

**CITY OF NISSWA
AGENDA – SPECIAL CITY COUNCIL MEETING
WEDNESDAY, JULY 24, 2019
6:00 PM
NISSWA CITY HALL**

- A.** Call to Order
- B.** Update Regarding the Hwy 371/CSAH 13/77 Intersection Project
 - 1. Trail on CSAH 13 along American National Bank and Lutheran Church of the Cross (Council Action-Motion)
 - 2. Municipal Consent and Local City Cost Update (Council Information)
- C.** Preliminary 2020 Budget Discussion
 - 1. Approve Purchase of 2020 Police Squad Not to Exceed \$33,500 (Council Action-Motion)
- D.** Adjourn

**CSAH 77/13 INTERSECTION
COST UPDATES**

July 24, 2019

Local (Nisswa) Project Cost	\$223,813.80		
+ Trail and Right of Way along CSAH 13	<u>\$ 95,000.00</u>		
Total	\$318,813.80	/3	= \$106,271.26/yr

If Crow Wing County's Local Cost Sharing Policy is amended in August 2019:

Local (Nisswa) Project Cost	\$144,969.04		
+ Trail and Right of Way along CSAH 13	<u>\$ 95,000.00</u>		
Total	\$239,969.04	/3	= \$79,989.68/yr

The payback period would be three years, beginning in 2021.

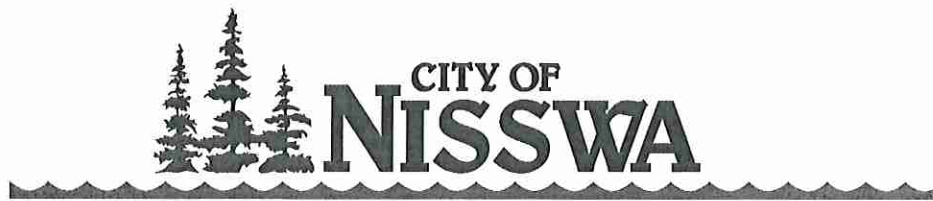
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**CITY OF NISSWA
PROPOSED 2020 BUDGET
BUDGET SUMMARY**

	2018 Prior year Budget	2019 Current year Budget	2020 Future year Budget	19 vs 20 Budget Incr/Decr \$	19 vs 20 Budget Incr/Decr %	
General Fund Revenues	\$ 2,646,902	\$ 2,834,586	\$ 2,834,586	-	0.00%	TBD
Expenditures						
COUNCIL	21,012	21,012	23,012	2,000	9.52%	Additional meetings
MAYOR	6,098	6,098	6,098	-	0.00%	
ELECTION	2,800	2,000	3,500	1,500	75.00%	3 elections in 2020
CITY CLERK	198,285	225,901	233,901	8,000	3.54%	
ACCOUNTING	18,000	18,000	17,000	(1,000)	-5.56%	
ATTORNEY	20,000	25,000	25,000	-	0.00%	
PLANNING & ZONING	110,967	118,989	117,140	(1,849)	-1.55%	
GOVERNMENT BLDGS	53,304	66,129	64,404	(1,725)	-2.61%	
PUBLIC RESTROOM	10,000	12,780	11,600	(1,180)	-9.23%	
POLICE	620,356	642,173	669,131	26,958	4.20%	Subscriptions, insurance
FIRE ADMIN	143,000	143,000	143,000	-	0.00%	
PUBLIC SAFETY	1,060	1,060	1,060	-	0.00%	
ANIMAL CONTROL	5,800	5,800	4,500	(1,300)	-22.41%	
HWYS & STREETS	616,493	618,193	725,337	107,144	17.33%	County cost, equipment
STREET LIGHTS	17,250	18,830	17,500	(1,330)	-7.06%	
SANITATION	46,000	46,000	46,000	-	0.00%	\$90,000 in 2020; upgrades?
ECONOMIC DEV	3,795	3,795	4,000	205	5.40%	BLAEDC, Initiative Found
DEBT SERVICE	499,594	559,277	587,008	27,731	4.96%	2014 Bond off; 2018 Bond on
CEMETERY	10,450	10,650	16,000	5,350	50.23%	future expansion reserve
UNALLOCATED EXP	281,899	289,899	301,495	11,596	4.00%	Gen Insurance
General Fund Expenditures	\$ 2,686,164	\$ 2,834,586	\$ 3,016,686	\$ 182,100	6.42%	
Net Surplus/(Deficit)	\$ (39,262)	\$ -	\$ (182,100)			
Proprietary Funds						
Revenues	\$ 4,290,780	\$ 4,547,510	\$ 4,547,510	-	0.00%	
Expenditures	4,284,651	4,502,062	4,502,062	-	0.00%	
Net Surplus/(Deficit)	\$ 6,129	\$ 45,448	\$ 45,448			
Nonmajor Funds						
Revenues	\$ 449,532	\$ 477,052	\$ 480,266	3,214	0.67%	
Expenditures	452,524	477,052	480,266	3,214	0.67%	
Net Surplus/(Deficit)	\$ (2,992)	\$ -	\$ -			
TOTAL ALL FUNDS						
Revenues	\$ 7,387,214	\$ 7,859,148	\$ 7,862,362	3,214	0.04%	
Expenditures	7,423,339	7,813,700	7,999,014	185,314	2.37%	
Net Surplus/(Deficit)	\$ (36,125)	\$ 45,448	\$ (136,652)			

City of Nisswa
Proposed 2019 Budget
Proprietary / Nonmajor Funds

		2018	2019	2020	19 vs 20	19 vs 20	
		Prior year	Current year	Future year	Budget	Budget	
		Budget	Budget	Budget	Incr/Decr \$	Incr/Decr %	
Proprietary							
Receipts	WASTEWATER	487,430	536,211	536,211	-	0.00%	<i>Budget in progress</i>
Disbursem.	WASTEWATER	444,560	500,440	500,440	-	0.00%	
	Net Surplus/(Deficit)	42,870	35,771	35,771			
Proprietary							
Receipts	PICKLE	1,010,800	1,010,900	1,010,900	-	0.00%	<i>Budget in progress</i>
Disbursem.	PICKLE	969,923	1,001,223	1,001,223	-	0.00%	
	Net Surplus/(Deficit)	40,877	9,677	9,677			
Proprietary							
Receipts	SPIRITS	2,792,550	3,000,399	3,000,399	-	0.00%	<i>Budget in progress</i>
Disbursem.	SPIRITS	2,870,168	3,000,399	3,000,399	-	0.00%	
	Net Surplus/(Deficit)	(77,618)	-	-			
Nonmajor							
Receipts	FIRE ^	210,412	210,412	210,412	-	0.00%	<i>Budget finalized early 2020</i>
Disbursem.	FIRE ^	210,412	210,412	210,412	-	0.00%	
	Net Surplus/(Deficit)	-	-	-			
	^ Finalize early 2019						
Nonmajor							
Receipts	COMM. CENTER	19,000	20,000	20,000	-	0.00%	
Disbursem.	COMM. CENTER	19,000	20,000	20,000	-	0.00%	
	Net Surplus/(Deficit)	-	-	-			
Nonmajor							
Receipts	PARK AND REC	220,120	246,640	249,854	3,214	1.30%	
Disbursem.	PARK AND REC	223,112	246,640	249,854	3,214	1.30%	
	Net Surplus/(Deficit)	(2,992)	-	-			



July 24, 2019

To: Nisswa City Council
 From: Jenny Max, City Administrator

Re: 2020 General Fund Proposed Budget Comments

Background Information:

Council feedback regarding cost of living (COLA) adjustment and health insurance contribution for 2020.

As of June 2019, the CPI for the Midwest region was 1.2%. I have prepared three scenarios of COLA adjustments for the Council at 1.0%, 1.5% and 2.0%. All eligible employees will receive a step on January 1st unless they are already at the top.

The draft budget summary currently reflects a 1.0% COLA adjustment.

		<u>Total Wages</u> (current)			
2019	<i>Total General Fund</i>	\$ 863,506			
	<i>Total Enterprise Funds</i>	525,329			
<hr/>					
<u>2020 Proposed COLA wage adjustment:</u>					
		<u>Total Wages</u>	<u>\$ Inc PY</u>	<u>% Inc PY</u>	<u>% of Budget</u>
1.0% COLA	<i>Total General Fund</i>	\$ 878,373	\$ 14,867	1.72%	0.55%
	<i>Total Enterprise Funds</i>	536,647	11,318	2.15%	0.26%
1.5% COLA	<i>Total General Fund</i>	880,439	16,933	1.96%	0.63%
	<i>Total Enterprise Funds</i>	538,061	12,732	2.42%	0.30%
2.0% COLA	<i>Total General Fund</i>	882,506	19,000	2.20%	0.71%
	<i>Total Enterprise Funds</i>	539,475	14,146	2.69%	33.02%

For health insurance, the Medica renewal came in with a 12-15% increase in rates. At this time I propose a percentage increase to the current health insurance contribution of 5%. The current single and family contribution is \$745 and \$1,150 per month, respectively. A 5% increase to the contribution amounts would equal \$782.25 and \$1,207.50 per month for single and family, respectively.

		<u>Total Health</u> (current)				
2019	Total General Fund	\$	174,150			
	Total Enterprise Funds		93,252			
Proposed Health Insurance adjustment:						
		<u>Total Health</u>	<u>\$ Inc PY</u>	<u>% Inc PY</u>	<u>% of Budget</u>	
5% Inc.	Total General Fund	\$	177,755	\$ 3,605	2.03%	0.13%
	Total Enterprise Funds		97,740	4,488	4.58%	0.10%
Current contribution = \$745 single and \$1,150 family per month						
5% increase = \$782.25 single and \$1,207.50 family per month						

Notes on specific department expenditures:

Council – Increase due to additional meetings in 2019; expect similar activity in 2020.

Election – There is a new Presidential Primary taking place in March 2020. A 3rd election will increase local city costs.

Government Buildings, Public Restrooms and Highways & Streets – It is not reflected in this budget draft but I will discuss the option of epoxy flooring and the needs we have for this.

City Clerk – Increase due to wages, health insurance and a small supply increase.

Police – Increase due to wages, health insurance, property insurance, and subscriptions for body camera cloud storage, scheduling software, etc. **Council Action requested** to order the 2020 squad at a cost not to exceed \$33,500.

Highways & Streets - Increase due to wages, health insurance, County/State cost sharing (\$50,000) and new equipment rotation program (\$31,500). Equipment rotation will be discussed at Public Works Committee level and a recommendation brought to the Council's next budget meeting.

Sanitation – The requested funding from Waste Partners to the County for SCORE funds is \$90,000.

Debt Service – First full year of new 2018 bond on the books and first full year without the 2014 bond.

Unallocated – Increase mainly due to property insurance rate increase.