



CITY COUNCIL WORK SESSION AGENDA

AFTON CITY COUNCIL CHAMBERS
3033 St. Croix Trail South (See Note Below)

Monday, August 24, 2020
At 5:00 p.m.

Note: Due to the Covid-19 Virus and the Governor's Executive Order, the August 24, 2020 City Council work session will be held remotely using the Zoom video conference application.

To Join the Zoom Meeting:

The Link is: <https://us02web.zoom.us/j/81442549790>

Meeting ID: 814 4254 9790

To Dial In, the call-in number is +1 312 626 6799
The meeting ID is 814 4254 9790

One tap mobile
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CALL TO ORDER

- 1. ROLL CALL**
- 2. APPROVAL OF AGENDA – August 24, 2020 Council Work Session**
- 3. CITY COUNCIL BUSINESS**
 - A. Mid-Year Financial Review and 2021 Preliminary Budget**
- 4. Adjourn**

A quorum of one or more City commissions or committees may be present to receive information during this meeting

City of Afton
3033 St. Croix Trl, P.O. Box 219
Afton, MN 55001

Meeting Date August 24, 2020

Council Memo

To: Mayor Palmquist and City Council Members
From: Ron Moorese, City Administrator
Date: August 24, 2020
Re: 2020 Mid-Year Financial Review and 2021 Preliminary Budget Overview

2020 Mid-Year Financial Review

Tom Niedzwiecki, City Accountant, will provide a 2020 mid-year financial review to update the Council on the status of the 2020 operating budget as well as other key financial items. The information provided in the mid-year financial review will also assist the Council in its work regarding the development of the 2021 budget. The attached 2021 budget spreadsheet includes 2020 year-to-date information for all budget line-items.

2021 Preliminary Budget Overview

Attached is a 2021 Preliminary Budget Overview that outlines and highlights the key elements of the 2021 budget and tax levy. Also attached is the 2021 line-item budget that provides the budget detail. Lastly, the PWCOPS spreadsheet, which has identified public works activities that need to be scheduled and funded, is also attached.

The purpose of the initial budget work session is to walk through and discuss the 2021 Preliminary Budget Overview, clarify any questions the Council has, identify initial revisions needed and any additional information needed, and make a preliminary determination about a tax levy increase target.

City of Afton 2021 Preliminary Budget Overview

The following is an overview of the City of Afton preliminary 2021 budget and tax levy. The preliminary 2021 budget reflects an on-going effort to provide sufficient funding to meet current and long term capital improvement needs, including street improvements and bridge improvements, and to provide a plan for funding Public Works capital and operating expenses over the long term, as well as to provide additional speed enforcement and absorb increased costs for contracted services, while managing the impact on the tax levy.

General Fund Budget

The General Fund Budget includes expenditures and revenues related to the general day-to-day operation of the City. The line-item General Fund Budget, along with a listing of all property tax levies, including tax levies for debt service and capital improvement funding, as well as a number of smaller tax levy amounts, is attached.

General Fund Expenditure Highlights

The preliminary 2021 General Fund expenditures are \$1,407,335 (see Overall Total Expenditures on page 7 of the budget spreadsheet). This is an increase of \$67,619, or 5.0% over the 2020 budget.

An outline of the key items affecting the General Fund expenditures is as follows:

- Fire and ambulance service expense is up \$16,107, or 6.1%
- General Police Service expense is up \$ 10,700 or 5.4%
- Additional patrols expense is up \$12,000, or 240% to reflect increased additional speed enforcement patrol hours to maintain the higher level approved in mid-2020.
- Accounting expense is up \$5,000, or 17.2%, due to the planned increased fee level for accounting services
- Building Inspection fees expense is up \$6,500, or 16.9% to reflect higher building activity. These fees are more than offset by increased building permit revenue.

General Fund Revenue Highlights

- All revenues are generally flat. While actual Building Permit revenue is higher than the amount budgeted, the City has been budgeting these revenues conservatively.

Public Works Capital and Operating Expenses and Funding Sources

The Public Works Committee, working with the City Engineer, has identified all necessary public works activities and the annual funding needed for those activities. Some of the activities are already funded, at least partially, through the General Fund Operating Budget and/or the Special Activities Fund and/or the Sanitary Sewer Fund. Attached is the PWCOPS spreadsheet listing the activities and the annual funding needed.

There are four accounts in the Special Activities Fund that are currently funded with annual levies and that have significant available balances. These are as follows:

Existing Funding in the Special Activities Fund

- Stormwater Funding: Annual levy of \$3,500. Current balance of \$42,683.
- Parks and trails major repairs: Annual levy of \$5,500. Current balance of \$41,709

- Sidewalk repairs: Annual levy of \$500. Current balance of \$18,750.
- Flood Control: Annual levy of \$5,500 Current balance of \$51,667

Tax Levies and Transfers

General Fund Levy

- The preliminary 2021 General Fund tax levy is \$1,143,154. This is an increase of \$65,472, or 6.1% over the 2020 General Fund levy.

Capital Improvement Levies

- Street Improvement Levy

The total 2021 levy for street improvements (\$610,500) which is comprised of the \$220,500 Street Improvement Capital Fund levy and the \$390,000 debt service levy for the 2017B Road Bond, reflects an increase of \$50,000 or 9% over the 2020 levy for street improvements, as called for by the long term street improvement funding plan to enable pay-as-you-go funding.

- Bridge Replacement Levy

The Bridge Replacement Fund Levy reflects an increase from \$51,000 to \$52,000.

Debt Service Levies

- The debt service levy for the 2014 Road Bonds is up \$15,000 or 5.2% to reflect the amortization schedule with increasing annual payments.
- A new debt service levy of \$18,000 has been added to begin to build up a sufficient annual levy to fund the debt service on a planned bond issue to pay the unexpectedly large judgement in the easement condemnation matter involving the Afton House.

Total Tax Levy

The preliminary 2021 budget results in a total tax levy, including the General Fund levy and the debt service and transfer levies, of \$2,505,179 (see Total Property Taxes on page 1 of the budget spreadsheet). This is an increase of \$142,158, or 6.02% over the total 2020 levy.

Impact of Tax Levy On Property Owners

The proposed tax levy increase of 6.02% would have the following impacts on the City's share of property taxes:

Residential property valued at \$200,000: tax increase of \$ 38.32, or 6.86%

Residential property valued at \$500,000: tax increase of \$107.02, or 6.95%

Commercial property valued at \$500,000: tax increase of \$ 86.29 or 6.78%

Capital Improvement Projects and Funding

Street and Bridge Improvements Planning

Streets

To provide sufficient funding for the completion of the remaining 6.5 miles of planned street improvements, as well as to enable pay-as-you-go funding for future street improvements, the long term street improvement funding plan calls for a levy increase of \$50,000 in 2021. The balance in the

Street Improvement Fund in 2021 will be approximately \$1 million, after funding the cost of the 30th Street Improvement Project. This balance will be available to fund a street improvement project in 2021

Bridges

In 2018, the Council authorized a levy of \$49,671 for bridge and other infrastructure replacement, as a first step in providing sufficient funding for bridge replacement needs. The 2021 proposed budget reflects a levy in the amount of \$52,000.

Downtown Village Improvement Project

The Downtown Village Improvement Project is now substantially complete. There is a funding gap for the project, mostly related to a large judgement in the easement condemnation matter involving the Afton House, and also related to legal costs for assessment appeals and easement condemnation processes. The magnitude of the funding gap is uncertain at this time, due to the City's appeal of the Afton House condemnation award and other condemnation hearings that are yet to be held.

The costs related to the 2020 pay-off of the temporary bonds used to provide cash flow for the Downtown Project, as well as the costs related to the River Road Sewer Lines Replacement Project that was completed in 2020, were funded by a short term bond issue that filled a small gap between cash on hand and the amount of the temporary bonds payoff, and also funded the River Road Sanitary Sewer Project. The debt service on the short term bonds is being funded with planned project revenues to be received in the next three years and by in-place debt service levies.

When the final costs of the Afton House easement condemnation matter are determined, an additional bond issue will be needed to fund the final judgement amount. To avoid a very large one-time increase in the tax levy for the debt service on the bonds, it is recommended that the tax levy for the debt service costs be increased incrementally starting in 2021. The preliminary 2021 budget reflects a new levy of \$18,000 for this purpose.

Sanitary Sewer Budget and Tax Levy

The 2021 preliminary budget includes a separate operating budget for the Sanitary Sewer operation to account for the operating costs of the wastewater collection and treatment system, particularly the costs of operating the wastewater treatment facility and the costs of periodic maintenance of lift stations and sewer lines, as well as to account for the user fee revenues necessary to fund the operating costs. The operating costs are somewhat low because a significant number of properties have not hooked up to the sewer system. On the other hand, the operating revenues are low because those properties are not yet paying sewer user fees. The 2021 budget continues a levy of \$15,000 to supplement user fees, if necessary.

City of Afton
Preliminary 2021 General Fund Budget

	Audited 2017	Audited 2018	Audited 2019	Year to Date 7/31/2020	Annual Budget 2020	Remaining Budget \$	Annual Budget 2021	Increase (Decrease) 2021 minus 2020 Budget	
								\$	%
#100 GENERAL FUND									
A: Revenue									
1-PROPERTY TAXES:									
4000 General Fund Levy	974,335	984,222	1,024,956	622,059	1,077,682	455,622	1,143,154	65,472	6.1%
4005 Fiscal Disparity	46,265	54,350	63,842	47,350	75,075	27,725	68,722	(6,353)	-8.5%
4015 Delinq Taxes, Penalties & Int	10,629	17,503	11,546	7,780	0	(7,780)	0	0	
4013 Street Improvement Capital Fund	375,000	70,000	120,500	85,250	170,500	85,250	220,500	50,000	29.3%
6928 Special Reserve Fund	9,500	5,000	100	100	100	0	100	0	0.0%
6932 Stormwater Fund	3,500	3,500	3,500	1,750	3,500	1,750	5,500	2,000	57.1%
6933 Vehicle/Equipment Replacement Fund	2,500	2,500	2,500	1,250	2,500	1,250	2,000	(500)	-20.0%
6935 Comprehensive Plan/Planning	4,000	4,000	4,000	1,750	3,500	1,750	2,000	(1,500)	-42.9%
6936 Flood Fund	5,500	5,500	5,500	2,750	5,500	2,750	2,500	(3,000)	-54.5%
6937 DNR Levee Project Grant Match	95,000	95,000	95,000	0	0	0	0	0	
4877 2020A Disposal Sys Bd (Redirect DNR Match)	0	0	0	47,500	95,000	47,500	95,000	0	0.0%
6934 Codification	100	100	500	250	500	250	500	0	0.0%
4843 MN Unemployment Claims	1,000	1,000	1,000	500	1,000	500	1,000	0	0.0%
4847 Election Fund	5,500	5,500	5,500	3,500	7,000	3,500	7,000	0	0.0%
6366 City Council Contingency Fund	0	0	0	0	0	0	0	0	
4842 Audit and Legal Reserve	1,000	1,000	100	100	100	0	100	0	0.0%
4844 Parks Capital Repairs/Trail & Ped Bridge	5,500	5,500	5,500	2,750	5,500	2,750	5,500	0	0.0%
4022 Afton Septic System - City Share Oper Exp	15,000	15,000	15,000	7,500	15,000	0	15,000	0	0.0%
4017 Bridge Replacement Fund	0	49,671	50,000	25,500	51,000	0	52,000	1,000	2.0%
4846 Sidewalk	2,000	2,000	500	250	500	250	500	0	0.0%
4012 Bldg & Land Capital Fund	6,000	6,000	6,000	3,000	6,000	3,000	7,000	1,000	16.7%
4818 City Share High Speed Internet	50,000	0	0	0	0	0	0	0	
Subtotal - General Prop Tax Levy	1,612,329	1,327,346	1,415,544	860,889	1,519,957	626,067	1,628,076	108,119	7.1%
4050 Debt Service Levy, Fire Hall Remodeling	49,833	49,784	49,624	24,532	49,064	24,532	50,103	1,039	2.1%
4878 Debt Serv Levy - 2020A Disposal Sys Bd	0	0	0	21,000	42,000	21,000	42,000	0	0.0%
4897 Debt Service Levy, Condemnation Bond	0	0	0	0	0	0	18,000	18,000	
4898 Debt Service Levy, Dwtwn Imp Tmp Bond	28,000	73,000	37,000	0	0	0	0	0	
4899 Debt Service Levy, PFA Loans	70,000	27,000	70,000	36,000	72,000	36,000	72,000	0	0.0%
4726 Debt Service Levy, 2017B Road Bond	0	390,000	390,000	195,000	390,000	195,000	390,000	0	0.0%
4725 Debt Serv Levy - 2014A Road Bond	260,000	260,000	275,000	145,000	290,000	145,000	305,000	15,000	5.2%
TOTAL PROPERTY TAXES	2,020,162	2,127,130	2,237,168	1,282,421	2,363,021	1,047,599	2,505,179	142,158	6.02%

City of Afton
Preliminary 2021 General Fund Budget

	Audited 2017	Audited 2018	Audited 2019	Year to Date 7/31/2020	Annual Budget 2020	Remaining Budget \$	Annual Budget 2021	Increase (Decrease) 2021 minus 2020 Budget	
								\$	%
2-INTERGOVERNMENTAL REVENUE:									
4100 Gravel Tax/West Lakeland Cent College	(2,267)	(2,510)	(2,545)	(2,635)	(2,500)	135	(2,500)	0	0.0%
4108 MV Credit - Ag	10,423	10,635	5,292	0	4,000	4,000	4,000	0	0.0%
4112 PERA Rate Increase Aid	634	634	634	0	634	634	634	0	0.0%
4175 Agricultural perserve credit	1,064	568	5,994	0	500	500	500	0	0.0%
TOTAL INTERGOV'T REVENUES	9,854	9,327	9,376	(2,635)	2,634	5,269	2,634	0	0.0%
3-CHARGES FOR SERVICES:									
4205 Assessment Search	60	80	60	10	35	25	35	0	0.0%
4210 Sale of Copies	8	73	0	0	100	100	100	0	0.0%
4215 Rent of City Garage	0	500	2,500	2,000	500	0	1,500	1,000	200.0%
TOTAL CHARGES FOR SERVICES	68	653	2,560	2,010	635	125	1,635	1,000	157.5%
4-FINES & FORFEITURES:									
4300 County Fines & Fees	11,061	8,700	13,706	5,824	10,000	4,176	10,000	0	0.0%
4305 Other Fines & Forfeitures	0	0	0	0	250	250	250	0	0.0%
TOTAL FINES & FORFEITURES	11,061	8,700	13,706	5,824	10,250	4,426	10,250	0	0.0%
5-LICENSES, FEES, PERMITS:									
4400 Building Permit Fees - Afton	193,823	105,130	151,857	126,954	91,000	(35,954)	98,500	7,500	8.2%
4401 Building & Eng'g Inspection Fees	2,390	1,445	5,005	971	1,000	29	1,000	0	0.0%
4404 4th of July permits	0	0	0	0	0	0	0	0	0.0%
4405 Pet License & Impound Fees	1,055	230	680	95	300	205	300	0	0.0%
4410 Liquor Licenses	3,500	1,750	3,350	3,500	3,000	(500)	3,000	0	0.0%
4415 Other Licenses	1,119	1,496	859	401	350	(51)	350	0	0.0%
4435 R-O-W Permit/Utility Permit Fees	3,500	500	2,000	1,500	1,750	250	1,750	0	0.0%
4437 Utility Franchise Fees	62,497	59,174	62,196	33,590	59,000	25,410	59,000	0	0.0%
4440 Zoning Fees & Permits	11,475	5,690	5,190	2,102	4,000	1,898	4,000	0	0.0%
TOTAL LICENSES, FEES, PERMITS	279,359	175,415	231,138	169,112	160,400	(8,712)	167,900	7,500	4.7%

City of Afton
Preliminary 2021 General Fund Budget

	Audited 2017	Audited 2018	Audited 2019	Year to Date 7/31/2020	Annual Budget 2020	Remaining Budget \$	Annual Budget 2021	Increase (Decrease) 2021 minus 2020 Budget	
								\$	%
7-MISCELLANEOUS REVENUE:									
4601 Insurance dividend	998	471	1,195	375	500	125	500	0	0.0%
4604 Park rental & cleaning fees	225	275	675	100	250	150	250	0	0.0%
4615 Settlements/Other Income/Transfer	609	716	226	0	0	0	0	0	0.0%
TOTAL MISCELLANEOUS REVENUE	1,832	1,462	2,096	475	750	275	750	0	0.0%
9-OTHER GRANTS:									
4810 County Grant-recycling grant	7,210	7,210	6,676	7,262	7,090	(172)	7,090	0	0.0%
4814 Cable Commission Distribution	1,500	1,200	1,200	1,200	1,200	0	1,200	0	0.0%
TOTAL OTHER GRANTS	8,710	8,410	7,876	8,462	8,290	(172)	8,290	0	0.0%
10-INTEREST REVENUES:									
4901 Interest - 4M Fund General	12,772	10,329	9,342	2,712	4,000	1,288	4,000	0	0.0%
4905 Miscellaneous Income	0	0	0	0	0	0	0	0	0.0%
TOTAL INTEREST REVENUES	12,772	10,329	9,342	2,712	4,000	1,288	4,000	0	0.0%
TOTAL REVENUES	2,343,818	2,341,426	2,513,261	1,468,382	2,549,980	1,050,098	2,700,638	150,658	5.91%

City of Afton
Preliminary 2021 General Fund Budget

	Audited 2017	Audited 2018	Audited 2019	Year to Date 7/31/2020	Annual Budget 2020	Remaining Budget \$	Annual Budget 2021	Increase (Decrease) 2021 minus 2020 Budget	
								\$	%
B: EXPENDITURES									
1-WAGES & BENEFITS:									
5002 Mayor & Council	13,200	13,200	13,200	7,700	13,200	5,500	13,200	0	0.0%
5004 City Administrator	92,150	92,150	97,330	57,808	105,000	47,192	108,000	3,000	2.9%
5005/511 Intern(s)/Contract Office Admin	5,221	300	0	0	500	500	500	0	0.0%
5007 Office Assistant	21,793	23,705	24,866	10,747	27,550	16,803	28,350	800	2.9%
5008 City Clerk	28,930	39,171	50,450	26,302	56,130	29,828	57,800	1,670	3.0%
5020 Maintenance Personnel (incl Mileage)	24,076	27,916	31,848	17,242	37,000	19,758	37,000	0	0.0%
5014 FICA & Medicare	18,047	18,133	17,793	9,853	18,313	8,460	18,731	418	2.3%
5018/37 Ins Benefits (Disability)and Other Fin'l (CA)	26,627	26,863	27,961	16,497	27,120	10,623	27,120	0	0.0%
5053 PERA	12,771	13,913	16,490	8,491	18,552	10,061	18,976	424	2.3%
5024 Workers Comp Insurance	0	2,691	4,638	4,359	3,100	(1,259)	3,100	0	0.0%
TOTAL WAGES & BENEFITS	242,815	258,042	284,577	158,998	306,465	147,466	312,777	6,312	2.1%
2-PROFESSIONAL SERVICES:									
5120 Contract - Videographer	2,475	3,691	3,804	765	4,000	3,235	4,000	0	0.0%
5302 Assessor Fees	22,215	23,592	26,015	26,511	26,500	(11)	27,200	700	2.6%
5304 Accounting fees	17,130	17,637	26,527	17,025	29,000	11,975	34,000	5,000	17.2%
5305 Auditing fees	6,600	10,875	19,295	16,870	15,000	(1,870)	17,000	2,000	13.3%
5310 Engineering Fees	24,410	34,079	44,580	19,113	25,000	5,887	27,000	2,000	8.0%
5315 Recording fees	0	552	644	92	300	208	300	0	0.0%
5320 Legal fees - Prosecution	27,943	26,374	32,020	16,982	30,000	13,018	31,000	1,000	3.3%
5321 Legal fees - General/Civil	19,082	21,652	20,581	14,518	24,000	9,482	25,000	1,000	4.2%
5323 Legal fees - Special/Co-Pays	0	0	0	354	0	(354)	0	0	
5330 Planning Fees	6,200	5,368	593	0	4,200	4,200	4,500	300	7.1%
5335 Other Fees for Service/YSB/4H	1,150	0	202	0	1,500	1,500	1,500	0	0.0%
5350 Building Inspection Fees - Stensland	82,429	47,634	64,093	58,523	38,500	(20,023)	45,000	6,500	16.9%
5360 Misc Dev Fees	0	0	0	0	0	0	0	0	
5370 Well Monitoring Program	0	1,075	2,182	0	2,000	2,000	2,000	0	0.0%
5380 Watershed Management	596	596	596	638	600	(38)	600	0	0.0%
TOTAL PROFESSIONAL SERVICES	210,230	193,125	241,133	171,391	200,600	29,209	219,100	18,500	9.2%

City of Afton
Preliminary 2021 General Fund Budget

	Audited 2017	Audited 2018	Audited 2019	Year to Date 7/31/2020	Annual Budget 2020	Remaining Budget \$	Annual Budget 2021	Increase (Decrease) 2021 minus 2020 Budget	
								\$	%
4-OTHER EXPENDITURES:									
5500 Office Equipment	0	0	0	0	700	700	700	0	0.0%
5505 Bank/IRS Fees/Penalties/Interest	314	873	452	288	400	112	500	100	25.0%
5510 Comp Svc (All HW/SW, GIS, Web, Email)	6,900	16,830	9,344	8,806	11,000	2,194	11,000	0	0.0%
5516 Copier Lease	2,760	2,521	2,760	1,610	3,500	1,890	3,000	(500)	-14.3%
5520 Equipment Maintenance	0	0	0	0	500	500	500	0	0.0%
5525 Insurance-General Liability	15,962	21,705	21,722	23,438	22,500	(938)	24,000	1,500	6.7%
5535 Misc. Expense	574	113	509	144	1,500	1,356	1,000	(500)	-33.3%
5540 Office Supplies	3,563	3,230	2,978	2,405	4,000	1,595	3,500	(500)	-12.5%
5545 Other Administration	320	120	41	281	500	219	500	0	0.0%
5550 Postage	3,847	4,266	2,315	995	3,800	2,805	3,000	(800)	-21.1%
5555 Publishing & Printing	407	1,143	846	1,196	2,000	804	2,000	0	0.0%
5560 Newsletter	4,804	4,144	6,326	3,690	5,000	1,310	6,000	1,000	20.0%
5565 Telephone	3,051	3,595	3,595	2,181	3,500	1,319	3,500	0	0.0%
5575 Travel & Mileage	186	162	416	59	500	441	500	0	0.0%
5580 Membership & Dues	3,229	3,384	3,474	46	3,300	3,254	3,300	0	0.0%
5585 Seminars & Education incl ICMA	1,059	2,576	1,535	275	2,600	2,325	2,600	0	0.0%
TOTAL OTHER EXPENDITURES	46,976	64,662	56,312	45,414	65,300	19,886	65,600	300	0.5%
SUBTOTAL GENERAL & ADMINISTRATIVE	500,021	515,829	582,021	375,803	572,365	196,561	597,477	25,112	4.4%
5-PUBLIC SAFETY:									
5605 Animal Control	1,280	2,884	3,416	1,039	3,500	2,461	3,500	0	0.0%
5625 Fire & Ambulance Service	243,296	249,166	260,296	197,738	263,651	65,913	279,758	16,107	6.1%
5636 Police Service - Additional Patrols	0	2,044	2,448	1,241	5,000	3,760	17,000	12,000	240.0%
5635 Police Service - County	176,419	186,346	189,238	99,805	199,300	99,495	210,000	10,700	5.4%
TOTAL PUBLIC SAFETY	420,995	440,440	455,398	299,823	471,451	171,628	510,258	38,807	8.2%
6-PUBLIC HEALTH:									
5705 Recycling - Afton	525	(304)	(28)	0	500	500	500	0	0.0%
5720 Refuse Hauling - City Hall	745	945	469	255	1,000	745	1,000	0	0.0%
TOTAL PUBLIC HEALTH	1,270	641	441	255	1,500	1,245	1,500	0	0.0%

City of Afton
Preliminary 2021 General Fund Budget

	Audited 2017	Audited 2018	Audited 2019	Year to Date 7/31/2020	Annual Budget 2020	Remaining Budget \$	Annual Budget 2021	Increase (Decrease) 2021 minus 2020 Budget	
								\$	%
7-STREETS:									
5820 Gravel Road Maintenance	13,721	10,348	6,567	0	0	0	0	0	
5825 Crackseal/Seal Coat/Gravel Shouldering	33,098	50,469	13,543	1,757	70,000	68,243	70,000	0	0.0%
5830 Snow & Ice Control	76,152	132,082	138,959	55,350	115,000	59,650	120,000	5,000	4.3%
5835 Surf maint/Sweeping/Pothole Repair	28,672	2,262	15,379	10,180	10,000	(180)	10,000	0	0.0%
5845 Brush/Tree/Mow/Bridge/Culvert/Guardrail	80,978	45,273	57,858	40,137	52,000	11,863	52,000	0	0.0%
5850 Street Lights	4,494	3,397	1,810	1,034	5,000	3,966	2,500	(2,500)	-50.0%
5855 Gas Lamps - Operating Costs	1,236	1,393	0	0	0	0	0	0	
5860 Signs & Signals	2,624	1,879	9,100	6,191	3,500	(2,691)	5,000	1,500	42.9%
5870 Other - Road Maint.	888	1,608	2,000	1,365	2,000	635	2,000	0	0.0%
TOTAL STREETS	241,863	248,711	245,216	116,014	257,500	141,486	261,500	4,000	1.6%
9-OTHER PUBLIC WORKS EXPENDITURES:									
5910 Flood Control: Oper Pump/Levee Annual Maint	0	0	0	0	1,600	1,600	1,600	0	0.0%
5920 Repair \$ Maint - Equipment	1,506	2,481	4,278	1,721	3,000	1,279	3,500	500	16.7%
5925 Fuel & Lubricants	263	361	506	0	1,000	1,000	1,000	0	0.0%
5930 Tools & Minor Equipment	95	375	0	139	950	811	950	0	0.0%
5940 Sidewalk improvements	0	0	0	0	0	0	0	0	
TOTAL OTHER PUBLIC WORKS	1,864	3,217	4,784	1,860	6,550	4,690	7,050	500	7.6%
SUBTOTAL STREETS, REHAB & PUBLIC WORKS	243,727	251,928	250,000	117,874	264,050	146,176	268,550	4,500	1.7%
9-BUILDINGS & LAND:									
6010 Gas Heat - 3033 City Hall	533	0	1,167	838	2,200	1,362	1,200	(1,000)	-45.5%
6020 Electricity	2,039	2,750	2,482	1,352	2,000	648	2,000	0	0.0%
6030 Miscellaneous Expense	910	229	1,529	821	800	(21)	800	0	0.0%
6035 Cleaning	13	7	0	0	500	500	500	0	0.0%
6040 Repair & Maintenance	2,644	2,789	902	1,092	2,500	1,408	2,500	0	0.0%
6045 City Garage Exp - 1165 Stagecoach	2,147	4,588	2,864	1,960	2,500	540	2,500	0	0.0%
6046 Garage Exp - Sheriff & PW	0	0	488	1,137	1,000	(137)	500	(500)	-50.0%
6050 Supplies	536	1,519	940	577	550	(27)	750	200	36.4%
TOTAL BUILDINGS & LAND	8,822	11,882	10,371	7,778	12,050	4,272	10,750	(1,300)	-10.8%

City of Afton
Preliminary 2021 General Fund Budget

	Audited 2017	Audited 2018	Audited 2019	Year to Date 7/31/2020	Annual Budget 2020	Remaining Budget \$	Annual Budget 2021	Increase (Decrease) 2021 minus 2020 Budget	
								\$	%
12-PARKS & RECREATION:									
6105 4th of July Celebration	3,500	3,500	3,500	3,500	3,500	0	3,500	0	0.0%
6135 Park Maintenance	2,587	3,380	3,069	822	2,500	1,678	2,500	0	0.0%
6136 Park Utilities	0	0	3,288	1,812	3,000	1,188	3,500	500	16.7%
6140 Miscellaneous expense	16	238	238	456	300	(156)	300	0	0.0%
6205 Cemetery Maintenance	9,354	9,000	9,000	9,000	9,000	0	9,000	0	0.0%
TOTAL PARKS & RECREATION	15,457	16,118	19,095	15,590	18,300	2,710	18,800	500	2.7%
OVERALL TOTAL EXPENDITURES	1,190,292	1,236,838	1,317,326	817,123	1,339,716	522,592	1,407,335	67,619	5.0%

City of Afton
Preliminary 2021 General Fund Budget

	Audited 2017	Audited 2018	Audited 2019	Year to Date 7/31/2020	Annual Budget 2020	Remaining Budget \$	Annual Budget 2021	Increase (Decrease) 2021 minus 2020 Budget	
								\$	%
C: OTHER FINANCING SOURCES (USES)									
4050 Tax Levy to Fire Hall Debt Service Fund	(49,833)	(49,784)	(49,624)	(24,532)	(49,064)	(24,532)	(50,103)	(1,039)	2.1%
4877 Debt Serv Levy - 2020A Disposal Sys Bd	0	0	0	(21,000)	(42,000)	(21,000)	(42,000)	0	0.0%
4897 Debt Service Levy, Condemnation Bond	0	0	0	0	0	0	(18,000)	(18,000)	
4898 Tax Levy re Dwntrwn Imp Tmp Bonds	(28,000)	(73,000)	(37,000)	0	0	0	0	0	
4899 Debt Service Levy, PFA Loans	(70,000)	(27,000)	(70,000)	(36,000)	(72,000)	(36,000)	(72,000)	0	0.0%
4726 Debt Service Levy, 2017B Road Bond	0	(390,000)	(390,000)	(195,000)	(390,000)	(195,000)	(390,000)	0	0.0%
4725 Debt Service Levy, 2014A Road Bond	(260,000)	(260,000)	(275,000)	(145,000)	(290,000)	(145,000)	(305,000)	(15,000)	5.2%
6920 Oper trf to Bldg & Land Fund - Budgeted	(6,000)	(6,000)	(6,000)	(3,000)	(6,000)	(3,000)	(7,000)	(1,000)	16.7%
4818 City Share High Speed Internet	(50,000)	0	0	0	0	0	0	0	
6920 Oper trf to Bldg & Land Fund - Unbudgeted	(25,000)	0	0	0	0	0	0	0	
6921 Oper Trf to Street Imp - UnBudgeted	(100,000)	0	0	0	0	0	0	0	
6925 Oper trf to Street Imp- Budgeted	(375,000)	(70,000)	(120,500)	(85,250)	(170,500)	(85,250)	(220,500)	(50,000)	29.3%
6928 Oper Trf from(to) Special Reserve Fund	(9,500)	(5,000)	(100)	(100)	(100)	0	(100)	0	0.0%
6932 Oper Trf to Stormwater Fund	(3,500)	(3,500)	(3,500)	(1,750)	(3,500)	(1,750)	(5,500)	(2,000)	57.1%
6933 Oper Trf to Vehicle Fund	(2,500)	(2,500)	(2,500)	(1,250)	(2,500)	(1,250)	(2,000)	500	-20.0%
6935 Oper Trf to Comprehensive Plan	(4,000)	(4,000)	(4,000)	(1,750)	(3,500)	(1,750)	(2,000)	1,500	-42.9%
6936 Oper Trf to Flood Mitigation & Control	(5,500)	(5,500)	(5,500)	(2,750)	(5,500)	(2,750)	(2,500)	3,000	-54.5%
6937 Oper Trf to DNR Grant Match	(95,000)	(95,000)	(95,000)	0	0	0	0	0	
4877 Oper Trf to 2020A Disposal Sys Bond	0	0	0	(47,500)	(95,000)	(47,500)	(95,000)	0	0.0%
6934 Oper trf to Codification (Spec Act Fd)	(100)	(100)	(500)	(250)	(500)	(250)	(500)	0	0.0%
4843 Oper Trf to MN Unemployment Claims	(1,000)	(1,000)	(1,000)	(500)	(1,000)	(500)	(1,000)	0	0.0%
4747 Oper Trf to Election Fund	(5,500)	(5,500)	(5,500)	(3,500)	(7,000)	(3,500)	(7,000)	0	0.0%
6366 City Council Contingency Fund	(10,000)	0	0	0	0	0	0	0	
4842 Audit Legal Reserve	(1,000)	(1,000)	(100)	(100)	(100)	0	(100)	0	0.0%
4844 Oper Trf Parks Capital (Incl Trail & Ped Bridge)	(5,500)	(5,500)	(5,500)	(2,750)	(5,500)	(2,750)	(5,500)	0	0.0%
4022 Oper Trf to Afton Septic System - City Bldgs	(15,000)	(15,000)	(15,000)	(7,500)	(15,000)	(7,500)	(15,000)	0	0.0%
4846 Oper Trf to Sidewalk	(2,000)	(2,000)	(500)	(250)	(500)	(250)	(500)	0	0.0%
4017 Bridge Replacement Fund	0	(49,671)	(50,000)	(25,500)	(51,000)	(25,500)	(52,000)	(1,000)	2.0%
6954 Oper Trf to 807 Tmp Bond Debt Fund	0	(15,000)	0	0	0	0	0	0	
6929 Trf (to) fr Special Activities Fd (Various)	(25,000)	(15,000)	(59,000)	0	0	0	0	0	
TOTAL OTH FINANCING/TRANSFERS	(1,148,933)	(1,101,055)	(1,195,824)	(605,232)	(1,210,264)	(605,032)	(1,293,303)	(83,039)	6.9%
REVENUES OVER (UNDER) EXPENDITURES	\$4,593	\$3,533.00	\$110	\$46,026	0	(\$77,526)	0	77,526	
Fund Balance - Beginning of Period	\$328,212	\$332,805	\$336,339	\$336,450					
Fund Balance - End of Period	\$332,805	\$336,338	\$336,450	\$382,476					
Check Total (Actual) - Rev Over (Under) Exp	4,593.56	3,533.95	110.37	46,026.48					
Check Total (Actual) - Fund Balance	332,805.25	336,339.20	336,449.57	382,476.05					

City of Afton
Preliminary 2021 General Fund Budget

	Audited	Audited	Audited	Year to Date	Annual Budget	Remaining	Annual Budget	Increase (Decrease) 2021 minus 2020 Budget	
	2017	2018	2019	7/31/2020	2020	Budget \$	2021	\$	%
Total General Fund Expenses					1,339,716		1,407,335		
Less Fiscal Disparity Levy					(75,075)		(68,722)		
Less Non-Levy Revenue - General Fund					(186,959)		(195,459)		
General Fund Levy					1,077,682		1,143,154		
					0		0		

This is the balancing formula for the General Fund Levy

410 - Sanitary Sewer Operations (estimates)										
4022	Levy - Sanitary Sewer Operations	15,000	15,000	15,000	7,500	15,000	7,500	15,000	0	0.0%
4023	User Fees - Sanitary Sewer Operations	0	29,850	40,700	22,325	33,000	15,000	48,600	15,600	47.3%
4919	Interest Income - 4M Fund	0	13	953	186	0	0	0	0	
	Total Revenue	15,000	44,863	56,653	30,011	48,000	22,500	63,600	15,600	32.5%
6061	Wages & Benefits	0	0	0	0	0	0	0	0	
6062	Contract Services - Other	745	782	7,895	2,045	2,000	(45)	2,000	0	0.0%
6063	Maint Sewer Lines & Lift Stations	0	0	0	0	0	0	5,500	5,500	
6065	Oper & Mgmt Fees	1,508	20,509	19,136	11,063	22,000	10,937	22,500	500	2.3%
6066	Lab Fees	0	10,582	12,739	7,685	10,000	2,315	13,000	3,000	30.0%
6068	Electricity - Lift Stations	0	15,004	19,009	7,035	12,000	4,965	12,000	0	0.0%
6069	Insurance - Prop & Liab	0	0	5,291	5,967	6,000	33	6,000	0	0.0%
6083	Special Assessments	0	2,590	2,156	1,909	0	(1,909)	1,700	1,700	
	Total Expenses	2,253	49,467	66,226	35,704	52,000	16,296	62,700	10,700	20.6%
	TOTAL SANITARY SEWER OPERATIONS	12,747	(4,604)	(9,573)	(5,693)	(4,000)		900	4,900	-122.5%

Public Works - Sewer System Cost Projections								
Item	Description	City of Afton Responsibilities	Washington County Responsibilities	Required Routine Maintenance	Frequency (years)	Estimated Cost	Sanitary Sewer / Lift Stations / Annualized Cost	Notes
1	Treatment Site	Operational costs, electrical power, insurance			1	\$55,000	\$55,000	Actual 2019 costs, WSB - need a competitive quote
1	Treatment Site replacement parts	Replacement parts fund			15	\$75,000	\$5,000	WSB - Need estimate
2	Lines, Sanitary Sewer	All existing, constructed, or reconstructed municipal utilities; including but not limited to, sanitary sewer force main, sanitary sewer gravity main, and wells		Gravity lines to be inspected and jetted.	5	\$35,000	\$7,000	Ken rcvd 2 quotes
3	Pumps, Sewer, 6 total, 2 at Stemboat Park, 4 River Road sewer.	Long term fund to replace pumps		N/A	15	\$18,000	\$1,200	
4	Lift Stations, Sewer, Control Panels and Generator	Sewer Lift station panel repair "On Call" repair		On call repair, no routine replacement of electronics needed	3	\$8,500	\$2,833	

Annual Total = **\$71,033**
 ± income from 81 units @ \$600 / yr = **\$48,600**
 Delta = **-\$22,433**

Public Works - Storm Water System Cost Projections								
Item	Description	City of Afton Responsibilities	Washington County Responsibilities	Required Routine Maintenance	Frequency (years)	Estimated Cost	Public Works Annualized Costs	Notes
5	Lines, Storm Water	Trunk lines, lateral lines, catch basins, manholes, and drain tile, existing, constructed, or reconstructed on City right-of-way	Will maintain the storm sewer pipe, catch basin leads, drain tile, and all drainage structures on its County right-of-way existing or constructed under this Project.	Catch Basins annual spring cleaning, estimated 50 items.	5	\$35,000	\$7,000	
6	Pumps, Storm Water, 2 high flow rate flood structure pumps at Stemboat Park	Long term fund to replace pumps		N/A	15	\$20,000	\$1,333	
7	Lift Station, Flood Control, Panels and Generator	Sewer Lift station panel repair "On Call" repair		On call repair, no routine replacement of electronics needed	3	\$8,500	\$2,833	
8	Infiltration Ponds	North Pond, Rain Gardens, Ponds, and Rip Rap within City right-of-way. The City will perform major and minor maintenance consistent with the maintenance agreement with the Valley Branch Watershed .District		Dredging	10	\$30,000	\$3,000	Waiting to compile complete list of all ponds in Afton
9	Flood Control Structure	Including any associated components		N/A	1	\$1,200	\$1,200	

