</b>	<b>\$ 2,895,907</b>	<b>\$ 3,539,568</b>	<b>\$ 2,657,583</b>	

## What Do You Get for Your Arden Hills Tax Dollar?

**Parks &  
Recreation  
14.8 Cents**

**Public Safety  
41.3 Cents**

**Public Works  
10.9 Cents**

**General Government  
26.3 Cents**



**Transfers  
6.7 Cents**

A \$306,350 home generates \$802 in annual property taxes:  
This comes to \$67 per month for 2017.

*What could you purchase for \$67.00 a month?*

**ONE OF THESE...**

- One month of cable service
- One hardback book
- One month at a gym
- Dinner for two
- Movie and snacks for a family of four

**ALL OF THESE...**

- 24 hours Police Protection
- 24 hours Fire Protection
- Zoning and Subdivision Service
- Curbside Recycling
- Paved and Maintained City Streets
- Snow and Ice Removal
- Street Lighting
- Parking Lot Maintenance
- Well Groomed Park and Lake
- Right-of-Way Mowing
- Special Events

## Estimated Cost of City Services \$306,350 Homestead in 2017

Actual Cost of City Services Pay 2017 Property Tax Support for \$306,350 Homestead				
City Service Category	Actual	Percent of Levy	Amount of Levy	Monthly Cost
<b>General Government</b> Mayor/Council, Administration, Communications, Elections, Auditor, Assessor, Legal, Planning	\$1,340,290	26.3%	\$211	\$18
<b>Public Safety</b> Building Inspection/Code Enforcement, Court, Police Contract, Fire, Ambulance, Human Services, Animal Control	\$2,100,380	41.3%	\$331	\$28
<b>Public Works</b> Engineering, Streets, Street Lighting, City Buildings	\$552,956	10.9%	\$87	\$7
<b>Parks</b>	\$460,254	9.0%	\$73	\$6
<b>Recreation</b>	\$296,468	5.8%	\$47	\$4
<b>Transfers</b>	\$340,000	6.7%	\$54	\$4
<b>Reserves</b>	\$0	0.0%	\$0	\$0
<b>Capital Projects</b>	\$0	0.0%	\$0	\$0
<b>Totals</b>	\$5,090,348	100.0%	\$802	\$67

## **REVENUES**

### **Activity Description**

To record and maintain all general operating revenues of the City. The General Fund is used to account for all financial resources except those required to be accounted for in another fund. These revenues will be used to finance the general operating expenditures of the City.

### **Objectives**

1. Maintain stable, constant revenue sources.
2. Maintain a low tax rate by reviewing the costs of services provided and charge appropriately for those services.

### **Budget Issues**

The General Fund's main revenue source is property taxes. Property taxes made up 78% of the 2015 budget and 78% of the 2016 budget. For 2017 property taxes make up 76% of the total General Fund revenues.

Other revenues besides property taxes were reviewed for inflation and changes to the City's fee schedule. However, noting that administrative charges to other funds for overhead may increase or decrease with the budgeted expenditures of Administration, Finance and Administrative Services and Government Buildings (In 2008, Charges for Services were increased as administrative charges to other funds are now being charged – these fluctuate based on the estimated expenditures in each of these departments).

The major increases have been property taxes (4.6%), licenses and permits (30.81%), and charges for services (20.48%). These increases with the exception of property taxes are the results of the trends we have seen in the last few years and planned upcoming projects.

### **Budget Summary**

See next two pages.



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Activity	Actual FY 2014	Actual FY 2015	Budget FY 2016	Amended FY2016	YTD FY2016	Proposed FY 2017	% Change 16 vs 17
<b>Taxes</b>							
Current Ad Valorem Taxes	\$ 2,969,768	\$ 3,037,146	\$ 3,478,775	\$ 3,478,775	\$ 1,719,147	3,641,290	4.67%
Payments in Lieu of Taxes	180	168	-	-	-	-	0.00%
Delinquent Ad Valorem Taxes	(9,557)	(69,825)	22,000	22,000	(124,128)	22,000	0.00%
Mobile Home Tax	5,983	8,251	7,500	7,500	3,261	7,500	0.00%
Fiscal Disparities	245,059	228,375	-	-	142,678	-	0.00%
Aggregate Removal Tax	-	-	600	600	969	600	0.00%
Penalties & Interest on Taxes	(1,408)	(1,111)	-	-	(7,095)	-	0.00%
Forfeited Tax Sales	-	-	-	-	-	-	0.00%
<b>Total Taxes</b>	<b>3,210,026</b>	<b>3,203,004</b>	<b>3,508,875</b>	<b>3,508,875</b>	<b>1,734,832</b>	<b>3,671,390</b>	<b>4.63%</b>
<b>Licenses and Permits</b>							
Liquor, On Sale & Sunday	21,454	24,770	25,000	25,000	23,560	25,000	0.00%
Liquor, Off Sale	462	462	-	-	778	-	0.00%
Inspection Fees	1,422	1,422	2,000	2,000	1,106	2,000	0.00%
Contractors	9,557	9,632	10,000	10,000	5,805	10,000	0.00%
Rental Regulation Fee	3,486	4,106	3,400	3,400	4,590	4,500	32.35%
Business Licenses	9,251	9,568	13,650	13,650	8,561	13,650	0.00%
Other Business Lic/Permits	158	-	-	-	585	-	0.00%
Tobacco License	1,342	1,342	1,400	1,400	1,500	1,400	0.00%
Plan Review & Bldg Permits	188,027	287,886	133,000	133,000	129,061	200,000	50.38%
Mechanical Permits	30,012	50,427	26,000	26,000	30,790	30,000	15.38%
Plumbing Permits	12,519	25,092	10,000	10,000	8,778	15,000	50.00%
Animal Licenses	2,458	2,058	2,500	2,500	1,724	2,500	0.00%
Sign Permits	2,527	1,696	1,400	1,400	1,028	1,400	0.00%
Sign Permit Renewal	1,735	1,744	2,100	2,100	2,045	2,100	0.00%
Electrical Permits	26,276	64,264	20,000	20,000	13,553	20,000	0.00%
Utility Permit Fees	6,063	-	2,300	2,300	-	-	-100.00%
Fire Suppression Permits	2,374	16,069	6,000	6,000	6,774	10,000	66.67%
Fire Permit Plan Check Fee	-	10,522	3,000	3,000	3,969	6,000	100.00%
Utility Permit Fees	4,973	5,205	-	-	1,234	-	0.00%
Erosion/Grading Permit	3,160	2,370	1,680	1,680	600	1,680	0.00%
Other Nonbusiness Lic/Permits	471	210	2,100	2,100	105	2,100	0.00%
<b>Total Licenses and Permits</b>	<b>327,726</b>	<b>518,845</b>	<b>265,530</b>	<b>265,530</b>	<b>246,147</b>	<b>347,330</b>	<b>30.81%</b>
<b>Intergovernmental Revenues</b>							
Market Value Homestead Credit	3	-	-	-	-	-	0.00%
Mobile Home Homestead Credit	-	-	-	-	-	-	0.00%
State PERA Aid	5,179	5,179	5,179	5,179	-	5,179	0.00%
Local Performance Aid	-	-	-	-	-	-	0.00%
Police Aid	51,781	38,619	57,685	57,685	-	52,609	-8.80%
MSA Maintenance	79,286	86,225	85,000	85,000	44,061	88,000	3.53%
State Grants	-	-	-	-	-	-	0.00%
County Grants & Aids	-	-	-	-	-	-	0.00%
Other County Grants & Aids	-	-	-	-	-	-	0.00%
<b>Other Intergovernmental</b>	<b>136,249</b>	<b>130,023</b>	<b>147,864</b>	<b>147,864</b>	<b>44,061</b>	<b>145,788</b>	<b>-1.40%</b>
<b>Charges for Services</b>							
Zoning and Subdivision Fees	340	272	200	200	120	300	50.00%
Plan Checking Fees	-	-	-	-	-	-	0.00%
Sale of Maps and Publications	19	-	-	-	-	-	0.00%
Plat & Other Fees	13,857	12,061	12,000	12,000	5,050	12,000	0.00%
Admin Chgs from other funds	15,196	16,320	22,980	22,980	-	22,980	0.00%
Admin Chgs from other funds	51,583	71,032	66,967	66,967	-	66,773	-0.29%
Admin Chgs from other funds	96,446	98,185	99,533	99,533	-	101,782	2.26%
Zoning Permit Fees	1,128	1,893	893	893	425	1,000	11.98%
Business Subsidiary App Fee	-	-	2,000	2,000	-	2,000	0.00%
Water Tower Antenna Rentals	110,144	189,534	110,000	110,000	29,884	150,000	36.36%
Other General Govt Charges	3,368	3,476	3,500	3,500	1,218	3,500	0.00%
Admin Charge-Staff Time	-	106	-	-	-	-	0.00%
Plan Check Fee	86,767	153,425	42,000	42,000	54,912	80,000	90.48%
False Alarms	2,100	720	2,000	2,000	480	2,000	0.00%
Impound Fees	-	-	-	-	-	-	0.00%
State Building Code Surcharges	11,044	18,795	8,000	8,000	7,644	10,000	25.00%
City Building Code Surcharges	1,270	1,285	1,000	1,000	1,093	1,000	0.00%
City Hall Rental	-	-	-	-	-	-	0.00%
Park Facility Rental Fees	-	-	3,230	3,230	-	3,230	0.00%
Youth Program Field Use	6,139	4,787	4,000	4,000	2,425	4,000	0.00%
Adult Program Field Use	-	-	1,000	1,000	-	1,000	0.00%
Summer Playground Fees	16,704	20,825	15,500	15,500	20,882	20,800	34.19%
Summer Trip Fees	-	587	-	-	-	-	0.00%

Adult Programs	31,309	26,190	30,000	30,000	17,335	30,000	0.00%
Youth Programs	49,974	52,699	40,000	40,000	46,075	50,000	25.00%
Adult Softball	-	(340)	-	-	-	-	0.00%
After School Programs	11,507	13,148	10,000	10,000	9,330	10,000	0.00%
Special Events Programs	1,318	1,442	1,500	1,500	742	1,500	0.00%
Other Charges for Services	35	-	-	-	-	-	0.00%
Other Charges for Services	-	-	-	-	5,775	-	0.00%
<b>Total Charges for Services</b>	<b>510,247</b>	<b>686,443</b>	<b>476,303</b>	<b>476,303</b>	<b>203,389</b>	<b>573,865</b>	<b>20.48%</b>
<b><u>Fines &amp; Forfeits</u></b>							
Highway Patrol Fines	350	-	2,000	2,000	-	2,000	0.00%
DWI Forfeitures	2,703	135	3,000	3,000	916	3,000	0.00%
Violations Bureau	16,776	21,671	20,000	20,000	8,882	20,000	0.00%
Tobacco Fines	-	-	-	-	-	-	0.00%
Administrative Fines	9,740	9,000	8,869	8,869	-	10,800	21.77%
Forfeits	-	1,986	700	700	-	700	0.00%
<b>Total Fines &amp; Forfeits</b>	<b>29,569</b>	<b>32,792</b>	<b>34,569</b>	<b>34,569</b>	<b>9,798</b>	<b>36,500</b>	<b>5.59%</b>
<b><u>Special Assessments</u></b>							
Special Assessments	2,244	1,250	3,000	3,000	1,158	3,000	0.00%
Delinquent Sp Assessments	-	66	-	-	-	-	0.00%
Penalties and Int Sp Assessments	-	-	-	-	-	-	0.00%
PrePaid Special Assessments	-	-	-	-	-	-	0.00%
<b>Total Special Assessments</b>	<b>2,244</b>	<b>1,316</b>	<b>3,000</b>	<b>3,000</b>	<b>1,158</b>	<b>3,000</b>	<b>0.00%</b>
<b><u>Miscellaneous</u></b>							
Interest Income	64,275	53,522	65,000	65,000	51,579	65,000	0.00%
Contributions/Donations	-	-	3,600	3,600	-	3,600	0.00%
Contributions/Donations	-	-	-	-	-	-	0.00%
Contributions/Donations	-	-	-	-	300	-	0.00%
Contributions/Donations	-	-	-	-	-	-	0.00%
Contributions/Donations	-	-	-	-	2,800	-	0.00%
Contributions/Donations	-	-	-	-	-	-	0.00%
Candidate Filing Fee	-	-	-	-	-	-	0.00%
Developer Reimbursements	2,136	-	-	-	-	-	0.00%
Developer Reimbursements	-	-	-	-	-	-	0.00%
Conduit Debt Application Fee	500	500	-	-	-	-	0.00%
Conduit Debt Fees	4,409	25,000	-	-	-	-	0.00%
Night Time Construction Waiver	-	-	-	-	-	-	0.00%
Miscellaneous Reimbursements	-	156	550	550	39	550	0.00%
Miscellaneous Reimbursement	2,505	(1,682)	1,000	1,000	1,191	1,000	0.00%
Miscellaneous Reimbursement	-	-	3,000	3,000	-	3,000	0.00%
Miscellaneous Reimbursement	-	-	-	-	-	-	0.00%
Private Street Light Reimbursements	-	-	-	-	-	-	0.00%
Other Miscellaneous Revenue	1,199	-	1,000	1,000	-	1,000	0.00%
Other Miscellaneous Revenue	-	169	-	-	0	-	0.00%
Other Miscellaneous Revenue	-	-	-	-	-	-	0.00%
Miscellaneous Reimbursement	-	-	-	-	10	-	0.00%
Fire Inspection Reimbursement	-	-	-	-	-	-	0.00%
<b>Total Miscellaneous</b>	<b>75,024</b>	<b>77,665</b>	<b>74,150</b>	<b>74,150</b>	<b>55,919</b>	<b>74,150</b>	<b>0.00%</b>
<b>Total Operating Revenues</b>	<b>4,291,086</b>	<b>4,650,087</b>	<b>4,510,291</b>	<b>4,510,291</b>	<b>2,295,303</b>	<b>4,852,023</b>	<b>7.58%</b>
<b><u>Other Financing Sources</u></b>							
Sales of General Fixed Assets	-	-	-	-	-	-	0.00%
Transfer	-	-	-	-	-	-	0.00%
Transfer	-	-	-	-	-	-	0.00%
<b>Total Other Financing Sources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>
<b>Total General Fund Revenue</b>	<b>\$ 4,291,086</b>	<b>\$ 4,650,087</b>	<b>\$ 4,510,291</b>	<b>\$ 4,510,291</b>	<b>\$ 2,295,303</b>	<b>\$ 4,852,023</b>	<b>7.58%</b>

## **MAYOR AND COUNCIL**

**Function:** General Government  
**Supervisor:** Mayor & City Council  
**Fund #:** 101  
**Activity#:** 41100

### **Activity Scope**

The Mayor and City Council are responsible for the formulation of policy and the passage of laws governing the City of Arden Hills. Members participate in various committees, as well as direct staff, through the City Administrator, as to their overall goals for the City. This department provides for Mayor and Council compensation, Council meetings and work sessions, management consultants, memberships, and publishing legal notices. Funding for the City's newsletter is included in this budget, as is funding for the City Council Retreat Facilitator.

### **Objectives**

1. Adopt policies and ordinances consistent with Council's position on growth, zoning, and financial strategy.
2. Continue to work on the redevelopment of the TCAAP property.

### **Issues**

1. Creating funding sources to build reserve balances to fund future capital improvements while maintaining current City services.

### **Measurable Workload Data**

None developed at this time.

### **Budget Commentary**

In the 2017 the Mayor and Council Budget is proposed to decrease by 0.99%. Other Services and charges decreased by 1.95% due to primarily due to a decrease in anticipated expenditures for community projects.

## **Budget Summary**

Function: General Government

Department: Mayor & Council

Activity	Appropriation Detail						
	Actual FY 2014	Actual FY 2015	Budget FY 2016	Amended FY2016	YTD FY2016	Proposed FY 2017	% Change 16 vs 17
Personal Services	31,206	29,649	31,211	31,211	18,839	31,211	0.00%
Materials and Supplies	46	106	-	-	38	38	0.00%
Services and Charges	56,260	28,482	35,859	35,859	21,050	35,159	-1.95%
<b>Total Operating Expenses</b>	<b>87,512</b>	<b>58,236</b>	<b>67,070</b>	<b>67,070</b>	<b>39,926</b>	<b>66,408</b>	<b>-0.99%</b>
<b>Capital Outlay</b>	-	-	-	-	-	-	0.00%
<b>Department Total</b>	<b>87,512</b>	<b>58,236</b>	<b>67,070</b>	<b>67,070</b>	<b>39,926</b>	<b>66,408</b>	<b>-0.99%</b>
Funding Source:	General Fund						

## **ADMINISTRATION**

**Function: General Government**  
**Supervisor: City Administrator**  
**Fund #: 101**  
**Activity#: 41300**

### **Activity Scope**

City Administration provides the overall direction of the City, as determined by the City Council. The City Administrator serves as Chief Administrative Officer for the City, ensuring that laws, ordinances, and resolutions of the City Council are enforced and implemented. The Administration Department is responsible for administering Council policies, coordinating Council agendas, and providing support to other functional areas within the City.

The City Attorney acts as an advisor to the Council and staff on legal matters and represents the City in the legal actions. He prepares the contracts, ordinances, legal opinions and legal documents needed for the operation of City government.

As the City progresses further with the TCAAP Property and is partners with Ramsey County under a Joint Development Agency (JDA), part of the Administrator's time has been allocated to the TCAAP department to more accurately reflect the costs of supporting this development.

### **Objectives**

1. Assist City Council in setting policies and procedures in accordance with Council's position.
2. Provide direction and leadership on major city projects, budget management, oversee performance evaluation and long-range planning.

### **Issues**

1. Long-range planning to maintain current City services while creating funding sources for reserves.
2. Long-range comprehensive TCAAP planning
3. Long-range comprehensive public safety planning

### **Measurable Workload Data**

None developed at this time.

## **Budget Commentary**

The 2017 Administration operating budget is increasing by 4.78% over 2016. The biggest portion of the change is due to changes in salaries and benefits for employees.

## **Budget Summary**

Function: General Government

Department: Administration

Activity	Appropriation Detail						
	Actual FY 2014	Actual FY 2015	Budget FY 2016	Amended FY2016	YTD FY2016	Proposed FY 2017	% Change 16 vs 17
Total Personal Services	174,920	163,077	187,922	187,922	50,450	197,567	5.13%
Total Materials and Supplies	1,141	377	-	-	423	-	0.00%
Other Services and Charges	72,327	82,153	105,948	105,948	27,405	110,348	4.15%
<b>Total Operating Expenses</b>	<b>248,387</b>	<b>245,608</b>	<b>293,870</b>	<b>293,870</b>	<b>78,279</b>	<b>307,915</b>	<b>4.78%</b>
<b>Total Capital</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>
<b>Department Total</b>	<b>248,387</b>	<b>245,608</b>	<b>293,870</b>	<b>293,870</b>	<b>78,279</b>	<b>307,915</b>	<b>4.78%</b>
Funding Source:	General Fund						

## ELECTIONS

**Function:** General Government  
**Supervisor:** City Clerk  
**Fund#:** 101  
**Activity#:** 41410

### Activity Scope

This department covers the cost of administering all Federal, State and Municipal elections. This includes the preparation of any and all absentee ballots, organizing the polling places, election judges, and vote tabulations. The City contracts with Ramsey County for all the required election services.

### Objectives

1. Stay current on election laws.

### Issues

1. Stay current on election laws.

### Measurable Workload Data

None developed at this time.

### Budget Commentary

The Elections budget has a zero percent increase for FY17.

### Budget Summary

Function: General Government		Department: Elections					
Appropriation Detail							
Activity	Actual FY 2014	Actual FY 2015	Budget FY 2016	Amended FY2016	YTD FY2016	Proposed FY 2017	% Change 16 vs 17
Personal Services	-	-	-	-	-	-	0.00%
Materials and Supplies	-	-	-	-	-	-	0.00%
Other Services and Charges	17,429	19,438	23,000	23,000	4,682	23,000	0.00%
<b>Total Operating Expenses</b>	17,429	19,438	23,000	23,000	4,682	23,000	0.00%
<b>Total Capital</b>	-	-	-	-	-	-	0.00%
<b>Department Total</b>	17,429	19,438	23,000	23,000	4,682	23,000	0.00%
Funding Source: General Fund							



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## **FINANCE & ADMINISTRATIVE SERVICES**

**Function:** General Government  
**Supervisor:** Director of Finance and Administrative Services  
**Fund#:** 101  
**Activity#:** 41500

### **Activity Scope**

The Finance Department conducts the financial affairs of the City of Arden Hills in accordance with the Government Accounting Standards Board (GASB) and Generally Accepted Accounting Principles (GAAP). This includes protecting the assets of the City, the initiation of financial plans, investment and debt management, review and implementation of internal controls, and accounting for every financial transaction of the City including accounts payable, accounts receivable, payroll, and accounting control. The preparation of the annual audited financial report and annual budget document are also facilitated through Finance.

The Finance and Administrative Services Department is responsible for coordinating Council agendas, issuing business licenses and providing administrative support to other functional areas within the City. Costs captured in this department include auditor fees, software maintenance, network support fees, management of the website and audio visual equipment, office supplies and postage.

The City Clerk's responsibilities involve the management and retention of all official records and documents of the City, serving as the City's webmaster, as well as all election procedures. Finance and Administrative Services Department staff includes the Director of Finance and Administrative Services, Finance Analyst, Accounting Analyst, Accounting Clerk, City Clerk, and Office Support Staff.

### **Objectives**

1. Continue working to refine the financial management plan for the City.
2. Continue to produce a budget document in a format that received the GFOA's Distinguished Budget Presentation Award.
3. Continue to produce a Comprehensive Annual Financial Report (CAFR) and report for the public (Popular Annual Financial Report – PAFR) that receives the GFOA's award for excellence in reporting.
4. Provide meaningful and timely financial reports and information to Council, Commissions and other City Departments.
5. Streamline operations by providing more online services both internal and external to the organization.
6. Conduct City elections.
7. Manage information technology and train personal.
8. Manage human resource functions and employee benefits.

## Issues

1. Implement improved reporting procedures to inform Council, Commissions, and Departments.
2. Work with other Departments to find ways to reduce costs of City operations.
3. Analyze and implement ways to reduce transaction processing and costs.
4. Analyze and comply with the new Health Reform Act.
5. Update and maintain Human Resource Policies and Procedures.

## Measurable Workload Data

None developed at this time.

## Budget Commentary

The Finance and Administrative Support Services budget includes funds to handle the financial transactions of the City, in an efficient manner, while maintaining the highest level of internal controls and segregation of duties. It also includes funds to manage the administrative support and human resource functions of the City. This budget increased by 2.85% in 2017.

Personal Services shows an increase of 4.04% due to COLA changes. Other Services and Charges are increasing slightly, by 2.75%, due to a number of factors. Most of these are due to increased use of credit cards and technology.

Since Administrative Support Services and Finance benefit all areas within the City, an administrative charge was established in 2008 to recover costs from all funds based on the support provided from this department. Various line items in Other Services and Charges were increased or reduced in an effort to more accurately reflect expected expenditures.

## Budget Summary

Function: General Government		Department: Finance & Administrative Services					
		Appropriation Detail					
Activity	Actual FY 2014	Actual FY 2015	Budget FY 2016	Amended FY2016	YTD FY2016	Proposed FY 2017	% Change 16 vs 17
Personal Services	58,874	59,612	65,530	65,530	26,217	68,176	4.04%
Materials and Supplies	22,516	22,738	24,100	24,100	8,510	24,100	0.00%
Other Services and Charges	75,962	80,196	90,900	90,900	54,310	93,400	2.75%
<b>Total Operating Expenses</b>	157,352	162,546	180,530	180,530	89,037	185,676	2.85%
<b>Total Capital</b>	-	-	-	-	-	-	0.00%
<b>Department Total</b>	157,352	162,546	180,530	180,530	89,037	185,676	2.85%
Funding Source: General Fund							

## TCAAP

**Function:** General Government  
**Supervisor:** City Administrator  
**Fund#:** 101  
**Activity#:** 41600

### Activity Scope

This department was established to account for revenue and expenditure activity related to the City's comprehensive re-use planning at the Twin Cities Army Ammunition Plant (TCAAP) site.

### Objectives

1. Coordination of TCAAP redevelopment planning activities while continuing to meet the needs of the City of Arden Hills.
2. Work with Ramsey County through the Joint Development Authority (JDA).

### Issues

1. Economic conditions.
2. Coordinating with multiple entities//players

### Measurable Workload Data

None developed at this time.

### Budget Commentary

Since the City's private development partner pulled out of the project in April of 2009, Ramsey County purchased the property and established a Joint Development Authority (JDA) with the City. Revenues and expenditures are for City costs and are estimated, but placeholders have been included for consulting costs, and staff time has been allocated for the City Administrator, Community Development Director, Associate Planner, and Public Works Director as they act as the City's support staff to this Authority. The 2017 budget shows an increase of 7.65%, largely due to the increase in Personal Services as a result COLA changes.

## **Budget Summary**

Function: General Government

Department: TCAAP

Activity	Appropriation Detail						
	Actual FY 2014	Actual FY 2015	Budget FY 2016	Amended FY2016	YTD FY2016	Proposed FY 2017	% Change 16 vs 17
Personal Services	60,655	92,230	107,358	107,358	38,233	120,653	12.38%
Materials and Supplies	200	-	1,000	1,000	-	1,000	0.00%
Other Services and Charges	51,889	47,582	65,500	65,500	26,289	65,500	0.00%
<b>Total Operating Expenses</b>	112,744	139,812	173,858	173,858	64,523	187,153	7.65%
<b>Capital Outlay</b>	-	-	-	-	-	-	0.00%
<b>Other Financing Uses</b>	-	-	-	-	-	-	0.00%
<b>Department Total</b>	112,744	139,812	173,858	173,858	64,523	187,153	7.65%
Funding Source: General Fund							

## PLANNING & ZONING

**Function:** General Government  
**Supervisor:** Community Development Director  
**Fund#:** 101  
**Activity#:** 41910

### Activity Scope

The City's Planning and Zoning Department is responsible for all planning and zoning related functions of the City. Activities administered by this department include requests for variances, subdivisions, re-zonings, zoning code amendments, signs, conditional use permits, compliance with City Ordinances, and other land use issues. The Planners work closely with Protective Inspections, Code Enforcement, and Community Development.

The Planning Commission, consisting of seven members appointed annually by the City Council, meets monthly to review the above requests and to make recommendations to the City Council in an advisory capacity.

### Objectives

1. Continue to work on Rental Housing registrations.
2. Continue improvements of the City's planning process.
3. Develop zoning on the TCAAP property.

### Issues

1. Rental Housing registrations
2. Refine Building Permit process
3. Research and refine an Administrative Fines process

### Measurable Workload Data

None developed at this time.

### Budget Commentary

The budget for 2017 is a total increase of 50.30% over the 2016 budget. The Personal Services budget increased by 5.79%, reflecting the change resulting from COLA changes. Other Services and Charges increased by 190.11% due to anticipated charges for the Comprehensive Plan Amendment relating to TCAAP expected in 2017.

## **Budget Summary**

Function: General Government

Department: Planning & Zoning

Appropriation Detail							
Activity	Actual FY 2014	Actual FY 2015	Budget FY 2016	Amended FY2016	YTD FY2016	Proposed FY 2017	% Change 16 vs 17
Personal Services	191,125	149,861	164,988	164,988	70,062	174,535	5.79%
Materials and Supplies	204	31	200	200	14	200	0.00%
Other Services and Charges	20,997	20,737	52,600	52,600	10,167	152,600	190.11%
<b>Total Operating Expenses</b>	<b>212,327</b>	<b>170,629</b>	<b>217,788</b>	<b>217,788</b>	<b>80,243</b>	<b>327,335</b>	<b>50.30%</b>
<b>Capital Outlay</b>	-	-	-	-	-	-	0.00%
<b>Department Total</b>	<b>212,327</b>	<b>170,629</b>	<b>217,788</b>	<b>217,788</b>	<b>80,243</b>	<b>327,335</b>	<b>50.30%</b>
Funding Source: General Fund							

## **GOVERNMENT BUILDINGS**

**Function:** General Government  
**Supervisor:** Director of Finance and Administrative Services  
**Fund#:** 101  
**Activity#:** 41940

### **Activity Scope**

This department captures all of the operation/maintenance related costs for the City Hall and Government Building facilities.

The City entered into a contract with Ramsey County for a joint maintenance facility located just west of City Hall off County Road 96 on Paul Kirkwold Drive. The new facility was completed and occupied as of October, 2004. The City's portion of the Ramsey County maintenance facility is charged to this budget.

### **Objectives**

1. Maintain a reputable facility to house meetings and staff.

### **Issues**

1. Normal maintenance and repair issues as the building (City Hall) has now been in operation for twelve years.

### **Measurable Workload Data**

None developed at this time.

### **Budget Commentary**

The 2017 budget is an increase of 3.26% from the previous year's budget. This increase is primarily due to increases in maintenances costs of the City Hall building and Personal Services.

## **Budget Summary**

Function: General Government

Department: Government Buildings

Activity	Appropriation Detail						
	Actual FY 2014	Actual FY 2015	Budget FY 2016	Amended FY2016	YTD FY2016	Proposed FY 2017	% Change 16 vs 17
Personal Services	32,662	25,872	38,417	38,417	9,251	40,086	4.34%
Materials and Supplies	6,703	5,469	7,000	7,000	1,662	7,000	0.00%
Other Services and Charges	181,733	188,328	189,717	189,717	68,897	195,717	3.16%
<b>Total Operating Expenses</b>	221,098	219,669	235,134	235,134	79,810	242,803	3.26%
<b>Capital Outlay</b>	-	-	-	-	-	-	0.00%
<b>Department Total</b>	221,098	219,669	235,134	235,134	79,810	242,803	3.26%
Funding Source: General Fund							



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## POLICE AND ANIMAL CONTROL

**Function:** Public Safety  
**Supervisor:** City Administrator  
**Fund#:** 101  
**Activity#:** 42100

### Activity Scope

Law Enforcement services for Arden Hills are provided on a contractual basis with the Ramsey County Sheriff's Department. Animal control services are included in this contract.

### Objectives

1. Continue contracting for law enforcement and animal control services through the Ramsey County Sheriff's Department.

### Issues

1. Residents concerns over police coverage and visibility.
2. Response times.

### Measurable Workload Data

None developed at this time.

### Budget Commentary

Arden Hills portion of the Ramsey County Sheriff's Contracting Communities 2017 budget increased 6.52% over 2016, Animal control is now included as it is now provided by the Ramsey County Sheriff's Department. The cost of boarding animals estimated to be \$2,000 to Hillcrest Animal Hospital is also included in this budget.

### Budget Summary

Function: Public Safety	Department: Police and Animal Services						
	Appropriation Detail						
Activity	Actual FY 2014	Actual FY 2015	Budget FY 2016	Amended FY2016	YTD FY2016	Proposed FY 2017	% Change 16 vs 17
Other Services and Charges	1,045,386	1,083,893	1,107,562	1,107,562	552,574	1,179,773	6.52%
<b>Total Operating Expenses</b>	1,045,386	1,083,893	1,107,562	1,107,562	552,574	1,179,773	6.52%
<b>Capital Outlay</b>	-	-	-	-	-	-	0.00%
<b>Department Total</b>	1,045,386	1,083,893	1,107,562	1,107,562	552,574	1,179,773	6.52%
Funding Source: General Fund							

## DISPATCH

**Function:** Public Safety  
**Supervisor:** City Administrator  
**Fund#:** 101  
**Activity#:** 42100

### Activity Scope

Emergency dispatch services are provided by Ramsey County.

### Objectives

1. Continue contracting dispatch services through Ramsey County.

### Issues

### Measurable Workload Data

None developed at this time.

### Budget Commentary

Arden Hills portion of the Ramsey County 911 Dispatch Department operation budget increased by 1.55%. Dispatch saw a significant increase in the 2014 and 2015 budget due to CAD costs, but those costs are now leveling out and appropriately budgeted for.

### Budget Summary

Function: Public Safety		Department: Dispatch					
		Appropriation Detail					
Activity	Actual FY 2014	Actual FY 2015	Budget FY 2016	Amended FY2016	YTD FY2016	Proposed FY 2017	% Change 16 vs 17
Other Services and Charges	60,352	68,328	67,780	67,780	22,593	68,832	1.55%
<b>Total Operating Expenses</b>	60,352	68,328	67,780	67,780	22,593	68,832	1.55%
<b>Capital Outlay</b>	-	-	-	-	-	-	0.00%
<b>Department Total</b>	60,352	68,328	67,780	67,780	22,593	68,832	1.55%
Funding Source: General Fund							

## FIRE PROTECTION

**Function:** Public Safety  
**Supervisor:** City Administrator  
**Fund#:** 101  
**Activity#:** 42100

### Activity Scope

Fire protection for Arden Hills is provided by the Lake Johanna Volunteer Fire Department on a contractual basis. Lake Johanna Volunteer Fire Department presently provides services to the cities of Arden Hills, Shoreview, and North Oaks. Arden Hills pays a percentage of operating and capital costs based on a formula approved by the Lake Johanna Fire Department and Arden Hills City Council.

### Objectives

1. Continue contracting for fire protection services through Lake Johanna Volunteer Fire Department.

### Issues

1. Continue to maintain service levels at a reasonable cost.

### Measurable Workload Data

None developed at this time.

### Budget Commentary

Arden Hills's portion of the Lake Johanna Fire Department operating budget increased 3.89%. This budget reflects increases to operating costs.

### Budget Summary

Function: Public Safety		Department: Fire Protection					
Activity	Appropriation Detail						
	Actual FY 2014	Actual FY 2015	Budget FY 2016	Amended FY2016	YTD FY2016	Proposed FY 2017	% Change 16 vs 17
Other Services and Charges	431,006	459,179	495,216	495,216	247,608	514,468	3.89%
<b>Total Operating Expenses</b>	431,006	459,179	495,216	495,216	247,608	514,468	3.89%
<b>Capital Outlay</b>	-	-	-	-	-	-	0.00%
<b>Department Total</b>	431,006	459,179	495,216	495,216	247,608	514,468	3.89%
Funding Source: General Fund							

## EMERGENCY MANAGEMENT

**Function:** Public Safety  
**Supervisor:** City Administrator  
**Fund#:** 101  
**Activity#:** 42300

### Activity Scope

Emergency Management coordination for the City is required by the Federal Government. This department works closely with Ramsey County Department of Homeland Security, as well as the Ramsey County Sheriff and Lake Johanna Fire Department. The City contracts with a consultant to provide these services.

### Objectives

1. Update City's Emergency Response Policy and Procedures.
2. Train staff in emergency management procedures.

### Issues

1. Coordinate with Ramsey County's emergency response procedures and policies

### Measurable Workload Data

None developed at this time.

### Budget Commentary

The 2017 budget is an increase of 0.67% from the 2016 budget.

### Budget Summary

Function: Public Safety		Department: Emergency Management					
		Appropriation Detail					
Activity	Actual FY 2014	Actual FY 2015	Budget FY 2016	Amended FY2016	YTD FY2016	Proposed FY 2017	% Change 16 vs 17
Personal Services	2,644	2,146	2,788	2,788	-	2,879	3.26%
Materials and Supplies	-	-	-	-	-	-	0.00%
Other Services and Charges	3,331	434	10,850	10,850	2,831	10,850	0.00%
<b>Total Operating Expenses</b>	5,975	2,580	13,638	13,638	2,831	13,729	0.67%
<b>Capital Outlay</b>	-	-	-	-	-	-	0.00%
<b>Department Total</b>	5,975	2,580	13,638	13,638	2,831	13,729	0.67%
Funding Source: General Fund							



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## **PROTECTIVE INSPECTIONS**

**Function:** Public Safety  
**Supervisor:** Building Official  
**Fund#:** 101  
**Activity#:** 42400

### **Activity Scope**

This department is responsible for all building construction, plumbing, sanitary sewer, water and mechanical inspections within the City. Electrical inspections are contracted for by an independent inspection firm. This department is also responsible for enforcement of the Zoning Code and other sections of the City Code of Ordinances.

### **Objectives**

1. Sign Ordinance.
2. Continue implementation of the building codes.
3. Continue to work on Building Permit software to produce Council reports.

### **Issues**

1. Managing and prioritizing department workloads
2. Keep up with rental license inspections of investor owned residential properties
3. Continued implementation and design of new Building Permit software and reports

### **Measureable Workload Data**

None developed at this time.

### **Budget Commentary**

The 2017 operating budget is an increase of 3.68% from the previous year's budget. This is mainly due to personal services increases and associated benefits, and additional technology and software charges.

## **Budget Summary**

Function: Public Safety

Department: Protective Inspections

Activity	Appropriation Detail						
	Actual FY 2014	Actual FY 2015	Budget FY 2016	Amended FY2016	YTD FY2016	Proposed FY 2017	% Change 16 vs 17
Personal Services	232,334	241,371	252,001	252,001	110,491	261,992	3.96%
Materials and Supplies	1,009	677	3,046	3,046	333	3,046	0.00%
Other Services and Charges	50,034	64,251	57,040	57,040	46,373	58,540	2.63%
<b>Total Operating Expenses</b>	283,377	306,299	312,087	312,087	157,197	323,578	3.68%
<b>Capital Outlay</b>	-	-	-	-	-	-	0.00%
<b>Department Total</b>	283,377	306,299	312,087	312,087	157,197	323,578	3.68%
<b>Funding Source: General Fund</b>							

## STREET MAINTENANCE

**Function:** Public Works  
**Supervisor:** Public Works Superintendent  
**Fund#:** 101  
**Activity#:** 43100

### Activity Scope

This department is responsible for maintaining City streets, including snowplowing, minor street repair, street signs, and street sweeping.

### Objectives

1. Maintain street infrastructure utilizing all available techniques including crack sealing, seal coating, patching and overlays.
2. Recommend a cost effective program for reconstructing/reclaiming street surfaces when maintenance techniques no longer provide the desired results.
3. Maintain and update equipment and vehicles.

### Issues

1. Implement a capital improvement program for City infrastructure
2. Balance the public works department needs with available funds
3. Increased costs of fuel and street products due to fuel costs
4. Staffing and budgeting for unpredictable circumstances
5. Aging equipment
6. Increased safety regulation for equipment and vehicles

### Measurable Workload Data

None developed at this time.

### Budget Commentary

The 2017 operating budget is an increase of 4.24% from the previous year's budget.

## **Budget Summary**

Function: Public Works

Department: Street Maintenance

Activity	Appropriation Detail						
	Actual FY 2014	Actual FY 2015	Budget FY 2016	Amended FY2016	YTD FY2016	Proposed FY 2017	% Change 16 vs 17
Personal Services	212,541	187,441	197,879	197,879	71,395	221,292	11.83%
Materials and Supplies	129,754	65,563	72,625	72,625	18,081	72,625	0.00%
Other Services and Charges	238,577	83,394	259,939	259,939	43,941	259,039	-0.35%
<b>Total Operating Expenses</b>	580,871	336,397	530,443	530,443	133,417	552,956	4.24%
<b>Capital Outlay</b>	-	-	-	-	-	-	0.00%
<b>Department Total</b>	580,871	336,397	530,443	530,443	133,417	552,956	4.24%
Funding Source: General Fund							

## PARKS MAINTENANCE

**Function:** Parks and Recreation  
**Supervisor:** Parks and Recreation Coordinator/Public Works Superintendent  
**Fund#:** 101  
**Activity#:** 45200

### Function

This department is responsible for maintenance of City parks and trails as well as administration of the diseased tree/forestry program. This includes maintaining and improving playground and picnic facilities, fertilizing and mowing of grass, maintaining athletic fields, flooding and maintenance of outdoor ice rinks, snow and ice removal, and tree preservation within the parks system of the City. These assets of the City are extensively used by the residents, and improvements must be made to uphold the safety, functionality, and beauty the City represents.

### Objectives

1. Continue pathway maintenance.
2. Continue implementing City's Comprehensive Park and Trails plan.

### Issues

1. Other maintenance concerns coming up and not allowing completion of existing projects
2. Budget constraints for future and existing projects

### Measurable Workload Data

None developed at this time.

### Budget Commentary

The 2017 operating budget is an increase of 1.40% from the previous year's budget. This is primarily due to expected other services and charges t increase.

### Budget Summary

Function: Parks and Recreation		Department: Park Maintenance					
Appropriation Detail							
Activity	Actual FY 2014	Actual FY 2015	Budget FY 2016	Amended FY2016	YTD FY2016	Proposed FY 2017	% Change 16 vs 17
Personal Services	252,885	205,538	233,191	233,191	83,504	234,304	0.48%
Materials and Supplies	24,359	24,217	36,000	36,000	8,023	36,000	0.00%
Other Services and Charges	141,675	95,951	184,704	184,704	56,788	189,950	2.84%
<b>Total Operating Expenses</b>	418,919	325,706	453,895	453,895	148,316	460,254	1.40%
<b>Capital Outlay</b>	-	-	-	-	-	-	0.00%
<b>Department Total</b>	418,919	325,706	453,895	453,895	148,316	460,254	1.40%
Funding Source: General Fund							

## RECREATION PROGRAM

**Function:** Parks and Recreation  
**Supervisor:** Park and Recreation Coordinator  
**Fund#:** 101  
**Activity#:** 45120

### Activity Scope

This department provides all recreation activities to residents of Arden Hills, as well as residents from neighboring communities.

### Objectives

1. To provide recreation activities to residents of Arden Hills.

### Issues

1. Develop Senior programming
2. Budget constraints

### Measurable Workload Data

None developed at this time.

### Budget Commentary

The 2017 operating budget is an increase of 2.67% from the previous year's budget.

### Budget Summary

Function: Parks and Recreation		Department: Recreation					
Activity	Appropriation Detail						
	Actual FY 2014	Actual FY 2015	Budget FY 2016	Amended FY2016	YTD FY2016	Proposed FY 2017	% Change 16 vs 17
Personal Services	150,754	171,377	217,479	217,479	67,184	225,202	3.55%
Materials and Supplies	20,115	19,428	16,275	16,275	10,713	16,275	0.00%
Other Services and Charges	58,426	57,073	54,991	54,991	33,037	54,991	0.00%
<b>Total Operating Expenses</b>	229,295	247,878	288,745	288,745	110,935	296,468	2.67%
<b>Total Capital</b>	-	-	-	-	-	-	0.00%
<b>Department Total</b>	229,295	247,878	288,745	288,745	110,935	296,468	2.67%
Funding Source: General Fund							

## CELEBRATING ARDEN HILLS

**Function:** Parks and Recreation  
**Supervisor:** Parks and Recreation Coordinator  
**Fund#:** 101  
**Activity#:** 45400

### Activity Scope

This department provides all the activities and costs associated with the City-wide celebration, “Celebrating Arden Hills” or for a significant event in a neighborhood park.

### Objectives

1. To provide a City-wide celebration for all residents of Arden Hills or to provide for an event in a neighborhood park.

### Issues

1. Budget constraints
2. Economic conditions which effect donations from the business community

### Measurable Workload Data

None developed at this time.

### Budget Commentary

This department was created to monitor activities and funding for Celebrating Arden Hills. The City Council has elected to forgo an event for 2014-present.

### Budget Summary

Function: General Government		Department: Celebrating Arden Hills					
		Appropriation Detail					
Activity	Actual FY 2014	Actual FY 2015	Budget FY 2016	Amended FY2016	YTD FY2016	Proposed FY 2017	% Change 16 vs 17
Personal Services	-	-	-	-	-	-	0.00%
Materials and Supplies	-	-	-	-	-	-	0.00%
Other Services and Charges	-	-	-	-	-	-	0.00%
<b>Total Operating Expenses</b>	-	-	-	-	-	-	0.00%
<b>Department Total</b>	-	-	-	-	-	-	0.00%
Funding Source: General Fund							

## TRANSFERS TO OTHER FUNDS

**Function:** General Government  
**Supervisor:** Director of Finance and Administrative Services  
**Fund#:** 101  
**Activity#:** 49300

### Activity Scope

The transfers to other funds budget is utilized to account for the transfer of general fund revenues to other funds within the City financial structure.

### Objectives

1. To build reserves for capital equipment replacement.
2. To subsidize infrastructure improvements.

### Issues

1. Budget constraints

### Measurable Workload Data

None developed at this time.

### Budget Commentary

2017 includes a transfer of \$50,000 to fund Equipment Replacement, \$90,000 to fund EDA activities, and \$200,000 to the PIR Fund.

### Budget Summary

Function: General Government		Department: Transfers					
		Appropriation Detail					
Activity	Actual FY 2014	Actual FY 2015	Budget FY 2016	Amended FY2016	YTD FY2016	Proposed FY 2017	% Change 16 vs 17
<b>Operating Transfers</b>							
Transfer to Storm Water Mgmt	-	-	-	-	-	-	0%
Transfer to Park Fund	-	-	-	-	-	-	0%
Transfer to EDA General Fund	-	30,000	60,000	60,000	-	90,000	50%
Transfer to Equipment Fund	50,000	50,000	50,000	50,000	-	50,000	0%
Transfer to Public Safety Capital	-	-	-	-	-	-	-100%
Transfer to PIR	162,417	-	100,000	100,000	-	200,000	100%
Transfer to Debt Service	-	-	-	-	-	-	100%
<b>Department Total</b>	212,417	80,000	210,000	210,000	-	340,000	61.90%
Funding Source: General Fund							

## RESERVES/CONTINGENCY

**Function:** General Government  
**Supervisor:** Director of Finance and Administrative Services  
**Fund#:** 101  
**Activity#:** n/a

### Activity Scope

The reserves/unallocated contingency department is utilized to budget present reserves to be used for future expenditures and to set aside funds for unexpected occurrences or items whose costs cannot be readily estimated.

### Objectives

1. To set aside funds for unexpected occurrences.
2. Allow funding for items which costs cannot be readily estimated.

### Issues

1. Budget constraints

### Measurable Workload Data

None developed at this time.

### Budget Commentary

This budget is to provide designated funding for unanticipated expenses. No reserves/contingency has been budgeted for 2016.

### Budget Summary

Function: General Government		Department: Reserves/Contingency					
		Appropriation Detail					
Activity	Actual FY 2014	Actual FY 2015	Budget FY 2016	Amended FY2016	YTD FY2016	Proposed FY 2017	% Change 16 vs 17
<b>Reserves</b>							
Contingency	-	-	-	-	-	-	0.00%
<b>Department Total</b>	-	-	-	-	-	-	0.00%
General Fund							



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# Staffing

The following chart shows the staffing comparison by department for the City of Arden Hills in full-time equivalents.

Full-time Equivalents for full time employees are calculated by taking the total number of hours worked (up to 2080) divided by 2080. Seasonal and Interns are calculated by adding up total hours each employee worked based on department then dividing by 2080.

	2014 <u>Actual</u>	2015 <u>Actual</u>	2016 <u>Adopted</u>	2016 <u>Estimated</u>	2017 <u>Proposed</u>
<b>Administration</b>					
Administrator	1.00	1.00	1.00	1.00	1.00
FTE's	1.00	1.00	1.00	1.00	1.00
<b>Finance &amp; Administrative Services</b>					
Finance & Administrative Director	1.00	1.00	1.00	1.00	1.00
Accounting Analyst	1.00	1.00	1.00	1.00	1.00
Finance Analyst	1.00	1.00	1.00	1.00	1.00
City Clerk	1.00	1.00	1.00	1.00	1.00
Deputy City Clerk	-	1.00	1.00	1.00	1.00
Accounting Clerk	1.00	1.00	1.00	1.00	1.00
Office Support Specialist	2.00	2.00	2.00	1.00	1.00
Customer Service Representative	1.00	1.00	1.00	1.00	1.00
FTE's	8.00	9.00	9.00	8.00	8.00
<b>Community Development</b>					
Comm. Dev Director	1.00	1.00	1.00	1.00	1.00
Bldg Official	1.00	1.00	1.00	1.00	1.00
Bldg Inspector	1.00	1.00	1.00	1.00	1.00
City Planner	1.00	1.00	1.00	1.00	1.00
Associate Planner	1.00	1.00	1.00	1.00	-
Senior Planner	-	-	-	-	1.00
FTE's	5.00	5.00	5.00	5.00	5.00
<b>Public Works</b>					
Public Works Director	1.00	1.00	1.00	1.00	1.00
Assistant City Engineer	1.00	1.00	1.00	1.00	1.00
Public Works Superintendent	1.00	1.00	1.00	1.00	1.00
Parks & Rec. Manager	1.00	-	-	-	-
Recreation Coordinator	-	1.00	1.00	1.00	1.00
Recreation Programmer	1.00	1.00	1.00	1.00	1.00
PW Working Foreman	-	-	-	-	1.00
PW Maint. Workers (8)	8.00	8.00	8.00	8.00	8.00
FTE's	13.00	13.00	13.00	13.00	14.00
<b>Seasonal and Interns</b>					
Public Works	2.06	2.06	2.06	2.00	2.00
Parks and Rec.	2.43	2.43	2.43	2.00	2.00
Finance and Admin Intern	0.00	0.00	0.00	0.00	0.00
Engineering Intern	0.50	0.50	0.50	0.00	0.00
FTE's	4.99	4.99	4.99	4.00	4.00
<b>Total FTE's</b>	<b>31.99</b>	<b>32.99</b>	<b>32.99</b>	<b>31.00</b>	<b>32.00</b>

In comparison to the chart above, the chart below shows the total number of employees hired to work for the City, that compose of the FTE's listed above. Note in 2016 an extra employee was added to PW Seasonal for rain garden maintenance.

**Head Count of Total Number of Employees**

	2014 <u>Actual</u>	2015 <u>Actual</u>	2016 <u>Estimated</u>	2017 <u>Proposed</u>
<b>Full Time Employees</b>	27	27	27	28
<b>Part Time Employees</b>	-	-	-	-
<b>Public Works Seasonal</b>	8	8	9	9
<b>Parks &amp; Recreation Seasonal</b>	34	44	36	36
<b>Interns</b>				
<i>Administration</i>	-	-	-	-
<i>Community Development</i>	-	-	-	-
<i>Engineering</i>	1	-	-	-
<i>Finance</i>	-	-	-	-
<i>Pubic Works</i>	-	-	-	-
<b>Total Employees</b>	70	79	72	73

The following page shows the 2017 payroll and benefit allocation by person to each department. This page also shows how the Administrative Charge is calculated for the Administration, Finance, and Government Buildings Departments to other funds.

## Employee Compensation

Salaries included in this budget are based on pay grades and steps, the following salaries have been calculated using the City's compensation system and the each employee's classification in that system.

<b>Title</b>	<b>Total Salary Payable</b>	<b>Total Benefits Payable</b>
City Administrator	\$132,982	\$29,524
Finance & Administrative Director	118,353	27,308
Accounting Analyst	70,053	19,991
Finance Analyst	67,568	19,614
City Clerk	66,991	19,527
Deputy City Clerk	52,888	17,390
Accounting Clerk	60,607	18,559
Office Support Specialist	55,489	17,784
Customer Service Representative	55,489	17,784
Comm. Dev Director	118,353	27,308
Bldg Official	88,440	22,776
Bldg Inspector	73,175	20,464
City Planner	78,578	21,282
Senior Planner	67,897	19,664
Public Works Director	118,353	27,308
Assistant City Engineer	95,892	23,905
Public Works Superintendent	70,252	20,021
Recreation Coordinator	62,499	18,846
Recreation Programmer	48,542	16,732
Public Works Working Foreman	57,117	18,861
Public Works Maintenance	56,909	17,999
Public Works Maintenance	48,538	17,999
Public Works Maintenance	56,909	16,731
Public Works Maintenance	56,909	18,031
Public Works Maintenance	56,909	17,999
Public Works Maintenance	56,909	17,999
Public Works Maintenance	62,600	17,999
Public Works Maintenance	45,115	16,212
<b>Total Budget for FTE's</b>	<b>\$2,000,316</b>	<b>\$565,617</b>
Mayor	\$6,100	
Councilmember	5,700	





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