

City of Wabasha 2023 Budget Workshop

December 6, 2022

6 PM

City Council Meeting



2023 Budget Outline

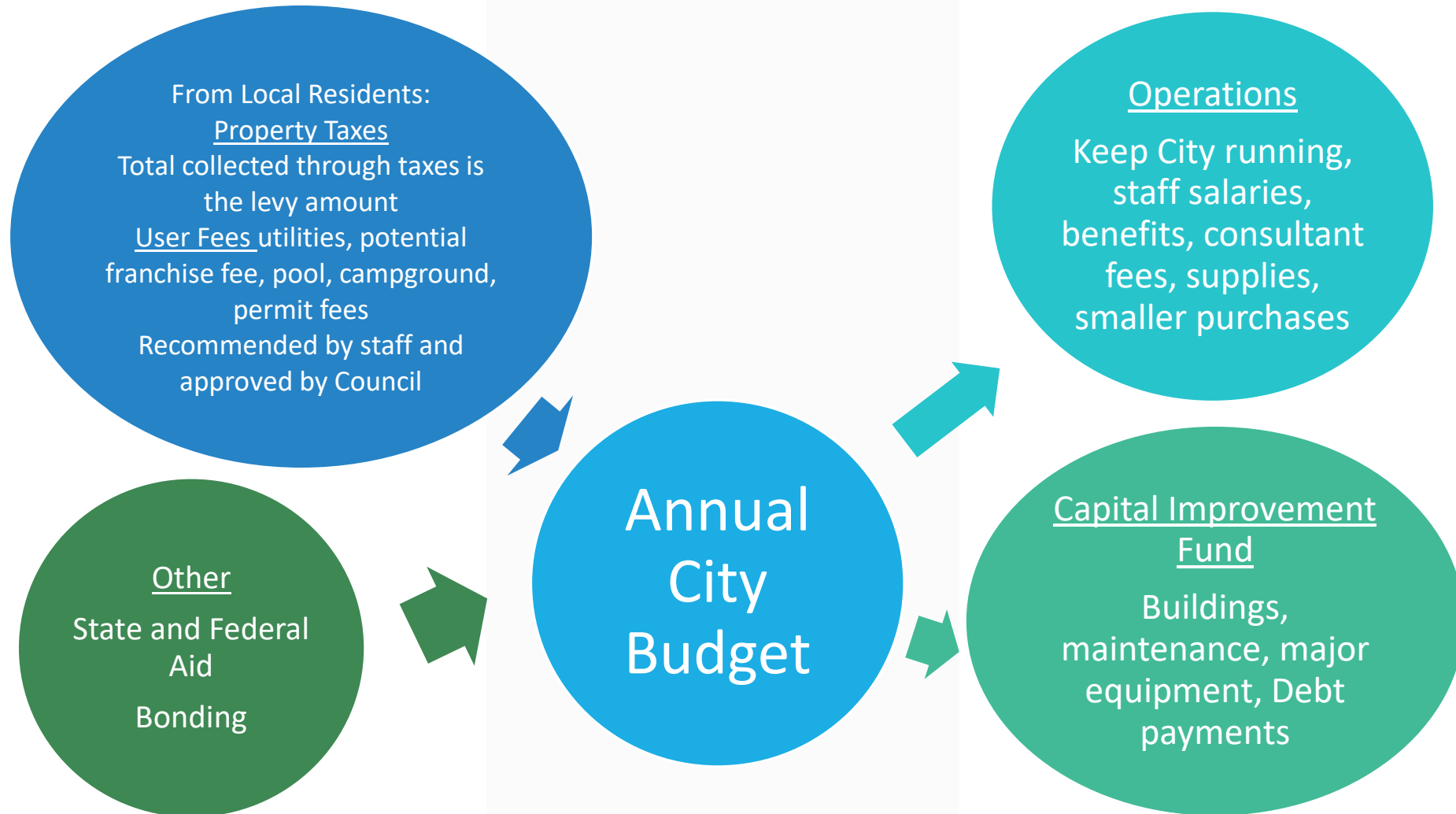
- Review Budget Process
- Property Tax Levy
- 2023 Operating Budgets Overview
- Strategic Plan in the 2023 Budget
- Capital Improvement Fund
- 2023 Departmental Achievements



Budget Process

- July- Finance Director prepared budget and reviewed with staff.
- August 23, 2022- City Administrator presented preliminary budget to Council in workshop
- September 6, 2022- Council approved preliminary levy at 15.7%.
- October 25, 2022- Council workshop, approve salaries and health care benefits.
- November- Wabasha County mails noticed of estimated property taxes to residents.
- December 6, 2022- Public Hearing and Adoption (11%)
- By December 30, 2022- Certified final levy to Wabasha County.

How a City Budget Works



Property Tax Levy

Summary of Levy Breakdown

	Pay 2022	Proposed Pay 2023	Percent Increase (Year to Year)
General Fund	\$1,546,232	\$1,762,445	14.0%
Library Fund	\$166,587	\$180,676	8.5%
Port Authority	\$47,689	\$55,838	17.1%
2013A Debt Service	\$361,631	\$361,631	0.0%
2019A Debt Service - Street Proj	\$40,000	\$40,000	0.0%
Total	\$2,162,139	\$2,400,590	11.0%

\$111K
Wage
Increase

Increase
costs in
health care

Fuel costs,
inflation

Limited
growth state
local aid

11%

Budget Highlights

Maintains \$150,000
Capital Improvement
Fund contribution

+\$111,734* Wage
Increases (5% or more,
based on market study)

Moved office support
expenses to Utilities but
reduced revenue
contribution (net 0
budget impact)

+\$19,909* FICA,
Medicare, Retirement
Contributions

+\$6,000
Pool expenses
(underbudgeted last
year, lifeguard wage
increases)

**Net dollar amount
increase:
\$193,119***

+\$12,000 Police
Workmen's
Compensation Costs

+\$11,000
Police Department
Overtime/Holiday Pay

+\$23,424*
Health Insurance Costs
Increase

+\$8,000
Legal fees

* The salaries, benefits for Deputy Clerk was moved to Utilities. This basically had a net zero impact to the budget as while this has lower revenues, it also decreased operating expenses. Deputy Clerk is included in the wage, benefit increases above to accurately demonstrate total impact of changes.

Savings, Revenues in 2022

\$60,000 Contributions
from the American
Rescue Plan Act Funds
(\$50,000 decrease since
last year of \$110,000)

+ \$3,464 Minnesota Local
Government Aid

+\$13,652 Minnesota
Police Aid

-\$20,000 Fire
Department Revenue

\$10,000 Campsite Fee
Increases

+\$8,700 Lease of
Transfer Building and
Storage to County

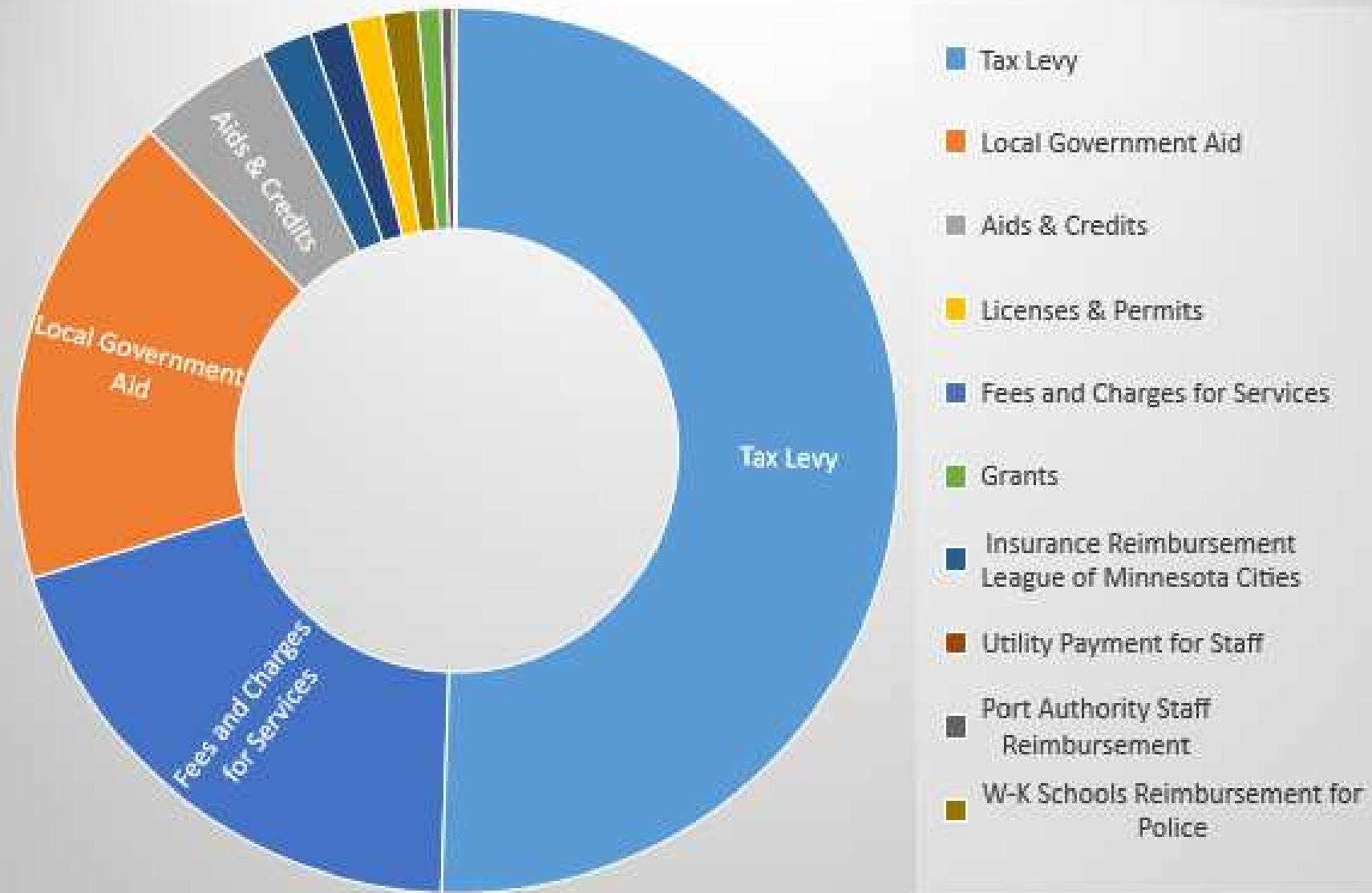
Ambulance revenues no
change

+\$2,061 Harbor Lease
Agreement (2%
increase)

+\$3,500 Lodging Tax

**Revenues: -\$28,934
(total)**

2023 Revenue Sources



2020-2023 Budget Summary

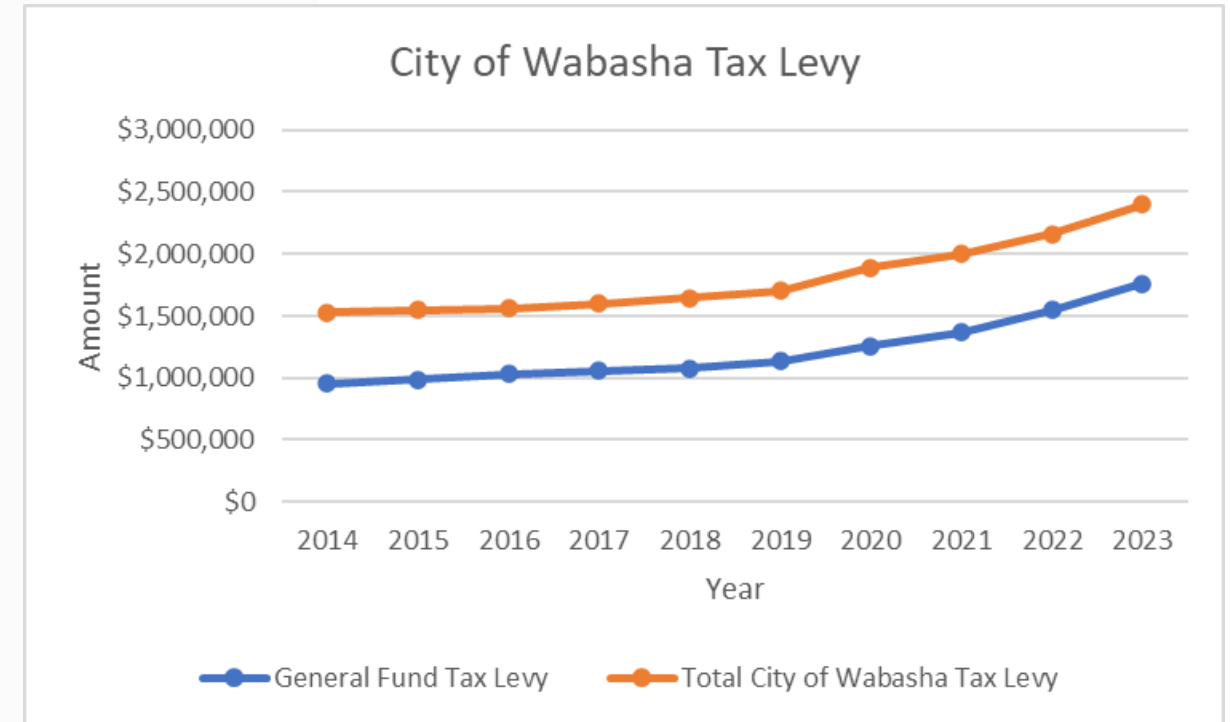
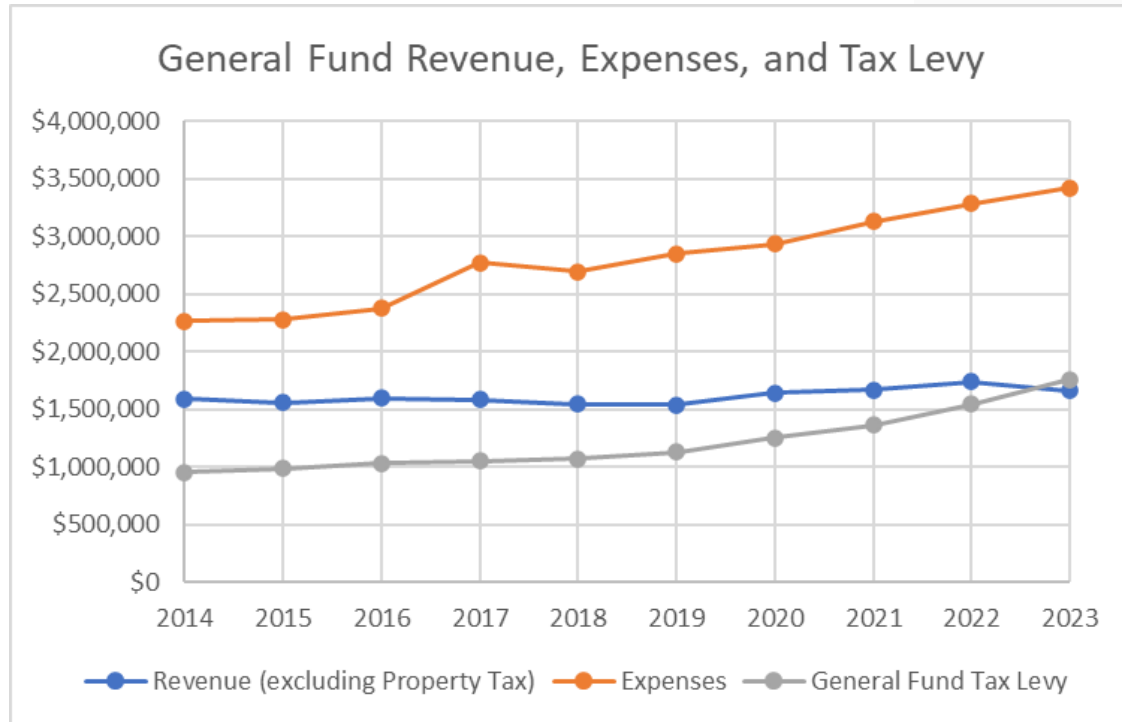
<u>Department</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>\$ Change 2022 to 2023</u>	<u>% Change 2022 to 2023</u>
Council	\$28,777	\$25,527	\$26,852	\$26,002	-\$850	-3%
Elections	\$13,800	\$2,000	\$8,750	\$1,300	-\$7,450	-85%
Engineering	\$30,500	\$29,000	\$48,000	\$51,000	\$3,000	6%
Admin	\$371,241	\$418,000	\$414,271	\$385,622	-\$28,649	-7%
Accounting	\$30,500	\$32,000	\$34,000	\$33,000	-\$1,000	-3%
Legal	\$54,700	\$38,700	\$40,700	\$44,200	\$3,500	9%
City Hall	\$41,100	\$42,100	\$40,400	\$39,750	-\$650	-2%
Police	\$815,593	\$884,565	\$976,305	\$1,070,409	\$94,104	10%
Fire	\$186,827	\$187,459	\$142,445	\$145,937	\$3,491	2%
Planning and Zoning	\$87,010	\$88,969	\$89,064	\$93,777	\$4,713	5%
Ambulance	\$353,917	\$378,196	\$399,788	\$461,903	\$62,115	16%
Public Works	\$752,170	\$752,562	\$771,191	\$764,194	-\$6,997	-1%
Pool	\$81,384	\$78,984	\$85,969	\$91,422	\$5,453	6%
Misc (Capital Improvement)	\$25,000	\$25,000	\$175,000	\$175,000	\$0	0%
Emergency Mgmnt	\$9,614	\$7,929	\$6,790	\$4,790	-\$2,000	-29%
Information Technology	\$28,500	\$28,500	\$27,500	\$36,000	\$8,500	31%
Total	\$2,910,632	\$3,019,492	\$3,287,025	\$3,424,305	\$137,280	4%
<u>Separate Levy</u>						
Library	\$221,588	\$222,188	\$209,588	\$230,122	\$20,533	10%

2023 Debt Service Payments		
Description	2023 Payment Amount	Fund
General Obligation Improvement & Disposal System Bonds, Series 2013A	\$447,923.75	395: 2013 Street Improvement
General Obligation Improvement Note, Series 2019A	\$58,775.00	399: 2019 Street Improvement
General Obligation Water Revenue Bonds, Series 2015A	\$46,212.00	831: Well 3
Total	\$506,698.75	

Debt Service Payments Ending in 2022		
Description	2022 Payment Amount	Fund
General Obligation Crossover Refunding Bonds, Series 2013 B	\$91,314.00	Water and Sewer
MPFA	\$376,898.90	Sewer

Minnesota Public Facilities Authority (Wastewater Treatment Plant Debt)

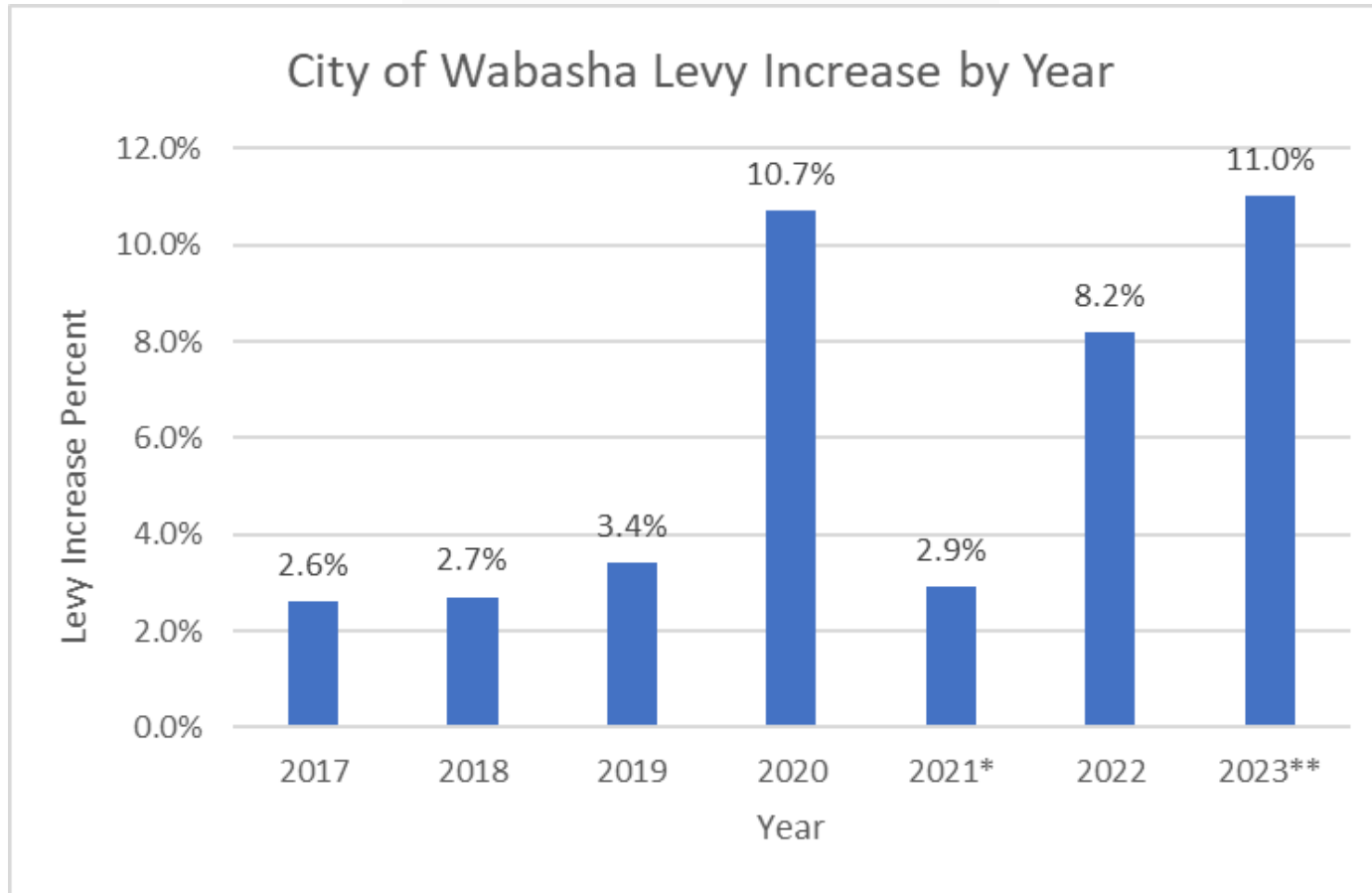
Budget Trends



Over the past 5 years, General Fund expenses have increased 27%, while General Fund revenues (excluding property tax) have only increased 8%. As a result, the General Fund Tax Levy increased 64% from 2018 to 2023.

Trends: Added 5 full-time positions since 2017 (ambulance, fire, finance)

Levy Increase Percentage by Year

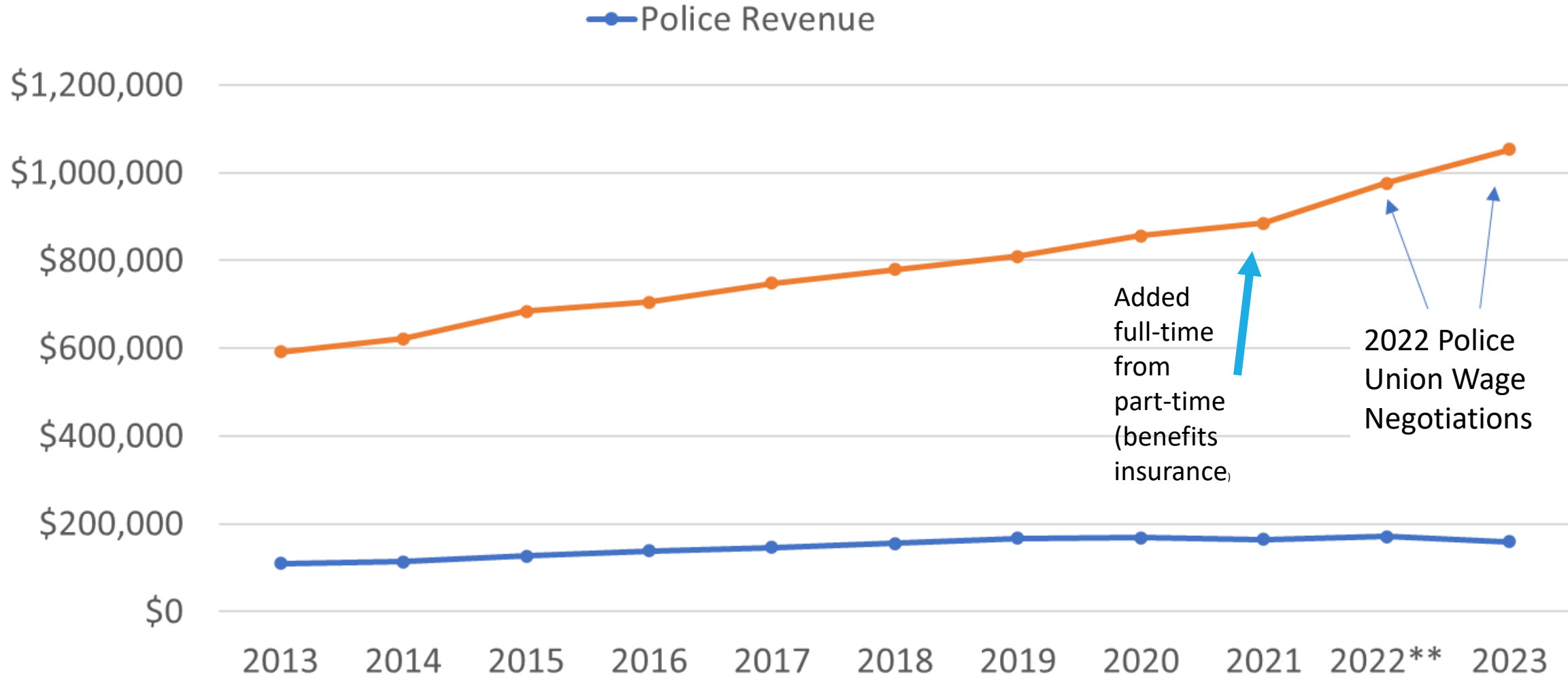


*2021 budget would have been higher but de-certified TIF

** 2023 is proposed.

2021 and 2020 CIP was funded at \$0.

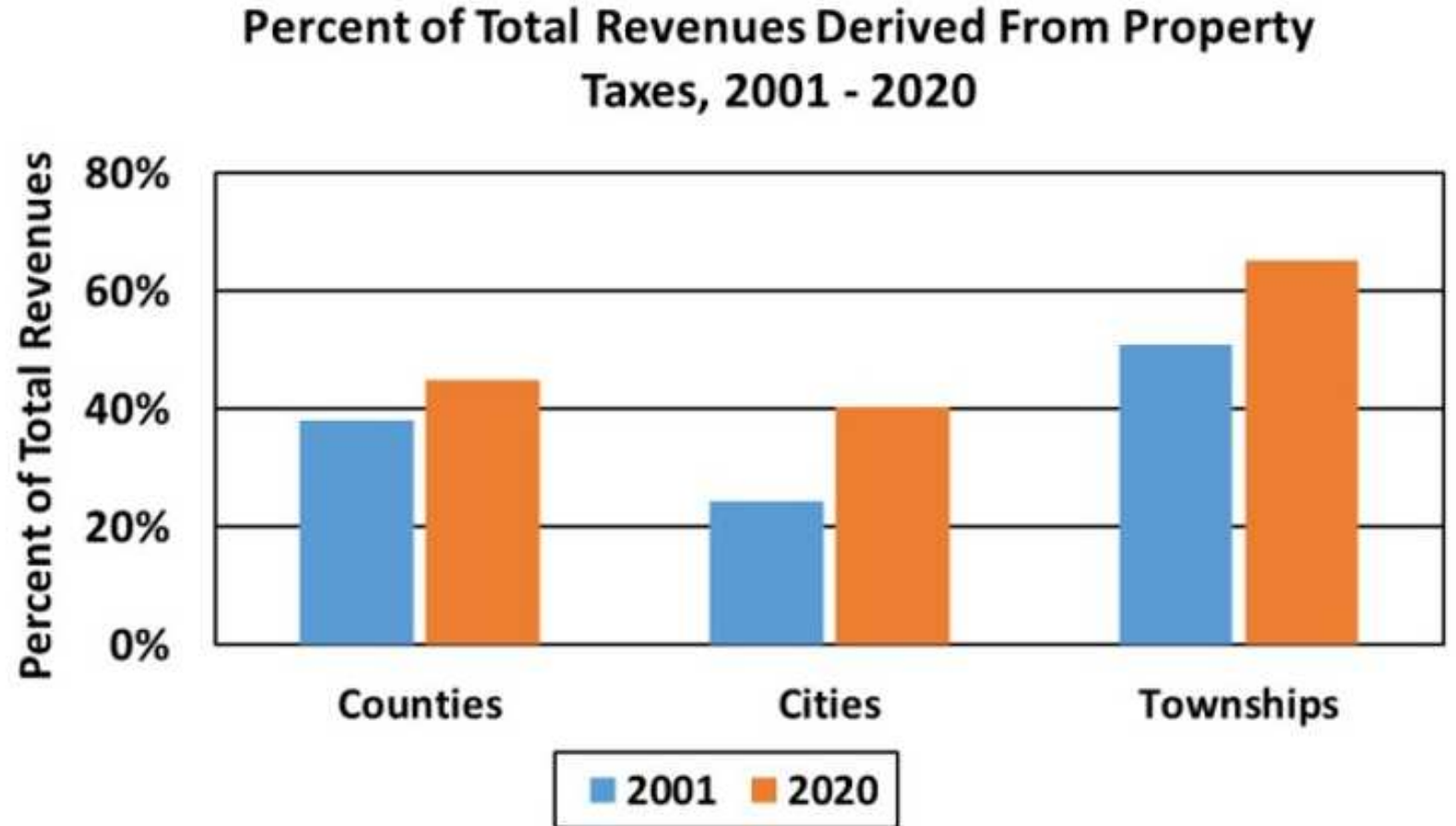
Police Revenue and Expenses



Percentage of Total Revenues Derived from Property Taxes (Minnesota historic)

- The share of city, county and township revenue from property taxes increased as the share of revenue from state and other sources decreased over the past 20 years.

Source: Office of the State Auditor, State of Main Street 2022, Local Response to Global Crisis



2023 Draft Budget: Tax Impact

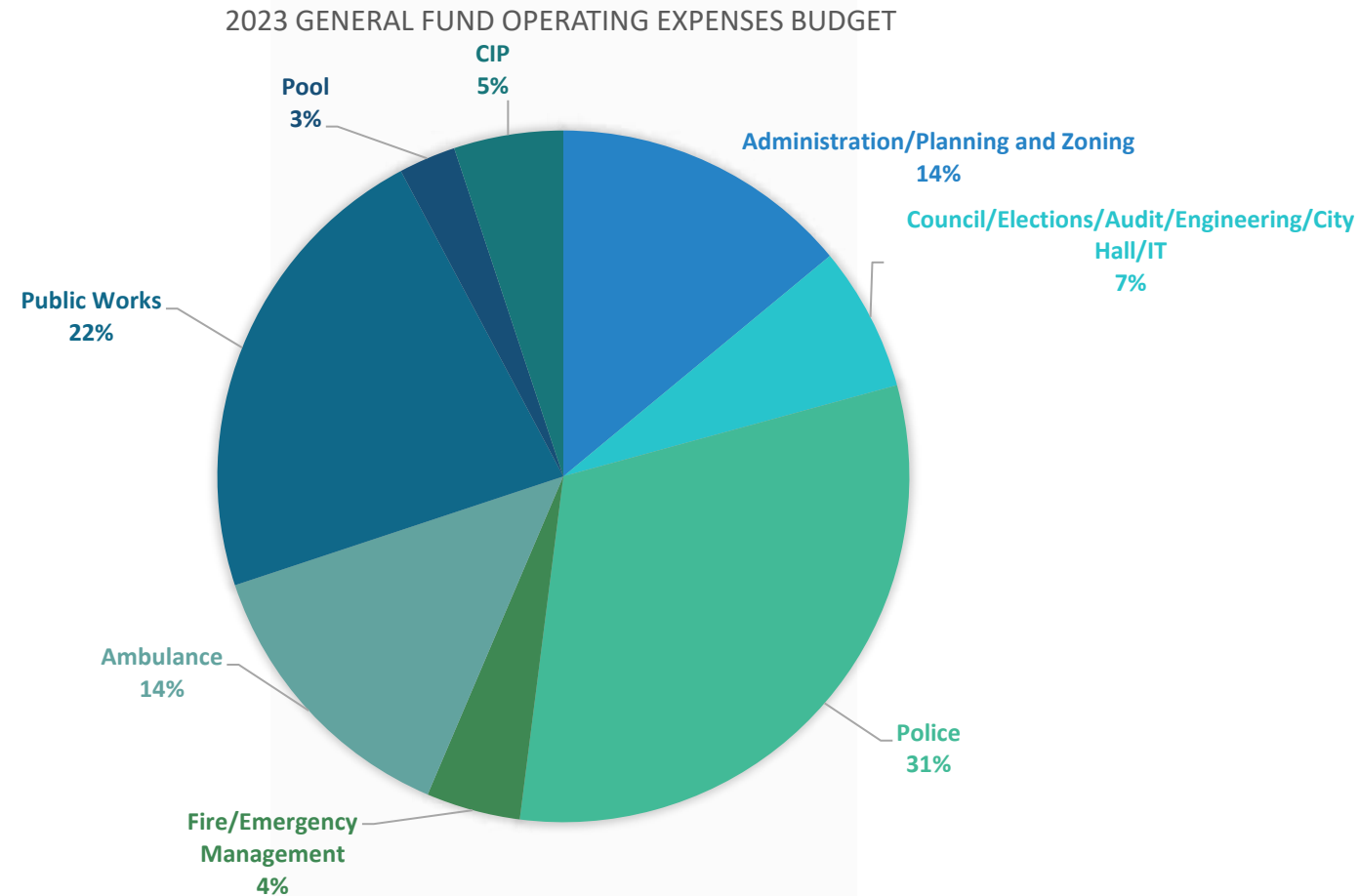
- Based on a home with a \$150,000 value in 2022, the estimated tax increase in 2023 would be \$140 (\$11.68 per month).
- Based on a home valued at \$200,000 in 2022, the estimated tax increase in 2023 would be \$185 (\$15.42 per month).
- 74.5% Tax Rate



2023 Property Tax Impact		
Assessed Home Value	\$150,000	\$200,000
Annual City Taxes	\$1,099	\$1,559
Monthly City Taxes	\$92	\$130
Annual Tax Increase	\$140.13	\$185.05
Monthly Tax Increase	\$11.68	\$15.42

*Assumes the market value of the home increases 13% from 2022 to 2023.

2023 General Fund Expenses by Department



Monthly Tax on a \$150,000 Home: \$91.62



Library
\$4.08



Port Authority
\$1.10



Debt Service
\$9.07



Administration
\$13.12



Police
\$24.18



Community Services
\$6.88



Public Works
\$17.27



Ambulance
\$10.44



Pool
\$2.07



Fire/Emergency Management
\$3.41

Administration includes Council, Accounting, Legal, IT, Elections

2022 Police Department Highlights

- 3876 calls for service to date
- 16 search warrants (12 drugs, 2 thefts, 2 fraud)
- 10 charged drug cases
- 3 cases are currently under investigation (burglaries, sexual assault)
- Complete Use of Force Training, purchased new squad car
- Ongoing Community Outreach



Thank you, Wabasha Police Department

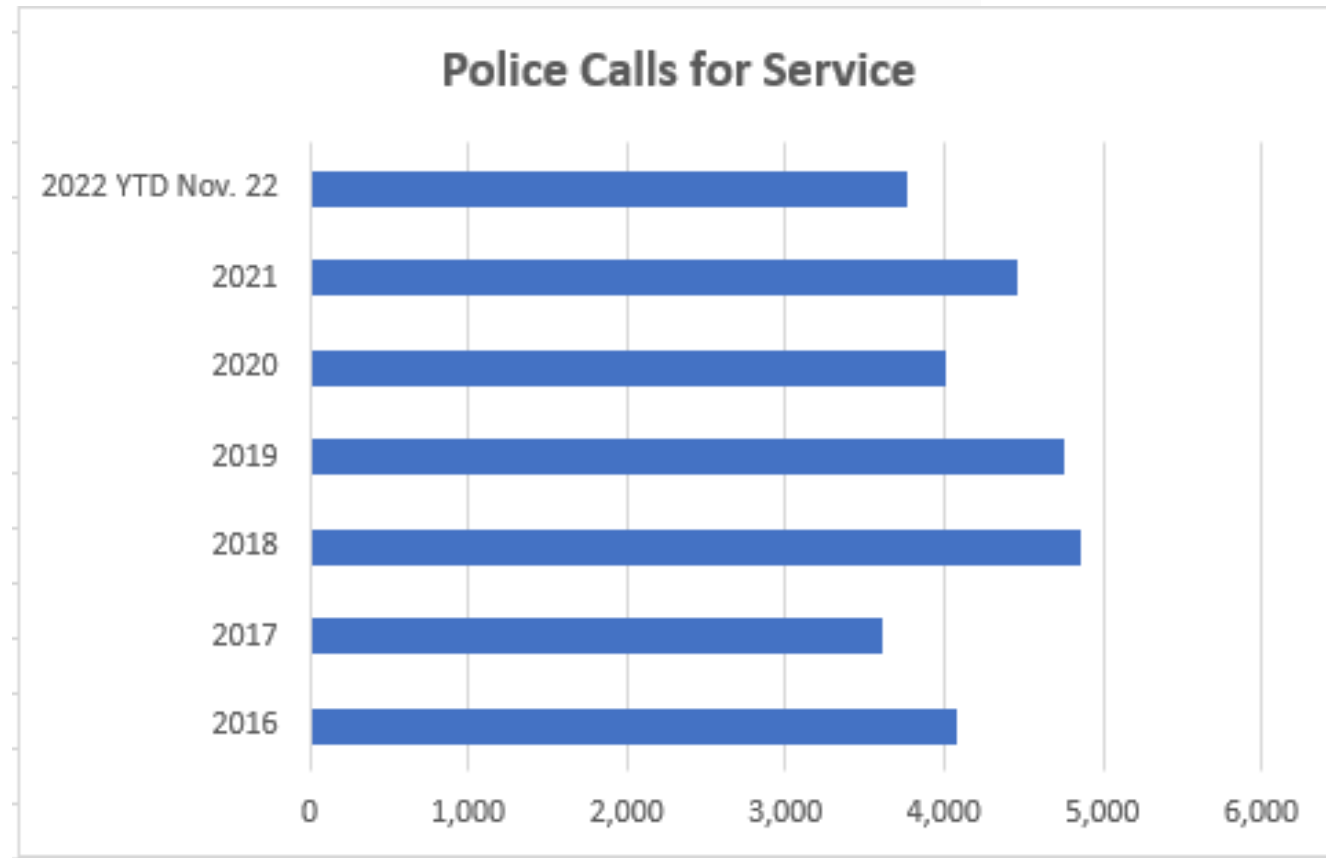
To Sergeant Randy Wagoner: “A huge “thank you” for helping my daughter after her accident. I am guessing you’re a dad (and a good one). We are very aware that this could have ended horribly. Thank you for all that you do.”

To Police Chief Joe Stark: “Thank you for the help from your officers at a fatal crash on Highway 61/42. Sergeant Wagoner, Metcalf, and Kruger were quick to respond and help with traffic direction until we could get there. Without their help I have no doubt the scene would have been compromised.”
State Trooper Tony Kaiser.

To Officer Hoss Roemer: “I wanted to let you know that I really appreciate your ability and willingness to testify with essentially no notice last week. You did well on the stand and your professionalism and sincerity were evident.” Jacob Barnes, Wabasha County Attorney



2022 Police Department Highlights



2022 Ambulance Department Highlights

- Responded to **513** calls for service this year (heart attacks, strokes, diabetic emergencies, trauma, crashes).
- Delivered 10 CPR classes.
- Hired Ambulance Director.
- Teenager saves his father's life due to high school CPR class.
- WAS Volunteers delivered a baby this year as well!
- Quick response times saved lives.
- 15 volunteers, 4 full-time staff providing 24-7 EMS coverage to the community (17,500 hours per year).



Local Media Highlights Wabasha Ambulance Service



Wabasha celebrates everyday heroes in EMS

May 22, 2022



From left, Wabasha Ambulance Service EMT Cindy Sheeley and EMT Bryton Miller were recognized as part of National EMS Week.

From: Caroline Gregerson, Wabasha city administrator

Latest News

- Cedar Valley Golf results
- Goodview Sandlot tournament
- Longevity Boxing event
- Winona figure ski
- Ask the Masters: fungal diseases in Aug. 23
- Wabasha Port sug businesses
- Plans called for 6-



2022 Fire Department Highlights

- 83 runs so far this year (fires, motor vehicle crashes, water rescues).
- 28 volunteer firefighters and going strong!
- Donated fire gear to Ukraine and gambling proceeds to area non-profits.
- Contributed \$32,000 from gambling proceeds towards equipment replacement.

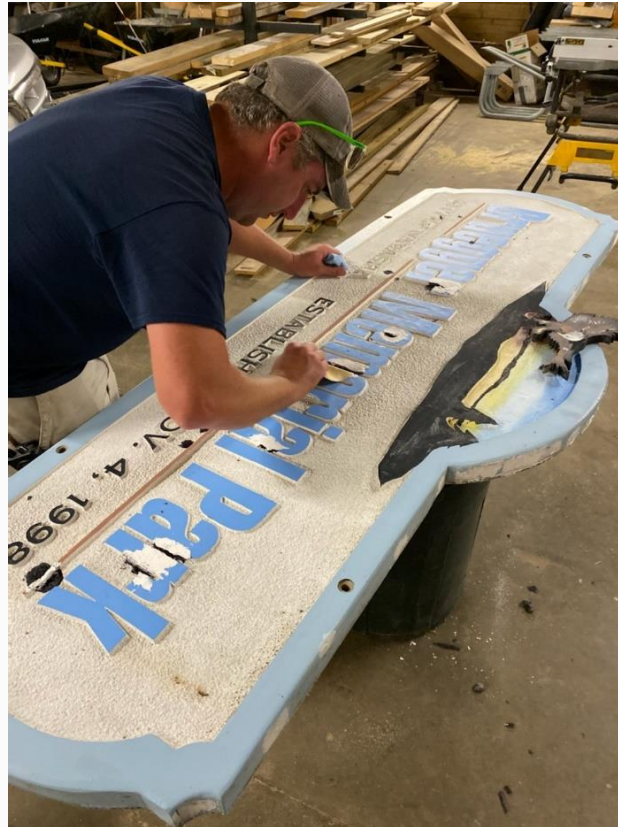


2022 Public Works Highlights

- Kept 28 miles of streets plowed, 5 miles of sidewalks, bike paths, 6 parking lots cleared of snow in winter.
- Mowed, trimmed and maintained 56.56 acres of 24 parks, city properties weekly in summer.
- Managed 50 campsites and 40 boats slips, with 100% occupancy for summer season. Generated over \$160,000 in revenue for the City of Wabasha.
- Awarded \$33,482 from the DNR to plant 905 trees over a 2-year grant cycle to respond to Emerald Ash borer which devastated much of the tree canopy in Wabasha.
- Awarded \$10,000 in Minnesota Legacy Funds to improve Veteran's Park.
- Hired Assistant Public Works Director Riley Costello and trained in 4 new part-time summer employees.
- Replaced plow truck, with 35% of total cost covered by a grant.



2022 Public Works Highlights



2022 Utilities Highlights

- Received state-wide commendation from Minnesota Pollution Control Agency for Wastewater Treatment Plan and passed all water quality tests.
- Completing an important project to prevent river contamination. Raising manhole allow access even during high waters. Received \$50,000 in funds from the DNR for Flood Damage Grant Reduction.
- Educated the public with wastewater treatment plans tours.
- Investing in new custom-programmed software and hardware for Wabasha wastewater treatment plant with American Rescue Plan Grant funds (\$144,000).



2022 Library Highlights



“Thank you for providing excellent, educational programs that encourage reading. This particular one was outstanding.”

- Julie Anderson, Chione Quintet Musical Storytime

WPL HAPPENINGS



WPL staff: Beth Mueller, Abigail Hall (summer asst. Liesl Knox, Amy Glomski, Rebecca Schumacher, Chelsey Fenske



Author visits included: Anne Ursu, J.Ryan Stradal, Dr. Kopecky, Allen Eskens



Many children's programs including: Comm. StoryTime, Pizza Party for Winter Reading Challenge, Art in the Park, and Saturday Morning Story Time and Craft



Other programs included: Ekphrastic Experience with Pam Larson, Travel Club with Emily, Bird City with Nancy & Craig, music performance by Diali Cissokho

2022 Library Highlights

- 29,563 visits to the library so far this year.
- 966 public Internet computer sessions.
- 1820 wireless sessions.
- 40,055 physical media circulation.
- 4568 participants in 156 programs.
- County funds towards Wabasha Public Library essentially flat (\$44,756 in 2022, \$43,664 in 2021) .

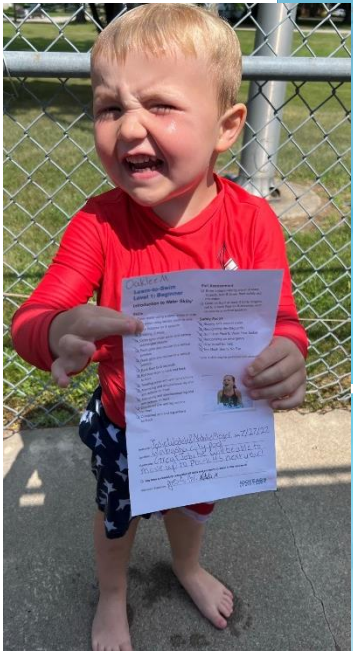


2022 Pool Highlights

- 1,995 paid visitors (1,075 students & 880 adults), 360 free passes.
- Offered swim lessons for the first time since Covid. 223 lessons delivered over 4 sessions.
- 30 people participated in water aerobics.



Thank you, Wabasha Pool Staff



- “What a great way to start the day; old and new friends, moving with purpose, anyone is welcome, affordable, and fun! A huge thank you to our Coach Sara, who has contributed to the growth in numbers of this program due to her positive energy, humor, encouragement, and knowledge. And, thank you to the city for keeping it affordable and by updating the equipment.” –Cindy Heim
- “I moved to Wabasha in May and this class helped me feel part of the community. The exercises are beneficial for all ages, people with injuries or recovering from surgeries, and in my case it is all about the low impact work out, toning and stretching. The pool is comfortably heated and very clean. Best of all, Sara is very funny, patient and conducts a well paced class.” -Annette Schlosser
- “My family had a wonderful experience this year. My child refused to get in the water the first day. But the next day, the lifeguards were great and encouraged my child and everything went wonderfully. –Laura Metcalf

2022 Port Authority Highlights

- National Eagle Center completed phase I of their \$6 million major expansion project, of which \$4 million was funded by State bonding bill, in partnership with the City of Wabasha. The expansion includes an outdoor amphitheater, improvements to Big Joe Alley, and a larger dock to accommodate larger boat traffic. 100% of project cost covered by private philanthropy and state funds.
- Overcame tons of red tape and regulations, deployed over \$76,000 in grants to 7 small businesses in Wabasha to improve indoor air quality through HVAC replacement.
- Hired CEDA staff Ben Strand and Cathy Enerson. Wabasha Area Team for Community Housing (WATCH) is participating in state-wide Housing Institute and focusing on bringing more housing to Wabasha.
- \$29,500 in grants delivered to new and existing child care businesses (paid for by ARPA/state grant).
- Invested \$161,000 in new Revolving Loans to support small business: Hill's Hardware, the Anderson House, Round the Clock Nutrition, and a family day care business by Cassie Modjeski.

"This grant was a blessing for my small business. A huge thank you to you and your team for making this happen for so many small businesses in our area. It couldn't have come at a better time for my salon. I'm extremely thankful!"

—Colette Loechler, Owner Pure Identity Salon



2022 City Hall Highlights

- Mayor Emily Durand won a state-wide leadership award from the League of Minnesota Cities.
- City Council completed the first ever strategic plan, now posted online.
- **A record-breaking year in securing grants.** City Staff secured 15 grants worth over \$800,000 in awards for a new athletic field, round 2 of HVAC grants, a housing market study, a business analysis for the ambulance, the National Eagle Center/City Riverfront Revitalization project, a parks and trails plan, DNR Flood Damage Reduction Department, pool passes from the Wabasha Kellogg Foundation.
- 11 new homes now, valued at \$1,693,500.00 in (2021 13 new homes)
- \$5.4 million in valuation alteration permits (26 homes, 10 commercial properties, solar garden, National Eagle Center).
- Reach of 26,418 views through Facebook. Website traffic up 15%.





2022-2024 City Council Strategic Plan

Vision: City of Wabasha is committed to the preservation of its history, to affordability and high quality of life, a vibrant tourism community, and conserving its exceptional natural environment.

COMMUNITY GROWTH AND DEVELOPMENT



- Goal 1: Expand residential and commercial growth through Highway 60 Re-Route.
- Goal 2: Develop new athletic field facilities near City Hall.
- Goal 3: Partner with US Army Corps and execute Barge Terminal Project.
- Goal 4: Identify, attract and retain businesses, particularly child care.

SUSTAINABLE INFRASTRUCTURE



- Goal 1: Complete assessment of city facilities, including buildings, parks, trails, roads.
- Goal 2: Create a detailed Capital Improvement Plan, that prioritizes and creates timed development for capital projects.
- Goal 3: Prioritize and implement recommendations from water and wastewater facilities plan.

FINANCIAL RESOURCES



- Goal 1: Engage surrounding townships in financial support for Ambulance Service.
- Goal 2: Manage external resources like grants and philanthropy to maximize funding for prioritized projects.
- Goal 3: Continue a multi-year financial model to improve planning and long-term stability for the City.

ORGANIZATIONAL STRENGTH



- Goal 1: Invest in training and development opportunities for employees.
- Goal 2: Review Employee Compensation and Benefits.
- Goal 3: Ensure access to mental health services.
- Goal 4: Update Personnel Policies, to add clarity to expectations and ensure positive work environment.

City of Wabasha, Minnesota

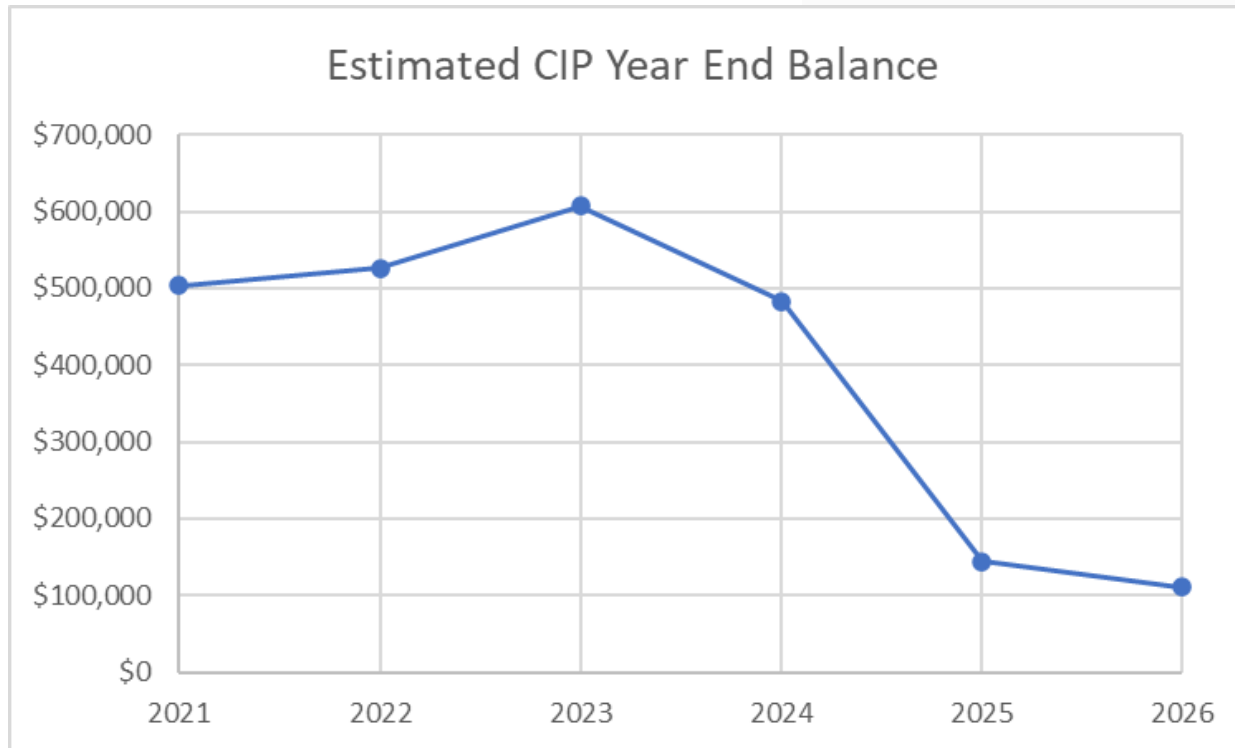
Capital Improvement Plan

2023

PROJECTS BY FUNDING SOURCE

Source	Project #	1-Year Total
Borrowing		
Fire Station Improvements	23-FIRE-01	300,000
Borrowing Total		300,000
Capital Improvement Fund		
City Hall Carpet Replacement	23-ADMIN-01	5,000
Bruegger Park Shingles	23-PARKS-01	3,500
2023 Storm Sewer Maintenance	23-PW-01	10,000
Trade in Tool Cat	23-PW-02	34,257
Mill and Overlay(Street Repaving) 2023 & 2024	M&O	100,000
Library Building Maintenance	MAINTENANCE	5,000
Ongoing Equipment Replacement	POLICE OER	8,000
Capital Improvement Fund Total		165,757
GRAND TOTAL		465,757

CIP Fund Balance Projection



Estimated CIP Year End Balance				
Year	Beginning Balance	Contributions	Requests	Ending Balance
2022	\$503,826	\$319,193	-\$296,922	\$526,097
2023	\$526,097	\$247,000	-\$165,757	\$607,340
2024	\$607,340	\$242,000	-\$365,900	\$483,440
2025	\$483,440	\$225,000	-\$564,000	\$144,440
2026	\$144,440	\$225,000	-\$259,000	\$110,440

- Assumes all projects in CIP get funded.
- Assumes \$150,000 CIP budget contribution each year, plus \$75,000 in Xcel franchise fees.