

CITY OF HAM LAKE

15544 Central Avenue NE
Ham Lake, Minnesota 55304
(763) 434-9555
Fax: (763) 434-9599

CITY OF HAM LAKE BUDGET WORKSHOP MEETING JUNE 21, 2021

- 1.0 CALL TO ORDER – DIRECTLY FOLLOWING THE ADJOURNMENT OF THE REGULARLY SCHEDULED CITY COUNCIL MEETING**
- 2.0 DISCUSSION OF AMERICAN RESCUE PLAN ACT**
- 3.0 DISCUSSION OF IMPLEMENTING A BUDGET CALENDAR AND APPROVAL PROCESS**
- 4.0 PROPERTY TAX 101**
- 5.0 DISCUSSION OF THE PROPOSED 2022 BUDGET AND CIP REVIEW**
- 6.0 DISCUSSION OF REVOLVING STREET FUND AND TRANSFER**

Meeting Date: June 21, 2021



CITY OF HAM LAKE

MEMO

To: Mayor and Councilmembers
Denise Webster, City Administrator
From: Andrea Worcester, Finance Director
Subject: American Rescue Plan Act Discussion

Introduction:

The City of Ham Lake is slated to receive a \$1.775M from the Federal Government through the American Rescue Plan Act. This funding will be paid in two halves with one half being paid in 2021 and the other in 2022. The funds will need to be obligated to an expense by 2024, but have until 2026 to distribute cash. The funding can be used for the following areas:

- Responding to the Public Health Emergency
- Addressing Negative Economic Impacts
- Serving the Hardest Hit
- Improving Access to Infrastructure
 - Water and Sewer
 - Stormwater
 - Broadband
 -

And be used for the following reasons:

- Support COVID-19 response efforts to reduce the spread
- Replace lost public sector revenue to strengthen public services and retain jobs
- Support economic stabilization for households and businesses
- Address systemic public health and economic challenges contributing to unequal impacts of the pandemic on certain populations

It cannot be used for:

- Offset tax cuts
- Deposited into pension funds
- Increase reserves
- Debt payments

I have also looked into using it for Street Reconstruction and found that only the amount of lost revenue can be used for street reconstruction.

Possible ideas:

- Business Grants
- Stormwater Projects – I have spoke to Tom and we could easily reach \$500,000 in projects and possible more.
- Cover any lingering COVID mitigation expenses
- Use to cover 2022 Street Lighting fees

HAM LAKE BUDGET CALENDAR

BUDGET YEAR 2022

By June 8th	Distribution of draft budget reports from Finance to directors
By June 8th	Distribution of YTD 2019 financial reports
By June 8th	Department directors complete budget work papers and submit to Finance Director
Week of June 8th	Initial review of departmental budgets with department staff, City Administrator and Finance Director
June 21 st	Review budget priorities at City Council Meeting
August 2 nd /16 th	Preliminary budget to Council – Staff presents draft department budget requests City Council will adopt a proposed budget and certify a proposed property tax levy to the County Auditor for taxes payable in 2019 City Council will establish initial and continuation public hearing dates and publish as required to meet compliance with Truth in Taxation legislation
By September 30 th	Finance Director sends certified copy of proposed budget resolution and tax levy to Anoka County
October 13 th	Council amends general fund budgets with city administrator, dept. heads, and Finance Director
November	County mails notices of proposed property taxes to the owner of each individual parcel of property. The dates for 2019 activity will be adjusted by pending legislative action
Prior to Public Hearing	City Clerk publishes notice of public hearings and City will advertise the proposed budget and property tax levy in official newspaper
December 2 nd	Creation of budget resolution
December 6 th	City will hold public hearings in accordance with dates established previously
December 6 th /20 th	Council adoption of budget and resolutions
December 29 th	Finance Director certifies copy of budget resolution to Anoka County
Late December	Summary of adopted budget available for public inspection
Early January	Publish summary budget data in paper

PROPERTY TAXES 101

How Property Taxes Are Calculated

MARKET VALUE

- Annually the City Assessors assess all properties in the City and set a market value for each property.
- These market value notices are sent out in March and can be appealed by April.
- The market values are set in July.
- Market values set by assessors have an impact on property taxes the following year. For example, values used to calculate taxes in 2022 will have been set in 2021.
- Owner-occupied, single family homes valued under \$413,778 are subject to the Homestead Market Value Exclusion (HMVE), which reduces the market value subject to tax capacity.

TAX CAPACITY

- Once market values are set, tax capacity for a property can be calculated. This is the amount that is used to determine the property tax.
- The formula for how each type of property is calculated varies and the formulas used are subject to change by the State legislature. Below are the current rates used:

Tax Capacity Percentage Table	
Property Type	% of Market Value
Residential (homestead)	1% of first \$500,000; 1.25% over \$500,001
Residential (non-homestead)	1% of first \$500,000 1.25% of remainder
Commercial/ Industrial	1.50% of first \$150,000 2% of remainder

TAX CAPACITY

- Below is how tax capacity is calculated on a home with a market value of \$350,000
 1. Determine the taxable market value:
 $350,000 \text{ (mkt. value)} - 5,740 \text{ (HMVE)} = \$344,260$
 2. Determine the tax capacity using the taxable market value:
 $344,260 \times 1\% \text{ (tax capacity percentage)} = 3,443$
- Once the tax capacity is calculated for each property, a cumulative total of all properties is generated.

CITY BUDGET AND LEVY

- Starting in late spring, the City starts to create its budget for the following year.
- Historically, the City has set a levy increase of 3% by taking the amount levied the previous year and adding 3%.
- Levies can also be set by using the difference between the total expenditures minus budgeted revenues.
- Example: City A had a tax levy of 725,000 in 2021. For the 2022 budget, it was determined expenditures would total 3.25M and revenues, not including property taxes, would total 2.46M. The difference would be result in a tax levy of 790,000 or a tax levy rate of 8.97%.

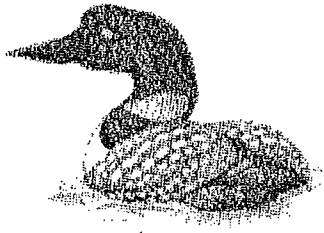
TAX CAPACITY RATE

- Once the total dollar amount of the City's tax capacity has been calculated and the levy dollar amount of the budget decided on, the tax capacity rate can be calculated.
- The rate is determined by taking the levy dollar amount divided by total tax capacity amount.
- Example: City A has a total tax capacity of \$2,393,939 and its tax levy is going to be \$790,000. The result is a tax capacity rate of 33%.
$$\$790,000 / \$2,393,939 = 33\%$$

CITY'S PORTION OF PROPERTY TAX

- Once the tax capacity rate is finalized, property tax amounts due can be calculated.
- This is done by taking the City's tax capacity rate multiplied by the property tax capacity amount.
- Example: City A finalized their tax rate at 33%. Property 1234 has a tax capacity of \$3,443. Their payment to the City would be \$1,134.19.
 $.33 \text{ (tax capacity rate)} \times \$3,443 \text{ (tax capacity of property)} = \$1,134.19$

QUESTIONS?!



CITY OF HAM LAKE

Staff Report

To: Mayor and Councilmembers
Denise Webster, City Administrator

From: Andrea Worcester, Finance /Human Resource Director

Subject: Preliminary 2022 budget and 2021 levy for payable 2022

GENERAL FUND

The draft 2022 General Fund budget is funded by a property tax levy of \$5,159, 085.63. The general levy is \$150,264.63 or 3.0% more than the 2021 levy. Total revenues are \$6,064,961, an increase of \$219,142 or 4.0% over the 2021 budget. Total expenditures are \$4,807,196, an increase of \$370,976 or 8.00% over the 2021 budget. Revenues do not include a \$1,200 transfer from the lodging tax fund. Expenditures do not include \$1,345,300 in transfers to Capital Improvement Funds identified in the 2021 CIP plan. Once these are taken into consideration, the 2022 budget would reduce reserves by \$87,536.

The tax capacity rate, based on projected tax capacity numbers and fiscal disparities, is 20.64%, a decrease of 1.28% from the 2021 tax capacity rate. The rate may change once preliminary tax capacity and fiscal disparities are received.

Revenues for Charges for Services saw a large increase in the draft budget of \$95,350 or 44% due to truing it up to actual after reducing it in 2021 to the uncertainty of COVID-19 pandemic. License and permits increased by \$2,700 or 21% due to making the overall revenue be more in align historical outcomes. Investment income was reduced by \$9,000 or 90% in order to reflect the low rates currently being received on bank accounts and investments. Other revenue sources remained fairly flat from 2020's budget due to not seeing a huge decrease in the year to date amounts.

Expenditures saw the highest increase in the Building Department due to the re-creation of a third Building Inspector position and septic classes. Other notable increases were:

- Elections have added expenses for 2022 of \$28,719.
- Information Technology increased due to the JPA with Metro-INET and their need to hire an administrator.
- Police protection line increased \$55,396 or 5%. This number is arbitrary since we are still waiting for their preliminary budget.
- Public Works Building increased due to repairs needed annually and after aligning utility costs to actual

- ROW costs increased to align to actual.
- Senior Center increased due to better allocation insurance costs.
- Transfers to the Revolving Street Fund increased to \$50,000.

The preliminary budget includes a 3% cost of living increase for staff. A comparison was completed of the increase of 2% to 3% and it was found a 3% increase added \$42,368 to the budget.

OTHER FUNDS

2010 CIP Bond Debt Service Fund: The G.O. levy for this bond is \$209,416.

GO Capital Note Debt Service Fund-NMTC: This fund was created in 2016. The City of Circle Pines issued General Obligation Capital Notes to finance the acquisition of capital equipment by the North Metro Telecommunications Commission. Member cities receive franchise fees from NMTC, from which they pay their share of the debt service payments. Member cities will not levy property taxes to pay the debt service. The preliminary 2022 budget includes franchise fees of \$ 31,225 and bond principal, interest, and miscellaneous expense of \$ 31,225.

CAPITAL PROJECT FUNDS: The 2021 Capital Improvement Plan is being presented with the draft budget. Once more direction is given by council, staff with either keep the plan being provided for 2022 or adjust as needed.

Recommendations:

This budget does decrease reserves, which is not unheard of for the City. This did happen in 2019 when the budget planned to dip \$137,960 into reserves. There are two options that I think would be the course of action here:

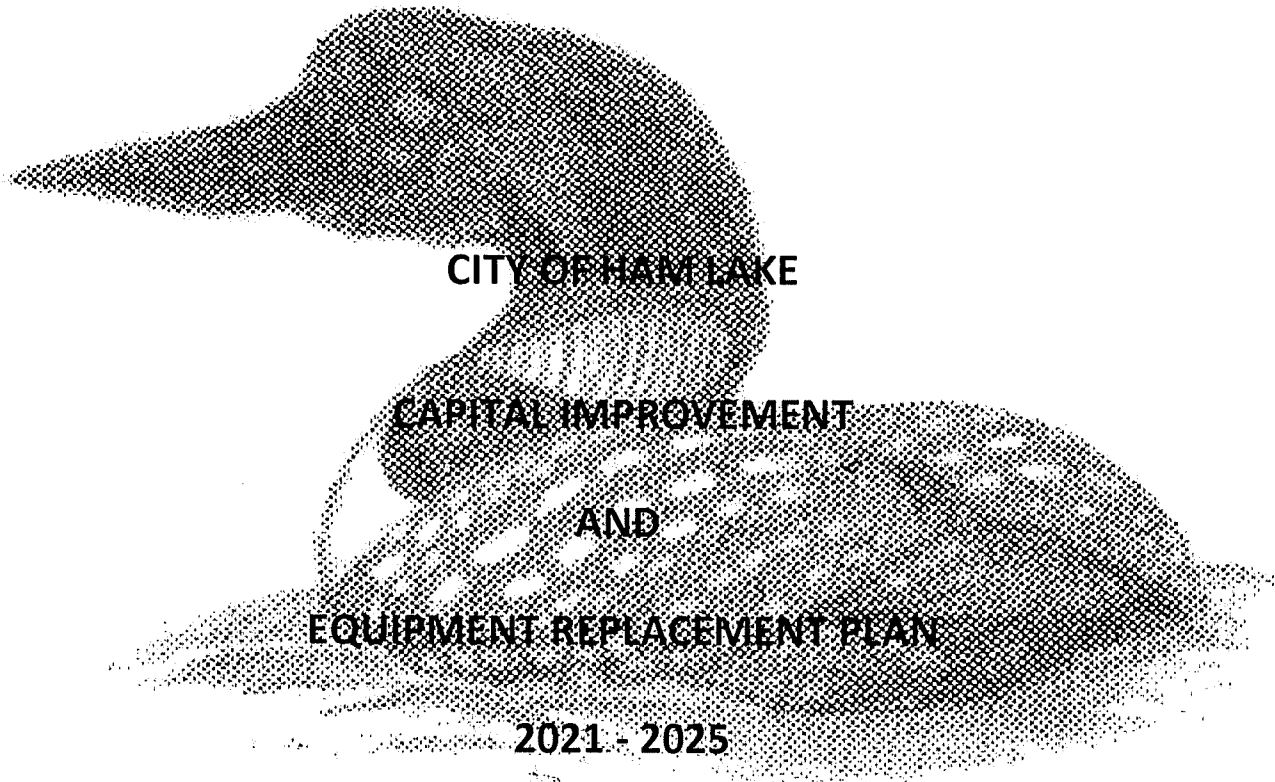
1. Use reserves. In 2020, the City ended the year with a General Fund balanced of 3,818,890. If the transfer of \$550,470 to the Revolving Street Fund was completed and the City added \$91,799, which is projected for 2021, we would end 2021 with \$3,360,219. This amount would still be well about our Fund Balanced Policy of 30% - 50% of following year total expenditures since we would be at 55%.
2. Do a balanced budget for the General Fund by increasing the levy to \$87,600 or 4.75% to \$5,273,936. Due to the optimistic projection for our tax capacity, this would still decrease the tax rate .90% to 21.01%
3. Increase the proposed levy \$298,000 or 8.59% keep the tax rate consistent from 2021. This option would give us some room to increase line items we are still not sure of such as the police contract as well as increase other transfers to capital funds.

CITY OF HAM LAKE, MINNESOTA
 STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES - SUMMARY
 GENERAL FUND
 ACTUAL FOR THE YEAR ENDED DECEMBER 31, 2018-2019, PERIOD TO DATE AUGUST 31, 2020 AND
 BUDGET FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

	Actual 2019	Actual 2020	YTD 4/30/2021	Budget 2021	Budget 2022	Percent Change
REVENUES						
Taxes	\$ 4,708,432	\$ 4,844,172	\$ -	\$ 5,036,071	\$ 5,186,336	3%
Licenses and permits	512,039	570,475	169,980	448,250	543,600	21% (1)
Intergovernmental	169,377	201,127	7,039	151,000	151,000	0%
Charges for services	10,222	12,050	4,788	6,185	8,885	44% (1)
Fines and forfeitures	27,610	22,131	7,691	30,000	30,000	0%
Investment earnings	66,173	30,842	(4,566)	10,000	1,000	-90% (2)
Miscellaneous	350,244	174,916	56,903	146,313	144,140	-1%
TOTAL REVENUES	6,086,156	6,065,022	241,835	5,827,819	6,064,961	4%
EXPENDITURES						
Council	99,585	92,066	28,867	81,252	76,305	-6%
Ordinances	1,689	1,689	851	4,700	5,100	9%
Administration	129,210	146,389	39,805	161,075	161,440	0%
Clerk	145,589	128,812	35,947	119,642	118,258	-1%
Elections	-	28,763	-	-	28,719	0%
Finance	192,192	241,892	61,218	223,586	238,044	6%
Auditing	23,525	22,570	-	27,930	28,900	3%
Assessing	77,739	78,236	19,559	77,000	78,500	2%
Prosecutions	78,000	78,000	26,000	78,000	78,000	0%
Planning & zoning	57,676	60,507	26,876	91,292	94,099	3%
General government	69,684	59,031	19,210	76,101	80,121	5%
General govt buildings	161,884	144,459	10,741	35,975	36,575	2%
City sign	3,318	2,591	756	2,779	2,913	5%
Information Technology	37,528	41,077	13,998	43,258	52,527	21% (3)
Police protection	1,032,403	947,412	553,182	1,081,547	1,136,943	5%
Fire department	470,231	415,911	179,678	546,314	577,518	6%
Fire stations	39,930	28,283	9,510	30,760	30,760	0%
Sirens	9,268	8,965	3,945	9,148	9,187	0%
Building inspection	381,578	352,874	91,842	302,645	424,868	40% (4)
Animal control	3,900	4,650	810	4,150	3,150	-24% (5)
Public works	861,028	686,160	208,844	856,094	910,582	6%
Public works building	32,986	32,346	13,270	25,800	34,850	35% (6)
Snow & ice removal	154,467	92,337	64,594	79,700	86,190	8%
Stormwater drainage	4,048	6,214	185	2,000	4,000	100% (7)
Stormwater-WMOs	13,191	17,555	8,625	12,750	12,750	0%
Signs & signals	15,363	16,559	7,944	21,000	21,000	0%
Utility/ROW	35,255	48,798	2,542	22,000	40,000	82% (8)
Parks	212,729	195,170	26,178	268,471	286,879	7%
Park Buildings	12,892	9,916	5,054	16,850	16,850	0%
Senior Center	70,287	4,314	1,070	5,861	7,428	27% (9)
Senior Center Building	13,540	13,540	3,642	13,540	13,540	0%
Misc/unallocated	117,262	110,997	686	115,000	111,200	-3%
TOTAL EXPENDITURES	4,557,979	4,120,082	1,465,428	4,436,220	4,807,196	8%
EXCESS REVENUES (EXPENDITURES)	1,528,177	1,944,940	(1,223,593)	1,391,599	1,257,764	-10%
OTHER FINANCING SOURCES (USES)						
Transfers in	1,350	1,350	-	1,200	1,200	0%
Transfers out	(1,270,000)	(1,270,000)	(433,667)	(1,301,000)	(1,346,500)	4%
TOTAL OTHER FINANCING SOURCES (USES)	(1,268,650)	(1,268,650)	(433,667)	(1,299,800)	(1,345,300)	4%
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES						
	\$ 259,527	\$ 676,290	\$ (1,657,260)	\$ 91,799	\$ (87,536)	

Explanation of Budget Changes in revenue and expenditures over 10%

- (1) Licenses and Permits revenue and Charges for Services revenue increased to align with actual history
- (2) Investment revenue was decreased due to the low rates on CD's at this time.
- (3) Metro-net increased administration and personal costs to accommodate to change to JPA. Total increase for the contract was \$2,000.
- (4) Increase is due to a new Building Inspector being hired. We previously budgeted for an intern position with less pay no benefits. There was also increase in training for septic trainings.
- (5) New contract of \$250 per month.
- (6) Increased building repair and maintenance to reflect average over last three years. Also, increased Electricity to align with actual.
- (7) Aligned stormwater engineering fees to actual.
- (8) Increased ROW Permit expense to match average actual over the last 3 years.
- (9) Increased Insured Premium to match actual.



CITY OF HAM LAKE
CAPITAL IMPROVEMENT
AND
EQUIPMENT REPLACEMENT PLAN
2021 - 2025

15544 Central Avenue NE, Ham Lake, MN 55304
763-434-9555
www.ci.ham-lake.mn.us

**City of Ham Lake
Street Overlays
2021 thru 2025**

		For totals only	
2021	Aberdeen Street: Baltimore Street to Fox Tail Ridge ('03 construction)	34,133	34,133
	MSA 173rd Avenue from Polk Street to 1,337 feet west ('01 construction)	38,945	
	MSA 181st Avenue from 798' west of Hwy 65 to 450 feet east of Hwy 65 ('01 construction) (1/2 East Bethel)	11,352	
	MSA 181st Avenue Hwy. 65 to Baltimore St (1/2 East Bethel)	6,401	
	MSA Polk Street from 173rd Avenue to Crosstown Boulevard ('01 construction)	38,945	95,643
2022	Livgard Addn. ('00 construction)	54,802	
	Trails End Shores ('00 construction)	25,749	
	Fox Tail Ridge ('01 construction)	95,375	
	Concord Woods ('02 construction)	33,131	209,057
2023	Braastad Farms ('02 construction)	241,814	
	Larson's Heritage Oaks 3rd Addition ('02 construction)	54,115	
	Larson's Heritage Oaks 4th Addition ('02 construction)	61,154	
	Larson's Heritage Oaks 5th Addition ('02 construction)	34,252	
	Larson's Heritage Oaks 6th Addition ('02 construction)	95,044	
	Prairie Creek ('02 construction)	47,777	
	Radisson Meadows ('02 construction)	76,283	
	White Oak Ridge ('02 construction)	63,352	
	Clayton Park Estates ('03 construction)	82,017	
	Cottages of Heritage Oaks ('03 construction)	80,010	
	Deer Haven Hills 2nd Addition ('03 construction)	40,897	
	Deer Haven Hills 3rd Addition ('03 construction)	54,083	
	Eagle Ridge Estates South ('03 construction)	84,628	
	Highland Bluffs ('03 construction)	222,480	
	Highland Bluffs 2nd Addition ('03 construction)	122,053	
	Landborg Industrial Park ('03 construction)	108,746	
	Larson's Heritage Oaks West ('03 construction)	97,178	
	Lever Street from 173rd Avenue to 177th Avenue ('03 construction)	85,042	
	Nottingham Forest ('03 construction)	117,085	
	Royal Woods ('03 construction)	77,112	
	Woodland Bluffs ('03 construction)	35,992	
Woodland Bluffs 2nd Addition ('03 construction)	41,183		
Woodland Bluffs 3rd Addition ('03 construction)	334,532	2,256,829	
MSA Hastings St. 149th Avenue to 153rd Avenue ('03 construction)	82,904	82,904	
2024	Hidden Forest West ('04 Construction)	121,668	
	Hidden Forest West 2nd Addn. ('04 Construction)	115,977	
	Naples Estates ('04 Construction)	133,903	
	North Shore Addn. ('04 Construction)	31,750	
	Polk St.: Constance Blvd. to 833' N ('04 Construction)	28,389	
	Rosewood Addition ('04 Construction)	33,706	
	W. Frontage Rd S. of Crosstown Blvd. (174th Ave/Central Ave/Johnson St) ('04 Construction)	88,378	553,771
	MSA Buchanan St from Constance Blvd to 165th Ave ('04 Construction)	49,413	49,413
2025	Auditor's Subdivision No. 6 ('07 Reconstruction)	20,242	
	Jefferson Oaks Estates ('07 Reconstruction)	70,043	
	Pinger's Plaza - 169th Ave ('08 Reconstruction)	43,984	134,269
	MSA Ulysses St: 179th Ln to 181st Ave (Construction '05)	39,535	39,535

City of Ham Lake
Capital Improvement & Equipment Replacement Plan
2021 thru 2025
Sources and Uses of Funds - Equipment Funds

	2021	2022	2023	2024	2025
410 General Government Equipment					
Beginning Balance	60,713	60,613	65,513	5,413	9,413
Revenues and other fund sources					
Interest	400	400	400	400	400
Transfer from general fund	5,000	5,500	5,500	5,000	5,000
Total revenue and other fund sources	5,400	5,900	5,900	5,000	5,400
Expenditures and uses					
Miscellaneous as needed	1,000	1,000	1,000	1,000	1,000
Incode 10 Account Receivable Module	4,500				
Replace electronic city sign	-	-	65,000	-	-
Total expenditures and uses	5,500	1,000	66,000	1,000	1,000
Ending Balance	60,613	65,513	5,413	9,413	13,813
411 Election Equipment					
Beginning Balance	1,809	1,409	1,909	2,409	2,409
Revenues and other fund sources					
Interest	100	100	100	100	100
Transfer from general fund	4,000	4,000	4,000	4,000	4,000
Total revenue and other fund sources	4,100	4,100	4,100	4,100	4,100
Expenditures and uses					
City's share of Anoka County's cost for election equipment	4,500	3,600	3,600	3,600	3,600
Total expenditures and uses	4,500	3,600	3,600	4,100	3,600
Ending Balance	1,409	1,909	2,409	2,409	2,909
412 Building Fund					
Beginning Balance	278,471	239,571	205,571	206,571	207,571
Revenues and other fund sources					
Interest	1,100	1,000	1,000	1,000	1,000
Transfer from general fund	10,000	10,000	10,000	10,000	10,000
Total revenue and other fund sources	11,100	11,000	11,000	11,000	11,000
Expenditures and uses					
Miscellaneous as needed	10,000	10,000	10,000	10,000	10,000
Replace roof on City Hall	40,000	-	-	-	-
Replace roof on Fire Station 2	-	35,000	-	-	-
Total expenditures and uses	50,000	45,000	10,000	10,000	10,000
Ending Balance	239,571	205,571	206,571	207,571	208,571

**City of Ham Lake
Capital Improvement & Equipment Replacement Plan
2021 thru 2025**

Sources and Uses of Funds - Equipment Funds

	2021	2022	2023	2024	2025
420 Fire Equipment					
Beginning Balance	1,243,484	1,388,484	1,555,484	1,352,484	449,484
Revenues and other fund sources					
Interest	6,000	8,000	7,000	7,000	7,000
Sale of assets-Grass One (1991 Ford)	4,000	-	-	-	-
Sale of assets-Grass 2 (2000 Ford F350)	-	10,000	-	-	-
Sale of assets-Engine Two (1999 Peterbilt/Custom)	-	-	40,000	-	-
Transfer from general fund	230,000	230,000	250,000	250,000	250,000
Total revenue and other fund sources	240,000	248,000	297,000	297,000	257,000
Expenditures and uses					
Purchase Utility One	45,000	-	-	-	-
Replace Utility Two (2006 Ford F250 crew cab)	50,000	-	-	-	-
Replace Grass Two (2000 Ford F350)	-	81,000	-	-	-
Replace Engine Two (1999 Peterbilt/Custom)	-	-	500,000	-	-
Construct Fire Station #3	-	-	-	1,200,000	-
Total expenditures and uses	95,000	81,000	500,000	1,200,000	-
Ending Balance	1,388,484	1,555,484	1,352,484	449,484	706,484
421 Emergency Operations Center					
Beginning Balance	35,668	36,868	38,068	39,318	40,568
Revenues and other fund sources					
Interest	200	200	250	250	250
Transfer from general fund	2,000	2,000	2,000	2,000	2,000
Total revenue and other fund sources	2,200	2,200	2,250	2,250	2,250
Expenditures and uses					
Miscellaneous as needed	1,000	1,000	1,000	1,000	1,000
Total expenditures and uses	1,000	1,000	1,000	1,000	1,000
Ending Balance	36,868	38,068	39,318	40,568	41,818
422 Siren Replacement					
Beginning Balance	35,405	30,605	25,705	20,755	15,805
Revenues and other fund sources					
Interest	200	100	50	50	50
Total revenue and other fund sources	200	100	50	50	50
Expenditures and uses					
Siren repairs and upgrades	5,000	5,000	5,000	5,000	5,000
Total expenditures and uses	5,000	5,000	5,000	5,000	5,000
Ending Balance	30,605	25,705	20,755	15,805	10,855

City of Ham Lake
Capital Improvement & Equipment Replacement Plan
2021 thru 2025
Sources and Uses of Funds - Equipment Funds

	2021	2022	2023	2024	2025
428 Building Inspection Equipment					
Beginning Balance	45,479	8,479	16,479	24,479	31,479
Revenues and other fund sources					
Interest	1,000	1,000	1,000	1,000	1,000
Sale of Assets - 2007 Ford 150 (#84)	1,000				
Sale of Assets - 2007 Ford 150 (#85)	1,000				
Transfer from general fund	10,000	7,000	7,000	7,000	7,000
Total revenue and other fund sources	13,000	8,000	8,000	7,000	8,000
Expenditures and uses					
Replace 2007 Ford F150 (#85)	25,000	-	-	-	-
Replace 2007 Ford F150 (#84)	25,000	-	-	-	-
Total expenditures and uses	50,000	-	-	-	-
Ending Balance	8,479	16,479	24,479	31,479	39,479
430 Public Works Equipment					
Beginning Balance	283,070	349,070	170,070	146,070	2,070
Revenues and other fund sources					
Interest	1,000	1,000	1,000	1,000	100
Sale of assets-Yanmar 2F15 (#96)	7,000	-	-	-	-
Sale of Assets - 02 Chevy 1500 - 1/2 Ton (#56)	1,000	-	-	-	-
Sale of asset - 2004 Ford F360 (#72)	1,000	-	-	-	-
Sale of assets - loader (#71)	-	-	15000	-	-
Sale of Assets - 2004 F150 (#98)	1,000	-	-	-	-
Sale of assets-2001 Elgin sweeper (#68)	-	-	-	10,000	-
Sale of asset 2006 Ford L8500 (#54)	-	15,000	-	-	-
Sale of assets-2001 Sterling L7500 (#89)	-	15,000	-	-	-
Sale of asset - '98 Ford Tandem Truck (#81)	-	-	-	10,000	-
Sale of asset - 2009 Ford F450(#74)	-	-	-	7,000	-
Sale of asset - 2012 Ford F450 (#78)	-	-	-	7,000	-
Transfer from general fund	150,000	150,000	160,000	160,000	170,000
Total revenue and other fund sources	161,000	181,000	176,000	196,000	170,100
Expenditures and uses					
Replace 2002 Chevy 1500 1/2 Ton (#56)	35,000	-	-	-	-
Replace 2004 Ford F450 (#72)	35,000	-	-	-	-
Replace loader (#71)	-	-	200,000	-	-
Replace 2004 F150 (#98)	25,000	-	-	-	-
Replace sweeper (# 68-1992 Elgin)	-	-	-	90,000	-
Replace 2006 Ford L8500 (#54)	-	180,000	-	-	-
Replace single axle plow truck (#89-2001 Sterling L7500)	-	180,000	-	-	-
Replace '98 Ford Tandem Truck (#81)	-	-	-	250,000	-
Replace 2009 Ford F450 (#74)	-	-	-	0	60,000
Replace 2012 Ford F450 (#78)	-	-	-	0	60,000
Total expenditures and uses	95,000	360,000	200,000	340,000	120,000
Ending Balance	349,070	170,070	146,070	2,070	52,170

City of Ham Lake
Capital Improvement & Equipment Replacement Plan
2021 thru 2025
Sources and Uses of Funds - Equipment Funds

	2021	2022	2023	2024	2025
440 Park and Beach Land Fund					
Beginning Balance	1,116,570	1,143,070	1,099,570	1,055,570	1,011,570
Revenues and other fund sources					
Interest	6,500	6,500	6,000	6,000	6,000
Metropolitan Council grant-trail-Bunker Lake Blvd west of Jefferson					
Parkland dedications	70,000	unknown	unknown	unknown	unknown
Total revenue and other fund sources	76,500	6,500	6,000	6,000	6,000
Expenditures and uses					
Miscellaneous park improvements	30,000	30,000	30,000	30,000	30,000
Future park and trail development	20,000	20,000	20,000	20,000	20,000
Total expenditures and uses	50,000	50,000	50,000	50,000	50,000
Ending Balance	1,143,070	1,099,570	1,055,570	1,011,570	967,570
441 Park Equipment					
Beginning Balance	128,586	142,886	81,886	57,086	91,286
Revenues and other fund sources					
Sale of assets - 1998 Chev 1500 (#83)	1,500	-	-	-	-
Sale of assets - JD mower 1580 (#73)	-	6,000	-	-	-
Sale of assets - 2017 Bobcat (#47)	-	7,000	-	-	-
Sale of assets - JD mower 1580 (#62)	-	-	6,000	-	-
Sale of assets - 5420 JD Tractor (#99)	-	-	6,000	-	-
Sale of assets - John Deer ProGator (#51)	-	-	-	1,000	-
Transfer from general fund	40,000	40,000	42,000	42,000	42,000
Total revenue and other fund sources	42,300	54,000	55,200	44,200	43,200
Expenditures and uses					
Replace 1998 Chev 1500 (#83)	28,000	-	-	-	-
Replace JD Mower 1580 (#73)	-	55,000	-	-	-
Replace 2017 Bobcat - Toolcat (#47)	-	60,000	-	-	-
Replace JD Mower 1580 (#62)	-	-	55,000	-	-
Replace 5420 JD Tractor (#99)	-	-	25,000	-	-
Replace John Deer ProGator (#51)	-	-	-	10,000	10,000
Total expenditures and uses	28,000	115,000	80,000	10,000	10,000
Ending Balance	142,886	81,886	57,086	91,286	124,486

City of Ham Lake
Capital Improvement & Equipment Replacement Plan
2021 thru 2025
General Fund Capital Outlay by Department

	2021	2022	2023	2024	2025	Total
41701 General Government & Elections	9,000	9,500	9,500	9,000	9,000	46,000
41702 General Building	10,000	10,000	10,000	10,000	10,000	50,000
42201 Fire Department	230,000	230,000	250,000	250,000	250,000	1,210,000
42301 EOC	2,000	2,000	2,000	2,000	2,000	10,000
42401 Building Department Equipment	10,000	7,000	7,000	7,000	7,000	38,000
43101 Public Works Equipment	150,000	150,000	160,000	160,000	170,000	790,000
43101 Revolving Street Fund	850,000	850,000	850,000	850,000	850,000	4,250,000
44101 Parks Equipment	40,000	40,000	42,000	42,000	42,000	206,000
TOTAL	<u>1,301,000</u>	<u>1,298,500</u>	<u>1,330,500</u>	<u>1,330,000</u>	<u>1,340,000</u>	<u>6,600,000</u>

General fund capital outlay in departments includes small equipment that is not budgeted in the equipment funds. The unspent amounts have historically been transferred to the equipment funds at year end.


ALL FUTURE STREET PROJECTS

MN DOT PROJECT #	Project Name	2021	2022	2023	2024	2025	Total
	Overlay-non MSA streets and roads	34,133	209,057	2,256,829	553,771	134,269	3,188,059
	Overlay-MSA streets and roads	95,643	-	82,904	49,413	39,535	267,495
	Reconstruction - Lund's Lakeview Forest ('96 rehab, '76 construct)	1,270,000					1,270,000
	Reconstruction-MSA 181st Avenue from Concord Dr to 890' west of Hwy 65	392,529					392,529
	Reconstruction-Meadow Park, north of Constance Blvd ('99 Rehab, '77 Construct)		788,722				788,722
	Participate in county project-MSA Bunker Lake Blvd (CSAH 116) from Jefferson Street to Hwy 65		343,470				343,470
	Reconstruction-Idlewood 3rd Addition and 175th Lane W of Swedish Drive ('99 rehab, '82 construct)			735,984			735,984
	Reconstruction-Crosstown Shopping Center ('98 rehab, '79 construct)				719,179		719,179
	Reconstruction-Chisholm St: Crosstown to Non-MSA Chisholm St Chisholm St ('98 rehab)				368,334		368,334
	Construction-MSA Jackson St., .16 miles north of McKay Dr. to .06 miles south of 154th Avenue				457,960		457,960
	Reconstruction-Central Ave, 303 feet N of 149th Ave to 152nd Ave					499,165	499,165
	Reconstruction-Pinger's Plaza Metes & Bounds, 7th St from 168th Ave to 170th Ave ('98 rehab, '79 construct)					1,558,978	1,558,978
	Total Projects	1,792,305	1,341,249	3,075,717	2,148,657	2,231,947	10,131,915
	Total MSA Projects	488,172	343,470	82,904	875,707	538,700	1,870,993

**City of Ham Lake
Road Committee Notes
May 17, 2021**

The Road Committee met on Monday, May 17, 2021 at 5:00 p.m. Present were Councilmember Gary Kirkeide; Councilmember Jim Doyle; City Engineer Tom Collins; City Administrator Denise Webster; Public Works Superintendent John Witkowski; Finance Director Andrea Worcester and Deputy City Clerk Dawnette Shimek.

1. Revolving Street Fund projections



Engineer Collins summarized the 5-year plan and 10-year plan residential street overlays and reconstructions. Engineer Collins stated that there is a decrease in the proposed overlays beyond 2025 due to less streets being constructed during the Great Recession. Engineer Collins stated that there are a number of developments that received an overlay in years 2002, 2004 and 2005, with a combined street length of over 16 miles, that will need to be reconstructed within or shortly beyond the 10-year plan timeframe. The Road Committee discussed potential bonding for reconstruction projects. Finance Director Andrea Worcester stated that bond payments must be covered by the levy. **It was the consensus of the Road Committee to recommend to the City Council to transfer \$550,470, which is the excess General Fund Balance above the average 57% fund balance ratio, to the Revolving Street Fund. It was the recommendation of the Road Committee to recommend to the City Council to increase the yearly transfer to the Revolving Street Fund by \$50,000 per year.** *These items will be added to the June 21, 2021 Budget meeting.*

2. 2022 proposed street reconstruction projects - Meadow Park (north of Constance Boulevard NE) and Creek Valley

It was the consensus of the Road Committee to recommend to the City Council to order the preparation of plans and specifications for the proposed 2022 street reconstruction projects of Meadow Park (north of Constance Boulevard NE) and Creek Valley.

3. Determine whether to include the assessment project of upgrading Polk Street NE from 165th Avenue NE to 810 feet south with the Meadow Park (north of Constance Boulevard NE) reconstruction

The Road Committee discussed including the upgrade of Polk Street NE from 165th Avenue NE to 810 feet south with the scheduled 2022 Meadow Park (north of Constance Boulevard NE) and Creek Valley reconstruction projects. A public hearing was held in 2019 with an assessed amount set at \$16,000 per parcel for the Polk Street NE project to be completed in that year. The current assessment amount is \$20,000. **It was the consensus of the Road Committee to recommend to the City Council to direct Engineer Collins to update the feasibility study for the upgrading of Polk Street NE from 165th Avenue NE to 810 feet south and adding the project to the 2022 reconstruction projects of Meadow Park (north of Constance Boulevard NE) and Creek Valley.**

The Road Committee discussed the condition of 173rd Avenue NE and that it will be turned back to gravel soon.

4. Maximum assessment amount

The Road Committee directed Engineer Collins to update the developer costs for residential development spreadsheet.

Ham Lake 5 Year Street Rehabilitation Program
 Estimated Cost and Revenue - Interest on Unpaid Balance
 Residential and Commercial Streets and non-MSA Municipal Agreement Projects
 5/17/21

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
RESIDENTIAL/COMMERCIAL OVERLAY COST		-	(236,398)	(658,011)	(1,630,530)	(570,396)	(537,257)	-	(876,848)	(309,813)	-	(1,529,086)
RESIDENTIAL/COMMERCIAL RECONSTRUCTION COST		(2,543,221)	(1,620,408)	(718,070)	(916,540)	(1,033,563)	(366,150)	(517,377)	(3,533,378)	(2,301,159)	(3,892,131)	(7,734,760)
MSA OVERLAY COST		(17,854)	(39,962)	(80,698)	(48,228)	(38,057)	-	-	-	-	-	-
SAND AND GRAVEL UPGRADE COST		-	-	-	-	-	-	-	-	-	-	-
TOTAL REVOLVING STREET FUND COSTS		(2,561,075)	(1,896,768)	(1,456,779)	(2,595,298)	(1,642,015)	(903,407)	(517,377)	(4,410,225)	(2,610,972)	(3,892,131)	(9,263,846)
ANNUAL REVOLVING STREET FUND TRANSFER		850,000	900,000	950,000	1,000,000	1,050,000	1,100,000	1,150,000	1,200,000	1,250,000	1,300,000	1,350,000
GENERAL FUND TRANSFER - 7/6/21		550,470										
ROSECREST UPGRADE ASSESSMENT REVENUE		9,804	10,183	9,460	9,288	9,116	8,944	8,772	8,600	8,428	8,256	8,084
167TH AVENUE, FRAZIER STREET AND 165TH AVENUE ASSESSMENT REVENUE		28,336	27,784	27,232	26,680	26,128	25,576	25,024	24,472	23,920	23,368	22,816
DRAINAGE FUNDS CONTRIBUTION		-	-	-	-	-	-	-	-	-	-	-
YEAR END COST BALANCE		(1,122,465)	(958,802)	(470,087)	(1,559,330)	(556,771)	231,113	666,419	(3,177,153)	(1,328,624)	(2,560,507)	(7,882,946)
REVOLVING STREET FUND	2,629,088	1,506,623	547,821	77,734	(1,481,596)	(2,038,368)	(1,807,255)	(1,140,836)	(4,317,989)	(5,646,613)	(8,207,119)	(16,090,065)