



CITY OF GRAND RAPIDS

CITY COUNCIL
CHAMBERS
420 NORTH POKEGAMA
AVE.

Meeting Agenda Full Detail City Council

Monday, November 21, 2011

12:00 PM

Conference Room 2B

SPECIAL MEETING

AMENDED

CALL TO ORDER: Pursuant to due notice and call thereof a Special Meeting of the Grand Rapids City Council will be held on Monday, November 21, 2011 at 12:00 p.m. in Conference Room 2B, 420 North Pokegama Avenue, Grand Rapids, Minnesota.

CALL OF ROLL

1. 11-1902 Discuss 2012 Budget.
2. 11-1903 Consider accepting and signing a stipulation agreement between the City of Grand Rapids and the Minnesota Pollution Control Agency as it relates to the Pokegama Golf and Park Place Project.

ADJOURNMENT

Attest:

Shawn Gillen, City Administrator



M E M O R A N D U M

DATE:

TO: Mayor Dale Adams, Council members Joe Chandler, Dale Christy, Gary McInerney, and Ed Zabinski

C: Shawn Gillen, City Administrator

FROM: Shirley A. Miller, Finance Director

RE: 2012 Proposed Budget

Attached are five spreadsheets for the budget discussion on Monday, November 21, 2011:

- **Previously Certified Levies and 2011 Proposed Levy** - reflects the proposed levy and tax rate after the market value adjustments made at the County.
- **2012 Recap of Revenues, Expenditures and Levy Requirements** – there have been some adjustments made in the personnel area based on some of the proposed union contracts, but there will be more adjustments. Right now the line Transfer to Capital Equipment has been adjusted for those changes. That line also includes the \$50,000 that the Council added to the levy for 2012.
- **Projects Capital Replacement Fund Balance as of November 18, 2011** – this reflects the estimated revenues and expenditures in the Capital Equipment Replacement Fund. Based on these assumptions, there will be approximately \$60,480 in the fund balance at the end of the year that can be spent on capital for 2012 plus whatever is budgeted in 2012.
- **Equipment Replacement Fund 2012 Requests** – this is a recap of the equipment requests from the Capital Equipment Replacement Fund.
- **2012 through 2016 Equipment Requests** – the Report shows all of the equipment requests and funding sources for 2012 through 2016.

If you have any questions before the meeting, please let me know.

**PROJECTED LEVY & TAX RATE
CITY OF GRAND RAPIDS**

PREVIOUSLY CERTIFIED LEVIES AND 2011 PROPOSED LEVY

September 26, 2011 Budget Meeting with Tax Capacity and Fiscal Disparity Numbers from the County

	2007 Levy Payable 2008	2008 Levy Payable 2009	2009 Levy Payable 2010	2010 Levy Payable 2011	2011 Levy Payable 2012	
General Fund	\$ 3,508,225	3,388,239	3,202,531	3,466,821	3,516,821	1.44%
Library Fund	579,566	577,376	519,716	534,716	524,716	-1.87%
Cemetery	-	-	-	175,000	175,000	0.00%
GREDA Levy	45,000	45,000	45,000	50,000	50,000	0.00%
Levy for Internal Loan-2011 Equip Purchases	-	-	-	-	136,000	
Special Levies	8,000	8,000	8,000	8,000	8,000	0.00%
Bonded Indebtedness	625,480	824,333	\$1,151,272	1,093,789	1,141,494	4.36%
GROSS LEVY	4,766,271	4,842,948	4,926,519	5,328,327	5,552,031	4.20%
Less:						
Fund Balance Contribution	(150,000)	-	-	-	-	
CERTIFIED LEVY	\$4,616,271	\$4,842,948	\$4,926,519	5,328,327	5,552,031	
		4.91%	1.73%	8.16%	4.20%	

2011 ESTIMATED TAX CAPACITY AND PROPOSED LEVY

TAX CAPACITY	\$8,223,764
Less:	
JOBZ	-
TIF Captured tax increment	(132,575)
Fiscal Disparities contribution	(1,075,330)
Taxable tax capacity*	\$7,015,859

CERTIFIED LEVY	\$5,552,031
Less:	
Fiscal disparities distribution levy	(448,714)
Net amount levied to property owners	\$5,103,317

**2002 - 2010 TAXABLE TAX CAPACITY, CERTIFIED LEVY and CITY TAX RATE
and 2011 ESTIMATED TAXABLE TAX CAPACITY
and 2011 ESTIMATED LEVY and CITY TAX RATE**

TAX YEAR PAYABLE	TAXABLE TAX CAPACITY	NET CERTIFIED LEVY	CITY TAX RATE	CITY/TOWNSHIP TAX RATE	TOTAL TAX RATE
2002	\$ 4,013,622	\$ 3,221,066	80.169	2.696	82.865
2003	4,667,797	3,487,514	76.387	5.031	81.418
2004	4,883,098	3,774,982	79.273	4.625	83.898
2005	5,402,830	3,868,947	71.339	4.603	75.942
2006	5,692,534	3,977,337	69.869	4.452	74.321
2007	6,224,893	4,091,108	65.722	2.972	68.694
2008	6,851,971	4,503,251	65.722	3.834	69.556
2009	7,919,927	4,677,712	59.063	1.841	60.904
2010	7,115,267	4,631,705	65.095	1.271	66.366
2011	7,647,353	4,885,894	61.602	2.288	63.890
2012	7,015,859	5,103,317	70.245	2.494	72.740

**CITY OF GRAND RAPIDS
2012 RECAP OF REVENUES, EXPENDITURES AND LEVY REQUIREMENTS**

	2007 Actual	2008 Actual	2009 Actual	2010 Actual	2011 Adopted Budget	2012 Proposed	Increase/ (Decrease) over 2011	Percent Increase
NON TAX REVENUES:								
Annexation & delinquent taxes	\$ 108,251	\$ 112,929	\$ 210,425	\$ 270,381	\$ 100,000	\$ 250,000	\$ 150,000	150.00%
Payment in Lieu of Taxes (PILOT)	667,148	682,277	854,072	853,542	855,000	855,000	-	0.00%
Licenses and Permits	342,328	207,233	270,376	254,002	271,465	268,250	(3,215)	-1.18%
Local Government Aid (LGA)	1,410,910	965,489	1,280,888	963,410	1,349,614	963,000	(386,614)	-28.65%
Intergovernmental Revenues	873,304	924,182	412,304	782,091	437,433	481,420	43,987	10.06%
Charges for Services	512,529	633,084	636,168	653,822	657,839	725,550	67,711	10.29%
Fines and Forfeitures	126,772	175,497	129,839	101,829	143,400	117,000	(26,400)	-18.41%
Interest Income	199,519	87,933	47,987	23,498	45,000	25,000	(20,000)	-44.44%
Miscellaneous	16,570	34,029	22,643	35,384	18,491	17,380	(1,111)	-6.01%
Other Financing Sources	109,454	796,810	86,675	589,605	10,000	10,000	-	0.00%
Transfers In	3,500	3,500	3,500	3,500	22,822	22,822	-	0.00%
Fund Balance Usage	-	-	-	-	-	-	-	0.00%
Total non-tax revenues	4,370,285	4,622,963	3,954,877	4,531,066	3,911,064	3,735,422	(175,642)	-17.56%
EXPENDITURES:								
Administration	408,534	435,760	445,868	443,132	452,735	462,065	9,330	2.06%
Building Maintenance	123,661	148,977	200,145	202,320	219,301	228,297	8,996	4.10%
Community Development	282,998	327,965	306,006	350,024	333,028	333,541	514	0.15%
Council/Boards	82,524	95,499	116,490	113,392	115,246	112,533	(2,713)	-2.35%
Engineering	312,879	326,324	340,682	261,348	271,953	273,913	1,961	0.72%
Finance	401,461	419,129	447,447	368,823	390,215	390,552	337	0.09%
Fire	476,176	476,176	521,613	531,387	592,303	598,413	6,110	1.03%
Fleet Maintenance	521,613	531,387	480,582	592,303	213,233	217,662	4,429	2.08%
Information Technology	156,664	155,853	170,617	158,077	177,081	171,012	(6,069)	-3.43%
Police	1,817,660	1,934,423	2,093,945	1,904,374	1,932,745	2,027,190	94,445	4.89%
Public Works	1,550,171	1,765,677	1,654,774	1,622,751	1,473,911	1,528,878	54,967	3.73%
Recreation	145,920	151,269	162,496	166,154	174,138	170,830	(3,308)	-1.90%
City Wide	112,880	247,921	503,256	397,115	373,322	398,522	25,200	6.75%
Special Projects-Council	14,065	35,147	13,713	-	-	-	-	-
Special Projects-Non-Budgeted	17,776	229,830	8,407	123,902	-	-	-	-
Airport Joint Zoning Board	12,513	9,945	-	-	-	-	-	-
Total Department Expenditures	6,437,493	7,291,283	7,466,041	7,235,102	6,719,210	6,913,408	194,198	2.89%
Transfers Out								
Transfer to Capital Equipment	290,000	851,505	100,000	60,000	412,675	92,835	(319,840)	-77.50%
Transfer to Civic Center	30,835	30,835	27,335	-	12,000	12,000	-	-
Transfer to Itasca Historical Soc	12,000	12,000	12,000	12,000	17,000	17,000	-	0.00%
Transfer to Debt Service	150,000	150,000	150,000	190,000	150,000	150,000	-	-
Transfer to Airport	85,000	91,550	91,550	20,000	10,000	10,000	-	0.00%
Transfer to Golf Course	27,722	20,422	175,000	175,000	-	-	-	-
Transfer to DACF	34,071	36,500	42,000	40,000	42,000	42,000	-	-
Transfers-Other	248,437	241,187	97,497	87,007	-	-	-	-
Transfer to Street Light Utility Fund	136,870	108,393	161,195	-	-	-	-	-
Mt. Itasca contribution	-	-	-	-	15,000	15,000	-	-
Total Expenditures and Other Uses	7,452,428	8,833,675	8,322,618	7,819,109	7,377,885	7,252,243	(125,643)	-7.25%
Net Levy Required for General Fund	3,119,511	3,508,225	3,388,239	3,202,531	3,466,821	3,516,821	50,000	1.44%
Net Levy for Library	564,660	579,566	577,376	534,716	534,716	524,716	(10,000)	-1.87%
Net Levy for Cemetery	-	-	-	-	175,000	175,000	-	-
GREDA Levy Request	45,000	45,000	45,000	50,000	50,000	50,000	-	0.00%
Levy for equipment certificates	-	-	-	-	-	136,000	136,000	-
Total Levy Required for Operation	\$ 3,729,171	\$ 4,132,791	\$ 4,010,615	\$ 3,787,247	\$ 4,226,537	\$ 4,402,537	\$ 175,999	4.16%

**CITY OF GRAND RAPIDS
CAPITAL REPLACEMENT FUND BALANCE
2011 Projected Fund Balance (as of 11/18/11)**

	2011 Equipment Replacement	
Fund Balance 01/01/11 before designations	<u>\$ 800,527</u>	
Revenue		
Federal government grant	-	
Donations	-	
Miscellaneous	-	
Sale of asset - Fire	1,500	
Transfer from General Fund	-	
Other transfers in	-	
Transfers in for fire equip & radios	66,140	
Blandin Grant-Library Energy Project	-	
Investment Income	<u>5,436</u>	
Total Revenue	<u>73,076</u>	
Expenditures		
Council Chambers	-	
Building Maint	1,920	
Engineering	-	
Finance	-	
Fire	-	
Information Technology	18,555	
Police	70,384	
Storm Water Utility	-	
Public Works	60,702	
Parks/Recreation	-	
Airport	-	
Golf Course	-	
Civic Center	-	
Operating Transfers out	<u>19,322</u>	radio depr
Total Expenditures	<u>170,884</u>	
Revenue vs Expenditures	<u>(97,808)</u>	
Fund Balance before Designations	702,719	
Fund Balance Designations		
Fire Department Capital Replacement	482,021	
Transfer to Cemetery	7,500	
Fire & Police Radio Replacement	45,214	
Fire Hall-St/MN Taconite Tax	<u>107,504</u>	
Total Designations	<u>642,239</u>	
Fund Balance after Designations 12/31/11	<u>\$ 60,480</u>	

**CITY OF GRAND RAPIDS
2012 CAPITAL EQUIPMENT REQUESTS**

Equipment Replacement Fund

BUILDING MAINTENANCE	
City Hall Bathroom Fixtures	\$ 10,000
CEMETERY	
Mower Replacement	7,500
ENGINEERING	
GIS Extended License Agreement	12,000
FIRE	
HVAC Rooftop Unit Replacement	8,000
Lockers	8,000
INFORMATION TECHNOLOGY	
Virtual server host for GIS project	35,500
PARK & RECREATION	
Playground revitalization	30,000
Dehumidification replacement	75,000
Replace west exterior doors	15,000
POLICE	
Vehicle replacement	58,000
PUBLIC WORKS	
Turf lawnmower replacement	18,000
City Entrance Signs	15,000
	<u>15,000</u>
Total requests	<u><u>\$ 292,000</u></u>

Fire Department Depreciation Fund	
Class A Rescue/Pumper	<u><u>625,000</u></u>

Golf Course Funds	
Pokegama Park Play structure	7,200
Greens aerifier	22,000
Docks	8,000
Bar Beverage cooler	3,000
	<u>3,000</u>
Total Golf Course	<u><u>40,200</u></u>

City of Grand Rapids, Minnesota
Amended Capital Improvement Plan
 2012 thru 2016

PROJECTS & FUNDING SOURCES BY DEPARTMENT

Department	Project#	Priority	2012	2013	2014	2015	2016	Total
Airport								
Conventional Tractor with Flail Mower	2013/AP-2	2		100,000				100,000
<i>CIP Fund</i>				16,500				16,500
<i>Itasca County</i>				16,500				16,500
<i>ST/MN-Airport</i>				67,000				67,000
Airport Total				100,000				100,000
Building Maintenance								
City Hall Bathroom Fixtures	2012/CH-1	2	10,000					10,000
<i>CIP Fund</i>			10,000					10,000
Admin & Finance Carpet Replacement	2013/CH-1	2		12,000				12,000
<i>CIP Fund</i>				12,000				12,000
Council Chambers Carpet Replacement	2014/CH-1	2			12,000			12,000
<i>CIP Fund</i>					12,000			12,000
Building Maintenance Total			10,000	12,000	12,000			34,000
Cemetery								
Cemetery Mower Replacement	2012/CEM-1	2	7,500					7,500
<i>CIP Fund</i>			7,500					7,500
Cemetery Total			7,500					7,500
Engineering								
Purchase of GIS Extended License Agreement (ELA)	2012/GIS ELA	n/a	25,000					25,000
<i>CIP Fund</i>			12,200					12,200
<i>GR Public Utilities</i>			9,000					9,000
<i>Grants-Other</i>			3,800					3,800
Engineering Total			25,000					25,000
Fire								
Class A Rescue/Pumper	2012/FD-1	2	625,000					625,000
<i>Township Fire Contract-Depreciation</i>			625,000					625,000
HVAC Rooftop Unit Replacement	2012/FD-2	1	8,000					8,000
<i>CIP Fund</i>			8,000					8,000
Lockers	2012/FD-3	3	8,000					8,000
<i>CIP Fund</i>			8,000					8,000
Brush Truck Replacement	2013/FD-1	2		65,000				65,000
<i>Township Fire Contract-Depreciation</i>				65,000				65,000
Fire Hall Doors	2013/FD-2	2		40,000				40,000
<i>CIP Fund</i>				40,000				40,000

Department	Project#	Priority	2012	2013	2014	2015	2016	Total
Southside Fire Station <i>GO CIP Bonds</i>	2014/FD-1	2			2,000,000 2,000,000			2,000,000 2,000,000
Fire Total			641,000	105,000	2,000,000			2,746,000
Golf Course								
Pokegama Park Play Structure <i>Golf Course Enterprise Fund</i>	2012/GC-1	2	7,200 7,200					7,200 7,200
Golf Course Greens Aerifier <i>Golf Course Enterprise Fund</i>	2012/GC-2	2	22,000 22,000					22,000 22,000
Pokegama Park Docks <i>Golf Course Enterprise Fund</i>	2012/GC-3	3	8,000 8,000	8,000 8,000	8,000 8,000			24,000 24,000
Golf Course Bar Beverage Cooler <i>Golf Course Enterprise Fund</i>	2012/GC-4	3	3,000 3,000					3,000 3,000
Golf Course 4000 D Rough Mower <i>Golf Course Enterprise Fund</i>	2013/GC-2	3		28,000 28,000				28,000 28,000
Golf Course Greensmower <i>Golf Course Enterprise Fund</i>	2014/GC-1	3			14,500 14,500			14,500 14,500
Golf Course Tee Mower <i>Golf Course Enterprise Fund</i>	2014/GC-2	2			16,000 16,000			16,000 16,000
Golf Course Fairway Mower <i>Golf Course Enterprise Fund</i>	2015/GC-1	3				21,000 21,000		21,000 21,000
Golf Course Fairway Mower <i>Golf Course Enterprise Fund</i>	2016/GC-1	3					21,000 21,000	21,000 21,000
Golf Course Total			40,200	36,000	38,500	21,000	21,000	156,700
Library								
Replace catalog network server <i>Library</i>	2012/LIB-1	1	400 400					400 400
Replace Library core switches <i>Library</i>	2014/LIB-1	2			3,400 3,400			3,400 3,400
Replace self check computer <i>Library</i>	2015/LIB-1	3				15,000 15,000		15,000 15,000
Library Total			400		3,400	15,000		18,800
Management Information								
Replace EDMS server <i>General Fund</i>	2012/IT-1	2	4,000 4,000					4,000 4,000
Replace HP Ultrium Tape backup device <i>General Fund</i>	2012/IT-2	1	4,000 4,000					4,000 4,000
Staff workstation replacement <i>General Fund</i>	2012/IT-3	2	16,000 16,000					16,000 16,000
Purchase new virtual server host for GIS project <i>CIP Fund</i>	2012/IT-4	1	35,500 35,500					35,500 35,500
Replace two core network switches <i>General Fund</i>	2013/IT-1	2		5,000 5,000				5,000 5,000
Replace staff workstations <i>General Fund</i>	2013/IT-2	2		14,500 14,500				14,500 14,500
Replace main city firewall <i>CIP Fund</i>	2014/IT-1	1			10,000 10,000			10,000 10,000
Replace two core network switches	2014/IT-2	2			2,150			2,150

Department	Project#	Priority	2012	2013	2014	2015	2016	Total
<i>General Fund</i>					2,150			2,150
Replace two virtual server host computers	2014/IT-3	2			12,500			12,500
<i>CIP Fund</i>					12,500			12,500
Replace staff workstations	2014/IT-4	2			23,400			23,400
<i>General Fund</i>					23,400			23,400
Replace three core network switches	2015/IT-1	2				5,000		5,000
<i>CIP Fund</i>						5,000		5,000
Replace staff workstations	2015/IT-3	2				5,700		5,700
<i>General Fund</i>						5,700		5,700
Replace City file server	2016/IT-1	2					4,000	4,000
<i>General Fund</i>							4,000	4,000
Replace the City email server	2016/IT-2	2					10,000	10,000
<i>CIP Fund</i>							10,000	10,000
Management Information Total			59,500	19,500	48,050	10,700	14,000	151,750

Parks and Recreation

Playground Revitalization	2012/P&R-1	2	35,000	50,000				85,000
<i>CIP Fund</i>			30,000	50,000				80,000
<i>Park Land Dedication</i>			5,000					5,000
Dehumidification Replacement	2012/P&R-2	1	75,000					75,000
<i>CIP Fund</i>			75,000					75,000
Replace West Exterior Doors	2012/P&R-3	2	15,000					15,000
<i>CIP Fund</i>			15,000					15,000
Civic Center Roof Replacement	2013/P&R-1	2		150,000				150,000
<i>CIP Fund</i>				150,000				150,000
Refrigeration System Replacement	2015/P&R-1	4				1,100,000		1,100,000
<i>CIP Fund</i>						1,100,000		1,100,000
Parks and Recreation Total			125,000	200,000		1,100,000		1,425,000

Police

Police Vehicle Replacement Plan	2012/PD-1	2	58,000	65,000	63,000	64,000	65,000	315,000
<i>CIP Fund</i>			58,000	65,000	63,000	64,000	65,000	315,000
Police Remote Pole Cameras	2013/PD-1	3		50,000				50,000
<i>CIP Fund</i>				50,000				50,000
Police In-Car Video Replacement	2015/PD-1	2				50,000		50,000
<i>CIP Fund</i>						50,000		50,000
Police Taser Replacement	2015/PD-2	3				26,000		26,000
<i>CIP Fund</i>						26,000		26,000
Police In-Car Computer Maint Contr	2015/PD-3	3				48,000		48,000
<i>GO CIP Bonds</i>						48,000		48,000
Police Impound Building	2016/PD-1	4					145,000	145,000
<i>CIP Fund</i>							145,000	145,000
Police Total			58,000	115,000	63,000	188,000	210,000	634,000

Public Works

PW Turf Lawnmower Replacement	2012/PW-1	2	18,000					18,000
<i>CIP Fund</i>			18,000					18,000
City Entrance Signs (4)	2012/PW-2	2	15,000	15,000	15,000	20,000		65,000
<i>CIP Fund</i>			15,000	15,000	15,000	20,000		65,000
PW Pickup Truck Replacement	2013/PW-2	3		35,000				35,000

Department	Project#	Priority	2012	2013	2014	2015	2016	Total
<i>CIP Fund</i>				35,000				35,000
PW Backhoe Replacement <i>Equipment Certificates</i>	2016/PW-1	2					200,000	200,000
							200,000	200,000
PW Dump Truck Replacement <i>Equipment Certificates</i>	2016/PW-2	2					320,000	320,000
							320,000	320,000
PW Flail Mower Tractor <i>Equipment Certificates</i>	2016/PW-3	3					110,000	110,000
							110,000	110,000
PW Turf Lawnmower Replacement <i>Equipment Certificates</i>	2016/PW-4	3					75,000	75,000
							75,000	75,000
PW Pickup Replacement W/Plow #2 <i>Equipment Certificates</i>	2016/PW-5	3					50,000	50,000
							50,000	50,000
PW Pickup Replacement W/Plow #1 <i>Equipment Certificates</i>	2016/PW-6	3					50,000	50,000
							50,000	50,000
Public Works Total			33,000	50,000	15,000	20,000	805,000	923,000
Storm Water Utility								
Street Sweeper <i>Storm Water Utility</i>	2013/SWU-1	2		180,000				180,000
				180,000				180,000
Storm Water Utility Total				180,000				180,000
GRAND TOTAL			999,600	817,500	2,179,950	1,354,700	1,050,000	6,401,750