

The background features a light yellow-to-gold gradient with several semi-transparent gear shapes scattered across it. On the left side, there is a vertical strip with a colorful, abstract, and textured pattern in shades of purple, blue, orange, and green.

2010 Levy and Budget



2010 General Fund Budget and Levy

General Fund Budget

\$10,073,203

This is an decrease
from the 2009 budget
of 0.02%.

2010 Levy

\$9,925,685

This is an increase
over the current year's
levy of \$372,571 or
3.9% and no change
from the preliminary
certified levy.

Expenditure Budget

General Fund	2009 Budget	2010 Budget	Budget % Incr/(Decr)
City Council	\$ 78,072	\$ 73,147	-6.31%
Administrative Services	452,071	433,314	-4.15%
Finance	189,877	190,039	0.09%
Legal	130,625	135,000	3.35%
Municipal Building	308,809	306,284	-0.82%
Receptionist	45,893	46,576	1.49%
Assessing	167,288	168,065	0.46%
City Clerk	97,819	107,958	10.37%
Inspections	592,917	599,705	1.14%
Police	4,327,445	4,366,178	0.90%
Fire	810,921	794,517	-2.02%
Public Works	2,139,947	2,146,475	0.31%
Recreation	214,973	197,640	-8.06%
Activity Center	328,409	326,418	-0.61%
Planning & Zoning	101,906	121,687	19.41%
Other Financing Uses	88,520	60,000	-32.22%
Total Expenditures	\$ 10,075,492	\$ 10,073,003	-0.02%

Revenue Budget

General Fund	2009 Budget	2010 Budget	% Incr/(Decr)
Property Taxes	\$ 8,229,114	\$ 8,714,685	5.90%
Intergovernmental Revenue	448,010	196,058	-56.24%
Licenses, Permits & Fees	804,985	632,910	-21.38%
Charges for Service	176,600	140,150	-20.64%
Miscellaneous Revenue	311,000	314,400	1.09%
Interest Earnings	105,783	75,000	-29.10%
Total Revenues	\$ 10,075,492	\$ 10,073,203	-0.02%

General Fund Budget Impact on Levy

General Fund Budget Decrease	(\$ 2,289)
Funded by levy	362,571
Loss of MVHC	(244,667)
Loss of Other Revenues	<u>(120,193)</u>
Total GF Budget Increase	(\$ 2,289)

2010 Tax Levy

Purpose	2008	2009	2010 Net Levy
General Operations			
General Fund	\$ 7,825,565	\$ 8,160,614	\$ 8,384,010
Capital Levy	75,000	100,000	\$ -
	\$ 7,900,565	\$ 8,260,614	\$ 8,384,010
Special Levies:			
PERA Levy	11,815	35,500	35,500
MVHC Levy	-	-	239,175
Subtotal Special Levies - Other	\$ 11,815	\$ 35,500	\$ 274,675
Debt Levies:			
1999D GO Perm Impr Revolving Bonds	26,000	26,000	-
2001 GO Refunding Bonds - Improv Rev	-	-	-
2001 GO Refunding Bonds - Park & Rec	150,000	130,000	108,000
2002B GO Improv Revolving Bonds	59,000	59,000	59,000
2002 HRA Revenue Bonds	-	-	-
2003 HRA Revenue Bonds	230,000	225,000	200,000
2007B GO Improv Revolving Bonds	175,000	175,000	185,000
2007 Capital Improvement Bonds	642,000	642,000	715,000
Subtotal - Debt Levies	\$ 1,282,000	\$ 1,257,000	\$ 1,267,000
Subtotal Special Levies	\$ 1,293,815	\$ 1,292,500	\$ 1,541,675
TOTAL LEVIES	\$ 9,194,380	\$ 9,553,114	\$ 9,925,685
Increase over prior year	\$ 388,622	\$ 358,734	\$ 372,571
Percentage Incr (Decr) - Total	4.41%	3.90%	3.90%

Tax Levy Changes

General Levy Increase	\$123,396
Special Levy Increase (For MVHC unallotment)	239,175
Debt Levy Increase	<u>10,000</u>
Total Levy Change	\$372,571



General Fund Budget Expenditure Solutions

- ★ 0% wages – Freeze for most employees
- ★ Delayed hiring of vacant positions
- ★ Eliminated non-critical capital items
- ★ “Every little bit adds up” – small cuts across all city departments

Savings & Efficiencies

★ Police Department

- ★ Implemented police vehicle fuel monitoring program to save on fuel costs
- ★ \$639,600 in total savings over last 5 years
 - ★ \$450,000 in grants received to offset program and capital expenses
 - ★ \$25,000 in donations received to offset program expenses
 - ★ \$164,600 savings realized by using local vendors, omitting capital purchases and reworking cell phone program

Savings & Efficiencies

★ Fire Department

★ Daytime rescue standby program

- ★ Responded to over 100 calls since inception of program
- ★ Frees up police allowing them more street time
- ★ Reduced cost in number of firefighters responding to rescue calls
- ★ Faster response to medical emergencies
- ★ \$10,000 savings in payroll costs
- ★ \$2,000 savings in building maintenance costs

Savings & Efficiencies

★ Public Works

- ★ Refuse containers in CBD allow for servicing with automated refuse truck – manpower savings
- ★ City Hall HVAC Upgrade – replacement of old chiller with efficient rooftop units
 - ★ Savings of \$20,000/yr – 5 yr payback
- ★ In-house Utility Rate Study – savings of \$10,000
- ★ In-house Pavement Management Inspections
 - ★ Savings on annual consultant fees
- ★ Fire Alarm Central Reporting System
 - ★ Fire, boiler & intrusion alarms routed to dispatch
 - ★ Savings on annual service contract of \$2,500

Savings & Efficiencies

★ Public Works – cont.

- ★ HC Sentencing to Service Work Force Program
 - ★ Low risk offenders with Co. Supervisor perform litter control, landscape area maintenance and grass cutting
 - ★ Cost savings of \$7 per hour over PW seasonal staff
- ★ Diseased Elm Tree Removal
 - ★ Combined PW depts. resulting in larger workforce
 - ★ Reduced need for contractual services

Savings & Efficiencies

- ★ “Go Green”- Green Initiatives

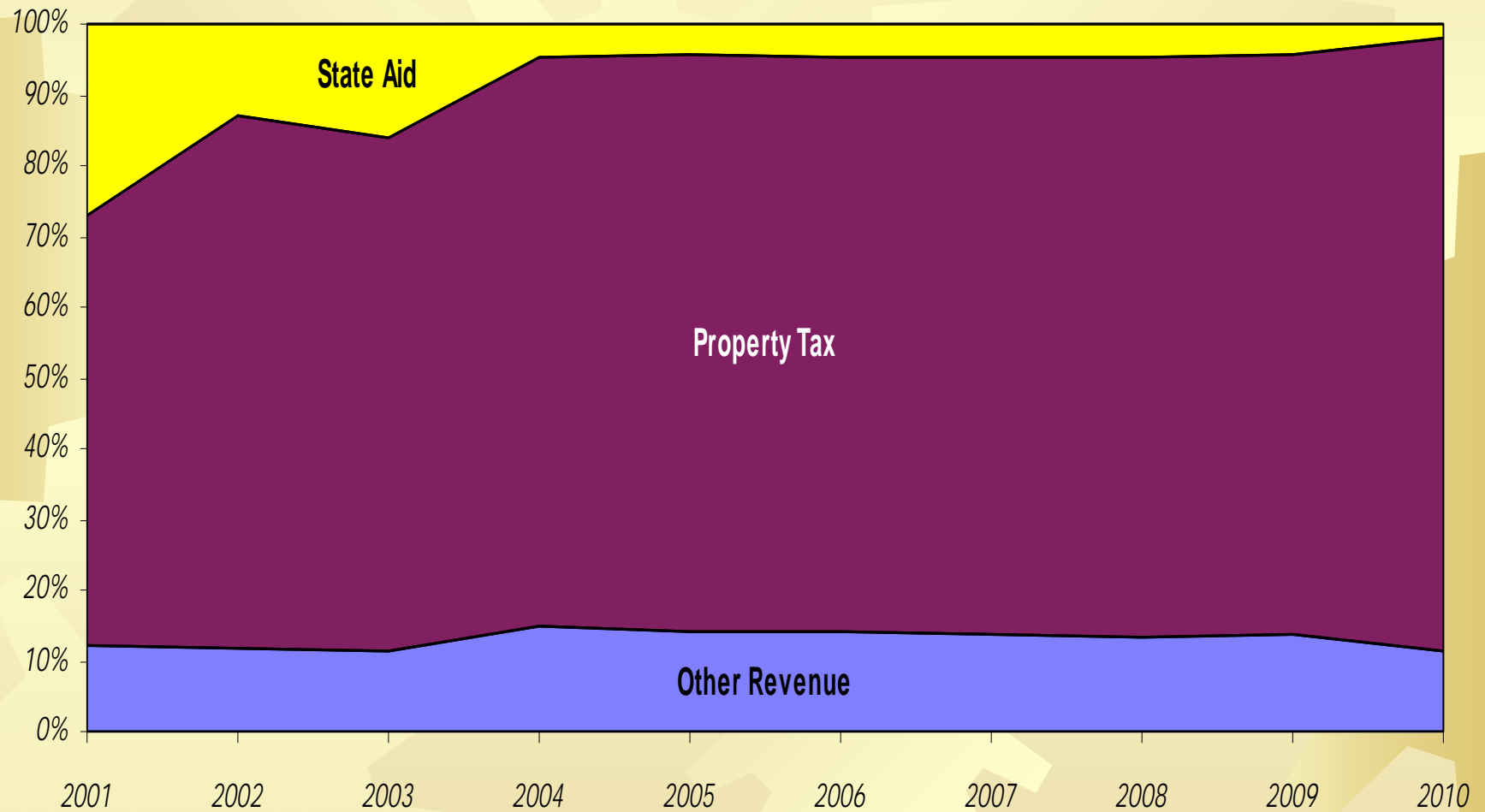
- ★ Administration

- ★ Since 2005, received over 3,500 hrs donated for clerical service, a savings of over \$20,000 per year
- ★ Assessing contract with Hennepin Co saves \$74,000/yr
- ★ Scanning of documents into digital storage

Budget Challenges

- ✿ Loss of significant revenue sources
 - ✿ MVHC
 - ✿ Inspection revenues
 - ✿ Decline in investment income
- ✿ Health care costs
- ✿ PERA rate increase – state mandated
- ✿ Inflation
 - ✿ Energy costs
 - ✿ Fuel & fuel related projects
 - ✿ Property & liability insurance

General Fund – Sources of Revenue



Taxation Process

- ★ Preliminary Levy was set in September
- ★ Proposed tax notices mailed
- ★ Public hearing for final proposed levy and general fund budget.
- ★ Final adoption of budget and levy - set for December 15th council meeting.

How Your Property Taxes Are Determined

Step 1 – Determine Levy

Total proposed local budget

Less: Non-property tax revenue

Equals: Property tax levy



How Your Property Taxes Are Determined

Step 2 – Determine Tax Capacity of Individual Properties

Market value of individual property

Multiplied by: State mandated class rate

Equals: Tax capacity of individual
properties



How Your Property Taxes Are Determined

Step 3 – Determine Property Tax Rate

Total tax capacity of all property

Divided by: Total city property tax levy

Equals: Property tax rate for Hopkins



How Your Property Taxes Are Determined

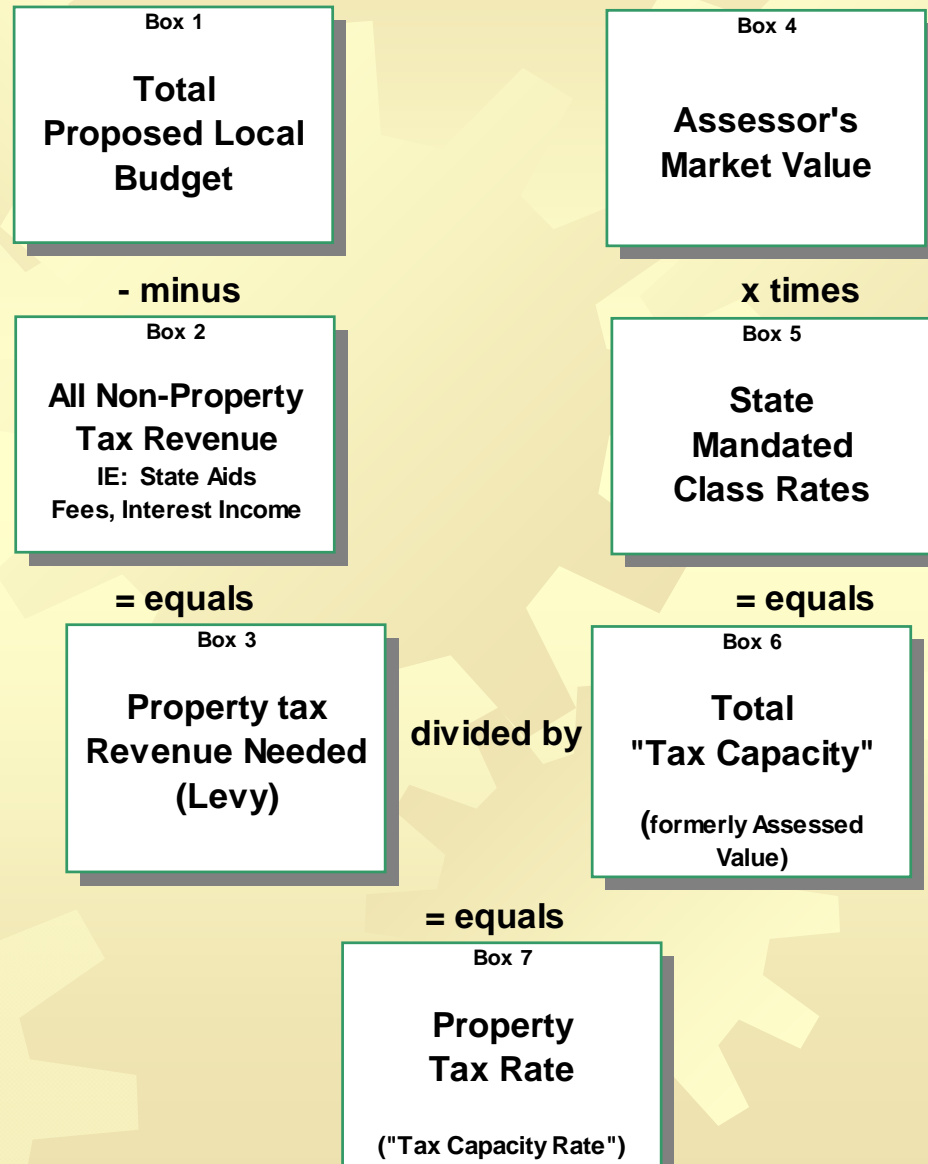
Step 4 – Calculate Property Taxes

Tax capacity of Your property

Multiplied by: Hopkins property tax rate

Equals: Hopkins portion of your taxes

How Your City and County Property Taxes Are Determined



2010 Levy

City tax on a home valued at \$225,000 increases approximately 3.57% or \$38

★ Equates to about \$3.17 per month

Analysis of Median Valued Home

★ 2010 Home Valued at = \$225,000

★ Assuming constant market value

★ 2009 City Taxes \$1,064

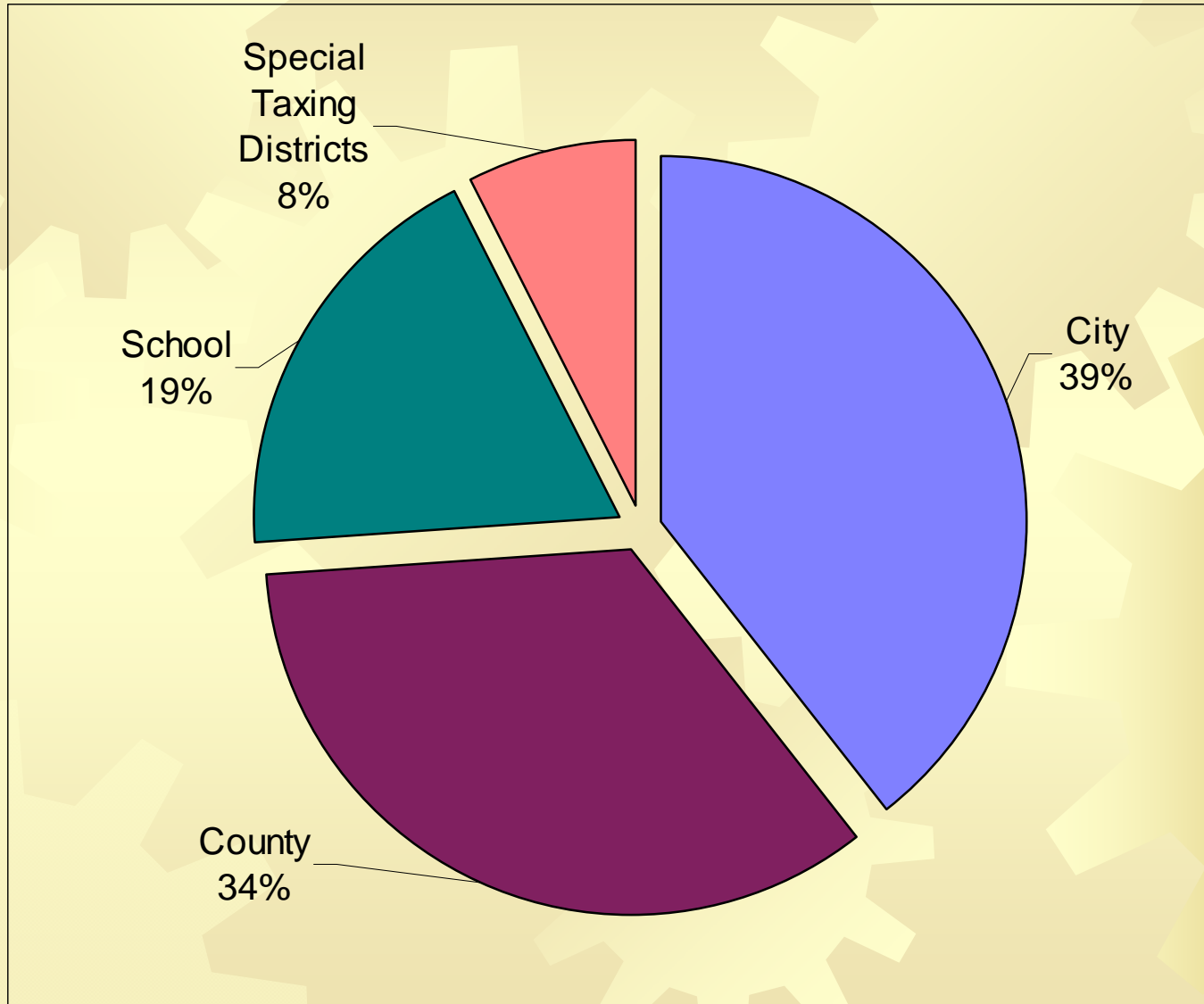
★ 2010 City Taxes \$1,102

Property Tax Breakdown on Home Valued at \$225,000

★ City	\$1,102
★ County	\$ 958
★ School District	\$ 516
★ Special Districts	<u>\$ 212</u>
Total Taxes	\$2,788

This does not include referendum market value taxes levied by the school district(s)

Where My Taxes Go

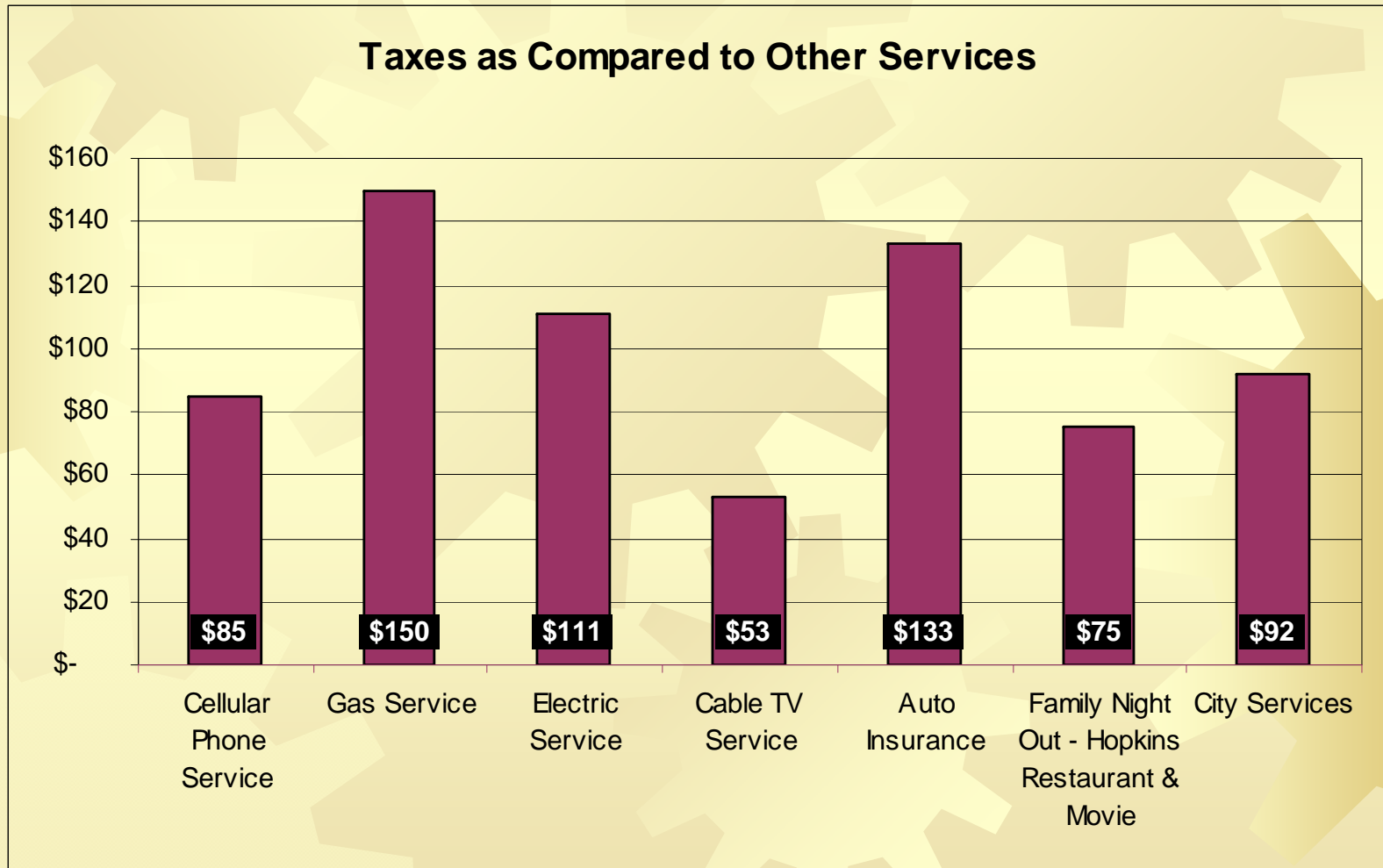


How much will we pay?

- ★ \$92 a month in property taxes for city services.
- ★ \$1- \$2 a month in franchise fees.
- ★ \$25 a month in refuse & recycling charges
- ★ \$40 for water distribution and sanitary sewer charges.

Total monthly average = \$158

Compare the Value Monthly Costs



What do we get?

- 24-Hour Police and Fire Protection
- Emergency medical treatment and management services
- Well Maintained Streets, Trails, and Sidewalks
- Refuse and Recycling Services
- Elections
- Boulevard Tree and Forestry Program
- High Quality Recreation programs
- Hopkins Activity Center and Hopkins Depot
- Hopkins Center for the Arts
- Community and Economic Development
- Housing Services and Programs
- Building Inspections, Licensing, and Code Enforcement
- Beautiful Parks and Open Space