



CITY OF COLUMBIA HEIGHTS

ADOPTED ANNUAL BUDGET

FOR THE

FISCAL YEAR BEGINNING JANUARY 1, 2019

2019 ADOPTED BUDGET

CITY OF COLUMBIA HEIGHTS

2019 BUDGET

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INTRODUCTION

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CITY OF COLUMBIA HEIGHTS, MINNESOTA

PRINCIPAL CITY OFFICIALS

JANUARY 2019

CITY COUNCIL

DONNA SCHMITT, MAYOR
Term expires 01-04-2021

ROBERT A. WILLIAMS, COUNCIL MEMBER
Term expires 01-04-2021

JOHN MURZYN JR., COUNCIL MEMBER
Term expires 01-02-2023

CONNIE BUESGENS, COUNCIL MEMBER
Term expires 01-04-2021

NICK NOVITSKY, COUNCIL MEMBER
Term expires 01-02-2023

CITY MANAGERIAL STAFF

<u>Employee</u>	<u>Position</u>	<u>Date Appointed</u>
Kelli Bourgeois	City Manager	January 1, 2019
TBD	Human Resources Director/Assistant to the City Manager	
Kevin Hansen	Public Works Director/City Engineer	December 1, 1997
Gary Gorman	Fire Chief	April 25, 2005
Lenny Austin	Police Chief	November 13, 2017
Joseph Kloiber	Finance Director/Treasurer	June 1, 2011
Renee Dougherty	Library Director	April 1, 2013
TBD	Community Development Director	
Keith Windschitl	Recreation Director	August 4, 1997

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OVERVIEW

Form of Government

The City of Columbia Heights (the City) is located within Anoka County in the State of Minnesota. The City operates under a council-manager form of government, pursuant to a home-rule city charter adopted by the qualified voters of the City. All policy decisions and legislative activities of the City are the responsibility of the City Council, but administrative duties are delegated to the City Manager by the City Council. One of the many administrative duties delegated to the City Manager is to prepare an annual budget for approval by the City Council.

Budget Process

Each May, the annual budget process begins with each city department analyzing objectives for the coming calendar year and preparing budget requests to accomplish those objectives. During the month of June, this departmental data is integrated into the City's centralized accounting system by the Finance Department and reviewed. During the month of July, the City Manager, together with the Finance Director, meets with each department to further review their budget requests and discuss any changes proposed by the City Manager. The Finance Department then incorporates any such changes into the City's centralized accounting system, and assembles the City Manager-proposed budget for distribution at a regular City Council meeting in August, as required under the City's charter. The City Council then reviews this City Manager-proposed budget, which includes the proposed property tax levy necessary to finance the budget. Under state statute, the City Council must approve a proposed budget and proposed property tax levy by September of each year. This allows the Anoka County Auditor sufficient time to prepare and mail to each property owner a notice by November 24th, listing the tax proposed for their property and the date of the public hearing on the budget. This county notice also lists similar information for each taxing district within which a property lies (county, school district, special districts). If the City Council does not adopt a proposed budget and levy by September, state statute sets the proposed amounts equal to the current year budget and levy.

From September to December each year, multiple work sessions are held with the City Council and city staff to consider the proposed budget in greater detail than is generally practical at regular City Council meetings. On the second Monday in December each year, the City Council holds a public hearing on the proposed budget and tax levy.

Following the public hearing, the City Council approves the adopted budget and final tax levy. By state statute, the final levy can be less than the proposed levy, but it cannot be greater than the proposed levy. In the following year, the County collects the tax levy on behalf of the City, along with the property taxes levied by other taxing districts (county, school district, special districts). If the City Council does not approve an adopted budget and final levy by December 20th, state statute sets the adopted budget and final levy as equal to the proposed budget and levy.

Budget Format

The City of Columbia Heights proposed budget is prepared and distributed in a single volume format that includes narrative information highlighting department activities, objectives, and budget changes, in addition to listing dollar amounts for all budgeted revenues and expenses. This format is designed to provide the reader with a useful amount of explanation of the purpose of the various dollar amounts in the budget. For use during City Council work sessions, a separate detail budget workbook is also distributed for each of the ten functional areas with the budget. These workbooks include much of the same information as the single volume proposed budget, but also include additional detail on expected purchases included within the expense categories in the budget.

Following approval of the adopted budget by the City Council, a single volume adopted budget is bound and distributed. This is substantially the same as the proposed budget, but it incorporates additional graphics and any changes to the proposed budget made by the City Council. This becomes the permanent record of the budget intended for general-purpose public use. It is also made available on the City's website.

Budget Organization

The City, like states and other local governments, uses fund accounting to demonstrate compliance with finance-related legal requirements. A fund is a group of related accounts that are used to maintain control over resources that have been segregated for specific activities or purposes. The legal level of budgetary control for the City is at the fund level. Any transfers between funds require authorization by the City Council. If a budgeted fund's annual expenses were to exceed the level authorized by the City Council in any one year, it would be a violation of a finance-related legal requirement.

To further control expenses, each fund is subdivided into one or more departments. For example, within the Liquor Fund there is a separate department for each of the three municipal liquor stores operated by the City. Within each department, the major categories of expenses are as follows:

Personal Services

This includes all employee costs paid by the City, including salaries, over-time, PERA and FICA contributions, workers' compensation insurance, hospitalization and other benefits.

Supplies

This includes all consumable items such as office, computer, janitorial, and program supplies. Also included are minor equipment, uniforms, protective clothing, library materials, vehicle parts and fuel. Additionally, the cost of goods and services purchased for resale is included here, such as the Metropolitan Council sewer disposal charges and the cost of water purchased from the City of Minneapolis.

Other Services & Charges

This includes all items not included in the other expense categories. It covers such services as liability insurance, utilities, repair and maintenance costs, training and travel costs, telephone, postage, advertising, and contracted services such as legal fees, auditing fees, and other expert and professional contracts.

Capital Outlay

This includes all vehicles and equipment over \$5,000 per item, major improvements to buildings, and major improvements to streets or other infrastructure. Equipment under \$5,000 per item is generally classified under supplies.

Contingencies and Transfers

Contingencies are an allowance in the budget for expenses that are unknown or not estimable. Transfers are resources initially obtained by one fund that are budgeted for use by another fund.

To help the reader understand the level of city services provided by the budget, and to promote management accountability, the City's various funds and departments are grouped within the budget documents based on their function. For example, all of the portions of the budget that provide police services are grouped together within a given section of the budget documents. The ten functional areas used to group funds and departments within the budget documents are as follows:

Administration	Liquor
Community Development	Police
Finance	Public Works
Fire	Recreation
General Government (for items not included in other functions)	
Library	

CITY OF COLUMBIA HEIGHTS

UNDERSTANDING THE MINNESOTA PROPERTY TAX SYSTEM

Property taxes are a principal source of resources for the City of Columbia Heights' budget. The State of Minnesota has established a very complex formula for how property tax levies are distributed to residential and commercial properties. The State formula involves several factors. Examples include an exclusion of a portion of homestead property value, and an area-wide tax on commercial property that is shared and distributed to communities that have a limited commercial base. However, the key concept of the system is that the total amount of a property tax levy for a taxing district is established first, and then that tax is shared between the individual properties within the district based on each property's percentage of the total property value in the district. This differs greatly from a method used in some other states, where a tax rate, sometimes called a property tax mill rate, is established first and then this rate is applied to the value of each property.

Without knowing this key concept of the Minnesota property tax system, people often hold the common misconception that if a property's value decreases, the taxes on that property will also decrease. This is not necessarily the case. Since property values are only used as the basis for dividing up the total tax levy between taxpayers, if most of the properties in the City decrease in value by the same percentage, each property would each generally continue to get the same share of the total City tax levy.

Not factoring in this key concept of the Minnesota property tax system also leads people into the error of comparing taxes on properties of the same actual value in two different communities. As explained above, the property tax levy is shared among properties based on their proportionate values not their actual values. For example, a \$200,000 home in the City of Columbia Heights would not make up the same percentage of the total community value as a \$200,000 home in the City of Blaine or the City of Coon Rapids. Subsequently, the distribution of the City tax levy for a \$200,000 home in Columbia Heights would be different than the distribution of the tax levy for a \$200,000 home in Blaine or Coon Rapids. Additionally, the appraised value of the same home in two different cities will usually differ. A home in Columbia Heights that is appraised at \$200,000 would likely have a very different appraisal value if that home was located in Blaine or Coon Rapids.

One method that correctly compares the property taxes between communities using proportionate values is the approach that compares an average-value home for each community. When this type of comparison is performed, the City of Columbia Heights is consistently shown to be one of the lowest taxed communities in the metropolitan area. Even this method has its limitations however, as the level of services provided by different cities varies significantly. For example, in Columbia Heights, library funding is part of the City levy. In all other cities in Anoka County, library funding is part of the County levy. Likewise, comparing the Columbia Heights levy to levies for cities that do not have a full-time fire department or cities that do not provide first responder medical services is not an appropriate "apples-to-apples" comparison. Consequently, when comparing the City of Columbia Heights' levy to levies for other cities, it is necessary to also compare the levels of service provided to the residents.

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CITY OF COLUMBIA HEIGHTS CITY MANAGER'S 2019 BUDGET MESSAGE

Recommendation

The City Manager recommends that the City Council approve the proposed 2019 budget and levy. Key points supporting this recommendation are provided below.

Financial Plan

The City's five-year financial plan is designed to:

- Provide for expected inflation in the cost of existing service levels.
- Increase service levels only for approved objectives or external mandates.
- Reduce the use of state funding in the operating budgets, and increase its use over time in capital budgets. This strategy reduces the exposure of on-going basic city services to swings in state funding over which local residents have little control. It also gradually increases capital funding to sustainable levels for equipment, buildings and infrastructure.
- Levy property taxes at the minimum level necessary to support the above strategies, while avoiding single-year spikes up or down in property taxes.

Governmental Funds Revenue

The proposed city gross property tax levy for 2019 is a 5.5% increase over 2018. The gross tax levy includes both the share of the tax levy paid by local taxpayers and the share subsidized by the metro area fiscal disparities program. The amount of the 2019 fiscal disparities subsidy could not be determined at the time this report was prepared. That subsidy amount will be known before the City Council makes its decision on the proposed 2019 tax levy however, and before proposed tax notices are mailed to each property owner.

In 2018, the City and Economic Development Authority (EDA) began transitioning the use of the Housing and Redevelopment (special district) property tax levy from funding operating expenses, to funding redevelopment project costs. In 2018, \$114,000 of the special district levy was repurposed in this manner. The remaining \$133,000 of the \$247,000 special district levy would also be repurposed for redevelopment project costs under the proposed 2019 budget.

In order to fund the operating expenses paid in prior years by the special district levy, an increase in the City gross tax levy of \$133,000 is included within the 5.5% tax increase mentioned above. If not for this change, the proposed increase in the City's 2019 gross tax levy would have otherwise been 4.3%.

In 2019, the City will receive \$1,663,000 in state aid to local government (LGA). Under the five-year financial plan, only \$450,000 of this LGA is allocated for use within the 2019 operating budget. \$550,000 is allocated to the governmental buildings fund, and \$500,000 is allocated to debt service on government buildings. The remaining \$173,000 is allocated to various other capital purposes. If not for this LGA, these items would otherwise be paid for with property taxes.

CITY OF COLUMBIA HEIGHTS CITY MANAGER'S 2019 BUDGET MESSAGE

Governmental Funds Operating Expenses

The proposed increase to tax-supported operating expenses of the governmental funds for 2019 is 3.6% for both personnel and non-personnel combined. The largest element in this expense budget is a 3.5% cost-of-living allowance for unsettled labor agreements, including wages, as well as both voluntary and mandatory fringe benefits. Additionally, it includes:

- \$26,000 for a state-mandated increase in annual employer retirement contributions on behalf of police officers and firefighters.
- \$27,000 for on-going information systems costs that were deferred and charged to fund balance in prior years.

Fund Balance of the General Fund

With resolution 95-40, the City Council established a target fund balance for the general fund of 45% of each following year's budget. Based on available data, city staff estimate that the proposed 2019 budget will result in a fund balance of \$5,885,000 in the general fund at December 31, 2019. This will meet the 45% target, assuming that service levels and annual inflation for 2020 will be similar to 2019.

Utility Funds

Customer utility rates for water, sewer, storm water, and refuse, are set by resolutions adopted periodically by the City Council. The last such resolution, 2015-98, set rates through 2019. After analyzing the financial condition of the utility funds, as well as the physical condition and capacity of the utility systems, city staff report the following:

Water Fund

The 2019 rate under resolution 2015-98 is not sufficient to keep this fund financially sound for 2019 or beyond.

Sewer Fund

The 2019 rate under resolution 2015-98 will probably be sufficient for 2019, but increases greater than the general rate of inflation will be required after 2019 for this fund to be sustainable.

Storm Water Fund

The 2019 rate under resolution 2015-98 will probably be sufficient for 2019, but increases greater than the general rate of inflation may be required after 2019 for this fund to be sustainable, depending on the availability of intergovernmental grants for capital projects.

Refuse Fund

The 2019 rate under resolution 2015-98 will clearly be sufficient for 2019. Barring any unforeseen legislative mandate, future rate increases equal to the general rate of inflation should be sufficient to keep this fund sustainable.

CITY OF COLUMBIA HEIGHTS CITY MANAGER'S 2019 BUDGET MESSAGE

The 2019 rates under resolution 2015-98 provide for a 3.5% rate increase over 2018, for each of the four utility funds. Based on the staff report above, the proposed 2019 budget retains that 3.5% rate increase for sewer, storm water, and refuse; but provides for a 6.5% increase in the water rate.

In terms of dollar effect, the 2019 rates under resolution 2015-98 increase the combined average quarterly residential bill by \$8.22. The proposed 2019 budget, by further increasing the water rate, adds an additional \$2.79 to the average quarterly residential bill.

A key long-term issue within the utility funds is that past annual rate increases have been equal to or only slightly greater than the general rate of inflation. This practice has only been adequate for the operating costs of the utility funds. The cost of replacing the City's utility infrastructure has increased significantly more than the general rate of inflation, and will continue to do so, due to the age of the infrastructure. This issue has caused several infrastructure projects to be deferred beyond the date at which engineering standards advise replacement.

Governmental Buildings Fund

The 2017 city council goals report established the objective of completing a master plan for city hall. The architect's report on various options under that plan was completed and issued to the City Council in 2018. As a next step under this city council objective, the 2019 budget includes the most popular option under that plan. In broad terms, this option includes the following sources and uses:

	<u>Existing Fund Balance</u>	<u>New GO Bonds</u>
Construct new city hall next to Murzyn Hall	\$6,000,000	\$2,000,000
Update Murzyn Hall and connect to city hall	-	2,000,000
Financing costs	-	100,000

Note, by adopting a budget with this item in it, the Council neither authorizes construction contracts, nor authorizes issuance of bonds. Those steps require significant separate Council actions and have specific additional public notice requirements. Further note, using this particular option as a "placeholder" in the 2019 budget, does not prevent the City Council from ultimately choosing some other option, or combination of options, under the master plan for city hall.

In Conclusion

As proposed, I judge that the 2019 budget and levy supports the vision and objectives of the City of Columbia Heights' 2017 goals report, and is feasible within the constraints of the City of Columbia Heights' five-year financial plan. As always, I want to thank the City Finance Director, Joe Kloiber, and the finance staff, for their dedication in delivering insightful analysis of the City's financial position, both as it is now and for the next five years.

Walter R. Fehst, City Manager

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SUMMARY BUDGET INFORMATION

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RESOLUTION 2018-95**ADOPTING A BUDGET FOR THE YEAR 2019, SETTING THE CITY LEVY, APPROVING THE HRA LEVY, AND APPROVING A TAX RATE INCREASE.**

Now, therefore, in accordance with all ordinances and regulations of the City of Columbia Heights, the City Council of the City of Columbia Heights makes the following:

ORDER OF COUNCIL

Section A. The budget for the City of Columbia Heights for the year 2019 is hereby approved and adopted with appropriations for each of the funds listed below. The estimated gross revenues to fund the budget for the year 2019, including general ad valorem tax levies and use of fund balances, are also as listed below.

	<u>Revenue</u>	<u>Expense</u>		
Governmental Funds				
General Fund	12,597,000	12,658,477		
Planning & Inspections	503,600	503,600		
Econ Dev Authority Admin	244,600	244,600		
Cable Television	217,425	204,325		
Library	1,002,700	1,002,700		
After School Programs	22,000	44,300		
21st Century Arts	-	45,300		
Special Project Fund	-	300,000		
Downtown Parking	25,000	25,000		
Capital Project Funds	7,031,125	13,869,746		
Debt Service Funds	1,619,529	1,819,100		
Proprietary Funds			<u>Capital Assets</u>	<u>Debt Principal Paid (Advanced)</u>
Water Fund	3,391,050	2,976,683	452,500	186,000
Sewer Fund	2,100,773	2,312,335	27,500	53,400
Refuse Fund	2,089,308	2,007,887	-	-
Storm Sewer Fund	890,197	981,068	-	73,600
Liquor Fund	8,923,400	8,794,800	-	245,000
Municipal Service Center	911,750	973,349	-	-
Information Systems	387,000	398,000	43,600	-
Use of Fund Balance	<u>7,204,813</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Including Interfund Transfers	49,161,270	49,161,270	523,600	558,000

Section B. The following sums of money are levied for the current year, collectable in 2019 upon the taxable property in said City of Columbia Heights, for the following purposes:

Estimated General Fund Levy	10,051,000
Estimated Library Levy	955,095
Estimated EDA Fund Levy	242,100
Total	11,248,195

Section C. The City Council of the City of Columbia Heights hereby approves the Housing and Redevelopment Authority Tax Levy for the fiscal year 2019 in the amount of \$247,000.

BE IT FURTHER RESOLVED: That the County Auditor is authorized to fix a property tax rate for taxes payable in the year 2019 that is higher than the tax rate calculated for the City for taxes levied in 2017 collectable in 2018.

BE IT FURTHER RESOLVED: That the City has adequate fund balances and reserves to pay bond principal and interest payments on General Obligation Bond Series 2009A in the amount of \$230,329 and that the County Auditor is authorized to cancel \$230,329 of the related Bond Levy for taxes payable in 2019, leaving a balance of \$0 to be levied for taxes payable in 2019 for Series 2009A.

BE IT FURTHER RESOLVED: That the City has adequate fund balances and reserves to pay bond principal and interest payments on General Obligation Bond Series 2013A in the amount of \$502 and that the County Auditor is authorized to cancel \$502 of the related Bond Levy for taxes payable in 2019, leaving a balance of \$0 to be levied for taxes payable 2019 for Series 2013A.

BE IT FURTHER RESOLVED: That the City has adequate fund balances and reserves to pay bond principal and interest payments on General Obligation Bond Series 2015A in the amount of \$275,000 and that the County Auditor is authorized to cancel \$275,000 of the related Bond Levy for taxes payable in 2019, leaving a balance of \$206,254 to be levied for taxes payable in 2019 for Series 2015A.

BE IT FURTHER RESOLVED: That the City has adequate fund balances and reserves to pay bond principal and interest payments on General Obligation Bond Series 2017A in the amount of \$335,344 and that the County Auditor is authorized to cancel \$335,344 of the related Bond Levy for taxes payable in 2019, leaving a balance of \$0 to be levied for taxes payable in 2019 for Series 2017A.

BE IT FURTHER RESOLVED: That the City has adequate fund balances and reserves to pay bond principal and interest payments on General Obligation Bond Series 2017B in the amount of \$295,000 and that the County Auditor is authorized to cancel \$295,000 of the related Bond Levy for taxes payable in 2019, leaving a balance of \$268,446 to be levied for taxes payable in 2019 for Series 2017B.

BE IT FURTHER RESOLVED: That the City has adequate fund balances and reserves to pay bond principal and interest payments on General Obligation Bond Series 2018A in the amount of \$5,288 and that the County Auditor is authorized to cancel \$5,288 of the related Bond Levy for taxes payable in 2019, leaving a balance of \$205,329 to be levied for taxes payable in 2019 for Series 2018A.

The Finance Director/Treasurer is hereby instructed to transmit a certified copy of this resolution to the County Auditor of Anoka County, Minnesota.

Approved this 10th day of December, 2018

Offered By: Buesgens

Seconded By: Novitsky


Roll Call: All Ayes

Attest:



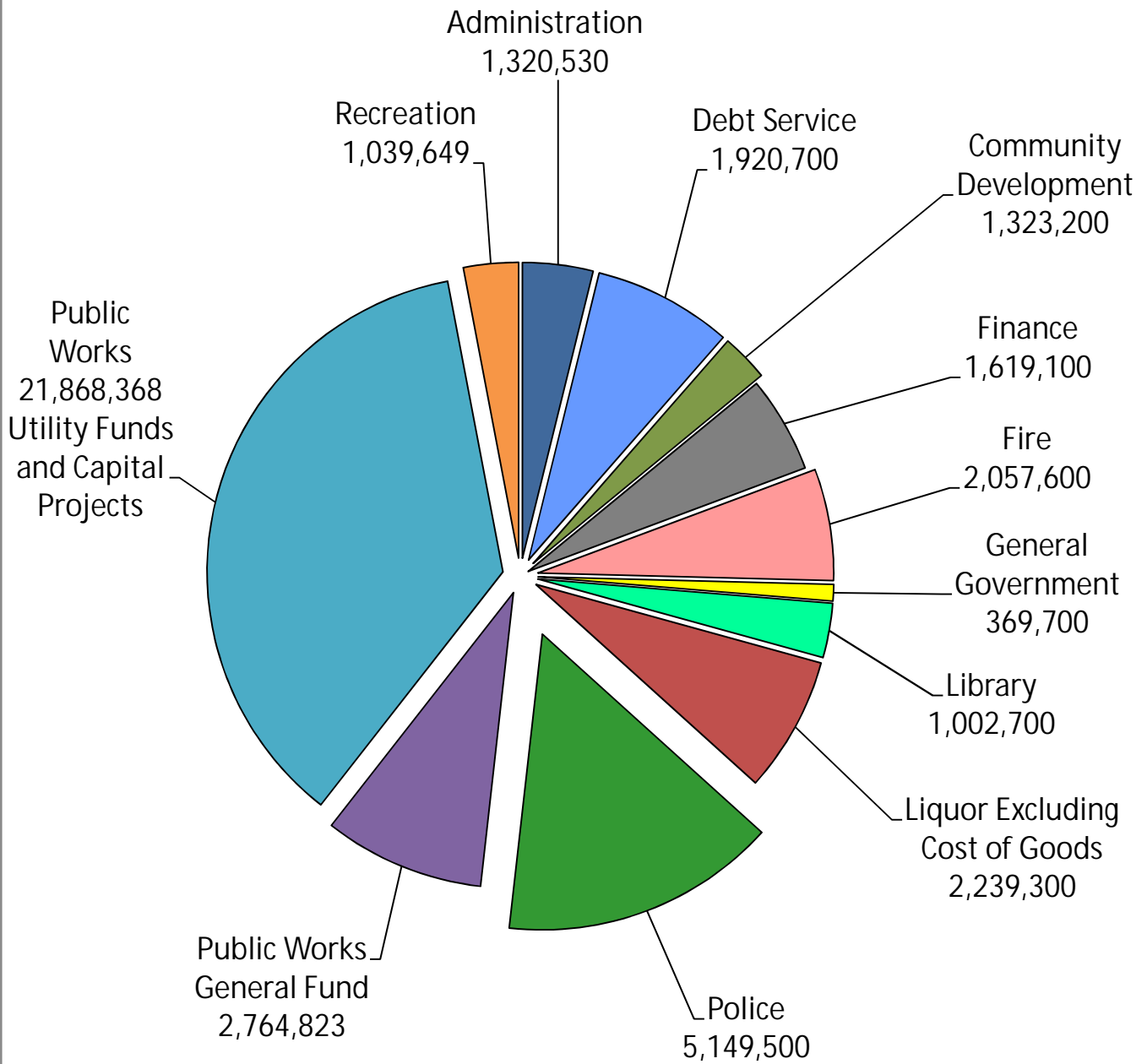
Katie Bruno

City Clerk/Council Secretary



Mayor Donna Schmitt

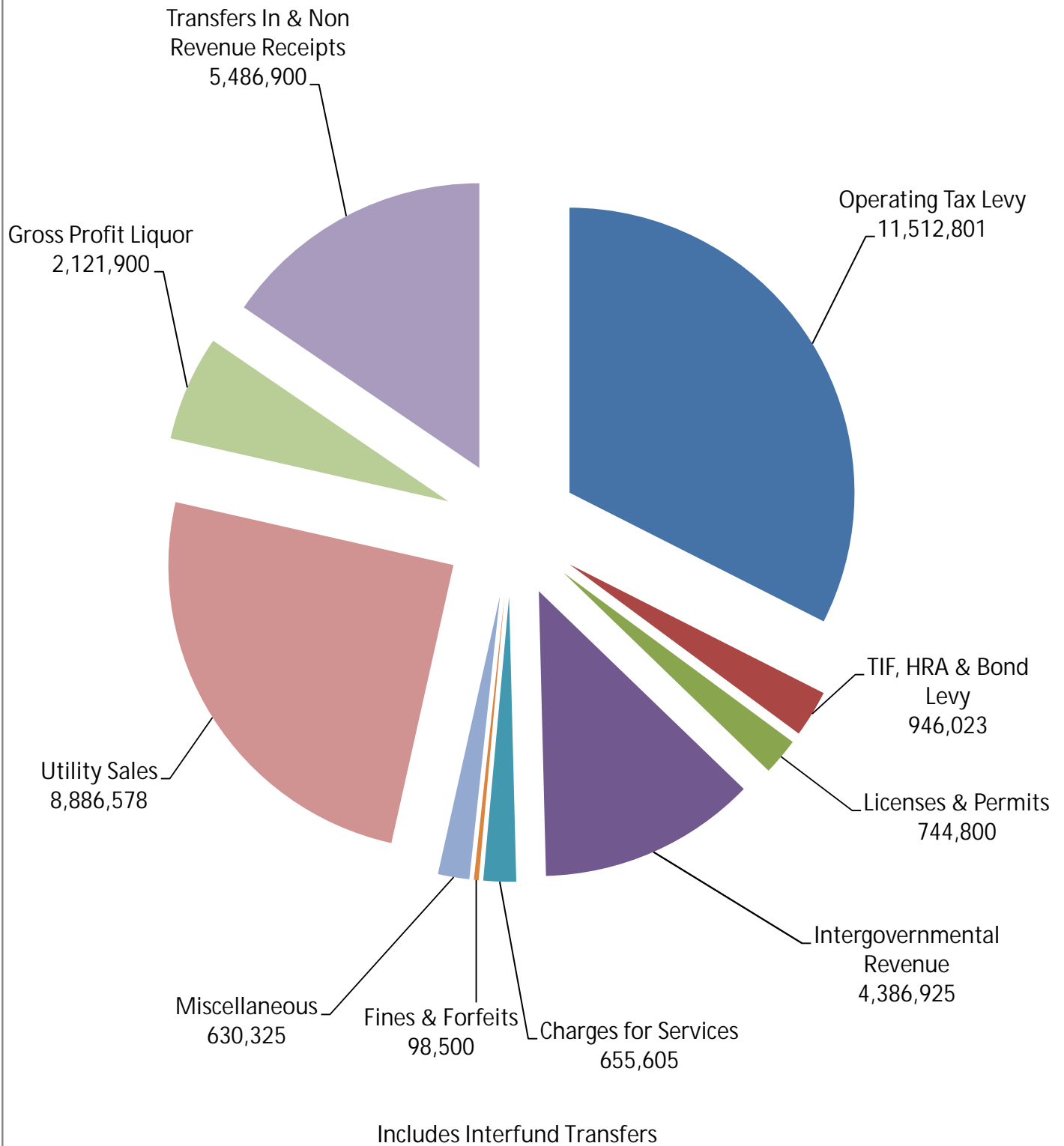
All Budgetary Funds Expenditures by Functional Area 2019 Budget



Includes Interfund Transfers

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All Budgetary Funds Revenues by Source 2019 Budget



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City of Columbia Heights, Minnesota
BUDGET 2019

Summary by Fund	Actual 2016	Actual 2017	Adopted 2018	Adopted 2019
Revenues				
101 General Fund	11,186,425	11,452,613	11,904,000	12,597,000
201 Planning & Inspections	491,822	535,468	469,682	503,600
204 EDA	300,490	295,918	448,242	244,600
212 State Aid Maintenance	286,091	181,461	192,250	192,625
225 Cable Television	271,601	252,202	227,400	217,425
226 Special Projects	482,917	276,028	25,000	-
228 Downtown Parking	-	-	-	25,000
240 Library	842,300	893,353	952,644	1,002,700
261 After School Programs	20,630	21,754	22,000	22,000
262 21st Century Arts	-	1,549	-	-
272 Public Safety Grants - Other	145,849	119,773	-	-
315 Sull-Shores: TX GO Bonds 2008A	105,916	106,942	105,600	105,900
341 G.O. Street Rehab Bonds 2007A	1,201	-	-	-
343 GO Public Safety Ctr. Bonds 2008B	602,845	628,162	-	-
344 GO Public Facilities Bonds 2009A	310,236	308,110	251,800	219,329
345 GO Improv/Rev Bonds 2013	365,333	78,765	35,100	32,000
346 GO Library 2015	473,246	477,706	464,967	456,754
347 GO Public Safety Ctr. Bonds 2017B	-	8,668,700	563,053	518,946
371 TIF T4: 4747 Central	183,304	163,551	81,000	82,000
372 Huset Park Area TIF (T6)	2,988,952	394,176	332,000	204,600
373 EDA TIF Revenue Bonds 2007	2,415,516	-	-	-
376 Tax Increment Bonds	10,662	31,440	-	-
385 Multi-Use Redevelopment	26,628	28,251	-	-
389 R8: Transition Block	44,402	48,693	-	-
402 Total State Aid Construction	943,606	1,943,916	300,000	1,600,000
408 EDA Redevelopment Project FD	-	1,028,945	-	250,000
411 Capital Improvements-Gen Govt Bldg	339,385	864,000	1,683,000	4,693,000
412 Capital Improvements Parks	274,908	435,251	391,250	77,500
430 Infrastructure Fund	286,125	252,604	110,000	112,000
431 Cap Equip Replacement-General Fund	290,448	280,600	256,000	106,000
432 Cap Equip Replacement - Sewer	28,200	28,700	27,000	32,000
433 Cap Equip Replacement - Water	103,434	103,929	106,000	107,000
434 Cap Equip Replacement - Garage	4,500	4,600	4,400	4,500
437 Cap Equip Replacement - Information Sytems	3,900	4,500	2,000	2,000
438 Cap Equip Replacement-Storm Sewer	5,100	21,282	5,000	10,000
439 Cap Equip Replacement - Fire	100	-	-	-
601 Water Utility	3,470,648	3,253,287	3,058,364	3,205,550
602 Sewer Utility	2,421,653	2,110,349	1,974,310	1,989,773
603 Refuse Fund	1,979,859	2,087,582	2,067,228	2,089,308
604 Storm Sewer Fund	1,549,436	525,141	444,275	455,097
609 Liquor	8,468,095	9,142,558	8,675,000	8,619,000
631 Water Fund Debt Service	268,550	163,600	145,200	78,500
632 Sewer Fund Debt Service	40,050	41,100	62,000	79,000
634 Storm Sewer Debt Service	265,558	93,600	44,100	63,100
639 Liquor Fund Debt Service	392,321	390,355	268,200	304,400
651 Water Construction Fund	208	2,516	-	-
652 Sewer Construction Fund	207,566	203,825	-	-
653 Storm Sewer Construction Fund	3,886	2,000	-	362,000
701 Central Garage	578,630	681,680	682,485	657,500
705 Building Maintenance	250,317	290,100	205,500	249,750
720 Information Systems	337,400	522,993	335,000	385,000
Total Revenue	44,070,249	49,443,631	36,921,050	41,956,457

City of Columbia Heights, Minnesota
BUDGET 2019

Summary by Fund		Actual 2016	Actual 2017	Adopted 2018	Adopted 2019
Expenses					
General Fund					
101.41110	Mayor-Council	155,215	133,630	156,938	174,100
101.41320	City Manager	448,210	462,354	567,724	568,620
101.41410	City Clerk	95,628	62,265	111,778	65,820
101.41510	Finance	786,465	842,488	891,800	922,300
101.41550	Assessing	123,814	124,276	126,012	126,265
101.41610	Legal Services	191,958	176,141	176,300	181,400
101.41940	City Hall	125,039	143,411	154,000	157,700
101.42100	Police	3,907,276	4,282,871	4,662,679	4,837,800
101.42200	Fire	1,319,214	1,409,822	1,429,857	1,355,800
101.42300	Property Inspections	176,664	191,258	208,172	406,800
101.43100	Engineering	507,880	490,051	403,165	383,830
101.43121	Streets	781,010	779,394	892,169	903,834
101.43160	Street Lighting	143,907	148,536	160,832	169,601
101.43170	Traffic Signs & Signals	95,661	81,166	98,312	106,797
101.45000	Recreation Administration	209,588	220,766	229,218	238,652
101.45001	Youth Athletics	31,316	36,903	43,232	51,611
101.45003	Adult Athletics	27,366	28,971	30,321	38,211
101.45004	Youth Enrichment	44,325	63,307	81,264	88,850
101.45005	Travel Athletics	21,913	24,223	38,204	44,286
101.45030	Trips & Outings	37,191	39,456	39,427	40,070
101.45040	Senior Citizens	86,365	88,399	91,606	93,737
101.45050	Recognition/Special Events	39,992	41,917	40,900	42,000
101.45129	Murzyn Hall	187,399	197,425	256,052	200,632
101.45130	Hylander Center	71,260	67,541	87,793	89,000
101.45200	Parks	903,820	906,999	959,042	993,020
101.46102	Urban Forestry	146,500	144,353	172,641	207,741
101.49200	Contingencies	-	7,995	35,000	35,000
101.49300	Transfers	88,917	-	1,400,000	135,000
101	Total	10,753,894	11,195,918	13,544,438	12,658,477

City of Columbia Heights, Minnesota

BUDGET 2019

Summary by Fund		Actual 2016	Actual 2017	Adopted 2018	Adopted 2019
Planning & Inspections					
201.42400	Planning & Inspections	373,794	460,714	469,682	503,600
Economic Development Authority					
204.46314	Econ Development Authority	257,602	308,743	448,242	244,600
State Aid Maintenance					
212.43190	State Aid Maintenance	205,186	660,631	230,347	246,891
212.43191	State Aid Gen'l Construction	-	-	130,000	95,000
Cable Television					
225.49844	Cable Television	149,814	89,313	190,331	204,325
Special Projects					
226.46317	Downtown Parking	17,233	14,133	25,000	-
226.49846	Special Projects	-	27,263	70,000	300,000
Downtown Parking					
228.46317	Downtown Parking	-	-	-	25,000
Library					
240.45500	Library	783,812	846,606	952,644	1,002,700
After School Programs					
261.45029	Program Revenue Expended	53,920	38,292	43,562	44,300
21st Century Arts					
262.45020	2017 - 20 Contract	-	1,549	-	45,300
Public Safety Grant - Other					
272.42202	Safer Grant 2015 - 2017	145,849	119,773	-	0
Bonds					
315.47000	Sull-Shores: TX GO Bonds 2008A	99,237	100,808	97,800	98,900
341.47000	GO Street Rehab Bonds	113,254	13,262	-	-
343.47000	GO Public Safety Ctr. Bonds 2008B	622,309	439,524	622,300	-
344.47000	G.O. Public Facilities Bonds	298,573	292,649	297,900	256,100
345.47000	GO Improv/Rev Bonds 2013	121,421	589,838	51,500	50,900
346.47000	GO Library 2013	203,254	459,363	459,100	461,000
347.47000	GO Public Safety Ctr. Bonds 2017B	-	8,668,160	481,720	532,200
TIF Districts					
371.47000	TIF T4: 4747 Central	83,586	90,402	85,800	88,100
372.47000	Huset Park Area TIF (T6)	2,583,748	469,946	332,000	331,900
373.47000	EDA TIF Revenue Bonds 2007	2,683,805	-	-	-
376.46800	TIF Districts	-65,445	32,591	-	-
376.47000	Tax Increment Bonds	930	18,086	-	-
385.47000	Multi-Use Redevelopment Bonds	1,700	5,206	-	-
389.47000	R8: Transition Block	41,252	46,267	-	-
402	Total State Aid Construction	477,525	403,622	450,000	1,570,000
408.46414	EDA Redevelopment Project FD	-	2,801	-	250,000
Capital Improvements-Gen Govt Bldg					
411.41940	City Hall	30,503	2,955	-	10,100,000
411.42100	Police	1,200	-	19,000	-
411.42200	Fire	1,200	-	-	-
411.45500	Library	-	44,066	-	-
411.49950	Central Garage	-	-	-	75,000
Capital Improvements Parks					
412.45200	Parks	42,030	59,396	25,000	18,000
Infrastructure Fund					
430.46323	Capital Improvement Expense	119,173	408	278,366	573,005
Cap Equip Replacement-General Fund					
431.41940	General Government Buildings	-	28,000	-	-
431.42100	Police	158,570	134,534	137,946	311,700
431.42200	Fire	53,018	117,326	315,000	295,000

City of Columbia Heights, Minnesota

BUDGET 2019

Summary by Fund

		Actual 2016	Actual 2017	Adopted 2018	Adopted 2019
431.43100	Engineering	-	10,995	25,000	-
431.43121	Streets	16,950	162,986	-	228,000
431.45000	Recreation Administration	-	-	-	65,000
431.45200	Parks	44,109	-	110,000	-
431.46102	Urban Forestry	-	-	-	42,150
432.49499	Cap Equip Replacement - Sewer Non-Operating	61,845	-	-	-
433.49449	Cap Equip Replacement - Water Non-Operating	141,845	-	-	-
437.49980	Cap Equip Replacement - IS Information Systems	13,263	12,699	5,000	5,000
438.49699	Cap Equip Replacement Storm Sewer Non-Operating	-	35,017	-	-
439.42200	Cap Equip Replacement-Fire Fire	17,886	-	-	-
601.49400	Water Utility Source of Supply	1,426,460	1,546,326	1,386,733	1,575,000
601.49430	Distribution	997,476	987,990	1,108,229	1,095,383
601.49440	Administration & General	172,588	164,817	146,400	148,800
601.49449	Non-Operating	268,000	162,000	145,000	78,000
602.49450	Sewer Utility Collections	505,923	663,340	677,814	772,135
602.49480	Disposal	974,360	1,053,318	1,101,725	1,133,800
602.49490	Administration & General	171,635	164,717	146,400	148,800
602.49499	Non-Operating	40,000	240,225	62,000	79,000
603.49510	Refuse Fund Refuse Disposal	1,641,239	1,674,172	1,929,000	1,703,400
603.49520	Collection & Disposal	153,824	283,199	115,924	118,647
603.49530	Recycling	128,410	141,816	137,155	170,598
603.49540	Hazardous Waste	10,683	12,816	13,801	15,242
604.49650	Storm Sewer Fund Collections	308,029	370,451	386,484	402,118
604.49690	Administration & General	1,170	906	1,100	1,200
604.49699	Non-Operating	133,000	93,643	44,000	63,650
609.49791	Liquor Liquor Store #1	3,818,576	3,710,236	3,888,700	3,870,100
609.49792	Liquor Store #2	3,074,874	3,026,788	3,148,000	3,159,400
609.49793	Liquor Store #3	1,185,148	1,167,002	1,274,100	1,246,500
609.49794	Liquor Non-Operating	550,818	549,200	415,000	449,400
631.47000	Water Fund Debt Service Water Fund Bonds	22,257	19,312	17,100	14,500
632.47000	Sewer Fund Debt Service Bonds	5,543	6,675	9,600	8,600
632.49449	Sewer Fund Debt Service	132,288	-	-	-
634.47000	Storm Sewer Debt Service Storm Sewer Bonds	12,901	10,604	9,500	9,100
639.47000	Liquor Debt Service	191,807	161,754	77,200	69,400
651.49449	Water Construction Fund Non-Operating	439,054	-	65,000	65,000
652.49499	Sewer Construction Fund Non-Operating	522,951	11,434	250,000	170,000
653.49699	Storm Sewer Construction Storm Sewer Construction Fund	1,447,579	-	165,000	505,000

City of Columbia Heights, Minnesota
BUDGET 2019

Summary by Fund			Actual 2016	Actual 2017	Adopted 2018	Adopted 2019
701.49950	Central Garage	Central Garage	575,147	590,699	723,060	746,754
705.49970	Building Maintenance	Building Maintenance	243,535	176,574	205,448	226,595
720.49980	Information Systems	Information Systems	355,511	344,835	382,575	393,000
Total Expense			<u>40,219,530</u>	<u>43,339,491</u>	<u>37,929,726</u>	<u>49,161,270</u>

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CITY OF COLUMBIA HEIGHTS
GENERAL FUND, LIBRARY AND EDA COMPARISON OF
2018 TO 2019 BUDGETED EXPENDITURES AND REVENUE

	General Fund		Library Fund		EDA Fund		Total	
	2018	2019	2018	2019	2018	2019	2018	2019
<u>Expenditures</u>								
Personal Services	9,122,120	9,490,673	638,145	670,200	163,774	201,900	9,924,039	10,362,773
Supplies	586,357	577,340	106,100	98,700	-	1,500	692,457	677,540
Other Services	2,274,099	2,384,764	193,688	219,100	14,484	25,200	2,482,271	2,629,064
Capital Outlay	82,362	7,000	-	-	-	-	82,362	7,000
Contingencies and Transfers	1,479,500	198,700	14,711	14,700	269,984	16,000	1,764,195	229,400
Total Expenditures	13,544,438	12,658,477	952,644	1,002,700	448,242	244,600	14,945,324	13,905,777

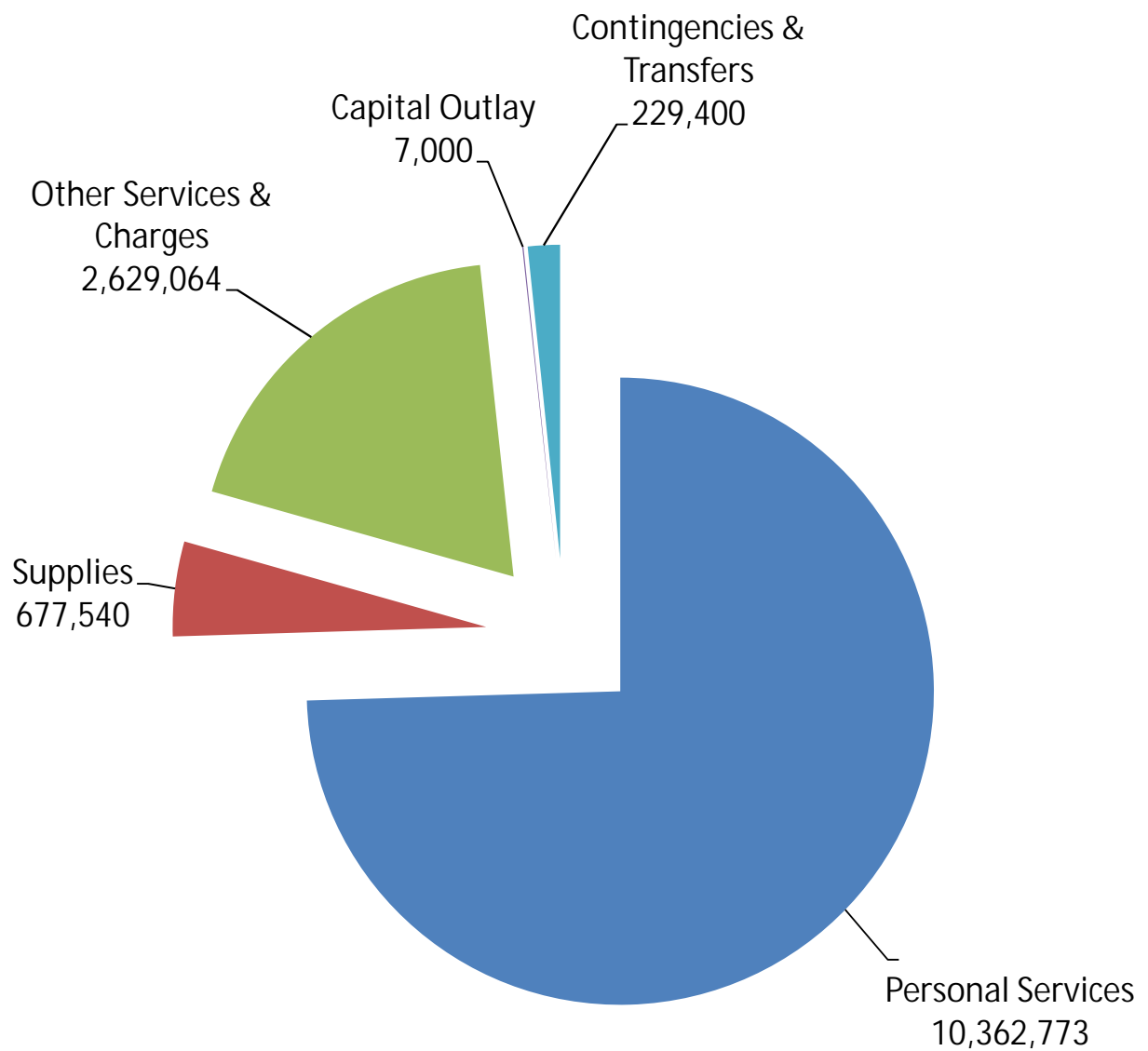
<u>Revenues</u>								
Licenses & Permits	237,800	353,300	-	-	-	-	237,800	353,300
Charges for Current Services	569,000	599,500	9,400	14,105	1,550	500	579,950	614,105
Fines & Forfeits	96,000	86,000	13,000	12,500	-	-	109,000	98,500
Miscellaneous	99,900	104,500	-	10,000	2,000	2,000	101,900	116,500
Transfers In & Non-Revenue Receipts	473,500	472,400	11,000	11,000	-	-	484,500	483,400
Intergovernmental - LGA	475,000	450,000	-	-	-	-	475,000	450,000
Intergovernmental - Other	471,800	480,300	-	-	-	-	471,800	480,300
HRA Current Ad Valorem	-	-	-	-	224,592	-	224,592	-
Subtotal Revenue - Other Sources	2,423,000	2,546,000	33,400	47,605	228,142	2,500	2,684,542	2,596,105

Area-Wide Tax	2,632,010	2,635,262	253,224	250,415	61,102	63,476	2,948,302	2,949,154
Local Levy	6,848,990	7,415,738	666,020	704,680	158,998	178,624	7,672,042	8,299,041
Total Operating Levy	9,481,000	10,051,000	919,244	955,095	220,100	242,100	10,620,344	11,248,195

Increase/-Decrease to Fund Balance	-1,640,438	-61,477	-	-	-	-	-1,640,438	-61,477
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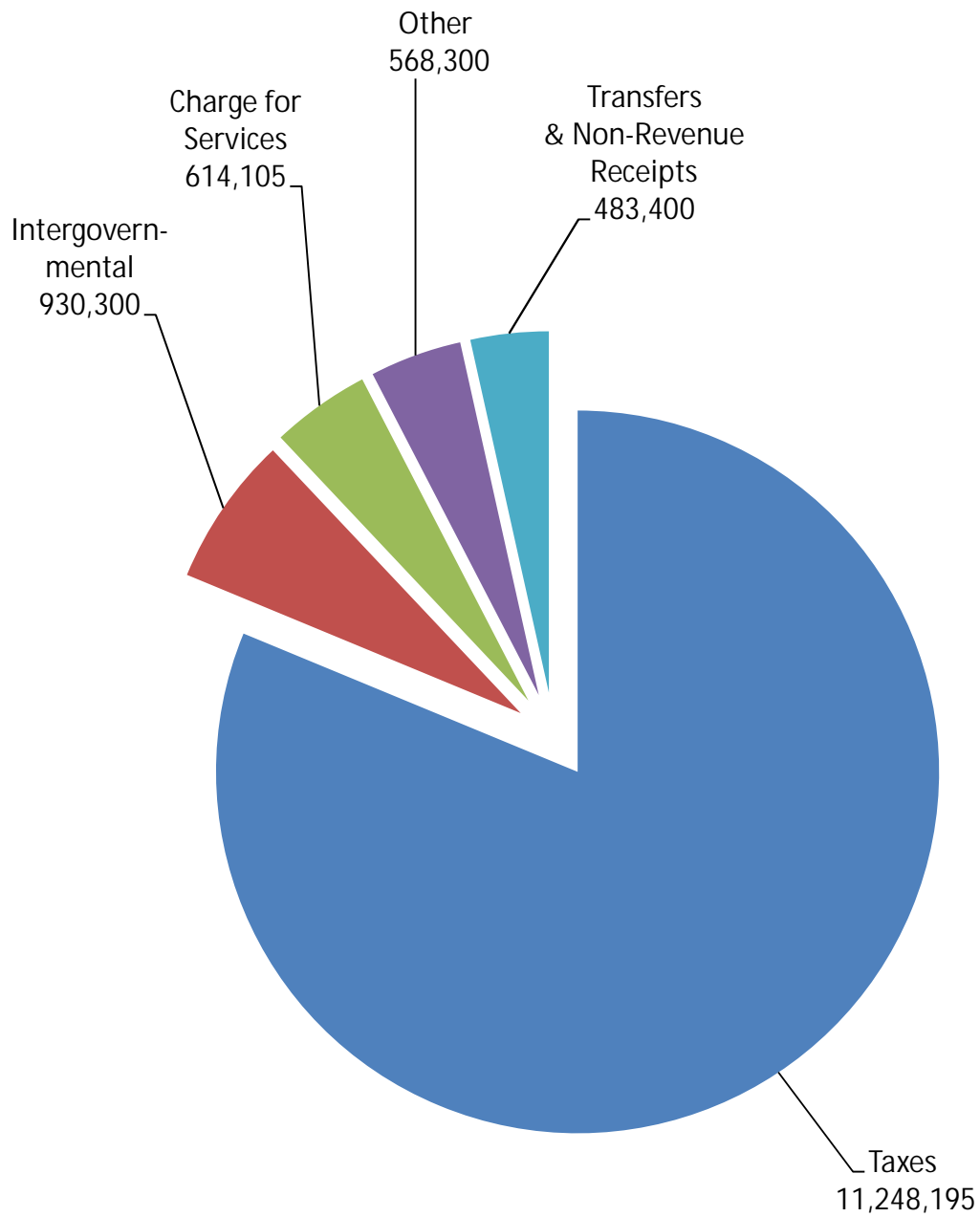
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General Fund, Library & EDA Expenditures by Classification 2019 Budget



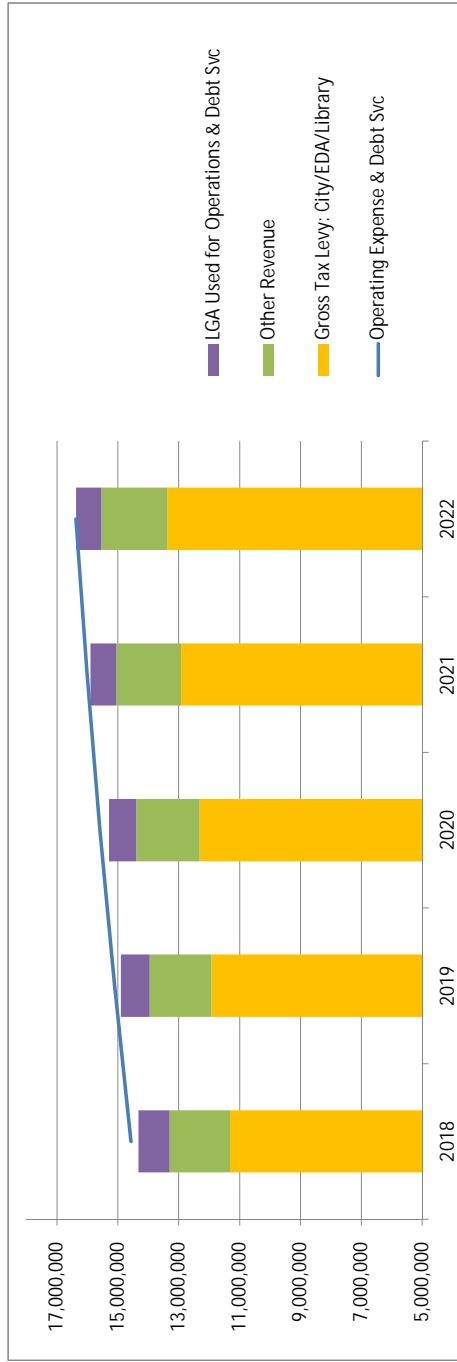
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General Fund, Library Fund & EDA Revenue by Source 2019 Budget



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CITY OF COLUMBIA HEIGHTS
FIVE-YEAR FINANCIAL PLAN FOR TAX-SUPPORTED FUNDS
Revision date 08/08/18



% Change in Gross Tax Levy	4.9%	5.3%	3.3%	4.9%	3.5%
% Change in Other Revenue	2.2%	2.4%	2.3%	2.3%	2.3%
% Change in Operating Expenses	6.7%	3.6%	3.5%	3.0%	2.5%
LGA Used for Annual Operations	475,000	450,000	450,000	425,000	425,000
LGA Used for Annual Debt Service	550,000	500,000	450,000	425,000	400,000
LGA Used for Capital Funds	631,000	713,000	763,000	813,000	838,000
City/EDA Levy to replace HRA Levy (a)	114,000	247,000	247,000	247,000	247,000
General Fund Transfer to Capital Fund	1,400,000	-	-	-	-

Gen Fund Balance at 12/31	6,061,000	5,865,000	5,573,000	5,754,225	5,568,385
Gen Fund Balance as % of Budget	48%	45%	42%	42%	40%

Note (a): The data above reflects the tax amount labeled as "City or Town" on annual property tax statements. This includes the City, the Library, and the EDA tax levies. The HRA special district levy is included within the line on property tax statements labeled as "Other Special Districts", and is not included in the data above. Prior to 2018, the HRA special district levy was used to support City/EDA operations. In 2018 and 2019, the City and EDA levies were increased to cover these operations, allowing the HRA special district levy of approximately \$247,000 to be used exclusively for redevelopment projects beginning in 2019.

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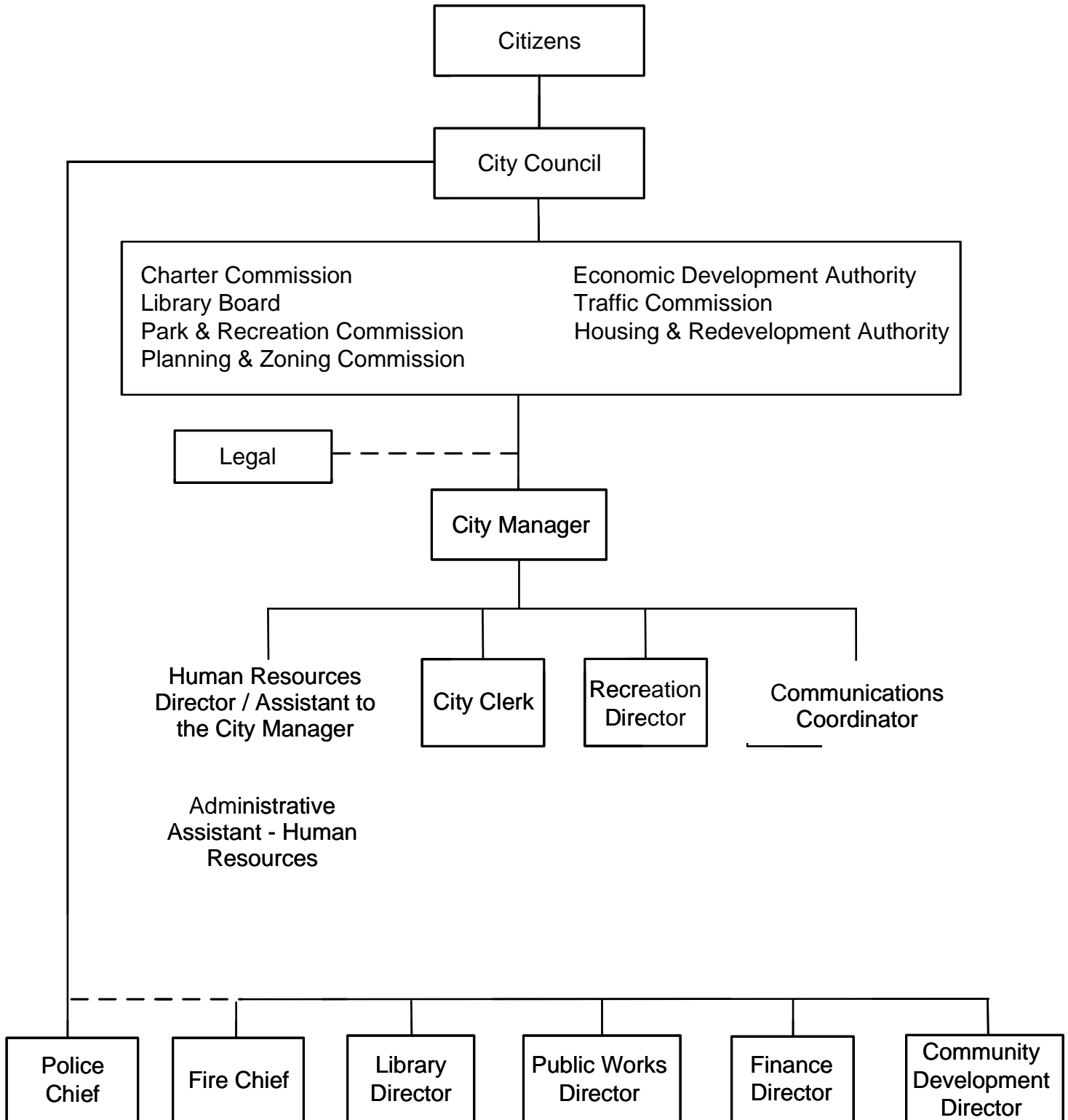
DETAILED BUDGET INFORMATION

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ADMINISTRATION

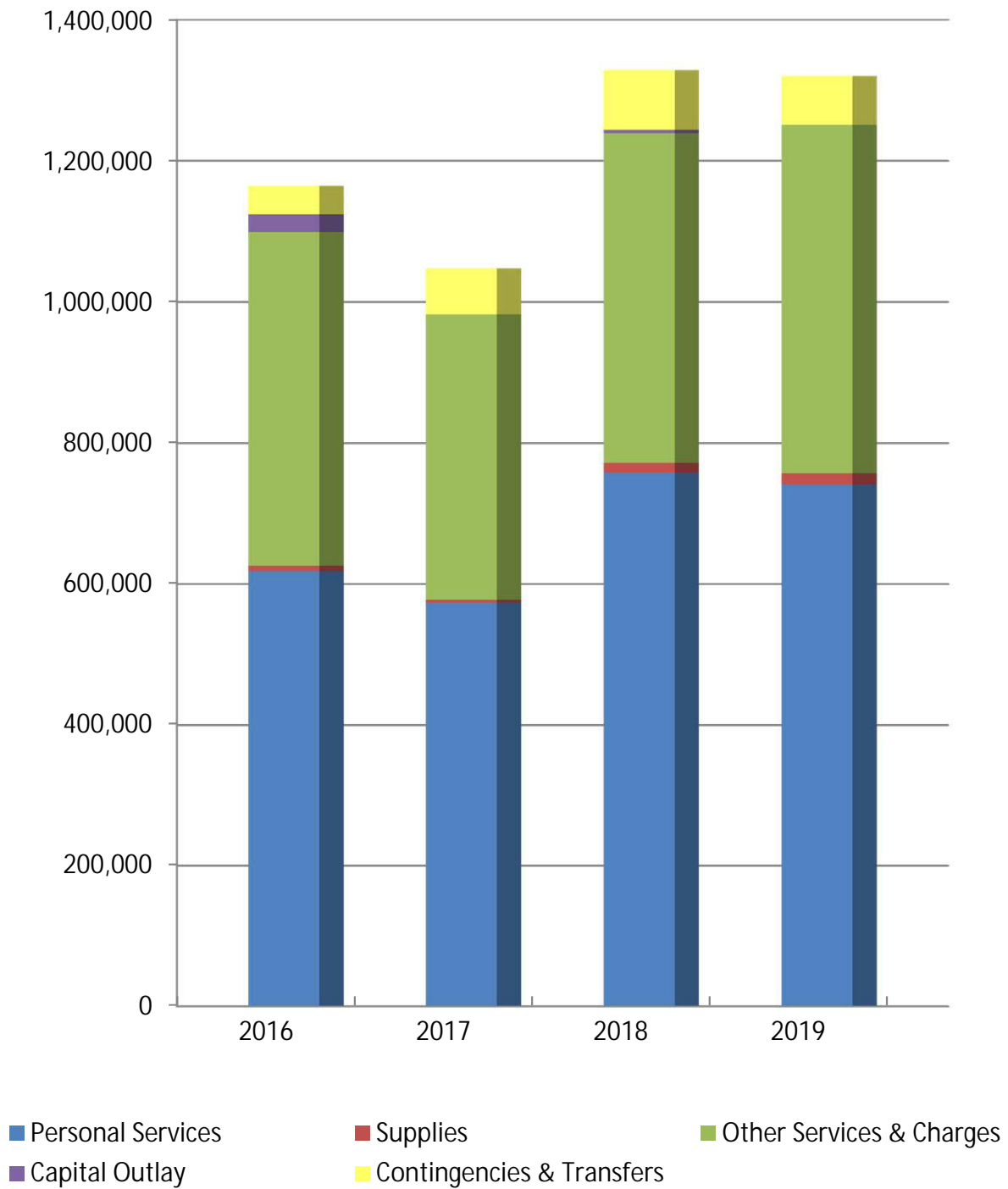
City of Columbia Heights

2019



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ADMINISTRATION EXPENDITURE SUMMARY



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City of Columbia Heights, Minnesota
BUDGET 2019
Administration

	Mayor-Council	City Manager	City Clerk	Assessing	Legal Services	Cable TV
	101	101	101	101	101	225
Revenue						
30999 Taxes	162,199	475,244	32,033	114,841	136,395	-
31999 Licenses & Permits	-	-	-	-	-	-
32999 Intergovernmental	7,597	22,260	1,500	5,380	6,389	-
33999 Charge for Services	-	-	-	3,000	-	-
34999 Fines & Forfeits	-	-	-	-	35,000	-
35999 Miscellaneous	1,454	4,255	287	1,028	1,221	217,425
36999 Sales and Related Charges	-	-	-	-	-	-
39199 Transfers & Non Rev Receipts	-	58,515	31,437	-	-	-
Total Revenue	171,250	560,274	65,257	124,249	179,005	217,425
Expenses						
0999 Personal Services	105,200	523,300	53,800	7,900	-	51,300
1999 Supplies	900	4,400	350	65	-	9,800
2999 Other Services and Charges	63,300	40,920	11,670	118,300	181,400	78,725
4999 Capital Outlay	-	-	-	-	-	-
6999 Contingencies & Transfers	4,700	-	-	-	-	64,500
Total Expenses	174,100	568,620	65,820	126,265	181,400	204,325
Summary						
Change to Fund Balance	-2,850	-8,346	-563	-2,016	-2,395	13,100

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CITY OF COLUMBIA HEIGHTS, MINNESOTA

BUDGET 2019

DEPARTMENT: MAYOR-COUNCIL							
101 41110	GENERAL MAYOR-COUNCIL	Actual Expense 2016	Actual Expense 2017	Adopted Budget 2018	Department Proposed 2019	City Manager Proposed 2019	Council Adopted 2019
Line Item	Description						
0999	Personal Services	94,572	74,157	90,929	105,200	105,200	105,200
1999	Supplies	1,445	1,085	600	900	900	900
2999	Other Services & Charges	48,106	56,344	59,909	63,300	63,300	63,300
4999	Capital Outlay	-	-	-	-	-	-
6999	Contingencies & Transfers	11,092	2,044	5,500	4,700	4,700	4,700
	TOTALS: MAYOR-COUNCIL	155,215	133,630	156,938	174,100	174,100	174,100

Activity Description

The City Council is the legislative branch of city government. The Council is responsible for the establishment of policies and the adoption of local ordinances and resolutions. The Council has full authority over the financial affairs of the City and provides for the collection of all revenue and other assets, the auditing and settlements of accounts, and the safekeeping and disbursement of public monies. They appoint the City Manager and members of various advisory boards and commissions. The Council consists of a Mayor who is elected for a two-year term and four Councilmembers who are elected at large for staggered four-year terms.

Objectives

1. To provide quality services with limited funding.
2. To understand and adapt to the demographic changes taking place in the City.
3. Promote the City in a positive and professional way.

Budget Comments on Proposed Budget

The Mayor Council Budget increased by \$17,162 or 10.9% from 2018 to 2019

Personal Services increased by \$14,271 due to estimating five health insurance participants instead of four.

Other Services and Charges had an overall increase of \$3,391. Significant changes include an increase to liability insurance, IS internal services, and Memberships.

CITY OF COLUMBIA HEIGHTS, MINNESOTA
BUDGET 2019

DEPARTMENT: CITY MANAGER							
101 41320	GENERAL CITY MANAGER	Actual Expense 2016	Actual Expense 2017	Adopted Budget 2018	Department Proposed 2019	City Manager Proposed 2019	Council Adopted 2019
Line Item	Description						
0999	Personal Services	425,123	434,414	509,750	523,300	523,300	523,300
1999	Supplies	2,885	1,214	5,700	4,400	4,400	4,400
2999	Other Services & Charges	20,202	26,727	37,274	40,920	40,920	40,920
4999	Capital Outlay	-	-	-	-	-	-
6999	Contingencies & Transfers	-	-	15,000	20,000	20,000	-
TOTALS: CITY MANAGER		448,210	462,354	567,724	588,620	588,620	568,620

Activity Description

This department is responsible for the administration of all activities, functions, and programs of the City in accordance with the policies and guidelines adopted by the City Council. Duties of the department include planning, organizing, directing, and coordinating the operations of all departments, with the exception of the Police Department. This department is responsible for human resources, labor relations, and employee relations functions of the City.

Objectives

1. Improve communications with employees via intranet, online services, and employee meetings which, furthers the City Council's goal of recruiting, training, and retaining a talented and professional workforce .
2. Continue to implement new Human Resources Information System which also furthers the City Council's goal of recruiting, training, and retaining a talented and professional workforce.
3. Continue to improve communications to better inform the public of City activities; and provide better communication to our residents whose primary language is not English. This objective directly addresses the City Council goal of developing a communications plan and staff position including exploring more effective uses of communication vehicles, engaging multi-cultural communities, and modernizing use of technology to engage youth in the community.
4. Continue to implement a streamlined records retention program, which again furthers the City Council's goal of enhanced communication by improving the public's access to government information. Actively work to purge files that are well outside the records retention schedule.
5. Work to recruit and retain high quality employees who better represent the residents we serve which directly furthers the City Council's goal of recruiting, training, and retaining a talented and professional workforce.

Budget Comments on Proposed Budget

The City Manager budget increased by \$20,896 from 2018 to 2019, a 3.7% overall increase. Personal Services made up the largest increase at \$13,550. Contingencies made up \$5,000 of the increase as \$20,000 was budgeted for the City's participation in the Government Alliance on Race and Equity that is offered through the League of Minnesota Cities. Other changes include a \$1,300 reduction in Supplies, and an increase of \$3,646 in Other Services and Charges to provide for citywide administrative staff safety and respectful workplace training, increased ICMA membership fees, and increases to the Employee and Volunteer Recognition line items to better cover costs for the holiday lunch and employee and outstanding citizen award recognition.

CITY OF COLUMBIA HEIGHTS, MINNESOTA

BUDGET 2019

DEPARTMENT: CITY CLERK							
101 41410	GENERAL CITY CLERK	Actual Expense 2016	Actual Expense 2017	Adopted Budget 2018	Department Proposed 2019	City Manager Proposed 2019	Council Adopted 2019
Line Item	Description						
0999	Personal Services	87,744	51,983	98,240	53,800	53,800	53,800
1999	Supplies	2,918	2,513	1,350	350	350	350
2999	Other Services & Charges	4,965	7,769	12,188	11,670	11,670	11,670
4999	Capital Outlay	-	-	-	-	-	-
6999	Contingencies & Transfers	-	-	-	-	-	-
TOTALS: CITY CLERK		95,628	62,265	111,778	65,820	65,820	65,820

Activity Description

The City Clerk provides assistance to the Mayor, City Council, and City Manager; organizes and directs elections, serves as the responsible authority for compliance with the MN Data Practices Act, maintains the City Code, prepares and assembles Council meeting agendas and materials, takes and transcribes minutes of the City Council meetings, maintains records and files of official city documents, oversees the boards and commissions, serves as the Sunshine Fund Coordinator, serves as backup to the Administrative Assistant, and is the department liaison to the Sister City Committee. With the exception of special elections, elections are only held in even numbered years. This is the reason for the significant difference from one year to the next.

Objectives

1. Serve the Mayor, City Council, and City Manager in a support capacity.
2. Review and revise, as needed, the Data Practices Policy
3. Maintain city contracts.
4. Update the City's record retention policy, maintain & destroy records in accordance with the schedule.
5. Keep current on election laws and regulations. Recruit and assist with training election judges.

Budget Comments on Proposed Budget

Personal Services decreased significantly due to this being a non-election year.

Supplies decreased by \$1,000 from 2018, again due to this being a non-election year.

Other Services and Charges

Decreased \$518, local travel and legal notice publishing saw the greatest decrease.

The net budget decrease from 2018 is \$45,958 or -41.1%

The net budget increase from 2017 (non-election year) is \$3,555 over two years

CITY OF COLUMBIA HEIGHTS, MINNESOTA
BUDGET 2019

DEPARTMENT: ASSESSING							
101 41550	GENERAL ASSESSING	Actual Expense 2016	Actual Expense 2017	Adopted Budget 2018	Department Proposed 2019	City Manager Proposed 2019	Council Adopted 2019
Line Item	Description						
0999	Personal Services	7,129	7,479	7,647	7,900	7,900	7,900
1999	Supplies	67	50	65	65	65	65
2999	Other Services & Charges	116,618	116,747	118,300	118,300	118,300	118,300
4999	Capital Outlay	-	-	-	-	-	-
6999	Contingencies & Transfers	-	-	-	-	-	-
TOTALS: ASSESSING		123,814	124,276	126,012	126,265	126,265	126,265

Activity Description

The Assessing Department provides tax and homestead information. Through a joint powers agreement with Anoka County, the County provides for the assessment of property in Columbia Heights and processes homestead applications. The City contracted with the County for special assessment billing services beginning in 2003.

Objectives

Work with Anoka County in their implementation of a new computer system ensuring it is easier to use and provides more information to our staff and residents which furthers the City Council's goal of building on and expanding collaboration with the School District and other public entities.

Budget Comments on Proposed Budget

The Assessing budget increased by \$253 from 2018 to 2019, or .20% with the increase occurring in Personal Services due to wage allocations. from the Public Works clerical staff. Supplies stayed equal from 2018 to 2019. Other Services and Charges remained the same from 2018 to 2019.

CITY OF COLUMBIA HEIGHTS, MINNESOTA
BUDGET 2019

DEPARTMENT: LEGAL SERVICES							
101 GENERAL		Actual	Actual	Adopted	Department	City Manager	Council
41610 LEGAL SERVICES		Expense	Expense	Budget	Proposed	Proposed	Adopted
Line Item	Description	2016	2017	2018	2019	2019	2019
0999	Personal Services	-	-	-	-	-	-
1999	Supplies	-	-	-	-	-	-
2999	Other Services & Charges	191,958	176,141	176,300	181,400	181,400	181,400
4999	Capital Outlay	-	-	-	-	-	-
6999	Contingencies & Transfers	-	-	-	-	-	-
TOTALS: LEGAL SERVICES		191,958	176,141	176,300	181,400	181,400	181,400

Activity Description

The Legal Services Department handles all civil and prosecution matters for the City. These services are currently under retainer with the law firm of Barna, Guzy, and Steffen, Ltd. This department also budgets for outside labor attorney services.

Objectives

Maintain current service level under current contract terms. This function assists in accomplishing all of the City Council's goals by providing legal opinions, contract review and drafting, and negotiation assistance in all aspects of city business.

Budget Comments on Proposed Budget

The Legal Services budget increased by \$5,100 or 2.9% from 2018 to 2019 due to a \$5,000 increase to prosecution fees to better represent recent years' expenditures, and a \$100 increase to the property and liability insurance allocation.

CITY OF COLUMBIA HEIGHTS, MINNESOTA

BUDGET 2019

DEPARTMENT: CABLE TELEVISION							
225 49844	CABLE TELEVISION	Actual Expense 2016	Actual Expense 2017	Adopted Budget 2018	Department Proposed 2019	City Manager Proposed 2019	Council Adopted 2019
Line Item	Description						
0999	Personal Services	3,638	5,348	52,026	51,300	51,300	51,300
1999	Supplies	808	-	5,500	9,800	9,800	9,800
2999	Other Services & Charges	90,925	20,265	63,416	78,725	78,725	78,725
4999	Capital Outlay	25,260	-	5,000	-	-	-
6999	Contingencies & Transfers	29,183	63,700	64,389	64,500	64,500	64,500
TOTALS: CABLE TELEVISION		149,814	89,313	190,331	204,325	204,325	204,325

Activity Description

The Cable Television Department operates under the Administration Department to administer the franchise ordinances with Comcast and CenturyLink; operate the local government access channel, and provide customer resolution to their cable service and billing issues.

Objectives

1. Continue to administer franchise ordinances , which further the City Council goal of expanding collaboration with the other public entities. Begin to negotiate a franchise extension with Comcast.
2. Expand the amount of information and programming on the government access channel by both creating video content internally and working with outside agencies to broadcast relevant information they have created. This objective meets and benefits from the City Council goals of creating a communications plan, exploring more effective use of communication vehicles, modernizing the use of technology to engage youth, building on expanding collaboration with other public entities and supporting volunteerism within the community.
3. Enhance staff training and technical services on the cable broadcasting software and hardware as well as the City website, which meets the City Council goal of training and retaining a talented and professional workforce as well as developing a staff succession/transition plan.

Budget Comments on Proposed Budget

Overall, the Cable Television budget increased by \$13,994, or 7.4%. Personal Services reduced by \$726 due to more precise wages being available for the Communications Coordinator. The Supplies budget was increased by \$4,300 due to the proposed implementation of NeoGov, an online application processing system. Other Services and Charges increased by \$15,309 due in large part to the inclusion of BambooHR HRIS subscription. Other Financing Uses was increased by \$111 due to an increase in the operating transfer out for labor.

COMMUNITY DEVELOPMENT

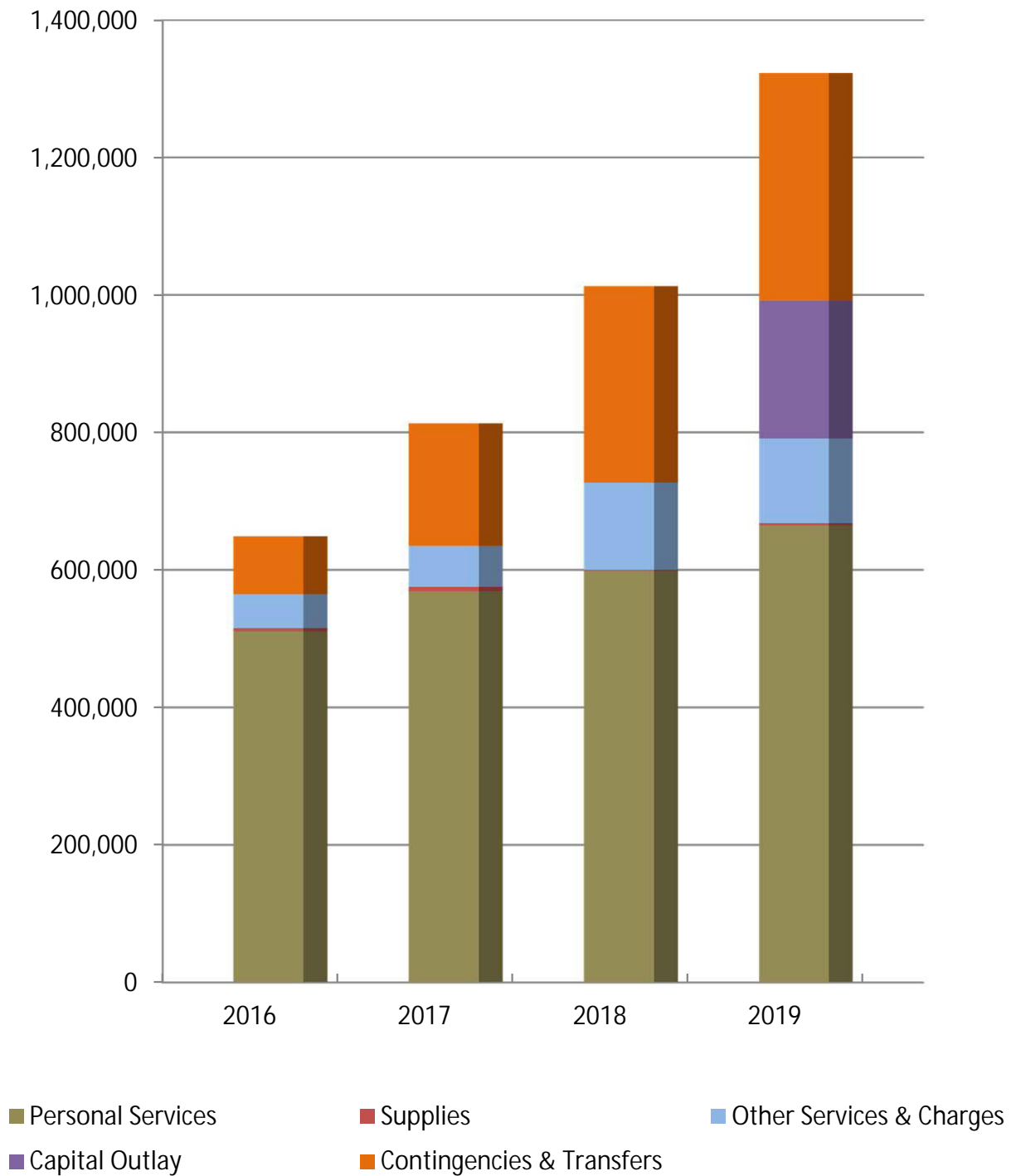
City of Columbia Heights

2019



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COMMUNITY DEVELOPMENT EXPENDITURE SUMMARY



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City of Columbia Heights, Minnesota

BUDGET 2019

Community Development

EDA

	Planning & Inspections	EDA	Special Projects	Downtown Parking	Redevelopment Project
	201	204	226	228	408
Revenue					
30999 Taxes	-	242,100	-	-	247,000
31999 Licenses & Permits	366,500	-	-	-	-
32999 Intergovernmental	-	-	-	-	-
33999 Charge for Services	-	500	-	-	-
34999 Fines & Forfeits	-	-	-	-	-
35999 Miscellaneous	2,100	2,000	-	25,000	3,000
36999 Sales and Related Charges	-	-	-	-	-
39199 Transfers & Non Rev Receipts	135,000	-	-	-	-
Total Revenue	503,600	244,600	-	25,000	250,000
Expenses					
0999 Personal Services	462,500	201,900	-	-	-
1999 Supplies	2,400	1,500	-	-	-
2999 Other Services and Charges	22,700	25,200	-	25,000	50,000
4999 Capital Outlay	-	-	-	-	200,000
6999 Contingencies & Transfers	16,000	16,000	300,000	-	-
Total Expenses	503,600	244,600	300,000	25,000	250,000
Change to Fund Balance	-	-	-300,000	-	-

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CITY OF COLUMBIA HEIGHTS, MINNESOTA
BUDGET 2019

DEPARTMENT: PLANNING & INSPECTIONS							
201 42400	PLANNING & INSPECTIONS PLANNING & INSPECTIONS	Actual Expense	Actual Expense	Adopted Budget	Department Proposed	City Manager Proposed	Council Adopted
Line Item	Description	2016	2017	2018	2019	2019	2019
0999	Personal Services	338,498	417,098	434,779	462,500	462,500	462,500
1999	Supplies	3,910	6,538	1,400	2,400	2,400	2,400
2999	Other Services & Charges	16,221	21,527	17,497	22,700	22,700	22,700
4999	Capital Outlay	-	-	-	-	-	-
6999	Contingencies & Transfers	15,164	15,550	16,006	16,000	16,000	16,000
TOTALS: PLANNING & INSPECTIONS		373,794	460,714	469,682	503,600	503,600	503,600

Activity Description

The Planning & Inspections Department ensures the public health, safety, and general welfare of the community through implementation, administration, and enforcement of the City Zoning Code and the respective Minnesota State Building Codes. The main activities of the Planning & Inspections Department include providing staff support to the Planning Commission; implementing short and long-range planning policies that address the changing dynamics of social, political, and economic environments; facilitating the implementation and administration of the Comprehensive Plan; conducting special projects for the benefit of the community; serving as project managers for development and redevelopment projects; administering FEMA requirements; issuing building, mechanical and plumbing permits, as well as contractor and businesses licenses; reviewing building plans and construction documents; and inspecting the construction and installation of projects.

Objectives

City Goal - SAFE COMMUNITY & EXCELLENT HOUSING AND NEIGHBORHOODS

- Regulate building, mechanical and plumbing permits, as well as contractor and business licensure.
- Review building and mechanical plans.
- Conduct inspections for building, mechanical, and plumbing permits.

City Goal - ECONOMIC STRENGTH & EXCELLENT HOUSING AND NEIGHBORHOODS

- Provide project management and coordination for development projects.
- Provide staff assistance to the Planning Commission.
- Provide short and long-range community planning services.
- Lead various "special projects" related to City ordinance issues.

City Goal - STRONG INFRASTRUCTURE/ PUBLIC SERVICES

- Coordinate projects and programs with various outside agencies (Anoka County, FEMA, Met Council, MnDOT, etc.)

Planning & Inspections Budget Comments Continued on Next Page

Planning & Inspections Budget Comments Continued

Budget Comments on Proposed Budget

The Planning & Inspections Fund increased by \$33,918 from 2018 to 2019, an increase of approximately 7.2% from the previous year. This increase has been realized proportionally for both revenues and expenditures since, by design, this Fund operates on a self-supporting basis through permit and license revenue activity. In the past, this Fund has been partially supported by proceeds from the EDA and HRA levies; however, in 2019, the City Levy shall support this Fund.

PERSONAL SERVICES:

Personal Services will increase by \$27,721 primarily due to the Community Development Department budgeting for a part-time, temporary intern in 2019 and the COLA Allowance being incorporated into the 2019 budget. Previously, interns were not incorporated into the Planning & Inspections budget prior to its adoption by City Council; however, based on the anticipated work load from the commencement of Grand Central Flats and Hy-Vee, the Community Development Department shall use permit revenue proceeds from 2018 to fund a Building Inspections Intern in 2019.

SUPPLIES:

Supplies will increase by \$1,000 in order to adequately reflect the anticipated work load.

OTHER SERVICES & CHARGES:

Other Services & Charges will increase by \$5,203 due to increases in Information System Services (4040), Training & Education Activities (3105) to adequately reflect the anticipated seminars, conferences, and classes required for each position, as well as Commissions & Boards (4380) to allow each Planning Commissioners to attend one training activity.

CAPITAL OUTLAY:

No Capital Outlay is anticipated for 2019.

OTHER FINANCING USES:

Other Financing Uses shall realize a nominal decrease of \$6 based upon the 2019 Labor Administration Distribution.

CITY OF COLUMBIA HEIGHTS, MINNESOTA
BUDGET 2019

DEPARTMENT: ECONOMIC DEVELOPMENT AUTHORITY							
204 46314	COMMUNITY DEVELOPMENT ECONOMIC DEVELOPMENT AUTH.	Actual Expense 2016	Actual Expense 2017	Adopted Budget 2018	Department Proposed 2019	City Manager Proposed 2019	Council Adopted 2019
Line Item	Description						
0999	Personal Services	172,001	151,608	163,774	201,900	201,900	201,900
1999	Supplies	1,025	144	-	1,500	1,500	1,500
2999	Other Services & Charges	15,961	20,775	14,484	25,200	25,200	25,200
4999	Capital Outlay	-	-	-	-	-	-
6999	Contingencies & Transfers	68,615	136,216	269,984	16,000	16,000	16,000
TOTALS: ECONOMIC DEVELOPMENT		257,602	308,743	448,242	244,600	244,600	244,600

Activity Description

The Economic Development Authority coordinates several activities that both directly and indirectly act as a catalyst for improving the community's overall quality of life, business vitality, and economic performance. The main activities of Economic Development Authority staff include providing support to the Columbia Heights Economic Development Authority and the Housing & Redevelopment Authority in and for the City of Columbia Heights; leveraging public and private partnerships to increase the amount of reinvestment within the City; serving as project managers for development and redevelopment projects; writing and maintaining grants from governmental agencies and corporate institutions; preparing and maintaining Tax Increment Financing, Tax Abatement, and Private Activity Bond records; developing and implementing a Business Retention & Expansion program; managing housing programs; and facilitating the acquisition and conveyance of city owned properties.

Objectives

City Goal - ECONOMIC STRENGTH & EXCELLENT HOUSING AND NEIGHBORHOODS

- Implement goals and objectives of the Economic Development Authority
- Monitor and implement housing programs to ensure neighborhood reinvestment is occurring.
- Develop and implement programs that work to increase assessed property values.
- Enhance business opportunities with the City.
- Develop and implement a Business Retention & Expansion program.

City Goal - AFFORDABILITY

- Work to ensure that high-quality, affordable housing options are available for all residents.

Budget Comments on Proposed Budget

The Economic Development Authority Fund decreased by \$203,642 from 2018 to 2019, a decrease of approximately 45.4% from the previous year. This decrease is directly correlated to the HRA Levy being recognized in Fund 408 rather than Fund 204.

PERSONAL SERVICES:

Personal Services will increase by \$38,126 due to anticipated cost of living adjustments, performance increases, the reinstatement of the Community Development Manager position, and the COLA Allowance being incorporated into the proposed 2019 budget.

SUPPLIES:

Supplies will increase by \$1,500 to properly address the anticipated work load.

OTHER SERVICES & CHARGES:

Other Services & Charges will increase by \$10,716 due to increases in Expert & Professional Services (3050), Prop & Liab Insurance (3600), and Training & Education Activities (3105) to adequately reflect the anticipated seminars, conferences, and classes required for each position.

OTHER FINANCING USES:

Other Financing Uses will decrease by \$253,984 due to the reallocation of the EDA and HRA Levies beginning in 2019, and the recognition of the HRA Levy in Fund 408 rather than Fund 204 to support the increases in redevelopment project and program expenditures.

CITY OF COLUMBIA HEIGHTS, MINNESOTA
BUDGET 2019

DEPARTMENT: DOWNTOWN PARKING							
228	DOWNTOWN PARKING	Actual	Actual	Adopted	Department	City Manager	Council
46317	DOWNTOWN PARKING	Expense	Expense	Budget	Proposed	Proposed	Adopted
Line Item	Description	2016	2017	2018	2019	2019	2019
0999	Personal Services	-	-	-	-	-	-
1999	Supplies	-	-	-	-	-	-
2999	Other Services & Charges	-	-	-	25,000	25,000	25,000
4999	Capital Outlay	-	-	-	-	-	-
6999	Contingencies & Transfers	-	-	-	-	-	-
TOTALS: DOWNTOWN PARKING		-	-	-	25,000	25,000	25,000

Activity Description

The Downtown Parking Fund operates in partnership with the Columbia Park Properties, LLP and 500, LLC to increase the economic viability of the Central Business District and maintain its livable qualities. This fund administers the management, operation, and maintenance of the two municipal parking ramps located at 950 40th Avenue NE and 4011 Van Buren Street NE, Columbia Heights, MN, a total of 679 parking stalls.

Objectives

City Goal - STRONG INFRASTRUCTURE/ PUBLIC SERVICES

- Administer the management, operation, and maintenance of the municipal parking ramps.

Budget Comments on Proposed Budget

The Downtown Parking Fund will realize no change based upon the Operation and Maintenance Agreements with Columbia Park Properties, LLP and 500, LLC.

CITY OF COLUMBIA HEIGHTS, MINNESOTA
BUDGET 2019

DEPARTMENT: COMMERCIAL REVITALIZATION							
408	EDA REDEVELOPMENT PROJECT	Actual	Actual	Adopted	Department	City Manager	Council
46414	COMMERCIAL REVITALIZATION	Expense	Expense	Budget	Proposed	Proposed	Adopted
Line Item	Description	2016	2017	2018	2019	2019	2019
0999	Personal Services	-	-	-	-	-	-
1999	Supplies	-	-	-	-	-	-
2999	Other Services & Charges	-	2,801	-	50,000	50,000	50,000
4999	Capital Outlay	-	-	-	200,000	200,000	200,000
6999	Contingencies & Transfers	-	-	-	-	-	-
TOTALS: COMMERCIAL REVITALIZATION		-	2,801	-	250,000	250,000	250,000

Activity Description

The Commercial Revitalization Fund is a working capital fund designed to provide the resources necessary for the Columbia Heights Economic Development Authority to implement approved activities for the benefit of the community. The two approved activities covered within this fund are the Commercial Revitalization Project and the Facade Improvement Grant Program.

Objectives

City Goal - ECONOMIC STRENGTH & EXCELLENT HOUSING AND NEIGHBORHOODS
- Implement the Commercial Revitalization Project and the Facade Improvement Grant Program.
City Goal - DIVERSE, WELCOMING SMALL-TOWN FEEL

Budget Comments on Proposed Budget

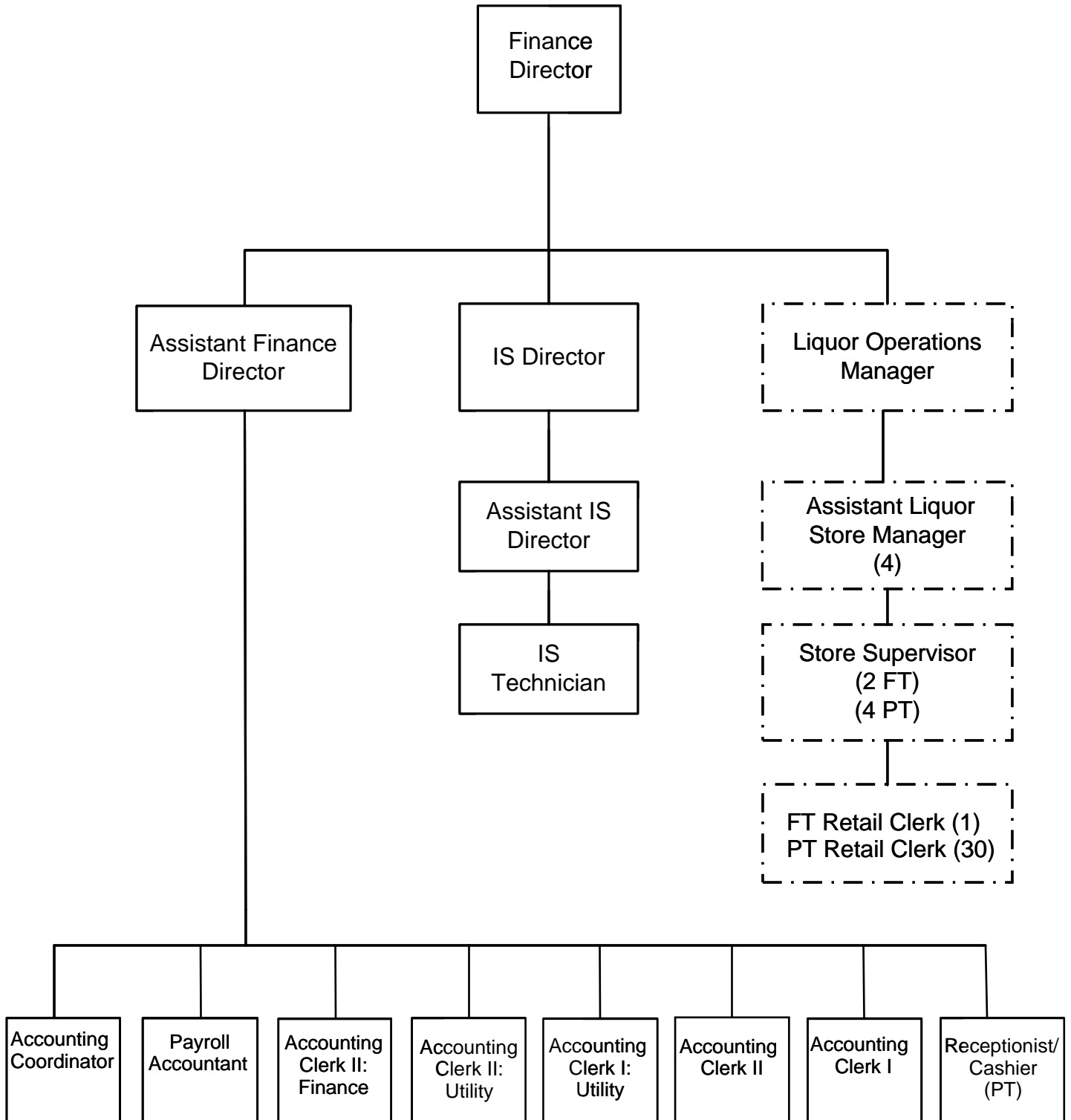
The Commercial Revitalization Fund increased by \$136,004 from 2018 to 2019, an increase of approximately 119.3% from the previous year. This significant increase reflects that beginning in 2019 the HRA levy is recognized in fund 408 to fund increases in redevelopment project and program expenditures.

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FINANCE DEPARTMENT

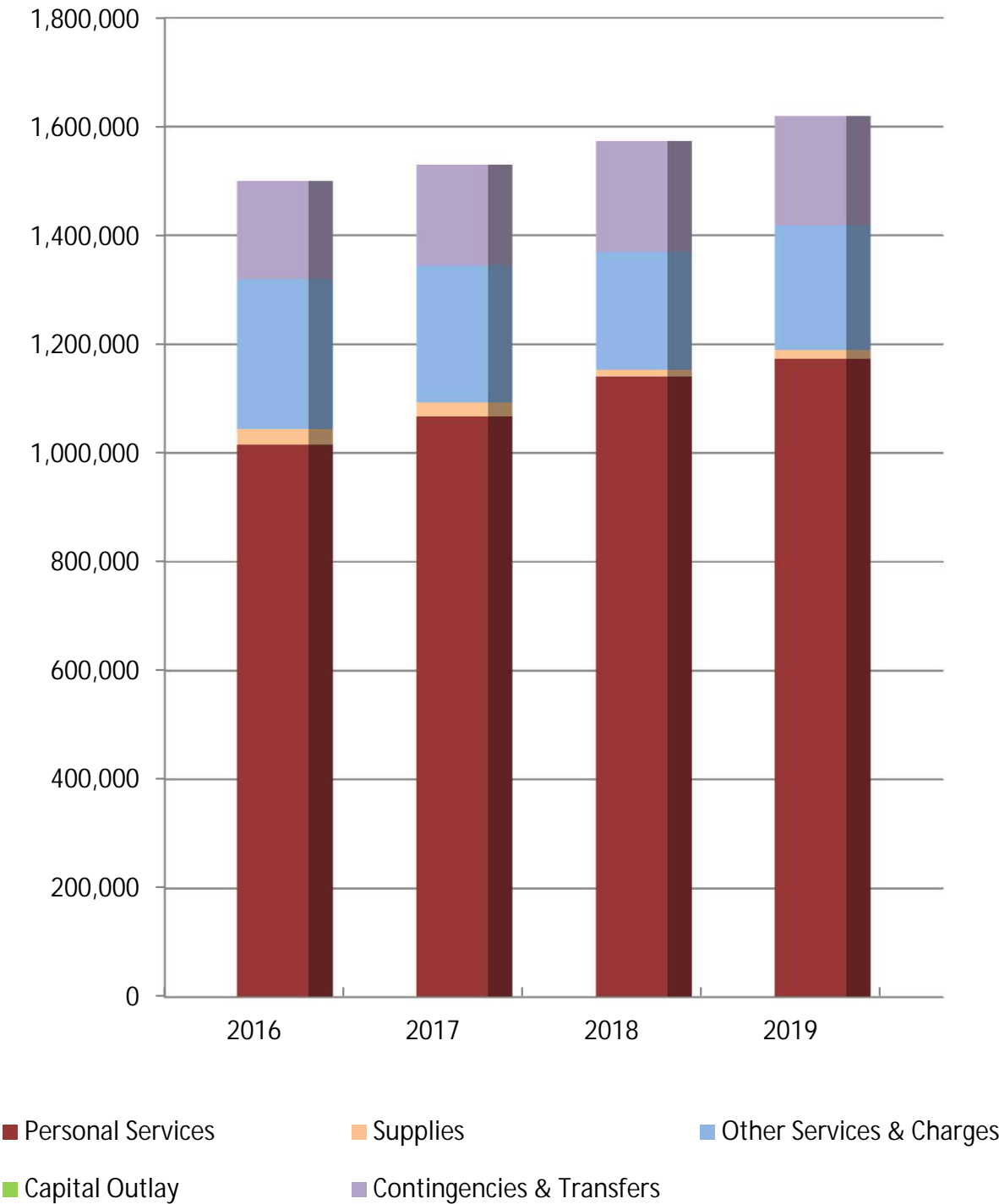
City of Columbia Heights

2019



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FINANCE EXPENDITURE SUMMARY



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City of Columbia Heights, Minnesota

BUDGET 2019

Finance

	Finance	Water	Sewer	Storm Sewer	IS	Cap. Equip Finance	Cap. Equip IS
	101	601	602	604	720	437	437
Revenue							
30999 Taxes	511,623	-	-	-	-	-	-
31999 Licenses & Permits	700	-	-	-	-	-	-
32999 Intergovernmental	23,965	-	-	-	-	-	-
33999 Charge for Services	-	1,104	-	-	-	-	-
34999 Fines & Forfeits	-	-	-	-	-	-	-
35999 Miscellaneous	4,581	671	286	5	-	-	2,000
36999 Sales and Related Charges	-	162,864	138,474	1,164	385,000	-	-
39199 Transfers & Non Rev Receipts	372,448	-	-	-	-	-	-
Total Revenue	913,317	164,639	138,760	1,169	385,000	-	2,000
Expenses							
0999 Personal Services	853,600	-	-	-	319,700	-	-
1999 Supplies	6,000	1,000	1,000	-	8,300	-	-
2999 Other Services and Charges	62,700	51,300	51,300	1,200	63,000	-	-
4999 Capital Outlay	-	-	-	-	-	-	-
6999 Contingencies & Transfers	-	96,500	96,500	-	2,000	-	5,000
Total Expenses	922,300	148,800	148,800	1,200	393,000	-	5,000
Change to Fund Balance	-8,983	15,839	-10,040	-31	-8,000	-	-3,000
Proprietary Fund Information							
Capital Asset Purchases	n/a	-	-	-	-	-	43,600

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CITY OF COLUMBIA HEIGHTS, MINNESOTA
BUDGET 2019

DEPARTMENT: FINANCE							
101 GENERAL		Actual	Actual	Adopted	Department	City Manager	Council
41510 FINANCE		Expense	Expense	Budget	Proposed	Proposed	Adopted
Line Item	Description	2016	2017	2018	2019	2019	2019
0999	Personal Services	726,999	782,450	830,400	853,600	853,600	853,600
1999	Supplies	6,234	6,106	6,600	6,000	6,000	6,000
2999	Other Services & Charges	53,232	53,932	54,800	62,700	62,700	62,700
4999	Capital Outlay	-	-	-	-	-	-
6999	Contingencies & Transfers	-	-	-	-	-	-
TOTALS: FINANCE		786,465	842,488	891,800	922,300	922,300	922,300

Activity Description

The purpose of the Finance Department is to account for all financial operations of the City and to report on those operations. The Finance department is responsible for budgeting, financial reporting, accounts payable and receivable, payroll, utility billing, purchasing, liquor operations, and information systems within city operations.

Objectives

The department's ongoing objective is to continually improve its work processes. In 2019, particular emphasis will be on the planning and implementation of an ERP system. The objective is to integrate the various processes of the Finance department, and user departments' interactions with the Finance department, into one all-encompassing system. The strategy to achieve this includes:

Mid-2018 update financial policies and create a quick policy reference tool for use by City departments

Late-2018 identify qualified vendors and begin RFP preparation

Early-2019 issue RFP, review proposals, and award vendor contract.

Mid-2019 begin migration and implementation

Early 2021 complete migration and implementation

This departmental objective supports the City of Columbia Heights mission of providing high quality services in a fiscally-responsible and customer-friendly manner, as stated within the City Council's 2017 goals report.

Budget Comments on Proposed Budget

The proposed budget for 2019 is an increase of \$30,500 or 3.4% over the 2018 budget. This consists of \$23,200 increases in personnel costs, and \$7,500 increase in other services and charges costs.

The majority of the increase in personnel is for estimated cost-of-living increase changes to labor agreements for 2019 under pending negotiations. The increase in other services and charges is a combination of a \$4,000 increase to professional services for assistance with the development of an RFP for the ERP system, and an \$1,800 increase in the internal charge for information systems support.

CITY OF COLUMBIA HEIGHTS, MINNESOTA
BUDGET 2019

DEPARTMENT: WATER UTILITY							
601 49440	WATER UTILITY ADMINISTRATION & GENERAL	Actual Expense	Actual Expense	Adopted Budget	Department Proposed	City Manager Proposed	Council Adopted
Line Item	Description	2016	2017	2018	2019	2019	2019
0999	Personal Services	-	-	-	-	-	-
1999	Supplies	790	829	1,200	1,000	1,000	1,000
2999	Other Services & Charges	81,402	71,088	48,800	51,300	51,300	51,300
4999	Capital Outlay	-	-	-	-	-	-
6999	Contingencies & Transfers	90,396	92,900	96,400	96,500	96,500	96,500
TOTALS: WATER UTILITY		172,588	164,817	146,400	148,800	148,800	148,800

Activity Description

The Administration Department of the Water Utility Fund accounts for 33.3% of the costs associated with the utility billing process costs associated with meter reading. The remaining costs for utility billing are allocated to the Sewer Utility Fund - 33.3% and the Refuse Utility Fund 33.3%; the remaining costs for meter reading are allocated to the Sewer Utility Fund.

Objectives

The department's ongoing objective is to continually improve its work processes. In 2019, particular emphasis will be on the process for managing customer accounts with repair issues indicated by unusual meter readings or malfunctioning meter radios. This serves the Columbia Heights Mission to provide the highest quality services, as stated within the City Council's 2017 goal-setting report. This also supports the key element within the Columbia Heights Vision of affordability/sustainability of services , as stated within the City Council's 2017 goal-setting report.

Budget Comments on Proposed Budget

The proposed budget for 2019 is an increase of \$2,400 or 1.6% from the prior year. This primarily consists of increases :

- \$1,300 increase in the internal charge for information systems support.
- \$1,000 increase in credit card fees, reflecting more customers choosing to pay through the City's website.

The current five-year lease for the folder/insertor (mailing) machine expires 9/16/19. This budget assumes that lease will be renewed at comparable rates. Staff will research this along with other alternatives in 2019.

CITY OF COLUMBIA HEIGHTS, MINNESOTA
BUDGET 2019

DEPARTMENT: SEWER UTILITY ADMINISTRATION & GENERAL							
602	SEWER UTILITY	Actual	Actual	Adopted	Department	City Manager	Council
49490	ADMINISTRATION & GENERAL	Expense	Expense	Budget	Proposed	Proposed	Adopted
Line Item	Description	2016	2017	2018	2019	2019	2019
0999	Personal Services	-	-	-	-	-	-
1999	Supplies	850	829	1,200	1,000	1,000	1,000
2999	Other Services & Charges	80,390	71,088	48,800	51,300	51,300	51,300
4999	Capital Outlay	-	-	-	-	-	-
6999	Contingencies & Transfers	90,395	92,800	96,400	96,500	96,500	96,500
TOTALS: SEWER UTILITY		171,635	164,717	146,400	148,800	148,800	148,800

Activity Description

The Administration Department of the Sewer Utility Fund accounts for 33.3% of the costs associated with the utility billing process and one-half of the costs associated with meter reading. The remaining costs for utility billing are allocated to the Water Utility Fund - 33.3% and the Refuse Utility Fund 33.3%; the remaining costs for meter reading are allocated to the Water Utility Fund.

Objectives

The department's ongoing objective is to continually improve its work processes. In 2019, particular emphasis will be on the process for managing customer accounts with repair issues indicated by unusual meter readings or malfunctioning meter radios. This serves the Columbia Heights Mission to provide the highest quality services, as stated within the City Council's 2017 goal-setting report. This also supports the key element within the Columbia Heights Vision of affordability/sustainability of services, as stated within the City Council's 2017 goal-setting report.

Budget Comments on Proposed Budget

The proposed budget for 2019 is an increase of \$2,400 or 1.6% from the prior year. This primarily consists of increases:

- \$1,300 increase in the internal charge for information systems support.
- \$1,000 increase in credit card fees, reflecting more customers choosing to pay through the City's website.

The current five-year lease for the folder/insert (mailing) machine expires 9/16/19. This budget assumes that lease will be renewed at comparable rates. Staff will research this along with other alternatives in 2019.

CITY OF COLUMBIA HEIGHTS, MINNESOTA
BUDGET 2019

DEPARTMENT: STORM SEWER ADMINISTRATION & GENERAL							
604	STORM SEWER	Actual	Actual	Adopted	Department	City Manager	Council
49690	ADMINISTRATION & GENERAL	Expense	Expense	Budget	Proposed	Proposed	Adopted
Line Item	Description	2016	2017	2018	2019	2019	2019
0999	Personal Services	-	-	-	-	-	-
1999	Supplies	-	-	-	-	-	-
2999	Other Services & Charges	1,170	906	1,100	1,200	1,200	1,200
4999	Capital Outlay	-	-	-	-	-	-
6999	Contingencies & Transfers	-	-	-	-	-	-
	TOTALS: STORM SEWER	1,170	906	1,100	1,200	1,200	1,200

Activity Description

The Administration Department of the Sewer Utility Fund accounts for costs directly associated with this fund. At this time, there are no allocated costs for the utility billing process or meter reading in this fund.

Objectives

The Storm Sewer Administration Department is only a passive collecting point in the accounting system for certain direct costs. As such, it does not have objectives other than to fulfill this record keeping role. It is not a department that is staffed directly or indirectly (such as through a labor allocation.)

Budget Comments on Proposed Budget

The proposed budget for 2019 is \$1,200 or 9.1% more than the 2018 budget. The only item in this budget is a small share of the annual audit costs.

CITY OF COLUMBIA HEIGHTS, MINNESOTA

BUDGET 2019

DEPARTMENT: INFORMATION SYSTEMS

720 INFORMATION SYSTEMS	Actual	Actual	Adopted	Department	City Manager	Council
49980 INFORMATION SYSTEMS	Expense	Expense	Budget	Proposed	Proposed	Adopted
Line Item Description	2016	2017	2018	2019	2019	2019
0999 Personal Services	288,102	285,086	309,665	319,700	319,700	319,700
1999 Supplies	8,075	4,756	4,290	8,300	8,300	8,300
2999 Other Services & Charges	59,334	54,994	63,620	63,000	63,000	63,000
4999 Capital Outlay	-	-	-	-	-	-
6999 Contingencies & Transfers	-	-	5,000	2,000	2,000	2,000
TOTALS: INFORMATION SYSTEMS	355,511	344,835	382,575	393,000	393,000	393,000

Activity Description

The IS department provides information system implementation, management, support, and training to the City employees. With the City's dependence on IS, it is imperative to have staff on hand to support and develop the system. Modern information technologies and training increase city employees' productivity and reduce overall cost of information system ownership.

Major IS components:

- Almost 200 desktop PCs, virtual PCs, and portable computers.
- More than 270 phones with 570 phone numbers and voicemail boxes.
- 80 physical and virtual servers and data storage systems.
- More than 40 printers, copiers, scanners.
- Almost 250 network devices and components of video security, physical access control systems, and building automation systems.
- 20 databases.
- Laserfiche document imaging system (more than 500,000 documents with 3.8 million pages).
- Office applications (word processing, spreadsheets, presentations, e-mail and scheduling).
- Special departmental applications.
- Intranet websites.

Objectives

1. Ensure efficient, secure, and reliable operation of the City information system.
2. Support City Library staff and patrons.
3. Provide Internet access to the public documents in Laserfiche system.
4. Provide reliable and secure Internet access for city employees.
5. Train users and IS staff to better use city information system.

These internal service objectives provide critical support for all city departments to achieve the Columbia Heights mission, vision, and objectives stated within the City Council's 2017 goal-setting report.

Budget Comments on Proposed Budget

The proposed 2019 budget for this department is 2.7% more than 2018 budget. Major changes:

- "Personal Services" are \$10,000 more due to COLA adjustments.
- "Supplies" are \$4,000 more due to IS staff workstation replacement.

CITY OF COLUMBIA HEIGHTS, MINNESOTA
BUDGET 2019

DEPARTMENT: IS CAPITAL EQUIPMENT REPLACEMENT							
437	I.S. CAPITAL EQUIPMENT	Actual	Actual	Adopted	Department	City Manager	Council
49980	INFORMATION SYSTEMS	Expense	Expense	Budget	Proposed	Proposed	Adopted
Line Item	Description	2016	2017	2018	2019	2019	2019
0999	Personal Services	-	-	-	-	-	-
1999	Supplies	13,263	12,699	-	-	-	-
2999	Other Services & Charges	-	-	-	-	-	-
4999	Capital Outlay	-	-	-	-	-	-
6999	Contingencies & Transfers	-	-	5,000	5,000	5,000	5,000
TOTALS: IS CAP EQUIP REPLACEMENT		13,263	12,699	5,000	5,000	5,000	5,000

Activity Description

Capital Equipment Replacement fund is used for IS hardware and software purchases with a cost of a unit in the amount set by city procedures for fixed assets or more and a life expectancy of one year or longer.

Objectives

1. Replace AS400 computer system (support will end on 3/31/19) with a newer model.
2. Replace Microsoft Windows Server 2008R2 Datacenter (support will end on 1/14/20) with Microsoft Windows Server 2016 Datacenter.
3. Replace Microsoft SQL Server 2008R2 (support will end on 7/9/19) with Microsoft SQL Server 2017.
4. Replace other IS components that are no longer supported by vendors and are not compatible with newer components.
5. Keep using existing IS components as long as they can be efficiently supported.

These internal service objectives serve the key element within the Columbia Heights vision of maintaining updated public facilities, as stated within the City Council's 2017 goal-setting report.

Budget Comments on Proposed Budget

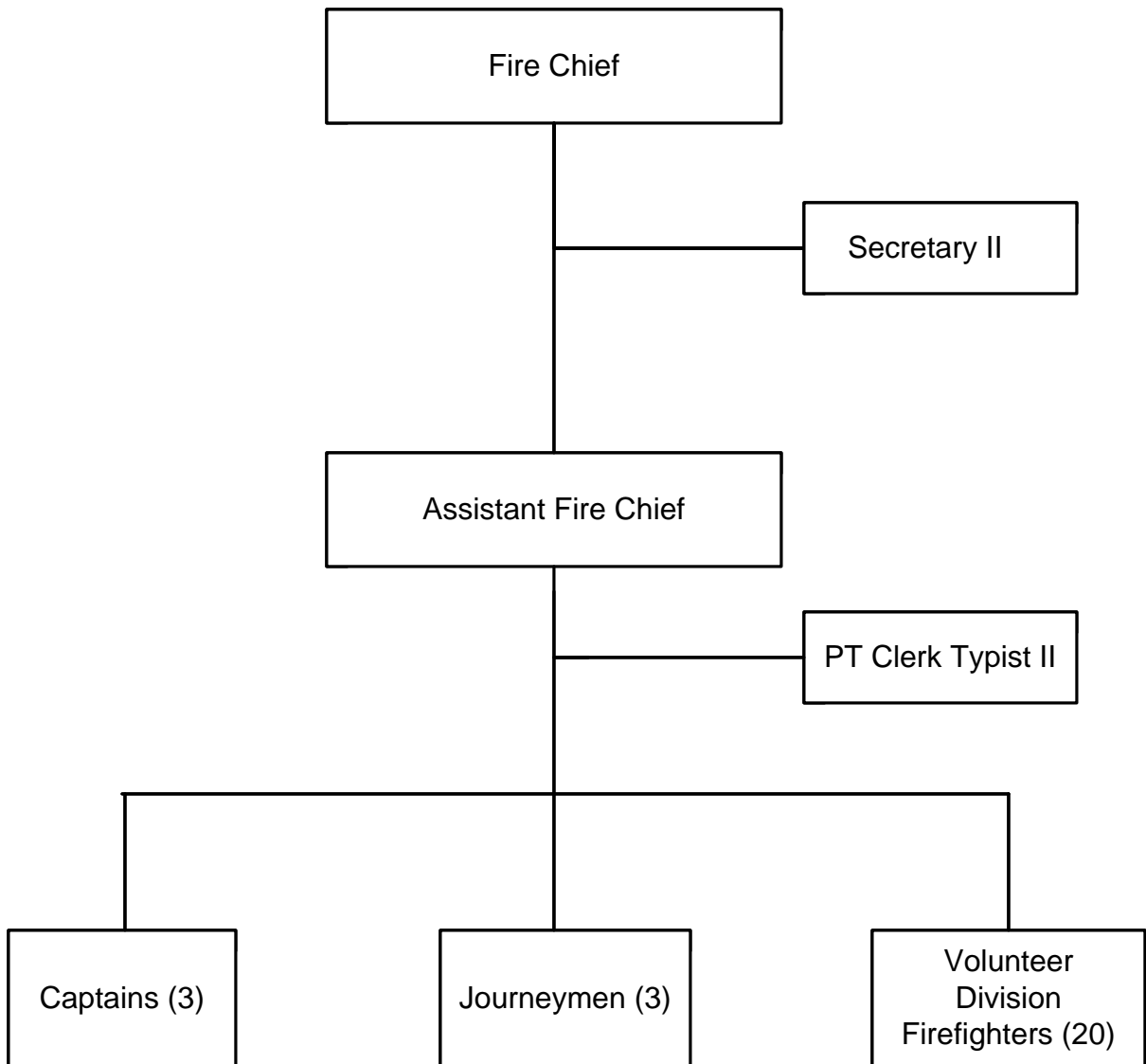
This department is within a proprietary fund. Beginning in 2015, proprietary funds are using the full accrual method for budgetary accounting, which is the same method proprietary funds use for actual accounting.

The proposed 2019 budget includes \$29,000 for AS400 system replacement, \$14,600 for server software upgrades, and \$5,000 in contingencies.

FIRE

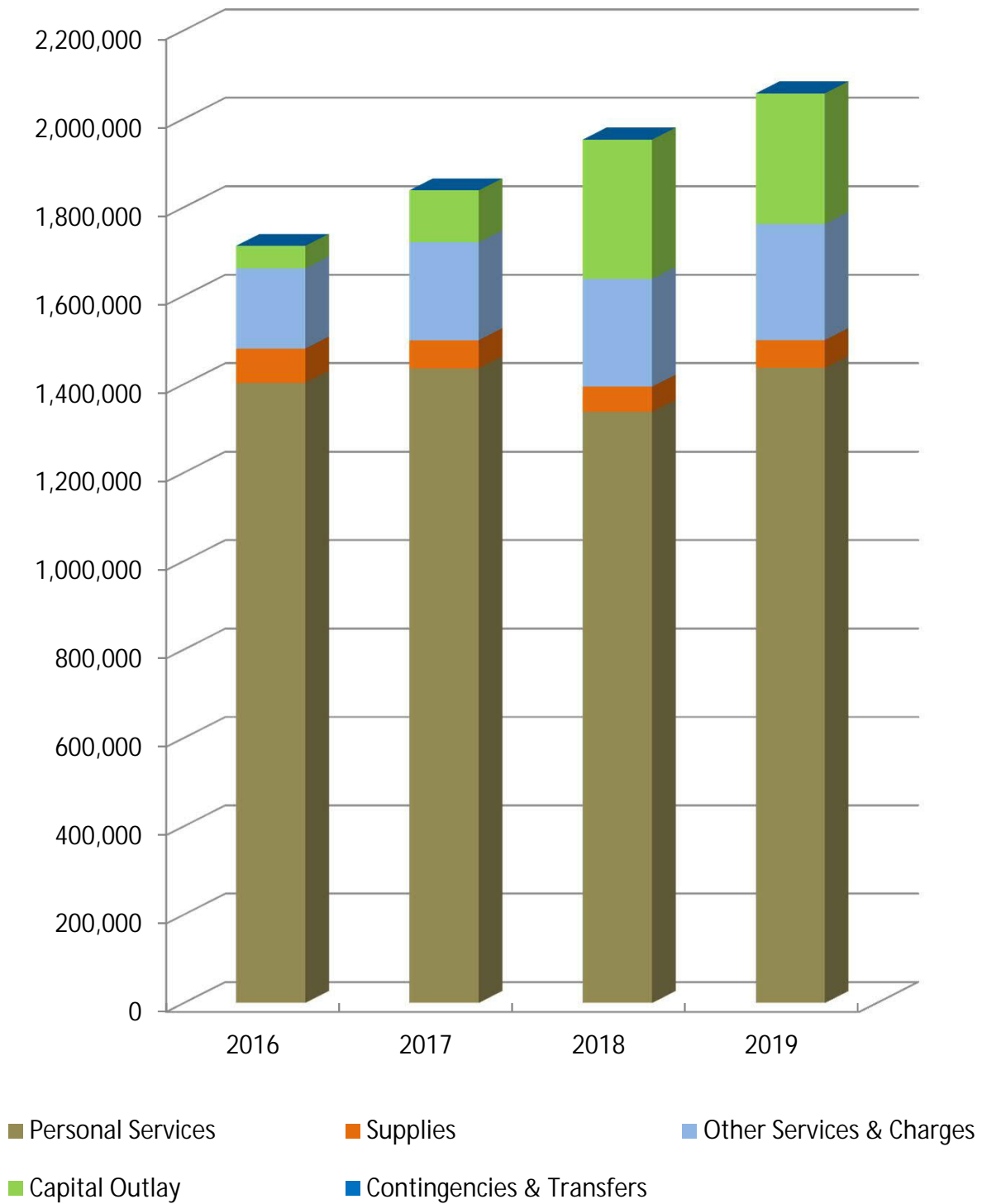
City of Columbia Heights

2019



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FIRE EXPENDITURE SUMMARY



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City of Columbia Heights, Minnesota
BUDGET 2019

Fire

	Fire	Property Inspections	Public Safety Grant - Other	Cap Equip Replacement Fire	Cap Equip Fire
	101	101	272	431	439
Revenue					
30999 Taxes	1,095,818	197,326	-	-	-
31999 Licenses & Permits	600	300,000	-	-	-
32999 Intergovernmental	148,330	9,243	-	15,661	-
33999 Charge for Services	82,000	10,000	-	-	-
34999 Fines & Forfeits	-	-	-	-	-
35999 Miscellaneous	9,812	1,767	-	15,034	-
36999 Sales and Related Charges	-	-	-	-	-
39199 Transfers & Non Rev Receipts	-	-	-	2,506	-
Total Revenue	1,336,560	518,336	-	33,201	-
Expenses					
0999 Personal Services	1,041,100	395,900	-	-	-
1999 Supplies	61,300	1,700	-	-	-
2999 Other Services & Charges	253,400	9,200	-	-	-
4999 Capital Outlay	-	-	-	295,000	-
6999 Contingencies & Transfers	-	-	-	-	-
Total Expenses	1,355,800	406,800	-	295,000	-
Change to Fund Balance	-19,240	111,536	-	-261,799	-

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CITY OF COLUMBIA HEIGHTS, MINNESOTA
BUDGET 2019

DEPARTMENT: FIRE							
101 42200	GENERAL FIRE	Actual Expense 2016	Actual Expense 2017	Adopted Budget 2018	Department Proposed 2019	City Manager Proposed 2019	Council Adopted 2019
Line Item	Description						
0999	Personal Services	1,087,004	1,132,173	1,139,990	1,041,100	1,041,100	1,041,100
1999	Supplies	56,879	63,031	55,767	61,300	61,300	61,300
2999	Other Services & Charges	175,331	214,618	234,100	253,400	253,400	253,400
4999	Capital Outlay	-	-	-	-	-	-
6999	Contingencies & Transfers	-	-	-	-	-	-
	TOTALS: FIRE	1,319,214	1,409,822	1,429,857	1,355,800	1,355,800	1,355,800

Activity Description

The Fire Department provides medical care, fire suppression, public education, and inspection services for the citizens of Columbia Heights. The Fire Department also supplies the City of Hilltop with fire and medical service through a contract agreement. The Fire Department will continue to work with neighboring communities to share resources through auto aid and mutual aid agreements along with sharing of personnel for County and regional teams. Emergency Management works side by side with the U.S. Department of Homeland Security, Minnesota Department of Homeland Security and Emergency Management, and the Anoka County Emergency Manager to provide emergency management for the protection of public safety, health, and welfare in our city during emergencies and natural disasters.

Objectives

The Fire Department prides itself in our pro-active, modern approach in providing fire and EMS services. Based on the goals and objectives of city staff and the City Council we will continue to strive toward meeting some of these goals by:

Build and Expand collaboration with the School District, other public entities by continuing and building our involvement with County and regional teams, emergency management organizations, the sharing of resources with neighboring communities, and continuing our move to the county wide computer data system.

Conduct an Evaluation of City Staffing Levels by continuing to look at different, more stable staffing models, prioritizing fire department functions, and training full time staff for the fire department of the future which includes emergency management. The 2018 staffing study will be used as a resource in these evaluations.

Expand Public safety community engagement programs with emphasis on prevention by having the fire department become more involved in outside community organizations, expanding our public education program, and working with the school district to provide a more efficient fire prevention education program in our schools. This goal may be difficult to achieve with current staffing due to the significant amount of time and resources dedicated to the Property Maintenance Inspection program.

Fire Budget Comments Continued on Next Page

CITY OF COLUMBIA HEIGHTS, MINNESOTA
BUDGET 2019

Fire Budget Comments Continued
Budget Comments on Proposed Budget

The increases in the number of emergency calls, requests for fire services, rental properties and the need for property inspections has outpaced the abilities of the current Fire Department staffing model to complete everything in a timely manner.

A National trend that we are also seeing in Minnesota is the difficulty in recruiting and retaining Paid-on-Call Firefighters. POC firefighters are covering less open shifts due to the changing demographics and their use of their free time. Using POC firefighters to cover shifts for full time firefighters is no longer a stable option. Overtime is proposed to increase and will continue to be high in order to maintain a minimum of two firefighters on duty and to conduct inspections. This workload is causing "burn out" of the full time staff. A staffing study will be completed in 2018 that will assist in making decisions for staffing the Fire Department at a level that will allow quality inspections to be conducted, not just quantity, along with the time and staff to fulfill our core fire department and emergency management missions.

The percentage of time that individual positions are charged to the Property Inspections budget has not been updated since its inception in 2010. An evaluation of the time was conducted and the percentage for some positions, especially the firefighters, has increased dramatically. This has almost doubled the cost of the inspection program and shows the significant subsidy of the City, and the Fire Department to run the program.

The combined Fire/Property Inspections budget shows a net increase of \$124,571 or 7.6% over 2018. The Fire Department 42200 budget by itself shows a decrease of -5.2% due to more time being shifted to the Property Inspections Department 42300, but there are still significant budget increases in the Fire Department. In Personal Services, increases include \$20,000 in Overtime to bring it more in line with annual expenditures. Other increases include contract step increases for two firefighters and a Captain, plus related fringe. Also included is an increase in the City contribution to PERA that was recently passed by the State Legislature, and a COLA increase. The Supplies budget shows a small increase due to a \$2,000 increase in computer equipment and a \$3,000 increase in General Supplies mostly due to an increase of cost for medical supplies. An overall increase of \$19,300 in the Other Services & Charges area is mostly due to increases of \$3,000 in Training, \$2,900 in our allocation of Building Maintenance labor costs, and a \$7,300 increase in our IS allocation.

CITY OF COLUMBIA HEIGHTS, MINNESOTA
BUDGET 2019

DEPARTMENT: PROPERTY INSPECTIONS							
101	GENERAL	Actual	Actual	Adopted	Department	City Manager	Council
42300	PROPERTY INSPECTIONS	Expense	Expense	Budget	Proposed	Proposed	Adopted
Line Item	Description	2016	2017	2018	2019	2019	2019
0999	Personal Services	170,409	183,883	197,272	395,900	395,900	395,900
1999	Supplies	478	719	1,500	1,700	1,700	1,700
2999	Other Services & Charges	5,777	6,655	9,400	9,200	9,200	9,200
4999	Capital Outlay	-	-	-	-	-	-
6999	Contingencies & Transfers	-	-	-	-	-	-
TOTALS: PROPERTY INSPECTIONS		176,664	191,258	208,172	406,800	406,800	406,800

Activity Description

Property Inspections incorporates all rental property licensing and inspections, long grass/weed inspections, nuisance inspections and property maintenance inspections under one budget.

Objectives

The Fire Department provides timely and efficient fire and property maintenance inspection services in order to maintain property values by:
Build and Expand collaboration with the School District, other public entities by continuing our strong partnerships with other city departments to provide coordinated inspection services.
Conduct an Evaluation of City Staffing Levels by evaluating our inspection staffing needs to meet the demands of the high number of rental properties and property maintenance inspection demands. The 2018 staffing study will be used as a resource in these evaluations.

Budget Comments on Proposed Budget

The number of rental properties and licensing inspections has leveled off but is still too high for current staffing. The need for property maintenance inspections continues to remain high. Staffing needs will be continually evaluated in order to provide the necessary staff to do the inspections in a timely and efficient manner while also allowing the fire staff to complete their fire/EMS responsibilities.

The combined Fire/Property Inspections budget shows a net increase of \$124,571 or 7.6% over 2018. The Property Inspections Department 42300 budget by itself shows an increase from 2018 to 2019 of \$198,628 or 95.4%. The percentage of time that individual positions are charged to the Property Inspections budget has not been updated since its inception in 2010. An evaluation of the time was conducted and the percentage for some positions, especially the firefighters, has increased dramatically. This has almost doubled the cost of the inspection program and shows the significant subsidy of the City, and the Fire Department to run the program.

Small changes in the Supplies area and the Other Services and Charges area show a small overall increase of \$200.00.

CITY OF COLUMBIA HEIGHTS, MINNESOTA
BUDGET 2019

DEPARTMENT: SAFER GRANT 2015 - 2017							
272	PUBLIC SAFETY GRANTS - OTHER	Actual	Actual	Adopted	Department	City Manager	Council
42202	SAFER GRANT 2015 - 2017	Expense	Expense	Budget	Proposed	Proposed	Adopted
Line Item	Description	2016	2017	2018	2019	2019	2019
0999	Personal Services	145,849	119,773	-	-	-	-
1999	Supplies	-	-	-	-	-	-
2999	Other Services & Charges	-	-	-	-	-	-
4999	Capital Outlay	-	-	-	-	-	-
6999	Contingencies & Transfers	-	-	-	-	-	-
TOTALS: SAFER GRANT 2015 - 2017		145,849	119,773	-	-	-	-

Activity Description

This activity consisted of two full-time firefighter positions funded by a federal grant. The grant and the activity both ended in 2017.

Objectives

Not applicable. See above.

Budget Comments on Proposed Budget

Not applicable. See above.

CITY OF COLUMBIA HEIGHTS, MINNESOTA

BUDGET 2019

DEPARTMENT: CAP EQUIP REPLACEMENT GENERAL							
431	CAP EQUIP REPLACEMENT GENE	Actual	Actual	Adopted	Department	City Manager	Council
42200	FIRE	Expense	Expense	Budget	Proposed	Proposed	Adopted
Line Item	Description	2016	2017	2018	2019	2019	2019
0999	Personal Services	-	-	-	-	-	-
1999	Supplies	2,073	-	-	-	-	-
2999	Other Services & Charges	-	-	-	-	-	-
4999	Capital Outlay	50,946	117,326	315,000	295,000	295,000	295,000
6999	Contingencies & Transfers	-	-	-	-	-	-
TOTALS: CAP EQUIP REPLACEME		53,018	117,326	315,000	295,000	295,000	295,000

Activity Description

The Fire Capital Equipment Replacement - General Fund was established to fund the long term ongoing capital equipment needs in the general fund. This was accomplished by preparing, and maintaining, a detailed 20 year projection of the City's equipment needs and scheduling long term replacement.

Objectives

Replace equipment as needed in accordance with the Fire Department replacement schedule.

Budget Comments on Proposed Budget

The proposed budget is a decrease of -20,000 or -6% from 2018 to 2019.

Current mobile and portable radios were purchased County wide in 2005. Motorola will be ending support, service, and parts for portable radios in 2019. Mobile radios and half of the portable radios were replaced in 2018. Due to the costs of the radios, replacement was planned to be split over two years. Proposing to replace fourteen portable radios in 2019, along with accessories for a budgeted cost of \$55,000.

Fire Department Self Contained Breathing Apparatus (SCBA) were purchased in 2005. The air bottles are at the end of their 15 year life and needed maintenance on the packs is rising. Proposing to purchase 27 packs, 2 RIT packs, spare masks, and misc. accessories for \$240,000. This purchase will be made along with Fridley Fire Department and possibly one or more other fire departments.

CITY OF COLUMBIA HEIGHTS, MINNESOTA

BUDGET 2019

DEPARTMENT: FIRE CAPITAL EQUIPMENT							
439	FIRE CAPITAL EQUIPMENT	Actual	Actual	Adopted	Department	City Manager	Council
42200	FIRE	Expense	Expense	Budget	Proposed	Proposed	Adopted
Line Item	Description	2016	2017	2018	2019	2019	2019
0999	Personal Services	-	-	-	-	-	-
1999	Supplies	17,886	-	-	-	-	-
2999	Other Services & Charges	-	-	-	-	-	-
4999	Capital Outlay	-	-	-	-	-	-
6999	Contingencies & Transfers	-	-	-	-	-	-
TOTALS: FIRE CAPITAL EQUIPMEN		17,886	-	-	-	-	-

Activity Description

This activity used a large one-time funding source to purchase fire equipment for many years. This funding was exhausted in 2016. After 2016, fire equipment is purchased from the City's general government equipment fund 431 used by all city departments.

Objectives

Not applicable. See above.

Budget Comments on Proposed Budget

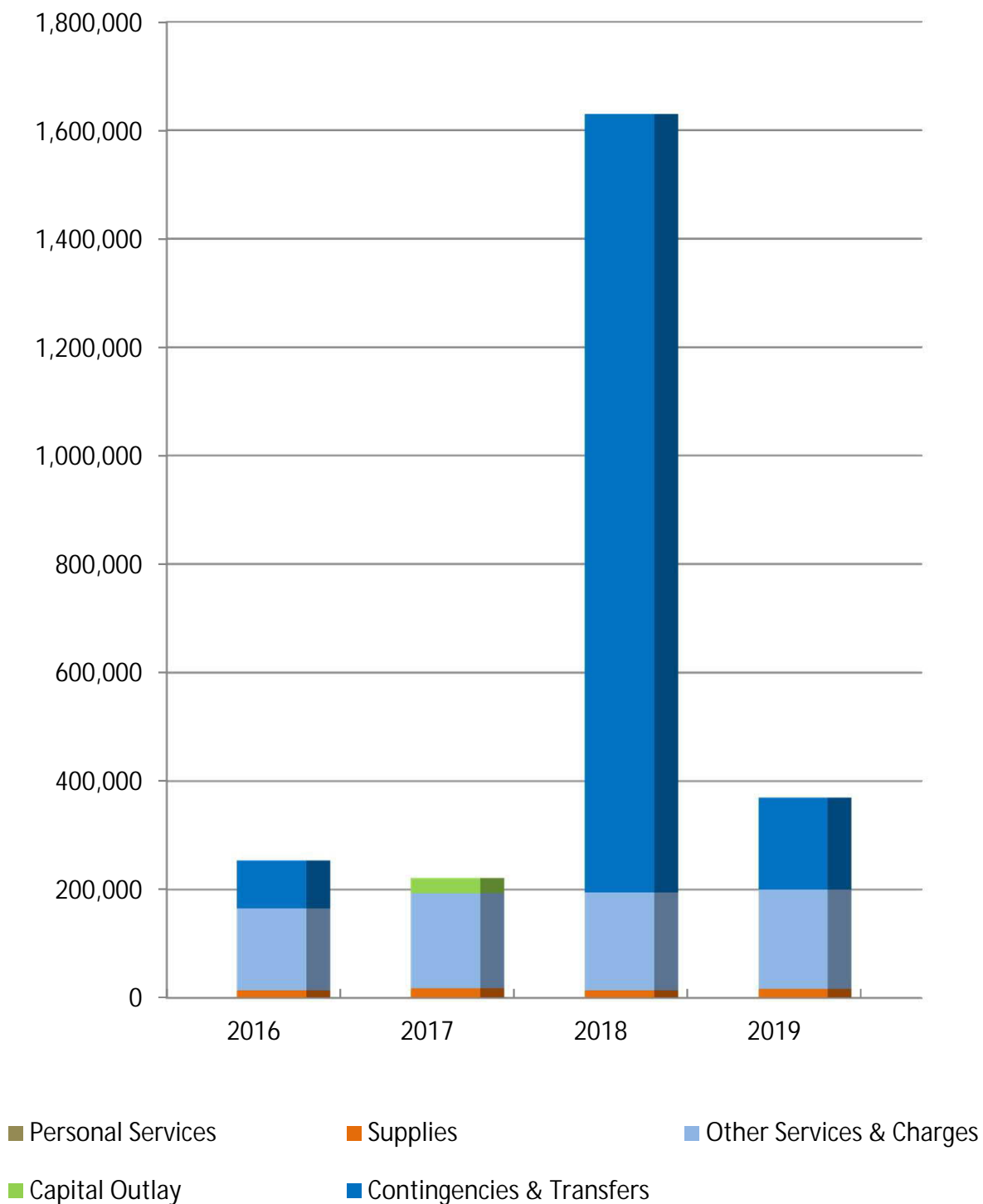
Not applicable. See above.

GENERAL GOVERNMENT

City of Columbia Heights

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GENERAL GOVERNMENT EXPENDITURE SUMMARY



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City of Columbia Heights, Minnesota

BUDGET 2019

General Government

	City Hall	Recognition/ Spec Events	Contingencies	Transfers	Cap. Equip. Repl. Gen. Gov. Bldgs.
	101	101	101	101	431
Revenue					
30999 Taxes	133,414	39,129	32,608	125,774	-
31999 Licenses & Permits	-	-	-	-	-
32999 Intergovernmental	6,249	1,833	1,527	5,891	-
33999 Charge for Services	-	-	-	-	-
34999 Fines & Forfeits	-	-	-	-	-
35999 Miscellaneous	15,695	350	292	1,126	-
36999 Sales and Related Charges	-	-	-	-	-
39199 Transfers & Non Rev Receipts	-	-	-	-	-
Total Revenue	155,358	41,312	34,427	132,791	-
Expenses					
0999 Personal Services	-	-	-	-	-
1999 Supplies	15,400	1,700	-	-	-
2999 Other Services & Charges	142,300	40,300	-	-	-
4999 Capital Outlay	-	-	-	-	-
6999 Contingencies & Transfers	-	-	35,000	135,000	-
Total Expenses	157,700	42,000	35,000	135,000	-
Change to Fund Balance	-2,342	-688	-573	-2,209	-

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CITY OF COLUMBIA HEIGHTS, MINNESOTA
BUDGET 2019

DEPARTMENT: CITY HALL							
101 41940	GENERAL CITY HALL	Actual Expense 2016	Actual Expense 2017	Adopted Budget 2018	Department Proposed 2019	City Manager Proposed 2019	Council Adopted 2019
Line Item	Description						
0999	Personal Services	922	1,199	1,500	-	-	-
1999	Supplies	12,987	15,848	13,000	15,400	15,400	15,400
2999	Other Services & Charges	111,130	126,364	139,500	142,300	142,300	142,300
4999	Capital Outlay	-	-	-	-	-	-
6999	Contingencies & Transfers	-	-	-	-	-	-
TOTALS: CITY HALL		125,039	143,411	154,000	157,700	157,700	157,700

Activity Description

This department accounts for the general maintenance of City Hall. The major expenses in this budget are utilities, janitorial expenses, building maintenance, and HVAC.

Due to the age of the building, it is susceptible to significant unplanned emergency maintenance over time. Additionally, a significant portion of the department's budget is for weather-dependent utility costs. These greater risk factors, relative to many other departments, are considered when estimating the next year's budget.

Objectives

The development of a master plan for City Hall is a short-term objective in the City of Columbia Heights 2017 Goals Report. This department's role in that objective is to maintain City Hall in a condition that is safe and respectable until the master plan is developed and implemented.

Budget Comments on Proposed Budget

The proposed 2019 budget for this department is an increase of \$3,700 or 2.4% from the prior year. Approximately half of this increase is in the allowance for the purchase of chairs, desks, and other furniture, within Supplies line item 2010 Minor Equipment. The remaining half is primarily an increase in the internal service charge for custodians and the facilities maintenance supervisor within line item 4010 included in Other Services and Charges.

Note that prior to 2019, charges for interdepartmental labor appear in this budget for occasional public works time spent to paint or repair City hall, or to install furniture, etc. Beginning in 2019, this occasional services are included within line item 4010 included in Other Services and Charges.

The current five-year leases for the postage meter and folder/insert (mailing) machine expires 9/16/19. This budget assumes that lease will be renewed at comparable rates. Staff will research this along with other alternatives in 2019.

CITY OF COLUMBIA HEIGHTS, MINNESOTA
BUDGET 2019

DEPARTMENT: RECOGNITION/SPECIAL EVENTS							
101	GENERAL	Actual	Actual	Adopted	Department	City Manager	Council
45050	RECOGNITION/SPECIAL EVENTS	Expense	Expense	Budget	Proposed	Proposed	Adopted
Line Item	Description	2016	2017	2018	2019	2019	2019
0999	Personal Services	-	-	-	-	-	-
1999	Supplies	214	784	300	1,700	1,700	1,700
2999	Other Services & Charges	39,778	41,133	40,600	40,300	40,300	40,300
4999	Capital Outlay	-	-	-	-	-	-
6999	Contingencies & Transfers	-	-	-	-	-	-
TOTALS: RECOGNITION/SPECIAL		39,992	41,917	40,900	42,000	42,000	42,000

Activity Description

This department was established to budget and account for various activities that do not specifically fall under other departments. Examples of these activities are employee and volunteer recognition events, fireworks at the Jamboree, the City Beautification program, and the City newsletter.

Objectives

The newsletter provides essential information to residents, and is a component of the objective of developing a communications plan, noted within the City of Columbia Heights' 2017 Goals Report .

The plants and flowers in our parks and public areas clearly beautify the city and show a heightened sense of community pride, improving the impression our city makes on visitors, new residents, and long-time residents. This supports the objective stated in the City of Columbia Heights 2017 Goals Report of "getting ready for company".

The fireworks display at the Jamboree provides the capstone activity to the largest community event of the year. The Jamboree, the community picnic, and the royalty program, all foster many elements of the Columbia Heights Vision, as stated in the City of Columbia Heights 2017 Goals Report, including providing a diverse , welcoming small-town feel and community cohesion. Providing opportunities for employee recognition fosters the retention of talented, skilled public servants, as stated in elements comprising the vision of the City of Columbia Heights 2017 Goals Report.

Budget Comments on Proposed Budget

The total budget proposed for 2019 for this department is \$1,100 or 2.7% more than 2018. This budget has not increased since 2016. The proposed increase is in the amounts allocated for employee and community events.

The \$26,000 budgeted for 2019 for the newsletter is, in total, the same as in the prior year budget. Within that total however, the new cost to upgrade to color printing [\$3,600] and new contract labor for graphic design support [\$1,800] will replace the amount previously used for editing the newsletter [\$5,400.] In 2019, the newsletter will be edited by the Communications Coordinator, a position first established in the 2018 budget.

CITY OF COLUMBIA HEIGHTS, MINNESOTA
BUDGET 2019

DEPARTMENT: CONTINGENCIES							
101 49200	GENERAL CONTINGENCIES	Actual Expense 2016	Actual Expense 2017	Adopted Budget 2018	Department Proposed 2019	City Manager Proposed 2019	Council Adopted 2019
Line Item	Description						
0999	Personal Services	-	-	-	-	-	-
1999	Supplies	-	-	-	-	-	-
2999	Other Services & Charges	-	7,995	-	-	-	-
4999	Capital Outlay	-	-	-	-	-	-
6999	Contingencies & Transfers	-	-	35,000	35,000	35,000	35,000
	TOTALS: CONTINGENCIES	-	7,995	35,000	35,000	35,000	35,000

Activity Description

This department was established to budget and account for activities not budgeted under other departments.

Objectives

The objective of the Contingency department is to allow for sufficient flexibility in the overall budget to adapt to items which, cannot be projected/forecasted with sufficient certainty to be detailed in the budget. This supports the element within the Columbia Heights Vision of well-planned and well-maintained public services /infrastructure, as stated in the City of Columbia Heights 2017 Goals Report.

Budget Comments on Proposed Budget

The proposed 2019 budget is the same as the 2017 and 2018 budgets.

CITY OF COLUMBIA HEIGHTS, MINNESOTA

BUDGET 2019

DEPARTMENT: TRANSFERS							
101 49300	GENERAL TRANSFERS	Actual Expense 2016	Actual Expense 2017	Adopted Budget 2018	Department Proposed 2019	City Manager Proposed 2019	Council Adopted 2019
Line Item	Description	2016	2017	2018	2019	2019	2019
0999	Personal Services	-	-	-	-	-	-
1999	Supplies	-	-	-	-	-	-
2999	Other Services & Charges	-	-	-	-	-	-
4999	Capital Outlay	-	-	-	-	-	-
6999	Contingencies & Transfers	88,917	-	1,400,000	135,000	135,000	135,000
TOTALS: TRANSFERS		88,917	-	1,400,000	135,000	135,000	135,000

Activity Description

This department was established to account for transfers-out from the General Fund to other city funds, when those transactions are not specific to any of the various individual operating departments within the General Fund budget.

Objectives

This department's only objective is to be a pass-through point between the general fund and other funds, separate from the operating departments within the general fund.

Budget Comments on Proposed Budget

The only item proposed in this budget for 2019 is a new annual transfer of \$135,000 of general fund property tax levy to Fund 201 Planning and Inspections, to fund two planning-related staff positions. In prior years, these two positions were funded by the property taxes collected from the EDA and HRA property tax levies.

The only item in this budget for 2018 was a one-time transfer of \$1,400,000 to the Govt Buildings Fund 411 towards the replacement of City Hall. There were no items in this budget for 2017.

CITY OF COLUMBIA HEIGHTS, MINNESOTA
BUDGET 2019

DEPARTMENT: CAPITAL EQUIP. GENERAL GOVERNMENT BLDGS.							
431	CAPITAL EQUIPMENT REPLACEMENT FUND	Actual	Actual	Adopted	Department	City Manager	Council
41940	GENERAL GOVERNMENT BUILDINGS	Expense	Expense	Budget	Proposed	Proposed	Adopted
Line Item	Description	2016	2017	2018	2019	2019	2019
0999	Personal Services	-	-	-	-	-	-
1999	Supplies	-	-	-	-	-	-
2999	Other Services & Charges	-	-	-	-	-	-
4999	Capital Outlay	-	28,000	-	-	-	-
6999	Contingencies & Transfers	-	-	-	-	-	-
TOTALS: GENERAL GOVERNMENT BUILDINGS		-	28,000	-	-	-	-

Activity Description

This department was established to account for periodic purchases of equipment that are not included in the budgets of other functional areas, such as equipment used by multiple functional areas, or equipment purchased as a group for the benefit of multiple functional areas.

Objectives

There are no items scheduled in this budget for 2019.

Budget Comments on Proposed Budget

There are no items scheduled in this budget for 2019.

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City of Columbia Heights, Minnesota

BUDGET 2019

Bonds

2008A G.O.

	2008A G.O. Sullivan Shores	2008B Public Safety	2009A Public Facility	2013 GO Improve	2015 GO Library	2017B Public Safety	2018A GO Public Facilities	TIF T4 Kmart/ Central Ave	Huset TIF (T6)	Water Fund Debt Service	Sewer Fund Debt Service	Storm Sewer Debt Service	Liquor Debt Service
	315	343	344	345	346	347	348	371	372	631	632	634	639
Revenue													
30999 Taxes	-	-	205,329	-	206,254	268,446	-	81,000	202,600	-	-	-	-
31999 Licenses & Permits	-	-	-	-	-	-	-	-	-	-	-	-	-
32999 Intergovernmental	-	-	-	-	250,000	250,000	-	-	-	-	-	-	-
33999 Charge for Services	-	-	-	-	-	-	-	-	-	-	-	-	-
34999 Fines & Forfeits	-	-	-	-	-	-	-	-	-	-	-	-	-
35999 Miscellaneous	105,900	-	-	-	500	500	-	1,000	2,000	500	-	100	400
36999 Sales and Related Charges	-	-	-	-	-	-	-	-	-	-	-	-	-
39199 Transfers & Non Rev Receipts	-	-	14,000	32,000	-	-	-	-	-	78,000	79,000	63,000	304,000
Total Revenue	105,900	-	219,329	32,000	456,754	518,946	-	82,000	204,600	78,500	79,000	63,100	304,400

Expenses

0999 Personal Services	-	-	-	-	-	-	-	-	-	-	-	-	-
1999 Supplies	-	-	-	-	-	-	-	-	-	-	-	-	-
2999 Other Services and Charges	-	-	-	-	-	-	-	5,000	139,000	-	-	-	-
4999 Capital Outlay/Debt Service	98,900	-	256,100	50,900	461,000	532,200	-	83,100	192,900	14,500	8,600	9,100	69,400
6999 Contingencies & Transfers	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenses	98,900	-	256,100	50,900	461,000	532,200	-	88,100	331,900	14,500	8,600	9,100	69,400

Change to Fund Balance

7,000	-	-36,771	-18,900	-4,246	-13,254	-	-6,100	-127,300	64,000	70,400	54,000	235,000
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Proprietary Fund Information

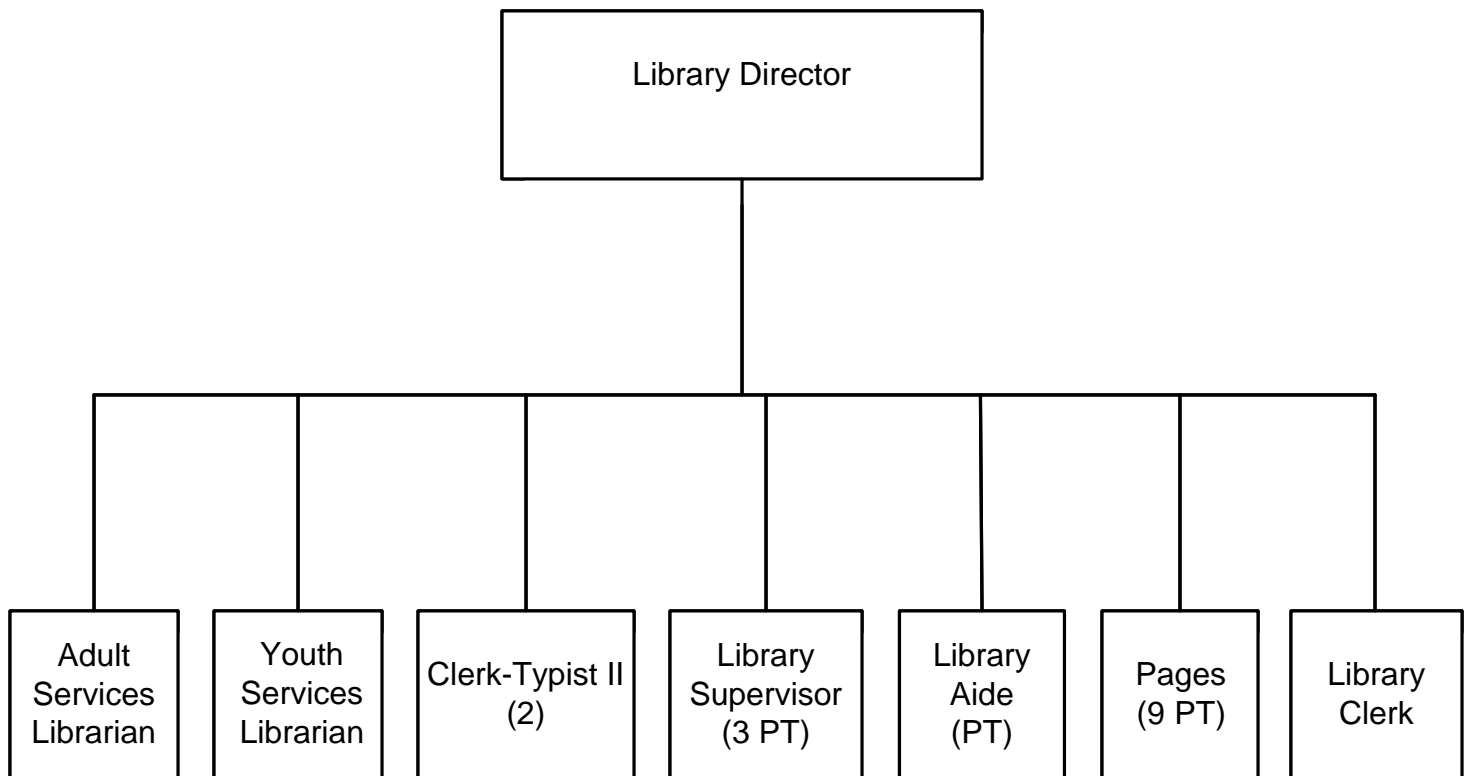
Capital Additions	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	-	-	-	-
Debt Principal Paid (Adv.)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	186,000	53,400	73,600	245,000

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LIBRARY

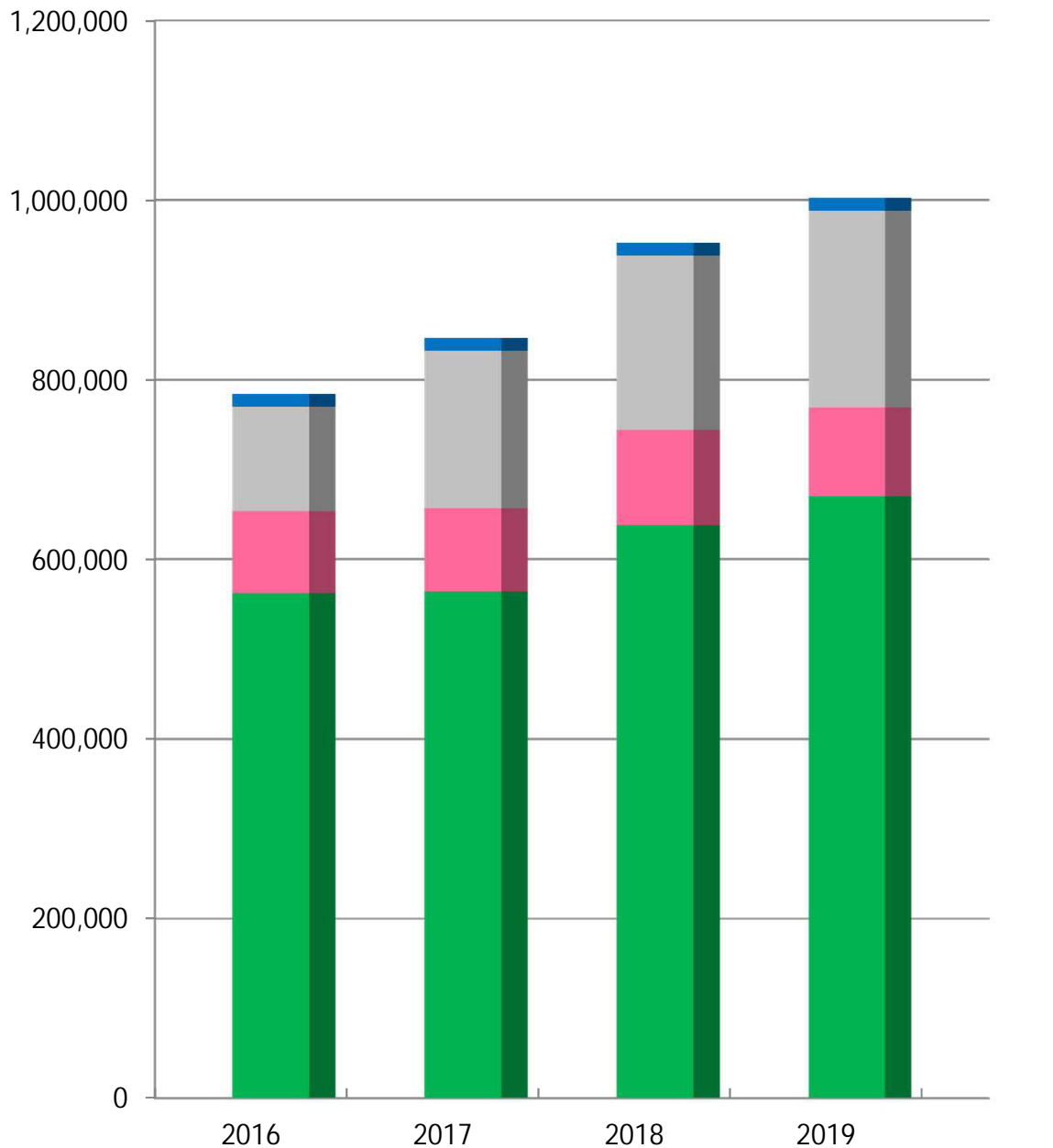
City of Columbia Heights

2019



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LIBRARY EXPENDITURE SUMMARY



Personal Services Supplies Other Services & Charges
Capital Outlay Contingencies & Transfers

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City of Columbia Heights, Minnesota

2019

Library

Revenue		
30999 Taxes		955,095
31999 Licenses & Permits		-
32999 Intergovernmental		-
33999 Charge for Services		14,105
34999 Fines & Forfeits		12,500
35999 Miscellaneous		10,000
36999 Sales and Related Charges		-
39199 Transfers & Non Rev Receipts		11,000
Total Revenue		<u>1,002,700</u>
Expenses		
0999 Personal Services		670,200
1999 Supplies		98,700
2999 Other Services and Charges		219,100
4999 Capital Outlay		-
6999 Contingencies & Transfers		14,700
Total Expenses		<u>1,002,700</u>
Change to Fund Balance		-

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CITY OF COLUMBIA HEIGHTS, MINNESOTA

BUDGET 2019

DEPARTMENT: LIBRARY							
240 LIBRARY		Actual	Actual	Adopted	Department	City Manager	Council
45500 LIBRARY		Expense	Expense	Budget	Proposed	Proposed	Adopted
Line Item	Description	2016	2017	2018	2019	2019	2019
0999	Personal Services	561,982	564,042	638,145	670,200	670,200	670,200
1999	Supplies	91,639	92,981	106,100	98,700	98,700	98,700
2999	Other Services & Charges	116,212	175,265	193,688	219,100	219,100	219,100
4999	Capital Outlay	-	-	-	-	-	-
6999	Contingencies & Transfers	13,979	14,317	14,711	14,700	14,700	14,700
TOTALS: LIBRARY		783,812	846,606	952,644	1,002,700	1,002,700	1,002,700

Activity Description

The Library serves a diverse community's need for access to resources, information, and technology in a welcoming environment. It collects and lends materials in multiple formats including books, magazines, newspapers, music, videos, and energy meters. It provides educational programs and services including literacy-based storytimes, adult language learning and literacy programs, reading programs for all ages, arts and cultural events, and home delivery of materials. The Library provides free access to computer software programs, the internet, and online research and instructional databases. It facilitates summer nutritional programs for children and provides space for individual work or study and public meetings. Library staff provide one-to-one and class-based computer instruction as well as research and reference assistance. Library staff provide customer service during 54 operational hours each week. The Library contracts with Anoka County Library for inclusion in an integrated library system to manage patron information and collection inventory, delivery of materials, and access to electronic resources such as databases, e-books, e-magazines, and downloadable audiobooks. It participates in the Metropolitan Library Service Agency (as an Associate Library), the Minitex multi-state interlibrary loan program, the Statewide Borrowers' Compact, and METRONET. These cooperative agreements enable Columbia Heights residents to gain access to library materials, special services, and electronic resources available throughout the state of Minnesota. The cooperative agreements also provide staff with professional training and development opportunities.

Objectives

In 2019 Library staff will continue to provide the resources and programs described in the previous Activity Description. They will connect visitors with the information and materials they need; provide a safe and welcoming space to study, work, and connect with neighbors; offer educational and entertaining programming for children and adults; and address the unique information and continuing education needs of the Columbia Heights community. 2019 will be the third full year in the Central Avenue facility. Electricity costs include acquisition costs for rooftop solar panels to reduce future electricity costs. Library technology, including RFID-enabled self-check stations and security gates and automated materials handling equipment, have significant annual maintenance costs but result in reduced labor costs. Library customers appreciate the modern convenience of self check and book drop technology. As we look to future budgets, public computing hardware and software, now four years old, will need to be updated. Library Board and staff will begin a strategic planning process in 2019 to guide library objectives over the next five years.

Library Budget Comments Continued on Next Page

Library Budget Comments Continued
Budget Comments on Proposed Budget

The proposed budget for 2019 includes a 5.3% increase over the 2018 adopted budget.

Personnel:

Personnel expenses account for two-thirds of the overall library budget. No contracts have been settled with bargaining units for 2019. Four of six full-time staff and five of twelve part-time staff are still progressing through approved steps of pay ranges. The library aide position will remain unfilled in 2019. Staffing is at the absolute minimum to allow 54 hours of public service each week. Staffing levels limit library staff availability for outreach events during regular operational hours and substitute coverage during paid leaves. Underspensing of past budgets was largely due to staff departures and subsequent delays in the appointment of replacements.

Supplies:

The supplies budget has decreased from the adopted 2018 budget. The increase in line 2025 (ACS supplies) anticipates the need to purchase library cards in 2019. The increase in line 2171 (general supplies) incorporates the cost of toilet paper and paper towels for public restrooms and building cleaning supplies, which were erroneously budgeted to the building maintenance line (4010) in the past. All other lines have been decreased or remain the same as 2018 based on actual expenditures in 2017 and the need to redirect collection dollars toward building and equipment maintenance. Preliminary conversations with Anoka County Library anticipate reductions in collection spending in 2019, including for e-books and periodicals.

Other Services and Charges:

This section of the budget incorporates a 13% increase over 2018. Electric and gas utilities were budgeted at 5% over 2017 actual expenditures; water and sewer costs were estimated at 2.5% over 2017 actuals. Line 3810 (electrical) also includes amortized costs for the purchase and installation of rooftop solar panels, which will result in significant reductions in electricity costs once payout has been completed. The slight increase in line 3050 (professional services) anticipates an inflation-based increase to integrated library system software sharing costs and audit fees. The increase to line 4000 includes allowances for copier and printer overage charges to contracted maintenance agreements based on actual usage. Property and liability insurance costs have increased 6% from 2018. Building maintenance labor costs have increased 11% over 2018.

The increase in the information systems line item #4040 reflects a 15% cost increase in this internal charge for all city departments using information services in 2019. From 2015 through 2018, the City phased in a long-term update to the proportionate shares of I/S costs allocated between user departments based on the number of devices in use in 2015. Beginning in 2019, the I/S charges reflect actual current costs. For tax-supported departments, additional 2019 funding is provided specifically for this 15% increase, so that departments are not required to fund it from the basic 3.5% inflation allowance provided to each 2019 budget.

Capital Outlay:

No capital outlay is anticipated for 2019.

Other Financing Uses:

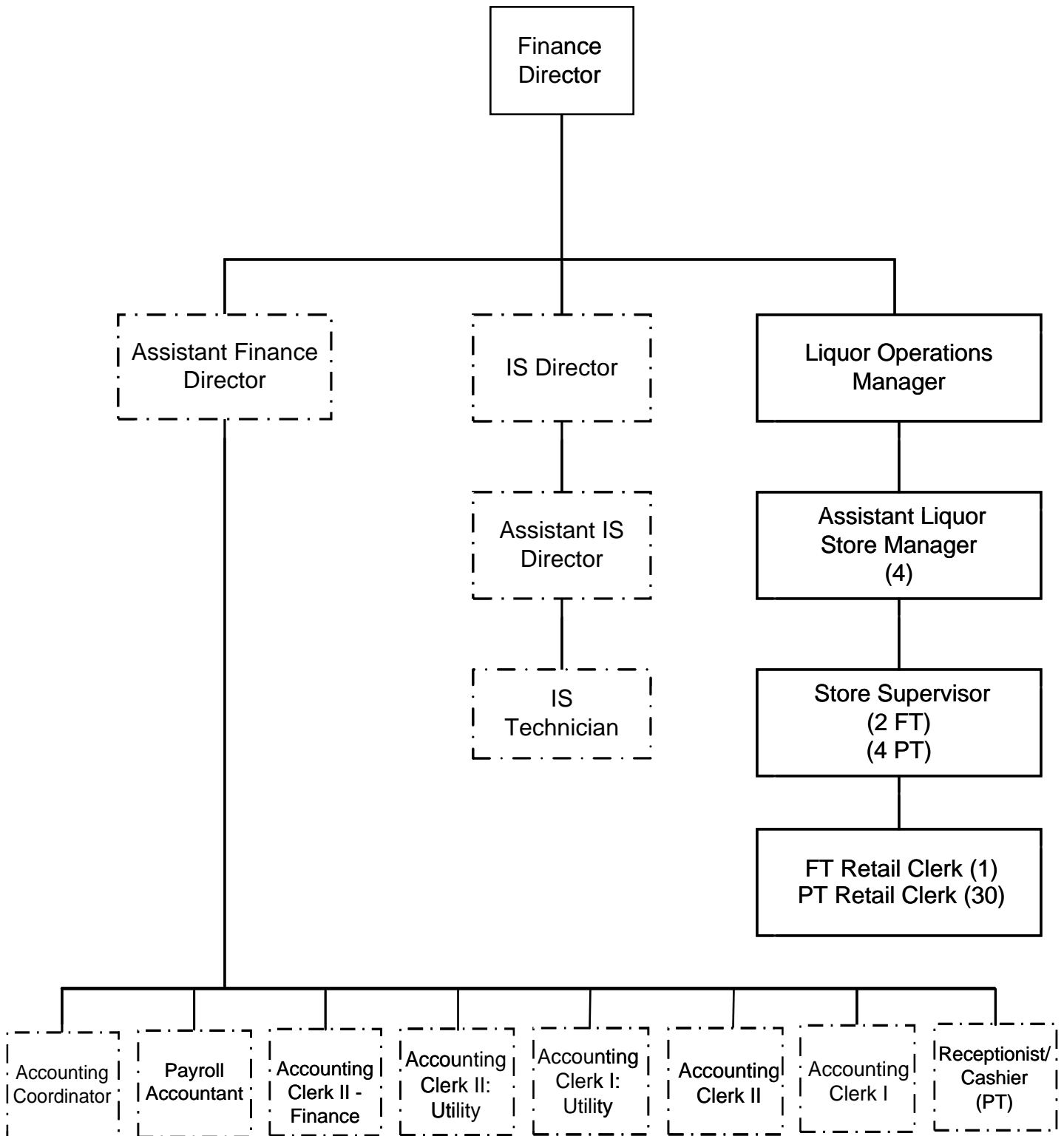
Charges for the library share of city administrative staff remain unchanged from 2018.

MUNICIPAL LIQUOR STORES

Finance Department

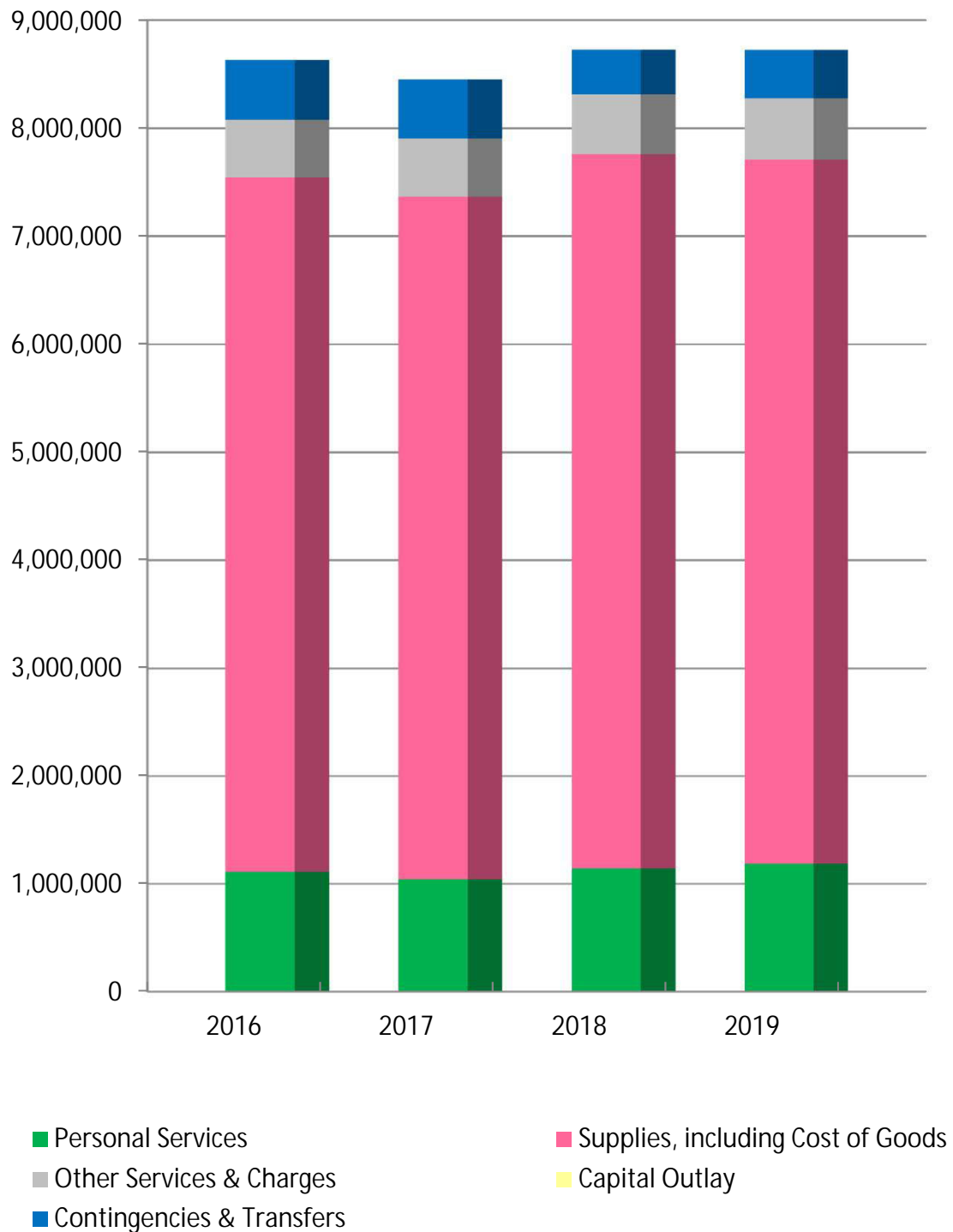
City of Columbia Heights

2019



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LIQUOR EXPENDITURE SUMMARY



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City of Columbia Heights, Minnesota

BUDGET 2019

Liquor Operating

	Store #1	Store #2	Store #3
	609	609	609
Revenue			
30999 Taxes	-	-	-
31999 Licenses & Permits	-	-	-
32999 Intergovernmental	-	-	-
33999 Charge for Services	-	-	-
34999 Fines & Forfeits	-	-	-
35999 Miscellaneous	7,218	5,810	2,714
36999 Sales and Related Charges	4,019,000	3,267,000	1,317,000
39199 Transfers & Non Rev Receipts	-	-	-
Total Revenue	4,026,218	3,272,810	1,319,714
Expenses			
0999 Personal Services	551,400	453,800	180,200
1999 Supplies, including cost of goods	3,035,100	2,478,700	1,008,400
2999 Other Services and Charges	283,600	226,900	57,900
4999 Capital Outlay	-	-	-
6999 Contingencies & Transfers	-	-	-
Total Expenses	3,870,100	3,159,400	1,246,500
Change to Fund Balance	156,118	113,410	73,214
Proprietary Fund Information			
Capital Asset Purchases	-	-	-

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CITY OF COLUMBIA HEIGHTS, MINNESOTA
BUDGET 2019

DEPARTMENT: LIQUOR STORE #1							
609 LIQUOR		Actual	Actual	Adopted	Department	City Manager	Council
49791 LIQUOR STORE #1		Expense	Expense	Budget	Proposed	Proposed	Adopted
Line Item	Description	2016	2017	2018	2019	2019	2019
0999	Personal Services	538,340	488,396	530,800	551,400	551,400	551,400
1999	Supplies	3,007,710	2,951,515	3,086,300	3,035,100	3,035,100	3,035,100
2999	Other Services & Charges	272,526	270,324	271,600	283,600	283,600	283,600
4999	Capital Outlay	-	-	-	-	-	-
6999	Contingencies & Transfers	-	-	-	-	-	-
	TOTALS: LIQUOR STORE #1	3,818,576	3,710,236	3,888,700	3,870,100	3,870,100	3,870,100

Activity Description

Under MN statute, the primary purpose of municipal liquor stores is to control the distribution of alcohol. Municipal liquor stores can also generate income for the community, reducing the amount of property taxes otherwise required for city operations. The income opportunities are limited however, by significant market competition within the metro area.

Additionally, when the current Top Valu I facility was constructed in 2007-2008 at 4950 Central Avenue NE, the City Council chose to construct the building to very strict design guidelines, so that this store will be a leading example for other businesses in the community for many years.

Our city's three-store municipal liquor operation is the 6th largest by gross sales in Minnesota. It has provided funds for city infrastructure, equipment, and mitigation of the negative effects of alcohol in the community through activities such as D.A.R.E.

Objectives

Beginning in 2018 and carrying through 2019, the liquor operation is adjusting its product offerings and sales strategies, in combination with its recent achievements in inventory management, to continue to be financially sound in the highly competitive Twin Cities metro market.

Various promotions, tastings, and special events held in recent years have proven to be very popular with customers and will be continued in 2019. Several of these activities are done in partnership with community groups, in furtherance of the City Council objectives of collaboration and volunteerism stated in the City Council's 2017 goal-setting report.

Budget Comments on Proposed Budget

Within the Supplies category, the cost of goods sold for the liquor operation is budgeted each year to reflect the most recent sales projections available. Apart from the cost of goods sold, proposed 2019 operating expenses for all three stores combined show an increase of \$61,000 or 3.6% over the current year budget.

\$42,000 of this increase (for all three stores combined) is in personnel, primarily for estimated 2019 labor agreement changes. It also includes a net of 8 additional PT staff hours per week to adjust to actual experience in 2017-2018 for Sunday sales.

The expense category Other Services and Charges increased by \$19,000 (for all three stores combined). This is primarily from increased costs for building maintenance and information systems support.

CITY OF COLUMBIA HEIGHTS, MINNESOTA
BUDGET 2019

DEPARTMENT: LIQUOR STORE #2							
609 LIQUOR	Actual	Actual	Adopted	Department	City Manager	Council	
49792 LIQUOR STORE #2	Expense	Expense	Budget	Proposed	Proposed	Adopted	
Line Item Description	2016	2017	2018	2019	2019	2019	
0999 Personal Services	420,192	410,930	430,300	453,800	453,800	453,800	
1999 Supplies	2,441,668	2,398,210	2,498,400	2,478,700	2,478,700	2,478,700	
2999 Other Services & Charges	213,013	217,649	219,300	226,900	226,900	226,900	
4999 Capital Outlay	-	-	-	-	-	-	
6999 Contingencies & Transfers	-	-	-	-	-	-	
TOTALS: LIQUOR STORE #2	3,074,874	3,026,788	3,148,000	3,159,400	3,159,400	3,159,400	

Activity Description

Under MN statute, the primary purpose of municipal liquor stores is to control the distribution of alcohol . Municipal liquor stores can also generate income for the community, reducing the amount of property taxes otherwise required for City operations. The income opportunities are limited however, by significant market competition within the metro area.

Additionally, when the current Top Valu II facility was constructed in 2007-2008 at 2105 37th Avenue NE, the City Council chose to construct the building to very strict design guidelines, so that this store will be a leading example for other businesses in the community for many years.

Our City's three-store municipal liquor operation is the 6th largest by gross sales in Minnesota. It has provided funds for city infrastructure, equipment, and mitigation of the negative effects of alcohol in the community through activities such as D.A.R.E.

Objectives

Beginning in 2018 and carrying through 2019, the liquor operation is adjusting its product offerings and sales strategies, in combination with its recent achievements in inventory management, to continue to be financially sound in the highly competitive Twin Cities metro market.

Various promotions, tastings, and special events held in recent years have proven to be very popular with customers and will be continued in 2019. Several of the these activities are done in partnership with community groups, in furtherance of the City Council objectives of collaboration and volunteerism stated in the City Council's 2017 goal-setting report.

Budget Comments on Proposed Budget

Within the Supplies category, the cost of goods sold for the liquor operation is budgeted each year to reflect the most recent sales projections available. Apart from the cost of goods sold, proposed 2019 operating expenses for all three stores combined show an increase of \$61,000 or 3.6% over the current year budget.

\$42,000 of this increase (for all three stores combined) is in personnel, primarily for estimated 2019 labor agreement changes. It also includes a net of 8 additional PT staff hours per week to adjust to actual experience in 2017-2018 for Sunday sales.

The expense category Other Services and Charges increased by \$19,000 (for all three stores combined) . This is primarily from increased costs for building maintenance and information systems support.

CITY OF COLUMBIA HEIGHTS, MINNESOTA

BUDGET 2019

DEPARTMENT: LIQUOR STORE #3							
609 LIQUOR	LIQUOR STORE #3	Actual	Actual	Adopted	Department	City Manager	Council
49793		Expense	Expense	Budget	Proposed	Proposed	Adopted
Line Item Description		2016	2017	2018	2019	2019	2019
0999	Personal Services	153,425	143,285	182,000	180,200	180,200	180,200
1999	Supplies	984,937	974,973	1,033,800	1,008,400	1,008,400	1,008,400
2999	Other Services & Charges	46,785	48,744	58,300	57,900	57,900	57,900
4999	Capital Outlay	-	-	-	-	-	-
6999	Contingencies & Transfers	-	-	-	-	-	-
TOTALS: LIQUOR STORE #3		1,185,148	1,167,002	1,274,100	1,246,500	1,246,500	1,246,500

Activity Description

Under MN statute, the primary purpose of municipal liquor stores is to control the distribution of alcohol. Municipal liquor stores can also generate income for the community, reducing the amount of property taxes otherwise required for city operations. The income opportunities are limited however, by significant market competition within the metro area.

Our city's three-store municipal liquor operation is the 6th largest by gross sales in Minnesota. It has provided funds for city infrastructure, equipment, and mitigation of the negative effects of alcohol in the community through activities such as D.A.R.E.

Objectives

Exterior and interior updates to improve the visual appeal of this store in 2018 and 2019 are planned as part of a larger project initially-approved by the City Council in 2012. These updates include exterior trim, lighting, signage, flooring, paint, counters, and additional security cameras.

Budget Comments on Proposed Budget

Within the Supplies category, the cost of goods sold for the liquor operation is budgeted each year to reflect the most recent sales projections available. Apart from the cost of goods sold, proposed 2019 operating expenses for all three stores combined show an increase of \$61,000 or 3.6% over the current year budget.

\$42,000 of this increase (for all three stores combined) is in personnel, primarily for estimated 2019 labor agreement changes. It also includes a net of 8 additional PT staff hours per week to adjust to actual experience in 2017-2018 for Sunday sales.

The expense category Other Services and Charges increased by \$19,000 (for all three stores combined). This is primarily from increased costs for building maintenance and information systems support.

City of Columbia Heights, Minnesota

BUDGET 2019

Liquor Non-Operating

	Non-Operating
	609
Revenue	
30999 Taxes	-
31999 Licenses & Permits	-
32999 Intergovernmental	-
33999 Charge for Services	-
34999 Fines & Forfeits	-
35999 Miscellaneous	258
36999 Sales and Related Charges	-
39199 Transfers & Non Rev Receipts	-
Total Revenue	258
Expenses	
0999 Personal Services	-
1999 Supplies, including cost of goods	-
2999 Other Services and Charges	-
4999 Capital Outlay	-
6999 Contingencies & Transfers	449,400
Total Expenses	449,400
Change to Fund Balance	-449,142

Proprietary Fund Information

Capital Asset Purchases -

CITY OF COLUMBIA HEIGHTS, MINNESOTA
BUDGET 2019

DEPARTMENT: LIQUOR NON-OPERATING							
609 LIQUOR		Actual	Actual	Adopted	Department	City Manager	Council
49794 LIQUOR NON-OPERATING		Expense	Expense	Budget	Proposed	Proposed	Adopted
Line Item	Description	2016	2017	2018	2019	2019	2019
0999	Personal Services	-	-	-	-	-	-
1999	Supplies	-	-	-	-	-	-
2999	Other Services & Charges	-	-	-	-	-	-
4999	Capital Outlay	-	-	-	-	-	-
6999	Contingencies & Transfers	550,818	549,200	415,000	449,400	449,400	449,400
	TOTALS: LIQUOR NON-OPERATING	550,818	549,200	415,000	449,400	449,400	449,400

Activity Description

To improve the analysis of results at each of the three stores, activity that is not a function of store operations is accounted for separately in the non-operating department 49794. These nonoperating activities routinely include acquisition of equipment over \$5,000; construction of building or parking lot improvements; debt service; and transfers to other city funds.

Objectives

The main objective for this department for 2019 is to continue funding other departments at a level consistent with prior years:

The Infrastructure Fund 430 at \$50,000. This supports the key element of strong infrastructure in the Columbia Heights Vision stated within the City Council's 2017 goal-setting report. D.A.R.E. and other police community programs at \$10,000 within the General Fund, which is an increase of \$1,000 over prior years. This supports the key element of safe community within the Columbia Heights Vision stated in the City Council's 2017 goal-setting report.

Budget Comments on Proposed Budget

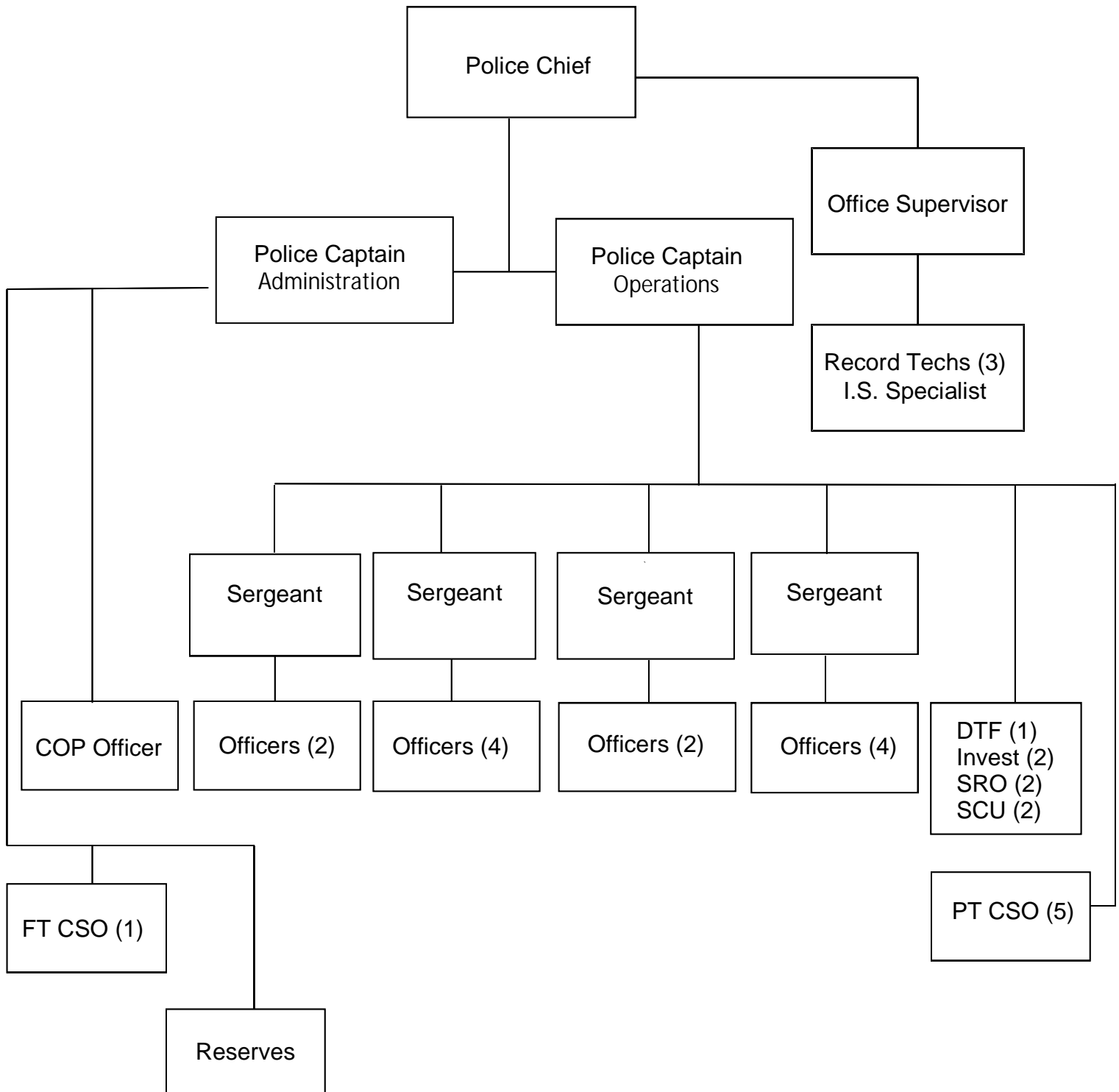
The budget for this department is \$34,000 or 8% higher for 2019 than for 2018. In 2018, funds previously placed in escrow were used for a portion of 2018 debt service, reducing the amount required from this department for 2018. Factoring out that one-time transaction, the 2019 budget for this department is almost \$100,000 or 18% less than in years prior to 2018. This primarily reflects the reduced interest rate obtained by refinancing in 2017, but it is also due to some operational improvements requiring less administrative labor.

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POLICE

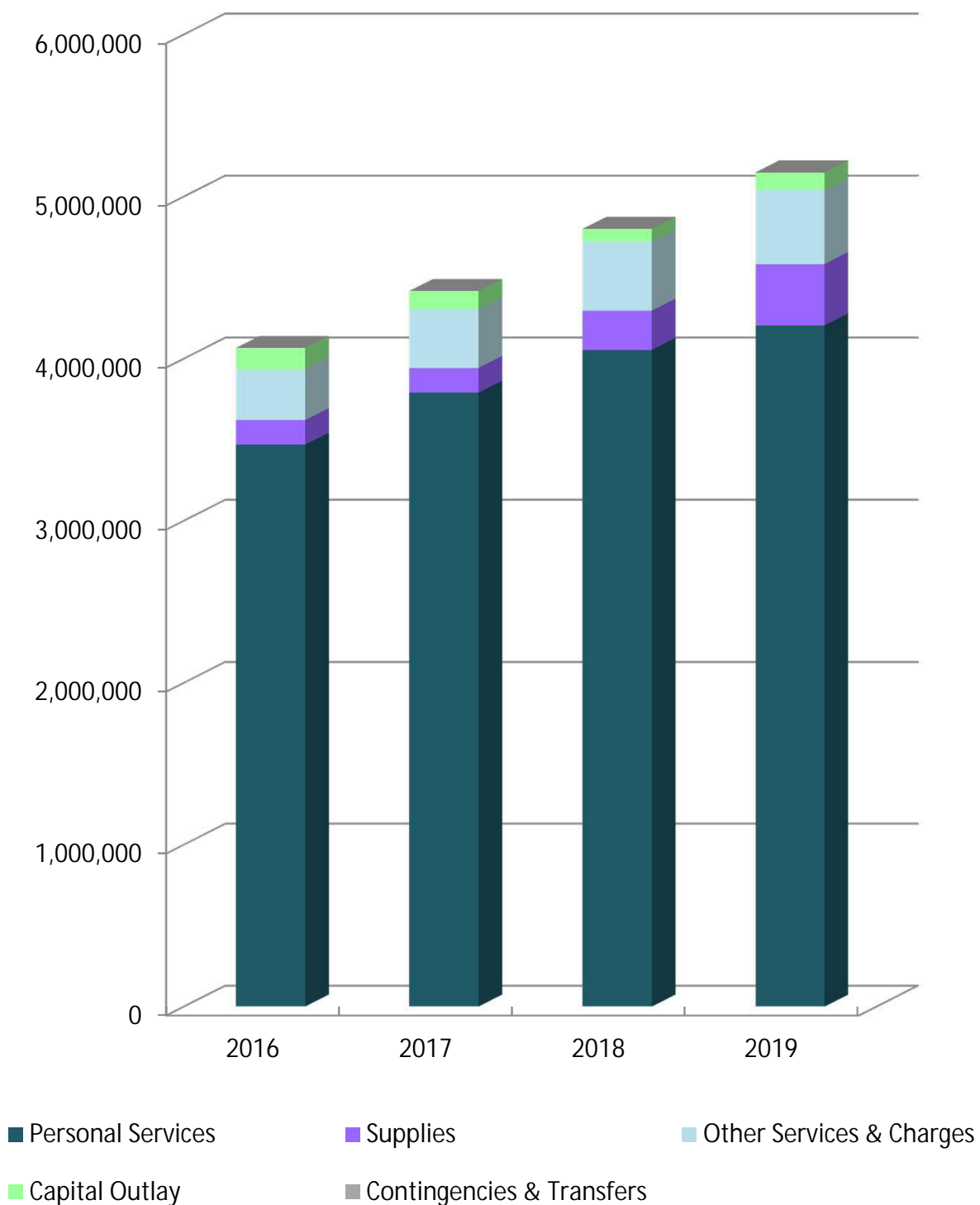
City of Columbia Heights

2019



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POLICE EXPENDITURE SUMMARY



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City of Columbia Heights, Minnesota
BUDGET 2019

Police

	Police	Police Capital Equipment
	101	431
Revenue		
30999 Taxes	3,845,704	-
31999 Licenses & Permits	37,000	-
32999 Intergovernmental	522,137	16,547
33999 Charge for Services	270,000	-
34999 Fines & Forfeits	51,000	-
35999 Miscellaneous	34,436	15,886
36999 Sales and Related Charges	-	-
39199 Transfers & Non Rev Receipts	10,000	2,648
Total Revenue	4,770,277	35,081
Expenses		
0999 Personal Services	4,205,500	-
1999 Supplies	175,400	203,000
2999 Other Services & Charges	456,900	-
4999 Capital Outlay	-	108,700
6999 Contingencies & Transfers	-	-
Total Expenses	4,837,800	311,700
Change to Fund Balance	-67,523	-276,619

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CITY OF COLUMBIA HEIGHTS, MINNESOTA
BUDGET 2019

DEPARTMENT: POLICE							
101 42100	GENERAL POLICE	Actual Expense 2016	Actual Expense 2017	Adopted Budget 2018	Department Proposed 2019	City Manager Proposed 2019	Council Adopted 2019
Line Item	Description						
0999	Personal Services	3,469,493	3,789,883	4,054,297	4,205,500	4,205,500	4,205,500
1999	Supplies	124,723	131,164	181,300	175,400	175,400	175,400
2999	Other Services & Charges	313,060	361,410	427,082	456,900	456,900	456,900
4999	Capital Outlay	-	414	-	-	-	-
6999	Contingencies & Transfers	-	-	-	-	-	-
TOTALS: POLICE		3,907,276	4,282,871	4,662,679	4,837,800	4,837,800	4,837,800

Activity Description

This is the general budget for day-to-day operations in the Police Department, including personnel costs, general supply costs, and other services and charges.

The Police Department provides public safety and crime prevention services to the citizens of Columbia Heights and Hilltop. This includes police patrol, investigations, community policing activities, the Street Crimes unit, a Drug Task Force officer, School Liaison Officers (Dist. #13), traffic enforcement, code enforcement, and administration.

Objectives

The Police Department's Mission Statement is:

The Columbia Heights Police Department is committed to active partnerships with the community in order to protect life and property, innovatively solve problems, and enhance the safety and quality of life in the communities we serve.

Each year, the Police Department participates in planning to develop a Strategic Plan for the coming year. The strategies, objectives and action plan outlined in that plan form the framework for the department's activities in the areas of Problem Oriented Policing, Community Oriented Policing/Partnerships and Communication, Accountability, and Training. Further, budgetary planning and spending decisions are based on this plan, particularly in terms of resource allocations, spending for community-related programs, and training.

Police Budget Comments Continued on Next Page

CITY OF COLUMBIA HEIGHTS, MINNESOTA
BUDGET 2019

Police Budget Comments Continued
Budget Comments on Proposed Budget

The Police Department's proposed 2019 budget comes in at \$4,837,800, a 3.8% increase, which is in keeping with the City's overall proposed budget.

Personnel: Because contracts for 2019 are not yet in place, personnel costs for all employees were calculated based on 2018 contract amounts, plus expected movement through salary and longevity steps. Line item 1020 Overtime was increased to \$120,000 to bring it more in line with actual costs. An additional amount of \$150,500 was included in line item 1810 as anticipated COLA increases.

Supplies: Most changes in the Supplies section are minor ones, taking into account the previous years' actual expenditures. Most notable was a decrease in the line item 2282 Gas, Oil, Lubricants, which was decreased by \$8,000 from 2018. This resulted in a decrease of about \$6,000 from last year's total in this section. We are budgeting for the replacement of seven computers, per the IS department's recommendations.

Other Services and Charges: Line item 3050 Expert and Professional Services sees an increase again this year to reflect anticipated expenses in line with 2017 expenditures of almost \$81,000. Our share of the Public Safety Data System is leveling off somewhat; our expense for 2019 is expected to be about \$40,000.

Line item 3105 Training and Educational Activities is being budgeted at \$28,000, up \$1,000 from last year's budgeted amount and in line with 2017 actual expenditures and anticipated training needs.

Line items 3105 Training and 3320 Out of Town Travel Expense include amounts to cover the costs of two department personnel to attend the IACP (International Association of Chiefs of Police) Conference. The IACP Conference features training on industry best practices as well as information on current and future policing trends, and the opportunity to network with professionals experienced in managing police agencies. This important training is critical to providing police administrators with information that can be used to help identify future trends in crime issues and shape future strategic initiatives.

Line item 4100 Rents and Leases includes an expenditure of \$19,395 to cover the cost of body worn cameras, an amount that was initially included in 2018 after an extensive review of the body worn camera options concluded that the leasing program offered through Taser International is best suited to our needs for the next five years. 2019 will be the second year of that five-year program. The result of this equipment lease and storage solution will be a budget increase as the cost is predictable, there is an ongoing expense, and the expense is appropriately positioned within the regular budget as opposed to Capital Equipment.

CITY OF COLUMBIA HEIGHTS, MINNESOTA

BUDGET 2019

DEPARTMENT: POLICE CAPITAL EQUIPMENT							
431	GENERAL	Actual	Actual	Adopted	Department	City Manager	Council
42100	POLICE CAPITAL EQUIPMENT	Expense	Expense	Budget	Proposed	Proposed	Adopted
Line Item	Description	2016	2017	2018	2019	2019	2019
0999	Personal Services	-	-	-	-	-	-
1999	Supplies	26,821	22,131	60,296	203,000	203,000	203,000
2999	Other Services & Charges	-	-	-	-	-	-
4999	Capital Outlay	131,749	112,404	77,650	108,700	108,700	108,700
6999	Contingencies & Transfers	-	-	-	-	-	-
TOTALS: POLICE CAPITAL EQUIPMENT		158,570	134,534	137,946	311,700	311,700	311,700

Activity Description

The Capital Equipment budget for 2019 includes:
 The purchase and set-up of two marked vehicles and one unmarked vehicle
 Forty Motorola 800mhz portable radios (including one for City Hall Varda) and
 Two multiple unit chargers

Objectives

The Police Department's objectives as they relate to Capital Equipment are to obtain and maintain vehicles and capital equipment in a way that meets the needs and requirements of the department, while utilizing best practices to obtain the highest value and affordability.

Police Capital Equipment Budget Comments Continued on Next Page

Police Capital Equipment Budget Comments Continued
 Budget Comments on Proposed Budget

Vehicles: As a part of the Police Department Capital Equipment replacement plan to maintain a safe and dependable vehicle fleet, the Police Department requests authorization to purchase two Ford Police Interceptor patrol vehicles and one unmarked vehicle. The purchase of two marked squad cars per year allows the department to keep the fleet in better working order, and aids in controlling costs on replacement parts. This also allows the marked squads to be rotated out of the police fleet after four years of service, and rotated into another department in the city, who in turn get a better operating vehicle for conventional uses.

The police department is budgeting for the purchase of two Ford Utility vehicles this year. Ford has announced that they plan to discontinue production of the Taurus sedan. The advantages presented by the Utility include the added space for occupants and gear, and it offers increased maneuverability in poor weather conditions. The added room is used to better store and carry police equipment and supplies to include entry tools, first aid equipment and tactical gear. In addition, the increased size of the passenger compartment in the Utility vehicle offers better room and comfort for our larger statured officers. The vehicle will be purchased from the dealership awarded under the State of Minnesota Cooperative Purchasing Venture (CPV)

In addition, the police department is budgeting to replace one unmarked vehicle in 2019. The vehicle scheduled for replacement is a 2009 Chevy Impala with over 55,300 miles on it. The age and mileage make this an inadequate vehicle for public safety use. The police department has determined the Ford Explorer vehicle to be an excellent fit for police work through the use as a patrol car and feel these qualities will extend to an unmarked vehicle as well. As a result, we are budgeting for a 2019 Ford Explorer, or similarly priced and equipped vehicle, listed on the CPV. This vehicle has comparable pricing and fuel economy when compared to past vehicle purchases, and is roomier and better equipped to carry needed police equipment.

The police department is budgeting to purchase the following vehicles:

2 - 2018 Ford Police Interceptor Utility vehicles	\$27,393.45 e.
1 - 2018 unmarked Ford Explorer or similar	\$26,096.46
Total (rounded)	\$81,000

The police department is also budgeting to expend up to \$36,700 for outfitting and setting up these vehicles for patrol use. This amount includes the standard set-up as has been done in the past, plus the purchase of necessary equipment for the squads including laptop computers. The squad outfitting will be awarded to the vendor listed on the State of MN CPV or a comparable vendor. The amount is less per vehicle than in previous years due to the department being able to reuse equipment that is still serviceable from the SUV's that are coming out of service as patrol vehicles.

The total budgeted for squad cars and set-up in 2019 is \$117,700.

Radios: The police department has been notified by Anoka County Radio that the current generation of police portable radios we have in use are going end-of-life and will no longer be supported effective December, 2019. In addition, the current listening technology has made police radio communications easily monitored by the public. The encryption of the radios will allow radio communications to be made private; which increases officer safety and police effectiveness.

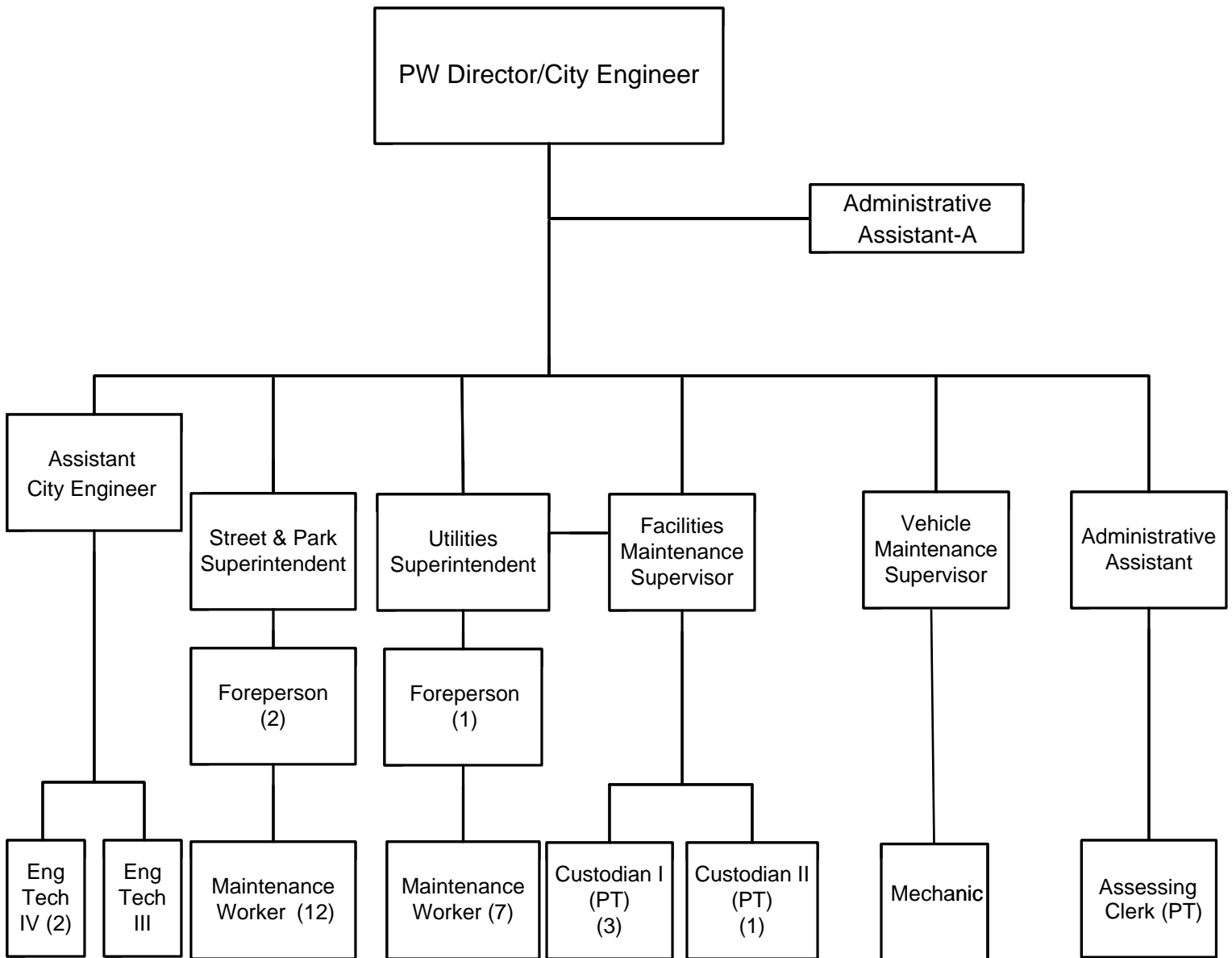
The police department is budgeting capital to replace the portable radios for police, community service officers and reserves.

These radios will be purchased through Anoka County and will utilize the vendor listed on the CPV. The total budgeted for replacement portable radios in 2019 is \$194,000.

PUBLIC WORKS

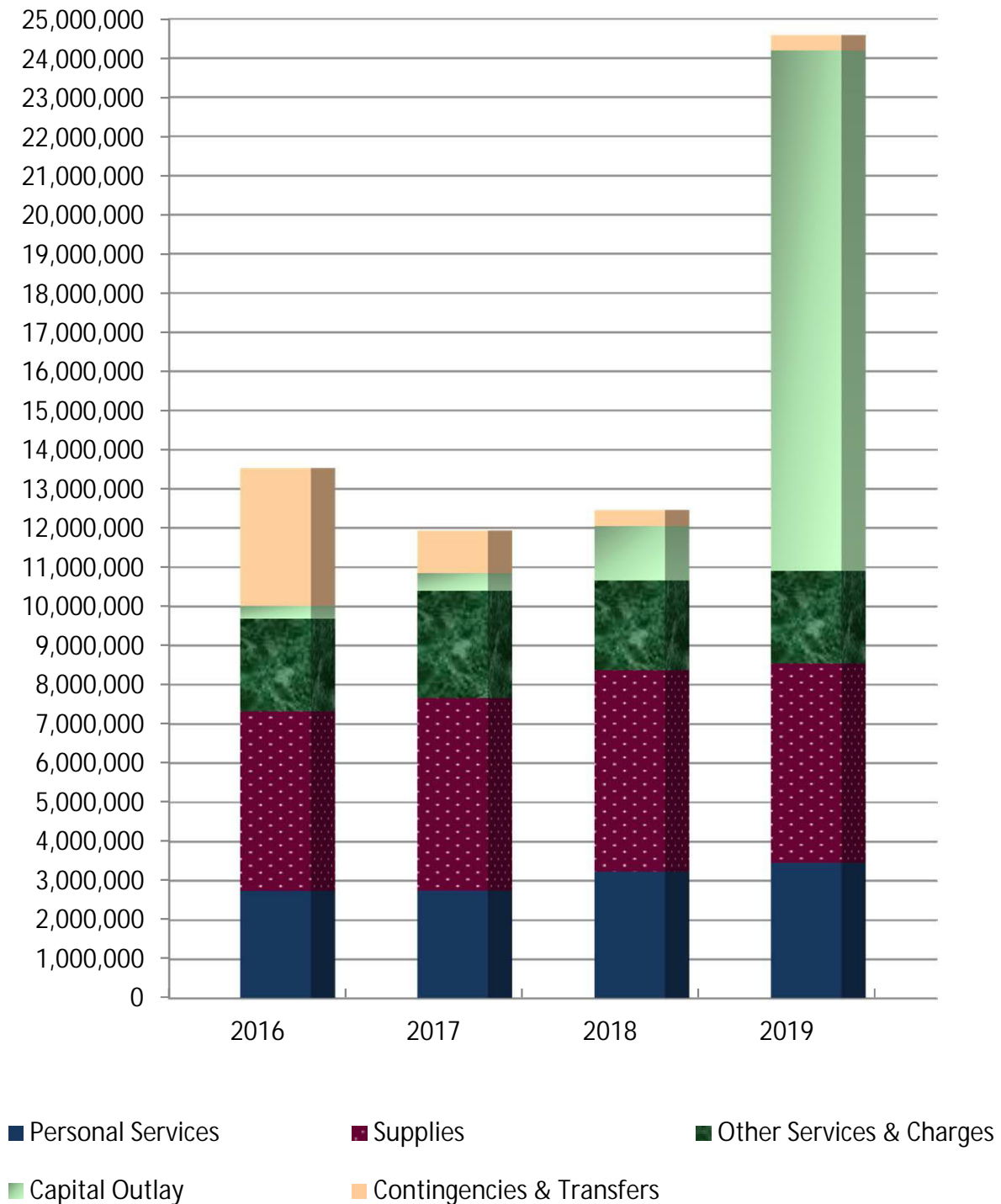
City of Columbia Heights

2019



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PUBLIC WORKS EXPENDITURE SUMMARY



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City of Columbia Heights, Minnesota
BUDGET 2019
Public Works

	Engineering 101	Streets 101	Street Lighting 101	Traffic Signs 101	Parks 101	Urban Forestry 101
Revenue						
30999 Taxes	357,599	806,197	151,488	99,499	925,157	174,911
31999 Licenses & Permits	-	15,000	-	-	-	-
32999 Intergovernmental	16,750	58,263	7,095	4,661	43,336	8,193
33999 Charge for Services	-	3,000	7,000	-	-	20,000
34999 Fines & Forfeits	-	-	-	-	-	-
35999 Miscellaneous	3,202	7,219	1,356	891	8,284	1,566
36999 Sales and Related Charges	-	-	-	-	-	-
39199 Transfers & Non Rev Receipts	-	-	-	-	-	-
Total Revenue	377,551	889,679	166,939	105,051	976,777	204,670
Expenses						
0999 Personal Services	310,930	568,934	6,701	71,597	654,370	115,541
1999 Supplies	15,500	138,850	1,000	16,000	86,300	6,400
2999 Other Services and Charges	57,400	192,550	161,900	19,200	247,850	85,800
4999 Capital Outlay	-	3,500	-	-	3,500	-
6999 Contingencies & Transfers	-	-	-	-	1,000	-
Total Expenses	383,830	903,834	169,601	106,797	993,020	207,741
Change to Fund Balance	-6,279	-14,155	-2,662	-1,746	-16,243	-3,071
Proprietary Fund Information						
Capital Asset Purchases	n/a	n/a	n/a	n/a	n/a	n/a
Debt Principal Paid (Adv.)	n/a	n/a	n/a	n/a	n/a	n/a

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Public Works

Proprietary Fund Information
Capital Asset Purchases
Debt Principal Paid (Adv.)

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City of Columbia Heights, Minnesota
BUDGET 2019
Public Works

	Central Garage	Building Maint.	Building Garage	Capital Imp City Hall	Cap Imp Library	Cap Imp Police	Cap Imp Fire	Parks Cap Imp	Garage Cap Equip	Storm Sewer Cap Equip	Water Construct. Fund	Sewer Construct. Fund	StormSwr Construct. Fund
	701	705	411	411	411	411	411	412	434	438	651	652	653
Revenue													
30999 Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-
31999 Licenses & Permits	-	-	-	-	-	-	-	25,000	-	-	-	-	-
32999 Intergovernmental	-	-	4,054	545,946	-	-	-	50,000	-	-	-	-	362,000
33999 Charge for Services	-	-	-	-	-	-	-	-	-	-	-	-	-
34999 Fines & Forfeits	-	-	-	-	-	-	-	-	-	-	-	-	-
35999 Miscellaneous	8,000	1,250	147	19,853	-	-	-	2,500	500	-	-	-	-
36999 Sales and Related Cha	627,500	227,000	-	-	-	-	-	-	-	-	-	-	-
39199 Transfers & Non Rev F	22,000	21,500	30,391	4,092,609	-	-	-	-	4,000	10,000	-	-	-
Total Revenue	657,500	249,750	34,592	4,658,408	-	-	-	77,500	4,500	10,000	-	-	362,000
Expenses													
0999 Personal Services	264,954	210,595	-	-	-	-	-	-	-	-	-	-	-
1999 Supplies	179,800	9,750	-	-	-	-	-	-	-	-	-	-	-
2999 Other Services and Ch	256,500	6,250	-	-	-	-	-	18,000	-	-	-	-	25,000
4999 Capital Outlay	21,500	-	75,000	10,100,000	-	-	-	-	-	-	65,000	170,000	480,000
6999 Contingencies & Tran:	24,000	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenses	746,754	226,595	75,000	10,100,000	-	-	-	18,000	-	-	65,000	170,000	505,000
Change to Fund Balance	-89,254	23,155	-40,408	-5,441,592	-	-	-	59,500	4,500	10,000	-65,000	-170,000	-143,000
Proprietary Fund Information													
Capital Asset Purchas:	-	-	n/a	n/a	n/a	n/a	n/a	n/a	-	-	425,000	-	-
Debt Principal Paid (A	-	-	n/a	n/a	n/a	n/a	n/a	n/a	-	-	-	-	-

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CITY OF COLUMBIA HEIGHTS, MINNESOTA

BUDGET 2019

DEPARTMENT: ENGINEERING							
101	GENERAL	Actual	Actual	Adopted	Department	City Manager	Council
43100	ENGINEERING	Expense	Expense	Budget	Proposed	Proposed	Adopted
Line Item	Description	2016	2017	2018	2019	2019	2019
0999	Personal Services	353,548	249,767	322,028	310,930	310,930	310,930
1999	Supplies	22,012	14,222	15,000	15,500	15,500	15,500
2999	Other Services & Charges	84,670	117,621	56,137	57,400	57,400	57,400
4999	Capital Outlay	33,791	99,817	10,000	-	-	-
6999	Contingencies & Transfers	13,859	8,624	-	-	-	-
TOTALS: ENGINEERING		507,880	490,051	403,165	383,830	383,830	383,830

Activity Description

This department provides engineering services for public improvement projects. These activities include feasibility analysis, construction design, assessments, construction contract administration and project inspection. It also includes project management for engineering consultant or JPA projects. The administration of the NPDES Phase IV requirements is performed by Engineering; TMDL reporting to the State; and all responsibilities of assessing department and its functions. Other activities include general engineering, technical and public record keeping, GIS implementation, digital and hardcopy of file maintenance, and public contact.

Objectives

1. Continue the annual update and development of the computerized pavement management program for street zone work including street ratings and analysis.
2. Continue updating of GIS software for automation of utility records, maintenance and complaint tracking program at Public Works.
3. Implementation of NPDES Phase IV requirements along with TMDL implementation measures and reporting.
4. Continue updating and sharing of other database sources for increased accuracy of owner information, including GIS.
5. Implement updated 20-year plan for the Street Rehabilitation Program.
6. Continue the review and maintenance strategies for state-aid streets.

Budget Comments on Proposed Budget

The proposed 2019 Engineering budget is \$383,830 a 4.8% or 19,335 decrease from the 2018 budget. Major sections and items contributing to the increase:

1. Personnel decreased by \$11,098.
2. Capital outlay decreased by \$10,000 as there are no Cap Outlay requests for 2019.
3. Other line items of the budget have remained flat or had reductions.

CITY OF COLUMBIA HEIGHTS, MINNESOTA
BUDGET 2019

DEPARTMENT: STREETS							
101 43121	GENERAL STREETS	Actual Expense 2016	Actual Expense 2017	Adopted Budget 2018	Department Proposed 2019	City Manager Proposed 2019	Council Adopted 2019
Line Item	Description						
0999	Personal Services	445,910	449,449	549,188	568,934	568,934	568,934
1999	Supplies	116,543	103,396	149,625	138,850	138,850	138,850
2999	Other Services & Charges	163,506	226,549	193,356	192,550	192,550	192,550
4999	Capital Outlay	55,050	-	-	3,500	3,500	3,500
6999	Contingencies & Transfers	-	-	-	-	-	-
TOTALS: STREETS		781,010	779,394	892,169	903,834	903,834	903,834

Activity Description

The street department provides for the maintenance of city Rights-of-Ways including streets, alleys and storm sewer. These services include patching, surface repairs, minor bituminous paving, street sweeping, snow plowing and removal, ice control, miscellaneous projects as required, and public contact. The maintenance of public storm sewers and ponds is also included in the street department to manage portions of the Federal NPDES and State MS4 requirements.

Objectives

1. Review the alley maintenance program for both bituminous and concrete alleys.
2. Continue crack sealing asphalt streets in prior street rehab zones, in advance of seal coating.
3. Continue street repair/patching in prior zones of the street rehab program.
4. Continue evaluation of new equipment such as brine and the application rates of treated salt for salt use reduction and street ice control cost effectiveness.

Budget Comments on Proposed Budget

The overall 2019 budget for the Street Department is \$903,834, a 1.3% or \$11,665 increase from 2018.

Major line items contributing to the increase:

1. Personnel increased by \$19,746 to account for COLA increases and step system movements.
2. Supplies decreased by \$10,775 in areas of vehicle maintenance and construction materials and fuel; other areas of the Streets budget remain relatively flat.

CITY OF COLUMBIA HEIGHTS, MINNESOTA
BUDGET 2019

DEPARTMENT: STREET LIGHTING							
101 43160	GENERAL STREET LIGHTING	Actual Expense 2016	Actual Expense 2017	Adopted Budget 2018	Department Proposed 2019	City Manager Proposed 2019	Council Adopted 2019
Line Item	Description						
0999	Personal Services	1,219	567	6,186	6,701	6,701	6,701
1999	Supplies	-	-	1,005	1,000	1,000	1,000
2999	Other Services & Charges	142,688	147,969	153,641	161,900	161,900	161,900
4999	Capital Outlay	-	-	-	-	-	-
6999	Contingencies & Transfers	-	-	-	-	-	-
	TOTALS: STREET LIGHTING	143,907	148,536	160,832	169,601	169,601	169,601

Activity Description

This activity provides for the energy costs related to intersection, mid-block, and alley lighting. This activity also includes maintenance and repair of city-owned street lights.

Objectives

1. Research funding and grant opportunities for the extension of the street lighting program on Central Avenue including State and Federal funding sources.
2. Review city-owned street lighting for upgrades, replacement or as a minimum, needed repairs.
3. Evaluate replacement of city-owned and maintained lights in Labelle, Sullivan and Prestemon Parks.
4. Initiate review/evaluation of retrofitting city-owned street lights to LED's.

Budget Comments on Proposed Budget

The 2019 proposed Street Lighting budget is \$169,601 an increase of 5.5% or \$8,769 from 2018.

1. Electric costs are projected to increase by \$5,772 from 2018 budgeted amounts due to an Xcel rate increase and additional street lights.
2. Repair and Maintenance Services increased by \$2,387 to account for increased repairs to city-owned lights.

CITY OF COLUMBIA HEIGHTS, MINNESOTA
BUDGET 2019

DEPARTMENT: TRAFFIC SIGNS & SIGNALS							
101	GENERAL	Actual	Actual	Adopted	Department	City Manager	Council
43170	TRAFFIC SIGNS & SIGNALS	Expense	Expense	Budget	Proposed	Proposed	Adopted
Line Item	Description	2016	2017	2018	2019	2019	2019
0999	Personal Services	68,491	61,339	65,100	71,597	71,597	71,597
1999	Supplies	13,554	7,448	14,260	16,000	16,000	16,000
2999	Other Services & Charges	13,616	12,379	18,952	19,200	19,200	19,200
4999	Capital Outlay	-	-	-	-	-	-
6999	Contingencies & Transfers	-	-	-	-	-	-
TOTALS: TRAFFIC SIGNS & SIGNALS		95,661	81,166	98,312	106,797	106,797	106,797

Activity Description

This activity provides for the installation and maintenance of city- owned signs and traffic signals identified under MNDOT or county agreements. This department also provides for street striping, curb and parking lot striping and traffic counting.

Objectives

1. Update the physical coordinate location (GPS'ing) and development of a computerized sign inventory.
2. Continue Federally mandated Traffic Sign Maintenance Program (TSMP) approved in 2014.
3. Continue programmed replacement of regulatory signs in street rehab zones consistent with the TSMP plan.
4. Continue upgrading regulatory signs to high intensity-VIP diamond grade on State Aid Streets project work areas.
5. Continue repainting of Trunk Highway signals for proper maintenance and improved appearance on Central and University Avenues.

Budget Comments on Proposed Budget

The overall budget proposed in 2019 is \$106,797 a 8.6% or a \$8,485 increase from the 2018 adopted budget. Major line items contributing to the increase:

1. Personnel increased by \$6,497 to account for COLA increases and step system movements
2. Other services and charges increased by \$1,740 due to increases in supplies.
3. Other line items of the budget have decreased or remained relatively flat to maintain minimal budget increases.

CITY OF COLUMBIA HEIGHTS, MINNESOTA
BUDGET 2019

DEPARTMENT: PARKS							
101	GENERAL	Actual	Actual	Adopted	Department	City Manager	Council
45200	PARKS	Expense	Expense	Budget	Proposed	Proposed	Adopted
Line Item	Description	2016	2017	2018	2019	2019	2019
0999	Personal Services	547,892	583,788	631,683	654,370	654,370	654,370
1999	Supplies	88,626	78,775	89,725	86,300	86,300	86,300
2999	Other Services & Charges	249,676	229,928	236,634	247,850	247,850	247,850
4999	Capital Outlay	16,513	13,564	-	3,500	3,500	3,500
6999	Contingencies & Transfers	1,114	945	1,000	1,000	1,000	1,000
TOTALS: PARKS		903,820	906,999	959,042	993,020	993,020	993,020

Activity Description

This activity provides for the maintenance of:

- A. 15 city parks
- B. 2 public wading pools
- C. 3 skating and 3 hockey rinks;
- D. 12 softball/baseball diamonds
- E. 2 tennis courts
- F. 12 buildings and other recreational facilities
- G. All park trails.
- H. Landscape maintenance for all municipal buildings, other city-owned properties, public art areas, easement areas, and the planning, implementation and construction of various park improvements.
- I. 1 splash pad
- J. 3-1/2 basketball courts

Objectives

1. Support the Park & Recreation Commission in their evaluation for the possible consideration of a citywide referendum for park improvements.
2. Continue investigating potential State Grant and other funding for park redevelopment, focusing on future wading pool replacement and park redevelopment.
3. Continue Master Planning for parks and engage public input/review process.
4. Continue to improve the condition of plantings in parks and public monuments for improved appearance.
5. Improve the turf condition of athletic fields - including drainage and weed control.

Budget Comments on Proposed Budget

The 2019 Parks proposed budget is \$993,020, an increase of 3.5% or \$33,978, from the 2018 adopted budget. Major line item increases include:

1. Personnel increased \$22,687 to account for COLA increases, step system movements.
2. Water increased by \$11,000 to account for actual water usage in the parks.
3. Other line items of the budget have decreased or remained relatively flat to maintain the minimal budget increase.

CITY OF COLUMBIA HEIGHTS, MINNESOTA
BUDGET 2019

DEPARTMENT: URBAN FORESTRY							
101	GENERAL	Actual	Actual	Adopted	Department	City Manager	Council
46102	URBAN FORESTRY	Expense	Expense	Budget	Proposed	Proposed	Adopted
Line Item	Description	2016	2017	2018	2019	2019	2019
0999	Personal Services	66,062	61,062	83,644	115,541	115,541	115,541
1999	Supplies	4,780	2,219	5,935	6,400	6,400	6,400
2999	Other Services & Charges	75,658	81,072	83,062	85,800	85,800	85,800
4999	Capital Outlay	-	-	-	-	-	-
6999	Contingencies & Transfers	-	-	-	-	-	-
TOTALS: URBAN FORESTRY		146,500	144,353	172,641	207,741	207,741	207,741

Activity Description

This activity provides for tree trimming, removal of hazardous, diseased, or dead trees (on city-owned properties except for parks), and replanting of new trees. It includes trimming, shaping and maintaining boulevard trees in a healthy condition, removal of downed branches, and clearing obstructed signs. It also provides for disease eradication, hazardous tree inspections, corner visibility, and brush in the alley inspections. An Emerald Ash Borer (EAB) Program was approved by the Council in 2014 to proactively manage the threat of EAB.

This activity also provides inspection and removal of diseased Elm, Oak, and Ash trees on private property. The City continues to pay 25% of the City contractor's removal cost leaving the property owner to pay 75%.

Objectives

1. Continue the EAB Program established for the treatment of city owned Ash trees consistent with the approved EAB Plan, now that EAB is confirmed in the City.
2. Concentrate on boulevard tree trimming by residential street rehabilitation zones.
3. Trim sidewalk and street sign locations, focusing on Street Rehab Zone work.
4. Contractual trimming at parks with paved walking paths to maintain safe pathways.
5. Focus management of the tree inspection program to maximize eradication, control the spread of tree diseases, and impose safety with limited funding.
6. Foster the growth of the trees and plantings along the Huset Parkway area and University service drive (40th-45th).
7. Care and development of newly planted trees at the new Library.

Budget Comments on Proposed Budget

The proposed 2019 Tree Care and Maintenance budget is \$207,741 an increase of 20% or \$35,100 from the adopted 2018 budget. Major line items contributing to the increase:

1. Personnel increased \$31,897 to account for COLA wage increases and market rate adjustments.
2. A part time position in the amount of \$24,472 was added to provide the DED and EAB tree programs, brush in the alley and hazardous tree program.
3. Repair and Maintenance Services increased by \$3,000 for tree removal services.

CITY OF COLUMBIA HEIGHTS, MINNESOTA
BUDGET 2019

DEPARTMENT: STATE AID MAINTENANCE							
212	STATE AID MAINTENANCE	Actual	Actual	Adopted	Department	City Manager	Council
43190	STATE AID MAINTENANCE	Expense	Expense	Budget	Proposed	Proposed	Adopted
Line Item	Description	2016	2017	2018	2019	2019	2019
0999	Personal Services	72,579	89,780	76,470	83,141	83,141	83,141
1999	Supplies	4,588	4,100	15,670	17,950	17,950	17,950
2999	Other Services & Charges	110,547	434,572	113,207	119,550	119,550	119,550
4999	Capital Outlay	17,472	132,178	25,000	26,250	26,250	26,250
6999	Contingencies & Transfers	-	-	-	-	-	-
TOTALS: STATE AID MAINTENANCE		205,186	660,631	230,347	246,891	246,891	246,891

Activity Description

This activity provides for the maintenance and repair of state aid streets and ROW as designated within the City and is funded by the Municipal State Aid system.

Objectives

1. Review route designations and recommend any changes to the MSA system.
2. Continue the implementation of the 5-year Capital Improvement Program, originally developed in 1999, and periodically updated, as part of the certified status of local streets.
3. Maintain 'certified' complete status for our local MSAS; inspected and recertified by MNDOT every two years, which provides funding for our local roads.
4. Integrate street ratings performed in 2013/14 into the City pavement management system to update the S-A CIP.
5. Crack seal state aid streets (Joint Multi-City contract)

Budget Comments on Proposed Budget

The proposed 2019 budget is \$246,891 an increase of \$16,544 or 7.2% from 2018.

1. Personnel increased \$6,671 to account for COLA increases and step system movements
2. Capital Outlay increased by \$1,250 for the replacement of backlit street signs on Central Avenue.
3. Other line items of the budget have decreased or remained relatively flat to maintain a modest budget increase.

CITY OF COLUMBIA HEIGHTS, MINNESOTA
BUDGET 2019

DEPARTMENT: STATE AID GEN'L CONSTRUCTION							
212	STATE AID MAINTENANCE	Actual	Actual	Adopted	Department	City Manager	Council
43191	STATE AID GEN'L CONSTRUCTION	Expense	Expense	Budget	Proposed	Proposed	Adopted
Line Item	Description	2016	2017	2018	2019	2019	2019
0999	Personal Services	-	-	-	-	-	-
1999	Supplies	-	-	-	-	-	-
2999	Other Services & Charges	-	-	-	-	-	-
4999	Capital Outlay	-	-	130,000	95,000	95,000	95,000
6999	Contingencies & Transfers	-	-	-	-	-	-
TOTALS: STATE AID GEN'L CONSTRU		-	-	130,000	95,000	95,000	95,000

Activity Description

Extensive program of crack sealing SA Streets and replace existing backlit street name signs with new LED signs.

Objectives

Extensive program of crack sealing SA Streets and replace existing backlit street name signs with new LED signs.

Budget Comments on Proposed Budget

Extensive program of crack sealing SA Streets and replace existing backlit street name signs with new LED signs.

CITY OF COLUMBIA HEIGHTS, MINNESOTA
BUDGET 2019

DEPARTMENT: CAPITAL EQUIPMENT REPLACEMENT ENGINEERING							
431	CAP EQUIP REPLACEMENT	Actual	Actual	Adopted	Department	City Manager	Council
43100	ENGINEERING	Expense	Expense	Budget	Proposed	Proposed	Adopted
Line Item	Description	2016	2017	2018	2019	2019	2019

0999	Personal Services	-	-	-	-	-	-
1999	Supplies	-	-	-	-	-	-
2999	Other Services & Charges	-	-	-	-	-	-
4999	Capital Outlay	-	10,995	25,000	-	-	-
6999	Contingencies & Transfers	-	-	-	-	-	-
TOTALS: CAP EQUIP REPLACEMENT		-	10,995	25,000	-	-	-

Activity Description

The Capital Equipment fund was established to fund long-term capital equipment needs in the General fund. This was accomplished by preparing a detailed 20-year projection of the City's equipment needs and scheduling of long term replacement. Thus, the City can set aside an equal amount of funding to provide a reserve for future years when larger, more costly equipment will need to be purchased. This in turn, eliminates the highs and lows of budgeting as an equal dollar amount is set aside each year.

Objectives

To maintain the Public Works fleet of vehicles and equipment while evaluating equipment use and condition to maximize the service life of each piece of equipment.

Budget Comments on Proposed Budget

Item & Projected Cost

The following requests have been made for Engineering Capital Equipment Replacement:

No Capital Equipment Requests for 2019

CITY OF COLUMBIA HEIGHTS, MINNESOTA
BUDGET 2019

DEPARTMENT: CAP EQUIP REPLACEMENT PARKS							
431	CAP EQUIP REPLACEMENT	Actual	Actual	Adopted	Department	City Manager	Council
45200	PARKS	Expense	Expense	Budget	Proposed	Proposed	Adopted
Line Item	Description	2016	2017	2018	2019	2019	2019
0999	Personal Services	-	-	-	-	-	-
1999	Supplies	-	-	-	-	-	-
2999	Other Services & Charges	-	-	-	-	-	-
4999	Capital Outlay	44,109	-	110,000	-	-	-
6999	Contingencies & Transfers	-	-	-	-	-	-
TOTALS: CAP EQUIP REPLACEMENT PARKS		44,109	-	110,000	-	-	-

Activity Description

This activity provides for the maintenance of:

- A. 15 city parks
- B. 3 public wading pools
- C. 4 skating and 4 hockey rinks;
- D. 12 softball/baseball diamonds
- E. 2 tennis courts
- F. 12 buildings and other recreational facilities
- G. park trails. This department also provides landscape maintenance for all municipal buildings, other city-owned properties, easement areas, and the planning, implementation and construction of various park improvements.

Objectives

To maintain the Public Works fleet of vehicles and equipment while evaluating equipment use and condition to maximize the service life of each piece of equipment

Budget Comments on Proposed Budget

Item & Projected Cost

The following requests have been made for Parks Capital Equipment Replacement:

No Capital Equipment requests for 2019.

CITY OF COLUMBIA HEIGHTS, MINNESOTA

BUDGET 2019

DEPARTMENT: CAP EQUIP REPLACEMENT STREETS							
431	CAP EQUIP REPLACEMENT	Actual	Actual	Adopted	Department	City Manager	Council
43121	STREETS	Expense	Expense	Budget	Proposed	Proposed	Adopted
Line Item	Description	2016	2017	2018	2019	2019	2019
0999	Personal Services	-	-	-	-	-	-
1999	Supplies	-	-	-	-	-	-
2999	Other Services & Charges	-	-	-	-	-	-
4999	Capital Outlay	16,950	162,986	-	228,000	228,000	228,000
6999	Contingencies & Transfers	-	-	-	-	-	-
TOTALS: CAP EQUIP REPLACEMENT S		16,950	162,986	-	228,000	228,000	228,000

Activity Description

The Capital Equipment fund was established to fund long-term capital equipment needs in the General fund. This was accomplished by preparing a detailed 20-year projection of the City's equipment needs and scheduling of long term replacement. Thus, the City can set aside an equal amount of funding to provide a reserve for future years when larger, more costly equipment will need to be purchased. This, in turn, eliminates the highs and lows of budgeting as an equal dollar amount is set aside each year.

Objectives

To maintain the Public Works fleet of vehicles and equipment while evaluating equipment use and condition to maximize the service life of each piece of equipment

Budget Comments on Proposed Budget

Item & Projected Cost

The following requests have been made for Streets Capital Equipment Replacement:

1. Replacement of a 1998 single axle dump truck with plow, sander and box package. Projected Cost = \$ 220,000.

CITY OF COLUMBIA HEIGHTS, MINNESOTA
BUDGET 2019

DEPARTMENT: CAP EQUIP REPLACEMENT URBAN FORESTRY							
431	CAP EQUIP REPLACEMENT	Actual	Actual	Adopted	Department	City Manager	Council
46102	URBAN FORESTRY	Expense	Expense	Budget	Proposed	Proposed	Adopted
Line Item	Description	2016	2017	2018	2019	2019	2019
0999	Personal Services	-	-	-	-	-	-
1999	Supplies	-	-	-	-	-	-
2999	Other Services & Charges	-	-	-	-	-	-
4999	Capital Outlay	-	-	-	42,150	42,150	42,150
6999	Contingencies & Transfers	-	-	-	-	-	-
TOTALS: CAP EQUIP REPLACEMENT URBAN I		-	-	-	42,150	42,150	42,150

Activity Description

The Capital Equipment fund was established to fund long-term capital equipment needs in the General fund. This was accomplished by preparing a detailed 20-year projection of the City's equipment needs and scheduling long-term replacement. Thus, the City can set aside an equal amount of funding to provide a reserve for future years when large, more costly equipment will need to be purchased, eliminating the highs and lows in budgeting as an equal amount is set aside each year.

Objectives

To maintain the Public Works fleet of vehicles and equipment while evaluating equipment use and condition to maximize the service life of each piece of equipment.

Budget Comments on Proposed Budget

Item & Projected Cost

The following requests have been made for Urban Forestry Capital Equipment Replacement:

1. Replacement of unit #40 city's wood chipper used to grind branches and small trees for disposal. The existing chipper will be disposed of by trade-in or sold at auction. Projected Cost = \$42,150

CITY OF COLUMBIA HEIGHTS, MINNESOTA

BUDGET 2019

DEPARTMENT: WATER UTILITY SOURCE OF SUPPLY							
601	WATER UTILITY	Actual	Actual	Adopted	Department	City Manager	Council
49400	SOURCE OF SUPPLY	Expense	Expense	Budget	Proposed	Proposed	Adopted
Line Item	Description	2016	2017	2018	2019	2019	2019
0999	Personal Services	-	-	-	-	-	-
1999	Supplies	1,426,460	1,546,326	1,386,733	1,575,000	1,575,000	1,575,000
2999	Other Services & Charges	-	-	-	-	-	-
4999	Capital Outlay	-	-	-	-	-	-
6999	Contingencies & Transfers	-	-	-	-	-	-
TOTALS: WATER UTILITY SOURCE O		1,426,460	1,546,326	1,386,733	1,575,000	1,575,000	1,575,000

Activity Description

This department covers potable water purchased from the City of Minneapolis for resale to the residents of Columbia Heights. Amounts will vary from year to year based upon demand. In 2004, the City entered into a long-term contract with the City of Minneapolis establishing rates for the next 30 years. The contract was updated in 2014 based on an updated Cost of Service Study as prescribed in the contract.

Objectives

1. The third utility rate study will complete in 2019 with the last year of recommended utility rates. Implementation - continue to monitor revenue vs. expense forecasts from 2018 recommendations.
2. Continue valving/isolation and directional flushing of our system zones distribution piping to improve water quality issues.
3. Continue to participate in the Minneapolis Water Advisory Board with other cities provided drinking water by the MWW.

Budget Comments on Proposed Budget

The estimated cost of water purchased from the City of Minneapolis is \$1,575,000, projecting a 2% increase from 2017 actual. Staff estimates annual consumption based upon past usage and the contract rates with Minneapolis. In recent years we have been experiencing a slight decline in water consumption throughout the City.

CITY OF COLUMBIA HEIGHTS, MINNESOTA

BUDGET 2019

DEPARTMENT: WATER UTILITY DISTRIBUTION							
601 WATER UTILITY		Actual	Actual	Adopted	Department	City Manager	Council
49430 DISTRIBUTION		Expense	Expense	Budget	Proposed	Proposed	Adopted
Line Item Description		2016	2017	2018	2019	2019	2019
0999 Personal Services		344,887	385,292	428,124	408,283	408,283	408,283
1999 Supplies		74,402	65,978	93,620	92,250	92,250	92,250
2999 Other Services & Charges		553,187	511,720	525,985	528,850	528,850	528,850
4999 Capital Outlay		-	-	35,500	36,000	36,000	36,000
6999 Contingencies & Transfers		25,000	25,000	25,000	30,000	30,000	30,000
TOTALS: WATER UTILITY DISTRIBUTION		997,476	987,990	1,108,229	1,095,383	1,095,383	1,095,383

Activity Description

This activity provides for the operation and maintenance of the City's entire water distribution system, including the water tower, water mains, hydrants, valves, meters, pump stations (2), sprinkler systems (3), and providing locate services for city utilities as required by the Gopher State One Call system.

Objectives

1. Continuation of the annual watermain cleaning and lining program, performed cooperatively with the City of Minneapolis to improve water quality and flow. 2019 will be in the SE quad of the City
2. Update the next three year Cleaning and Lining Program approved in 2014 and initiated in 2015, (2017 & 18 off years).
3. Continue tracking and documenting water quality complaints and develop remedial response alternatives.
4. Perform C-factor testing on segments of water system to develop the next 3 yr. program area of cleaning and lining.
5. Maintain system by leak detecting, testing water samples, repair water main breaks, pumps, valves hydrants, etc.
6. Continue and refine our directional hydrant flushing program.

Budget Comments on Proposed Budget

The proposed 2019 budget is \$1,095,383 a decrease of 1.2% or \$12,846 from the 2018 adopted budget. Major line items contributing to the decrease:

1. Personnel decreased \$19,841 based on actual time spent in the department.
2. Increases in employee training (new/ inexperienced staff).
3. Transfer to the Capital Equipment Replacement Fund increased by \$5,000 to fund equipment replacements

CITY OF COLUMBIA HEIGHTS, MINNESOTA
BUDGET 2019

DEPARTMENT: WATER UTILITY NON-OPERATING							
601	WATER UTILITY	Actual	Actual	Adopted	Department	City Manager	Council
49449	NON-OPERATING	Expense	Expense	Budget	Proposed	Proposed	Adopted
Line Item	Description	2016	2017	2018	2019	2019	2019
0999	Personal Services	-	-	-	-	-	-
1999	Supplies	-	-	-	-	-	-
2999	Other Services & Charges	-	-	-	-	-	-
4999	Capital Outlay	-	-	-	-	-	-
6999	Contingencies & Transfers	268,000	162,000	145,000	78,000	78,000	78,000
TOTALS: WATER UTILITY NON-OPERATING		268,000	162,000	145,000	78,000	78,000	78,000

Activity Description

This budget primarily accounts for transfers to the Water debt service fund.

Objectives

This budget primarily accounts for transfers to the Water debt service fund.

Budget Comments on Proposed Budget

This budget primarily accounts for transfers to the Water debt service fund, \$78,000 budgeted for 2019.

CITY OF COLUMBIA HEIGHTS, MINNESOTA
BUDGET 2019

DEPARTMENT: CAP EQUIP REPLACEMENT WATER							
433	CAP EQUIP REPLACEMENT WATER	Actual	Actual	Adopted	Department	City Manager	Council
49449	NON-OPERATING	Expense	Expense	Budget	Proposed	Proposed	Adopted
Line Item	Description	2016	2017	2018	2019	2019	2019
0999	Personal Services	-	-	-	-	-	-
1999	Supplies	-	-	-	-	-	-
2999	Other Services & Charges	-	-	-	-	-	-
4999	Capital Outlay	-	-	-	-	-	-
6999	Contingencies & Transfers	141,845	-	-	-	-	-
TOTALS: CAP EQUIP REPLACEMENT WATER		141,845	-	-	-	-	-

Activity Description

The Capital Equipment fund was established to fund long-term capital equipment needs in the Water fund. This was accomplished by preparing a detailed 20-year projection of the City's equipment needs and scheduling long-term replacement. Thus, the City can set aside an equal amount of funding to provide a reserve for future years when large, more costly equipment will need to be purchased, eliminating the highs and lows in budgeting as an equal amount is set aside each year.

Objectives

To maintain the Public Works fleet of vehicles and equipment while evaluating equipment use and condition to maximize the service life of each piece of equipment.

Budget Comments on Proposed Budget

Item & Projected Cost

The following requests have been made for Water Capital Equipment Replacement:

1. Replacement a 1-ton utility truck with lift gate and hoist attachment. Projected cost is split 1/2 between Sewer and Water, cost = \$27,500.

CITY OF COLUMBIA HEIGHTS, MINNESOTA

BUDGET 2019

DEPARTMENT: SEWER UTILITY COLLECTIONS							
602	SEWER UTILITY	Actual	Actual	Adopted	Department	City Manager	Council
49450	COLLECTIONS	Expense	Expense	Budget	Proposed	Proposed	Adopted
Line Item	Description	2016	2017	2018	2019	2019	2019
0999	Personal Services	180,046	274,165	264,903	348,035	348,035	348,035
1999	Supplies	27,468	52,175	54,820	54,950	54,950	54,950
2999	Other Services & Charges	273,409	312,001	328,591	333,150	333,150	333,150
4999	Capital Outlay	-	-	4,500	6,000	6,000	6,000
6999	Contingencies & Transfers	25,000	25,000	25,000	30,000	30,000	30,000
TOTALS: SEWER UTILITY COLLECTIONS		505,923	663,340	677,814	772,135	772,135	772,135

Activity Description

This activity provides for the operation and maintenance of the City's sanitary sewer collection system. Included in this activity are inspections and repairs of manholes, trunk and main sewer lines, lift stations (4) and the SCADA system operation. Annual sewer flows are between 500 and 550 million gallons to MCES treatment facilities.

Objectives

1. Analyze I/I program effectiveness to concentrate on the Collection District with the highest return for the removal of clear water flows in our collection system - in response to the MCES' Ongoing I/I Program.
2. Continue aggressive sanitary sewer cleaning program on a 3-year repeating cycle city-wide, and trouble lines - annually.
3. Continue sanitary sewer system evaluations through the new televising and reporting program.
4. Continue annual sanitary sewer lining program.
5. Continue manhole inspections with televising inspection reports resulting in the rehab of existing sewer line structures throughout the City.
6. Continuation of the private line inspection program in 2019 as part of our I/I Program.

Budget Comments on Proposed Budget

The 2018 budget included a one-time allocation of \$110,000 of fund 602 sewer staff time to projects in water construction fund 651. After factoring out this one-time use of sewer staffing in the water fund, the net change for the 2019 budget for fund 602 Sewer Collections department #49450 is a decrease of \$15,700 or 2%. This reflects some new hires in the department at lower salary steps and minor allocation of labor to other public works departments for 2019.

CITY OF COLUMBIA HEIGHTS, MINNESOTA
BUDGET 2019

DEPARTMENT: SEWER UTILITY DISPOSAL							
602 49480	SEWER UTILITY DISPOSAL	Actual Expense 2016	Actual Expense 2017	Adopted Budget 2018	Department Proposed 2019	City Manager Proposed 2019	Council Adopted 2019
Line Item	Description						
0999	Personal Services	-	-	-	-	-	-
1999	Supplies	974,360	1,053,318	1,101,725	1,133,800	1,133,800	1,133,800
2999	Other Services & Charges	-	-	-	-	-	-
4999	Capital Outlay	-	-	-	-	-	-
6999	Contingencies & Transfers	-	-	-	-	-	-
TOTALS: SEWER UTILITY DISPOSAL		974,360	1,053,318	1,101,725	1,133,800	1,133,800	1,133,800

Activity Description

This department provides for fees paid to the Metropolitan Council Environmental Services for sewage treatment disposal. Costs will vary from year to year based upon flows.

Objectives

Rates from the MCES have consistently shown increases over the last decade. Rates began climbing in 2014 and it is anticipated that rates will continue to increase by 3.5% to 5.5% over the next several years.

Budget Comments on Proposed Budget

The proposed 2019 Sewage Disposal budget is \$1,133,800. This represents a \$32,075 or a 2.9% increase from 2018 budgeted. Staff estimates annual consumption based upon past usage and projected increases from MCES.

CITY OF COLUMBIA HEIGHTS, MINNESOTA
BUDGET 2019

DEPARTMENT: SEWER UTILITY NON-OPERATING							
602	SEWER UTILITY	Actual	Actual	Adopted	Department	City Manager	Council
49499	NON-OPERATING	Expense	Expense	Budget	Proposed	Proposed	Adopted
Line	Item Description	2016	2017	2018	2019	2019	2019
0999	Personal Services	-	-	-	-	-	-
1999	Supplies	-	-	-	-	-	-
2999	Other Services & Charges	-	-	-	-	-	-
4999	Capital Outlay	-	-	-	-	-	-
6999	Contingencies & Transfers	40,000	240,225	62,000	79,000	79,000	79,000
TOTALS: SEWER UTILITY NON-OPERATING		40,000	240,225	62,000	79,000	79,000	79,000

Activity Description

This budget primarily accounts for transfers to the Sewer debt service fund. Sewer bonds outstanding are from the 2013 bond issue.

Objectives

This budget primarily accounts for transfers to the Sewer debt service fund.

Budget Comments on Proposed Budget

This budget primarily accounts for transfers to the Sewer debt service fund, with \$79,000 budgeted for 2019.

CITY OF COLUMBIA HEIGHTS, MINNESOTA
BUDGET 2019

DEPARTMENT: CAP EQUIP REPLACEMENT SEWER							
432	CAP EQUIPMENT REPLACEMENT SEWER	Actual	Actual	Adopted	Department	City Manager	Council
49499	NON-OPERATING	Expense	Expense	Budget	Proposed	Proposed	Adopted
Line Item	Description	2016	2017	2018	2019	2019	2019
0999	Personal Services	-	-	-	-	-	-
1999	Supplies	-	-	-	-	-	-
2999	Other Services & Charges	-	-	-	-	-	-
4999	Capital Outlay	-	-	-	-	-	-
6999	Contingencies & Transfers	61,845	-	-	-	-	-
TOTALS: CAP EQUIP REPLACEMENT SEWER		61,845	-	-	-	-	-

Activity Description

The Capital Equipment fund was established to fund long-term capital equipment needs in the Sewer fund. This was accomplished by preparing a detailed 20-year projection of the City's equipment needs and scheduling long-term replacement. Thus, the City can set aside an equal amount of funding to provide a reserve for future years when large, more costly equipment will need to be purchased, eliminating the highs and lows in budgeting as an equal amount is set aside each year.

Objectives

To maintain the Public Works fleet of vehicles and equipment while evaluating equipment use and condition to maximize the service life of each piece of equipment

Budget Comments on Proposed Budget

Item & Projected Cost

The following requests have been made for Sewer Capital Equipment Replacement:

1. Replacement of a 1-ton utility truck with lift gate and hoist attachment. Projected cost is split 1/2 between Sewer and Water = \$27,500.

CITY OF COLUMBIA HEIGHTS, MINNESOTA

BUDGET 2019

DEPARTMENT: STORM SEWER UTILITY COLLECTIONS							
604	STORM SEWER UTILITY	Actual	Actual	Adopted	Department	City Manager	Council
49650	COLLECTIONS	Expense	Expense	Budget	Proposed	Proposed	Adopted
Line Item	Description	2016	2017	2018	2019	2019	2019
0999	Personal Services	103,626	121,739	146,885	151,918	151,918	151,918
1999	Supplies	13,572	19,857	49,502	46,050	46,050	46,050
2999	Other Services & Charges	185,831	223,855	185,097	194,150	194,150	194,150
4999	Capital Outlay	-	-	-	-	-	-
6999	Contingencies & Transfers	5,000	5,000	5,000	10,000	10,000	10,000
TOTALS: STORM SEWER UTILITY C		308,029	370,451	386,484	402,118	402,118	402,118

Activity Description

This department provides for the operation and maintenance of the City's storm sewer system, including NPDES Phase III permit requirements (pollution prevention), annual MS4 reporting - including TMDL reporting for Silver Lake, inspection and repair of storm sewer pipes, catch basins, manholes, and drainage ponds, and surface water related activities and inspections of land disturbing activities for erosion control.

Objectives

1. Implement NPDES Phase III requirements for activities and reporting system - 3rd Generation Plan was approved by the MPCA in 2013. First report under the 3rd generation permit now includes TMDL reporting - Silver Lake
2. Implement the Water Resource Management Plan (WRMP) completed in 2017.
3. Support and coordinate with the maintenance activities in the Streets Department.
4. Rehab existing structures and/or main lines throughout the City.
5. Storm sewer system evaluation: conduct televising and inspections of storm sewer lines, leading to a storm sewer lining program.

Budget Comments on Proposed Budget

The proposed 2019 budget is \$402,118 an increase of 4% or \$15,634 from the 2018 adopted budget. Major line items contributing to the increase:

1. Personnel increased by \$5,033 to account for COLA increases and step system movements.
2. Other Services and Charges increased by \$9,053 to account for increased activity in storm cleaning and lining.

CITY OF COLUMBIA HEIGHTS, MINNESOTA
BUDGET 2019

DEPARTMENT: STORM SEWER UTILITY NON-OPERATING							
604	STORM SEWER UTILITY	Actual	Actual	Adopted	Department	City Manager	Council
49699	NON-OPERATING	Expense	Expense	Budget	Proposed	Proposed	Adopted
Line Item	Description	2016	2017	2018	2019	2019	2019
0999	Personal Services	-	-	-	-	-	-
1999	Supplies	-	-	-	-	-	-
2999	Other Services & Charges	-	643	-	650	650	650
4999	Capital Outlay	-	-	-	-	-	-
6999	Contingencies & Transfers	133,000	93,000	44,000	63,000	63,000	63,000
TOTALS: STORM SEWER UTILITY NON-OPER		133,000	93,643	44,000	63,650	63,650	63,650

Activity Description

This budget primarily accounts for transfers to the Storm Sewer debt service fund.

Objectives

This budget primarily accounts for transfers to the Storm Sewer debt service fund.

Budget Comments on Proposed Budget

This budget primarily accounts for transfers to the Storm Sewer debt service fund, \$63,650 budgeted for 2019.

CITY OF COLUMBIA HEIGHTS, MINNESOTA
BUDGET 2019

DEPARTMENT: CAP EQUIP REPLACEMENT STORM SEWER							
438	CAP EQUIP REPLACEMENT STORM SE	Actual	Actual	Adopted	Department	City Manager	Council
49699	NON-OPERATING	Expense	Expense	Budget	Proposed	Proposed	Adopted
Line Item	Description	2016	2017	2018	2019	2019	2019
0999	Personal Services	-	-	-	-	-	-
1999	Supplies	-	-	-	-	-	-
2999	Other Services & Charges	-	-	-	-	-	-
4999	Capital Outlay	-	-	-	-	-	-
6999	Contingencies & Transfers	-	35,017	-	-	-	-
TOTALS: CAP EQUIP REPLACEMENT S		-	35,017	-	-	-	-

Activity Description

The Capital Equipment fund was established to fund long-term capital equipment needs in the storm sewer fund. This was accomplished by preparing a detailed 20-year projection of the City's equipment needs and scheduling long-term replacement. Thus, the City can set aside an equal amount of funding to provide a reserve for future years when large, more costly equipment will need to be purchased, eliminating the highs and lows in budgeting as an equal amount is set aside each year.

Objectives

To maintain the Public Works fleet of vehicles and equipment while evaluating equipment use and condition to maximize the service life of each piece of equipment.

Budget Comments on Proposed Budget

No requests for 2019.

CITY OF COLUMBIA HEIGHTS, MINNESOTA

BUDGET 2019

DEPARTMENT: REFUSE DISPOSAL

603 REFUSE FUND	Actual	Actual	Adopted	Department	City Manager	Council
49510 REFUSE DISPOSAL	Expense	Expense	Budget	Proposed	Proposed	Adopted
Line Item Description	2016	2017	2018	2019	2019	2019
0999 Personal Services	-	-	-	-	-	-
1999 Supplies	1,641,239	1,674,172	1,929,000	1,703,400	1,703,400	1,703,400
2999 Other Services & Charges	-	-	-	-	-	-
4999 Capital Outlay	-	-	-	-	-	-
6999 Contingencies & Transfers	-	-	-	-	-	-
TOTALS: REFUSE DISPOSAL	1,641,239	1,674,172	1,929,000	1,703,400	1,703,400	1,703,400

Activity Description

Contracted costs and billings for refuse, single sort recycling, yard waste collection, and disposal are separated and accounted for in this department to enable tracking of actual costs for the contract, and to facilitate accurate reporting to state and county agencies as required. The City negotiated a five-year contract with Waste Management through December 2022. Under this contract, the hauler provides all households and multi-dwelling properties with garbage carts, dumpsters, yard waste/organics, and single sort recycling. Residents may request a change of service level by calling city staff, which bills the properties for refuse service.

Objectives

1. Promote responsible waste practices, through training and education, to reduce municipal solid waste tonnages and the resulting tipping fee costs.
2. Provide cost-effective options for disposal of problem items.
3. Publicize the disposal options available for residents.
4. Introduce a curbside bulk donation/recycling program into the full service collections.
5. Execute Solid Waste Management plans and procedures as described in the City Solid Waste Management Operations Policy.

Budget Comments on Proposed Budget

The Refuse Disposal Budget is \$1,703,400 an 11.7% decrease of \$225,600 from 2018.

This decrease reflects a 6% decrease in general recycling hauling services from 2018 due to the decision not to conduct weekly single-sort collections, which was budgeted for 2018.

This decrease also reflects an average 2% lower prices with the new contract as compared to 2017 (with the previous contract) and 4% lower trash disposal costs due to expected reduction in refuse that is incinerated at the Anoka County mandated RTF facility.

The Refuse line item #2910 accounts for both Contractor service costs and tipping fees for disposal of solid waste. Typically 40% of the total is tipping fees and 60% is contractor charges.

CITY OF COLUMBIA HEIGHTS, MINNESOTA

BUDGET 2019

DEPARTMENT: REFUSE COLLECTION & DISPOSAL							
603	REFUSE FUND	Actual	Actual	Adopted	Department	City Manager	Council
49520	REFUSE COLLECTION AND DISPOSAL	Expense	Expense	Budget	Proposed	Proposed	Adopted
Line Item	Description	2016	2017	2018	2019	2019	2019
0999	Personal Services	54,196	49,675	46,646	47,497	47,497	47,497
1999	Supplies	80	128,621	534	550	550	550
2999	Other Services & Charges	60,499	64,703	26,933	28,700	28,700	28,700
4999	Capital Outlay	-	-	-	-	-	-
6999	Contingencies & Transfers	39,049	40,200	41,811	41,900	41,900	41,900
TOTALS: REFUSE COLLECTION & DISPOSAL		153,824	283,199	115,924	118,647	118,647	118,647

Activity Description

This activity manages the total refuse collection and disposal program and includes expenses other than the contract costs. Contracted costs are separated for clarity in tracking and reporting; however, they do remain a function of this budget as a whole.

Objectives

1. Manage the total refuse collection and disposal operations and the hauler performance of contract.
2. Resolve property owners and residents service issues.
3. Encourage a greater use of the low-volume option for those who require only the very basics in disposal services.
4. Work with owner/managers/caretakers and tenants of multi-unit facilities and rental properties to provide all the disposal services they need in the most cost-effective manner, thereby reducing the number of complaints from and about these buildings.
5. Promote the unique aspects of the City Refuse Contract and encourage residents to effectively use the services available to them as Columbia Heights residents.
6. Execute Solid Waste Management plans and procedures as described in the City Solid Waste Management Operations Policy.

Budget Comments on Proposed Budget

The Refuse Collection & Disposal budget is \$118,647 a 2.3% increase of \$2,723 from 2018.

Major changes to budget:

Personnel costs increased almost 1% to account for COLA increases and a market rate adjustment.

Other services and Charges increased over 1%

CITY OF COLUMBIA HEIGHTS, MINNESOTA

BUDGET 2019

DEPARTMENT: REFUSE FUND RECYCLING							
603	REFUSE FUND	Actual Expense 2016	Actual Expense 2017	Adopted Budget 2018	Department Proposed 2019	City Manager Proposed 2019	Council Adopted 2019
49530	RECYCLING						
Line Item	Description						
0999	Personal Services	43,625	53,171	49,846	61,098	61,098	61,098
1999	Supplies	6,128	10,122	7,999	11,100	11,100	11,100
2999	Other Services & Charges	39,608	38,323	37,499	56,500	56,500	56,500
4999	Capital Outlay	-	-	-	-	-	-
6999	Contingencies & Transfers	39,049	40,200	41,811	41,900	41,900	41,900
TOTALS: REFUSE FUND RECYCLING		128,410	141,816	137,155	170,598	170,598	170,598

Activity Description

This activity provides management of the recycling contract between the City and Advanced Disposal and other non-contracted recycling operations. The City contracts with the hauler to collect items in the single sort collection program, plus tires and scrap metal at the recycling drop-off center. The City continues to manage the SCORE grant program and all other recycling operations.

Objectives

1. Manage the total recycling/yard waste operations and the performance of Refuse and Recycling Contract and other recycling service provider/vendor operations.
2. Continue to educate residents to all the items that can be recycled curbside, and at our Recycling Drop-off Center, and the numerous other options available within the area.
3. Continue to work with multiple dwelling units in our community to educate renters and owners alike to all the recycling opportunities available.
4. Work closely with service organizations and residents to effectively utilize our Recycling Center.
5. Continue the organics recycling curbside service.
6. Plan waste reduction activities (to generate savings from less trash disposal tipping fees) and recycling programs, plus manage SCORE grant requirements which are increasing (see SCORE agreement Attachment 'B' for summary of subsidized programs).
7. Fully implement a curbside bulk (furniture, mattresses, carpet, etc.) reuse/recycling process.
8. Execute Solid Waste Management plans and procedures as described in the City Solid Waste Management Operations Policy.

Budget Comments on Proposed Budget

The Recycling budget for 2019 is \$170,598 a 24.38% increase of \$33,443 from 2018.

Major line items that contributed to the increase:

1. Other Services and Charges increased by 50.67%
2. Personnel increased 8% to account for COLA increases and a market rate adjustment.
3. Recycling supplies increased 41%

CITY OF COLUMBIA HEIGHTS, MINNESOTA
BUDGET 2019

DEPARTMENT: REFUSE FUND HAZARDOUS WASTE							
603	REFUSE FUND	Actual	Actual	Adopted	Department	City Manager	Council
49540	HAZARDOUS WASTE	Expense	Expense	Budget	Proposed	Proposed	Adopted
Line Item	Description	2016	2017	2018	2019	2019	2019
0999	Personal Services	2,017	2,841	3,396	3,742	3,742	3,742
1999	Supplies	-	-	605	600	600	600
2999	Other Services & Charges	8,667	9,974	9,800	10,900	10,900	10,900
4999	Capital Outlay	-	-	-	-	-	-
6999	Contingencies & Transfers	-	-	-	-	-	-
TOTALS:		10,683	12,816	13,801	15,242	15,242	15,242

Activity Description

This activity administers the handling of hazardous waste generated by the City of Columbia Heights residential properties. Such items include fluorescent lamps, solvents, waste and automotive fluids, paints /chemicals, and illegally dumped electronic and other problem materials. Anoka County provides household hazardous waste services primarily through a year-round drop-off facility located in Blaine that serves the entire county.

Objectives

1. Manage the HHW (Household Hazardous Waste) operations and AD performance of Refuse and Recycling contract including other recycling service provider/vendor operations.
2. Continue to manage collection of fluorescent bulbs from residents, small businesses, and city buildings to facilitate proper disposal. Administer Xcel energy grant to pay for operations.
3. Promote and encourage residents to use the Anoka County Household Hazardous Waste drop-off facility.
4. Educate residents to those items that are hazardous, costly to dispose of, and accepted only at a licensed disposal facility, and what options may be available to purchase more wisely.
5. Continue to provide SCORE subsidized monthly electronics collection.
6. Work with Anoka County to certify the CH recycling center for HHW collection.
7. Execute Solid Waste Management plans and procedures as described in the City Solid Waste Management Operations Policy.

Budget Comments on Proposed Budget

The 2019 Hazardous Waste budget increased by \$1,441 or 10.4% from 2018.

Major changes to budget:

1. Other service and charges increased 11%
2. Personnel increased 2% to account for COLA increases and a market rate adjustment.

CITY OF COLUMBIA HEIGHTS, MINNESOTA
BUDGET 2019

DEPARTMENT: STATE AID CONSTRUCTION							
402	STATE AID CONSTRUCTION	Actual	Actual	Adopted	Department	City Manager	Council
43191	STATE AID GEN'L. CONSTRUCTION	Expense	Expense	Budget	Proposed	Proposed	Adopted
Line Item	Description	2016	2017	2018	2019	2019	2019
0999	Personal Services	-	-	-	-	-	-
1999	Supplies	-	-	-	-	-	-
2999	Other Services & Charges	-	-	-	-	-	-
4999	Capital Outlay	-	-	450,000	1,570,000	1,570,000	1,570,000
6999	Contingencies & Transfers	477,525	403,622	-	-	-	-
TOTALS: STATE AID CONSTRUCTION		477,525	403,622	450,000	1,570,000	1,570,000	1,570,000

Activity Description

This fund is used for capital improvement projects on the City's municipal state aid streets. In 1999, the City was asked by the Office of State Aid to provide a detailed five year program, explaining how Columbia Heights plans on spending down its excessive MSA fund balance. Consistent with that request, a 5-year plan was developed and updated on 5-year cycles.

Objectives

Continue rating of State Aid Streets for annual rehabilitation and/or major repair projects as needed.

Budget Comments on Proposed Budget

Continue rating of State Aid Streets for annual rehabilitation and/or major repair projects as needed.

CITY OF COLUMBIA HEIGHTS, MINNESOTA
BUDGET 2019

DEPARTMENT: CAPITAL IMP CENTRAL GARAGE							
411	CAPITAL IMP GEN GOV BLDG.	Actual	Actual	Adopted	Department	City Manager	Council
49950	CENTRAL GARAGE	Expense	Expense	Budget	Proposed	Proposed	Adopted
Line Item	Description	2016	2017	2018	2019	2019	2019
0999	Personal Services	-	-	-	-	-	-
1999	Supplies	-	-	-	-	-	-
2999	Other Services & Charges	-	-	-	-	-	-
4999	Capital Outlay	-	-	-	75,000	75,000	75,000
6999	Contingencies & Transfers	-	-	-	-	-	-
TOTALS: CAPITAL IMP GEN GOV BLDG.		-	-	-	75,000	75,000	75,000

Activity Description

Fund 411 was established to account for building improvements and major maintenance not included in operating budgets. The City Council has committed funds here as they have become available over time, creating a fund balance available for building improvements. Recently, the City has taken steps to incorporate building improvements and major maintenance into its Capital Improvement Program (CIP), similar to the planning process used for city infrastructure.

Objectives

The objective for each of the departments within fund 411 is to fund building improvements, when they are necessary, without burdening annual operating budgets to do so.

Budget Comments on Proposed Budget

MSC building in 2019: spot masonry repairs, remove failing paint, and repaint the building.

CITY OF COLUMBIA HEIGHTS, MINNESOTA
BUDGET 2019

DEPARTMENT: CAPITAL IMP POLICE							
411	CAPITAL IMP GEN GOV BLDG.	Actual	Actual	Adopted	Department	City Manager	Council
42100	POLICE	Expense	Expense	Budget	Proposed	Proposed	Adopted
Line Item	Description	2016	2017	2018	2019	2019	2019
0999	Personal Services	-	-	-	-	-	-
1999	Supplies	-	-	-	-	-	-
2999	Other Services & Charges	1,200	-	19,000	-	-	-
4999	Capital Outlay	-	-	-	-	-	-
6999	Contingencies & Transfers	-	-	-	-	-	-
TOTALS: CAPITAL IMP GEN GOV BLDG.		1,200	-	19,000	-	-	-

Activity Description

Fund 411 was established to account for building improvements and major maintenance not included in operating budgets. The City Council has committed funds here as they have become available over time, creating a fund balance available for building improvements. Recently, the City has taken steps to incorporate building improvements and major maintenance into its Capital Improvement Program (CIP), similar to the planning process used for city infrastructure.

Objectives

The objective for each of the departments within fund 411 is to fund building improvements, when they are necessary, without burdening annual operating budgets to do so.

Budget Comments on Proposed Budget

No expenditures for 2019.

CITY OF COLUMBIA HEIGHTS, MINNESOTA
BUDGET 2019

DEPARTMENT: CAPITAL IMP FIRE							
411	CAPITAL IMP GEN GOV BLDG.	Actual	Actual	Adopted	Department	City Manager	Council
42200	FIRE	Expense	Expense	Budget	Proposed	Proposed	Adopted
Line Item	Description	2016	2017	2018	2019	2019	2019
0999	Personal Services	-	-	-	-	-	-
1999	Supplies	-	-	-	-	-	-
2999	Other Services & Charges	1,200	-	-	-	-	-
4999	Capital Outlay	-	-	-	-	-	-
6999	Contingencies & Transfers	-	-	-	-	-	-
TOTALS: CAPITAL IMP GEN GOV BLDG.		1,200	-	-	-	-	-

Activity Description

Fund 411 was established to account for building improvements and major maintenance not included in operating budgets. The City Council has committed funds here as they have become available over time, creating a fund balance available for building improvements. Recently, the City has taken steps to incorporate building improvements and major maintenance into its Capital Improvement Program (CIP), similar to the planning process used for city infrastructure.

Objectives

The objective for each of the departments within fund 411 is to fund building improvements, when they are necessary, without burdening annual operating budgets to do so.

Budget Comments on Proposed Budget

No expenditures for 2019.

CITY OF COLUMBIA HEIGHTS, MINNESOTA
BUDGET 2019

DEPARTMENT: CAP IMP - CITY HALL							
411 41940	CAPITAL IMP-CITY HALL CITY HALL	Actual Expense 2016	Actual Expense 2017	Adopted Budget 2018	Department Proposed 2019	City Manager Proposed 2019	Council Adopted 2019
Line Item	Description						
0999	Personal Services	-	-	-	-	-	-
1999	Supplies	30,503	-420	-	-	-	-
2999	Other Services & Charges	-	3,375	-	-	-	-
4999	Capital Outlay	-	-	-	10,100,000	10,100,000	10,100,000
6999	Contingencies & Transfers	-	-	-	-	-	-
TOTAL: CAPITAL OUTLAY - CITY HA		30,503	2,955	-	10,100,000	10,100,000	10,100,000

Activity Description

Fund 411 was established to account for building improvements and major maintenance not included in operating budgets. The City Council has committed funds here as they have become available over time, creating a fund balance available for building improvements. Recently, the City has taken steps to incorporate building improvements and major maintenance into its Capital Improvement Program (CIP), similar to the planning process used for city infrastructure.

Objectives

The objective for each of the departments within fund 411 is to fund building improvements, when they are necessary, without burdening annual operating budgets to do so.

Budget Comments on Proposed Budget

The 2017 City Council goals report established the objective of completing a master plan for city hall. The architect's report on various options under that plan was completed and issued to the City Council in 2018. As a next step under this City Council objective, the 2019 budget for this department includes the most popular option under that plan. In broad terms, this option includes the following sources and uses:

	<u>Fund Balance</u>	<u>GO Bonds</u>
Construct new city hall next to Murzyn Hall	\$6,000,000	\$2,000,000
Update Murzyn Hall and construct connection to city hall	-	2,000,000
Financing costs	-	100,000

By adopting a budget with this item in it, the Council neither authorizes construction contracts, nor authorizes issuance of bonds. Those steps require separate Council actions and have specific additional public notice requirements. Furthermore, use of this particular Murzyn hall option as a placeholder in the 2019 budget does not prevent the City Council from ultimately choosing some other option under the master plan.

CITY OF COLUMBIA HEIGHTS, MINNESOTA
BUDGET 2019

DEPARTMENT: CAP IMP GEN GOV BLDG - LIBRARY							
411 45500	CAPITAL IMP-GEN GOVT. BLDG LIBRARY	Actual Expense 2016	Actual Expense 2017	Adopted Budget 2018	Department Proposed 2019	City Manager Proposed 2019	Council Adopted 2019
Line Item	Description						
0999	Personal Services	-	-	-	-	-	-
1999	Supplies	-	-	-	-	-	-
2999	Other Services & Charges	-	31,248	-	-	-	-
4999	Capital Outlay	-	-	-	-	-	-
6999	Contingencies & Transfers	-	12,818	-	-	-	-
	TOTAL: CAP IMP GEN GOV BLDG	-	44,066	-	-	-	-

Activity Description

Fund 411 was established to account for building improvements and major maintenance not included in operating budgets. The City Council has committed funds here as they have become available over time, creating a fund balance available for building improvements. Recently, the City has taken steps to incorporate building improvements and major maintenance into its Capital Improvement Program (CIP), similar to the planning process used for city infrastructure.

Objectives

The objective for each of the departments within fund 411 is to fund building improvements, when they are necessary, without burdening annual operating budgets to do so.

Budget Comments on Proposed Budget

No expenditures for 2019.

CITY OF COLUMBIA HEIGHTS, MINNESOTA
BUDGET 2019

DEPARTMENT: CAP IMP PARKS							
412	CAPITAL IMPROVEMENT PARKS	Actual	Actual	Adopted	Department	City Manager	Council
45200	PARKS	Expense	Expense	Budget	Proposed	Proposed	Adopted
Line Item	Description	2016	2017	2018	2019	2019	2019
0999	Personal Services	-	-	-	-	-	-
1999	Supplies	-	10,524	-	-	-	-
2999	Other Services & Charges	15,000	18,106	25,000	18,000	18,000	18,000
4999	Capital Outlay	27,030	30,766	-	-	-	-
6999	Contingencies & Transfers	-	-	-	-	-	-
TOTALS: CAP IMP PARKS		42,030	59,396	25,000	18,000	18,000	18,000

Activity Description

This activity provides for capital improvements in the City's park system, including major improvements and major repairs/replacements to park buildings, playgrounds, recreational facilities, and park amenities.

Objectives

1. Continued development of Master Planning in Parks selected by the Park & Rec Commission
2. Investigate funding alternatives for Parks Capital Improvements
3. Update Parks 5-year CIP

Budget Comments on Proposed Budget

In 2019, develop next master plan for Wargo Court (in poor condition).

CITY OF COLUMBIA HEIGHTS, MINNESOTA
BUDGET 2019

DEPARTMENT: INFRASTRUCTURE FUND							
430	INFRASTRUCTURE FUND	Actual	Actual	Adopted	Department	City Manager	Council
46323	CAP IMP EXPENSE	Expense	Expense	Budget	Proposed	Proposed	Adopted
Line Item	Description	2016	2017	2018	2019	2019	2019
0999	Personal Services	-	-	145,116	149,755	149,755	149,755
1999	Supplies	-	-	-	-	-	-
2999	Other Services & Charges	-	408	23,250	23,250	23,250	23,250
4999	Capital Outlay	119,173	-	110,000	400,000	400,000	400,000
6999	Contingencies & Transfers	-	-	-	-	-	-
TOTALS: INFRASTRUCTURE FUND		119,173	408	278,366	573,005	573,005	573,005

Activity Description

The City's street rehabilitation program was initiated with funding from liquor funds in 1996, and with annual transfers, will perpetuate the continued investment into the maintenance and improvements of the City's streets. An additional source of revenue was secured in 2000, on a 2-year renewable cycle, with the certification of the City State-Aid Street System, making available limited state aid funding. 2019 will focus on MSA streets.

Objectives

The Infrastructure Fund supports city costs to perpetuate the city-wide street rehab program. Two entire cycles of the city-wide zones has been completed. The 3rd cycle has now completed Zones 1, 2 & 3 located east of Central Avenue. 2019 will be an off year with Zone work beginning in 2020 combining Zones 4 and 5.

Budget Comments on Proposed Budget

The Infrastructure Fund budget for 2019 is \$573,005, which accounts for the City's portion of the cost share policy for street improvements and alley replacements.

CITY OF COLUMBIA HEIGHTS, MINNESOTA
BUDGET 2019

DEPARTMENT: WATER CONSTRUCTION FUND NON-OPERATING							
651	WATER CONSTRUCTION FUND	Actual	Actual	Adopted	Department	City Manager	Council
49449	NON-OPERATING	Expense	Expense	Budget	Proposed	Proposed	Adopted
Line Item	Description	2016	2017	2018	2019	2019	2019
0999	Personal Services	-	-	-	-	-	-
1999	Supplies	-	-	-	-	-	-
2999	Other Services & Charges	-	-	-	-	-	-
4999	Capital Outlay	-	-	65,000	65,000	65,000	65,000
6999	Contingencies & Transfers	439,054	-	-	-	-	-
TOTALS: WATER CONSTRUCTION FUND N		439,054	-	65,000	65,000	65,000	65,000

Activity Description

This fund covers capital improvements to the City's water distribution system and the reconstruction and/or repairs to the distribution system including mains, pumping stations, water tower, and operational control valves.

Objectives

1. Coordinate repair/replacement of water mains that are in the street reconstruction zones or major improvement projects.
2. Continue cooperative Water Main Cleaning and Lining Program with the City of Minneapolis annual program, which may include cement mortar or structural lining.
3. Continue updates/repairs to major components of water distribution system such as gate valves, hydrants, valve boxes and SCADA Controls.

Budget Comments on Proposed Budget

- To continue addressing the rehabilitation of an aging water system, below are the proposed Water Construction projects:
1. Annual Water Main cleaning and lining program for water distribution and quality improvement, based on approved 3-year program.
 2. DEFERRED Pump Sta #3: pumps, motors and electrical replacements.
 3. Misc. repairs to address an aging water system under the Miscellaneous Utility Program.

CITY OF COLUMBIA HEIGHTS, MINNESOTA

BUDGET 2019

DEPARTMENT: SEWER CONSTRUCTION FUND NON-OPERATING							
652	SEWER CONSTRUCTION FUND	Actual	Actual	Adopted	Department	City Manager	Council
49499	NON-OPERATING	Expense	Expense	Budget	Proposed	Proposed	Adopted
Line Item	Description	2016	2017	2018	2019	2019	2019
0999	Personal Services	-	-	-	-	-	-
1999	Supplies	-	3,334	-	-	-	-
2999	Other Services & Charges	-	8,100	-	-	-	-
4999	Capital Outlay	-	-	250,000	170,000	170,000	170,000
6999	Contingencies & Transfers	522,951	-	-	-	-	-
TOTALS: SEWER CONSTRUCTION		522,951	11,434	250,000	170,000	170,000	170,000

Activity Description

This fund supports capital improvements to the City's sanitary sewer system and major repairs in the sanitary sewer collection system including mains, lift stations, and manholes.

Objectives

Major Capital Improvements , ongoing system rehabilitation or recommended major maintenance as follows:

1. Annual Sanitary Sewer Lining sewer cleaning, disposal, and system improvements in all collection districts.
2. Annual pipe replacement or structural repairs, to address an aging collection system under the Miscellaneous Utility Program.
3. Silver Lake Lift Station: Feasibility Report and Prelim Plans for Lift Station Replacement.
4. Measures to reduce I/I as directed by the MCES (Metro Council Environmental Services, i.e. the sewage treatment plant operator) On-going I/I Reduction Plan.

Budget Comments on Proposed Budget

To continue addressing the rehabilitation of an aging sewer system, below are the proposed Sewer Construction projects:

1. Annual Sanitary Sewer Lining sewer cleaning, disposal, and system improvements in collection districts 1, 2 or 3.
2. Implement measures to reduce I/I as directed by MCES (Metro Council Environmental Services, i.e. the sewage treatment plant operator).
3. Annual pipe replacement or structural repairs, to address an aging collection system.

CITY OF COLUMBIA HEIGHTS, MINNESOTA
BUDGET 2019

DEPARTMENT: STORM SEWER CONSTRUCTION FUND							
653	STORM SEWER CONSTRUCTION FUND	Actual	Actual	Adopted	Department	City Manager	Council
49699	NON-OPERATING	Expense	Expense	Budget	Proposed	Proposed	Adopted
Line Item	Description	2016	2017	2018	2019	2019	2019
0999	Personal Services	-	-	-	-	-	-
1999	Supplies	-	-	-	-	-	-
2999	Other Services & Charges	162,000	-	-	25,000	25,000	25,000
4999	Capital Outlay	-	-	165,000	480,000	480,000	480,000
6999	Contingencies & Transfers	1,285,578	-	-	-	-	-
TOTALS: STORM SEWER CONSTRUCTION		1,447,578	-	165,000	505,000	505,000	505,000

Activity Description

This fund supports capital improvements and major repairs in the storm sewer collection system, flood mitigation, water quality improvements, and other surface water related activities.

Objectives

1. Continue the annual program of replacing or upgrading catch basins, manholes and storm pipe in the street rehabilitation zones.
2. Continue to address localized flooding issues throughout the City.
3. Implement 5 year CIP improvements as approved by the MWMO.

Budget Comments on Proposed Budget

Consistent with the 5 year Capital Implementation Plan, below are the proposed Storm Sewer Construction projects:

1. (2018 funding application) The storm water runoff into Silver lake requires pond reconstruction for pollution control, prevent erosion leading to the lake, and eliminate short circuiting. Total cost \$320,000 with RCWD and State Legacy funding approx \$240,000 and a RCWD grant of \$37,000
2. Bio-infiltration rain garden on 4158 Stinson Blvd., consistent with requirements of Silver Lake TMDL.
3. Stormwater study, quality and quantity, of the Gauvitte Park area and upstream drainage area, partnered with the MWMO.
4. Rehab or Replacement of Storm CB's or MH's in annual Street Rehab zones under the Miscellaneous Utility Program.
5. Replacement of the Silver Lake aeration system due to age deterioration.

CITY OF COLUMBIA HEIGHTS, MINNESOTA

BUDGET 2019

DEPARTMENT: CENTRAL GARAGE							
701	CENTRAL GARAGE	Actual	Actual	Adopted	Department	City Manager	Council
49950	CENTRAL GARAGE	Expense	Expense	Budget	Proposed	Proposed	Adopted
Line Item	Description	2016	2017	2018	2019	2019	2019
0999	Personal Services	217,627	194,204	229,073	264,954	264,954	264,954
1999	Supplies	132,260	143,383	203,205	179,800	179,800	179,800
2999	Other Services & Charges	221,260	249,112	248,282	256,500	256,500	256,500
4999	Capital Outlay	-	-	14,500	21,500	21,500	21,500
6999	Contingencies & Transfers	4,000	4,000	28,000	24,000	24,000	24,000
TOTALS: CENTRAL GARAGE		575,147	590,699	723,060	746,754	746,754	746,754

Activity Description

Central Garage provides preventive general maintenance and repair for all city -owned vehicles and equipment. The City currently has over 300 pieces of equipment that are maintained on a regular basis. This is an internal service fund with revenue generated by charges to other departments for all repair and maintenance services performed by members of this department. This department budget also covers regular maintenance costs for the MSC Building.

Objectives

1. Maintain the MSC building for central equipment servicing for various city departments.
2. Provide cost effective purchasing of vehicle parts, petroleum, oil, lubricants, and services for city vehicles and equipment.
3. Continue participation in the Metro Fuel Purchasing Program to establish a fixed per gallon price for the entire year for approximately 70% of our annual fuel purchases JPA of over 40 cities and counties providing stable, low-cost fuel pricing.
4. Maintain shop equipment with low inventory.
5. Complete bituminous resurfacing modifications in the rear yard.

Budget Comments on Proposed Budget

The Public Works garage and MSC operating budget proposed for 2019 is \$746,754 ,which is a 3.3% increase or \$23,694 from the 2018 budget. Major line items contributing to the increase:

1. Personnel increased by \$35,881 to account for COLA increases, step system movements and market rate adjustments.
2. Other Services and Charges increased by \$8,218 as information systems transfer increased.
3. Projected fuel costs decreased over \$20,000

CITY OF COLUMBIA HEIGHTS, MINNESOTA
BUDGET 2019

DEPARTMENT: CAP EQUIP REPLACEMENT GARAGE							
434	CAP EQUIP REPLACEMENT	Actual	Actual	Adopted	Department	City Manager	Council
49950	GARAGE	Expense	Expense	Budget	Proposed	Proposed	Adopted
Line Item	Description	2016	2017	2018	2019	2019	2019
0999	Personal Services	-	-	-	-	-	-
1999	Supplies	-	-	-	-	-	-
2999	Other Services & Charges	-	-	-	-	-	-
4999	Capital Outlay	-	-	-	-	-	-
6999	Contingencies & Transfers	-	-	-	-	-	-
TOTALS: CAP EQUIP REPLACEMENT GARAGE		-	-	-	-	-	-

Activity Description

The Capital Equipment fund was established to fund long-term capital equipment needs in the Garage fund. This was accomplished by preparing a detailed 20-year projection of the City's equipment needs and scheduling long-term replacement. Thus, the City can set aside an equal amount of funding to provide a reserve for future years when large, more costly equipment will need to be purchased, eliminating the highs and lows in budgeting as an equal amount is set aside each year.

Objectives

To maintain the Public Works fleet of vehicles and equipment while evaluating equipment use and condition to maximize the service life of each piece of equipment.

Budget Comments on Proposed Budget

Item & Projected Cost

The following requests have been made for Storm Sewer Capital Equipment Replacement:

No requests for 2019

CITY OF COLUMBIA HEIGHTS, MINNESOTA

BUDGET 2019

DEPARTMENT: CENTRAL GARAGE							
705	BUILDING MAINTENANCE	Actual	Actual	Adopted	Department	City Manager	Council
49970	BUILDING MAINT. INTERNAL SERVICES	Expense	Expense	Budget	Proposed	Proposed	Adopted
Line Item	Description	2016	2017	2018	2019	2019	2019
0999	Personal Services	241,193	173,626	189,043	210,595	210,595	210,595
1999	Supplies	25	224	10,625	9,750	9,750	9,750
2999	Other Services & Charges	2,317	2,724	5,780	6,250	6,250	6,250
4999	Capital Outlay	-	-	-	-	-	-
6999	Contingencies & Transfers	-	-	-	-	-	-
TOTALS: BUILDING MAINT. INTERNAL S		243,535	176,574	205,448	226,595	226,595	226,595

Activity Description

This department was transferred to Public Works in 2014. The department provides building maintenance services to city buildings. This includes both custodial services provided by part-time custodians, as well as analysis and coordination by the full-time Facilities Maintenance Supervisor of more technical building systems maintenance and repair requests. Costs of this department are allocated proportionately to use by each respective building/department. This is reflected as an internal charge in the budgets of the user departments.

Note that the Recreation Department - Murzyn Hall budget (101.45129) includes additional part-time custodians, serving solely at Murzyn Hall, which are not included in this 701.49970 internal service department budget.

Objectives

This department's two main objectives is professional coordination of the maintenance and repair of all city buildings. The second main objective to provide cost-effective custodial services for four of those buildings:

- 1) City Hall
- 2) Public Safety Center
- 3) Library
- 4) Municipal Service Center

Budget Comments on Proposed Budget

(New) Prior to 2015, these internal services were budgeted within the personnel section of each user department budget, as interdepartmental labor. Beginning in 2015, all costs of this internal service are collected in fund/department 701.49970. Within each user department's 2015 budget, their respective allocable share of the cost is reflected under the new line item 4010 Building Maintenance - Internal Services.

The 2019 Building Maintenance budget is \$226,595, a \$21,147 or 10.3% increase over 2018. Major areas of change are:

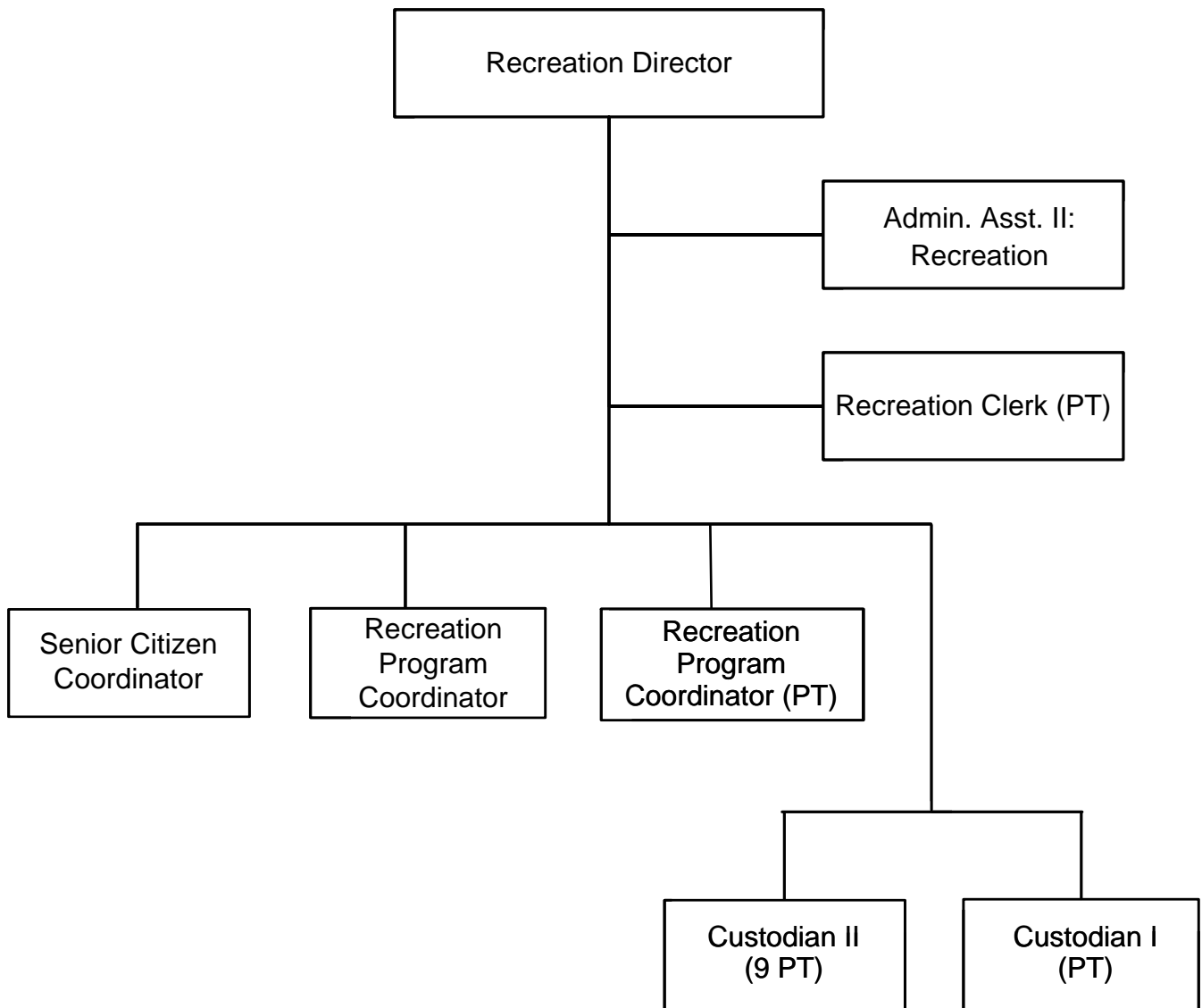
1. Personnel increased by \$21,552 to account for COLA and accounting for maintenance worker actual time previously charged out to individual budgets.
2. Supplies decreased by \$875 overall.

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RECREATION

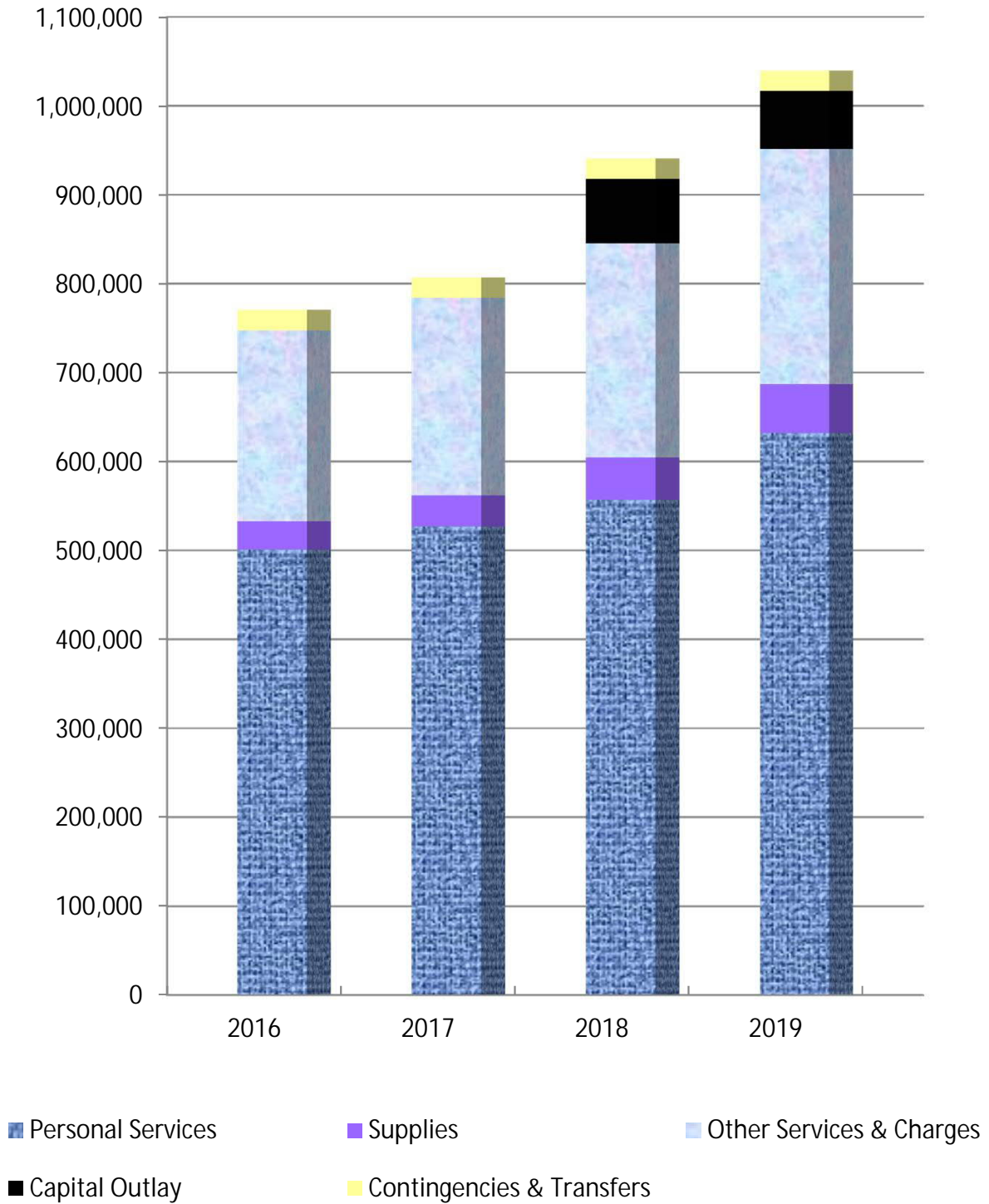
City of Columbia Heights

2019



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RECREATION EXPENDITURE SUMMARY



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City of Columbia Heights, Minnesota
BUDGET 2019
Recreation

	Recreation	Youth Athletics	Adult Athletics	Youth Enrichment	Traveling Athletics	Trips & Outings	Senior Citizens	Murzyn Hall	Hylander Center	After School Programs	21st Century Art	Cap. Equip. Rec. Admin.
	101	101	101	101	101	101	101	101	101	261	262	431
Revenue												
30999 Taxes	213,026	32,246	19,762	70,666	36,601	23,356	79,878	86,768	71,738	-	-	-
31999 Licenses & Permits	-	-	-	-	-	-	-	-	-	-	-	-
32999 Intergovernmental	9,979	1,511	926	3,310	1,715	1,094	3,741	4,065	3,360	-	-	3,451
33999 Charge for Services	10,000	17,000	17,000	13,000	5,000	15,000	8,000	107,500	12,000	20,000	-	-
34999 Fines & Forfeits	-	-	-	-	-	-	-	-	-	-	-	-
35999 Miscellaneous	1,908	289	177	633	328	209	715	777	642	2,000	-	3,313
36999 Sales and Related Charges	-	-	-	-	-	-	-	-	-	-	-	-
39199 Transfers & Non Rev Receipts	-	-	-	-	-	-	-	-	-	-	-	552
Total Revenue	234,913	51,046	37,865	87,609	43,644	39,659	92,334	199,110	87,740	22,000	-	7,316
Expenses												
0999 Personal Services	184,500	36,000	24,900	59,700	28,700	22,100	72,200	110,900	37,300	23,300	32,300	-
1999 Supplies	12,800	2,700	1,100	2,350	2,925	350	3,200	19,150	1,500	3,000	6,000	-
2999 Other Services and Charges	41,352	12,911	12,211	26,800	12,661	17,620	18,337	47,582	50,200	18,000	7,000	-
4999 Capital Outlay	-	-	-	-	-	-	-	-	-	-	-	65,000
6999 Contingencies & Transfers	-	-	-	-	-	-	-	23,000	-	-	-	-
Total Expenses	238,652	51,611	38,211	88,850	44,286	40,070	93,737	200,632	89,000	44,300	45,300	65,000
Change to Fund Balance	-3,739	-565	-346	-1,241	-642	-411	-1,403	-1,522	-1,260	-22,300	-45,300	-57,684

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CITY OF COLUMBIA HEIGHTS, MINNESOTA
BUDGET 2019

DEPARTMENT: RECREATION ADMINISTRATION							
101 45000	GENERAL RECREATION ADMINISTRATION	Actual Expense 2016	Actual Expense 2017	Adopted Budget 2018	Department Proposed 2019	City Manager Proposed 2019	Council Adopted 2019
Line Item	Description						
0999	Personal Services	176,788	182,102	179,598	184,500	184,500	184,500
1999	Supplies	8,870	8,273	11,800	12,800	12,800	12,800
2999	Other Services & Charges	23,931	30,390	37,820	41,352	41,352	41,352
4999	Capital Outlay	-	-	-	-	-	-
6999	Contingencies & Transfers	-	-	-	-	-	-
TOTALS: RECREATION ADMINISTRATION		209,588	220,766	229,218	238,652	238,652	238,652

Activity Description

This activity provides recreational opportunities and services to the residents of Columbia Heights. The Recreation Department is comprised of eight main areas in which the Director, fifty percent full time Clerk-Typist II, and one half-time Recreation Clerk disperse their time. Each of the nine areas has its own separate budget. This category provides salaries for the department as well as supplies and contractual services for the department. Recreation Administration also funds space allocation to the Murzyn Hall budget for office space.

Objectives

1. Continue to improve customer service to our very diverse and ever-changing community.
2. Promote our recreation programs by utilizing local papers, social media and schools to get advertising out to members of our community.

Budget Comments on Proposed Budget

The Recreation Administration total budget has increased by \$9,434. Personal Services has had an increase of \$4,902 for wage adjustments and COLA. Computer Equipment increased \$1,000. Information Systems has been increased by \$2,200. This budget provides \$2,902 for Murzyn Hall office space allocation.

CITY OF COLUMBIA HEIGHTS, MINNESOTA

BUDGET 2019

DEPARTMENT: YOUTH ATHLETICS							
101	GENERAL	Actual	Actual	Adopted	Department	City Manager	Council
45001	YOUTH ATHLETICS	Expense	Expense	Budget	Proposed	Proposed	Adopted
Line Item	Description	2016	2017	2018	2019	2019	2019
0999	Personal Services	17,518	22,048	28,574	36,000	36,000	36,000
1999	Supplies	667	2,340	2,200	2,700	2,700	2,700
2999	Other Services & Charges	13,130	12,515	12,458	12,911	12,911	12,911
4999	Capital Outlay	-	-	-	-	-	-
6999	Contingencies & Transfers	-	-	-	-	-	-
TOTALS: YOUTH ATHLETICS		31,316	36,903	43,232	51,611	51,611	51,611

Activity Description

This activity classification encompasses recreational programs provided to youth. These programs consist of children and adolescents K-12. Programs fall under several sport-specific headings, including baseball, softball, basketball, football, soccer, volleyball, and wrestling. All programs are participation-oriented, with the focus on fun, socialization, and athletic skill development. These particular programs provide the youth of Columbia Heights with supervised play opportunities at local gym facilities and neighborhood parks. This category also provides one-fourth of the Recreation Coordinator salaries, gym supervisors and officials. Youth Athletics also provides office space to the J.P.M. budget.

Objectives

1. Work with our varsity coaches to help develop our youth sports programs.
2. Explore options of creating additional sports programs for younger age youth.

Budget Comments on Proposed Budget

The 2019 Youth Athletics budget has increased \$8,379. 25% of the full and part-time Recreation Coordinators salaries are included within this budget. One reason this budget has not had major increases is due to the significant donation of athletic equipment made by the Columbia Heights Athletic Boosters Association. The Youth Athletic budget also provides \$2,861 for space allocation to J.P.M.

CITY OF COLUMBIA HEIGHTS, MINNESOTA

BUDGET 2019

DEPARTMENT: ADULT ATHLETICS							
101	GENERAL	Actual	Actual	Adopted	Department	City Manager	Council
45003	ADULT ATHLETICS	Expense	Expense	Budget	Proposed	Proposed	Adopted
Line Item	Description	2016	2017	2018	2019	2019	2019
0999	Personal Services	13,930	14,779	17,913	24,900	24,900	24,900
1999	Supplies	811	1,228	1,100	1,100	1,100	1,100
2999	Other Services & Charges	12,625	12,964	11,308	12,211	12,211	12,211
4999	Capital Outlay	-	-	-	-	-	-
6999	Contingencies & Transfers	-	-	-	-	-	-
TOTALS: ADULT ATHLETICS		27,366	28,971	30,321	38,211	38,211	38,211

Activity Description

This activity encompasses recreational programs provided to adults in Columbia Heights. Leagues are administered in summer and fall. An annual summer softball tournament is held during the Columbia Heights Jamboree. This activity also provides one-fourth of the Recreation Coordinator salaries and covers costs of umpires and referees. J.P.M. budget is also paid for space allocation for office space and storage space.

Objectives

1. Explore healthy options for adult programs to be held at the Hylander Center.
2. Continue to coordinate a very organized and competitive adult softball program.

Budget Comments on Proposed Budget

The total Adult Athletics budget for 2019 has an increase of \$7,890. Murzyn Hall budget also received space allocation from Adult Athletics in the amount of \$2,861. 25% of the full and part-time Recreation Coordinators salaries are included within this budget.

CITY OF COLUMBIA HEIGHTS, MINNESOTA

BUDGET 2019

DEPARTMENT: YOUTH ENRICHMENT							
101 45004	GENERAL YOUTH ENRICHMENT	Actual Expense 2016	Actual Expense 2017	Adopted Budget 2018	Department Proposed 2019	City Manager Proposed 2019	Council Adopted 2019
Line Item	Description						
0999	Personal Services	25,872	43,198	51,757	59,700	59,700	59,700
1999	Supplies	2,176	2,795	2,350	2,350	2,350	2,350
2999	Other Services & Charges	16,278	17,314	27,157	26,800	26,800	26,800
4999	Capital Outlay	-	-	-	-	-	-
6999	Contingencies & Transfers	-	-	-	-	-	-
TOTALS: YOUTH ENRICHMENT		44,325	63,307	81,264	88,850	88,850	88,850

Activity Description

This activity classification encompasses recreational, academic, athletic, and enrichment programs provided to the youth age 3-13. These offerings are participation-oriented, with the focus on fun, socialization, achievement, and skill development. Dance and Tumbling runs throughout the fall, winter, and spring sessions. Special events that are family-oriented and run throughout the year are Bunny Brunch, Safety Camp, Halloween Spooktacular, and Breakfast with Santa. The Traveling Puppet Wagon, which was funded through a grant from the Medtronic Foundation in 1998 has been operating for the last twenty years. The Puppet Wagon travels to neighborhood parks and performs a variety of family-based puppet shows. Youth Enrichment funds office, storage and program space within the Murzyn Hall budget. This budget also provides one-fourth of the Recreation Coordinator salaries.

Objectives

1. Continue to create classes, programs and special events that provide more opportunities to meet our diverse community needs.
2. Expand our gymnastics and dance programs to align with our current year-round martial arts programs

Budget Comments on Proposed Budget

The Youth Enrichment budget has an increase of \$7,586. This budget has seasonals to cover the loss of the youth program grant. Personal Services has had an increase of \$7,943 to cover wage adjustments and COLA. This budget provides \$25,200 for space allocation to the Murzyn Hall budget. 25% of the full and part-time Recreation Coordinators salaries are included within this budget.

CITY OF COLUMBIA HEIGHTS, MINNESOTA

BUDGET 2019

DEPARTMENT: TRAVELING ATHLETICS							
101	GENERAL	Actual	Actual	Adopted	Department	City Manager	Council
45005	TRAVELING ATHLETICS	Expense	Expense	Budget	Proposed	Proposed	Adopted
Line Item	Description	2016	2017	2018	2019	2019	2019
0999	Personal Services	13,930	14,779	21,521	28,700	28,700	28,700
1999	Supplies	70	694	2,925	2,925	2,925	2,925
2999	Other Services & Charges	7,913	8,750	13,758	12,661	12,661	12,661
4999	Capital Outlay	-	-	-	-	-	-
6999	Contingencies & Transfers	-	-	-	-	-	-
TOTALS: TRAVELING ATHLETICS		21,913	24,223	38,204	44,286	44,286	44,286

Activity Description

This activity classification encompasses competitive athletic opportunities offered to Columbia Heights' youth in grades 3-12. Teams are formed in basketball, baseball, and softball, with players selected by ability after pre-season tryouts. Teams are organized and equipped through the Recreation Department, which is unique in the metro area. Teams compete within Minnesota Youth Athletic Services sanctioned leagues. This category also provides one-fourth of the Athletic Coordinator salaries as well as league fees for team memberships.

Objectives

1. Continue to participate in more competitive youth leagues that play at a higher level.
2. Work with surrounding communities to create youth sports leagues, which are more beginner level at the younger ages.

Budget Comments on Proposed Budget

Traveling Athletics budget has had an increase of \$7,179 for Personal Services. 25% of the full and part-time Recreation Coordinators salaries are included within this budget. Space allocation of \$2,861 was also provided to the Murzyn Hall budget. Overall, the budget has increased \$6,082.

CITY OF COLUMBIA HEIGHTS, MINNESOTA

BUDGET 2019

DEPARTMENT: TRIPS & OUTINGS							
101	GENERAL	Actual	Actual	Adopted	Department	City Manager	Council
45030	TRIPS & OUTINGS	Expense	Expense	Budget	Proposed	Proposed	Adopted
Line Item	Description	2016	2017	2018	2019	2019	2019
0999	Personal Services	20,602	20,933	21,482	22,100	22,100	22,100
1999	Supplies	53	-	350	350	350	350
2999	Other Services & Charges	16,537	18,523	17,595	17,620	17,620	17,620
4999	Capital Outlay	-	-	-	-	-	-
6999	Contingencies & Transfers	-	-	-	-	-	-
TOTALS: TRIPS & OUTINGS		37,191	39,456	39,427	40,070	40,070	40,070

Activity Description

Trips and Outings include one-day and extended trips for senior citizens. These are advertised through quarterly trip flyers mailed to participants. It continues to be one of our most popular offerings and is a self-sustaining program. This activity provides twenty-five percent of the Senior Citizen Coordinator salary. Trips and Outings also budgets monies for office space allocation to Murzyn Hall.

Objectives

1. Provide seniors with a well-planned and well-executed trip schedule of both one-day extended trips and small group excursions.
2. Offer seniors a wide variety of well thought out and professionally executed trips that are extended trip options and ones closer to home.

Budget Comments on Proposed Budget

Trips and Outings budget has increased \$618 for Personal Services. Twenty-five percent of the Senior Citizen Coordinator salary is budgeted within the Trips and Outings budget. The Murzyn Hall budget also received \$741 for space allocation.

CITY OF COLUMBIA HEIGHTS, MINNESOTA

BUDGET 2019

DEPARTMENT: SENIOR CITIZENS							
101	GENERAL	Actual	Actual	Adopted	Department	City Manager	Council
45040	SENIOR CITIZENS	Expense	Expense	Budget	Proposed	Proposed	Adopted
Line Item	Description	2016	2017	2018	2019	2019	2019
0999	Personal Services	67,970	71,822	69,825	72,200	72,200	72,200
1999	Supplies	2,479	1,605	3,250	3,200	3,200	3,200
2999	Other Services & Charges	15,916	14,972	18,531	18,337	18,337	18,337
4999	Capital Outlay	-	-	-	-	-	-
6999	Contingencies & Transfers	-	-	-	-	-	-
TOTALS: SENIOR CITIZENS		86,365	88,399	91,606	93,737	93,737	93,737

Activity Description

The Senior Center is located in Murzyn Hall and provides a wide variety of programs to individuals 55 years and older in the community. The Center is open Monday through Friday from 9:00 a.m. to 4:00 p.m. This program provides seventy-five percent of the Senior Citizen Coordinator salary. The Senior Citizen budget also provides space allocation for Murzyn Hall for office, storage and Senior Center space.

Objectives

1. To provide social, educational, and recreational programs to seniors in the community.
2. To serve as a center that provides resource information regarding senior issues and concerns.
3. To continue to provide the opportunity for senior exercise programs.
4. Offer seniors a variety of options in programs that address social, educational and recreational needs.

Budget Comments on Proposed Budget

The total Senior Citizens budget has increased by \$2,131. Seventy-five percent of the Senior Coordinator salary is budgeted under this budget. There was a charge of \$13,037 for space allocation to Murzyn Hall.

CITY OF COLUMBIA HEIGHTS, MINNESOTA

BUDGET 2019

DEPARTMENT: MURZYN HALL							
101	GENERAL	Actual	Actual	Adopted	Department	City Manager	Council
45129	MURZYN HALL	Expense	Expense	Budget	Proposed	Proposed	Adopted
Line Item	Description	2016	2017	2018	2019	2019	2019
0999	Personal Services	103,945	111,969	107,503	110,900	110,900	110,900
1999	Supplies	11,679	14,102	19,150	19,150	19,150	19,150
2999	Other Services & Charges	48,775	48,354	34,037	47,582	47,582	47,582
4999	Capital Outlay	-	-	72,362	-	-	-
6999	Contingencies & Transfers	23,000	23,000	23,000	23,000	23,000	23,000
TOTALS: MURZYN HALL		187,399	197,425	256,052	200,632	200,632	200,632

Activity Description

In an average year, Murzyn Hall (JPM) is used approximately 2,500 hours for classes/ activities, 1,500 hours for weddings, and 1,000 hours for meetings. Approximately 20% of the users are charged while the remaining 80% are fee waived or charged a minimal fee to offset custodial costs. JPM operates seven days a week and runs near full capacity throughout the year. Murzyn Hall budget provides salaries for part-time custodians, and fifty percent of the Recreation Secretary position.

Objectives

1. Continue to provide renters a first rate facility for special events.

Budget Comments on Proposed Budget

The Murzyn Hall budget has decreased by \$55,420 due to the additional allocation from Youth Enrichment. Maintenance Supervisor is budgeted at \$8,400. Information Services has an increase of \$1,300. A space allocation credit received from the recreation budgets is \$50,463. A transfer out to bonds is also included in the Murzyn Hall budget for the Honeywell project in the amount of \$23,000.

CITY OF COLUMBIA HEIGHTS, MINNESOTA

BUDGET 2019

DEPARTMENT: HYLANDER CENTER							
101	GENERAL	Actual	Actual	Adopted	Department	City Manager	Council
45130	HYLANDER CENTER	Expense	Expense	Budget	Proposed	Proposed	Adopted
Line Item	Description	2016	2017	2018	2019	2019	2019
0999	Personal Services	24,265	23,216	36,093	37,300	37,300	37,300
1999	Supplies	3,067	827	1,500	1,500	1,500	1,500
2999	Other Services & Charges	43,928	43,498	50,200	50,200	50,200	50,200
4999	Capital Outlay	-	-	-	-	-	-
6999	Contingencies & Transfers	-	-	-	-	-	-
TOTALS: HYLANDER CENTER		71,260	67,541	87,793	89,000	89,000	89,000

Activity Description

The Hylander Center budget covers the staff and utilities to maintain and operate the Hylander Center gym and fitness room. This budget includes utilities and cleaning that is serviced by the School District and then paid from this account.

Objectives

1. Promote the facility to gain additional users.
2. Continue to expand revenue by operating tournaments.

Budget Comments on Proposed Budget

The Hylander Center budget increased \$1,207 due to Personal Services.

CITY OF COLUMBIA HEIGHTS, MINNESOTA

BUDGET 2019

DEPARTMENT: PROGRAM REVENUE EXPENDED							
261	AFTER SCHOOL PROGRAMS	Actual	Actual	Adopted	Department	City Manager	Council
45029	PROGRAM REVENUE EXPENDED	Expense	Expense	Budget	Proposed	Proposed	Adopted
Line Item	Description	2016	2017	2018	2019	2019	2019
0999	Personal Services	35,928	20,939	22,562	23,300	23,300	23,300
1999	Supplies	2,203	2,782	3,000	3,000	3,000	3,000
2999	Other Services & Charges	15,789	14,570	18,000	18,000	18,000	18,000
4999	Capital Outlay	-	-	-	-	-	-
6999	Contingencies & Transfers	-	-	-	-	-	-
TOTALS: PROGRAM REVENUE EX		53,920	38,292	43,562	44,300	44,300	44,300

Activity Description

Within fund 261, a separate expense department was created for each separate grant contract obtained in the past. The expense department shown here, 45029 Program Income Expended, is only used within Fund 261 when an active grant is not available. This activity covers summer programs and school out day programs.

Objectives

1. To use existing fund balance to continue to provide services at previous levels in accordance with the terms of the past grants received for this activity.
2. To review options for obtaining future grants for this type of youth programming.

Budget Comments on Proposed Budget

Within fund 261, a separate expense department was created for each separate grant contract obtained in the past. The expense department shown here, 45029 Program Income Expended, is only used within Fund 261 when an active grant is not available. This is grant revenue that will be spent for the same purposes as the original grant was intended.

CITY OF COLUMBIA HEIGHTS, MINNESOTA

BUDGET 2019

DEPARTMENT: 2017 - 20 CONTRACT							
262 45020	21st CENTURY ARTS 2017 - 20 CONTRACT	Actual Expense 2016	Actual Expense 2017	Adopted Budget 2018	Department Proposed 2019	City Manager Proposed 2019	Council Adopted 2019
Line Item	Description						
0999	Personal Services	-	1,155	-	32,300	32,300	32,300
1999	Supplies	-	153	-	6,000	6,000	6,000
2999	Other Services & Charges	-	241	-	7,000	7,000	7,000
4999	Capital Outlay	-	-	-	-	-	-
6999	Contingencies & Transfers	-	-	-	-	-	-
TOTALS: 2017 - 20 CONTRACT		-	1,549	-	45,300	45,300	45,300

Activity Description

The 21st Century Arts budget is the Recreation Department's federal grant that we received with the Columbia Heights School District. It is focused on programs with the arts.

Objectives

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Budget Comments on Proposed Budget

The 21st Century Arts budget is the Recreation Department's federal grant that we received with the Columbia Heights School District. It is focused on programs with the arts. It funds instructors, trips, and supplies.

CITY OF COLUMBIA HEIGHTS, MINNESOTA

BUDGET 2019

DEPARTMENT: CAP EQUIP REPLACEMENT GENERAL							
431	CAP EQUIP REPLACEMENT GENE	Actual	Actual	Adopted	Department	City Manager	Council
45000	RECREATION ADMINISTRATION	Expense	Expense	Budget	Proposed	Proposed	Adopted
Line Item	Description	2016	2017	2018	2019	2019	2019
0999	Personal Services	-	-	-	-	-	-
1999	Supplies	-	-	-	-	-	-
2999	Other Services & Charges	-	-	-	-	-	-
4999	Capital Outlay	-	-	-	65,000	65,000	65,000
6999	Contingencies & Transfers	-	-	-	-	-	-
	TOTALS: CAP EQUIP REPLACEME	-	-	-	65,000	65,000	65,000

Activity Description

The Recreation Department coordinates day trips for senior citizens. These are advertised through the senior monthly newsletters. It continues to be one of our most popular offerings as it provides transportation to and from various venues throughout the metropolitan area. This program offers seniors an opportunity to do activities they may not be able to do on their own. Many times there is a waiting list to attend these outings.

Currently, the vehicle used for these outings is 2003 Ford E350 mini bus that we acquired several years ago. It was a Park n Fly vehicle from the airport. The mini bus is a 15 passenger bus that has 133,000 miles on it. Our Vehicle Maintenance Supervisor has indicated that this vehicle is not as reliable as it once was. The Recreation Department would like to replace this with a Ford Transport vehicle with an estimated cost of \$65,000.

Objectives

1. Provide seniors with a well-planned and well-executed trip schedule of both one-day extended trips and small group excursions.
2. Offer seniors a wide variety of well thought out and professionally executed trips that are extended trip options and ones closer to home.

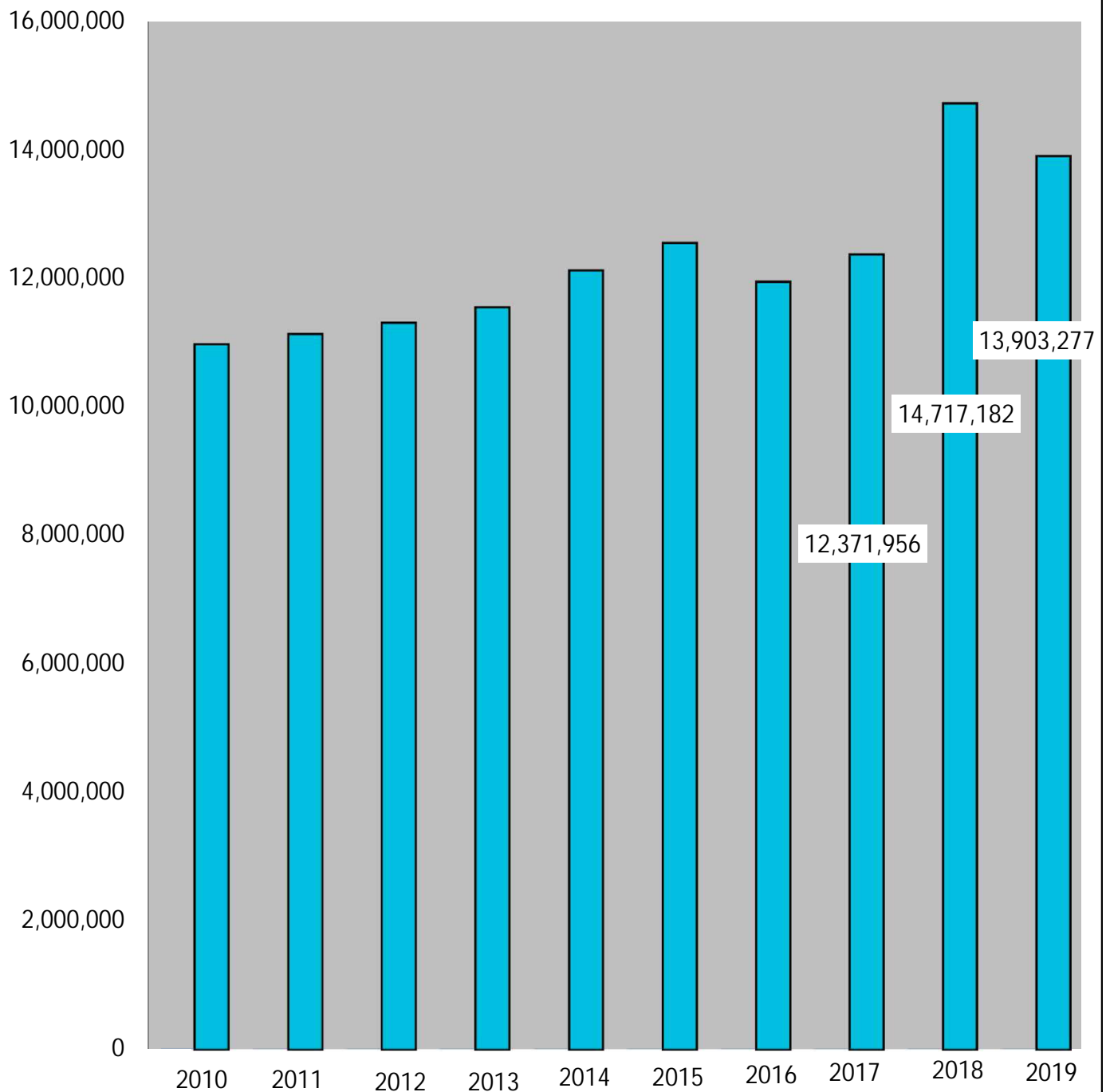
Budget Comments on Proposed Budget

The Recreation Department would like to replace the existing 2003 Ford E350 that has 133,000 miles on it with a Ford passenger Transport with an estimated cost of \$65,000.

SUPPLEMENTARY INFORMATION

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History of Tax Supported Operating Expenditures General Fund, Library Fund, EDA Fund* Adopted Budget

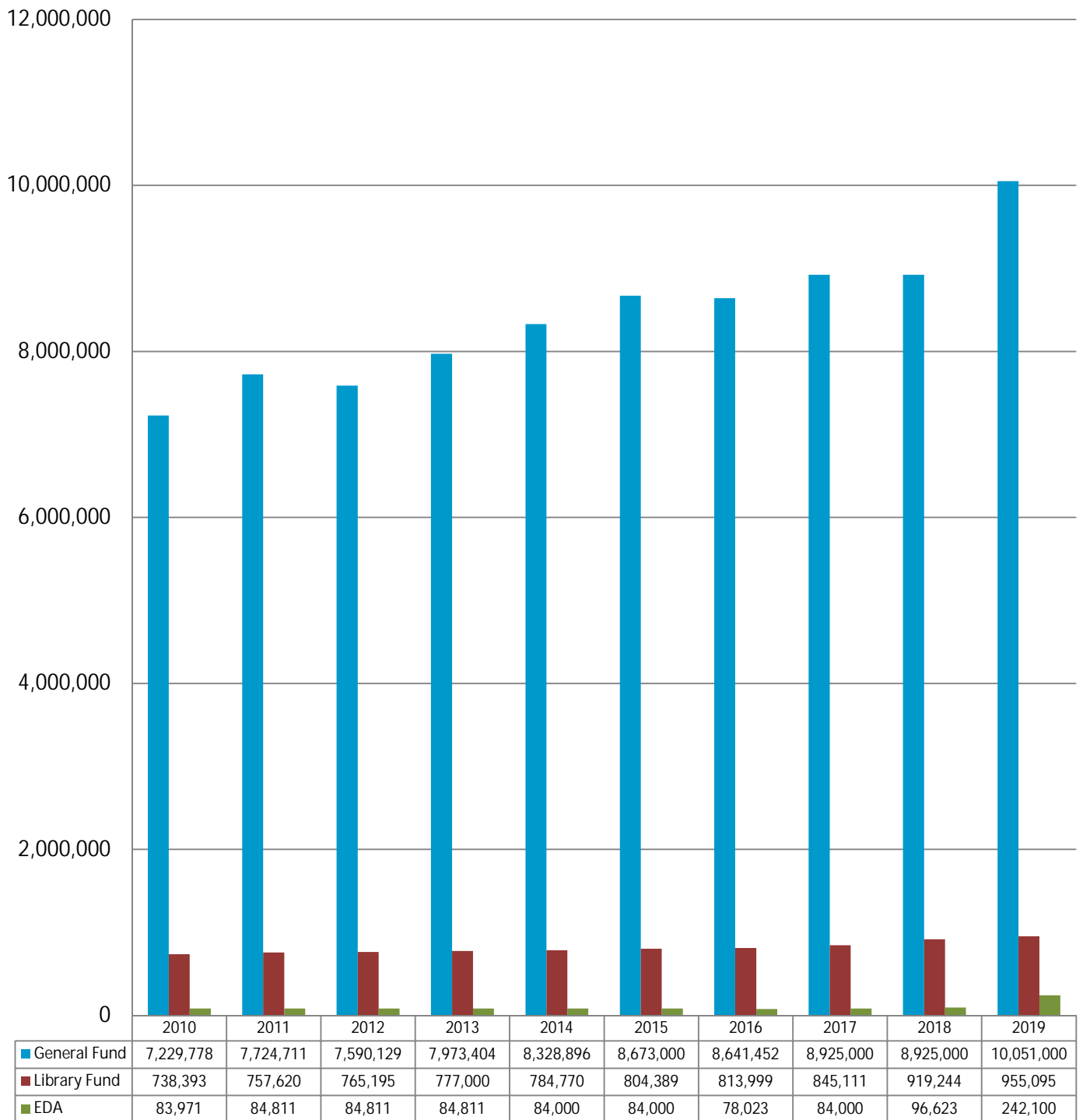


*Includes only EDA Expenditures supported by EDA levy, not the special district HRA levy.

Increase from 2017 to 2018 reflects \$1,400,000 transferred to the Capital Building Fund.

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History of Changes in Operating Tax Levy 2010 - 2019



General fund levies for 2010 - 2011 include state market value homestead credit, which ended 12/31/11. All levies shown include both the local levy and the area-wide fiscal disparities levy.

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City of Columbia Heights
2019 Budget
History of State Aid Reductions

	Year	Local Government Aid	Market Value Homestead Credit	Annual Aid Total	(Annual Reduction)	Cumulative (Reductions)
Aid Certified	2003	2,651,999	607,324	3,259,323	-	-
Aid After 2003 Legislative Reductions	2003	1,955,299	607,324	2,562,623	(696,700)	(696,700)
Actual Aid	2004	1,603,203	587,319	2,190,522	(1,068,801)	(1,765,501)
Actual Aid	2005	1,058,477	572,742	1,631,219	(1,628,104)	(3,393,605)
Actual Aid	2006	1,028,487	517,322	1,545,809	(1,713,514)	(5,107,119)
Actual Aid	2007	1,238,594	473,173	1,711,767	(1,547,556)	(6,654,675)
Actual Aid	2008	921,280	451,574	1,372,854	(1,886,469)	(8,541,144)
Actual Aid	2009	1,122,959	452,948	1,575,907	(1,683,416)	(10,224,560)
Actual Aid	2010	895,180	171,455	1,066,635	(2,192,688)	(12,417,248)
Actual Aid	2011	895,180	172,810	1,067,990	(2,191,333)	(14,608,581)
Actual Aid	2012	895,180	-	895,180	(2,364,143)	(16,972,724)
Actual Aid	2013	895,180	-	895,180	(2,364,143)	(19,336,867)
Actual Aid	2014	1,404,176	-	1,404,176	(1,855,147)	(21,192,014)
Actual Aid	2015	1,491,541	-	1,491,541	(1,767,782)	(22,959,796)
Actual Aid	2016	1,517,539	-	1,517,539	(1,741,784)	(24,701,580)
Actual Aid	2017	1,526,355	-	1,526,355	(1,732,968)	(26,434,548)
Actual Aid	2018	1,655,746	-	1,655,746	(1,603,577)	(28,038,125)
Certified Aid	2019	1,663,312	-	1,663,312	(1,596,011)	(29,634,136)

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City of Columbia Heights, Minnesota
Homestead Properties with Various Values
TAX LEVIES PAYABLE 2017 - 2019*

	Taxable Market Value After Exclusions	Local Share Only City Tax	\$\$ Change	% Change
PAYABLE 2017	123,862	849.29	-29.35	-3.3%
PAYABLE 2018	151,657	1,026.18	176.89	20.8%
PAYABLE 2019	162,884	1,088.20	62.02	6.0%
PAYABLE 2017	122,554	840.36	-0.11	0.0%
PAYABLE 2018	133,345	901.68	61.32	7.3%
PAYABLE 2019	151,548	1,012.02	110.34	12.2%
PAYABLE 2017	140,648	963.76	-11.40	-1.2%
PAYABLE 2018	167,462	1,133.05	169.29	17.6%
PAYABLE 2019	175,201	1,170.36	37.31	3.3%
PAYABLE 2017	136,724	937.02	-47.14	-4.8%
PAYABLE 2018	149,150	1,009.27	72.25	7.7%
PAYABLE 2019	175,746	1,173.68	164.41	16.3%
PAYABLE 2017	145,771	999.39	5.50	0.6%
PAYABLE 2018	166,263	1,124.95	125.56	12.6%
PAYABLE 2019	186,319	1,244.51	119.56	10.6%
PAYABLE 2017	158,472	1,086.47	-27.15	-2.4%
PAYABLE 2018	183,507	1,241.27	154.80	14.2%
PAYABLE 2019	195,183	1,303.96	62.69	5.1%
PAYABLE 2017	178,907	1,226.29	37.06	3.1%
PAYABLE 2018	197,764	1,338.02	111.73	9.1%
PAYABLE 2019	218,038	1,456.26	118.24	8.8%
PAYABLE 2017	197,110	1,351.05	23.37	1.8%
PAYABLE 2018	213,787	1,446.25	95.20	7.0%
PAYABLE 2019	249,975	1,669.99	223.74	15.5%
PAYABLE 2017	212,261	1,455.24	-52.05	-3.5%
PAYABLE 2018	228,938	1,548.38	93.14	6.4%
PAYABLE 2019	250,302	1,672.03	123.65	8.0%
PAYABLE 2017	191,442	1,311.95	-199.08	-13.2%
PAYABLE 2018	236,350	1,599.14	287.19	21.9%
PAYABLE 2019	224,687	1,501.02	-98.12	-6.1%

*2019 is proposed

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CITY OF COLUMBIA HEIGHTS, MINNESOTA

2019 Budget Information

TOTAL PERSONNEL - F.T.E. & SALARIES

	FTE	ADOPTED	ADOPTED	ADOPTED	ADOPTED
	2019	SALARIES	SALARIES	SALARIES	SALARIES
		2016	2017	2018	2019
ADMINISTRATION					
Mayor	0.20	13,800	13,800	13,800	13,800
City Council	0.80	31,200	31,200	31,200	31,200
TOTALS	1.00	45,000	45,000	45,000	45,000
ASSESSING					
Interdepartmental Labor - PW	0.11	5,313	5,313	5,606	5,632
Rounding	-	-	-	-	-32
TOTALS	0.11	5,313	5,313	5,606	5,600
CABLE					
Intern	0.02	5,395	5,091	-	5,100
Transfer in from City Manager	0.50	-	-	40,288	33,657
Rounding	0.00	-	-	-	-57
TOTALS	0.52	5,395	5,091	40,288	38,700
CITY MANAGER					
City Manager	1.00	149,390	149,388	166,123	166,123
Asst. to City Manager/HR Director	1.00	105,720	105,719	110,663	110,663
Administrative Assistant - HR	1.00	57,430	59,179	63,727	63,727
Communications Specialist	1.00	-	-	80,575	67,313
Transfer in from City Clerk	0.40	24,849	24,849	26,022	26,030
Transfer out to Cable	-0.50	-	-	-40,288	-33,657
TOTALS	3.90	337,389	339,135	406,822	400,200
CITY CLERK					
City Clerk	1.00	60,275	62,123	65,055	65,075
Temp for Absentee Ballots (12 wks. total)	0.00	5,040	-	6,000	-
Election Head Judges	0.00	3,080	-	3,500	-
Election Asst. Head Judges	0.00	3,010	-	3,220	-
Election Judges	0.00	23,270	-	25,344	-
Student Election Judges	0.00	992	-	1,152	-
Transfer out to City Manager	-0.40	-24,110	-24,849	-26,022	-26,030
Interdepartmental Labor - Finance	0.00	1,418	-	-	-
Interdepartmental Labor - Public Works	0.00	3,262	-	3,410	-
Interdepartmental Labor - Recreation	0.00	84	-	-	-
Rounding	0.00	-	-	-	-45
TOTALS	0.60	76,321	37,274	81,659	39,000
PLANNING & INSPECTIONS/EDA					
Community Development Director	1.00	103,620	103,062	118,546	118,546
Community Development Manager	1.00	-	-	-	83,969
Assistant Comm. Dev. Director	0.00	86,881	-	-	-
Economic Development Manager	0.00	-	50,225	59,573	-
Planner	1.00	-	78,287	83,969	86,549
Building Official	1.00	76,613	82,757	86,705	86,705
Secretary II Permits	1.00	52,927	52,927	56,422	54,422
Secretary II Community Development	1.00	-	42,254	47,287	47,287
Associate Planner	0.00	47,469	-	-	-
Intern	0.50	-	-	9,024	16,100
Intern - Inspections	0.26	-	-	-	9,200
Rounding	0.00	-	-	-	22
TOTALS	6.76	367,510	409,512	461,526	502,800

CITY OF COLUMBIA HEIGHTS, MINNESOTA

2019 Budget Information

TOTAL PERSONNEL - F.T.E. & SALARIES

	FTE	ADOPTED	ADOPTED	ADOPTED	ADOPTED
	2019	SALARIES	SALARIES	SALARIES	SALARIES
		2016	2017	2018	2019
FINANCE					
Finance Director	1.00	122,886	122,886	128,809	128,806
Assistant Finance Director	1.00	89,057	83,741	97,101	97,109
Accounting Coordinator	1.00	58,181	58,181	60,953	60,953
Payroll Accountant	1.00	58,931	58,931	61,727	61,727
Accounting Clerk II - Utility	1.00	46,691	47,953	51,281	51,281
Accounting Clerk II - Finance	1.00	47,953	47,953	51,281	51,281
Accounting Clerk I Utility	1.00	45,915	45,915	49,159	49,159
Accounting Clerk II	1.00	45,915	42,884	46,240	49,963
Receptionist	0.70	31,740	31,740	33,997	33,997
Accounting Clerk I: Liquor	1.00	40,160	43,799	48,840	45,650
Rounding	0.00	1,071	17	12	-27
TOTALS	9.70	588,500	584,000	629,400	629,900
FIRE DEPARTMENT/PROPERTY INSPECTIONS					
Fire Chief	1.00	116,094	116,094	122,122	122,122
Assistant Fire Chief	1.00	89,087	95,447	100,907	100,907
Captain IV	2.00	-	-	-	176,244
Captain III	1.00	159,114	238,371	249,699	83,233
Captain II	0.00	78,004	-	-	-
Journeyman Firefighter	1.00	147,584	147,484	77,089	77,089
Fighter I	0.00	65,187	-	-	-
Firefighter II	2.00	-	68,364	142,166	-
Firefighter III					149,855
Secretary	1.00	42,820	47,308	54,422	54,422
Paid on Call Firefighters		97,000	88,000	88,000	88,000
Clerk Typist II	0.50	20,500	22,000	25,000	27,000
Property Inspections - Seasonals	0.50	5,000	4,000	4,000	4,000
Safer Grant 2015 - 2017 (January - September)	0.00	118,142	78,693	-	-
Various OT		45,000	45,000	46,000	65,000
Rounding			1		28
TOTALS	10.00	983,532	950,762	909,405	947,900
GENERAL GOVERNMENT CITY HALL					
Interdepartmental Labor - Public Works	0.00	-	-	1,100	-
TOTALS	0.00	-	-	1,100	-
INFORMATION SYSTEMS					
IS Director	1.00	93,353	97,325	104,987	104,987
Asst. IS Director	1.00	64,793	64,793	74,041	74,041
IS Technician	1.00	47,945	47,945	56,378	56,378
Rounding					-6
TOTALS	3.00	206,091	210,063	235,406	235,400
LIBRARY					
Library Director	1.00	99,990	101,046	108,428	111,740
Children's Librarian	1.00	68,870	67,987	73,440	73,807
Adult Services Librarian	1.00	70,445	70,445	70,500	72,705
Clerk Typist II - Adult Services Department	1.00	42,737	41,444	46,501	48,501
Clerk Typist II - Children's Department	1.00	45,312	45,311	48,535	48,535
3 Library Supervisors	0.68	28,431	30,089	34,982	34,982
11 Pages	2.02	66,080	50,442	64,302	64,302
Library Aide	0.00	8,356	9,508	-	-

CITY OF COLUMBIA HEIGHTS, MINNESOTA

2019 Budget Information

TOTAL PERSONNEL - F.T.E. & SALARIES

	FTE 2019	ADOPTED SALARIES 2016	ADOPTED SALARIES 2017	ADOPTED SALARIES 2018	ADOPTED SALARIES 2019
LIBRARY CONTINUED					
Library Clerk	1.00	38,500	40,217	43,952	45,764
Interdepartmental Labor - Public Works		2,500	2,500	2,500	2,500
Rounding	0.00	-	-	-	64
TOTALS	8.70	471,221	458,989	493,140	502,900
MUNICIPAL LIQUOR STORES					
STORE #1					
Liquor Manager	0.47	104,466	48,735	45,449	46,924
Store Manager	0.00	-	-	-	-
Assistant Liquor Managers	2.00	117,530	116,662	121,324	121,324
Store Supervisors	1.47	97,590	51,996	61,146	62,683
Cashiers and Stockers	5.27	150,550	155,509	176,251	176,395
Transfer out to Store #2	0.00	-63,015	-	-	-
Transfer out to Store #3	0.00	-44,994	-	-	-
Rounding	0.00	73	-2	29	-26
Total Store #1	9.21	362,200	372,900	404,199	407,300
STORE #2					
Liquor Manager	0.38	-	38,366	35,779	37,938
Store Manager	0.00	-	-	-	-
Assistant Liquor Managers	2.00	117,530	116,662	121,324	121,324
Part-time Store Supervisors	0.84	5,849	25,184	33,191	36,191
Cashiers and Stockers	4.38	127,796	124,320	143,540	144,213
Transfer in from Store #1	0.00	63,015	-	-	-
Rounding	0.00	10	-32	-35	31
Total Store #2	7.60	314,200	304,500	333,799	339,697
STORE #3					
Liquor Manager	0.15	-	16,591	15,472	14,976
Part-time Store Supervisors	1.40	25,346	52,088	54,367	58,825
Cashiers and Stockers	2.03	65,384	49,721	75,359	66,831
Transfer in from Store #1	0.00	44,994	-	-	-
Rounding	0.00	76	81	2	-33
Total Store #3	3.58	135,800	118,481	145,200	140,599
TOTALS ALL STORES	20.39	812,200	795,881	883,200	887,600
POLICE DEPARTMENT					
Police Chief	1.00	119,694	119,694	127,882	120,942
Police Captain	2.00	94,559	101,195	106,031	212,062
Police Sergeants	4.00	455,333	406,403	528,008	426,024
Police Officers	20.00	1,630,022	1,724,831	1,788,273	1,774,257
Record Technicians	3.00	95,906	138,633	150,354	149,519
Community Service Officers	1.00	45,915	45,915	48,099	48,099
Part-time CSO	2.50	67,564	66,079	106,877	109,240
Office Supervisor	1.00	56,813	56,813	71,525	71,825
Clerk Typist	0.00	47,308	-	-	-
Information Systems Specialist	1.00	51,239	52,968	62,189	60,521
Inv./Copr./Liason Pay Difference		7,680	9,600	12,000	12,000
Regular Police OT		-	-	-	12
TOTALS	35.50	2,672,033	2,722,131	3,001,237	2,984,500

CITY OF COLUMBIA HEIGHTS, MINNESOTA

2019 Budget Information

TOTAL PERSONNEL - F.T.E. & SALARIES

	FTE	ADOPTED	ADOPTED	ADOPTED	ADOPTED
	2019	SALARIES	SALARIES	SALARIES	SALARIES
		2016	2017	2018	2019
PUBLIC WORKS DEPARTMENT					
Public Works Director	1.00	127,458	127,458	133,606	133,606
A.C.E.	1.00	88,037	95,300	99,857	99,857
PUBLIC WORKS DEPARTMENT CONTINUED					
Utility Supervisor	1.00	86,657	92,693	97,133	97,133
Street/Parks Supervisor	1.00	84,458	92,693	97,133	97,133
Administrative Assistant	1.00	60,029	60,029	62,897	68,285
Shop Foreman	1.00	73,385	73,385	72,305	84,617
Secretary	1.00	51,880	50,927	54,422	54,422
Assessing Clerk	0.70	47,953	47,953	51,281	35,920
Engineering Technician IV	2.00	144,685	147,514	156,458	156,602
Engineering Technician III	1.00	62,213	64,688	68,723	68,795
Foreman	3.00	196,371	196,372	217,837	218,184
Maintenance III	1.00	121,935	110,766	50,277	63,122
Maintenance Worker	17.70	907,731	960,400	1,064,540	1,063,998
Facility Maintenance Supervisor	1.00	56,813	74,453	81,245	84,617
PT Custodians	1.95	63,946	67,709	67,004	67,004
Seasonal		128,030	110,106	115,336	122,125
Interdepartmental Labor - Assessing	-0.11	-5,355	-5,313	-5,606	-5,607
Adjust Sum of Cost Factors to Form B		-	-	-79,902	-5,592
TOTALS	35.24	2,296,226	2,367,133	2,404,546	2,504,222
RECREATION DEPARTMENT					
Recreation Director	1.00	90,558	90,558	94,930	94,934
Senior Citizens Coordinator	1.00	60,125	61,973	64,925	64,925
Senior Aerobic Instructors		3,800	3,800	4,500	4,500
Program Coordinator	1.00	47,315	46,462	52,601	46,048
PT Program Coordinator		-	-	-	28,625
Clerk Typist II - Recreation	1.00	47,808	47,758	51,721	51,581
Recreation Clerk	0.50	18,420	18,831	20,470	19,656
Seasonal		72,999	82,650	72,650	72,650
PT Custodians		58,920	59,000	60,000	60,000
After School Programs		20,000	20,000	20,000	20,000
Activities Instructor		-	-	-	28,600
Rounding				-	281
TOTALS	4.50	419,945	431,032	441,797	491,800
TOTAL FULL TIME	113.40	7,956,268	8,188,453	8,685,918	8,810,298
TOTAL PART-TIME	26.52	1,330,408	1,172,863	1,354,212	1,405,219
GRAND TOTAL	139.92	9,286,676	9,361,316	10,040,130	10,215,517

*NOTE: Part-time, Seasonal and Temporary are shown in bold.

RatingsDirect®

Summary:

Columbia Heights, Minnesota; General Obligation

Primary Credit Analyst:

Christian Richards, Boston (1) 617-530-8325; christian.richards@spglobal.com

Secondary Contact:

Blake E Yocom, Chicago (1) 312-233-7056; blake.yocom@spglobal.com

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Rationale

Outlook

Related Research

Summary:

Columbia Heights, Minnesota; General Obligation

Credit Profile

US\$2.1 mil GO pub facs rfdg bnds ser 2018A dtd 12/13/2018 due 02/01/2038

<i>Long Term Rating</i>	AA/Stable	New
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Columbia Hgts GO

<i>Long Term Rating</i>	AA/Stable	Affirmed
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Columbia Hgts GO imp & util rev bnds ser 2013A dtd 11/21/2013 due 02/01/2015-2024

<i>Long Term Rating</i>	AA/Stable	Affirmed
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Columbia Hgts GO rfdg bnds

<i>Long Term Rating</i>	AA/Stable	Affirmed
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Columbia Hgts GO rfdg bnds

<i>Long Term Rating</i>	AA/Stable	Affirmed
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Rationale

S&P Global Ratings assigned its 'AA' long-term rating to Columbia Heights, Minn.'s series 2018A general obligation (GO) public facilities refunding bonds. At the same time, S&P Global Ratings affirmed its 'AA' long-term rating on the city's existing GO bonds. The outlook on all ratings is stable.

The city's unlimited-tax, full faith and credit GO pledge secures the series 2018A bonds. The city has GO debt outstanding that is also secured by various revenue sources, but all existing GO debt is rated to the GO pledge. Proceeds from this issuance (approximately \$2.1 million) will refund existing GO debt, for a net present savings.

The primarily residential city benefits from its proximity to Minneapolis and St. Paul. As the cities' economies have grown, nearby suburbs such as Columbia Heights have seen their market and assessed values (AV) grow concurrently. Management's long-standing financial policies and practices have resulted in predictable and stable financial performance that we expect will continue, even as the city undertakes sizable city hall and recreation center projects.

The rating reflects our assessment of the city's:

- Adequate economy, with access to a broad and diverse metropolitan statistical area (MSA);
- Strong management, with good financial policies and practices under our Financial Management Assessment (FMA) methodology;
- Strong budgetary performance, with operating surpluses in the general fund and at the total governmental fund level in fiscal 2017;
- Very strong budgetary flexibility, with a high available fund balance in fiscal 2017 of 166% of operating expenditures;
- Very strong liquidity, with total government available cash at 1.8x total governmental fund expenditures and 16.8x

governmental debt service, and access to external liquidity that we consider strong;

- Adequate debt and contingent liability profile, with debt service carrying charges at 10.6% of expenditures and net direct debt that is 108.4% of total governmental fund revenue, as well as low overall net debt at less than 3.0% of market value; and
- Strong institutional framework score.

Adequate economy

We consider Columbia Heights' economy adequate. The city, with an estimated population of 20,091, is located in Anoka County in the Minneapolis-St. Paul-Bloomington MSA, which we consider to be broad and diverse. The city has a projected per capita effective buying income of 87.3% of the national level and per capita market value of \$71,886. Overall, the city's market value was stable over the past year at \$1.4 billion in 2019. The county unemployment rate was 3.3% in 2017.

Over the past few years, the city's assessed and market values have increased steadily, mostly due to recovering home prices following the recession. While the city is nearly fully built out, management reports that a new 200-unit apartment complex opened in 2017, and a second 150-unit complex is under development. A new Hy-Vee grocery store is redeveloping the site of a former grocery building.

Local employment conditions are favorable, in our view, with residents having access to a broad range of opportunities in the Twin Cities MSA. The city is mostly residential (83% of net tax capacity), with a smaller commercial and industrial component (15%). We consider the tax base diverse with the top 10 taxpayers comprising only 6% of net tax capacity. The majority of the top taxpayers are larger apartment buildings. Given the city's recent growth and the stabilizing influence of the Minneapolis-St. Paul MSA economy, we believe its economy score will remain adequate over the next few years.

Strong management

We view the city's management as strong, with good financial policies and practices under our FMA methodology, indicating financial practices exist in most areas, but that governance officials might not formalize or monitor all of them on a regular basis.

The city consults outside sources and uses three years of historical trends in its budget development process. Management provides monthly budget-to-actual reports to the city council. Management updates its five-year, long-term financial plan annually. Its capital investment plan identifies projects and revenue sources through 2023. The city does not have its own investment policy, but follows state statute and reports on investment holdings and earnings annually. It does not have a debt management policy. Columbia Heights has a formal general fund reserve policy to maintain 45% of next year's budget in reserve.

Strong budgetary performance

Columbia Heights' budgetary performance is strong, in our opinion. The city had operating surpluses of 2.3% of expenditures in the general fund and of 4.4% across all governmental funds in fiscal 2017.

We adjusted revenues and expenditures to account for recurring transfers, one-time capital projects, and bond refundings. The city has a practice of budgeting for breakeven operations, but outperforming its budget. The positive

variances are a result of conservative budgeting of expenditures as well as not budgeting for excess tax-increment financing (TIF) revenues.

After adjustments, fiscal 2017 closed with a \$257,000 general fund surplus, mostly due to lower than budgeted expenditures related to vacant positions and lower fuel costs. Across total governmental funds, the city also posted positive operations. The fiscal 2018 budget included a one-time increase due to a large, one-time transfer to the capital fund from the general fund for the upcoming city hall project. Outside this project, the budget is relatively consistent with that of previous years and the city is not anticipating any major deviations. For fiscal 2019, the city expects to begin drawing on reserves for the city hall project. However, the operational budget is consistent with that of previous years, totaling approximately \$12.5 million.

Local property taxes accounted for 82% of general fund revenues in fiscal 2017, followed by intergovernmental revenue (9%) and charges for services (5%). Given the city's history of general fund surpluses, we expect that after adjustments for one-time expenditures and transfers, performance will likely remain strong over the next two years.

Very strong budgetary flexibility

Columbia Heights' budgetary flexibility is very strong, in our view, with a high available fund balance in fiscal 2017 of 166% of operating expenditures, or \$18.5 million. We expect the available fund balance to remain above 75% of expenditures for the current and next fiscal years, which we view as a positive credit factor. The available fund balance includes \$7.6 million (67.8% of expenditures) in the general fund and \$10.9 million (98% of expenditures) that is outside the general fund but legally available for operations.

In addition to the general fund, we have included the cash available in the city's liquor enterprise and the committed balances in its capital improvement general government building, capital equipment replacement general government, and capital improvement development funds. These fund balances have grown from a buildup of transfers from general fund surpluses and are free and available for general operations. The city has a formal general fund reserve policy to maintain 45% of next year's budget in reserve, and funds above that amount are transferred to capital projects funds. Management expects to draw down approximately \$6 million for construction of a new city hall sometime in the next few years. We expect the city will continue to maintain a very strong available fund balance despite this planned use of reserves.

Very strong liquidity

In our opinion, Columbia Heights' liquidity is very strong, with total government available cash at 1.8x total governmental fund expenditures and 16.8x governmental debt service in 2017. In our view, the city has strong access to external liquidity if necessary.

We have based our assessment of the city's access to external liquidity on its recent history of GO debt issuances and healthy credit quality. We have also confirmed that it does not hold any privately placed debt or direct-purchase agreements that could pose a significant risk to its liquidity. Furthermore, we note that the city is not investing its funds aggressively as it holds a combination of investments in U.S. agencies, negotiable certificates of deposit, and money market mutual funds.

Adequate debt and contingent liability profile

In our view, Columbia Heights' debt and contingent liability profile is adequate. Total governmental fund debt service is 10.6% of total governmental fund expenditures, and net direct debt is 108.4% of total governmental fund revenue. Overall net debt is low at 2.3% of market value, which is in our view a positive credit factor.

Management is looking at issuing approximately \$4 million within the next few years, for a new city hall and a recreation facility project.

Columbia Heights' combined required pension and actual other postemployment benefits (OPEB) contributions totaled 5.2% of total governmental fund expenditures in 2017. The city made its full annual required pension contribution in 2017.

The city makes its full annual required pension contribution and we expect it will continue to do so. It participates in cost-sharing multiemployer defined-benefit pension plans administered by the Public Employees Retirement Association of Minnesota (PERA). PERA administers the General Employees Retirement Fund (GERF) and the Public Employees Police and Fire Fund (PEPFF). The city's annual required pension contribution to both GERF and PEPFF is determined by Minnesota statute and based on a percentage of payroll. Contributions are not based on an actuarial determined contribution and have not been keeping up with the plan's increasing liabilities, which indicates that employer contributions may rise in the future.

Using updated reporting standards in accordance with Governmental Accounting Standard Board (GASB) Statement Nos. 67 and 68, the city's net pension liability as of 2017 was \$5.5 million for GERF and \$4.1 million for PEPFF. The funded ratios of the plans, which are calculated as the plan fiduciary net position as a percent of the total pension liability, were 75.9% for GERF and 85.4% for PEPFF in fiscal 2016.

The city is legally required to include retirees under age 65 in the same insurance pool as its active employees, but the premiums are paid by the retiree, resulting in an implicit rate subsidy. The city funds its OPEBs on a pay-as-you-go basis. As of Jan. 1, 2017, the most recent actuarial valuation date, the city's unfunded actuarial accrued liability was \$1.3 million.

At this time, we do not anticipate the city's retirement liabilities presenting a budgetary risk. Should liabilities increase, driving an increase in annual costs, we could revise our view of the debt and liabilities profile.

Strong institutional framework

The institutional framework score for Minnesota cities with a population greater than 2,500 is strong.

Outlook

The stable outlook reflects our expectation that Columbia Heights will maintain strong budgetary performance and very strong budgetary flexibility while continuing to benefit from access to the greater Minneapolis-St. Paul MSA. Consequently, we do not expect to change the rating in the next two years.

Upside scenario

Barring deterioration in other credit factors, if the city were to see a material improvement in its market value and income indicators, we could raise the rating.

Downside scenario

If the city's budgetary flexibility were to decline to a level that we no longer consider commensurate with that of other similarly rated peers, we could lower the rating.

Related Research

- S&P Public Finance Local GO Criteria: How We Adjust Data For Analytic Consistency, Sept. 12, 2013
- Incorporating GASB 67 And 68: Evaluating Pension/OPEB Obligations Under Standard & Poor's U.S. Local Government GO Criteria, Sept. 2, 2015
- 2018 Update Of Institutional Framework For U.S. Local Governments

Certain terms used in this report, particularly certain adjectives used to express our view on rating relevant factors, have specific meanings ascribed to them in our criteria, and should therefore be read in conjunction with such criteria. Please see Ratings Criteria at www.standardandpoors.com for further information. Complete ratings information is available to subscribers of RatingsDirect at www.capitaliq.com. All ratings affected by this rating action can be found on S&P Global Ratings' public website at www.standardandpoors.com. Use the Ratings search box located in the left column.

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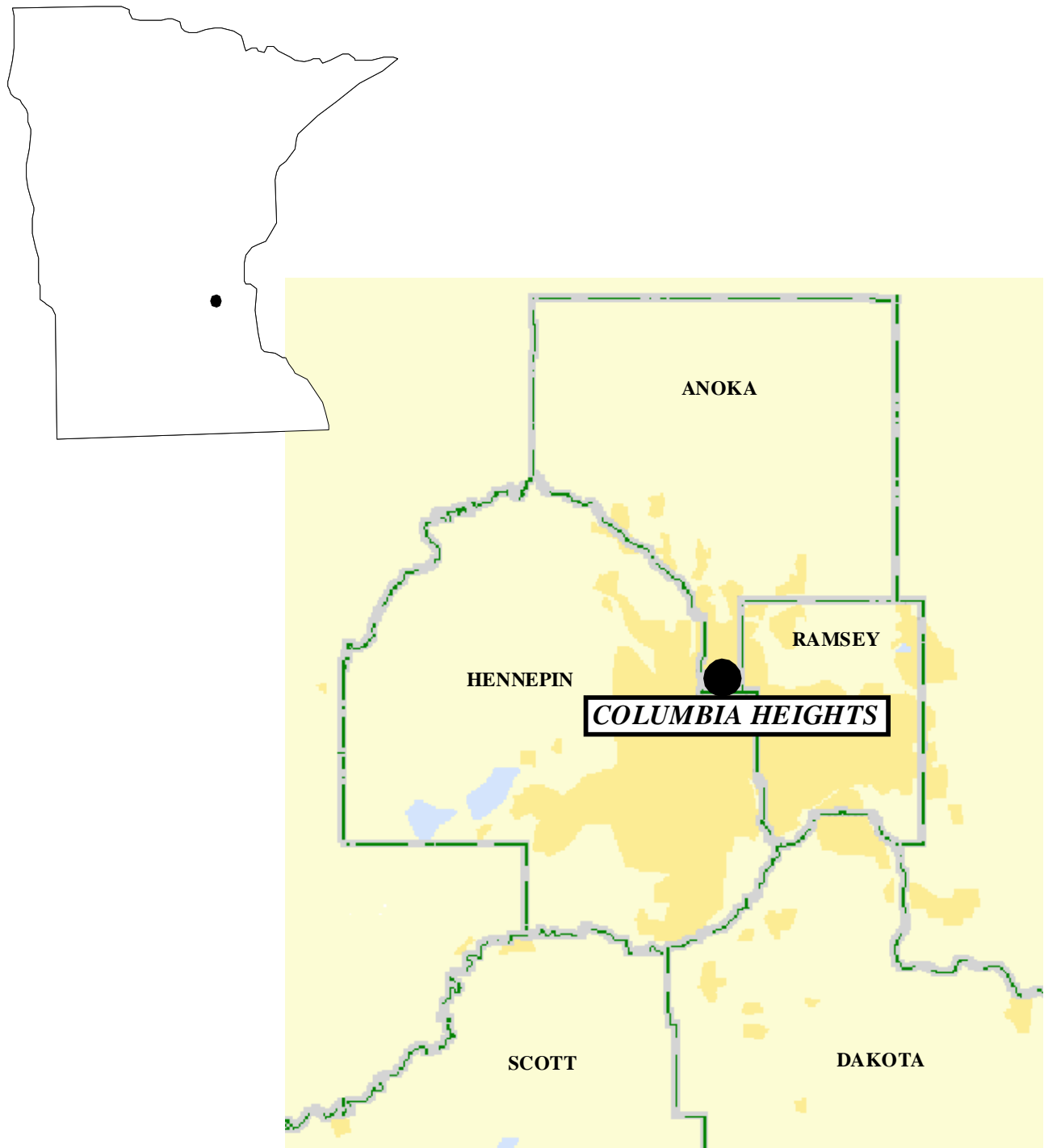
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CITY OF COLUMBIA HEIGHTS GEOGRAPHICAL LOCATION



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COMMUNITY PROFILE

City of Columbia Heights

Location

County	Anoka	House District	41B
Region	Metro	Congressional District	5
Senate District	41		

History

What is now Columbia Heights was once part of Manomin County. Manomin was too small to support itself, so on November 2, 1869; it was annexed to Anoka County. It was then considered part of Fridley Township. On March 14, 1898, incorporation as a village was completed. The City Charter was adopted on July 21, 1921. The City of Columbia Heights is 3.4 square miles in area.

Population

1900	123	1960	17,533	2010	19,496
1920	2,968	1970	23,997		
1930	5,613	1980	20,029		
1940	6,053	1990	18,910		
1950	8,175	2000	18,520		

Miles of Streets and Alleys

Trunk Highways	3.0	City Streets	61.2
County	4.5	Alleys	18.9

Sewer and Watermain Miles

Storm Sewers	33.6	Watermains	71.1
Sanitary Sewers	59.6		

Parks

City Parks	15	County Park	1
Playgrounds	15		

Schools

Senior High	1	Elementary	3
Junior High	1	Parochial Elementary	1

Building Permits

<u>Year</u>	<u>Number</u>	<u>Est. Construction Cost</u>
2008	611	21,916,792
2009	607	13,376,732
2010	620	14,481,712
2011	796	7,986,467
2012	574	7,203,199
2013	609	7,388,271
2014	598	22,230,118
2015	611	21,916,792
2016	607	13,376,732
2017	1,434	36,189,715
2018	1,108	9,095,404

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GLOSSARY

Accounting System. The total structure of records and procedures which record, classify, summarize, and report information on the financial position and results of operations of a government or any of its funds, fund types, balanced account groups, or organizational components.

Accrual Basis. A basis of accounting in which transactions are recognized at the time they are incurred, as opposed to when cash is received or spent.

Ad Valorem Tax. A tax collected from all the real property within the City based upon the property's value in proportion to all property in the City.

Ad Valorem Tax - Special Levy. A tax collected from all real property based upon the value of the property. This category accounts for tax levies imposed on property for special purposes authorized by state statute, e.g. debt service, Housing and Redevelopment Authority, contributions to the Fire Relief Association, etc.

Annual Budget. The budget authorized by resolution of the City Council for the fiscal year.

Appropriation. An authorization of the City Council to incur obligations and spend City funds. Appropriations are usually made for fixed amounts and are typically granted for one year.

Appropriation of Fund Balance. Using the existing fund balance for current operations.

Asset. Resources owned or held by a government, which have monetary value.

Attrition. A method of achieving a reduction in personnel by not refilling the positions vacated through resignation, reassignment, transfer, retirement, or means other than layoffs.

Authorized Personnel. Employee positions, which are authorized in the adopted budget, to be filled during the year.

Bond Proceeds. Funds received from the issuance of bonds. This is a type of borrowing similar to a loan.

Budget. A council approved plan for receiving and expending public funds. An estimate of expenditures and the proposed means of financing them.

Proposed Budget. The recommended City Budget submitted by the City Manager to the City Council.

Adopted Budget. The City Budget with final approval by City Council, which is submitted to both the County Auditor and State Auditor.

Budgetary Basis. This refers to the basis of accounting used to estimate financing sources and uses in the budget. The basis used by the City for proprietary funds is the full accrual method, similar to most large businesses. For governmental funds, the City uses the modified accrual method, which focuses more on the current operating year, similar to the cash basis. Under state law, these methods are also required to be used in the City's audited annual financial statements. See GAAP.

Budgetary Control. The control or management of a government or enterprise in accordance with an approved budget for the purpose of keeping expenditures within the limitations of available appropriations and available revenues.

Budget Calendar. The schedule of key dates which a government follows in the preparation and adoption of the budget.

Budget Message. A general discussion of the proposed budget presented in writing as part of the budget document. The budget message explains principal budget issues against the background of financial experience in recent years and presents recommendations regarding the financial policy for the coming year.

Capital Improvements. Expenditures related to the acquisition, expansion or rehabilitation of an element of the government's physical plant; sometimes referred to as infrastructure.

Capital Improvement Plan (CIP). A multi-year schedule of capital improvement projects and items. This is a flexible budget document that is used as a planning tool for needed improvements.

Capital Outlay. Expenditures that result in the acquisition of or addition to fixed assets, which have a value over \$5,000 and have a useful life of greater than one year.

Capital Projects. Major construction, acquisition, or renovation activities, which add, value to a government's physical assets or significantly increase their useful life. Also called capital improvements.

Cash Basis. A basis of accounting in which transactions are recognized only when cash is increased or decreased.

Certified Tax Levy. The ad valorem tax levy that is recorded with Anoka County.

Class Rate. Set by the Legislature, class rates serve to tax different classes of property (commercial, residential, agricultural) at different rates. See Tax Capacity Value.

Constant or Real Dollars. The presentation of dollar amounts adjusted for inflation to reflect the real purchasing power of money as compared to a certain point in time in the past.

Consumer Price Index (CPI). A statistical description of price levels provided by the U.S. Department of Labor. The index is used as a measure of the increase in the cost of living (i.e. economic inflation).

Contingency. A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted.

Contractual Services. Services rendered to a government by private firms, individuals, or other governmental agencies. Examples include utilities, rent, maintenance agreements, and professional consulting services.

Cost-of-living Adjustment (COLA). An increase in salaries and benefits to offset the adverse effect of inflation on compensation.

Current Ad Valorem. Taxes levied and becoming due during the current year, from the time the amount of the tax levy becomes due until a penalty for non-payment is attached.

Debt Service. Expenditures for the retirement of long-term debt principal and interest.

Deficit. The excess of an entity's liabilities over its assets or the excess of expenditures or expenses over revenues during a single accounting period.

Delinquent Ad Valorem. Taxes that remain unpaid on and after the date on which penalty for non-payment is attached.

Department. The basic organizational unit of government, which is functionally unique in its delivery of services.

Depreciation. Process of allocating the cost of a capital asset to the periods during which the asset is used.

Disbursement. The expenditure of monies from an account.

Employee (or Fringe) Benefits. Contributions made by a government to meet commitments or obligations for employee fringe benefits. Included are the government's share of costs for benefits required by law, such as social security, workers compensation insurance, and some pension costs. It also includes benefits provided under the terms of negotiated labor contracts, such as medical and life insurance plans.

Expenditures. The payment of cash on the transfer of property or services for the purposes of acquiring an asset, service or settling a loss.

Expense. Charges incurred (whether paid immediately or unpaid) for operations, maintenance, interest or other charges.

Fees. A general term for any fixed charge levied by government associated with providing a service permitting an activity, or imposing a fine or penalty. Major types of fees include business and non-business licenses, fines, and user charges.

Fiscal Year. For budgeting purposes the City's fiscal year is the calendar year.

Full-Time Equivalent (FTE). The number of hours of work performed by a full-time employee in one year (2,080), or portions thereof.

Fund. A separate accounting entity, with a set of self-balancing accounts for recording the collection of revenues and the payment of expenditures to carry out a specific function. The City uses the following fund types:

Governmental Funds

Account for activities for which user charges are generally not the primary revenue source. These include:

General Fund. The largest fund in the City, the General Fund accounts for most of the City's financial resources. General Fund revenues include: property taxes, licenses and permits, service charges, and other types of revenue. This is the fund that accounts for the revenues and expenditures necessary to deliver basic operating services: police, fire, finance, parks, public works, etc.

Special Revenue Funds. Funds used to account for the proceeds of specific revenue sources that are legally restricted, or committed by council resolution, to expenditure for specified purposes.

Debt Service Funds. Funds used to account for the planned accumulation of revenues and appropriation of expenditures for the retirement of long-term debt principal and interest.

Capital Project Funds. Funds used to account for major construction, acquisition, or renovation activities, which add, value to a government's physical assets or significantly increase their useful life.

Proprietary Funds

Account for operations that are financed and operated in a manner similar to private business, where the intent of the governing body is that the costs of providing goods or services on a continuing basis be financed or recovered primarily through user charges. These include:

Enterprise Funds. Are funds that account for business-type operations providing goods or services to the public. Examples include water, sewer, refuse utility operations, and the municipal liquor stores.

Internal Service Funds. Are funds that account for business-type operations providing goods or services between City departments. Examples include centralized services for building and vehicle maintenance, information systems, and business insurance.

Fund Balance. The excess of a fund's assets over its liabilities. The term fund balance is used in governmental fund types. The term is also used informally in regard to proprietary funds, but the equivalent term in proprietary funds when formally presented is "net position".

GAAP. Generally Accepted Accounting Principles. Uniform minimum standards for financial accounting and reporting, encompassing the conventions, rules, and procedures that define accepted accounting principles.

Goal. Specific items to be accomplished during the year.

Grant. A contribution of assets (usually cash) by one governmental unit or other organization to another. Typically, these contributions are made to local governments from the state and federal governments.

Infrastructure. The physical assets of a government (e.g. streets, water, sewer, public buildings and parks).

Interfund Transfers. Amounts transferred from one fund to another to assist in financing the services for the recipient fund. Also referred to as "transfers in/out".

Intergovernmental Revenues. Money received from the State or Federal government in the form of grants or shared revenues for various activities.

Investment. Securities permitted by law are purchased and held for the production of income in the form of interest.

Levy. To impose taxes for the support of government activities.

Levy Limitation. The maximum amount permitted to be levied by a taxing jurisdiction as established by Minnesota Statutes. The existence or absence of levy limitations varies from time to time. As of 2019, there are annual limitations on the EDA levy and the HRA levy, but not on the City levy.

Line Item Budget. A budget format that summarizes the object codes of expenditures for goods and services that the City intends to purchase during the fiscal year.

Local Government Aid. Money given to the City from the State based on a formula that was originally designed to provide tax relief and equalization among cities.

Municipal State Aid Street Maintenance. Money received from the State of Minnesota for the maintenance of certain streets within the City, which are designated "State Aid Streets".

Object of Expenditure. An expenditure classification, referring to the lowest and most detailed level of classification, such as electricity, office supplies, asphalt, and furniture.

Objective. Something to be accomplished in specific, well-defined, and measurable terms and that is achievable within a specific time frame.

Obligations. Amounts that a government may be legally required to meet out of its resources. They include not only actual liabilities, but also encumbrances not yet paid.

Operating Revenue. Funds that the government receives as income to pay for ongoing operations. It includes such items as taxes, fees from specific services, interest earnings, and grant revenues. Operating revenues are used to pay for day-to-day services.

Operating Expenses. The cost for personnel, materials and equipment required for a department to function.

Other Services and Charges. Include expenditures for services other than personal services. Examples of such charges include professional services, communication, transportation, advertising, printing and binding, insurance, utility services, repair and maintenance, rentals, and depreciation.

Personal Services. Include expenditures for salaries, wages, and related employee benefits provided for all persons employed by the City. Employee benefits include employer contributions to a retirement system, insurance, sick leave, severance pay, and similar benefits.

Property Tax Levy. The amount of dollars to be collected from the taxable property within a taxing district.

Resolution. A special or temporary order of a legislative body; an order of a legislative body requiring less legal formality than an ordinance or statute.

Resources. Total amounts available for appropriation including estimated revenues, fund transfers, and beginning balances.

Revenue. Funds that the government receives as income. It includes such items as tax payments, fees from specific services, receipts from other governments, fines, forfeitures, grants, and interest income.

Supplies. Include articles and commodities, which are consumed or materially altered when used, such as office supplies, operating supplies, maintenance supplies, small tools and minor equipment.

Tax Capacity Value. A measure of property value defined in state statute. Tax capacity values are used to divide the total tax levy of a district (city, county, school district, etc.) between all the properties in that district. Tax capacity value is calculated by multiplying a property's class rate by its taxable market value. See Class Rate and Taxable Market Value.

Tax Capacity Rate. The relationship between a district's tax levy and the net tax capacity of all property in the district, expressed as a percentage.

Taxable Market Value. The estimated market value of a property as determined by the Assessor, minus certain partial exclusions of that value, such as an exclusion for homestead status.

Truth in Taxation. A program adopted by the State Legislature, which requires local governments to provide notice of their proposed budgets and levies. This program requires public meetings to inform the citizens and give them the opportunity to provide input on spending and taxing levels.