

**CITY OF BIWABIK
SPECIAL MEETING**

AGENDA

**MONDAY SEPTEMBER 21, 2020
6:00-7:00 PM SPECIAL MEETING**

**BIWABIK CITY HALL*
321 N MAIN STREET
BIWABIK, MN**

Meeting held by electronic means pursuant to MN Statute 13D.021

****The Zoom Code For This Meeting is 835 4441 2451****

1. Call to Order/Roll Call/Approve Agenda
2. Council Discussion of Preliminary Budget for 2021
3. Adjourn (Meeting to Adjourn by 7:00PM to Accommodate Additional Meeting)

DATE: September 21, 2020

AGENDA ITEM: 2021 Preliminary Budget Discussion

BACKGROUND: The deadline for certifying the preliminary levy to the County is September 30th. St Louis County will then send each property owner a notice of what their proposed tax bill is, as well as when the City Council will meet to take input on the final budget for 2021. That meeting must be held before December 30th. The Council will need to specify the

The budget can be modified between the time the Preliminary Levy is certified and the December 30th deadline for the Final Levy, but we are not allowed to increase the tax levy once we certify the preliminary numbers.

The number as updated after the September 14th Council Meeting. These numbers result in a levy of \$1,217,037. This is an increase of \$117,442 over the final levy certified for collection in 2020. That is just under an 11% increase.

The tax rate based on this levy number would be 1.366. This is a 3.5% increase.

The resulting City tax bill is shown for a few different home values on the final page of the Preliminary Budget Document.

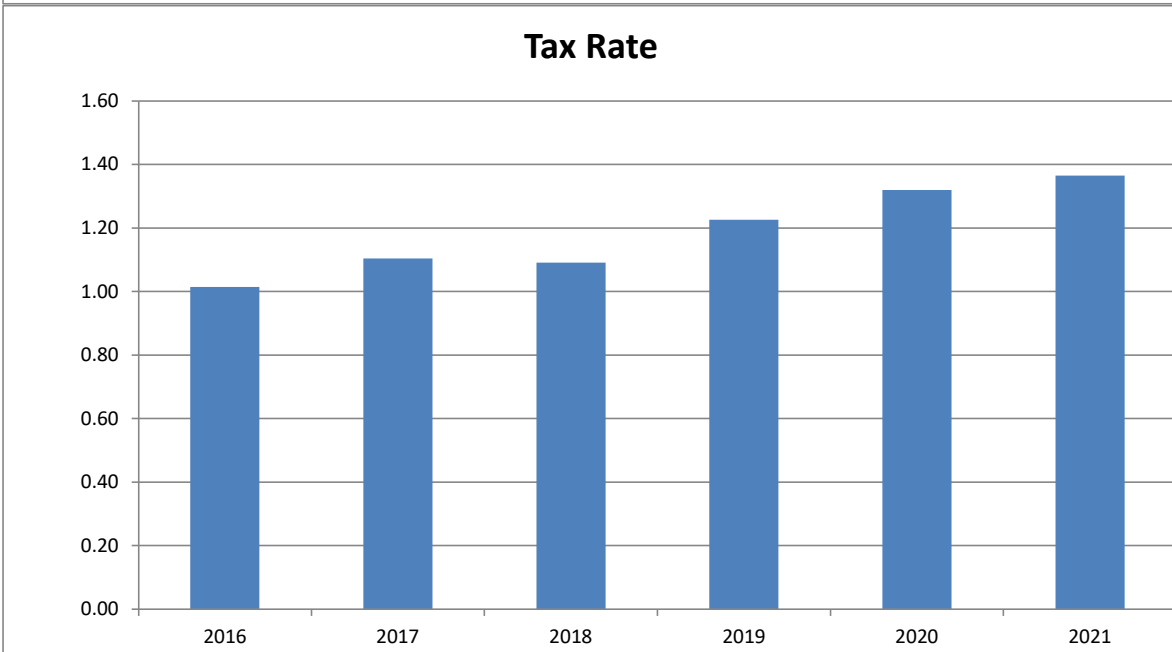
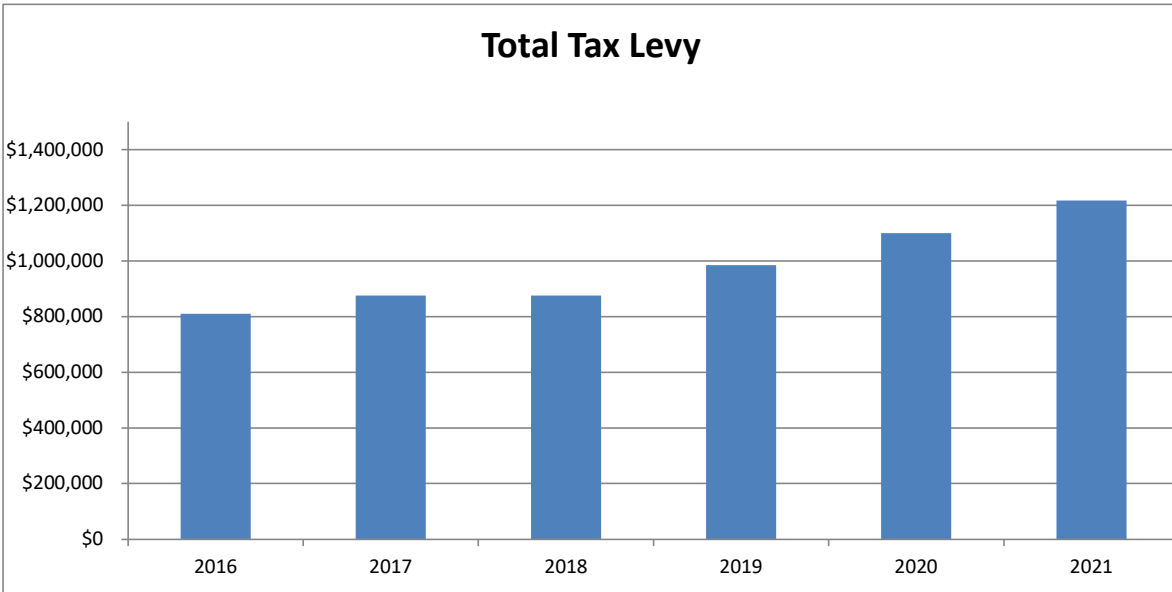
ATTACHMENTS:

- A. Preliminary Budget Numbers

STAFF RECOMMENDATION: Discussion

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
General Fund	\$810,466	\$875,634	\$875,634	\$984,648	\$1,099,595	\$1,217,037
Debt Service	\$0	\$0	\$0	\$0	\$0	\$0
Total Levy	\$810,466	\$875,634	\$875,634	\$984,648	\$1,099,595	\$1,217,037
Increase:		\$65,168	\$0	\$109,014	\$114,947	\$117,442

Tax Rate	1.01	1.10	1.09	1.23	1.3195	1.366
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Revenues	2020 Budget	YTD 9/1/20	2020 Balance	Proposed 2021
Property Tax	1,099,595	736,939	362,655	1,217,037
State Aid	327,318	139,282	188,036	346,198
Council	22,581	18,657	3,923	19,450
City Administrator	0	0	0	0
Accounting	500	13,460	-12,960	0
Election	20	1,307	-1,287	0
Police	12,000	1,226	10,774	12,000
Fire Dept	0	0	0	0
Building Inspection	21,600	12,727	8,873	21,600
Public Works	900	0	900	900
Buildings	17,000	11,134	5,866	17,000
Recreation	80,000	962	79,038	85,000
Total	1,581,514	935,695	645,819	1,719,185
Expenditures	2020 Budget	YTD 9/1/20	2020 Balance	Proposed 2021
City Council	355,040	345,258	9,783	400,322
Administration	134,005	88,339	45,665	167,706
Accounting	98,131	23,592	74,539	98,934
Elections	3,000	2,223	777	0
Police	338,103	253,577	84,526	338,103
Fire Department	53,933	22,735	31,198	90,627
Building Inspection	14,400	12,727	1,673	14,400
Public Works	390,628	159,574	231,054	427,782
Buildings	90,274	67,966	22,308	74,230
Recreation	74,000	962	73,038	77,080
Capital	30,000	9,428	20,572	30,000
Total	1,581,514	986,381	595,133	1,719,185
Property Tax and State Aid	2020 Budget	YTD 9/1/20	2020 Balance	Proposed 2021
R 101-41000-31000 General Property Taxes	1,099,595	736,939	362,656	1,217,037
R 101-41000-33000 Mining Effects	25,000		25,000	25,000
R 101-41000-33400 Taconite Aid	60,000	17,951	42,049	75,000
R 101-41000-33401 Local Government Aid	242,318	121,331	120,987	246,198
R 101-41000-33411 PERA Aid				
R 101-41000-36200 Miscellaneous				
Total	1,426,913	876,221	550,692	1,563,235

Council	2020 Budget	YTD 9/1/20	2020 Balance	Proposed 2021
Revenue				
R 101-41110-32000 Liquor License	4,700	1,000	3,700	2,500
R 101-41110-32100 Tobacco Licenses	200	200	0	200
R 101-41110-34770 Cable TV Franchise Fee	11,681	10,633	1,048	11,000
R 101-41110-36200 Miscellaneous		1,460	-1,460	
R 101-41110-36210 Interest Earnings	1,000	401	599	750
R 101-41110-36230 Contributions and Donations	5,000	4,963	37	5,000
Total	22,581	18,657	3,923	19,450
Expenditures				
E 101-41110-100 Wages and Salaries	9,600	3,200	6,400	15,600
E 101-41110-122 FICA	595	245	350	967
E 101-41110-300 Professional Svcs		1,000	-1,000	
E 101-41110-304 Legal Fees	20,000	17,600	2,400	54,000
E 101-41110-331 Conference Expenses	2,000		2,000	2,000
E 101-41110-352 General Notices and Public Info	500		500	500
E 101-41110-430 Miscellaneous	500		500	500
E 101-41110-433 Dues and Subscriptions	16,755	11,950	4,805	16,755
E 101-41110-490 Donations	5,000	5,554	-554	5,000
E 101-41110-710 Town of White Payment	300,000	305,708	-5,708	305,000
Department Total	354,950	345,258	9,693	400,322
City Administrator	2020 Budget	YTD 9/1/20	2020 Balance	Proposed 2021
Revenue				
Department Total	0	0	0	0
Expenditures				
E 101-41300-100 Wages and Salaries	60,271	20,863	39,408	62,080
E 101-41300-121 PERA	4,520	1,565	2,956	4,656
E 101-41300-122 FICA	3,737	1,596	2,141	3,849
E 101-41300-123 Medicare	874		874	900
E 101-41300-131 Employer Paid Health	8,863	2,733	6,130	6,432
E 101-41300-133 Employer Paid Dental	210	110	101	210
E 101-41300-134 Employer Paid Life	69	12	57	69
E 101-41300-151 Worker s Comp Insurance Prem	26,392	30,210	-3,818	28,000
E 101-41300-200 Office Supplies	5,000	2,044	2,956	5,000
E 101-41300-300 Professional Svcs	10,000	15,282	-5,282	15,000
E 101-41300-321 Telephone/Internet	12,000	11,124	876	15,000
E 101-41300-322 Postage	1,200	289	911	500
E 101-41300-331 Conference Expenses	2,500	0	2,500	2,500
E 101-41300-352 General Notices and Publication		1,238		
E 101-41300-362 Insurance	22,750	250	22,500	22,750
E 101-41300-433 Dues and Subscriptions	760	1,023	-263	760
Department Total	159,147	88,339	72,045	167,706
Elections	2020 Budget	YTD 9/1/20	2020 Balance	Proposed 2021
Revenue				
R 101-41410-34760 Filing Fees		8	-8	
R 101-41110-36200 Miscellaneous		1,299	-1,299	
Department Total	0	1,307	-1,307	0
Expenditures				
E 101-41410-111 Part-time wages	2,400	2,078	323	
E 101-41410-200 Office Supplies	500	50	450	
E 101-41410-208 Training and Instruction	100		100	
E 101-41400-340 Advertising		95		
Department Total	3,000	2,223	873	0

Accounting	2020 Budget	YTD 9/1/20	2020 Balance	Proposed 2021
Revenue				
R 101-41500-34000 Charges for Services	500	11,845	-11,345	
R 101-41500-36200 Miscellaneous		1,615		
Department Total	500	13,460	-11,345	0
Expenditures				
E 101-41500-100 Wages and Salaries	34,800	12,046	22,755	35,842
E 101-41500-121 PERA	2,610	903	1,707	2,688
E 101-41500-122 FICA	2,175	921	1,254	2,240
E 101-41500-123 Medicare	505		505	900
E 101-41500-131 Employer Paid Health	24,611	8,790	15,822	25,034
E 101-41500-133 Employer Paid Dental	210		210	210
E 101-41500-134 Employer Paid Life	69	24	45	69
E 101-41500-301 Auditing and Accounting Services	27,000	225	26,775	27,000
E 101-41500-309 EDP, Software and Design	3,200	593	2,607	3,200
E 101-41500-331 Conference Expenses	1,000		1,000	1,000
E 101-41500-430 Miscellaneous	500		500	500
E 101-41500-433 Dues and Subscriptions	250	90	160	250
Department Total	96,931	23,592	73,339	98,934
Buildings	2020 Budget	YTD 9/1/20	2020 Balance	Proposed 2021
Revenue				
R 101-41940-34000 Charges for Services				
R 101-41940-34101 Office Leases	12,000	8,890	3,110	12,000
R 101-41940-36200 Miscellaneous Revenues				
R 101-41940-36220 Rental	5,000	2,245	2,755	5,000
Department Total	17,000	11,134	5,866	17,000
Expenditures				
E 101-41940-100 Wages and Salaries	15,000	5,500	9,500	
E 101-41940-121 PERA	870	300	570	
E 101-41940-122 FICA	174	306	-132	
E 101-41940-200 Office Supplies		1,032	-1,032	
E 101-41940-215 Shop Supplies	1,000		1,000	1,000
E 101-41940-223 Building Repair Supplies			0	
E 101-41940-300 Professional Svcs	15,000	31,089	-16,089	15,000
E 101-41940-321 Telephone/Internet		4,513	-4,513	
E 101-41940-354 Application/Permit fees/licens	130	130	0	130
E 101-41940-381 Electric Utilities	12,000	8,205	3,795	12,000
E 101-41940-383 Gas Utilities	22,500	16,111	6,389	22,500
E 101-41940-401 Repairs/Maint Buildings	12,500		12,500	12,500
E 101-41940-430 Miscellaneous	500	335	165	500
E 101-41940-602 Building Loan	10,000		10,000	10,000
E 101-41940-750 Pers Prop Tax - Office Lease	600	444	156	600
Department Total	90,274	67,966	22,308	74,230

Police	2020 Budget	YTD 9/1/20	2020 Balance	Proposed 2021
Revenue				
R 101-42000-32240 Animal Licenses		480	-480	
R 101-42000-34000 Charges for Services	12,000	746	11,254	12,000
Department Total	12,000	1,226	10,774	12,000
Expenditures				
E 101-42000-300 Professional Srvs	338,103	253,577	84,526	338,103
Department Total	338,103	253,577	84,526	338,103
Fire				
Revenue				
R 101-42260-33418 State Aid				
Department Total	0	0	0	0
Expenditures				
E 101-42260-100 Wages and Salaries	12,500	2,195	10,305	12,280
E 101-42260-122 FICA	781	168	613	781
E 101-42260-200 Office Supplies	0	200	-200	250
E 101-42260-205 Equipment Repair	3,000	375	2,625	4,800
E 101-42260-208 Training and Instruction	6,000	5,585	415	13,655
E 101-42260-212 Vehicle Gas/Diesel Fuel	800	131	669	780
E 101-42260-221 Equipment Parts	4,000		4,000	4,000
E 101-42260-300 Professional Srvs	5,000	225	4,775	500
E 101-42260-331 Conference Expenses	500		500	7,000
E 101-42260-404 Repairs/Maint Machinery/Equip	2,500	1,408	1,092	8,100
E 101-42260-415 Equipment	15,000	11,303	3,697	38,292
E 101-42260-417 Uniforms	500	1,144	-644	12,898
E 101-42260-430 Miscellaneous	1,000		1,000	1,000
Department Total	51,581	22,735	28,846	90,627
Building Inspection	2020 Budget	YTD 9/1/20	2020 Balance	Proposed 2021
Revenue				
R 101-42400-32210 Building Permits	20,000	12,727	7,273	20,000
R 101-42400-34204 Erosion Control Permit	1,600			1,600
Department Total	21,600	12,727	7,273	21,600
Expenditures				
E 101-42400-300 Professional Srvs	12,800		12,800	12,800
E 101-42400-302 Erosion Control Inspection	1,600		1,600	1,600
Department Total	14,400		14,400	14,400

Public Works	2020 Budget	YTD 9/1/20	2020 Balance	Proposed 2021
Revenue				
R 101-43000-34000 Charges for Services	900			900
Department Total	900			900
			0	
Expenditures				
E 101-43000-100 Wages and Salaries	161,091	73,385	87,706	216,380
E 101-43000-111 Part-time wages	15,360		15,360	15,360
E 101-43000-121 PERA	15,832	5,504	10,328	16,229
E 101-43000-122 FICA	14,201	5,614	8,587	14,529
E 101-43000-123 Medicare	3,284		3,284	3,360
E 101-43000-125 Central Pension Benefit	19,968	15,106	4,862	19,968
E 101-43000-131 Employer Paid Health	78,473	25,152	53,321	77,536
E 101-43000-133 Employer Paid Dental	1,200		1,200	1,200
E 101-43000-134 Employer Paid Life	320	194	126	320
E 101-43000-135 Employer Paid Other	2,400	2,425	-25	2,400
E 101-43000-205 Equipment Repair	1,500	937	563	1,500
E 101-43000-208 Training and Instruction	0	286	-286	0
E 101-43000-212 Vehicle Gas/Diesel Fuel	15,000	12,711	2,289	15,000
E 101-43000-215 Shop Supplies	2,500	2,398	102	2,500
E 101-43000-220 Repair/Maint Supply	12,500	5,961	6,539	12,500
E 101-43000-224 Street Repairs	10,000	2,690	7,310	10,000
E 101-43000-226 Sign Materials	2,500		2,500	2,500
E 101-43000-228 Street Crack Seal Program	10,000		10,000	10,000
E 101-43000-321 Telephone	0		0	0
E 101-43000-362 Insurance	0		0	0
E 101-43000-381 Electric Utilities	0	456	-456	0
E 101-43000-415 Equipment	6,000	5,018	982	6,000
E 101-43000-430 Miscellaneous	500	1,739	-1,239	500
E 101-43000-510 Equipment Lease			0	
Department Total	372,628	159,574	213,054	427,782

Stormwater System	2020 Budget	YTD 9/1/20	2020 Balance	Proposed 2021
Revenue				
R 604-49451-37100	50,000	23,430	26,570	50,000
Department Total	50,000	23,430	26,570	50,000
Expenditures				
Repairs & Maintenance	10,000		10,000	10,000
Debt Service	40,000		40,000	40,000
Department Total	50,000		50,000	50,000
Recreation	2020 Budget	YTD 9/1/20	2020 Balance	Proposed 2021
Revenue				
R 101-45100-34720 Campground Fees	80,000		80,000	85,000
R 101-45100-34730 Registration Fees		962	-962	
R 101-45100-34740 Park & Rec Concessions			0	
R 101-45100-34750 Sleep n Ski			0	
R 101-45100-34950 Donations			0	
Department Total	80,000	962	79,038	85,000
Expenditures				
E 101-45100-100 Wages and Salaries		1,748	-1,748	
E 101-45100-121 PERA			0	
E 101-45100-122 FICA		134	-134	
E 101-45100-201 Rec/Garden Supplies			0	
E 101-45100-202 Little League Supplies			0	
E 101-45100-203 Pony League Supplies			0	
E 101-45100-204 Campground Host		11,000	-11,000	
E 101-45100-206 Channel 2 Operations		3,080	-3,080	3,080
E 101-45100-207 Concession Supplies			0	
E 101-45100-208 Training and Instruction			0	
E 101-45100-214 Field Expenses		5,000	-5,000	
E 101-45100-300 Professional Svcs	22,000	10,000	12,000	22,000
E 101-45100-307 Campground Mgmt Services	52,000	5,886	46,114	52,000
E 101-45100-321 Telephone			0	
E 101-45100-340 Advertising			0	
E 101-45100-381 Electric Utilities		6,224	-6,224	
E 101-45100-404 Repairs/Maint Machinery/Equip			0	
E 101-45100-415 Equipment			0	
E 101-45100-417 Uniforms			0	
E 101-45100-430 Miscellaneous			0	
E 101-45100-434 Events & Planning			0	
E 101-45100-435 Lodging Tax		42	-42	
Department Total	74,000	43,113	30,887	77,080

Capital	2020 Budget	YTD 9/1/20	2020 Balance	Proposed 2021
E 101-45200-308 Parks Committee	15,000	9,428	5,572	15,000
E 101-45200-510 Equip - Capital Outlay	0		0	
Unspecified Savings				
PUC Loans	15,000			15,000
Capital Total	30,000	9,428	5,572	30,000
Ambulance	2020 Budget	YTD 9/1/20	2020 Balance	Proposed 2021
Revenues				
R 608-42153-32160 Reimbursements				
R 608-42153-34205 Ambulance Revenues	90,000	34,360	55,640	90,000
Department Total	90,000	34,360	55,640	90,000
Expenditures				
E 608-42153-100 Wages and Salaries	44,584	12,380	32,204	21,320
E 608-42153-122 FICA	2,800	947	1,853	2,800
E 608-42153-200 Office Supplies	1,200		1,200	125
E 608-42153-205 Equipment Repair	2,500		2,500	1,500
E 608-42153-208 Training and Instruction	10,000	1,487	8,513	16,609
E 608-42153-210 Operating Supplies	10,000	4,157	5,843	7,200
E 608-42153-212 Vehicle Gas/Diesel Fuel	2,500		2,500	2,500
E 608-42153-221 Equipment Parts	1,500	3,025	-1,525	5,500
E 608-42153-300 Professional Svcs	10,600	13,360	-2,760	20,000
E 608-42153-321 Telephone	700	535	165	2,000
E 608-42153-331 Conference Expenses	2,500		2,500	2,925
E 608-42153-352 General Notices and Pub Info	194		194	50
E 608-42153-362 Insurance	1,750		1,750	1,750
E 608-42153-415 Equipment	5,000		5,000	14,400
E 608-42153-417 Uniforms	3,000		3,000	8,937
E 608-42153-430 Miscellaneous	300	75	225	200
Department Total	99,128	35,966	63,162	107,816

2018 CITY OF BIWABIK TAXES						1.091
Market Value	Homestead Exemption	Taxable Value	Tax Rate	Tax Before Taconite Credit	Taconite Credit	City Tax
70,000	28,000	42,000	0.01091	458	185	273
100,000	28,240	71,760	0.01091	783	185	598
300,000	10,240	289,760	0.01091	3,161	185	2,976
400,000	1,240	398,760	0.01091	4,350	185	4,165
500,000		500,000	0.01091	5,455	185	5,270
2019 CITY OF BIWABIK TAXES						1.227
Market Value	Homestead Exemption	Taxable Value	Tax Rate	Tax Before Taconite Credit	Taconite Credit	City Tax
70,000	28,000	42,000	0.01227	515	195	320
100,000	28,240	71,760	0.01227	880	195	685
300,000	10,240	289,760	0.01227	3,555	195	3,360
400,000	1,240	398,760	0.01227	4,893	195	4,698
500,000		500,000	0.01227	6,135	195	5,940
2020 CITY OF BIWABIK TAXES						1.320
Market Value	Homestead Exemption	Taxable Value	Tax Rate	Tax Before Taconite Credit	Taconite Credit	City Tax
70,000	28,000	42,000	0.01320	554	195	359
100,000	28,240	71,760	0.01320	947	195	752
300,000	10,240	289,760	0.01320	3,823	195	3,628
400,000	1,240	398,760	0.01320	5,262	195	5,067
500,000		500,000	0.01320	6,598	195	6,403
PROPOSED 2021 CITY OF BIWABIK TAXES						1.366
Market Value	Homestead Exemption	Taxable Value	Tax Rate	Tax Before Taconite Credit	Taconite Credit	City Tax
70,000	28,000	42,000	0.01366	574	195	379
100,000	28,240	71,760	0.01366	980	195	785
300,000	10,240	289,760	0.01366	3,957	195	3,762
400,000	1,240	398,760	0.01366	5,445	195	5,250
500,000		500,000	0.01366	6,828	195	6,633

2021 STAFFING TABLE

	Annual		Sft Diff						Union							
Employee	Wage	Longevity	Standby	&Holiday	OT	FICA	M'Care	PERA	Pension	Hlth Ins	Life Ins	Dntl	Glasses	Uni's, etc	Total	
Mayor	3,600	0	0	0	0	223	52	0	0	0	0	0	0	0	3,875	
Councilor	3,000	0	0	0	0	186	44	0	0	0	0	0	0	0	1,938	
Councilor	3,000	0	0	0	0	186	44	0	0	0	0	0	0	0	1,938	
Councilor	3,000	0	0	0	0	186	44	0	0	0	0	0	0	0	1,938	
Councilor	3,000	0	0	0	0	186	44	0	0	0	0	0	0	0	1,938	
City Council	15,600	0	0	0	0	967	226	0	0	0	0	0	0	0	16,793	
PUC Chair	2,400	0	0	0	0	149	35	0	0	0	0	0	0	0	2,584	
Commissioner	1,800	0	0	0	0	112	26	0	0	0	0	0	0	0	1,938	
Commissioner	1,800	0	0	0	0	112	26	0	0	0	0	0	0	0	1,938	
PUC Commission	6,000	0	0	0	0	372	87	0	0	0	0	0	0	0	6,459	
GF-Admin	62,080	0	0	0	0	3,849	900	4,656	0	6,432	69	210	0	0	78,196	
Elec 10%	8,869	0	0	0	0	550	129	665	0	919	10	30	0	0	11,171	
Wtr 10%	8,869	0	0	0	0	550	129	665	0	919	10	30	0	0	11,171	
WWTR 10%	8,869	0	0	0	0	550	129	665	0	919	10	30	0	0	11,171	
1 City Administrator	88,685	0	0	0	0	5,498	1,286	6,651	0	9,189	99	300	0	0	111,708	
GL-Acctg 70%	35,842.35	0	0	0	0	2,240	520	2,688	0	25,034	69	210	0	0	66,604	
Elec 10%	5,120.34	0	0	0	0	320	74	384	0	3,576	10	30	0	0	9,515	
Wtr 10%	5,120.34	0	0	0	0	320	74	384	0	3,576	10	30	0	0	9,515	
WWTR 10%	5,120.34	0	0	0	0	320	74	384	0	3,576	10	30	0	0	9,515	
2 Deputy Clerk	51,203.36	0	0	0	0	3,200	742	3,840	0	35,763	99	300	0	0	95,149	
Elec 30%	13,317.16	0	0	0	0	826	193	999	0	10,952	30	90	0	0	26,406	
Wtr 30%	13,317.16	0	0	0	0	826	193	999	0	10,952	30	90	0	0	26,406	
WWTR 30%	13,317.16	0	0	0	0	826	193	999	0	10,952	30	90	0	0	26,406	
Refuse 10%	4,439.05	0	0	0	0	275	64	333	0	3,651	10	30	0	0	8,802	
3 Billing Clerk/AA	44,390.53	0	0	0	0	2,752	644	3,329	0	36,506	99	300	0	0	88,021	
PW Foreman	56,544	0	0	150	500	3,546	820	4,241	4,992	19,384	80	300	200	400	91,157	
Equip Operator	53,279	0	0	150	500	3,344	773	3,996	4,992	19,384	80	300	200	400	87,397	
4 Equip Operator	53,279	0	0	150	500	3,344	773	3,996	4,992	19,384	80	300	200	400	87,397	
5 Equip Operator	53,279	0	0	150	500	3,344	773	3,996	4,992	19,384	80	300	200	400	87,397	
Summer Help	15,360	0	0	0	0	952	223	0	0	0	0	0	0	0	16,535	
7 GF Pub Wrks Total	231,740	0	0	600	2,000	14,529	3,360	16,229	19,968	77,536	320	1,200	800	1,600	369,882	
TOTALS	437,619	0	0	600	2,000	27,319	6,345	30,049	19,968	158,994	617	2,100	800	1,600	688,013	