



**Preliminary Payable
2021 Tax Levies and
Preliminary 2021
General Fund Budget**

**September 23, 2020
Council Meeting**



Preliminary Payable 2021 City Tax Levies

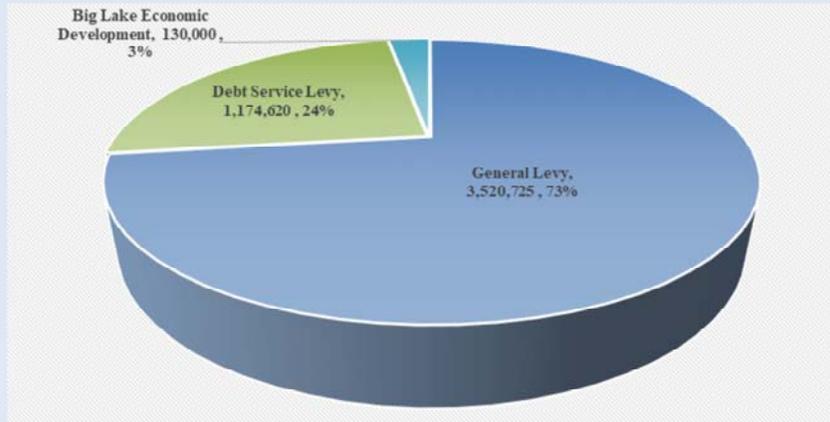
	<u>2021 Preliminary</u> <u>General Fund & BLEDA</u> <u>Levy</u>	<u>2020 Final</u> <u>General Fund & BLEDA</u> <u>Levy</u>	<u>Increase/(Decrease)</u>
General	\$ 3,520,725	\$ 3,291,771	\$ 228,954
<u>Specials:</u>			
GO Tax Abatement- Series 2014A	24,750	24,750	
GO Taxable Tax Abatement- Series 2016A	199,103	207,976	
<u>Debt:</u>			
2011A GO Improvement Bonds	-	50,000	
2011B GO Improvement Bonds	314,000	280,000	
2012A GO Refunding Bonds	15,000	15,000	
2015A GO Refunding Bonds	319,865	300,811	
2016B GO Capital Improvement Plan Bonds	60,139	59,637	
2016C GO Improvement Bonds	241,763	206,068	
Total Specials and Debt Levy	<u>1,174,620</u>	<u>1,144,242</u>	<u>30,378</u>
Total General Fund, Specials and Debt Levy	\$ 4,695,345	\$ 4,436,013	\$ 259,332
Big Lake Economic Development Authority Levy	\$ 130,000	\$ 130,000	\$ -
Total City Levy	\$ <u>4,825,345</u>	\$ <u>4,566,013</u>	\$ <u>259,332</u>
City Tax Rate	2021 Preliminary 49.76%	2020 Final 50.62%	-0.86%



The proposed total Tax Levy for the City is \$4,825,345 which is an increase of \$259,332 over 2020

2021 Proposed Tax Levy Summary

Component of Tax Levy	2020	2021	\$ Change	% Change
General Levy	3,291,712	3,520,725	229,013	6.96%
Debt Service Levy	1,144,242	1,174,620	30,378	2.65%
Big Lake Economic Development	130,000	130,000	-	0.00%
	<u>4,565,954</u>	<u>4,825,345</u>	<u>259,391</u>	<u>5.68%</u>



The components of the tax levy are as follows:

The General Levy, \$3,520,725 shows an increase of \$229,013, and represents 73% of the total tax levy. This levy is the revenues needed to balance the general fund budget. The General Fund budget are the expenditures associated with the services provided to the community.

The Debt Service Levy, \$1,174,620 is used to pay the yearly debt payment for the City and represents 24% of the total tax levy. The City can not pay off debt any sooner than what is outlined in the bond documents. The City can though used excess cash to make the yearly debt payments in lieu of increasing the debt service levy.

The Big Lake Economic Development levy is the funds used for economic development within the City. In 2019, the City increased this levy to pay for 50% of the executive directors salary and is at \$130,000

2021 City Tax Rate – Decrease of .86%



The City Tax Rate for 2021 is anticipated to decrease by .86 to 49.76. It is the City Tax rate that is used to calculate what each individual property will pay in City property taxes.

Preliminary property values show an increase of 5.5% in Sherburne County. With the City Tax Rate of 49.76 and the estimated 5.5% increase in property values, residents would see an increase to the City portion only of their property taxes anywhere from \$2.39 to \$5.36 per month.

2021 General Fund Proposed Budget

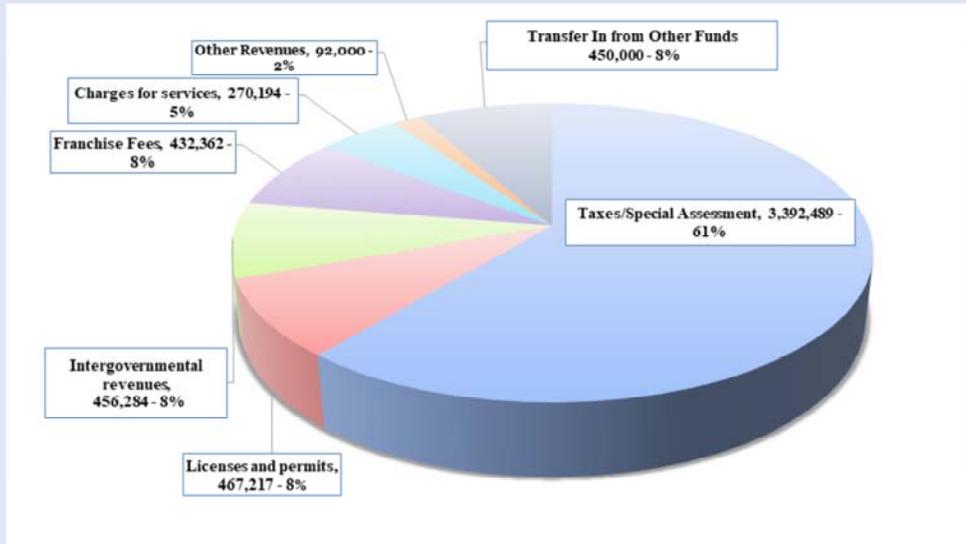
	2020 Adopted Budget	2021 Proposed Budget	2020 - 2021	
			\$ Change	% Change
REVENUE				
Taxes	\$ 3,190,692	\$ 3,390,489	\$ 199,797	6.26%
Special assessments	2,000	2,000	-	0.00%
Licenses and permits	541,490	467,217	(74,273)	-13.72%
Intergovernmental revenues	431,453	456,284	24,831	5.76%
Franchise Fees	429,962	432,362	2,400	0.56%
Charges for services	257,854	270,194	12,341	4.79%
Fines and forfeitures	51,750	61,000	9,250	17.87%
Interest earnings	31,500	17,000	(14,500)	-46.03%
Contributions/Donations	3,000	3,000	-	0.00%
Miscellaneous revenue	4,000	1,000	(3,000)	-75.00%
Transfer In from Other Funds	450,000	450,000	-	0.00%
Total Current year revenues	5,393,701	5,550,546	156,846	2.91%
Prior year Donations - Designed Fund Balance	22,362	10,000	(12,362)	-55.28%
TOTAL GENERAL FUND REVENUES BUDGET	5,416,063	5,560,546	144,483	2.67%
EXPENDITURES				
Mayor/Council	34,171	34,196	25	0.07%
Planning and Zoning	156,448	148,132	(8,316)	-5.32%
Elections	24,550	6,300	(18,250)	-74.34%
Administration and Finance	542,979	568,387	25,408	4.68%
IT - Computer/Software/Maintenance	78,300	101,986	23,686	30.25%
BLSC	69,491	72,572	3,081	4.43%
EDA	104,528	116,381	11,853	11.34%
Building Inspection	203,664	245,512	41,848	20.55%
Engineering	86,568	106,860	20,292	23.44%
Fleet Maintenance	-	144,076	144,076	100.00%
Streets	631,019	392,198	(38,821)	-6.15%
Parks	590,739	502,635	(88,104)	-14.91%
Police	2,054,459	2,121,116	66,657	3.24%
Fire	416,460	433,153	16,693	4.01%
Community - Recreation	102,783	103,820	1,037	1.01%
Transfers out	319,904	263,221	(56,683)	-17.72%
TOTAL GENERAL FUND EXPENDITURES	5,416,063	5,560,546	144,483	2.67%



The 2021 Balanced General Fund Preliminary budget is at \$5,560,546, which is a 2.67% increase over the 2020 Adopted Budget.

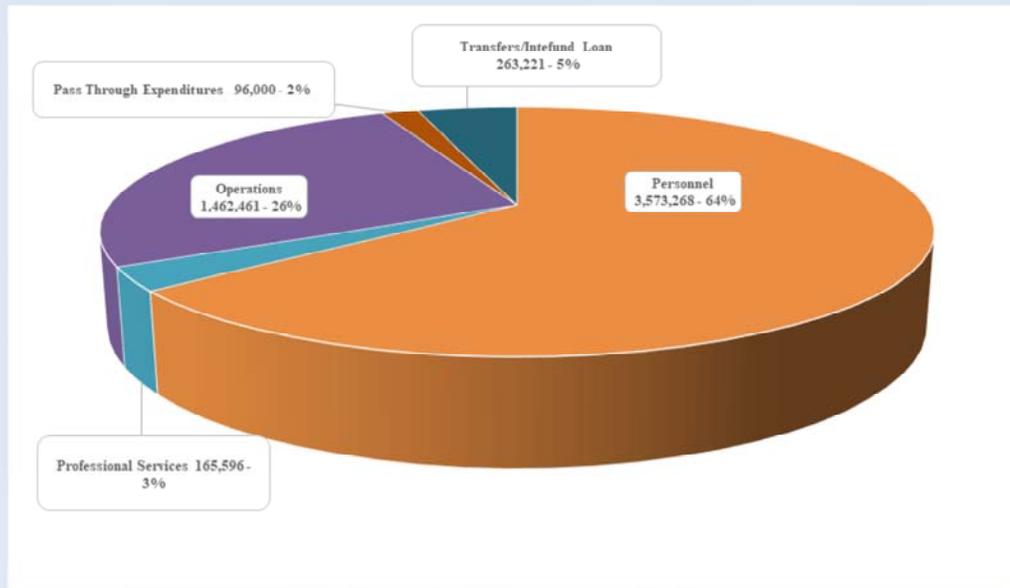
The majority of the increase in all department expenditures is related to Personnel with Step Increases and a 1.8% market rate increase to the City's pay plan. There also was a 6% increase to health insurance premiums. For 2021 a new department was established as the Fleet Maintenance. In prior years these expenditures were coded in Streets and Parks but going forward will be recorded in one department to better track the cost of repairs for vehicles and equipment.

2021 General Fund Proposed Budget Revenues



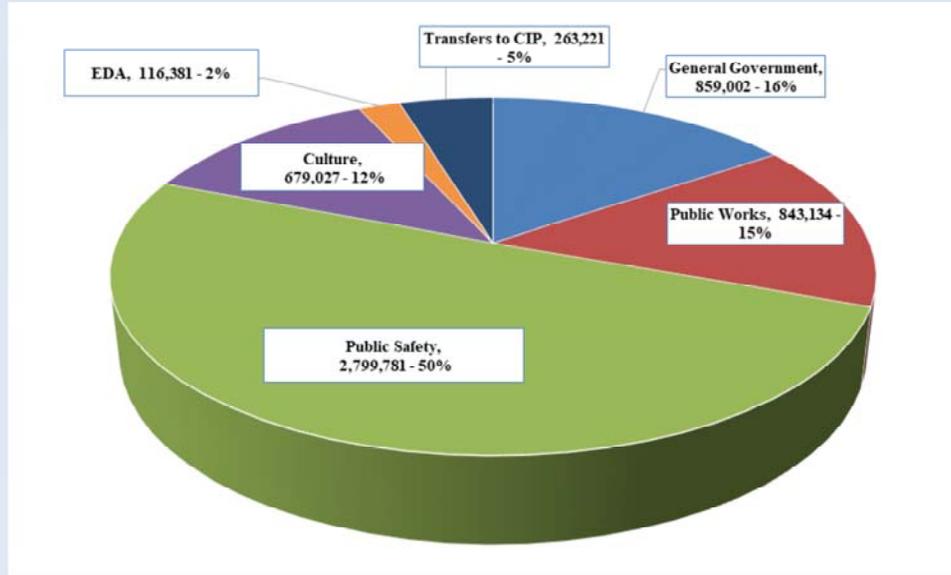
Reviewing the proposed revenues, you will see that 61% of the revenues needed to balance the budget is from the collection of property taxes; with 8% from the \$450,000 transfer from the Liquor Store. This transfer helps lower the overall funds needed to be raised via property taxes in order to balance the budget. Great reason as to why it is important to shop local as the profits from the liquor store are poured back into the community through the services provided by the City.

2021 General Fund Proposed Budget Expenditure By Category



Reviewing the proposed expenditures you will see that 64% of the expenditures are allocated to personnel, this is expected considering the main objective of the City is to provide services for those in the City.

2021 General Fund Proposed Budget Expenditure By Service



Reviewing the proposed expenditures by services, you will see that 50% of the expenditures are allocated to public safety, which includes our police, fire and building department, one of the reasons why Big Lake is such a safe and great community; 15% is allocated to the public works department which maintains the infrastructure of the city and 12% is allocated to culture, which includes the park department and the library, which helps promote quality of life in Big Lake

Preliminary 2021 General Fund and Levy Recap

- Preliminary Levy is at \$4,825,345, an increase of \$259,392 or 5.68% over 2020
- Preliminary City Tax rate is 49.76%, a decrease of .86%
- Preliminary General Fund Budget is at \$5,560,546, an increase of \$144,483 or 2.67% over 2020
- Cost per day to provide City Services, based on population estimate of 11,551 is \$1.32



Final recap; the total preliminary levy is \$4,825,345, with the preliminary tax rate of 49.76, which is a decrease of 0.86 over 2020. The preliminary General Fund Budget is \$5,560,546 which is an increase of \$144,483 over 2020.

The cost to provide the City Services per day is \$1.32; based on estimated population of 11,551

Just a reminder the preliminary levy cannot be increased, only reduced prior to the final levy certification which occurs in December.



**If you have any questions,
please contact me
My name is Deb and you can
reach me at 763-251-2974
email:
dwegeleben@biglakemn.org**

