2022 Budget in Brief

Investing in the future, while strengthening our core services.

2022 Budget Goals

Provide Outstanding Service to the Community
» Increase City staff by one officer in the police department and one in the fire department to handle increasing call volumes.

Invest in Physical Assets & Infrastructure
» Reconstruct 7.8 miles of streets.
» Invest in water, sewer and storm drain infrastructure.
» Continue the strong street sealcoating program to extend the life of streets.
» Invest in water meter replacements.

Redevelopment and Neighborhood Investments
» Invest in neighborhoods by continuing to offer the “Front Door” and “Home for Generations II” programs.
» Offer several loan programs to help homeowners invest in their properties.

2022 New Initiative
Fire Station #3 – New Construction and Relocation $14-15M*

A 2018 facility needs assessment conducted by an outside firm concluded Fire Station #3, currently located at 2831 113th Ave. NW, had significant maintenance issues. The study suggested the building should be replaced due to its age, the high cost to repair the numerous maintenance issues and the inadequacy of the building to meet current equipment and training needs. The 2021 budget included funding to begin the process of planning for a replacement facility. The 2022 budget includes $13M to cover a significant portion of the expenses, and an additional amount is expected in 2023.

*Based on current estimates. Costs may fluctuate due to current market conditions.
Citywide Fund Expenditures

**GENERAL FUND—$35.5M:** The General Fund finances the widest range of essential public services in the City budget. Revenues in this fund are comprised of property taxes, intergovernmental aid, charges for services, licenses and permits, fines and forfeitures, interest earnings and a variety of other sources. Expenditures in this fund support the primary core of governmental services from administrative, financial and legislative functions to infrastructure, maintenance, recreation and public safety services.

**ENTERPRISE FUND—$22.3M:** Established to account for operations that are financed and operated in a manner similar to private business enterprises. Revenues are generated primarily through customer charges.

**SPECIAL REVENUE FUND—$2.9M:** Accounts for revenues derived from specific taxes or other earmarked revenue sources. The funds are usually required by statute, charter provision, or local ordinance to finance particular functions or activities of government.

**INTERNAL SERVICES FUND—$1.3M:** Accounts for the financing of goods or services provided by one department to other departments of the governmental unit.

**DEBT SERVICE FUND—$5.6M:** Established to identify and account for long-term, general obligation debt issued by the City other than Enterprise Fund debt which is accounted for in those funds. Repayment of issued debt in the form of principal and interest payments to bond holders is backed up by the full faith and credit of the government unit.

**CAPITAL PROJECTS FUND—$26.2M:** Finances capital improvement projects undertaken by the City. Projects in this category are financed primarily through debt issuance, special assessments, tax levies, tax-increment financing, intergovernmental aids and/or grants and dedicated fees.

### Tax Levy

<table>
<thead>
<tr>
<th></th>
<th>General Fund</th>
<th>Increase/(Decrease)</th>
<th>Total Funds</th>
<th>Total Increase/(Decrease)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2021</td>
<td>$22,981,193</td>
<td>2.93%</td>
<td>$29,666,408</td>
<td>0.89%</td>
</tr>
<tr>
<td>2022</td>
<td>$24,360,065</td>
<td>6.00%</td>
<td>$30,990,539</td>
<td>4.46%</td>
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### Full Time Employees

<table>
<thead>
<tr>
<th></th>
<th>Civilian Employees</th>
<th>Fire</th>
<th>Police</th>
<th>Total</th>
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<tbody>
<tr>
<td>2017</td>
<td>136</td>
<td>31</td>
<td>65</td>
<td>232</td>
</tr>
<tr>
<td>2018</td>
<td>140</td>
<td>31</td>
<td>65</td>
<td>236</td>
</tr>
<tr>
<td>2019</td>
<td>141</td>
<td>31</td>
<td>65</td>
<td>237</td>
</tr>
<tr>
<td>2020</td>
<td>142</td>
<td>32</td>
<td>67</td>
<td>241</td>
</tr>
<tr>
<td>2021</td>
<td>143</td>
<td>33</td>
<td>69</td>
<td>245</td>
</tr>
<tr>
<td>2022</td>
<td>143</td>
<td>34</td>
<td>70</td>
<td>247</td>
</tr>
</tbody>
</table>

-2020 Data-
How is the General Fund Spent?

- $28,900,000 (81.5%) Personnel
- $4,900,000 (13.8%) Charges & Services
- $1,350,000 (3.8%) Supplies
- $250,000 (0.7%) Capital Outlay
- $57,000 (0.2%) Other

General Fund & Capital Equipment Fund

- WHY? To replace aging equipment, invest in new equipment and enhance technology.

- $200,000 1 Dump Truck
- $180,000 Sidewalk Machine with Plow
- $500,000 Police Vehicles
- $200,000 Information Technology

Facility Construction Fund

- WHY? Maintain existing facilities, and invest in energy savings.

- $500,000 Public Works office space, kitchen and restrooms remodeling
- $325,000 Public Works HVAC/VAV and building automation controls
- $375,000 Citywide card access, security and camera system
- $90,000 Fire Station 1 & 2 interior LED lighting upgrades
- $75,000 Ice Center LED lighting upgrades
- $90,000 City Hall rear parking lot maintenance

Capital Purchases in Enterprise Funds

- WHY? Provide significant investment in water, sewer and road infrastructure, plus investments at the golf course.

- $3,875,000 Upgrades to water, sewer and storm drainage infrastructure in street reconstruction areas
- $1,600,000 Various well, pump, and rehabilitation projects
- $820,000 Water Meter Replacement Project
- $500,000 Various vehicle replacements in Water, Sewer and Storm Drainage Funds
- $310,000 Air sweeper in Storm Drainage Fund
- $140,000 Two greens mowers and Ventrac utility machine for the golf course

Personnel Investment

- WHY? To handle increasing call volumes and enhance service.

- 1 Police Officer
- 1 Firefighter
- $178,500
What Departments Are Supported in the General Fund?

Property Tax Distribution

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2022</th>
<th>Change</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average Market Value</td>
<td>$240,600</td>
<td>$256,300</td>
<td>$15,700</td>
<td>6.53%</td>
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<tr>
<td>Homestead Exclusion</td>
<td>($15,586)</td>
<td>($14,173)</td>
<td>($1,413)</td>
<td>-9.07%</td>
</tr>
<tr>
<td>Taxable Market Value</td>
<td>$225,014</td>
<td>$242,127</td>
<td>$17,133</td>
<td>7.61%</td>
</tr>
<tr>
<td>Gross City Tax</td>
<td>$867</td>
<td>$931</td>
<td>$64</td>
<td>7.38%</td>
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</tbody>
</table>

*based on $200,000 home value for the 2021 tax year.

Impact for Homeowners

MESSAGE FROM THE MAYOR

Balancing the budget this year was thoughtful and methodic. Council recognizes we are continuing to navigate challenges with the economy and the lingering COVID-19 pandemic, but we also want to continue to invest in the future of our city, while strengthening our core services. With that idea in mind, the budget before you balances the needs of our community by adding some new investments such as personnel, while also maintaining critical core priorities such as street reconstruction and enhancements to public water infrastructure.

Two additional staff positions are included in the 2022 budget: one additional police officer and one firefighter. These staff additions are part of a long term strategy that has been in place for several years to help our public safety staff better manage increasing call volumes. Investing in the future is also critical as the fire department is in need of a new building due to significant maintenance issues at the current facility (station #3 currently located at 2831 113th Ave. NW).

Balancing these new investments, along with making the necessary upgrades to water, sewer and storm drainage infrastructure, various well, pump and rehabilitation projects and purchasing necessary capital equipment is all part of a puzzle. The City Council, in partnership with City staff, try to arrange the puzzle pieces in a way that balances city needs while remaining thoughtful to the taxpayers of the city.

We feel the 2022 budget accomplishes all of these things. On behalf of the City Council, I hope you find the information in this Budget in Brief to be informative and educational. If you want to see more detailed budget numbers, please visit the City website anytime as the full budget document is posted.

Jerry Koch

Read the complete budget online at www.coonrapidsmn.gov/citybudget