

City COVID Costs

	March 1 - November 15
Business Grants (Businesses and Non-profits)	\$1,986,687
Hospital Allocation (Fairview Ridges)	161,525
Public Safety Payroll	10,327,731
Emergency paid sick leave and City flex leave	92,829
Direct COVID-related Overtime	87,408
Negative ion generators at City facilities	119,852
Remote work/meeting technology	101,409
PPE/Cleaning supplies/Social Distancing Measures	223,635
Administration of Business Grant Program (direct)	54,844
Contracted Svcs/Staff reassigned to Other Departments	<u>211,970</u>
Total COVID Expenses	\$13,367,890

\$4,720,595 of these expenses were allocated to CARES Grant and reported to MMB.



\$4,720,595 CARES Allocation Update

- \$1,986,687 Business Assistance – Assistance to local businesses and non-profits during state-mandated restrictions
- \$161,525 Assistance to Fairview Ridges for incremental pandemic related costs
- \$92,829 Employer paid sick and paid family and medical leave to enable compliance with COVID-19 public health precautions
- \$119,852 Negative ion generators installed at City Hall, Police Dept, Ames Center, FS-2, and Maintenance Center
- \$2,359,702 Public Health and Safety Payroll Cost from March 1 through November 15

2021 Budget Work Session Discussion

City Council Work Session | November 24, 2020





2021 BUDGET PROCESS

MEETING DATES	DISCUSSION TOPICS
June 9	2021 Preliminary Budget Pressures
August 25	Review of Max Tax Proposal
September 22	Council Adopts Maximum Tax Levy (City & EDA)
October 13	Proposed Budget Book to Council
October 27	Department Presentations at Work Session
November 24	Council Work Session on the Budget
December 8	Council Adopts Tax Levies, Fee Schedule, CIP, & Budget <ul style="list-style-type: none">• Meeting Starts after 6:00 pm• To join virtually visit https://burnsvillemn.gov/dec8council



Proposed Budget Foundation

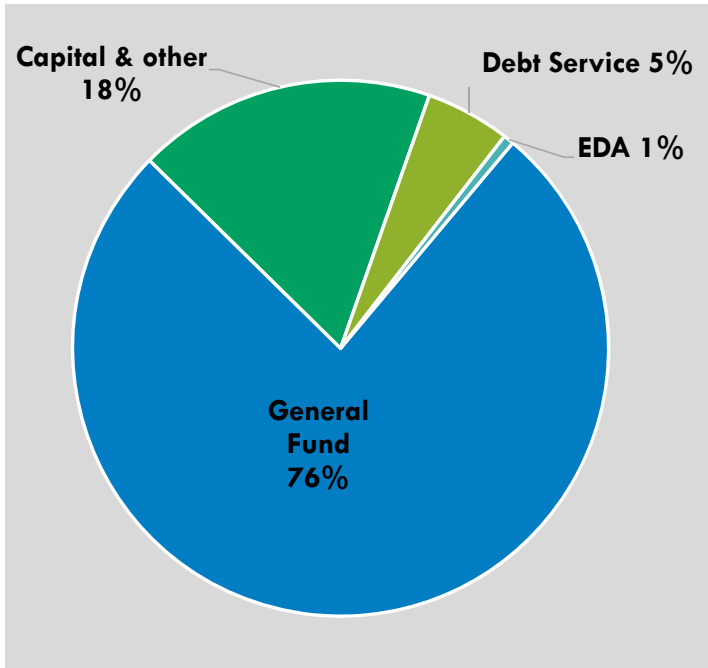
- Sound financial policies and community priorities
 - AAA Bond rating confirmed
- Overall Market Value Increase of 5.3% for Pay 2021
- Proposed property tax increase of 4%
- Recognizes impact of ongoing COVID-19 global pandemic



2021 Proposed Budget Highlights

- Maintains Current Service Levels
- Invests in recruiting, maintaining, & developing a high quality workforce
- Addresses community & organizational needs
- Addresses City Code overhaul
- Maintains infrastructure & assets

2021 Proposed Property Tax Levy



Fund	2020 Levy	2021 Proposed	Change	Increase
General Fund	\$ 28,708,967	\$ 29,973,845	\$ 1,264,878	3.3%
ITF	3,060,000	3,151,800	91,800	0.2%
Parks Capital	1,365,000	1,413,000	48,000	0.1%
Equip & Vehicle	1,824,000	1,879,000	55,000	0.1%
IT Capital	324,000	334,000	10,000	0.0%
Debt Service	2,006,707	2,006,707	-	0.0%
Forestry	300,000	300,000	-	0.0%
City Levy	37,588,674	39,058,352	1,469,678	3.9%
EDA Levy	197,500	247,500	50,000	0.1%
Total	\$ 37,786,174	\$ 39,305,852	\$ 1,519,678	4.0%



Burnsville Median Value Home – Estimated Impact of 4.0% Levy Increase

- 2020 Value \$267,500
- 2021 Value \$277,300

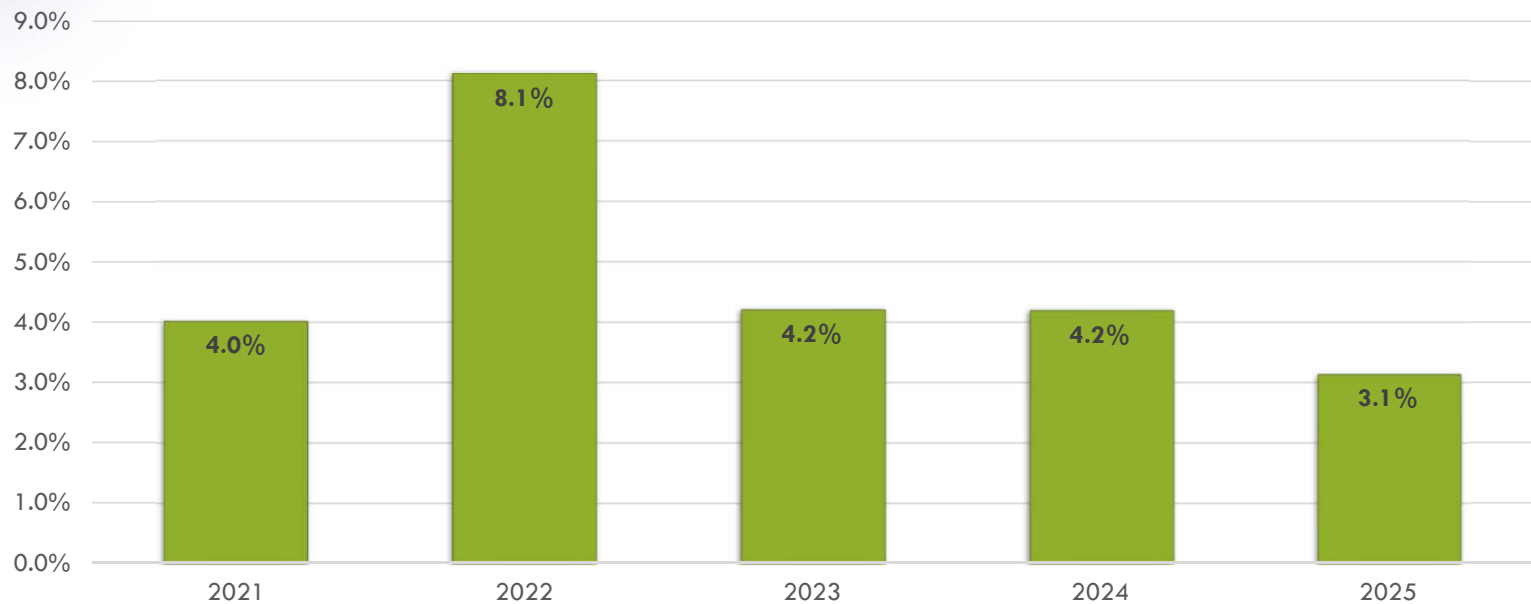


3.7% Median Value Increase

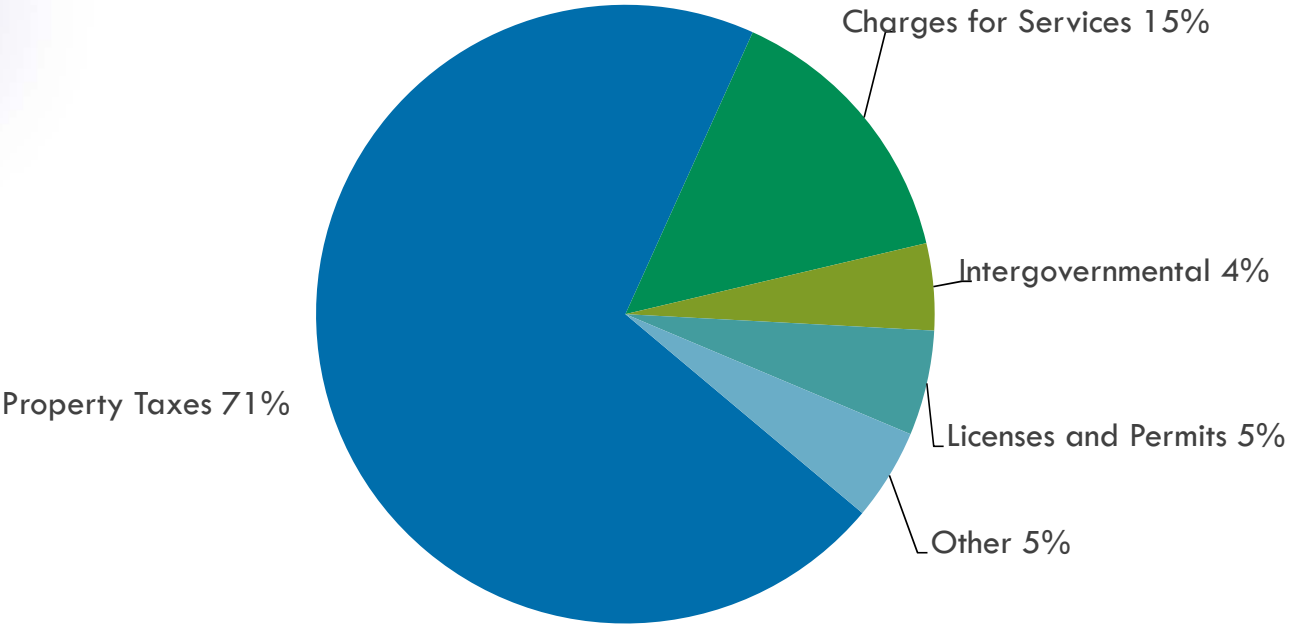


\$39 annual tax increase
(\$3.25/month)

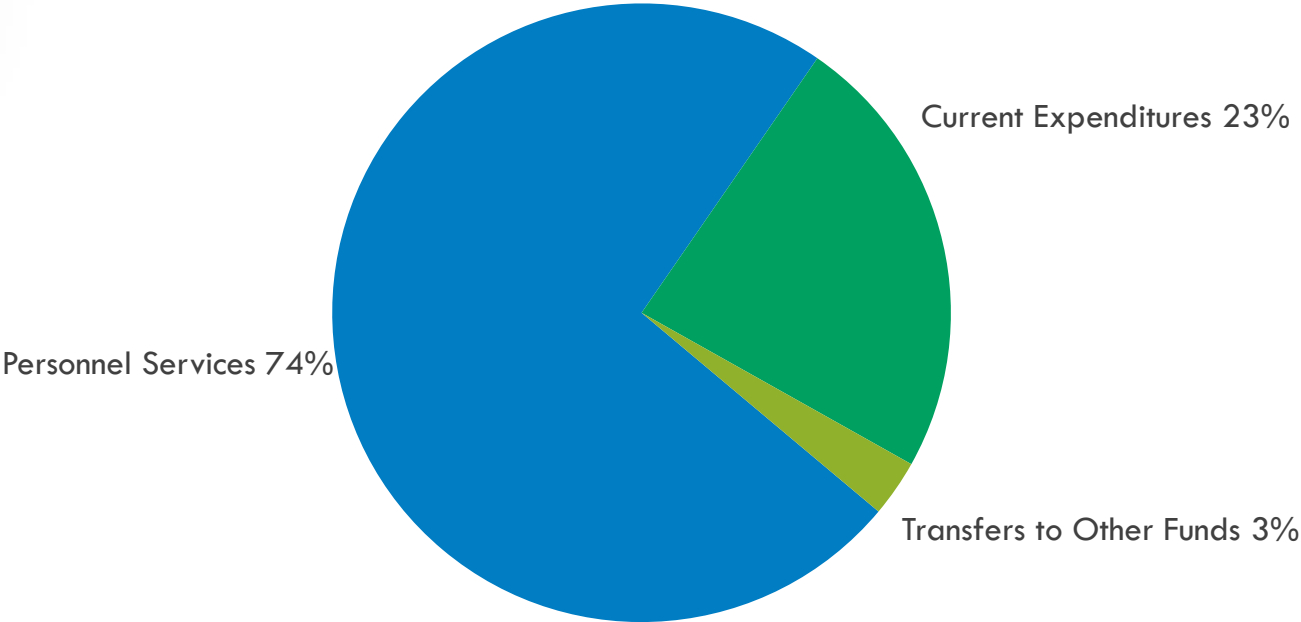
2021-2025 Projected Property Tax Increases (current service levels)



2021 Proposed General Fund Revenues \$41.9m



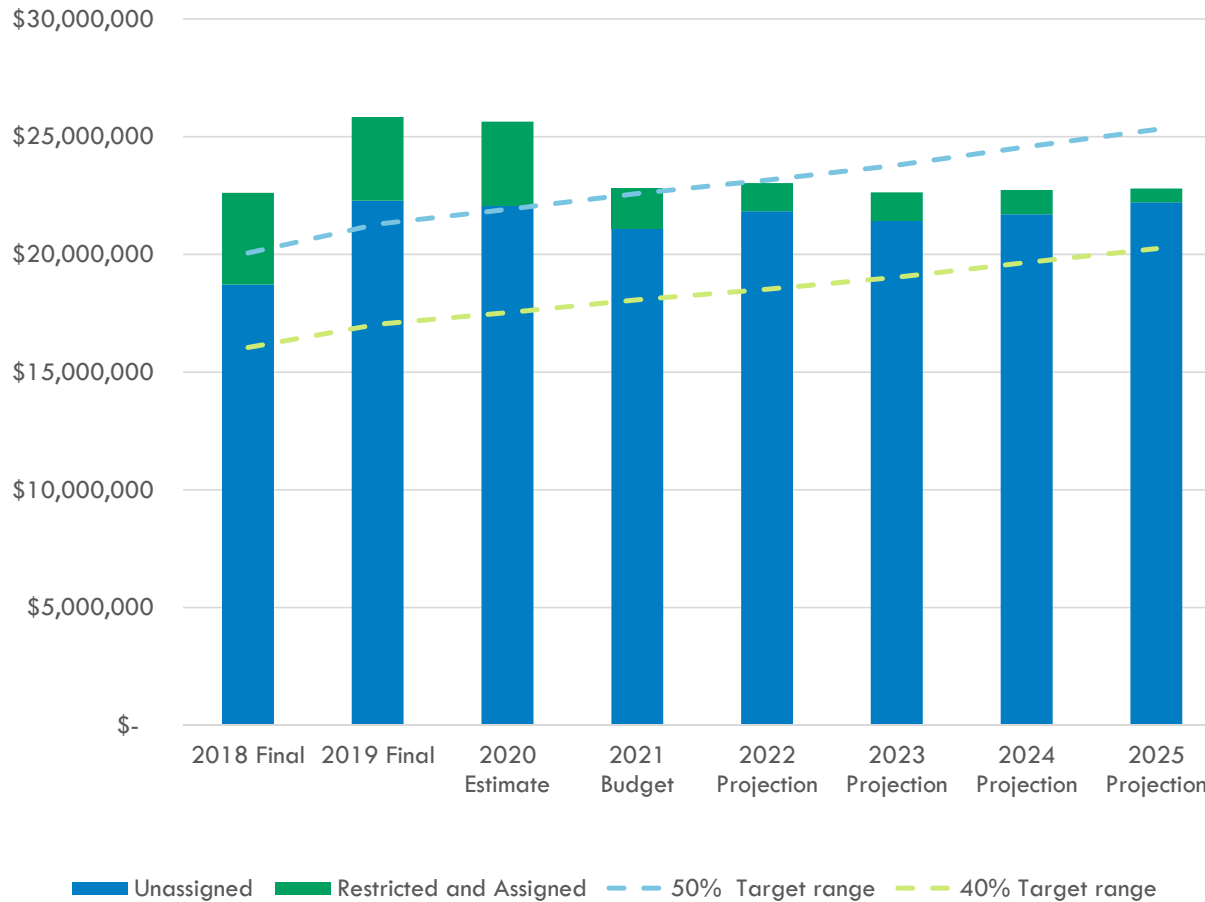
2021 Proposed General Fund Expenditures \$43.8m



Proposed Use of General Fund Balance

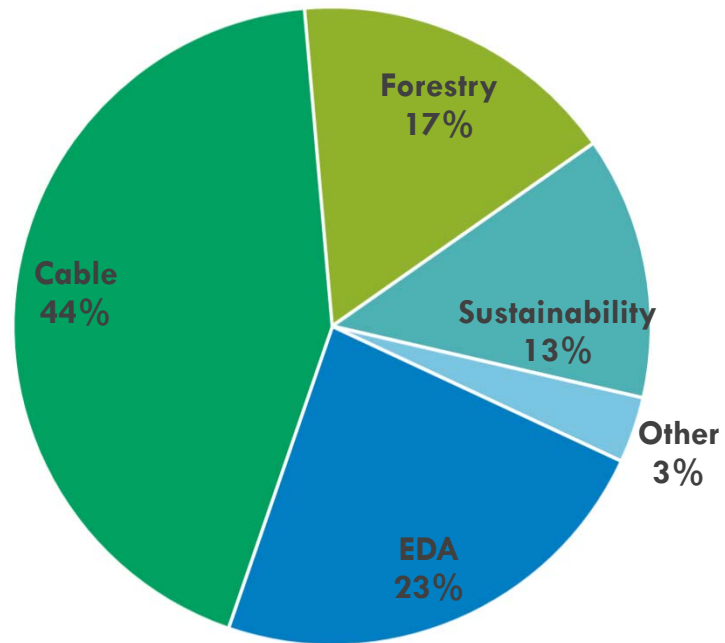
	2020 Budget	Proposed 2021
Planned Uses:		
Use of Restricted for Landfill	\$167,791	\$151,161
Sustainability Cash Flow Transfer	180,000	-
Ice Center Debt Service	140,000	140,000
Elections	220,000	-
Community Development Software	135,000	290,000
Community Development Vehicle Replacements	35,000	96,000
City Code Overhaul	-	125,000
Other One Time Uses – Property Tax Relief	-	1,100,765
Planned Use of Fund Balance	\$877,791	\$1,902,926

Fund Balance – General Fund



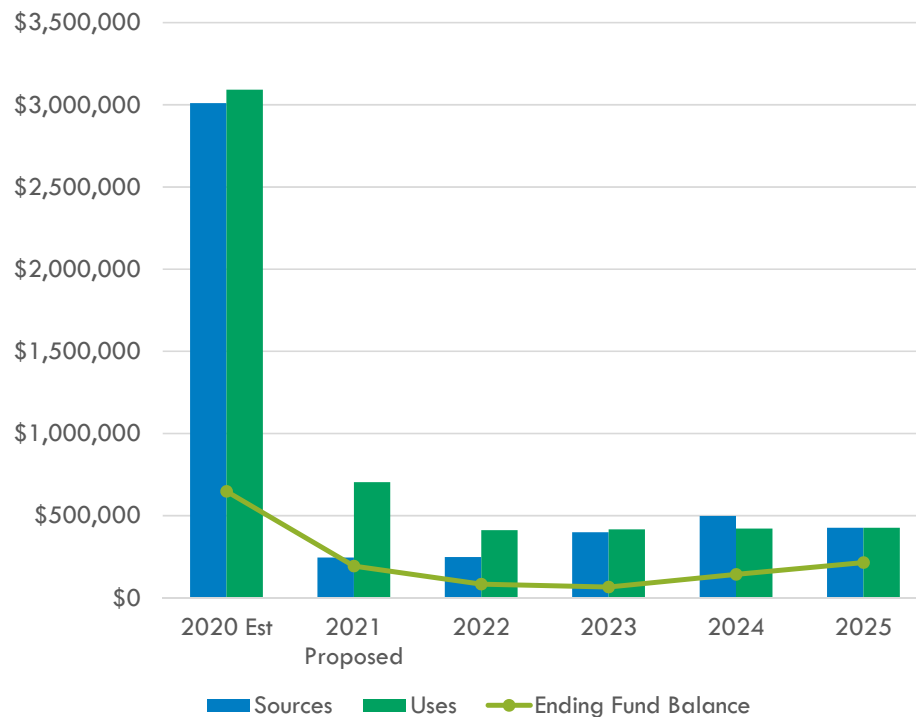
- 2020 Estimate includes assumptions for COVID-19 revenue and expense impacts
- New 2020 policy – maintain 40-50% of subsequent years' expenditures
- Unassigned Fund Balance over 45% available for one-time uses

Special Revenue Funds \$3.1m



- EDA
- Cable
- Forestry
- Sustainability
- Youth Center
- Grant
- Forfeiture

EDA Fund

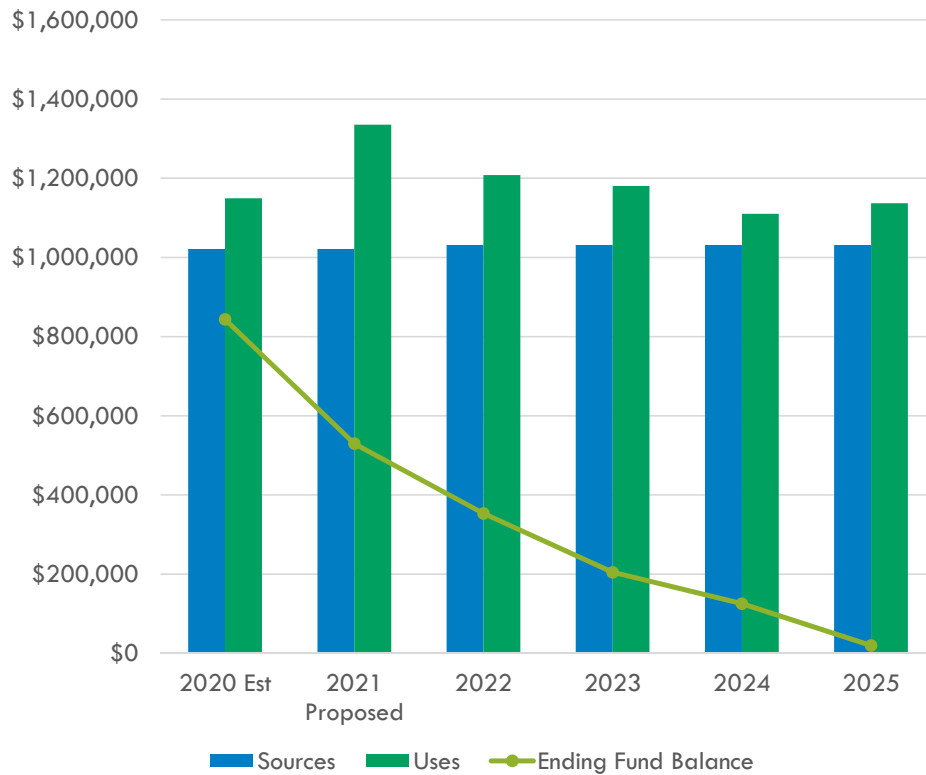


2020 Estimate includes CARES Business Grant Program and Hospital Funding

2021-2025 includes Economic Development Initiatives

- Center Village
- Heart of the City
- Landfill
- Housing & commercial programs
- Strategic Marketing Plan
- Placemaking

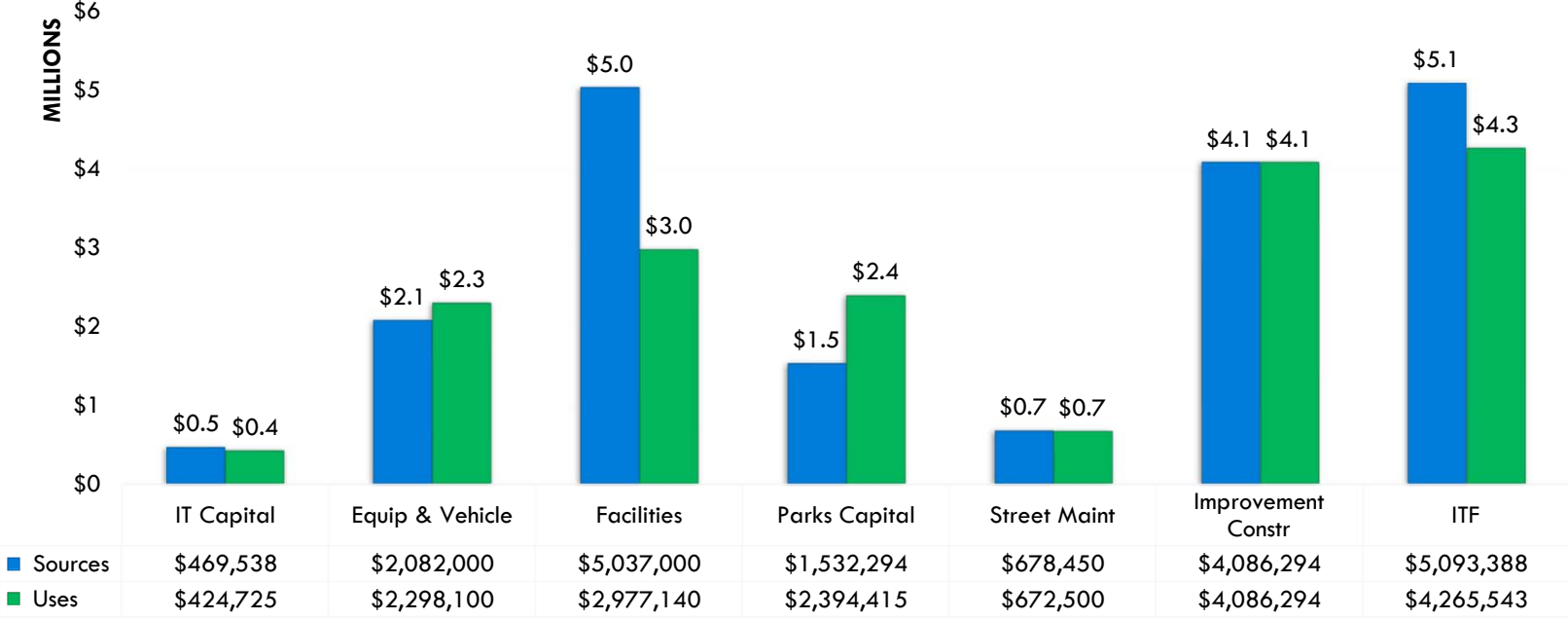
Cable Franchise Fee



Sources

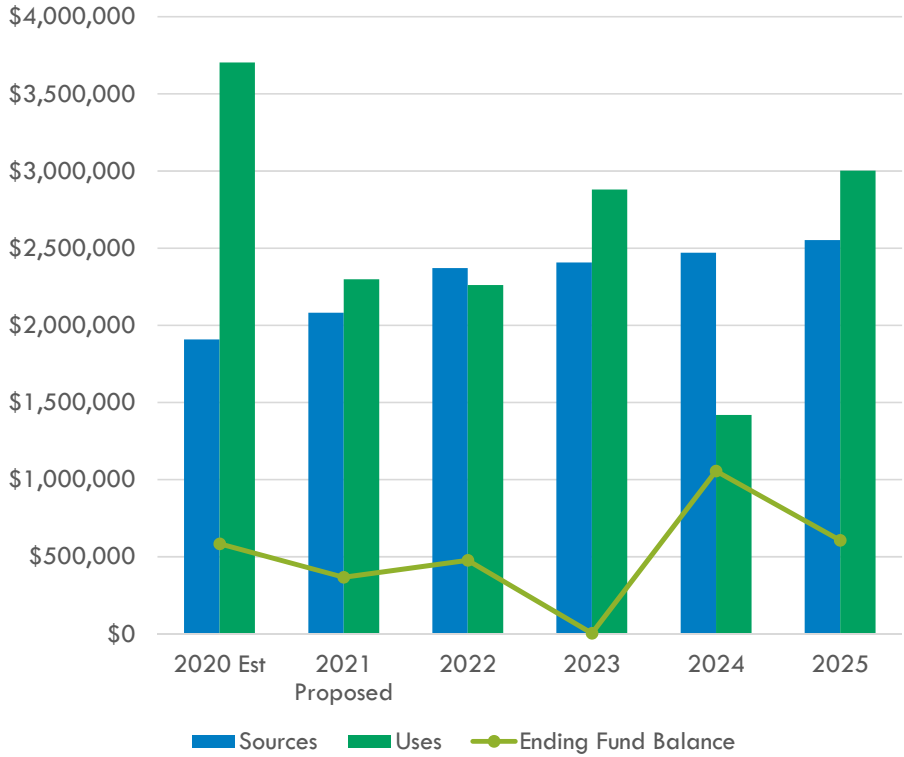
- Cable Franchise Fees & PEG Fees
- Flat estimates
- Expenses
 - City Communications
 - BCTV
 - Transfer to the General Fund
\$185,00 – phased out by 2023
- Communications & Community Engagement Plan

2021 Budget Capital Projects Funds



■ Sources	\$469,538	\$2,082,000	\$5,037,000	\$1,532,294	\$678,450	\$4,086,294	\$5,093,388
■ Uses	\$424,725	\$2,298,100	\$2,977,140	\$2,394,415	\$672,500	\$4,086,294	\$4,265,543

Equipment & Vehicle



Fund is challenged

- Cost of Fleet Continues to Rise
- New Technologies & Requirements
- 2021 Fleet Study Budgeted for \$100,000



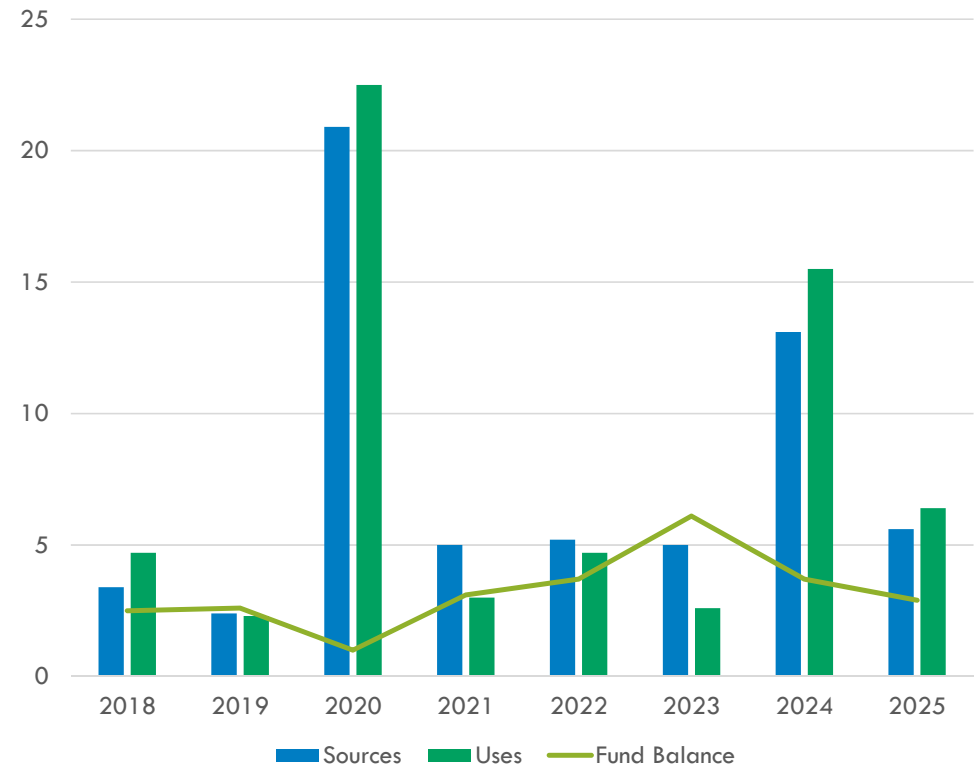
Facilities Fund

Capital Highlights

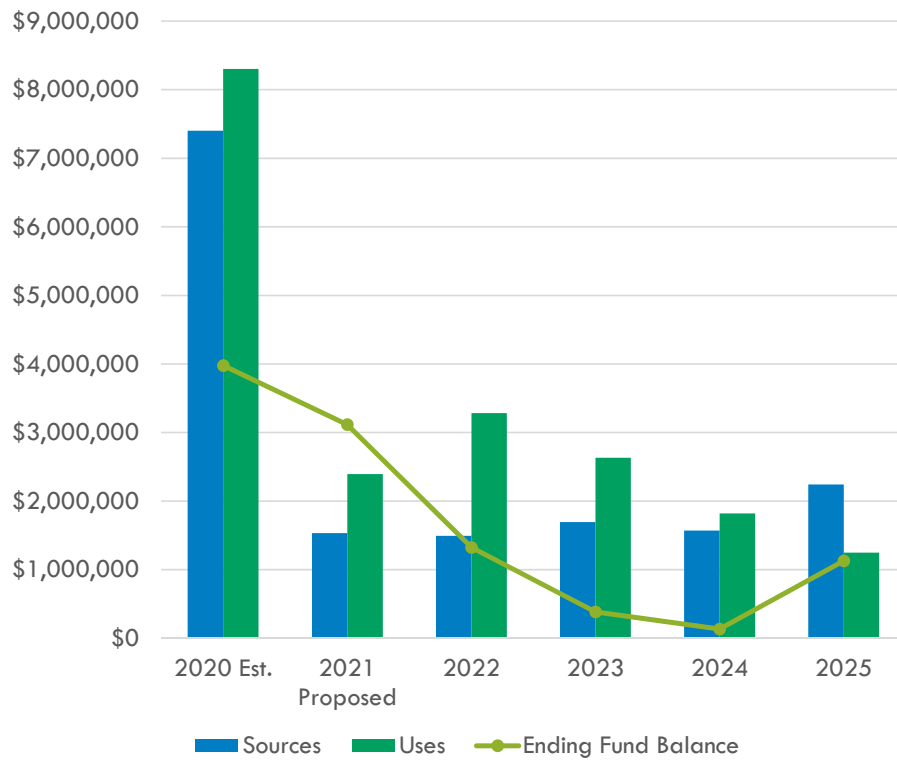
- 2020 – Fire Station 1 Construction
- Facilities Study included in 2021 CIP
- 2024 – City Hall & Fire Station 2 Renovations (Phase 3)

Revenue Assumptions

- Franchise Fees increase to \$4/meter per month - starting in 2020
- This level of franchise fees will provide \$4m of cash funding for Phase 3
- Bonding in 2024 for Construction

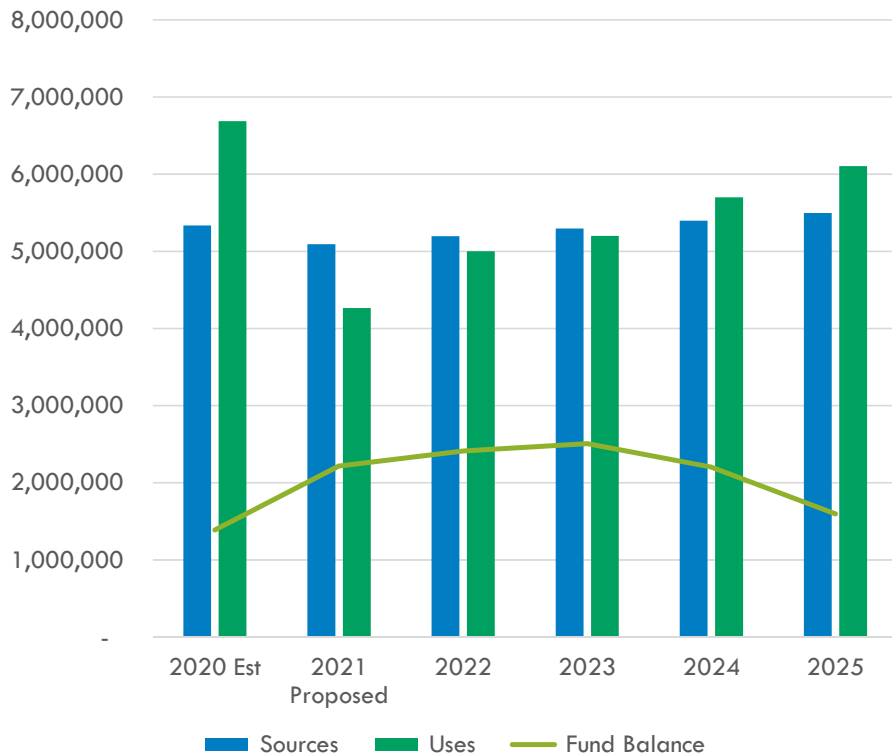


Parks Capital Fund



- Tax levy – annual increase of \$50,000
- Continued implementation of multi-year Parks Frameworks Plan
- 2020 Regional trail expansion for Lake Marion Regional Trail will carryforward into 2021 – Intergovernmental revenues funding most of the project
- 2021 Rehabilitation & enhancement of Nicollet Commons Park
- Development fees were higher in 2020. Must be used for additional features

Infrastructure Trust Fund (ITF)

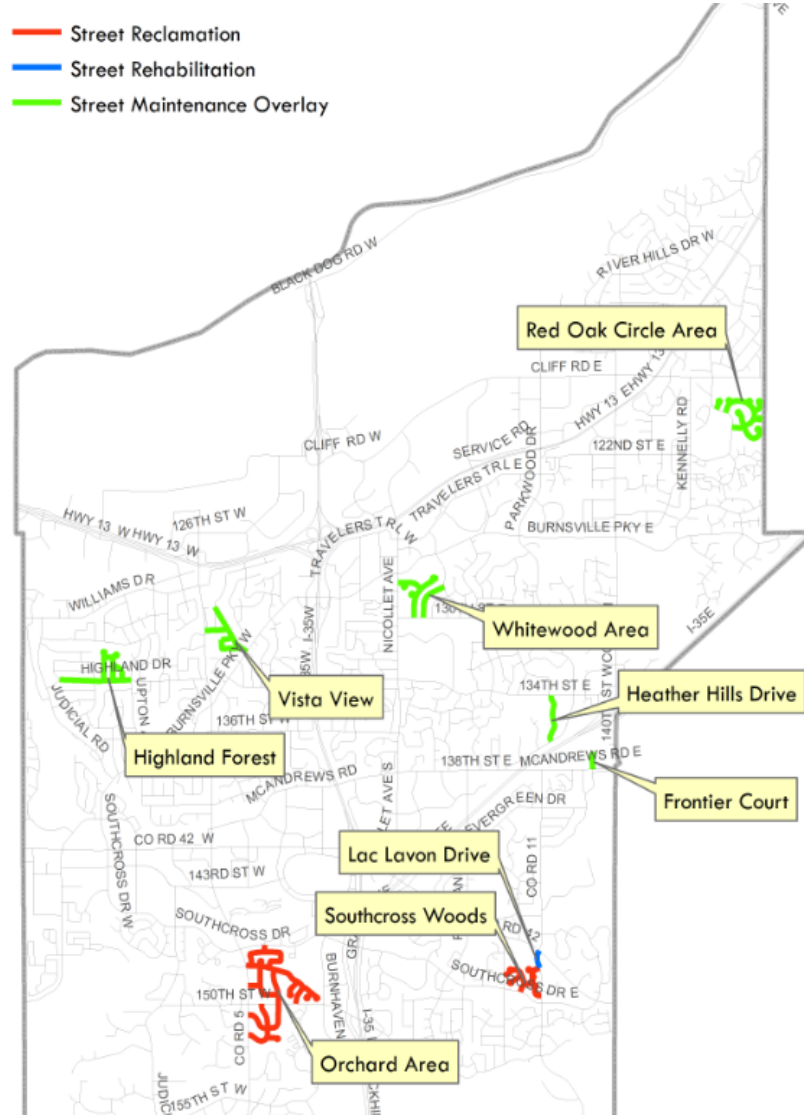


Sources

- MSA – 15% reduction budgeted for 2021
- ITF Levy - increase of 3% - 2021-2025

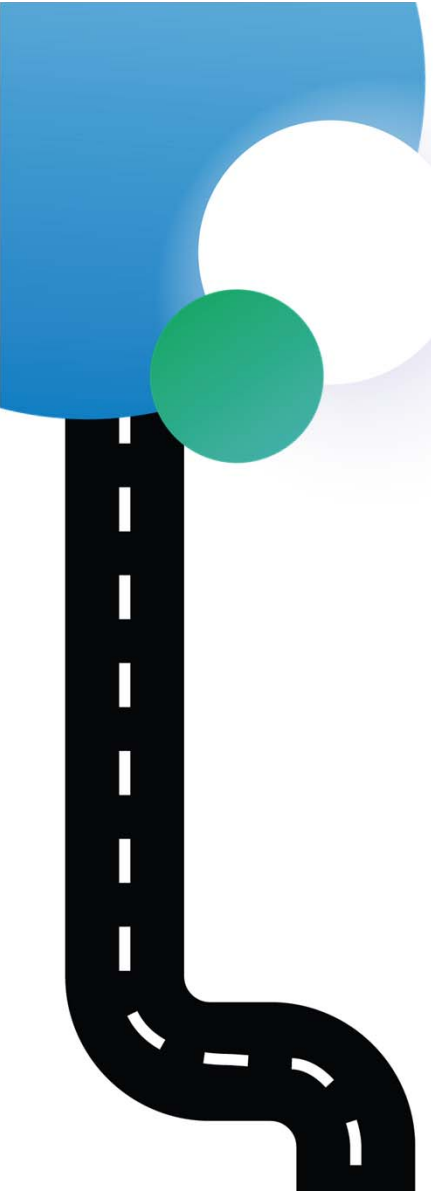
Uses

- Street and Street-related Capital Improvements



CAPITAL IMPROVEMENT PLAN

• 2021 STREET PROGRAM



CAPITAL IMPROVEMENT PLAN

- Regional Transportation
- Multi-Modal Transportation Plan



CAPITAL IMPROVEMENT PLAN

- Park Improvements
 - Nicollet Commons Park
 - Tennis Court Rehabilitation
 - Lake Alimagnet House Removal
 - Colonial Park Play Equipment Replacement
 - Terrace Oaks W Building Renovation
 - Technology/Fiber Extensions – Neill, Red Oak, Sue Fischer, Alimagnet, Terrace Oaks, Nicollet Commons Parks
 - Potential Crystal Lake W Trail w/Development



CAPITAL IMPROVEMENT PLAN

- Fleet Study
 - Fleet Maintenance Operations
 - Fleet Size and Utilization
 - Vehicle and Equipment Replacement and Funding
 - Fleet Modernization & Sustainability



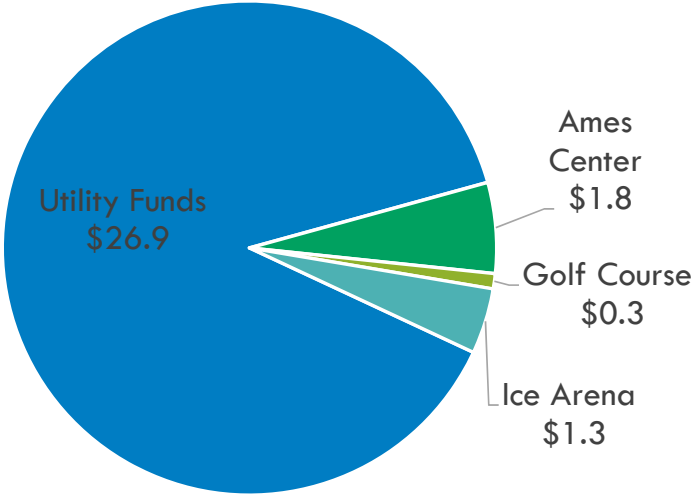
CAPITAL IMPROVEMENT PLAN

- Water
 - Sewer and Water
 - Electric Improvements Groundwater Plant
 - KMM/City Collaboration on Surface Water Intake
 - Stormwater
 - Crystal/Twin Lakes Water Level Improvements
 - Ravine Restoration
 - Natural Resources Management Plan Update

Enterprise Funds

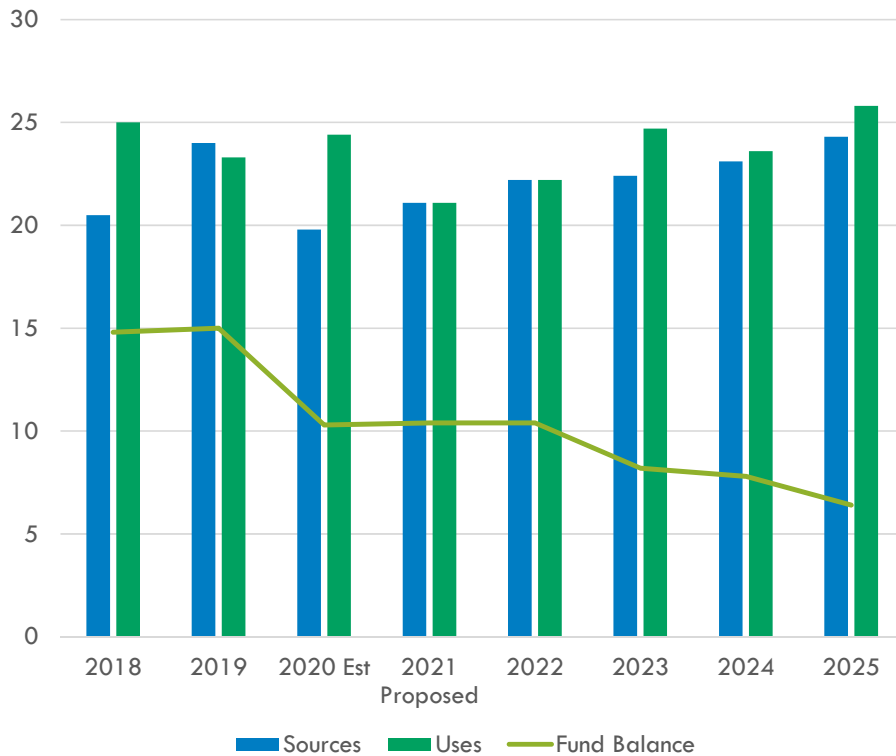
- Utility Funds are the largest portion
 - Water & Sewer
 - Storm Water
 - Street Lighting
- Other Enterprise Funds
 - Ames Center
 - Ice Center
 - Golf Course

Expenditures \$30.3m



■ Utility Funds ■ Ames Center ■ Golf Course ■ Ice Arena

Water & Sewer Fund



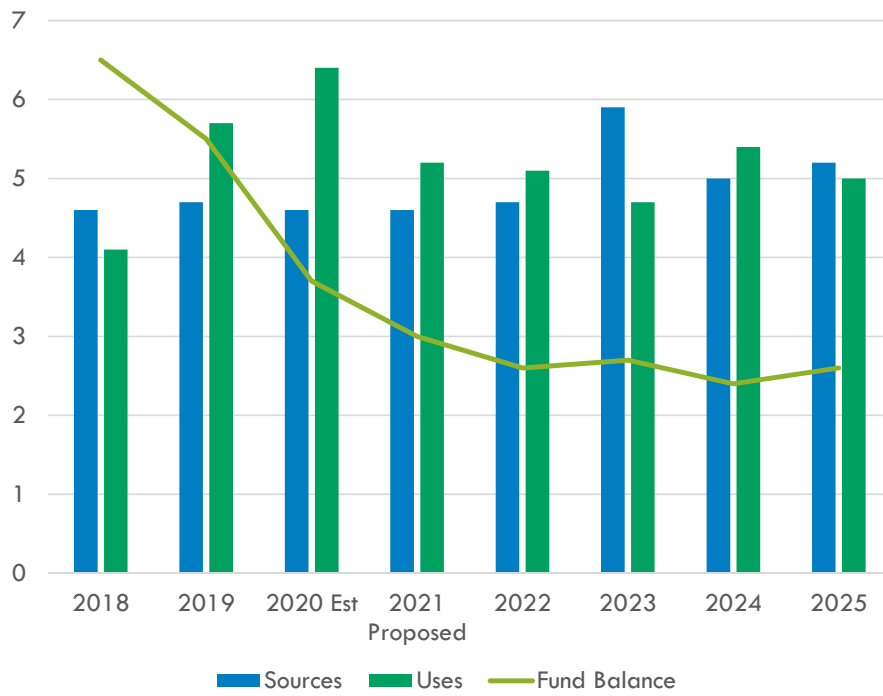
Sources

- Utility rate study completed in 2020
 - Rates for fixed and variable costs adjusted
 - No revenue increase over what was planned

Uses

- Operations, including staffing
- MCES charges - decreased for 2021
- Infrastructure replacement associated with street projects

Storm Water Utility Fund



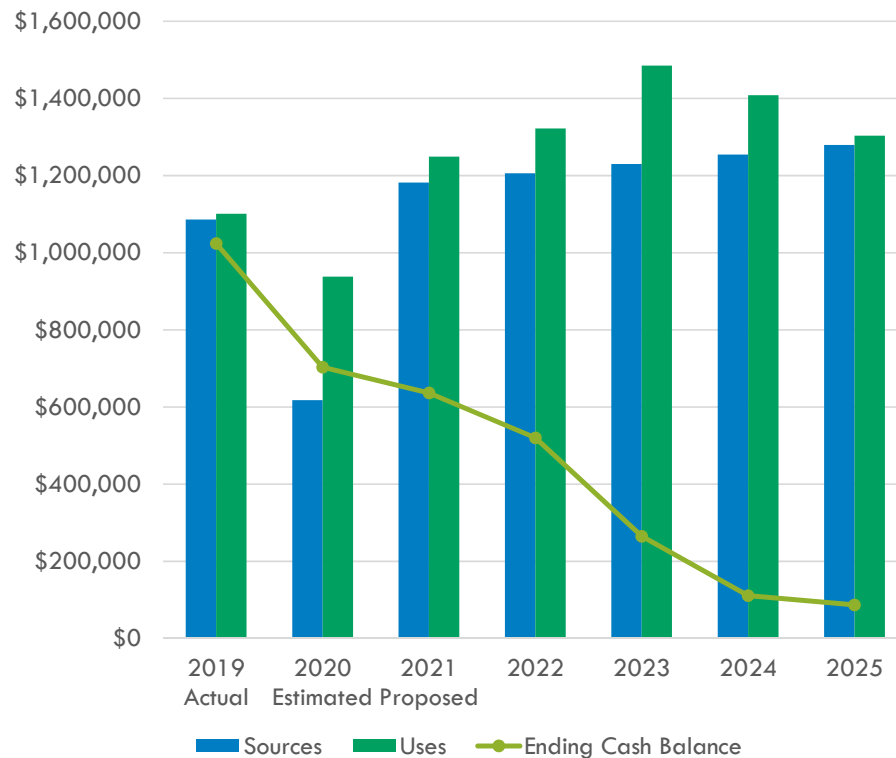
Sources

- Utility rate study Completed in 2020
- No Change to rate structure

Uses

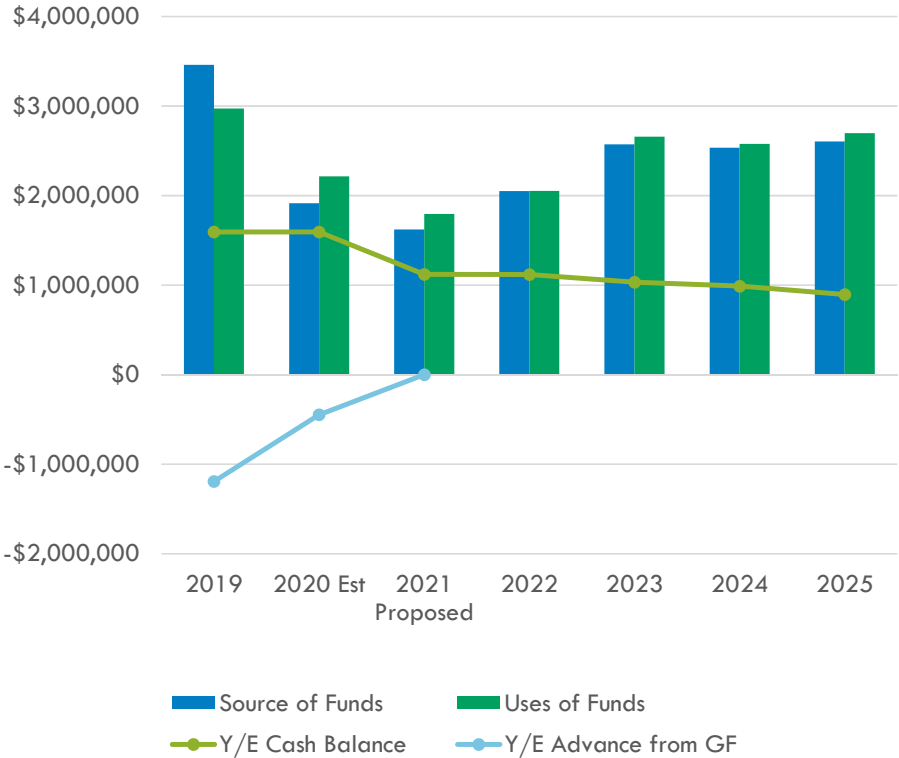
- Operations, including staffing
- Storm Sewer associated with Street Projects
- Ravine Restoration
- Resiliency Improvements

Ice Center Fund – Including Nov Closure



- Revenue losses for 2020 Closures total \$514,000, net loss of \$320,000
- Additional \$32,000 in losses if closure extends through 12/31
- Future challenges to increase revenues. Will continue to update the plan and manage operating costs as needed.
- Regular capital replacement is funded through the Ice Center Fund

Ames Center Fund



- Operations and Capital remain in this fund
- Advance from General Fund to be repaid by 2021
- Annual capital to maintain facility is included in the 5-year plan



Remaining Steps

- Budget Adoption December 8 at 6:00pm
- To join virtually visit <https://burnsvillemn.gov/dec8council>
- Visit www.burnsvillemn.gov/186/budget to view more information on the 2021 budget.

Questions?



Other COVID Impacts

Possible additional measures to respond to impacts of recent restrictions enacted:

- Further on-sale liquor license rebates/refunds for additional 4 week closures
 - 1 month - \$22,316
- Possible assistance/support for Ice Center
 - Revenue losses projected at \$608,000 for a 2020 net loss of \$414,000
 - Additional \$32,000 in losses if current closure extends through December 31
 - Transfer(s) from the General fund and/or further Facilities funding for Ice Center Capital Projects