



BUDGET WORKSHOP

SEPTEMBER 5, 2023

Tax Levy Supported Funds including General Fund,
Port Authority, and Debt Service.

BACKGROUND

The purpose of this workshop is to review, present, and discuss the recommended budget for property tax supported funds, such as the General, Debt Service, and Port Authority General Fund.

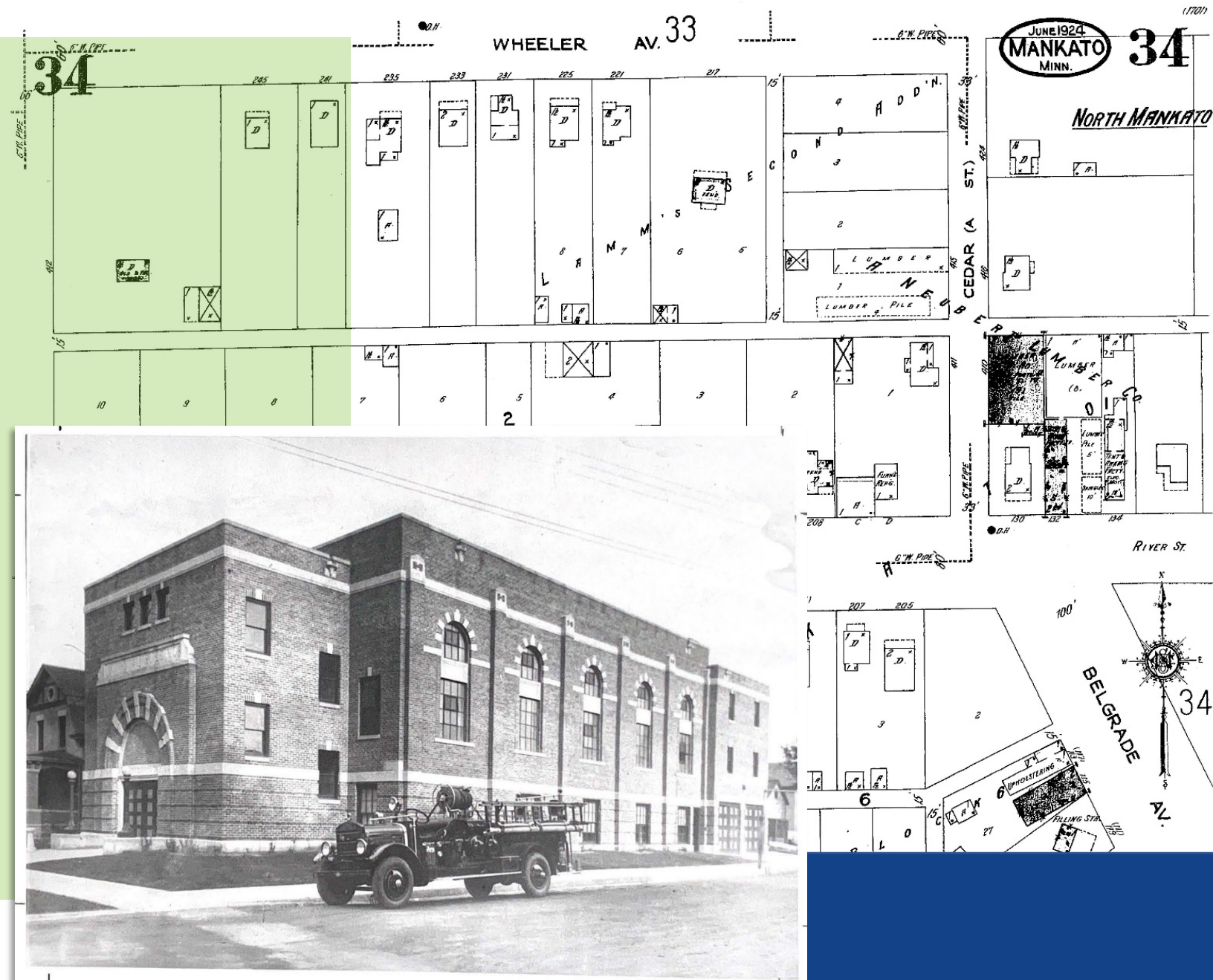
	CITY OF NORTH MANKATO																					
	TAXABLE MARKET VALUE, TAX CAPACITY, PROPERTY TAX LEVY AND TAX RATE																					
Tax Payable Year	Est. Market Value	Taxable Market Value	Change in TMV	% Change in TMV	Tax Increment Tax Capacity	Total Tax Capacity	Change in Tax Capacity	General Fund Levy	Library Levy	Bookmobile Levy	Comm. Dev. Levy	Parkland Levy	Flood Control Levy	Contingency Levy	Port Authority Levy	Capital Levy	Firemans Relief Levy	Debt Service Levy	Abatement Levy	Total Levy	Percent Levy Increase	Tax Rate
2006	834,232,100	832,560,000			178,192	9,514,672	3.0%	2,203,795	305,620	-	-	78,500	6,000	25,000	45,000		12,489	1,248,015	-	3,924,419	0.0%	41.246%
2007	857,502,300	856,965,300	24,405,300	2.93%	192,264	9,750,656	2.5%	2,486,493	325,565	-	-	78,500	6,000	25,000	45,000		12,577	1,239,615	-	4,218,750	7.5%	43.267%
2008	917,161,600	914,595,000	57,629,700	6.72%	198,385	10,344,239	6.1%	2,714,951	372,830	-	-	78,500	6,000	35,000	65,000		12,817	1,318,471	-	4,603,569	9.1%	44.503%
2009	945,061,500	926,820,100	12,225,100	1.34%	182,268	10,484,247	1.4%	2,780,856	367,080	10,500	-	8,500	6,000	55,000	65,000		12,935	1,368,208	-	4,674,079	1.5%	44.581%
2010	935,435,600	929,989,400	3,169,300	0.34%	189,067	10,551,259	0.6%	2,753,574	436,745	12,045	-	8,500	6,000	55,000	65,000		13,303	1,463,987	-	4,814,154	3.0%	45.626%
2011	915,774,000	915,046,500	(14,942,900)	-1.61%	80,835	10,598,032	0.4%	2,656,357	436,745	12,045	15,978	8,500	6,000	55,000	65,000		32,686	1,525,843	-	4,814,154	0.0%	45.425%
2012	950,583,400	870,672,800	(44,373,700)	-4.85%	52,436	10,177,574	-4.0%	3,103,154	419,405	39,831	15,978	-	6,000	50,000	65,000		22,740	1,430,015	-	5,152,123	7.0%	50.598%
2013	925,270,700	847,806,500	(22,866,300)	-2.63%	242,538	9,861,666	-3.1%	3,195,028	444,353	42,109	3,282	-	12,000	55,005	74,479		33,856	1,523,672	-	5,383,784	4.5%	54.566%
2014	933,833,600	856,917,400	9,110,900	1.07%	240,045	9,963,464	1.0%	3,778,784	-	-	-	-	-	-	75,000		-	1,530,000	-	5,383,784	0.0%	54.009%
2015	983,644,400	898,894,600	41,977,200	4.90%	255,229	10,432,202	4.7%	3,991,414	-	-	-	-	-	-	75,000		-	1,441,457	88,543	5,596,414	3.9%	53.620%
2016	1,013,909,400	919,768,100	20,873,500	2.32%	257,824	11,062,061	6.0%	4,177,929	-	-	-	-	-	-	75,000		-	1,430,128	111,347	5,794,404	3.5%	53.606%
2017	1,046,173,100	975,204,800	55,436,700	6.03%	314,983	11,255,834	1.8%	4,282,256	-	-	-	-	-	-	75,000		-	1,440,953	112,083	5,910,292	2.0%	52.485%
2018	1,110,030,400	1,041,251,400	66,046,600	6.77%	313,969	12,373,308	9.9%	4,621,889	-	-	-	-	-	-	75,000		-	1,370,848	221,014	6,288,751	6.4%	52.124%
2019	1,211,310,500	1,134,510,200	93,258,800	8.96%	319,666	13,432,345	8.6%	5,040,048	-	-	-	-	-	-	75,000		-	1,375,458	193,332	6,683,838	6.3%	50.950%
2020	1,248,907,400	1,183,925,900	49,415,700	4.36%	362,059	14,035,775	4.5%	5,119,393							75,000			1,143,970	456,196	6,794,559	1.7%	49.668%
2021	1,306,717,000	1,244,312,100	60,386,200	5.10%	464,654	14,760,762	5.2%	5,218,162	-	-	-	-	-	-	75,000		-	1,213,070	477,096	6,983,328	2.8%	48.827%
2022	1,369,332,200	1,284,577,400	40,265,300	3.24%	392,673	15,277,920	3.5%	5,300,575	-	-	-	-	-	-	75,000		-	1,346,736	400,684	7,122,995	2.0%	47.833%
2023	1,596,511,000	1,484,758,704	200,181,304	15.58%	408,476	17,812,600	16.6%	5,854,941	-	-	-	-	-	-	75,000		-	1,350,405	469,334	7,749,680	8.8%	44.028%
2024 Est.	1,722,997,400	1,602,391,331	117,632,627	7.92%	440,838	19,223,358	7.9%	5,794,592	-	-	-	-	-	-	75,000	882,500	-	1,527,666	472,334	8,752,092	12.9%	45.528%

	CITY OF NORTH MANKATO TAXABLE MARKET VALUE, TAX CAPACITY, PROPERTY TAX LEVY AND TAX RATE									
Tax Payable Year	Est.Market Value	Taxable Market Value	Change in TMV	% Change in TMV	Tax Increment Tax Capacity	Total Tax Capacity	Change in Tax Capacity	Total Levy	Percent Levy Increase	Tax Rate
2024 Est.	1,722,997,400	1,602,391,331	117,632,627	7.92%	440,838	19,223,358	7.9%	8,752,092	12.9%	45.528%
3 year Avg.	1,562,946,867	1,457,242,478	119,359,744	8.91%	413,996	17,437,960	9.3%	7,874,922	7.91%	45.80%
5 Year Avg.	1,448,893,000	1,359,993,087	93,576,226	7.24%	413,740	16,222,083	7.5%	7,480,531	5.63%	47.18%
10 Year Avg.	1,260,953,280	1,176,959,454	74,547,393	6.52%	353,037	13,966,617	6.9%	6,767,635	5.03%	49.87%
10 Year High	1,722,997,400	1,602,391,331	200,181,304	15.58%	464,654	19,223,358	16.6%	8,752,092	12.93%	53.62%
10 Year Low	983,644,400	898,894,600	20,873,500	2.32%	255,229	10,432,202	1.8%	5,596,414	1.66%	44.03%

2024 Budget Calendar

June 1st	Finance Director distributes SWOT analyses to Department Heads to complete
June 16th	SWOT analyses due back to Finance Director
June 20th	City Administrator sets expectations for budget requests. Finance Director distributes budget calendars, budget worksheets and capital improvement worksheets to all Department Heads.
July 7th	Department Heads submit budget and capital improvement requests.
June/July	CAFR presented to Council. Finance Director assembles preliminary City budget.
End of July	Finance Director presents preliminary City budget to City Administrator
August 7th	Levy overview of all department requests
August 21st	Council Budget Workshop #2 - Tax history & distribution background, relevant strategic plans, proposed tax levy guidance.
September 5th	Council Budget Workshop #3 - Present Tax Levy supported funds (Gen. Fund, Debt Service Fund, Port Authority Gen. Fund)
September 18th	Council Budget Workshop #4 - Present 5 year Capital Improvement Plan, Capital Facilities/Equipment Replacement Fund, and Construction Fund.
September 18th	Council Action #1 - At the regular business meeting the City Council adopts the proposed property tax levy and announces the time and place of a future city council meeting at which the budget and levy will be discussed and public input allowed, prior to final budget and levy determination.
September 30th	Deadline for City to adopt proposed budget by resolution and certify to the county auditor the proposed property tax levy for taxes payable in the following year. (Will already be completed if Council adopts on Sept. 18th)
October 2nd	Council Budget Workshop #5 - Present economic development & Recreation Funds (TIF, Joint Economic Development, Caswell Sports, Caswell North, Spring Lake Park Swim Facility, Football, Library Endowment)
October 16th	Council Budget Workshop #6 - Present Utility funds (Water, Sewer, Solid Waste, Recycling, Stormwater)
November 13 - 24th	Period for county auditors to prepare and county treasurers to mail parcel specific notices of proposed tax levies to taxpayers.
November 29th	Staff publishes notice for December 4th "Truth In Taxation" hearing as required by state statute.
December 4th	Council Action #2 - At a regular business meeting the City Council holds required Public Hearing for 2024 Budget and 2024-2028 Capital Improvement Plan (1st hearing).
December 18th	City Council holds Public Hearing (continuation hearing, if necessary).
December 18th	Council Action #3 - At a regular business meeting the City Council adopts 2024 Budget and Tax Levy and 2024-2028 Capital Improvement Plan.

CITY STRUCTURE



The City of North Mankato was incorporated in 1898. North Mankato is a Statutory City operating under a form of government consisting of an elected mayor and four council members.

The City Council appoints a City Administrator to carry out the policies set by the City Council. The City Administrator is also responsible for preparing and presenting a balanced budget to the City Council for consideration. The Administrator oversees the day to day operations of city government.

Each department is managed by a department director or manager, who reports to the City Administrator. The City Council is responsible for reviewing and approving the City's budget, along with determining the City's tax rate. The mayor is recognized as the political head of the City of North Mankato but is a member of the City Council and does not have the power to veto legislative actions.

BUDGET PROCESS

Setting goals and objectives for the City of North Mankato is one of the most important responsibilities the Mayor and City Council have. These priorities are articulated and discussed through several different means: Citywide strategic planning, department goals and objectives, the annual budget process, and performance measures reported monthly to the City Council and City Administrator.

The diagram below illustrates the linkages among these key city processes. By fully integrating strategic and department planning, budgeting, and performance measurement, North Mankato can change the way it plans for the future to ensure its efforts and resources are aligned with City values and goals.



Citywide Strategic Planning Process

Strategic planning is a process in which an organization sets its long-term future direction. It is a tool for assessing its current and future environment and for ensuring the organizations' energies are focused toward achieving strategic goals.

Throughout 2023, the Mayor and the City Council conducted strategic planning sessions on their Goals and Expectations for the next several years. The strategic plan serves as a guide by which all other policy decisions should be assessed. As elected officials and department heads make decisions throughout the year, they should be asking: "Does this support the City's strategic plan?"

Department Business Planning

The development of the strategic plan is intended to provide clear direction for departments' planning efforts. Through the strategic planning process, departments have been given direction as to City priorities and their projected level of resources over the next several years, and now can structure their department plans accordingly. A department's plan will articulate the alignment of its services with the strategic plan.

Department planning is a process that provides both strategic and tactical direction to City departments. A department plan is a mid-range plan (5-year planning horizon) that aligns department services with City strategic goals. A department plan addresses what the department does, what it is trying to achieve, who its customers are, how it will utilize its resources to achieve its goals, and how it will know when it has been successful.

Department Planning is one of the key City processes intended to ensure the alignment of City efforts with its priorities. A well-developed, focused department plan has the potential to assist departments in:

Focusing their efforts on core mission and services and alignment with City Goals.

- Managing their resources.
- Measuring their results.
- Improving how departments convey what they do, what they accomplish, and what their business strategies are.

Annual Budget Process

After the strategic planning process, departments develop their projected level of financial resources needed to meet their department plans in accordance with the strategic plan. Resource allocations will flow from the department plans – departments' annual budgets will then flow from their longer-term financial plans. The Mayor and City Council will articulate their priorities for the upcoming year by allocating City

financial

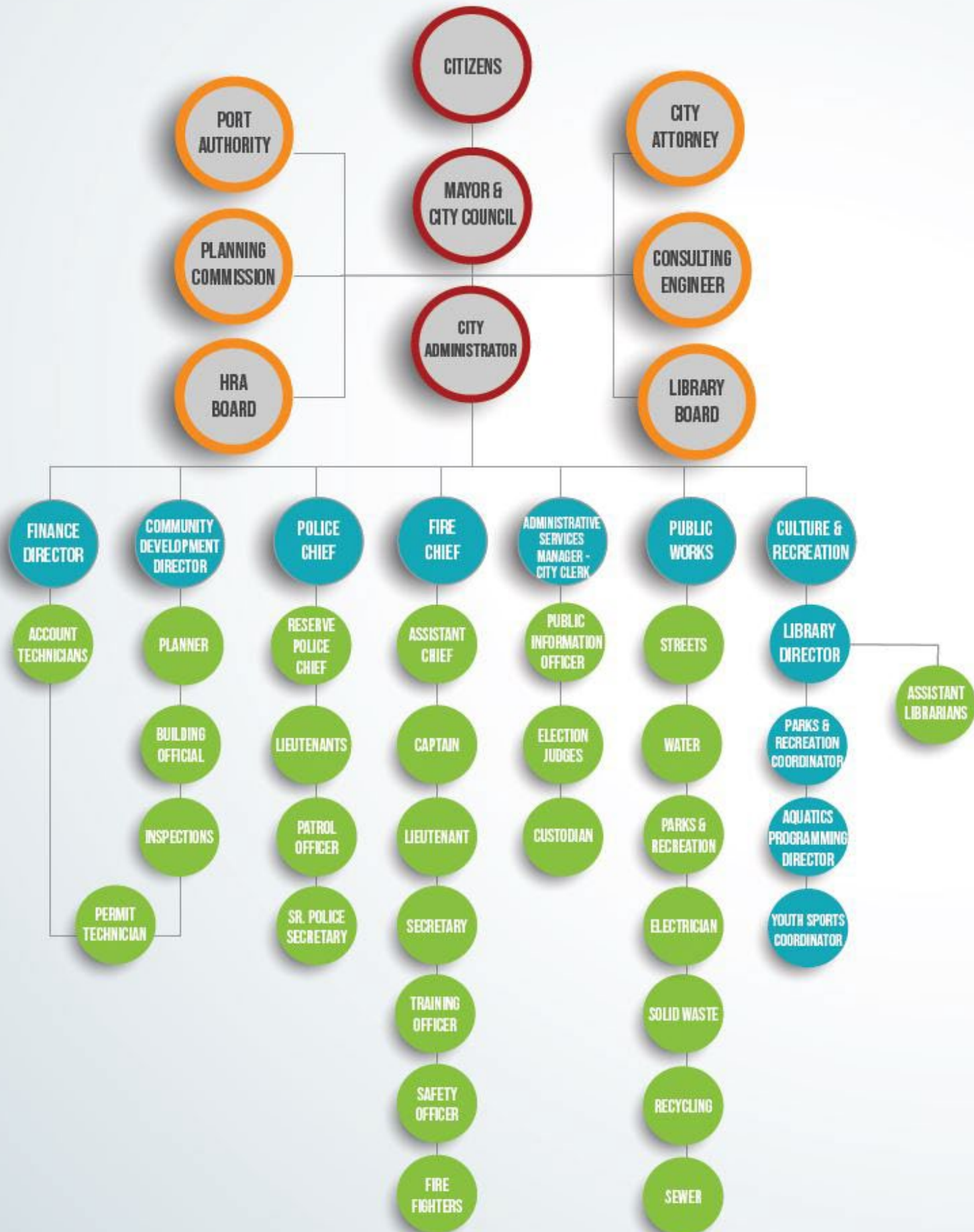
resources based on the input of the department head's recommendations and available resources to meet the goals of the strategic plan. The resource allocation may be adjusted based on the final audited financial statements. As North Mankato moves toward better integration of its key City processes, the annual budget process should become more straightforward

Performance Measurement

Performance Measurement is how we know when we have done the right things to achieve our goals and how we know when we have done those things right. A successful performance measurement system can lead to the continuous improvement of program performance, improved customer service, strengthened accountability, and empowered employees. Performance measurement has played a significant role in the development of the budget. The format of the department narratives in the budget highlights departments' performance measurement information, including key outcome/quality of life measures. All departments have made concerted efforts to further develop and improve their performance measures as part of this process. As departments update their business plans in future years, they will have the opportunity to strengthen their performance data. By including performance data in the budget process, the City stands to improve its budget discussions significantly. Performance measures can assist in keeping budget discussions focused on expected outcomes, allowing for greater creativity in how those outcomes are achieved. Finally, performance measures can give both the policymakers and department management the language they need to discuss what resources are needed and why.

CITY OF NORTH MANKATO

ORGANIZATION CHART



CITY STAFFING HISTORY

The skills and abilities necessary to provide excellent service require a breadth of talents. From certified law enforcement personnel to licensed water treatment managers, from foresters and librarians to planners, equipment operators, and election officials. From volunteer firefighters to pool operators and lifeguards, the City is staffed with incredibly passionate, talented, and dedicated individuals. These public servants dedicate their careers to protecting the lives and properties of individuals while creating the best quality of life to residents. Their actions are directly aligned with citizens’ desires for their community. Representing over half of the City budget, our investment in personnel cannot be separated from the achievement of our priorities desire to achieve success through the lofty goals set by citizens, departments, and administration at all levels.



STAFFING SUMMARY BY DEPT.

General Government	2021	2022	2023	2024 PROPOSED
City Administrator	0.5	0.5	0.5	0.5
City Clerk	1	1	1	1
Finance Director	0.5	0.5	0.5	0.5
Senior Account Clerk	0.5	0.5	0	0
IT Coordinator	0	0	0	1
Permit Clerk	0.25	0.25	0.25	0.25
Public Information Officer	1	1	1	1
Custodian	1	1	1	1
General Government Total	4.75	4.75	4.25	5.25
Police	2021	2022	2023	2024 PROPOSED
Police Chief	1	1	1	1
Police Lieutenant	3	3	3	1
Police Officer	10	10	12	5
Detective	1	1	1	2
Drug Task Force Agent	0	0	0	1
Part-time Police Secretary	0.5	0.5	0.5	0
Police Secretary	1	1	1	2
Police Total	16.50	16.50	18.50	20.00
Street	2021	2022	2023	2024 PROPOSED
Public Works Director	0.33	0.33	0.33	0.33
Street Foreman	1	1	1	1
Environmental Tech	0	0	0	0.5
Street Maint. III	4	4	5	5
Street Maint. II	2	2	1	1
Street Maint. I	0.5	0.5	0.5	0.5
Street Total	7.83	7.83	7.83	8.33
Street Lighting	2021	2022	2023	2024 PROPOSED
Water Serviceman III/Electrician	.10	.10	.10	.10
Street Lighting Total	.10	.10	.10	.10
Park	2021	2022	2023	2024 PROPOSED
Park Foreman	1	1	1	1
Park Maint. II	0.5	0.5	1	1
Park Maint. I	1.8	1.8	2	2
Youth Sports Coordinator	1	1	1	1
Aquatics & Recreation Coordinator	1	1	1	1
Caswell Maint.	0.5	0.5	1	1
Caswell Park Coordinator	1	1	1	1
Park Total	6.80	6.80	8	8
Shop	2021	2022	2023	2024 PROPOSED
Mechanic	2	2	2	2
Shop Total	2.00	2.00	2.00	2.00
Library	2021	2022	2023	2024 PROPOSED
Library Director	1	1	1	1
Assistant Librarian	3	3	3	3
Bookmobile	1	1	1	1
Part-time Assistant Librarian	1	1	1.5	1.5
Library Total	6.00	6.00	6.50	6.50
Community Development	2021	2022	2023	2024 PROPOSED
Community Development Director	1	1	1	1
Planner	1	1	1	1
Senior Records Clerk/Permit Clerk	1	0	0	0
Records Clerk/Permit Clerk	0	1	0.5	0.5
Building Official	1	1	0	0
Building Inspector	1	1	2	2
Community Development Total	5.00	5.00	4.50	4.50
GENERAL FUND TOTAL	48.98	48.98	51.68	54.68

Water Utility	2021	2022	2023	2024 PROPOSED
City Administrator	0.25	0.25	0.25	0.25
Public Works Director	0.33	0.33	0.33	0.33
Finance Director	0.25	0.25	0.25	0.25
Account Clerk	1.25	1.25	1.25	1.25
Water Superintendent/Interim Parks Operations Manager	1	1	1	1
Water Foreman	1	1	1	1
Water Serviceman III / Electrician	0.45	0.45	0.45	0.45
Water Serviceman II	0	0	0	0
Water Serviceman I	2	2	3	3
Water Utility Total	6.53	6.53	7.53	7.53
Wastewater Utility	2021	2022	2023	2024 PROPOSED
City Administrator	0.25	0.25	0.25	0.25
Public Works Director	0.34	0.34	0.34	0.34
Finance Director	0.25	0.25	0.25	0.25
Account Clerk	1.25	1.25	1.25	1.25
Sewer Serviceman II	1	1	1	1
Water Serviceman III/Electrician	0.45	0.45	0.45	0.45
Street Superintendent	1	1	1	1
Wastewater Utility Total	4.54	4.54	4.54	4.54
Recycling Utility	2021	2022	2023	2024 PROPOSED
Recycling Lead Operator	0.5	0.5	0.5	0.5
Recycling Part-time	1	1	1	1
Recycling Utility Total	1.50	1.50	1.50	1.50
Storm Water Utility	2021	2022	2023	2024 PROPOSED
Storm Water Maintenance II	1	1	1	1
Environmental Tech	0	0	0	0.5
Storm Water Utility Total	1.00	1.00	1.00	1.50
Solid Waste Utility	2021	2022	2023	2024 PROPOSED
Account Clerk	1	1	1	1
Solid Waste Utility Total	1.00	1.00	1.00	1.00
TOTAL STAFFING LEVELS	63.55	63.55	67.25	70.75



FUND SUMMARIES



EXECUTIVE SUMMARY

The following budget pages provide a brief overview of each of the City's funds by type. In addition to the general fund, the City's budget is made up of agency, special revenue, and enterprise funds. Enterprise funds include the City's utilities and are expected to cover costs of fees charged for services provided. Special revenue constitutes funds that have various revenue sources specific to their uses or restricted or voter-approved revenues like sales tax. This overview provides a high-level description of each fund as well as a spending overview for each fund within the budget.

\$8,752,092

Tax Levy

The total tax levy for the City for the 2024 Budget is \$8,752,092, a 12.93% increase from 2023. This is a \$1,002,412 increase from 2023 with \$60,349 less going to the General Fund, \$180,261 more to the Debt Service Fund, and creating a Capital Levy of \$882,500. The operating levy is proposed to support General Fund operations, 3 new positions, and increases for ASA and Transit. The debt service levy increase is to cover current and future debt service payments while meeting debt reserve policies. The new Capital Levy will support the capital facilities and replacement fund. Many items were moved from the General Fund to the capital fund.

\$10,417,368

General Fund Revenues

The City's General Fund Budget for 2024 is proposed at \$10,417,368 which is an increase of \$179,982. The increase is a result of increased contributions, permits, local government aid, and interest earnings.

\$90,521

Port Authority General Fund Revenues

The Port Authority General Fund received \$75,000 in property tax support. The total budget for 2024 is proposed at \$90,521, a decrease of \$455. The remaining revenue relates to TIF administrative fees and loan repayments. The Port Authority levy has been flat for ten years. The fund is used to implement the economic development programs of the City.

\$3,389,348

Debt Service Fund Revenues

The City's Debt Service Revenue for 2024 is proposed at \$3,389,348 of which the total Tax Levy of the debt service fund is proposed at \$2,000,000. The balance is comprised of sales tax, special assessments, state aid, and TIF payments. Total debt payments in 2024 are \$3,156,668, an increase of \$37,312. The 2024 budget includes a proposed debt issuance of \$6.6 million for street reconstruction, lift station rehab, and a safe routes to school improvement.

CITY OF NORTH MANKATO, MINNESOTA GENERAL FUND 2024 PROPOSED BUDGET											
	2021 ACTUAL	2022 ACTUAL	2023 BUDGET	2024 PROPOSED	+/- 2023/2024	2025 FORECAST	2026 FORECAST	2027 FORECAST	2028 FORECAST	2029 FORECAST	COMMENTS
REVENUES											
PROPERTY TAX	5,201,575	5,308,657	5,854,941	5,794,592	(60,349)	5,968,430	6,147,483	6,331,907	6,521,864	6,717,520	12.93% Levy Increase
SALES TAX	225	185	166	216	50	216	216	216	216	216	
FRANCHISE TAX	540,223	527,112	516,000	534,619	18,619	539,965	545,365	550,819	556,328	561,891	Increased franchise tax collections
OTHER TAX	178,995	107,689	104,000	124,000	20,000	124,040	124,080	124,121	124,162	124,204	Gambling tax increase collections
LICENSE AND PERMITS - BUSINESS	131,923	118,414	130,150	136,150	6,000	135,550	135,550	135,550	135,550	135,550	New cannabinoids and golf cart licenses
LICENSE AND PERMITS - NON BUSINESS	497,382	536,344	503,450	517,550	14,100	522,700	527,903	533,156	538,463	543,822	Building permits to reflect actual
INTERGOVERNMENTAL	2,241,056	2,337,095	2,470,000	2,616,070	146,070	2,627,485	2,638,957	2,650,487	2,662,074	2,673,719	Additional State-Aid in 2024
CHARGES FOR SERVICES	100,080	52,917	53,150	56,400	3,250	56,400	56,400	56,400	56,400	56,400	
FINES AND FORFEITURES	30,312	21,960	19,200	25,500	6,300	25,500	25,500	25,500	25,500	25,500	
SPECIAL ASSESSMENTS	7,769	3,027	5,150	3,550	(1,600)	3,550	3,550	3,550	3,550	3,550	
MISCELLANEOUS	450,153	340,035	242,758	274,971	27,542	273,295	276,386	279,605	282,959	286,455	Interest rates and insurance dividends
TRANSFERS IN	444,211	589,157	333,750	333,750	-	333,750	333,750	333,750	333,750	333,750	
TOTAL REVENUES	9,823,904	9,942,592	10,232,715	10,417,368	179,982	10,610,881	10,815,140	11,025,061	11,240,816	11,462,577	
EXPENDITURES											
PERSONNEL SERVICES	4,990,609	5,209,587	5,517,051	6,572,439	1,055,388	6,744,485	6,921,757	7,104,425	7,292,665	7,486,648	3 new positions, temp labor, wage
SUPPLIES	1,079,141	1,098,418	1,256,410	1,402,975	146,565	1,391,092	1,429,341	1,417,717	1,456,230	1,444,872	Elections, Police uniforms for new officers, Street maintenance
SERVICES AND CHARGES	1,667,718	1,809,661	1,656,004	1,818,025	162,021	1,829,050	1,840,746	1,852,578	1,864,565	1,876,700	Increased utilities
CAPITAL OUTLAY	746,338	1,295,402	941,750	350	(941,400)	350	350	350	350	350	Moved to Capital Facilities Fund
AREA AGENCY DISBURSEMENTS	230,640	248,474	382,452	456,750	74,298	456,750	456,750	456,750	456,750	456,750	ASA Repairs, Transit contract increase
TRANSFERS OUT	438,960	497,391	457,000	157,000	(300,000)	157,000	157,000	157,000	157,000	157,000	Moved to Capital Facilities Fund
TOTAL EXPENDITURES	9,153,405	10,158,933	10,210,667	10,407,539	196,872	10,578,727	10,805,944	10,988,820	11,227,560	11,422,320	
REVENUES OVER (UNDER)	670,499	(216,340)	22,048	9,829	(16,890)	32,154	9,196	36,241	13,256	40,257	
ADJUSTMENTS FROM CHANGES IN ASSETS AND LIABILITIES	-	-	31,500	131,000	131,000	131,000	131,500	132,000	43,138	-	Repayment from debt service
CASH, BEGINNING	3,792,341	5,099,187	5,133,355	5,186,903		5,186,903	5,186,903	5,327,599	5,495,840	5,552,234	
CASH, ENDING	5,099,187	4,882,847	5,186,903	5,327,732		5,350,057	5,327,599	5,495,840	5,552,234	5,592,491	
CASH AS % OF EXPENDITURES	56%	48%	51%	51%		51%	49%	50%	49%	49%	Meets fund balance policy

2023 & 2024 REVENUES AND EXPENDITURES

GENERAL FUND REVENUES	2023 ADOPTED	2024 PROPOSED	+/-	%+/-	NOTES
Property Tax	\$5,854,941	\$5,794,592	\$(60,349)	-1%	12.93% Total Levy increase (1.04%) General Fund Levy decrease
Sales Tax	166	216	50	23%	
Franchise Tax	516,000	534,619	18,619	3%	Increased franchise tax collections
Other Tax	104,000	124,000	20,000	16%	Gambling tax increase collections
License and Permit - Business	130,150	136,150	6,000	4%	New cannabinoids and golf cart licenses
License and Permit - Non-Business	503,450	517,550	14,100	3%	Building permits to reflect actual
Intergovernmental	2,470,000	2,616,070	146,070	6%	Additional State-Aid in 2024
Charges for Service	53,150	56,400	3,250	6%	
Fines and Forfeitures	19,200	25,500	6,300	25%	
Special Assessments	5,150	3,550	(1,600)	-45%	
Miscellaneous	242,758	274,971	27,542	10%	Interest rates and insurance dividends
Transfers In	333,750	333,750	0	0%	
REVENUES (Total)	\$10,232,715	\$10,417,368	\$179,982	2%	

GENERAL FUND EXPENDITURES	2023 ADOPTED	2024 PROPOSED	+/-	%+/-	NOTES
Legislative	\$62,003	\$62,977	\$974	2%	
General Government	739,780	975,065	235,288	24%	New position, Elections
Attorney	135,000	130,200	(4,800)	-4%	
Police	2,619,877	3,313,133	693,256	21%	New positions, Wages, Uniforms
Fire	382,030	423,260	41,230	10%	Wages for Fire Calls
Streets	2,136,231	1,672,128	(464,103)	-28%	Moved mill and overlay to 230 Fund
Maintenance & Equipment	314,465	314,838	28,373	8%	
Street Lighting	391,050	409,630	18,580	5%	
Parks	1,127,644	859,703	(267,941)	-31%	Moved park improvements to 230 Fund
Library	650,085	750,674	100,589	13%	Wages, Electronics
Bookmobile	105,430	110,868	5,438	5%	
Community Development	648,960	672,200	23,240	3%	
Miscellaneous	58,660	71,110	12,450	18%	City insurance increase
Area Agency Disbursements	382,452	456,750	74,298	16%	ASA capital spending, Mankato transit contract
Transfers	457,000	157,000	(300,000)	-191%	Moved to 230 Fund
EXPENDITURES (Total)	\$10,210,667	\$10,407,539	\$196,872	2%	

DEPARTMENT REPORTS



LEGISLATIVE

Reports to – North Mankato residents, businesses, property owners, and voters



Description:

The Mayor and Council comprise the legislative body of the City. The City operates under a statutory form of government consisting of a four-member City Council and the Mayor, who is a voting member. Council members serve staggered, four-year terms with two Council members elected every four years. The Mayor serves a two-year term. The Mayor appoints, and the Council confirms the appointment of members to the Planning Commission, Port Authority, Library Board, and the Housing and Redevelopment Authority.

Services:

- Provide strategic direction, goals, and objectives to the organization
- Approve statutorily required zoning requests, city code amendments, annexations, etc.
- Represent and serve the citizens of the community
- Annually adopt a balanced budget
- Provide direction to the City Administrator

Principles:

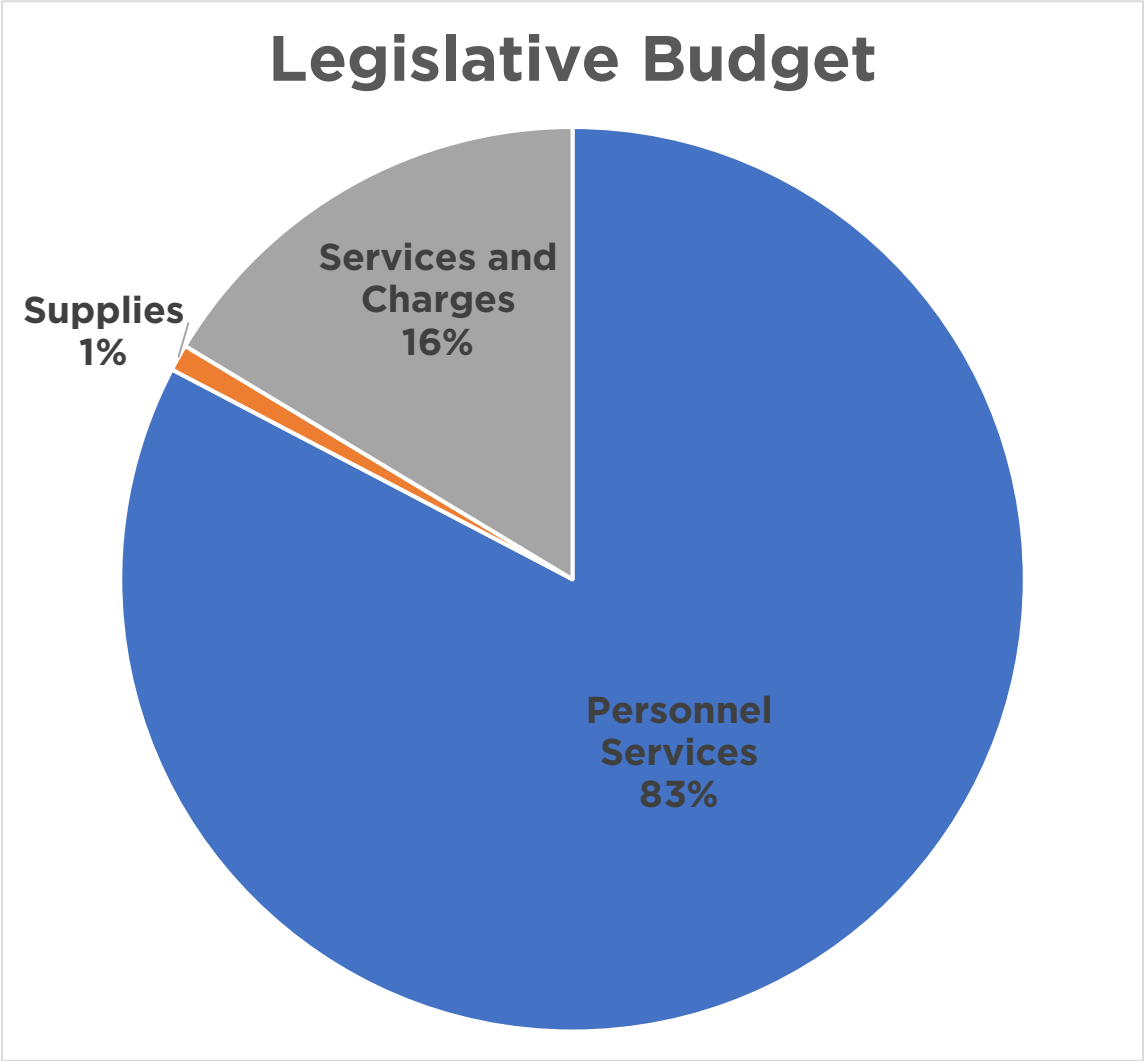
- Adaptability
 - The ability to adjust and methods to resolve changing situations
- Excellence
 - Going above and beyond expectations
- Responsibility
 - Taking ownership and being accountable for performance
- Integrity
 - Being honest, impartial, and aligning actions with principles
- Leadership
 - Achieving a common goal by motivating others

Members:

- Mayor – Scott Carlson
- Council Member – James Whitlock
- Council Member – Billy Steiner
- Council Member – Sandra Oachs
- Council Member – Matt Peterson



Legislative	2022 Actual	2023 Adopted	2024 Proposed	+/- 2023/2024	Comments
Personnel	44,520	52,333	52,067	(266)	
Supplies	0	600	600	0	
Services & Charges	12,115	9,070	10,310	1,240	
Capital Outlay	-	-	-	-	
TOTAL	\$56,636	\$62,003	\$62,977	\$974	



GENERAL GOVERNMENT

Reports to – Kevin McCann- City Administrator



Description:

The General Government Department provides overarching leadership to the City. From the voice residents hear when they call for assistance to the utility bill received in the mail and the budget that determines the property tax rate, the General Government department is at the heart of serving the public. Additional services include the functions and duties of the City Clerk, who records actions of the City Council and administers elections at every level.

Departments:

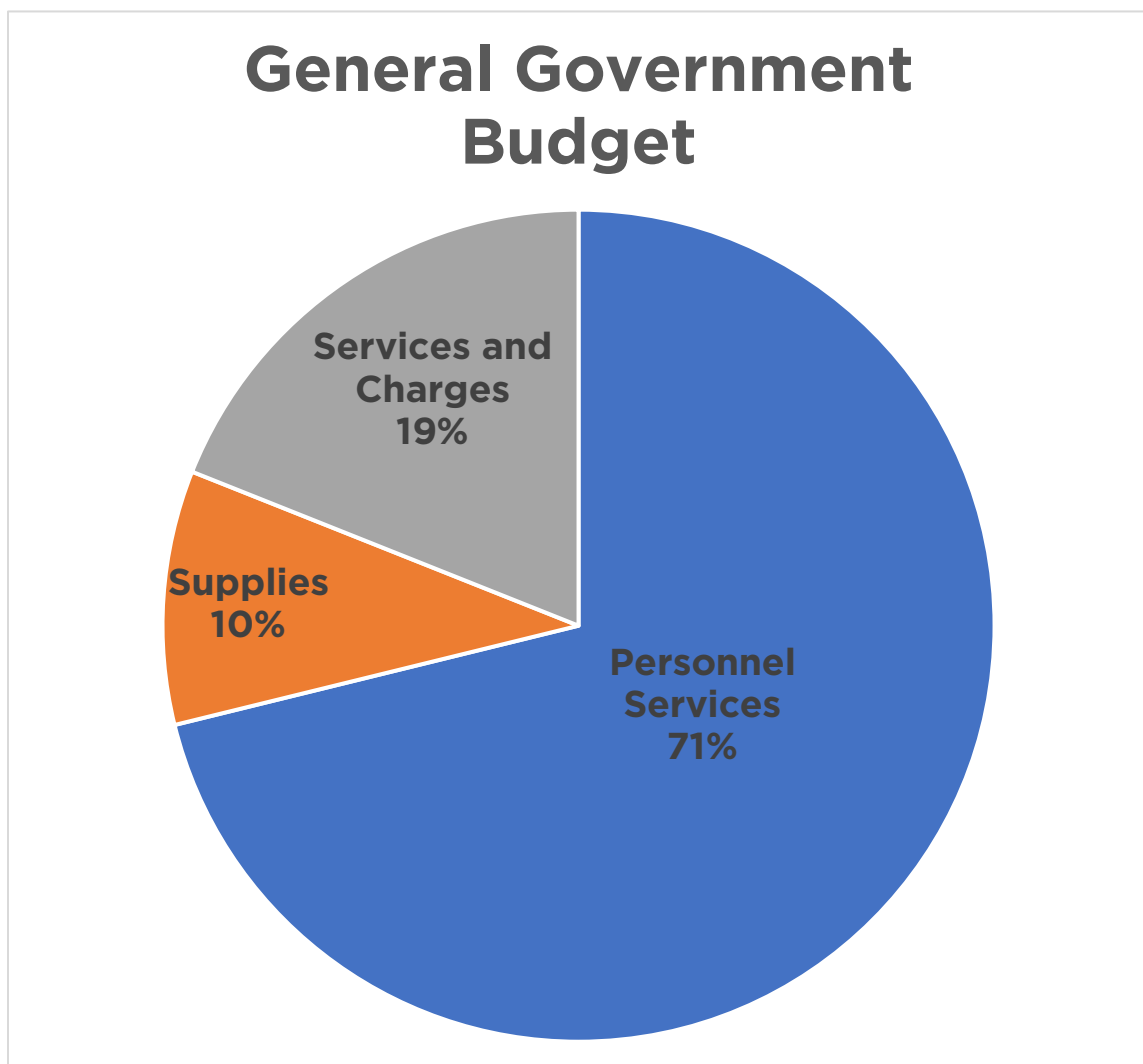
- Administration
- City Clerk
- Building Services
- Finance
- Customer Services
- Finance/Utilities
- Payroll/Benefits

PERSONNEL BREAK DOWN:

Department	Job Classification	2022	2023	2024
GENERAL GOVERNMENT	City Administrator	0.5	0.5	0.5
	City Clerk	1	1	1
	Finance Director	0.5	0.5	0.5
	Senior Account Clerk	0.5	0	0
	IT Coordinator	0	0	1
	Permit Clerk	0.25	0.25	0.25
	Public Information Officer	1	1	1
	Custodian	1	1	1
	Department Total	4.75	4.25	5.25



General Government	2022 Actual	2023 Adopted	2024 Proposed	+/- 2023/2024	Comments
Personnel	485,731	500,220	693,898	193,678	New Position, Wages
Supplies	66,590	59,100	96,250	37,150	Election Year
Services & Charges	200,657	179,460	184,920	5,460	Professional services
Capital Outlay	850	1,000	0	(1,000)	Move to 230 Fund
TOTAL	\$753,829	\$739,780	\$975,068	\$235,288	



ATTORNEY

Reports to – City Council and City Administrator



Description:

The City of North Mankato has contracted with Kennedy & Kennedy law firm for 20 years to perform legal services for both civil and criminal prosecution.

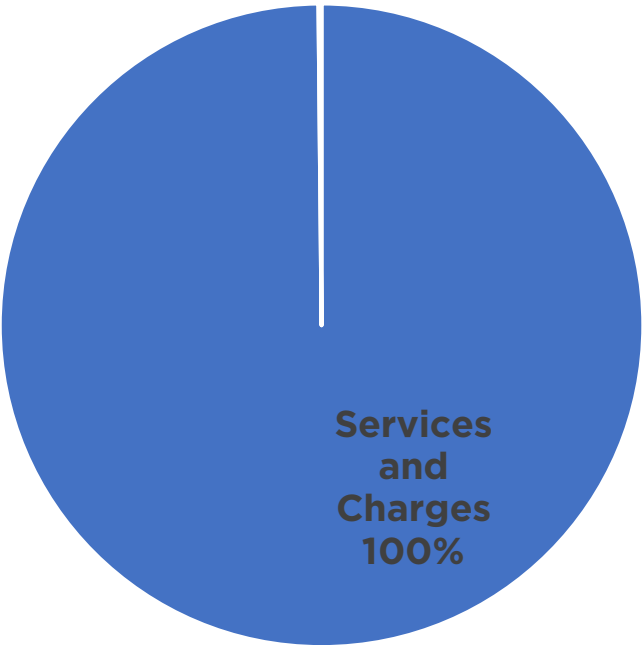
Service:

- Advise on questions of law
- Review draft ordinances, resolutions, contracts, and other legal documents
- Represent the City on civil matters
- Prosecute petty and misdemeanor crimes



Attorney	2022 Actual	2023 Adopted	2024 Proposed	+/- 2023/2024	Comments
Personnel					
Supplies	204	-	200	200	
Services & Charges	106,257	135,000	130,000	(5,000)	
Capital Outlay	-	-	-	-	
TOTAL	\$106,257	\$135,000	\$130,200	\$(4,800)	

Attorney Budget



POLICE DEPARTMENT

Reports to - Ross Gullickson – Chief of Police



Description:

The North Mankato Police Department is the primary law enforcement entity for the City. The department provides a full range of public safety, crime prevention, and law enforcement services to a community of over 14,800 people. This is accomplished by engaging residents and community members and working in partnership with regional public safety agencies. These services are provided by a staff of 17 sworn officers, 2 administrative staff, and approximately 20 reserve officers with an operating budget of approximately 3.3 million dollars.

Services:

- Provide public education presentations on a variety of topics and methods.
- Host public events to further police/community relationships and foster a community policing environment.
- Staff personnel at several large community events throughout the year.
- Respond to all manner of calls for service (routine and emergency).
- Enforce City Ordinances and State and local laws.
- Investigate criminal offenses from misdemeanors to felonies.

- 1,000 more traffic stops conducted throughout the city.
- 3% reduction in Part A offenses.
- 24% increase in Part B offenses.
- 3.5% crime overall crime rate.
- Attended/staffed 51 community public education or community events.
- Provided 300+ visits/walk throughs/extra patrols of local schools.
- Senior Police Secretary awarded Excellence in Support Award from the MN Women of Police Association.
- 1,100 hours of time volunteered by Reserve Unit.

Opportunities/Goals:

- Body cameras.
- One-time public safety funding from the state.
- Grant dollars.
- Officer wellness program.
- CSO (Community Service Officer) program.

Highlights (2022):

- Responded to over 9,000 calls for service.

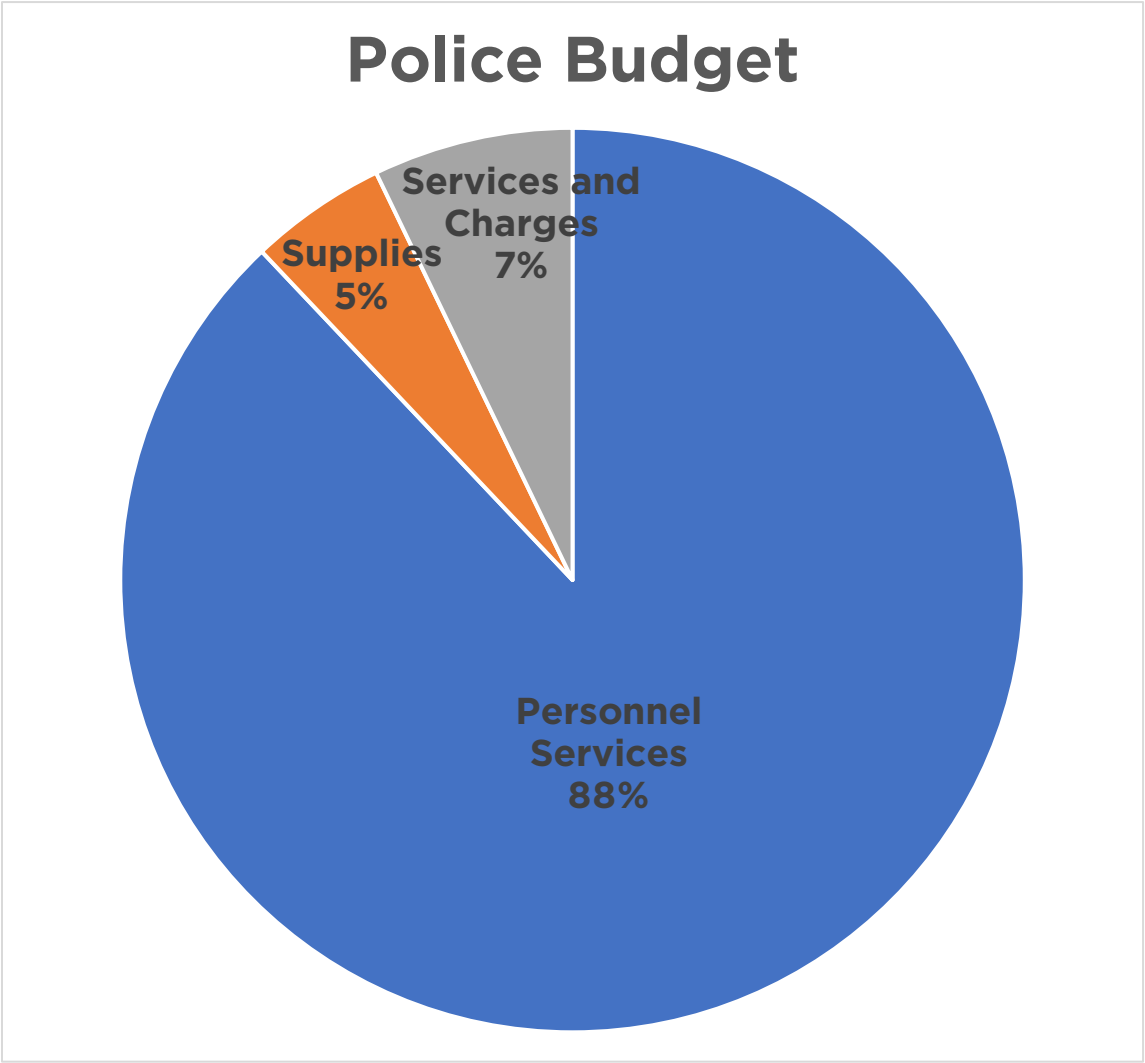
STRENGTHS	FUTURE CHALLENGES & CONSIDERATIONS
A staff of well trained, dedicated, and professional employees.	Turnover/retirements - Lack of new officers' profession-wide.
Committed to service and community involvement.	Pay scale and competitiveness.
Strong community support and trust in its police force.	Changing case law and criminal procedure.
Marked improvement in the utilization of technology, replacing equipment, and getting staff, the tools need to perform jobs effectively and safely.	Responding to societal discussion on the future of police practices and reform.
Added two additional police officers.	Safely and effectively responding to mental health related calls for service.
Dedicated and professional reserve program.	Recreational marijuana and drug paraphernalia legalization impacts (locally and regionally).

PERSONNEL BREAK DOWN:

Department	Job Classification	2022	2023	2024
POLICE	Police Chief	1	1	1
	Police Lieutenant	3	3	3
	Police Officer	10	10	12
	Detective	1	1	1
	Drug Task Force Agent	0	0	0
	Part-time Police Secretary	0.5	0.5	0.5
	Police Secretary	1	1	1
Department Total		16.50	16.50	18.50



Police	2022 Actual	2023 Adopted	2024 Proposed	+/- 2023/2024	Comments
Personnel	2,298,957	2,292,817	2,913,656	620,839	New officer, Fill vacancies
Supplies	127,192	130,500	162,550	32,050	Uniform allowance
Services & Charges	199,371	195,560	236,927	41,367	Professional services, Training, Utilities
Capital Outlay	14,545	1,000	0	(1,000)	
TOTAL	\$2,640,065	\$2,619,877	\$3,313,133	\$693,256	



FIRE DEPARTMENT

Reports to – Jim Zwaschka– Fire Chief



Description:

The North Mankato Fire Department is the primary fire suppression service provider for the City. The department provides a wide range of public safety, fire suppression, and rescue services to a community of almost 14,800 people. These services are provided by 35 volunteer firefighters.

Services:

- Fire suppression, fire investigation, carbon monoxide incidents, low angle rescue, general fire alarms, search and rescue, and any other call for service as requested.
- Provide ladder truck for elevated master stream for surrounding departments large incidents.
- Addition of expanded auto extrication capabilities fall 2023 to include hydraulic extrication tools.
- Providing public education presentations at daycares, elementary schools, volunteer organizations.
- Providing hands-on fire extinguisher training at businesses, with school staff, and volunteer organizations.
- Host public events promoting fire safety in the home, school, and business.
- Assist PD with traffic control needs when requested.
- Assist local ambulance service with lift-assist needs when requested.
- Maintain Knox Boxes at businesses that have purchased and installed them.
- House and maintain the regional breathing air truck that covers multiple surrounding counties.

Highlights:

- Average dispatch to fires officer arrival on scene time 6.27 minutes
- Turn out per incident firefighters 17.44
- Rise in call volume for same June to June timeline up 14%
- Five new firefighters started June 1st also first class trained jointly with Mankato Fire
- Applied for FEMA firefighter assistance grant for \$168,000 to replace 2009 radios
- Application for Reginal Grant for \$24,810.00 for 6 thermal imagers
- Purchase of Hurst E-Draulic Jaws of Life and support equipment using \$50,000 relief association funds
- Addition of iPads for first-out engines used for mapping, monthly vehicle checks, on-scene photos for reports, and pre-plan information.
- Upcoming arrival of replacement support vehicle
- Opportunities from last year's report that have been initiated
 - Add technology to equipment and stations
 - Add vehicle extrication equipment and training
 - Get closer to 35+ member to lighten load on group
 - Increase firefighter hourly wage to match area
 - Utilize grant dollars, Applied for department and reginal FEMA
 - Replacement of support vehicle from 1991



Opportunities:

- Develop joint fire explorers in the local area
- One time state dollars slated for December
- Develop stronger incremental replacement plans for day-to-day use equipment and facilities
- Assign department duties across more of department keeping people engaged
- AFG Grants to cover large sized purchases
- Donations from industry
- Leased Equipment
- Community Risk Reduction in Rental Housing
- Training future department leadership for incident management

Future Challenges:

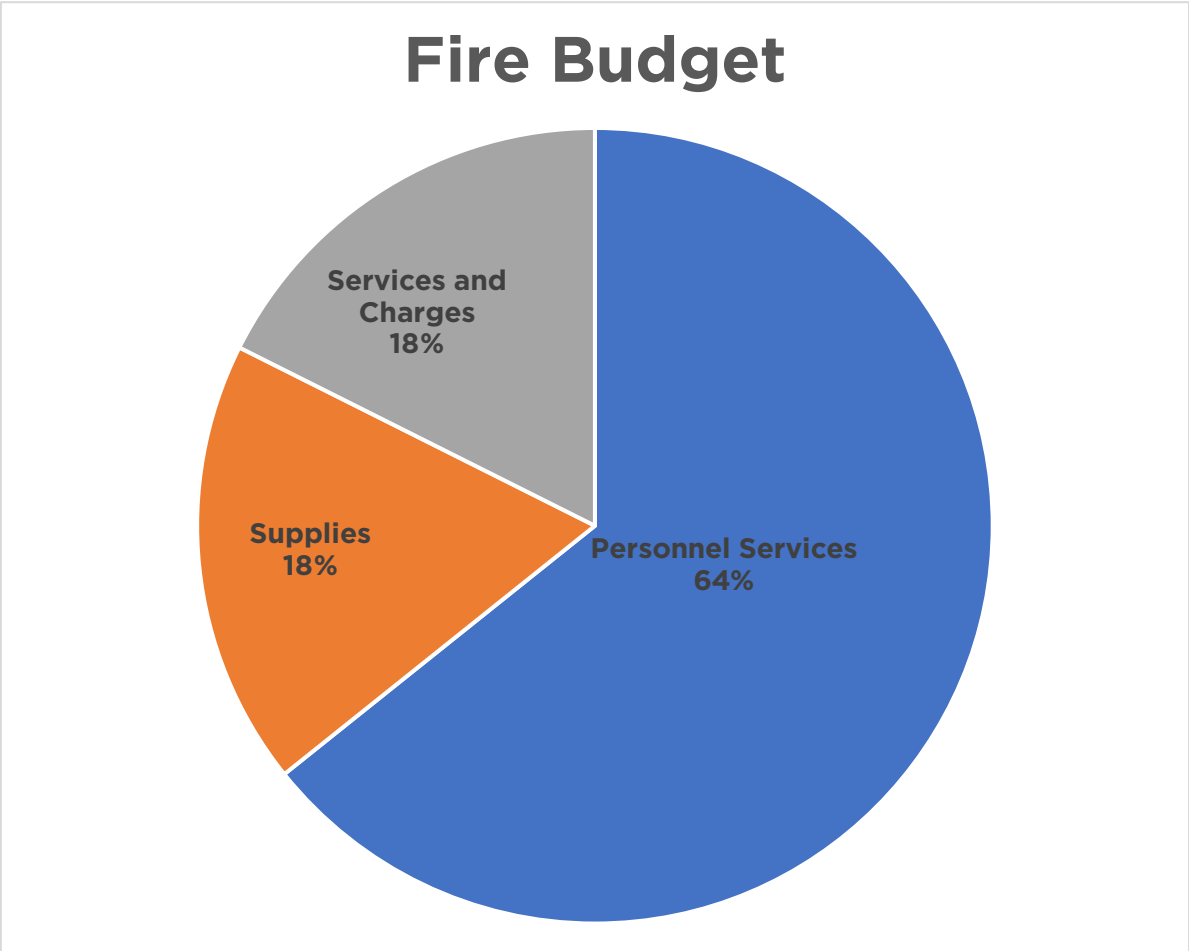
- Turnover / retirements. Lack of applications for paid on call services
- Increased level of training requirements
- New and changing environments changing nature of calls
- Health situations created by the dangers of firefighting
- Understanding the diversity and cultural changes in our community
- Time is the new money and requesting time on demand of firefighters, families, and employers
- Supporting members with life challenges and requests for service
- Availability of parts for older front-line engines
- Next Apparatus to be replaced will be at a cost of \$800,000

STRENGTHS	FUTURE CONSIDERATIONS
A staff of well trained, dedicated firefighters.	Aging apparatus and facilities with increased cost of preventative maintenance
Strong community support and trust for fire department.	Rely on a neighboring department for vehicle extrication.
Firefighters with diverse backgrounds and skillsets.	Operation under bylaws (moving to standard operating guidelines)
Good relationship with surrounding departments for assistance, comparison, and training opportunities.	Lack of diversity and cultural understanding
Membership in local regional and state fire related services.	Getting staff to see the larger "picture" of city/government operations.
Ability to adapt to any call for service.	

PERSONNEL BREAK DOWN:

Department	Job Classification	2022	2023	2024
FIRE	Fire Chief	1	1	1
	Assistant Fire Chief	1	1	1
	Station Captains	2	2	2
	Training Officer (Capt.)	1	1	1
	Assistant Training Officer (Lt.)	1	1	1
	Safety Officer (Lt.)	1	1	1
	Fire Lieutenants	3	3	3
	Public Education Officer	1	1	1
	Fire Fighters	23	24	24
Department Total (All Volunteer)		34	35	35

Fire	2022 Actual	2023 Adopted	2024 Proposed	+/- 2023/2024	Comments
Personnel	239,193	236,689	272,000	35,311	Increased number of calls
Supplies	43,891	74,700	76,750	2,050	Overhead door repairs
Services & Charges	71,377	70,641	74,510	3,869	
Capital Outlay	-	-	-	-	
TOTAL	\$354,462	\$382,030	\$423,260	\$41,230	



STREET DEPARTMENT

Reports to – Luke Arnold – Public Works Director



Description:

The street department conducts maintenance on the city street system, including, but not limited to, snow removal, asphalt patching, crack sealing, chip seal coating, pavement markings, storm event cleanup, manhole and catch basin maintenance, an inspection of infrastructure, and street sign maintenance. Conditionally the department provides traffic control and event setup/tear down for user group events around town. The system is comprised of approximately 102 lane miles and 97 cul-de-sacs.

Services:

- Street Maintenance
- Infrastructure maintenance
- Infrastructure inspections
- Event support
- Support for other departments within public works.

Opportunities:

- Ability to connect with other regional departments to inquire about new techniques.
- Experienced staff to pass the knowledge onto the younger staff.
- Emphasis on staff learning all roles to be flexible.

- Parts availability for aging fleet is making it difficult to repair some equipment. One unit has been retired due to a lack of available parts with no replacement available and another unit is being considered for retirement due to safety concerns.
- Damage to roadways from severe winter weather in 2022/2023 has dramatically increased the need for pavement repairs.

Planning Challenges:

- Poor material condition of the existing public works facility will require extensive repairs and rehabilitation in 2023 or complete replacement within the next three years.
- Plan for replacement staff being hired before the institutional knowledge of veteran staff is lost due to retirement.
- Continued expansion of City requires more maintenance which requires more manpower, materials, equipment, etc.

STRENGTHS

Experienced staff who know the system and maintenance required and can utilize existing equipment efficiently.

Responsive, skilled, and dedicated employees.

Strong department leadership with the addition of Bryan Bode as Street Superintendent in 2019

Immediate Challenges:

FUTURE CONSIDERATIONS

Aging equipment that cannot always be repaired due to age and lack of parts availability.

Funding levels will not be able to keep up with the short-term roadway repair and replacement surge from severe winter damage.

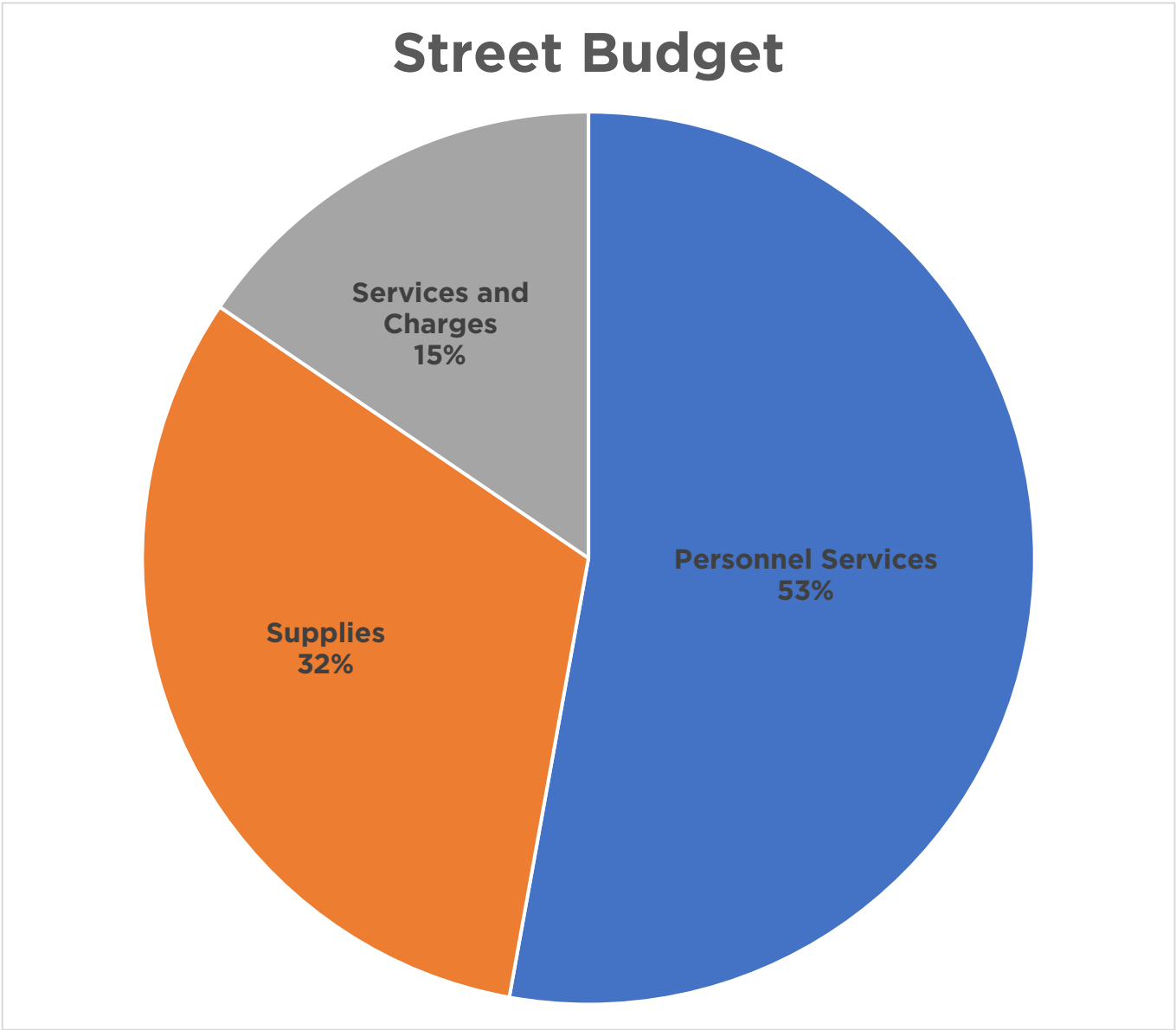
No formal work tracking or assignment system in place to facilitate timely and efficient responses to maintenance needs reported by residents or identified by staff.

PERSONNEL BREAK DOWN:

Department	Job Classification	2022	2023	2024
STREET	Public Works Director	0.33	0.33	0.33
	Street Foreman	1	1	1
	Environmental Tech	0	0	0.5
	Street Maintenance III	4	5	5
	Street Maintenance II	2	1	1
	Street Maintenance I	0.5	0.5	0.5
Department Total		7.83	7.83	8.33



Street	2022 Actual	2023 Adopted	2024 Proposed	+/- 2023/2024	Comments
Personnel	709,599	807,921	883,578	75,657	New position, Wages
Supplies	393,307	496,610	529,650	33,040	Street maintenance materials/rock/oil/patch
Services & Charges	312,074	252,200	258,900	6,700	Increased utilities
Capital Outlay	510,772	579,500	0	(579,500)	Moved to 230 Fund
TOTAL	\$1,925,751	\$2,136,231	\$1,672,128	\$(464,103)	



MAINTENANCE & EQUIPMENT

Reports to – Luke Arnold – Public Works Director



Description:

North Mankato employs qualified mechanics to service the city’s fleet of over 290 inventoried equipment including police cruisers, dump trucks, skid loaders, mowers, trailers, and small engine tools. Their services keep City equipment running through snowstorms and busy construction seasons to ensure residents receive consistent benefits from all acquired equipment.

Services:

- Maintenance and repairs
- Preparing equipment
- Assisting with equipment selection
- Support for other departments within public works

Opportunities:

- Re-evaluate the fleet needs and utility to reduce the number of units and increase the utility and efficiency of the fleet overall.
- Explore electric vehicles for some uses.
- Leverage the need for new equipment to achieve higher efficiency, significantly reduce repair expenses and lower manpower needs.

Future Challenges:

- Repair expenses for the aging fleet are making it difficult to repair some equipment and are causing significant budget overruns.
- City special events require shop personnel to support the events which removes them from their primary role to repair and maintain the fleet and increases costs due to unbudgeted overtime expense.

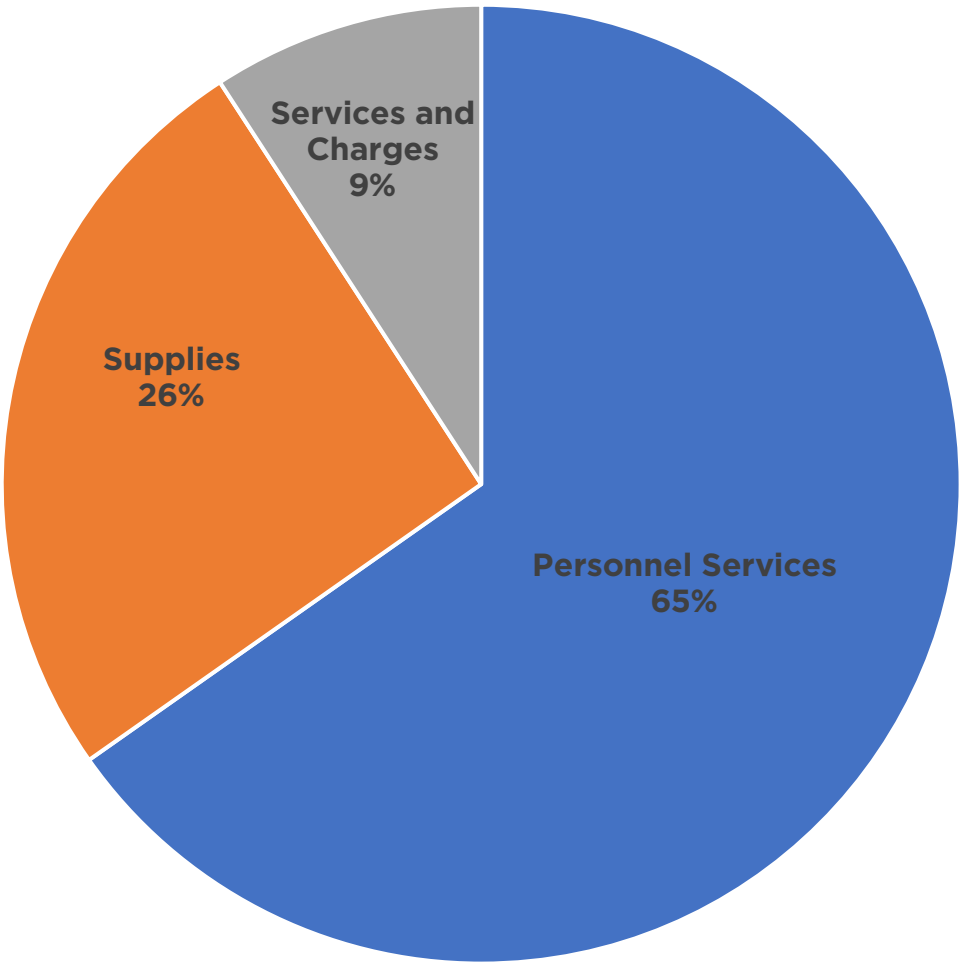
STRENGTHS	FUTURE CONSIDERATIONS
Experienced staff who can quickly execute repairs to existing equipment efficiently.	Aging equipment that cannot always be repaired due to age and lack of parts availability.
Consistently high quality of work.	Repair volumes occasionally tax the existing staff’s ability to keep up with urgent needs.

PERSONNEL BREAK DOWN:

DEPARTMENT	JOB CLASSIFICATION	2022	2023	2024
MAINT. & EQUIP.	Mechanic II	2	2	2
	Department Total	2	2	2

	2022 Actual	2023 Adopted	2024 Proposed	+/- 2023/2024	Comments
Personnel	187,452	207,665	223,688	16,023	Wages
Supplies	87,240	80,100	87,700	7,600	Tires
Services & Charges	30,537	26,700	31,450	4,750	Increased utilities
Capital Outlay	-	-	-	-	
TOTAL	\$305,229	\$314,465	\$342,838	\$28,373	

Maintenance & Equipment Budget



STREET LIGHTING

Reports to – Luke Arnold – Public Works Director



Description:

The street lighting dept is responsible for maintenance of all streetlights owned by the City and coordination of maintenance for streetlights leased by the City from BENCO and EXCEL as well as traffic signals and lights operated by the City through other agreements. The lighting system includes 550 streetlights that provide safe lighting for traffic, pedestrians, and residents. A major effort has been undertaken to replace the current bulbs with energy-efficient LED bulbs. Operations are largely under the direction of the City Electrician. This position is funded mostly by the water and sewer utility funds.

Services:

- Pay for electricity used by streetlights and traffic signals.
- Install and maintain City electric infrastructure including streetlights, traffic signals, lift station electric motors and controls, and other electric systems in City facilities.
- Support for other departments within public works.

Opportunities:

- Establish city standards for design and replacement of lighting and signals including choices such as color temperature and allowed manufacturers.

Future Challenges:

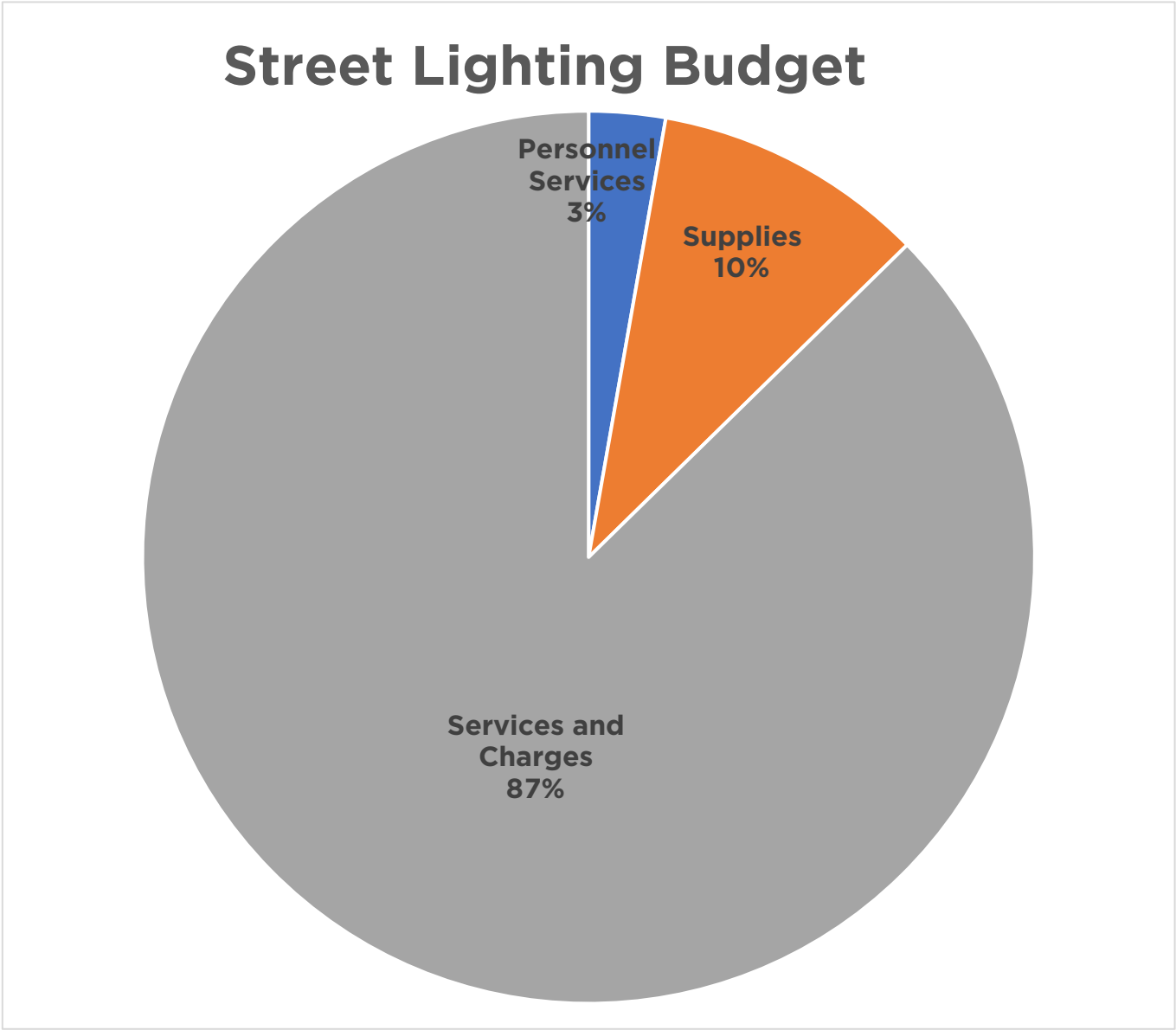
- Streetlight pole material condition for some locations is deteriorating or needs repairs due to incorrect installation.
- New Construction requires timely installation of new poles.

PERSONNEL BREAK DOWN:

DEPARTMENT	JOB CLASSIFICATION	2022	2023	2024
STREET LIGHTING	City Electrician	0.1	0.1	0.1
	Department Total	0.1	0.1	0.1

STRENGTHS	FUTURE CONSIDERATIONS
Ensure lighting is reliable and consistent in the spaces in which it is provided.	Increased cost in lighting infrastructure for sustainability
Experienced staff providing dependable service and excellent quality of work.	One employee frequently results in short term delays in repairs and new installations.

Street Lighting	2022 Actual	2023 Adopted	2024 Proposed	+/- 2023/2024	Comments
Personnel	10,208	10,445	11,355	910	
Supplies	21,335	55,500	40,500	(15,000)	
Services & Charges	337,893	325,105	357,775	32,670	Increased utilities
Capital Outlay	0	0	0	-	
TOTAL	\$369,436	\$391,050	\$409,630	\$18,580	



PARKS DEPARTMENT

Reports to – Luke Arnold – Public Works Director



Description:

The parks department conducts a variety of jobs to keep North Mankato's parks well maintained. Some of these jobs include but are not limited to; snow removal, tree trimming and removal, shelter and playground maintenance, mowing, pest control, skating rink flooding, and resident callouts related to forestry. Conditionally the department provides event setup/tear down for user group events. The system is comprised of approximately 230 acres of green space and 28 playground structures. The goal of the department is to provide a comprehensive and balanced system of parks, greenways, and trails that meet high standards.

Services:

- Turf, tree, and weed management
- Function as a liaison between City and recreation groups
- Maintain and plow trails, boulevards, and sidewalks
- Plant and preserve flowers and prairies
- Support for other departments within public works

Opportunities:

- Continue to link greenways and parks with accessible trails
- Utilize needed ravine repairs to provide accessible trails and access to natural environments and features.

Future Challenges:

- Emerald Ash Borer active infestations were discovered this spring and are already impacting tree management efforts.
- Updating the 10 year Parks comprehensive plan.
- Replacement of retiring Parks Superintendent.



STRENGTHS	FUTURE CONSIDERATIONS
Strong technical knowledge in the department, especially regarding green space and forestry	Operational procedures are well established but relatively inflexible, so are poorly suited to operational flexibility and adaptability to changing conditions.
Flexibility within the department to maneuver between different tasks	Aging equipment
Continuity with summer seasonal hires	

PERSONNEL BREAKDOWN:

Department	Job Classification	2022	2023	2024
PARKS	Park Foreman	1	1	1
	Park Maintenance II	0.5	1	1
	Park Maintenance I	1.8	2	2
	Youth Sports Coordinator	1	1	1
	Aquatics & Recreation Coordinator	1	1	1
	Caswell Maintenance	0.5	1	1
	Caswell Park Coordinator	1	1	1
Department Total		6.80	8	8

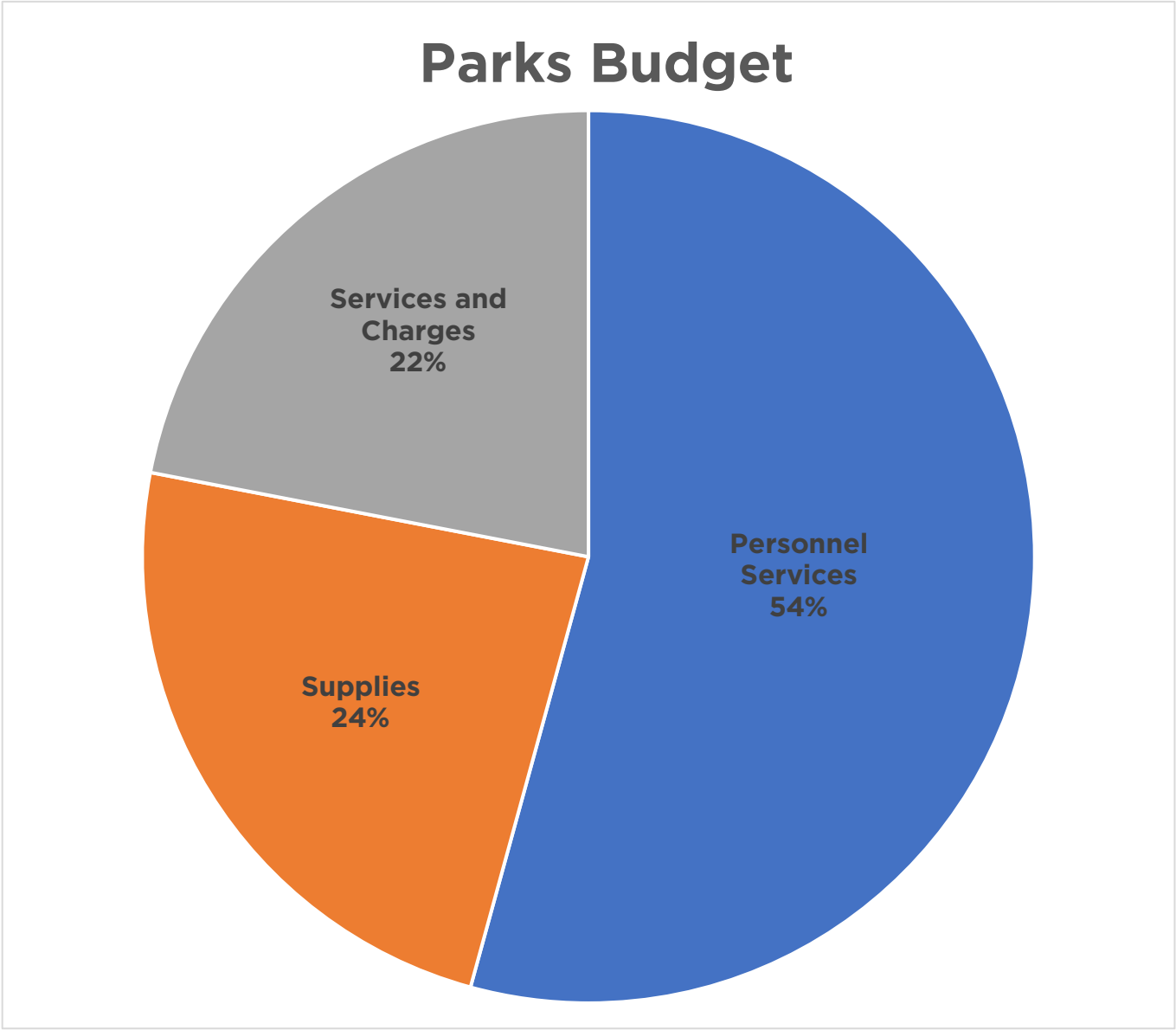
NORTH MANKATO PARKS:

- Benson – 69.12 Acres
- Bluff – 30.01 Acres
- Caswell – 25.00 Acres
- Centennial – 1.00 Acre
- Forest Heights – 5.00 Acres
- King Arthur – 5.10 Acres
- Langness – 1.10 Acres
- Lee Boulevard – 1.20 Acres
- North Ridge – 6.50 Acres
- Pleasant View – 7.79 Acres
- Reserve – 5.39 Acres
- Riverview – 6.20 Acres
- Roe Crest – 3.50 Acres
- Scenic Overlook
- South Avenue – 0.50 Acre
- Spring Lake- 52.00 Acres
- Storybook – 0.50 Acre
- Tower – 3.00 Acres
- Wallyn – 2.30 Acres
- Walter S. Farm – 6.10 Acres
- Webster Ball Diamonds - 6.50 Acres
- Wheeler – 12.50 Acres

Total Acreage – 250.31 Acres



Parks	2022 Actual	2023 Adopted	2024 Proposed	+/- 2023/2024	Comments
Personnel	402,038	450,567	466,478	15,911	Wages
Supplies	199,592	175,100	204,325	29,225	Emerald Ash Borer
Services & Charges	157,876	141,977	188,900	46,923	Utilities, Court resurfacing
Capital Outlay	766,478	360,000	0	(360,000)	Moved to 230 Fund
TOTAL	\$1,525,984	\$1,127,644	\$859,703	\$(267,941)	



LIBRARY

Reports to - Katie Heintz – Library Director



Description:

The Taylor Library is a regional destination for patrons seeking traditional and innovative library services. The Taylor Library is more than a repository of books; it is a place where community happens among residents, families, and visitors. Our staff seeks to be the leader of library services in southern Minnesota.

Services:

- Adult and children programming
- Circulation of paper and electronic materials
- Community events throughout the City
- Providing access to public computers
- Proctoring
- Summer reading program
- Assisting patrons with research needs
- Collaboration with other libraries, area nonprofits, and business associations

Opportunities:

- Grants continue to become available to create new programs

- Locating existing and/or new programming
- Complete strategic plan that identifies space and programming needs
- Continue to increase the number of collaborative relationships for maximum regional impacts

Highlights:

- Continue to host Adult Spelling Nights
- 2023's Edible Book Festival had 20 entries and 85 participants
- Host a variety of book clubs for both adults and children
- Held Pet Photography in the Library with 31 animals getting their photo taken
- Easter Egg hunt had about 170 kids
- Bookin' on Belgrade had 165 in the event
- Started a Picnic in the Park Program
- Art Splash continues to be a huge success
- Coordinated Music in the Park in both July and September
- Will host another Pumpkin Walk

Future Challenges:

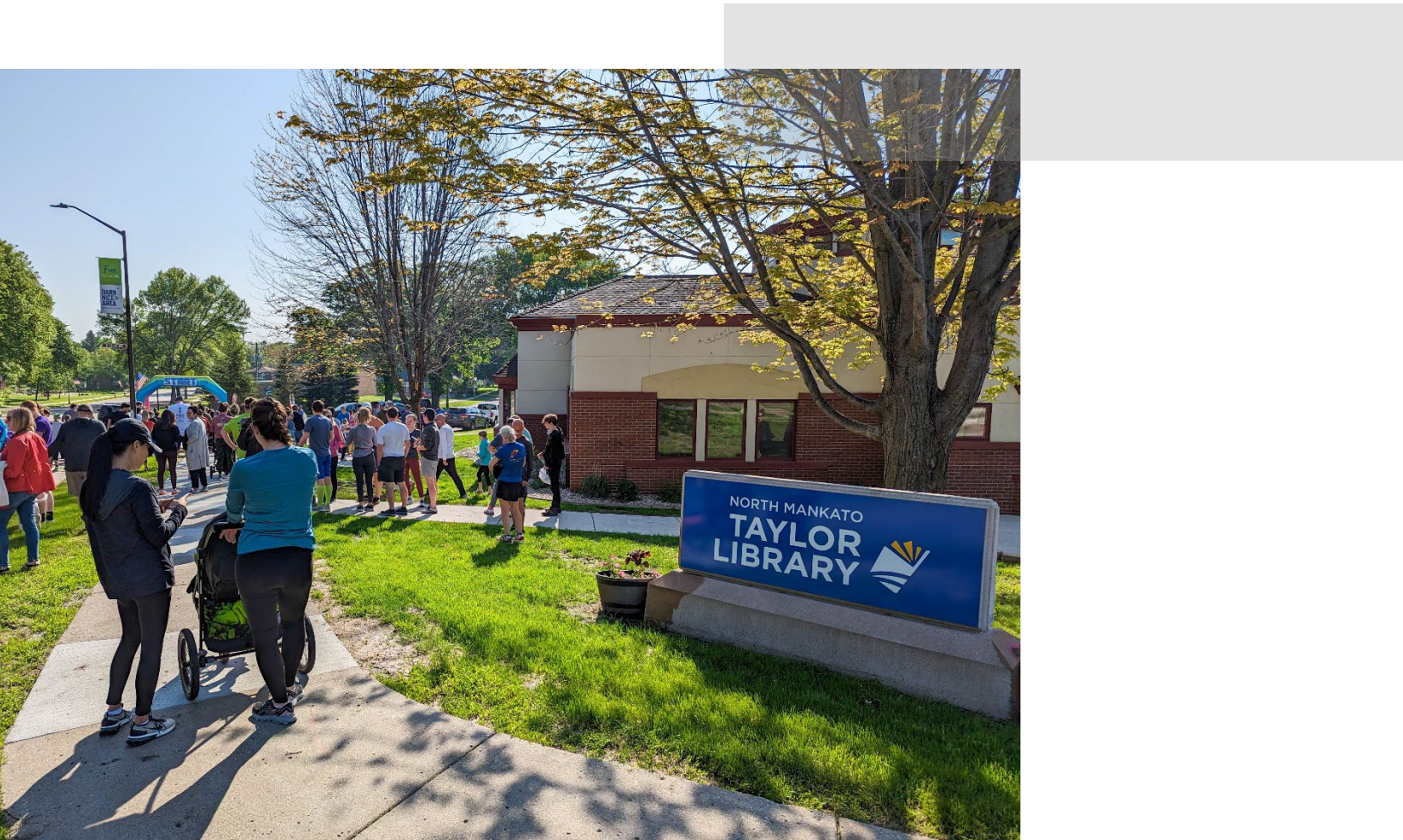
- Developing new and different programs for all ages
- Continuing to engage the local and regional population with events and materials
- Running out of space



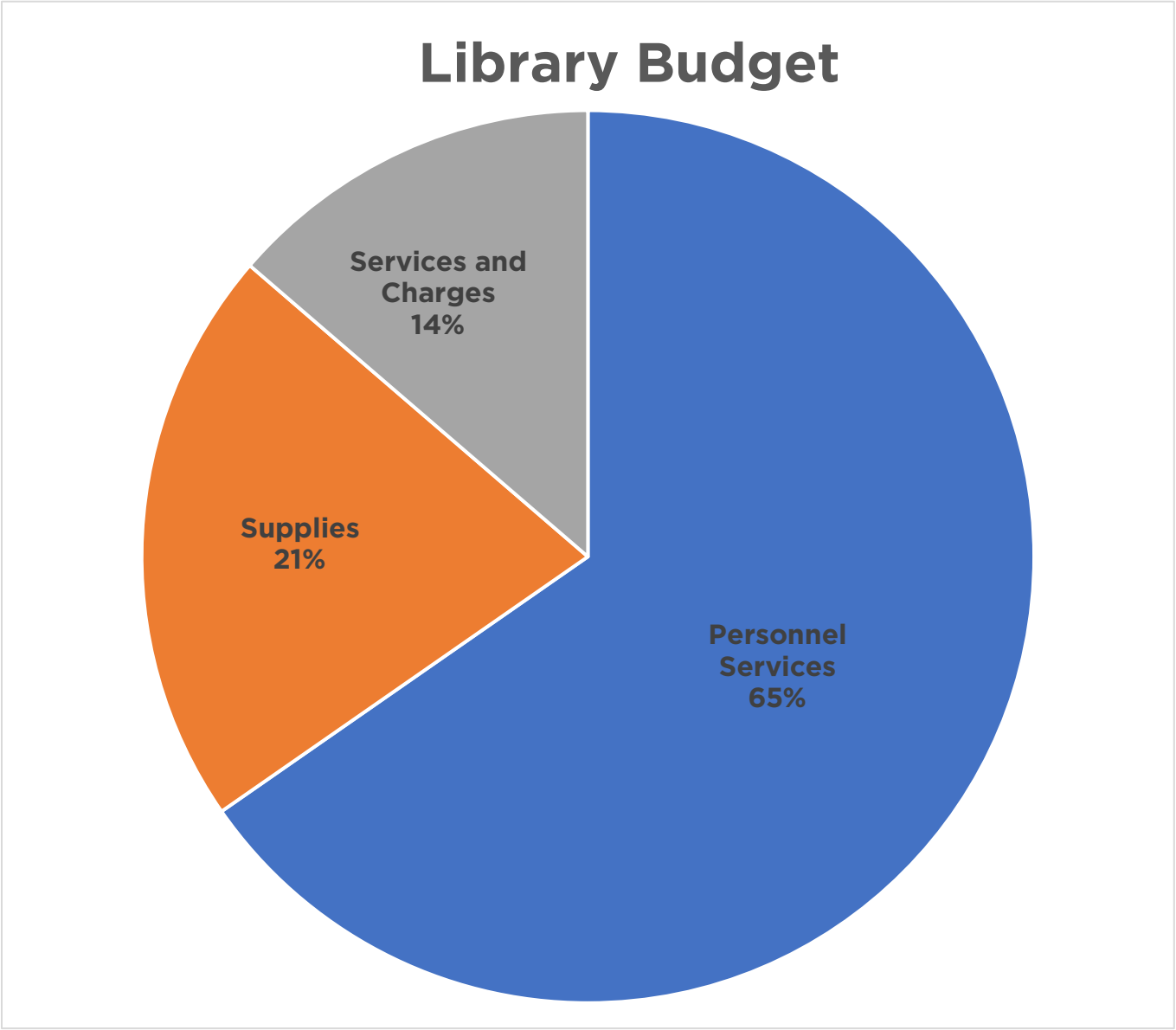
STRENGTHS	FUTURE CONSIDERATIONS
Hosted 680 programs with an attendance of 22,866 people in 2022.	Public libraries have seen a downward trend in circulation for the past decade.
The children's area continues to attract visitors with various interactive and learning toys.	Increasingly harder to retain program numbers from year to year. Need to continue to find new and interesting programs.
The online book collection continues to grow with OverDrive expanding by 666 new items in 2022.	Lack of space and strategic plan needed to grow programs and keep up with public interests

PERSONNEL BREAKDOWN:

Department	Job Classification	2022	2023	2024
LIBRARY	Library Director	1	1	1
	Assistant Librarians	3	3	3
	Part-time Assistant Librarian	1	1.5	1.5
Department Total		5	5.5	5.5



Library	2022 Actual	2023 Adopted	2024 Proposed	+/- 2023/2024	Comments
Personnel	388,293	411,565	490,434	78,869	Part Time and Temporary Employees
Supplies	128,931	142,700	157,500	14,800	Electronics
Services & Charges	102,115	95,820	102,740	6,920	
Capital Outlay	-	-	-	-	
TOTAL	\$620,190	\$650,085	\$750,674	\$100,589	



BOOKMOBILE

Reports to - Katie Heintz – Library Director



Description:

The primary purpose of the Bookmobile is to bring library materials to those who do not have the opportunity or ability to make it to the library. The bookmobile partners with communities and schools to fill a gap in library services promoting literacy in rural areas and early childhood programs.

Opportunities:

- Expand the area of service and selection of materials in the collection
- More stops at Parks and community events in the surrounding areas

Highlights:

- 781 stops for service in 2022
- 9,934 individuals served in 2022
- Added 760 items to the collection

Services:

- Providing services to Nicollet County
- Checking materials in and out
- Reader advisory
- Public computers and Wi-Fi access
- Storytime Programming
- Teaching theme support
- Ordering materials

Future Challenges:

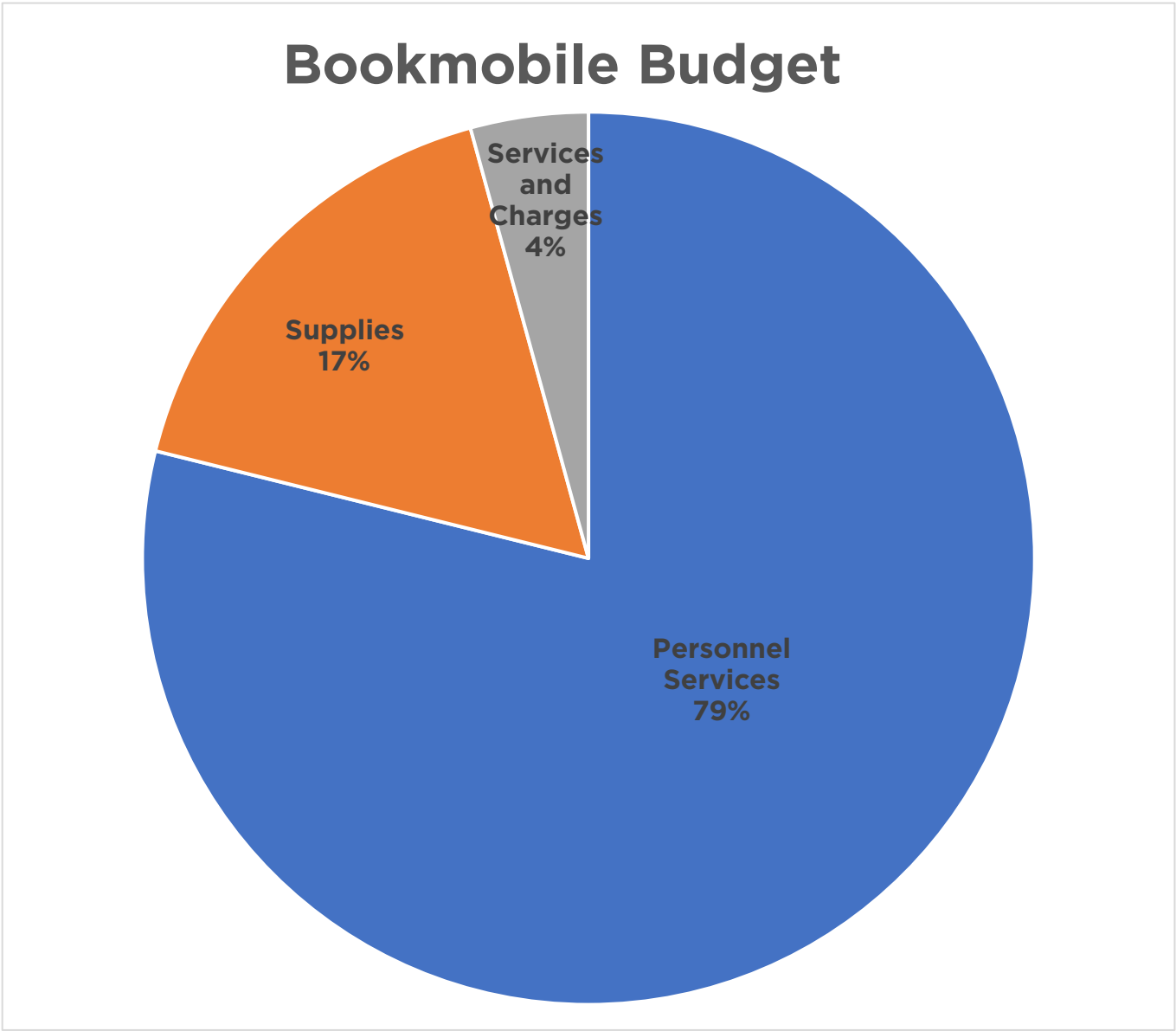
- Prepare for the need to replace the Bookmobile
- Improve staffing, backup drivers/librarians

PERSONNEL BREAK DOWN:

Department	Job Classification	2022	2023	2024
BOOKMOBILE	Bookmobile Librarian	1	1	1
	Department Total	1	1	1



Bookmobile	2022 Actual	2023 Adopted	2024 Proposed	+/- 2023/2024	Comments
Personnel	79,244	83,252	87,440	4,188	
Supplies	12,403	18,000	18,700	700	
Services & Charges	4,537	4,178	4,728	550	
Capital Outlay	-	-	-	-	
TOTAL	\$96,185	\$105,430	\$110,868	\$5,438	



COMMUNITY DEVELOPMENT

Reports to – Mike Fischer – Community Development Director



Description:

The Community Development Department is responsible for providing services to promote the orderly growth of the City of North Mankato, including redevelopment efforts. The Department also enforces the State Building Code through building plan reviews and inspections. Community Development services are critical for the generation of revenue, proper building construction, community relations, orderly growth, and overall appearance of neighborhoods and business districts.

Services:

- Planning/Zoning
- Housing Initiatives
- Transportation Planning
- Economic Development
- Building/Plumbing Inspections
- Issue Building Permits
- Administrator Rental License Program
- City Code enforcement
- Promote economic development
- Assessment Searches
- Prepare planning studies
- Review building construction plans

2023 Highlights:

- Redevelopment of Norwood Inn
- Addition of 9-unit apartment on Nicollet Ave.
- Construction of Gordini building
- Successful DEED funding applications for Gordini
- Opening of Chipotle and Starbucks
- Addition to Volk Building in Northport
- Addition to RDO
- Successful transition to new permitting software
- Adoption of Lookout Drive Area Plan
- Adoption of Comprehensive Plan update
- Progress on Belgrade 3 lane conversion
- Start of Howard/Lor Ray roundabout
- Participation in City strategic planning effort

Future Threats:

- Ability to attract commercial development
- Supply of newer workforce housing
- Land guided for multi-family development
- Supply of senior patio homes

STRENGTHS

Growth in the industrial park, annual population, and single-family neighborhoods

Strong potential in the downtown area with growing business associations

Timely and efficient inspections and permitting process

Vibrant community art and deeply loyal residents

Planning documents and studies

- Administration of Wetland Conservation Act
- Planning Commission and Traffic & Safety Committees

FUTURE CONSIDERATIONS

Lack of land guided for multifamily development

Housing options for workforce individuals and multi-family options

The limited land for commercial development

Coordination with Mankato and MnDot on 169 Corridor

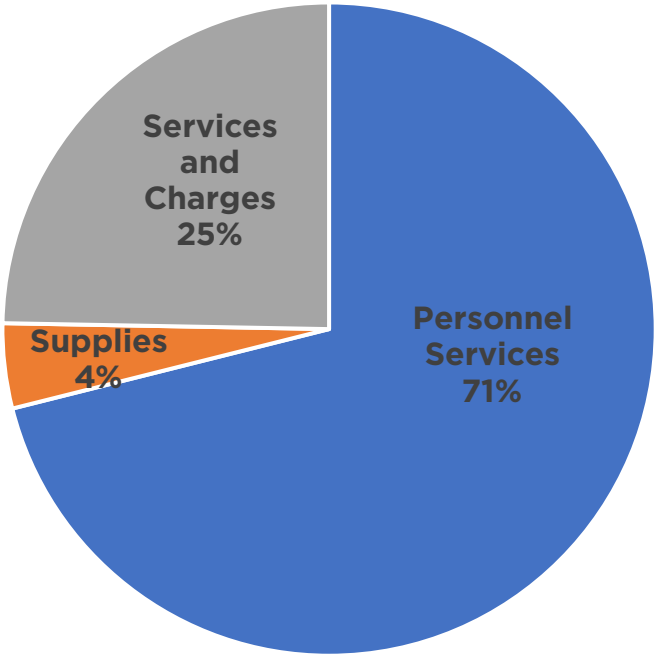
Develop orderly annexation agreement with Belgrade Township

PERSONNEL BREAK DOWN:

Department	Job Classification	2022	2023	2024
COMMUNITY	Community Development Director	1	1	1
	Planner	1	1	1
	Records Clerk/Permit Clerk	1	0.5	0.5
	Building Official	1	0	0
	Building Inspector	1	2	2
Department Total		5	4.5	4.5

Community Development	2022 Actual	2023 Adopted	2024 Proposed	+/- 2023/2024	Comments
Personnel	364,352	463,577	477,845	14,268	
Supplies	17,733	23,500	28,250	4,750	Postage
Services & Charges	200,400	161,883	166,105	4,222	Newsletter costs
Capital Outlay	850	-	-	-	
TOTAL	\$583,335	\$648,960	\$672,200	\$23,240	

Community Development Budget



MISCELLANEOUS

Reports to – Kevin McCann – City Administrator



Description:

Miscellaneous activities relate to the Fun Days support, the 235 Wheeler Ave. rental, various banking and credit card fees and various engineering fees released to private developments.

Miscellaneous	2022 Actual	2023 Adopted	2024 Proposed	+/- 2023/2024	Comments
Personnel	-	-	-	-	
Supplies	-	-	-	-	
Services & Charges	75,508	58,660	71,110	12,450	
Capital Outlay	-	-	-	-	
TOTAL	\$75,508	\$58,660	\$71,110	\$12,450	

TRANSFERS OUT

Reports to – Kevin McCann – City Administrator



Description:

Interfund transfers allow the City to reallocate assets to the funds where those assets can be used to achieve desired outcomes. In North Mankato, a percentage of utility fund revenues are transferred to the General Fund as a franchise fee. The General Fund and utility funds transfer funds to the Capital Facilities and Equipment Replacement Fund to split the costs of various vehicle and equipment purchases.

Fund of Operating Transfer	2022 ACTUAL	2023 ADOPTED	2024 PROPOSED	+/- 2023/2024	Comments
230-Capital Facilities	300,000	300,000	0	(300,000)	Separate Levy
201-Caswell Sports Fund	77,000	77,000	77,000	-	
213-Library Endowment	15,000	15,000	15,000	-	
604-Storm Water Fund	65,000	65,000	65,000	-	North Ridge Ravine D/S
TOTAL	\$457,000	\$457,000	\$157,000	-	

AREA AGENCY DISBURSEMENTS

Reports to – Kevin McCann – City Administrator



Description:

Regular contributions made to groups or organizations in the community or that the city is a member of. It includes payments for contracts, services, and transit. Disbursements consist of municipal association dues, partnerships or service contracts with the City of Mankato, and dues with area nonprofits.

MEMBERS/ORGANIZATIONS	2022 ACTUAL	2023 ADOPTED	2024 PROPOSED	+/- 2023/2024	Comments
DUES AND SUBSCRIPTIONS					
PROFESSIONAL SERVICES		500		(500)	
MASS TRANSIT - BUS	81,430	96,000	129,696	33,696	Per Proposal by Mankato
ALL SEASONS ARENA	8,753	112,202	211,000	98,798	ASA Upgrades
COALITION OF GREATER MN CITIES (CGMC)	29,163	31,000	35,057	4,057	Per Presentation to Council
NATIONAL LEAGUE OF CITIES	1,604	1,500	1,700	200	
HIGHWAY 14 PARTNERSHIP	1,000	2,500	2,500	-	
HIGHWAY 169 COALITION			500	500	
MINNESOTA TRANSPORTATION ALLIANCE			525	525	
LEAGUE OF MINNESOTA CITIES	14,077	13,000	15,372	2,372	4.5% Increase per letter
SCENIC BYWAY ALLIANCE			150	150	
MANKATO-NORTH MANKATO MPO	4,697	8,000	8,000	-	
GREATER MANKATO DIVERSITY COUNCIL	500	1,500	-	(1,500)	Move to Charitable Gambling Fund
BUSINESS ON BELGRADE/CONNECTING COMMERCE/NORTH KATO MAGAZINE (Business Development)		10,000	-	(10,000)	Move to Charitable Gambling Fund
MN VALLEY DRUG TASK FORCE	23,000	23,000	-	(23,000)	New DTF Employee
TAPESTRY PROJECT (MN Council of Churches)		6,000	-	(6,000)	Move to Charitable Gambling Fund
SUMMIT CENTER Vine Faith In Action	19,000	12,000	-	(12,000)	Move to Charitable Gambling Fund
TWIN RIVERS CENTER FOR THE ARTS	13,000	13,000	-	(13,000)	Move to Charitable Gambling Fund
MISCELLANEOUS	5,750	5,750	5,750	-	
DUES AND SUBSCRIPTIONS	-	-	-	-	
BETHANY LUTHERAN COLLEGE KTV CONTRACT	46,500	46,500	46,500	-	
TOTAL	\$248,474	\$382,452	\$456,750	\$74,298	

PORT AUTHORITY OVERVIEW





History:

The North Mankato Port Authority Commission was created by an act of the Legislature in 1985 and began operations in early 1986. The Port Authority is the development and redevelopment arm of the City of North Mankato and has a seven-member board. Five members of the board are City Council Members. The remaining two members of the board are volunteers appointed by the City Council for overlapping six-year terms. The members are selected based on their backgrounds in business, law, accounting, banking, and financial services.

Description:

The primary purpose of the Port Authority is to act as the economic arm of the City. The Port Authority buys and sells land through the Port Authority General Fund and the Joint Economic Development Fund as a partnership with BENCO Electric Cooperative; issues grants/loans for economic development projects through the Federal Revolving Loan Fund and the Local Revolving Loan Fund; and approves Tax Increment Financing (TIF) applications. The Port Authority also manages various existing TIF districts.

Services:

- Purchase and sale of land in Northport Industrial Park
- Issue grants/loans
- Consider TIF/Abatement applications
- Review/finance redevelopment efforts

Accomplishments:

- Upcoming sale of Norwood Inn for redevelopment
- Sale of land to Gordini for 120,000 square foot facility
- Adoption of Lookout Drive Corridor Study to guide future transportation efforts in Northport Area

Future Challenges:

- Extension of utilities to serve land adjacent to Timm Road
- Utility/street extensions to serve Frederick Trust property
- Building finishes that are complementary to existing building guidelines
- State statute prohibition of new wells in Mt. Simon aquifer.
- Finding intrigued developers/businesses to locate

PORT AUTHORITY GENERAL FUND HISTORY AND FORECAST

	2021 ACTUAL	2022 ACTUAL	2023 BUDGET	2024 PROPOSED	+/- 2023/2024	2025 FORECAST	2026 FORECAST	2027 FORECAST	2028 FORECAST	2029 FORECAST	COMMENTS
REVENUES											
PROPERTY TAXES											
CURRENT AD VALOREM TAXES	75,000	75,000	75,000	75,000	-	75,000	75,000	75,000	75,000	85,000	Increase levy in 2027
TOTAL PROPERTY TAXES	75,000	75,000	75,000	75,000	-	75,000	75,000	75,000	75,000	85,000	
MISCELLANEOUS											
OTHER INCOME											
OTHER INCOME 261 D&K Powdercoating	3,366	3,366	3,365	4,722	1,357	4,722					TIF admin fees Decertify 2025
OTHER INCOME 262 Birchwood Cottages	2,060	2,224	2,224	2,050	(174)	2,050	2,050				TIF admin fees Decertify 2026
OTHER INCOME 263 Blue Star Power Systems	4,251	4,155	10,387	8,174	(2,213)	8,174	8,174				TIF admin fees Decertify 2026
OTHER INCOME 264 Belgrade				575	575	575	575	575	575	575	TIF admin fees Decertify
REFUND & REIMBURSEMENT	49	11			-	-	-	-	-	-	
LOAN INTEREST					-	-	-	-	-	-	
TOTAL MISCELLANEOUS REVENUES	9,726	9,756	15,976	15,521	(455)	15,521	10,799	575	575	575	
TOTAL REVENUES	84,726	84,756	90,976	90,521	(455)	90,521	85,799	75,575	75,575	85,575	
EXPENDITURES											
TEMPORARY EMPLOYEES-REGULAR	1,855	875	1,500	1,500	-	1,500	1,500	1,500	1,500	1,500	Meeting pay
FICA CONTRIBUTIONS	75	32	115	115	-	115	115	115	115	115	
DEFINED CONTRIBUTION PLAN	49	27	50	50	-	50	50	50	50	50	
PERSONNEL SERVICES	1,979	934	1,665	1,665	-	1,665	1,665	1,665	1,665	1,665	
PROFESSIONAL SERVICES	11,846	1,504	25,000	5,000	(20,000)	5,050	5,101	5,152	5,204	5,256	Platting costs
ADVERTISING					-	-	-	-	-	-	
LEGAL NOTICES PUBLISHING	206	-	300	300	-	300	300	300	300	300	
AUDITING AND ACCOUNTING SERVICE	4,936	2,660	5,800	7,000	1,200	7,000	7,000	7,000	7,000	7,000	
DUES AND SUBSCRIPTIONS	3,566	3,670	3,700	4,000	300	4,000	4,000	4,000	4,000	4,000	
TRAVEL EXPENSE	61	119	200	200	-	200	200	200	200	200	
CELLULAR/RADIO TELEPHONE SERVICE					-	-	-	-	-	-	
BUSINESS APPRECIATION LUNCH	-	-	3,000	3,000	-	3,030	3,060	3,091	3,122	3,153	
PROPERTY INSURANCE	214	74	225	225	-	225	225	225	225	225	
PROPERTY TAXES					-	-	-	-	-	-	
MISCELLANEOUS			2,500	2,500	-	2,500	2,500	2,500	2,500	2,500	
MISCELLANEOUS - PURCHASE PROPERTY - Cemstone					-	-	-	-	-	-	
MISCELLANEOUS - PURCHASE PROPERTY					-	-	-	-	-	-	
MISCELLANEOUS - GREATER MANKATO GROWTH (REDA)	30,789	31,262	31,000	35,058	4,058	35,409	35,763	36,121	36,482	36,847	2024: New agreement
MISCELLANEOUS - CITY CENTER PARTNERSHIP	5,000	5,000	5,000	5,000	-	5,000	5,000	5,000	5,000	5,000	
MISCELLANEOUS - REAL ESTATE TAX					-	-	-	-	-	-	
MISCELLANEOUS - OTHER	270		500	500	-	505	510	515	520	525	
MISCELLANEOUS - CONNECTING COMMERCE			2,000	-	(2,000)	-	-	-	-	-	
MISCELLANEOUS					-	-	-	-	-	-	
DISCOUNT ON BONDS ISSUED					-	-	-	-	-	-	
SERVICES AND CHARGES	56,888	44,289	79,225	62,783	(16,442)	62,783	62,783	64,104	64,553	65,006	
TRANSFERS OUT											
OPERATING TRANSFERS TO 240 JEDA FOR RIST PROPERTY PAYMENT					-						
OPERATING TRANSFERS TO 379 2010D GO TAX INC BONDS	12,294	12,394	12,442	12,394	(48)						Paid Early
TOTAL TRANSFERS OUT	12,294	12,394	12,442	12,394	(48)	-	-	-	-	-	
TOTAL EXPENDITURES	71,160	57,617	93,332	76,842	(16,490)	64,448	64,448	65,769	66,218	66,671	
REVENUES OVER (UNDER) EXPENDITURES	13,566	27,139	(2,356)	13,679	16,035	26,073	21,351	9,806	9,357	18,904	
FUND BALANCE BEGINNING	129,577	143,143	170,282	167,926		181,605	207,678	229,029	238,835	248,192	
FUND BALANCE ENDING	143,143	170,282	167,926	181,605		207,678	229,029	238,835	248,192	267,096	-
CASH, BEGINNING	132,506	149,895	177,034	174,678		188,357	214,430	235,781	245,587	254,944	
CASH, ENDING	149,895	177,034	174,678	188,357		214,430	235,781	245,587	254,944	273,848	-
CASH AS % OF EXPENDITURES	211%	307%	187%	245%		333%	366%	373%	385%	411%	

DEBT SERVICE OVERVIEW



DEBT SERVICE FUND

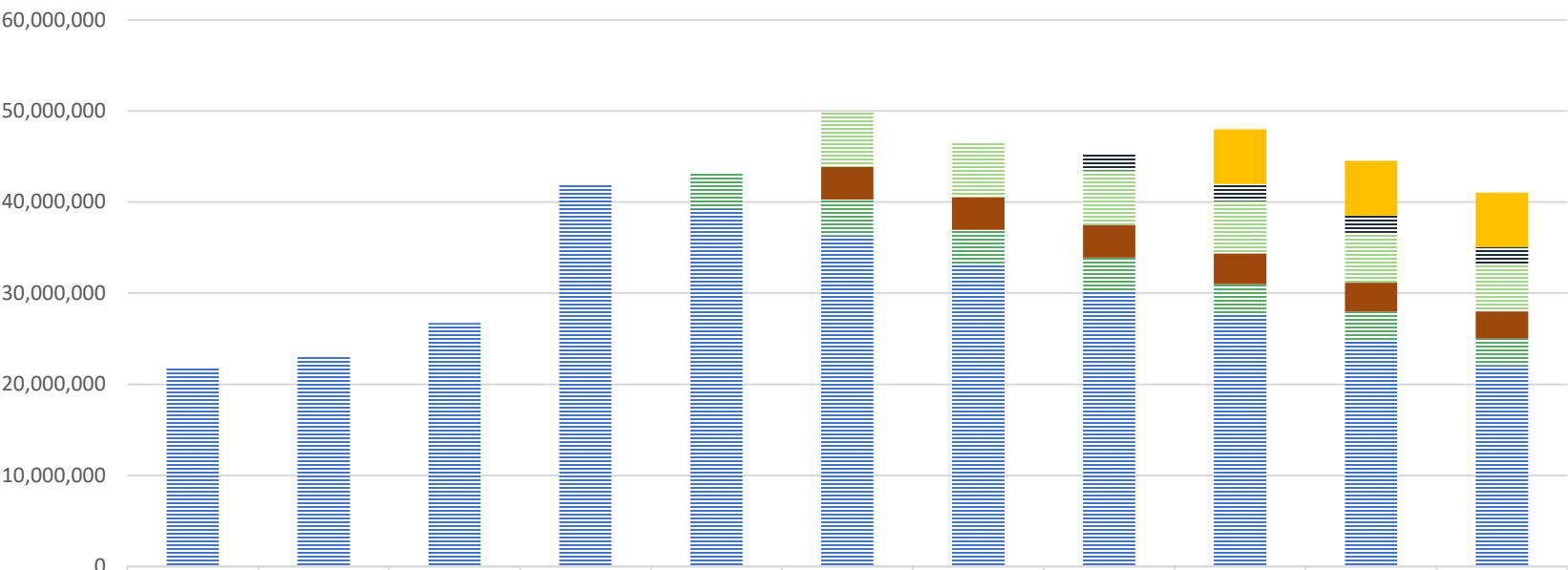
Reports to – Finance Director – Jessica Ryan



Description:

Debt Service Funds are used to account for the accumulation of resources used for the payment of principal, interest, and fiscal agent fees on long-term liabilities. The City of North Mankato strategically uses debt to provide consistency in its high quality of municipal services, without subjecting residents and business to dramatic spikes and declines in taxes. Several different types of bonds are used by the City of North Mankato for providing services, including General Obligation Bonds, Revenue Bonds, Capital Lease Bonds, and Lease Revenue Bonds. General Obligation total outstanding debt projected for 2024 totals \$46,609,600.

Existing Debt & Future Debt



2026A - \$6.0MM - Public Works									6,000,000	6,000,000	6,000,000
2025A - \$1.9MM					-	-	-	1,900,000	1,900,000	1,900,000	1,800,000
2023B - \$5.97 MM - Indoor Rec Abatement						5,970,000	5,970,000	5,970,000	5,735,000	5,490,000	5,240,000
2023A - \$3.575MM - Somerset & Roundabout					-	3,575,000	3,575,000	3,575,000	3,385,000	3,185,000	2,980,000
2022A - \$3.925MM - Lor Ray & McKinley					3,925,000	3,925,000	3,800,000	3,595,000	3,380,000	3,160,000	2,925,000
Original Existing	21,812,322	23,131,300	26,723,300	41,980,300	39,226,200	36,345,900	33,164,600	30,317,100	27,593,600	24,789,900	22,090,200

TOTAL	\$21,812,322	\$23,131,300	\$26,723,300	\$41,980,300	\$43,151,200	\$49,815,900	\$46,609,600	\$45,357,100	\$47,993,600	\$44,524,900	\$41,035,200
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DEBT SERVICE FUND HISTORY AND FORECAST

	2021 ACTUAL	2022 ACTUAL	2023 BUDGET	2024 PROPOSED	+/- 2023/2024	2025 FORECAST	2026 FORECAST	2027 FORECAST	2028 FORECAST	COMMENTS
REVENUES										
PROPERTY TAX	1,690,166	1,747,420	1,819,739	2,000,000	180,261	2,190,000	2,398,050	2,625,865	2,875,322	13% D/S Levy Increase (12.93% Total Levy Increase)
TAX INCREMENT TRANSFER IN	133,123	137,086	188,035	206,455	18,421	70,310	68,410	66,490	69,455	
SALES TAX TRANSFER IN	583,284	535,613	691,500	727,900	36,400	752,590	1,374,161	1,652,051	1,782,151	Sales Tax transfer toward Indoor Rec
SPECIAL ASSESSMENTS - CURRENT	154,263	97,600	226,775	131,993	(94,782)	353,731	398,825	431,678	464,531	
SPECIAL ASSESSMENTS - DEFERRED	141,922	246,754	62,000	62,000	-	103,000	125,000	153,000	231,000	
SPECIAL ASSESSMENTS - DELINQUENT	7,355	4,317	16,572	-	(16,572)	33,417	33,417	33,417	33,417	
SPECIAL ASSESSMENTS - INTEREST/PENALTY	3,695	928	21,673	500	(21,173)	15,566	12,513	9,460	6,407	
INTERGOVERNMENTAL	-	-	257,300	260,500	3,200	250,000	250,000	250,000	250,000	MnDOT reimbursement
INVESTMENT EARNINGS	183	(4,120)	2,000	-	(2,000)	2,000	2,000	2,000	2,000	
TRANSFERS IN	1,855,080	2,440,604	-	-	-	-	-	-	-	
BOND PROCEEDS	1,637,905	-	53,625	-	(53,625)	30,000	30,000	30,000	30,000	
TOTAL REVENUES	6,206,975	5,206,202	3,339,218	3,389,348	50,130	3,800,615	4,692,376	5,253,961	5,744,283	
EXPENDITURES										
DEBT SERVICE FUNDS										
2010C GO REFUNDING BONDS	770,143	274,653	-	-	-	-	-	-	-	Refunds 2001A, Water Revenue Bonds, 2002A G.O.
2012A GO CROSS OVER REFUNDING BONDS	-	-	-	525	525	525	525	-	-	Refunds 2004A, 2004B, 2005D (Lookout Dr.
2021C REFUNDING (2014A GENERAL OBLIGATION	614,192	67,587	67,550	70,550	3,000	73,350	70,950	73,550	70,950	Roe Crest-Noretta-Belgrade Ravine, Old Belgrade
2015A GENERAL OBLIGATION BONDS	72,293	146,643	164,343	176,743	12,400	193,625	200,078	200,703	206,203	West Carlson Dr Extension
2015B GENERAL OBLIGATION REFUNDING BONDS	259,350	257,300	260,500	260,500	-	-	-	-	-	Refunds 2005A, 2006B, 2006C, 2007B, 2008B and 2009D.
2016A GENERAL OBLIGATION BONDS	126,450	129,350	132,000	129,700	(2,300)	127,400	125,100	73,300	72,000	75' Ladder Fire Truck & Roe Crest
2018A GENERAL OBLIGATION BONDS - Swim Facility	354,094	351,969	354,769	352,194	(2,575)	354,394	351,369	353,119	349,644	Spring Lake Swim Facility Project
2018A GENERAL OBLIGATION BONDS - Jefferson	38,669	37,919	42,244	41,344	(900)	40,444	39,544	38,644	37,744	Jefferson Ave.
2019A G.O. IMPROVEMENT BONDS - Commerce & Tyler	120,675	120,200	114,300	117,450	3,150	115,550	118,600	116,600	114,600	Commerce & Tyler Ave.
2019A GENERAL OBLIGATION BONDS - Equipment	27,900	31,075	34,300	33,700	(600)	33,100	32,500	31,900	31,300	Equipment
2020B - Monroe, Hoover SRTS, Countryside	46,797	250,100	260,850	256,550	(4,300)	257,200	252,800	248,400	248,950	
2021A GO BONDS - Cliff & Harrison	-	51,324	122,450	144,150	21,700	145,250	146,150	146,850	147,350	
2021C REFUNDING (2010A GO IMPROVEMENT BONDS)	1,311,918	200,419	188,600	187,400	(1,200)	186,000	189,400	182,400	-	CSAH 4W Carlson Dr / Howard Dr.
2022A GO BONDS - Lor Ray & McKinley	-	-	145,657	273,848	-	345,598	345,098	339,223	342,848	
2023A GO BONDS - Somerset Ln and Roundabout	-	-	-	-	-	243,793	297,863	386,444	387,918	
PROJECTED DEBT SERVICE										
Bonds Issued 2023 - Indoor Rec (\$5.97)	-	-	-	-	-	129,645	446,431	576,076	576,076	
Bonds Issued 2024 - Hoover SRTS (\$0.18) & Garfield	-	-	-	-	-	3,600	16,189	16,189	16,189	Anticipating full state-aid funded project
Bonds Issued 2025 - Sherman 700 Block (\$0.4)	-	-	-	-	-	9,800	44,071	44,071	44,071	
Bonds Issued 2026 - PW Building (\$6.0)	-	-	-	-	-	-	-	351,864	-	
TOTAL DEBT SERVICE FUNDS	3,742,480	1,918,538	1,887,562	2,044,653	28,900	2,259,273	2,676,666	3,179,331	2,645,841	
PORT AUTHORITY DEBT SERVICE										
2010D GO TIF REFUNDING BONDS	116,189	179,416	280,184	108,025	(172,159)	-	-	-	-	Webster Avenue, Belgrade Avenue (Marigold, et al), FX
2011A PORT AUTHORITY GO BONDS	207,100	198,950	200,825	202,575	1,750	194,325	196,075	197,725	194,325	Highway 14/41 Interchange Bonds. Receives partial
2011B PORT AUTHORITY TAXABLE GO TAX INC.	32,615	32,015	31,385	35,615	4,230	34,735	33,835	32,915	36,880	422 Belgrade TIF.
2021A GO BONDS - Belgrade Ave.	-	12,481	27,900	37,100	9,200	36,100	35,100	-	-	
TOTAL PORT AUTHORITY FUNDS	355,904	422,862	540,294	383,315	(156,979)	265,160	265,010	230,640	231,205	
SALES TAX DEBT SERVICE										
2009C GO SALES TAX REVENUE BONDS	233,700	459,682	233,000	234,400	1,400	-	-	-	-	Regional Park & Downtown Redevelopment Projects.
2010B GO SALES TAX REVENUE BONDS	66,150	64,425	67,300	65,200	(2,100)	62,800	-	-	-	Regional Park & Downtown Redevelopment Projects.
2021A GO SALES TAX REVENUE BONDS	-	-	391,200	429,100	37,900	430,900	481,300	499,900	630,000	
TOTAL SALES TAX BONDS	299,850	524,107	691,500	728,700	37,200	493,700	481,300	-	-	
TRANSFERS OUT										
OPERATING TRANSFERS TO 603 RIVERBEND ONGOING	-	-	40,000	-	(40,000)	-	-	-	-	Dependent on Recycling Revenue.
TOTAL TRANSFERS OUT	-	-	40,000	-	(40,000)	-	-	-	-	
TOTAL EXPENDITURES	4,398,234	2,865,507	3,159,356	3,156,668	(130,879)	3,018,133	3,422,976	3,409,971	2,877,046	
REVENUES OVER (UNDER) EXPENDITURES	1,808,742	2,340,695	179,862	232,680	181,009	782,482	1,269,400	1,843,990	2,867,237	
TOTAL INTERFUND LOAN ACTIVITY	(294,984)	(143,600)	(143,600)	-	(143,600)	-	-	-	-	Repayment of loan to General, Water, and Sewer Funds
CASH, BEGINNING	1,928,973	1,265,870	1,761,826	1,798,088		2,030,768	2,730,875	3,520,323	3,916,709	
CASH, ENDING	1,265,870	1,761,826	1,798,088	2,030,768		2,730,875	3,520,323	3,916,709	3,343,229	
CASH AS % OF EXPENDITURES	20%	36%	57%	64%		88%	90%	81%	53%	

2024 Levy Options

		All Requests	Urgent & High Needs	Add IT Coordinator	Add Drug Task Force Agent	Add Both DTF & IT	1.5% Increase	Urgent, High & Medium
	Final 2023 Levy	9.877% Tax Rate Increase	(0.039)% Tax Rate Decrease	0.447% Tax Rate Increase	0.715% Tax Rate Increase	1.201% Tax Rate Increase	1.5% Tax Rate Increase	4.921% Tax Rate Increase
General Fund Levy	5,724,621	\$6,137,315	\$5,556,077	\$5,649,502	\$5,701,167	\$5,794,592	\$5,794,592	\$5,944,682
Port Authority	75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000
Debt Service	1,350,405	\$1,527,666	\$1,527,666	\$1,527,666	\$1,527,666	\$1,527,666	\$1,527,666	\$1,527,666
Tax Abatement	469,334	\$472,334	\$472,334	\$472,334	\$472,334	\$472,334	\$472,334	\$472,334
Capital Levy		\$2,150,000	\$825,000	\$825,000	\$825,000	\$825,000	\$825,000	\$1,390,000
Additional Police Levy	108,309							
Additional Capital Levy							\$57,500	
Additional General Fund Levy	22,011							
Total Tax Levy	7,749,680	\$10,362,315	\$8,456,077	\$8,549,502	\$8,601,167	\$8,694,592	\$8,752,092	\$9,409,682
Levy Increase		\$2,612,635	\$706,397	\$799,822	\$851,487	\$944,912	\$1,002,412	\$1,660,002
% Increase	8.80%	33.71%	9.12%	10.32%	10.99%	12.19%	12.93%	21.42%
Tax Rate & Est. Tax								
Rate	44.028%	53.905%	43.989%	44.475%	44.743%	45.229%	45.528%	48.949%
Tax Rate Change	-3.805%	9.877%	-0.039%	0.447%	0.715%	1.201%	1.500%	4.921%
		**Removed amount of fire truck	**Removed amount of fire truck **Reduce extras for police if DTF not hired	**Removed amount of fire truck **Add IT Coordinator	**Removed amount of fire truck **Add DTF and extras for police	**Removed amount of fire truck **Add DTF and extras for police **Add IT Coordinator	**Put extra towards fire truck in 2025	**Removed amount of fire truck

Requests	Department	Requested Amount	Affect of General Levy	Affect on Capital Levy	Affect on Utility Funds	Urgent	High	Medium	Low	Remove	Notes
Position: IT Coordinator	Gen Gov	\$ 143,425.00	\$ (93,425.00)					\$ 143,425.00	\$ 143,425.00		They will keep full contract with Pantheon if no IT Coordinator is hired
Position: Environmental Tech	Street/Storm Water	\$ 117,308.00	\$ (58,654.00)		\$ (58,654.00)		\$ 117,308.00	\$ 117,308.00	\$ 117,308.00		
Position: PW Building Maintenance Tech	Street/Storm Water	\$ 79,182.00	\$ (39,591.00)		\$ (39,591.00)				\$ 79,182.00		
Position: Parks Superintendent	Parks	\$ 119,090.00	\$ (119,090.00)					\$ 119,090.00	\$ 119,090.00		
Position: Park Maintenance Worker	Parks	\$ 58,673.00	\$ (58,673.00)						\$ 58,673.00		
Position: Street Maintenance Worker	Streets	\$ 84,369.00	\$ (84,369.00)						\$ 84,369.00		
Position: Drug Task Force Agent	Police	\$ 140,090.00	\$ (117,090.00)					\$ 140,090.00	\$ 140,090.00		Use current DTF contribution towards offsetting employee cost
Position: FT Admin Support Specialist	Police	\$ 107,953.00	\$ (69,393.00)				\$ 107,953.00	\$ 107,953.00	\$ 107,953.00		If they don't move to full time position, they will keep their part time position
Increase Pay for Crossing Guards	Police	\$ 32,000.00	\$ (12,000.00)				\$ 32,000.00	\$ 32,000.00	\$ 32,000.00		
Increase to police uniforms, training, hiring fees for new officers	Police	\$ 110,344.00	\$ (56,000.00)		\$ (28,000.00)		\$ 82,344.00	\$ 110,344.00	\$ 110,344.00		28k for new DTF if approved
Police - Heat in evidence room	Police	\$ 3,000.00		\$ (3,000.00)			\$ 3,000.00	\$ 3,000.00	\$ 3,000.00		
Replace Fire Pump Truck	Fire	\$ 800,000.00		\$ (800,000.00)						\$ 800,000.00	Requested 800k but there is a 3 year waiting list. Would need approval now to order for delivery in late 2026.
ReRoof Fire Station 2	Fire	\$ 160,000.00		\$ (160,000.00)			\$ 160,000.00	\$ 160,000.00	\$ 160,000.00		
Increase to Sealcoating Oil	Streets	\$ 155,500.00	\$ (29,000.00)			\$ 155,500.00	\$ 155,500.00	\$ 155,500.00	\$ 155,500.00		
Increase Street Mill & Overlay	Streets	\$ 1,120,000.00		**579,500 requested in 2023	\$ (290,000.00)	\$ 645,000.00	\$ 645,000.00	\$ 830,000.00	\$ 1,120,000.00		Urgent: Green Acres, La Mar, Castle, Caswell Lot, 2 Allys, Engineering Medium: Haughton Low: Sherman, Sharon
Used Plow	Streets	\$ 90,000.00		\$ (90,000.00)			\$ 90,000.00	\$ 90,000.00	\$ 90,000.00		
General Equipment	Streets	\$ 100,000.00		\$ (100,000.00)		\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00		
2 Street Trucks	Streets	\$ 120,000.00		\$ (70,000.00)		\$ 120,000.00	\$ 120,000.00	\$ 120,000.00	\$ 120,000.00		Usually budget for 1, requesting 2
Chipper Replacement	Streets/Parks	\$ 150,000.00		\$ (150,000.00)				\$ 150,000.00	\$ 150,000.00		
Asphalt Roller Replacement	Streets	\$ 50,000.00		\$ (50,000.00)				\$ 50,000.00	\$ 50,000.00		
Leaf Collector Replacement	Streets	\$ 125,000.00		\$ (125,000.00)				\$ 125,000.00	\$ 125,000.00		
Parks Mower	Parks	\$ 90,000.00		\$ (4,000.00)			\$ 90,000.00	\$ 90,000.00	\$ 90,000.00		Normal yearly request
2 UTVs	Parks	\$ 80,000.00		\$ (80,000.00)			\$ 40,000.00	\$ 80,000.00	\$ 80,000.00		
Parks Truck	Parks	\$ 60,000.00		\$ (10,000.00)		\$ 60,000.00	\$ 60,000.00	\$ 60,000.00	\$ 60,000.00		
Wheeler Park Parking Lot	Parks	\$ 65,000.00		\$ (65,000.00)			\$ 65,000.00	\$ 65,000.00	\$ 65,000.00		
Wheeler Park Bandshell	Parks	\$ 125,000.00		\$ (125,000.00)					\$ 125,000.00		
Wheeler Park Shelter By Horse Shoe Area	Parks	\$ 100,000.00		\$ (100,000.00)						\$ 100,000.00	
Pave Old Belgrade Hill Trail	Parks	\$ 40,000.00		\$ (40,000.00)					\$ 40,000.00		
North Ridge Park Shelter	Parks	\$ 125,000.00		\$ (125,000.00)					\$ 125,000.00		
Spring Lake Park Shelter 1 Renovation	Parks	\$ 30,000.00		\$ (30,000.00)			\$ 30,000.00	\$ 30,000.00	\$ 30,000.00		
Spring Lake Park Bridge Replacements (2)	Parks	\$ 80,000.00		\$ (80,000.00)			\$ 40,000.00	\$ 40,000.00	\$ 80,000.00		
Spring Lake Park Fountain and Pump	Parks	\$ 30,000.00		\$ (30,000.00)					\$ 30,000.00		
Benson Park Capital Improvement Project	Parks	\$ 150,000.00		\$ (150,000.00)					\$ 150,000.00		
Groomer for Caswell Fields	Caswell	\$ 48,000.00		\$ (48,000.00)				\$ 48,000.00	\$ 48,000.00		
Increase City Event Expenses	Unallocated	\$ 25,000.00	\$ (10,000.00)					\$ 25,000.00	\$ 25,000.00		Increase in expenses for events such as Symphony on the Prairie, Anthony Ford, Movies in the Parks, Etc
Park Signs	Parks	\$ 20,000.00	\$ (15,000.00)					\$ 20,000.00	\$ 20,000.00		Finish replacement process started in 2023
Upgrade locks/cameras on park shelters	Parks	\$ 6,000.00	\$ (6,000.00)					\$ 6,000.00	\$ 6,000.00		
Library Electronics	Library	\$ 10,000.00	\$ (10,000.00)				\$ 10,000.00	\$ 10,000.00	\$ 10,000.00		
Donation towards Fireworks	Unallocated	\$ 10,000.00	\$ (10,000.00)						\$ 10,000.00		Business Association would like to bring Fireworks back - this would be City contribution
Bus Transit Increases	Unallocated	\$ 129,696.00	\$ (33,696.00)			\$ 129,696.00	\$ 129,696.00	\$ 129,696.00	\$ 129,696.00		
ASA Upgrades	Unallocated	\$ 211,000.00	\$ (98,798.00)			\$ 211,000.00	\$ 211,000.00	\$ 211,000.00	\$ 211,000.00		Fund repairs that were presented to Council
PA System for Pool	Pool	\$ 7,000.00		\$ (7,000.00)				\$ 7,000.00	\$ 7,000.00		
Repair Leak in Pool Liner	Pool	\$ 50,000.00		\$ (50,000.00)			\$ 50,000.00	\$ 50,000.00	\$ 50,000.00		
		\$ 5,357,630.00	\$ (920,779.00)	\$ (2,492,000.00)	\$ (416,245.00)	\$ 1,421,196.00	\$ 2,338,801.00	\$ 3,425,406.00	\$ 4,457,630.00	\$ 900,000.00	

**The below items are here to be evaluated. They will not affect the levy options, but will affect the utility funds when we review them.

Requests	Department	Requested Amount	Affect of General Levy	Affect on Capital Levy	Affect on Utility Funds	Urgent	High	Medium	Low	Remove	Notes
2 Water Trucks	Water	\$ 120,000.00			\$ (70,000.00)	\$ 60,000.00	\$ 60,000.00	\$ 120,000.00	\$ 120,000.00		Usually budget for 1, requesting 2
Leak Locator	Water	\$ 22,000.00			\$ (22,000.00)		\$ 22,000.00	\$ 22,000.00	\$ 22,000.00		
ReRoof Water Plant 2	Water	\$ 125,000.00			\$ (125,000.00)				\$ 125,000.00		
Sewer Truck	Sewer	\$ 60,000.00			\$ (25,000.00)		\$ 60,000.00	\$ 60,000.00	\$ 60,000.00		Increase normal budget amount from \$35k to \$60k
Storm Water LS Repairs	Storm Water	\$ 100,000.00			\$ (100,000.00)	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00		
Drainage from Splashpad (Irrigation)	Water	\$ 175,000.00			\$ (175,000.00)	\$ 175,000.00	\$ 175,000.00	\$ 175,000.00	\$ 175,000.00		
Truck for MS4 employee	Storm Water	\$ 60,000.00			\$ (60,000.00)		\$ 60,000.00	\$ 60,000.00	\$ 60,000.00		

MEMORANDUM

TO: Mayor and City Council,
Kevin McCann, City Administrator

FROM: Luke Arnold, Public Works Director

DATE: August 31, 2023

SUBJECT: Work Session and Meeting Public Works Update

BUDGET

The Council requested additional details regarding individual budget requests to determine an appropriate funding level for 2024. The following is a breakdown of the Public Works related major budget items and an explanation of the reasoning for the request and priority.

1) Urgent Priority - \$1,520,500

a) Parks - \$235,000

i) Vehicles - \$60,000

- (1) This funding request is for a new pickup truck for Parks. There are currently 11 light duty trucks assigned to the Parks Department, as shown in the table below.

Unit ID	Description	Age	2020-2023 Repair Cost
200	2004 Chevy 1/2T Pickup (Caswell Mgr)	19	\$6,706.21
201	1993 Ford Styleside 1/2T Pickup (fuel truck)	30	\$2,983.86
202	2006 Dodge Dakota (summer staff)	17	\$2,752.64
203	2006 Dodge Dakota (Roger)	17	\$5,462.85
204	2007 Dodge Dakota 4x2 Club Cab (summer staff)	16	\$920.11
205	2004 Chevy 1/2 T Pickup (Brad)	19	\$17,122.21
206	2004 Ford F350 Regular Cab (Dan plow alleys)	19	\$27,823.66
207	2006 Ford F150 (Eric)	17	\$4,922.70
213	2022 Chev Silverado 2500 (Jason)	1	\$374.09
223	1993 GMC 4x4 1T Truck w/ Box (parks dump summ)	30	\$2,662.97
224	2007 Dodge Cab & Chassis w/ Hoist/Dump/Liftgate	16	\$12,399.15

\$84,130.45

- (2) Age and repair costs require an accelerated replacement schedule to maintain a reliable fleet. Some units that are typically utilized only in the summer for park maintenance

rounds will be replaced with lower cost utility terrain vehicles (UTV's), which will reduce the overall number of light duty trucks in the Parks Department fleet.

- (3) Please note the amount requested reflects current costs for the vehicle and required upfitting for radios and lights. Where possible, MN state bid purchases are used, but quantities of vehicles are very limited and need to be ordered a year in advance to have any chance of getting them at all. We are exploring other options to obtain needed vehicles at discounts over retail purchase.

ii) Splashpad drainage project - \$175,000

- (1) This funding request is to construct an irrigation pond primarily to utilize drainage from the splashpad to irrigate the Caswell Softball complex. Currently, the drainage from the splashpad is discharged to the storm sewer with no further beneficial use to the City. In July, the water used at the splashpad was 2.3 million gallons. Irrigation at Caswell is currently unmetered but is estimated to be similar to Caswell North Soccer, which used 1.35 million gallons for irrigation in July.
- (2) The pond can also serve as a source for other non-potable water used by landscaping companies and contractors, reducing the need to provide potable water from the water distribution system for those uses and further reducing overall potable water use for non-potable uses.

b) Streets - \$1,020,500

- i) Increase to sealcoat oil - \$155,500 to continue the current practice of sealcoating roadways to extend pavement life. The programmed roads for next year are similar in quantity to this year, but price increases have been substantial, and the requested funding represents our best estimate of the cost for next year's program.

ii) Increase Street Mill & Overlay - \$645,000

- (1) This funding request is for the minimum amount for urgently needed streets that can still be salvaged to extend the pavement life before needing a more costly reconstruction. Many city streets sustained significant damage from the harsh winter, so the degradation of many streets has accelerated from what has been typical the last several years. In addition, prices for asphalt and other construction materials and services have sharply increased in the last 3 years, so the funding increase also reflects that pricing change.
- (2) Additional streets will be found below in lower priority categories, mainly as an acknowledgement of realistic funding constraints. The needs are there for \$1.68 million worth of overlay work, but only the most urgent work is shown for streets that will likely need full reconstruction if we do not overlay them next year.

iii) Vehicles and Equipment – \$220,000

- (1) 2 new pickups (\$60,000 each) are requested to replace some of the aging fleet. The Street Department currently has 7 light duty trucks assigned, as shown on the table

below.

Unit ID	Description	Age	2020-2023 Repair Cost
100	2015 GMC 4WD Ext Cab Pickup (Bryan)	8	\$4,559.99
101	2004 Ford F250 Regular Cab (gray Kevin)	19	\$5,493.09
102	2004 Ford F350 Regular Cab (diesel - tow)	19	\$5,543.42
103	1997 Ford F-150 Pickup (sell 2023)	26	\$2,104.21
104	1998 Chevy 3/4T Pickup (Jake sign truck)	25	\$6,012.56
106	1996 Chevy 3/4T Pickup (arrow board)	27	\$3,727.05
108	2007 Dodge 2500 Quad Cab	16	\$972.56

\$28,412.88

- (a) Similar to Parks, the fleet is aging, and new vehicles are needed to replace them. Please note that streets also has a larger number of heavy duty trucks and heavy equipment so this list does not represent the entire fleet assigned, with heavy duty trucks and equipment not listed.

(2) Other Equipment (\$100,000) is for miscellaneous items such as those listed below:

- (a) New snowplows for heavy duty trucks. We replaced one already this year when it failed during the harsh winter, and we expect 2 more to need replacement. Costs for these is approximately \$16,000 each.
- (b) Unplanned repairs or replacement of aging equipment. We have had to retire our soil shredder this year without replacing it and have extensive repairs underway for our material screener, at approximately \$10,000 cost. Our tar kettle also needs extensive repair or possibly replacement due to a faulty thermostat control system, which is essential for safely using the unit. The cost for the control unit is estimated to be at least \$6,000 if parts can be obtained at all. A new unit would cost approximately \$65,000 if necessary, or rental costs of \$2,500 to \$3,000 per week if we do not replace it. This is an essential item for patching potholes and pavement.
- (c) Purchase of new radios for the existing fleet. The city UHF radio system operation permit with the FCC expires this fall, so Public Works is moving to the same radio system the police and fire departments use. This change enables public works to communicate in emergencies directly with other agencies and performs much better at daily use than the old system. Each radio costs approximately \$5,000, and at least 4 new radios are needed next year. Where possible, used radios are being obtained from our police department and from Nicollet County public works, who are replacing their used radios.

c) Water - \$165,000

- (1) Vehicles and Equipment - \$60,000 for a new light duty pickup for the new water technician. This is an ongoing replacement shown in previous years' CIP. The new employee is currently driving a 22-year-old truck that has been utilized to plow snow at the water plants and is severely rusted and in need of replacement.

- (2) Facility Improvements - \$105,000 for periodic maintenance of well and high service pumps. Well #8 and Pump #2 at Plant #1 are due for removal, rebuild and re-installation in 2024. The reliability of these pumps is essential to provide drinking water to the city, and the periodic maintenance planned is necessary to maintain that reliability. We just obtained quotes for Well #7 rehabilitation, and prices have increased to \$125,000 just for the well rehab, so the budget request amount is likely less than will be needed to perform the work.

d) Storm - \$100,000

- (1) Lift Station Repairs - \$100,000 for essential repairs to the discharge force mains from the Wheeler Avenue Corps of Engineers lift station. The force mains leak when the pumps operate and need to be repaired. These lift stations are regulated by the US Army Corps of Engineers, and the leaks could jeopardize the levee if left uncorrected. This maintenance work is required by the USACOE, and failure to maintain the system can result in substantial fines to the city and risk flooding in lower North Mankato.

2) High Priority - \$614,308

a) Parks – \$265,000

i) Vehicles and Equipment - \$130,000

- (a) New Mowers (\$90,000) for the new mower identified in previous CIP plans and which are needed to replace a 24-year-old and a 16-year-old mower. The mowers have needed a combined \$15,400 in repairs since 2020, and parts are no longer produced for the models.
- (b) New UTV (\$40,000) to replace an existing light duty truck with a utility terrain vehicle for use in the summer by seasonal parks employees performing park cleanup and general maintenance. The UTV should provide the same service with \$20,000 lower initial cost, substantially lower fuel and maintenance costs, and lower storage space requirements on a vehicle that is typically not utilized in the winter.

ii) Parks Capital Improvements - \$135,000

- (1) Wheeler Park Parking Lot - \$65,000 to re-pave the asphalt pavement that has failed and is breaking up.
- (2) Spring Lake Park Shelter Renovation - \$30,000 for new roof and other renovation work.
- (3) Replace one of the two pedestrian bridges - \$40,000 to replace the southern pedestrian bridge which is structurally deficient, has deteriorated and inadequate handrails, and is too narrow for current uses.

b) Streets - \$90,000

- i) This budget request is for the purchase of a used plow truck from Nicollet County. This purchase was originally scheduled to take place this year, but delivery of the new truck for Nicollet County will not take place until 2024.

c) Water - \$22,000

- i) This budget request is for a water main leak correlator to allow water department staff to search for and isolate water main leaks. Currently, we rely on City of Mankato staff to do this for us.

d) Storm - \$177,308

- i) Vehicles & Equipment – 60,000 for a light duty truck for the requested Environmental Technician position.
- ii) New Environmental Technician position - \$117,308 for a new position to oversee the inspections and reporting required under the city's MS4 permit with the State of Minnesota. This replaces a position the city previously had but that was not re-filled a few years ago when the previous employee left.

- e) Sewer - \$60,000 for a new light duty truck to replace the existing 27-year-old truck that had to be retired this year due to an unsafe level of bed and body corrosion.

3) Medium Priority - \$735,090

a) Parks - \$225,090

i) Park Superintendent - \$119,090

- (1) This request is to hire a new Parks Superintendent to replace Duane Rader, who is currently performing two superintendent roles (Water and Parks), and who will be retiring in 2025. The intent is to find his replacement now, so the new superintendent has time to learn the details of the Parks operation as well as take ownership of the emerald ash borer infestation response.

- (2) This position could be delayed 1 year, but the advantage of hiring now is to have someone to manage the EAB response and allow Duane to focus on training two new water employees, one of which will need to get licensed before his retirement.

- ii) Vehicles & Equipment - \$40,000 for a second UTV to replace light duty trucks. See vehicle discussion above under Parks Urgent needs and High Priority needs.

- iii) Upgrade locks & cameras on park shelters - \$6,000 to install electronic locks and cameras on park shelters that have high incidence of vandalism. The electronic locks and cameras will also benefit the police department by reducing the number of locations they physically lock every night, which will help reduce workload with their reduced staff numbers.

- iv) Replace one of the two pedestrian bridges - \$40,000 to replace the northern pedestrian bridge which has inadequate handrails and is too narrow for current uses. Replacing this bridge at the same time as the southern bridge would result in savings by doing both at once, but the need is less urgent for this bridge.

b) Streets – \$510,000

i) Mill & Overlay - \$185,000 to mill and overlay Houghton Avenue, which is adjacent to the urgent street mill and overlay streets. This street was left off the urgent list because of the high additional cost to include this large section of wide pavement, even though the pavement is in poor condition and will need to be addressed in 2025 if it is not addressed in 2024. It might be beneficial to the city to consider narrowing the pavement to reduce speeds and reduce the pavement area that needs to be maintained. This street has the most speed complaints of any street in the city recently and is substantially wider than is typical for a residential street.

ii) Vehicles & Equipment – \$265,000

(1) Woodchipper replacement - \$90,000 to replace one of the two woodchippers. This item has previously been shown on CIP plans for replacement in 2024 and is needed due to frequent repairs. Please note the original cost for this item was \$150,000, but that price included a new chipper truck as well as the chipper. A new chipper truck was removed from the request, but the cost was not updated.

(2) Asphalt roller replacement - \$50,000 to replace one of the two smooth drum rollers used for asphalt patching and repair. The unit to be replaced is 35 years old, and the other one is 22 years old and will also need replacement soon. This is listed as a medium priority because an alternative exists to rent a roller if a second one is needed, and one of the two rollers is down for repairs.

(3) Leaf collector replacement - \$125,000 for a new leaf collector to replace one of the two 19-year-old units. Each of the two existing units has over \$10,000 in repairs since 2020, and both need immediate replacement.

c) Water - \$60,000

i) Vehicles and Equipment - \$60,000 for a new light duty truck to replace the 22-year-old truck used to plow the water plants. This truck would be put in service for daily water staff use and another older truck would be used to plow instead.

4) Low Priority - \$1,107,224

a) Parks - \$528,673

i) Park Maintenance Worker - \$58,673 for an additional park maintenance position to replace a position that was never filled several years ago. This is listed as a low priority item because an alternative approach to continue to rely more on seasonal workers can fulfill the need during the summer. Returning the parks staff to historical staffing levels will help with the EAB management and with winter, early spring, and late fall maintenance needs.

ii) Wheeler Park Bandshell - \$125,000 to rehabilitate the existing Wheeler Park bandshell. This project has been considered for several years, but other projects are consistently considered higher priorities and funding has not been approved in the past. Again, this year, there are several other projects that are considered higher priority because the renovated bandshell is not urgently needed with the availability of two other portable bandshells.

- iii) Pave old Belgrade hill trail - \$40,000 to install a paved path through the old Belgrade hill trail to replace the current dirt path. This project would be a good amenity to add to the community, but other needs are considered more urgent in comparison.
 - iv) North Ridge Park Shelter - \$125,000 to install a new shelter in North Ridge Park. This project is needed and has public support, but it is not considered an urgent need, so it is listed as a low priority compared to other repair projects.
 - v) Spring Lake Park Fountain and Pump - \$30,000 to install a fountain in Spring Lake. This project is a low-cost option to provide an amenity to Spring Lake, and to help improve water quality in Spring Lake. It is not an urgent need, however, so is listed as a low priority item.
 - vi) Benson Park Capital Improvements - \$150,000 to fund the first phase of the proposed Lady Bug Lake and Little Lady Bug Pond water features and connecting channel. This is the project that was approved for construction this year, but that is unlikely to get constructed this year. So, the funding is requested for next year's budget. The project is considered a low priority because there have been some public concerns voiced about the project, and because it is not an urgently needed project compared to others listed.
- b) Streets - \$453,551
- i) Building Maintenance Technician - \$79,182 to fund a new custodian and facility maintenance position for public works buildings. This position would provide the street shop, maintenance shop, parks shop, water plants, and recycling center with cleaning and maintenance services to match those currently provided for City Hall, Police, Library and Fire buildings. Currently, street and parks staff clean the public works facilities as time allows alongside their other duties.
 - ii) Street Maintenance Worker - \$84,369 to re-fill a street maintenance position that was left unfilled when a previous employee left. This position is needed to return the street staff to its full historical compliment. Maintenance needs on city streets are increasing with new development, but the maintenance staff has decreased.
 - iii) Mill & Overlay – \$290,000 to mill and overlay Sharon Dr and Sherman Ave. If these streets are not funded for mill & overlay in 2024, they will be an urgent priority for 2025.
- c) Water - \$125,000 for re-roofing water plant #2. The roof will need to be replaced soon, but the condition does not warrant an urgent need for 2024. This project can be held over for 2025 or 2026 funding.
- i) A more urgent need is to replace the double doors to the chlorine room in water plant #2, so funding consideration of a reduced amount of \$25,000 is requested.

MEMORANDUM

To: Mayor Scott Carlson, City Councilmember
City of North Mankato
From: Attorney Chris Kennedy
Re: Spending limits
Date: August 10, 2023

Introduction

With the change in City Administrators, the City is reviewing the appropriate limits on the purchasing power of the City Administrator and staff.

Discussion

Minnesota law provides that the city council for most statutory cities has full authority over the financial affairs of the city.¹ Minnesota law provides that no order shall be issued for claims arising from the purchase of goods or services until the city council has reviewed and approved the claim. The claim must be a written, itemized list of goods and/or services. The claimant must also sign a declaration that the claim is correct and no part has been previously paid.² The council may approve the claim, approve part of the claim, or deny approval of any portion.

Minnesota law provides that certain claims can be paid without council approval. This includes the payment of judgments; the payment of a principal or interest on obligations where the exact amounts have been previously fixed by contract; rent; fixed charges under a contract that was previously authorized; and wages that have been set by the council or state law.³

The council may also establish imprest loan funds. These are typically referred to as petty cash and are meant to pay for small purchases. The statute does not limit the amount that can be placed into an imprest fund.⁴ But the custodian must be able to account for those funds.

The council may delegate its authority to pay certain claims. This authority may be given by the council to a City Administrative officer, generally the City Administrator. To do this, the council must pass a resolution delegating the authority and the type of claims to be paid, and establish internal accounting procedures, which includes frequent council review and auditing.⁵ The provision of this statute does not put a monetary limit on the amount.

¹ Minnesota Statute 412.271 sub 1

² Minnesota Statute 412.271 sub 2

³ Minnesota Statute 412.271 sub 1

⁴ Minnesota Statute 412.271 sub 5

⁵ Minnesota Statute 412.271 sub 8

Minnesota Statute 471.345 provides for the Minnesota Municipal contracting law. Contracts over \$175,000 must be by sealed bids and solicited by public notice⁶ or by the best value alternative.⁷ The statute indicates that contracts exceeding \$25,000 but less than \$175,000 may be either upon sealed bids, direct negotiation, or best value⁸. Contracts for \$25,000 or less can be made by quotation or on the open market. The statute provides the requirements on how the city is to make a determination on how to award the bid, but it does not limit that power to the council.

North Mankato City Code City Section 33.07 provides the requirements for contracts with the city and reads as follows:

33.07 Contract with the City

- (A) *Contracts to be in writing.* All contracts involving the city for greater than \$25,000 shall be written
- (B) *Signing of Contracts.* All written contracts for more than \$25,000.00 shall be signed by the authorized agent designated by the City Council.
- (C) *Municipal Contracts.* A contract for the sale, purchase or rental of supplies, materials of equipment or for the construction, alteration, repair or maintenance of real or personal property shall be established in accordance with the following procedures. No provision herein shall supersede the requirement that all city and departmental expenditures must be within the parameters of the duly adopted annual budget
 - (1) *Contracts less than \$25,000.* If the amount of the contract does not exceed \$25,000, the City Administrator is authorized to directly enter into the contract in the open market without first obtaining Council approval.
 - (2) *Contracts from \$25,000 to \$175,000.* If the amount of the contract is estimated to exceed \$25,000.00 but not exceed \$175,000, the contract may be made either upon sealed bids or by direct negotiation but obtaining 2 or more quotations for the purchase or sale when possible and without advertising for bids. All quotations shall be kept on file for at least 1 year.
 - (3) *Contracts over \$175,00.* If the amount of the contract is estimated to exceed \$175,000 sealed bids should be solicited by public notice published.
- (D) *Special rules for assessment contracts.* When the Council determine to make an improvement and to assess the cost of the improvement against the benefited property, then the requirements and procedures concerning the creation of the improvement contract shall be in accordance with the requirements of MS Sec 429.041, as it may be amended from time to time.

North Mankato City Code also deals with spending authority under the description of the City Administrator. City Code Section 31.01 (C) provides for the powers of the City Administrator and addresses purchases and contracts in section 31.01 (C) (6) reads as follows:

⁶ Minnesota Statute 471.345 sub 3

⁷ Minnesota Statute 471.345 sub 3 a

⁸ Minnesota Statute 471.345 sub 4 and 4a

(6) Make or let purchases and contracts when the amount thereof does not exceed \$150,000.00 and receive estimates, quotations, sealed bids, purchases or contracts in excess of \$150,000 and present them to the Council for official action.

The City Ordinance does not allow for best-value contracting but gives the City Administrator the authority to make purchases up to \$175,000.00. The language for the authority of the City Administrator would provide him (as the authorized agent of the council) has spending authority of up to \$175,000 but indicates the manner in which the contract must be bid.

This spending authority is not unlimited. Any payment of a claim would have to follow the provisions of the ordinance in regard to contracts. In addition, the expenditure would need to be ministerial in nature and not legislative.⁹ The city administrator is not authorized to set policy or determine what project the city should go forward with but would be authorized to take action, sign contracts, and spend funds to make those projects come to fruition.

The State Statutes would appear to allow the City Council to determine any limit on the spending authority of the City Administrator that it deems appropriate through the passage of a resolution. The City has gone further by-passing ordinances that give the City Administrator the authority to spend up to \$175,000 without council authority but that authority is limited to ministerial functions.

Options for the Council

1. The Council can take no action, and the spending limit would be \$175,000 or less; the City Administrator would be limited to contracts that are providing goals and services that were previously approved by the City.
2. The Council could start the process to amend or revoke the ordinance to make clear the limitations on the authority of the city administrator, specifically including the language that this is a ministerial function and not legislative
3. The Council could start the process to amend the limits that it wants to give to the City Administrator,

⁹ Minnesota Statute 412.111 and a Minnesota Attorney General Opinion

To: Kevin, McCann, City Administrator
From: April Van Genderen, Administrative Services Manager
Date: August 15, 2023
Re: Purchasing and Contract Negotiations Authority

To further the discussion on purchasing power, the City staff contacted six of North Mankato's comparable cities, requesting information on their purchasing policies. The cities contacted included St. Peter, Willmar, Faribault, Fairmont, New Ulm, and Marshall.

The staff has received responses from four of the cities, including St. Peter, Willmar, Marshall, and Faribault. Below is a breakdown of the authorized purchasing power for the cities that provided responses:

Authorization Limits

City	\$ Limit-Budgeted
Willmar	up to \$25,000
St. Peter	up to \$25,000
Marshall	up to \$25,000
Faribault	up to \$25,000

Willmar identified items not requiring Council authorization prior to payment but as part of the approved budget and over the authorization limits, such as payroll, employee expense reimbursements, insurance premiums, routine operations, and emergency payments or payments to avoid late fees or interest charges. The other three policies had similar emergency or routine payment authorization for the City Administrator.

City Council ultimately has the authority to determine the authorized limits for the City Administrator.

ORDINANCE NO

AN ORDINANCE OF THE CITY OF NORTH MANKATO, MINNESOTA
PROHIBITING SMOKING IN PUBLIC PLACES

THE CITY COUNCIL OF THE CITY OF NORTH MANKATO, MINNESOTA
ORDAINS AS FOLLOWS:

ARTICLE I: The North Mankato City Code shall be amended by adding Section _____ to the Municipal Code of the City of North Mankato:

Section Prohibiting smoking in public places.

Sub. 1 No person shall smoke on any city street, sidewalk, pathway, parking lot, or in any city property, including city parks, city hall, police department, library, transportation shop, fire department, or other property owned by the city.

Sub 2 Smoking means inhaling, exhaling, burning, or carrying any lighted or heated cigar, cigarette, pipe, or any other lighted or heated product containing, made from, or derived from tobacco, marijuana, hemp, THC, CBD, or any other material whether natural or synthetic, that is intended for inhalation. Smoking includes carrying or using an activated electronic delivery device, as defined by the Minnesota Statute.

Sub 3. Violation of the provision of this ordinance shall be a petty misdemeanor.

Sub 4. It shall be an affirmative defense to this offense if the cited individual can show that the consumption was in accordance with a valid medical prescription.

ARTICLE II. This ordinance shall become effective on or after the date following such publication in accordance with law.

Mayor

ATTEST:

City Clerk

ORDINANCE NO

AN ORDINANCE OF THE CITY OF NORTH MANKATO, MINNESOTA
PROHIBITING SMOKING MARIJUANA IN PUBLIC PLACES

THE CITY COUNCIL OF THE CITY OF NORTH MANKATO, MINNESOTA
ORDAINS AS FOLLOWS:

ARTICLE I: The North Mankato City Code shall be amended by adding Section _____ to the Municipal Code of the City of North Mankato:

Section Prohibiting the smoking of marijuana in public places.

Sub. 1 No person shall smoke marijuana on any city street, sidewalk, pathway, parking lot or in any city property including city park, city hall, police department, library, transportation shop, fire department or other property owned by the city.

Sub 2 Smoking means inhaling, exhaling, burning, or carrying any lighted or heated cigar, cigarette, pipe, or any other lighted or heated product containing, made from or derived from marijuana, hemp, THC, CBD whether natural or synthetic, that is intended for inhalation. Smoking includes carrying or using an activated electronic delivery devise, as defined by Minnesota Statute.

Sub 3. Violation of the provision of this ordinance shall be a petty misdemeanor.

Sub 4. It shall be an affirmative defense to this offense if the cited individual can show that the consumption was in accordance with a valid medical prescription.

ARTICLE II. This ordinance shall become effective on or after the date following such publication in accordance with law.

Mayor

ATTEST:

City Clerk

**COUNTY OF STEARNS
STATE OF MINNESOTA**

ORDINANCE No.: 654

**ORDINANCE REGULATING THE USE OF CANNABIS AND
CANNABIS DERIVED PRODUCTS
IN PUBLIC PLACES**

THE STEARNS COUNTY COMMISSIONERS HEREBY ORDAIN AS FOLLOWS:

SECTION 1. PURPOSE, INTENT AND STATUTORY AUTHORITY

1.1 Statement of Purpose and Intent.

This Ordinance is adopted by the Stearns County Commissioners for the purpose of protecting public health and safety by regulating the use of Cannabis and cannabis derived products in public places and places of public accommodation within Stearns County.

By enacting 2023 Session Law, Chapter 63, H. F. No. 100 [hereinafter referred to "State Legislation"], the Minnesota Legislature passed the adult-use cannabis bill. Under that bill, the adult use, possession and personal growing of cannabis will become legal August 1, 2023.

State legislation authorizes adoption of a local ordinance establishing a petty misdemeanor offense for public use of cannabis. See State Legislation Article 4, Sec. 19, Minn. Stat. 152.0263, Subd. 5, or successor statute.

State legislation authorizes adoption of ordinances to regulate actual or potential threats to public health. See Minn. Stat. 145A.05, subd. 1.

State legislation authorizes enforcement of local government ordinances which are more stringent than state law in protecting individuals from secondhand smoke or from involuntary exposure to aerosol or vapor from electronic delivery devices, including in areas outside of restaurants and bars. See Minn. Stat. 144.417, subd. 4.

Stearns County, hereinafter "the County" wishes to be proactive in protecting public health and safety by enacting regulations that will mitigate threats presented to the public by the public use of cannabis, including unintended access and exposure of cannabis to the general public and youth of Stearns County.

~~Stearns County (hereinafter "the County") recognizes the risks that unintended access and use of cannabis products present to the health, welfare, and safety of youth in Stearns County.~~

1.2 Statutory Authority.

This Ordinance is enacted pursuant to and incorporates the following: 2023 Session Law, Chapter 63, H. F. No. 100 [hereinafter referred to "State Legislation"]; State Legislation Article 1, Sec. 1 Minn. Stat. 342.01; State Legislation Article 1, Sec. 9 Minn. Stat. 342.09 Subd. 1(b) or successor statute; State Legislation Sec. 9 Minn. Stat. 342.09, Subd. 1 (b)(9) or successor statute; State

Legislation Minn. Stat. 342.09 Subd.1(a)(7) or successor statute; and State Legislation Article 4, Sec. 19 Minn. Stat. 152.0263, Subd. 5, or successor statute; 145A.05, subd. 1, or successor statute; and Minn. Stat. 144.417, subd. 4, or successor statute.

SECTION 2. DEFINITIONS

Except as may otherwise be provided or clearly implied by context, all terms shall be given their commonly accepted definitions. The following words, terms, and phrases, when used in this ordinance, shall have the meanings ascribed to them except where the context clearly indicates a different meaning.

(a) Adult-use cannabis flower. “Adult-use cannabis flower” means cannabis flower that is approved for sale by the office or is substantially similar to a product approved by the office. Adult-use cannabis flower does not include medical cannabis flower, hemp plant parts, or hemp-derived consumer products.

(b) Adult-use cannabis products. “Adult-use cannabis products” means a cannabis product that is approved for sale by the office or is substantially similar to a product approved by the office. Adult-use cannabis product includes edible cannabis products but does not include medical cannabinoid products or lower-potency hemp edibles.

(c) Cannabis flower. “Cannabis flower” means the harvested flower, bud, leaves, and stems of a cannabis plant. Cannabis flower includes adult-use cannabis flower and medical cannabis flower. Cannabis flower does not include cannabis seed, hemp plant parts, or hemp-derived consumer products.

(d) Cannabis product. “Cannabis product” means any of the following:

- (1) cannabis concentrate;
- (2) a product infused with cannabinoids, including but not limited to tetrahydrocannabinol, extracted or derived from cannabis plants or cannabis flower; or
- (3) any other product that contains cannabis concentrate.

(e) Hemp derived consumer products.

(1) “Hemp derived consumer products” means a product intended for human or animal consumption, does not contain cannabis flower or cannabis concentrate, and:

- (i) contains or consists of hemp plant parts; or
- (ii) contains hemp concentrate or artificially derived cannabinoids in combination with other ingredients.

(2) Hemp-derived consumer products does not include artificially derived cannabinoids, lower-potency hemp edibles, hemp-derived topical products, hemp fiber products, or hemp grain.

(f) Lower-potency hemp edible. A “lower-potency hemp edible” means any product that:

- (1) is intended to be eaten or consumed as a beverage by humans;
- (2) contains hemp concentrate or an artificially derived cannabinoid; in combination with food ingredients;
- (3) is not a drug;
- (4) consists of servings that contain no more than five milligrams of delta-9 tetrahydrocannabinol, 25 milligrams of cannabidiol, 25 milligrams of cannabigerol, or any combination of those cannabinoids that does not exceed the identified amounts;
- (5) does not contain more than a combined total of 0.5 milligrams of all other cannabinoids per serving;
- (6) does not contain an artificially derived cannabinoid other than delta-9 tetrahydrocannabinol;
- (7) does not contain a cannabinoid derived from cannabis plants or cannabis flower; and
- (8) is a type of product approved for sale by the office or is substantially similar to a product approved by the office, including but not limited to products that resemble nonalcoholic beverages, candy, and baked goods.

(g) Public place. A “public place”, means a public park or trail, public recreation area, public street or sidewalk, any publicly owned property, any enclosed, ~~indoor~~ area used by the general public, including but not limited to, theaters; restaurants, bars, food establishments and their decks; places licensed to sell intoxicating liquor, wine, or malt beverages; retail businesses; gyms; common areas in buildings; public shopping areas; auditoriums; arenas; or other places of public accommodation.

(h) Place of public accommodation. “Place of public accommodation” means a business, refreshment, entertainment, recreation, or transportation facility of any kind, whose goods, services, facilities, privileges, advantages, or accommodations are extended, offered, sold, or otherwise made available to the public.”

(i) Exceptions to public place or place of public accommodation. “A public place” or “a place of public accommodation” does not include the following:

1. a private residence, including the individual’s curtilage or yard.
2. a private property, not generally accessible by the public, unless the individual is explicitly prohibited from consuming cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products on the property by the owner of the property; or
3. on the premises of an establishment or event licensed to permit on-site consumption.

(j) Smoking. “Smoking” means inhaling, exhaling, burning, or carrying any lighted or heated cigar, cigarette, pipe, or any other lighted or heated product containing cannabis flower, cannabis

products, artificially derived cannabinoids, or hemp-derived consumer products. Smoking includes carrying or using an activated electronic delivery device for human consumption through inhalation of aerosol or vapor from the product.

SECTION 3. JURISDICTION

This Ordinance shall be applicable within the legal boundaries of Stearns County with the exception of cities of the first class and those cities or townships that have adopted their own ordinance establishing standards for public use of cannabis within their jurisdiction. It is the intention of this Ordinance that said city or town ordinances shall supercede and preempt this ordinance within those jurisdictions.

SECTION 4. PROHIBITED ACTS

Subd. 1. No person shall use cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products in a public place or a place of public accommodation unless the premises is an establishment or an event licensed to permit on-site consumption of adult-use cannabis flower and adult use cannabis products. See State Legislation Article 4, Sec. 19, Minn. Stat. 152.0263, Subd. 5, or successor statute.

Subd. 2. No person shall vaporize or smoke cannabis flower, cannabis products, artificially derived cannabinoids, or hemp-derived consumer products in any location where the smoke, aerosol, or vapor would be inhaled by a minor. See State Legislation Article 1, Sec. 9 Minn. Stat. 342.09, Subd. 1(b)(9) or successor statute.

SECTION 5. PENALTY

Subd. 1. Criminal Penalty. A violation of this ordinance shall be a petty misdemeanor having a fine payable up to \$300. Nothing in this ordinance prohibits the County from seeking prosecution for an alleged violation.

SECTION 6. SEVERABILITY

If any section or provision of this ordinance is held invalid, such invalidity will not affect other sections or provisions that can be given force and effect without the invalidated section or provision.

SECTION 6. EFFECTIVE DATE

This ordinance shall be in full force and effect from and after its passage and publications as required by law.

ADOPTED by the Stearns County Board of Commissioners this _____ day of _____, 2023.

Joseph E. Perske, Stearns County Board Chair

Attest:

Randy R. Schreifels,
Stearns County Auditor-Treasurer

Minnesota Statute 145A.05 Local Ordinances. Subdivision 1. Generally.

A county board may adopt ordinances for all or a part of its jurisdiction to regulate actual or potential threats to the public health under this section and section 375.51, unless the ordinances are preempted by, in conflict with, or less restrictive than standards in state law or rule.

Minnesota Statute 144.417, Subd. 4. Local government ordinances.

(a) Nothing in sections 144.414 to 144.417 prohibits a statutory or home rule charter city or county from enacting and enforcing more stringent measures to protect individuals from secondhand smoke or from involuntary exposure to aerosol or vapor from electronic delivery devices.

(b) Except as provided in sections 144.411 to 144.417, smoking is permitted outside of restaurants, bars, and bingo halls unless limited or prohibited by restrictions adopted in accordance with paragraph (a).