



Preliminary 2023 Budget & CIP

PRESENTED TO ARDEN HILLS CITY COUNCIL
NOVEMBER 21, 2022

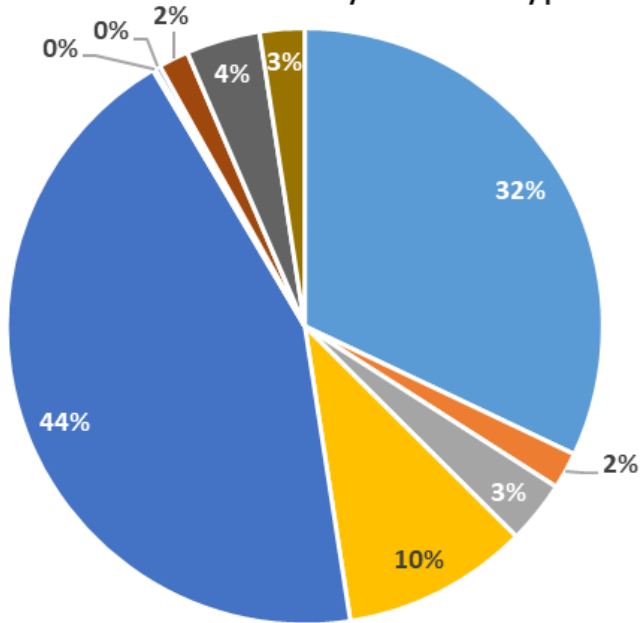
5 HLLW a Ybht7

City Wide Summary

CITY-WIDE SUMMARY	General Fund	Special Revenue Funds	Capital Project Funds	Enterprise Funds	Internal Service Funds	Total Budget 2023	Total Budget 2022	Percent Change
REVENUES								
Taxes								
Property taxes	\$ 4,137,580	\$ 100,000	\$ 520,000	\$ -	\$ -	\$ 4,757,580	\$ 4,420,850	7.6%
Tax increments	-	-	-	-	-	-	377,180	-100.0%
Other taxes	7,900	94,500	-	-	-	102,400	112,470	-9.0%
Special assessments	3,350	-	297,400	-	-	300,750	269,900	11.4%
Licenses and permits	511,730	-	-	5,890	-	517,620	506,200	2.3%
Intergovernmental	171,370	-	1,174,810	187,000	-	1,533,180	1,164,590	31.6%
Charges for services	525,550	-	-	6,133,930	-	6,659,480	6,294,540	5.8%
Fines & forfeits	23,190	-	-	-	-	23,190	23,750	-2.4%
Investment earnings	42,500	-	-	-	-	42,500	75,000	-43.3%
Miscellaneous	13,340	-	215,000	19,760	-	248,100	212,210	16.9%
Interfund Services	-	-	-	-	608,640	608,640	634,430	-4.1%
Transfers in	-	-	370,000	-	-	370,000	615,000	-39.8%
TOTAL REVENUES	\$ 5,436,510	\$ 194,500	\$ 2,577,210	\$ 6,346,580	\$ 608,640	\$ 15,163,440	\$ 14,706,120	3.1%
EXPENDITURES/EXPENSES								
General Government	\$ 1,295,140	\$ 136,070	\$ -	\$ -	\$ -	\$ 1,431,210	\$ 1,334,760	7.2%
Public Safety	2,655,790	-	-	-	-	2,655,790	2,510,670	5.8%
Public Works	795,420	-	-	-	-	795,420	759,040	4.8%
Parks & Recreation	781,420	-	-	-	-	781,420	763,980	2.3%
Economic Development	-	93,250	-	-	-	93,250	375,750	-75.2%
Capital Outlay	70,000	-	2,650,470	-	-	2,720,470	3,859,890	-29.5%
Enterprise Funds	-	-	-	6,915,770	-	6,915,770	6,587,180	5.0%
Internal Service Funds	-	-	-	-	628,140	628,140	648,380	-3.1%
TOTAL EXPENDITURES/EXPENSES	\$ 5,597,770	\$ 229,320	\$ 2,650,470	\$ 6,915,770	\$ 628,140	\$ 16,021,470	\$ 16,839,650	-4.9%
NET CHANGES IN FUND BALANCE	\$ (161,260)	\$ (34,820)	\$ (73,260)	\$ (569,190)	\$ (19,500)	\$ (858,030)	\$ (2,133,530)	

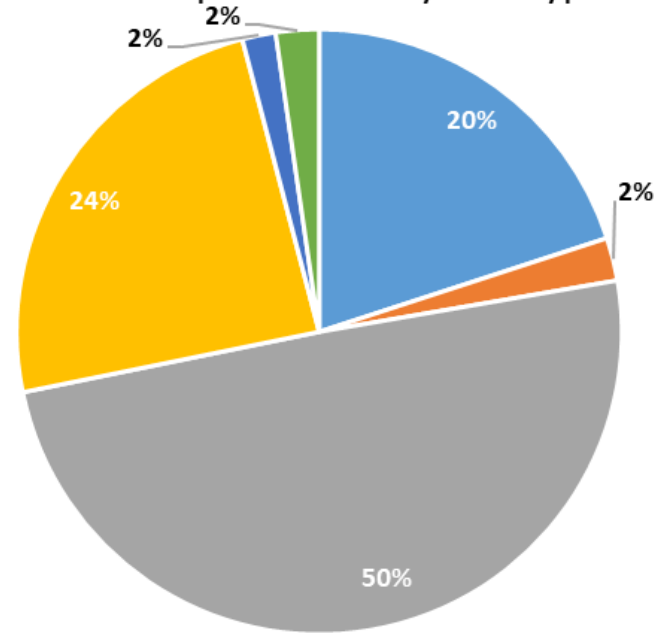
City Wide Summary

2023 Revenues by Source Type



- Taxes
- Special Assessments
- Licenses and permits
- Intergovernmental
- Charges for services
- Fines & forfeits
- Investment earnings
- Miscellaneous
- Interfund Services
- Transfers in

2023 Expenditures by Use Type



- Personnel Expenses
- Supplies and Materials
- Other Services and Charges
- Capital Expenditures
- Debt Service
- Transfers

Wages and Benefits

Total personnel costs are increasing by \$182,340 from 2022 to 2023.

FTE's	2022 Budget	2023 Request
General Government	6.09	6.12
Public Safety	2.79	2.79
Public Works	12.40	12.40
Parks & Recreation	4.35	4.32
Total	25.63	25.63

Total FTE remained the same but there were two promotions and some small allocation changes.

Step increases/position changes	56,590
COLA adjustments	74,290
Insurance benefits	43,460
Work Comp insurance	8,000
	<u>182,340</u>

Of this amount, \$132,520 is included in the General Fund.

General Fund - Revenues by Source

	2023 Budget	Amount Over(Under) 2022 Budget	% Change Over 2022 Budget
Property Taxes	\$ 4,137,580	\$ 286,730	7.4%
Other Taxes	11,250	2,220	24.6%
Licenses and Permits	511,730	6,930	1.4%
Intergovernmental	171,370	13,120	8.3%
Charges for Services	525,550	6,040	1.2%
Fines and Forfeits	23,190	(560)	-2.4%
Investment Earnings	42,500	23,000	117.9%
Miscellaneous	13,340	(480)	-3.5%
TOTAL REVENUES	\$ 5,436,510	\$ 337,000	6.6%

The permit revenue included reflects only the estimated recurring “base” amount plus 50% of the average of major projects over the past 10 years, similar to what was included in the 2022 budget.

General Fund - Expenditures by Department

	2023 Budget	Amount Over(Under) 2022 Budget	% Change Over 2022 Budget
General Government	\$ 1,295,140	\$ 89,320	7.4%
Public Safety	2,655,790	145,120	5.8%
Public Works	795,420	36,380	4.8%
Parks & Recreation	781,420	17,440	2.3%
TOTAL EXPENDITURES	\$ 5,527,770	\$ 288,260	5.5%

Personnel cost increases \$132,520
 Public Safety cost increases \$117,590

2023 – 2027 CIP

Expenditures by Year						
Department	2023	2024	2025	2026	2027	Total
Economic Development	0	270,000	0	40,000	0	310,000
Government Buildings	50,000	50,000	200,000	50,000	50,000	400,000
Parks Department	1,755,700	305,000	506,000	600,000	440,000	3,606,700
Public Safety Department	39,770	91,440	622,350	409,580	453,440	1,616,580
Sewer Department	715,000	0	495,000	0	730,000	1,940,000
Street Department	757,000	2,250,000	0	1,635,000	0	4,642,000
Surface Water Department	180,000	380,000	90,000	290,000	90,000	1,030,000
Water Department	25,000	1,635,000	95,000	505,000	80,000	2,340,000
Equipment	335,000	326,000	225,000	170,000	430,000	1,486,000
Total	3,857,470	5,307,440	2,233,350	3,699,580	2,273,440	17,371,280

2022 Capital Projects

Project	Fund Source	Amount
City Hall Maintenance	Equip/Bldg Replacement	\$50,000
Arden Manor Park Improvements	PIR/Grant	\$239,700
Floral Park Hard Court Reconstruction	PIR	\$426,000
Floral Park Shelter Roof Replacements	PIR	\$30,000
Floral Park Playground Structure Replacement	PIR	\$150,000
Perry & Cummings Park Roof Maintenance	PIR	\$60,000
MVHS Trail Improvements	PIR/County/Grant	\$850,000
LJFD Capital Items	Public Safety Capital	\$39,770
Lift Station Rehab	Sewer	\$300,000
Sewer Lining/Rehabilitation	Sewer	\$415,000
Old Snelling/CR E Intersection Improvements	PIR/Utilities/State Aid	\$757,000
Karth Lake Retaining Wall	Surface Water	\$100,000
Storm Sewer Structure Rehabilitation	Surface Water	\$80,000
Water Meter Replacement	Water	\$25,000
Replace 2014 Bobcat Toolcat #453	Equip/Bldg Replace/Trade In	\$75,000
Replace 2012 Int'l Plow Wing Truck #115	Equip/Bldg Replacement	\$120,000
Replace F-450 Truck #211	Equip/Bldg Replace/Trade In	\$140,000

Utility Funds

Proposed rate increases for 2023:	Water	0.0%
	Sewer	4.0%
	Surface Water	0.0%

Comparison of utility fees for 2022 and 2023 based on proposed rates and for a household using 9,000 gallons per quarter with a $\frac{3}{4}$ " meter or smaller.

	<u>2022</u>	<u>2023</u>
Water	79.16	79.16
Sewer	120.47	125.31
Storm	16.56	16.56
TOTAL	<u>216.19</u>	<u>221.03</u>

Tax Impact

Set levy at \$4,785,770 (an increase of \$313,090 or 7.0% over 2022)

Value of Property for Pay 2022	Value of Property for Pay 2023	Taxable Value for Pay 2023	<u>CITY TAX</u>		\$ CHANGE	% CHANGE
			Pay 2022	Pay 2023		
\$ 180,000	\$ 207,600	\$ 189,000	\$ 422	\$ 463	\$ 41	9.8%
\$ 270,000	\$ 311,400	\$ 302,200	\$ 682	\$ 741	\$ 58	8.6%
\$ 384,600	\$ 443,550	\$ 443,550	\$ 1,014	\$ 1,087	\$ 73	7.2%
\$ 410,000	\$ 472,800	\$ 472,800	\$ 1,087	\$ 1,159	\$ 72	6.6%
\$ 525,000	\$ 605,500	\$ 605,500	\$ 1,410	\$ 1,549	\$ 139	9.9%
\$ 650,000	\$ 749,600	\$ 749,600	\$ 1,825	\$ 1,991	\$ 166	9.1%

5.0% increase sets levy at \$4,696,310 – increase of \$223,630 over 2022

6.0% increase sets levy at \$4,741,040 – increase of \$268,360 over 2022

6.5% increase sets levy at \$4,763,400 – increase of \$290,720 over 2022

Tax Levy History

YEAR	TAX LEVY	% CHANGE	TAX RATE	% CHANGE
2014	3,257,456	2.1%	27.950%	0.1%
2015	3,359,775	3.1%	27.294%	-2.3%
2016	3,478,775	3.5%	26.539%	-2.8%
2017	3,641,290	4.7%	27.211%	2.5%
2018	3,786,942	4.0%	25.532%	-6.2%
2019	3,938,420	4.0%	25.555%	0.1%
2020	4,135,340	5.0%	25.414%	-0.6%
2021	4,280,080	3.5%	25.089%	-1.3%
2022	4,472,680	4.5%	26.544%	5.8%
2023	4,785,770	7.00%	24.516%	-7.6%

2022 Tax Rates for Cities in Ramsey County

City	Tax Rate
White Bear Lake	22.27
Little Canada	25.55
Vadnais Heights	26.14
Arden Hills	26.54
White Bear Township	27.18
Lauderdale	29.60
Shoreview	32.96
Blaine	35.11
Mounds View	35.18

City	Tax Rate
New Brighton	37.30
Gem Lake	38.12
Roseville	38.48
Falcon Heights	38.80
Maplewood	43.66
North St. Paul	44.14
Spring Lake Park	47.11
St. Paul	47.99
St. Anthony	64.70

Proposed Tax Levy

	2019	2020	2021	2022	Proposed 2023	Increase (Decrease)	% Change
General Fund	3,518,420	3,665,340	3,760,080	3,902,680	4,165,770	263,090	6.7%
EDA Fund	120,000	100,000	100,000	100,000	100,000	-	0.0%
Capital Improvements							
Equipment/Bldg Replacement	50,000	50,000	50,000	50,000	50,000	-	0.0%
PIR	200,000	250,000	250,000	250,000	250,000	-	0.0%
Public Safety	50,000	70,000	120,000	170,000	220,000	50,000	29.4%
Total Capital Improvements	300,000	370,000	420,000	470,000	520,000	50,000	10.6%
Debt Service	-	-	-	-	-	-	N/A
TOTAL LEVY	3,938,420	4,135,340	4,280,080	4,472,680	4,785,770	313,090	7.0%
<i>Change from previous year</i>	4.0%	5.0%	3.5%	4.5%	7.00%		

Other Funds Relying on Tax Levy Dollars

EDA Fund – Proposed tax levy to remain the same at \$100,000.

Public Safety Capital Fund – Propose to increase the tax levy for this fund through 2025. The 2023 budget currently includes a \$50,000 increase which will bring the tax levy to \$220,000. This budget also includes setting aside \$70,000 of the General Fund levy in anticipation of future staffing needs.

Equipment/Building Replacement Fund – The plan is to develop a replacement schedule for all City equipment. Based on the results, the tax levy will be adjusted accordingly. Current levy set at \$50,000.

PIR Fund – More revenues will eventually be required to support City infrastructure projects. Proposed tax levy to remain the same at \$250,000.

Council Feedback

- Current wage and benefit assumptions include a 3% COLA. Should this assumption be changed?
- The LJFD staffing models projected a 2023 tax levy need of either \$75,000 or \$125,000. The current 7.0% levy increase reflects setting aside \$70,000 for LJFD future staffing while maintaining an underfunded amount in the General Fund of \$161,260.

Questions?
Comments?