

City of Excelsior
Special Council Meeting

Agenda

Monday, November 29, 2010

7:00 p.m.

1. Call to Order
2. Agenda Approval
3. 2011 Budget and Tax Levy
 - (a) Presentation of 2011 Budget & Tax Levy— Finance Director
 - (b) Public Questions and Comments
 - (c) Council Directives
4. Adjournment



MEMORANDUM

Re: 11/29/10 Public Budget Mtg Item 3a
General Fund Budget and Levy

Date: 11/24/10

To: City Council

From: Joan Carlson, Finance Director

At the September 7th Council Meeting, the Council approved a Preliminary Tax Levy increase of 5%. During several budget work sessions in October and November, the Council reviewed the General Fund Budget and reduced the 2011 Levy increase to 2%.

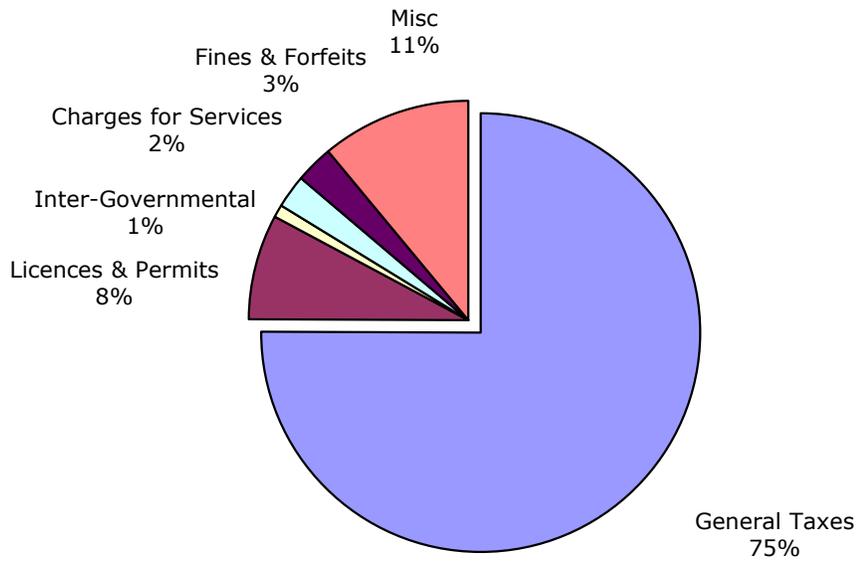
Attached for the Council's review are the handouts for the 2011 Public Budget Meeting. They include:

- Revised General Fund Budget Summary with a 2% levy increase
- General Fund Revenue by Source Graphic
- General Fund Expenditures by Function Data
- General Fund Expenditures by Function Graphic
- Tax Capacity Rate Calculation
- 2011 vs 2010 Tax Capacity Rates
- 2011 Tax Distribution Graphic
- Example of Average Excelsior Residential Tax Computation
- Comparison of Tax Rates to Selected Cities

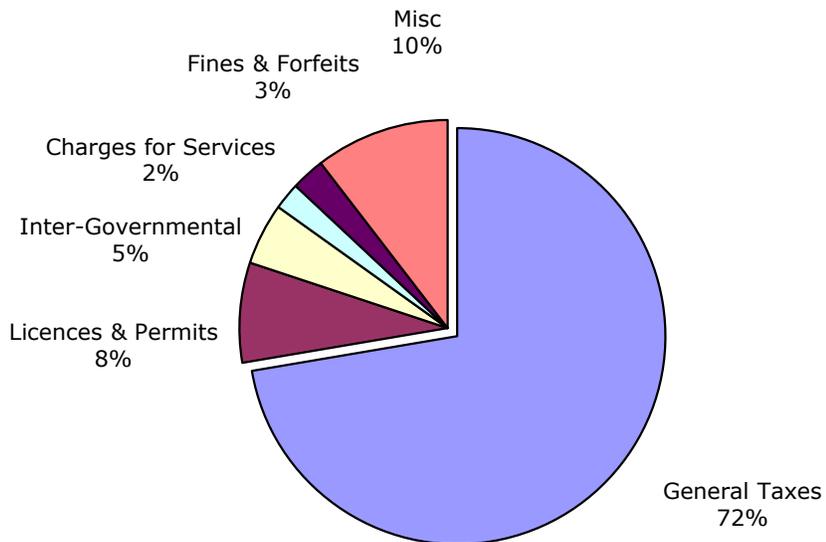
2011 General Fund Budget Summary

	<u>2008 Actual</u>	<u>2009 Actual</u>	<u>2010 Adopted Budget</u>	<u>2010 YTD Actual</u>	<u>2011 - Proposed Budget - 2%</u>	<u>\$\$ Chg vs 2010 Budget</u>	<u>% Chg vs 2010 Budget</u>
GENERAL FUND							
Revenues							
Property and Other Taxes	1,197,070	1,251,904	1,360,509	712,786	1,386,339	25,830	1.90%
Licenses and Permits	147,836	157,433	140,595	155,072	148,795	8,200	5.83%
Intergovernmental Revenues	82,331	80,841	16,895	4,398	91,895	75,000	443.92%
Charges for Services	48,952	47,959	44,390	40,436	40,000	(4,390)	-9.89%
Fines and Forfeits	58,172	51,316	50,300	45,417	49,800	(500)	-0.99%
Miscellaneous Revenue	159,341	58,687	32,500	14,147	18,500	(14,000)	-43.08%
Transfers From Other Funds	163,302	222,420	167,232	167,232	181,374	14,142	8.46%
	<u>1,857,005</u>	<u>1,870,560</u>	<u>1,812,421</u>	<u>1,139,487</u>	<u>1,916,703</u>	<u>104,282</u>	<u>5.75%</u>
Expenditures							
Council	48,201	23,315	24,629	15,297	21,235	(3,394)	-13.78%
City Manager/Clerk	135,002	119,513	114,289	100,156	117,782	3,493	3.06%
Elections	6,023	273	5,950	4,295	875	(5,075)	-85.29%
Finance	65,378	65,852	65,201	57,545	65,928	727	1.12%
Planning and Zoning	97,620	79,628	78,244	80,704	83,289	5,045	6.45%
City Administration	252,823	211,111	218,719	151,626	186,402	(32,317)	-14.78%
Heritage Preservation	173	684	1,185	1,599	2,010	825	69.62%
Police	561,367	590,206	597,031	557,645	623,413	26,382	4.42%
Fire Contract	172,263	167,533	159,984	159,984	159,419	(565)	-0.35%
Building Inspection	9,653	9,628	18,000	4,572	9,500	(8,500)	-47.22%
Engineering	26,462	9,370	20,000	6,556	9,500	(10,500)	-52.50%
Streets	191,322	181,236	188,026	148,903	190,994	2,968	1.58%
Park Maintenance	122,076	137,224	130,336	126,399	152,697	22,361	17.16%
Recreation Programs	29,982	26,975	22,000	21,801	24,000	2,000	9.09%
Cemetery	19,061	18,643	17,145	16,194	18,832	1,687	9.84%
Transfers To Other Funds	91,523	156,082	151,682	151,682	264,000	112,318	74.05%
	<u>1,828,929</u>	<u>1,797,273</u>	<u>1,812,421</u>	<u>1,604,958</u>	<u>1,929,876</u>	<u>117,455</u>	<u>6.48%</u>
Net Income (Loss)	28,076	73,287	-	(465,471)	(13,173)		
Beginning Fund Balance	937,757	965,833	1,039,121		1,039,121		
Ending Fund Balance	965,833	1,039,121	1,039,121		1,025,948		
Fund Balance as Percent of Expenditures					53%		

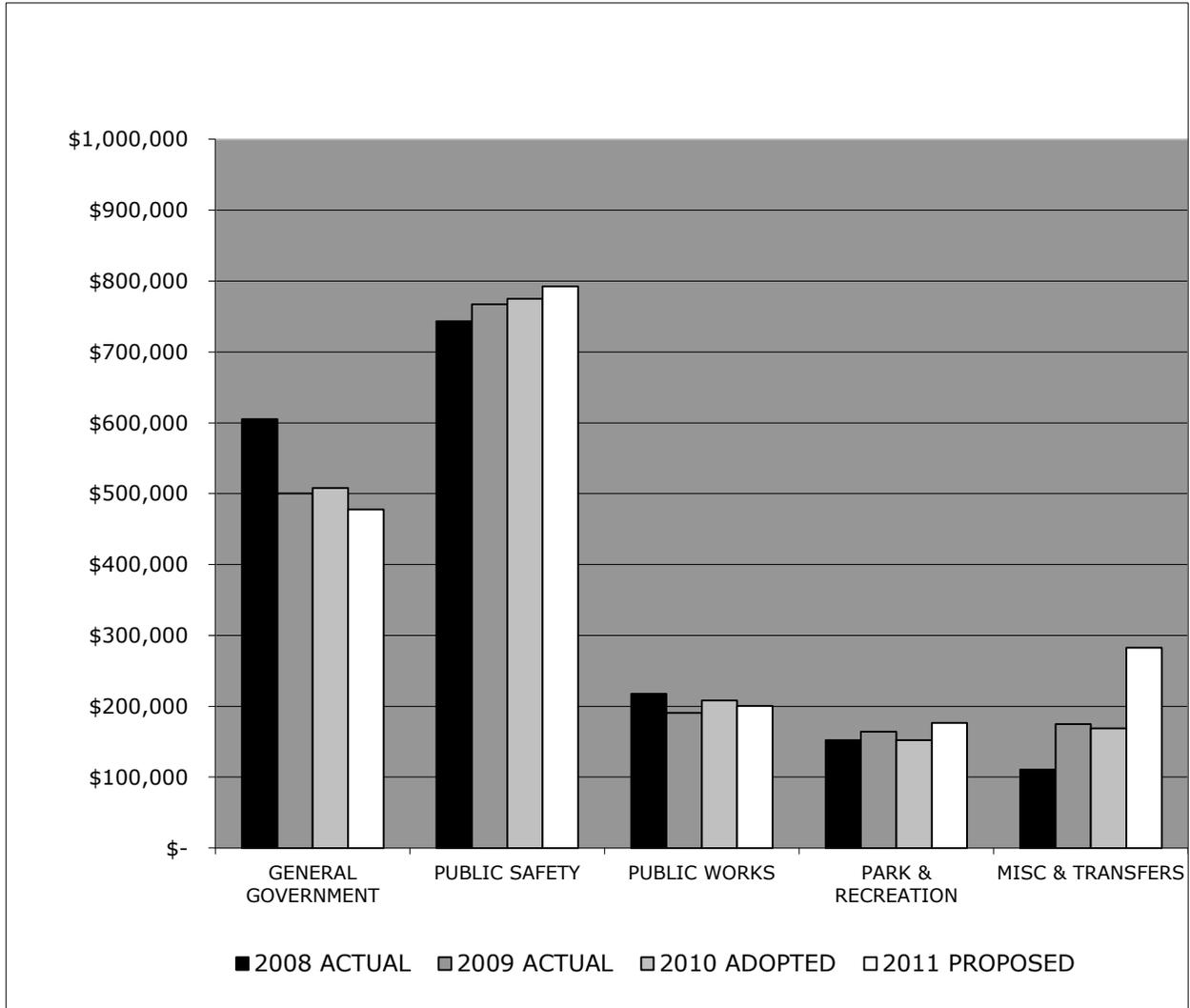
Total Revenues - 2010 Adopted



Total Revenues - 2011 Proposed

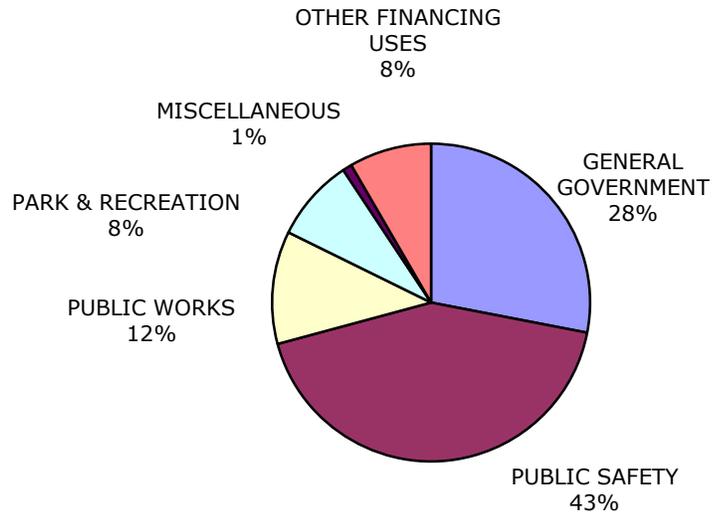


**City of Excelsior
General Fund
Expenditures By Function
2008-2011**

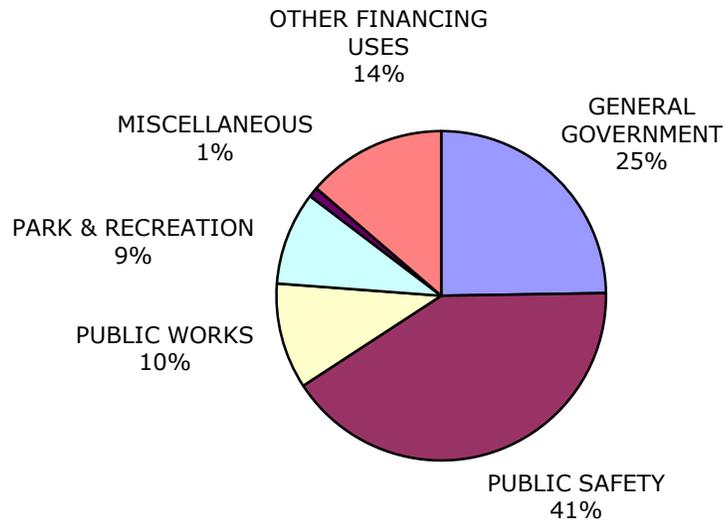


	2008 ACTUAL	2009 ACTUAL	2010 ADOPTED	2011 PROPOSED	\$ INCREASE (DECREASE)	% CHANGE FROM 2010
GENERAL GOVERNMENT	605,222	500,377	508,217	477,521	(30,696)	-6.04%
PUBLIC SAFETY	743,282	767,367	775,015	792,332	17,317	2.23%
PUBLIC WORKS	217,784	190,605	208,026	200,494	(7,532)	-3.62%
PARK & RECREATION	152,057	164,199	152,336	176,697	24,361	15.99%
MISCELLANEOUS	19,061	18,643	17,145	18,832	1,687	9.84%
TOTAL EXPENDITURES	1,737,406	1,641,191	1,660,739	1,665,876	5,137	0.31%
OTHER FINANCING USES	91,523	156,082	151,682	264,000	112,318	74.05%
TOTAL EXPENDITURES AND OTHER FINANCING USES	1,828,929	1,797,273	1,812,421	1,929,876	117,455	6.48%

Expenditures by Function 2010 Adopted



Expenditures by Function 2011 Proposed



CITY OF EXCELSIOR
TAX CAPACITY, TAX LEVY, AND TAX CAPACITY RATE

	2008 ACTUAL	2009 ACTUAL	2010 ACTUAL	2011 PROPOSED	DOLLAR INCREASE (DECREASE)	
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TAX CAPACITY - PERSONAL PROPERTY REAL ESTATE	38,967 4,612,292	38,760 4,799,784	38,524 4,675,727	40,320 4,185,869	1,796 (489,858)	
	4,651,259	4,838,544	4,714,251	4,226,189	(488,062)	-10%
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DEDUCT - CONTRIBUTION TO FISCAL DISPARITIES POOL LESS INCREMENT	519,848 95,078	570,529 95,078	608,279 93,430	574,768 90,628	(33,511) (2,802)	
SUBTOTAL	614,926	665,607	701,709	665,396	(36,313)	
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TOTAL	4,036,333	4,172,937	4,012,542	3,560,793	(454,551)	
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ADD- DISTRIBUTION FROM FISCAL DISPARITIES POOL	209,578	224,664	223,253	219,176	(4,077)	
TOTAL	4,245,911	4,397,601	4,235,795	3,779,969	(455,826)	-11%
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TAX LEVIES - GENERAL FUND	1,144,194	1,201,404	1,291,509	1,317,339	25,830	2%
CERTIFIED LEVY	1,144,194	1,201,404	1,291,509	1,317,339	25,830	
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DEDUCT - FISCAL DISPARITY TAX * MVHC	57,833 8,980	60,468 8,968	61,042 -	62,300 -	1,258 -	
SUBTOTAL	66,813	69,436	61,042	62,300	1,258	
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NET TAX LEVY	1,077,381	1,131,968	1,230,467	1,255,039	24,572	2%
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TAX CAPACITY RATE	26.08%	26.52%	29.97%	34.37%	4.40%	

* Estimated 2011 Fiscal Disparity - actual not available at this time

2011 Tax Capacity Rates

	<u>Property Value</u>	<u>Tax Capacity</u>	<u>County Rate</u>	<u>School Rate</u>	<u>City Rate</u>	<u>Other</u>	<u>Total</u>	<u>Total Change</u>	<u>City Change</u>
base	297,000	2,970	1,367	1,282	1,021	275	3,945	143	68
	200,000	2,000	921	863	687	185	2,656	273	90
	250,000	2,500	1,151	1,079	859	231	3,321	341	113
	300,000	3,000	1,381	1,295	1,031	278	3,985	409	135
	400,000	4,000	1,841	1,727	1,375	370	5,313	545	180
	500,000	5,000	2,301	2,159	1,719	463	6,641	682	225
	750,000	8,125	3,740	3,508	2,793	752	10,792	1,108	366
	1,000,000	11,250	5,178	4,857	3,867	1,041	14,942	1,534	507
Tax Capacity Rate			46.03%	43.17%	34.37%	9.25%	132.82%		
Percentage Distribution			34.65%	32.50%	25.88%	6.97%	100.00%		

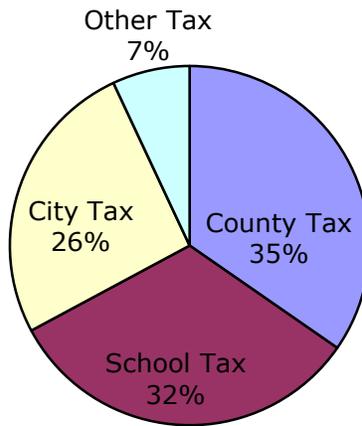
2010 Tax Capacity Rates

	<u>Property Value</u>	<u>Tax Capacity</u>	<u>County Rate</u>	<u>School Rate</u>	<u>City Rate</u>	<u>Other</u>	<u>Total</u>
base	319,000	3,190	1,356	1,225	953	269	3,802
	200,000	2,000	850	768	597	168	2,384
	250,000	2,500	1,062	960	747	211	2,980
	300,000	3,000	1,275	1,152	896	253	3,576
	400,000	4,000	1,700	1,536	1,194	337	4,767
	500,000	5,000	2,125	1,920	1,493	421	5,959
	750,000	8,125	3,453	3,121	2,426	684	9,684
	1,000,000	11,250	4,781	4,321	3,359	948	13,409
Tax Capacity Rate			42.50%	38.41%	29.86%	8.42%	119.19%
Percentage Distribution			35.65%	32.22%	25.05%	7.07%	100.00%

City of Excelsior

Distribution of Tax Dollars

2011 Tax Distribution



2011 Tax Calculations for Residential Properties

Estimated Market Value
#####

Estimated Market Value is Established by the Assessor According to Practices Dictated by the County Assessor and Recorded Sales of Properties

Market Value	Resulting Tax Capacity			
#####	297,000	X	1.00%	\$ 2,970
	-	X	1.25%	\$ -
Total Tax Capacity				\$ 2,970

Tax Capacity Formulas are Established by State Statute

Tax Capacity Times Tax Capacity Rate				Resulting Tax
By Entity				
	Rate	Tax Cap.		
City	34.38%	\$ 2,970		\$ 1,021.00
County	46.03%	\$ 2,970		\$ 1,366.95
School District	43.17%	\$ 2,970		\$ 1,282.25
Other	9.25%	\$ 2,970		\$ 274.79
Total Tax	132.83%			\$ 3,944.99

Tax Capacity Rate is Established by Dividing the Certified Levy by the Tax Capacity for Each Entity

Comparison of Selected Cities
(Source - LMC Minnesota Cities 2010)

	Total Tax Capacity	Taxable Tax Capacity	Average City Tax Rate	City LGA	City Net Levy	Pop.	Tax/100K Value	Tax/ Capita
Jordan	4,524,549	4,104,937	60.84%	-	2,497,449	5,402	\$608	\$ 462
New Prague	6,415,266	6,176,316	58.69%	515,478	3,625,002	7,081	\$587	\$ 512
Spring Lake Park	6,363,324	5,250,723	54.46%	-	2,859,281	6,768	\$545	\$ 422
NYA	2,991,295	2,625,896	52.47%	108,482	1,377,893	3,637	\$525	\$ 379
Dayton	6,499,526	5,791,203	50.87%	-	2,945,811	5,072	\$509	\$ 581
Osseo	3,148,590	1,935,324	50.82%	634,438	983,544	2,499	\$508	\$ 394
Lexington	1,596,485	1,450,678	50.67%	295,659	735,117	2,017	\$507	\$ 364
Maple Plain	2,562,782	2,074,059	50.07%	240,047	1,038,461	1,932	\$501	\$ 538
Carver	3,423,838	3,381,868	46.53%	40,299	1,573,470	3,024	\$465	\$ 520
Rockford	3,251,597	2,878,176	46.14%	202,623	1,328,048	4,193	\$461	\$ 317
Oak Park Heights	10,572,874	8,080,763	43.85%	-	3,542,998	4,653	\$438	\$ 761
Watertown	3,078,114	2,879,913	43.81%	-	1,261,754	4,129	\$438	\$ 306
Long Lake	3,395,826	2,591,222	37.50%	26,410	971,760	1,745	\$375	\$ 557
Mound	14,166,216	13,293,326	37.29%	-	4,956,682	9,787	\$373	\$ 506
Victoria	11,512,270	11,058,756	37.08%	-	4,100,189	6,727	\$371	\$ 610
St Paul Park	4,011,963	3,224,615	35.03%	143,307	1,129,527	5,221	\$350	\$ 216
Spring Park	3,292,502	2,939,712	31.71%	-	932,183	1,868	\$317	\$ 499
Excelsior	4,714,251	4,012,542	30.67%	-	1,230,486	2,360	\$307	\$ 521
Lauderdale	2,107,389	1,731,568	26.48%	516,153	458,584	2,310	\$265	\$ 199
Shorewood	18,176,405	17,743,407	26.15%	-	4,640,611	7,618	\$262	\$ 609
Minnetonka Beach	3,568,303	3,524,509	21.59%	-	760,871	614	\$216	###
Wayzata	21,125,882	16,446,944	20.36%	-	3,348,269	4,115	\$204	\$ 814
Greenwood	3,776,525	3,686,808	17.94%	-	661,266	806	\$179	\$ 820
Deephaven	12,067,101	11,897,005	15.60%	-	1,856,290	3,814	\$156	\$ 487
Tonka Bay	6,878,662	6,770,069	15.37%	-	1,040,763	1,549	\$154	\$ 672
Average City	5,659,503	4,885,137	39.26%	499,342	1,918,791	5,072	\$393	\$ 378