



**Proposed Budget  
Burnsville  
City Council  
November 1, 2016**





# City Council

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## Burnsville City Council

		<u>Term Expires</u>
Mayor	Elizabeth B. Kautz	December 31, 2016
Council Member	Bill Coughlin	December 31, 2018
Council Member	Dan Kealey	December 31, 2018
Council Member	Suzanne Nguyen	December 31, 2016
Council Member	Mary Sherry	December 31, 2016

# Table of Contents

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City Council	1
Table of Contents	2
Guide to Using the Budget Document	4
<b>Introductory Section</b>	
City Council Governance Model and ENDS & OUTCOMES	7
Organization of Services	13
Community Profile	15
Financial Management & Fund Structure	17
Budget Process & Calendar	22
Distinguished Budget Presentation Award	24
<b>Overview</b>	
City Manager Budget Message	25
<b>Budget Summary</b>	
2017 Budget Summary - All Funds	31
<b>Financial Plans</b>	
General Fund	38
Special Revenue Funds	47
Cable Franchise Fee Fund	48
Youth Center Fund	51
Sustainability Fund	54
Grant Fund	56
Economic Development Authority (EDA) Fund	59
Forestry (Emerald Ash Borer) Fund	62
Forfeiture Fund	64
Capital Projects Funds	66
Parks Capital Fund	67
Equipment & Vehicle Fund	71
Facilities Fund	74
Information Technology (I.T.) Capital Fund	77
Infrastructure Trust Fund	79
Street Maintenance Fund	83
Improvement Construction Fund	86

G O Debt Funds	88
Enterprise Funds	92
Water & Sewer Fund	93
Storm Water Fund	99
Ice Center Fund	102
Golf Course Fund	105
Street Lighting Fund	107
Ames Center Fund	110
Sidewalk Snowplowing Fund	114
<b>Capital &amp; Debt</b>	
Capital Improvements Program 2017-2021	118
Special Revenue Funds	124
Park Capital	125
Equipment & Vehicle Fund	126
Facilities Fund	127
I.T. Capital	129
Enterprise Funds	132
Debt Analysis	140
<b>Fees &amp; Charges</b>	145
<b>Financial Policies</b>	
Financial Management Plan and Policies	194
Glossary of Terms	210
<b>Supplemental Information</b>	
Supplemental Information Tables	215
Employee FTE Information	231
<b>TIF Financial Plans</b>	
TIF Financial Plan	234

# Guide to Using the Budget Document

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This document presents the City of Burnsville's proposed budget.

## 1) **Introductory Section**

Includes basic information on the budget process, the City's organizational structure and the City Council's vision and goals

## 2) **Overview**

This section provides a summary overview of the proposed budget and a budget message from the City Manager. There is a narrative of the highlights of the budget including some comparative charts. Also included is an overall financial summary of total proposed budgeted revenues and expenditures for all budgeted funds.

## 3) **Budget Summary**

An overview of the total budgeted revenue and expenditures for all funds. There is a narrative of the highlights of the budget including some comparative charts.

## 4) **Financial Plans**

This section includes a five-year finance plan for each of the City's major funds. Each finance plan includes a 1-2 page narrative summary of the financial condition of the fund, including an explanation of major sources and uses of funds. Following the narrative summary is a single page of financial data. The financial data includes actual data for years 2014 and 2015; the 2016 budget and projected year-end estimate; the 2017 proposed budget; and projections for years 2018 through 2021.

## 5) **Capital Improvement Program (CIP) & Debt**

The five year 2017-2021 Capital Improvement Program is included in this section. A debt study report provides a projection of future debt consistent with the CIP projections.

## 6) **Fees and Charges**

All proposed fees and charges are listed.

## 7) **Financial Policies**

This section includes the Governance Policy and the Financial Management Plan. The City of Burnsville has an adopted Financial Management Plan that helps guide the City's annual budget development. In addition to the guidance provided by this Plan, annually the Council also provides specific direction on the maximum amount of property taxes that the Council will consider. The Council also provided direction concerning fees, especially utility fees.

A glossary and acronym listing can be found at the end of the Financial Management Plan.

## 8) **Supplemental Information**

This section includes additional statistical tables and comparison information.

**9) TIF Financial Plans (Economic Development Authority)**

Five-year financial plans for each of the City’s Economic Development Authority’s (EDA) TIF Districts. Each finance plan includes a narrative summary of the financial condition of the fund, including an explanation of major sources and uses of funds. Following the narrative summary is a single page of financial data. The financial data includes actual data for the year 2015; the 2016 projected year-end estimate; the 2017 proposed budget; and projections for years 2018 through 2021.

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# City Council's Governance Model

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The City Council has adopted a fundamentally different approach to governing by focusing on policy, instead of getting involved in organizational management. This initiative begins with establishing a broad framework of desired ENDS & OUTCOMES, seeking to ask the questions: What Good, for Which People, at What Cost? Following are the adopted expectations of the Burnsville City Council.

In reviewing the 2017 budget document, strong emphasis has been placed on the City Council's Governance Model. The Council governs by presenting strategic leadership and articulating a collective community vision, rather than focusing on internal operations. As a result, budget information strives to remain at the broadest policy level by concentrating on achieving desired results instead of emphasizing detailed line items and number of employees.

As in previous years, the budget reflects the hard work and dedication of many people. The attention to detail and demonstrated interest in quality services ensures that the recommended budget exists as a realistic target for 2017, striving to fulfill the Council's broadest and highest policy directive:

## City of Burnsville Mega END Statement -

People find Burnsville an attractive, well-balanced city of residences and businesses, which through a combination of amenities and public/private partnerships, provides a wide range of opportunities for citizens to live, work, learn and play, for a reasonable investment.



## Community Themes

Within this framework, the City Council has adopted eight community themes and defined the desired ENDS & OUTCOMES within each theme. The themes are safety, community enrichment, neighborhoods, development, environment, transportation, City services, and financial management.

In the Division and Department Budget section of this budget document, each department's budget narrative includes a section on the budget's alignment with the ENDS & OUTCOMES describing how the City goals are being achieved in each area.

The City Council's ENDS & OUTCOMES document is included in the following pages.



City Council and Management Team

# *Shared Values Statement*



We believe in and are committed to upholding these values.

## *Our Citizens*

We identify the residents and business taxpayers of Burnsville as our citizens. Working together with organizations and institutions, our citizens provide the character, commitment, and authenticity of our community and the resources necessary to define Burnsville's quality of life. In partnership with others who serve our citizens, we will:

- Provide a variety of opportunities for input and feedback from our citizens
- Provide the best possible service to the extent our resources allow

## *Our Employees*

City employees have dedicated themselves to providing professional service to our community. We will create a work environment that:

- Is supportive
- Optimizes employees' abilities to perform their jobs
- Prepares employee to function in a changing workplace

## *Fairness and Justice*

Fairness and justice are fundamental to good government. We will seek to:

- Balance the merits of an individual issue against the common good of the total community
- Apply rules and regulations in a manner that assure justice and equal application of the law
- Behave in a way that is ethical both in substance and appearance

## *Effective Decision Making*

An effective decision-making process is critical to getting the City's work accomplished. We believe that:

- Reaching a decision by consensus is positive
- Consensus can often be reached through working together and having open debate
- Decisions should be based on factual information, community goals, policies, and input from affected parties
- There will be times when compromise or split votes will occur
- Decision-makers have the right to vote according to their conscience and political philosophy

## *Honesty and Integrity*

Honesty and integrity are the cornerstone of our values and are essential for building trust. We will:

- Tell the truth
- Be candid and open
- Listen without becoming defensive or retaliatory
- Relate all salient, pertinent factual information
- Do what we say we will do

## *Mutual Respect*

Mutual respect is essential to building relationships. We will treat each other with mutual respect and recognize that:

- People are continually growing
- People are diverse
- People have different levels of tolerance for change
- Decisions and problem-solving discussions should focus on issues and not on individual personalities
- People need to listen carefully to each other

## *Achieving Results*

We are a results-oriented organization. We will:

- Define a clear direction
- Define the roles of the positions we fill
- Maximize the use of available tools and resources
- Achieve defined goals in a timely manner
- Be held responsible and accountable for our actions

# BURNSVILLE CITY COUNCIL ENDS AND OUTCOMES

(Updated through February 2016)

## SAFETY

### END STATEMENT:

People find Burnsville a safe community, participate in Homeland Security, and are willing to prevent fire and crime.

### OUTCOMES:

1. People have an overall feeling of safety.
  - a. Neighborhood Watch groups are provided improved training, networking and organizational opportunities.
2. Customers and employees feel safe in a shopping environment.
  - a. Licensing and regulation of businesses provides safe and healthy environments for residents and visitors that meet community expectations.
3. People feel safe using the parks.
4. People trust in public safety response and service rendered.
  - a. Fire and Emergency Medical Services (EMS) will reach 80 percent of the emergency calls in nine minutes or less (inclusive of dispatch processing, turnout, and travel times).
  - b. Fire and EMS Services are provided in the most cost effective manner, through partnerships with surrounding communities when necessary. The City takes preventative safety measures that include licensing and inspecting rental properties and proactive enforcement of property maintenance codes.
5. Residents, including youth, are active participants in community safety.
  - a. People are proactive in reporting suspicious/unusual activity.
  - b. People are aware of and adhere to safe driving practices.
  - c. Residents participate in public safety “force multiplier” activities such as Community Emergency Response Team (CERT) training and the Mobile Volunteer Network (MVN).
  - d. Public safety works with community partners to proactively address drug-related crimes with an emphasis on heroin and methamphetamine use.
6. Pedestrian safety is preserved and enhanced through engineering, enforcement, and education.

## ENVIRONMENT

### END STATEMENT:

People find Burnsville is an environmentally sensitive community ensuring preservation and enhancement of its natural resources.

### OUTCOMES:

1. Burnsville is an environmentally sensitive community and individuals understand their role in pursuing this result.
2. Development and redevelopment occurs in an environmentally sensitive manner, preserving and restoring natural resources.
3. People find Burnsville to be an attractive, clean city and are willing to keep it that way.
4. Residents value natural water bodies and green spaces and recognize the importance of preserving them.
5. The City maintains critical raw water sources and infrastructure necessary for the delivery of safe drinking water.
6. The City employs feasible sustainable practices that promote development and maintain or enhance economic opportunity and community well-being while protecting and restoring the natural environment upon which people and economies depend.

# BURNSVILLE CITY COUNCIL ENDS AND OUTCOMES

(Updated through February 2016)

## NEIGHBORHOODS

### END STATEMENT:

People feel connected to their neighborhoods.

### OUTCOMES:

1. People have pride and ownership in their neighborhoods.
  - a. The City implements plans and strategies to collaboratively advance the viability of residential neighborhoods.
  - b. The City proactively canvasses neighborhoods checking for property maintenance compliance to maintain and/or enhance housing stock and property values.
2. People know and care about their neighbors and participate in solving problems and creating celebrations in their neighborhoods.
  - a. Public recognition is given to neighborhoods solving problems and creating celebrations in their neighborhood.
3. Neighborhoods are enjoyable, safe and stable places to live, work, and recreate.
4. People feel Burnsville has quality housing by:
  - a. Promoting home ownership. The goal is 70 percent owner occupied, 30 percent rental.
  - b. Promoting and encouraging the upgrade, enhancement and maintenance of existing housing stock.
  - c. Partnering with organizations to achieve affordable home ownership.
  - d. Through rental licensing initiatives including engagement of community and agency partnerships to improve quality of life and enhance health and safety in rental housing.

## DEVELOPMENT/REDEVELOPMENT

### END STATEMENT:

People find Burnsville a balanced city of residential and business development enhanced by redevelopment.

### OUTCOMES:

1. Job creation, retention and an enhanced tax base are assured by growth, redevelopment and sustained viability of commercial and industrial property.
2. Economic development and redevelopment initiatives are implemented, including creating and capturing opportunities, partnering with private property owners and other agencies and engaging the public. Specific initiatives include:
  - a. Heart of the City
  - b. Minnesota River Quadrant
    - i. Public Infrastructure
    - ii. Removing impediments to development, including but not limited to poor foundation soils, and providing other development assistance including Tax Increment Financing and other tools
    - iii. Fostering appropriate interim uses once landfill and quarry operations are complete
    - iv. Periodic reviews of the Kraemer Mining and Material, Inc. (KMM) and Waste Management Inc. Planned Unit Development (PUD) agreements
  - c. Monuments at Key City Entrances
  - d. Promotion of skilled workforce initiatives.
    - i. Encourage post-secondary education for students and training options for residents to ensure a skilled workforce.
3. Specific development or redevelopment assistance will provide for business and residential projects consistent with established policies.

# BURNSVILLE CITY COUNCIL ENDS AND OUTCOMES

(Updated through February 2016)

## COMMUNITY ENRICHMENT

### END STATEMENT:

Community members, including youth, are actively engaged and have access to quality programs and services that meet the changing needs of the community and create positive experiences for all.

### OUTCOMES:

1. Burnsville is a preferred community with a great quality of life.
2. City parks and recreational facilities offer a variety of events and activities throughout the year to build community and stimulate economic activity for local businesses.
  - a. Residents, including youth, participate in a wide variety of physical and artistic activities.
  - b. A coordinated media plan effectively promotes community-wide involvement in health building activities.
3. Youth find Burnsville a nurturing and supportive community.
  - a. Youth are involved in community decisions including active participation on City Boards and Commissions wherever possible.
  - b. Youth are aware of community activities, programs, facilities, and support systems.
  - c. The City is an active partner in the development/redevelopment of an after-school youth program addressing academic, social development, recreation and nutritional needs of the City's youth from elementary to high school ages.
4. Community partnerships have significant impact on reducing or even eliminating youth tobacco and alcohol use.
5. Community members, including youth, have the opportunity to participate in a broad range of programs, community service and facilities that are built on strong, sustainable partnerships.
6. As an organization, the City practices a philosophy that encourages employees to learn from, build relationships with and facilitate the participation of residents in identifying needs, addressing challenges, and affecting change in their community by:
  - a. Making meaningful connections with diverse populations in the City through active community partnerships, including participation in the community's celebrations.
7. The City fosters community partnerships to provide targeted services and facilities to community members of all ages.
8. People are aware of the volunteer opportunities available in our community and volunteers are recognized for the services they provide.

## TRANSPORTATION

### END STATEMENT:

People find Burnsville a community with an effective, multi-modal transportation system connecting people and goods with destination points.

### OUTCOMES:

1. People feel that the transportation system is effective for connecting them to destination points.
  - a. Advocate for collaborative efforts and shared resources for intra-city transit services.
2. People feel that multiple methods of transportation are easily available, safe and convenient.
  - a. Support implementation of Bus Rapid Transit in the I-35W Corridor.
3. People feel that the community roadway system is well maintained at a reasonable cost.
  - a. Use alternative funding options: Federal Transportation Equity Act (TEA), State Cooperative Grant Programs, etc.

# BURNSVILLE CITY COUNCIL ENDS AND OUTCOMES

## (Updated through February 2016)

- b. Define community quality standards for residential and heavier volume streets and adequately fund the maintenance required to achieve these standards.
4. Transportation system adequately serves city businesses.
  - a. Advocate adequate access from County, State and Federal roadways to ensure a viable business community.
  - b. Efforts will be made to obtain funding for significant safety and mobility improvements on TH 13.
5. The safety, longevity and quality of residential neighborhood streets are maintained, improved or enhanced.
6. Seek and support new initiatives for transportation funding by MnDOT and Dakota County when City and County businesses are not disadvantaged.

### CITY SERVICES

#### END STATEMENT:

People find the City of Burnsville delivers quality essential services in a cost effective, timely manner.

#### OUTCOMES:

1. Residents and businesses recognize City services as a positive value.
2. Residents perceive City employees as customer service oriented.
3. City services focus on and City employees are increasingly involved in community building.
4. Residents are informed about issues, feel positive about City services and are aware of opportunities for increased involvement in community initiatives.
5. Businesses and residents are attracted to Burnsville because of a visible commitment to technology that supports an enhanced quality of life.
  - a. Burnsville facilitates community-wide accessibility to broadband technology.
  - b. Burnsville provides effective community-wide electronic-government (E-Gov.) services.
  - c. Burnsville provides and supports local Public, Education and Government (PEG) television programming.
6. Burnsville is an organization that provides a supportive and collaborative environment encouraging employee learning and participation in the decision-making process.
7. Continued implementation of service consolidations and partnerships with Dakota County and other cities.

### FINANCIAL MANAGEMENT

#### END STATEMENT:

People find the City of Burnsville managed in a cost-effective responsible manner, maintaining the highest standards of service to enhance the community's quality of life for a reasonable investment.

#### OUTCOMES:

1. Residents perceive the cost of City services as reasonable compared with other cities.
2. Grant opportunities are pursued to identify innovative solutions that will assist in the reduction of costs to provide service to the community.
3. Burnsville follows a consistent compensation philosophy which guides compensation and benefit decisions for employees.

# Organization of City Services and Departments

## 'Plan B' Form of Government

Burnsville is a “Plan B” form of government, in which residents elect a Mayor and four City Council members with equal voting authority. The Mayor and Council are responsible for making policy and legislative decisions that govern the City, while relying on a City Manager and staff to handle the administrative and day-to-day operations at City Hall.

As Chief Executive Officer, the City Manager is the sole employee of the City Council. The City’s current organizational structure is described as a “molecular model,” which seeks to emphasize the relationship of work groups while de-emphasizing hierarchy. The current structure is the result of a gradual evolution over the life of the City and will continue to evolve as the needs of the community change.



## Management Team, Coordinators and Supervisors

Even under the “molecular model,” the demands and complexities of local government require lines of accountability. The organizational structure is delegated by the City Manager. The City strives to reduce the layers of reporting (“flattening the organization”) with two only layers between front line service providers and the Management Team.

### Management Team

The first level of responsibility lies with the group of employees who assist the City Manager with overall guidance of the organization:

- City Manager - Heather Johnston
- Director of Administrative Services - Dana Hardie
- Public Works Director - Steve Albrecht
- Human Resources Director - Jill Hansen
- Community Development Director - Jenni Faulkner
- Information Technology Director - Tom Venables
- Communications Coordinator - Marty Doll
- Fire Chief - BJ Jungmann
- Police Chief - Eric Gieseke

### Coordinators

The next level of responsibility lies with the primary managers of service areas:

- City Engineer & Natural Resources Director - Ryan Peterson
- Director of Parks, Recreation & Facilities - Garrett Beck
- Recreation and Community Services Manager - Julie Dorshak
- City Clerk - Macheal Collins
- Finance Director - Kelly Strey
- Financial Operations Director - Steve Olstad
- Assistant Fire Chief - Brian Carlson
- Assistant Fire Chief - Terry Ritchie
- Assistant Fire Chief - Doug Nelson
- Police Captain - Tanya Schwartz
- Police Captain - Jef Behnken
- Police Captain - Don Stenger
- Recreation & Facilities Superintendent - JJ Ryan

### Supervisors

The next level of responsibility lies with the direct supervisors of front line employees and service providers throughout the organization.

# Community Profile

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The City of Burnsville is a southern second-tier suburb in the Twin Cities metropolitan area just twenty minutes from the downtown areas of both Minneapolis and St. Paul and a short distance from the Minneapolis / St. Paul International Airport. It was incorporated in 1964 and covers 27 square miles.

The City is a Plan B Statutory City with a City Council / City Manager form of government. The City Council consists of a Mayor and four Council Members elected at-large. The City has 272.6 full-time equivalents (FTE) in full-time and regular part-time positions, as well as seasonal employees and volunteers.

With a population of approximately 61,908, Burnsville is the second largest city in Dakota County, tenth largest suburb, and the fourteenth largest city in Minnesota. In August 2016, approximately 36,089 residents were employed in the labor force which was 238 more than the 35,851 at the end of 2015. The unemployment rate increased over the past year, it was estimated at 3.4 percent in August 2016 compared to 3.2 percent at the end of 2015 (Minnesota Department of Employment & Economic Development). The state-wide unemployment rate was 3.8 percent for August while the U.S. unemployment rate was 5.0 percent.

## **BOND RATING**

Standard & Poor's has assigned the City's bonds a rating of AAA. The rating is the highest rating available from Standard & Poor's and is held by less than 200 municipalities in the nation.

## **TAX BASE**

Burnsville's tax base is balanced between residential and commercial property. Total market value has fluctuated over the past 10 years. The total taxable market value has decreased eleven percent over the past ten years from \$6.4 billion in 2007 to \$5.7 billion in 2016. Market value grew 3.8 percent in 2007. In 2008, the market value was flat. In the four years 2009-2012, total taxable market values decreased an average of 4.7 percent per year. In the four years 2013-2016, the market value growth averaged 5.0 percent per year. Burnsville continues to monitor housing trends.

Businesses contribute almost 40 percent of the City's total tax base. Approximately 2,500 businesses are located in Burnsville. The County Road 42 shopping corridor includes Burnsville Center, one of the largest shopping centers in the Midwest with roughly 1.4 million square feet. Burnsville Center maintains an average occupancy rate of 95 percent and attracts 16 million visitors per year. Costco and Total Wine also are in the corridor making it a regional drawing area. While the city is known for retail shopping, ranking seventh in Minnesota, the City also ranks eleventh in manufacturing, ninth in information and healthcare, and twelfth in scientific companies.

The Burnsville **STHEM** Alliance is an economic development initiative devoted to the retention, growth, and attraction of firms with a **STHEM** (science, technology, healthcare, engineering, or math) basis. Burnsville is home to over 1,000 **STHEM** companies such as UTC Aerospace Systems and Fairview Ridges hospital, the number one and two largest employers respectively.

## **DEVELOPMENT / REDEVELOPMENT**

After a phase of rapid and extensive development, the city continues to grow but has attained many of its development objectives. Burnsville is now considered over 98 percent developed. The City's Northwest River Quadrant along the Minnesota River is the City's largest area for future development / redevelopment. The City has been preparing for the long-term future development of this area for several years.

There are 26,081 housing units in Burnsville and about 65 percent are owner occupied. A large portion of the City's growth occurred during the mid-1960s through the early 1990s. The City is proactively addressing the needs for redevelopment and housing maintenance as the City begins to age.

The City's 54-acre redevelopment project, Heart of the City (HOC), continues to develop creating a pedestrian-friendly, mixed use downtown area for Burnsville. The Ames Center performing arts facility and parking deck within the HOC opened in January 2009. The parking deck was expanded in 2015.

The HOC also includes a \$6 million Heart of the City Parking Ramp and Nicollet Commons Park, a 1.5-acre town square style park with a water feature, open green area, and a 250-seat amphitheater. These projects were completed with financial assistance and support from other government agencies to achieve the objectives of public transportation needs and livable communities.

## **PUBLIC SAFETY**

The City's public safety services include a police department employing 75 police officers and a fire department employing 39 full-time firefighters/paramedics to provide fire protection and emergency medical ambulance service for the City of Burnsville.

## **PARKS**

The City has 1,750 acres of parkland which is developed into 76 parks, playgrounds, and playing fields. A splash pad opened in 2015. The City also operates the Burnsville Ice Center and Birnamwood Golf Course.

## **WATER**

The City's Water & Sewer public utility provides water to over 16,200 residential and business accounts. The City operates 17 wells and two surface water intakes along with ground water and surface water treatment plants to provide more than 3 billion gallons of potable water annually. The surface water treatment plant completed in 2009 was a public/private partnership to use ground water that seeps into a Burnsville quarry. Previously, the water was pumped out of the quarry into the Minnesota River. As part of this partnership, the City provides more than 600 million gallons of water annually to the City of Savage, which accounts for more than 80% of their annual water use. Wastewater treatment and disposal is provided by the Metropolitan Council Environmental Services (MCES).

The City's Storm Water utility provides for storm water runoff management. The City has adopted a Water Resources Management plan that encompasses all water resource activities to improve surface water quality.

## **SCHOOLS**

The City of Burnsville is served primarily by the Burnsville - Eagan - Savage School District (ISD 191), which has a 2015/2016 K-12 enrollment of 8,989 students. A portion of the City on the south end is served by ISD 194 (Lakeville) and ISD 196 (Rosemount - Apple Valley - Eagan).



# Financial Management

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The City of Burnsville Finance Department is responsible for maintaining the accounting system and monitoring compliance with the budgetary controls and financial policies established by the City Manager and City Council. Following is an overview of relevant financial management practices and year-end reporting.

## **FINANCIAL MANAGEMENT PLAN**

The City's Financial Management Plan is a financial policy document that establishes principles to guide both staff and City Council to make consistent and informed financial decisions. The plan is reviewed annually and adopted by the City Council. It addresses policies in the following areas:

Revenue management	Capital Improvements Plan	Debt management
Cash and investments	Infrastructure Trust Fund	Accounting, auditing and financial reporting
Fund Balance/Net Position	Economic Development Authority Fund	Risk management
Operating budget and compensation philosophy		

## **BASIS OF ACCOUNTING**

The accounting system provides for a complete, self-balancing account group for each fund of the City. Accounting records are maintained on the modified accrual basis for the governmental type funds and trust and agency funds. The modified accrual basis of accounting recognizes revenues to the degree that they are available to finance expenditures of the fiscal period. Similarly, debt service payments and a number of specific accrued liabilities are only recognized as expenditures when payment is due because it is only at that time that they normally are liquidated with expendable available financial resources. The budgetary basis of accounting is the same basis of accounting used to prepare the City's financial statements as included in the City's Comprehensive Annual Financial Report at the fund statement level.

The full accrual basis of accounting is utilized for the proprietary type funds as defined in the notes to the City's financial statements. The full accrual basis of accounting recognizes revenues as they are earned and expenses as soon as a liability is incurred, regardless of related cash inflows and outflows. For budget purposes the funds use the accrual basis except for capital assets and debt payments which are budgeted on a modified accrual basis within each finance plan. Depreciation is noted at the bottom of the finance plans.

## **COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR)**

The City operates on a calendar fiscal year and reports its year-end financial position in a Comprehensive Annual Financial Report (CAFR), prepared by the City's Finance staff. Copies of the 2016 CAFR will be available to the public upon completion in June 2017, and a summary of results will be published in the official newspaper.

The 2016 CAFR will be audited upon completion by the independent auditing firm of Malloy, Montague, Karnowski, Radosevich, & Co., P.A. to ensure accuracy and compliance with federal and state laws and regulations. State law provides that the City may arrange for examination of its books, records, accounts and affairs, or any part thereof, by the State Auditor, or by Certified Public Accountants. It has been a long-standing policy of the City to provide for a complete annual audit of the City records by independent Certified Public Accountants.

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement of Excellence in Financial Reporting to the City of Burnsville for its CAFR for the fiscal year ended December 31, 2014. The City has submitted the 2015 CAFR to the GFOA to determine its eligibility for another certificate. The Certificate of Achievement is a national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

### **BUDGETARY CONTROLS**

A budgetary system of accounts is maintained for the all budgeted funds. Control is maintained by the use of a purchase order system and the monthly review of actual expenditures compared to budgeted amounts. Budgetary activity is monitored to ensure that total expenditures are within budgetary allocations. For the past several years, budgeted expenditures have been within approximately 98 percent of budget. The budgetary level of control is at the fund and department levels. There is a budget amendment process for unplanned expenditures and revenues. The amendments are presented to the City Council throughout the year for approval, at the direction of the City Manager.

### **INTERNAL CONTROLS**

In developing and altering the City's accounting system, consideration is given to the adequacy of internal accounting controls. These controls are designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes the cost of a control should not exceed the benefits likely to be derived, and the evaluation of costs and benefits requires estimates and judgments by management. All internal control evaluations occur within the above framework. The Finance Department believes the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

### **CASH MANAGEMENT**

The investment portfolio of the City is designed to attain an average rate of return regularly exceeding the average return on three month U.S. Treasury bills, while seeking to augment returns above this threshold consistent with budgetary cycles, economic conditions, risk limitations, and prudent investment principles. Portfolio diversification is considered so that investments are not concentrated in one institution, in one type of investment, or purchased from one dealer. Pursuant to this policy, cash temporarily idle during the year was invested in those investments authorized by law (short-term and long-term including, U.S. Government and Agency bonds and notes and the money market funds invested in U.S. Government securities).

### **RISK MANAGEMENT**

The City has a risk management policy, the purpose of which is to maintain the integrity and financial stability of the City, protect its employees from injury, and reduce overall costs of operations. To avoid and reduce risk, the City maintains an active safety committee comprised of employees who periodically conduct educational safety and risk-avoidance programs within City departments. The City has insurance coverage through the League of Minnesota Cities Insurance Trust to insure City property and assets against loss. The blanket policy includes coverage for buildings, personal property, contractors and miscellaneous equipment, crime, employee performance bonds, autos and general liability. General liability coverage amounts to \$2,000,000 per occurrence (and aggregate), with a \$50,000 per occurrence, \$200,000 aggregate deductible.

# Fund Structure

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The accounting system maintains a standard fund structure for a typical Minnesota city government. Following is a description of the funds included that are subject to appropriation, for which financial plans and budget appropriations are prepared annually. These funds are the General, Enterprise, Capital Projects, Special Revenue, and Debt Service.

## GENERAL FUND

The General Fund accounts for all financial transactions not properly accounted for in any other fund, including most of the basic governmental services. The expenditures from the General Fund account for the majority of primary services provided by the City in the areas of public safety, parks and public works, recreation, planning, engineering and general government.

## SPECIAL REVENUE FUNDS

The Special Revenue Funds are governmental funds to account for services and expenditures where revenue is restricted for a designated purpose. The City maintains seven Special Revenue Funds and all are budgeted funds using the modified accrual basis for both financial statement and budgeting purposes.

None of the Special Revenue Funds are major funds.

- ***Cable Franchise Fee Fund*** - includes franchise fee revenue received from cable television restricted for City communications related use.
- ***Youth Center Fund*** - reflects operations of THE GARAGE, the City's teen center. The majority of revenues come from grants and an annual subsidy from the General Fund.
- ***Sustainability (Recycling) Fund*** - is Dakota County grant revenue for the operations of the Burnsville, Eagan, and Apple Valley partnership for recycling and sustainability efforts.
- ***Grant Fund*** - accounts for revenue and expenditures related to federal, state and other financial assistance programs.
- ***EDA Fund*** - is the general fund for the Burnsville Economic Development Authority (EDA). The main revenue is the EDA tax levy for the purpose of funding development needs.
- ***Forestry (Emerald Ash Borer) Fund*** - includes revenue and expenditures associated with preparing for a potential infestation of the Emerald Ash Borer. Revenue is from the tax levy.
- ***Forfeiture Fund*** - is revenue received from court fines and legally restricted for the purchase of otherwise unbudgeted police equipment.

## ENTERPRISE FUNDS

Enterprise Funds account for business-type activities. These activities provide services where most of the costs are recovered through user fees and charges. The City has seven Enterprise Funds. The Enterprise Funds use the accrual basis of accounting for financial statement purposes. For budget purposes the funds use the accrual basis except for capital assets and debt payments which are budgeted on a modified accrual basis within each finance plan. Depreciation is noted at the bottom of the finance plans.

- ***Water and Sewer Fund*** - receives its revenues from charges to all property owners to provide water and sanitary sewer utilities, fund operations and maintenance and capital improvements. (major fund)
- ***Storm Water Fund*** - receives its revenues from charges to all property owners to fund water quality projects, operations and maintenance, and capital improvements. (major fund)

- ***Ice Center Fund*** - provides for operations at the City of Burnsville Ice Center which has two indoor sheets of ice.
- ***Golf Course Fund*** - accounts for the Birnamwood Golf Course, a nine-hole course operation supported by user fees.
- ***Street Lighting Fund*** - provides for the annual operations and maintenance of existing streetlights.
- ***Ames Center Fund*** - reflects the operation of the Ames Center, a performing arts facility. (major fund)
- ***Sidewalk Snowplowing Fund*** - receives its revenues from charges to property owners to fund snow removal from sidewalks and trails.

## **CAPITAL PROJECTS FUNDS**

Capital Projects Funds are governmental funds to account for the acquisition and construction of major capital facilities and equipment (except those financed by proprietary funds). This includes expenditures relating to capital projects and large capital outlay purchases. The City has six budgeted funds in this category. The Capital Project Funds use the modified accrual basis for both financial statement and budgeting purposes.

- ***Parks Capital Fund*** - is used for development of new City parks and improvement of existing parks. Revenue is primarily from park development fees and transfers from the General Fund.
- ***Equipment & Vehicle Fund*** - records capital purchases of equipment and vehicles. The resources are provided by issuance of Certificates of Indebtedness, sale of existing equipment, and transfers from other funds.
- ***Facilities Replacement Fund*** - records facilities replacements and improvements. The resources are provided by issuance of Certificates of Indebtedness and transfers from other funds.
- ***Information Technology Capital Equipment Fund*** - includes capital purchases of Information Technology (IT) equipment and software development. The resources are provided by issuance of Certificates of Indebtedness and transfers from other funds.
- ***Street Maintenance Construction Fund*** - reflects revenues and expenditures for street rehabilitation projects, major street maintenance projects, and small traffic control issues.
- ***Improvement Construction Fund*** - includes receipt and disbursement of bond proceeds or other sources obtained to finance improvements and additions to the City's infrastructure.
- ***Infrastructure Trust Fund (ITF)*** - includes property tax revenue for the purpose of replacing streets and park facilities. (major fund)

## **DEBT SERVICE FUNDS**

Debt Service Funds account for the accumulation of resources for the payment of general long-term debt principal and interest. The City maintains individual debt service funds for each bond issue. The City has established annual financial plans for all general obligation bond funds and certificate of indebtedness funds which is shown in total as the ***GO Debt Funds***. The Debt Funds use the modified accrual basis for both financial statement and budgeting purposes.

## **TAX INCREMENT CAPITAL PROJECTS AND DEBT SERVICE FUNDS**

The City's Economic Development Authority (EDA) maintains capital projects and Debt Service Funds for each Tax Increment Financing (TIF) District. Each TIF district has approved a budget for the district over the life of the district. Financial plans for each TIF district are included in this document. The TIF Funds use the modified accrual basis for both financial statement and budgeting purposes.

## INTERNAL SERVICE FUND

The City has an internal service fund for the City’s vested compensated absence balances. There is not an annual budget for this fund. The expense related to the accrual of vested sick and vacation hours is budgeted in each fund with employee services and transferred to the internal service fund. Vested balances are paid to terminated employees from this fund.

The following table shows the relationship between functional departments and funds. For example, the Natural Resources department has authorized expenditures in the General Fund, the Storm Water enterprise fund, the Equipment Vehicle & Facilities Capital Projects Fund and two Special Revenue Funds.

Functional Departments	Special Revenue Funds								Capital Projects Funds						Enterprise Funds								
	General Fund	Cable Franchise	Forfeitures	Youth Center	Sustainability	Grant	EDA	Forestry	Park s Capital	Equip & Vehicle	Facility	IT Capital	ITF	Street Revolving	Improvement Constr.	Water & Sewer	Storm Water	Ice Center	Golf Course	Street Lighting	Ames Center	Sidewalk Snow Plow	
Police	X		X			X				X	X												
Fire & EMS	X					X				X	X												
Economic Dev							X																
Community Dev	X																						
Prot. Inspections	X																						
Engineering	X									X	X		X	X	X	X	X						
Parks	X								X	X	X												
Public Works	X									X	X			X		X	X			X			X
Fleet	X									X													
Natural Resources	X				X			X		X							X						
Recreation	X			X						X								X	X				
Ames Center																					X		
Admin & Council	X					X				X													
Finance	X															X							
Information Tech	X											X				X							
Facilities	X									X	X												
Legal	X																						
HR	X																						
Cable Franchise		X																					
Insurance	X																						

# Budget Process and Calendar

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The City of Burnsville budget development is not just an annual process that occurs at a set time every year. In actuality, the entire process is an on-going approach that fits into an overall framework of the four primary principles of sound local government budgeting, which are:

1. Establish broad goals to guide government decision making
2. Develop approaches to achieve goals
3. Develop a budget consistent with approaches to achieve goals
4. Evaluate performance and make adjustments.



The City's budget process is built on a strong foundation of financial policies and goal setting. The City's budget process begins with a review of the City's Financial Management Plan which is the policy document that provides the framework for financial decision making. The City Council's ENDS & OUTCOMES define the Council's goals within each of the community themes (safety, transportation, community enrichment, neighborhoods, environment, development/redevelopment, City services and financial management).

In June and August, the City Council reviewed information on projections for the 2017 budget. The Finance Director presented an overview of the financial challenges and a multi-year summary of demands and pressures on the City's property tax levy.

With these actions providing the foundation, the City Manager leads the budget development through each of the various steps, including a number of opportunities for adjusting the course of the budget. With completion of this

budget document, the City has aligned department budget appropriations with the City Council priorities (ENDS & OUTCOMES), including the integration of performance measurement information.

Each year the City Council is required to adopt a maximum tax levy ceiling and preliminary budget by Sept. 30. The tax levy figure establishes the maximum tax levy increase that the Council can consider for the next budget year and is the amount used for the individual parcel specific Truth-in-Taxation notices. Historically, the City has used the maximum tax levy as a means for preserving flexibility in decision making until later in the year when considering final budget adoption.

During the Oct. 25 City Council work session, each City department presented information on the activities and budget pressures of the department. The City Council will meet on Nov. 15 and Nov. 29 to review the recommended 2017 budget in preparation for the final adoption of the budget. The meetings are open to the public and the public was invited to comment on the budget at each meeting. A “video” budget open house was created to help provide residents with information regarding the City budget and services. The video was available for viewing on the City’s website and on YouTube beginning Oct. 31. The public may comment on the 2017 Budget on the City’s website or at any of the public meetings.

On Dec. 6, the City Council considers the final budget.

### **City of Burnsville 2017 Financial Planning and Budget Calendar**

Meeting Dates	Discussion Topics
<b>June 14</b>	Financial Management Plan Review Budget Pressures
<b>August 8</b>	Council Directs Staff to Prepare Maximum Tax Levy
<b>September 6</b>	Council Adopts Maximum Tax Levy
<b>October 25</b>	Department Presentations at Council Work Session
<b>October 31</b>	Virtual Open House Video Release
<b>November 15</b> <b>November 29</b>	Council Work Sessions on the Budget: General Fund & Other Property Tax Supported Funds Capital Projects, CIP, & Enterprise Funds
<b>December 6</b>	Council Adopts Tax Levies and Budget



GOVERNMENT FINANCE OFFICERS ASSOCIATION

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**City of Burnsville  
Minnesota**

For the Fiscal Year Beginning

**January 1, 2016**

Executive Director

**2017 Budget Transmittal Memo**



**DATE: November 1, 2016**  
**TO: City Council**  
**FROM: Heather A. Johnston, City Manager**  
**SUBJECT: 2017 Budget**

This document reflects the proposed 2017 budget for your consideration. As you heard on October 25, every time a vacancy occurs, City staff re-evaluates the position to ensure that we are best meeting the needs of the City's residents and businesses. The next two Council work sessions on November 15 and November 29 will provide additional budget details. The adoption of the 2017 budget is scheduled for your consideration at the December 6 City Council meeting. The proposed 2017 budget includes a \$32.7 million levy which is a 3.6 percent increase (see Table A).

<b>TABLE A</b>				
<b>Tax Levies by Fund</b>	<b>2016 Proposed Levy</b>	<b>2017 Proposed Levy</b>	<b>Change</b>	<b>% Change</b>
General Fund	\$25,955,000	\$27,029,000	1,074,000	3.4%
Debt	1,126,674	1,126,674	—	—%
Infrastructure Trust Fund	3,200,000	3,250,000	50,000	0.2%
Forestry EAB Management	250,000	250,000	—	—%
Facilities Plan Capital Levy	420,000	420,000	—	—%
<b>Total City Levy</b>	<b>\$30,951,674</b>	<b>\$32,075,674</b>	<b>\$1,124,000</b>	<b>3.6%</b>
Economic Development Authority	592,500	617,500	25,000	0.1%
<b>Total City Levy + EDA Levy</b>	<b>\$31,544,174</b>	<b>\$32,693,174</b>	<b>1,149,000</b>	<b>3.6%</b>

At the beginning of the budget process in June, estimates indicated that a 3.8 percent increase was needed to support current services. That estimate was reduced to 3.6 percent when the Council set the maximum levy in September. In addition Council provided direction to include funding for a revised Phase 1 of the Facility Improvement Plan to include the addition of a police garage, air handling replacement and a generator. Staff prepared the proposed budget with bonding using franchise fees and property taxes transfers adopted in February 2016 as a revenue source for repayment without a further increase to the tax levy for 2016. With those changes, any budget flexibility to further reduce the levy was eliminated. The proposed levy is the same as the maximum tax levy.

<b>TABLE B</b>		
<b>Estimated to be paid by the following types of parcels</b>	<b>Incremental Increase in Tax Levy</b>	<b>% Increase Supported by these parcels</b>
<b>New Construction</b> (Parcels that added value from new construction, estimated)	\$120,000	0.4%
<b>Existing Taxpayers</b> (Parcels already contributing to general tax base)	1,029,000	3.2%
<b>Total</b>	<b>\$1,149,000</b>	<b>3.6%</b>

The budget follows Council direction to maintain the commitments to increase funding for the adopted financial plans. The levy also continues to transition the City’s economic development staff costs to the Economic Development Authority (EDA) levy. The budget continues the plan to use reserves to reduce annual debt payments on the bonds that were issued to finance improvements at the Ice Center for a period of approximately ten years. More detail on these changes is provided in Table C.

TABLE C		
Change in Expenditure Items Requiring Tax Levy	Incremental Increase in Tax Levy	% Increase in the Levy for this Item
<b>Street Revolving Fund</b>	13,000	0.1 %
<b>Infrastructure Trust Fund</b>	50,000	0.1 %
<b>Parks Capital</b> - Restoration of funding level	100,000	0.3%
<b>Equipment &amp; Vehicles Capital Fund</b>	98,000	0.3%
<b>EDA Fund</b> - Restore funding for economic development operations	25,000	0.1%
<b>General Fund</b> - Increase in cost of services (net of increases and decreases to other non-tax general revenue sources)	863,000	2.7 %
<b>Grand Total</b>	<b>1,149,000</b>	<b>3.6%</b>

### State Impacts on the City’s Budget

In 2015 the State revised the Local Government Aid (LGA) formula. The revised formula places more emphasis on cities with older housing stock. Under the current formula, the City of Burnsville received approximately \$100,000 in LGA in 2015. However, for 2017 under the same formula, the City will receive no LGA. The 2016 General Fund Budget included \$50,000 of LGA revenue. Since LGA has not been a reliable funding source, the Council directed staff to use the balance of the LGA in the Equipment and Vehicle Fund as one-time revenue when it is received.

There are no state-imposed levy limits in place for this budget year.

### Impact on Taxpayers

For an owner of an average home in Burnsville valued at \$222,000, the estimated annual property tax bill from the City will increase by approximately \$23, which is less than \$2 per month. Residential values have increased an average of 3.5 percent for taxes payable in 2017. Commercial/Industrial property values have seen an average valuation decrease of 0.7 percent. Under the proposed budget, an example average commercial property valued at \$1 million for payable tax year 2017 will pay about \$(133) less per year in City taxes.

While property tax revenue provides a significant share of the City’s revenue, the other major revenue area is charges for services, or fees. Fees are based on Council policy for establishing fees. The budget document includes a section that lists every City fee and the policy rationale for the level of fee.

### Long-Term Approach to Financial Management

One of the strengths of the Council’s budgeting process is that it considers budget data not only for the upcoming year but also projections for subsequent years. Council understands that decisions it makes today will have a financial impact not just on the next year’s budget, but also for the future. Council strives to keep its focus on the policy level - the big picture - and to rely on the staff to effectively and efficiently carry out its policy goals with the resources provided. The Council’s vision reflects the commitment to keep Burnsville a thriving community - a great community in which to live and work. Staff ties its work to the Council adopted ENDS and OUTCOMES which guide our work.

The Five-Year Plans prepared for each City Fund are intended to provide information on the fund's present financial condition, including the impact of prior actions and decisions and plans, as well as projections for the fund's performance over the next years. The Plans are a source of information for the Council to identify where the need or desire for policy change may exist. The Five-Year Plans included in the budget have been updated based on Council actions throughout 2016.

I have highlighted several key issues by fund in the following paragraphs. Detailed information on each City Fund can be found in the 2017 budget document.

### **General Fund**

The Five-Year Plan for the General Fund reflects tax levy increases necessary to deliver the current scope of services and capital replacement plans, assuming normal budget "pressures." This scope of services has been reduced and modified over the last several years. The budget reflects the decisions the Council has made over the past several months. Table C includes an entry entitled "Increase in cost of services." The following highlights some of the approaches incorporated into the budget to address the lower revenue estimates and higher expenses that are included in the budget.

Minimum Wage - Minimum wage law changes will increase costs in the City's departments that rely heavily on seasonal employee staffing. Incremental increases that went into effect in 2015 and in 2016 are expected to increase costs by approximately \$50,000 in 2017.

Health Insurance - The City conducted an RFP process for employee health insurance for the 2015 plan year. The City received a favorable contract offer from the City's current provider resulting in an overall rate decrease of five percent for 2015 with a rate caps of five and nine percent in 2016 and 2017, respectively. For 2017 the City received good news that the increase will come in below the cap at 6.4 percent. The budget reflects a \$40 change in the monthly per employee health insurance contribution for 2017. The City's five-year plan is consistent with past practice to adjust the health care cost participation by a fixed dollar amount (as opposed to a percentage) over the following years to moderate the health insurance increases.

Comprehensive Plan Update - The City's Plan is required to be updated beginning in 2016. The City is planning to complete the work over the next two years. The City has planned to use fund balance to cover these expenses as one-time costs. The budget for 2016 is \$120,000 in the Community Development Department. Additional costs for Parks planning are included in the parks capital budget.

Information Technology - The trend in software is moving to hosted services. In 2016, the City reduced capital spending in the IT Capital Fund and has increased operational costs for hosted services in the General Fund. A corresponding reduction in the transfer for the General Fund to the IT Capital Fund offsets the cost. Hosted services continue to allow the City to more effectively use its limited IT staffing resources for training, implementation, and use of software rather than on maintaining additional hardware. Staff is proposing a one-time \$30,000 use of fund balance to integrate GIS systems in order to provide a more comprehensive look at data across departments.

Rental Inspections and Proactive Property Maintenance - In 2013, The City implemented a rental inspection program requiring all rental units in the City to be inspected over a three-year period. The program was structured to provide uniform and consistent enforcement. The third year of the program continues to provide positive results in improving the rental property conditions within the City. Overall, rental inspection revenues are performing consistent with budget.

In 2013, Council also directed staff to engage a “proactive” inspector to canvass the entire city over a three-year period for property maintenance violations. The City began charging for re-inspection for property maintenance violations. In the third year of the program, the City continued to see many homeowners correct problems quickly, avoiding a re-inspection fee.

Other Cost Reductions and Revenue Estimate Changes - EMS revenues are growing due to increased number of calls for service. The City is also beginning to see a slight improvement in collection rates which may be attributed to an increased number of patients with insurance. The City will continue to monitor the trends in this area. Fuel Costs are projected to be approximately the same for 2017. New fleet management system has been implemented recently in 2015. Staff believes this system will provide better usage information to manage more effectively vehicle usage. Future changes to the size of the City’s fleet may be possible which would affect future budgets. Utility rates are increasing; however, usage has gone down due to energy conservation efforts for a neutral affect.

### **Facilities Fund**

This year, the Equipment, Vehicles & Facilities Fund has been broken out to account for the Facilities project separately. The City plans on issuing \$10.1 million in bonds to fund Phase 1 of the facilities improvement projects. The first phase includes a comprehensive renovation of the police station facilities, changes to the community rooms and bathrooms in City Hall and master planning for Fire Station 1. This fund will account for the franchise fee revenue and the expenses associated with the facilities renovations.

### **Forestry Emerald Ash Borer (EAB) Management Fund**

The establishment of the EAB Fund reflects the Council’s long-term commitment to financial planning. The City has a large number of mature ash trees on both public and private land. While the timing of the arrival of the EAB is unknown, it is in communities near the City and the EAB is expected to have a large financial impact when it does arrive in the City. Council established the base funding level for the program in 2011 and adopted a plan for a \$50,000 annual funding increase to build funding for related expenses. The City has begun treating trees and has seen a reduction in the cost to treat trees. Based on the delayed arrival of the bug, the City is able to fund the plan at the current level without an increase for 2017.

### **Parks Capital Fund**

The Council determined in 2010 that it wanted to steadily increase the funding for park facilities to maintain the existing complement of park facilities. The 2017 proposed budget includes the planned increase of \$100,000. Future years have been adjusted to an annual increase of \$50,000 to offset anticipated decline in park dedication fees.

### **Youth Center (THE GARAGE) Fund**

In 2015, the City formed a partnership with the Burnsville-Eagan-Savage School District 191 (ISD 191), Twin Cities Catalyst Music (TCCM, a non-profit music group) and the Burnsville YMCA to transition the programs at THE GARAGE to a new Burnsville Youth Collaborative (BYC). This transition plan moved after-school activities to Nicollet Junior High and turn over the weekend music program to the non-profit organization. THE GARAGE facility has been renovated to accommodate an expanded music lesson program and will be utilized by Burnsville Sr. High, ISD 191 Community Education, YMCA, TCCM and other school district entities to expand music lesson and educational opportunities.

The City had a two-year operating commitment to the BYC and transfers from the General Fund will go to the BYC through 2016 and to fund current building maintenance and operation costs. As a result of cost savings there are available unspent funds from 2016 to carryforward to 2017 to continue some operations support beyond the building operations costs. Future contributions from the General Fund in 2017-2019 are planned for roof replacement.

Current expenses for building operations will be funded from transfers from the General Fund until the operating commitment is complete, the current expense activity will be shown in other existing funds.

### **Economic Development Fund**

The budget continues the Council's phased approach for matching annual revenue to annual expenditures for economic development operational expenses. In 2009, the Council made the decision to finance ongoing economic development operational costs from the EDA Fund. Historically, these costs had been financed from the General Fund. In order to address this change, the Economic Development Authority (EDA) levy is planned to increase gradually in the Five-Year Plan. There will be some fund balance degradation during these intervening years but not to an extent that would place the fund in any jeopardy. The 2017 budget includes a planned inflationary increase in the transfer for Ames Center debt to help offset the decline in host fee revenue.

### **Infrastructure Trust Fund (ITF)**

The ITF is the primary source of funding for street and bridge maintenance in the city. In 2010, the Council began a modest effort to restore the funding levels in the ITF over a period of years - increasing the levy by \$50,000 each year with a one-time large increase in 2015 when TIF 2 was de-certified. The levy increase in 2017 continues an annual increase of \$50,000.

### **Sanitary Sewer and Water Fund includes Major Capital Projects**

The City's CIP includes an \$8.7 million project to replace water meters installed in homes and businesses across the City in 2017 which will be funded by bonding. It is necessary to replace the current meters as they are beginning to slow and underreport water use, which results in lost revenues to the water system. An efficient and well-maintained system is essential to ensure proper collection of use charges and rate stability.

During the past few years, the Public Works staff has become much more aggressive in inspecting and testing the City's water and sewer infrastructure, especially the older major components. This has identified needs for several infrastructure maintenance projects that are more immediate than what had been projected. Many water and sewer system components (some of which are thirty to forty years old) have not had the major renovations necessary to keep them in long-term serviceable condition. These include the original ground water treatment plant, the Nicollet reservoir and pumping station, major trunk water lines, major trunk sanitary sewer lines, and sanitary sewer lift stations.

The water treatment plant is arguably the most critical facility in the City. Its continuous safe and efficient operation is required to provide safe drinking water to more than 85,000 residents in Burnsville and Savage. The City is entering a period in which more significant and expensive improvements to these facilities will be required. The plan also includes an aggressive approach to street reconstruction and rehab. Water and sewer infrastructure replacement occurs as a street is replaced. The plan continues to fund the Storz hydrant nozzle replacement program by retrofitting hydrants over a multi-year period. Storz connections allow a faster connection to the hydrant by the Fire Department by about 30 seconds, which will greatly assist in firefighting.

### **Ames Center Fund**

The third year of the naming rights agreement continues to have a positive impact on the Ames Center Financial Plan. The Ames Center Commission provides additional budget oversight. The projected revenue picture continues to improve. The Five-Year Plan as presented includes some estimates for future capital spending to ensure the facility is maintained in future years. As the building ages, capital maintenance needs will increase.

### **Financial Policies**

Staff has proposed three revisions to the Financial Management Plan related to budgeting for LGA funds, clarification on the handling of depreciation for budget purposes in the Enterprise Funds and dedication of franchise fees to the funding of facility needs.

The 2017 budget reflects a continuation of the City's practice to constantly review how services are provided to ensure the most innovative, effective and efficient practices. This practice happens throughout the organization, with more than fifty budget preparers contributing to the proposals for your consideration. Thanks to Finance's leadership and all of the budget preparers for their fine work throughout this process. Although the economy continues to recover, the ever present cost increases for providing basic services make this practice critically important. The proposed 2017 budget reflects the Council's strong financial management practices, is balanced, and sound over both the short and long term.

The Council began work on the budget in June and will continue to work diligently over the next two months. Thank you in advance for your deliberate and thoughtful approach to the budget discussions. Your leadership, focused on the long-term financial stability of the City, serves the residents and businesses well.

# City of Burnsville 2017 Proposed Budget Budget Summary

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## 2017 Budget Summary

**City of Burnsville  
2017 Budget Summary**

	General Operating Funds				Debt Service Funds	Enterprise Funds	Total All Funds
	General Fund	Special Revenue	Capital Projects	Total General Operating Budget			
<b>Revenues / Sources</b>							
Property Taxes	27,034,200	867,500	3,670,000	31,571,700	1,126,674	—	32,698,374
Other Taxes	350,000	1,040,000	1,000,000	2,390,000	—	—	2,390,000
Special Assessments	—	—	950,000	950,000	1,122,490	23,000	2,095,490
License & Permits	2,000,519	1,720	—	2,002,239	—	—	2,002,239
Fines & Forfeits	356,950	25,000	—	381,950	—	—	381,950
Investment Income	270,000	16,000	43,192	329,192	166,398	270,787	766,377
Rents	891,307	—	—	891,307	—	—	891,307
Intergovernmental	2,440,324	294,000	2,159,671	4,893,995	49,500	—	4,943,495
Charges for Services	6,200,941	8,400	15,000	6,224,341	—	23,239,704	29,464,045
Sale of Capital Assets	—	—	100,000	100,000	—	—	100,000
Other Revenues	68,250	39,110	80,000	187,360	—	682,076	869,436
Bond Proceeds	—	—	10,110,000	10,110,000	—	3,500,000	13,610,000
Transfers from other funds	185,000	131,000	4,353,120	4,669,120	1,471,943	917,642	7,058,705
<b>Total Revenues / Sources</b>	<b>39,797,491</b>	<b>2,422,730</b>	<b>22,480,983</b>	<b>64,701,204</b>	<b>3,937,005</b>	<b>28,633,209</b>	<b>97,271,418</b>
<b>Expenditures / Uses</b>							
Employee Services	26,588,911	933,681	—	27,522,592	—	5,308,065	32,830,657
Current Expenditures	9,155,873	894,920	630,000	10,680,793	8,200	12,538,726	23,227,719
Capital Outlay	—	82,500	2,150,200	2,232,700	—	313,800	2,546,500
Capital Improvements	—	—	19,382,555	19,382,555	—	13,030,000	32,412,555
Transfers to other funds	4,484,000	712,642	709,101	5,905,743	—	1,152,962	7,058,705
Interest / Debt	—	—	—	—	4,111,239	2,955,897	7,067,136
<b>Total Expenditures / Uses</b>	<b>40,228,784</b>	<b>2,623,743</b>	<b>22,871,856</b>	<b>65,724,383</b>	<b>4,119,439</b>	<b>35,299,450</b>	<b>105,143,272</b>
<b>Use of Fund Balance</b>	<b>(431,293)</b>	<b>(201,013)</b>	<b>(390,873)</b>	<b>(1,023,179)</b>	<b>(182,434)</b>	<b>(6,666,241)</b>	<b>(7,871,854)</b>

**City of Burnsville  
2017 Budget Summary  
Special Revenue Funds**

	2017 Budget							Special Revenue Total
	Cable Franchise	Youth Center	Sustainability	Grant	EDA Fund	Forestry (EAB)	Forfeiture	
<b>Revenues / Sources</b>								
Property Taxes	—	—	—	—	617,500	250,000	—	867,500
Other Taxes	1,040,000	—	—	—	—	—	—	1,040,000
License & Permits	—	—	—	—	—	1,720	—	1,720
Fines & Forfeits	—	—	—	—	—	—	25,000	25,000
Investment Income	7,000	—	—	—	9,000	—	—	16,000
Intergovernmental	—	49,000	229,000	16,000	—	—	—	294,000
Charges for Services	8,400	—	—	—	—	—	—	8,400
Other Revenues	—	39,110	—	—	—	—	—	39,110
Transfers from other funds	—	56,000	75,000	—	—	—	—	131,000
<b>Total Revenues / Sources</b>	<b>1,055,400</b>	<b>144,110</b>	<b>304,000</b>	<b>16,000</b>	<b>626,500</b>	<b>251,720</b>	<b>25,000</b>	<b>2,422,730</b>
<b>Expenditures / Uses</b>								
Employee Services	538,825	—	253,421	—	118,724	22,711	—	933,681
Current Expenditures	247,583	146,110	72,100	16,000	96,247	286,880	30,000	894,920
Capital Outlay	22,500	—	—	—	—	60,000	—	82,500
Transfers to other funds	185,000	48,000	—	—	479,642	—	—	712,642
<b>Total Expenditures / Uses</b>	<b>993,908</b>	<b>194,110</b>	<b>325,521</b>	<b>16,000</b>	<b>694,613</b>	<b>369,591</b>	<b>30,000</b>	<b>2,623,743</b>
<b>Change in Fund Balance</b>	<b>61,492</b>	<b>(50,000)</b>	<b>(21,521)</b>	<b>—</b>	<b>(68,113)</b>	<b>(117,871)</b>	<b>(5,000)</b>	<b>(201,013)</b>

**City of Burnsville  
2017 Budget Summary  
Capital Projects Funds**

	2017 Budget							Capital Projects Total
	Parks Capital	Equipment & Vehicle	Facilities	I.T. Capital Fund	Infra- structure	Street Maintenance	Improvement Construction	
<b>Revenues / Sources</b>								
Property Taxes	—	—	420,000	—	3,250,000	—	—	3,670,000
Other Taxes	—	—	1,000,000	—	—	—	—	1,000,000
Special Assessments	—	—	—	—	—	—	950,000	950,000
Investment Income	—	10,000	—	2,000	24,192	7,000	—	43,192
Intergovernmental	50,000	—	—	—	1,694,671	—	415,000	2,159,671
Charges for Services	—	—	—	—	—	15,000	—	15,000
Sale of Capital Assets	—	100,000	—	—	—	—	—	100,000
Other Revenues	80,000	—	—	—	—	—	—	80,000
Bond Proceeds	—	—	10,110,000	—	—	—	—	10,110,000
Transfers from other funds	1,250,000	1,392,000	441,700	649,970	—	619,450	—	4,353,120
<b>Total Revenues / Sources</b>	<b>1,380,000</b>	<b>1,502,000</b>	<b>11,971,700</b>	<b>651,970</b>	<b>4,968,863</b>	<b>641,450</b>	<b>1,365,000</b>	<b>22,480,983</b>
<b>Expenditures / Uses</b>								
Current Expenditures	—	—	—	—	—	630,000	—	630,000
Capital Outlay	—	2,150,200	—	—	—	—	—	2,150,200
Capital Improvements	1,385,952	—	12,085,750	780,853	3,765,000	—	1,365,000	19,382,555
Transfers to other funds	—	—	—	—	709,101	—	—	709,101
<b>Total Expenditures / Uses</b>	<b>1,385,952</b>	<b>2,150,200</b>	<b>12,085,750</b>	<b>780,853</b>	<b>4,474,101</b>	<b>630,000</b>	<b>1,365,000</b>	<b>22,871,856</b>
<b>Change in Fund Balance</b>	<b>(5,952)</b>	<b>(648,200)</b>	<b>(114,050)</b>	<b>(128,883)</b>	<b>494,762</b>	<b>11,450</b>	<b>—</b>	<b>(390,873)</b>

**City of Burnsville  
2017 Budget Summary  
Enterprise Funds**

	2017 Budget							Enterprise Total
	Water & Sewer	Storm Water	Ice Center	Golf Course	Street Lighting	Ames Center	Sidewalk Snow Plowing	
<b>Revenues / Sources</b>								
Special Assessments	—	23,000	—	—	—	—	—	23,000
Investment Income	196,206	63,949	1,000	3,500	5,000	—	1,132	270,787
Charges for Services	15,477,252	4,265,321	1,097,210	278,000	556,884	1,483,712	81,325	23,239,704
Other Revenues	218,876	40,000	—	—	10,000	413,200	—	682,076
Bond Proceeds	3,500,000	—	—	—	—	—	—	3,500,000
Transfers from other funds	—	—	—	—	—	904,642	13,000	917,642
<b>Total Revenues / Sources</b>	<b>19,392,334</b>	<b>4,392,270</b>	<b>1,098,210</b>	<b>281,500</b>	<b>571,884</b>	<b>2,801,554</b>	<b>95,457</b>	<b>28,633,209</b>
<b>Expenditures / Uses</b>								
Employee Services	3,604,312	890,818	618,979	193,956	—	—	—	5,308,065
Current Expenditures	8,912,681	942,874	395,640	80,154	389,881	1,736,496	81,000	12,538,726
Capital Outlay	—	—	65,000	14,100	—	234,700	—	313,800
Capital Improvements	8,775,000	4,085,000	—	—	170,000	—	—	13,030,000
Transfers to other funds	435,620	62,500	—	—	—	644,842	10,000	1,152,962
Interest / Debt	2,547,625	408,272	—	—	—	—	—	2,955,897
<b>Total Expenditures / Uses</b>	<b>24,275,238</b>	<b>6,389,464</b>	<b>1,079,619</b>	<b>288,210</b>	<b>559,881</b>	<b>2,616,038</b>	<b>91,000</b>	<b>35,299,450</b>
<b>Change in Fund Balance</b>	<b>(4,882,904)</b>	<b>(1,997,194)</b>	<b>18,591</b>	<b>(6,710)</b>	<b>12,003</b>	<b>185,516</b>	<b>4,457</b>	<b>(6,666,241)</b>

**City of Burnsville  
2017 Budget Summary  
Projected Changes in Fund Balance**

Fund	Estimated Fund Balance January 1	2017 Revenues	2017 Expenditures	Fund Balance December 31	Increase (Decrease)	% Change in Fund Balance	Greater than Ten Percent Variance
General Fund	21,070,297	39,797,491	40,228,784	20,639,004	(431,293)	(2.0)%	
Special Revenue Funds							
Cable Franchise	1,070,033	1,055,400	993,908	1,131,525	61,492	5.7 %	
Youth Center	79,994	144,110	194,110	29,994	(50,000)	(62.5)%	B
Sustainability	142,887	304,000	325,521	121,366	(21,521)	(15.1)%	B
Grant	11,667	16,000	16,000	11,667	—	— %	
EDA	791,276	626,500	694,613	723,163	(68,113)	(8.6)%	
Forestry (EAB)	401,433	251,720	369,591	283,562	(117,871)	(29.4)%	A
Forfeiture	11,217	25,000	30,000	6,217	(5,000)	(71.0)%	A
Capital Projects Funds							
Parks Capital	166,383	1,380,000	1,385,952	160,431	(5,952)	(3.6)%	
Equipment & Vehicle	1,094,362	1,502,000	2,150,200	446,162	(648,200)	(59.2)%	C, D
Facilities	799,697	11,971,700	12,085,750	685,647	(114,050)	(14.3)%	C, D
I.T. Capital Fund	178,374	651,970	780,853	49,491	(128,883)	(72.3)%	C, D
Infrastructure	2,419,248	4,968,863	4,474,101	2,914,010	494,762	20.5 %	C
Street Maintenance	319,451	641,450	630,000	330,901	11,450	3.6 %	
Improvement Construction	(121,791)	1,365,000	1,365,000	(121,791)	—	— %	
Debt Funds							
G.O. Debt Funds	18,932,432	3,937,005	4,119,439	18,749,998	(182,434)	(1.0)%	
Enterprise Funds							
Water & Sewer	72,782,857	19,392,334	24,275,238	67,899,953	(4,882,904)	(6.7)%	
Storm Water	40,311,113	4,392,270	6,389,464	38,313,919	(1,997,194)	(5.0)%	
Ice Center	5,340,253	1,098,210	1,079,619	5,358,844	18,591	0.3 %	
Golf Course	1,115,923	281,500	288,210	1,109,213	(6,710)	(0.6)%	
Street Lighting	1,630,857	571,884	559,881	1,642,860	12,003	0.7 %	
Ames Center	16,054,216	2,801,554	2,616,038	16,239,732	185,516	1.2 %	
Sidewalk Snow Plowing	113,160	95,457	91,000	117,617	4,457	3.9 %	
<b>Total All Funds</b>	<b>184,715,339</b>	<b>97,271,418</b>	<b>105,143,272</b>	<b>176,843,485</b>	<b>(7,871,854)</b>	<b>(4.3)%</b>	

**Reason for Greater than Ten Percent Variance:**

A: Planned use of fund balance for capital items.

B: Planned use of fund balance for operations.

C: Capital projects vary by year. The City strives to pay cash for capital projects that can be anticipated and planned for in advance of purchase. Therefore the City's fund balance levels fluctuate, in part, based on capital project plans.

D: Planned use of fund balance. Rather than incur debt and related interest expense for annual on-going vehicle and equipment purchases and facility improvements, the City uses pay-as-you-go funding through the use of transfers from the General Fund, enterprise funds, and use of fund balance.



# City of Burnsville 2017 Proposed Budget Five-Year Financial Plan

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## **General Fund**

### **Special Revenue Funds**

Cable Franchise Fee Fund  
Youth Center (THE GARAGE) Fund  
Sustainability Fund  
Grant Fund  
Economic Development Authority (EDA) Fund  
Forestry (Emerald Ash Borer) Fund  
Forfeiture Fund

### **Capital Projects Funds**

Parks Capital  
Equipment & Vehicle  
Facilities  
Information Technology Capital Equipment  
Street Maintenance  
Improvement Construction  
Infrastructure Trust

### **Debt Service Funds**

G O Debt Funds

### **Enterprise Funds**

Water & Sewer  
Storm Water  
Ice Center  
Golf Course  
Street Lighting  
Ames Center  
Sidewalk Snowplowing

# City of Burnsville 2017 Proposed Budget Five-Year Financial Plan

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## General Fund

# General Fund

## Financial Plan Year 2017

### FUND DESCRIPTION

The General Fund is used to account for the revenues and expenditures necessary to provide basic governmental services for the city. The principal sources of revenues are property taxes, intergovernmental revenue, and charges for municipal services. Expenditures are for general government, public safety, streets, recreation, and other functions.

### BACKGROUND

The General Fund has consistently remained in sound financial condition from year to year due to effective management of sources and uses within this fund.

The Fund had \$21.8 million in fund balance at year end 2015, which was \$1.2 million more than the prior year. At the end of 2013 fund balance was reduced as a result of a year end required adjustment for an unrealized investment portfolio fair value change. During 2014 and 2015 the portfolio regained the majority of the unrealized loss. Current market value is within 0.1 percent of the portfolio cost basis. At the September 2016 quarter end the portfolio had a small unrealized gain. The City holds its investments to maturity and does not expect to realize any gains or losses.

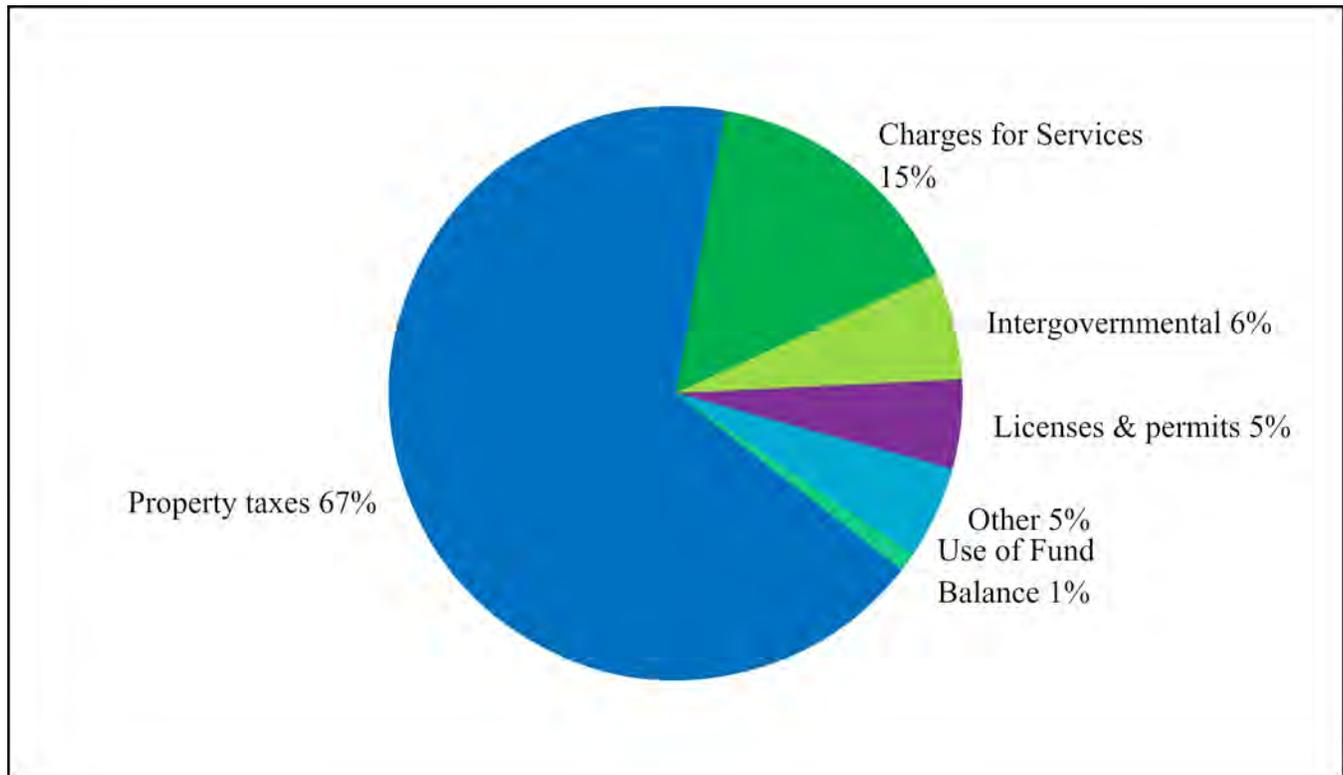
Below is a summary of past and recent year-end fund balance reserves as well as a projection for future balance.

Fund Balance (in millions of dollars)	2012	2013	2014	2015	2016 Est.	2017 Est.
<i>Explanation of Fund Balance:</i>						
Nonspendable	—	—	—	\$ 1.5	\$ 1.5	\$ 1.5
Restricted	2.5	2.4	2.4	2.1	2.0	1.9
Assigned for Ice Center Debt Service	1.3	1.1	1.0	0.8	0.7	0.6
Assigned for subsequent year's budget	—	0.4	0.1	0.9	0.3	0.3
Capital Project Right of Way Allowance for subsequent year's budget	—	—	—	—	0.5	—
Unassigned - Policy Min. Requirement (35%)	12.1	12.5	12.9	13.4	14.1	14.4
Unassigned - Contingency	3.0	0.8	4.0	3.1	1.9	1.9
<b>Total Fund Balance</b>	<b>18.9</b>	<b>17.2</b>	<b>20.4</b>	<b>21.8</b>	<b>21.0</b>	<b>20.6</b>
<b>Total Budgeted Use of Funds (for the year that follows)</b>	<b>\$ 34.7</b>	<b>\$ 35.6</b>	<b>\$ 36.8</b>	<b>\$ 38.9</b>	<b>\$ 40.2</b>	<b>\$ 41.2</b>

## SOURCE OF FUNDS

The primary source of funding for the General Fund is the property tax. Property taxes represent well over half of total revenues in the General Fund. Services such as police and fire, which are the largest expenditure areas in the General Fund, are highly dependent on the property tax for funding. About half of the total property tax levy the City collects goes toward support of public safety. The following pie-chart provides a break-down of General Fund revenues.

### General Fund Revenue



The sum of all non-property tax revenue totals around a third of all revenue in the General Fund. The majority of the non-property tax revenue comes from charges for services and licenses and permits. The City has historically set charges for services and licenses and permits at a level sufficient to cover the full cost of services provided. All fees and charges are reviewed annually to ensure they remain at both a reasonable and competitive level. The following provides information on the General Fund revenue sources, including future projections, summarized by major category.

#### Property taxes

The proposed property tax levy for the General Fund is \$27,029,000 which is a \$1,074,000 increase from 2016. This is an approximately 3.4 percent increase over 2016. The property tax figure for the General Fund is a net figure adjusted for an estimate of delinquent and uncollectible taxes.

The City's average residential values increased by 3.4 percent for pay 2016. Commercial/Industrial (C/I) values average values had no significant change from 2016.

For planning purposes, future property tax revenues shown in the Five-year Financial Plan are calculated to show the level of tax funding needed to balance the annual budget assuming that the present level of services are provided.

The future property tax amounts shown in the Five-year Financial Plan are for projection purposes only to show the demand for additional levy before other decisions are made to determine final levy by year.

#### Licenses & Permit

Licenses and permit revenue of approximately \$2.0 million for the General Fund represents approximately five percent of the General Fund revenues. Recent years economic conditions impacted development levels locally and nationally. The City lowered revenue estimates in prior years and actual results have consistently exceeded estimates due to some large individual commercial developments that have occurred in each of the past few years. Estimates for 2017 are based on an average year. These line items will be carefully monitored and changes in estimates recommended as needed.

#### Charges for Services

Charges for Services is estimated to provide \$5.8 million in revenue or about 15 percent of the General Fund revenues. This estimate is approximately \$239,000 higher than the 2016 budget. EMS revenue is estimated to increase \$150,000. The number of ambulance runs are trending 10 percent higher and fees are proposed to increase 5 percent. The addition of another ambulance crew during peak hours is anticipated to generate an additional \$200,000 annually. However, since Medicare and Medicaid reimbursement rates are significantly less than billed rates, mandatory reductions for patients covered are high. Collection of unpaid debt has improved slightly however unpaid bills continue to be significant. Engineering charges to projects are projected to increase \$55,000.

#### Fines & Forfeitures

Fines & forfeitures provide \$400,000 or about 1 percent of the General Fund revenues, this estimate is based on results of recent years and is a reduction from the 2016 budget estimate. This revenue category includes mainly court fines from traffic enforcement. Court fines had been uneven in prior years. Budget is calculated for an average year. All revenues in this category have been projected to stay about the same in future years.

#### Interests and Rents

Interest and rents provide \$1.3 million or about three percent of the General Fund revenues. Rentals consist of antenna site rental fees which are estimated to be about \$85,000 more in 2016. Interest is estimated at \$30,000 less than 2016. Interest rates are at historically low levels. Both revenues in this category have been projected to grow by about one percent per year.

#### Intergovernmental Revenue

Intergovernmental revenues of \$1.8 million represent about 5 percent of the General Fund revenues. Burnsville will not receive Local Government Aid from the State in 2017. In 2016 the City received \$100,000. The City Council's Financial Policies, as adopted in 2014, limits the LGA revenue budgeted in the General Fund to \$50,000 with the balance to be budgeted in the following year as use of fund balance. Staff is recommending the policy be changed to not budget LGA until it has been received. Police and fire state aids received in 2016 were \$20,000 higher than expected. The 2017 budget assumes they will be at the same level in 2017. Municipal state aid (gas tax revenue passed through the State) received in 2016 was \$50,000 higher than budget. The 2017 budget is based on the 2016 amount. This estimate is dependent on what continues to happen to gas consumption. The gravel tax revenue estimate is also expected to be up by \$2,000. Conservative growth has been projected for other intergovernmental revenues.

#### Transfer from Other Funds

The Cable Franchise Fee fund transfers \$185,000 to the General Fund annually. This amount remains the same as it has been for several years.

Use of Fund Balance

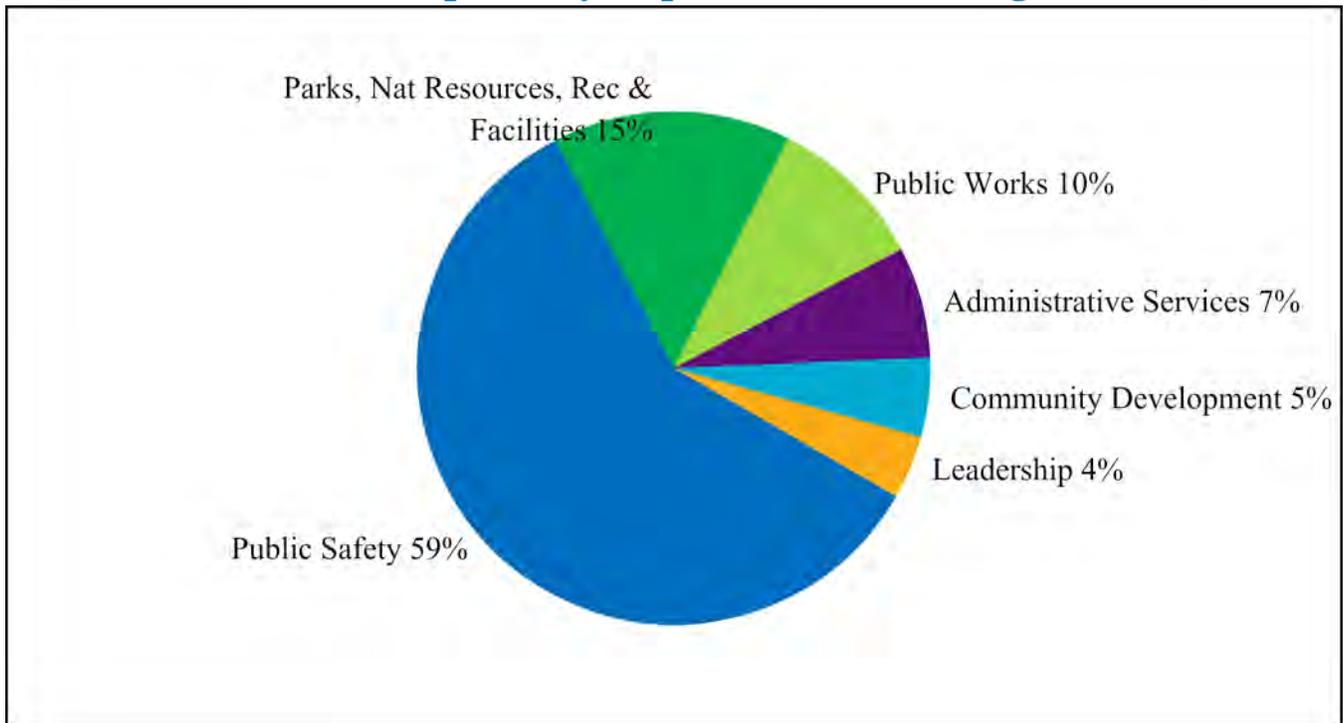
Budgeted use of fund balance in 2017 is \$431,293. In the year 2012, Council assigned \$1,400,000 of fund balance to be used to fund an annual transfer of \$140,000 to the Ice Center Debt Service Fund to pay the lease revenue annual payments on the 2010 Ice Center Improvements. The budget includes a \$141,000 use of restricted fund balance from tipping fees to pay for eligible costs. The City has consistently used fund balance to offset election year costs in the even years. In 2016, the City is planning for \$172,155 of election expense with none budgeted for 2017. These amounts are consistent with prior years.

In 2017 the budget includes one-time costs for a required comprehensive plan update estimated to cost \$400,000 to be spread over 2 years. The 2017 cost is \$120,000. The City identified a need for improvements at several of its aging facilities. In 2015 the City began to plan for significant improvements to facilities and identified a phased approach to making these improvements. The Council has directed staff to propose some use of fund balance to reduce bonding. The 2016 plan included \$250,000 for this purpose and none for 2017. The Council has a long-term plan to add monuments to the City’s main entrances. There was \$50,000 to fund one entrance monument in 2016 and none in 2017. The City has identified improved GIS integration as a goal and has designated \$30,000 of fund balance use to begin a City-wide program.

**USE OF FUNDS**

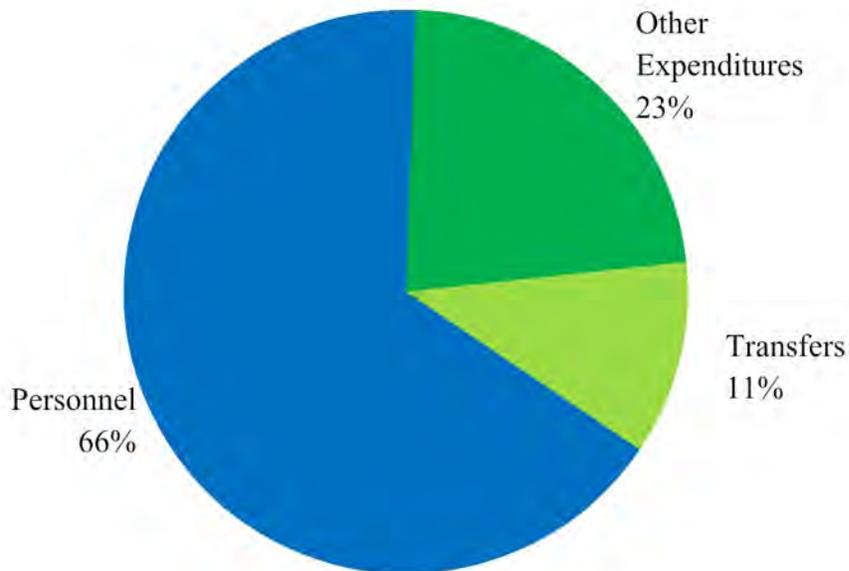
Expenditures from the General Fund are for general governmental services such as police, fire, emergency medical services, street maintenance, regulatory services, recreation, parks, planning and zoning, and general administration. Police and fire comprise the largest share, 59 percent, of the total expenditure budget in the General Fund. The following chart provides a break-down by major service areas within the General Fund excluding transfers.

**General Fund Expense by Department (excluding transfers)**



Use of Funds in the General Fund can also be broken down into the following spending categories for which further explanation and comparison of change from 2016 to 2017 is provided.

### General Fund Expense by Category



#### Personnel Costs

Personnel costs are comprised of wages, health insurance costs, and other benefits such as employer taxes, employer pension contribution, workers compensation insurance, funding for accrued vacation and sick leave, and disability insurance. As of November 1, two of the five union contracts are settled for 2017. In December the Council will consider non-union wages and benefits as part of the Non-Union Pay and Benefit Plan. Worker’s compensation insurance expense will be approximately the same in 2017 due mainly to improvement in overall experience ratings. The City is focusing efforts of the safety committee to review trends and identify injury avoidance strategies across all areas of the City. The City was awarded a federal SAFER grant which is funding four additional fire fighter positions for two years.

#### Current Expenditures

Supplies, legal fees, auditing fees, repairs, dues and subscriptions, training, telephone, software maintenance, etc. are accounted for as current expenditures. The total General Fund current expenditure budget for 2017 will be approximately \$8.6 million. Current expenditures include the cost of the payment to the Dakota Communications Center (DCC). Current expenses totaling \$63,400 related to the additional SAFER grant positions have been included for 2017. One-time equipment expenses of \$156,100 have been included within the current expenses in the Fire Department in the General Fund. These expenses are offset by increased EMS revenues generated by additional ambulance runs which would have otherwise been covered by mutual aid. There are several large items this year including the update of the City’s Comprehensive Plan for \$120,000. In Information Technologies the City is continuing taking advantage of more hosted services rather than capital purchases of software and the associated hardware. The IT budget includes \$30,000 for implementation of a GIS program.

Future year current expenditures were projected out using a constant inflationary factor.

### Capital Outlay

Major capital expenses for facilities, fleet and other large capital items are accounted for in the Equipment, Vehicle and Facilities Funds.

### Debt

The General Fund does not make any direct debt service payments, but the fund does transfer revenue to support the payment of debt as highlighted below under Transfers.

### Transfers

Transfers are made from the General Fund for the purpose of allocating general property taxes to other funds. Transfers represent just over 11 percent of the General Fund expenditure projections. The budget includes \$4.5 million cumulative transfer of cash from the General Fund to other City funds.

Transfer to Fund	Purpose	Amount
Sustainability	Transfer from fund balance reserved for landfill abatement to fund Burnsville sustainability and recycling activities.	\$75,000
Youth Center	Annual subsidy to support the operation of the Youth Center. This amount will be the City's second year contribution to the Burnsville Youth Collaborative.	\$56,000
Street Revolving	Transfer to fund sealcoat and other street maintenance projects.	\$333,000
Parks Capital	Transfer to fund a portion of capital improvements and renovations of capital assets in city parks. General Fund support had been greatly reduced in recent years. The finance plans include increases over the next five years to begin to restore this funding.	\$925,000
Ice Center Debt	2012 was the first year of use of General Fund Balance to fund debt service on the Ice Center renovation project. Transfers are planned for 10 years ending in 2021.	\$140,000
Ames Center Debt	Transfer for payment of debt on the Ames Center. The City certifies an abatement levy for the annual principal payment owed on the performing arts building debt.	\$328,000
Ames Center Enterprise	To provide non-operating revenue for the Ames Center.	\$425,000
Information Technologies Capital	To pay for IT equipment purchases and software development costs that support general government services.	\$420,000
Vehicle & Equipment Replacement	To provide funding for general government capital expenditures for equipment & vehicles.	\$1,382,000
Facilities	To provide funding for general government capital expenditures for facilities capital maintenance.	387,000
Sidewalk Snowplow	To fund snowplowing on sidewalks along City-owned properties.	\$13,000
Total		\$4,484,000

## **FUND BALANCE**

It is important for the financial stability of the City to maintain fund balance for unanticipated expenditures or unforeseen emergencies, as well as to provide adequate working capital for current operating needs so as to avoid short-term borrowing.

The City will maintain fund balances in the General Fund at a level which will avoid issuing short-term debt to meet the cash flow needs of the current operating budget. Generally, the goal would be to maintain a minimum total General Fund balance of 35 percent of the operating budget; however, this need could fluctuate with each year's budget objectives and appropriations such as large capital expenditures, and variations in the collection of revenues.

The City anticipates that some right of way expenditures on County Road projects will exceed the original budget. The City anticipates that this would need to be funded by the General Fund and is therefore setting aside \$500,000 as noted in the fund balance table at the beginning this narrative.

# General Fund

## Five-Year Financial Plan

	2014	2015	2016			2017		Projected			
			Original	Amended	Estimate	Budget	% Chg	2018	2019	2020	2021
<b>SOURCE OF FUNDS:</b>											
Property taxes	24,006,642	24,920,737	25,963,700	25,963,700	25,976,297	27,034,200	4 %				
Other taxes (Lodging)	289,198	363,409	290,000	290,000	350,000	350,000	21 %				
Licenses and permits	1,950,335	2,018,374	2,016,008	2,016,008	1,934,844	2,000,519	(1)%				
Fines and forfeits	400,225	364,164	436,250	436,250	362,365	356,950	(18)%				
Investment income	261,411	257,894	320,000	320,000	300,000	270,000	(16)%				
Rents	786,624	814,599	807,096	807,096	824,080	891,307	10 %				
Intergovernmental	1,930,999	1,986,290	1,884,625	1,896,831	1,971,720	2,440,324	29 %				
Charges for services	5,511,388	5,584,252	5,816,204	5,816,204	5,945,036	6,200,941	7 %				
Other	87,374	110,368	66,750	66,750	69,476	68,250	2 %				
Transfer from Other Funds	185,000	185,000	185,000	185,000	185,000	185,000	0 %				
<b>TOTAL SOURCE OF FUNDS</b>	<b>35,409,196</b>	<b>36,605,087</b>	<b>37,785,633</b>	<b>37,797,839</b>	<b>37,918,818</b>	<b>39,797,491</b>	<b>5 %</b>				
<b>USE OF FUNDS:</b>											
<b>Operating:</b>											
Personnel Services	23,436,064	24,190,691	25,351,509	25,363,715	25,354,456	26,588,911	5 %				
Current Expense	7,249,774	7,035,097	8,615,302	8,615,302	8,468,787	8,823,373	2 %				
Total Operating Uses	30,685,838	31,225,788	33,966,811	33,979,017	33,823,243	35,412,284	4 %				
<b>Non-Operating:</b>											
Burnsville CVB	274,738	344,357	275,500	275,500	332,500	332,500	21 %				
Transfer to other funds	3,921,000	4,159,000	4,542,000	4,542,000	4,542,000	4,484,000	(1)%				
Total Non-Operating	4,195,738	4,503,357	4,817,500	4,817,500	4,874,500	4,816,500	— %				
<b>TOTAL USE OF FUNDS</b>	<b>34,881,576</b>	<b>35,729,145</b>	<b>38,784,311</b>	<b>38,796,517</b>	<b>38,697,743</b>	<b>40,228,784</b>	<b>4 %</b>				
<b>NET INCREASE (USE OF) FUND BALANCE</b>											
	527,620	875,942	(998,678)	(998,678)	(778,925)	(431,293)					
<b>OTHER CHANGES TO FUND BALANCE: Net change in fair value of investments &amp; estimate of return to fund balance</b>											
	2,715,355	568,448	—	—	—	—					
Beginning Fund Balance	17,161,857	20,404,832	21,849,222	21,849,222	21,849,222	21,070,297					
Ending Fund Balance	20,404,832	21,849,222	20,850,544	20,850,544	21,070,297	20,639,004					
<b>Planned Use of Restricted and Assigned Fund Balance:</b>											
Use of Restricted for Landfill			138,523	135,807	135,807	141,293					
Ice Center Debt Service			140,000	140,000	140,000	140,000					
<b>One-time Uses of Unreserved Fund Balance:</b>											
GIS Implementation						30,000					
Elections			142,155	142,155	142,155	—					
Response Time Study			—	30,000	30,000	—					
Comprehensive Plan			280,000	280,000	280,000	120,000					
Capital Projects & Carryforward			300,000		—	—					
	—	—	1,000,678	727,962	727,962	431,293	— %				



# City of Burnsville 2017 Proposed Budget Five-Year Financial Plan

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## Special Revenue Funds

The Special Revenue Funds are governmental funds to account for services and expenditures where revenue is restricted for a designated purpose. The City maintains seven Special Revenue Funds and all are budgeted funds using the modified accrual basis for both financial statement and budgeting purposes.

None of the Special Revenue Funds are major funds.

- **Cable Franchise Fee Fund** - includes franchise fee revenue received from cable television restricted for City communications related use.
- **Youth Center Fund** - reflects operations of THE GARAGE, the City's teen center. The majority of revenues come from grants and an annual subsidy from the General Fund.
- **Sustainability (Recycling) Fund** - reflects Dakota County grant revenue for the operations of the Burnsville, Eagan, and Apple Valley partnership for recycling and sustainability efforts.
- **Grant Fund** - accounts for revenue and expenditures related to federal, state and other financial assistance programs.
- **EDA Fund** - is the general fund for the Burnsville Economic Development Authority (EDA). The main revenue is the EDA tax levy for the purpose of funding development needs. Other non-TIF EDA activity is also accounted for in this fund.
- **Forestry (Emerald Ash Borer) Fund** - includes revenue and expenditures associated with preparing for a potential infestation of the Emerald Ash Borer. Revenue is from the tax levy and the General Fund.
- **Forfeiture Fund** - is revenue received from court fines and legally restricted for the purchase of otherwise unbudgeted police equipment.

# Cable Franchise Fee Fund

## *Financial Plan Year 2017*

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### **FUND DESCRIPTION**

The Cable Franchise Fee Fund was established in 2002 as a Special Revenue Fund to account for the revenues from cable franchise fees; Public, Education and Government (PEG) fees and expenditures for City communications. The principal source of revenue is franchise and PEG fee payments received from Burnsville's cable television providers, currently Comcast and Frontier.

### **BACKGROUND**

Originally, the revenues and expenditures associated with City communications were recorded in the General Fund. In 2002, the Cable Franchise Fee Fund was established. The City has franchise agreements with both Comcast and Frontier that provide franchise fees, which are used to fund the City's communications program, and PEG fees, which are used to fund local television programming. The current franchise agreement with Comcast was extended through February 2017 and staff continue to negotiate a long-term agreement. The agreement with Frontier is valid through September 2021, with an optional five-year renewal. It should also be noted that future legislation at the federal and/or state level could impact the City's ability to collect franchise fees and/or PEG fees, which could be a factor for budgeting in future years.

In the past, the City partnered with the City of Eagan to provide community television through Burnsville Eagan Community Television (BECT). In 2008, the partnership with Eagan ended, and Burnsville began providing community television independently as Burnsville Community Television (BCTV). At that time, a new partnership with Independent School District 191 (ISD 191) was formed to house and operate the City's television studio. The City's community television operations moved to a newly remodeled space within Burnsville High School. The new partnership has resulted in significantly lower operating costs for community television by eliminating building maintenance and rent expense and reducing the number of employees. Capital costs have also been reduced and some costs are shared with ISD 191. The City continues to partner with the City of Eagan on the ownership and operation of a mobile cable production truck and equipment. A replacement/upgrade plan for the truck and its equipment is currently in development.

### **SOURCE OF FUNDS**

The primary source of funding for the Cable Franchise Fee Fund is cable franchise fees and PEG fees. The City receives five percent of gross television revenue from the cable companies (cable franchise fee) as compensation for use of City right of way. These fees are paid on cable television service in Burnsville and not telephone or cable modem/internet service. The PEG fee is a flat amount, currently \$1.89 per subscriber. The plan assumes that franchise fee revenue will remain constant in future years and does not make any assumptions for changes in revenue with the renegotiation of the franchise agreement with Comcast, and the new franchise with Frontier for 2017. The City will continue to receive franchise fees during the renegotiation.

### **USE OF FUNDS**

The City has used cable franchise fees to pay for costs associated with the City's communications programs. A portion of the savings that accumulate goes toward reducing the tax levy in the City's General Fund. Fund balance was used in 2015 for major replacement of communications equipment including a major upgrade to City Council Chambers television equipment. The remaining fund balance will be available for a potential extensive upgrade to the shared mobile production truck in 2018. The PEG fees are used for BCTV purposes.

## **DEBT & TRANSFERS**

This Fund transfers revenue into the General Fund in the amount of \$185,000 per year.

## **FUND BALANCE**

The Fund Balance policy in the City's Financial Management Plan states that the City will maintain fund balances in the Special Revenue Funds at a level that will avoid issuing short-term debt to meet the cash flow needs of the current operating budget. The Cable Franchise Fee Fund financial plan maintains the fund balance at a higher level to fund future capital replacement of BCTV and communications equipment.

# Cable Franchise Fee Fund

## Five-Year Financial Plan

	Actuals		2016 Budget			2017 Budget	Projected				
	2014	2015	Original	Amended	Estimate	% Chg	2018	2019	2020	2021	
<b>SOURCE OF FUNDS:</b>											
Cable Franchise Fees	729,211	758,972	720,000	720,000	740,000	740,000	3 %	740,000	740,000	740,000	740,000
PEG Fees	305,653	300,307	302,400	302,400	300,000	300,000	(1)%	300,000	300,000	300,000	300,000
Investment Income	13,743	13,933	7,000	7,000	7,000	7,000	— %	5,000	5,000	5,000	5,000
Charges for Services	10,208	8,891	5,850	5,850	6,500	8,400	44 %	6,500	6,500	6,500	6,500
Other	8,975	10,338	—	—	31,219	—	— %	—	—	—	—
<b>TOTAL SOURCE OF FUNDS</b>	<b>1,067,790</b>	<b>1,092,441</b>	<b>1,035,250</b>	<b>1,035,250</b>	<b>1,084,719</b>	<b>1,055,400</b>	<b>2 %</b>	<b>1,051,500</b>	<b>1,051,500</b>	<b>1,051,500</b>	<b>1,051,500</b>
<b>USE OF FUNDS:</b>											
Personnel	467,794	478,449	525,163	525,163	524,163	538,825	3 %	554,990	571,640	588,789	606,452
Current Expenses	212,184	195,441	284,393	280,893	251,358	247,583	(13)%	250,059	252,560	255,086	257,637
Capital Outlay	25,417	501,637	48,300	80,439	75,428	22,500	(53)%	480,000	150,000	70,000	20,000
Transfer to General Fund	185,000	185,000	185,000	185,000	185,000	185,000	— %	185,000	185,000	185,000	185,000
<b>TOTAL USE OF FUNDS</b>	<b>890,395</b>	<b>1,360,527</b>	<b>1,042,856</b>	<b>1,071,495</b>	<b>1,035,949</b>	<b>993,908</b>	<b>(5)%</b>	<b>1,470,049</b>	<b>1,159,200</b>	<b>1,098,875</b>	<b>1,069,089</b>
<b>NET DIFFERENCE</b>	<b>177,395</b>	<b>(268,086)</b>	<b>(7,606)</b>	<b>(36,245)</b>	<b>48,770</b>	<b>61,492</b>		<b>(418,549)</b>	<b>(107,700)</b>	<b>(47,375)</b>	<b>(17,589)</b>
Beginning Fund Balance	1,111,954	1,289,349	1,021,263	1,021,263	1,021,263	1,070,033		1,131,525	712,976	605,276	557,901
Ending Fund Balance	1,289,349	1,021,263	1,013,657	985,018	1,070,033	1,131,525		712,976	605,276	557,901	540,312

# Youth Center Fund

## *Financial Plan Year 2017*

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### **FUND DESCRIPTION**

The Youth Center Fund was established to account for the revenue from contributions, grants, user fees, and transfers from the General Fund used to operate THE GARAGE, the City's youth center.

### **BACKGROUND**

The City opened THE GARAGE in July of 1999 with grants, donations and a loan from the General Fund. The City was successful in obtaining several grants to cover the majority of operating funds. In 2001, THE GARAGE transitioned from a traditional teen center to a popular youth hangout with a music theme. As THE GARAGE evolved, grant dollars initially paid a large share of the operating expenses but as the number of participants grew rapidly so did the demand for additional expense. There was also concern whether the grant funds would be available for future operations indefinitely. Beginning in 2001, the City began to contribute funding from the General Fund. When other grant funding began to decline in 2003, the City began to allocate some of its Community Development Block Grant (CDBG) federal funding to support operations.

In 2014, the City formed a partnership with the Burnsville-Eagan-Savage School District 191 (ISD 191), the non-profit music group Twin Cities Catalyst Music and the Burnsville YMCA to transition the programs at THE GARAGE to a new Burnsville Youth Collaborative (BYC). This transition plan moved after-school activities to Nicollet Junior High and turned over the weekend music program to the non-profit organization. THE GARAGE facility was renovated in 2015 to accommodate an expanded music lesson program and will be utilized by Burnsville Sr. High, ISD 191 Community Education, YMCA, the non-profit music group and other school district entities to expand music lesson and educational opportunities.

The plan assumes that grants will continue to fund a portion of the operations in the future; however, grant funding reductions or eliminations are always a possibility. The City had a two year operating commitment to the BYC and transfers from the General Fund assisted funding operating expenses of the BYC in 2015 and 2016. Contributions from the General Fund in 2017-2020 are planned for roof replacement. Current expenses for building operations will be funded by a transfer from the General Fund. After the operating commitment is complete, the current expense activity will be absorbed into other existing funds.

### **SOURCE OF FUNDS**

A principal source of revenue is grant proceeds. Proceeds have come from a variety of different federal, state, county, and private sources over the years. Currently, the major grant funding comes from a combination of CDBG funds, other government grants and private foundation funding. The CDBG allocation is anticipated to be reduced for the 2016-17 and future years; however, the amount is unknown at this time.

### **USE OF FUNDS**

Expenditures for operation in 2014 and prior consisted of personnel costs for a Recreation Program Assistant, part-time program coordinators (3), other part-time staff and other operational expenses. Expenses are shown by funding source in this fund. Expenditures for 2015 and beyond are for BYC operations. A small amount (\$13,000) of building repairs and maintenance each year is identified to be funded from a transfer from the General Fund.

## **TRANSFERS**

THE GARAGE receives a transfer in from the General Fund to cover the City's commitment to the BYC partnership. The City committed funds for operations for two years, 2015 and 2016. Beginning in 2016 a transfer from the General Fund will cover building repairs and maintenance. Contributions from the General Fund in 2017-2021 are planned for roof replacement.

## **FUND BALANCE**

The Fund Balance policy in the City's Financial Management Plan states that the City will maintain fund balances in the Special Revenue Funds at a level which will avoid issuing short-term debt to meet the cash flow needs of the current operating budget. The Youth Center Fund financial plan shows the use of fund balance for a major renovation project in 2015. It was the intention to use all of the fund balance in 2016 on building maintenance and repairs. Operating efficiencies and additional grant revenue resulted in a higher than expected remaining fund balance. This funding was intended for and is now available to support BYC operations. After the operating commitment to the BYC is complete the current expense activity and any remaining fund balance will be absorbed into other existing funds.

# Youth Center Fund

## Five-Year Financial Plan

	Actuals		2016 Budget			2017 Budget		Projected			
	2014	2015	Original	Amended	Estimate	% Chg	2018	2019	2020	2021	
<b>SOURCE OF FUNDS:</b>											
<b>Charges for Services</b>											
Admission & program charges	41,701	—	—	—	—	—	—	—	—	—	
<b>Intergovernmental</b>											
CDBG Grant	42,876	40,342	44,500	44,500	44,500	49,000	10 %	49,000	39,000	36,000	33,000
CDBG Capital Grant	7,313	109,205	—	—	—	—	—	—	—	—	—
<b>Other Revenue</b>											
Grants - Private programs	—	25,417	35,155	35,155	35,153	36,110	3 %	—	—	—	—
Rentals	31,230	—	—	—	—	—	—	—	—	—	—
Contributions & Other	8,620	2,000	—	—	—	—	—	—	—	—	—
Capital Grants & Donations	—	50,000	—	—	8,000	—	—	—	—	—	—
Youthprise	—	25,000	—	—	—	—	—	—	—	—	—
Youth Center Building Fund	—	—	3,000	3,000	500	3,000	—	3,000	3,000	3,000	3,000
<b>Non-Operating</b>											
Investment Income	3,303	1,972	—	—	—	—	—	—	—	—	—
Transfers from General Fund	74,000	58,000	56,000	56,000	56,000	56,000	—	58,000	58,000	58,000	58,000
<b>TOTAL SOURCE OF FUNDS</b>	<b>209,043</b>	<b>311,936</b>	<b>138,655</b>	<b>138,655</b>	<b>144,153</b>	<b>144,110</b>	<b>1 %</b>	<b>110,000</b>	<b>100,000</b>	<b>97,000</b>	<b>94,000</b>
<b>USE OF FUNDS:</b>											
<b>City-operated Youth Center:</b>											
<b>Personnel Services</b>											
City funded	171,667	—	—	—	—	—	—	—	—	—	—
CDBG Funded	42,876	—	—	—	—	—	—	—	—	—	—
Current Expenses	54,422	—	—	—	—	—	—	—	—	—	—
Building Maint - Furniture & Fixtures	4,661	—	—	—	—	—	—	—	—	—	—
<b>Burnsville Youth Collaborative (BYC)</b>											
<b>Operations -</b>											
City funded	—	6,944	48,000	48,000	35,479	48,000	—	5,577	—	—	—
CDBG Grant	—	40,494	44,500	44,500	44,500	49,000	10 %	49,000	39,000	36,000	33,000
Private Grants	—	14,645	35,155	35,155	35,153	36,110	3 %	—	—	—	—
Youthprise	—	20,000	—	—	—	—	—	—	—	—	—
Building Maintenance - City funded	—	12,370	13,000	13,000	13,000	13,000	—	13,000	13,000	13,000	13,000
<b>Total Operating</b>	<b>273,626</b>	<b>94,453</b>	<b>140,655</b>	<b>140,655</b>	<b>128,132</b>	<b>146,110</b>	<b>(33)%</b>	<b>67,577</b>	<b>52,000</b>	<b>49,000</b>	<b>46,000</b>
<b>Capital:</b>											
City funded	14,850	100,549	—	—	—	—	—	—	—	—	—
CDBG Capital Grant Expenditures	7,313	109,205	—	—	—	—	—	—	—	—	—
Capital Grants & Donations Expenditures	—	52,000	—	—	8,000	—	—	—	—	—	—
<b>Total Capital</b>	<b>22,163</b>	<b>261,754</b>	<b>—</b>	<b>—</b>	<b>8,000</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Transfer Out:</b>											
Transfer to Facility Fund - Roof	—	—	—	—	—	48,000	—	48,000	48,000	48,000	48,000
<b>TOTAL USE OF FUNDS</b>	<b>295,789</b>	<b>356,207</b>	<b>140,655</b>	<b>140,655</b>	<b>136,132</b>	<b>194,110</b>		<b>115,577</b>	<b>100,000</b>	<b>97,000</b>	<b>94,000</b>
<b>NET DIFFERENCE</b>	<b>(86,746)</b>	<b>(44,271)</b>	<b>(2,000)</b>	<b>(2,000)</b>	<b>8,021</b>	<b>(50,000)</b>		<b>(5,577)</b>	<b>—</b>	<b>—</b>	<b>—</b>
Beginning Fund Balance	202,990	116,244	71,973	71,973	71,973	79,994		29,994	24,417	24,417	24,417
Ending Fund Balance	116,244	71,973	69,973	69,973	79,994	29,994		24,417	24,417	24,417	24,417

# Sustainability Fund

## *Financial Plan Year 2017*

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### **FUND DESCRIPTION**

The Sustainability Fund is a Special Revenue Fund used to account for the revenues and expenditures associated with the sustainability and recycling programs for the City.

### **BACKGROUND**

This fund was set up in 2004 to account for the recycling activities. The City has partnered with the cities of Eagan and Apple Valley to combine recycling programs. Lakeville will be joining the partnership in 2017. Activities that are related to all four cities are funded by a grant from Dakota County. The City also has certain activities that are specific to Burnsville, including Burnsville hazardous waste collection days and implementation of the strategies identified in the City's Sustainability Plan adopted by Council in 2008. These activities are funded by a transfer of reserved fund balance from solid waste fees collected in the General Fund.

### **SOURCE OF FUNDS**

The major source of funds is a grant from Dakota County. The grant funds from Dakota County are the combined allocations for Burnsville, Eagan, Apple Valley and Lakeville. The City has also occasionally obtained some small one-time grants for specific recycling activities.

### **USE OF FUNDS**

The recycling activities consist mainly of public education and information efforts. Expenditures are for employee services and current expenditures.

### **TRANSFERS**

A \$75,000 transfer from the General Fund landfill abatement reserved fund balance is made to cover sustainability and recycling activities specific to the City of Burnsville. The majority of this expense is for the Burnsville hazardous waste collection days and sustainability activities. The transfer was increased in 2012 to offset increased costs not covered by the grant.

### **FUND BALANCE**

Consistent with adopted policy, the Plan maintains fund balances at a level to meet the cash flow needs of the current operating budget.

# Sustainability Fund

## Five-Year Financial Plan

	Actuals		2016 Budget			2017 Budget		Projected			
	2014	2015	Original	Amended	Estimate		% Chg	2018	2019	2020	2021
<b>SOURCE OF FUNDS:</b>											
Intergovernmental											
Dakota County	173,604	181,523	179,000	190,000	190,000	229,000	28%	230,145	231,296	232,452	233,614
State Grants	—	2,700	—	3,000	3,000	—	—%	—	—	—	—
Transfers from other funds											
General Fund (from reserved solid waste fees)	75,000	75,000	75,000	75,000	75,000	75,000	—%	75,000	75,000	75,000	75,000
Other	2,282	—	—	—	—	—	—%	—	—	—	—
Investment Income	2,541	3,001	—	—	—	—	—%	—	—	—	—
<b>TOTAL SOURCE OF FUNDS</b>	<b>253,427</b>	<b>262,224</b>	<b>254,000</b>	<b>268,000</b>	<b>268,000</b>	<b>304,000</b>	<b>—%</b>	<b>305,145</b>	<b>306,296</b>	<b>307,452</b>	<b>308,614</b>
<b>USE OF FUNDS:</b>											
Personnel Services	179,216	168,223	208,452	208,452	208,452	253,421	22%	258,489	263,659	268,932	274,311
Current Expenses	48,038	50,662	58,624	65,100	65,100	72,100	23%	70,500	70,500	70,500	70,500
<b>TOTAL USE OF FUNDS</b>	<b>227,254</b>	<b>218,885</b>	<b>267,076</b>	<b>273,552</b>	<b>273,552</b>	<b>325,521</b>	<b>3%</b>	<b>328,989</b>	<b>334,159</b>	<b>339,432</b>	<b>344,811</b>
<b>NET DIFFERENCE</b>	<b>26,173</b>	<b>43,339</b>	<b>(13,076)</b>	<b>(5,552)</b>	<b>(5,552)</b>	<b>(21,521)</b>		<b>(23,844)</b>	<b>(27,863)</b>	<b>(31,980)</b>	<b>(36,197)</b>
Beginning Fund Balance	78,927	105,100	148,439	148,439	148,439	142,887		121,366	97,522	69,659	37,679
Ending Fund Balance	105,100	148,439	135,363	142,887	142,887	121,366		97,522	69,659	37,679	1,482

# Grant Fund

## *Financial Plan Year 2017*

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### **FUND DESCRIPTION**

The Grant Fund is a special revenue fund used to account for the revenues and expenditures associated with various federal, state, and other financial assistance programs.

### **BACKGROUND**

This fund was set up in 1996 to account for financial assistance programs from various government agencies.

### **SOURCE OF FUNDS**

Annually, the City receives grant funds from the federal Community Development Block Grant (CDBG) program. The Dakota County Community Development Agency (CDA) administers CDBG funds for the cities in Dakota County. Funding is determined based on a population and demographics formula. Certain programs are administered directly by the CDA on a county-wide basis. This fund accounts for CDBG funding for 360 Communities and EMS Grant programs administered directly by Burnsville. Senior Services and administrative costs are accounted for in the General Fund. The amount allocated to THE GARAGE is accounted for in the Youth Center Fund. The CDA directly administers the loan programs for housing rehab and remodeling grants on behalf of Burnsville and therefore no budget is included for those programs in this financial plan.

It is anticipated that the CDBG allocation will remain the same for the upcoming program year July 2017-July 2018; however, the amount is undetermined at this point. The CDBG program allocates funding on a fiscal year of July through June and unspent funds may be carried forward to the next year. For the calendar year 2017, the plan assumes the funding will stay the same. If funding changes, programming would be adjusted and funds reallocated. A summary of CDBG program allocations is included following the Grant Fund Five Year Financial Plan. The City's annual budget is a blended estimate of two fiscal years and future years are estimated to be constant.

The City also receives grant funds from various other government agencies. The City will continue to seek available financial assistance from grants that are applicable to the City's operations. Currently, no other grants are final for the upcoming budget and therefore none are included in the financial plan. As the City is awarded grants throughout the year, the budget is amended to reflect additional total revenues and expense for each grant.

Projections for the future beyond budget year 2016 are uncertain due to the nature of grants. An estimate of CDBG funds has been included at the current fiscal year levels. No estimates are included for other grants. Any future grants received would provide an equal amount of revenues and expenditures.

### **USE OF FUNDS**

The use of funds is consistent with the allowable expenditures under each of the financial assistance programs as determined by each grant award.

### **FUND BALANCE**

The City will maintain fund balances in the Special Revenue Funds at a level which will avoid issuing short-term debt to meet the cash flow needs of the current operating budget. The Grant Fund financial plan maintains the fund balance near zero as grant expenditures exactly equal grant revenues.

**Community Development Block Grant (CDBG)  
Recommendations for Allocation  
Application for Fiscal year July 1, 2017-June 30, 2018**

The City receives federal CDBG funds administered through an agreement with the Dakota County CDA. The preliminary allocation for the fiscal year July 1, 2017-June 30, 2018 time period is \$260,290, which is the same as FY 2016-2017. In Fiscal Year 2016-17 the city received an allocation of \$248,790 plus an additional \$11,500 from the CDA as a result of a reduction of their administrative costs to the City of Burnsville. CDA has agreed to a fixed reduction in their administrative costs for the next two years, thereby increasing the CDBG budget by \$11,500 per year. In the past, this allocation would happen during the federal fiscal year. This revision authorizes staff to allocate the funds to City projects during the budget process. Therefore, the estimated total CDBG FY 2016-17 allocation is \$260,290.

With some limitations and requirements, CDBG funds may be spent in three areas: to aid in the prevention or elimination of slums or blight; to meet an urgent community need, and to support programs and activities that benefit low & moderate income persons (including certain presumed benefit groups, such as Senior Citizens). CDA has set a maximum limit of 45% of Burnsville's total allocation for Public Service Projects, and a 15% maximum for Administrative costs.

PROJECT	2016-17	2017-18	Fund
<b>Public Service Projects Recommended for Funding</b>			
<b>Burnsville Youth Collaborative</b> Funding to provide staffing expenses to support the Burnsville Youth Collaborative after-school programming.	49,000	49,000	Youth Center
<b>360 Communities</b> Continued support for the Family Support Worker for Burnsville city wide services.	6,000	6,000	Grant Fund
<b>Senior Services</b> Funding to continue .6 FTE Community Services Specialist to provide outreach to seniors and coordinate the Senior Volunteer Program. Includes sub-award to DARTS for \$2,000 for Chore Services.	52,000	52,000	General Fund
<b>EMS Grants</b> Funding to reimburse all or a portion of expenses of low to moderate income persons using Burnsville EMS or Fire services.	10,000	10,000	Grant Fund
<b>TOTAL PUBLIC SERVICE</b>	<b>\$117,000</b>	<b>\$117,000</b>	
<b>Housing and Rehabilitation Projects Recommended for Funding</b>			
<b>Home Remodeling Grants</b> Funds to offer low to moderate income homeowners funds to make code violation improvements to their homes.	20,000	20,000	Pass-through
<b>CDA Rehab Loans</b> Low interest loans for Burnsville residents meeting low to moderate income qualifications.	112,290	112,290	Pass-through
<b>TOTAL HOUSING &amp; REHABILITATION</b>	<b>132,290</b>	<b>132,290</b>	
<b>Administrative Expenses Recommended for Funding</b>			
<b>Administrative Costs</b> Costs to administer CDBG program.	11,000	11,000	General Fund
<b>TOTAL ADMINISTRATIVE</b>	<b>\$11,000</b>	<b>\$11,000</b>	
<b>TOTAL FUNDING</b>	<b>\$260,290</b>	<b>\$260,290</b>	

# Grant Fund

## Five-Year Financial Plan

	Actuals		2016 Budget			2017 Budget	Projected				
	2014	2015	Original	Amended	Estimate	% Chg	2018	2019	2020	2021	
<b>SOURCE OF FUNDS:</b>											
Intergovernmental											
CDBG	16,022	8,773	14,000	14,000	14,000	16,000	14%	16,000	16,000	16,000	16,000
<b>TOTAL SOURCE OF FUNDS</b>	<b>16,022</b>	<b>8,773</b>	<b>14,000</b>	<b>14,000</b>	<b>14,000</b>	<b>16,000</b>	<b>4%</b>	<b>16,000</b>	<b>16,000</b>	<b>16,000</b>	<b>16,000</b>
<b>USE OF FUNDS:</b>											
Programming	16,047	8,832	14,000	14,000	14,000	16,000	14%	16,000	16,000	16,000	16,000
<b>TOTAL USE OF FUNDS</b>	<b>16,047</b>	<b>8,832</b>	<b>14,000</b>	<b>14,000</b>	<b>14,000</b>	<b>16,000</b>	<b>4%</b>	<b>16,000</b>	<b>16,000</b>	<b>16,000</b>	<b>16,000</b>
<b>NET DIFFERENCE</b>	<b>(25)</b>	<b>(59)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>		<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
Beginning Fund Balance	11,751	11,726	11,667	11,667	11,667	11,667		11,667	11,667	11,667	11,667
Ending Fund Balance	11,726	11,667	11,667	11,667	11,667	11,667		11,667	11,667	11,667	11,667

The City's Grant Fund financial plan differs from the CDBG funding schedule due to the financial plan overlapping two CDGB grant fiscal years. Also, the Grant Fund financial plan does not include projects related to THE GARAGE which are included in the Youth Center fund or the Home Remodeling and CDA Rehab loans which are administered directly by Dakota County.

# **EDA Fund**

## *Financial Plan Year 2017*

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### **FUND DESCRIPTION**

The Burnsville Economic Development Authority (EDA) Fund was created by the City Council in 1991. The EDA Fund accounts for the general activities of the EDA.

### **BACKGROUND**

Under Minnesota Statutes Chapter 469-Economic Development, cities may establish an EDA, including approval for the EDA to serve as a Housing and Redevelopment Authority (HRA). When the City of Burnsville created the EDA in 1991, it approved HRA authority for possible use in the future. The City Council appointed the members of the City Council to serve as the Board of Commissioners. The authorizing Statute permits the EDA to levy and collect a special benefit levy.

The maximum general operational levy of HRAs allowed for under State law is 0.0185 percent of the previous year's taxable market value. Using this percent, the maximum allowable levy for the Burnsville EDA for Pay 2016 was estimated at \$1.0 million. In September, the EDA and City Council set the maximum at \$617,500 for Tax Payable Year 2017, which is within the allowable amount. Beginning in Fiscal Year 2002, and every year since, the EDA has adopted an EDA levy.

In 2006, the City Council amended the City's Financial Management Plan to create a new policy section addressing the EDA levy. The policy states that the EDA will annually appropriate money to the EDA Fund from a tax levy or other available sources. The appropriation will be equivalent to the "maximum" that could be provided by a tax levy for economic development purposes. The annual tax levy will be set based on the amount needed when combined with other available sources achieves the funding level set by this policy. To provide other non-tax sources of funding to the EDA, the City Council will annually review the fund balance in the General Fund to determine whether sufficient unrestricted fund balance is available for transfer from the General Fund to the EDA Fund. The decision on transfer of funds will be made at the time the annual EDA tax levy is established. If other sources of revenue are not available, the EDA may set the tax levy at the maximum allowed.

State law provides that expenditures may be made from the EDA Fund based on the following criteria: 1) the EDA appropriates the funds as part of the annual budget, and/or 2) the EDA authorizes an amendment to the EDA budget outside of the annual appropriation process.

### **SOURCE OF FUNDS**

The principal sources of revenue for this fund have been property tax levy and interest earned on cash balances in the fund. Combined revenues will be less than the maximum allowable under City policy or allowable under the special levy law.

The finance plan shows an annual increase in the EDA levy for years 2014 through 2021. The increase is for two purposes. The first purpose is to raise the dollars needed to pay for ongoing annual economic development efforts in the City, including a full-time staff position. This position and related costs were funded out of the General Fund in 2009 and prior years. As part of the budget cuts the Council acted on mid-year 2009, the direction was to move this expense from the General Fund to the EDA Fund in 2010. Without tax support from the special EDA levy, there is no other identified funding source to sustain this activity. The second purpose is for the increase in Ames Center debt repayments.

The tax levy includes \$25,000 for contribution to the Greater MSP Partnership for regional development activities, as directed by the City Council. The 2017 proposed budget also includes \$8,000 for the Metropolitan Consortium of Community Developers (MCCD).

## **USE OF FUNDS**

According to State Statute, the proceeds from the EDA levy can be used for one or both of the following purposes: 1) for projects to remedy the shortage of housing for low and moderate-income residents, and/or 2) for public redevelopment costs in situations where private enterprise would not act without government participation.

Because the City has generally used the services of the Dakota County Community Development Agency (CDA) to address housing projects for low and moderate income residents, the City has not targeted the use of the EDA levy to remedy the shortage of housing for low and moderate income residents and has no future plans to do so. The City has used EDA Funds for redevelopment purposes.

The 2017 proposed budget includes use of funds for the annual transfer of \$479,642 to the Ames Center Fund for payment of debt. The EDA transfer is assumed to increase by four percent each year, beginning in 2014. Other uses of funds for 2017 include the Economic Development staff position and related marketing and department expenses, partnership activities of Greater MSP and MCCD as well as EDA lobbyist efforts on special legislative initiatives such as the host fee and TIF 7. A new expense of \$10,000 for 2017 is to support EDA lobbyist efforts on special legislative initiatives such as the host fee and TIF 7.

## **DEBT**

The fund does not presently carry any debt.

## **TRANSFERS**

As previously mentioned, beginning with the 2008 budget, annual transfers have been and will be made to the Ames Center Fund. The budget does not include a transfer in of cash from the General Fund.

## **FUND BALANCE**

The City will maintain fund balances in the Special Revenue Funds at a level which will avoid issuing short-term debt to meet the cash flow needs of the current operating budget. The Plan maintains a fund balance within the EDA Fund to meet both anticipated and unanticipated future economic development needs. The City will annually evaluate the level of fund balance for its appropriateness. In 2017, \$(68,113) of fund balance will be used in addition to the levy in order maintain the same activities as 2016. A new expense is proposed for 2017 to support EDA lobbyist efforts on special legislative initiatives such as the host fee and TIF 7.

## **OTHER FINANCIAL INFORMATION**

In 2011, the Council approved the creation of the Angel Fund which is a program to involve businesses and/or individuals to provide support to bring an additional series of performances to the Ames Center. The EDA has contributed matching funds to promote donations, up to \$50,000. The EDA funds are in the form of a loan to the Ames Center Fund and are therefore not included as expense. Repayment of the EDA loan by the Ames Center began in 2016 and is reflected in the five-year plan.

# Economic Development Authority

## Five-Year Financial Plan

	Actuals		2016 Budget			2017 Budget		Projected			
	2014	2015	Original	Amended	Estimate	% Chg	2018	2019	2020	2021	
<b>SOURCE OF FUNDS:</b>											
EDA Property Tax Levy											
Tax Levy	542,500	567,500	592,500	592,500	592,500	617,500	4%	642,500	667,500	692,500	717,500
Less: MVHC & delinquent	(5,698)	(3,732)	—	—	—	—	—%	—	—	—	—
Net EDA Levy	536,802	563,768	592,500	592,500	592,500	617,500	4%	642,500	667,500	692,500	717,500
Investment Income	9,767	7,596	9,000	9,000	9,000	9,000	—%	7,572	6,877	6,150	5,386
Sale of capital assets	—	26,600	—	—	—	—	—%	—	—	—	—
<b>TOTAL SOURCE OF FUNDS</b>	<b>546,569</b>	<b>597,964</b>	<b>601,500</b>	<b>601,500</b>	<b>601,500</b>	<b>626,500</b>	<b>4%</b>	<b>650,072</b>	<b>674,377</b>	<b>698,650</b>	<b>722,886</b>
<b>USE OF FUNDS:</b>											
Operations	139,327	153,536	170,503	170,503	160,643	181,971	7%	189,250	196,820	204,693	212,881
Greater MSP & M CCD	32,500	32,500	33,000	33,000	32,500	33,000	—%	33,000	33,000	33,000	33,000
Capital Improvements	—	116,002	—	—	—	—	—%	—	—	—	—
Transfer to Ames Center for debt	426,400	443,456	461,194	461,194	461,194	479,642	4%	498,828	518,781	539,532	561,113
<b>TOTAL USE OF FUNDS</b>	<b>598,227</b>	<b>745,494</b>	<b>664,697</b>	<b>664,697</b>	<b>654,337</b>	<b>694,613</b>	<b>5%</b>	<b>721,078</b>	<b>748,601</b>	<b>777,225</b>	<b>806,994</b>
<b>NET DIFFERENCE</b>	<b>(51,658)</b>	<b>(147,530)</b>	<b>(63,197)</b>	<b>(63,197)</b>	<b>(52,837)</b>	<b>(68,113)</b>	<b>8%</b>	<b>(71,006)</b>	<b>(74,224)</b>	<b>(78,575)</b>	<b>(84,108)</b>
Beginning Fund Balance	1,043,301	991,643	844,113	844,113	844,113	791,276		723,163	652,157	577,933	499,358
Ending Fund Balance	991,643	844,113	780,916	780,916	791,276	723,163		652,157	577,933	499,358	415,250
Other Financial Information											
Balance of Angel Fund loan	50,000	50,000	40,000	40,000	40,000	30,000		20,000	10,000	—	—

# Forestry (Emerald Ash Borer) Fund

## *Financial Plan Year 2017*

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### **FUND DESCRIPTION**

The Forestry Fund is a Special Revenue Fund used to account for the revenues and expenditures associated with preparing for and managing a potential infestation of the Emerald Ash Borer (EAB).

### **BACKGROUND**

The City has a large number of ash trees on both public and private land. The City adopted an Emerald Ash Borer Management Plan in September 2010 and this fund was added in 2011. The purpose of the plan is to set strategies and policies to mitigate the EAB's effect on the City's trees. In 2013, the City Council approved an updated plan that uses a combination of proactive treatment, removal and partial replacement of public ash trees. This approach, combined with lower treatment and removal costs have allowed the City to minimize funding increases while still implementing the planned management strategy. While the plan leverages lower contract prices for treatment of private ash trees, it does not provide funding for removal, treatment or replacement of these trees once the EAB arrives in the City. Depending on the spread and impact of EAB on private trees, the City may need to consider options to provide additional assistance to private properties at that time. EAB has been found in several of our neighboring communities and it is expected to be detected in Burnsville in the near future.

### **SOURCE OF FUNDS**

The only source of funds at this time is property tax revenue. The EAB Management Plan was revised in 2013 and a new funding plan was established that places greater emphasis on preventing the EAB from infesting trees via preventative treatments. The revised plan resumes the planned annual increases of \$50,000 each year beginning in 2014. The plan is reviewed each year. No tax levy increase is proposed for 2017 as the funding levels are sufficient to meet current needs. The City will also seek grant funding if available. Unspent funds will be available in fund balance for future expenses as the need for treatment, removal, and replacement grows.

### **USE OF FUNDS**

In preparation for the infestation, funds will be used for public education, monitoring and tree care activities. The funds will also be used for tree removal and replacement of lower quality ash trees on public property. Fund balance will be used to fund future capital purchases including a truck and wood chipper.

### **TRANSFERS**

The fund began with a transfer of property tax revenues from the General Fund of \$50,000 in 2011. Beginning in 2012, the property tax levy is specifically identified for this fund and is recorded directly in this fund.

### **FUND BALANCE**

The City will maintain fund balances in the Special Revenue Funds at a level which will avoid issuing short-term debt to meet the cash flow needs of the current operating budget. The EAB Fund financial plan maintains a minimum fund balance to fund potential infestation of the Emerald Ash Borer.

# Forestry (Emerald Ash Borer) Fund

## Five-Year Financial Plan

	Actuals		2016 Budget			2017 Budget		Projected			
	2014	2015	Original	Amended	Estimate		% Chg.	2018	2019	2020	2021
<b>SOURCE OF FUNDS:</b>											
Property Tax Levy	147,959	198,158	250,000	250,000	250,000	250,000	— %	300,000	350,000	400,000	450,000
Licenses	1,440	2,040	1,720	1,720	1,800	1,720	— %	1,500	1,500	1,500	1,500
Investment Income	3,329	4,263	—	—	—	—	— %	—	—	—	—
<b>TOTAL SOURCE OF FUNDS</b>	<b>152,728</b>	<b>204,461</b>	<b>251,720</b>	<b>251,720</b>	<b>251,800</b>	<b>251,720</b>	<b>— %</b>	<b>301,500</b>	<b>351,500</b>	<b>401,500</b>	<b>451,500</b>
<b>USE OF FUNDS:</b>											
Personnel Services	2,534	15,373	22,094	22,094	22,094	22,711	3 %	76,000	77,520	79,070	80,651
Current Expenses	50,354	131,148	312,240	312,240	196,751	286,880	(8) %	286,880	265,608	256,800	224,600
Capital	—	—	—	—	—	60,000	— %	50,000	—	—	—
<b>TOTAL USE OF FUNDS</b>	<b>52,888</b>	<b>146,521</b>	<b>334,334</b>	<b>334,334</b>	<b>218,845</b>	<b>369,591</b>	<b>11 %</b>	<b>412,880</b>	<b>343,128</b>	<b>335,870</b>	<b>305,251</b>
<b>NET DIFFERENCE</b>	<b>99,840</b>	<b>57,940</b>	<b>(82,614)</b>	<b>(82,614)</b>	<b>32,955</b>	<b>(117,871)</b>	<b>43 %</b>	<b>(111,380)</b>	<b>8,372</b>	<b>65,630</b>	<b>146,249</b>
Beginning Fund Balance	210,698	310,538	368,478	368,478	368,478	401,433	9 %	283,562	172,182	180,554	246,184
Ending Fund Balance	310,538	368,478	285,864	285,864	401,433	283,562	(1) %	172,182	180,554	246,184	392,433

# **Forfeiture Fund**

## *Financial Plan Year 2017*

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### **FUND DESCRIPTION**

The Forfeiture Fund is a Special Revenue Fund used to account for money received from the court system with statutory spending restrictions for police expenditures.

### **BACKGROUND**

This fund was established in 1992. Certain offenses including some DUI offenses and narcotics cases will result in forfeitures of property involved. Minnesota law and federal law provide that a certain amount of the forfeiture proceeds can go back to the law enforcement agency. After payment of associated expenses of the forfeiture, proceeds may be used for certain police expenditures. There are various restrictions on the agency's use of forfeiture proceeds depending on the nature of the offense.

The City typically receives several forfeitures of vehicles from DUI charges each year. Vehicles are typically sold and proceeds are distributed according to State law. Most narcotics cases are handled by the Dakota County Drug Task Force; however, occasionally the City's police department will be the sole agency in a narcotics case with forfeiture proceeds. DUI forfeitures must be spent on DUI enforcement activities, training and equipment. Narcotics forfeitures are limited to police capital items.

### **SOURCE OF FUNDS**

In recent years, the main source of forfeiture proceeds has been from DUI-related offenses. Occasionally, the City also receives narcotics forfeitures and other miscellaneous forfeitures.

### **USE OF FUNDS**

After payment of associated expenses of the seizure such as towing and storage, proceeds may be used for certain police expenditures. DUI forfeitures must be spent on DUI enforcement activities, training and equipment. Narcotics forfeitures are limited to police capital items. In 2013, the City used forfeiture funds to supplement the existing police department budget and replace its rifles. The rifles were past the recommended replacement schedule and have had mechanical issues. The rifles were replaced with a different, more reliable model which require less maintenance and will eliminate issues related to having two different types of rifles in use. In 2014, the City purchased radar equipment. In 2016 the City used \$22,000 toward upgrades to the rifle range.

### **TRANSFERS**

A transfer of \$22,000 to the Facilities fund was made in 2016 for upgrades to the rifle range. This contributed to the total project cost of \$98,000. There are no transfers planned for future years.

### **FUND BALANCE**

The City will maintain fund balances to fund future capital purchases.

# Forfeiture Fund

## Five-Year Financial Plan

	Actuals		2016 Budget			2017 Budget		Projected			
	2014	2015	Original	Amended	Estimate		% Chg	2018	2019	2020	2021
<b>SOURCE OF FUNDS:</b>											
DUI Forfeitures	19,050	20,776	25,000	25,000	20,000	25,000	— %	25,000	25,000	25,000	25,000
Investment Income	616	774	—	—	—	—	— %	—	—	—	—
<b>TOTAL SOURCE OF FUNDS</b>	<b>19,666</b>	<b>21,550</b>	<b>25,000</b>	<b>25,000</b>	<b>20,000</b>	<b>25,000</b>	<b>— %</b>	<b>25,000</b>	<b>25,000</b>	<b>25,000</b>	<b>25,000</b>
<b>USE OF FUNDS:</b>											
Current Expenses											
Forfeiture expense, DUI enforcement, police equipment	14,109	21,387	30,000	30,000	30,000	30,000	— %	25,000	25,000	25,000	25,000
Transfer to Facilities Fund	—	—	22,000	22,000	22,000	—	(100)%	—	—	—	—
<b>TOTAL USE OF FUNDS</b>	<b>14,109</b>	<b>21,387</b>	<b>52,000</b>	<b>52,000</b>	<b>52,000</b>	<b>30,000</b>	<b>— %</b>	<b>25,000</b>	<b>25,000</b>	<b>25,000</b>	<b>25,000</b>
<b>NET DIFFERENCE</b>	<b>5,557</b>	<b>163</b>	<b>(27,000)</b>	<b>(27,000)</b>	<b>(32,000)</b>	<b>(5,000)</b>		<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
Beginning Fund Balance	37,497	43,054	43,217	43,217	43,217	11,217		6,217	6,217	6,217	6,217
Ending Fund Balance	43,054	43,217	16,217	16,217	11,217	6,217		6,217	6,217	6,217	6,217
<b>Other financial information:</b>											
Year-end Cash Balance	43,054	43,217	16,217	16,217	11,217	6,217		6,217	6,217	6,217	6,217



# City of Burnsville 2017 Proposed Budget Five-Year Financial Plan

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## Capital Projects Funds

Capital Projects Funds account for the acquisition and construction of major capital facilities and equipment (except those financed by proprietary funds). This includes expenditures relating to capital projects and large capital outlay purchases. The City has seven budgeted funds in this category. The Capital Project Funds use the modified accrual basis for both financial statement and budgeting purposes.

- **Parks Capital Fund** - reflects development of new City parks and improvement of existing parks. Revenue is primarily from park development fees and transfers from the General Fund.
- **Equipment & Vehicle Fund** - records capital purchases of equipment and vehicles. The resources are provided by issuance of Certificates of Indebtedness, sale of existing equipment, and transfers from other funds.
- **Facilities Replacement Fund** - records facilities replacements and improvements. The resources are provided by issuance of Certificates of Indebtedness and transfers from other funds.
- **Information Technology Capital Equipment Fund** - includes capital purchases of Information Technology (IT) equipment and software development. The resources are provided by issuance of Certificates of Indebtedness and transfers from other funds.
- **Infrastructure Trust Fund** - includes property tax revenue for the purpose of replacing streets and park facilities. (major fund)
- **Street Maintenance Construction Fund** - reflects revenues and expenditures for street rehabilitation projects, major street maintenance projects, and small traffic control issues.
- **Improvement Construction Fund** - includes receipt and disbursement of bond proceeds or other sources obtained to finance improvements and additions to the City's infrastructure.

# **Parks Capital Fund**

## *Financial Plan Year 2017*

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### **FUND DESCRIPTION**

The Parks Capital Fund accounts for capital improvement projects for the City's park and trail system.

### **BACKGROUND**

The Parks Capital Fund was created in 1980 to fund renovation or additions to the City's park system. More recently, the Parks Capital Fund has also provided funding support for development of the City's parks and street trail system. As the City grew, developers either paid park dedication fees or donated land for the park system. The fee or land donation was (and is) based on the size of a particular development. The City developed its park system by adding general amenities, bituminous and concrete surfaces, fencing, hockey rinks, lighting systems, play equipment, shelters, buildings, tennis courts, etc. The City currently has 76 parks totaling approximately 1,750 acres.

In addition to parks dedication revenue, the City transfers property tax revenue from the General Fund into the Parks Capital Fund. Within the budget, Parks Capital Fund expenditures historically have been allocated to either renovation or improvements purposes. Renovation takes care of existing capital assets while improvements provide funding for new projects.

As the park system has matured and the fund became more stressed, the majority of the Fund's budget is now committed to renovation - based on a long-term replacement and renovation schedule of existing park facilities. Routine maintenance of the park system is funded through the General Fund's parks maintenance budget and is not accounted for within this Fund.

Budget challenges within the City's General Fund have required a significant reduction in the commitment of general funding (transfer of revenue from the General Fund to the Parks Capital Fund) for parks capital improvements. Parks capital projects have been eliminated or deferred in response to this decline in available revenue. Incremental increases in the General Fund transfer are included in the plan over the next few years to restore this funding.

### **SOURCE OF FUNDS**

The two major sources of revenue to this Fund are park dedication fees and property tax levy. Other sources of revenue to the Parks Capital Fund include interest earned and donations from local organizations for specific improvements.

Park dedication fees in recent years have been attributed mainly to one or two large developments annually. As the City reaches full development there are fewer parcels to develop that will be charged park dedication fees in the future. The plan anticipates a lower level of park dedication fees for the future years based on recent average years, excluding the unusually high and low years. This revenue could fluctuate significantly if the City does or does not have any large developments in any particular year.

The property tax levy support for the Parks Capital Fund is provided through a transfer from the General Fund and a transfer from the Infrastructure Trust Fund (ITF). The ITF section of the Financial Management Plan indicates that park infrastructure replacement is a priority after streets and that funding is directed toward the Parks Capital Fund at an amount not to exceed ten percent of the ITF levy annually. The transfer from the ITF fund increased significantly in 2014 consistent with the increase in the ITF levy in that year.

The balance of the property tax support comes from the General Fund. The 2017 financial plan includes increases to the transfer from the General Fund to restore funding to the Parks Capital Fund. This was part of a multi-year plan approved by the Council to increase General Fund contributions over a series of years to allow the fund to reach stability. Future annual increases represent inflationary pressures and reduction in park development fee pressures.

## USE OF FUNDS

The City prepares a detailed five-year capital improvement plan that outlines all planned renovations and improvements at City parks by park by project. The five-year plan anticipates an increase in General Fund support as previously directed by the Council.

In order to keep use of funds balanced with source of funds, the following projects will need to continue to be postponed indefinitely, until other funding may be available beyond what is shown in the five-year plan.

<b>Park System Master Plan - Projects Postponed Indefinitely</b>	<b>Estimated Cost</b>
Kraemer N.P. - picnic shelter with storage for environmental programs	\$63,000
Wood Park - picnic shelter by trail overlooking pond	53,000
Soccer field lighting	407,000
Crystal West Park - trail to fishing dock	144,000
Day Park - boardwalk extension to trail	272,000
Black Dog Park - trail to 12th Ave.	276,000
Tennisioux Park - trail from River Hills Drive to Black Dog Park	353,000
Cedarbridge Park - trail to playground	45,200
Rose Park - bituminous trail/parking	123,900
Rose Park - bituminous recreation area	31,000
<b>Total</b>	<b>\$1,768,100</b>

<b>Park Projects - Waiting for City funding or Community Sponsorship</b>	<b>Estimated Cost</b>
Sunset Pond Park - permanent fishing dock	\$35,000
Cliff Fen Park - restroom building	137,000
Kraemer N.P. - Rose Bluff access trail from Williams Drive to Kraemer N.P.	500,000
Neill Park - garage adjacent to fields 3 & 4	47,000
Lac Lavon Park - picnic shelter by waterfront	35,000
Lac Lavon Park - waterfront observation deck	105,000
Terrace Oaks West - remodel concession area	30,000
Trails - seal coating	55,000
<b>Total</b>	<b>\$944,000</b>

## **TRANSFERS**

The Infrastructure Trust Fund (ITF) and the General Fund transfer cash in to the Parks Capital Fund. The source of cash to support these transfers in is tax levy.

The amount of the transfer from the ITF Fund is increasing in 2017 consistent with a planned increase in the ITF levy in the ITF five-year finance plan. The amount of General Fund transfer is based on the need to balance overall property tax supported spending citywide with the need for spending on capital improvements in parks. The General Fund and Parks Capital proposed budgets and 5-year financial plans show an increase of \$100,000 to the Parks Capital fund for 2017 consistent with previous plans and the City Council direction received during budget work sessions earlier this year. A reduction in the planned increase would require postponement of additional projects in the Parks Capital Improvement Plan in order to maintain a positive fund balance in future years. The planned increase for 2018-2021 is currently planned to be \$50,000 per year which is more of an inflationary increase rather than a restorative increase as in 2017. Parks and public works staff are expanding asset management into the parks system to identify if the currently planned increase in transfers within the fund will support consistent sustainable renovation within the system in the future.

## **FUND BALANCE**

The City's policies call for a pay-as-you-go strategy for supporting capital spending without use of debt whenever feasible. The City strives to pay cash for capital projects that can be anticipated and planned for in advance. Therefore, the City's fund balance levels fluctuate, in part, based on capital project plans.

The City will maintain fund balance in the Capital Funds at a minimum level sufficient to provide adequate working capital for current expenditure needs and for future capital projects.

# Parks Capital Fund

## Five-Year Financial Plan

	Actuals		2016 Budget			2017 Budget		Projected			
	2014	2015	Original	Amended	Estimate		% Chg	2018	2019	2020	2021
<b>SOURCE OF FUNDS:</b>											
Park Dedication Fees	25,040	59,403	150,000	150,000	40,000	75,000	(50)%	50,000	50,000	50,000	50,000
Transfers from Other Funds:											
General Fund	570,000	725,000	825,000	825,000	825,000	925,000	12 %	975,000	1,025,000	1,075,000	1,125,000
Infrastructure Trust Fund	310,000	315,000	320,000	320,000	320,000	325,000	2 %	330,000	335,000	340,000	345,000
Intergovernmental Revenue	—	1,126,382	—	1,058,844	1,058,844	50,000	0 %	—	1,968,400	—	—
Donations	128,633	13,175	5,000	32,500	32,770	5,000	0 %	5,000	5,000	5,000	5,000
Miscellaneous	—	146,761	—	—	—	—	0 %	—	—	—	—
Interest	24,947	27,364	—	—	10,000	—	0 %	—	—	—	—
<b>TOTAL SOURCE OF FUNDS</b>	<b>1,058,620</b>	<b>2,413,085</b>	<b>1,300,000</b>	<b>2,386,344</b>	<b>2,286,614</b>	<b>1,380,000</b>	<b>6 %</b>	<b>1,360,000</b>	<b>3,383,400</b>	<b>1,470,000</b>	<b>1,525,000</b>
<b>USE OF FUNDS:</b>											
Renovations	394,679	1,178,139	724,955	1,182,974	1,134,974	562,718	(22)%	555,869	885,711	905,025	704,859
Bituminous Surfaces	—	530,064	—	—	—	549,984	0 %	—	827,652	—	1,056,438
Improvements	25,668	163,060	309,339	336,839	336,839	173,250	(44)%	200,201	20,000	20,000	83,000
Update Parks Master Plan	—	—	20,000	55,000	55,000	—	(100)%	—	—	—	—
Trail System Development	—	1,458,048	165,000	1,223,844	1,223,844	100,000	(39)%	185,000	2,220,000	—	—
<b>TOTAL USE OF FUNDS</b>	<b>420,347</b>	<b>3,329,311</b>	<b>1,219,294</b>	<b>2,798,657</b>	<b>2,750,657</b>	<b>1,385,952</b>	<b>14 %</b>	<b>941,070</b>	<b>3,953,363</b>	<b>925,025</b>	<b>1,844,297</b>
<b>NET DIFFERENCE</b>	<b>638,273</b>	<b>(916,226)</b>	<b>80,706</b>	<b>(412,313)</b>	<b>(464,043)</b>	<b>(5,952)</b>		<b>418,930</b>	<b>(569,963)</b>	<b>544,975</b>	<b>(319,297)</b>
Beginning Fund Balance	908,379	1,546,652	630,426	630,426	630,426	166,383		160,431	579,361	9,398	554,373
Ending Fund Balance	1,546,652	630,426	711,132	218,113	166,383	160,431		579,361	9,398	554,373	235,076
Reserved Donations Balance											
2016 Skate Park Phase 2	—	54,000	—	—	—	—		—	—	—	—
<b>Available Fund Balance</b>	<b>1,546,652</b>	<b>576,426</b>	<b>711,132</b>	<b>218,113</b>	<b>166,383</b>	<b>160,431</b>		<b>579,361</b>	<b>9,398</b>	<b>554,373</b>	<b>235,076</b>

# Equipment & Vehicle Fund

## *Financial Plan Year 2017*

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### **FUND DESCRIPTION**

The Equipment & Vehicle Fund is used to account for major capital purchases.

### **BACKGROUND**

This fund was established in 1986 to account for purchases of major capital purchases of equipment and vehicles. In 2002, facilities improvements were consolidated into this fund. In 2015 the City completed a facilities study and identified a need for significant facilities improvements over the next 20 years. As a result the 2016 budget moved facilities out of this fund and into a separate fund.

Use of the Equipment and Vehicle Fund assists in leveling annual capital outlay demands and funding using pay-as-you-go strategy when possible. The balance is maintained for the purpose of funding extraordinary equipment needs and for the move back to pay-as-you-go funding. While there are no current plans to issue equipment certificates for cash flow purposes, when equipment certificates are issued the debt service and property tax levy are accounted for in the debt service funds.

### **SOURCE OF FUNDS**

The principal source of revenue in this fund has been transfers from other funds, sale of replaced equipment interest earned on cash balances in the fund. In certain years the City has also used equipment certificate proceeds.

Rather than incur debt and related interest expense for annual on-going vehicle and equipment purchases, the plan uses pay-as-you-go funding through the use of transfers from the General Fund, enterprise funds, and use of fund balance. The City may use bonding to fund extraordinary capital needs. The proposed five-year plan does not anticipate the issuance of bonds. Proceeds from the sale of replaced equipment and vehicles are also a revenue source for this fund.

### **USE OF FUNDS**

Expenditures are for major capital items related to the general operations of the City. The City's fleet maintenance department maintains a vehicle replacement plan to manage the projected replacement needs of all City vehicles and major equipment. Useful lives and maintenance costs are considered in the timing of replacements. The plan is updated each year by the fleet maintenance department with the input of the appropriate City staff in each department using the vehicles. The plan was revised significantly in the 2009 and 2010 budgets to extend the year of replacement for several vehicles reducing the total capital expenditures over the next five years. The extension has resulted in some increased maintenance costs in the general fund as the fleet average age is older. The City does not budget for unanticipated repairs but relies on judicious use of fund balance and other available resources to meet unexpected repairs at the time they occur. These plans can be found in the CIP in the capital section of this document. A detailed listing of capital equipment is included in the capital section of this document. The City also maintains a longer vehicle and equipment replacement plan to project the replacement needs over the next ten to twenty years.

Enterprise fund equipment is included in the replacement planning process but is paid directly from the enterprise funds and is not included in this fund with the exception of those vehicles with multiple uses funded partially from the enterprise funds.

## **TRANSFERS**

The General Fund transfers cash into this fund to pay for annual on-going purchases that are for the benefit of General Fund departments. The City is restoring funding with planned annual increases to the general fund transfer. The enterprise funds transfer in an amount for a proportional share of vehicles with multiple uses.

## **FUND BALANCE**

The City's policies call for a pay-as-you-go strategy for supporting capital spending without use of debt whenever feasible. The City strives to pay cash for capital projects that can be anticipated and planned for in advance. Therefore, the City's fund balance levels fluctuate, in part, based on capital project plans.

The goal of this plan is to maintain the fund balance at a level sufficient to provide adequate working capital as well as to provide for future capital needs as identified in the City's five-year capital plan. Delayed fleet replacement and cost increases are challenging this fund. The City's new fleet management software will assist City staff in determining the right fleet size and replacement needs for the future. The City will need to address funding source options or other cost reduction options for fleet to address the projected negative fund balances in the later years of the plan.

# Equipment, Vehicle Capital Fund

## Five-Year Financial Plan

	Actuals		2016 Budget			2017 Budget		Projected			
	2014	2015	Original	Amended	Estimate		% Chg	2018	2019	2020	2021
<b>SOURCE OF FUNDS:</b>											
Delinquent taxes	317	—	—	—	—	—	—%	—	—	—	—
Investment Income	18,637	25,550	10,000	10,000	10,000	10,000	—%	4,000	4,000	3,000	—
Sale of property	165,426	120,587	70,000	70,000	70,000	100,000	43%	100,000	100,000	100,000	100,000
Contributions & Donations	22,500	—	—	—	—	—	—%	—	—	—	—
Intergovernmental											
LGA dedicated to Capital	35,830	52,389	—	—	—	—	—%	—	—	—	—
ABLE training facility	77,684	4,450	—	—	—	—	—%	—	—	—	—
Grants	—	90,000	—	—	—	—	—%	—	—	—	—
Transfers from other funds:											
General fund											
Annual pay-go transfer	1,560,000	1,622,000	1,314,000	1,314,000	1,314,000	1,382,000	5%	1,451,000	1,524,000	1,600,000	1,680,000
One-time transfers:											
Election equipment	—	—	—	30,000	30,000	—	—%	—	—	—	—
Sidewalk Snowplowing Utility Fund	—	10,000	10,000	10,000	10,000	10,000	—%	10,000	10,000	10,000	10,000
Water & Sewer Utility fund	51,600	66,150	—	—	—	—	—%	—	—	—	—
Storm Water Utility fund	17,200	22,050	—	—	—	—	—%	—	—	—	—
<b>TOTAL SOURCE OF FUNDS</b>	<b>1,949,194</b>	<b>2,013,176</b>	<b>1,404,000</b>	<b>1,434,000</b>	<b>1,434,000</b>	<b>1,502,000</b>	<b>7%</b>	<b>1,565,000</b>	<b>1,638,000</b>	<b>1,713,000</b>	<b>1,790,000</b>
<b>USE OF FUNDS:</b>											
Facilities improvements											
Annual Replacement Schedule	300,064	618,811	—	30,000	30,000	—	—%	—	—	—	—
Vehicles & large equipment											
Annual Replacement Schedule	1,525,519	1,213,986	1,028,900	1,249,016	1,249,016	2,150,200	109%	1,571,500	1,787,500	1,966,500	1,782,500
Transfers to other funds:											
Facilities Fund	—	298,599	—	—	—	—	—%	—	—	—	—
<b>TOTAL USE OF FUNDS</b>	<b>1,825,583</b>	<b>2,131,396</b>	<b>1,028,900</b>	<b>1,279,016</b>	<b>1,279,016</b>	<b>2,150,200</b>	<b>109%</b>	<b>1,571,500</b>	<b>1,787,500</b>	<b>1,966,500</b>	<b>1,782,500</b>
<b>NET DIFFERENCE</b>	<b>123,611</b>	<b>(118,220)</b>	<b>375,100</b>	<b>154,984</b>	<b>154,984</b>	<b>(648,200)</b>	<b>(273)%</b>	<b>(6,500)</b>	<b>(149,500)</b>	<b>(253,500)</b>	<b>7,500</b>
Beginning Fund Balance	933,987	1,057,598	939,378	939,378	939,378	1,094,362		446,162	439,662	290,162	36,662
Ending Fund Balance	1,057,598	939,378	1,314,478	1,094,362	1,094,362	446,162		439,662	290,162	36,662	44,162

# Facilities Fund

## *Financial Plan Year 2017*

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### **FUND DESCRIPTION**

The Facilities Replacement Fund is used to account for major facility replacements and improvements.

### **BACKGROUND**

This fund was established in 2016 to account for the facilities replacement and improvement needs and bond proceeds. Prior to 2016, facilities replacements and improvements were in the Equipment, Vehicle & Facilities Replacement (EVFR) Fund. The creation of this fund allows for the centralization of facilities projects, funding and planning.

Use of this fund assists in leveling annual capital outlay demands and funding using pay-as-you-go strategy when possible. When bonds are issued the debt service and property tax levy are accounted for in the debt service funds.

### **SOURCE OF FUNDS**

The principal source of revenue in this fund will be utility franchise fees, transfers from other funds and interest earned on cash balances in the fund.

The plan uses pay-as-you-go funding through the use of transfers from the General Fund, enterprise funds, and use of fund balance. Bonding is planned to fund extraordinary capital needs. The proposed five-year plan anticipates the issuance of bonds to fund large facilities improvements.

### **USE OF FUNDS**

Expenditures are for major capital items related to the general operations of the City. The City does not budget for unanticipated repairs but relies on judicious use of fund balance and other available resources to meet unexpected repairs at the time they occur. The City prepares a multi-year facilities capital plan. These plans can be found in the CIP in the capital section of this document. A detailed listing of capital facilities improvements is included in the capital section of this document. The City also maintains a longer facilities capital plan to project the replacement needs over the next ten to twenty years.

Enterprise fund facilities are included in the replacement planning process but are paid directly from the enterprise funds and not included in this fund with the exception of those facilities with multiple uses funded partially from the enterprise funds.

### **TRANSFERS**

The General Fund transfers cash into this fund to pay for annual on-going purchases that are for the benefit of General Fund departments. The enterprise funds transfer in an amount for a proportional share of facilities with multiple uses.

### **FUND BALANCE**

The City's policies call for a pay-as-you-go strategy for supporting capital spending without use of debt whenever feasible. The City strives to pay cash for capital projects that can be anticipated and planned for in advance. The City has completed a facility study and has identified upcoming facility maintenance and replacement needs in the future years that exceed the resources planned in this fund at this time.

The goal of this plan is to maintain the fund balance at a level sufficient to provide adequate working capital as well as to provide for future capital needs as identified in the City's five-year capital plan. The City will need to address funding source options or other cost reduction options for facilities to address the projected negative fund balances in the later years of the plan.

# Facilities Capital Fund

## Five-Year Financial Plan

	Actuals		2016 Budget			2017 Budget		Projected			
	2014	2015	Original	Amended	Estimate		% Chg	2018	2019	2020	2021
<b>SOURCE OF FUNDS:</b>											
Property Tax Levy	—	—	425,000	420,000	420,000	420,000	(1)%	420,000	420,000	420,000	420,000
Franchise Fees	—	—	—	450,000	450,000	1,000,000	—%	1,000,000	1,000,000	1,000,000	1,000,000
Intergovernmental	—	—	50,000	50,000	50,000	—	(100)%	—	—	—	—
Investment Income	—	318	1,000	1,000	1,000	—	(100)%	—	—	—	—
Bond Proceeds	—	—	7,675,220	7,192,500	—	10,110,000	32%	—	—	—	7,125,000
Donation - Lions Gun Range	—	48,000	—	—	—	—	—%	—	—	—	—
<b>Transfers From Other Funds</b>											
General Fund Pay-go	—	—	387,000	387,000	387,000	387,000	—%	387,000	387,000	387,000	387,000
Youth Center (Roof)	—	—	—	—	—	48,000	—%	48,000	48,000	48,000	48,000
General Fund Phase I	—	25,000	250,000	250,000	250,000	—	(100)%	—	—	—	—
EVF Fund (Split)	—	298,599	—	—	—	—	—%	—	—	—	—
Forfeiture Fund	—	—	22,000	22,000	22,000	—	(100)%	—	—	—	—
Water & Sewer Utility	—	—	—	—	—	5,025	—%	25,500	242,970	65,100	143,340
Storm Water Utility	—	—	—	—	—	1,675	—%	8,500	80,990	21,700	47,780
<b>TOTAL SOURCE OF FUNDS</b>	<b>—</b>	<b>371,917</b>	<b>8,810,220</b>	<b>8,772,500</b>	<b>1,580,000</b>	<b>11,971,700</b>		<b>1,889,000</b>	<b>2,178,960</b>	<b>1,941,800</b>	<b>9,171,120</b>
<b>USE OF FUNDS:</b>											
<b>Improvements</b>											
<b>Facilities Study</b>											
Improvements Phase 1	—	—	8,350,220	8,262,500	600,000	11,900,000	43%	—	—	—	—
Phase 2	—	—	—	—	—	—	—%	—	—	—	7,125,000
	—	—	8,350,220	8,262,500	600,000	11,900,000		—	—	—	7,125,000
<b>Deferred Maintenance &amp; Annual Replacement</b>											
City Hall/Police	—	—	—	87,720	87,720	25,000	39,600%	39,600	39,700	74,700	—
Technology for Phase 1	—	—	—	—	—	—	—%	254,450	—	—	—
Fire Stations & equipment	—	—	—	—	—	55,000	—%	259,000	219,200	106,500	21,000
Civic Center Garage	—	—	—	—	—	16,750	—%	10,000	511,900	188,000	307,500
Maintenance Facility	—	—	—	—	—	—	—%	75,000	298,000	29,000	170,300
Parking Lots & Facilities	—	—	—	—	—	89,000	—%	40,000	225,000	66,500	64,000
Gun Range	—	—	98,000	98,000	98,000	—	(100)%	—	—	—	—
Annual Replacement	—	—	414,500	502,220	502,220	185,750	(55)%	678,050	1,293,800	464,700	562,800
<b>Total Capital Improvements</b>	<b>—</b>	<b>—</b>	<b>8,764,720</b>	<b>8,764,720</b>	<b>1,102,220</b>	<b>12,085,750</b>	<b>38%</b>	<b>678,050</b>	<b>1,293,800</b>	<b>464,700</b>	<b>7,687,800</b>
Bond Issuance Costs	—	—	50,000	50,000	50,000	—	(100)%	—	—	—	—
<b>Transfer to Other Funds</b>											
Debt Service (Phase 1)	—	—	—	—	—	—	—%	1,150,000	1,150,000	1,150,000	1,150,000
<b>TOTAL USE OF FUNDS</b>	<b>—</b>	<b>—</b>	<b>8,814,720</b>	<b>8,814,720</b>	<b>1,152,220</b>	<b>12,085,750</b>	<b>37%</b>	<b>1,828,050</b>	<b>2,443,800</b>	<b>1,614,700</b>	<b>8,837,800</b>
<b>NET DIFFERENCE</b>	<b>—</b>	<b>371,917</b>	<b>(4,500)</b>	<b>(42,220)</b>	<b>427,780</b>	<b>(114,050)</b>		<b>60,950</b>	<b>(264,840)</b>	<b>327,100</b>	<b>333,320</b>
Beginning Fund Balance	—	—	371,917	371,917	371,917	799,697		685,647	746,597	481,757	808,857
Ending Fund Balance	—	371,917	367,417	329,697	799,697	685,647		746,597	481,757	808,857	1,142,177

# Information Technology Capital Fund

## *Financial Plan Year 2017*

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### **FUND DESCRIPTION**

The Information Technology (IT) Capital Fund is used to account for capital purchases of IT equipment and software development.

### **BACKGROUND**

This fund was established in 2007. Prior to 2007, IT capital purchases were in the General Fund, the Equipment, Vehicle, & Facilities Replacement Fund, and the Enterprise Funds. The creation of this fund allowed for the centralization of all IT capital purchases and consolidation of IT capital planning. Since annual savings remain in the fund for future purchases, the fund provides flexibility in responding to the rapid pace of change in the IT industry. Decisions can be made to delay or reprioritize purchases to respond to changes in hardware and software availability and upcoming enhancements.

### **SOURCE OF FUNDS**

The principal source of revenue in this fund is transfers from other funds. Transfers are from the general fund and other enterprise funds consistent with the type of use of the equipment purchased.

### **USE OF FUNDS**

Expenditures are for major hardware and software capital purchases. The City prepares a five-year IT capital plan. Detailed plans are prepared for the first two years; the next three years look at major systems needs identified for each City department but at a less detailed level due to the rapid pace of change in available technology. In 2016 a major replacement of IT infrastructure was consolidated into one year and financed through a capital lease. This allowed the City to implement equipment that is most effectively compatible throughout the system. An additional replacement is planned for 2017.

### **TRANSFERS**

The General Fund transfers funds to the IT Capital Fund to support general government IT capital purchases. The Enterprise fund transfers are proposed to be consistent with the historical level of funding in those areas. The Enterprise Fund transfer would fund the portion of IT capital used by those funds.

### **FUND BALANCE**

The City's policies call for a pay-as-you-go strategy for supporting capital spending without use of debt whenever feasible. The City strives to pay cash for capital projects that can be anticipated and planned for in advance of purchase. Therefore, the City's fund balance levels fluctuate, in part, based on capital project plans.

The plan maintains fund balance in the fund at a level sufficient to provide adequate working capital for current expenditure needs and to provide for future capital needs.

# Information Technology Capital Equipment Fund

## Five-Year Financial Plan

	Actuals		2016 Budget			2017 Budget		Projected			
	2014	2015	Original	Amended	Estimate		% Chg	2018	2019	2020	2021
<b>SOURCE OF FUNDS:</b>											
Interest	19,762	17,742	2,000	2,000	2,000	2,000	— %	—	—	—	—
Refunds/Reimbursements	—	—	—	—	—	—	— %	—	—	—	—
Sale of Other Assets	—	—	—	700,000	—	—	— %	—	—	—	—
Transfers from other funds:											
General fund	456,000	456,000	390,000	390,000	390,000	420,000	8 %	433,000	446,000	459,000	473,000
Water & Sewer	168,240	97,380	157,730	157,730	109,286	229,970	46 %	205,540	187,935	103,845	114,855
<b>TOTAL SOURCE OF FUNDS</b>	<b>644,002</b>	<b>571,122</b>	<b>549,730</b>	<b>1,249,730</b>	<b>501,286</b>	<b>651,970</b>	<b>19 %</b>	<b>638,540</b>	<b>633,935</b>	<b>562,845</b>	<b>587,855</b>
<b>USE OF FUNDS:</b>											
Public Safety											
Police	57,106	48,218	86,695	241,907	191,263	73,100	(16)%	46,600	81,100	61,600	44,600
Fire	38,721	51,202	36,200	103,793	103,793	63,400	75 %	33,100	43,600	27,900	24,900
Mobile Command	32,220	—	12,450	12,450	12,450	26,500	113 %	—	—	12,500	8,000
PC Computers	63,933	143,864	128,750	148,511	150,708	73,300	(43)%	133,300	108,550	137,050	69,550
IT Infrastructure	174,059	279,330	225,250	433,301	276,624	50,200	(78)%	40,000	80,200	114,000	20,200
Security systems	55,341	59,810	98,500	103,368	103,368	60,000	(39)%	39,000	10,000	10,000	10,000
Document Imaging	20,607	7,787	15,600	73,613	18,194	18,600	19 %	18,600	15,600	15,600	15,600
Comm. Dev.	—	—	40,000	106,400	126,400	12,200	(70)%	6,200	2,200	20,200	2,200
Software Development	71,192	172,918	14,000	116,817	112,853	26,000	86 %	26,000	9,000	24,000	9,000
ERMS	9,683	24,947	15,000	38,987	38,987	15,000	— %	15,000	15,000	15,000	15,000
GIS	—	21,016	22,200	22,200	24,320	53,720	142 %	39,580	39,500	51,500	39,500
Recreation	—	—	46,000	62,335	54,000	10,500	(77)%	4,500	—	31,000	—
Capital Lease Payments	—	—	—	700,000	—	298,333	— %	298,333	298,333	—	—
<b>TOTAL USE OF FUNDS</b>	<b>522,862</b>	<b>809,092</b>	<b>740,645</b>	<b>2,163,682</b>	<b>1,212,960</b>	<b>780,853</b>	<b>5 %</b>	<b>700,213</b>	<b>703,083</b>	<b>520,350</b>	<b>258,550</b>
<b>NET DIFFERENCE</b>	<b>121,140</b>	<b>(237,970)</b>	<b>(190,915)</b>	<b>(913,952)</b>	<b>(711,674)</b>	<b>(128,883)</b>	<b>(79)%</b>	<b>(61,673)</b>	<b>(69,148)</b>	<b>42,495</b>	<b>329,305</b>
Beginning Fund Balance	1,006,878	1,128,018	890,048	890,048	890,048	178,374		49,491	(12,182)	(81,330)	(38,835)
Ending Fund Balance	1,128,018	890,048	699,133	(23,904)	178,374	49,491		(12,182)	(81,330)	(38,835)	290,470

# Infrastructure Trust Fund

## *Financial Plan Year 2017*

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### **FUND DESCRIPTION**

The Infrastructure Trust Fund (ITF) is a capital projects fund used to account for property tax revenues and expenditures associated with the infrastructure replacement costs for the City.

### **BACKGROUND**

In 1996, the City began to levy a property tax to fund future replacement of infrastructure. The goal was to achieve a pay-as-you-go strategy for the City contribution toward infrastructure projects, primarily streets and parks, with individual property owners also sharing in the cost through assessments.

The ITF levy is supplemented by revenue the City receives from the State of Minnesota from the State gas tax. In 2008, the legislature passed an increase to the gas tax which provided more Municipal State Aid for Streets (MSAS) funds to cities for road improvements. The ITF budget combines the MSAS funds with the ITF levy to present a combined funding plan for infrastructure replacement costs.

The City has about 221 miles of streets to maintain. A Pavement Management System (PMS) was initiated in about 1990 to provide an objective technical method of evaluating and cataloguing the condition of streets. Each year the staff “rates” or assigns a pavement surface condition value for one third of the streets in the City. This rating value or “Pavement Condition Index” (PCI) is then used to assist staff in formulating the recommended approach to rebuilding or maintaining the city streets. The City’s street reconstruction and rehabilitation assessment rates are among the lowest in the metro area.

Each year City staff works to determine its final recommendation for the scope of the next year’s projects. The staff then recommends what type of maintenance should be done to each street. Staff uses the PCI rating in conjunction with a number of other criteria (e.g., age of the street, traffic volume, water main conditions, etc.) to make this determination. The majority of the streets within Burnsville were constructed during the 1960’s, 1970’s and 1980’s (about 180 miles out of the 221 total miles of streets or 80 percent). Bituminous streets have an expected life of 30 to 50 years depending on the soils, initial construction materials, and the maintenance that is done to them. A poorly constructed street will not last 30 years even with great maintenance. A well-constructed street can be made to last longer with the proper maintenance procedure at the correct time, which is the overarching goal of the PMS.

As noted above, the majority of the streets in the City were constructed in two decades. This means that the majority of streets will reach the end of their useful life in a similar time span. This is a problem that the PMS also attempts to address. The City has reconstructed approximately 87 miles of streets and has rehabilitated approximately 39 miles since the reconstruction and rehabilitation program began in 1990. At the present rate of reconstruction and rehabilitation, approximately five miles per year and one and one half miles per year annually, the City will not keep pace with the aging of the system, although the rate of deterioration of the system as a whole is predicted to level off at pavement management goals within the next ten years. Funding from tax levies and or special assessments needs to increase or the community needs to accept streets with a lower PCI - poorer quality. Staff will continue to use the best approach possible to extend the life of existing streets and to reconstruct and rehabilitate as many miles as possible with whatever resources are available.

Additionally, premature pavement surface failures on primarily residential streets built in the 1980’s and early 1990’s have been identified. The results of this are deficient road surfaces that aren’t in the City’s plans to reconstruct or rehabilitate for more than five years and in many cases up to 15 years. In response to this, the City implemented a

maintenance overlay program in 2014. This program completes a basic resurfacing of neighborhood streets, over and above the planned street reconstruction and rehabilitation in order to extend the useful life of the streets by an estimated ten to fifteen years.

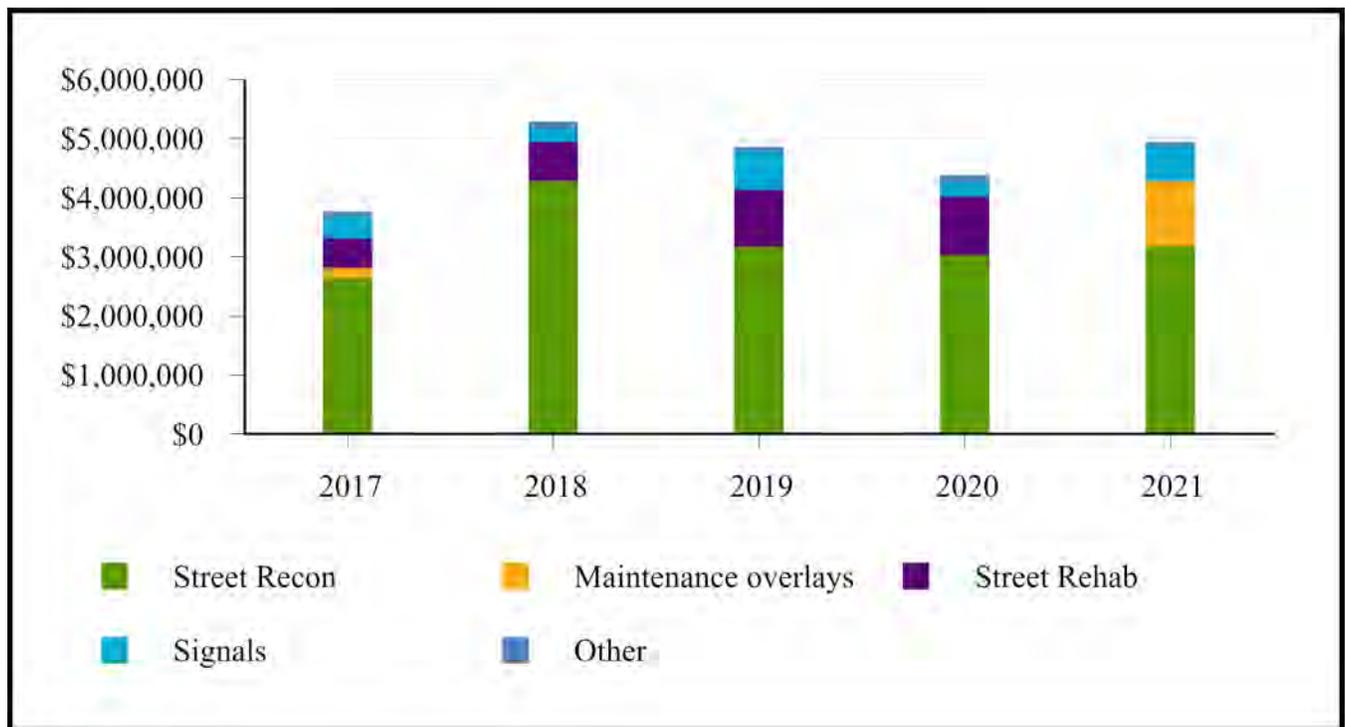
### SOURCE OF FUNDS

The principal sources of revenue are ITF property tax levy, MSAS funds, and interest earned on cash balances in the fund. The annual levy for 2017 is proposed at \$3.25 million.

This fund also includes the City’s \$1.9 million annual MSAS allotment. Over the past five years the City was able to advance the MSAS allotment, receiving funding for the larger street reconstruction projects programmed in those years. This allowed the City to move ahead on projects sooner than would otherwise be possible.

### USE OF FUNDS

Expenditures are for infrastructure replacement for transportation and parks. The CIP includes the detail of projects which are scheduled to have funding from the ITF tax levy and MSAS.



### TRANSFERS

The ITF transfers annually to the Parks Capital Fund an amount not to exceed 10 percent of the total ITF levy for park renovation. Transfers annually to the Street Maintenance Fund are also planned to fund the additional crack sealing costs of the maintenance overlay program implemented in 2014. Debt service for bonds issued in 2010 to fund the City’s share of street projects are included as transfers from this fund to the Debt Service Fund.

## **FUND BALANCE**

The fund balance will fluctuate as the timing of revenues and expenditures can vary on large projects and may cross fiscal years. Fund balance is used to even out the large swings in expenditures to most efficiently schedule projects that vary in size.

# Infrastructure Trust Fund

## Five-Year Financial Plan

	Actuals		2016 Budget			2017 Budget		Projected			
	2014	2015	Original	Amended	Estimate		% Chg	2018	2019	2020	2021
<b>SOURCE OF FUNDS:</b>											
ITF Property Tax Levy	3,063,775	3,130,738	3,200,000	3,200,000	3,200,000	3,250,000	2 %	3,300,000	3,350,000	3,400,000	3,450,000
MSAS Funding	1,402,316	4,223,677	—	—	6,767	1,694,671	— %	1,950,000	1,975,000	2,000,000	2,025,000
Interest	92,302	107,607	35,906	35,906	49,290	24,192	(33)%	29,140	21,950	19,709	23,030
<b>TOTAL SOURCE OF FUNDS</b>	<b>4,558,393</b>	<b>7,462,022</b>	<b>3,235,906</b>	<b>3,235,906</b>	<b>3,256,057</b>	<b>4,968,863</b>	<b>54 %</b>	<b>5,279,140</b>	<b>5,346,950</b>	<b>5,419,709</b>	<b>5,498,030</b>
<b>USE OF FUNDS:</b>											
Capital Improvements	3,737,222	6,463,766	5,060,000	5,060,000	5,062,143	3,765,000	(26)%	5,290,000	4,860,000	4,380,000	4,940,000
Transfers to Other Funds											
Parks Capital Fund	310,000	315,000	320,000	320,000	320,000	325,000	2 %	330,000	335,000	340,000	345,000
Street Maintenance Fund	—	150,000	25,000	25,000	25,000	25,000	— %	25,000	25,000	25,000	25,000
Debt Service Funds	364,008	363,491	358,652	358,652	358,652	359,101	— %	353,122	351,081	342,570	338,414
<b>TOTAL USE OF FUNDS</b>	<b>4,411,230</b>	<b>7,292,257</b>	<b>5,763,652</b>	<b>5,763,652</b>	<b>5,765,795</b>	<b>4,474,101</b>	<b>(22)%</b>	<b>5,998,122</b>	<b>5,571,081</b>	<b>5,087,570</b>	<b>5,648,414</b>
<b>NET DIFFERENCE</b>	<b>147,163</b>	<b>169,765</b>	<b>(2,527,746)</b>	<b>(2,527,746)</b>	<b>(2,509,738)</b>	<b>494,762</b>	<b>(120)%</b>	<b>(718,982)</b>	<b>(224,131)</b>	<b>332,139</b>	<b>(150,384)</b>
Beginning Fund Balance	4,612,058	4,759,221	4,928,986	4,928,986	4,928,986	2,419,248		2,914,010	2,195,028	1,970,897	2,303,036
Ending Fund Balance	4,759,221	4,928,986	2,401,240	2,401,240	2,419,248	2,914,010		2,195,028	1,970,897	2,303,036	2,152,652
<b>OTHER FINANCIAL INFORMATION:</b>											
Year-end Cash Balance	4,759,221	4,928,986	2,401,240	2,401,240	2,419,248	2,914,010		2,195,028	1,970,897	2,303,036	2,152,652

# Street Maintenance Fund

## *Financial Plan Year 2017*

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### **FUND DESCRIPTION**

The Street Maintenance Fund is a capital projects fund used to account for the revenues and expenditures associated with street maintenance projects that extend the life of the existing street system for the City and smaller roadway, right of way and traffic control improvements.

### **BACKGROUND**

This fund was set up in 2004 to centralize the financing of major mid-life street maintenance and other smaller roadway, right of way and traffic control improvements. This provides greater flexibility in funding maintenance and smaller improvement activities for the most effective use of resources. More extensive projects such as mill and overlay projects which further extend the life of existing streets are funded primarily by the Infrastructure Trust Fund, the issuance of bonds, and/or transfers of unused seal coat funds from the other funds, if it is determined that rehabilitation will be more effective than seal coating in a particular year.

In addition to street maintenance activities, small right of way replacements (i.e. sidewalks, small retaining walls, and some curb and gutter replacement), and smaller traffic control studies, including any resulting projects are accounted for in this fund. The street rehabilitation projects remain in the Improvement Construction Capital Projects Fund.

### **SOURCE OF FUNDS**

The principal sources of revenues are transfers from the General Fund and Enterprise Funds. The transfer from the General Fund is shown to increase approximately four percent per year over the next five years in order to account for inflation of materials and services. An additional \$50,000 transfer from the General Fund was transferred in 2016 to fund an entrance monument. The amount of transfers in from other funds is evaluated annually based on actual project costs that are incurred in the prior year. The amount of funding needed could be more or less than what is estimated for planning purposes.

The transfer in from the Enterprise Funds is projected to remain relatively constant as the type of work that is anticipated is not related to utilities. The transfer in from the Enterprise Funds represents an allocation of a portion of the cost of street rehabilitation and major street maintenance work to the utility funds. The life of city streets and the need for maintenance is driven in part by the instability that the installation of utilities in the ground create underneath the street. Therefore, it is reasonable that the utilities contribute toward the cost of maintaining the street surface. When major capital projects are completed on a street, the utility funds pay for the cost of the utility work completed as part of the street project.

Annual transfers in from the Infrastructure Trust Fund are scheduled to fund increased costs for crack sealing for the maintenance overlay program.

### **USE OF FUNDS**

Expenditures are for major street maintenance expenses such as seal coating and crack sealing, pavement marking, traffic studies and other work that extends the life of the existing street system. Expenditures of \$50,000 proposed for an entrance monument originally anticipated for construction in 2016 will be paid from this fund in 2017.

The future years are based on an “average” year as estimated. The balance in the fund may be used to cover years that are above the average to even out the large swings in expenditures keeping the transfers from other funds even. The current year budget is estimated to be an “average” year. Increases in crack sealing expenditures have been included to account for the increases due to the maintenance overlay program implemented in the Infrastructure Trust Fund.

## **FUND BALANCE**

The City will maintain fund balance in the Capital Funds at a minimum level sufficient to provide adequate working capital for current expenditure needs. Generally, the City shall strive for a minimum of three months operating cash in these funds.

# Street Maintenance Fund

## Five-Year Financial Plan

	Actuals		2016 Budget			2017 Budget		Projected			
	2014	2015	Original	Amended	Estimate		% Chg	2018	2019	2020	2021
<b>SOURCE OF FUNDS:</b>											
Misc Refunds / Reimb	27,933	19,120	15,000	15,000	15,000	15,000	— %	15,000	15,000	15,000	15,000
Interest	7,714	9,438	7,000	7,000	7,000	7,000	— %	5,000	5,000	5,000	5,000
Transfers From Other Funds											
General Fund	296,000	308,000	320,000	320,000	320,000	333,000	4 %	346,000	360,000	374,000	389,000
General Fund - Monuments	—	—	50,000	50,000	50,000	—	(100)%	—	—	—	—
Infrastructure Trust Fund	—	150,000	25,000	25,000	25,000	25,000	— %	25,000	25,000	25,000	25,000
Water & Sewer Fund	200,625	200,625	200,625	200,625	200,625	200,625	— %	200,625	200,625	200,625	200,625
Storm Sewer	40,825	40,825	60,825	60,825	60,825	60,825	— %	60,825	60,825	60,825	60,825
<b>Total Source of Funds</b>	<b>573,097</b>	<b>728,008</b>	<b>678,450</b>	<b>678,450</b>	<b>678,450</b>	<b>641,450</b>	<b>(5)%</b>	<b>652,450</b>	<b>666,450</b>	<b>680,450</b>	<b>695,450</b>
<b>USE OF FUNDS:</b>											
Roadway Preventative Maintenance	339,015	324,496	600,000	600,000	600,000	450,000	(25)%	450,000	450,000	450,000	450,000
Pavement Marking	110,269	92,020	95,000	95,000	95,000	95,000	— %	95,000	95,000	95,000	95,000
Right of Way Maintenance	65,872	94,188	70,000	70,000	70,000	70,000	— %	70,000	70,000	70,000	70,000
Monuments	48,551	—	50,000	50,000	50,000	—	(100)%	—	—	—	—
Other	6,402	6,158	15,000	15,000	15,000	15,000	— %	15,000	15,000	15,000	15,000
Transfers To Other Funds	—	—	—	—	—	—	— %	—	—	—	—
<b>Total Use of Funds</b>	<b>570,109</b>	<b>516,862</b>	<b>830,000</b>	<b>830,000</b>	<b>830,000</b>	<b>630,000</b>	<b>(24)%</b>	<b>630,000</b>	<b>630,000</b>	<b>630,000</b>	<b>630,000</b>
<b>NET DIFFERENCE</b>	<b>2,988</b>	<b>211,146</b>	<b>(151,550)</b>	<b>(151,550)</b>	<b>(151,550)</b>	<b>11,450</b>	<b>(108)%</b>	<b>22,450</b>	<b>36,450</b>	<b>50,450</b>	<b>65,450</b>
Beginning Fund Balance	256,867	259,855	471,001	471,001	471,001	319,451		330,901	353,351	389,801	440,251
Ending Fund Balance	259,855	471,001	319,451	319,451	319,451	330,901		353,351	389,801	440,251	505,701
<b>Other financial information:</b>											
Year-end Cash Balance	259,855	471,001	319,451	319,451	319,451	330,901		353,351	389,801	440,251	505,701

# **Improvement Construction Fund**

## *Financial Plan Year 2017*

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### **FUND DESCRIPTION**

The Improvement Construction Fund is a capital projects fund used to account for the revenues and expenditures associated with improvement construction projects for the City.

### **BACKGROUND**

This fund accounts for the receipt and disbursement of bond proceeds or other sources obtained to finance construction of improvements to the City's infrastructure.

### **SOURCE OF FUNDS**

Major funding sources for improvement construction projects include bond proceeds and intergovernmental revenue. Projects that are assessed wholly or in part to the benefited property owners and/or have general tax levy funding are generally bonded. The bonds are then repaid in the Debt Service Funds using the special assessment and/or tax levy revenue. Intergovernmental revenue consists of County, State and Federal funding for shared roads and various grants or other shared costs. Each improvement project may have numerous funding sources as identified in the Capital Improvements Plan (CIP).

### **USE OF FUNDS AND FUND BALANCE**

The principal use of these dollars is to fund improvement construction projects related to the City's infrastructure. The City prepares a five-year CIP to plan and prioritize these improvement projects. Each individual project also goes through Council approval prior to beginning the project.

The Improvement Construction Fund operates on a zero balance basis. Each project has revenues balancing expenditures. The fund may operate with short-term negative or positive fund balance due to timing of receipt of revenues and expenditures.

Please see the CIP for specific project detail.

# Improvement Construction Fund

## Five-Year Financial Plan

	Actuals		2016 Budget			2017		Projected			
	2014	2015	Original	Amended	Estimate		% Chg	2018	2019	2020	2021
<b>SOURCE OF FUNDS:</b>											
Special Assessments	288,039	497,079	1,580,000	1,580,000	346,863	950,000	(40)%	1,180,000	1,300,000	1,300,000	1,050,000
Intergovernmental:											
Dakota County	144,216	296,623	—	—	—	—	— %	—	—	—	—
MN DOT	19,800	—	—	—	130,000	—	— %	—	—	—	—
Federal	—	—	—	—	—	—	— %	—	—	—	—
Other Intergovernmental	959,944	156,319	345,000	1,490,000	1,516,597	415,000	20 %	415,000	415,000	415,000	415,000
Intergovernmental	1,123,960	452,942	345,000	1,490,000	1,646,597	415,000	20 %	415,000	415,000	415,000	415,000
Bond Proceeds:											
Improvement Bonds	2,786,419	756,472	—	—	1,051,000	—	— %	—	—	—	—
New TIF District & Bonds **	—	—	—	—	—	—	— %	—	—	—	—
Interest Income	(44,423)	(43,668)	—	—	—	—	— %	—	—	—	—
Other/Land Sales	453,952	42,272	—	—	—	—	— %	—	—	—	—
Transfers From Other Funds											
General Fund	30,000	—	—	—	—	—	— %	—	350,000	—	—
Street Maintenance Fund	—	—	—	—	—	—	— %	—	—	—	—
<b>Total Source of Funds</b>	<b>4,637,947</b>	<b>1,705,097</b>	<b>1,925,000</b>	<b>3,070,000</b>	<b>3,044,460</b>	<b>1,365,000</b>	<b>(29)%</b>	<b>1,595,000</b>	<b>2,065,000</b>	<b>1,715,000</b>	<b>1,465,000</b>
<b>USE OF FUNDS:</b>											
Capital Improvements	3,171,129	1,705,773	1,925,000	3,070,000	2,997,597	1,365,000	(29)%	1,595,000	2,065,000	1,715,000	1,465,000
Other Expenses	23,240	7,782	—	—	—	—	— %	—	—	—	—
<b>Total Use of Funds</b>	<b>3,194,369</b>	<b>1,713,555</b>	<b>1,925,000</b>	<b>3,070,000</b>	<b>2,997,597</b>	<b>1,365,000</b>	<b>(29)%</b>	<b>1,595,000</b>	<b>2,065,000</b>	<b>1,715,000</b>	<b>1,465,000</b>
<b>NET DIFFERENCE</b>	<b>1,443,578</b>	<b>(8,458)</b>	<b>—</b>	<b>—</b>	<b>46,863</b>	<b>—</b>	<b>— %</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
Beginning Fund Balance	(1,603,774)	(160,196)	(168,654)	(168,654)	(168,654)	—	—	—	—	—	—
Ending Fund Balance*	(160,196)	(168,654)	(168,654)	(168,654)	(121,791)	—	—	—	—	—	—

Note: The Improvement Construction Fund operates on a zero balance basis. Each project has revenues balancing expenditures.

The fund may operate with short term negative or positive fund balance due to timing of receipt of revenues and expenditures at year end.

\* Negative Fund Balance at the end of 2016 will be offset by deferred special assessments collections in future years.



# City of Burnsville 2017 Proposed Budget Five-Year Financial Plan

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## G.O. Debt Funds

Debt service funds account for the accumulation of resources for the payment of general long-term debt principal and interest. The City maintains individual debt service funds for each bond issue. The City has established annual financial plans for all general obligation bond funds and certificate of indebtedness funds which is shown in total as the G.O. Debt Funds. The Debt Funds use the modified accrual basis for both financial statement and budgeting purposes.

# General Obligation Debt Funds

## *Financial Plan Year 2017*

### FUND DESCRIPTION

The General Obligation Debt Funds account for the payment of general obligation bonds, certificates of indebtedness, lease revenue bonds, and improvement bonds. A separate debt service fund is established for each bond issue.

### BACKGROUND

General obligations bonds are secured by the full faith and credit of the City. The City has the authority to levy property taxes for repayment of these bonds.

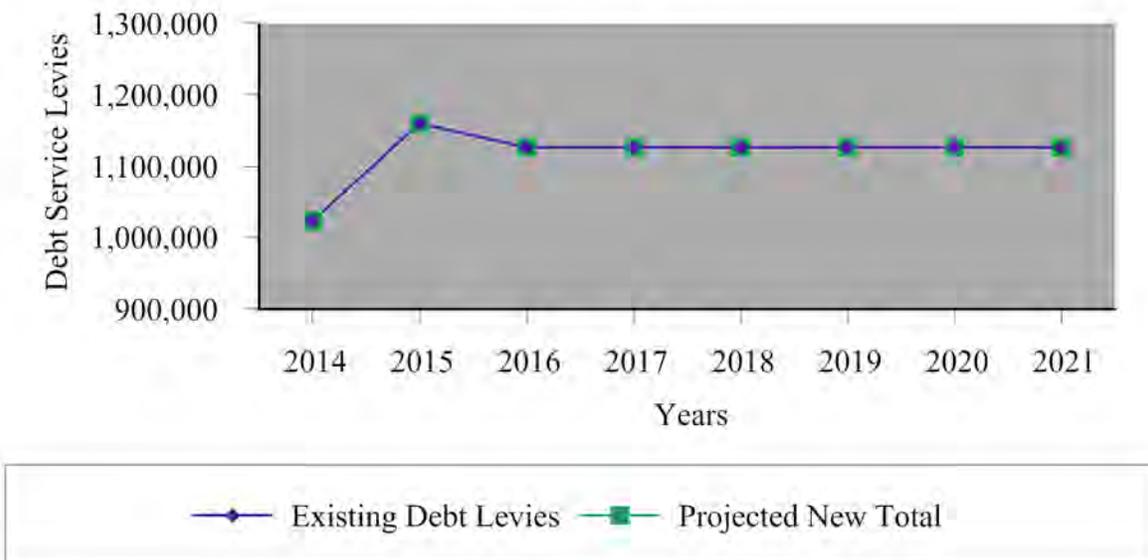
For this plan, the amounts projected in the Capital Improvement Program (CIP) to be funded by General Obligation Improvement Bonds are assumed to be bonded. The proposed debt structure is consistent with the City's debt management policies. Interest rates are estimated conservatively.

### SOURCE OF FUNDS

The principal sources of revenue are property taxes (debt service levies), special assessments and interest earned on cash balances in the funds. Other sources of revenue include transfers from other funds.

The following graph shows the amount of existing and projected debt service levies for the next five years. The projected new total line on the graph represents the total levy that would be needed to fund the ad valorem bonding in the CIP for facilities, assessment and other improvement projects. The current finance plan shows debt levies for bonds currently outstanding a level amount through 2021, with no projected new debt levies. Planned facility improvements included in the CIP will be funded through franchise fees and property tax levies in the Facilities Capital Projects Fund. Cash reserves and existing debt are reviewed annually for refunding opportunities that further reduces debt service requirements.

**Estimated Debt Service Levies  
2017-2021 CIP**



## **TRANSFERS**

Annual transfers are shown from from the Infrastructure Trust Fund, the Ames Center Fund and the Facilities Fund to pay debt service.

The Facilities Fund includes bond proceeds for Phase I facilities improvements in 2017. The corresponding debt service payments for the bonds are shown in the General Obligation Debt Funds. The source for the debt service payments are transfers in from franchise fees and/or property tax levy in the Facilities Fund.

## **USE OF FUNDS AND FUND BALANCE**

According to State Statute, proceeds from the debt service levies and fund balance can only be used for redemption of debt. Additional information is available in the Existing and Projected Debt Analysis Schedule presented in the Capital and Debt Section.

# General Obligation Debt Funds

## Five-Year Financial Plan

	Actuals		2016 Budget			2017 Budget		Projected			
	2014	2015	Original	Amended	Estimate		% Chg	2018	2019	2020	2021
<b>SOURCE OF FUNDS:</b>											
Operating:											
Property Taxes	1,023,818	1,160,247	1,126,674	1,126,674	1,126,674	1,126,674	— %	1,126,674	1,126,674	1,126,674	1,126,674
Special Assessments	1,512,087	2,076,840	1,099,278	1,099,278	1,099,278	1,122,490	2 %	1,071,282	1,011,072	901,400	843,313
Intergovernmental	56,927	53,941	53,984	53,984	53,796	49,500	(8)%	44,516	39,162	33,292	27,196
Investment Income	65,620	42,262	41,424	41,424	131,015	166,398	302 %	101,255	50,581	55,390	57,161
<b>Total Operating Sources</b>	<b>2,658,452</b>	<b>3,333,290</b>	<b>2,321,360</b>	<b>2,321,360</b>	<b>2,410,763</b>	<b>2,465,062</b>	<b>6 %</b>	<b>2,343,727</b>	<b>2,227,489</b>	<b>2,116,756</b>	<b>2,054,344</b>
Non-Operating:											
Bond Proceeds	33,514	7,089,512	—	—	6,758,855	—	— %	—	—	—	—
Transfers From Other Funds	1,711,984	1,581,011	1,541,846	1,541,846	1,541,846	1,471,943	(5)%	2,361,980	2,392,283	2,911,733	2,951,924
<b>Total Non-Operating Sources</b>	<b>1,745,498</b>	<b>8,670,523</b>	<b>1,541,846</b>	<b>1,541,846</b>	<b>8,300,701</b>	<b>1,471,943</b>	<b>(5)%</b>	<b>2,361,980</b>	<b>2,392,283</b>	<b>2,911,733</b>	<b>2,951,924</b>
<b>TOTAL SOURCE OF FUNDS</b>	<b>4,403,950</b>	<b>12,003,813</b>	<b>3,863,206</b>	<b>3,863,206</b>	<b>10,711,464</b>	<b>3,937,005</b>	<b>2 %</b>	<b>4,705,707</b>	<b>4,619,772</b>	<b>5,028,489</b>	<b>5,006,268</b>
<b>USE OF FUNDS:</b>											
Debt Service:											
Bond Payment - Scheduled	2,915,614	3,249,701	2,718,398	2,718,398	2,718,398	2,653,661	(2)%	3,517,661	3,121,358	3,904,000	3,859,000
Bond Payment - Refunding	952,430	790,000	—	—	—	—	— %	13,435,000	—	—	—
Interest Expense	1,301,291	1,327,473	1,227,457	1,227,457	1,481,231	1,457,578	19 %	1,436,763	1,009,306	939,189	840,950
Fiscal Agent Fees	6,303	67,613	8,000	8,000	70,541	8,200	3 %	8,200	8,200	8,200	8,200
<b>TOTAL USE OF FUNDS</b>	<b>5,175,638</b>	<b>5,434,787</b>	<b>3,953,855</b>	<b>3,953,855</b>	<b>4,270,170</b>	<b>4,119,439</b>	<b>4 %</b>	<b>18,397,624</b>	<b>4,138,864</b>	<b>4,851,389</b>	<b>4,708,150</b>
<b>NET DIFFERENCE</b>	<b>(771,688)</b>	<b>6,569,026</b>	<b>(90,649)</b>	<b>(90,649)</b>	<b>6,441,294</b>	<b>(182,434)</b>	<b>101 %</b>	<b>(13,691,917)</b>	<b>480,908</b>	<b>177,100</b>	<b>298,118</b>
Beginning Fund Balance	6,693,800	5,922,112	12,491,138	12,491,138	12,491,138	18,932,432		18,749,998	5,058,081	5,538,989	5,716,089
Ending Fund Balance	5,922,112	12,491,138	12,400,489	12,400,489	18,932,432	18,749,998		5,058,081	5,538,989	5,716,089	6,014,207



# City of Burnsville 2017 Proposed Budget Five-Year Financial Plan

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## Enterprise Funds

Enterprise Funds account for business-type activities. These activities provide services where most of the costs are recovered through user fees and charges. The City has seven Enterprise Funds. The accrual basis of accounting is used by the Enterprise Funds for financial statement purposes. For budget purposes the funds use the accrual basis except for capital assets and debt payments which are budgeted on a modified accrual basis within each finance plan. Depreciation is noted at the bottom of the finance plans.

- **Water and Sewer Fund** - receives its revenues from charges to all property owners to provide water and sanitary sewer utilities, fund operations and maintenance and capital improvements. (major fund)
- **Storm Water Fund** - receives its revenues from charges to all property owners to fund water quality projects, operations and maintenance, and capital improvements. (major fund)
- **Ice Center Fund** -operates the City of Burnsville Ice Center which has two indoor sheets of ice.
- **Golf Course Fund** - accounts for the Birnamwood Golf Course, a nine-hole course operation supported by user fees.
- **Street Lighting Fund** - provides for the annual operations and maintenance of existing streetlights.
- **Ames Center Fund** - reflects the operation of the City's performing arts center. (major fund)
- **Sidewalk Snowplowing Fund** - receives its revenues from charges to property owners to fund snow removal from sidewalks and trails.

# Water and Sewer Fund

## *Financial Plan Year 2017*

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### **FUND DESCRIPTION**

The Water and Sewer Fund was established for the accounting for costs of providing water and sewer services to residents and businesses.

### **BACKGROUND**

This fund was created in 1960 with the original development of the operation of a municipal water and sewer system. Services include water treatment and distribution, collection and transmission of wastewater, and the treatment of wastewater completed by the Metropolitan Council Environmental Services (MCES). The City operates a ground water treatment plant and added the operation of a surface water treatment facility in 2009. The source of the surface water is from an active private limestone quarry in Burnsville that was previously pumped into the Minnesota River by the owner of the quarry. The newer plant treats the surface water for potable water supply.

Billings to customers are based on actual water usage that is metered for each property. An annual comprehensive review of rates is completed to ensure financial stability of the utility. A portion of the fees collected in this fund supports funding of the replacement of the system infrastructure. Significant capital improvements projected in this plan, as well as increased levels of water and sewer infrastructure replacement resulting from an aggressive road replacement plan, will warrant borrowing for a share of the capital costs. Bonding for capital expenditures greatly assists with trying to maintain a stable rate structure by avoiding the significant spikes for large capital expenditures and supports sound cash management.

Utility bills are generated on a monthly basis to encourage water conservation. Monthly bills notify customers of their water usage each month, assisting with a better understanding of water usage and leak detection. Payments are received by check, electronic automatic withdrawal through bank drafting, bank transfer, or credit card payments through an interactive voice response (IVR), or through an on-line credit card or bank transfer option. Unpaid bills are the responsibility of the property owner and are certified to the property taxes in the fall of each year. Customers also have the option of opting out of a paper bill mailed each month to instead receive an e-mail indicating their bill is ready for viewing on-line.

### **SOURCE OF FUNDS**

The primary source of funding is user charges based on a property's water usage. Minnesota Statutes require public water suppliers serving more than 1,000 to adopt a water rate structure that encourages water conservation. The City's rate structure used for water billing includes a three-tiered rate system for all customers. The top tier is designed to effect high water users. High water usage is usually caused from lawn sprinkling or leaks. For residential users, the base rate is charged for the first 15,000 gallons used each month. A second tier surcharge of 25 percent is added for water used up to 50,000 gallons and a third tier surcharge of an additional 25 percent is added for usage over 50,000 per month. For commercial users, the base rate is charged for the first 2,000,000 gallons used each month. Again a 25 percent surcharge will be added for usage up to 3 million gallons and another 25 percent surcharge for usage over 3 million gallons each month.

Additionally, a monthly meter replacement charge, based on meter size and actual replacement cost, was implemented for 2015 with no rate increases to that rate for 2016 and 2017. The revenues collected will be used to support bonding for the meter replacement project proposed in the Capital Improvements Plan (CIP).

A basic administrative charge for each service of water, city sewer, and metro sewer is also assessed for access to water and sewer services. The basic charge is \$2.00 per month per service and has remained level for the last several years. Other sources of funds include connection charges, penalties, and interest. Charges collected directly offset the costs of providing services.

A rate increase for water and sewer service in 2017 is proposed at 4.5 percent. Rate increases of 4.5 percent for water and 5.0 to 5.5 percent for sewer are proposed over 2018 to 2021 to cover inflation, infrastructure replacement, increased sewer treatment (MCES) costs, rising electric charges, growing cost for water treatment chemicals, and the implementation of a long-term meter replacement program. MCES costs increased by 8.6 percent for 2016, 5.3 percent for 2017, and are expected to be over 5 percent for the next several years. Without additional rate increases for sewer proposed above, those expenses are projected to account for a larger portion of the City’s total sewer sanitary revenues, leaving less available revenue for city sewer expenses.

The table below provides a summary of the proposed water and sewer rates. Rate increases have remained constant over the last several years. In the mid-2000’s, increases did not fund increased costs or inflation in most years. The Fund’s cash balance continued on a downward trend during this period, which was an intentional decision to lower fund balance. Proposed rate increases over the next several years are related to increasing costs and funding a more aggressive capital replacement program, including a stronger emphasis on road replacement. Inspections and testing of the water and sewer infrastructure have indicated that some of the older parts of the system are in need of more accelerated replacement than what has been envisioned and included in previous capital replacement plans. (This is discussed in more detail under the Use of Funds section.) The updated financial plan for the Water and Sewer Fund assumes that the City will issue debt on costs related to the infrastructure replacement. This is to alleviate the consistent drain on cash balances, to assist with maintaining sound financial health to support the long-term needs of the fund, and to avoid what would otherwise need to be significantly greater annual rate increases.

Water Rates									
Year	Adopted				Budget	Projected			
	2013	2014	2015	2016	2017	2018	2019	2020	2021
Rate (Per 1,000 gallons)	\$2.43	\$2.54	\$2.65	\$2.77	\$2.89	\$3.02	\$3.16	\$3.30	\$3.45
Annual % Increase	4.3%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%

Sanitary Sewer Rates									
Year	Adopted				Budget	Projected			
	2013	2014	2015	2016	2017	2018	2019	2020	2021
Rate (Per 1,000 gallons)	\$3.04	\$3.18	\$3.32	\$3.47	\$3.63	\$3.81	\$4.02	\$4.24	\$4.47
Annual % Increase	4.2%	4.5%	4.5%	4.5%	4.5%	5.0%	5.5%	5.5%	5.5%

Base Charges for Water, City Sewer, and Metro Sewer Service									
Year	Adopted				Budget	Projected			
	2013	2014	2015	2016	2017	2018	2019	2020	2021
Rate (Per 1,000 gallons)	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00
Annual % Increase	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Burnsville’s rates tend to be near the top when compared to neighboring and market cities. This is due to several factors including: the aggressive plan for funding infrastructure replacement, charging of the fund for all direct and

indirect overhead costs, and the age of the sewer and water infrastructure. The practices of charging direct and indirect costs are not widely utilized by all cities. The City's infrastructure is older than many of its comparable market cities and is encountering major infrastructure replacement costs others have not yet seen.

Estimated revenues for 2017 are based on a typical weather year. Dry summer conditions result in higher revenue and wet summers result in lower revenue. Increased revenue in dry summers is partially offset by the increased costs of additional chemicals, electricity and natural gas costs for pumping, and increased maintenance from heavier use on our equipment. Revenues for 2016 are expected to approximate budgeted amounts.

## **USE OF FUNDS**

Expenditures from this fund are used for operation and maintenance, debt service, capital improvements, and infrastructure replacement relating specifically to the operation of water and sewer services. This includes all direct and indirect overhead costs incurred from operating a water and sewer business.

A five-year Capital Improvements Plan (CIP) is used by the City to project capital improvement and infrastructure replacement needs. The improvements scheduled include on-going programs of water main replacement, sewer rehabilitation, well rehabilitation, and other scheduled improvements. The detail on specific projects is included in the City's CIP. During the past few years, the Public Works staff has become much more aggressive in inspecting and testing the City's water and sewer infrastructure, especially the older major components. This stepped-up inspection and testing program has identified needs for several infrastructure maintenance projects that are much more immediate than what has been projected in previous planning documents. This has had a corresponding impact on the financial planning for the utility systems. Many water and sewer system components (some of which are thirty to forty years old) have not had the major renovations necessary to keep them in long-term serviceable condition. These include the original ground water treatment plant, major trunk water lines, major trunk sanitary sewer lines, and sanitary sewer lift stations.

### **Major Capital Initiatives**

The City's CIP includes a \$7.6 million project to replace water meters installed in homes and businesses across the City in 2016, 2017, and 2018. It is necessary to replace the current meters as they are beginning to slow and underreport water use, which results in lost revenues to the water system. An efficient and well-maintained system is essential to ensure proper collection of use charges and rate stability.

The water treatment plant treats more than 3 billion gallons of water annually, and is arguably the most critical facility in the City. This plant includes groundwater and surface water treatment facilities. The groundwater treatment portion of the plant is 40 years old and has exceeded its design life. Its continuous safe and efficient operation is required to provide safe drinking water to more than 85,000 residents in Burnsville and Savage. Needed improvements to it simply must not be delayed. The City is entering a period in which more significant and expensive improvements to these facilities will be required. The plan also includes an aggressive approach to street reconstruction and rehab. Water and sewer infrastructure replacement occurs as a street is replaced. The plan continues to fund the Storz hydrant nozzle replacement program by retrofitting hydrants, with completion of all public hydrants anticipated by 2018. Storz connections allow a faster connection to the hydrant by the Fire Department by about 30 seconds, which will greatly assist in firefighting.

As noted above stepped-up infrastructure needs will have financial planning impacts with the use of bonding as a financing tool and ultimately may have rate impacts. Rate stability will be closely monitored as well as maintaining a strong long-term cash balance within the fund.

## **DEBT**

A portion of the rates charged pays for debt that has been incurred on capital portions of the utility systems. New debt of in 2016 includes approximately \$7.4 million in Public Facilities Authority Loan proceeds to fund the meter replacement project. Debt of \$3.5 million is being proposed to be added to fund the groundwater treatment plant rehabilitation project in 2017.

## **TRANSFERS**

Transfers of funds from the water and sewer fund are currently limited to reimbursing other City funds for specific expenditure allocations, debt payments or capital project expenditures. The Water and Sewer Fund is not transferring any monies not related to its services.

## **NET ASSETS**

For the Enterprise Funds, the City also strives to maintain working capital cash balances at a minimum equal to three months working capital plus an amount needed to fund future capital projects as identified in the City's Capital Improvements Plan. Bonding for large projects and judicious use of net assets within funds can be used to moderate fluctuations in capital projects and infrastructure maintenance expenses.

# Water & Sewer Fund

## Five-Year Financial Plan

	Actuals		2016 Budget			2017 Budget		Projected			
	2014	2015	Original	Amended	Estimate	% Chg	2018	2019	2020	2021	
<b>SOURCE OF FUNDS:</b>											
Operating:											
Utility Fees - Water	5,901,234	5,798,047	5,815,425	5,815,425	6,083,609	6,099,000	5 %	6,342,000	6,811,000	7,270,000	7,765,000
Utility Fees - Sewer	5,367,722	5,403,181	5,538,120	5,538,120	5,662,663	5,793,480	5 %	6,080,760	6,415,920	6,767,040	7,134,120
Base Charges	1,910,392	1,916,113	1,905,000	1,905,000	1,910,000	1,910,000	— %	1,910,000	1,910,000	1,910,000	1,910,000
Meter Charges	—	259,202	293,595	293,595	299,150	293,595	— %	293,595	293,595	293,595	293,595
Sales to Other Cities	829,460	833,259	838,647	838,647	838,647	872,193	4 %	907,081	943,364	971,665	1,000,815
<b>Total Operating Sources</b>	<b>14,008,808</b>	<b>14,209,802</b>	<b>14,390,787</b>	<b>14,390,787</b>	<b>14,794,069</b>	<b>14,968,268</b>	<b>4 %</b>	<b>15,533,436</b>	<b>16,373,879</b>	<b>17,212,300</b>	<b>18,103,530</b>
Non-Operating:											
Bond proceeds *	2,589,838	2,325,192	13,630,000	13,630,000	9,000,000	3,500,000	(74)%	5,460,000	6,520,000	1,465,000	3,795,000
Investment Income	189,809	165,538	148,210	148,210	148,210	196,206	32 %	147,377	110,246	100,709	98,315
KMM Contract	397,625	399,203	399,656	399,656	399,656	398,984	— %	101,425	—	—	—
Connection Charges	106,536	190,525	110,000	110,000	110,000	110,000	— %	110,000	110,000	110,000	100,000
Other	265,601	278,512	218,876	222,580	218,876	218,876	— %	200,000	200,000	200,000	200,000
<b>Total Non-Op Sources</b>	<b>3,549,409</b>	<b>3,358,970</b>	<b>14,506,742</b>	<b>14,510,446</b>	<b>9,876,742</b>	<b>4,424,066</b>	<b>(70)%</b>	<b>6,018,802</b>	<b>6,940,246</b>	<b>1,875,709</b>	<b>4,193,315</b>
<b>TOTAL SOURCE OF FUNDS</b>	<b>17,558,217</b>	<b>17,568,772</b>	<b>28,897,529</b>	<b>28,901,233</b>	<b>24,670,811</b>	<b>19,392,334</b>	<b>(33)%</b>	<b>21,552,238</b>	<b>23,314,125</b>	<b>19,088,009</b>	<b>22,296,845</b>
<b>USE OF FUNDS:</b>											
Operating:											
Personnel Services	3,184,073	3,178,878	3,385,309	3,385,309	3,370,726	3,604,312	6 %	3,712,441	3,823,814	3,938,528	4,056,684
Current Expenses	3,720,953	3,812,221	4,163,547	4,167,251	4,054,273	4,260,381	2 %	4,388,192	4,519,838	4,655,433	4,795,096
MCES	4,006,541	4,067,852	4,417,400	4,417,400	4,417,276	4,652,300	5 %	4,884,915	5,129,161	5,385,619	5,654,900
<b>Total Operating Uses</b>	<b>10,911,567</b>	<b>11,058,951</b>	<b>11,966,256</b>	<b>11,969,960</b>	<b>11,842,275</b>	<b>12,516,993</b>	<b>5 %</b>	<b>12,985,548</b>	<b>13,472,813</b>	<b>13,979,580</b>	<b>14,506,680</b>
Non-Operating:											
Water & Sewer System Mgmt	—	—	2,740,000	2,740,000	2,520,000	490,000	(82)%	740,000	3,235,000	475,000	1,245,000
Street Projects & Rehab	—	—	2,470,000	2,470,000	1,986,000	640,000	(74)%	3,210,000	3,950,000	990,000	2,550,000
GWTP/SWTP	—	—	600,000	600,000	600,000	3,500,000	483 %	2,250,000	125,000	20,000	—
Storz Hydrant Nozzle	—	—	200,000	200,000	195,000	225,000	13 %	—	—	—	—
Meter Replacement	—	—	8,675,000	8,675,000	760,000	3,800,000	(56)%	3,040,000	—	—	—
Projects from Prior Year(s) CIP	—	—	—	533,530	533,530	—	— %	—	—	—	—
W&S Capital Projects	6,098,788	4,098,938	291,000	341,000	182,916	120,000	(59)%	212,000	—	95,000	149,000
Subtotal capital improvements	6,098,788	4,098,938	14,976,000	15,559,530	6,777,446	8,775,000	(41)%	9,452,000	7,310,000	1,580,000	3,944,000
Debt service pmts (existing)	1,701,221	1,979,342	1,909,408	1,909,408	2,165,302	2,081,800	9 %	1,565,761	1,565,901	1,544,994	1,533,169
Debt service pmts (new)	—	—	310,375	310,375	—	122,204	(61)%	404,887	862,253	1,428,352	1,555,551
Debt service pmts (meter)	—	—	562,872	562,872	—	343,621	(39)%	425,510	425,262	424,964	425,614
Subtotal debt	1,701,221	1,979,342	2,782,655	2,782,655	2,165,302	2,547,625	(8)%	2,396,158	2,853,416	3,398,310	3,514,334
Transfers (non-debt)	604,441	364,155	358,355	358,355	309,911	435,620	22 %	431,665	631,530	369,570	458,820
<b>Total Non-Operating Uses</b>	<b>8,404,450</b>	<b>6,442,435</b>	<b>18,117,010</b>	<b>18,700,540</b>	<b>9,252,659</b>	<b>11,758,245</b>	<b>(35)%</b>	<b>12,279,823</b>	<b>10,794,946</b>	<b>5,347,880</b>	<b>7,917,154</b>
<b>TOTAL USE OF FUNDS</b>	<b>19,316,017</b>	<b>17,501,386</b>	<b>30,083,266</b>	<b>30,670,500</b>	<b>21,094,934</b>	<b>24,275,238</b>	<b>(19)%</b>	<b>25,265,371</b>	<b>24,267,759</b>	<b>19,327,460</b>	<b>22,423,834</b>
<b>Net change in accruals</b>	<b>(103,649)</b>	<b>(279,973)</b>									
<b>NET DIFFERENCE</b>	<b>(1,861,449)</b>	<b>(212,587)</b>	<b>(1,185,737)</b>	<b>(1,769,267)</b>	<b>3,575,877</b>	<b>(4,882,904)</b>	<b>312 %</b>	<b>(3,713,133)</b>	<b>(953,634)</b>	<b>(239,451)</b>	<b>(126,989)</b>

Other financial information:

Year-end Cash Balance	16,257,310	16,044,723	14,858,986	14,275,456	19,620,600	14,737,696	11,024,563	10,070,929	9,831,478	9,704,489
Three months working capital	3,304,307	3,350,612	3,776,816	3,777,743	3,579,372	3,875,060	3,953,343	4,239,440	4,436,865	4,619,959
Capital replacement balance	12,953,003	12,694,111	11,082,170	10,497,713	16,041,228	10,862,636	7,071,220	5,831,489	5,394,613	5,084,530

\* - 2016 Budgeted and Estimated columns include the PFA loan proceeds issued to fund the meter replacement project. This loan was authorized in 2016, and loan proceeds will be drawn down as project expenses are incurred.

# Storm Water Fund

## *Financial Plan Year 2017*

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### **FUND DESCRIPTION**

The Storm Water Fund was established for the accounting of costs for providing storm drainage services to the community and for preserving and improving surface water quality in the City's lakes and ponds.

### **BACKGROUND**

This fund was created in 1992 with the creation of a City ordinance establishing the storm drainage utility which authorized a storm water charge for service. This user charge allocates costs based on the direct proportion of the amount of storm water run-off a property generates. Commercial/Industrial properties that have more impervious surface (pavement, rooftops, etc.) and are larger parcels than residential will pay more for the service.

The emphasis of this fund has drastically changed since its inception. The original concept focused on funding maintenance of the system and preserving water quality. In 1996, rates began to be increased to assist in funding the replacement of an aging system and the financing of major water quality improvement projects.

A comprehensive update of the Water Resources Management Plan (WRMP) was approved in 2002, with a major update in 2008 and a minor update in 2014. The City is currently undertaking a major update that is expected to be completed in the first half of 2017. The WRMP addresses key issues related to water resources facing the City over a ten to twenty year horizon. The plan is a combination of resource management, regulatory controls, and public works management and set numerous goals on water quality. Though long term in focus, the plan has numerous decision points related to recommending capital improvements, ongoing inspections, maintenance, and monitoring activities. All of these decisions have a direct impact on the rates charged for the storm water service. Improvements for water quality standards take many years to fully show results. The improvements need to be completed in the early years of the plan to achieve the desired goals in water quality in future years.

### **SOURCE OF FUNDS**

The rate charged for the user charge fees is based on a property's land use and size. The land use is expressed in terms of a concept called residential equivalent units (REU). A single family dwelling is charged for one REU. Other parcels such as commercial property and apartments are converted to a different number of REUs depending on the acreage of the property and how the land area is being used. Funding from other sources include connection charges and interest.

Based on implementation of the City's long range plan, no rate increase is proposed for 2017. The 2016 rate will adequately cover inflation and the continued support of the water resources management plan. Inflationary rate increases are projected around one percent for the next several years. The proposed 2017 monthly storm water billing for a single family dwelling will be \$6.85. A commercial user located on a one acre parcel will be at \$90.45 per month.

The following table is a summary of the annual rates:

<b>Water Rates</b>									
<b>Year</b>	<i>Adopted</i>				<i>Budget</i>	<i>Projected</i>			
	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
<b>Annual Rate per REU</b>	\$81.36	\$81.36	\$81.36	\$82.17	\$82.17	\$82.99	\$83.82	\$84.66	\$85.93
<b>Annual % Increase</b>	2.4%	0.0%	0.0%	1.0%	0.0%	1.0%	1.0%	1.0%	1.5%

Burnsville’s rates have been near the top when compared to neighboring and market cities. This is due to an aggressive funding plan for annual infrastructure replacement and also the fact the fund is charged for all direct and indirect overhead costs. These practices are not widely utilized by all cities, but they show the City’s commitment to reflecting the total cost of services. Also, Burnsville’s strong commitment to maintaining and improving surface water quality is a significant investment in the future that is not commonly seen in other cities. As other communities begin to address their own storm water management challenges, as Burnsville did many years ago, Burnsville’s fees should be in proportion if not less than other cities. Only inflationary rate increases are projected for the next several years.

## **USE OF FUNDS**

The storm water charges provide funding for storm drainage maintenance, street sweeping, pond clean-out, water quality work, and other storm water related functions. Expenditures from this fund are used for operation and maintenance, debt service, capital improvements and infrastructure replacement relating specifically to the storm water system. This includes direct and indirect overhead costs incurred related to the storm water utility. The WRMP assists in developing a projected five-year Capital Improvements Plan (CIP) for prioritizing the capital improvement needs and developing the proposed budget. Spending requirements are requested and reviewed during the annual budget process. For 2017, the plan maintains an aggressive approach to street reconstruction and rehab. Storm water infrastructure replacement occurs as a street is replaced.

The Storm Water Fund may also incur additional funding pressure from other areas. Our current finance plan does not show any future funding for unforeseen outside mandates or other improvements which may require funding from storm water funds. (e.g. standards imposed on water quality by federal or state agencies)

## **DEBT**

A portion of the rates charged pay for debt that has been incurred on capital portions of the utility systems. Currently, debt is limited to the repayment of bonds that were issued as part of the on-going reconstruction of the storm water collection system. With a portion of the user fees dedicated toward funding the replacement of aging infrastructure, the use of debt has been minimized. No new debt is being proposed for 2017.

## **TRANSFERS**

Transfers of funds from the storm water fund are currently limited to reimbursing other city funds for specific expenditure allocations or capital project expenditures. The Storm Water Fund does not transfer any monies not related to its services.

## **NET ASSETS**

For the Enterprise Funds, the City also strives to maintain working capital cash balances at a minimum equal to three months working capital plus an amount needed to fund future capital projects as identified in the City’s Capital Improvements Plan. Bonding for large projects and judicious use of net assets within funds can be used to moderate fluctuations in capital projects and infrastructure maintenance expenses.

# Storm Water Fund

## Five-Year Financial Plan

	Actuals		2016 Budget			2017 Budget		Projected			
	2014	2015	Original	Amended	Estimate		% Chg	2018	2019	2020	2021
<b>SOURCE OF FUNDS:</b>											
Operating:											
Storm drainage utility fee	4,177,901	4,166,073	4,215,321	4,215,321	4,206,400	4,215,321	— %	4,257,387	4,299,966	4,343,058	4,408,209
Other	—	—	—	—	—	—	— %	—	—	—	—
Total Operating Sources	4,177,901	4,166,073	4,215,321	4,215,321	4,206,400	4,215,321	— %	4,257,387	4,299,966	4,343,058	4,408,209
Non-Operating:											
Special Assessments	27,534	24,976	25,000	25,000	24,000	23,000	(8)%	20,000	20,000	20,000	15,000
Interest	120,844	108,330	52,560	52,560	74,930	63,949	22 %	43,977	49,950	48,501	47,176
Connection Charges	137,283	44,159	75,000	75,000	10,000	50,000	(33)%	50,000	50,000	50,000	50,000
Other	52,430	38,577	423,754	485,354	485,354	40,000	(91)%	25,000	25,000	25,000	25,000
Total Non-Operating Sources	338,091	216,042	576,314	637,914	594,284	176,949	(69)%	138,977	144,950	143,501	137,176
<b>TOTAL SOURCE OF FUNDS</b>	<b>4,515,992</b>	<b>4,382,115</b>	<b>4,791,635</b>	<b>4,853,235</b>	<b>4,800,684</b>	<b>4,392,270</b>	<b>(8)%</b>	<b>4,396,364</b>	<b>4,444,916</b>	<b>4,486,559</b>	<b>4,545,385</b>
<b>USE OF FUNDS:</b>											
Operating:											
Personnel Services	771,659	799,700	830,113	830,113	830,113	890,818	7 %	926,451	963,509	1,002,049	1,042,131
Current Expenses	645,045	663,455	912,295	973,895	952,305	942,874	3 %	971,160	1,000,295	1,030,304	1,061,213
Total Operating Uses	1,416,704	1,463,155	1,742,408	1,804,008	1,782,418	1,833,692	5 %	1,897,611	1,963,804	2,032,353	2,103,344
Non-Operating:											
Street Projects & Rehab	—	—	610,000	610,000	695,000	600,000	(2)%	665,000	665,000	745,000	705,000
Storm Water Management	—	—	2,700,000	2,700,000	1,800,000	3,100,000	15 %	815,000	1,535,000	1,285,000	610,000
Storm Water Capital Projects	1,268,474	3,662,519	200,000	200,000	200,000	385,000	93 %	—	—	226,000	338,000
Projects from Prior Year(s) CIP	—	—	—	778,277	778,277	—	— %	—	—	—	—
Subtotal capital improvements	1,268,474	3,662,519	3,510,000	4,288,277	3,473,277	4,085,000	16 %	1,480,000	2,200,000	2,256,000	1,653,000
Debt service payments (existing)	884,356	656,418	549,154	549,154	549,154	408,272	(26)%	352,114	284,240	248,125	249,988
Transfers (non-debt)	58,025	62,875	60,825	60,825	60,825	62,500	3 %	69,325	141,815	82,525	108,605
Total Non-Operating Uses	2,210,855	4,381,812	4,119,979	4,898,256	4,083,256	4,555,772	11 %	1,901,439	2,626,055	2,586,650	2,011,593
<b>TOTAL USE OF FUNDS</b>	<b>3,627,559</b>	<b>5,844,967</b>	<b>5,862,387</b>	<b>6,702,264</b>	<b>5,865,674</b>	<b>6,389,464</b>	<b>9 %</b>	<b>3,799,050</b>	<b>4,589,859</b>	<b>4,619,003</b>	<b>4,114,937</b>
Net change in accruals	164,388	27,879									
<b>NET DIFFERENCE</b>	<b>1,052,821</b>	<b>(1,434,973)</b>	<b>(1,070,752)</b>	<b>(1,849,029)</b>	<b>(1,064,990)</b>	<b>(1,997,194)</b>	<b>87 %</b>	<b>597,314</b>	<b>(144,943)</b>	<b>(132,444)</b>	<b>430,448</b>
<b>Other financial information:</b>											
Year-end Cash Balance	8,894,852	7,459,879	6,389,127	5,610,850	6,394,889	4,397,695		4,995,009	4,850,066	4,717,622	5,148,070
Three months working capital	589,771	545,612	588,097	603,497	598,099	576,116		579,763	597,465	590,751	615,484
Capital replacement cash balance	8,305,081	6,914,267	5,801,030	5,007,353	5,796,790	3,821,579		4,415,246	4,252,601	4,126,871	4,532,586

# Ice Center Fund

## *Financial Plan Year 2017*

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### **FUND DESCRIPTION**

The Ice Center Fund is used to account for the operation, maintenance, and debt service for the City-owned ice arena.

### **BACKGROUND**

This fund was created in 1971 with construction of the first sheet of ice. A second sheet of ice was added in 1985. The debt incurred from building the second sheet of ice was paid off in 2005. The double rink facility operates year round and caters to hockey, figure skating, ice skating lessons, broomball, curling, and a variety of camps, clinics, and schools. Services include the promoting and scheduling of hockey, and figure and pleasure skating for youth and adults. The Ice Center relies on major users for a stable and significant share of ice time rental. Major users include the Burnsville Hockey Club, Minnesota Valley Figure Skating Club and Burnsville High School. The Ice Center also has a large number of hours for ice rental from adult groups and one of the largest Learn to Skate programs in Minnesota.

The financial challenges for this fund are trying to establish an acceptable operating cash balance and the need to identify a source of funds to pay for capital improvements. The Center's ice making plant was replaced in 2010, financed with the issuance of Economic Development Authority (EDA) Lease Revenue Bonds and federal grant funds. The debt does not appear within this fund because of the authority used to issue. As the facility continues to age, the need for additional equipment replacement and other improvements are required to maintain the current level of operations and for safety. The City has been planning for these major capital improvements. Plans for the next five years include a new roof and other significant improvements.

### **SOURCE OF FUNDS**

The primary source of funding is user charges for ice rental. Other sources of funds include admissions, lessons, concessions, events, equipment rental, advertising and interest. Charges collected directly offset the costs of providing services. A comprehensive review of rates is completed each year to ensure the Ice Center's rates are at or near the top of the market with similar double-rink facilities to ensure financial stability. Ice time is becoming more competitive due to the number of ice rinks in the south metro area. Revenues for the Ice Center have generally been consistent.

### **USE OF FUNDS**

Expenditures from this fund are used for operation, maintenance and capital improvements relating specifically to the operation of the Ice Center. The Ice Center is facing significant capital expenditures in the next ten-year period, including replacing a roof, flooring, exterior door, bleacher and ice resurfacer.

Recommissioning of the ice center in 2015 at a cost of \$163,000 is estimated to save \$30,000 in utilities each year for ten years. Monitoring and tweaking of the system happened during 2015 with estimated savings guaranteed beginning 2016.

### **DEBT**

The debt issued by the Economic Development Authority in 2010 to finance major improvements at the Center in 2010 does not appear in this fund. Payment on the debt will be made from the City's debt service levy. The General Fund plan includes a transfer to the Debt Service Fund of \$140,000 annually to fund a portion of the debt service of

the ice center. This approach was part of the 2012 budget strategy. Annual use of fund balance in the General Fund is the planned funding source.

The City will likely have to bond for the roof replacement scheduled for 2018.

## **TRANSFERS**

No transfers are planned for 2017.

## **NET ASSETS**

For the Enterprise Funds, the City strives to maintain working capital cash balances at a minimum equal to three months working capital plus an amount needed to fund future capital projects as identified in the City's Capital Improvements Plan. Bonding for large projects and judicious use of net assets within funds can be used to moderate fluctuations in capital projects and infrastructure maintenance expenses.

# Ice Center Fund

## Five-Year Financial Plan

	Actuals		2016 Budget			2017 Budget		Projected			
	2014	2015	Original	Amended	Estimate		% Chg	2018	2019	2020	2021
<b>SOURCE OF FUNDS:</b>											
Operating:											
Charges for Services	1,096,283	1,031,308	1,084,725	1,084,725	1,096,174	1,097,210	1 %	1,119,154	1,141,537	1,164,368	1,187,655
Other	—	—	—	41,000	41,000	—	— %	—	—	—	—
Non-Operating:											
Interest	12,474	12,365	1,000	1,000	1,000	1,000	— %	1,000	1,000	1,000	1,000
Sale of Capital Assets	25,204	—	—	—	—	—	— %	—	—	—	—
Bond Proceeds	—	—	—	—	—	—	— %	1,000,000	—	—	—
Total Non-Operating Sources	37,678	12,365	1,000	1,000	1,000	1,000	— %	1,001,000	1,000	1,000	1,000
<b>TOTAL SOURCE OF FUNDS</b>	<b>1,133,961</b>	<b>1,043,673</b>	<b>1,085,725</b>	<b>1,126,725</b>	<b>1,138,174</b>	<b>1,098,210</b>	<b>1 %</b>	<b>2,120,154</b>	<b>1,142,537</b>	<b>1,165,368</b>	<b>1,188,655</b>
<b>USE OF FUNDS:</b>											
Operating:											
Personnel Services	574,406	509,486	597,298	597,298	596,943	618,979	4 %	637,548	656,674	676,374	696,665
Current Expenses	387,246	550,938	356,385	356,385	378,316	395,640	11 %	407,509	419,734	432,326	445,296
Total Operating Uses	961,652	1,060,424	953,683	953,683	975,259	1,014,619	6 %	1,045,057	1,076,408	1,108,700	1,141,961
Non-Operating:											
Purchase of Capital Assets	127,496	—	96,000	163,346	132,700	65,000	(32)%	30,000	215,000	40,000	60,000
Capital Improvements	—	—	—	—	—	—	— %	1,000,000	—	—	—
Debt Service Payments	—	—	—	—	—	—	— %	117,231	117,231	117,231	117,231
Total Non-Operating Uses	127,496	—	96,000	163,346	132,700	65,000	(32)%	1,147,231	332,231	157,231	177,231
<b>TOTAL USE OF FUNDS</b>	<b>1,089,148</b>	<b>1,060,424</b>	<b>1,049,683</b>	<b>1,117,029</b>	<b>1,107,959</b>	<b>1,079,619</b>	<b>3 %</b>	<b>2,192,288</b>	<b>1,408,639</b>	<b>1,265,931</b>	<b>1,319,192</b>
<b>NET DIFFERENCE</b>	<b>44,813</b>	<b>(16,751)</b>	<b>36,042</b>	<b>9,696</b>	<b>30,215</b>	<b>18,591</b>	<b>(48)%</b>	<b>(72,134)</b>	<b>(266,102)</b>	<b>(100,563)</b>	<b>(130,537)</b>
<b>Other financial information:</b>											
Year-end Cash Balance	863,828	847,077	883,119	856,773	877,292	895,883		823,749	557,647	457,084	326,547
Three months operating cash estimate	272,287	265,106	262,421	279,257	276,990	269,905		548,072	352,160	316,483	329,798
Capital Replacement Cash Balance	591,541	581,971	620,698	577,516	600,302	625,978		275,677	205,487	140,601	(3,251)
Annual Depreciation	338,093	345,529	347,929	347,929	347,929	349,554		350,304	355,679	356,679	358,179

# Golf Course Fund

## Financial Plan Year 2017

### FUND DESCRIPTION

The Golf Course Fund is used to account for the operation and debt service of the municipal golf course.

### BACKGROUND

This fund was created in 1988 when the City purchased Birnamwood Golf Course. Birnamwood is a par 3, nine-hole golf operation that includes leagues and tournaments for youth and adults, as well as open golf. Services include the promoting and scheduling of the leagues and tournaments, operation of the club house, and the maintenance of the facility and grounds.

The debt incurred from purchasing the course was paid off in 2003. The financial projection indicates a stable cash balance, including sufficient funds to pay for planned major equipment purchases and capital improvements.

### SOURCE OF FUNDS

The primary source of funding is user charges consisting of green fees, passes and leagues. Other sources of funds include concessions, equipment rental, golf supplies, advertising and interest. Charges collected directly offset the costs of providing services. A comprehensive review of rates is completed each year to ensure they are in the upper quartile of the market with similar nine-hole operations. Consistent with the golf course industry as a whole, the number of rounds has trended downward over the past few years. Additionally, 2010 and 2011 had unseasonably cool and wet conditions throughout the season. The 2013 season opened later than any other year due to poor spring weather. The 2016 season opened on March 10, the earliest opening date on record. Staff is cautiously expecting rounds for 2017 to be comparable to 2015. The following is a summary of the last six years of the operating revenues and rounds:

	2011	2012	2013	2014	2015	2016 Est.	2017 Budget
<b>Income</b>	\$254,917	\$269,383	\$247,831	\$253,706	\$280,502	\$273,950	\$278,000
<b>Rounds</b>	22,124	23,847	20,531	20,851	23,775	20,445	22,000

### USE OF FUNDS

Expenditures from this fund are used for operation, maintenance and capital improvements relating specifically to the operation of the golf course. Spending requirements are requested and reviewed during the annual budget process. Golf cart and mower replacement is planned for 2017 and 2019. The only significant capital improvement being planned is the replacement of the parking lot in 2020 at an estimated cost of \$142,000. This expense is included in financial projections and will be paid from existing resources.

### DEBT & TRANSFERS

The golf course does not currently have any debt and no transfers are planned.

### NET ASSETS

For the Enterprise Funds, the City strives to maintain working capital cash balances at a minimum equal to three months working capital plus an amount needed to fund future capital projects as identified in the City's Capital Improvements Plan. Bonding for large projects and judicious use of net assets within funds can be used to moderate fluctuations in capital projects and infrastructure maintenance expenses.

# Golf Course Fund

## Five-Year Financial Plan

	Actuals		2016 Budget			2017 Budget		Projected			
	2014	2015	Original	Amended	Estimate		% Chg	2018	2019	2020	2021
<b>SOURCE OF FUNDS:</b>											
Operating:											
Charges for Services	253,706	280,502	267,800	267,800	273,950	278,000	4 %	283,560	289,231	295,016	300,916
Non-Operating:											
Investment Income	4,970	4,561	3,500	3,500	3,500	3,500	— %	3,500	3,500	3,500	3,500
<b>TOTAL SOURCE OF FUNDS</b>	<b>258,676</b>	<b>285,063</b>	<b>271,300</b>	<b>271,300</b>	<b>277,450</b>	<b>281,500</b>	<b>4 %</b>	<b>287,060</b>	<b>292,731</b>	<b>298,516</b>	<b>304,416</b>
<b>USE OF FUNDS:</b>											
Operating:											
Personnel Services	180,400	191,357	189,969	189,969	189,969	193,956	2 %	199,775	205,768	211,941	218,299
Current Expenses	65,446	75,752	80,454	80,454	80,454	80,154	— %	82,559	85,036	87,587	90,215
Total Operating Uses	245,846	267,109	270,423	270,423	270,423	274,110	1 %	282,334	290,804	299,528	308,514
Non-Operating:											
Purchase of Capital Assets	—	25,000	—	—	—	14,100	— %	—	32,000	142,000	22,000
<b>TOTAL USE OF FUNDS</b>	<b>245,846</b>	<b>292,109</b>	<b>270,423</b>	<b>270,423</b>	<b>270,423</b>	<b>288,210</b>	<b>7 %</b>	<b>282,334</b>	<b>322,804</b>	<b>441,528</b>	<b>330,514</b>
<b>NET DIFFERENCE</b>	<b>12,830</b>	<b>(7,046)</b>	<b>877</b>	<b>877</b>	<b>7,027</b>	<b>(6,710)</b>	<b>(865)%</b>	<b>4,726</b>	<b>(30,073)</b>	<b>(143,012)</b>	<b>(26,098)</b>
<b>Other financial information:</b>											
Year-end Cash Balance	333,623	326,577	327,454	327,454	333,604	326,894		331,620	301,547	158,535	132,437
3 months operating cash estimate	61,462	73,027	67,606	67,606	67,606	72,053		70,583	80,701	110,382	82,628
Balance above operating estimate	272,161	253,550	259,848	259,848	265,998	254,841		261,037	220,846	48,153	49,809
Annual Depreciation	18,832	20,707	20,000	20,000	20,000	20,000		20,000	21,600	28,700	29,800

# Street Lighting Fund

## *Financial Plan Year 2017*

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### **FUND DESCRIPTION**

The Street Lighting Fund is used to account for the operation, maintenance, and replacement of the City's street lighting system.

### **BACKGROUND**

This fund was created in 2002 with the establishment of a City ordinance establishing a street lighting utility. The main focus of this utility was to set a standard policy for continuous street lighting service throughout the community and to address future replacement needs for existing lights. In 2012, the City policy regarding the street lighting funding was changed. The change consolidated continuous street lighting and major roadway lighting into the Street Lighting Fund. Major roadway lighting includes major thoroughfare and intersection lights. The consolidation was a result of an aging lighting infrastructure. As the existing lighting infrastructure continues to age, the City will be faced with significant replacement expenses. Consolidating the different types of lighting will assist in dedicating a future funding mechanism for lighting improvements. A five-year Capital Improvements Plan (CIP) projects lighting replacement needs.

A standard fee structure is created for residential and commercial property for the different types of lighting. Continuous street lighting fees are only billed to properties that benefit from those lights and are used to fund the operation, maintenance and replacement of existing continuous street lights. Residential property is charged on a per unit basis and commercial property is charged on a front footage basis. New lights added into the system will be specially assessed to the benefiting properties for their original costs. Once new lights are installed, the street light utility fee will be utilized for the cost of operating, maintaining and replacing the lights.

For major roadway lighting a fee is charged to all properties in the City that have a utility account. The fee is a flat charge with the rate varying if the property is residential, high density residential, or commercial. Revenues from these fees are used to fund the operation, maintenance and replacement of existing major roadway lights and intersection lights.

The Street Lighting Fund's cash balance shows a stable trend over the next several years with rate increases being tied to increases in electrical costs.

### **SOURCE OF FUNDS**

The primary source of funding is user charges consisting of a unit charge for residential property and a front foot charge for commercial property for continuous street lighting. The major roadway light funding is a flat fee to all properties based on the type of property. Other sources of funds include interest and other reimbursements. Charges collected directly offset the costs of providing services.

Based on adequate fund balance and the long range Street Lighting Plan, rates are not proposed to increase in 2017. The following is a summary of street lighting rates:

<b>Residential Continuous Street Lighting</b>									
Year	Adopted				Budget	Projected			
	2013	2014	2015	2016	2017	2018	2019	2020	2021
Annual Rate per Unit	\$34.32	\$34.32	\$34.32	\$34.32	\$34.32	\$35.35	\$36.41	\$37.5	\$38.63
Annual % Increase	3.0%	0.0%	0.0%	0.0%	0.0%	3.0%	3.0%	3.0%	3.0%

<b>Commercial Continuous Street Lighting</b>									
Year	Adopted				Budget	Projected			
	2013	2014	2015	2016	2017	2018	2019	2020	2021
Annual Rate / Front Ft	\$1.632	\$1.632	\$1.632	\$1.632	\$1.632	\$1.681	\$1.731	\$1.783	\$1.836
Annual % Increase	3.0%	0.0%	0.0%	0.0%	0.0%	3.0%	3.0%	3.0%	3.0%

<b>Residential Major Roadway Lighting</b>									
Year	Adopted				Budget	Projected			
	2013	2014	2015	2016	2017	2018	2019	2020	2021
Annual Rate Per Property	\$4.08	\$4.08	\$4.08	\$4.08	\$4.08	\$4.20	\$4.33	\$4.46	\$4.59
Annual % Increase	3.0%	0.0%	0.0%	0.0%	0.0%	3.0%	3.0%	3.0%	3.0%

<b>High Density Major Roadway Lighting</b>									
Year	Adopted				Budget	Projected			
	2013	2014	2015	2016	2017	2018	2019	2020	2021
Annual Rate Per Unit	\$2.46	\$2.46	\$2.46	\$2.46	\$2.46	\$2.53	\$2.61	\$2.69	\$2.77
Annual % Increase	3.0%	0.0%	0.0%	0.0%	0.0%	3.0%	3.0%	3.0%	3.0%

<b>Commercial Major Roadway Lighting</b>									
Year	Adopted				Budget	Projected			
	2013	2014	2015	2016	2017	2018	2019	2020	2021
Annual Rate Per Property	\$38.82	\$38.82	\$38.82	\$38.82	\$38.82	\$39.98	\$41.18	\$42.42	\$43.69
Annual % Increase	3.0%	0.0%	0.0%	0.0%	0.0%	3.0%	3.0%	3.0%	3.0%

## USE OF FUNDS

Expenditures from this fund are used for operation, maintenance, and replacement of existing street lights. Spending requirements are requested and reviewed during the annual budget process. A five-year Capital Improvements Plan (CIP) is also utilized to project capital improvements and specific replacements.

## TRANSFERS

There are no transfers proposed for this fund.

## NET ASSETS

For the Enterprise funds, the City also strives to maintain working capital cash balances at a minimum equal to three months working capital plus an amount needed to fund future capital projects as identified in the City's Capital Improvements Plan. Bonding for large projects and judicious use of net assets within funds can be used to moderate fluctuations in capital projects and infrastructure maintenance expenses.

# Street Lighting Fund

## Five-Year Financial Plan

	Actuals		2016 Budget			2017 Budget		Projected			
	2014	2015	Original	Amended	Estimate		% Chg	2018	2019	2020	2021
<b>SOURCE OF FUNDS:</b>											
Operating:											
Street Light Fees-Residential	266,050	266,542	265,294	265,294	265,294	265,294	0 %	273,256	281,449	289,875	298,610
Street Light Fees-Commercial	180,905	181,269	173,824	173,824	173,828	173,824	0 %	179,043	184,369	189,907	195,552
Major Roadway Lighting-Residential	60,657	60,740	60,486	60,486	60,494	60,486	0 %	62,265	64,192	66,120	68,047
Major Roadway Lighting-High Density	—	—	26,224	26,224	26,233	26,224	0 %	27,261	28,123	28,985	29,847
Major Roadway Lighting-Commercial	57,910	58,177	31,056	31,056	31,056	31,056	0 %	31,984	32,944	33,936	34,952
Total Operating Sources	565,522	566,728	556,884	556,884	556,905	556,884	0 %	573,809	591,077	608,823	627,008
Non-Operating:											
Interest	9,187	7,399	5,000	5,000	5,000	5,000	0 %	5,658	5,876	6,189	6,602
Other	3,439	4,537	10,000	10,000	15,000	10,000	0 %	10,000	10,000	10,000	10,000
Total Non-Operating Sources	12,626	11,936	15,000	15,000	20,000	15,000	0 %	15,658	15,876	16,189	16,602
<b>TOTAL SOURCE OF FUNDS</b>	<b>578,148</b>	<b>578,664</b>	<b>571,884</b>	<b>571,884</b>	<b>576,905</b>	<b>571,884</b>	<b>0 %</b>	<b>589,467</b>	<b>606,953</b>	<b>625,012</b>	<b>643,610</b>
<b>USE OF FUNDS:</b>											
Operating:											
Current Expenses	379,593	386,168	387,061	387,061	390,000	389,881	1 %	397,679	405,633	413,746	422,021
Non-Operating:											
Street Light Projects	310,654	182,582	170,000	170,000	170,000	170,000	0 %	170,000	170,000	170,000	170,000
<b>TOTAL USE OF FUNDS</b>	<b>690,247</b>	<b>568,750</b>	<b>557,061</b>	<b>557,061</b>	<b>560,000</b>	<b>559,881</b>	<b>1 %</b>	<b>567,679</b>	<b>575,633</b>	<b>583,746</b>	<b>592,021</b>
Net change in accruals	21,272	17,913									
<b>NET DIFFERENCE</b>	<b>(90,827)</b>	<b>27,827</b>	<b>14,823</b>	<b>14,823</b>	<b>16,905</b>	<b>12,003</b>	<b>(19)%</b>	<b>21,788</b>	<b>31,320</b>	<b>41,266</b>	<b>51,589</b>
<b>Other financial information:</b>											
Year-end Cash Balance	509,093	536,920	551,743	551,743	553,825	565,828		587,616	618,936	660,202	710,843
Three months operating cash estimate	172,562	142,188	139,265	139,265	140,000	97,470		99,420	101,408	103,437	105,505
Capital Replacement cash balance	336,531	394,732	412,478	412,478	413,825	468,358		488,196	517,528	556,765	605,289

# Ames Center Fund

## *Financial Plan Year 2017*

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### **FUND DESCRIPTION**

The Ames Center Fund was created by the City Council in 2007 to account for the operation of the Ames Center, formerly known as the Burnsville Performing Arts Center (PAC). The Ames Center is located at 12600 Nicollet Ave in the Heart of the City. This complex opened in January, 2009. The center has two theatres, a 1,000 seat Proscenium Stage and a 150 seat Black Box.

### **BACKGROUND**

The 1.5 acre land parcel, where the facility is located, was purchased by the City in 2001 for the express purpose of hosting such a center with grant money from the Metropolitan Council. In addition to the grant from the Metropolitan Council for land acquisition, cash reserves, bond proceeds, host fees from the Burnsville Sanitary Landfill (owned and operated by Waste Management, Inc.) and the economic development levy were used to finance the \$20 million project.

In addition to the Ames Center Enterprise Fund, the City created two additional funds related to the performing arts center: the Ames Center Debt Service Fund and the PAC Construction Fund. The PAC Construction Fund was closed during 2010 with the completion of the building construction.

In planning for construction of the performing arts center, the City anticipated the Ames Center Fund would require non-operating revenue sources to cover net operating expense as well as debt on the bonds issued to finance the facility. The facility opened in January 2009, under distressed economic times. The first year of revenue performance fell short of original estimates, with total operating revenue reaching about 80 percent of the original budget. Operating revenue performance has improved over the last several years. The finance plan for the Ames Center shows negative ending cash balance in the initial years of operation. The negative balance is projected to be eliminated over time as total source of funds, which includes a transfer in of cash from the General Fund, begins to exceed total use of funds. The negative cash balance is covered through an inter-fund loan. Use of funds for contribution toward debt service is covered in more detail under the Debt section.

### **SOURCE OF FUNDS**

The primary source of funding for the operations of the Ames Center Fund is charges for services. The Ames Center Fund receives non-operating revenue from the receipt of a host fee collected from the landfill and revenue from a transfer in of cash from the EDA Fund. The host fee revenue and the transfer in of cash from the EDA Fund provide additional needed revenue to cover debt service transfer expense. 2014 was the first year of a naming rights agreement that will bring in \$100,000 each year for ten years.

The goal is to operate the center so that operating revenue is sufficient to cover operating expense. While this is the goal, in the near term the plan remains that the General Fund will need to provide support (tax levy) to offset operating loss.

Host fee revenue from the landfill deposited into the Ames Center Fund fluctuates from year to year depending on volume at the Burnsville Sanitary Landfill. Over the life of the agreement with Waste Management that sets the host fee at \$1.00 per ton of waste collected, the City anticipates collecting nearly \$10 million in revenue. The timing of this cash flow will depend on the annual volume at the landfill. The total capacity at the landfill is a fixed amount and therefore the total projected host fee revenue amount will ultimately be collected and is a known amount, the

timing of the cash flow will vary and may cause some short-term cash flow challenges that the City will need to manage.

In 2011, the Council approved the creation of the Angel Fund which is a program to involve businesses and/or individuals to provide support to bring an additional series of performances to the Ames Center. The Angel Fund series is included in the finance plan. The Economic Development Authority (EDA) has contributed matching funds to promote donations. The EDA funds are in the form of a loan from the EDA Fund and are therefore not included as revenue. Repayment of the EDA loan began 2016 and is reflected in the five-year plan.

	Private Contributions	EDA Match	Completed Show Results	Available Angel Funds at end of Season
<b>2012-2013 Season</b>	\$30,000	\$30,000	\$7,527	\$67,527
<b>2013-2014 Season</b>	7,000	7,000	14,571	96,098
<b>2014-2015 Season</b>	17,500	13,000	622	127,220
<b>2015-2016 Season</b>	10,000	(10,000)	5,386	132,606
<b>Total</b>	\$64,500	\$40,000	\$28,106	

## USE OF FUNDS

This fund accounts for operating costs of the Ames Center. The City has a contract with an event facility managing company to manage the day to day operations of the facility including the booking of events. All employees at the facility are employees of the management company. Customary operating expenses for the facility are managed by the contractor with reimbursement from the City. The contractor is paid a management fee for these services.

As required by the contract, the management company has submitted an updated five-year budget plan. This plan is reflected in the Five-Year Financial Plan the City has prepared for this fund. The business plan is submitted annually and reviewed by the Ames Center Commission for recommendation as part of the budget process. The management company also submitted a five-year capital improvement plan for the facility at the request of the City. Although the facility is fairly new, an annual capital outlay will be necessary in order to maintain the asset in good working condition.

## DEBT

In 2008, the City issued a 20-year General Obligation Tax Abatement Bond for the construction of the performing arts center. The par amount of the Bonds less underwriter’s discount and cost of issuance was \$16.5 million. The net bond proceeds along with dedicated cash on hand were used to support the \$20 million construction budget. The construction expense and bond proceeds were accounted for in a separate PAC Construction Fund, as required. The debt obligation is not reported as a liability of the Ames Center Fund as the debt is accounted for in a separate debt service fund into which funds are transferred from the General Fund and the Ames Center Fund to cover principal and interest payments.

The source of funds for payment on the bonds is abatement tax levy (transferred from the General Fund to the Debt Service Fund) and economic development levy and host fee revenue (transferred from the Ames Center Fund to the Debt Service Fund). Host fee revenue collected in the Ames Center Fund which is in excess of the amount needed to support the debt service transfer would be available to offset operating costs within the Fund. The five-year financial plans include transfers into the Debt Service Fund from the General Fund and the Ames Center Fund:

PAC Tax Abatement Bonds Debt Service Fund	2017	2018	2019	2020	2021
Transfer In from General Fund <sup>1</sup>	\$328,000	\$349,530	\$356,521	\$858,231	\$875,396
Transfer In from Ames Center Fund <sup>2</sup>	644,842	669,328	694,681	720,932	748,113
Total Transfer to Debt Service Fund	972,842	1,018,858	1,051,202	1,579,163	1,623,509

<sup>1</sup>source of funding for this transfer comes from an abatement tax levy

<sup>2</sup>source of funding for this transfer comes from EDA levy and host fee revenues

## TRANSFERS

The Ames Center Fund has both transfers in from other funds and transfers out to other funds.

### *Transfers In From Other Funds*

There is an annual transfer in of funds from the Economic Development Authority Fund of \$479,642 for the purpose of covering debt service. The EDA transfer increases by four percent each year, beginning in 2014. In addition, the finance plan anticipates a transfer in from the General Fund to cover any revenue shortfall and capital needs. After the facility has been operating for a longer period of time, this annual amount of assistance from the General Fund will need to be evaluated.

### *Transfers Out To Other Funds*

The Ames Center Fund includes an annual transfer out to the Ames Center Debt Service Fund. This was covered previously under the Debt section of this summary.

# Ames Center

## Five-Year Financial Plan

	Actuals		2016 Budget			2017 Budget		Projected			
	2014	2015	Original	Amended	Estimate		% Chg	2018	2019	2020	2021
<b>OPERATIONS:</b>											
Operating Revenue:											
Charges for Services	1,287,603	1,276,541	1,420,890	1,420,890	1,383,412	1,483,712	4 %	1,504,240	1,542,275	1,579,900	1,618,126
Sponsorships and donations	135,610	41,440	48,000	48,000	42,800	48,000	— %	64,800	65,640	66,522	67,448
Naming Rights	100,000	100,000	100,000	100,000	100,000	100,000	— %	100,000	100,000	100,000	100,000
Total Operating Revenue:	1,523,213	1,417,981	1,568,890	1,568,890	1,526,212	1,631,712	4 %	1,669,040	1,707,915	1,746,422	1,785,574
Operating Expense:											
Contracted labor	853,899	871,750	976,365	976,365	951,235	1,028,071	5 %	1,054,273	1,081,329	1,109,126	1,137,249
Current expenditures	592,865	477,869	523,845	523,845	517,064	541,201	3 %	546,163	551,791	557,406	563,117
Management Fee	155,640	157,719	166,846	166,846	165,138	157,224	(6)%	161,622	166,165	170,798	175,555
Total Operating Expense:	1,602,404	1,507,338	1,667,056	1,667,056	1,633,437	1,726,496	4 %	1,762,058	1,799,285	1,837,330	1,875,921
<b>Total Operating Income (Loss)</b>	<b>(79,191)</b>	<b>(89,357)</b>	<b>(98,166)</b>	<b>(98,166)</b>	<b>(107,225)</b>	<b>(94,784)</b>	<b>(3)%</b>	<b>(93,018)</b>	<b>(91,370)</b>	<b>(90,908)</b>	<b>(90,347)</b>
<b>NON-OPERATING SOURCES:</b>											
Host fees	244,035	256,830	260,000	260,000	269,491	265,200	2 %	270,500	275,900	281,400	287,000
Transfers from other funds											
General Fund	350,000	375,000	400,000	400,000	400,000	425,000	6 %	450,000	475,000	500,000	525,000
EDA Fund	426,400	443,456	461,194	461,194	461,194	479,642	4 %	498,828	518,781	539,532	561,113
Total Non-Op Sources	1,020,435	1,075,286	1,121,194	1,121,194	1,130,685	1,169,842	4 %	1,219,328	1,269,681	1,320,932	1,373,113
<b>NON-OPERATING USES:</b>											
Non-Operating Uses:											
Capital outlay	245,312	64,461	202,500	284,300	284,300	234,700	16 %	255,000	235,000	235,000	392,892
Repayment of EDA Angel Fund Loan	—	—	10,000	10,000	10,000	10,000	— %	10,000	10,000	10,000	—
Interest expense	279	—	—	—	—	—	— %	—	—	—	—
Transfers to other funds:											
Debt Service Fund	664,000	703,456	721,194	721,194	721,194	644,842	(11)%	669,328	694,681	720,932	748,113
Total Non-Op Uses	909,591	767,917	933,694	1,015,494	1,015,494	889,542	(5)%	934,328	939,681	965,932	1,141,005
<b>Total Non-Operating Income (Loss)</b>	<b>110,844</b>	<b>307,369</b>	<b>187,500</b>	<b>105,700</b>	<b>115,191</b>	<b>280,300</b>	<b>49 %</b>	<b>285,000</b>	<b>330,000</b>	<b>355,000</b>	<b>232,108</b>
<b>TOTAL INCOME (LOSS)</b>	<b>31,653</b>	<b>218,012</b>	<b>89,334</b>	<b>7,534</b>	<b>7,966</b>	<b>185,516</b>	<b>108 %</b>	<b>191,982</b>	<b>238,630</b>	<b>264,092</b>	<b>141,761</b>
<b>TOTAL SOURCE OF FUNDS</b>	<b>2,543,648</b>	<b>2,493,267</b>	<b>2,690,084</b>	<b>2,690,084</b>	<b>2,656,897</b>	<b>2,801,554</b>	<b>4 %</b>	<b>2,888,368</b>	<b>2,977,596</b>	<b>3,067,354</b>	<b>3,158,687</b>
<b>TOTAL USE OF FUNDS</b>	<b>2,511,995</b>	<b>2,275,255</b>	<b>2,600,750</b>	<b>2,682,550</b>	<b>2,648,931</b>	<b>2,616,038</b>	<b>1 %</b>	<b>2,696,386</b>	<b>2,738,966</b>	<b>2,803,262</b>	<b>3,016,926</b>
<b>NET DIFFERENCE</b>	<b>31,653</b>	<b>218,012</b>	<b>89,334</b>	<b>7,534</b>	<b>7,966</b>	<b>185,516</b>	<b>108 %</b>	<b>191,982</b>	<b>238,630</b>	<b>264,092</b>	<b>141,761</b>
<b>Other financial info:</b>											
Year-End Cash Balance/Due to General Fund	(1,339,984)	(1,191,427)	(1,102,093)	(1,183,893)	(1,183,461)	(997,945)		(805,963)	(567,333)	(303,241)	(161,480)
Financial Policy: Three months operating needs	627,999	568,814	650,188	670,637	662,233	654,010		674,096.00	684,742.00	700,816.00	754,232.00
Available for Capital Replacement (shortage)	(1,967,983)	(1,760,241)	(1,752,281)	(1,854,530)	(1,845,694)	(1,651,955)		(1,480,059)	(1,252,075)	(1,004,057)	(915,712)
Annual Depreciation	540,892	544,513	545,000	545,000	545,000	559,015	3 %	573,265	589,765	607,515	619,120

# Sidewalk Snowplowing Fund

## Financial Plan Year 2017

### FUND DESCRIPTION

The Sidewalk Snowplowing Fund is used to account for the costs related to snow removal from sidewalks and trails.

### BACKGROUND

This fund was created in 2009 with the establishment of a City ordinance creating a program for snow removal from sidewalks and trails. The main focus of creating this utility was to set a standard policy for charging abutting properties for the snow removal services. A standard fee structure was created for residential and commercial property. Residential properties zoned R1 or R2 are charged on a unit basis with all other types of zoning based on lineal feet that are abutting the sidewalk or trail. Fees are billed on a customer’s monthly utility bill to only properties that abut sidewalks or trails.

When this utility was created, the rates were established using a normal number of winter events as a baseline. In 2015, the City rebid the sidewalk snowplowing service for a three year period. Based on those 2015 bids, rates increased approximately 25 percent in 2016, with rates to remain stable through 2018. Expectations are that current rate levels are able to sustain a normal number of winter events with reserves being enough to adequately handle an abnormal winter. The utility rate will continue to be based on bids received for the snowplowing service but will need to be closely monitored to ensure revenues adequately cover expenses in the event of unusual winters.

### SOURCE OF FUNDS

The source of funding is charges consisting of a unit charge for residential property zoned R1 or R2 and a lineal foot charge for all other types of zoning. The projections for this fund are based on an expected normal number of winter events. A rate increase in 2015 was to fund future replacement of equipment. Increases in 2016 were tied to bidding of the contracted service. Rates will be reviewed annually and are anticipated to be level for the next two years. The goal for this fund would be to have adequate cash balance to cover any fluctuation in winter snow events in any given year and to maintain a stable rate structure.

The following is a summary of the sidewalk snowplowing rates:

Residential Sidewalk Snowplowing									
Year	<i>Adopted</i>				<i>Budget</i>	<i>Projected</i>			
	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Annual Rate Per Unit</b>	\$11.34	\$11.34	\$13.32	\$16.65	\$16.65	\$16.65	\$17.48	\$17.48	\$17.48
<b>Annual % Increase</b>	0.0%	0.0%	17.5%	25.0%	0.0%	0.0%	5.0%	0.0%	0.0%
Commercial Sidewalk Snowplowing									
Year	<i>Adopted</i>				<i>Budget</i>	<i>Projected</i>			
	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Annual Rate/Lineal Ft</b>	\$0.1266	\$0.1266	\$0.1488	\$0.1860	\$0.1860	\$0.1860	\$0.1953	\$0.1953	\$0.1953
<b>Annual % Increase</b>	0.0%	0.0%	17.0%	25.0%	0.0%	0.0%	5.0%	0.0%	0.0%

## USE OF FUNDS

Expenditures from this fund are used for contracting the service of plowing sidewalks and trails including administrative costs, and transfers for the replacement of City sidewalk snowplowing equipment. Spending requirements are requested and reviewed during the annual budget process.

The following is a summary of yearly sidewalk and trail snowplowing costs since the inception of the fund:

	2011	2012	2013	2014	2015	2016 Est.	2017 Budget
<b>Expense</b>	\$34,183	\$24,813	\$61,892	\$114,210	\$26,455	\$71,000	\$81,000

## TRANSFERS

An incoming transfer of \$13,000 from the General Fund is proposed for 2017. The transfer relates to sidewalk footage that belongs to City-owned property. This is a recurring annual transfer with the amount reviewed annually and modified based on changes in footage or the rate charged.

The Sidewalk Snowplowing fund also includes an annual transfer out of \$10,000 to the Equipment, Vehicles, and Facilities Fund for the future purchase of sidewalk snowplowing equipment. This equipment is used to assist and supplement contracted services as needed to meet service level goals.

## NET ASSETS

For the Enterprise Funds, the City also strives to maintain working capital cash balances at a minimum equal to three months working capital plus an amount needed to fund future capital projects as identified in the City's Capital Improvements Plan. Bonding for large projects and judicious use of net assets within funds can be used to moderate fluctuations in capital projects and infrastructure maintenance expenses.

# Sidewalk Snowplowing Fund

## Five-Year Financial Plan

	Actuals		2016 Budget			2017 Budget		Projected			
	2014	2015	Original	Amended	Estimate		% Chg	2018	2019	2020	2021
<b>SOURCE OF FUNDS:</b>											
Operating:											
Sidewalk Snowplow Fees-Residential	16,011	18,885	23,340	23,340	23,144	23,144	(1)%	23,144	24,297	24,297	24,297
Sidewalk Snowplow Fees-Commercial	39,777	46,915	57,985	57,985	58,181	58,181	— %	58,181	61,090	61,090	61,090
Total Operating Sources	55,788	65,800	81,325	81,325	81,325	81,325	— %	81,325	85,387	85,387	85,387
Non-Operating:											
Transfers from General Fund	10,000	10,000	13,000	13,000	13,000	13,000	— %	13,000	13,000	13,650	13,650
Interest	757	946	834	834	834	1,132	36 %	1,176	1,221	1,267	1,319
Total Non-Operating Sources	10,757	10,946	13,834	13,834	13,834	14,132		14,176	14,221	14,917	14,969
<b>TOTAL SOURCE OF FUNDS</b>	<b>66,545</b>	<b>76,746</b>	<b>95,159</b>	<b>95,159</b>	<b>95,159</b>	<b>95,457</b>	<b>— %</b>	<b>95,501</b>	<b>99,608</b>	<b>100,304</b>	<b>100,356</b>
<b>USE OF FUNDS:</b>											
Operating:											
Current Expenses	114,210	26,455	81,000	81,000	71,000	81,000	— %	81,000	85,050	85,050	85,050
Non-Operating:											
Transfers (non-debt)	—	10,000	10,000	10,000	10,000	10,000	— %	10,000	10,000	10,000	10,000
<b>TOTAL USE OF FUNDS</b>	<b>114,210</b>	<b>36,455</b>	<b>91,000</b>	<b>91,000</b>	<b>81,000</b>	<b>91,000</b>	<b>— %</b>	<b>91,000</b>	<b>95,050</b>	<b>95,050</b>	<b>95,050</b>
<b>NET DIFFERENCE</b>	<b>(47,665)</b>	<b>40,291</b>	<b>4,159</b>	<b>4,159</b>	<b>14,159</b>	<b>4,457</b>	<b>7 %</b>	<b>4,501</b>	<b>4,558</b>	<b>5,254</b>	<b>5,306</b>
<b>Other Financial Information:</b>											
Year-end Fund Balance	58,710	99,001	103,160	103,160	113,160	117,617		122,118	126,676	131,930	137,236
Three months operating cash estimate	28,553	9,114	22,750	22,750	20,250	22,750		22,750	23,763	23,763	23,763
Capital Replacement cash balance	30,157	89,887	80,410	80,410	92,910	94,867		99,368	102,913	108,167	113,473

# **City of Burnsville 2017 Proposed Budget Capital & Debt**

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## **Capital Improvements Plan (CIP)**

### **Debt Analysis**

City of Burnsville, Minnesota

*Capital Improvements Plan*

**2017 thru 2021**

**FUNDING SOURCE SUMMARY**

<b>Source</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>Total</b>
Grants			350,000			350,000
Host Community Grant	415,000	415,000	415,000	415,000	415,000	2,075,000
Infrastructure Trust Funds	3,390,000	1,770,000	3,620,000	3,210,000	4,360,000	16,350,000
MSAS Funds	375,000	3,520,000	1,240,000	1,170,000	580,000	6,885,000
Special Assessments	950,000	1,180,000	1,300,000	1,300,000	1,050,000	5,780,000
Utility - St. Lighting	170,000	170,000	170,000	170,000	170,000	850,000
Utility - Storm Water	3,700,000	1,480,000	2,200,000	2,030,000	1,315,000	10,725,000
Utility - Water & Sewer - Sanitary Sewer	530,000	545,000	1,065,000	605,000	1,570,000	4,315,000
Utility - Water & Sewer - Water	8,125,000	8,695,000	6,245,000	880,000	2,225,000	26,170,000
<b>GRAND TOTAL</b>	<b>\$ 17,655,000</b>	<b>\$ 17,775,000</b>	<b>\$ 16,605,000</b>	<b>\$ 9,780,000</b>	<b>\$ 11,685,000</b>	<b>\$ 73,500,000</b>

City of Burnsville, Minnesota

Capital Improvements Plan

2017 thru 2021

PROJECTS BY FUNDING SOURCE

Source	Project #	2017	2018	2019	2020	2021	Total
<b>General Fund</b>							
35W/Burnsville Parkway Aesthetics Renovations	09 Street			350,000			350,000
<b>Grants Total</b>		<b>—</b>	<b>—</b>	<b>350,000</b>	<b>—</b>	<b>—</b>	<b>350,000</b>
<b>Host Community Grant</b>							
Host Landfill Grant Projects	08 Street	415,000	415,000	415,000	415,000	415,000	2,075,000
<b>Host Community Grant Total</b>		<b>415,000</b>	<b>415,000</b>	<b>415,000</b>	<b>415,000</b>	<b>415,000</b>	<b>2,075,000</b>
<b>Infrastructure Trust Funds</b>							
Street Rehabilitation	02 Street	500,000	660,000	370,000	640,000		2,170,000
Street Reconstruction	03 Street	2,640,000	980,000	3,170,000	2,440,000	3,170,000	12,400,000
Maintenance Overlays	05 Street	170,000				1,110,000	1,280,000
Right of Way Rehabilitation - Concrete Elements	06 Street		50,000		50,000		100,000
Multi-Modal Transportation	07 Street	30,000	30,000	30,000	30,000	30,000	150,000
Host Landfill Grant Projects	08 Street	50,000	50,000	50,000	50,000	50,000	250,000
<b>Infrastructure Trust Funds Total</b>		<b>3,390,000</b>	<b>1,770,000</b>	<b>3,620,000</b>	<b>3,210,000</b>	<b>4,360,000</b>	<b>16,350,000</b>
<b>MSAS Funds</b>							
City Owned Signal Replacement	01 Int.	15,000		350,000		350,000	715,000
County Signal Replacement	02 Int.	150,000	220,000	300,000	230,000	230,000	1,130,000
Street Rehabilitation	02 Street			590,000	350,000		940,000
Street Reconstruction	03 Street		3,300,000		590,000		3,890,000
13/Washburn Signal	12 C/T Exp.	200,000					200,000
County Rd 42 Pedestrian Study	17 C/T Exp	10,000					10,000
<b>MSAS Funds Total</b>		<b>375,000</b>	<b>3,520,000</b>	<b>1,240,000</b>	<b>1,170,000</b>	<b>580,000</b>	<b>6,885,000</b>
<b>Special Assessments</b>							
Street Rehabilitation	02 Street	50,000	130,000	150,000	150,000		480,000
Street Reconstruction	03 Street	850,000	1,000,000	1,100,000	1,100,000	1,000,000	5,050,000
Host Landfill Grant Projects	08 Street	50,000	50,000	50,000	50,000	50,000	250,000
<b>Special Assessments Total</b>		<b>950,000</b>	<b>1,180,000</b>	<b>1,300,000</b>	<b>1,300,000</b>	<b>1,050,000</b>	<b>5,780,000</b>
<b>Utility - St. Lighting Total</b>							
Street light Replacement	04 Street	170,000	170,000	170,000	170,000	170,000	850,000
<b>Utility - St. Lighting Total</b>		<b>170,000</b>	<b>170,000</b>	<b>170,000</b>	<b>170,000</b>	<b>170,000</b>	<b>850,000</b>
<b>Utility - Storm Water</b>							
Street Rehabilitation	02 Street	25,000	100,000	100,000	120,000		345,000
Control Structure Blackdog Fen	02 SWM	250,000					250,000
Street Reconstruction	03 Street	450,000	450,000	450,000	500,000	500,000	2,350,000
Lateral Drainage Modifications	03 SWM	80,000	90,000	90,000	90,000	90,000	440,000
Pond Cleanout/Outfall Improvement Program	04 SWM	330,000	330,000	345,000	345,000	360,000	1,710,000

City of Burnsville, Minnesota

*Capital Improvements Plan*

2017 thru 2021

**PROJECTS BY FUNDING SOURCE**

Source	Project #	2017	2018	2019	2020	2021	Total
Maintenance Overlays	05 Street	10,000				70,000	80,000
Keller Lake Quality Study	07 SWM		35,000				35,000
Host Landfill Grant Projects	08 Street	70,000	40,000	30,000	30,000	30,000	200,000
County Overlays	09 C/T Exp.	55,000	55,000	55,000	55,000	65,000	285,000
Lift Station Rehab	10 SWM	250,000	250,000		250,000		750,000
Blackdog Outfall Replacement	12 SWM	660,000					660,000
WRMP Update	13 SWM					50,000	50,000
Ravine Restoration	19 SWM	1,000,000			500,000		1,500,000
CMP Rehabilitation	23 SWM	30,000	30,000	30,000	30,000	30,000	150,000
Wood Pond Alum Treatment	24 SWM	50,000					50,000
Street Project Storm Sewer Televising	26 SWM	40,000	40,000	40,000	40,000	50,000	210,000
Lac Lavon Rain Gardens	28 SWM	20,000					20,000
Future Ponds/Water Quality	30 SWM			1,000,000			1,000,000
Contract Patching	32 SWM	60,000	60,000	60,000	70,000	70,000	320,000
Lac Lavon Drainage Repair	33 SWM	20,000					20,000
Lake Alimagnet Phosphorous Reduction	42 SWM	300,000					300,000
<b>Utility - Storm Water Total</b>		<b>3,700,000</b>	<b>1,480,000</b>	<b>2,200,000</b>	<b>2,030,000</b>	<b>1,315,000</b>	<b>10,725,000</b>
<b>Utility - Water &amp; Sewer - Sanitary Sewer</b>							
Lift Station Rehabilitation	01 SSM			520,000		750,000	1,270,000
Sanitary Sewer Rehabilitation	02 SSM	165,000	165,000	165,000	165,000	385,000	1,045,000
Street Rehabilitation	02 Street	10,000	40,000	40,000	50,000		140,000
Street Reconstruction	03 Street	250,000	250,000	250,000	300,000	300,000	1,350,000
Maintenance Overlays	05 Street	15,000				40,000	55,000
Host Landfill Grant Projects	08 Street	30,000	30,000	30,000	30,000	30,000	150,000
County Overlays	09 C/T Exp.	60,000	60,000	60,000	60,000	65,000	305,000
<b>Utility - Water &amp; Sewer - Sanitary Sew Total</b>		<b>530,000</b>	<b>545,000</b>	<b>1,065,000</b>	<b>605,000</b>	<b>1,570,000</b>	<b>4,315,000</b>
<b>Utility - Water &amp; Sewer - Water</b>							
Street Rehabilitation	02 Street	10,000	20,000	20,000	30,000		80,000
Street Reconstruction	03 Street	100,000	2,650,000	3,390,000	340,000	1,910,000	8,390,000
Storz Hydrant Nozzle Replacement	04 WS	225,000					225,000
Maintenance Overlays	05 Street	5,000				20,000	25,000
Water Production Rehab	07 WS	200,000	325,000	450,000	110,000	110,000	1,195,000
Host Landfill Grant Projects	08 Street	20,000	20,000	20,000	20,000	20,000	100,000
Transmission & Storage Rehab	08 WS	125,000	250,000	2,100,000	200,000		2,675,000
County Overlays	09 C/T Exp.	20,000	20,000	20,000	20,000	25,000	105,000
Water Treatment Repairs & Rehab	09 WS	3,500,000	2,250,000	125,000	20,000		5,895,000
Street Repair of WM Breaks & Contract Patching	10 WS	120,000	120,000	120,000	140,000	140,000	640,000
Meter Replacement	14-326	3,800,000	3,040,000				6,840,000
<b>Utility - Water &amp; Sewer - Water Total</b>		<b>8,125,000</b>	<b>8,695,000</b>	<b>6,245,000</b>	<b>880,000</b>	<b>2,225,000</b>	<b>26,170,000</b>
<b>GRAND TOTAL</b>		<b>17,655,000</b>	<b>17,775,000</b>	<b>16,605,000</b>	<b>9,780,000</b>	<b>11,685,000</b>	<b>73,500,000</b>

City of Burnsville, Minnesota

Capital Improvements Plan

2017 thru 2021

PROJECTS & FUNDING SOURCES BY DEPARTMENT

Department	Project #	2017	2018	2019	2020	2021	Total
<b>Collector\Thoroughfare Exp.</b>							
County Overlays	09 C/T Exp.	135,000	135,000	135,000	135,000	155,000	695,000
<i>Utility - Storm Water</i>		55,000	55,000	55,000	55,000	65,000	285,000
<i>Utility - Water &amp; Sewer - Sanitary Sewer</i>		60,000	60,000	60,000	60,000	65,000	305,000
<i>Utility - Water &amp; Sewer - Water</i>		20,000	20,000	20,000	20,000	25,000	105,000
County Rd 42 Pedestrian Study	17 C/T Exp.	10,000					10,000
<i>MSAS Funds</i>		10,000					10,000
<b>Collector\Thoroughfare Exp. Total</b>		<b>145,000</b>	<b>135,000</b>	<b>135,000</b>	<b>135,000</b>	<b>155,000</b>	<b>705,000</b>
<b>Intersection Improvement</b>							
City Owned Signal Replacement	01 Int.	15,000		350,000		350,000	715,000
<i>MSAS Funds</i>		15,000		350,000		350,000	715,000
County Signal Replacement	02 Int.	150,000	220,000	300,000	230,000	230,000	1,130,000
<i>MSAS Funds</i>		150,000	220,000	300,000	230,000	230,000	1,130,000
13/Washburn Signal	12 C/T Exp.	200,000					200,000
<i>MSAS Funds</i>		200,000					200,000
<b>Intersection Improvement Total</b>		<b>365,000</b>	<b>220,000</b>	<b>650,000</b>	<b>230,000</b>	<b>580,000</b>	<b>2,045,000</b>
<b>Sanitary Sewer System Mgmt</b>							
Lift Station Rehabilitation	01 SSM			520,000		750,000	1,270,000
<i>Utility - Water &amp; Sewer - Sanitary Sewer</i>				520,000		750,000	1,270,000
Sanitary Sewer Rehabilitation	02 SSM	165,000	165,000	165,000	165,000	385,000	1,045,000
<i>Utility - Water &amp; Sewer - Sanitary Sewer</i>		165,000	165,000	165,000	165,000	385,000	1,045,000
<b>Sanitary Sewer System Mgmt Total</b>		<b>165,000</b>	<b>165,000</b>	<b>685,000</b>	<b>165,000</b>	<b>1,135,000</b>	<b>2,315,000</b>
<b>Storm Water Mgmt</b>							
Control Structure Blackdog Fen	02 SWM	250,000					250,000
<i>Utility - Storm Water</i>		250,000					250,000
Lateral Drainage Modifications	03 SWM	80,000	90,000	90,000	90,000	90,000	440,000
<i>Utility - Storm Water</i>		80,000	90,000	90,000	90,000	90,000	440,000
Pond Cleanout/Outfall Improvement Program	04 SWM	330,000	330,000	345,000	345,000	360,000	1,710,000
<i>Utility - Storm Water</i>		330,000	330,000	345,000	345,000	360,000	1,710,000
Keller Lake Water Quality Study	07 SWM		35,000				35,000
<i>Utility - Storm Water</i>			35,000				35,000
Lift Station Rehab	10 SWM	250,000	250,000		250,000		750,000
<i>Utility - Storm Water</i>		250,000	250,000		250,000		750,000
Blackdog Outfall Replacement	12 SWM	660,000					660,000
<i>Utility - Storm Water</i>		660,000					660,000
WRMP Update	13 SWM					50,000	50,000
<i>Utility - Storm Water</i>						50,000	50,000
Ravine Restoration	19 SWM	1,000,000			500,000		1,500,000
<i>Utility - Storm Water</i>		1,000,000			500,000		1,500,000
CMP Rehabilitation	23 SWM	30,000	30,000	30,000	30,000	30,000	150,000
<i>Utility - Storm Water</i>		30,000	30,000	30,000	30,000	30,000	150,000

City of Burnsville, Minnesota

Capital Improvements Plan

2017 thru 2021

PROJECTS & FUNDING SOURCES BY DEPARTMENT

Department	Project #	2017	2018	2019	2020	2021	Total
Wood Pond Alum Treatment	24 SWM	50,000					50,000
<i>Utility - Storm Water</i>		50,000					50,000
Street Project Storm Sewer Televising	26 SWM	40,000	40,000	40,000	40,000	50,000	210,000
<i>Utility - Storm Water</i>		40,000	40,000	40,000	40,000	50,000	210,000
Lac Lavon Rain Gardens	28 SWM	20,000					20,000
<i>Utility - Storm Water</i>		20,000					20,000
Future Ponds/Water Quality	30 SWM			1,000,000			1,000,000
<i>Utility - Storm Water</i>				1,000,000			1,000,000
Contract Patching	32 SWM	60,000	60,000	60,000	70,000	70,000	320,000
<i>Utility - Storm Water</i>		60,000	60,000	60,000	70,000	70,000	320,000
Lac Lavon Drainage Repair	33 SWM	20,000					20,000
<i>Utility - Storm Water</i>		20,000					20,000
Lake Alimagnet Phosphorous Reduction	42 SWM	300,000					300,000
<i>Utility - Storm Water</i>		300,000					300,000
<b>Storm Water Mgmt Total</b>		<b>3,090,000</b>	<b>835,000</b>	<b>1,565,000</b>	<b>1,325,000</b>	<b>650,000</b>	<b>7,465,000</b>

Street Projects

Street Rehabilitation	02 Street	595,000	950,000	1,270,000	1,340,000		4,155,000
<i>Infrastructure Trust Funds</i>		500,000	660,000	370,000	640,000		2,170,000
<i>MSAS Funds</i>				590,000	350,000		940,000
<i>Special Assessments</i>		50,000	130,000	150,000	150,000		480,000
<i>Utility - Storm Water</i>		25,000	100,000	100,000	120,000		345,000
<i>Utility - Water &amp; Sewer - Sanitary Sewer</i>		10,000	40,000	40,000	50,000		140,000
<i>Utility - Water &amp; Sewer - Water</i>		10,000	20,000	20,000	30,000		80,000
Street Reconstruction	03 Street	4,290,000	8,630,000	8,360,000	5,270,000	6,880,000	33,430,000
<i>Infrastructure Trust Funds</i>		2,640,000	980,000	3,170,000	2,440,000	3,170,000	12,400,000
<i>MSAS Funds</i>			3,300,000		590,000		3,890,000
<i>Special Assessments</i>		850,000	1,000,000	1,100,000	1,100,000	1,000,000	5,050,000
<i>Utility - Storm Water</i>		450,000	450,000	450,000	500,000	500,000	2,350,000
<i>Utility - Water &amp; Sewer - Sanitary Sewer</i>		250,000	250,000	250,000	300,000	300,000	1,350,000
<i>Utility - Water &amp; Sewer - Water</i>		100,000	2,650,000	3,390,000	340,000	1,910,000	8,390,000
Street Light Replacement	04 Street	170,000	170,000	170,000	170,000	170,000	850,000
<i>Utility - St. Lighting</i>		170,000	170,000	170,000	170,000	170,000	850,000
Maintenance Overlays	05 Street	200,000				1,240,000	1,440,000
<i>Infrastructure Trust Funds</i>		170,000				1,110,000	1,280,000
<i>Utility - Storm Water</i>		10,000				70,000	80,000
<i>Utility - Water &amp; Sewer - Sanitary Sewer</i>		15,000				40,000	55,000
<i>Utility - Water &amp; Sewer - Water</i>		5,000				20,000	25,000
Right of Way Rehabilitation - Concrete Elements	06 Street		50,000		50,000		100,000
<i>Infrastructure Trust Funds</i>			50,000		50,000		100,000
Multi-Modal Transportation	07 Street	30,000	30,000	30,000	30,000	30,000	150,000
<i>Infrastructure Trust Funds</i>		30,000	30,000	30,000	30,000	30,000	150,000
Host Landfill Grant Projects	08 Street	635,000	605,000	595,000	595,000	595,000	3,025,000
<i>Host Community Grant</i>		415,000	415,000	415,000	415,000	415,000	2,075,000
<i>Infrastructure Trust Funds</i>		50,000	50,000	50,000	50,000	50,000	250,000

City of Burnsville, Minnesota

Capital Improvements Plan

2017 thru 2021

**PROJECTS & FUNDING SOURCES BY DEPARTMENT**

Department	Project #	2017	2018	2019	2020	2021	Total
<i>Special Assessments</i>		50,000	50,000	50,000	50,000	50,000	250,000
<i>Utility - Storm Water</i>		70,000	40,000	30,000	30,000	30,000	200,000
<i>Utility - Water &amp; Sewer - Sanitary Sewer</i>		30,000	30,000	30,000	30,000	30,000	150,000
<i>Utility - Water &amp; Sewer - Water</i>		20,000	20,000	20,000	20,000	20,000	100,000
35W/Burnsville Parkway Aesthetics Renovations	09 Street			350,000			350,000
<i>General Fund</i>				350,000			350,000
<b>Street Projects Total</b>		<b>5,920,000</b>	<b>10,435,000</b>	<b>10,775,000</b>	<b>7,455,000</b>	<b>8,915,000</b>	<b>43,500,000</b>
<b>Water System</b>							
Storz Hydrant Nozzle Replacement	04 WS	225,000					225,000
<i>Utility - Water &amp; Sewer - Water</i>		225,000					225,000
Water Production Rehab	07 WS	200,000	325,000	450,000	110,000	110,000	1,195,000
<i>Utility - Water &amp; Sewer - Water</i>		200,000	325,000	450,000	110,000	110,000	1,195,000
Transmission & Storage Rehab	08 WS	125,000	250,000	2,100,000	200,000		2,675,000
<i>Utility - Water &amp; Sewer - Water</i>		125,000	250,000	2,100,000	200,000		2,675,000
Water Treatment Repairs & Rehab	09 WS	3,500,000	2,250,000	125,000	20,000		5,895,000
<i>Utility - Water &amp; Sewer - Water</i>		3,500,000	2,250,000	125,000	20,000		5,895,000
Street Repair of WM Breaks & Contract Patching	10 WS	120,000	120,000	120,000	140,000	140,000	640,000
<i>Utility - Water &amp; Sewer - Water</i>		120,000	120,000	120,000	140,000	140,000	640,000
Meter Replacement	14-326	3,800,000	3,040,000				6,840,000
<i>Utility - Water &amp; Sewer - Water</i>		3,800,000	3,040,000				6,840,000
<b>Water System Total</b>		<b>7,970,000</b>	<b>5,985,000</b>	<b>2,795,000</b>	<b>470,000</b>	<b>250,000</b>	<b>17,470,000</b>
<b>GRAND TOTAL</b>		<b>17,655,000</b>	<b>17,775,000</b>	<b>16,605,000</b>	<b>9,780,000</b>	<b>11,685,000</b>	<b>73,500,000</b>

City of Burnsville, Minnesota

*Capital Improvements Plan*

2017 thru 2021

**PROJECTS BY CATEGORY AND DEPARTMENT**

Department	2017	2018	2019	2020	2021	Total
Category						
<b>Special Revenue Fund</b>						
<b><i>Cable Franchise Fee Fund</i></b>						
BCTV Studio Upgrades			150,000	20,000	20,000	190,000
BCTV Equipment				50,000		50,000
Computer Equipment - PC	2,500					2,500
Mobile Truck Upgrades	20,000	400,000				420,000
Upgrade Burnsville.org website		80,000				80,000
<b>Category Sub-Total</b>	<b>22,500</b>	<b>480,000</b>	<b>150,000</b>	<b>70,000</b>	<b>20,000</b>	<b>742,500</b>
<b><i>Forestry - Emerald Ash Borer (EAB)</i></b>						
EAB Program - Chipper		50,000				50,000
EAB Program - Truck	60,000					60,000
<b>Category Sub-Total</b>	<b>60,000</b>	<b>50,000</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>110,000</b>
<b>Department Total:</b>	<b>82,500</b>	<b>530,000</b>	<b>150,000</b>	<b>70,000</b>	<b>20,000</b>	<b>852,500</b>
<b>GRAND TOTAL</b>	<b>82,500</b>	<b>530,000</b>	<b>150,000</b>	<b>70,000</b>	<b>20,000</b>	<b>852,500</b>

City of Burnsville, Minnesota

*Capital Improvements Plan*

2017 thru 2021

**PROJECTS BY CATEGORY AND DEPARTMENT**

**Department**

Category	2017	2018	2019	2020	2021	Total
<b>Parks Capital Fund</b>						
<u>Park Improvements</u>						
Basic Park Amenities	20,000	20,000	20,000	20,000	20,000	100,000
Black Dog-Expand Parking Lot		125,000				125,000
Alimagnet Security Improvements	12,000					12,000
Nicollet Commons Park-Fencing/Sign along Nicollet	26,250					26,250
Sue Fischer Security Improvements		12,600				12,600
Black Dog-Parking Lot Security Lights	30,000					30,000
Cliff Fen/Burnsville Lions-Splash Pad Apron	50,000					50,000
Lac Lavon Security Improvements	35,000					35,000
Neill Park-Security Improvements					47,250	47,250
Terrace Oaks-Security Improvements					15,750	15,750
West Buck Hill-Parking Lot Lights		22,601				22,601
Howell Crossing		20,000				20,000
<b>Category Sub-Total</b>	<b>173,250</b>	<b>200,201</b>	<b>20,000</b>	<b>20,000</b>	<b>83,000</b>	<b>496,451</b>
<u>Park Renovation</u>						
General Park Renovation/Amenities	20,000	20,000	20,000	20,000	20,000	100,000
Bituminous/Concrete Surfaces	329,326		327,154		934,249	1,590,729
Borders		86,383	10,171	10,171	10,171	116,896
Dugouts	36,000					36,000
Fencing	25,991	22,600	206,305	105,037	2,825	362,758
Hockey Rinks			110,250	147,000	73,500	330,750
Irrigation System				132,300		132,300
Lighting Systems	61,740	9,686	175,160	132,379	226,013	604,978
Play Equipment		88,200	275,625	170,888	330,750	865,463
Resurface Park Trails	220,658	20,000	500,498	25,550	122,189	888,895
Signs	88,200	88,200	88,200	161,700		426,300
Structures & Buildings	94,787	200,000				294,787
Tennis Court Resurfacing	66,000	20,800			41,600	128,400
Landscaping	170,000					170,000
<b>Category Sub-Total</b>	<b>1,112,702</b>	<b>555,869</b>	<b>1,713,363</b>	<b>905,025</b>	<b>1,761,297</b>	<b>6,048,256</b>
<u>Trail System Development</u>						
Kelleher Park Trail-Lake Marion Regional Trailhead	100,000	185,000	2,220,000			2,505,000
<b>Category Sub-Total</b>	<b>100,000</b>	<b>185,000</b>	<b>2,220,000</b>	<b>—</b>	<b>—</b>	<b>2,505,000</b>
<b>Department Total:</b>	<b>1,385,952</b>	<b>941,070</b>	<b>3,953,363</b>	<b>925,025</b>	<b>1,844,297</b>	<b>9,049,707</b>
<b>GRAND TOTAL</b>	<b>1,385,952</b>	<b>941,070</b>	<b>3,953,363</b>	<b>925,025</b>	<b>1,844,297</b>	<b>9,049,707</b>

City of Burnsville, Minnesota

*Capital Improvements Plan*

2017 thru 2021

**PROJECTS BY CATEGORY AND DEPARTMENT**

Department	2017	2018	2019	2020	2021	Total
Category						
<b>Equipment &amp; Vehicle Fund</b>						
Engineering	35,000		45,000			80,000
Facilities					22,000	22,000
Fire	1,355,000	356,000	603,000	952,000	441,000	3,707,000
Fleet			65,000			65,000
Forestry		45,000		70,000	81,500	196,500
Inspections		56,000	29,000	29,500	90,000	204,500
Parks	266,200	242,500	325,000	88,500	386,000	1,308,200
Police	244,000	342,000	295,500	283,500	272,000	1,437,000
Streets	250,000	530,000	425,000	543,000	490,000	2,238,000
<i>Category Sub-Total</i>	2,150,200	1,571,500	1,787,500	1,966,500	1,782,500	9,258,200
<b>Department Total:</b>	<b>2,150,200</b>	<b>1,571,500</b>	<b>1,787,500</b>	<b>1,966,500</b>	<b>1,782,500</b>	<b>9,258,200</b>
<b>GRAND TOTAL</b>	<b>2,150,200</b>	<b>1,571,500</b>	<b>1,787,500</b>	<b>1,966,500</b>	<b>1,782,500</b>	<b>9,258,200</b>

City of Burnsville, Minnesota

Capital Improvements Plan

2017 thru 2021

PROJECTS BY CATEGORY AND DEPARTMENT

Department

Category	2017	2018	2019	2020	2021	Total
<b>Facilities Fund</b>						
<u>City Hall/Police</u>						
Acoustical Ceiling Replacement		10,000		10,000		20,000
Card access system replacement				20,000		20,000
Carpet replacement - Council Chambers				13,000		13,000
Replace Sidewalk/Patio Concrete			7,700			7,700
VCT Tile Replacement-CR,LR,FT				31,700		31,700
Wallpaper City Hall/Police		12,000	12,000			24,000
Wallpaper Community Room/Lobby		17,600				17,600
Council Chamber audience chairs replacement	25,000					25,000
Front doors & hardware (2) repl City Hall side			20,000			20,000
<b>Category Sub-Total</b>	<b>25,000</b>	<b>39,600</b>	<b>39,700</b>	<b>74,700</b>	<b>—</b>	<b>179,000</b>
<u>Civic Center City Garage</u>						
Tuck Point Brick Work (20,500 Sq Ft)					307,500	307,500
Acoustical Ceiling Tile Replacement			7,900			7,900
Carpet & VCT Flooring -The Garage	16,750					16,750
Fire Alarm System Upgrade/Replacement			17,000			17,000
Furnace Replacement		10,000				10,000
Main Switchboard and Electrical Panels Repl				58,000		58,000
Roof Replacement			475,000			475,000
Ventilation Code Issues in Bays 1-18				130,000		130,000
Window Replacements (12)			12,000			12,000
<b>Category Sub-Total</b>	<b>16,750</b>	<b>10,000</b>	<b>511,900</b>	<b>188,000</b>	<b>307,500</b>	<b>1,034,150</b>
<u>Facility Plan</u>						
Phase I	8,200,000					8,200,000
Police	2,500,000					2,500,000
Generator	500,000					500,000
Air Handling	700,000					700,000
Technology		254,450				254,450
<b>Category Sub-Total</b>	<b>11,900,000</b>	<b>254,450</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>12,154,450</b>
<u>Fire Stations</u>						
Fitness Room Remodel - FS2	12,000					12,000
Privacy Fence - FS2		20,000				20,000
Acoustical Ceiling Tile Replacement				21,500		21,500
Bay Doors		80,000	21,000			101,000
Carpet Replacement FS1		25,000				25,000
Exterior Brickwork Sealing		14,000				14,000
Fire Alarm Panel				15,000	15,000	30,000
Garage Door Replacement	30,000	90,000				120,000
Garage Door Opener Replacement		6,000		6,000	6,000	18,000
HVAC Bay Heater Replacement - FS2		24,000				24,000
Lighting Exterior Replacement				2,000		2,000
Lighting Upgrade for Living Quarters - FS1			16,500			16,500

City of Burnsville, Minnesota

Capital Improvements Plan

2017 thru 2021

**PROJECTS BY CATEGORY AND DEPARTMENT**

**Department**

Category	2017	2018	2019	2020	2021	Total
Main Switchboard, Elec Panels & Sep Zones Repl				48,000		48,000
Remodel Public Bathroom/Entry FS1			13,000			13,000
Roof - FS1			100,000			100,000
Sidewalk/Patio Repair/Replacement				14,000		14,000
Tuck Point Brick Work (4575 sq ft) - FS1			68,700			68,700
Crew Quarters Update for Safer Grant	13,000					13,000
<b>Category Sub-Total</b>	<b>55,000</b>	<b>259,000</b>	<b>219,200</b>	<b>106,500</b>	<b>21,000</b>	<b>660,700</b>
<b><u>HOC Parking Deck/Ramp</u></b>						
Parking Ramp Concrete Sealant	30,000	40,000			32,500	102,500
Parking Deck Traffic Membrane (recoat or replace)			215,000			215,000
Parking Deck Surface Lot				3,500		3,500
Parking Ramp Mechanical Systems				60,000		60,000
Blue Light Security Phones	16,000					16,000
<b>Category Sub-Total</b>	<b>46,000</b>	<b>40,000</b>	<b>215,000</b>	<b>63,500</b>	<b>32,500</b>	<b>397,000</b>
<b><u>Maintenance Facility</u></b>						
Exhaust Fans Roof Top (20) Phase 1			10,000			10,000
Garage Door Replacements			70,000	29,000		99,000
Generator Transfer Switch Replacement			20,000			20,000
Hoist Light Equipment Replacement			8,000			8,000
Hoist Twin Post Truck Replacement		75,000				75,000
Make Up Air Systems (5) Replacements-Phase 1			120,000			120,000
Drain Replacements			30,000			30,000
HVAC Digital Control System Upgrade					155,300	155,300
Pressure Washer Replacements (2)					15,000	15,000
Salt Brine Making System Upgrade			40,000			40,000
<b>Category Sub-Total</b>	<b>—</b>	<b>75,000</b>	<b>298,000</b>	<b>29,000</b>	<b>170,300</b>	<b>572,300</b>
<b><u>Parking Lots</u></b>						
Seal Coat/Crack Sealing - City Hall	18,000				22,000	40,000
Seal Coat/Crack Sealing - Civic Center				3,000	5,000	8,000
Seal Coat/Crack Sealing - Civic Center Arena Side	25,000				4,500	29,500
Seal Coat/Crack Sealing - Fire Stations			10,000			10,000
<b>Category Sub-Total</b>	<b>43,000</b>	<b>—</b>	<b>10,000</b>	<b>3,000</b>	<b>31,500</b>	<b>87,500</b>
<b><u>Unassigned</u></b>						
Phase II	—	—	—	—	7,125,000	7,125,000
<b>Category Sub-Total</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>7,125,000</b>	<b>7,125,000</b>
<b>Department Total:</b>	<b>12,085,750</b>	<b>678,050</b>	<b>1,293,800</b>	<b>464,700</b>	<b>7,687,800</b>	<b>22,210,100</b>
<b>GRAND TOTAL</b>	<b>12,085,750</b>	<b>678,050</b>	<b>1,293,800</b>	<b>464,700</b>	<b>7,687,800</b>	<b>22,210,100</b>

City of Burnsville, Minnesota

Capital Improvements Plan

2017 thru 2021

PROJECTS BY CATEGORY AND DEPARTMENT

Department

Category	2017	2018	2019	2020	2021	Total
<b>IT Capital Fund</b>						
<u>Community Development</u>						
CRW License Additions	2,200	2,200	2,200	2,200	2,200	11,000
Cradlepoint ibr1100 Broadband Mobile Modems	4,000	4,000				8,000
Tablet Replacements for all Field Staff	6,000			18,000		24,000
<b>Category Sub-Total</b>	<b>12,200</b>	<b>6,200</b>	<b>2,200</b>	<b>20,200</b>	<b>2,200</b>	<b>43,000</b>
<u>Document Imaging / Management</u>						
EDMS Scanner Additions	3,000	3,000				6,000
EDMS Scanner Replacements	9,000	9,000	9,000	9,000	9,000	45,000
EDMS Rio Named User License Additions	6,600	6,600	6,600	6,600	6,600	33,000
<b>Category Sub-Total</b>	<b>18,600</b>	<b>18,600</b>	<b>15,600</b>	<b>15,600</b>	<b>15,600</b>	<b>84,000</b>
<u>ERMS System Development</u>						
ERMS Misc Modules for Adl Dev w/Finance System	15,000	15,000	15,000	15,000	15,000	75,000
<b>Category Sub-Total</b>	<b>15,000</b>	<b>15,000</b>	<b>15,000</b>	<b>15,000</b>	<b>15,000</b>	<b>75,000</b>
<u>Fire Computer Equipment</u>						
Laptop Computers for Safer Grant	23,100					23,100
PC's for Safer Grant	4,000					4,000
Mounting Equipment Replacements/Add	2,000	2,000	2,000	5,000	2,000	13,000
EMS Tablet Replacements	7,000	7,000	7,400	7,400	7,400	36,200
Cradlepoint ibr600 Broadband Mobile Modems	800	1,600	4,200			6,600
TriTech CAD/AVL Monitor Replacements			10,000			10,000
Axon POV Cameras Equip Misc Addn Sch	1,500	1,500	6,000	1,500	1,500	12,000
MDC Replacements with CF-53	17,500	21,000	14,000	14,000	14,000	80,500
CAD Status Monitors	7,500					7,500
<b>Category Sub-Total</b>	<b>63,400</b>	<b>33,100</b>	<b>43,600</b>	<b>27,900</b>	<b>24,900</b>	<b>192,900</b>
<u>GIS Equipment</u>						
Plotter Replacement for Maint Facility				12,000		12,000
Plotter Replacement for City Hall						
GIS Strategic Plan - GPS/Tablets yr 1	14,220	4,580	4,500	4,500	4,500	32,300
<b>Category Sub-Total</b>	<b>14,220</b>	<b>4,580</b>	<b>4,500</b>	<b>16,500</b>	<b>4,500</b>	<b>44,300</b>
<u>GIS Software</u>						
GIS Strategic Plan ArcGIS Server License	4,500					4,500
GIS Strategic Plan ELA	35,000	35,000	35,000	35,000	35,000	175,000
<b>Category Sub-Total</b>	<b>39,500</b>	<b>35,000</b>	<b>35,000</b>	<b>35,000</b>	<b>35,000</b>	<b>179,500</b>
<u>IT Infrastructure</u>						
A/V Projector Replacement Schedule	10,000	10,000	10,000	10,000	10,000	50,000
Digital Signature Appliance				15,000		15,000
IT Rack Replacements	1,200	1,200	1,200	1,200	1,200	6,000
SAN Node Additions Tier 1 & 2 storage			55,000	55,000		110,000
UPS Scheduled Replacements-Ck dates of unit	5,000	5,000	5,000	5,000	5,000	25,000
APC 40KVM UPS Battery Replacement for IT MER 1				6,000		6,000

City of Burnsville, Minnesota

Capital Improvements Plan

2017 thru 2021

PROJECTS BY CATEGORY AND DEPARTMENT

Department

Category	2017	2018	2019	2020	2021	Total
VM Software Licensing, Addl Horizon & EsXi Hosts			5,000	5,000		10,000
Wireless AP Replacement/Adds	4,000	4,000	4,000	4,000	4,000	20,000
A/V Vivitek presentation agnostic equip -Conf Rm				5,000		5,000
Mitel Phone System Add-on's Conf Phones				7,800		7,800
Mitel Phone Sys Add-on's-phones,handsets,headsets	5,000	5,000				10,000
Mitel Phone System Licenses		10,000				10,000
EOC Portable 3 Phase Power Trailer Hook Up-IT Data		4,800				4,800
LANDesk IT HelpDesk Module Implementation	25,000					25,000
<b>Category Sub-Total</b>	<b>50,200</b>	<b>40,000</b>	<b>80,200</b>	<b>114,000</b>	<b>20,200</b>	<b>304,600</b>
<b><u>Mobile Command IT Equipment</u></b>						
Laptop Replacements (4)	12,500			12,500		25,000
Mobile Cameras	6,000					6,000
Server Replacement	8,000				8,000	16,000
<b>Category Sub-Total</b>	<b>26,500</b>	<b>—</b>	<b>—</b>	<b>12,500</b>	<b>8,000</b>	<b>47,000</b>
<b><u>PC Computers</u></b>						
PC Replacements - VDI Thin Clients	50,000	50,000	50,000	50,000	50,000	250,000
Server Replacements		60,000	20,000	65,000		145,000
Printer Replacements	1,400	1,400	1,400	1,400	1,400	7,000
Tablet/Smartphone Replacements	7,500	7,500	3,750	3,750	3,750	26,250
Shared Laptop Replacements	5,400	5,400	5,400	5,400	5,400	27,000
EOC/Training Cart Laptop Replacements			19,000			19,000
Mobile Devices for Streets Staff		9,000		9,000		18,000
Mobile Devices for Public Works Staff	9,000		9,000		9,000	27,000
Laptop for City Engineer w/docking station				2,500		2,500
<b>Category Sub-Total</b>	<b>73,300</b>	<b>133,300</b>	<b>108,550</b>	<b>137,050</b>	<b>69,550</b>	<b>521,750</b>
<b><u>Police Computer</u></b>						
MDC Replacements - Toughbook C-F 53	38,000	38,000	38,000	38,000	38,000	190,000
MDC Mounting Equipment Replacements	4,500	4,500	4,500	4,500	4,500	22,500
Cradlepoint ibr1100 Broadband Mobile Modems	1,400	1,400	1,400	1,400	1,400	7,000
Pentax PocketJet 6 Mobile Printer Replacements	700	700	700	700	700	3,500
Rimage Media Duplicator Replacement			16,000			16,000
TriTech CAD/AVL Monitor Replacements			10,000			10,000
Forensics Recovery of Evidence Device (FRED)			7,000			7,000
AXON POV Cameras Equip Misc Add Sch	2,500					2,500
ALPR POC test for Patrol Vehicle	24,000			17,000		41,000
APS Citation Licenses	2,000	2,000				4,000
i2 Analyst Notebook software			3,500			3,500
<b>Category Sub-Total</b>	<b>73,100</b>	<b>46,600</b>	<b>81,100</b>	<b>61,600</b>	<b>44,600</b>	<b>307,000</b>
<b><u>Recreation Software</u></b>						
POS Replacements	9,000	4,500		28,000		41,500
ID Badge Printer Replacements	1,500			3,000		4,500
<b>Category Sub-Total</b>	<b>10,500</b>	<b>4,500</b>	<b>—</b>	<b>31,000</b>	<b>—</b>	<b>46,000</b>

City of Burnsville, Minnesota

*Capital Improvements Plan*

2017 thru 2021

**PROJECTS BY CATEGORY AND DEPARTMENT**

**Department**

Category	2017	2018	2019	2020	2021	Total
<b><u>Security Systems</u></b>						
Addl Camera, Prox Readers for Facilities	25,000	25,000	10,000	10,000	10,000	80,000
Security Camera Replacements at PAC	35,000					35,000
Security Camera Repl at Ice Center		14,000				14,000
<b>Category Sub-Total</b>	<b>60,000</b>	<b>39,000</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>	<b>129,000</b>
<b><u>Software</u></b>						
Addl Servers Lic & Misc Software	7,500	7,500	7,500	7,500	7,500	37,500
Adobe Acrobat Pro Addl License	1,500	1,500	1,500	1,500	1,500	7,500
MS SA for SQL, Srv, per core	5,000	5,000		15,000		25,000
O365 2016 Agreement Additions	12,000	12,000				24,000
<b>Category Sub-Total</b>	<b>26,000</b>	<b>26,000</b>	<b>9,000</b>	<b>24,000</b>	<b>9,000</b>	<b>94,000</b>
<b>Department Total:</b>	<b>482,520</b>	<b>401,880</b>	<b>404,750</b>	<b>520,350</b>	<b>258,550</b>	<b>2,068,050</b>
<b>GRAND TOTAL</b>	<b>482,520</b>	<b>401,880</b>	<b>404,750</b>	<b>520,350</b>	<b>258,550</b>	<b>2,068,050</b>

City of Burnsville, Minnesota

Capital Improvements Plan

2017 thru 2021

PROJECTS BY CATEGORY AND DEPARTMENT

Department

Category	2017	2018	2019	2020	2021	Total
<b>Enterprise Funds</b>						
<u>Ames Center</u>						
Building improvements	124,000	110,000	17,500	55,000	62,500	369,000
Building equipment	110,700	145,000	217,500	180,000	330,392	983,592
<b>Category Sub-Total</b>	<b>234,700</b>	<b>255,000</b>	<b>235,000</b>	<b>235,000</b>	<b>392,892</b>	<b>1,352,592</b>
<u>Golf Course</u>						
Golf cart	14,100					14,100
Grounds master			32,000			32,000
Parking lot (pervious) replacement				142,000		142,000
Utility cart					22,000	22,000
<b>Category Sub-Total</b>	<b>14,100</b>	<b>—</b>	<b>32,000</b>	<b>142,000</b>	<b>22,000</b>	<b>210,100</b>
<u>Ice Center</u>						
Bleacher replacement			90,000			90,000
Roof replacement - barrel & flat roof		1,000,000				1,000,000
Rubber flooring replacement			125,000			125,000
Sound system	65,000					65,000
Battery Replacement for Zamboni		30,000				30,000
Heating System for Rink 2				40,000		40,000
Wood Exterior-Clean, Replace, Repair & Stain					60,000	60,000
<b>Category Sub-Total</b>	<b>65,000</b>	<b>1,030,000</b>	<b>215,000</b>	<b>40,000</b>	<b>60,000</b>	<b>1,410,000</b>
<u>Storm Water Management</u>						
Public works projects - storm water	3,700,000	1,480,000	2,200,000	2,030,000	1,315,000	10,725,000
Vehicles - storm water	385,000			226,000	338,000	949,000
<b>Category Sub-Total</b>	<b>4,085,000</b>	<b>1,480,000</b>	<b>2,200,000</b>	<b>2,256,000</b>	<b>1,653,000</b>	<b>11,674,000</b>
<u>Street Lighting</u>						
Public works projects - street lighting	170,000	170,000	170,000	170,000	170,000	850,000
<b>Category Sub-Total</b>	<b>170,000</b>	<b>170,000</b>	<b>170,000</b>	<b>170,000</b>	<b>170,000</b>	<b>850,000</b>
<u>Water &amp; Sewer</u>						
Public works projects - water	8,125,000	8,695,000	6,245,000	880,000	2,225,000	26,170,000
Public works projects - sanitary sewer	530,000	545,000	1,065,000	605,000	1,570,000	4,315,000
Vehicles/Equipment - water	95,000	152,000		30,000	149,000	426,000
Vehicles/Equipment - sanitary sewer		60,000		65,000		125,000
IT Infrastructure	25,000					25,000
<b>Category Sub-Total</b>	<b>8,775,000</b>	<b>9,452,000</b>	<b>7,310,000</b>	<b>1,580,000</b>	<b>3,944,000</b>	<b>31,061,000</b>
<b>Department Total:</b>	<b>13,343,800</b>	<b>12,387,000</b>	<b>10,162,000</b>	<b>4,423,000</b>	<b>6,241,892</b>	<b>46,557,692</b>
<b>GRAND TOTAL</b>	<b>13,343,800</b>	<b>12,387,000</b>	<b>10,162,000</b>	<b>4,423,000</b>	<b>6,241,892</b>	<b>46,557,692</b>

**City of Burnsville, Minnesota**  
**Capital Improvements Plan**  
**2017 thru 2021**  
**NARRATIVE**

## **GENERAL FUND**

**35W/Burnsville Parkway Aesthetics Renovations** - In the early 2000's, the City worked with MnDOT to place some aesthetic features on the Burnsville Parkway and TH 13 bridges over I-35W. The City has completed repairs to the lighting system on the Burnsville Parkway bridge already and removed the lighting from the TH 13 bridge. Items needing further renovation include the arches and the decorative elements such as the bull horns and wrought iron elements. MnDOT is planning for work on this bridge in 2019 and the City's aesthetic elements should be completed simultaneously for cost and user impact reduction purposes. Council has discussed removing the elements from the TH 13 bridge as opposed to renovating them when they become too worn or a safety hazard.

## **COLLECTOR & THOROUGHFARE EXPENDITURES**

**County Road 42 Pedestrian Study** - In 2015, Dakota County Transportation attempted to develop plans to replace and/or remove traffic signals in the County Road 42 corridor from Southcross Drive in Burnsville to Garden View Drive into Apple Valley. Dakota County has proposed to remove some signals in this area, however, the question of how pedestrians may cross County Road 42 has arisen if signal systems are removed and not replaced. This study will attempt to answer this question as well as determining other impacts if the signals are removed and not replaced.

**County Overlays** - When Dakota County resurfaces its highways, it is the best time for the City to improve its utility structures on that roadway. Therefore, the City budgets an annual allotment of money to pay for repairing and improving its utility structures so it can react when Dakota County chooses to resurface a county road in Burnsville. The City doesn't pay for any of the street improvements.

## **INTERSECTION IMPROVEMENT**

**City Owned Signal Replacement** - This project is for budgeting and planning for future traffic signal improvements throughout the City. Currently, the City has a total of 21 traffic signal systems. In addition, there are 29 Dakota County owned and operated signal systems and 17 State owned and operated signal systems within the City limits.

**County Signal Replacement** - This project is for signals owned by Dakota County and proposed to be replaced annually over the next 15 - 20 years. The City will pay for the number of legs or portion of the signal that are located on City roadways.

**T.H. 13/Washburn Signal** - MnDOT plans on replacing the signal at Washburn Drive and TH 13 along with resurfacing TH 13 west of the 5/13 project limits. The City will have to pay 50% of the signal costs as we own the two side road legs of the intersection.

## SANITARY SEWER SYSTEM MANAGEMENT

**Lift Station Rehabilitation** - This program includes projects to rehabilitate the 13 sanitary sewer lift stations (LS) and installation of emergency generator when necessary. The intent of this program is to reduce the number of emergency failures and backups within the sewer system. The City continues on with this program as laid out in our Sanitary Sewer LS Condition Assessment.

**Sanitary Sewer Rehabilitation** - This program is to rehabilitate sanitary sewer lines in known trouble areas and areas in which root intrusion causes extensive maintenance and backups. Similar work is done within street project areas and this program funds work within areas not scheduled for a street project in the near future or more extensive work within the street project areas.

## STORM WATER MANAGEMENT

**Control Structure Black Dog Fen** - This structure is located in Cliff Fen Park and discharges storm water from a significant portion of our community into the Black Dog Unit of the Minnesota Valley National Wildlife Refuge. The existing discharge point flows under the railroad grade and cannot be closed mechanically in the event of an upstream spill or release of pollutants. This project will install a manually-operated control structure at the Black Dog Fen outlet railroad crossing, so storm water flows can be temporally stopped in the event of a spill.

**Lateral Drainage Modifications** - Each year the City works in various areas of the City to improve smaller local drainage issues.

**Pond Cleanout/Outfall Improvement Program** -The program is for removal of sediment that has accumulated in pond outfall structures. This program also identifies maintenance of pond outfall structures.

**Lift Station Rehab** - Routinely the City schedules lift station improvements as a preventative maintenance program. This includes repair or replacement of the lift station and installation of any emergency generator when necessary. The City continues on with this program as laid out in our Storm Sewer LS Condition Assessment.

**Black Dog Outfall Replacement** - The City has experienced problems with its storm sewer crossing from the Black Dog Watershed under the Union Pacific Railroad tracks. The City has completed investigation and stormwater modeling into what is causing these problems and was determined the current system is significantly undersized. This project will construct a parallel stormwater system in Black Dog Park and under the UP railroad tracks to the lake which will adequately handle significant rainfall events.

**WRMP Update** -The Water Resources Management Plan (WRMP) guides and helps plan for water resources management activities within the City. The WRMP is required to be updated periodically and approved by the applicable watersheds and the Metropolitan Council. The City is completing a major update to the WRMP and anticipates a minor update will be required in in 2021.

**Ravine Restoration** - The City has several steep ravines that are in various states of erosion. This project will repair these ravines to prevent loss of soils retaining property values and reduce offsite deposit of these soils. Several ravines that are proposed to be repaired in 2017 are in the North River Hills area. Others are located in City parks and other parts of the City.

**CMP Rehab** - The City owns a significant amount of corrugated metal pipe storm sewers. This type of pipe is subject to rusting through providing holes for sediment to get into the storm system. This soil loss deposits soils downstream and results in sink holes or other soil loss in the area of the hole. This project will allow for televising the condition of these pipes and then rehabilitating them by replacement or interior lining.

**Wood Pond Alum Treatment** - The Aluminum Treatment Project involves treating the bottom of Wood Pond with Aluminum Sulfate (Alum), a chemical that ties up the phosphorous in the lake sediment and prevents it from releasing into the water column.

**Street Project Storm Sewer Televising** - The City televises its storm sewer pipes in the following year's street improvement areas to understand if these pipes are failing or if there are any obstructions in them. If issues are discovered, improvements are designed for in the construction plans.

**Lac Lavon Rain Gardens** - The rain gardens at Lac Lavon would address storm water runoff issues associated with the ball field complex. Currently the volume of water coming from the ball fields is causing erosion issues down by beach for Lac Lavon.

**Future Ponds/Water Quality** - Due to ongoing and ever increasing regulations for stormwater quality, it is likely that ponds will be necessary in outer years of the Capital Improvement plan. This allows for a placeholder for those future improvements. Ponds will not be constructed if not necessary.

**Contract Patching** - Each year there are several drainage structures in Burnsville that need repair that aren't in the street reconstruction or rehabilitation project. These structures are repaired with this project.

**Lac Lavon Drainage Repair** - This project will modify the existing stormwater management facility at Lac Lavon Beach to increase its capacity in order to adequately handle larger rain fall events.

**Lake Alimagnet Phosphorous Reduction** - The City and the Vermillion River Watershed District are jointly working to identify and construct improvements to reduce the amount of phosphorous that is being routed into Lake Alimagnet from stormwater runoff in Burnsville. The City needs to remove a certain amount of phosphorous an annual basis to meet its MPCA mandated Total Maximum Daily Load requirements. This project will help to improve water quality in Lake Alimagnet.

**Keller Lake Water Quality Study** - This project has been identified in the current Water Resources Management Plan update that is in progress. This study will allow the City to determine a reasonable water quality goal for this lake as the current goal is likely unobtainable due to the characteristics of this lake.

## **STREET PROJECTS**

**Street Rehabilitation** -This project includes the annual program to mill and overlay selected streets in the City's street system. Spot replacement of curb and gutter and sidewalk is performed and minor utility repair/replacement is also completed with these projects.

A copy of the City's 2017-2021 proposed street rehabilitation map is included in the Maps section of the CIP. Selection of street segments is based upon the City's Pavement Management Program and engineering/maintenance staff's recommendation. Streets typically rehabilitated are in excess of 20 years old and are in need of rehabilitation, so total reconstruction can be avoided for another 15 years. Funding for the annual program is based upon the Special Assessment Policy and assumes that 40% of the street costs will be assessed to benefiting properties. The remaining 60 percent of the project is paid by other funds.

**Street Reconstruction** - The project includes the annual replacement of a portion of the City's street system. A project is determined to be either Street Reconstruction or Street Reclamation through development of the project's preliminary report. Street reconstruction generally is replacement of the roadway pavement and base, large sections curbs and has a significant underground utility replacement component. Street reclamation generally is replacement

of the roadway pavement and base, but a majority of the curb is retained in place and may have some underground utility component, but not replacement of an underground utility throughout the project area.

A copy of the City's 2017-2021 proposed reconstruction map is included in the Maps section of the CIP. Selection of street segments is based upon the City's Pavement Management Program and engineering/maintenance staff's recommendation. Streets typically reconstructed and reclaimed are in excess of 30 years old and are in need of total replacement. Funding for the annual program is based upon the Special Assessment Policy and assumes that 40% of the street costs will be assessed to benefiting properties. The remaining 60 percent of the project is paid by other funds.

**Street Light Replacement** - This project will replace existing street lights. The lights to be replaced will be identified annually by the Public Works Department. Many of the lights replaced are located in the current year's street reconstruction and rehabilitation programs.

**Maintenance Overlays** - The City's street replacement/maintenance program has been missing one element that will help elongate pavement life and reduce resident complaints. This is an overlay on residential streets after 20 to 30 years to address pavement surface failures and extend the life of the pavement out to a hopeful life of 40 or more years. The funding for this project is not expected to include special assessments.

**Right of Way Rehabilitation - Concrete Elements** - The City owns many assets in the right of way made out of concrete that are not addressed for maintenance in other ways. The two primary needs are retaining walls and concrete intersections. This project is an every other effort to keep these elements maintained.

**Mult-Modal Transportation** - This annual project addresses needs in the transportation system that provide other options to transportation stakeholders such as pedestrians, bicyclists and transit users. The funding amount does not allow for a major improvement to be made, but allows for localized improvements to be made or studies to be performed that will assist these alternate transportation users.

**Host Landfill Grant Projects** - The State of Minnesota through the Department of Employment and Economic Development has created a grant program specifically for metro cities that currently host active landfills. There is no guarantee that this program will be continued each year, but the City will continue to apply for these grants each year as long as the funding is available. The City is eligible for approximately \$415,000 annually through this grant process if the specified project meets certain job creation goals. The City has identified projects as shown on the Maps section of the CIP that are good candidates for this project.

## **WATER SYSTEM PROJECTS**

**Storz Hydrant Nozzle Replacement** - This ongoing program allows the Fire Department to improve the connection time to hydrants at a fire scene and shorten the overall time between arrival and when water is available for suppression. Annually projects are bid to upgrade a portion of the 2,800 existing public hydrants. All new public and private hydrants are now installed to this standard. The program is scheduled to complete all public hydrants in 2018.

**Distribution System Repair/Rehab** - This program includes the repair and rehabilitation of water mains not scheduled to be part of the City Street Reconstruction or Rehabilitation programs.

**Water Production Rehab** - This is a preventative maintenance program for the City's water production infrastructure. This involves rotating evaluation and rehabilitation projects of the City's 17 groundwater wells and two surface water pumps including the pumps, motors, well cavities, well piping and valves, well houses and power systems. Annually projects are bid in order to get to every well a minimum of once every ten years. Two wells are planned to be rehabbed 2017.

**Transmission & Storage Rehab** - This program identifies rehabilitation projects for the City's water transmission and storage infrastructure. This includes rehabilitation projects for the City's 10 High Service Pumps (HSP), the 7-mg clear well at the Water Treatment Plant (WTP), two underground reservoirs, three towers and the Pressure Reducing Valve (PRV) stations that reduce the water pressure from the towers and pumps as the water goes into the distribution system. A HSP variable frequency drive is planned to be replaced in 2017. The large value in 2019 reflects a project to rehabilitate the Heather Hills tower.

**Water Treatment Repairs & Rehab** - This program area includes repairs and rehabilitation projects within the ground water treatment plant and surface water treatment plant. Both the 2017 & 2018 funds are planned to go the upcoming GWTP Rehab project.

**Meter/AMI Replacement Project** - This project includes water meter replacements and advanced metering infrastructure that collects the water usage data from the meters for billing, conservation and customer service purposes.

**Street Repairs of Watermain Breaks & Contract Patching** - This project is to repair the streets sections that need to be removed and replaced to repair a watermain segment that breaks. This project also is to improve street areas that have become in disrepair because of a utility element that is located in the road such as gate valves and manholes.

## **PARKS**

**Park Renovation** - Park renovation is the repair or replacement of existing elements and facilities within the park system. This includes things such as fencing, backstops, athletic field lighting, hockey rinks, play equipment, bituminous surfaces, tennis court color coating, and building renovations. The highest priority for park capital funding is maintaining the City's current park system. Projects in this category for 2017 include:

- General amenities - replacement of various benches, bleachers, tables, grills, etc.
- Continue renovating landscaping at Bicentennial Garden
- Extensive rehabilitation project of bituminous trails, parking lots and other pavement in various parks
- Repair cracks and color coat tennis courts in several parks
- Various fencing replacement at a couple of parks
- Continue the program to replace the park entrance signs

**Park Improvements** - Park improvements are the significant upgrading or the addition of new facilities to the park system. This includes items such as adding a building or new park amenity, putting bituminous surface on a gravel parking lot, adding athletic field lighting, and periodically creating planning documents. Projects in this category for 2017 include:

- Add security cameras to the Crystal Beach building and Alimagnet Park storage facility
- Adding security lights and parking spaces at Black Dog Park
- Adding splash zone coverage to Burnsville Lions Splashpad area
- New security features for the Lac Lavon utilities, concession and restroom building

**Trail System** - These funds are for the development of new transportation trails outside the park system and trails that connect the park system to other community facilities. The priorities for this element are established by the City's Trail Master Plan. Projects in this category for 2017 include:

- Funding to start preliminary design of the Kelleher Park Trail/Lake Marion Trailhead project

## FACILITIES

- **Facilities Improvement Project** - This project will provide a much needed remodel to Police Station and City Hall public areas including the expansion and renovation of the Police Department, covered vehicle storage for police vehicles, community room renovations, additional conference room space and Americans with Disabilities Act (ADA) compliance improvements.
- **City Hall** - Projects for this facility include the replacement of Council Chambers chairs and the removal and replacement of the generator unit which will allow the facility to return to peak shave rates with the electric utility.
- **City Garage** - This facility will receive scheduled replacement carpet and VCT in the youth center spaces.
- **Fire Station 1** - This facility will receive a small remodel to make appropriate work spaces for SAFER grant staff.
- **Fire Station 2** - This project includes scheduled replacement of garage doors and a remodel of the fitness room area to improve the use of space in the facility.

## INFORMATION TECHNOLOGY

- **PC Computers, laptops, and Servers replacements** - This annual project replaces desktop and laptop equipment throughout departments on a scheduled basis. Currently there are approximately 354 devices that are replaced over five years. Server hardware infrastructure is replaced every three to five years.
- **Police Systems** - This project replaces various police equipment on a rotating basis. Mobile Data Computers (MDC) are replaced over a five year period and On Officer cameras are replaced every three years. Projects in 2017 include replacement of Mobile Command Vehicle laptops, cameras and servers.
- **Fire Department Systems** - This project replaces various fire equipment on a rotating basis. Mobile Data Computers (MDC) are replaced over a five year period. This project includes hosted solution implementation and call monitor replacements at each fire station and city hall.
- **Document Imaging and Management** - This project expands the electronic document management system (EDMS) to public works and replaces existing scanner workstations on a rotating basis. Document imaging includes upgrades to take full advantage of functionality.
- **IT Infrastructure** - This is an ongoing program that addresses network capacity and function for 67 city facilities with rotating replacement over five to seven years, annual network storage additions and replacements, modifications and enhancements to the phone system as well as audio/visual replacements and enhancements for conference rooms. Projects in 2017 include the replacement of 80% of network infrastructure between facilities, implementation of digital signatures and an IT Help Desk Service application replacement. Projects for 2018 include data center backup battery replacements.
- **Community Development** - Delayed by the lack of vendor resources in 2016, this project will migrate the community development software to a web based platform starting in 2017. This project also includes deployment of smart devices and mobile applications for Inspections and Rental Licensing & Code Enforcement staff.
- **Security Systems** - This program addresses security systems such as facility security, data security and security cameras. Replacement security cameras will be implemented for the Ames-Center and parking facilities in 2017. Also planned for 2017 is a continuation of security audit and review for IT systems with administrative policy development. Projects in 2018 and 2019 include continued security camera additions and replacements.
- **Software** - This is an ongoing program for server licenses and license use renewals. Projects in 2017 include migrating more on premise servers to hosted Microsoft Azure Government Cloud environment and the second year payment of the hosted Office 365 for government environment services.

- **ERMS System Development (Enterprise Resource Management Systems)** - This is an ongoing program to develop, enhance and improve interfaces and data exchanges between city systems. This includes document management access to payroll files, accounts payable and utility reports as well as data integration with the community development system for account balances and payment history. In 2017 a focus on implementing an integrated HR employee onboarding and off boarding.
- **GIS Software** - In 2017, the city is moving forward with GIS strategic initiatives that will require the implementation of additional GIS server software and software integrations with four existing GIS centric city systems: Public Safety, Community Development, and Utility Billing.
- **GIS Equipment** - The implementation of tools for GIS field work in 2017 and a plotter replacement at City Hall is scheduled to be replaced in 2020.

## **EQUIPMENT & VEHICLES**

- **Equipment** - This is an ongoing program area to cover the acquisition and replacement of various capital equipment mostly for public safety. Each specific piece of capital equipment has a life cycle tracked within each department.
- **Vehicles** - Vehicles are replaced according to the current City Vehicle Acquisition and Replacement Policy

# Debt Analysis

## *Measures for Debt Management*

The City funds some of its capital projects by issuing debt. State statute and Council-adopted policies govern how much debt the City may issue, as well as other standards for issuing debt. This section highlights those measures, explains the rationale for them and shows how the City performs against those measures. City Council Policy No. 1.250 establishes the following measures:

**Policy: The City will pay back debt within a period not to exceed the expected useful life of the projects, with at least 50% of the principal retired within 2/3 of the term of the bond issue.**

- *Current Year* - All debt issued in 2016 was structured within the parameters of this policy with a level annual payment schedule matched with projected revenue streams of taxes, special assessments and utility revenues.
- *2017 Budget Year* - All debt proposed for 2017 issuance is planned to have a level annual payment schedule matched with projected revenue streams.
- *Future Years* - All future debt proposed is planned to be structured within the parameters of this policy

*Explanation:* Best practices for debt management dictate that the funding for an asset is aligned with the life of that issue. For example, a twenty-year bond should not be issued for a piece of equipment that has a useful life of only ten years. This policy ensures that the expense for an asset is evenly distributed throughout the terms of the bond. The City has always structured the term of bonds to be less than the useful life of the capital projects being financed. Generally, infrastructure improvement bonds have been 15 years or less.

**Policy: Total general obligation debt shall not exceed 2% of the total market valuation of taxable property in the City.**

	2015 Actual	2016 Estimate	2017 Estimate
G.O. Debt as a % of Total Taxable Market Value	0.5%	0.6%	0.7%

*Explanation:* The Council’s policy is intended to be somewhat more restrictive than State statute, in order to keep the City’s debt burden at a manageable level. This measure differentiates between general obligation debt, which commits the full faith and credit of the City, from other types of debt issued by the City, such as revenue bonds. This measurement is more relevant for a city like Burnsville that issues various types of debt, but the taxpayers are not committed to the repayment of all types of debt.

**Policy: Direct net debt (gross debt less available debt service funds) shall not exceed 3% of the total market valuation of taxable property in the City.**

	2015 Actual	2016 Estimate	2017 Estimate
Net debt as a % of Total Taxable Market Value	0.01%	0.00%	0.18%

*Explanation:* Minnesota Statutes, section 475.53 limits the debt issued by a municipality to a net debt limit of no more than three percent of the market value of taxable property in the municipality. (School districts and cities of the first class are subject to different limits.) The statute outlines the type of debt that is subject to this limit, which is reported annually in the City’s Comprehensive Annual Financial Report. This measure is intended to insure that cities do not issue more debt than the tax base is able to bear. In addition, the limit prevents municipalities from unduly burdening future generations with the costs of capital improvements.

Other types of measures that are used to measure government debt include: debt per capita, debt to personal income, and debt service payments as a percentage of general fund revenues or expenditures. These measures vary in their usefulness depending on the type of the debt issued by the municipality.

The City has levied taxes in the Infrastructure Trust Fund to fund the City contribution toward replacement of infrastructure on a pay-as-you-go basis. Therefore most issues since 2005 have been limited to funding the special assessment and utility portions of the improvements. The City also monitors its total debt as a percentage of the city’s total tax capacity and on a per capita basis:

	2015 Actual	2016 Estimate	2017 Estimate
Total debt as a % of Total Tax Capacity	88.5%	83.3%	93.5%
Debt per capita	\$886	\$956	\$1,103

**Debt Analysis**  
*Debt Summary - 2017 through 2021*

	2017	2018	2019	2020	2021
<b>Debt Currently Existing at January 1</b>					
Balance, Beginning of Year	\$ 72,700,000	\$ 67,284,030	\$ 48,504,030	\$ 43,660,030	\$ 38,027,030
Principal Payments	(5,415,970)	(18,780,000)	(4,844,000)	(5,633,000)	(5,218,000)
Balance, End of Year	67,284,030	48,504,030	43,660,030	38,027,030	32,809,030
<b>Future Debt to be Issued</b>					
Proposed New Debt, Beginning of Year	—	\$ 14,560,000	\$ 20,417,159	\$ 27,073,822	\$ 28,220,130
Proposed New Issues					
Special Assessments	950,000	1,180,000	1,300,000	1,300,000	1,050,000
Facilities Improvements Bonds	10,110,000	—	—	—	—
Water and Sewer Utility Bonds	3,500,000	5,460,000	6,520,000	1,465,000	3,795,000
Total Proposed New Issues	14,560,000	6,640,000	7,820,000	2,765,000	4,845,000
Principal Payments - Proposed New Issues	—	(782,841)	(1,163,337)	(1,618,692)	(1,815,917)
Proposed New Debt, End of Year	14,560,000	20,417,159	27,073,822	28,220,130	31,249,213
<b>Total Existing and Proposed Debt, End of Year</b>	<b>\$ 81,844,030</b>	<b>\$ 68,921,189</b>	<b>\$ 70,733,852</b>	<b>\$ 66,247,160</b>	<b>\$ 64,058,243</b>

# Debt Analysis

## *Existing and Projected Debt*

as of Dec. 31	Outstanding Debt (in millions)			Debt Ratios		
	(1)	(2)	(3)	(4)		(4)
	Existing	Projected	Total	To Tax Capacity	To Economic Market Value	Per Capita

Actual

2007	\$ 44.8	\$	\$ 44.8	58.8 %	0.7 %	\$ 730
2008	58.9		58.9	73.9	0.9	964
2009	52.7		52.7	65.8	0.8	863
2010	61.9		61.9	81.4	1.0	1026
2011	59.3		59.3	83.8	1.1	978
2012	62.6		62.6	94.3	1.3	1025
2013	60.4		60.4	95.2	1.1	985
2014	57.3		57.3	88.5	1.0	928
2015	54.7		54.7	78.7	0.9	886
2016	59.0		59.0	83.3	0.9	956

Projected

2017	53.5	14.6	68.1	93.5	1.1	1103
2018	48.5	20.4	68.9	94.6	1.1	1116
2019	43.6	27.1	70.7	97.1	1.1	1145
2020	38.0	28.2	66.2	90.9	1.0	1072
2021	32.8	31.2	64.0	87.9	1.0	1036

(1) This column lists outstanding amounts of existing debt each year. Note that 44% of the amount of outstanding debt at December 31, 2016 will be paid off in the next five years. All bonds net of refunding bond proceeds on hand, including tax increment and utility bonds are shown in the totals above.

(2) This column indicates the net amount of outstanding new debt being projected from the 2016-2020 Capital Improvements Program.

(3) Total tax capacity is the value, after adjustments for fiscal disparities, against which taxes are levied.

(4) Economic market value is the value determined by the County Assessor and approximately the value at which the property would be sold. The State Legislature sets the policy regarding the share of taxes each property will pay on its market value through a system of property classifications and mandated class rates for the different type of property; thus growth in total estimated market value may not equate to a corresponding growth in total tax capacity value.

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# **City of Burnsville 2017 Proposed Budget Fees & Charges Schedules**

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**Administration**

**Advertising & Sponsorship**

**Ames Center**

**Antenna Site Rental**

**Birnamwood Golf Course**

**Burnsville Community Television**

**Facilities Room Rental**

**Fire / EMS**

**Ice Center**

**Licensing & Code Enforcement**

**Permits & Inspections**

**Planning**

**Police**

**Public Works**

**Recreation**

**Utility**

# Administration Fees & Charges

City of Burnsville 2017 Proposed Budget

Policy No. 1.330

ITEM - ACTIVITY	2016	2017	Fee Criteria: Market, External, Entrepreneurial, Recover Cost or Utility	Comments
<b>ADMINISTRATIVE CHARGES</b>				
Notary Public	\$1 per stamp	\$1 per stamp		Fee set by State Statute-we can charge up to \$5 per page. Market is \$1 per page.
Candidate Filing Fee for Mayor/City Council	\$20	\$20		
Recover Rate for Staff Time (data requests, etc.)	Actual Rate including benefits (unless otherwise specified in another area)	Actual Rate including benefits (unless otherwise specified in another area)	External	Per State Statute-rate of lowest pd employee capable of filing request
Copies - Photocopy or Scanned				8.5x11 B&W Price per Statute - all over amounts to cover costs
Black & White Copies - per page	\$0.25	\$0.25		
Black & White - Oversize (11x17)	\$0.50	\$0.50		
Black & White - Larger than 11x17	\$5	\$5		
Color - Letter/Legal Copies -per page)	\$1	\$1		
Color - Oversize (11x17) -per page	\$2	\$2		
Color - Larger than 11x17	\$10	\$10		
Election Map - Full Size Color	\$10	\$10		
Fee for returned check or ACH	\$30	\$30	External cap \$30 - MN Statute 604.113	
Collections/ Revenue Recapture/ Misc. Billing Assessment Administrative Fee	\$30	\$30		
Misc. Billing Assessment Interest Charge	Approximately 2% above the most recent interest rates received on the sales of construction improvement bonds.	Approximately 2% above the most recent interest rates received on the sales of construction improvement bonds.		
Aggregate Tax	Rate determined by State Statute	Rate determined by State Statute	External	
Hotel Lodging Tax *	3% of Monthly Net Receipts	3% of Monthly Net Receipts	Market	

\*Use of Lodging Tax Proceeds - 95% of the proceeds obtained from the collection of taxes is used to fund Burnsville Convention & Visitors Bureau. The City retains 5%.

# Advertising & Sponsorship Fees & Charges

City of Burnsville 2017 Proposed Budget

Policy No. 1.330

ITEM - ACTIVITY	2016	2017	Fee Criteria: Market, External, Entrepreneurial, Recover Cost or Utility	Comments
<b>Birnamwood Golf Course Advertising</b>				
Tunnel Signs: (Minimum three-year contract)	\$300/year	\$300/year		No Change
Tee Signs: (Minimum three-year contract) or one-time fee for six years	\$400/year \$2,000/six years	\$400/year \$2,000/six years		No Change
Sign Installation: (One-time fee for tunnel or tee signs)	\$50	\$50		No Change
Score Card Advertising	\$200	\$200		No Change
<b>Ice Center Advertising</b>				
Ice Resurfacers	\$1,000/year (Includes both sides)  \$500/year (top ad)	\$1,000/year (Includes both sides)  \$500/year (top ad)		No Change
Rink 1 Dasher Board	\$500/year	\$500/year		No Change
Rink 2 Dasher Board	\$300/year	\$300/year		No Change
In Ice Logo	\$1,000/year	\$1,000/year		No Change
Rink 1 Scoreboard	\$1,000/year (Includes all four sides)	\$1,000/year (Includes all four sides)		No Change
Rink 2 Scoreboard	\$650/year	\$650/year		No Change
<b>Softball Advertising/Sponsorship</b>				
Softball Website Sponsor	No Charge	No Charge		Per Garrett
Softball Facility Fence (Lac Lavon)	No Charge	No Charge		Per Garrett
Softball Facility Fence (Alimagnet or Neill)	No Charge	No Charge		Per Garrett
Softball Tournament Sponsor	No Charge	No Charge		Per Garrett
Softball Special Event Sponsor	No Charge	No Charge		Per Garrett
Softball Manager Meeting	No Charge	No Charge		Per Garrett
<b>Outdoor Reader Board Messages</b>				
Welcome/Event Announcements for private events at City Hall or at Civic Center Parkway	\$50	\$50	Recover Cost	
Event Announcement for public events outside City Facilities held by non-profit organization	\$25	\$25	Recover Cost	
<b>Print Publication and Web Advertising (All ad prices are dependent on placement within the publication)</b>				

# Advertising & Sponsorship Fees & Charges

City of Burnsville 2017 Proposed Budget

Policy No. 1.330

ITEM - ACTIVITY	2016	2017	Fee Criteria: Market, External, Entrepreneurial, Recover Cost or Utility	Comments
<b>Recreation Times</b>			Market	Current Rate Sheet
Full Page Ad	\$1000-\$1,500	\$1000-\$1,500		
Half Page Ad	\$500-\$750	\$500-\$750		
Quarter Page Ad	\$300	\$300		
<b>Community Guide</b>			Market	Current Rate Sheet
Full Page Ad	\$750-\$1,000	\$750-\$1,000		
Half Page Ad	\$350-\$500	\$350-\$500		
Quarter Page Ad	\$200-\$400	\$200-\$400		
<b>Website Advertising</b>	*Google Ad Rates	*Google Ad Rates	Market	
<b>Recreation Event Sponsorship</b>				
<b>Thursday Rockin' Lunch Hour</b>			Market	
Presenting (10 concerts)	\$2,000	\$2,000		
Community (per concert)	\$250	\$250		
<b>Flicks on the Bricks</b>			Market	
Presenting (5 movies)	\$2,000	\$2,000		
Community (per movie)	\$500	\$500		
<b>I Love Burnsville Friday Fest</b>			Market	
Presenting	\$500	\$500		
Community	\$250	\$250		
<b>I Love Burnsville 5K</b>			Market	
Presenting	\$500	\$500		
Community	\$250	\$250		
<b>Halloween Fest</b>			Market	
Presenting	\$500	\$500		
Community	\$250	\$250		
<b>Adult 62+ Events</b>			Market	
Community (per event)	\$250	\$250		

# Ames Center Fees & Charges

City of Burnsville 2017 Proposed Budget

Policy No. 3.100

ITEM - ACTIVITY	2016	2016 Non-Profit	2017	2017 Non-Profit	Fee Criteria: Market, External, Entrepreneurial, Recover Cost or Utility	Comments
<b>Main Hall</b>						
Rent	\$2,200	\$1,700	\$2,200	\$1,700		
Second Performance on same day	\$750	\$500	\$750	\$500		
Load In Day/Rehearsal Day	\$950	\$750	\$950	\$750		
Utilities (per day)	Included	Included	Included	Included		
Custodial Services (per performance)	\$400	\$400	\$400	\$400		
Ticketing Services (per event)	\$150	\$150	\$150	\$150		
Credit Cards - percent of Box office sales	4%	4%	4%	4%		
Facility fee (per ticket)	\$2-3	\$2-3	\$3	\$3		
<b>Staffing</b>						
Technical Director (as required) per hour	\$28.50	\$28.50	\$29.00	\$29.00		
Box Office (per performance)	\$175	\$175	\$175	\$175		
Event Coordinator (per day)	\$150	\$150	\$150	\$150		
House Manager (per performance)	\$240	\$240	\$240	\$240		
House Staff (per performance)	\$300	\$300	\$300	\$300		
Security (per hour) (2 person minimum)	\$16	\$16	\$16.50	\$16.50		
Building Engineer (per day)	\$125	\$125	\$125	\$125		
House Lights/Sound (per day)	Included	Included	Included	Included		
Spotlights (per performance) (doesn't include operator)	\$75	\$75	\$75	\$75		
Stage Labor (per hour) (3 technician minimum, plus Technical Director) 4 Hour minimum per person	\$26.50	\$26.50	\$27	\$27		
Projector & Screen	Included	Included	Included	Included		
Piano (includes tuning) *Rates do not include Technical Labor *All rates subject to change and negotiation	\$225	\$225	\$225	\$225		
<b>Black Box Theater</b>						
Rent (per performance)	\$800	\$550	\$800	\$550		
Second Performance on same day	\$300	\$200	\$300	\$200		
Load In Day/Rehearsal Day	\$300	\$200	\$300	\$200		
Utilities (per day)	Included	Included	Included	Included		
Custodial Services (per performance)	\$100	\$100	\$100	\$100		
Ticketing Services (per event)	\$150	\$150	\$150	\$150		
Credit Cards - percent of Box office sales	4%	4%	4%	4%		

# Ames Center Fees & Charges

City of Burnsville 2017 Proposed Budget

Policy No. 3.100

ITEM - ACTIVITY	2016	2016 Non-Profit	2017	2017 Non-Profit	Fee Criteria: Market, External, Entrepreneurial, Recover Cost or Utility	Comments
Facility fee (per ticket)	\$2-3	\$2-3	\$3	\$3		
<b>Staffing:</b>						
Technical Director (per hour)	\$28.50	\$28.50	\$29	\$29		
Box Office (per performance)	\$100	\$100	\$100	\$100		
Event Coordinator (per day)	\$125	\$125	\$125	\$125		
House Manager (per performance)	\$150	\$150	\$150	\$150		
Security (per hour)	\$16	\$16	\$16.50	\$16.50		
Technical package (per day)	Included	Included	Included	Included		
Stage Labor (per hour) (4 hour minimum) *Rates do not include Technical Labor *All rates subject to change and negotiation	\$26.50	\$26.50	\$27	\$27		
<b>Art Gallery</b>						
Rent, Hourly	\$85	\$75	\$85	\$75		
Utilities (per day)	Included	Included	Included	Included		
House Manager, hourly	Included	Included	Included	Included		
Custodial Services	Included	Included	Included	Included		
<b>Rehearsal Room</b>						
Rent, hourly	\$100	\$75	\$100	\$75		
Utilities (per day)	Included	Included	Included	Included		
House Manager, hourly	Included	Included	Included	Included		
Custodial Services, hourly	Included	Included	Included	Included		
<b>Meeting Rooms</b>						
Rent, hourly	\$80	\$65	\$80	\$65		
Utilities (per day)	Included	Included	Included	Included		
House Manager, hourly	Included	Included	Included	Included		
Custodial Services	Included	Included	Included	Included		
<b>Green Room</b>						
Rent, hourly	\$75	\$65	\$75	\$65		
Utilities (per day)	Included	Included	Included	Included		
House Manager, hourly	Included	Included	Included	Included		
Custodial Services	Included	Included	Included	Included		
<b>VIP Suite</b>						
Rent, hourly	\$75	\$65	\$75	\$65		
Utilities (per day)	Included	Included	Included	Included		
House Manager, hourly	Included	Included	Included	Included		
Custodial Services	Included	Included	Included	Included		

# Ames Center Fees & Charges

City of Burnsville 2017 Proposed Budget

Policy No. 3.100

ITEM - ACTIVITY	2016	2016 Non-Profit	2017	2017 Non-Profit	Fee Criteria: Market, External, Entrepreneurial, Recover Cost or Utility	Comments
<b>Second Floor Atrium</b>						
Rent, Hourly	\$85	\$70	\$85	\$70		
Utilities (per day)	Included	Included	Included	Included		
House Manager, hourly	\$20	\$20	\$21	\$21		
Custodial Services (Depending on event type & attendance) (4 Hour Minimum)	\$50-300	\$50-300	\$50-300	\$50-300		
Podium with Microphone	Included	Included	Included	Included		
<b>Second Floor Atrium Wedding Information</b>						
Wedding packages Includes: -8 Hours in space -Tables & Chairs -Set Up/Clean Up -Dance Floor -Event Staff & Security -On-site event coordinator -Bar & Bartender -General Liability Insurance Policy	\$1,900	N/A	\$2,100	N/A		
<b>Additional Items, Equipment Rental, &amp; Applicable Fees</b>						
Bar Set Up (per bar)	\$100	\$100	\$100	\$100		
Linens - Tablecloth (per piece)	\$5	\$5	\$5	\$5		
Linens - Napkins (per bundle of 100)	\$25	\$25	\$25	\$25		
Technical Package - Per 4 Hours Excludes Main Hall/Black Box 4 Hour Minimum	\$250	\$250	\$250	\$250		
Additional Hours of Tech Package	\$26.50	\$26.50	\$27	\$27		
Wi-Fi	Included	Included	Included	Included		
Staging/Platforming	\$150	\$150	\$150	\$150		
Dance Floor	\$300	\$300	\$300	\$300		
Coffee - per Person (plus tax & service charge)	\$2	\$2	\$2	\$2		Per Person Fee
Water Service - per Person (plus tax & service charge)	\$1.50	\$1.50	\$1.50	\$1.50		Per Person Fee
Coat Check (Non-ticketed Events) Per Hour	\$16	\$16	\$16.50	\$16.50		
Parking	Included	Included	Included	Included		

\*All rates are subject to change without notice. Rates are based upon event needs. Additional charges may apply.

\*All staffing levels and schedules are at the discretion of the Center.

\*All rates subject to Executive Director Approval. Some dates as identified as prime dates may have additional fees.

\*All events over 75 patrons or any event serving alcohol must have general liability insurance. A policy can be purchased on your behalf for \$200 - \$500 dependent upon event.

\*All in-house catering is subject to sales tax and a 20% service charge

# Antenna Site Rental Fees & Charges

City of Burnsville 2017 Proposed Budget

Policy No. 5.250

ITEM - ACTIVITY	2016	2017	Fee Criteria: Market, External, Entrepreneurial, Recover Cost or Utility	Comments
<b>ELEVATED TOWER ANTENNA SITES*</b> Rates listed are monthly. Lease agreements are negotiated pursuant to rates, but subject to circumstances, technology, available space, etc.				Agreements are subject to an annual increase of 5% or CPI-U whichever is greater
<b>Tenants Leasing Space in City Building:</b>				
1 -Antenna ( includes 1 - 2' x 2' Floor Space in Building)	\$983.97	\$983.97	Market	
2 - Antennas (includes 1 - 2' x 2' Floor Space in building)	\$1,663.96	\$1,663.96	Market	
Additional Antenna	\$680.09	\$680.09	Market	
Microwave Dish - or Satellite Dish up to 2' (includes 1 - 2' x 2' Floor Space in building)	\$1,308.30	\$1,308.30	Market	
Up to 3' Microwave or Satellite Dish (add to Dish Rate)	\$140.00	\$140.00	Market	
Up to 4' Microwave or Satellite Dish (add to Dish Rate)	\$268.00	\$268.00	Market	
<i>Limit One Coaxial Transmission, Hybrid or Other line per Antenna or other equipment</i>				
Additional Coaxial, Hybrid or Other line	\$145.85	\$145.85	Market	
Additional 2' x 2' Floor Space w/Antenna Lease	\$151.93	\$151.93	Market	
2' x 2' Foot Floor Space in Communications Building w/o Antenna Lease (City Pays for all Electricity in Building unless usage is excessive)	\$303.87	\$303.87	Market	
<b>Tenants Leasing Land Adjacent to Water Tower:</b>				
<b>PCS/Cellular/Other 1 to 5 Antennas: Initial Installation</b>				
One to five antennas - flat monthly rate (includes up to a 10'x10' area if available)	\$2,010.23	\$2,010.23	Market	
Microwave or Satellite Dish up to 2' (add to monthly rate)	\$100.50	\$100.50	Market	
Microwave or Satellite Dish up to 3' (add to monthly rate)	\$140.00	\$140.00	Market	
Microwave or Satellite Dish up to 4' (add to monthly rate)	\$167.50	\$167.50	Market	
<i>Limit 1 Coaxial Transmission, Hybrid or Other line per Antenna or other equipment</i>				
Additional Coaxial Transmission Cable, Hybrid or Other line	\$402.00	\$402.00	Market	
<b>PCS/Cellular/Other 6 to 9 Antennas: Initial Installation</b>				

# Antenna Site Rental Fees & Charges

City of Burnsville 2017 Proposed Budget

Policy No. 5.250

ITEM - ACTIVITY	2016	2017	Fee Criteria: Market, External, Entrepreneurial, Recover Cost or Utility	Comments
Six to nine antennas (per antenna rate per month; includes up to a 10'x10' area if available). Minimum of 6 Antennas & Maximum of 9 Antennas. Initial Installation - Microwave or Satellite Dish depending on size is added to Antenna Rate as Outlined in the "1 to 5 Antennas" Category. Limit one Coaxial Transmission Cable, Hybrid or other per Antenna or other Equipment	\$435.50	\$435.50	Market	
Additional Coaxial Transmission Cable, Hybrid or Other line	\$435.50	\$435.50	Market	
<b>PCS/Cellular/Other: 10 Antennas or More Initial Installation:</b>				
Ten Antennas or More (per antenna rate per month; includes up to a 10' x 10' area if available). Initial Installation - Microwave or Satellite Dish depending on size is added to Antenna Rate as Outlined in the "1 to 5 Antennas" Category. Limit one Coaxial Transmission Cable, Hybrid or other per Antenna or other Equipment	\$469.00	\$469.00	Market	
Additional Coaxial Transmission Cable, Hybrid or Other line	\$469.00	\$469.00	Market	
<b>ANTENNAS &amp; OTHER EQUIPMENT ADDED AFTER INITIAL INSTALLATION: all categories Lease Amendment:</b>				
Panel or Omni Directional Antenna - if located on same railing mount or bracket on pilaster:	\$469.00	\$469.00	Market	
Panel or Omni Directional Antenna - New Location	\$670.00	\$670.00	Market	
Up to 2' Dish or Other Similar Size Antenna*	\$1,005.00	\$1,005.00	Market	
Up to 3' Dish or Other Similar Size Antenna*	\$1,139.00	\$1,139.00	Market	
Up to 4" Dish or Other Similar Size Antenna*	\$1,273.00	\$1,273.00	Market	
Additional Coaxial Transmission Cable, Hybrid or Other line	\$435.50	\$435.50	Market	
Additional Equipment Occupying a Potential Antenna Mount - Example: RRU or other type equipment (per RRU/other per month)	\$670.00	\$670.00	Market	
Additional Equipment that DOES NOT OCCUPY a Potential Antenna Mount but requires additional space on the tank or City monopole - Example: RRU or other type equipment (per RRU/Other per month)	\$105.00	\$105.00	Market	
<b>ADDITIONAL LEASE AREA - All Sites</b>				
Additional Lease Area for Ground Equipment up to 450 sq. ft. (if available and approved by the City). If footprint for proposed equipment is less than 450', tenant will not be approved for 450' even if space is for future equipment.	\$1,215.50	\$1,215.50	Market	
...over 450 square feet (if available and approved by the City)	\$1.50/sq.ft.	\$1.50/sq.ft.	Market	

# Antenna Site Rental Fees & Charges

City of Burnsville 2017 Proposed Budget

Policy No. 5.250

ITEM - ACTIVITY	2016	2017	Fee Criteria: Market, External, Entrepreneurial, Recover Cost or Utility	Comments
<b>ESCROW AGREEMENTS:</b>				
Escrow Agreements will be utilized for out-of-pocket expenses related to new installations or site changes and modifications to existing Tenant facilities. Determined by the size of the project, i.e. if structural analysis is required, plan review, site survey, easements, attorney Lease or Amendment Consent Preparation	varies	varies	Recover Cost	
<b>CITY LICENSE (DARK FIBER):</b>				
Government (Public) to Government (Public) 2 - Strands Public to Private Strands	Per Dark Fiber Agreement with Frontier Communications in 2011	Per Dark Fiber Agreement with Frontier Communications in 2011	Market	

# Birnamwood Golf Course Fees & Charges

City of Burnsville 2017 Proposed Budget

Policy No. 3.100

ITEM - ACTIVITY	2016	2017	Fee Criteria: Market, External, Entrepreneurial, Recover Cost or Utility	Comments
<b>GREEN FEES</b>				
Weekdays (Monday - Thursday)	\$13	\$13.25	Market	2% increase
Weekends/Holidays (Friday, Saturday, and Sunday)	\$13.75	\$14	Market	2% increase
Second Nine	50% off First Round	50% off First Round	Discount	Discount
Early Rate (before 7am on Monday - Thursday)	\$10	\$10.25	Market	3% increase
Senior Rate (62 +, Monday - Thursday all day)	\$11.75	\$12	Market	2% increase
Junior Rate (15 & under, Monday - Thursday all day)	\$11.75	\$12	Market	2% increase
Large Group Rate/ Outside League (Adult)	\$12.50	\$12.75	Market	2% increase
Large Group Rate/ Outside League (Adult)	\$11.25	\$11.50	Market	2% increase
Active Duty Military Discount	\$2 Off Regular Rate	\$2 Off Regular Rate	Discount	Discount
Fall Discount Rate - October 1 to End of Season	\$3 Off Regular Rate	\$3 Off Regular Rate	Discount	Discount
<b>PACKAGES (Usable all times)</b>				
10 Round	\$110	\$112	Market	2% increase
20 Round	\$210	\$215	Market	2% increase
<b>ANNUAL PASSES (Usable all times)</b>				
1 Junior	\$330	\$335	Market	2% increase
1 Senior	\$330	\$335	Market	2% increase
1 Adult	\$355	\$360	Market	1.5% increase
<b>FAMILY PASSES (Usable all times)</b>				
2 People	\$485	\$495	Market	2% increase
Additions (each)	\$104	\$106	Market	2% increase
<b>LEAGUES</b>				
Adult	\$230	\$235	Market	2% increase
Senior	\$210	\$215	Market	2% increase
Junior	\$150	\$150	Market	Kept Same To Maintain Jr Participation
Annual Pass Holder	\$45	\$45	Market	Annual Pass Rate
Sunday Fall	\$84	\$86	Market	2% increase
Sunday Fall Annual Pass Holder	\$10	\$10	Market	Annual Pass Rate
Fall Adult	\$89	\$90	Market	1% increase
Fall Senior	\$78	\$80	Market	2.5% increase
Fall Annual Pass Holder	\$5	\$5	Market	Annual Pass Rate
<b>TOURNAMENTS</b>				
Fire Muster	\$15	\$15	Market	Kept Same To Maintain Jr Participation

## Birnamwood Golf Course Fees & Charges

City of Burnsville 2017 Proposed Budget

Policy No. 3.100

ITEM - ACTIVITY	2016	2017	Fee Criteria: Market, External, Entrepreneurial, Recover Cost or Utility	Comments
Fall Scramble	\$23	\$25	Market	9% increase to help cover costs
<b>RENTALS</b>				
Gas Cart	\$10.50	\$12	Market	1.5% Increase
Senior Gas Cart	\$10.50	\$10.50	Market	New Discount Rate
Gas Cart 2nd nine	\$5	\$5	Market	Same as 2016
Pull Cart	\$2	\$2	Market	Same as 2016
Clubs Adult	\$4	\$4	Market	Same as 2016
Clubs Junior	\$3	\$3	Market	Same as 2016
Locker Rental	\$30	\$30	Market	Same as 2016
15 Round Cart Rental	\$132	\$132	Market	Same as 2016

# Burnsville Community TV Fees & Charges

City of Burnsville 2017 Proposed Budget

Policy No. 1.330

ITEM - ACTIVITY	2016	2017	Fee Criteria: Market, External, Entrepreneurial, Recover Cost or Utility	Comments
<b>DUPLICATION SERVICES - DVD (Includes case &amp; label)</b>				
1-19 Copies	\$30	\$30	Market - Per Finance	
20 Copies or More (Call for quote on larger orders)	\$15	\$15	Market - Per Finance	
<b>CLASS FEES</b>				
Individual Class	\$0	\$0	Effort to increase attendance	
Group Class (2 or more)	\$0	\$0	Effort to increase attendance	
<b>PRODUCTION SERVICES (for other Govt./Non-Profit)</b>				
Studio Rental with staff assistance (1/2 day)	\$250	\$250	Recover Cost	
Studio Rental with staff assistance (Full day)	\$500	\$500	Recover Cost	
Production/shoot/edit/script	\$50 hr/person	\$50 hr/person	Recover Cost	
<b>EQUIPMENT RENTAL (for other Gov't/Non-Profit)</b>				
Portable Cart	\$300/day-event	\$300/day-event	Market	
Camera/Tripod System	\$100/day-event	\$100/day-event	Market	
<b>SPONSORSHIPS - Sports Cablecast</b>				
Pre- or Post-Game Show Sponsor	\$125/show	\$125/show	Market	
In-Game Sponsor	\$200/event	\$200/event	Market	
Play-of-the-Game Sponsor	\$75/event	\$75/event	Market	
Get to Know Package Sponsor	\$250/event	\$250/event	Market	
Total Package "Full Game" Sponsor	\$900/event	\$900/event	Market	

## Facilities Room Rental Fees & Charges

City of Burnsville 2017 Proposed Budget

Policy No. 3.100

ITEM - ACTIVITY	2016	2017	Fee Criteria: Market, External, Entrepreneurial, Recover Cost or Utility	Comments
<b>Council Chambers</b>				
City Sponsored	No Charge	No Charge	No change	
Local Non-Profit (3 hour min.) M-F 7am-12am & Sat 8am to 4:30pm Saturday after 4:30pm and all day Sunday	\$17/hr \$39/hr	\$17/hr \$39/hr	No change	
Local Resident/Business (3 hour min.)	\$57/hr \$317/day	\$57/hr \$317/day	No change	
Non-Resident Individual/Business (3 hour min.)	\$66/hr \$380/day	\$66/hr \$380/day	No change	
<b>Community Room - Both Sides</b>				
City Sponsored	No Charge	No Charge	No change	
Local Non-Profit M-F 7am-12 am & Sat 8am to 4:30pm Saturday after 4:30pm and all day Sunday (3 hour min.)	\$30/hr \$77/hr	\$30/hr \$77/hr	No change	
Local Resident/Business  (3 hour min. after 4:30pm Sat., all day Sunday)	\$146/hr \$877/day	\$146/hr \$877/day	No change	
Non-Resident Individual/Business  (3 hour min. after 4:30pm Sat., all day Sunday)	\$164/hr \$973/day	\$164/hr \$973/day	No change	
<b>Community Room - Large Side</b>				
City Sponsored	No Charge	No Charge	No change	
Local Non-Profit M-F 7am -12 midnight Saturday after 4:30pm and all day Sunday (3 hour min.)	\$23/hr \$39/hr	\$23/hr \$39/hr	No change	
Local Resident/Business  (3 hour min. after 4:30pm Sat., all day Sunday)	\$107/hr \$661/day	\$107/hr \$661/day	No change	
Non-Resident Individual/Business  (3 hour min. after 4:30pm Sat., all day Sunday)	\$117/hr \$718/day	\$117/hr \$718/day	No change	
<b>Community Room - Small Side</b>				
City Sponsored	No Charge	No Charge	No change	
Local Non-Profit M-F 7am -12 midnight Saturday after 4:30pm and all day Sunday (3 hour min.)	\$18/hr \$39/hr	\$18/hr \$39/hr	No change	
Local Resident/Business  (3 hour min. after 4:30pm Sat., all day Sunday)	\$45/hr \$281/day	\$45/hr \$281/day	No change	
Non-Resident Individual/Business  (3 hour min. after 4:30pm Sat., all day Sunday)	\$54/hr \$350/day	\$54/hr \$350/day	No change	
<b>Conference Rooms A, D, E</b>				
City Sponsored	No Charge	No Charge		

## Facilities Room Rental Fees & Charges

City of Burnsville 2017 Proposed Budget

Policy No. 3.100

ITEM - ACTIVITY	2016	2017	Fee Criteria: Market, External, Entrepreneurial, Recover Cost or Utility	Comments
Local Non-Profit M-F 5pm - midnight Saturday after 4:30pm and all day Sunday (3 hour min.)	\$13/hr \$39/hr	\$13/hr \$39/hr	No change	
Local Resident/Business M-F 5pm - midnight Saturday after 4:30pm and all day Sunday (3 hour min.)	\$23/hr \$39/hr	\$23/hr \$39/hr	No change	
Non-Resident Individual/Business M-F 5pm - midnight Saturday after 4:30pm and all day Sunday (3 hour min.)	\$27/hr \$39/hr	\$27/hr \$39/hr	No change	
<b>THE GARAGE</b>				
Rental fee for music non-profit organization use of site (per contract)	\$500 per month	\$500 per month		
<b>Facility Reservation Cancellation Fee</b>				
	\$25	\$25	No change	
<b>Coffee with Rental</b>				
Per Cup	\$1	\$1	Recover costs	
30 Cups	\$18	\$18	Recover costs	
50 Cups	\$37	\$37	Recover costs	
100 Cups	\$72	\$72	Recover costs	
<b>Equipment Rental and Applicable Fees</b>				
Wi-Fi	No Charge	No Charge		
LCD Projector and Screen	\$52/day \$37/half day	\$52/day \$37/half day	No change	
TV/VCR/DVD on Cart	No Charge	No Charge	No change	
Overhead Projector	\$15	\$15	No change	
Whiteboard w/Markers, Easels, Pad	No Charge	No Charge	No change	
PA w/Speakers, 1 Hand-held Microphone	\$25	\$25	No change	
Required Technician Rate When Using Council Chambers Dias	\$50/hr per person; 4 hr minimum	\$50/hr per person; 4 hr minimum		

*Other facility rental fees negotiated by contract.*

# Fire / EMS Fees & Charges

City of Burnsville 2017 Proposed Budget

Policy No. 2.030

ITEM - ACTIVITY	2016	2017	Fee Criteria: Market, External, Entrepreneurial, Recover Cost or Utility	Comments
<b>PARAMEDIC AMBULANCE FEES &amp; CHARGES</b>				
Basic Life Support	\$1,680	\$1,764	Market & Cost	5%
Advanced Life Support 1	\$1,680	\$1,764	Market & Cost	5%
Advanced Life Support 2	\$1,958	\$2,056	Market & Cost	5%
Treatment/no transport	\$483	\$508	Market & Cost	5%
Treatment/no transport - Cardiac Arrest	\$1,050	\$1,103	Market & Cost	5%
Mileage	\$24	\$25	Market & Cost	4%
<b>SERVICES/STAND-BY</b>				
Chief Officer/Vehicle	\$105/hour	\$105/hour		No Change
Firefighter	\$85/hour/per person (2 hour min. per person)	\$85/hour/per person (2 hour min. per person)		No Change
<b>Standby at non-city events or other instances that are not related to emergency response</b> <b>VEHICLES INCLUDE PERSONNEL: (1 hour minimum with additional 1/2 hour on each side of the event time for set up and clean up)</b>				No Change
Ambulance	\$220/hour	\$220/hour		
Brush Truck	\$157.50/hour	\$157.50/hour		
Water Tender	\$210/hour	\$210/hour		
Fire Engine/Rescue Company	\$315/hour	\$315/hour		
Ladder Truck	\$525/hour	\$525/hour		
<b>ADMINISTRATION FEES</b>				
Fire Report	\$0.25 per sheet	\$0.25 per sheet		No Change
CD copy with pictures	\$20	\$20		No Change
Instructor Fee	\$25 - \$75/hr	\$25 - \$75/hr		No Change
Ambulance Report	\$.25 per sheet	\$.25 per sheet		No Change
Sign-Off on Form Provided by Outside Entity	\$36	\$36		This form is used by several depts-fee must be consistent across depts.
Interviews of Fire personnel regarding civil actions not involving the City or its employees (will be conducted during off-duty hours)	Minimum 2 1/2 hours at time and 1/2 pay plus 20% PERA/Workmen's Comp Overhead charge.	Minimum 2 1/2 hours at time and 1/2 pay plus 20% PERA/Workmen's Comp Overhead charge.		
<b>PLAN REVIEW FEES</b>				
First Plan (includes Hydraulic Calculations)	\$380	\$380		*If we use a 3rd party vendor
Each Additional Plan for Same Project	\$190	\$190		*If we use a 3rd party vendor

## Fire / EMS Fees & Charges

City of Burnsville 2017 Proposed Budget

Policy No. 2.030

ITEM - ACTIVITY	2016	2017	Fee Criteria: Market, External, Entrepreneurial, Recover Cost or Utility	Comments
Subsequent Review of Rejected Plan	\$190	\$190		*If we use a 3rd party vendor
<b>SERVICE FEES</b>				
Vehicle Extrication Fee	\$500	\$500		No Change
Gas Line Encroachment	Services/ Standby Rate based on hours at scene (rounded up to next ½ hour)	Services/ Standby Rate based on hours at scene (rounded up to next ½ hour)		No Change
Chief Officer/Vehicle	\$105/hour	\$105/hour		
Ambulance	\$220/hour	\$220/hour		
Brush Truck	\$157.50/hour	\$157.50/hour		
Water Tender	\$210/hour	\$210/hour		
Fire Engine/Rescue Company	\$315/hour	\$315/hour		
Ladder Truck	\$525/hour	\$525/hour		
	Minimum 1 Hour Services/ Standby Rate per vehicle)	Minimum 1 Hour Services/ Standby Rate per vehicle)		
Department Response to Non-Compliant Fire Code, City Ordinance, and the Law Incidents	Services/ Standby Rate based on hours at scene (rounded up to next ½ hour)	Services/ Standby Rate based on hours at scene (rounded up to next ½ hour)		No Change
Chief Officer/Vehicle	\$105/hour	\$105/hour		
Ambulance	\$220/hour	\$220/hour		
Brush Truck	\$157.50/hour	\$157.50/hour		
Water Tender	\$210/hour	\$210/hour		
Fire Engine/Rescue Company	\$315/hour	\$315/hour		
Ladder Truck	\$525/hour	\$525/hour		
	Minimum 1 Hour Services/ Standby Rate per vehicle)	Minimum 1 Hour Services/ Standby Rate per vehicle)		
Foam Use of More Than Three(3) 5-Gallon Pails	\$95 per 5 gallon pail	\$95 per 5 gallon pail		No Change
<b>PERMIT / INSPECTION FEES</b>				
<i>Fire Alarm - Sprinkler - Cooking Hood Systems, Storage Tanks, &amp; Fireworks require a final inspection from Staff.</i>				

# Fire / EMS Fees & Charges

City of Burnsville 2017 Proposed Budget

Policy No. 2.030

ITEM - ACTIVITY	2016	2017	Fee Criteria: Market, External, Entrepreneurial, Recover Cost or Utility	Comments
Fire Suppression Permit	Minimum \$80 (includes \$1 State surcharge)  1.5% of job value less than or equal to \$10,000 and 1% of job value greater than \$10,000 plus surcharge (.0005 x job value)	Minimum \$80 (includes \$1 State surcharge)  1.5% of job value less than or equal to \$10,000 and 1% of job value greater than \$10,000 plus surcharge (.0005 x job value)		State Surcharge changed 7/1/15 to \$1 minimum so permit revenue will be higher. Minimum \$80 regardless of fluctuation State Surcharge
Fire Alarm Permit, includes Low Voltage	Minimum \$80 (includes \$1 State surcharge)  1.5% of job value less than or equal to \$10,000 and 1% of job value greater than \$10,000 plus surcharge (.0005 x job value)	Minimum \$80 (includes \$1 State surcharge)  1.5% of job value less than or equal to \$10,000 and 1% of job value greater than \$10,000 plus surcharge (.0005 x job value)		State Surcharge changed 7/1/15 to \$1 minimum so permit revenue will be higher. Minimum \$80 regardless of fluctuation State Surcharge
Prescribed/Open/Controlled Burn Permit  (performed by a licensed contractor and requires pre-burn and post-burn inspections)	\$80	\$80		No Change
Prescribed/Open/Controlled Burn Extinguished by Fire Department <i>(Failure to extinguish fire in compliance with permit issuance)</i>	Services to Extinguish Rate based on hours at scene per vehicle (rounded up to the next ½ hour)	Services to Extinguish Rate based on hours at scene per vehicle (rounded up to the next ½ hour)		No Change
Chief Officer/Vehicle	\$105/hour	\$105/hour		
Ambulance	\$220/hour	\$220/hour		
Brush Truck	\$157.50/hour	\$157.50/hour		
Water Tender	\$210/hour	\$210/hour		
Fire Engine/Rescue Company	\$315/hour	\$315/hour		
Ladder Truck	\$525/hour	\$525/hour		
	Minimum 1 Hour Services/ Standby Rate per vehicle)	Minimum 1 Hour Services/ Standby Rate per vehicle)		
Permit Plan Review	Plan review fees are equal to 65% of the Fire permit fee	Plan review fees are equal to 65% of the Fire permit fee		
Commercial: Storage Tank Removal/Installation (per tank), Above Ground and Below Ground	\$251	\$251		All tanks except septic
Residential: Storage Tank Removal/ Installation (per tank), Above Ground and Below Ground	\$65	\$65		All tanks except septic

# Fire / EMS Fees & Charges

City of Burnsville 2017 Proposed Budget

Policy No. 2.030

ITEM - ACTIVITY	2016	2017	Fee Criteria: Market, External, Entrepreneurial, Recover Cost or Utility	Comments
Fire Department Special and Miscellaneous Inspections	\$130	\$130		No Change
Tent Permit: Temporary Indoor or outdoor assemblies and temporary use of tents in excess of 200 square feet or canopies in excess of 400 square feet. Tent shall include canopies, temporary membrane structures and air supported or air inflated structures	\$50.00 per tent or canopy	\$50.00 per tent or canopy		No Change
Penalty for Failing to Obtain Permit	Penalty for failing to obtain a permit prior to starting work required is two times the regular permit fee established herein.	Penalty for failing to obtain a permit prior to starting work required is two times the regular permit fee established herein.		
Final Permit Inspection - First Attempt	No Charge	No Charge		
Final Permit Inspection - 2nd & Subsequent re-inspection <i>If the Contractor is not ready for the inspection or fails the inspection, the Contractor will be charged a fee for re-inspections.</i>	\$100	\$100		No Change
<b>FALSE FIRE ALARMS</b>				
First 3 Alarms	No Charge	No Charge		
4th & Successive	4th \$150 5th \$175 6th \$200 7th \$225 \$25 increase for each additional alarm, no maximum.	4th \$150 5th \$175 6th \$200 7th \$225 \$25 increase for each additional alarm, no maximum.		No Change
<b>FIREWORKS PERMITS</b>				
Fireworks Only Retail Seller	\$350	\$350		No Change
Mixed Use Retail Seller	\$100	\$100		No Change
Fireworks Display Permit	\$150	\$150		No Change
<b>APPLE VALLEY BURNSVILLE LAKEVILLE EAGAN TRAINING FACILITY RENTAL (ABLE)</b>				
Rental of Training Facility	\$250/hour (2 hour minimum)	\$250/hour (2 hour minimum)		No Change
ABLE Training Officer	\$75/hour	\$75/hour		No Change
Cancellation Fee ( less than 30 day notice)	\$75	\$75		No Change

# Ice Center Fees & Charges

City of Burnsville 2017 Proposed Budget

Policy No. 3.100

ITEM - ACTIVITY	2016	2017	Fee Criteria: Market, External, Entrepreneurial, Recover Cost or Utility	Comments
<b>HOURLY ICE RENTAL</b>				
Spring/Summer Ice (Mar 15, 2017 - Sept 14, 2017)	\$145-\$195	\$150-\$200	Market	2-3% increase
Winter prime time (Sept 15,2017 - Mar 14, 2018)	\$220	\$225	Market	2% increase
Winter non-prime time (Sept 15,2017 - Mar 14, 2018)	\$145-\$195	\$150-\$200	Market	2-3% increase
Winter non-prime Weekday morning (school year only - Sept 2017-May 2018)	\$95	\$100	Market	5% increase
High School Games and Ice Center Ticket Sales Split	50%/50%	50%/50%	Market	No change
BMVFSC and Ice Center Ticket Split for Annual Ice Show	50%/50%	50%/50%	Market	No change
<i>Mgr. has authority to negotiate within range per market demand</i>				
<b>PUBLIC SKATING</b>				
Student and Adult (5-61 yrs)- Single Admission	\$5	\$5	Market	No change
Child and Senior Citizen- Single Admission (4 & under/62 & over)	\$3	\$3	Market	No change
Student and Adult 9-admission punch card	\$40	\$40	Market	No change
Student and Adult 18-admission punch card	\$75	\$75	Market	No change
Child and Senior 9-admission punch card	\$24	\$24	Market	No change
Child and Senior 18-admission punch card	\$45	\$45	Market	No change
<b>Birthday Parties (based on number of participants)</b>				
1-5 people	\$40	\$40	Entrepreneurial	No change
6-10 people	\$55	\$55	Entrepreneurial	No change
11-15 people	\$85	\$85	Entrepreneurial	No change
16-20 people	\$120	\$120	Entrepreneurial	No change
21-25 people	\$150	\$150	Entrepreneurial	No change
Over 20 people add an additional fee per person	\$3.75	\$3.75	Entrepreneurial	No change
<b>ADULT OPEN HOCKEY</b>				
League - Per Team	\$1,500-\$2,500	\$1,500-\$2,500	Entrepreneurial	No change
Weekday	\$7	\$7	Entrepreneurial	No change
Weekend	\$7	\$7	Entrepreneurial	No change
10-admission punch card	\$63	\$63	Entrepreneurial	No change
20-admission punch card	\$119	\$119	Entrepreneurial	No change
<b>SKATING LESSONS</b>				
Private/Freestyle Lessons	\$110/\$150	\$110/\$150	Market	No change
General Group Lessons	\$74/\$103	\$74/\$103	Market	No change
<b>SKATE RENTAL</b>				
Daily rental	\$5	\$5	Market	No change
9-Punch card	\$40	\$40	Market	No change

# Ice Center Fees & Charges

City of Burnsville 2017 Proposed Budget

Policy No. 3.100

ITEM - ACTIVITY	2016	2017	Fee Criteria: Market, External, Entrepreneurial, Recover Cost or Utility	Comments
<b>SKATE SHARPENING</b>				
Single Sharpening	\$5	\$5	Market	No change
7-Punch Card	\$31.50	\$31.50	Market	No change
<b>SKATING SHOW</b>				
Participant 1st Show Number	\$95	\$95	Market	No change
Participant 2nd Show Number	\$80	\$80	Market	No change
Adult 3-Show pass	\$20	\$25	Market	25% increase
Adult single admission	\$8	\$10	Market	25% increase
Student/Senior single admission	\$5	\$5	Market	No change
<del>Reserved seating single admission</del>	<del>\$16</del>	Remove		Remove 2017
Under 5 years old	Free	Free	Market	No change
<b>VENDING PERMIT</b>				
Daily Fee (Tournament Vendors, etc.)	\$50	\$75	Entrepreneurial	50% increase
<b>AAA TOURNAMENTS AND SUMMER CLINICS</b>				
Blaze Summer Clinics	\$550-\$900	\$600-\$1,000	Entrepreneurial	9%-11% increase

# Licensing and Code Enforcement Fees & Charges

City of Burnsville 2017 Proposed Budget

Policy No. 4.020

	License Renewal Period	2016	2017	Fee Criteria: Market, External, Entrepreneurial, Recover Cost or Utility	Comments
<b>TOBACCO LICENSE</b>	July 1, 2030				
Best Practices Member		\$365	\$365		
Non-Member		\$735	\$735		
<b>LIQUOR, BEER AND WINE</b>	July 1, 2030				License Fee change Notification required in advance
<b>On-Sale Liquor</b>					
License		\$7,875	\$7,875		
Investigation Fee		\$1,500 + \$250/individual	\$1,500 + \$250/individual		Do not change without reviewing MN Statute
Investigation Renewal		\$75	\$75		
Change in Operating Manager/Officer		\$250	\$250		
Sunday On-Sale		\$200	\$200		Do not change-set by MN Statute
Brewer Taproom License		\$400	\$400		
Cocktail Room License		\$400	\$400		
Brewpub License		New in 2017	\$380		Growlers-set by MN Statute 340A.28
<b>Off-Sale</b>					
License (Non-participant of Best Practices)		\$380	\$380		Do not change-set by MN Statute 340A.408
License (Participant of Best Practices) *\$100 reduction in fee for agreeing with Best Practices conditions as set forth by State Statute.		\$280	\$280		Do not change-set by MN Statute
Investigation Fee		\$1,500 + \$250/individual	\$1,500 + \$250/Individual		Do not change-set by MN Statute
Investigation Renewal		\$75	\$75		
Change in Operating Manager/Officer		\$250	\$250		
<b>CLUB FEE</b>					
License		\$330-\$700	\$330-\$700		
Investigation Fee		\$265	\$265		
Change in Operating Manager/Officer		\$250	\$250		
<b>WINE</b>					
License		\$1,680	\$1,680		
Investigation Fee		\$500	\$500		

## Licensing and Code Enforcement Fees & Charges

City of Burnsville 2017 Proposed Budget

Policy No. 4.020

	License Renewal Period	2016	2017	Fee Criteria: Market, External, Entrepreneurial, Recover Cost or Utility	Comments
Investigation Renewal		\$75	\$75		
Change in Operating Manager/Officer		\$250	\$250		
<b>3.2 ON-SALE</b>					
License		\$575	\$575		
Investigation Fee		\$500	\$500		
Change in Operating Manager/Officer		\$250	\$250		
<b>3.2 Off-SALE</b>					
License		\$160	\$160		
Investigation Fee		\$100	\$100		
Change in Operating Manager/Officer		\$75	\$75		
<b>Temporary Liquor</b>	1-4 days				
Malt, Wine, On-Sale and Community Festival		\$105 per day	\$105 per day		
<b>THERAPEUTIC MASSAGE-</b>	Jul1 - June 30				
Annual Enterprise License (includes 1 individual license)		\$200	\$200		
Annual Individual Therapist License		\$75	\$75		
Investigation Fee-Enterprise (includes 1 owner)		\$300	\$300		
Investigation Fee-Individual Massage Therapist		\$200	\$200		
Reduction in investigation fee for providing current background report. (List of approved 3rd party background research companies and minimum report requirements will be provided by the Police Dept.)		(\$100)	(\$100)		
Initial Inspection and 1st re-inspection (No charge if <b>resolved at 1st re-inspection</b> )		New for 2017	\$0		Reinspection fee for noncompliant licensed massage businesses.
Final Inspection (2nd re-inspection)		New for 2017	\$185	Cost Recovery	Reinspection fee for noncompliant licensed massage businesses.
<b>RESELLER FEES</b>	Jul1 - June 30				
License		\$300	\$300		License Fee change Notification required in advance
Investigation Fee / Change in Operating Manager/Officer Fee		\$500	\$500		

## Licensing and Code Enforcement Fees & Charges

City of Burnsville 2017 Proposed Budget

Policy No. 4.020

	License Renewal Period	2016	2017	Fee Criteria: Market, External, Entrepreneurial, Recover Cost or Utility	Comments
APS Transaction Fee		\$1.00 per transaction	\$1.00 per transaction		Police Department sets fee
<b>ADULT BUSINESS FEE</b>	Jan 1 - Dec 31				
License		\$5,250	\$5,250		
Investigation Fee		\$1,500	\$1,500		
Change in Operating Manager/Officer		\$250	\$250		
<b>GAMBLING FEES</b>	1-4 days				
Gambling Occasion		\$100	\$100		Do not change per MS 349.213
Gambling Premises Permit Fee		\$250	\$250		Do not change - set by City ordinance 3-21-6
<b>RENTAL LICENSING</b>	Annual				
Apartment Complex per building		\$135	\$135		
Apartment Complex per unit (in addition to per building charge)		\$11	\$11		
Townhome Complex per building		\$85	\$85		
Townhome Complex per unit (in addition to per building charge)		\$11	\$11		
Manufactured Home Park (only if Park owns and rents dwelling units )		\$260	\$260		
Manufactured Home Park per unit (only for dwelling units owned and rented by the Park)		\$45	\$45		
Individual Unit (Single Family, condo, Townhouse, Manufactured Home, etc.)		\$160	\$160		
Individual Unit (condo, Townhouse, etc.) located within an association or within the same building		\$160	\$160		
Rental License re-inspection fee for any type of unit		\$185	\$185		
Rental License re-instatement fee per unit or building		\$200	\$200		
Common area annual fire inspection per building		\$160	\$160		Fire Department sets fee
Common area - fire re-inspection fee		New for 2017	\$185	Cost Recovery	Fire Department sets Fee
Late fee - percent of base fee		25% for 15-29 days late 50% for 30-45 days late 100% for over 45 days late	25% for 15-29 days late 50% for 30-45 days late 100% for over 45 days late		

# Licensing and Code Enforcement Fees & Charges

City of Burnsville 2017 Proposed Budget

Policy No. 4.020

	License Renewal Period	2016	2017	Fee Criteria: Market, External, Entrepreneurial, Recover Cost or Utility	Comments
Administrative appeal Fee					See City Clerk's Department
Residential		\$100	\$100		
Commercial/Licensed Property		\$300	\$300		
Rental Conversion Fee (New or over one year since expiration)		Reworded for 2017	\$500		
<b>PROPERTY MAINTENANCE</b>	n/a				
Initial Inspection and 1st re-inspection (No charge <b>if resolved at 1st re-inspection</b> )		\$0	\$0	Policy 2.070 Change to "10-7"	
Final Inspection (2nd re-inspection) and Citation		\$160	\$160		\$110 fee and \$50 admin charge for citation
Any subsequent inspections		\$115	\$115		
Weed Control & Other Property Clean Up Administration Fee (per service)		\$50	\$50		
<b>PROPERTY REPAIR</b>	n/a				
Property Repair Expense Assessment Request		\$420	\$420		

# Permits & Inspections Fees & Charges

City of Burnsville 2017 Proposed Budget

Policy No. 2.100

ITEM - ACTIVITY	2016	2017	Fee Criteria: Market, External, Entrepreneurial, Recover Cost or Utility	Comments
CONTRACTOR'S LICENSE - (Heating, Vent. Refrigeration & A/C)	\$134	\$140	Market	4.5%
LEAD CERTIFICATION VERIFICATION	\$5	\$5		
BUILDING PERMITS* (Includes Manufactured Home Setup)	Permit Range (\$25-\$5,957 for project value up to \$1M) + \$4/\$1,000 of project value > \$1M	Permit Range (\$25-\$5,957 for project value up to \$1M) + \$4/\$1,000 of project value > \$1M		
BUILDING PERMIT MINIMUM FEE	\$66	\$69	Market	4.5%
ZONING PERMIT	\$66	\$69	Market	4.5%
PLAN REVIEW FEE	65% of permit fee	65% of permit fee		It has always been 65% or .65 of BP fee
FOUNDATION INSPECTION FEE	\$420	\$420		
FINAL GRADE AND STABILIZATION	\$420	\$420		
RESIDENTIAL ROOFING	\$99	\$99		
RESIDENTIAL SIDING/SOFFIT/FASCIA	\$99	\$99		
RESIDENTIAL WINDOWS/DOORS	\$99	\$99		
<b>MECHANICAL PERMITS: RESIDENTIAL*</b>				
Plumbing - New Single family residential	\$218	\$225	Market	3%
Plumbing Remodel	\$94	\$94		This is the minimum \$69 permit fee and \$25 additional inspection fee added together for remodels and additions. It is a more accurate number to cover cost of these types of inspections.
RPZ Permit - Testing	\$30 test	\$30 test		
New Installation	\$65 new	\$65 new		
HVAC - New Single Family	\$218	\$218		
HVAC Remodel	\$94	\$94	Market(for the \$69 amount, the \$25 will remain the same in the future)	This is the minimum \$69 permit fee and \$25 additional inspection fee added together for remodels and additions. It is a more accurate number to cover cost of these types of inspections.

# Permits & Inspections Fees & Charges

City of Burnsville 2017 Proposed Budget

Policy No. 2.100

ITEM - ACTIVITY	2016	2017	Fee Criteria: Market, External, Entrepreneurial, Recover Cost or Utility	Comments
Gas Piping - per opening	\$30	\$30		
Water and Sewer - residential	\$166	\$174	Market	5%
Private Disposal System	\$490	\$510	Market	4%
Fireplace	\$69	\$69		
Water Softener, Water Heater, A/C, Furnace or Single Fixture Replacement Only	\$69	\$69		
<b>MECHANICAL PERMITS: COMMERCIAL</b>				
Plumbing - non-residential	.0263 of Contr.	.0263 of Contr.		
Heating - non-residential	.0263 of Contr.	.0263 of Contr.		
Gas Piping - per opening	\$30	\$30		
Water and Sewer - Commercial	\$262	\$262		
Commercial Fire line	\$262	\$262		
Utility	.0263 of Contr.	.0263 of Contr.		
<b>ELECTRICAL PERMITS : RESIDENTIAL*</b>				
Complete wiring of new construction - includes service	\$218	\$218		
Upgraded electrical services and sub panels	\$69	\$69		
Wiring of additions/remodeling/rewiring				
First room	\$69	\$69		
Each Additional Room	\$25	\$25		
Minor work only <i>(Installation, replacement, alteration or repair limited to one inspection only.)</i>	\$69	\$69		
Saver switch; installation verification inspection	\$45	\$45		
<b>ELECTRICAL PERMITS: COMMERCIAL</b>				
Permit Fee based on JOB COST				
\$ 0 - \$25,000 in valuation	.0263 of Contr.	.0263 of Contr.		
Balance remaining \$25,001 & over	1% of Contr.	1% of Contr.		
<b>MISCELLANEOUS:</b>				
Quarterly Basis Facility Maintenance	.0263 of Contr.	.0263 of Contr.		
0 - 200 Amps temporary service during construction	\$69	\$69		
Over 200 Amp temporary service during construction	\$132	\$132		
Elevators and/or moving stairs	\$69	\$69		
Carnival/Amusement Rides	\$211	\$220	Market	4%
Signs	\$69	\$69		
Swimming Pools	\$138	\$138		
Minimum fee for all permits	\$69	\$69		
<b>STATE SURCHARGE ON COMMERCIAL BUILDING, &amp; MECH. PERMITS</b>				

# Permits & Inspections Fees & Charges

City of Burnsville 2017 Proposed Budget

Policy No. 2.100

ITEM - ACTIVITY	2016	2017	Fee Criteria: Market, External, Entrepreneurial, Recover Cost or Utility	Comments
Surcharge Minimum fee	\$.0005 of value Minimum \$1	\$.0005 of value Minimum \$1	External	State MN lowered fee
<b>SIGN PERMITS:</b>				
Pylon sign permit	\$223	\$230	Market	3%
Monument sign permit	\$223	\$230	Market	3%
Wall sign permit	\$155	\$160	Market	3%
Sign face change permit	\$155	\$160	Market	3%
Awning Signs - per building (signs must all be the same)	\$155	\$160	Market	3%
Temporary sign permit for real estate development	\$92	\$95	Market	3%
Business Banners- 60 days	\$244	\$250	Market	2.5%
Additional 30 days	\$244	\$250		
Grand opening within first 90 days of business	No charge	No Charge		
Community Event	No charge	No Charge		
Sandwich Board Sign (annual)	\$120	\$125	Market	4%
Community Garden Sign (annual)	\$30	\$30		
Special Sales Event - Home Occupation	\$25	\$25		
Special Events - Indoor	\$143	\$150	Market	5%
Special Events - Outdoor	\$288	\$300	Market	4%
Special Events- Outdoors one day event w/ same day on site advertising only	\$143	\$150	Market	5%
Transient Business (per 30 day period - 90 day maximum)	\$244	\$250	Market	2.5%
Employment Signs - Per Month	\$244	\$250	Market	2.5%
Multi-housing leasing signs - Per Month	\$244	\$250	Market	2.5%
Sign Impound Fee	\$79	\$80	Market	
<b>GRADING PERMIT FEES</b>				
90 cu. yds. or less	No charge	No charge		
91 - 100 cu. yds.	\$45	\$45		
101-1,000 cu. yds.	\$45/1st 100 yds. + \$20.50/per additional 100 yds. or fraction	\$45/1st 100 yds. + \$20.50/per additional 100 yds. or fraction		
1,001-10,000 cu. yds.	\$236.50/1st 1,000 yds. + \$17/ additional 1,000 yds. or fraction	\$236.50/1st 1,000 yds. + \$17/ additional 1,000 yds. or fraction		
10,001-100,000 cu. yds.	\$396.50/1st 10,000 yds. + \$73.75/ additional 10,000 yds. or fraction	\$396.50/1st 10,000 yds. + \$73.75/ additional 10,000 yds. or fraction		

## Permits & Inspections Fees & Charges

City of Burnsville 2017 Proposed Budget

Policy No. 2.100

ITEM - ACTIVITY	2016	2017	Fee Criteria: Market, External, Entrepreneurial, Recover Cost or Utility	Comments
100,001 cu. yds. or more	\$1094.25/1st 100,000 yds. + \$40.25/additional 10,000 yds. or fraction	\$1094.25/1st 100,000 yds. + \$40.25/additional 10,000 yds. or fraction		
<b>GRADING PLAN REVIEW FEES</b>				
90 cu. Yds. or less	No charge	No charge		
91 - 1,000 cu. yds.	\$45	\$45		
1001-10,000 cu. yds.	\$58	\$58		
10,001-100,000 cu. yds.	\$58/1st 10,000 yds. +\$29/ additional 10,000 yds. or fraction	\$58/1st 10,000 yds. +\$29/ additional 10,000 yds. or fraction		
100,001-200,000 cu. yds.	\$330/1st 100,000 yds. + \$17/ additional 10,000 yds. or fraction	\$330/1st 100,000 yds. + \$17/ additional 10,000 yds. or fraction		
200,001 cu. yds. or more	\$491/1st 200,000 yds. + \$8/ additional 10,000 yds. or fraction	\$491/1st 200,000 yds. + \$8/ additional 10,000 yds. or fraction		
<b>BUILDING COMPLIANCE REQUESTS</b>				
Sign-Off on Form Provided by Outside Entity	\$36	\$36		This form is used by several depts.- charge needs to be consistent across depts.
Compliance Letter	\$66	\$69	Market	4.5%
Per Site Inspection - (Based on each trip required)	\$137	\$144	Market	5%
Site Plan Review - (Code Analysis)	\$358	\$375	Market	4.75%

\*A Fee for any residential building permit may be reduced by a credit with a receipt from a related Community Education Class.

# Planning Fees & Charges

City of Burnsville 2017 Proposed Budget

Policy No. 5.310

ITEM - ACTIVITY	2016	2017	Fee Criteria: Market, External, Entrepreneurial, Recover Cost or Utility	Comments
<b>PUBLIC HEARING/PLANNING APPLICATIONS</b> <i>Escrows are set to recover costs of staff time, consultant costs, other expenses incurred</i>				
Conditional Use Permit-New & Amendments (Residential & Non-Residential)	\$750 Fee + \$5,000 Escrow	\$750 Fee + \$5,000 Escrow		
Planned Unit Development- Concept and/or Development Stage Amendments	\$750 Fee + \$5,000 Escrow	\$750 Fee + \$5,000 Escrow		
Interim Use Permit-New & Amendments	\$750 Fee + \$5,000 Escrow	\$750 Fee + \$5,000 Escrow		
Rezoning Request	\$750 Fee + \$5,000 Escrow	\$750 Fee + \$5,000 Escrow		
Comprehensive Plan Amendments	\$750 Fee + \$5,000 Escrow	\$750 Fee + \$5,000 Escrow		
Preliminary Plat and Final Plat	\$750 Fee + \$5,000 Escrow	\$750 Fee + \$5,000 Escrow		
Zoning Ordinance Amendment	\$750 Fee + \$5,000 Escrow	\$750 Fee + \$5,000 Escrow		
Appeals	\$5,000 Escrow	\$5,000 Escrow		
Heart of the City Site Plan Review	\$5,000 Escrow	\$5,000 Escrow		
Review - cell tower/antenna on city property	\$750 Fee + \$10,000 Escrow	\$750 Fee + \$5,000 Escrow		
Register Non-Conforming Uses	\$525 Escrow	\$525 Escrow		
Environmental Review (EAW, EIS) (If the City <b>is</b> the Regulatory Government Unit (RGU))	\$750 + \$25,000 Escrow or Consultant Estimate whichever is greater	\$750 + \$25,000 Escrow or Consultant Estimate whichever is greater		
Environmental Review (EAW, EIS) If the City is <b>Not</b> the Regulatory Government Unit (RGU)	\$750 Fee + \$5,000 Escrow	\$750 Fee + \$5,000 Escrow		
Sketch Plan Review - Council work session (credited toward planning application fee)	\$225	\$225		
Variance	\$750 Fee + \$1,000 Escrow	\$750 Fee + \$1,000 Escrow		
TIF/Tax Abatement Application & Amendment Fee	\$7,500	\$7,500		
TIF/Tax Abatement Minor Amendment Fee	\$2,500	\$2,500		
TIF/Tax Abatement Minor Amendment - Commencement/Completion date change	\$1,000	\$1,000		
HIA Application Fee/Escrow	\$750 Fee + \$5,000 Escrow	\$750 Fee + \$5,000 Escrow		
<b>SERVICE FEES</b>				
Waiver Of Subdivision	\$400	\$420	Market 5%	

# Planning Fees & Charges

City of Burnsville 2017 Proposed Budget

Policy No. 5.310

ITEM - ACTIVITY	2016	2017	Fee Criteria: Market, External, Entrepreneurial, Recover Cost or Utility	Comments
Site Plan Review-new construction permits without escrow (not single family)	\$525	\$550	Market 5%	
Site Plan Review-remodel/tenant permits without escrow (single family)	\$325	\$340	Market 5%	
Tree Removal Application	\$225	\$235	Market 5%	
Temp/Seasonal Outdoor Sales Permit - New Renewal	\$275 \$225	\$285 \$235	Market 5%	
New Vehicle Temporary Storage	\$250	\$2,500		Per City Council work session 10/11/2016
<b>Zoning Compliance Requests</b>				
Full Site Review & Compliance Letter	\$280	\$290	Market 5%	
Flood Letters	\$60	\$60		
Zoning Letters	\$60	\$60		
Sign-Off on Form Provided by Outside Entity	\$36	\$36		This form is used by several depts. And fee needs to be consistent between depts.
City Written Compliance Letter	\$60	\$60		
Additional Public Hearing Sign	\$25	\$25		
LP Tank Permits	\$25/\$10	\$25/\$10		
<b>PUBLICATIONS</b>				
<b>Comprehensive Plan-</b>				
Book	\$100	\$100		
CD	\$30	\$30		
Individual Section(s)	\$20	\$20		
Zoning Ordinance And Map	\$65/\$70	\$65/\$70		
Zoning Map - Large/Small	\$40/\$15	\$40/\$15		

# Police Fees & Charges

City of Burnsville 2017 Proposed Budget

Policy No. 4.020

ITEM - ACTIVITY	2016	2017	Fee Criteria: Market, External, Entrepreneurial, Recover Cost or Utility	Comments	
<b>SERVICE FEES</b>					
Notary Public	\$5	\$1 per stamp	External	Fee set by State Statute at maximum \$5. Admin charges \$1. Police consistent with other depts.	
Recover Rate for Staff Time-Officer Interviews	New for 2017	Minimum 2.5 hours at Overtime Rate + 20% admin fee (unless specified in another area)	Market		
Clearance letter	\$32	\$32	Market		
Fingerprinting	\$37	\$37	Market		
Report copy - accident/other: B&W Color - letter or legal Oversized (11x17)	\$.25 per page \$1 per page \$2 per page	\$.25 per page \$1 per page \$2 per page	External	Fee set by State Statute	
Records requested by subpoena	\$.25 per page	\$.25 per page	External	Fee set by State Statute	
Computerized record search	\$.25 per page -or actual costs of searching / retrieving data based on clerical salary	\$.25 per page -or actual costs of searching / retrieving data based on clerical salary	External	Fee set by State Statute	
911 Transcripts	\$27 per hour (\$27 deposit)	\$27 per hour (\$27 deposit)	Market		
Registration fee peddlers, solicitors, transient merchants, mobile vending	\$100	\$100	Market		
Dangerous dog registration	\$125	\$130	Market (+5%)		
Temporary animal event permit	\$125	\$125	Market		
<b>NEWS RELEASES</b>					
Arrest & citation reports for commercial purposes	\$.25 per page	\$.25 per page	External	Fee set by State Statute	
Accident reports for commercial purposes	\$.50 per accident	\$.50 per accident	External	Fee set by State Statute	
Audio/Photo CDs/DVDs	\$25	\$30	Market		
Video CDs/DVDs/Blue Ray	\$35	\$35	Market		
<b>ANIMAL CONTROL FEES*</b>					
Cat/Dog/Ferret 2-yr license:	<u>1st Yr</u>	<u>2nd Yr</u>	<u>1st Yr</u>	<u>2nd Yr</u>	Market
Spay/Neutered	\$20	\$10	\$20	\$10	
Non-Spay/Non-Neutered	\$30	\$15	\$30	\$15	
(City retained portion for each 2-yr license sold)	(\$6)	(\$3)	(\$6)	(\$3)	

# Police Fees & Charges

City of Burnsville 2017 Proposed Budget

Policy No. 4.020

ITEM - ACTIVITY	2016	2017	Fee Criteria: Market, External, Entrepreneurial, Recover Cost or Utility	Comments
Duplicate for lost tag	\$5	\$5	Market	
Unlicensed penalty fee (plus license fee above)	\$25	\$25	Market	
Change of owner transfer fee	\$2	\$2	Market	
Chicken license	\$52	\$52	Market	
<b>ANIMAL RECLAMATION / IMPOUND FEES*</b>				
Board per day	\$20	\$20	Market	
First pick-up within 12 month period	\$30	\$30	Market	
Second pick-up within 12 month period	\$50	\$50	Market	
Third pick-up within 12 month period	\$100 plus Citation	\$100 plus Citation	Market	
Confinement of rabid animal	\$400	\$400	Market	
<b>KENNEL LICENSE FEES-per calendar year</b>				
Commercial	\$210	\$220	Market (+5%)	
Residential	\$52	\$55	Market (+5%)	
<b>CONTRACTED OVERTIME</b>				
Contracted Overtime for Police security	\$85/Hour	\$90/Hour	Market (+2.5)	
<b>FALSE POLICE ALARMS</b>				
First 3 Alarms	\$0 /No Charge	\$0 /No Charge	Market	
4th & Successive Alarm(s)	\$150 per alarm	\$150 per alarm	Market	
<b>LOCK BOX -</b>				
Sale of Lock Box to Apartment Complexes	\$60	\$60	Market	

\*Fees collected and retained by animal control contractor except for portion of each 2-year license sold.

# Public Works Fees & Charges

City of Burnsville 2017 Proposed Budget

Policy No. 5.250

ITEM - ACTIVITY	2016	2017	Fee Criteria: Market, External, Entrepreneurial, Recover Cost or Utility	Comments
<b>Street Reconstruction, Reclamation &amp; Rehabilitation Assessment Policy</b> <i>40% of the 3-year average of recon/reclamation/ rehab construction costs</i>				
<b>LAND USE:</b>	<b>Recon/ Reclamation/ Rehab</b>			
Single Family, Parks/Rec. & Open Space Land Uses	\$28.37/16.53/12.1 7 Per ft	\$31.76/ \$17.49/ \$12.61 Per ft		
Multi-Family Residential and Manufactured Housing Land Uses	\$39.49/26.43/ \$15.24 Per ft	\$44.10/ \$28.05/ \$18.99 Per ft		
All Other Land Uses	\$58.84/42.47/19.5 7 Per ft	\$65.84/ \$44.80/ \$23.54 Per ft		
<b>STORM SEWER AREA CHARGES</b>				
Single Family & Two Family (All R-1 & R-2 Zoning)	\$0.20/Sq Ft	\$0.20/Sq Ft		
Multiple (All R-3 Zoning)(Mixed Use)	\$0.29/Sq Ft	\$0.29/Sq Ft		
Commercial-Industrial (All B & I Zoning)	\$0.31/Sq Ft	\$0.31/Sq Ft		
HOC 1 & 2	\$0.30/Sq Ft	\$0.30/Sq Ft		
<b>TRUNK SEWER AREA CONNECTION CHARGES</b>				
<b>Sewer Connection</b>				
Single Family, Duplex, Townhouse, Manufactured Home	\$533/unit	\$540/unit		
Multiple (80% of Single Family) includes assisted living	\$426/unit	\$431/unit		
Commercial	\$533/unit	\$540/unit		
Industrial	\$798/unit	\$809/unit		
Institutional: Churches, Schools, Hospitals, Nursing Homes	\$533/unit	\$540/unit		
Mixed Use	Total of the applicable mixed use fee	Total of the applicable mixed use fee		
<b>Water Connection</b>				
Single Family, Duplex, Townhouse, Mobile Home	\$1,650/unit + Meter	\$1,672/unit + Meter		
Multiple (80% of Single Family) includes assisted living	\$1,319/unit + Meter	\$1,336/unit + Meter		
Commercial	\$2,194/unit + Meter	\$2,223/unit + Meter		
Industrial	\$3,299/unit + Meter	\$3,344/unit + Meter		
Institutional: Churches, Schools, Hospitals, Nursing Homes	\$2,194/unit + Meter	\$2,223/unit + Meter		

# Public Works Fees & Charges

City of Burnsville 2017 Proposed Budget

Policy No. 5.250

ITEM - ACTIVITY	2016	2017	Fee Criteria: Market, External, Entrepreneurial, Recover Cost or Utility	Comments
Mixed Use	Total of the applicable mixed use fees	Total of the applicable mixed use fees		
<b>CONSTRUCTION IN PUBLIC RIGHT-OF-WAY</b>				
Curb Cuts	\$96	\$99		Const Cost Index or 5%, whichever is less
Excavation Permit	\$260.00 First 300 feet \$0.74/each add'l ft	\$269.00 First 300 feet \$0.77/each add'l ft		Const Cost Index or 5%, whichever is less
Obstruction Permit	\$101	\$104		Const Cost Index or 5%, whichever is less
<b>BUS BENCHES</b>				
Bus Benches	\$37	\$39		
Bus Benches License Renewal	\$161	\$169		

# Public Works Fees & Charges

City of Burnsville 2017 Proposed Budget

Policy No. 5.250

ITEM - ACTIVITY	2,016	2,017	Fee Criteria: Market, External, Entrepreneurial, Recover Cost or Utility	Comments
<b>MISC. DEVELOPMENT COSTS</b>				
Street Signs	\$ 366	\$ 385		
Combined Street & Stop Sign	\$ 466	\$ 490		
Regulatory/Warning Signs	\$ 288	\$ 300		
Topo Mapping (Final Plat)	\$50/acre	\$50/acre		
Blue Prints	\$16 per sheet	\$16 per sheet		
<b>LICENSES &amp; PERMITS</b>				
Solid Waste License Fee	\$ 267	\$ 280		
Tree Contractor License Fee	\$ 40	\$ 40		
Wetland Permit Fee	\$ 300	\$ 300		
GIS Mapping	\$160/hour	\$160/hour		
<b>PARK DEDICATION FEES</b>				
<i>The Park Dedication formula is contained in the Subdivision Section of the City Code (Section 11-4-8). These fees establish the average cost per acre by zoning district and are utilized for purposes of calculating park dedication when City Council elects to take cash in lieu of land.</i>				
Based on a limited market value analysis conducted by a Real Estate Appraiser on a bi-annual basis.				
R1-A	\$ 55,000	\$ 55,000		
R-1	\$ 95,000	\$ 95,000		
R-2	\$ 120,000	\$ 120,000		
R3-A	\$ 165,000	\$ 165,000		
R3-B	\$ 220,000	\$ 220,000		
Mixed	Pro-rated based on actual use	Pro-rated based on actual use		
Commercial	\$ 350,000	\$ 350,000		
Industrial	\$ 175,000	\$ 175,000		
<i>Commercial Recreation District</i>	Determined by the Co. Assessor	Determined by the Co. Assessor		
<b>OTHER</b>				
Encroachment Agreements - Processing Fee	\$ 470	\$ 495		Fee Identified in City Policy 5.202
Vacation of Easements	\$ 470	\$ 495		
Online Bidding Downloads	\$10/per Download	\$10/per Download		
<b>EROSION CONTROL</b>				
Single Family (per lot)	\$ 63	\$ 66		
Multi-Family (per acre)	\$ 83	\$ 87		
Commercial (per acre)	\$ 92	\$ 97		
<b>MAILBOX DAMAGED DUE TO WINTER STREET MAINTENANCE</b>				

# Public Works Fees & Charges

City of Burnsville 2017 Proposed Budget

Policy No. 5.250

ITEM - ACTIVITY	2,016	2,017	Fee Criteria: Market, External, Entrepreneurial, Recover Cost or Utility	Comments
Mail Box Only	\$ 46	\$ 48		
Post Only	\$ 49	\$ 51		
<b>SPECIAL ASSESSMENTS</b>				
Special Assessment Interest (Average Interest on Debt Issued = average interest costs on most recent G.O. Improvement Bonds issued- the cost of borrowing to fund special assessments)	Average Interest on Debt Issued plus 2%	Average Interest on Debt Issued plus 2%		
<b>New Water Connection Meter or Replacement</b> (With Encoder & Electronic Radio Transmitter) <i>Fees are set by current pricing from vendor plus 10%. Price changes vary by meter due to using current actual pricing from the vendor. The fee includes the meter, electronic radio transmitter, and connection hardware.</i>				
				Same price as 2016 Fee Schedule-To be sold prior to AMI implementation
<b>Badger Meters -</b>				
3/4" Stainless Steel Meter	\$347	\$347		
3/4" Low Lead Brass Meter	\$275	\$275		
1" Stainless Steel Meter	\$363	\$363		
1" Low Lead Brass Meter	\$308	\$308		
1 1/2" Stainless Steel Meter	\$798	\$798		
1 1/2" Low Lead Brass Meter	\$715	\$715		
2" Stainless Steel Meter	\$ 1,040	\$ 1,040		
3" Mag Meter - Battery Power	\$ 2,915	\$ 2,915		
4" Mag Meter - Battery Power	\$ 3,163	\$ 3,163		
6" Mag Meter - Battery Power	\$ 3,740	\$ 3,740		
3" Mag Meter - AC Power	\$ 2,739	\$ 2,739		
4" Mag Meter - AC Power	\$ 2,998	\$ 2,998		
6" Mag Meter - AC Power	\$ 3,410	\$ 3,410		
2" Compound Meter	\$ 2,475	\$ 2,475		
3" Compound Meter	\$ 2,970	\$ 2,970		
4" Compound Meter	\$ 4,400	\$ 4,400		
6" Compound Meter	\$ 6,380	\$ 6,380		
<b>Sensus Meters</b>				
	New for 2017			New Meters- for sale after AMI implementation
5/8 inch x 3/4 inch		\$ 150		
1 inch		\$ 235		
1 1/2 inch R2		\$ 430		
1 1/2 Inch T2		\$ 600		
2 inch R2		\$ 565		

# Public Works Fees & Charges

City of Burnsville 2017 Proposed Budget

Policy No. 5.250

ITEM - ACTIVITY	2,016	2,017	Fee Criteria: Market, External, Entrepreneurial, Recover Cost or Utility	Comments
2 inch T2		\$ 695		
2 inch C2		\$ 915		
3 inch T2		\$ 865		
3 inch C2		\$ 1,210		
4 inch T2		\$ 1,640		
4 inch C2		\$ 2,095		
6 inch T2		\$ 2,880		
6 inch C2		\$ 3,555		
Other & Specialty Meters		Actual+10%		
Tampered/Damaged/Frozen Meter Replacement	Meter Cost Plus \$70 Service Call Charge	Meter Cost Plus \$70 Service Call Charge		
<b>STRAINERS</b> <i>Fees are set by current pricing from vendor plus 10%.</i>				Not used with Sensus meters
<b>2" Strainer</b>	\$ 396	\$ 396		
3" Strainer	\$ 572	\$ 572		
4" Strainer	\$ 765	\$ 765		
6" Strainer	\$ 1,045	\$ 1,045		
Meter Horns ¾ Inch 1 Inch	\$ 78	\$45 \$105		
Pressure Reducing Valve ¾ Inch Wilkins 1 Inch Wilkins	\$100 \$165	\$95 \$150		
<b>HYDRANTS</b>				
Hydrant Meter Rental Usage Charge - per 1000 gallons	Tier 3 Water Rate - Minimum of \$100	\$4.33 per 1000 gallons - Minimum of \$100		No longer using Tier 3 Rate. Current rate is three to four times more than other cities
Refundable Deposit	\$1,500 Deposit	\$1,500 Deposit		
Private Hydrant Inspection (Fee relates to the year of inspection/costs incurred by the city. The property is billed in arrears spread over the following year's utility bills.)	\$52.75 per hydrant	\$54.00 per hydrant		
Hydrant Replacement - Materials, Equipment, and Labor Rate	Cost plus 20% Overhead	Cost plus 20% Overhead		
<b>PUBLIC WORKS/UTILITIES LABOR/ EQUIPMENT FEE</b>				
<b>Labor - Operator Regular Time - Hourly</b>	Labor Rate Including 20% Overhead Fee	Labor Rate Including 20% Overhead Fee		

# Public Works Fees & Charges

City of Burnsville 2017 Proposed Budget

Policy No. 5.250

ITEM - ACTIVITY	2,016	2,017	Fee Criteria: Market, External, Entrepreneurial, Recover Cost or Utility	Comments
Labor - Operator Overtime (1 1/2 Regular rate) - Hourly	Labor Rate Including 20% Overhead Fee	Labor Rate Including 20% Overhead Fee		
Heavy Equipment - Per Hour	\$ 135	\$ 135		
Pickup - Per Hour	\$ 60	\$ 60		
Weed Wrench-Buckthorn Removal	\$150 refundable deposit	\$150 refundable deposit		
<b>WATER USE RESTRICTION FEES</b>				
<b>1st Violation within a calendar year</b>	Warning Only	Warning Only		
2nd Violation within a calendar year	\$ 25	\$ 25		
3rd Violation within a calendar year	\$ 50	\$ 50		
4th Violation within a calendar year	\$ 100	\$ 100		
5th Violation within a calendar year	\$ 250	\$ 250		

# Recreation Fees & Charges

City of Burnsville 2017 Proposed Budget

Policy No. 3.100

ITEM - ACTIVITY	2016 Resident	2016 Non-Resident	2017 Resident	2017 Non-Resident	Fee Criteria: Market, External, Entrepreneurial, Recover Cost or Utility	Comments
<b>Recreation Buildings</b>						
<b>Recreation Building Rental Damage Deposit for four park building rentals -</b>					Market	No change
Neill, Terrace Oaks West, Vista View	\$300	\$300	\$300	\$300		
Nicollet Commons Park	\$250	\$250	\$250	\$250		
<b>Terrace Oaks / Neill / Vista View</b>						
5 Hours Mon-Fri	\$76	\$97	\$80	\$100	Market	3-5% increase
Per Day	\$139	\$158	\$145	\$165	Market	3-5% increase
<b>Red Oak / NRH</b>						
5 Hours Mon - Fri	\$59	\$81	\$60	\$80	Market	3-5% increase
Per Day	\$100	\$123	\$100	\$125	Market	3-5% increase
<b>Timberland/Knob Hill/Highland Forest/ Terrace Oaks East/South River Hills</b>						
5 Hours Mon - Fri	\$38	\$49	\$40	\$50	Market	3-5% increase
Per Day	\$70	\$81	\$70	\$81	Market	No Change
<b>Picnic Shelters</b>						
Large - Per day (per day required for Fri, Sa, Su)	\$123	\$154	\$130	\$160	Market	3-5% increase
Large - 5 hours Mon-Thurs only	\$76	\$97	\$75	\$100	Market	3-5% increase
Large - hourly rate, minimum 2 hours, Mon-Thurs only	\$27	\$29	\$27	\$29	Market	No Change
Small - Per day (per day required for Fri, Sa, Su)	\$77	\$96	\$80	\$100	Market	3-5% increase
Small - hourly rate, minimum 2 hours, Mon-Th only	\$27	\$29	\$27	\$29	Market	No Change
<b>Park Rental (without Shelter) per day</b>						
Tyacke Park / Lake Park	\$126	\$133	\$130	\$135	Market	3-5% increase
<b>Amphitheater per day</b>	\$81	\$97	\$85	\$100	Market	3-5% increase
<b>Bicentennial Garden - per hour</b>	\$23	\$28	\$25	\$30	Market	3-5% increase
<b>Nicollet Commons Park - per 4 hours</b>	\$210	\$250	\$210	\$250	Market	No Change
<b>Lac Lavon Concession</b>						
Concession Stand Rent	\$150	\$150	\$150	\$150	Cost Recovery	No Change
<b>Field Rental (Non Leagues)</b>						
Camp/Non-Local Youth Tournament/per Day	\$46	\$50	\$50	\$55	Market	10% increase
SB/BB/FB/Soccer - per Hour	\$17	\$19	\$19	\$21	Market	10% increase
Youth Tournament Fees	\$35 per day per field \$210/day maximum	N/A	\$39 per day per field \$231/day maximum	N/A	Market	10% increase
<b>Tournaments *</b>						
<b>Lac Lavon</b>						

# Recreation Fees & Charges

City of Burnsville 2017 Proposed Budget

Policy No. 3.100

ITEM - ACTIVITY	2016 Resident	2016 Non-Resident	2017 Resident	2017 Non-Resident	Fee Criteria: Market, External, Entrepreneurial, Recover Cost or	Comments
Saturday	\$344	\$382	\$378	\$420	Market	10% increase
Sunday	\$257	\$285	\$283	\$313	Market	10% increase
<b>Other Sites - Sue Fischer, Neill, Alimagnet SB</b>						
Friday - per Field after 4pm	\$23	\$26	\$23	\$26	Market	No Change
Saturday - per Field	\$49	\$62	\$49	\$62	Market	No Change
Sunday - per Field (off at 4pm)	\$37	\$45	\$37	\$45	Market	No Change
Tournament Staff Reimbursement Seasonal employee per hour	\$15	N/A	\$15	N/A	Cost Recovery	No Change
<b>Enhanced Service Fee - Ball Fields</b>						
Burnsville Athletic Club	\$11,238	N/A	\$11,238	N/A	Cost Recovery	No Change
Valley Athletic Association	\$487.00		\$487.00			
<b>League Play *</b>						
Adult Softball					Market	No Change
(Public) - per Game	\$12	N/A	\$12	N/A		
(Private) - per Game	\$14		\$14			
(Public) - per field playoffs	\$48		\$48			
Adult BB/High School - per Game	\$54	N/A	\$54	N/A	Market	No Change
Adult Soccer - per Game	\$54	N/A	\$54	N/A	Market	No Change
Volleyball - per Game	\$8	N/A	\$8	N/A	Market	No Change
Adult Ice Sports - per Game	\$14	N/A	\$14	N/A	Market	No Change
BA 191 - per Game	\$10	N/A	\$10	N/A	Market	No Change
<b>Red Oak Disc Golf Course</b>						
Tournament Rate- 6 Hr block of time	\$157	\$167	\$157	\$167	Market	No Change
League Rate - Per 12 week league	\$52	\$63	\$52	\$63	Market	No Change
<b>Hockey Rinks</b>						
Per Hour During Open Hours	\$15	\$17	\$15	\$17	Market	No Change
Per hour during non-staffed hours[staff provided]	\$25	\$30	\$25	\$30	Market\Cost Recovery	No Change
Per day/per rink	\$82	\$99	\$82	\$99	Market	No Change
<b>Park Rentals &amp; Permits</b>						
Tennis Courts					Market	No Change
per hour	\$8	\$9	\$8	\$9		
per day\per court	\$21	\$26	\$21	\$26		
per complex\per day	\$84	\$94	\$84	\$94		
Volleyball Courts (No Ball)					Market	3-5% increase
per hour	\$8	\$9	\$10	\$12		
Canoe Rack Rental - per year	\$52	\$68	\$55	\$70	Market	3-5% increase

# Recreation Fees & Charges

City of Burnsville 2017 Proposed Budget

Policy No. 3.100

ITEM - ACTIVITY	2016 Resident	2016 Non-Resident	2017 Resident	2017 Non-Resident	Fee Criteria: Market, External, Entrepreneurial, Recover Cost or Other	Comments
Canoe Rental - per hour (Crystal Beach Concession)	\$8	\$9	\$15	\$18	Market	Increased to make renters return the canoes in a timely manner
Canoe Rental - add'l hour (Crystal Beach Concession)	\$3.75	\$3.75	\$10	\$10	Market	
Canoe Rental Deposit - (refundable upon return of canoe in acceptable condition)	\$14	\$14	\$25	\$25	Cost Recovery	Make consistent with paddleboards
Paddleboard Rental - first hour (Crystal Beach Concession)	\$15	\$18	\$15	\$18	Market	No Change
Paddleboard Rental - add'l hour (Crystal Beach Concession)	\$10	\$10	\$10	\$10	Market	No Change
Paddleboard Rental Deposit - (refundable upon return of canoe in acceptable condition)	\$25	\$25	\$25	\$25	Cost Recovery	No Change
Garden Plot - per year	\$45	N/A	\$45	N/A	Market	No Change
Vending Permits - Food Trucks, vendors in parks, etc.					Market	No Change
Per Day	\$55	N/A	\$55	N/A		
Per Year	\$500	N/A	\$500	N/A		
Dog Park Permit					Market	No Change
Per Year	\$20	\$20	\$20	\$20		
Lac Lavon Boat Launch	\$10	\$10	\$10	\$10	Market	No Change
Event Bag - COUPON DISTRIBUTION	\$25	N/A	\$25	N/A		No Change
Memorial Bench Fee- Partnership with Burnsville Community Foundation	\$1,800	\$1,800	\$1,800	\$1,800	Cost Recovery	No Change
Civic Center Parking Lot - per day (Lots B & C Only)	\$150	\$210	\$150	\$210	Market	No Change
<b>Youth Kids of Summer (KOS) Program Fees</b>						
Individual Session	\$65-\$70	N/A	\$65-\$75	N/A	Market	
KOS Field Trips	\$12-\$20	N/A	\$12-\$25	N/A	Market\Cost Recovery	
Summer Day Camps	\$18-\$60	N/A	\$18 - \$80	N/A	Market\Cost Recovery	
Field Trips	\$18-\$50	N/A	\$18-\$50	N/A	Market\Cost Recovery	No Change
Non-School Day Activities	\$18-\$50	N/A	\$18-\$50	N/A	Market\Cost Recovery	No Change
Family programs and Special Events	\$4-\$10	N/A	\$5- \$10	N/A	Market\Cost Recovery	

## Recreation Fees & Charges

City of Burnsville 2017 Proposed Budget

Policy No. 3.100

ITEM - ACTIVITY	2016 Resident	2016 Non-Resident	2017 Resident	2017 Non-Resident	Fee Criteria: Market, External, Entrepreneurial, Recover Cost or Other	Comments
<b>Adult Team Program Fees (All rates are per team)</b>						
Softball						
Summer	\$500 - 900	N/A	\$500 - 900	N/A	Market	No Change
Fall	\$450 - 750		\$450 - 750			
Broomball	\$200-350	N/A	\$200-350	N/A	Market	No Change
Sand Volleyball	\$100-150	N/A	\$100-150	N/A	Market	No Change
<b>Cross Country Ski</b>						
Cross Country Ski Trails - per day	\$110	\$131	\$110	\$131	Market	No Change
Cross Country Ski Practice (High School Teams)	\$110/\$22	\$120/\$28	\$110/\$22	\$120/\$28	Market	No Change

\* Any extra-curricular activity (such as baseball, softball, football, tennis, soccer, chess, cheerleading, dance, etc) that has comparable facilities available within the School District 191 will be assessed 75% of the normal recreation fee.

## Utility Fees & Charges

City of Burnsville 2017 Proposed Budget

Policy No. 5.250

**(Utility rates billed on a monthly utility bills go in effect for all billings processed after January 31, 2016)**

ITEM - ACTIVITY	2016	2017	Fee Criteria: Market, External, Entrepreneurial, Recover Cost or Utility	Comments
<b>WATER USAGE RATES-Monthly Charges</b>				
<b>Residential, Apartments, &amp; Manufactured Homes</b> <i>(Apartment &amp; Manufactured Homes Base charge and consumption limits are multiplied by the # of units)</i>				
<b>Utility</b>				
Base Charge - per meter	\$ 2.00	\$ 2.00		No Change
Tier 1 - up to 15,000 gallons per month	\$2.77/1,000 Gal	\$2.89/1,000 Gal		4.5% increase in total water rate
Tier 2 - Over 15,000 gallons up to 50,000 gallons	\$3.46/1,000 Gal	\$3.62/1,000 Gal		4.5% increase in total water rate
Tier 3 - Over 50,000 gallons	\$4.33/1,000 Gal	\$4.52/1,000 Gal		4.5% increase in total water rate
<b>Commercial</b>				
<b>Utility</b>				
Base Charge - per meter	\$2	\$2		No Change
Tier 1 - up to 2 million gallons per month	\$2.77/1,000 Gal	\$2.89/1,000 Gal		4.5% increase in total water rate
Tier 2 - Over 2 million gallons up to 3 million gallons	\$3.46/1,000 Gal	\$3.62/1,000 Gal		4.5% increase in total water rate
Tier 3 - Over 3 million gallons per month	\$4.33/1,000 Gal	\$4.52/1,000 Gal		4.5% increase in total water rate
<b>Irrigation</b> <i>(Includes Commercial, Apartment, Manufactured Home, &amp; Association Sprinkler/Irrigation Meters)</i>				
<b>Utility</b>				
Base Charge per meter	\$ 2.00	\$ 2.00		No Change
Tier 1 - up to 75,000 gallons per month	\$2.77/1,000 Gal	\$2.89/1,000 Gal		4.5% increase in total water rate
Tier 2 - Over 75,000 gallons up to 500,000 gallons	\$3.46/1,000 Gal	\$3.62/1,000 Gal		4.5% increase in total water rate
Tier 3 - Over 500,000 gallons per month	\$4.33/1,000 Gal	\$4.52/1,000 Gal		4.5% increase in total water rate
<b>Off-Peak Seasonal Snow Making</b>				
<b>Utility</b>				
Base Charge - per meter	\$ 2.00	\$ 2.00		No Change
Tier 1 - up to 10 million gallons per month	\$2.08/1,000 Gal	\$2.17/1,000 Gal		4.5% increase in total water rate
Tier 2 - Over 10 mil gallons up to 20 mil gallons	\$2.77/1,000 Gal	\$2.89/1,000 Gal		4.5% increase in total water rate
Tier 3 - Over 20 million gallons per month	\$3.46/1,000 Gal	\$3.62/1,000 Gal		4.5% increase in total water rate
<b>SEWER USAGE RATES-Monthly Charges</b>				
<b>Residential, Apartments, &amp; Manufactured Homes</b> <i>(Apartments &amp; Manufactured Homes Base charges are per unit)</i>				
<b>Utility</b>				
Base Charge - City Sewer- per meter	\$ 2.00	\$ 2.00		No Change

## Utility Fees & Charges

City of Burnsville 2017 Proposed Budget

Policy No. 5.250

**(Utility rates billed on a monthly utility bills go in effect for all billings processed after January 31, 2016)**

ITEM - ACTIVITY	2016	2017	Fee Criteria: Market, External, Entrepreneurial, Recover Cost or Utility	Comments
Usage - City Sewer <i>Based on 100% Metered Water for Winter Months</i>	\$1.10/1,000 Gal	\$1.11/1,000 Gal		4.5% increase in total sewer rate
Base Charge - Metro Sewer- per meter	\$ 2.00	\$ 2.00		No Change
Usage - Metro Sewer <i>Based on 100% Metered Water for Winter Months</i>	\$2.37/1,000 Gal	\$2.52/1,000 Gal		4.5% increase in total sewer rate
<b>Commercial/Industrial</b>			<b>Utility</b>	
<b>Base Charge - City Sewer - per meter</b>	\$ 2.00	\$ 2.00		No Change
Usage - City Sewer <i>Based on 90% of Metered Water</i>	\$.99/1,000 Gal	\$1.00/1,000 Gal		4.5% increase in total sewer rate
Base Charge - Metro Sewer- per meter	\$ 2.00	\$ 2.00		No Change
Usage - Metro Sewer <i>Based on 90% of Metered Water</i>	\$2.13/1,000 Gal	\$2.26/1,000 Gal		4.5% increase in total sewer rate
<b>OTHER WATER UTILITY CHARGES</b>				
<b>Water Meter Replacement Charges - Residential, Apartments, Manufactured Homes &amp; Commercial</b>			<b>Utility</b>	
Replacement Charge based on Meter Size - Per meter each month:				
<b>Meters:</b>				
5/8 inch x 3/4 inch	\$1.20	\$1.20		
1 inch	\$1.70	\$1.70		
1 1/2 inch R2	\$3.60	\$3.60		
1 1/2 Inch T2				
2 inch R2				
2 inch T2	\$4.75	\$4.75		
2 inch C2				
3 inch T2				
3 inch C2	\$13.00	\$13.00		
4 inch T2				
4 inch C2	\$14.45	\$14.45		
6 inch T2				
6 inch C2	\$18.10	\$18.10		
Other & Specialty Meters				No Change
<b>Water Fill Station Charges</b>			<b>Utility</b>	
Annual Registration Fee	\$ 25.00	Remove		No longer needed
Water Usage Charge per 1000 gallons	Tier 3 Water Rate	\$4.00 per 1,000 gallons		No longer go with Tier 3 Rate. Existing Tier 3 Rate is three to four times the rate of other cities
<b>Other</b>			<b>Utility</b>	
Water turn on / off / Service Call	\$ 70.00	\$ 70.00		No Change
After Hours Call Out for Water Turn Off/On/Service Call	Overtime Rate + 20%	Overtime Rate + 20%		No Change
<b>WATER &amp; SEWER FEES</b>				

## Utility Fees & Charges

City of Burnsville 2017 Proposed Budget

Policy No. 5.250

**(Utility rates billed on a monthly utility bills go in effect for all billings processed after January 31, 2016)**

ITEM - ACTIVITY	2016	2017	Fee Criteria: Market, External, Entrepreneurial, Recover Cost or Utility	Comments
Annual certification administrative charge	\$ 50	\$ 50	Recover cost	No Change
Certification administrative charge for accounts requiring certification more frequently than annually	10% of unpaid balance	10% of unpaid balance	Recover cost	No Change
Certification interest charge	Approximately 4% above the most recent interest rates received on the sales of construction improvement bonds	Approximately 4% above the most recent interest rates received on the sales of construction improvement bonds	Recover cost	No change
Estimated meter reading charge <i>(Only used when meter is malfunctioning and customer has not granted access for repairs)</i>	\$ 5	\$ 5	Recover cost	No Change
Late payment penalty charge - per month	1.5%	1.5%	Market	No Change
Late payment penalty charge - annual rate	18%	18%	Market	No Change
Adjustment administrative fee <i>(Used when adjustment/refund is created due to customer inattention.)</i>	\$ 10	\$ 10	Recover cost	No Change
Duplicate utility bill fee	\$ 1	\$ 1	Recover cost	No Change
Water supply shut-off administrative charge <i>(Used only when customer has not complied with ordinance resulting in shut-off.)</i>	\$ 30	\$ 50	Recover cost	No Change
External Manual Meter Reading	New for 2017	\$70 per monthly read	Recover Cost	New fee related to AMI Radio installations
<b>STORM DRAINAGE UTILITY CHARGES</b>				
Per Residential Equivalent Unit (R.E.U.) - Monthly Charge	\$6.85 R.E.U	\$6.85 R.E.U	<b>Utility</b>	No Change
<b>SIDEWALK SNOWPLOWING UTILITY</b>				
Residential (R1 and R2 Zoning) Monthly Charge (per unit)	\$ 1.39	\$ 1.39	<b>Utility</b>	No Change
All Other Zoning Districts - Monthly Charge (per foot)	\$ 0.0155	\$ 0.0155		No Change
<b>STREET LIGHT UTILITY</b>				
<b>Continuous Street Lighting (Charged only to benefiting properties)</b>			<b>Utility</b>	
Residential - Monthly Charge <i>High density is based on 60% of residential rate (Only applies to Itokah Valley &amp; Coppertop II)</i>	\$ 2.86	\$ 2.86		No Change
Commercial/Industrial - Monthly Charge - Per front foot	\$ 0.0136	\$ 0.0136		No Change
<b>Major Roadway Lighting (Charged to all utility accounts within City)</b>			<b>Utility</b>	
Residential - Monthly Charge	\$ 0.34	\$ 0.34		No Change

## Utility Fees & Charges

City of Burnsville 2017 Proposed Budget

Policy No. 5.250

**(Utility rates billed on a monthly utility bills go in effect for all billings processed after January 31, 2016)**

ITEM - ACTIVITY	2016	2017	Fee Criteria: Market, External, Entrepreneurial, Recover Cost or Utility	Comments
High Density - Monthly Charge per Unit (60% of Residential Rate)	\$ 0.205	\$ 0.205		No Change
Commercial/Industrial - Monthly Charge	\$ 3.235	\$ 3.235		No Change

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**Financial Management Plan**  
**Glossary**

## FINANCIAL MANAGEMENT PLAN

This Financial Management Plan serves two main purposes: it draws together in single document the City's major financial policies. Also, the plan establishes principles to guide both staff and Council members to make consistent and informed financial decisions.

**This Financial Plan establishes City policy in the following areas:**

- 1. Revenue Management**
- 2. Cash and Investments**
- 3. Fund Balance/Net Position**
- 4. Operating Budget and Compensation Philosophy**
- 5. Capital Improvements Plan**
- 6. Infrastructure Trust Fund**
- 7. Economic Development Authority Fund**
- 8. Debt Management**
- 9. Accounting, Auditing and Financial Reporting**
- 10. Risk Management**

The objectives of this Financial Plan are:

- To provide both short-term and long-term future financial stability by ensuring adequate funding for providing services needed by the community;
- To protect the City Council's policy-making ability by ensuring that important policy decisions are not controlled by financial problems or emergencies and prevent financial difficulties in the future;
- To provide sound principles to guide the decisions of the City Council and management;
- To employ revenue policies which prevent undue or unbalanced reliance on certain revenues, distribute the cost of municipal services fairly, and provide adequate funding to operate desired programs;
- To provide essential public facilities and prevent deterioration of the City's public facilities and infrastructure;
- To protect and enhance the City's credit rating and prevent default on any municipal debt;
- To create a document that staff and Councilmembers can refer to during financial planning, budget preparation and other financial management issues.

## 1. REVENUE MANAGEMENT

It is essential to responsibly manage the City's revenue sources to provide maximum service value to the community. The most important revenue policy guidelines established by the City Council are for the two major sources of City revenue: property taxes and fees/charges.

### PROPERTY TAXES

Property taxes will not be increased without exploring all other alternatives, including:

- Full range of policy options (debt management, fees and charges, cost allocation, use of reserves, and expenditure cuts).
- Options for a 0% tax levy dollar increase.
- Budget consideration will be given to staying within the amount of revenue generated by increased market value with no increase in the tax rate.

If, after exhausting these alternatives, an increase is required, the goal of the City will be to keep any property tax rate increase below the prevailing inflation rate. Basic City services, as annually defined and approved by the City Council, will be funded to the maximum extent possible by increases in market valuation, (i.e., new tax base growth and valuation increase).

Possible factors for considering an increase in property tax include:

- Long-term protection of the City's infrastructure.
- Meeting legal mandates imposed by outside agencies.
- Maintaining adequate fund balance and reserve funds sufficient to maintain or improve the City's bond rating.
- Funding City development and redevelopment projects that will clearly result in future tax base increases. The expenditures of development and redevelopment funds must be in accordance with a defined strategy as shown in the City's Comprehensive Plan, Capital Improvement Program, and other Council documents.

Property tax increases to meet other purposes will be based on the following criteria:

- A clear expression of community need.
- The existence of community partnerships willing to share resources.
- Establishment of clearly defined objectives and measurements of success-including appropriate sunset provisions.

SERVICE FEES AND CHARGES

The City will establish service fees and charges wherever appropriate for the twin purposes of keeping the property tax rate at a minimum and to fairly allocate the full cost of services to the users of those services. Specifically, the City will:

- Establish utility rates sufficient to fund both the operating costs and the long-term depreciation and replacement of the utility systems.
- As part of the City's enterprise effort, evaluate City services and aggressively pursue actions to accomplish the following:
  - Find community based partners to share in service delivery.
  - Make services financially self supporting or, when possible, profitable.
  - Privatize services whenever appropriate
- Annually review City services and identify those for which charging user fees are appropriate. These services will be identified as enterprise services and a policy for establishing fees will be set for each. Included as part of this process will be a market analysis that compares our fees to at least four comparable market cities.
- Identify some enterprise services as entrepreneurial in nature. The intent of entrepreneurial services will be to maximize revenues to the extent the market allows.
- Waive or offer reduced fees to youth, seniors, community service groups, and other special population groups identified by the Council as requiring preferential consideration based on policy goals.

Selected criteria are used to determine the specific rate to charge for a fee for service. The approach for establishing the rate criteria is determined by the policy relating to the fee in the City Policies and Procedures Manual. The rate criteria can be one of five approaches:

1. Market Comparison - Attempt to set fees in the upper quartile of the market.
2. Maximum set by External Source - Fees set by legislation, International Building Code, etc.
3. Entrepreneurial Approach - Fees will be at the top of the market.
4. Recover the Cost of Service - Program will be self-supporting.
5. Utility Fees - A rate study will be completed each year.

UTILITY FRANCHISE FEES

[Utility franchise fees collected on gas and electric utilities will be designated for the purpose of capital improvements to the City's facilities and will be accounted for in the Facilities Capital Fund.](#)

NON-RECURRING REVENUES

Several revenue sources, such as intergovernmental transfers, one-time grants, court fines and other non-recurring revenues are outside of direct City control and must be relied upon conservatively. The City Manager shall insure

that the budget preparation process includes an evaluation of all major non-recurring revenues, in order to minimize reliance on unpredictable revenues for on-going operating costs.

## 2. CASH AND INVESTMENTS

Effective cash management is essential to good fiscal management. Investment returns on funds not immediately required can provide a significant source of revenue for the City. Investment policies must be well founded and uncompromisingly applied in their legal and administrative aspects in order to protect the City funds being invested.

### A. Purpose

The purpose of this policy is to establish the City's investment objectives and establish specific guidelines that the City of Burnsville will use in the investment of city funds. It will be the responsibility of the Finance Director to invest city funds in order to attain a market rate of return while preserving and protecting the capital of the overall portfolio. Investments will be made, based on statutory constraints, in safe, low risk instruments.

### B. Scope/Funds

This policy applies to the investment of all city funds available for investment and not needed for immediate expenditure. The City will consolidate cash balances from all funds to maximize investment earnings. Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles.

### C. Delegation of Authority

Authority to manage the investment program is granted to the Finance Director who shall act in accordance with established written procedures and internal controls for the operation of the investment program consistent with this investment policy. Procedures should include references to: safekeeping, delivery vs. payment, investment accounting, repurchase agreements, wire transfer agreements, and collateral/depository agreements. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the treasurer.

The primary objectives, in priority order, of investment activities shall be safety, liquidity, and yield:

1. **Safety:** Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective will be to mitigate credit risk and interest rate risk.
2. **Liquidity:** The investment portfolio must remain sufficiently liquid to meet all operating costs that may be reasonably anticipated. The portfolio must be structured so that securities mature concurrent with cash needs to meet anticipated demands. Cash needs will be determined based on cash flow forecasts.
3. **Diversification of instruments:** A variety of investment vehicles must be used so as to minimize the exposure to risk of loss. The investment portfolio must be diversified by individual financial institution, government agency, or by corporation (in the case of commercial paper) to reduce the exposure to risk of loss.
4. **Diversification of maturity dates:** Investment maturity dates should vary in order to ensure that the city will have money available when it needs it.

5. **Yield:** The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is of secondary importance compared to the safety and liquidity objectives described above.

D. Oversight

Under the direction of the City Manager, a staff level investment committee shall oversee the City's investment program. The investment committee will maintain a more detailed and comprehensive investment policy based on the principles established by the City Council and consistent with the most current guidelines within the public sector. On at least an annual basis, the investment committee shall provide a status report to the City Council. Annually, the City Council shall designate depositories for investment purposes.

E. The City of Burnsville shall invest in the following instruments as allowed by Minnesota Statutes

United States Treasury Obligations, Federal Agency Issues, Repurchase Agreements, Certificates of Deposit, Commercial Paper - prime, Bankers Acceptance - prime, Money Market funds investing exclusively in U.S. government and agency issues.

F. Ethics and Conflicts of Interest

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program. Employees and investment officials shall disclose any material interests in financial institutions with which they conduct business or that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the City.

G. Internal Controls, Audits, External Controls

The Finance Director is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft, or misuse. Accordingly, the Finance Director shall establish a process for an annual independent review by the City's Auditor to assure compliance with the policies and procedures.

### 3. FUND BALANCE/NET POSITION

It is important for the financial stability of the City to maintain fund balance/net position for unanticipated expenditures or unforeseen emergencies, as well as to provide adequate working capital for current operating needs so as to avoid short-term borrowing. The Fund Balance/Nets Position Policy of the City is managed closely with the City's Debt Management Policy. The City's Debt Management Policy calls for a pay-as-you-go strategy for supporting capital spending without use of debt whenever feasible. The City strives to pay cash for capital projects that can be anticipated and planned for in advance. Therefore the City's fund balance/net position levels fluctuate, in part, based on capital project plans.

#### POLICY STATEMENT

##### Governmental Funds

1. The City will maintain fund balances in the General and Special Revenue Funds at a level which will avoid issuing short-term debt to meet the cash flow needs of the current operating budget. Generally, the goal would be to maintain a minimum total General Fund balance of 35% of the operating budget; however, this need could fluctuate with each year's budget objectives and appropriations such as large capital expenditures, and variations in the collection of revenues.
  - a. The City will strive to maintain a fund balance within the EDA Fund, a Special Revenue Fund, in order to meet both anticipated and unanticipated future economic development needs. The City will annually evaluate the level of fund balance for its appropriateness. The Financial Management Plan includes a policy for the collection of revenue for the EDA Fund.
2. The Finance plan of each capital project fund will identify the appropriate fund balance to maintain to provide a contingency for funding future capital needs as well as cashflow needs. The City will maintain fund balance in the Capital Funds at a minimum level sufficient to provide adequate working capital for current expenditure needs. Future capital projects must be identified in a written five-year capital improvement plan which shall be included in the City's annual budget document. Projects budgets should include revenue sources to adequately match expected project expenses, including a contingency estimate as appropriate to each project.
3. The City will annually review the adequacy of all fund balances.
4. Judicious use of fund balance within funds can be used to moderate fluctuations in capital projects and infrastructure maintenance expenses (*i.e.*, Parks Capital).
5. For financial reporting in the fund financial statements, governmental funds report fund balances that are nonspendable and spendable. Nonspendable balances by nature cannot be spent by the government (*i.e.*, prepaids, inventories, long-term receivables, etc.). Spendable balances are further classified by the relative strength of the constraints that control how amounts can be spent. Those classifications are:
  - a. Restricted - constraint imposed for a specific purpose by external parties, constitutional provisions, or enabling legislation

- b. Committed - constraint imposed for a specific purpose determined by formal action of the City Council, the highest level of decision making authority. The council action must be approved no later than the close of the reporting period.

The City Council commits the following fund balances for the purposes described:

Governmental Fund	Committed* for
Cable franchise fee	Cable television operations, maintenance and improvements
Forfeitures and dare	Public Safety
Grant Fund	Community development activities
Youth Center	Youth center operations, maintenance and improvements
EDA	Economic development and redevelopment activities
Sustainability	Promotion of sustainable activities
Forestry	Preparing for and managing Emerald Ash Borer and related forestry activities

\* Commitments apply to fund balances that are not otherwise nonspendable or restricted

- c. Assigned - constraint imposed for a specific purpose by the intent of the City Council or an official to which the City Council has delegated the authority to assign specific amounts

The City Council authorizes the City Manager and/or his/her designee to assign fund balance that reflects the City’s intended use of those funds.

- d. Unassigned - fund balance that has not been reported in any other classification. The General fund is the only fund that can report a positive unassigned fund balance. Other governmental funds would report deficit fund balances as unassigned.

When both restricted and unrestricted resources are available for use, the City will first use restricted resources, then use unrestricted resources as they are needed.

When any combination of committed, assigned, or unassigned resources are available for use, the City will use committed resources first, then assigned, then unassigned resources as they are needed.

## Enterprise Funds

1. The City will maintain net position in the Enterprise Funds at a minimum level sufficient to provide adequate working capital for current expenditure needs. Generally the City shall strive for a minimum of three months operating cash in these funds. (This minimum shall be calculated based on the approved budget multiplied by 25-percent). In addition, an amount of cash should be maintained to fund estimated future capital projects. Future capital projects must be identified in a written capital improvements plan which shall be included in the City's annual budget document.
2. The City will annually review the adequacy of all net position balances.
3. Judicious use of net position within funds can be used to moderate fluctuations in capital projects and infrastructure maintenance expenses.

#### 4. OPERATING BUDGET AND COMPENSATION PHILOSOPHY

The Operating Budget is the annual financial plan for funding the costs of City services and programs. The General Operating Budget includes the General, Special Revenue, and Capital Funds. Enterprise operations are budgeted in separate Enterprise Funds.

1. The City Manager shall submit a balanced budget in which appropriations shall not exceed the total of the estimated revenues and available fund balance.
2. The City will provide for all current expenditures with current revenues. The City will avoid budgetary procedures that balance current expenditures at the expense of meeting future years' budgets.
3. Historically, receipts of State Local Government Aid (LGA) have been significantly lower than State estimates resulting in budget shortfalls. Therefore, the City budget will ~~include an estimate of up to \$50,000~~ ~~of~~ not include LGA in the current year's budget. Amounts received ~~over that amount~~ will be budgeted as use of fund balance for one-time expenditures in the following budget year.
4. The City Manager will coordinate the development of the capital improvement budget with the development of the operating budget. Operating costs associated with new capital improvements will be projected and included in future operating budget forecasts.
5. The budget will provide for adequate maintenance of the capital plant and equipment, and for their orderly replacement.
6. The impact on the operating budget from any new programs or activities being proposed should be minimized by providing funding with newly created revenues whenever possible.
7. The City Manager will insure that a budgetary control system is in place to adhere to the adopted budget.
8. The Finance Department will provide regular monthly reports comparing actual revenues and expenditures to the budgeted amounts.
9. The operating budget will describe the major goals to be achieved and the services and programs to be delivered for the level of funding provided.
10. In addition to operating expenses, Enterprise funds shall be budgeted to provide for capital replacement costs of property, plant, and equipment, if appropriate, when establishing rates and charges for services. Since capital replacement is budgeted, annual depreciation would be a duplication and therefore will not be budgeted. However, annual depreciation will be noted on the face of each finance plan as a reference.

### Compensation Philosophy

As a matter of policy for productive labor relations, it is the Compensation Philosophy of the City of Burnsville to provide a total compensation package which places employees at the mid-range of the City's identified public and private sector market.

The City's compensation philosophy has developed in a manner which parallels the growth and complexity of the City itself. The expectations and requirements of those we serve requires a thoughtfully organized, carefully implemented, and continually well-managed City structure, staffed by competent, interested and motivated personnel who understand and are committed to meeting and even exceeding the expectations and requirements of our public.

The City's compensation program is designed to achieve the following objectives:

- To maintain compensation and benefits at an appropriate level to attract and retain qualified, reliable and motivated personnel.
- To follow the principles of equal pay for equal work and comparable worth in establishing and maintaining pay relationships among positions based on problem solving, know-how, responsibility, and working conditions. To maintain the City's pay equity compliance as determined by the State of Minnesota.
- To provide regular, ongoing opportunities for employee growth and development in a manner which helps each individual achieve and maintain service excellence and enhance the image of Burnsville as a well-managed, effective organization.
- To balance compensation and benefit needs with available resources.

## 5. CAPITAL IMPROVEMENTS PLAN (CIP)

The demand for services and the cost of building and maintaining the City's infrastructure continues to increase. No City can afford to accomplish every project or meet every service demand. Therefore, a methodology must be employed that provides a realistic projection of community needs, the meeting of those needs, and a framework to support City Council prioritization of those needs. That is the broad purpose of the CIP.

The CIP includes the scheduling of public improvements for the community over a five-year period and takes into account the community's financial capabilities as well as its goals and priorities. A "capital improvement" is defined as any major nonrecurring expenditure for physical facilities of government. Typical expenditures are the cost of land acquisition or interest in land, construction of roads, utilities, parks, vehicles, and equipment. The CIP is directly linked to goals and policies, land use, and community facility sections of the Comprehensive Plan since these sections indicate general policy of development, redevelopment, and the maintenance of the community.

### CIP DEVELOPMENT PROCESS

- Compile and prioritize projects. Staff will consolidate and prioritize recommended projects into the proposed Capital Improvement Plan.
- Devise proposed funding sources for proposed projects. Recommended funding sources will be clearly stated for each project.
- Project and analyze total debt service related to the total debt of the City.
- A debt study will be provided summarizing the combined impact of all the existing and proposed debt.

As part of the annual budget process, the City Council will evaluate the proposed CIP and decide on the following:

- Project Prioritization
- Funding Source Acceptability
- Acceptable Financial Impact on Tax Levy, Total Debt, and Utility Rate Levels

## 6. INFRASTRUCTURE TRUST FUND

The Infrastructure Trust Fund (ITF) was created by Ordinance in 1996 to assist in paying for the cost of replacing streets and parks infrastructure. The ITF essentially charges depreciation to existing taxpayers who are wearing out the system instead of leaving the replacement cost to the next generation of taxpayers. The top priority for spending is street replacement. The annual Capital Improvements Plan (CIP) includes street projects based on the Pavement Management Plan. The park infrastructure replacement is the next priority and will not exceed 10% of the annual fund proceeds.

### FUNDING

The City Council shall annually appropriate money to the ITF from a tax levy or other available source. The annual tax levy proceeds committed to this fund will not exceed the annual replacement costs.

### SPENDING LIMITATIONS

As reflected in the ordinance, limitations on expenditures are as follows:

1. The fund may not be used for general maintenance or repairs;
2. The project must have a minimum usable life of at least fifteen (15) years;
3. Funds may only be used for street and park infrastructure replacement;
4. The project must be included in the adopted CIP for at least two (2) years;
5. The fund may not be used to displace traditional funding sources for specific projects; and
6. The fund may be used to supplement direct debt service in order to moderate annual debt payments.

### PROCEDURE FOR USING FUNDS

Expenditures may be made from the ITF based on the following criteria:

- A. A public hearing with the appropriate legal notice must be held for any proposed project.
- B. The City Council must make the following findings which shall be incorporated into an adopted resolution:
  1. The project has a community benefit.
  2. The project could not be reasonably funded by traditional sources of revenue.

## 7. ECONOMIC DEVELOPMENT AUTHORITY FUND

The Economic Development Authority (EDA) Fund was created by the City Council in year 1991. The City Council acted to appoint the members of the City Council to serve as the Board of Commissioners. Under Minnesota Statutes Chapter 469-Economic Development, cities are permitted to establish an EDA, including approval for the EDA to serve as a Housing & Redevelopment Authority (HRA). When the City of Burnsville created the EDA, it approved HRA authority for possible use in the future.

Among the HRA powers in Minnesota law is the authority to collect a “special benefits” tax up to 0.0185 percent of taxable market value in the City. The Burnsville EDA first began to collect a “special benefits” tax beginning in year 2002. Approval of the City Council is required before the EDA may levy the tax. The Revenue Management Policy of the City, as included in this Financial Management Plan, sets policy for when a tax levy may be considered.

This policy section sets policy for the “amount” of tax levy that will be considered for the EDA Fund.

### FUNDING

The EDA, with approval by the City Council, shall annually appropriate money to the EDA Fund from a tax levy or other available source. The appropriation shall be equivalent to the “maximum” that could be provided by a tax levy for economic development purposes. The annual tax levy shall be set based on the amount needed when combined with other available sources achieves the funding level set by this policy.

To provide other sources (non-tax) of funding to the EDA, the City Council shall annually review the fund balance in the General Fund to determine whether sufficient unrestricted fund balance is available for transfer from the General Fund to the EDA Fund. The decision on transfer of funds shall be made at the time the annual EDA tax levy is established. If other sources of revenue are not available, the EDA may set the tax levy at the maximum allowed.

### PROCEDURE FOR USING FUNDS

Expenditures may be made from the EDA Fund based on the following criteria:

- A. The EDA appropriates the funds as part of the annual budget.
- B. The EDA authorizes an amendment to the EDA budget outside of the annual appropriation process.

## 8. DEBT MANAGEMENT

The use of borrowing and debt is an important and flexible revenue source available to the City. Debt is a mechanism which allows capital improvements to proceed when needed, in advance of when it would otherwise be possible. It can reduce long-term costs due to inflation, prevent lost opportunities, and equalize the costs of improvements to present and future constituencies.

Debt management is an integral part of the financial management of the City. Adequate resources must be provided for the repayment of debt, and the level of debt incurred by the City must be effectively controlled to amounts that are manageable and within levels that will maintain or enhance the City's credit rating. A goal of debt management is to stabilize the overall debt burden and future tax levy requirements to ensure that issued debt can be repaid and prevent default on any municipal debt. A debt level which is too high places a financial burden on taxpayers and can create problems for the community's economy as a whole.

### POLICY STATEMENT

Wise and prudent use of debt provides fiscal and service advantages. Overuse of debt places a burden on the fiscal resources of the City and its taxpayers. The following guidelines provide a framework and limit on debt utilization:

1. The City will restrict long-term borrowing to planned capital improvements (see CIP Policy) and a limited use of short-term debt for capital outlay.
2. The City will not use long-term debt for current operations.
3. The City will strive to maintain a "pay-as-you-go" capital funding policy, supporting capital spending without use of debt whenever feasible. The City will strive to pay cash for capital projects that can be anticipated and planned for in advance.
4. The City will pay back debt within a period not to exceed the expected useful life of the projects, with at least 50% of the principal retired within 2/3 of the term of the bond issue.
5. Total general obligation debt shall not exceed 2% of the total market valuation of taxable property in the City.
6. Direct net debt (gross debt less available debt service funds) shall not exceed 3% of the total market valuation of taxable property in the City.
7. The City will maintain good communications with bond rating agencies regarding its financial condition. The City will follow a policy of full disclosure in every financial report and bond prospectus.
8. When feasible the City will use refunding mechanisms to reduce interest cost and evaluate the use of debt reserves to lower overall annual debt service where possible.
9. The City's goal has been to maintain the level of annual debt service at or below the current debt levy.
10. The City will annually review changes to continuing disclosure regulations to ensure compliance. The City will work with the City's Financial Advisor to prepare and file annual continuing disclosure reporting.

During the annual budget process, a debt study will be prepared in conjunction with the Capital Improvements Plan to provide information about the City's debt structure.

## 9. ACCOUNTING, AUDITING, AND FINANCIAL REPORTING

The key to effective financial management is to provide accurate, current, and meaningful information about the City's operations to guide decision making and enhance and protect the City's financial position.

### POLICY STATEMENT

1. The City's accounting system will maintain records on a basis consistent with generally accepted accounting standards and principles for local government accounting as set forth by the Government Accounting Standards Board (GASB) and in conformance with the State Auditor's requirements per State Statutes.
2. The City will establish and maintain a high standard of accounting practices.
3. The City will follow a policy of full disclosure written in clear and understandable language in all reports on its financial condition.
4. The Finance Department will provide timely monthly and annual financial reports to users.
5. An independent public accounting firm will perform an annual audit and issue an opinion on the City's financial statements.
6. Annually the City Council Audit Committee and staff will meet with the Auditors to review the audit report.
7. Summary monthly financial reports on budget performance will be provided to the City Council commencing with the close of the first quarter, through November.
8. A report summarizing the City's financial position will be provided annually to the Council at the close of the calendar and fiscal year books.

## 10. RISK MANAGEMENT

A comprehensive risk management plan seeks to manage the risks of loss encountered in the everyday operations of an organization. Risk management involves such key components as risk avoidance, risk reduction, risk assumption, and risk transfers through the purchase of insurance. The purpose of establishing a risk management policy is to help maintain the integrity and financial stability of the city, protect its employees from injury, and reduce overall costs of operations.

### POLICY STATEMENT

1. The City will maintain a risk management program that will minimize the impact of legal liabilities, natural disasters or other emergencies through the following activities:
  - a) Loss prevention - prevent losses where possible
  - b) Loss control - reduce or mitigate losses
  - c) Loss financing - provide a means to finance losses
  - d) Loss information management - collect and analyze data to make prudent prevention, control and financing decisions
2. The City will review and analyze all areas of risk in order to, whenever possible, avoid and reduce risks or transfer risks to other entities. Of the risks that must be retained, it shall be the policy to fund the risks which the City can afford and transfer all other risks to insurers.
3. The City will maintain an active safety committee comprised of City employees.
4. The City will periodically conduct educational safety and risk avoidance programs within its various divisions.
5. The City will, on an ongoing basis, analyze the feasibility of self funding and other cooperative funding options in lieu of purchasing outside insurance in order to provide the best coverage at the most economical cost.
6. Staff will report to the Council, annually on the results of the City's risk management program for the preceding year.

Submitted by: Kelly Strey

Date: 1/5/2016

Reviewed by: Dana Hardie

Date: 1/5/2016

This policy replaces Policy No. 1.250 dated ~~January 6, 2015~~ January 5, 2016.

## GLOSSARY OF TERMS

<b>Accrual Accounting</b>	The basis of accounting which recognizes revenues as they are earned and expenses as soon as a liability is incurred, regardless of related cash inflows and outflows.
<b>Ad Valorem Tax</b>	A tax which is based on value, such as property taxes.
<b>Ames Center</b>	The city-owned performing arts center.
<b>Appropriation</b>	City Council authorization permitting the City to incur obligations and expend resources during the fiscal year.
<b>Audit</b>	An annual third party review of financial operations and procedures required by State Statute.
<b>Balanced Budget</b>	A budget in which the sources of funds (revenues) is equal to the uses of funds (expenditures).
<b>Basis of Accounting</b>	The technical term that describes the criteria governing the timing of the recognition of transactions and events.
<b>Bonds</b>	<p>A written promise to pay a sum of money (called the principal or face value) at specified dates, including interest at a designated time. Bonds are typically long term debt.</p> <p style="padding-left: 40px;"><b>General Obligation Bonds (GO Bonds)</b> - Bonds that are backed by the full faith and credit of the City.</p> <p style="padding-left: 40px;"><b>Lease Revenue Bonds</b> - Bonds that are funded by annual lease payments</p> <p style="padding-left: 40px;"><b>Revenue Bonds</b> - Bonds that are funded by certain revenues such as utility revenues</p>
<b>Bond Proceeds</b>	The cash received from sale of bonds.
<b>Bonded Debt</b>	The portion of City debt represented by outstanding bonds.
<b>Budget</b>	A financial operations plan of proposed expenditures for a given period of time and the proposed revenues to finance them. Proposed expenditures must equal proposed revenues.
<b>Budget - Adopted</b>	The financial plan of revenues and expenditures for the fiscal year as adopted by the City Council.
<b>Budget Amendment</b>	A change to the budget approved by the City Council.
<b>Budget Basis</b>	The basis of accounting used to estimate financing sources and uses in the budget. General Governmental fund are prepared on a modified accrual basis. Enterprise funds are prepared on a GAAP basis
<b>Budget Message</b>	A general discussion of the budget presented in writing as a part of the budget document. The budget message explains principal budget issues and trends.
<b>Burnsville Youth Collaborative (BYC)</b>	A partnership with the City, Burnsville-Eagan-Savage School District 191 (ISD 191), a non-profit music group and the Burnsville YMCA to transition the programs at THE GARAGE and provide youth services.
<b>Capital Assets</b>	Long-term tangible assets such as building, land, and equipment; sometimes referred to as fixed assets
<b>Capital Improvement</b>	Expenditures related to the acquisition, expansion or rehabilitation of an element of the government's physical plant; sometimes referred to as infrastructure.
<b>Capital Improvement Plan (CIP)</b>	A plan for capital expenditures to be incurred each year for a fixed period of years and the estimated resources to finance the projected expenditures.
<b>Capital Outlay</b>	Expenditures resulting from the acquisition of fixed assets. Capital is defined as assets with an initial cost of more than \$10,000 and an estimated useful life of more than three years.
<b>Carry Forward</b>	An unspent item that is was in the previous year's budget which the City Council has approved to be spent in the current year.

<b>City Council</b>	The elected officials of the City of Burnsville consisting of a mayor and four council members. All City of Burnsville elected officials serve the community at-large.
<b>Component Unit</b>	A legally separate organization for which the elected officials of a primary government are financially accountable. The EDA is a component unit of the City of Burnsville.
<b>Comprehensive Annual Financial Report (CAFR)</b>	The official annual report of a government which includes combined financial statements, supporting schedules, supplementary information, extensive introductory information, and a statistical section.
<b>Contingency</b>	An amount budgeted for possible unexpected expenses.
<b>Current Expenses</b>	The portion of the budget relating to general operations (supplies, maintenance, utilities, etc) excluding employee salaries and benefits.
<b>Current Service Level</b>	The services that are being provided by the City at the current quantity and quality.
<b>Dakota Communications Center (DCC)</b>	The DCC provides 911 communication and dispatch service for public safety police and fire for all cities in Dakota County.
<b>Debt</b>	An obligation resulting from the borrowing of money or the purchase of goods or services.
<b>Debt Service</b>	Payment of principal and interest on debt obligations which result from the issuance of bonds.
<b>Delinquent Taxes</b>	Taxes which we not paid in the year in which they were due.
<b>Economic Development Authority (EDA)</b>	A legally separate government unit governed by a five-member council composed of the City Council. The Burnsville EDA is a component unit of the City of Burnsville. The EDA's activity provides support to promote economic development within Burnsville.
<b>Employee Benefits</b>	The costs incurred by the employer for employer payroll taxes, pension contributions, employee insurance, workers comp, etc.
<b>Employee Services</b>	The portion of the budget pertaining to employee salaries and related fringe benefits.
<b>Encumbrance</b>	The commitment of appropriated funds to purchase an item or service. To encumber funds means to set aside or commit funds for a specified future expenditure.
<b>ENDS &amp; OUTCOMES</b>	Adopted expectations of the Burnsville City Council.
<b>Expenditures</b>	Disbursements for operating costs, debt service, capital outlay.
<b>Fiscal Disparities</b>	A Minnesota law enacted in 1971 requiring all communities in the seven-county metropolitan area to contribute 40 percent of the growth in their commercial/ industrial tax base (from 1971) to a regional tax sharing pool which is then redistributed. Redistribution is bases on population and the value of all property relative to the metro average. Burnsville contributes more to the pool than it receives back in the redistribution.
<b>Fiscal Year</b>	The twelve month period to which the annual budget applies and at the end of which the City determines its financial position. The City's fiscal year is January 1 to December 31.
<b>Five Year Financial Plan</b>	A five-year financial plan is prepared for each of the City's funds. The plans consist of 2 years of historical information, the current year's budget compared to estimated actual, the 2014 budget which is adopted by the City Council and projections of the next four years based on current service levels and estimated changes in revenues and expenditures.
<b>Franchise Fee</b>	A fee charged by a governmental unit to a private business for the privileges of using a public right-of-way to generate revenue through its operations.
<b>Full-time Equivalent (FTE)</b>	Represents the equivalent of one employee working full-time.

<b>Fund</b>	<p>An accounting entity with a self-balancing set of accounts in which assets, liabilities, and equity are recorded for a specific activity or objective.</p> <p><b>Governmental Funds</b>  A classification of funds that is typically used to account for tax-supported (governmental) activities. Included in this classification:  <b>General Fund</b> - Used to account for all general operations of the City which are necessary to provide basic governmental services.  <b>Special Revenue Funds</b> Used to account for revenue which is restricted or committed for expenditures of a designated purpose.  <b>Capital Project Funds</b> Used to account for financial resources to be used for the acquisition or construction of major capital facilities.  <b>Debt Service Funds</b> Used to account for the payment of principal and interest on debt of the City.</p> <p><b>Proprietary Funds</b>  A classification of funds that is used to account for a government’s business-type activities which are supported, at least in part, by fees or charges. Included in this classification:  <b>Enterprise Funds</b> Used to account for the financing of services to the general public where all or most of the costs involved are recovered primarily through user fees. (City enterprise funds are water and sewer, storm water, performing arts center, ice center, golf course, street lighting utility and sidewalk snow plowing).  <b>Internal Service Funds</b> A fund established to report any activity that provides goods or services to other funds, departments, or agencies of the primary government and its component units, or to other governments, on a cost-reimbursement basis.</p> <p><b>Fiduciary Funds</b>  Used to account for resources that are held by the government as a trustee or agent for parties outside the government and that cannot be used to support the government’s own programs.</p>
<b>Fund Balance</b>	The difference between fund assets and fund liabilities. The fund balance can be used as a revenue source by decreasing an existing positive balance.
<b>General Operating Budget</b>	The part of the operating budget which includes the general, special revenue and capital funds (excludes the enterprise funds).
<b>Generally Accepted Accounting Principles (GAAP)</b>	Uniform minimum standards and guidelines for financial accounting and reporting. The primary authoritative body on the application of GAAP to state and local governments is the Governmental Accounting Standards Board (GASB).
<b>Government Finance Officers Association (GFOA)</b>	The national professional association of state and local finance officers dedicated to the professional management of governmental financial resources. The association provides financial policies, best practices, training, leadership, and reporting standards. The GFOA also administers award programs for excellence in financial reporting and distinguished budgeting.
<b>Governmental Accounting Standards Board (GASB)</b>	The highest source of accounting and financial reporting guidance to state and local governments.
<b>Grant</b>	A contribution of cash or other asset from a government or other organization for a specified purpose, activity, or facility.
<b>Infrastructure</b>	Immovable assets such as roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, and lighting systems that are of value only to the City.
<b>Infrastructure Trust Fund (ITF)</b>	A capital project fund created by Ordinance in 1996 to assist in paying for the cost of replacing streets and parks infrastructure.
<b>Intergovernmental Revenue</b>	Revenues from other governments in the form of grants, entitlements, shared revenues, or payments in lieu of taxes.
<b>Levy</b>	The total amount of taxes or special assessments imposed by the City.
<b>Local Government Aid (LGA)</b>	Funds passed down to eligible cities by the State of Minnesota.
<b>Market Value / Taxable Market Value</b>	The value determined by the County Assessor for real estate or property used for levying taxes.

<b>Market Value Homestead Credit (MVHC)</b>	Credit given on residential property taxes that is equal to 0.4% of the market value up to \$304, less 0.09% times any value over \$76,000. <i>Replaced by Market Value Homestead Exclusion in 2012</i>
<b>Market Value Homestead Exclusion (MVHE)</b>	A tax reduction given to all homesteads valued below \$413,800 by shifting a portion of the tax burden that would otherwise fall on the homestead to other types of property. The exclusion provides for a portion of each home's market value to be excluded from its value for property tax calculations. The amount of value excluded is directly proportional to the MVHC the home received under the old law.
<b>Max Tax</b>	State law requires the City Council in September of each year to adopt a maximum amount that the property tax levy will not exceed. Property owners will receive a proposed property tax statement in November using this max tax. The final tax levy is adopted in December.
<b>Metropolitan Council Environmental Services (MCES)</b>	The MCES is a division of the Metropolitan Council, a regional planning agency that serves the Twin Cities seven-county metropolitan area. The MCES provides the City with waste water treatment services.
<b>Minnesota Valley Transit Authority (MVTA)</b>	Established through a joint powers agreement with six other area cities to provide public transit.
<b>Modified Accrual Basis of Accounting</b>	The basis of accounting which recognizes increases and decreases in financial resources only to the extent that they reflect near-term inflows or outflows of cash. Revenues are recognized to the degree that they are available to finance expenditures of the fiscal period. Similarly, debt service payments and a number of specific accrued liabilities are only recognized as expenditures when payment is due because it is only at that time that they normally are liquidated with expendable available financial resources.
<b>Net Assets</b>	The difference between assets and liabilities in the government-wide statement of net assets.
<b>Operating Budget</b>	The annual financial plan for funding the costs of providing services and programs.
<b>Proposed Budget</b>	The budget as submitted by the City Manager for the City Council's consideration.
<b>Program</b>	An activity or operation created to achieve a specific purpose or objective.
<b>Reserves</b>	Funds set aside for unanticipated expenditures or unforeseen emergencies, as well as to have adequate working capital for current operating needs to avoid short-term borrowing.
<b>Residential Equivalency Unit (REU)</b>	Standardized unit of measurement used in billing storm water utility fees to property owners.
<b>Revenue</b>	Funds collected as income to offset operational expenses including property taxes, charges for service, licenses & permits, etc.
<b>Risk Management</b>	The ways and means used to avoid accidental loss or to reduce its consequences if it does occur.
<b>Special Assessment</b>	A levy made against a property to defray all or part of the cost of a capital improvement or service deemed to benefit that property.
<b>Tax Capacity Value</b>	The taxable portion of the market value which is based on classification rates determined by the type of property tax.
<b>Tax Increment Financing (TIF)</b>	A financing method in which bonds are secured by the anticipated incremental increase in tax revenue resulting from the development or redevelopment of an area.
<b>Tax Levy</b>	The amount of property taxes levied to finance operations that are not funded by other sources.
<b>Taxes</b>	Compulsory charges levied by a government to finance services performed for the common benefit.
<b>The GARAGE</b>	The City's Youth Center and music venue.

<b>VEBA</b>	Voluntary Employees' Beneficiary Association - an employee health reimbursement arrangement funded by the City for employees opting for a high-deductible health insurance option.
<b>Yield</b>	The return on an investment in the form of interest or dividends.

# City of Burnsville 2017 Proposed Budget Financial Policies

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## Supplemental Information Tables

Changes in Fund Balances of Governmental Funds  
- (Expenditures & Revenues)

General Government Tax Revenues by Source

Taxable Market Value and Estimated Actual Value of Taxable Property

Property Tax Rates

Property Tax Levies and Collections

Ratios of General Obligation Bonded Debt Outstanding

Legal Debt Margin

Operating Indicators by Function

Demographic and Economic Statistics

\*Note: The above tables are extracted from the 2014 Comprehensive Annual Financial Report (CAFR). As of the date of the completion of the 2016 proposed budget document, the 2015 CAFR has not been completed, therefore these tables do not include 2015 data.

Employee FTE Schedule

**CITY OF BURNSVILLE, MINNESOTA**  
**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(Modified Accrual Basis of Accounting)**

	Fiscal Year		
	2006	2007	2008
Revenues:			
Taxes	\$ 26,741,225	\$ 28,265,020	\$ 30,330,980
Licenses and permits	2,205,039	1,689,016	1,608,237
Intergovernmental	4,684,092	4,580,117	5,356,973
Charges for services	4,669,869	4,086,567	4,613,207
Fines and forfeits	524,355	626,978	656,933
Investment income	1,574,102	2,505,050	2,136,825
Special assessments	2,084,211	1,379,814	1,796,193
Miscellaneous	1,046,325	808,927	786,860
Total revenues	<u>43,529,218</u>	<u>43,941,489</u>	<u>47,286,208</u>
Expenditures:			
Current:			
General government	4,370,334	5,502,592	6,328,928
Public safety	14,449,029	16,721,840	18,268,837
Public works and parks	5,219,310	5,933,315	6,173,342
Culture and recreation	1,025,746	1,154,366	1,228,378
Conservation of natural resources	656,776	786,576	1,041,981
Economic development	794,002	1,052,095	2,007,636
Other	553,397	—	—
Capital outlay	8,946,299	11,054,103	31,979,783
Debt service:			
Redemption of bonds	5,282,172	4,891,081	4,126,031
Interest on bonds	1,511,080	1,295,303	1,227,878
Fiscal agent fees	15,368	94,122	41,342
Bond issuance costs	—	66,273	107,165
Total expenditures	<u>42,823,513</u>	<u>48,551,666</u>	<u>72,531,301</u>
Excess of revenues over (under) expenditures	705,705	(4,610,177)	(25,245,093)
Other financing sources (uses):			
Bonds issued	—	7,540,000	21,014,516
Refunding bonds issued	—	1,983,338	1,880,484
Premium (discount) on bonds issued	—	161,774	34,409
Payments to refunded bond escrow agent	—	—	(4,459,043)
Sales of capital assets	393,534	48,441	230,584
Transfers in	3,038,006	9,035,163	7,632,013
Transfers out	(2,481,010)	(8,242,731)	(5,022,632)
Total other financing sources (uses)	<u>950,530</u>	<u>10,525,985</u>	<u>21,310,331</u>
Net change in fund balances	<u>\$ 1,656,235</u>	<u>\$ 5,915,808</u>	<u>\$ (3,934,762)</u>
Debt service as a percentage of noncapital expenditures	<u>18.5%</u>	<u>15.6%</u>	<u>11.8%</u>

<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
\$ 30,760,837	\$ 31,000,458	\$ 30,567,623	\$ 30,962,351	\$ 31,436,569	\$ 30,575,302	\$ 31,867,814
1,356,250	1,703,937	1,911,453	1,584,388	2,445,580	1,953,776	2,026,415
3,950,117	6,755,520	3,696,469	5,381,672	3,818,161	4,867,531	8,332,614
4,914,844	4,905,494	4,905,971	5,269,516	5,889,564	5,885,164	5,913,570
636,719	595,807	459,573	432,391	470,413	417,275	378,940
279,333	702,741	1,338,841	463,782	(3,262,167)	3,260,938	1,054,573
2,005,413	1,779,650	1,769,771	1,877,487	1,890,774	1,813,996	2,585,543
844,514	1,228,423	1,699,041	1,912,691	1,068,837	1,579,348	1,353,267
44,748,027	48,672,030	46,348,742	47,884,278	43,757,731	50,353,330	53,512,736
5,996,423	6,177,653	6,058,728	5,423,448	5,508,509	5,856,737	6,495,318
17,965,593	18,135,898	18,939,924	19,073,952	19,159,372	20,140,526	20,403,477
6,234,160	5,940,634	6,627,057	6,263,265	6,530,255	6,592,561	6,766,745
1,239,060	1,191,112	1,269,730	1,254,987	1,231,581	1,256,682	1,336,636
767,644	910,199	861,604	898,444	1,022,316	995,490	1,035,269
1,011,877	737,149	583,855	527,938	483,893	464,933	495,624
—	—	—	—	—	—	—
10,407,522	14,050,192	7,940,344	13,050,371	9,805,507	9,360,407	12,688,606
5,033,910	5,134,122	5,861,540	4,268,052	4,584,460	8,340,613	3,584,701
2,203,378	1,792,772	1,950,408	1,717,207	1,684,125	1,512,418	1,375,624
37,437	39,587	29,073	32,721	29,347	18,670	18,775
—	130,838	42,330	53,246	31,009	23,240	69,011
50,897,004	54,240,156	50,164,593	52,563,631	50,070,374	54,562,277	54,269,786
(6,148,977)	(5,568,126)	(3,815,851)	(4,679,353)	(6,312,643)	(4,208,947)	(757,050)
—	11,835,000	1,220,000	6,260,000	1,595,000	2,780,000	735,000
—	1,995,000	1,890,872	—	1,925,000	—	7,030,000
—	(17,289)	63,745	211,113	96,248	39,933	80,984
—	(967,725)	(1,250,000)	—	(949,748)	(952,430)	(790,000)
54,616	80,269	55,222	151,503	58,650	153,027	141,253
5,238,929	4,987,144	7,535,958	6,246,032	5,963,398	5,746,474	6,235,640
(4,270,648)	(4,401,543)	(7,085,463)	(5,625,476)	(5,378,212)	(5,206,408)	(5,923,610)
1,022,897	13,510,856	2,430,334	7,243,172	3,310,336	2,560,596	7,509,267
\$ (5,126,080)	\$ 7,942,730	\$ (1,385,517)	\$ 2,563,819	\$ (3,002,307)	\$ (1,648,351)	\$ 6,752,217
16.9%	17.4%	17.6%	14.8%	14.7%	21%	11.4%

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**CITY OF BURNSVILLE, MINNESOTA**  
**GENERAL GOVERNMENT TAX REVENUES BY SOURCE**  
**LAST TEN FISCAL YEARS**  
**(Modified Accrual Basis of Accounting)**

<b>Fiscal Year</b>	<b>Property Tax</b>	<b>Tax Increments</b>	<b>Lodging Tax</b>	<b>Franchise Tax</b>	<b>Total</b>
2006	\$ 22,410,981	\$ 3,443,149	\$ 318,427	\$ 568,668	\$ 26,741,225
2007	23,378,228	3,965,258	308,176	613,358	28,265,020
2008	24,844,178	4,546,925	288,271	651,606	30,330,980
2009	25,315,741	4,578,919	221,356	644,821	30,760,837
2010	25,531,576	4,582,264	222,954	663,664	31,000,458
2011	26,746,709	2,917,347	237,962	665,605	30,567,623
2012	26,970,365	3,034,447	259,879	697,660	30,962,351
2013	27,434,606	2,990,981	287,358	723,624	31,436,569
2014	28,765,443	791,450	289,198	729,211	30,575,302
2015	29,962,023	783,410	363,409	758,972	31,867,814

**CITY OF BURNSVILLE, MINNESOTA**

**TAXABLE MARKET VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY  
LAST TEN FISCAL YEARS**

Fiscal Year	Real Property		Personal Property	Less Fiscal Disparities	Less Tax Increment
	Residential Property	Commercial Property			
2006	\$ 46,360,724	\$ 23,295,017	\$ 701,679	\$ (1,730,322)	\$ (4,264,180)
2007	49,199,426	26,261,512	749,965	(1,956,226)	(5,055,782)
2008	50,380,841	28,612,940	742,576	(2,145,133)	(5,686,803)
2009	49,160,846	30,232,025	758,145	(1,931,550)	(5,734,414)
2010	45,313,438	29,968,032	725,685	(2,262,684)	(5,521,245)
2011	41,564,948	28,383,619	792,954	(2,313,874)	(3,231,981)
2012	37,598,236	28,018,520	794,954	(2,287,609)	(3,025,708)
2013	34,997,156	27,649,303	828,786	(2,538,320)	(2,867,371)
2014	36,175,049	27,747,684	816,729	(2,988,905)	(850,866)
2015	39,954,586	28,740,490	824,450	(2,888,069)	(901,387)

Source: Dakota County

Note: In 2011, the State legislature changed the property tax relief program from Market Value Homestead Credit (MVHC) to Homestead Market Value Exclusion (HMVE). The homestead credit was a reduction applied to the homestead residential property tax bill. The homestead market value exclusion is a reduction to the taxable market value of a homestead residential property before the property tax is calculated.

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	<b>Total Taxable Net Tax Capacity</b>	<b>Tax Capacity Value as a Percentage of Taxable Market Value</b>	<b>Total Direct Tax Rate</b>	<b>Estimated Actual Market Value</b>	<b>Taxable Market Value</b>	<b>Taxable Value as a Percentage of Estimated Actual Value</b>
\$	64,362,918	1.11%	35.414	\$ 6,323,894,260	\$ 5,729,448,200	90.6%
	69,198,895	1.12	34.564	6,700,317,647	6,150,891,600	91.8
	71,904,421	1.13	35.005	6,753,069,630	6,381,650,800	94.5
	72,485,052	1.13	36.121	6,607,687,861	6,351,491,200	96.1
	68,223,226	1.14	38.566	6,203,584,803	5,963,086,100	96.1
	65,195,666	1.14	42.598	5,449,742,955	5,525,473,700	101.4
	61,098,393	1.18	43.213	4,997,862,158	5,111,878,744	102.3
	58,069,554	1.20	47.021	5,019,680,534	4,835,520,311	96.3
	60,899,691	1.20	46.670	5,258,005,375	4,953,041,063	94.2
	65,730,070	1.23	44.790	5,625,420,202	5,373,401,377	95.5

**CITY OF BURNSVILLE, MINNESOTA**

**PROPERTY TAX RATES**

**DIRECT AND OVERLAPPING (1) GOVERNMENTS**

**LAST TEN FISCAL YEARS**

Fiscal Year	City of Burnsville			Overlapping Rates:	
	Operating Tax Rate	Debt Service Tax Rate	Total City Tax Rate	Dakota County	School District - ISD #191
				Total County Tax Rate (2)	Total School Tax Rate (2)
2006	31.121	4.293	35.414	26.318	18.315
2007	31.072	3.492	34.564	25.127	18.152
2008	33.892	1.113	35.005	25.184	19.374
2009	35.014	1.107	36.121	25.821	19.842
2010	37.383	1.183	38.566	27.269	20.668
2011	40.763	1.835	42.598	29.149	21.854
2012	41.513	1.700	43.213	31.426	21.881
2013	45.215	1.806	47.021	33.421	26.168
2014	44.969	1.701	46.670	31.827	25.661
2015	43.020	1.770	44.790	29.633	24.554

Source: Dakota County

Notes:

- (1) Overlapping rates are those of local and county governments that apply to property owners within the City of Burnsville. Not all overlapping rates apply to all City of Burnsville property owners (e.g. the rates for special districts apply only to the proportion of the government’s property owners whose property is located within the geographic boundaries of the special district).
- (2) The breakdown between operating and debt service tax rates were not available at the time of this report.

<b>School District - ISD #194</b>	<b>School District - ISD #196</b>	<b>Special Districts</b>	<b>Total Direct and Overlapping Rates</b>		
<b>Total School Tax Rate (2)</b>	<b>Total School Tax Rate (2)</b>		<b>ISD #191</b>	<b>ISD #194</b>	<b>ISD #196</b>
25.670	27.554	5.309	85.356	92.711	94.595
25.252	23.607	5.031	82.874	89.974	88.329
26.272	21.136	4.958	84.521	91.419	86.283
27.062	21.109	4.894	86.678	93.898	87.945
27.714	25.391	5.028	91.531	98.577	96.254
32.138	26.959	5.366	98.967	109.251	104.072
32.061	28.440	5.827	102.347	112.527	108.906
33.535	27.956	3.247	109.857	117.224	111.645
33.048	27.606	5.882	110.040	117.427	111.985
31.459	23.271	5.427	104.404	111.309	103.121

**CITY OF BURNSVILLE, MINNESOTA**  
**PROPERTY TAX LEVIES AND COLLECTIONS**  
**LAST TEN FISCAL YEARS**

Fiscal Year Ended December 31,	Total Tax Levy for Fiscal Year	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2006	(1) \$ 22,008,740	\$ 21,677,748	98.20%	\$ 309,420	\$ 21,987,168	99.43%
2007	(1) 23,976,993	23,630,657	98.50	340,692	23,971,349	99.90
2008	(2) 24,654,465	24,265,503	98.56	377,066	24,642,569	99.98
2009	(2) 25,215,756	24,667,274	98.41	478,180	25,145,454	99.95
2010	(2) 24,981,125	24,531,528	97.82	176,328	24,707,856	99.70
2011	(2) 26,186,791	25,741,822	98.20	162,766	25,904,588	98.98
2012	26,348,820	26,006,410	98.30	60,542	26,066,952	98.98
2013	26,988,262	26,673,945	98.70	137,815	26,811,760	99.13
2014	28,448,573	28,171,331	98.93	142,312	28,313,643	99.55
2015	29,584,711	29,336,510	99.03	—	29,336,510	99.03

Notes:

(1)- In 2006 the property tax levy shown is net of the adjustment for loss of Market Value Homestead Credit (MVHC) from the State. In 2007 the State reinstated the reimbursement for the MVHC. The MVHC received from the State is included in the amount collected.

(2)- In 2008-2011 the property tax levy shown is net of the adjustment for loss of Market Value Homestead Credit (MVHC) from the State, in the amount of \$480,250 for 2008, \$863,959 for 2009, \$1,098,590 for 2010 and \$1,210,920 for 2011.

**CITY OF BURNSVILLE, MINNESOTA**

**RATIOS OF GENERAL OBLIGATION BONDED DEBT OUTSTANDING  
LAST TEN FISCAL YEARS**

<b>Fiscal Year</b>	<b>General Obligation Bonds (1)</b>	<b>Bond Issuance Premium/ (Discount)</b>	<b>Less Amounts Available in Debt Service Funds</b>	<b>Total</b>	<b>Percentage of Estimated Actual Taxable Value of Property (2)</b>	<b>Per Capita (3)</b>
2006	\$ 26,948,571	\$ (80,457)	\$ 10,272,823	\$ 16,595,291	0.2896%	\$ 272
2007	31,826,376	168,250	12,228,530	19,766,096	0.3214	322
2008	48,737,076	177,042	10,737,660	38,176,458	0.5982	625
2009	43,870,830	150,239	10,336,997	33,684,072	0.5303	552
2010	46,233,848	123,367	12,314,384	34,042,831	0.5709	565
2011	42,513,643	157,542	10,400,855	32,270,330	0.5840	532
2012	44,795,030	330,998	10,965,938	34,160,090	0.6682	559
2013	43,000,822	375,891	12,516,260	30,860,453	0.6382	503
2014	36,712,779	357,552	6,000,286	31,070,045	0.6273	503
2015	40,328,078	396,060	12,533,406	28,190,732	0.5246	457

Note: Details regarding the City’s outstanding debt can be found in the notes to basic financial statements.

Sources:

- (1) Excludes Taxable Tax Increment Revenue Notes and Lease Revenue Bonds reported in the Governmental Activities, and General Obligation Revenue and Improvement Bonds reported in the Enterprise Funds.
- (2) See the Schedule of Taxable Market Value and Estimated Actual Value of Taxable Property for property value data.
- (3) Population data can be found in the Schedule of Demographic and Economic Statistics.

## CITY OF BURNSVILLE, MINNESOTA

### LEGAL DEBT MARGIN INFORMATION

#### LAST TEN FISCAL YEARS

	<b>Fiscal Year</b>			
	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>
Debt Limit	\$ 114,528,904	\$ 123,017,832	\$ 191,449,524	\$ 190,544,736
Total net debt applicable to limit	695,245	—	2,401,699	2,073,578
Legal debt margin	113,833,659	123,017,832	189,047,825	188,471,158
Total net debt applicable to the limit as a percentage of debt limit	0.61%	0.00%	1.25%	1.09%

Note: Under Minnesota State Law, the City of Burnsville's net debt cannot exceed 3 percent of the estimated market value of taxable property. The legal debt limit applies to the City's general obligation tax levy bonds and excludes improvement and revenue-supported bonds.

<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
\$ 178,892,583	\$ 165,764,211	\$ 153,356,362	\$ 145,065,609	\$ 148,591,232	\$ 161,202,041
1,729,329	1,374,951	1,000,595	612,797	213,115	110,167
<u>177,163,254</u>	<u>164,389,260</u>	<u>152,355,767</u>	<u>144,452,812</u>	<u>148,378,117</u>	<u>161,091,874</u>
0.97%	0.83%	0.65%	0.42%	0.14%	0.07%

Legal Debt Margin Calculation for Fiscal Year 2015

Market Value	\$ 5,373,401,377
Debt limit (3% of market value)	161,202,041
Debt applicable to limit:	
General obligation bonds	380,000
Less amount set aside for repayment of general obligation debt	<u>(269,833)</u>
Total net debt applicable to limit	110,167
Legal debt margin	<u><u>\$ 161,091,874</u></u>

# CITY OF BURNSVILLE, MINNESOTA

## Operating Indicators by Function

### Last Ten Fiscal Years

Function	Fiscal Year			
	2006	2007	2008	2009
Police				
Total calls for service	46,154	44,596	52,442	53,550
Arrests - Adult	3,014	2,458	2,309	2,090
Arrests - Juvenile	770	695	514	532
Traffic citations	11,251	13,268	12,826	11,751
Fire and Emergency Services				
Number of calls (excluding EMS)	1,279	1,347	1,435	1,351
Number of Emergency Medical Service (EMS) calls	3,204	3,241	3,356	3,496
EMS patients served	2,465	2,466	2,509	2,559
Protective inspections				
Plan reviews	757	695	848	394
Building permits issued	5,650	6,037	5,424	4,473
Field inspections (Bldg, Plbg, Htg, Gas, S&W)	10,652	9,922	9,765	7,269
Code enforcement inspections	3,184	4,263	2,786	2,846
Public works				
Street rehabilitation/resurfacing (miles)	3	1.9	2.3	4.1
Sealcoating (miles)	13	18	16	19.9
Snow and ice control (miles)	216	218	219	221
Recreation				
Youth recreation activity participants	18,558	19,381	19,937	19,693
The Garage Attendance	32,380	20,243	17,990	20,566
Water				
New connections	58	53	37	23
Water main breaks	18	16	18	28
Average daily consumption (thousands of gallons)	8,155	7,989	7,618	8,040
Total daily pumping capacity (thousands of gallons)	25,000	25,000	25,000	29,000
Sewer				
Average daily flow (thousands of gallons)	5,610	5,409	5,480	5,497
Storm Water				
Street sweeping (miles)	216	218	219	220
Golf course				
Annual rounds sold	27,740	26,850	26,118	27,243
Ice Center				
Learn to skate participants	1,814	1,650	1,339	1,192

Sources: Various City departments

Note: Indicators are not available for the general government functions.

\* In 2014, the City transitioned the programs at THE GARAGE to the new Burnsville Youth Collaborative (BYC).

<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
51,698	40,771	46,632	47,906	46,209	49,924
1,851	2,069	2,058	2,110	1,888	1,922
473	490	410	370	367	351
11,095	9,346	8,981	7,960	7,898	6,613
1,353	1,305	1,248	1,388	1,353	1,355
3,375	3,650	3,732	4,023	4,303	4,665
2,469	2,678	2,861	3,035	3,269	3,400
428	317	438	468	488	546
5,852	2,097	6,415	6,161	7,252	6,888
7,072	6,584	6,426	5,622	6,244	6,869
1,639	3,515	538	2,690	3,970	3,904
4.2	6.2	7.6	5.2	5.2	8.8
11.2	12.9	23.3	7.5	18.5	6.1
221	221	222	222	222	222
18,635	21,722	20,106	20,842	23,006	27,195
23,738	31,992	16,267	25,044	22,500	*n/a
14	21	20	15	27	63
27	17	12	19	17	19
8,422	8,940	9,830	9,215	9,008	10,070
29,000	29,000	29,000	29,000	29,000	29,000
5,153	5,352	5,031	5,125	5,346	5,153
221	221	222	222	222	222
24,918	22,124	23,847	20,541	20,851	23,775
410	687	602	580	513	455

**CITY OF BURNSVILLE, MINNESOTA**  
**DEMOGRAPHIC AND ECONOMIC STATISTICS**  
**LAST TEN FISCAL YEARS**

<b>Fiscal Year</b>	<b>Population (1)</b>	<b>Number of Households (1)</b>	<b>Estimated Personal Income (2)</b>	<b>Per Capita Personal Income (3)</b>	<b>School Enrollment (4)</b>	<b>Unemployment Rate (5)</b>
2006	61,048	24,425	\$ 2,630,863,560	\$ 43,095	10,399	3.4%
2007	61,393	24,622	\$ 2,765,447,685	45,045	10,203	4.1
2008	61,081	24,592	\$ 2,831,531,917	46,357	9,956	4.9
2009	61,042	24,723	\$ 2,536,417,184	41,552	9,864	7.3
2010	60,306	24,283	\$ 2,583,689,958	42,843	9,696	7.0
2011	60,664	24,443	\$ 2,709,982,208	44,672	9,555	6.2
2012	61,061	24,609	\$ 2,865,287,425	46,925	9,478	5.2
2013	61,300	24,854	\$ 2,933,572,800	47,856	9,341	4.5
2014	61,747	24,960	\$ 3,007,758,117	48,711	9,213	3.7
2015	61,747	24,960	\$ 3,120,755,127	50,541	8,989	3.5

Sources:

- (1) 2015 is an estimate of 0% growth from the 2014 actual figures provided by the Metropolitan Council. 2010 is a census figure. All other years are best available estimates provided by the Metropolitan Council.
- (2) Estimated personal income is calculated by multiplying the per capita personal income by the City population.
- (3) Per capita personal income provided by the U.S. Bureau of Economic Analysis is that for Dakota County, the county in which the City is located. This is the smallest applicable region for which this data is available. In addition, the 2009-2015 amounts are an estimate for the State of Minnesota as there were no other relevant estimates available.
- (4) School enrollment is enrollment in the largest district, ISD# 191 (Burnsville). Burnsville is also served by ISD# 194 (Lakeville) and ISD# 196 (Rosemount-Eagan-Apple Valley). Data is compiled by the Minnesota Department of Education
- (5) Annual average unemployment rates compiled by the Minnesota Department of Employment and Economic Development.

**City of Burnsville**  
**Employees By Division**  
**Full-Time Equivalents (FTE)**  
(Full-time and regular part-time employee positions)

	2015 Budget	2016 Budget	2017 Budget
<b>GENERAL FUND</b>			
<b>Leadership &amp; Leadership Development</b>			
Administration	2.0	2.0	2.0
Human Resources	5.0	5.0	5.0
	7.0	7.0	7.0
<b>Administrative Services</b>			
City Clerk	2.0	2.0	2.0
Finance	8.6	8.6	8.9
Information Technologies	7.0	7.0	7.0
	17.6	17.6	17.9
<b>Community Development</b>			
Planning	4.0	4.0	4.0
Protective Inspections	6.5	6.5	7.0
Proactive Property Maintenance Code Enforcement	1.0	1.0	1.0
Rental Licensing & Code Enforcement	5.3	5.3	4.5
	16.8	16.8	16.5
<b>Public Safety</b>			
Police	91.1	91.1	91.1
Fire & Emergency Services	40.0	40.0	44.0
	131.1	131.1	135.1
<b>Parks, Natural Resources, Recreation &amp; Facilities</b>			
Parks	18.0	18.0	18.0
Recreation	6.0	6.0	6.0
Community Services	1.8	1.8	1.8
Facilities	6.0	6.0	6.0
	31.8	31.8	31.8
<b>Public Works</b>			
Engineering	13.0	13.0	14.0
Streets & Utilities	12.0	12.0	12.0
Fleet Maintenance	8.0	8.0	8.0
	33.0	33.0	34.0
<b>Total General Fund</b>	<b>237.3</b>	<b>237.3</b>	<b>242.3</b>
<b>SPECIAL REVENUE FUND</b>			
<b>Cable Franchise Fee Fund</b>			
Public Affairs	3.0	3.0	3.0
BCTV	2.0	2.0	2.0
	5.0	5.0	5.0
<b>Forestry (EAB) Fund</b>			
	—	0.3	0.3
<b>EDA Fund</b>			
	1.0	1.0	1.0
<b>Sustainability Fund</b>			
	2.0	2.5	3.0
<b>Total Special Revenue Funds</b>	<b>8.0</b>	<b>8.8</b>	<b>9.3</b>
<b>ENTERPRISE FUNDS</b>			
<b>Public Works Utilities</b>			
	13.0	13.0	13.0
<b>Finance</b>			
	2.0	2.0	2.0
	15.0	15.0	15.0
<b>Storm Water Fund</b>			
	3.5	3.5	3.5
<b>Ice Center Fund</b>			
	6.5	6.5	6.5
<b>Golf Course Fund</b>			
	1.5	1.5	1.5
<b>Total Enterprise Funds</b>	<b>26.5</b>	<b>26.5</b>	<b>26.5</b>
<b>Total All Fund Types</b>	<b>271.8</b>	<b>272.6</b>	<b>278.1</b>

**City of Burnsville**  
**Changes in FTE Allocations from 2015 to 2017**  
**Full-Time Equivalents (FTE)**  
(Full-time and regular part-time employee positions)

		2015 Budget	2016 Budget	2017 Budget
<b>GENERAL FUND</b>				
<b>Administrative Services</b>				
Finance	Adjust	—	—	0.3
<b>Community Development</b>				
Rental License Inspector	Adjust	0.3	—	—
Plans Examiner	New	—	—	1.0
Protective Inspector II	Adjust	—	—	(0.5)
Code Enforcement Inspector	Eliminated	—	—	(0.8)
		0.3	—	(0.3)
<b>Public Safety</b>				
Firefighter	New - Grant Funded	—	—	4.0
Crime Analyst	New	1.0	—	—
Community Service Officer (CSO)	Eliminated	(0.8)	—	—
		0.2	—	4.0
<b>Public Works</b>				
GIS Technician	Moved from Enterprise Fund	—	—	1.0
Engineering Assistant	Eliminated	—	(1.0)	—
Engineering Specialist	New	—	1.0	—
		—	—	1.0
<b>Total General Fund</b>		<b>0.5</b>	<b>—</b>	<b>5.0</b>
<b>SPECIAL REVENUE FUNDS</b>				
<b>Forestry (EAB) Fund</b>				
Natural Resources Technician	New	—	0.3	—
<b>Recycling Fund</b>				
Environmental Assistant	New	—	0.5	(0.5)
Environmental Technician	New	—	—	1.0
		—	0.5	0.5
<b>Total Special Revenue Funds</b>		<b>—</b>	<b>0.8</b>	<b>0.5</b>
<b>ENTERPRISE FUNDS</b>				
<b>Public Works Utilities</b>				
GIS Technician	Moved to General Fund	—	—	(1.0)
Maintenance Worker - Meter Technician	New	—	—	1.0
		—	—	—
<b>Total Enterprise Funds</b>		<b>—</b>	<b>—</b>	<b>—</b>
<b>Total All Fund Types</b>		<b>0.5</b>	<b>0.8</b>	<b>5.5</b>

# City of Burnsville 2017 Proposed Budget Five-Year Financial Plan

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## Tax Increment Financing Districts

The City is presenting financial plans for the following Active Tax Increment Financing (TIF) District:

- TIF District 6, Heart of the City

The City will present a financial plan for newly proposed TIF District 7 in future Budget Documents as projects and/or contracts are approved. The primary purpose of TIF District 7 is to enable redevelopment of certain property within the Minnesota River Quadrant (MRQ) Project Area. A high-level summary of this proposed district is included in this section.

TIF Districts 1, 2, 2-1, 3 and 4 have been decertified. TIF District 5 was never certified.

**City of Burnsville**  
**Tax Increment Financing (TIF) District No. 6, Heart of the City**  
*Financial Plan Year 2017*

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**TIF District Description**

The District was established in April 2002 as a Renewal and Renovation District, pursuant to M.S. 469.174, Subd. 10a, for the purpose of enabling the redevelopment of the area south of Highway 13 and east and west of Nicollet Avenue known as the “Heart of the City”. The maximum duration of this district is 15 years after receipt of the first tax increment. The district is expected to be decertified in 2019.

**Background**

On April 15, 2002 the City and the Burnsville Economic Development Authority (Authority) approved a modified Development Program for Development District No. 1 to reflect further development and redevelopment goals. The City and the Authority also determined that a portion of the Development District No. 1 showed signs of blight and established Redevelopment Project No. 1 in an area that generally encompasses the northwestern quadrant of the City. At the same time, TIF District No. 6 was established as a renewal and renovation district pursuant to Minnesota Statutes § 469.174 subd. 10a., to facilitate redevelopment of the area near Nicollet Avenue and Burnsville Parkway as Heart of the City. This District is comprised of approximately 50+ acres and lies within Redevelopment Project No. 1.

The proposed developments within TIF District No. 6 included retail, office, and housing, requiring acquisition and demolition of most of the existing buildings in the TIF district, construction of major parking facilities, and reconstruction of most of the public infrastructure. Budgeted redevelopment costs for this District were estimated at \$18,500,000, excluding bond principal and interest payments. Original budgeted expenditures were authorized as follows.

	Expenditures
Land/building acquisition	\$ 2,800,000
Site improvements/preparation costs	7,850,000
Installation of Public Utilities	6,000,000
Administrative expenses	1,850,000
Subtotal	<u>18,500,000</u>
Bond principal payments	18,500,000
Bond interest payments	23,095,365
Total budgeted expenditures	<u><u>\$ 60,095,365</u></u>

The comprehensive redevelopment proposed by this plan is funded by a variety of funding sources, including tax increments to be collected from property within the district. Tax increment assistance for this district may be either direct (i.e. payments to individual developers) or indirect (i.e. public improvements and the general benefits from the redevelopment as a whole).

Public improvements within the Heart of the City include a municipal parking ramp funded by grants and bond proceeds. The bonds are being repaid from tax increment generated within TIF District No. 6. Nicollet Commons

Park, and other major infrastructure improvements, such as grading and paving of new roads, and utility, water and sanitary sewer relocation were funded through a variety of sources to include Metropolitan Council Livable Communities Demonstration Account grants and special assessments.

Private development has also occurred within TIF District No. 6, to include a combination housing, retail and office developments. Some of these projects qualified for direct tax increment assistance. Other private development projects, which did not qualify for assistance, generate tax increment which is used finance public improvements within TIF District No. 6.

In 2009, construction was completed for the Ames Center, formerly know as the Burnsville Performing Arts Center (PAC), to be operated by the City just west of Nicollet Commons Park. No tax increment dollars were used to finance the construction of the Ames Center, as this type of expenditure is not an eligible use of tax increment.

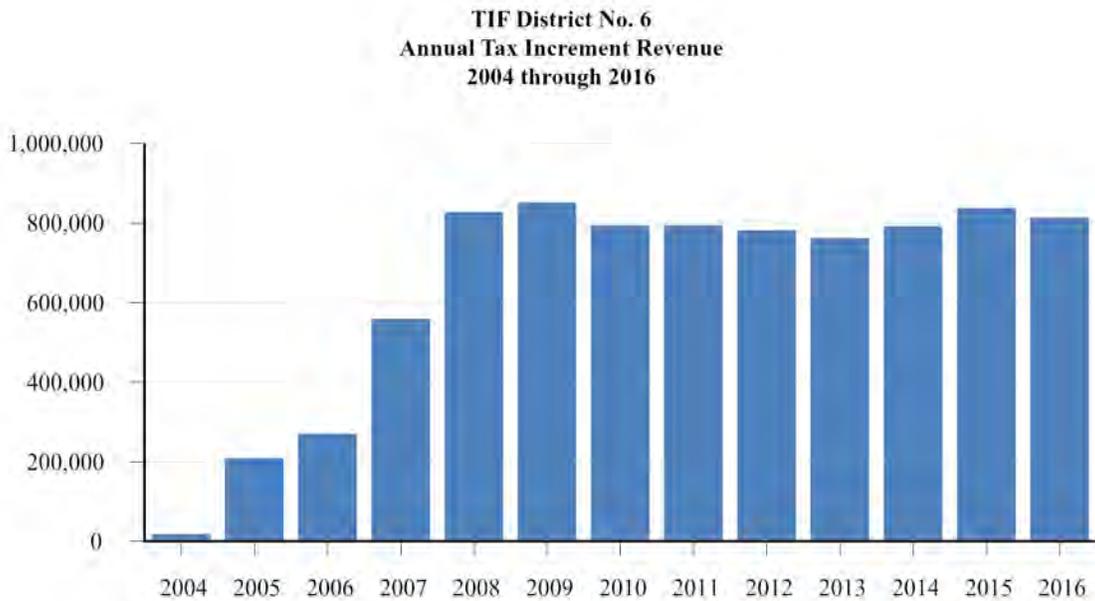
Construction of a parking deck, funded with TIF Bonds and available tax increment in the pooled development fund, was completed in 2009. This parking deck is located just north of the Ames Center and is open the public to provide parking to encourage private investment in the adjacent properties. The parking deck is also available to the patrons of the Ames Center. Construction on expansion of this parking deck began in 2014 and was completed in 2015 at a budgeted cost of approximately \$1,890,000, of which \$795,000 was paid from TIF District No. 6.

TIF District No. 6 is projected to have a fund balance of approximately \$222,000 at the end of 2016. Projected tax increments collections in the finance plan are conservative. Fund balance is projected to be approximately \$117,000 at decertification in 2019, based on planned build-out of all projects planned to date. The projected fund balance at decertification may vary depending on the full completion of projects currently underway and future decisions to provide assistance to eligible projects.

### **Source of Funds**

Until 2005, the major source of funding for this district was bond proceeds of \$3,974,936. In 2004, the district began receiving tax increment. To be conservative in estimating revenue for financial planning purposes, in addition to planned development, it is assumed that future tax increment collections will remain level. Actual revenues in future years could differ from the projections, as economic conditions improve or decline. A majority of current revenue will be used to fund developer pay-as-you-go obligations, construction of the parking deck expansion and debt service payments.

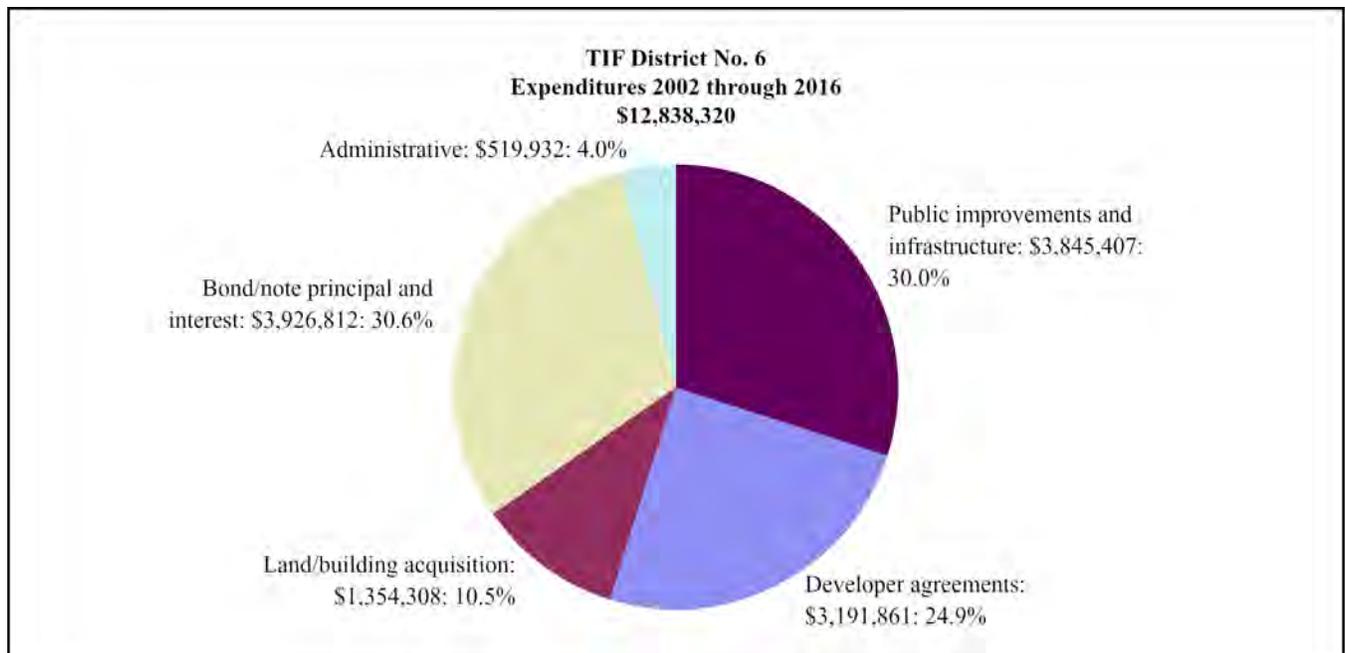
The following chart shows the history of tax increment received by this district through 2016.



**Use of Funds**

Expenditures from this district include land acquisition, public parking facilities, streets and sidewalks, developer pay-as-you-go payments, and debt service payments.

The following chart shows the breakdown of expenditures, excluding refunding bond transactions, for TIF District No. 6 from 2002 through 2016.



**Developer Agreements**

Two pay-as-you-go obligations payable solely from tax increment revenue generated within TIF District No. 6 will have amounts outstanding at December 31, 2016. Payments projected are based on estimates of tax increment to be collected by the City. Projected payments are expected to total approximately \$4,126,000 over the life of the District, with future annual payment projections of approximately \$310,000.

**Debt**

Bonds were issued in 2004 to fund the City’s Heart of the City parking ramp project and to finance land acquisition. The City issued \$1,925,000 of General Obligation Tax Increment Refunding Bonds, Series 2013B to refund the Series 2004D Bonds as of February 1, 2014. Bonds outstanding at 12/31/2016 total \$1,865,000.

The following chart is a summary of debt issued, redeemed and outstanding at December 31, 2016.

Bonds	Issued	Redeemed	Balance
GO Tax Increment Bonds, Series 2004D	\$3,490,000	\$3,490,000	\$0
Taxable Tax Increment Bonds, Series 2004 E	\$490,000	\$295,000	\$195,000
GO Tax Increment Refunding Bonds, Series 2013B	\$1,925,000	\$605,000	\$1,320,000
	<u>\$5,905,000</u>	<u>\$4,390,000</u>	<u>\$1,515,000</u>

**TIF District No. 6, Heart of the City**  
*Five-Year Financial Plan*

	2015 Actual	2016 Estimated	2017 Anticipated	Projected			Original Budget	Projected Life of District Actual
				2018	2019	2020		
<b>SOURCE OF FUNDS:</b>								
Tax Increment Received	837,105	813,068	813,000	813,000	813,000	—	41,595,365	10,742,826
Market Value Homestead Credit	—	—	—	—	—	—	—	76,457
Bond Proceeds	—	—	—	—	—	—	18,500,000	5,899,936
Investment Earnings	1,012	1,000	2,221	4,721	5,702	6,733	—	62,189
Bond Premium	—	—	—	—	—	—	—	52,614
Other (sale/lease proceeds)	1,000	—	—	—	—	—	—	466,851
Transfers In	—	—	—	—	—	—	—	177,000
<b>TOTAL SOURCE OF FUNDS</b>	<b>839,117</b>	<b>814,068</b>	<b>815,221</b>	<b>817,721</b>	<b>818,702</b>	<b>6,733</b>	<b>60,095,365</b>	<b>17,477,873</b>
<b>USE OF FUNDS:</b>								
Land/building Acquisition	—	—	—	—	—	—	2,800,000	1,354,308
Public Improvements and Infrastructure	15,649	—	—	—	—	—	6,000,000	3,845,407
Developer Agreements	308,112	310,342	311,440	311,440	311,440	—	7,850,000	4,126,181
Bond Principal Payments	335,000	375,000	360,000	375,000	385,000	395,000	18,500,000	5,930,000
Bond Interest Payments	48,150	48,150	40,160	23,250	14,150	4,775	23,095,365	1,412,624
Notes Payable Interest Payments	3,300	1,300	—	—	—	—	—	136,523
Administrative Expenses	13,295	14,500	14,500	10,000	5,000	4,000	1,850,000	553,432
<b>TOTAL USE OF FUNDS</b>	<b>723,506</b>	<b>749,292</b>	<b>726,100</b>	<b>719,690</b>	<b>715,590</b>	<b>403,775</b>	<b>60,095,365</b>	<b>17,358,475</b>
<b>NET DIFFERENCE</b>	<b>115,611</b>	<b>64,776</b>	<b>89,121</b>	<b>98,031</b>	<b>103,112</b>	<b>(397,042)</b>	<b>—</b>	<b>119,398</b>
Beginning Fund Balance	41,741	157,352	222,128	311,249	409,280	512,392	—	—
Ending Fund Balance	157,352	222,128	311,249	409,280	512,392	115,350	—	119,398
<b>Other financial information:</b>								
Year-end Cash Balance	383,223	382,999	472,120	570,151	673,263	276,221	—	—
February debt payments- subsequent year	372,115	378,045	388,875	394,375	399,775	—	—	—

**City of Burnsville**  
**Proposed Tax Increment Financing (TIF) District 7, Redevelopment Project 1,**  
**Minnesota River Quadrant (MRQ) Project Area**  
**Financial Plan Year 2017**

**Tax Increment Financing (TIF) District Description**

This district was established in 2012 as a Soils Deficiency District, pursuant to a Special Law (2008 Minnesota Laws, Chapter 154, Article 9, Sections 21 and 25(b)). The primary purpose of the district is to enable redevelopment of certain property within the Minnesota River Quadrant (MRQ) Project Area. The maximum duration of this proposed district is 20 years after receipt of the first tax increment. In 2016, the City proposed amendments to TIF District 7 legislation relating to extension of the district. The legislative session ended without the bill being signed. The City will continue to pursue this amendment in the next legislative session.

**Background**

The proposed use of tax increment within TIF District 7 includes reimbursement to the City and private developers for site improvements and preparation of costs related to the redevelopment of property. Site improvements and preparation costs include the cost of filling, grading, or other physical preparation of the land for use. Other qualifying improvements include public infrastructure improvements. Estimated tax increment revenues and projects costs are shown below:

<b>Project Costs and Sources of Increments</b>	
<b>Estimated Tax Increment Revenues (from tax increment generated by the district)</b>	
Tax increment revenues distributed from the County	\$ 13,860,000
Interest and investment earnings	30,000
<b>Total Estimated Tax Increment Revenues</b>	<b>\$ 13,890,000</b>
<b>Estimated Tax Increment Revenues (from tax increment generated by the district)</b>	
Project Costs:	
Land/building acquisition	—
Site improvements/preparation costs	2,905,000
Utilities	—
Other qualifying improvements	5,892,000
Administrative Costs	1,385,000
Estimated Tax Increment Project Costs	10,182,000
Estimated financing costs:	
Interest expense	3,708,000
<b>Total budgeted expenditures</b>	<b>\$ 13,890,000</b>

The maximum original principal amount of TIF Bonds to be issued to finance project costs is \$9 million.

No tax increment revenues or expenditures have been recorded in this district to date.

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