

2023 Budget



CITY OF EXCELSIOR

2023 Budget



— THE CITY OF —
EXCELSIOR
MINNESOTA

Elected and Appointed Officials

Todd R. Carlson	Mayor
Jennifer Caron	Council Member
Lou Dierking	Council Member
Ann Hersman	Council Member
Robert Tyler	Council Member
Kristi Luger	City Manager
Jenny Palmer	Finance Director

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December 19, 2022

To the Honorable Mayor, Members of the City Council, and the Citizens of Excelsior:

We are pleased to present the 2023 budget for the City of Excelsior. The 2023 budget for each City fund was thoughtfully prepared to continue providing the standard of service Excelsior residents expect, while doing so in a fiscally responsible manner.

Budgets for the general fund and docks, water, sewer, and surface water management funds in addition to the street lighting and parking lot maintenance funds, are included in this document.

The preliminary 2023 tax levy was set at \$2,517,278, which was \$328,341, or 15.00%, more than the 2022 levy. Since then, the levy was reduced to \$2,331,074, which is an increase of \$142,137 or 6.49%, over the prior year.

The General Fund's budget for revenues and expenditures has increased by 7%, or \$187,855. Some of the larger budget increases are:

- Addition of City Planner position for \$79,090
- Staff market rate adjustments of \$9,500
- Increase in Engineering of \$12,000
- Increase in the police department of \$15,000 for parking enforcement
- Increase in the police department of \$4,000 for code enforcement
- Increase in the parks department of \$20,000 for additional funding for the new park position

Increases in operating expenses, maintenance supplies and utilities due to high inflation were also accounted for in all the departments.

The City's property tax levy generates 59% of General Fund revenues, illustrating the City's successful efforts to diversify revenue sources to minimize the tax impacts to our residents and commercial property owners.

The City was also successful with their trial area for parking meters and has decided to make the trial area permanent. This will bring in additional revenues to help fund additional projects.

One project the City Council is moving forward on is a Long-Term Financial Plan. This plan will bring together projects and funding sources for the next 7 - 10 years providing guidance and transparency for future budgets.

Staff and the City Council realize that increasing utility rates is a sensitive issue for residents and took that into consideration when making rate adjustments. The planned increases that are included in the 2023 budget are necessary for the City to meet both the operating needs and capital expenses to maintain and improve the City's utility infrastructure.

The City continues to see growth and improvement in the local economy. Property values have been rising in Excelsior, with a new peak in taxable market values reached in 2022. Excelsior is also in the bottom one-third tax rates for Hennepin County. Nevertheless, the City continues to face challenges in maintaining current service levels while continuing moderate property tax increases. The City is committed to continuing its capital improvement program to improve its infrastructure. Additionally, the City Council and staff will continue to explore additional revenue options to help keep the City's levy at a reasonable level going forward. The Excelsior City Council is mindful of costs and works hard to provide services at the best value for its residents.

As always, if you have any questions or comments regarding the budget and tax levy, feel free to contact Jenny Palmer, Finance Director at 952-653-3677 and jpalm@excelsiormn.org or Kristi Luger, City Manager, at 952-653-3672 and kluger@excelsiormn.org.

Respectfully submitted,



Kristi Luger
City Manager



Jenny Palmer
Finance Director

General Information

Fund Types

The City maintains the following fund types:

General Fund – the primary operating fund of the City which is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds – used to account for specific revenues that may only be used for certain specified purposes.

Debt Service Funds – established to account for activity related to general long-term debt principal and interest.

Capital Project Funds – used to account for resources to be used for the acquisition or construction of major capital projects.

Enterprise Funds – established to account for the activities of a government which provide goods or services primarily to the public at large on a consumer charge basis. Most business-type activities of a government are accounted for and reported in this type of fund.

Fiduciary Fund – used to account for assets held by the City in a trust capacity or as an agent.

Fund Balance

The City's current fund balance policy was established in 2006, updated in 2019 and includes the following provision:

- The minimum unassigned General Fund balance percentage should be 40% of the subsequent year's budgeted expenditures and transfers out.

Forty percent of 2023 budgeted expenditures and transfers out is approximately \$1,148,636.

The Office of the State Auditor recommends that, at year-end, local governments maintain an unassigned fund balance in their general fund and special revenue funds of approximately 35 to 50 percent of fund operating revenues or no less than five months of operating expenditures.¹ The City's independent auditors recommend that the City have approximately 50 percent of the following year's expenditures on hand at

¹ Otto, Rebecca. State of Minnesota. Office of the State Auditor. *Fund Balances for Local Governments (GASB 54 Version)*. 2010. Print.

the end of the year. The City will continue to monitor fund balances to ensure compliance with the State Auditor’s recommendations as well as City policy.

Property Tax Information

Taxing Districts

The following taxing districts noted in the table below collect a portion of your property tax dollars.

Services by Taxing Districts				
City of Excelsior (24%)	Hennepin County (30%)	Indepentent School District #276 (39%)	Metropolitan Special Taxing Districts (Met Council) (2%)	Other Special Taxing Districts (5%)
Police and Fire	Social Services	K-12 Education	Transportation	Regional Parks
Roads and Streets	Public Health	Community Education	Regional Sewer Systems	Regional Railroads
Parks and Recreation	Road and Highways		Mosquito Control (public health)	Museums
Building Safety	Libraries			Watershed Management
	Sheriff / Corrections			Public Housing
	Environmental Services			

*Metropolitan Special Taxing Districts include the Metropolitan Council, Metropolitan Mosquito Control and Metropolitan Council Transit.

**Other Special Taxing Districts include the Minnehaha Creek Watershed District, Hennepin County Regional Railroad Authority, Three Rivers Park District and the Hennepin County Housing and Redevelopment Authority.

Below is a sample property tax notice and on the next page is a legend that identifies key areas of the notice. The City's portion of your property taxes is identified by the arrows below.

Hennepin County
 A 400 Government Center
 300 S. Sixth Street
 Minneapolis, MN 55487-0060
 612-348-3011 www.hennepin.us

Proposed levies & taxes 2020
 2019 values for taxes payable in 2020

71 JOHN J DOE
 123 MAIN ST NW
 ANYOWN MN 12345-6789

THIS IS NOT A BILL — DO NOT PAY

[\(Click Here for Taxing Authority Web Sites\)](#)

Property ID NO: 26-129-2441-001
 123 Main ST NW **72** **73**

Property taxes statement schedule

Step 1 Value & classification

TAX YEAR PARABLE CLASS	2016 HOMESTEAD	2017 HOMESTEAD
Estimated Market Value:	\$176,000	\$206,000
Homestead Exclusion:	\$21,400	\$18,700
Other Exclusion/Deferral:	\$0	\$0
Taxable Mt Value:	\$154,600	\$187,300

Step 2 Proposed levies & taxes

2015 TAX:	\$2,478.38
2016 PROPOSED	\$2,890.13 75
Percent change	16.6%

Now is the time to provide feedback on proposed levies. It is too late to appeal your value or classification without going to Tax Court.

Step 3 Property tax statement
 Coming March 2020, due May 15, 2020 and Oct 15, 2020

[Budget Meeting Dates Times and Location](#)

Addresses for correspondence	Actual 2019	Proposed 2020	Meeting date & location
Hennepin County A2400 Government Center Minneapolis MN 55487 612-348-3011 76	\$799.83 77	\$907.71 78	Dec 2, 2015 6:00 PM Commissioner Board Room A2400 Government Center Minneapolis MN 55487
City of GREENFIELD Greenfield City Hall 7738 Commerce Circle Greenfield MN 55357	\$585.34	\$692.39	Dec 2, 2015 7:00 PM Greenfield City Hall 6390 Town Hall Drive Greenfield MN 55357 710
STATE GENERAL TAX			No meeting required
School District 883 Voter Approved Levy: Other Local Levies	\$583.90	\$667.08 79	Dec 15, 2015 6:30 PM Heritage Room - room 502 Rockford High School 7600 County Road 50 ROCKFORD MN 55373
School District Total	\$399.82	\$502.18	
Rockford - ISD 883 6051 Ash Street Rockford MN 554373 763-477-9165	\$983.72	\$1,169.26	
Metro Special Taxing Dist. Metropolitan Council 390 Robert Street North St Paul MN 55101-1805 651-602-1647	\$25.23	\$27.75	Dec 10, 2015 6:00 PM Metropolitan Council 390 Robert Street North St Paul MN 55101-1805
Other Spec. Taxing Dist.: Fiscal Disparity Tax: Tax Increment Tax:	\$84.26	\$93.02	No meeting required No meeting required No meeting required
TAX EXCLUDING SPECIAL ASSESSMENTS	\$2,478.38	\$2,890.13	

Learn about property taxes: www.hennepin.us/propertytaxes **THIS IS NOT A BILL — DO NOT PAY**

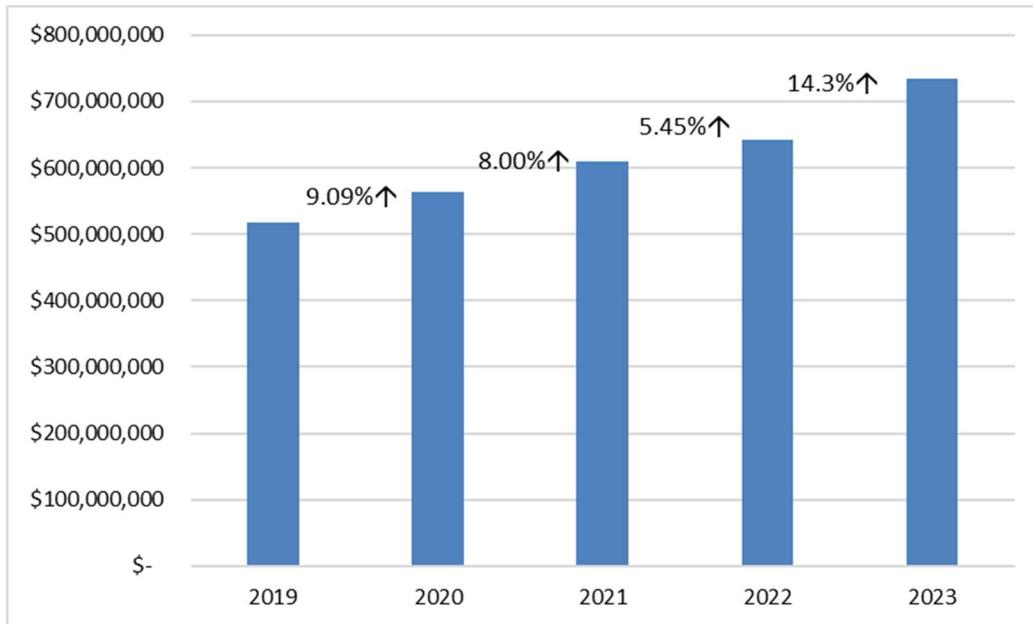


Sample Property Tax Notice Key

1. The taxpayer's name and mailing address.
2. The property's identification number.
3. The address of the property.
4. These are property classifications and the market values used to determine the property taxes on the property, as each appears in the records of the county at the time of printing. The Taxable market value is the estimated market value, as determined by the assessor, less any exclusions or deferrals that apply to the property.
5. The percentage change between the taxes payable in the current year and the proposed taxes payable in the following year.
6. The address and telephone number for each taxing authority that taxpayers may call if they have questions related to the notice and an address where comments will be received by mail.
7. The actual tax for taxes payable in the current year in total and for each taxing authority.
8. The amount of property taxes each taxing authority proposes to collect for taxes payable the following year, in total and by taxing authority.
9. If the school district held a referendum at the November general election, and it was approved by the voters, the tax amount may be higher than shown on the notice.
10. The time and place of the regularly scheduled meeting, of each taxing authority, in which the budget and levy will be discussed, and the public is invited to speak at the meeting.

City's Taxable Market Value

The City's taxable market value continues to increase. Projected 2023 taxable market value has increased for the eighth consecutive year, showing approximately 44.6% growth between 2022 to 2023. Since 2018, year over year growth totaling 42% from 2019 to 2023 has occurred, with a 2023 value of \$733,817,200, which is a new peak in the City's taxable market valuation.



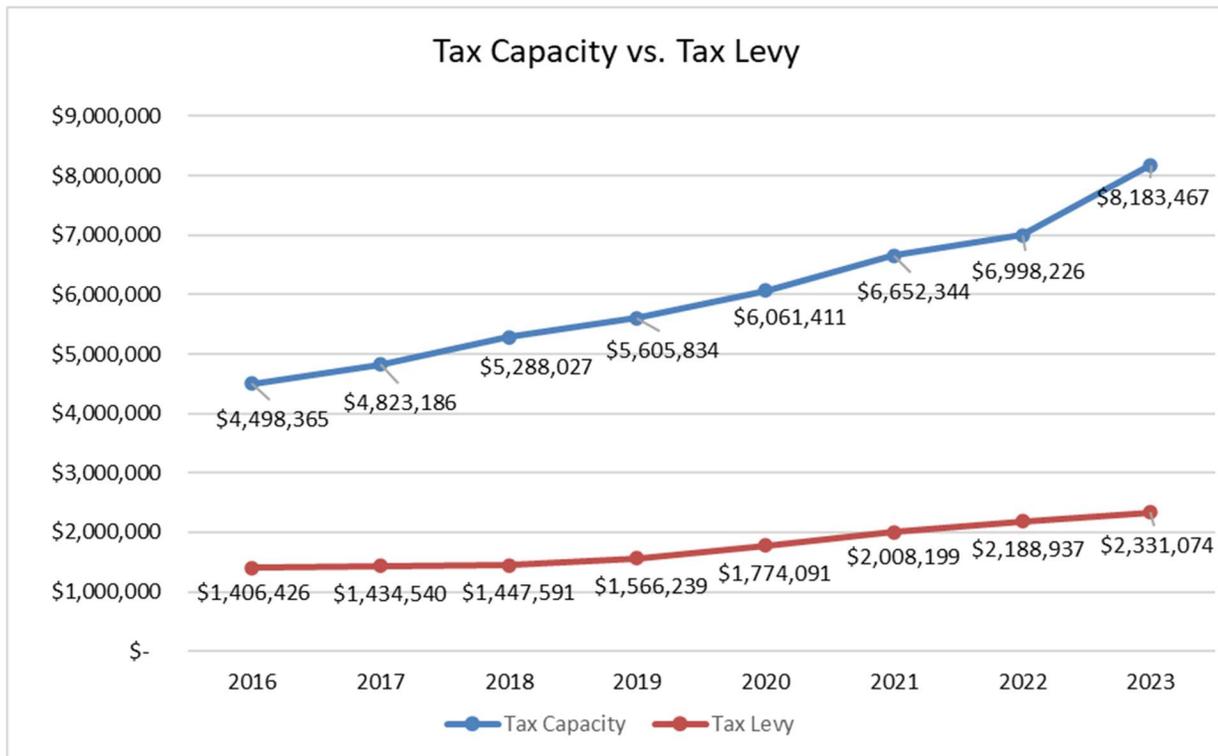
Note: 2023 Taxable Market Value is projected based on Hennepin County's Taxable Market Values report dated 08/18/2022.

City's Tax Capacity

The City's tax capacity, under current legislation, is used as the denominator to determine the property tax rate of a jurisdiction. All properties are divided into several classes: residential, commercial/industrial, farm, apartments, and personal property. An individual parcel's property tax capacity value is determined by applying various rules governing the class which that property is classified into the taxable market value of that property. The sum of all individual parcels tax capacities provides the overall City's tax capacity, which is then reduced by the City's contribution of tax capacity to the Fiscal Disparities Program and the tax capacity of the property values within active Tax Increment Financing (TIF) districts that are located within the City.

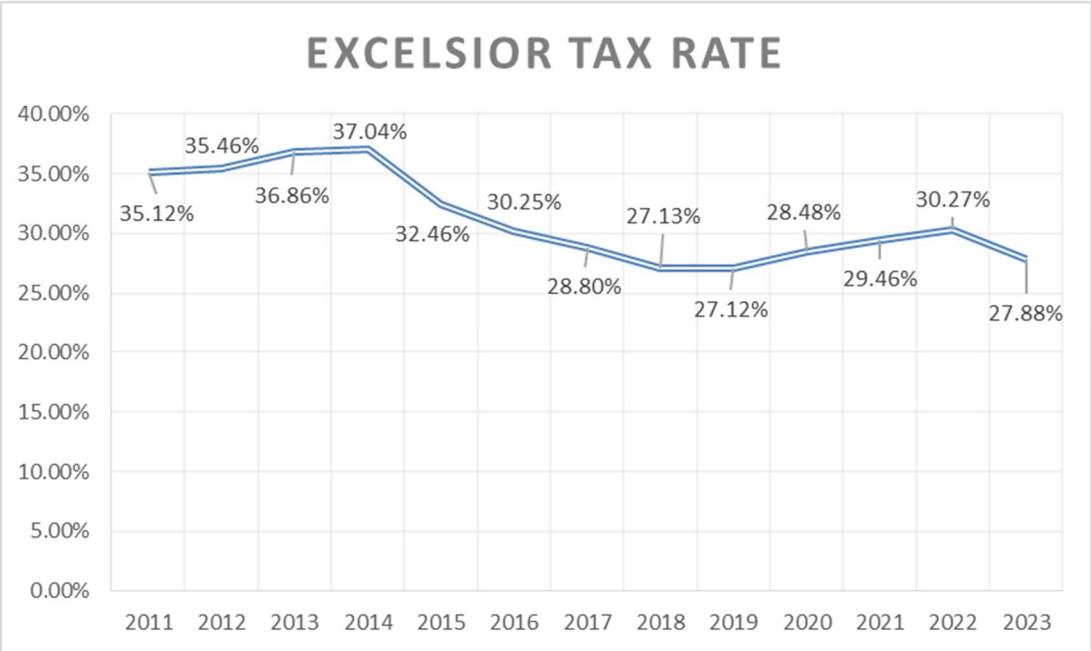
The City's proposed overall tax capacity used for calculating the property tax rate has increased approximately 17% over 2022 to \$8,183,467.

The graph below shows the increases in both the tax capacity (blue) and City levy (red) over the prior eight years, and further illustrates the relationship between the growth rates in the City's tax capacity and City levy. During the period from 2016 through 2023 the City's taxable tax capacity increased \$3,685,102, or 82% while the City's levy grew only \$924,648, or 66%.



City Tax Rate

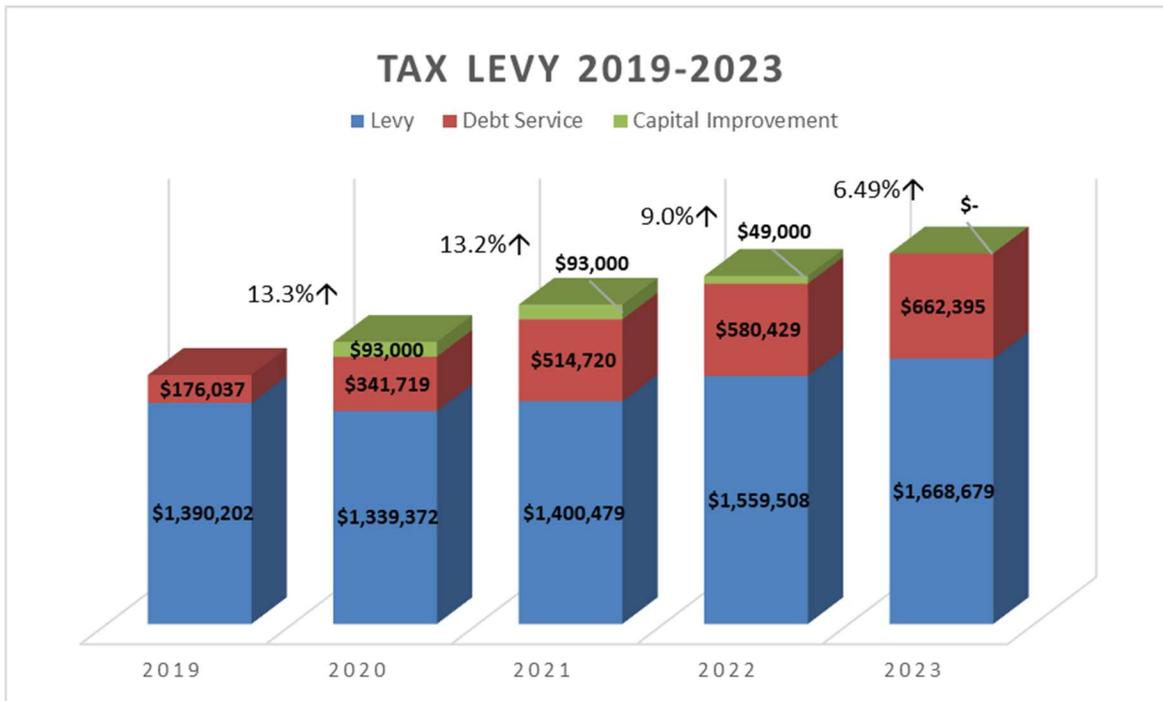
The City’s twelve-year tax rate history is presented below. The City’s tax rate has fluctuated from a high of 37.04% in 2014 to a low of 27.12% in 2019. The tax rate is decreasing in 2023 to 27.88% down from 30.27% in 2022. With property values increasing the city was able to raise the levy 6.49% while still decreasing the property tax rate. This increase will be spread over a larger tax base because of the property value increases.



General Fund Levy

The City of Excelsior relies on property tax revenue to support the City's general operations such as public safety, streets, parks, and other core general government services, as well as to service long-term debt issued to improve the City's aging streets infrastructure. In 2022, the City requires a General Revenue levy of \$1,559,508 to support the governmental activities described above and to ensure sufficient capital asset improvement and replacement reserves. The City also requires a Debt levy of \$580,429 to service the five outstanding bonds that were issued for infrastructure improvement projects.

The City's increase in the 2023 levy is 6.49% percent, or \$142,137 more than 2022's levy. With property values also increasing, the increase in the levy doesn't necessarily result in an increase in the tax rate. The City will still ultimately collect approximately \$142,137 more tax dollars; however, it will be spread over a larger tax base.



Capital Improvement Levy

There is no Capital Improvement Levy for 2023.

Debt Service Levy

The City has debt service levies related to the General Obligation bonds issued for the 2010-2011 Street Reconstruction, the 2017 Street and Utility Improvement projects, the 2019 Street and Utility Improvement project, the 2020 Street and Utility Improvement project and 2021 Street and Utility Improvement project.

In 2019, the City received a ratings upgrade from Standard and Poor's (S&P) to AAA, the City has maintained that bond rating in 2022. The City's bond rating reflects Excelsior's strong economy, management, budgetary performance and flexibility, and liquidity. Excelsior shares this highest debt rating with less than thirty other Minnesota cities, and allows the City to obtain lower interest expense, resulting in less cost the taxpayers. The City's debt levy increased from \$580,429 in 2022 to \$622,395 in 2023, an increase of \$81,966, or 14.12%, from the prior year. The increase is due to the issuance of the 2021A G.O. Bonds issued to finance the 2021 Street and Utility Project. The Debt Service portion of the levy is approximately 28.42% of the total 2023 levy.

	Components of Property Tax Levy			
	2022	2023	\$ change	% change
General Fund	\$ 1,559,508	\$ 1,668,679	\$ 109,171	7.00%
Capital Improvement	\$ 49,000	\$ -	\$ (49,000)	-100.00%
Total General Revenue	\$ 1,608,508	\$ 1,668,679	\$ 60,171	3.74%
Debt Service				
2010A	\$ 123,123	\$ 100,000	\$ (23,123)	-18.78%
2017A	\$ 118,613	\$ 80,198	\$ (38,415)	-32.39%
2019A	\$ 170,841	\$ 152,486	\$ (18,355)	-10.74%
2020A	\$ 83,900	\$ 96,635	\$ 12,735	15.18%
2021A	\$ 83,952	\$ 233,076	\$ 149,124	177.63%
Total Debt Service	\$ 580,429	\$ 662,395	\$ 81,966	14.12%
Total Levy	\$ 2,188,937	\$ 2,331,074	\$ 142,137	6.49%

Fiscal Disparities

The fiscal disparities program is a tax base sharing program where the taxing jurisdictions in the seven-county metro area contribute into an area-wide shared pool. Since 1971, forty percent of the growth in commercial and industrial property tax base has been contributed to this pool. The pool is redistributed to each taxing jurisdiction based on population and the value of the jurisdiction's property, relative to the value of the entire pool.

Fiscal Disparities, Continued

The City is a net contributor to the Fiscal Disparities program. In 2023, the City is projected to contribute \$879,637 worth of commercial/industrial tax capacity to the metro-area pool.

Local Government Aid

The City is not budgeting or assuming any Local Government Aid (LGA) will be disbursed to the City now or in the future. Previously, the City received substantial LGA in relation to the City's budget, but that ended in 2009. The City continues to explore additional revenue options and expense reductions to help offset levy increases and to fund capital improvements, since the City is no longer a recipient of LGA.

Summary of Significant Changes to the General Fund Budget

Revenues

Total General Fund revenues for 2023 are projected to be \$2,871,589. This is an increase of 7%, or \$187,855, more than the 2022 budgeted revenues. Most of this increase is due to increase in license and permit revenues due to some projected large building projects in 2023.

Property Taxes - the 2023 budget includes a \$142,137 increase to the total operating levy.

Franchise Fees - the 2023 budget includes gas franchise fee revenues. These fees are collected by the utility companies and paid to the City. These fees will continue to be \$2.50 per account per month.

Licenses and Permits – this revenue category includes items such as alcoholic beverage licenses, special event permits, building permits and multiple dwelling licenses. The 2023 revenue is being projected to increase approximately \$55,630, or 16% over 2022. Most of the revenue increase in this category is planned to come from increases in various building-type permits and parking permits.

Parking Kiosks – this budget is presented separately, the 2023 budget remains unchanged from the prior year based upon 2022 revenues.

Fines and Forfeits – the fines and forfeiture revenue classification include revenue from municipal court fines, parking meter fines, animal control fines and a portion of the DWI forfeiture proceeds received by the South Lake Minnetonka Police Department. This revenue category was decreased combined with Municipal Fines and reduced \$34,500, from the prior year to bring the budget more in line with recent years' actual results.

Rents – this category consists of water tower antenna rental and kayak rental revenue sharing from Wai Nani which was new in 2022. This revenue category was increased by \$832.

Interest Earnings – the City is attempting to budget more conservatively for interest and investment returns and included a \$5,000 increase from the prior year budget based on historical actual results from the past few years and also accounting for increasing interest rates.

Other Revenue - this revenue category includes various items such as insurance dividends, and refunds and reimbursements. This category has been decreased by \$22,230 in an effort to better categorize the "other" type revenues.

Transfers from Other Funds – the transfers revenue budget will stay the same as 2022 with a \$200,000 transfer from the Docks Fund. Council decided to use the \$100,000 transfer to the Park Capital Improvement fund to offset the wages for Assistant Public Works director whose duties will primarily be related to the park areas, and also to cover the costs of Lifeguards at the public beach.

Expenditures

Total General Fund expenditures for 2023 are projected to be \$2,871,589 which is a 7% increase over 2022 or \$187,855.

Citywide Salary/Benefit/Payroll related expenses - the 2023 budget includes a wage increase of 5.00% for all City employees, plus market rate adjustments to keep employees in line with area wages. Health insurance premiums increased 10%, and dental insurance premiums increased 7.00%. Additionally, there was \$79,000 budgeted for an additional planner position. Total General Fund payroll increases account for \$140,941.

General Government – general government makes up approximately 31% of the General Fund budget. Departments included in general government are: City Council, City Manager/Clerk, Elections, Finance, Planning and Zoning, City Administration (City Hall building maintenance and general City contracts) and Heritage Preservation. Significant changes to the General Government function include increases for wages and benefits and professional services in City Administration.

Public Safety – the public safety category of expense includes contracted police, fire and building inspection services. For 2023 Public Safety expense items make up approximately 40% of the General Fund budget.

The South Lake Minnetonka Police Department (SLMPD) has set the 2023 budget at decrease from 2022, the City Council added an additional \$4,000 for Code Enforcement and \$15,000 for Parking Enforcement for an overall decrease of (1%) or (\$6,231) over 2022.

The 2023 Excelsior Fire District (EFD) budget includes a total overall increase of 4%, or \$10,956.

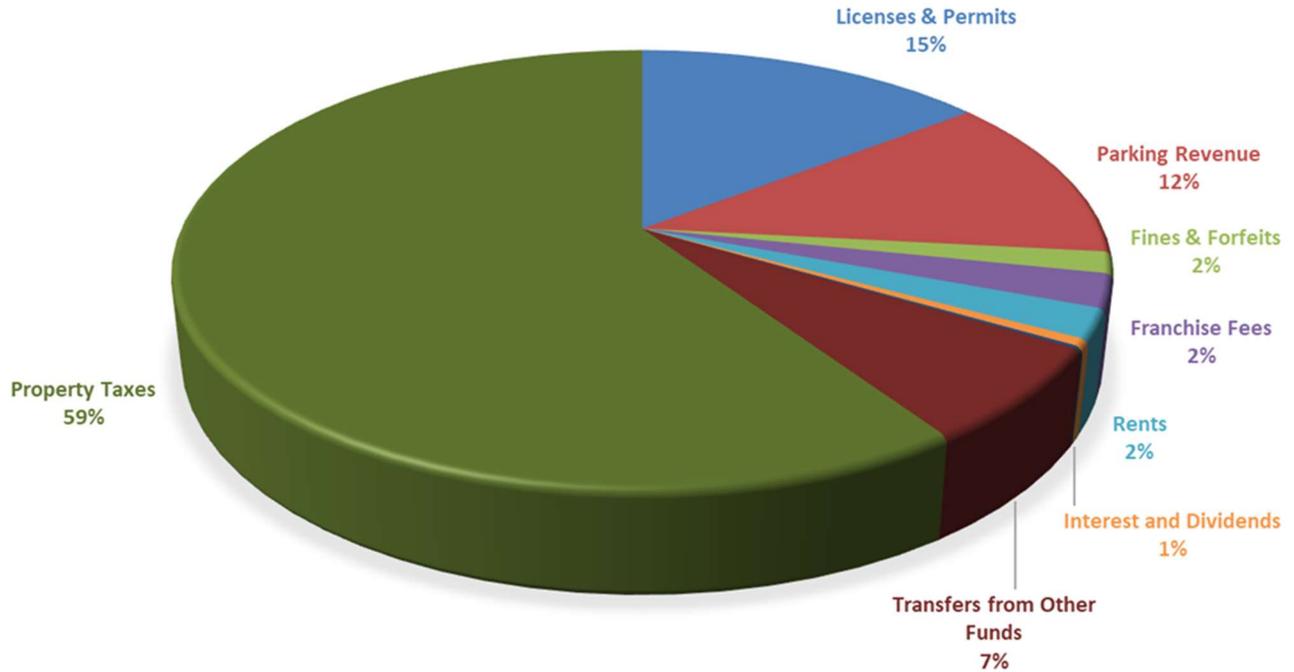
Budgeted expense for Building Inspection was not increased for 2022.

Engineering –the engineering budget was increased \$12,000 over 2022 due to additional engineering services projected in 2023 plus an 8% increase in engineering fees.

Public Works – the public works expense category accounts for 13% of the General Fund budget and includes costs related to the maintenance of the City's streets as well as general engineering fees. The streets budget increased slightly due to increased wages and increased costs for supplies and materials, as well as professional services and tree care.

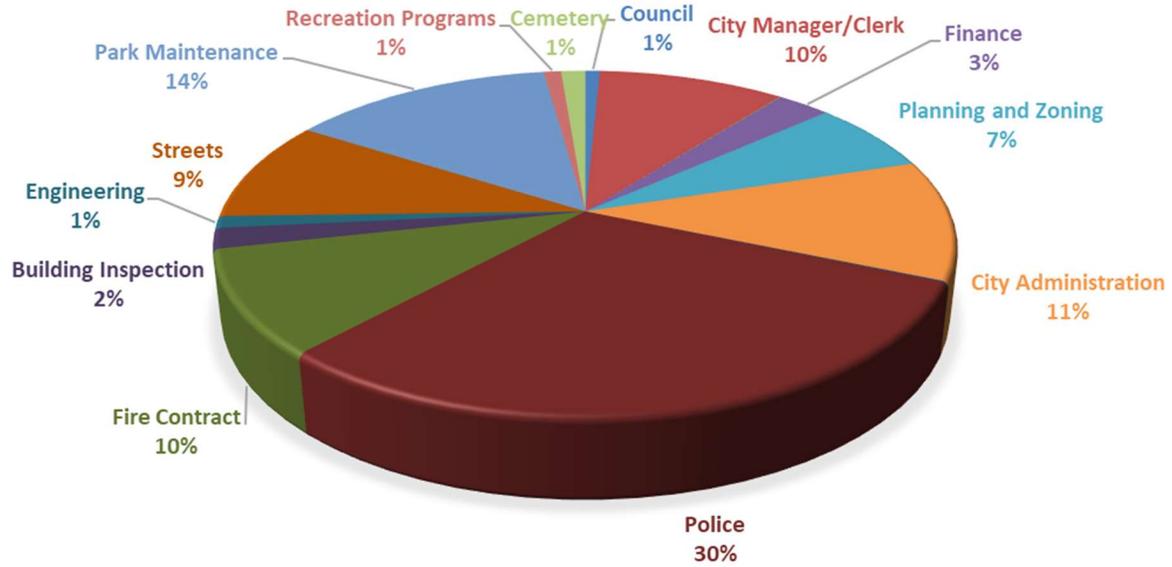
Culture and Recreation – park maintenance, recreation programs (lifeguards at the beach) and cemetery expenses are included in this category and account for 16% of the General Fund budget. The parks budget has increases in both the lifeguard and personnel related to the Assistant Public Works Director, which are offset by the transfer from the Docks Fund.

GENERAL FUND REVENUE BY SOURCE



Revenues	2022 Budget	2023 Budget	\$ Chg vs. 2022	% Chg vs 2022
Licenses & Permits	\$ 361,030	\$ 416,660	\$ 55,630	15.41%
Parking Revenue	\$ 350,000	\$ 350,000	\$ -	0.00%
Fines & Forfeits	\$ 79,500	\$ 45,000	\$ (34,500)	-43.40%
Franchise Fees	\$ 70,750	\$ 70,750	\$ -	0.00%
Rents	\$ 61,668	\$ 62,500	\$ 832	1.35%
Interest and Dividends	\$ 10,000	\$ 15,000	\$ 5,000	50.00%
Other	\$ 27,380	\$ 5,000	\$ (22,380)	-81.74%
Transfers from Other Funds	\$ 200,000	\$ 200,000	\$ -	0.00%
Property Taxes	\$ 1,523,406	\$ 1,706,679	\$ 183,273	12.03%
	\$ 2,683,734	\$ 2,871,589	\$ 187,855	7.00%

GENERAL FUND EXPENDITURES BY FUNCTION



Expenses	2022 Budget	2023 Budget	\$ Chg vs. 2021	% Chg vs 2021
Council	\$ 20,741	\$ 21,661	\$ 920	4.44%
City Manager/Clerk	\$ 254,267	\$ 280,914	\$ 26,647	10.48%
Elections	\$ 7,000	\$ 1,000	\$ (6,000)	-85.71%
Finance	\$ 72,672	\$ 80,650	\$ 7,978	10.98%
Planning and Zoning	\$ 108,268	\$ 192,949	\$ 84,681	78.21%
City Administration	\$ 303,185	\$ 323,738	\$ 20,553	6.78%
Heritage Preservation	\$ 2,800	\$ 2,800	\$ -	0.00%
Police	\$ 877,924	\$ 871,693	\$ (6,231)	-0.71%
Fire Contract	\$ 267,684	\$ 278,640	\$ 10,956	4.09%
Building Inspection	\$ 55,000	\$ 55,000	\$ -	0.00%
Engineering	\$ 20,000	\$ 32,000	\$ 12,000	60.00%
Streets	\$ 249,841	\$ 271,546	\$ 21,705	8.69%
Park Maintenance	\$ 393,341	\$ 396,528	\$ 3,187	0.81%
Recreation Programs	\$ 21,000	\$ 26,000	\$ 5,000	0.00%
Cemetery	\$ 30,011	\$ 36,470	\$ 6,459	21.52%
	\$ 2,683,734	\$ 2,871,589	\$ 187,855	7.00%

CITY OF EXCELSIOR
2023 BUDGET
General Fund Expenditures by Department

	2019 ACTUAL	2020 ACTUAL	2021 ACTUAL	2022 BUDGET	2022 YTD	2023 Budget	Dollar Change	Percent Change
GENERAL FUND								
COUNCIL								
Wages and Benefits	13,779	12,651	14,210	14,211	7,105	14,211	-	0%
Professional Services	5,699	21,370	1,970	1,000	600	500	(500)	-100%
Education and Training	255	272	951	530	521	-	(530)	0%
Community Events and Support	6,560	6,900	8,049	5,000	4,700	6,950	1,950	28%
Total Council	26,293	41,193	25,181	20,741	12,926	21,661	920	4%
CITY MANAGER/CITY CLERK								
Wages and Benefits	109,819	125,355	164,764	247,167	154,355	274,314	27,147	10%
Education and Training	4,964	2,298	3,938	7,100	3,780	6,600	(500)	-8%
Total City Manager/City Clerk	114,783	127,653	168,702	254,267	158,135	280,914	26,647	9%
ELECTIONS								
Election Judge Pay	-	2,000	-	3,000	1,137	-	(3,000)	0%
Operating Supplies	970	6,987	925	3,400	265	700	(2,700)	-386%
Repairs and Maintenance	-	-	994	600	74	300	(300)	-100%
Total Elections	970	8,987	1,920	7,000	1,476	1,000	(6,000)	-600%
FINANCE								
Wages and Benefits	74,513	46,905	84,067	71,212	45,251	77,990	6,778	15%
Professional Services	-	-	-	-	-	-	-	0%
Education and Training	1,005	358	1,325	1,460	1,128	2,660	1,200	106%
Total Finance	75,518	47,263	85,393	72,672	46,378	80,650	7,978	17%
PLANNING AND ZONING								
Wages and Benefits	79,014	83,867	72,592	93,668	61,938	178,349	84,681	47%
Professional Services	15,062	1,600	77,638	10,000	5,600	10,000	-	0%
Education and Training	1,134	340	12,255	3,700	195	3,700	-	0%
Meeting Expense (Taping Meetings)	730	146	68	900	-	900	-	0%
Total Planning and Zoning	95,940	85,953	162,553	108,268	67,732	192,949	84,681	44%
CITY ADMINISTRATION								
Operating Supplies	26,773	27,454	25,801	30,650	19,200	28,000	(2,650)	-9%
Professional Services	246,086	231,502	247,982	150,280	127,795	169,000	18,720	11%
Utilities	55,858	48,373	43,737	67,600	34,698	62,700	(4,900)	-8%
Repair and Maintenance	15,859	11,003	9,499	12,000	7,369	13,500	1,500	11%
Other Services and Charges	44,201	39,380	53,761	39,655	32,968	47,538	7,883	17%
Capital Outlay	4,577	1,935	3,429	3,000	1,749	3,000	-	0%
Total City Administration	393,354	361,426	384,209	303,185	223,780	323,738	20,553	6%
HERITAGE PRESERVATION								
Education and Training	10,782	17,145	9,143	2,800	15,201	2,800	-	0%
Total Heritage Preservation	10,782	17,145	9,143	2,800	15,201	2,800	-	0%
POLICE								
Contracted Services	717,825	725,344	752,048	803,678	669,646	871,693	68,015	8%
Debt Service	69,477	14,878	71,898	74,246	55,685	-	(74,246)	0%
Total Police	787,302	740,222	823,946	877,924	725,330	871,693	(6,231)	-1%
FIRE CONTRACT								
Contracted Services	153,835	138,486	253,228	171,264	134,842	278,640	107,376	39%
Debt Service	69,266	94,414	-	96,420	-	-	(96,420)	0%
Total Fire Contract	223,101	232,900	253,228	267,684	134,842	278,640	10,956	4%

CITY OF EXCELSIOR
2023 BUDGET
General Fund Expenditures by Department

	2019 ACTUAL	2020 ACTUAL	2021 ACTUAL	2022 BUDGET	2022 YTD	2023 BUDGET	Dollar Change	Percent Change
<u>BUILDING INSPECTION</u>								
Professional Services	86,935	62,124	52,696	55,000	25,097	55,000	-	0%
<u>ENGINEERING</u>								
Professional Services	23,800	29,568	25,897	20,000	24,409	32,000	12,000	38%
<u>STREETS</u>								
Wages and Benefits	124,186	121,138	130,891	152,381	101,336	161,336	8,955	6%
Operating Supplies	45,991	64,953	40,519	48,800	30,510	54,700	5,900	11%
Professional Services	5,982	3,298	3,811	5,940	4,308	6,310	370	6%
Education and Training	436	335	342	600	569	1,000	400	40%
Utilities	6,676	11,094	16,338	12,900	22,922	13,500	600	4%
Repair and Maintenance	9,281	5,565	12,306	9,220	22,117	14,700	5,480	37%
Tree Care	19,930	17,167	13,405	20,000	6,205	20,000	-	0%
Capital Outlay	-	-	-	-	190	-	-	-
Total Streets	212,482	223,550	217,611	249,841	188,157	271,546	21,705	8%
<u>PARK MAINTENANCE</u>								
Wages and Benefits	155,569	159,312	164,175	262,527	125,533	298,748	36,221	12%
Operating Supplies	26,901	27,902	17,791	19,300	16,402	25,900	6,600	25%
Professional Services	16,042	19,777	32,237	22,100	19,238	28,630	6,530	23%
Education and Training	1,232	505	286	500	338	500	-	0%
Utilities	10,528	12,148	12,506	10,600	10,758	12,600	2,000	16%
Repair and Maintenance	10,981	6,801	10,539	10,300	6,479	10,150	(150)	-1%
Tree Care	-	4,626	11,359	15,000	13,080	20,000	5,000	25%
Capital Outlay	15,286	-	-	-	-	-	-	-
Total Park Maintenance	236,539	231,071	248,892	340,327	191,827	396,528	56,201	14%
<u>RECREATION</u>								
Lifeguards	24,123	-	-	20,000	-	25,000	5,000	20%
Concerts in the Park	8,937	385	363	1,000	390	1,000	-	0%
Concession Stand	-	-	-	-	-	-	-	-
Total Recreation	33,060	385	363	21,000	390	26,000	5,000	19%
<u>CEMETERY</u>								
Wages and Benefits	20,797	20,360	22,387	27,911	18,104	32,070	4,159	15%
Operating Supplies	1,712	2,282	104	1,600	915	2,600	1,000	63%
Professional Services	-	-	-	500	980	1,800	1,300	260%
Capital Outlay	-	-	-	-	-	-	-	0%
Total Cemetery	22,509	22,642	22,490	30,011	19,999	36,470	6,459	22%
TOTAL GENERAL FUND	2,343,368	2,232,082	2,482,225	2,630,720	1,835,681	2,871,589	240,869	9.2%

Special Revenue Funds

Parking Lot Maintenance Fund

The City of Excelsior operates a special revenue fund for parking lot maintenance. The parking lot maintenance fund was established to set aside funding for the maintenance and improvement of City-owned parking lots in Excelsior. The maintenance and improvement of these lots is funded through surcharges to commercial businesses in Excelsior as well as parking surcharges to the charter boat companies who operate out of the Port of Excelsior. These businesses utilize City parking lots to a large degree, and therefore are charged to help pay for the costs of maintaining the lots.

**CITY OF EXCELSIOR
2023 Budget
Parking Lot Maintenance Fund**

	2019 Actual	2020 Actual	2021 Actual	2022 Budget	09.30.22 YTD	2023 Budget	Percent Change	Dollar Change
Revenue								
Charges for Services	15,669	793	18,384	107,063	101,748	60,000	-43.96%	(47,063)
Interest Earnings	5,875	4,694	(251)	-	-	-	0.00%	-
Other Revenue	27,998	20,126	-	-	1,508	-	0.00%	-
	<u>49,542</u>	<u>25,613</u>	<u>18,133</u>	<u>107,063</u>	<u>103,257</u>	<u>60,000</u>	<u>-43.96%</u>	<u>(47,063)</u>
Expenses								
Personnel	24,212	20,393	21,945	23,152	17,110	26,125	12.84%	2,973
Supplies	-	4,041	232	250	3,853	3,800	1420.00%	3,550
Other Charges & Services	-	3,259	3,913	3,650	1,673	1,920	-47.40%	(1,730)
Transfers Out	-	200,000	-	-	-	-	0.00%	-
	<u>24,212</u>	<u>227,693</u>	<u>26,090</u>	<u>27,052</u>	<u>22,636</u>	<u>31,845</u>	<u>17.72%</u>	<u>4,793</u>
Change in Net Position	25,330	(202,080)	(7,959)	80,011	80,620	28,155		
Beginning Fund Balance	\$ 220,731	\$ 246,061	\$ 43,981	\$ 36,022	\$ 36,022	\$ 116,033		
Ending Fund Balance	\$ 246,061	\$ 43,981	\$ 36,022	\$ 116,033	\$ 116,642	\$ 144,188		

The Commons—Sales Tax Improvements Fund

The City of Excelsior was granted approval for a local 0.5% sales tax during 2019. The sales tax receipts must only be used on capital improvements that are included in The Commons Master Park Plan with a maximum collection of \$7 million. These revenues began being received in November of 2019 and all sales tax receipts will remain segregated in this fund. These funds were used to construct the music pavilion in 2021 and in 2022 the City bonded against the remaining \$5.5 million dollars. Those funds are currently being used to construct the concession stand in The Commons Park.

CITY OF EXCELSIOR								
2023 Budget								
The Commons--Sales Tax Improvements Fund								
REVENUE	2019 BUDGET	2020 ACTUAL	2021 ACTUAL	2022 BUDGET	11.30.22 YTD	2023 BUDGET		
SALES TAX RECEIPTS	56,967	701,342	806,302	750,000	998,227	750,000	0.00%	-
INTEREST EARNINGS		7,604	(2,923)	2,000	-	2,000	0.00%	-
PROCEEDS-GEN OBLIGATION BOND				5,500,000				(5,500,000)
	<u>56,967</u>	<u>708,946</u>	<u>803,379</u>	<u>6,252,000</u>	<u>998,227</u>	<u>752,000</u>	-731.38%	(5,500,000)
EXPENSE	2019 BUDGET	2020 ACTUAL	2021 ACTUAL	2022 BUDGET				
PROFESSIONAL SERVICES	-	-	-	1,700,000	1,452,203	1,700,000	0.00%	-
ENGINEERING FEES	-	-	-	100,000	63,738	100,000	0.00%	-
ADMINISTRATIVE SERVICES		8,616	77,797	-	15,438	-		
CAPITAL OUTLAY			1,004,696	-	29,392	-		
TOTAL	<u>-</u>	<u>8,616</u>	<u>1,082,493</u>	<u>1,800,000</u>	<u>1,560,772</u>	<u>1,800,000</u>	0.00%	-
NET CHANGE IN FUND BALANCE	56,967	700,330	(279,114)	4,452,000	(562,545)	(1,048,000)		
BEGINNING FUND BALANCE	-	56,967	757,297	478,183	4,930,183	4,930,183		
ENDING FUND BALANCE	56,967	757,297	478,183	4,930,183	4,367,638	3,882,183		

Debt Service Funds

2010A G.O. Bonds

The City has a fund to account for the street portion of the 2010A General Obligation Improvement Bonds which were used to fund the 2010 and 2011 Street Reconstruction Projects. These bonds are being paid back through special assessments and levied taxes.

REVENUE

	2019 <u>ACTUAL</u>	2020 <u>ACTUAL</u>	2021 <u>ACTUAL</u>	2022 <u>BUDGET</u>	09.30.22 <u>YTD</u>	2023 <u>BUDGET</u>		
CURRENT AD VALOREM TAXES	100,000	100,000	100,000	100,000	61,562	100,000	0.00%	-
FEDERAL GRANTS AND AID (BAB INTEREST)	10,638	5,191	13,304	8,111	7,649	7,500	-10.08%	(1,192)
SPECIAL ASSESS REC - DEFERRED	10,000	7,686	7,071	10,000	2,844	10,000	31.56%	2,399
SPECIAL ASSESS REC - DELINQUENT	-	-	-	-	-	-	-100.00%	(269)
SPECIAL ASSESS REC - PREPAYS	-	-	-	-	-	-	-100.00%	(2,129)
INTEREST EARNINGS	500	1,077	(201)	800	-	800	-15.40%	(91)
TRANSFER FROM OTHER FUNDS	14,400	-	-	-	-	-		14,400
	<u>135,538</u>	<u>113,954</u>	<u>120,174</u>	<u>118,911</u>	<u>72,055</u>	<u>118,300</u>	10.72%	13,118

EXPENSE

	2019 <u>ACTUAL</u>	2020 <u>ACTUAL</u>	2021 <u>ACTUAL</u>	2022 <u>BUDGET</u>	09.30.22 <u>YTD</u>	2023 <u>BUDGET</u>		
DEBT SERVICE PRINCIPAL	95,926	98,518	98,518	101,110	101,110	106,296	2.78%	2,593
BOND INTEREST	33,153	29,749	28,738	22,012	22,012	17,731	-8.38%	(3,030)
FISCAL AGENT'S FEES	900	1,155	1,100	650	-	1,000	-70.24%	(2,124)
OPERATING TRANSFERS	-	-	-	-	-	-	-100.00%	(80,000)
TOTAL	<u>129,979</u>	<u>129,422</u>	<u>128,356</u>	<u>123,772</u>	<u>123,123</u>	<u>125,027</u>	-38.85%	(82,561)

NET CHANGE IN FUND BALANCE	5,559	(15,468)	(8,182)	(4,861)	-	(6,727)		
BEGINNING FUND BALANCE	68,586	61,542	46,074	37,892	-	33,031		
ENDING FUND BLANCE	74,145	46,074	37,892	33,031	-	26,304		

2017A G.O. Bonds

The City has a fund to account for the street portion of the 2017A General Obligation Improvement Bonds which were used to fund the 2017 Street and Utility Improvement Project. These bonds are being paid back through special assessments and levied taxes.

REVENUE

	2019 <u>BUDGET</u>	2020 <u>BUDGET</u>	2021 <u>ACTUAL</u>	2022 <u>BUDGET</u>	09.30.22 <u>YTD</u>	2023 <u>BUDGET</u>
CURRENT AD VALOREM TAXES	76,037	78,767	76,089	78,662	59,306	80,198
SPECIAL ASSESS REC - DEFERRED	38,000	50,977	42,553	49,000	20,752	45,000
SPECIAL ASSESS REC - DELINQUENT	-	-	648			
SPECIAL ASSESS REC - PREPAYS	-	-	18,875		613	
INTEREST EARNINGS	-	3,890	(854)	800	800	800
TRANSFER FROM OTHER FUNDS	13,100	-	-			
	<u>127,137</u>	<u>133,634</u>	<u>137,312</u>	<u>128,462</u>	<u>81,471</u>	<u>125,998</u>

EXPENSE

	2019 <u>BUDGET</u>	2020 <u>BUDGET</u>	2021 <u>ACTUAL</u>	2022 <u>BUDGET</u>	09.30.22 <u>YTD</u>	2023 <u>BUDGET</u>
DEBT SERVICE PRINCIPAL	80,000	80,000	85,000	85,000	85,000	90,000
BOND INTEREST	41,038	38,684	37,612	33,613	33,612	30,988
FISCAL AGENT'S FEES	900	500	-		1,800	
OPERATING TRANSFERS	-	-	-			
TOTAL	<u>121,938</u>	<u>119,184</u>	<u>122,612</u>	<u>118,613</u>	<u>120,412</u>	<u>120,988</u>

NET CHANGE IN FUND BALANCE	5,200	14,450	14,700	9,849	-	5,010
BEGINNING FUND BALANCE	160,804	178,551	193,001	207,701	-	217,549
ENDING FUND BLANCE	166,004	193,001	207,701	217,549	-	222,559

2019A G.O. Bonds

The City has a fund to account for the street portion of the 2019A General Obligation Improvement Bonds which were used to fund the 2019 Street and Utility Improvement Project. These bonds are being paid back through special assessments and levied taxes.

REVENUE

	<u>2019 BUDGET</u>	<u>2020 ACTUAL</u>	<u>2021 ACTUAL</u>	<u>2022 BUDGET</u>	<u>09.30.22 YTD</u>	<u>2023 BUDGET</u>
CURRENT AD VALOREM TAXES		162,952	164,898	155,906	84,420	152,486
SPECIAL ASSESS REC - DEFERRED		54,961	16,690	16,000	6,708	15,000
SPECIAL ASSESS REC - DELINQUENT		-	-			
SPECIAL ASSESS REC - PREPAYS		-	34,809			
INTEREST EARNINGS		1,088	(929)			
TRANSFER FROM OTHER FUNDS		-	-			
	-	219,001	215,468	171,906	91,128	167,486

EXPENSE

	<u>2019 BUDGET</u>	<u>2020 ACTUAL</u>	<u>2021 ACTUAL</u>	<u>2022 BUDGET</u>	<u>09.30.22 YTD</u>	<u>2023 BUDGET</u>
DEBT SERVICE PRINCIPAL		-	45,000	95,000	95,000	95,000
BOND INTEREST		70,067	79,483	75,840	75,840	71,090
FISCAL AGENT'S FEES		500	-			
OPERATING TRANSFERS		-	-			
TOTAL	-	70,567	124,483	170,840	170,840	166,090

NET CHANGE IN FUND BALANCE	-	148,434	90,985	1,066	-	1,396
BEGINNING FUND BALANCE	-	-	148,434	239,418	-	240,484
ENDING FUND BLANCE	-	148,434	239,418	240,484	-	241,880

2020A G.O. Bonds

The City has a fund to account for the street portion of the 2020A General Obligation Improvement Bonds which were used to fund the 2020 Street and Utility Improvement Project. These bonds are being paid back through special assessments and levied taxes.

REVENUE

	<u>2019 BUDGET</u>	<u>2020 BUDGET</u>	<u>2021 ACTUAL</u>	<u>2022 BUDGET</u>	<u>09.30.22 YTD</u>	<u>2023 BUDGET</u>
CURRENT AD VALOREM TAXES			89,040	89,040	41,950	96,635
SPECIAL ASSESS REC - DEFERRED			-	-		
SPECIAL ASSESS REC - DELINQUENT			-			
SPECIAL ASSESS REC - PREPAYS			-			
INTEREST EARNINGS			(113)			
TRANSFER FROM OTHER FUNDS			-			
	-	-	88,927	89,040	41,950	96,635

EXPENSE

	<u>2019 BUDGET</u>	<u>2020 BUDGET</u>	<u>2021 ACTUAL</u>	<u>2022 BUDGET</u>	<u>09.30.22 YTD</u>	<u>2023 BUDGET</u>
DEBT SERVICE PRINCIPAL			-	45,000	45,000	55,000
BOND INTEREST			41,458	38,900	38,900	36,900
FISCAL AGENT'S FEES			-	1,000	1,000	1,000
OPERATING TRANSFERS			-			
TOTAL	-	-	41,458	84,900	84,900	92,900

NET CHANGE IN FUND BALANCE	-	-	47,469	4,140		3,735
BEGINNING FUND BALANCE	-	-	-	47,469	-	51,609
ENDING FUND BLANCE	-	-	47,469	51,609	-	55,344

2021A G.O. Bonds

The City has a fund to account for the street portion of the 2020A General Obligation Improvement Bonds which were used to fund the 2020 Street and Utility Improvement Project. These bonds are being paid back through special assessments and levied taxes.

REVENUE

	<u>2019 BUDGET</u>	<u>2020 BUDGET</u>	<u>2021 ACTUAL</u>	<u>2022 BUDGET</u>	<u>09.30.22 YTD</u>	<u>2023 BUDGET</u>
CURRENT AD VALOREM TAXES			88,532	215,128	41,976	233,076
SPECIAL ASSESS REC - DEFERRED			-	-		
SPECIAL ASSESS REC - DELINQUENT			-			
SPECIAL ASSESS REC - PREPAYS			7,640			
INTEREST EARNINGS			(230)			
TRANSFER FROM OTHER FUNDS		-	-			
	-	-	95,942	215,128	41,976	233,076

EXPENSE

	<u>2019 BUDGET</u>	<u>2020 BUDGET</u>	<u>2021 ACTUAL</u>	<u>2022 BUDGET</u>	<u>09.30.22 YTD</u>	<u>2023 BUDGET</u>
DEBT SERVICE PRINCIPAL		-	-	-		120,000
BOND INTEREST			-	107,782	107,907	110,455
FISCAL AGENT'S FEES			-			
OPERATING TRANSFERS			-			
TOTAL	-	-	-	107,782	107,907	230,455

NET INCOME (LOSS)	-	-	95,942	107,346	-	2,621
BEGINNING FUND BALANCE	-	-	-	95,942	-	203,288
ENDING FUND BLANCE	-	-	95,942	203,288	-	205,909

2022A G.O. SALES TAX REVENUE BONDS

In The City has a fund to account for the debt service payments for the 2022 General Obligation Sales Tax Revenue bonds which are used to fund projects in The Commons Park Master Park Plan. These bonds are being paid back through local option sales tax dollars.

REVENUE

	<u>2019 BUDGET</u>	<u>2020 BUDGET</u>	<u>2021 ACTUAL</u>	<u>2022 BUDGET</u>	<u>09.30.22 YTD</u>	<u>2023 BUDGET</u>
CURRENT AD VALOREM TAXES						750,000
SPECIAL ASSESS REC - DEFERRED						
SPECIAL ASSESS REC - DELINQUENT						
SPECIAL ASSESS REC - PREPAYS						
INTEREST EARNINGS						
TRANSFER FROM OTHER FUNDS						
	-	-		215,128	41,976	750,000

EXPENSE

	<u>2019 BUDGET</u>	<u>2020 BUDGET</u>	<u>2021 ACTUAL</u>	<u>2022 BUDGET</u>	<u>09.30.22 YTD</u>	<u>2023 BUDGET</u>
DEBT SERVICE PRINCIPAL						565,000
BOND INTEREST						80,551
FISCAL AGENT'S FEES						
OPERATING TRANSFERS						
TOTAL	-	-	-	-	-	645,551

NET INCOME (LOSS) 104,449

BEGINNING FUND BALANCE -

ENDING FUND BLANCE 104,449

Capital Project Funds

The City of Excelsior has three capital project funds including the Park Improvement Fund, Tax Increment Financing District (TIF) District 2-1 and the Capital Improvement Fund.

Park Improvement Fund

This fund is designated to set aside funding for park improvements such as playground equipment and upgrades to the City's parks. The fund's main source of revenue is from transfers from other funds. This fund also receives 10% of the proceeds of the Minnetonka Youth Hockey Association's pull tab business located at Haskell's and from the Excelsior Lake Minnetonka Rotary Club's pull tab operations at Maynard's. That item is listed as charitable gambling donations. The 2023 revenues also include revenues for a winter charter boat storage lease.

Expenses include improvements to area parks.

<u>REVENUE</u>	2019 <u>ACTUAL</u>	2020 <u>ACTUAL</u>	2021 <u>ACTUAL</u>	2022 <u>BUDGET</u>	09.30.22 <u>YTD</u>	2023 <u>BUDGET</u>
GRANT REVENUE	16,000	-	-	-	-	-
HENN COUNTY PARK GRANT - PHASE	-	-	-	-	-	-
HENN COUNTY PARK GRANT - PHASE	-	-	-	-	-	-
HENN COUNTY PARK GRANT - PHASE	-	-	-	-	-	-
PARK DEDICATION FEE	-	-	172,000	-	-	-
INTEREST EARNINGS	2,000	11,115	(2,695)	-	-	-
WINTER CHARTER BOAT LEASE	-	-	-	-	-	18,144
CHARITABLE GAMBLING DONATIONS	7,500	8,233	22,035	6,700	11,131	15,000
TRANSFER FROM OTHER FUND	100,000	100,000	100,000	-	312,386	-
TOTAL	125,500	119,348	291,340	6,700	323,517	33,144

<u>EXPENSE</u>	2019 <u>ACTUAL</u>	2020 <u>ACTUAL</u>	2021 <u>ACTUAL</u>	2022 <u>BUDGET</u>	09.30.22 <u>YTD</u>	2023 <u>BUDGET</u>
PROFESSIONAL SERVICES	25,000	144,207	203,495	-	199,178	-
ENGINEERING FEES	-	-	-	-	1,438	-
PROFESSIONAL SERVICES-OTHER	-	-	-	-	9,950	-
PHASE I - POLLUTION REMEDIATION	-	-	-	-	-	-
PHASE II - SOILS REMEDIATION	-	-	-	-	-	-
PHASE III - ADD SOILS REMEDIATION	-	-	-	-	-	-
IMPROVEMENTS OTHER THAN BLDGS	20,000	-	-	25,000	-	25,000
IMPROVEMENTS - PLAYGROUND EQUI	-	-	-	-	-	-
IMPROVEMENTS - CHARITABLE GAMB	50,000	-	-	-	-	-
TRANSFERS TO OTHER FUNDS	-	-	-	-	-	-
TOTAL	95,000	144,207	203,495	25,000	210,565	25,000

NET INCOME (LOSS)	30,500	(24,859)	87,845	(18,300)	-	8,144
BEGINNING FUND BALANCE	403,235	530,592	505,733	593,578	593,578	575,278
ENDING FUND BLANCE	433,735	505,733	593,578	575,278	575,278	583,422

TIF District 2-1 Fund

The City of Excelsior certified TIF District 2-1, for The Waters Assisted Living project at 723 Water Street in 2018 and the fund began receiving increment in 2020. Revenues from this fund come from TIF increment which is received through the City's property tax settlements. Ninety-seven percent of this revenue is turned over to the developer to cover the costs of the improvements made to the parcel, as outlined in the TIF agreement. The remaining three percent remains with the City to cover administrative expenses associated with the TIF district.

REVENUE	2019 <u>ACTUAL</u>	2020 <u>ACTUAL</u>	2021 <u>ACTUAL</u>	2022 <u>BUDGET</u>	09.30.22 <u>YTD</u>	2023 <u>BUDGET</u>
TIF REVENUE PROJECT #1-2	-	202,910	208,329	208,329	105,702	208,329
INTEREST EARNINGS	-	1,100	(521)	100	-	-
TRANSFER FROM GENERAL FUND	-	-	-	-	-	-
TOTAL	-	204,010	207,808	208,429	105,702	208,329

EXPENSE	2019 <u>BUDGET</u>	2020 <u>ACTUAL</u>	2021 <u>ACTUAL</u>	2022 <u>BUDGET</u>	09.30.22 <u>YTD</u>	2023 <u>BUDGET</u>
PROFESSIONAL SERVICES	-	-	-	-	-	-
ADMINISTRATIVE SERVICES	-	-	-	-	3,287	3,300
PRINTING & PUBLISHING	-	-	-	-	-	-
MISCELLANEOUS	539	-	-	-	-	-
CAPITAL OUTLAY	-	-	-	-	-	-
OPERATING TRANSFERS	-	197,323	202,444	202,079	203,936	202,079
TOTAL	539	197,323	202,444	202,079	207,223	205,379

NET INCOME (LOSS)	(539)	6,687	5,364	6,350		2,950
BEGINNING FUND BALANCE	-	(539)	6,148	11,512		17,862
ENDING FUND BLANCE	(539)	6,148	11,512	17,862		20,812

Capital Improvement Fund

This fund accounts for all non-park related major capital projects that occur within the City.

The City's Capital Improvement Fund budget incorporates expenditure estimates for equipment and minor projects related the park and public works departments of the General Fund. Some expenses included are crack sealing \$100,000, mower with snow removal attachment \$60,000, salt storage \$75,000 and tree maintenance \$60,000.

REVENUE	2019 <u>ACTUAL</u>	2020 <u>ACTUAL</u>	2021 <u>ACTUAL</u>	2022 <u>BUDGET</u>	09.30.22 <u>YTD</u>	2023 <u>BUDGET</u>
CURRENT AD VALOREM	-	93,000	93,000	98,000	24,500	-
COUNTY GRANTS AND AID	-	32,000	63,472			-
ARPA		-	-	127,860	127,860	-
PARKING IMPACT FEE	26,000	25	-	26,000	66,000	26,000
SPECIAL ASSESSMENTS - CURRENT	25,000	26,526	16,128	10,000	13,271	10,000
SPECIAL ASSESSMENTS - DELINQUENT		295	13,307	10,000		5,000
SPECIAL ASSESSMENTS - PREPAYS	10,000	3,063	5,590	-	25,245	10,000
MISCELLANEOUS REVENUE	-	-	14,472	5,000	993,495	2,000,000
INTEREST EARNINGS	16,000	72,140	(7,530)	5,000		5,000
REFUNDS & REIMBURSEMENTS	-	3,389	2,140	2,000		2,000
TRANSFER FROM OTHER FUND	199,384	200,000	-			
RENT - FIRE HALL	28,000	22,878	28,122	28,122	26,860	-
RENT - LIBRARY	-	2,557	-			-
RENT - 810 EXCELSIOR BLVD	-	24,118	12,286	12,286	3,586	-
PROCEEDS-GEN OBLIGATION BONDS	2,100,000	1,445,000	4,030,000	-		
PREMIUMS ON BONDS SOLD		131,245	362,371	-		
TOTAL	2,404,634	2,056,235	4,633,358	324,268	1,280,816	2,058,000
EXPENSE	2019 <u>ACTUAL</u>	2020 <u>ACTUAL</u>	2021 <u>ACTUAL</u>	2022 <u>BUDGET</u>	11.30.22 <u>YTD</u>	2023 <u>BUDGET</u>
PROFESSIONAL SERVICES	-	19,450	50,690	30,000	31,126	30,000
ENGINEERING FEES	504,000	787,107	778,004	375,000	372,763	100,000
CAPITAL OUTLAY	750,000	1,836,048	3,353,904	1,400,000	1,349,845	462,700
BUILDINGS AND STRUCTURES	1,200,000	-	-	15,000	15,479	2,000,000
IMPROVEMENTS OTHER THAN BUILDINGS		24,960	10,355	8,800	8,800	
OTHER EQUIPMENT (STREETS & PARK	115,286	-	19,349	35,000	34,259	
BOND ISSUANCE COSTS	65,000	45,155	86,530			
TOTAL	2,681,786	2,734,656	4,323,749	1,863,800	1,812,272	2,592,700
NET INCOME (LOSS)	(277,152)	(678,420)	309,609	(1,539,532)		(534,700)
BEGINNING FUND BALANCE	2,640,749	3,876,812	3,198,392	3,508,000		1,968,469
ENDING FUND BLANCE	2,363,597	3,198,392	3,508,000	1,968,469		1,433,769

Enterprise Funds

The City of Excelsior operates five enterprise funds including the Water Fund, Sewer Fund, Surface Water Management Fund, Street Lighting Fund, and the Docks Fund (leased, public and residential docks).

Water Fund

The City's Water Fund accounts for activities associated with the distribution of City water. Revenues primarily come from charges for services to the residents who utilize City water. For 2023 there is a budgeted increase to the rates charged for water usage of \$0.44 per 1,000 gallons of water, plus \$3.02 increase in the water base charge per quarter, resulting in an estimated \$38.48 annual increase in water charges for an average residential account.

There are no major capital improvement projects scheduled for the water fund in 2023. Some of the minor projects include continuing with the water meter replacement program with Ferguson, minor updates to the water plant, mixer for water tower and cleaning the tower.

CITY OF EXCELSIOR 2023 BUDGET Water Fund								
	2019 Actual	2020 Actual	2021 Actual	2022 Budget	09.30.22 YTD	2023 Budget	Percent Change	Dollar Change
Revenue								
Charges for Services	747,977	774,938	806,634	762,215	649,336	810,500	5.96%	48,285
Interest Earnings	28,486	26,207	(4,559)	6,500	6,253	8,000	18.75%	1,500
Other Revenue	21	1,671	10,933	9,700	18,263	9,000	-7.78%	(700)
Transfer from Other Fund	127,604	-	-	-	-	-	0.00%	-
	<u>904,088</u>	<u>802,816</u>	<u>813,008</u>	<u>778,415</u>	<u>673,852</u>	<u>827,500</u>	5.93%	49,085
Expenses								
Personnel	139,989	150,103	160,111	199,897	141,993	231,514	13.66%	31,617
Supplies	52,951	45,258	61,293	59,800	54,658	68,800	13.08%	9,000
Other Charges & Services	363,306	374,079	368,098	115,308	114,954	234,300	50.79%	118,992
Transfer Out	-	-	-	-	-	-	0.00%	-
Debt Service/Issuance Costs	25,028	117,534	131,172	139,786	133,659	129,577	-7.88%	(10,209)
	<u>581,274</u>	<u>686,974</u>	<u>720,673</u>	<u>514,791</u>	<u>445,265</u>	<u>664,191</u>	29.02%	149,400
Change in Net Position	322,814	115,841	92,335	263,624	228,587	163,309	-38.05%	(100,315)
Beginning Net Position	2,380,046	2,702,860	2,818,701	2,911,036	2,911,036	3,174,660		
Ending Net Position	<u>2,702,860</u>	<u>2,818,701</u>	<u>2,911,036</u>	<u>3,174,660</u>	<u>3,139,623</u>	<u>3,337,969</u>		
Non-Expensed Cash Transactions								
Capital Outlay	1,762,590	1,868,072	1,979,770	751,376	700,801	288,000		
Debt-Service Principal	225,570	230,203	304,445	263,444	263,444	319,118		
	<u>1,988,160</u>	<u>2,098,275</u>	<u>2,284,215</u>	<u>1,014,820</u>	<u>964,245</u>	<u>607,118</u>		
Fund Cash Position at Year End	1,433,841	982,882	1,607,280					

Sewer Fund

Properties within the City limits of Excelsior have sewer service through the City and are charged for those services. Excelsior also serves parts of Shorewood and Greenwood's wastewater through the City's sanitary sewer system. Both cities are charged based on their volume of sewer that passes through Excelsior's system. The revenue for sewer services and expenses associated with the collection of the City's wastewater are recognized in the City's Sewer Fund. The Metropolitan Council collects and treats all of the City's wastewater. The Sewer Fund pays for upgrades and maintenance of the City's six sanitary sewer lift stations.

For 2023 there is a budgeted increase to the rates charged for sewer usage of \$0.83 per 1,000 gallons of water, plus \$3.05 increase in the sewer base charge per quarter, resulting in an estimated \$62.00 annual increase in sewer charges for an average residential account.

There are no major capital improvement projects scheduled for the sewer fund in 2023. Some of the minor projects include lining some of the bad pipes in town, Third Avenue lift station upgrade, lift station pump repairs, and replacing the control panel at the park lift station.

CITY OF EXCELSIOR								
2023 BUDGET								
Sewer Fund								
	2019 Actual	2020 Actual	2021 Actual	2022 Budget	09.30.22 YTD	2023 Budget	Percent Change	Dollar Change
Revenue								
Charges for Services	574,583	636,166	649,922	652,000	483,432	722,697	9.78%	70,697
Interest Earnings	36,806	35,624	(6,210)	7,500	-	7,500	0.00%	-
Other Revenue	171	265	148	3,500	1,040	3,000	-16.67%	(500)
Capital Contributions	94,793	6,938	13,646					
	706,353	678,993	657,506	663,000	484,472	733,197	9.57%	70,197
Expenses								
Personnel	158,188	164,908	172,327	213,538	153,542	240,835	11.33%	27,297
Supplies	11,437	7,185	21,180	15,000	8,797	10,400	-44.23%	(4,600)
Other Charges & Services	337,812	356,329	419,628	245,167	197,031	386,955	36.64%	141,788
Transfer Out	-	-	-	-	-	-	0.00%	-
Debt Service	64,868	71,894	93,930	214,868	96,794	92,729	-131.72%	(122,139)
	572,305	600,317	707,065	688,573	456,164	730,919	5.79%	42,346
Change in Net Position	134,048	78,676	(49,559)	(25,573)	28,308	2,278		
Beginning Net Position	2,830,379	2,964,427	3,043,103	2,993,545	2,993,545	2,967,972		
Ending Net Position	2,964,427	3,043,103	2,993,545	2,967,972	3,021,852	2,970,249		
Non-Expensed Cash Transactions								
Capital Outlay	1,701,300	1,703,225	1,700,161	693,638	632,150	305,500		
Debt-Service Principal	53,288	54,997	80,998	117,708	117,708	165,129		
	1,754,588	1,758,222	1,781,159	811,346	749,858	470,629		
Fund Cash Position at Year End	1,433,841	1,319,179	1,882,337					

Surface Water Management Fund

Surface water (also known as storm water) management is a significant issue in the Lake Minnetonka area. Without properly treating surface water, there is an opportunity for contaminants to enter Lake Minnetonka as well as other surrounding wetlands. The City operates a Surface Water Management Fund that pays for upgrades in infrastructure that help treat surface water before it enters the lake. Commercial properties are charged a surface water management fee based on the size of their property while residential parcels are charged a flat per-parcel rate.

For 2023 there is a budgeted increase to the rates charged for surface water management of \$16.63 per quarter for a medium sized lot or a \$66.52 annual increase in surface water charges for an average residential account.

There also are no major capital improvement projects scheduled for 2023, but there are some minor projects including asset management software, dredging the pier and some minor equipment purchases.

CITY OF EXCELSIOR									
2023 Budget									
Surface Water Management Fund									
	2019 Actual	2020 Actual	2021 Actual	2022 Budget	09.30.22 YTD	2023 Budget	Percent Change	Dollar Change	
Revenue									
Charges for Services	161,921	187,194	249,823	237,000	200,822	265,240	11.92%	28,240	
Interest Earnings	10,507	10,546	(1,676)	-	-	4,000	0.00%	4,000	
Other Revenue	2,857	3,334	3,386	-	-	3,300	0.00%	3,300	
	<u>175,285</u>	<u>201,074</u>	<u>251,534</u>	<u>237,000</u>	<u>200,822</u>	<u>272,540</u>	<u>15.00%</u>	<u>35,540</u>	
Expenses									
Personnel	63,714	74,182	79,541	123,107	70,066	113,982	-7.41%	(9,125)	
Supplies	1,002	349	-	4,900	2,930	5,000	2.04%	100	
Other Charges & Services	46,478	41,134	109,206	21,514	25,917	28,770	33.73%	7,256	
Debt Service	31,858	38,678	52,925	126,689	54,435	100,210	-20.90%	(26,479)	
Transfers Out	-	-	-	-	-	-	0.00%	-	
	<u>143,052</u>	<u>154,343</u>	<u>241,672</u>	<u>276,210</u>	<u>153,349</u>	<u>247,962</u>	<u>-10.23%</u>	<u>(28,248)</u>	
Change in Net Position	32,233	46,731	9,861	(39,210)	47,473	24,578			
Beginning Net Position	448,148	480,381	527,112	536,973	536,973	497,763			
Ending Net Position	480,381	527,112	536,973	497,763	584,446	522,341			
Non-Expensed Cast Transactions									
Capital Outlay	300,700	308,343	325,429	353,364	348,932	79,900			
Debt Service Principal	35,217	36,277	51,677	72,737	72,737	94,457			
	<u>335,917</u>	<u>344,620</u>	<u>377,106</u>	<u>426,101</u>	<u>421,669</u>	<u>174,357</u>			
Fund Cash Position at Year End	558,255	362,401	651,187						

Street Lighting Fund

The City charges a street light fee to each property in the City to help offset the costs of street lighting electricity as well as repair and maintenance of the City's street lights. There are no rate increases proposed in the 2023 street lighting budget, however rates will need to be moderately increased in the future to increase repair and replacement reserves.

The only significant activity budgeted is the planned capital outlay of \$6,000 for street lighting maintenance projects.

CITY OF EXCELSIOR								
2023 BUDGET								
Street Lighting Fund								
	2019 Actual	2020 Actual	2021 Actual	2022 Budget	09.30.22 YTD	2023 Budget	Percent Change	Dollar Change
Revenue								
Charges for Services	64,382	65,871	67,105	65,000	51,957	67,000	2.99%	2,000
Interest Earnings	380	796	(84)	100	-	600	83.33%	500
	64,762	66,667	67,021	65,100	51,957	67,600	3.70%	2,500
Expenses								
Personnel	17,329	3,326	12,544	16,881	13,029	24,590	31.35%	7,709
Supplies	374	810	4,045	4,300	4,783	5,350	19.63%	1,050
Other Charges & Services	39,144	51,865	33,325	42,957	22,122	48,820	12.01%	5,863
Transfers Out	-	-	-	-	-	-	0.00%	-
	56,847	56,000	49,915	64,138	39,934	78,760	18.57%	14,622
Change in Net Position	7,915	10,667	17,106	962	12,024	(11,160)		
Beginning Net Position	36,465	44,380	55,047	72,152	72,152	73,114		
Ending Net Position	44,380	55,047	72,152	73,114	84,176	61,954		
Non-Expensed Cash Transactions								
Capital Outlay	\$ 14,987	\$ 12,689	\$ 10,390	\$ 7,143	\$ 9,906	\$ 10,000		
Fund Cash Position at Year End	\$ 22,116	\$ 29,224	\$ 49,028					

Docks Fund

The City's dock fund accounts for revenue and expense associated with the City's municipal dock program. The City leases space to charter boat companies at the Port of Excelsior and charges fees for that mooring space. The City also has transient docks with parking meters which generate funding for the dock program. The City leases out 108 municipal dock slips as well as 12 buoys and 25 slides at The Commons and throughout the City's fire lanes.

Commercial and residential dock revenues not been increased in the 2023 but the boat length requirement has been removed and all boats are charged \$2,835 for non-senior and \$2,450 for senior rate. Commercial revenues have been increased to reflect a 5% increase per the contracts which state the most recent CPI estimate or 5% whichever is lower.

Expenses have increased in 2023 due to wage and benefit increases. Transfers out included in the 2023 budget transfer of \$200,000 to the General Fund to help offset the levy and cover personnel expenses for the park and lifeguards.

The Dock Fund is expected to remain a major source of transfers to other City funds to subsidize property tax levy increases and to finance park improvements.

CITY OF EXCELSIOR									
2023 BUDGET									
Docks Fund									
	2019 Actual	2020 Actual	2021 Actual	2022 Budget	09.30.22 YTD	2023 Budget	Percent Change	Dollar Change	
Revenue									
Commercial Leased Docks	106,977	23,086	137,033	123,000	167,658	177,000	43.90%	54,000	
Public Docks	49,772	3,596	-	15,000	-	14,000	-6.67%	(1,000)	
Residential Docks	268,544	266,469	271,313	270,000	273,455	293,000	8.52%	23,000	
Interest Earnings	5,904	4,354	(1,174)	3,000	-	6,000	100.00%	3,000	
Other Revenues		74,052	26,174						
	431,197	371,557	433,346	411,000	441,113	490,000	19.22%	79,000	
Expenses									
Commercial Leased Docks									
Personnel	33,399	35,290	26,630	34,274	24,840	39,116	14.13%	4,842	
Supplies	1,518	354	409	1,300	451	1,300	0.00%	-	
Other Charges & Services	27,692	32,041	30,093	35,834	47,750	31,650	-11.68%	(4,184)	
Public Docks							0.00%	-	
Personnel	25,308	25,816	26,028	34,741	25,370	47,433	36.53%	12,692	
Supplies	445	402	842	2,400	360	2,600	8.33%	200	
Other Charges & Services	10,049	22,394	9,139	17,664	15,852	11,280	-36.14%	(6,384)	
Residential Docks							0.00%	-	
Personnel	39,977	31,411	40,102	61,065	40,049	79,101	29.54%	18,036	
Supplies	445	170	596	2,350	2,856	3,500	48.94%	1,150	
Other Charges & Services	45,492	42,227	34,444	45,434	24,748	36,980	-18.61%	(8,454)	
Transfers Out	340,579	200,000	200,000	200,000	216,800	200,000	0.00%	-	
	524,904	390,105	368,283	435,062	399,075	452,960	4.11%	17,898	
Change in Net Position	(93,707)	(18,548)	65,063	(24,062)	42,038	37,040			
Beginning Net Position	435,743	342,036	323,488	388,551	388,551	364,489			
Ending Net Position	342,036	323,488	388,551	364,489	430,589	401,529			
Non-Expensed Cash Transactions									
Capital Outlay	211,688	188,667	169,715						
Fund Cash Position at Year End	197,265	191,320	290,557						