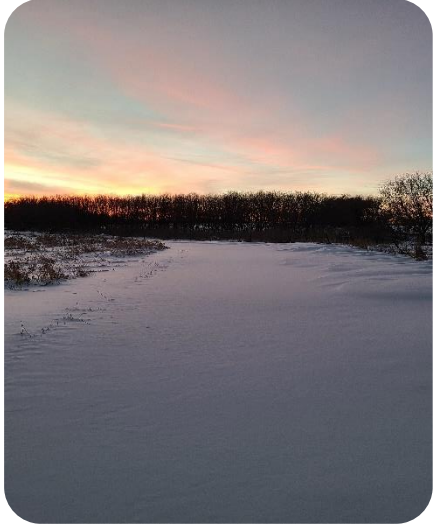


# **2024**

# **CITY OF MONTGOMERY**



## **BUDGET**



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December 2023

To: Honorable Mayor, City Council, Residents, and Staff

For your consideration is the 2024 City of Montgomery budget covering all the revenue and expenditures for the City of Montgomery as adopted by the Council following the Truth – in – Taxation meeting held December 4, 2023.

This document represents work by the Council and Staff beginning in July. The Council continues to make progress toward building a long-range financial plan based on these community priorities:

1. Continued improvement to city streets.
2. Improve aging city parks.
3. Develop and implement plans to address aging city facilities.
4. Public Safety.
5. Improve the financial status of the City.

## **Funding Priorities**

### Street Improvements

The Council continues to make progress on street improvements. A multi-year improvement plan was adopted by the council, and two major projects have been completed. To help ensure there are funds for ongoing maintenance as part of the plan, the council plans for annual transfers to the street improvement fund from the general fund. In addition to these planned transfers, the state approved ongoing funding to the small cities street account in 2023, and this should provide additional funding to help support ongoing maintenance of the city's infrastructure.

Since the inception of the improvement fund, over \$1,000,000 has been transferred and over \$800,000 has been expended on street projects using the improvement funds. The budget calls for \$75,000 to be transferred to this fund in 2024. This will be supplemented with state funding through the small cities street account. Residual funds from bonding for street projects may also be allocated to the street improvement fund following close out of the projects.

### Improve Parks

The Park Advisory Board approved a three (3) year improvement plan to address the aging park facilities. In the past few years, several improvement projects were undertaken, including ball field improvements, a new hockey rink with lighting, tennis court rehabilitation with pickle ball, and a new playground structure all at Northside Park. The two shelters at Memorial Park were updated, and several improvements were made to Memorial Field.

To accomplish these projects, the council created a park improvement fund. The 2024 budget allocates \$100,000 to the park improvement fund. This follows a \$100,000 allocation in 2023.

The fund is used to complete improvements, enhancements, and expansions of the City's parks. Plans for 2024 include improvements to the band shell at Memorial Park, new backstop netting for Memorial Field, shelter improvements at Northside, and a possible archery range. A grant was received from the DNR for the removal and replacement of Ash trees in Memorial and Northside Parks.

#### City Facilities

The Council continues to make progress on improvements to the city's aging buildings. A new police facility was constructed in and opened in 2023, and improvements were made to city hall to provide accommodations for ambulance staff who stay at the facility during their shift. These improvements include small sleeping rooms, a small day room, and a bath facility with shower and laundry facilities. The Council continues to make plans for the ongoing improvements to these facilities to meet the service needs of the community.

#### Public Safety

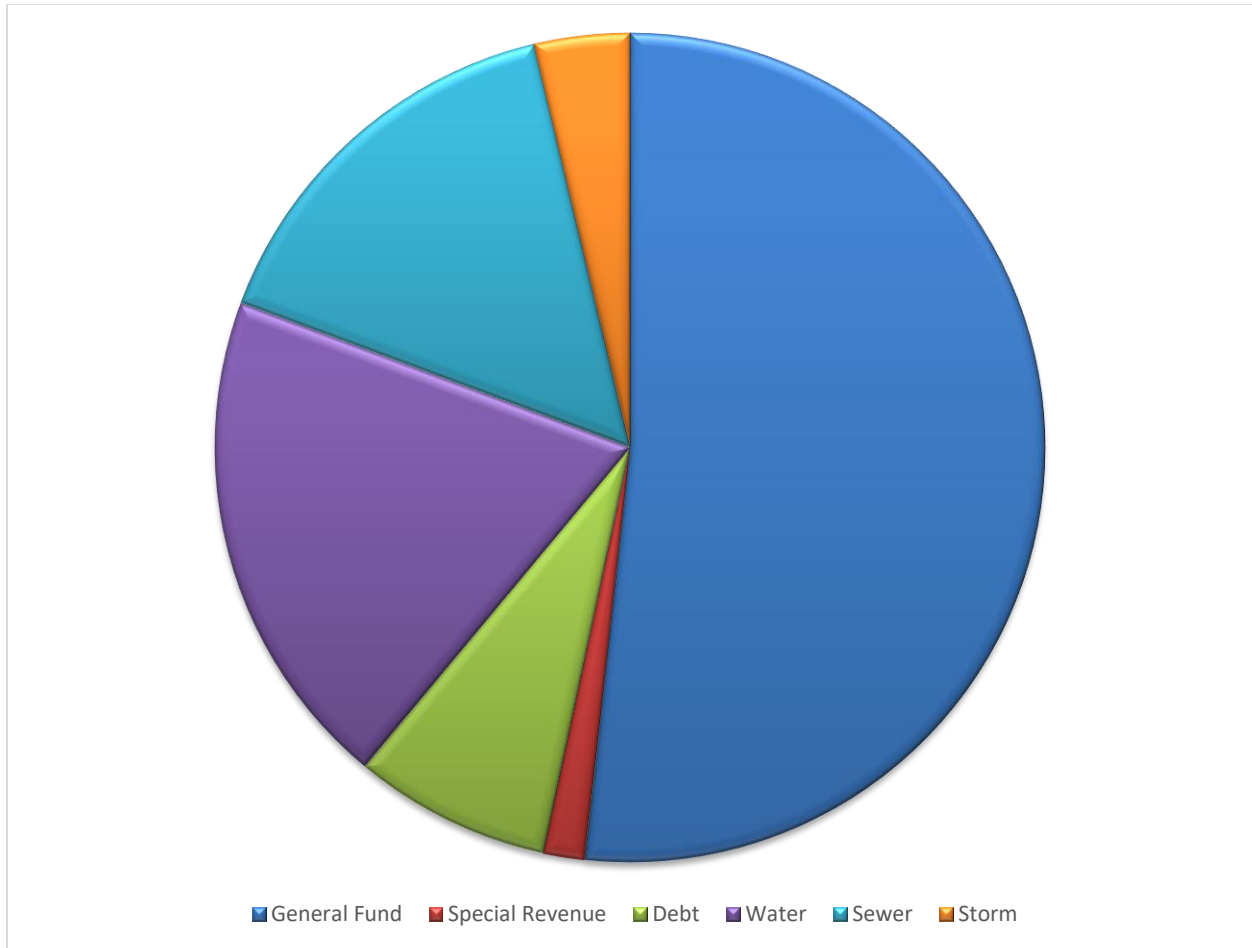
Public safety entails police, fire, ambulance, and infrastructure. The Council is committed to supporting the departments providing public safety to the community. This also includes ensuring streets, parks, and trails remain safe.

## 2024 BUDGET

### REVENUES

Total revenue for 2024 is set at \$6,756,788. 51.7% of the revenue goes to support general fund operations, 39% will go to support utility fund operations. The remaining 9.3% supports the various other funds.

The graph below shows the revenue distribution.



The table below shows the change in revenue from 2023 to 2024.

FUND	2023	2024	Difference
	Budget	Budget	
General	\$ 3,075,110	\$ 3,480,317	\$ 405,207
All Other	\$848,386	\$ 628,484	(\$219,902)
Enterprise	\$ 2,511,500	\$ 2,632,500	\$ 121,000
<b>Total</b>	<b>\$ 6,434,996</b>	<b>\$ 6,741,301</b>	<b>\$ 306,305</b>

Changes to the General Fund are the result of the following:

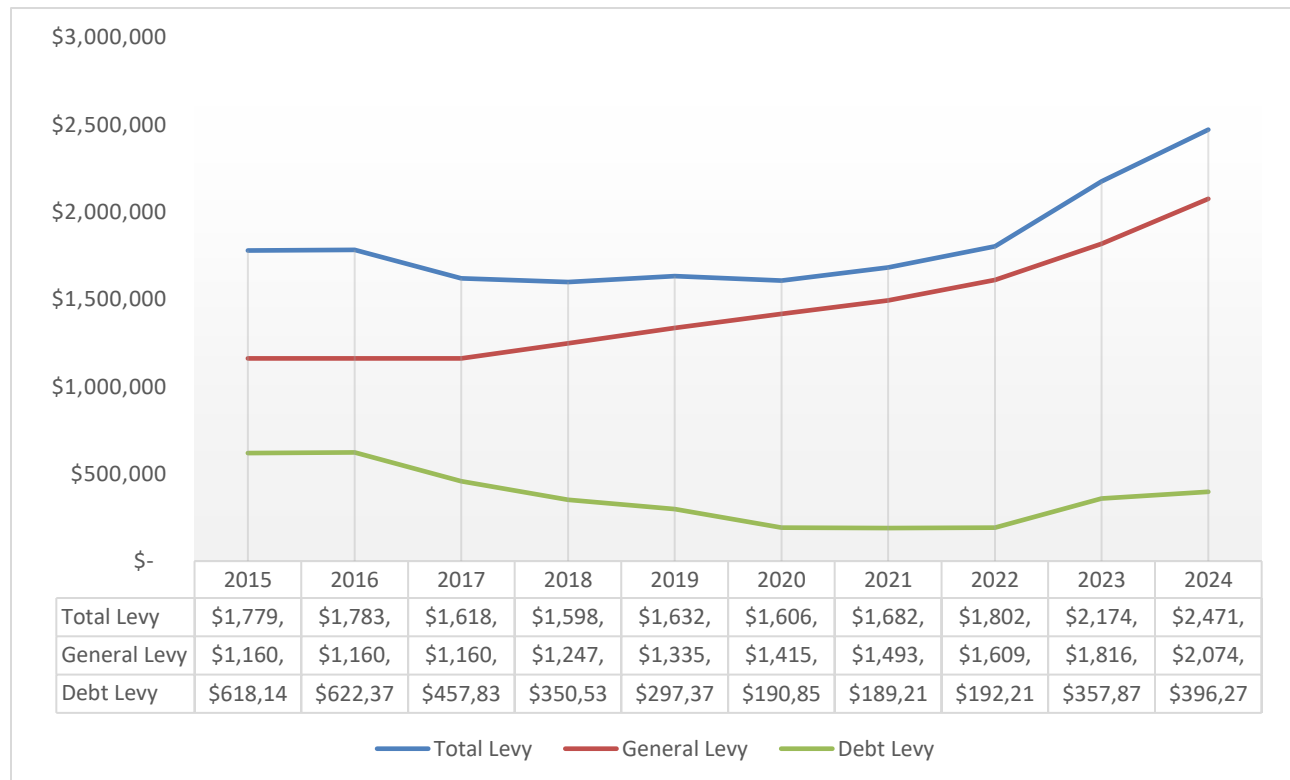
- General Levy – the general levy is set to increase 13.77% or \$258,288 over the 2023 levy. The past couple of years has seen inflation well over 5%, which in turn, has affected the city’s budget and levy.
- The tax rate is estimated to increase by 1.4% to 64.215%.
- Water, sewer, and stormwater rates will remain unchanged for 2024.
- General Local Government Aid will increase by \$140,206.

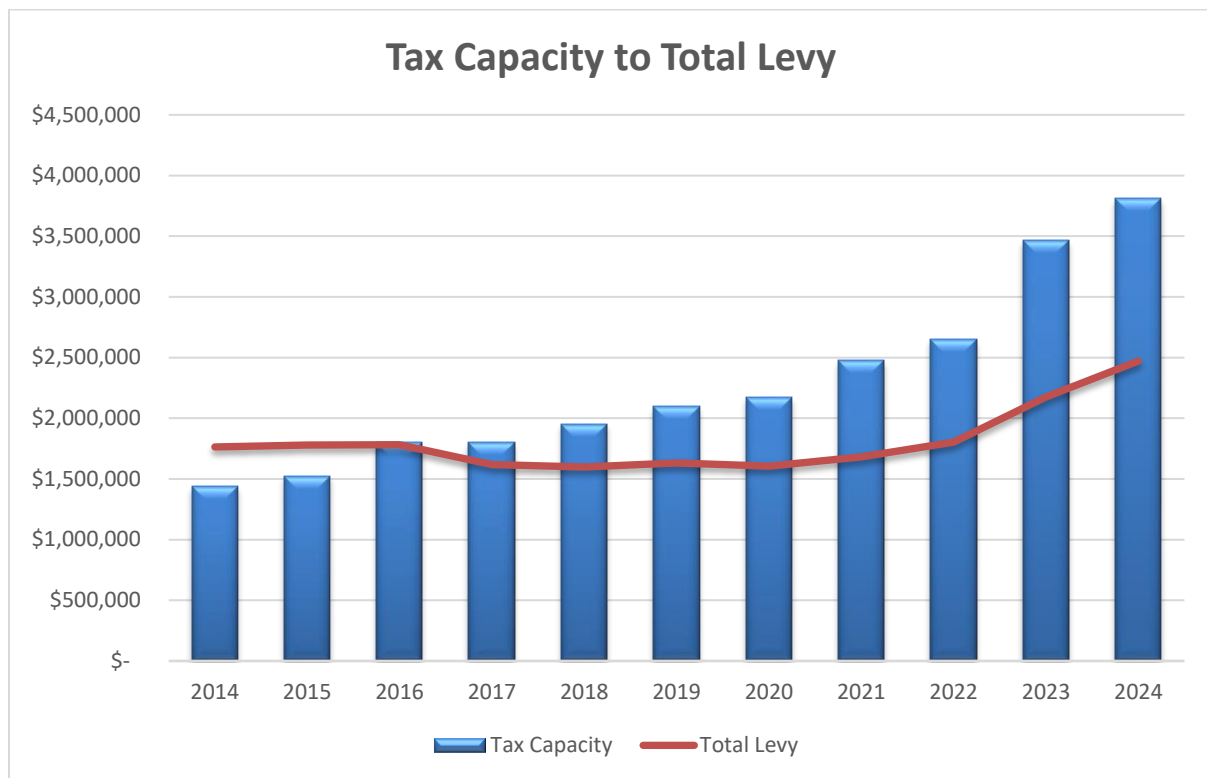
### General Fund Levy

The General Fund is supported primarily through the property tax levy. The 2024 levy will increase \$258,288 over the 2023 levy. Since 2014, the levy has risen 63% or 5.72% per year. The total levy – general and debt combined decreased for several years, until 2022, when the total levy increased by \$12,167 over the 2014 total levy. The total levy will continue to grow over the next several years as the city completes street and utility projects and other improvements that will require the issuance of debt.

The city’s tax rate has also been decreasing over the past 10 or so years going from 124.266% in 2014 to an estimated 64.215 2024. The drop in the tax rate is associated with several factors, including lower debt, new construction, and increase in property valuations.

The graph below shows the relationship between the general fund levy and debt levy. Beginning in 2023, the city’s debt levy will begin to increase as bond payments related to street reconstruction and facility improvement projects are added to the debt levy.



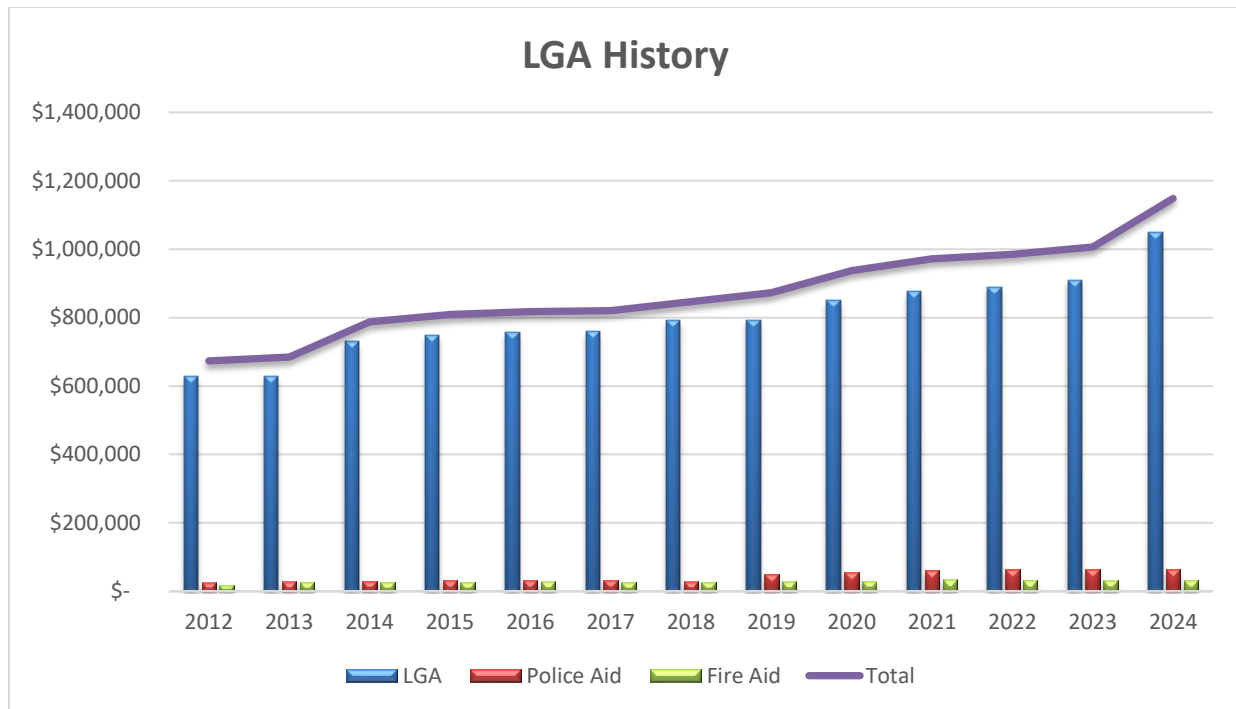


The above graph is another illustration of tax rate. In 2014, the city's total levy exceeded the total tax capacity, which is a representation of taxable property value in the community.

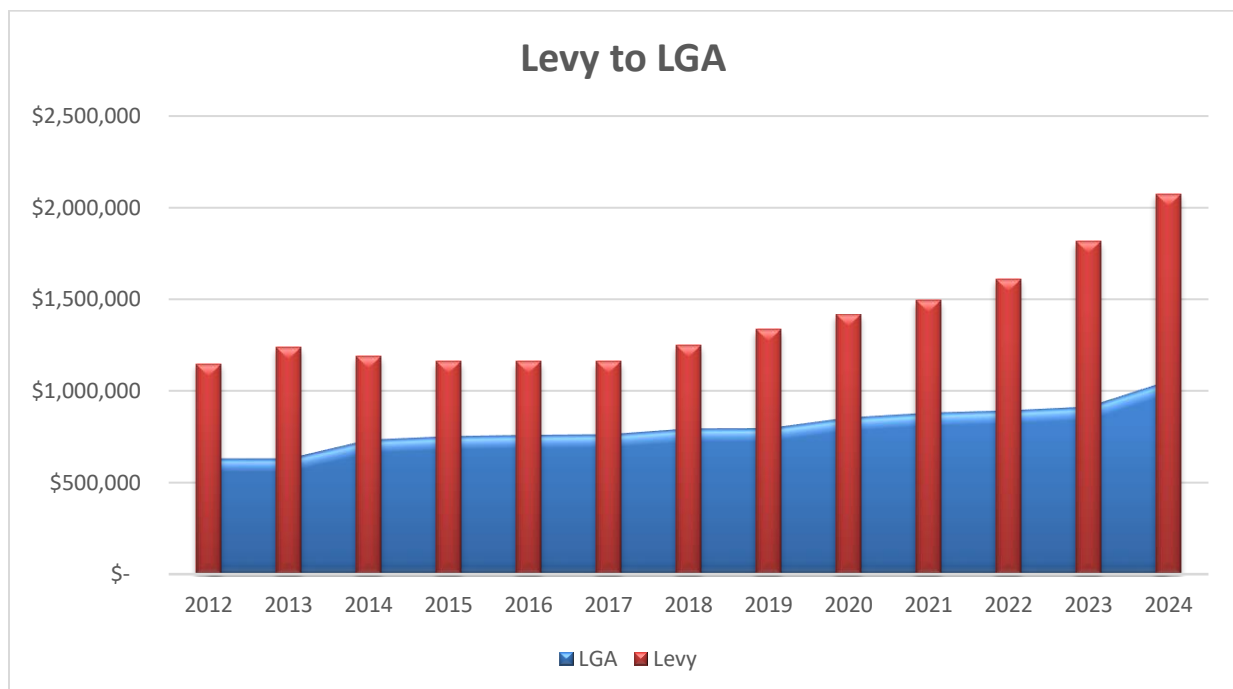
### State Aid

The city receives general state aid (Local Government Aid) and dedicated aid for the police and fire departments. The fire aid goes to support the firefighter's pension, whereas the police aid is general purpose. Total general state aid (LGA) for 2024 is planned to increase by roughly \$140,206 from \$910,224 to \$1,050,450. There is always concern regarding the status of LGA. The legislature increased the amount allocated to LGA in 2023 and altered the formula, however, if there are state fiscal issues in the future, one target to help the state out of a revenue shortfall is reductions to LGA.

The Council is allocating \$310,000 for transfers to the street, park, equipment, and facility funds. The remaining balance goes to cover general operations. In general, public safety is the recipient of the bulk of LGA dollars, where a department like planning and zoning has a proportionally lower allocation due to the department's revenue from permit fees.



The above graph does not include training aid received by the police and fire, or street aid the city receives, as we have not received this reimbursement consistently. It is not anticipated that the allocation for local government aid will increase much over the next several years. However, we do anticipate increases in aid for streets. The information above does not include the significant aid the city received during the pandemic in the form of CARES and ARPA funds.



The ratio of LGA to total revenue has been declining somewhat over the past several years as can be seen in the graph on the previous page. In 2012, LGA was about 35%; now, it's just under 33%.

### Special Revenue

Special Revenue funds are projected to decrease from 2023. The main factor is the end of ARPA funds.

### Debt Service

The debt levy will increase slightly from 2023. The table below shows the status of outstanding bonds.

<b>BOND ISSUE</b>	<b>PRINCIPLE</b>	<b>MATURITY</b>	<b>LAST LEVY YEAR</b>
<b>2012A</b>	\$330,000	2026	2020
<b>2015A STREET</b>	\$982,900	2031	2030
<b>2021A</b>	\$2,655,000	2037	2036
<b>2022A</b>	\$2,615,000	2033	2032
<b>2023A</b>	\$4,750,000	2039	2038
<b>TOTAL</b>	\$9,332,900		

### Capital Improvement Funds

The City has four dedicated capital improvement funds – streets, parks, equipment, and municipal facilities. There is another fund, 401-General Capital Fund, which isn't currently in use, and has carried a significant deficit since about 2005. The council has a goal of eliminating this deficit by 2025. Doing so should help the city's overall financial condition and assist in ensuring the city's bond rating remains stable, or possibly increase.

Funding is supported mainly through transfers from the general fund. The street fund also receives revenue from special assessments and small cities street aid, which the legislature provided ongoing funding to in the 2023 session. Funds should start to flow to the city in 2025, with annual increases in amounts thereafter.

**421 - Street Fund.** The fund is dedicated to covering the cost of general maintenance including seal coating and mill and overlay projects. Seal coating projects do not result in a special assessment and are paid with cash on hand. Mill and overlay projects are covered with cash on hand and supported through special assessments. Most other rehabilitation projects are paid for through the issuance of debt and supported by special assessments, annual levy, and existing dollars in the fund when available.

**422 - Park Fund.** The fund is dedicated to covering the expenses of improving and expanding city parks. Funding comes from general fund transfers, park dedication fees, and grants.

**423 - Equipment Fund.** This fund covers the replacement of major equipment such as squad cars, pickup trucks, snowplow trucks, mowers, tractors, and such. Starting in 2021, the city began leasing squad cars and will be looking at leasing other equipment where it makes sense financially.

**424 - Municipal Facilities Fund.** The fund covers needed and necessary maintenance and improvements to the city's buildings and building components.



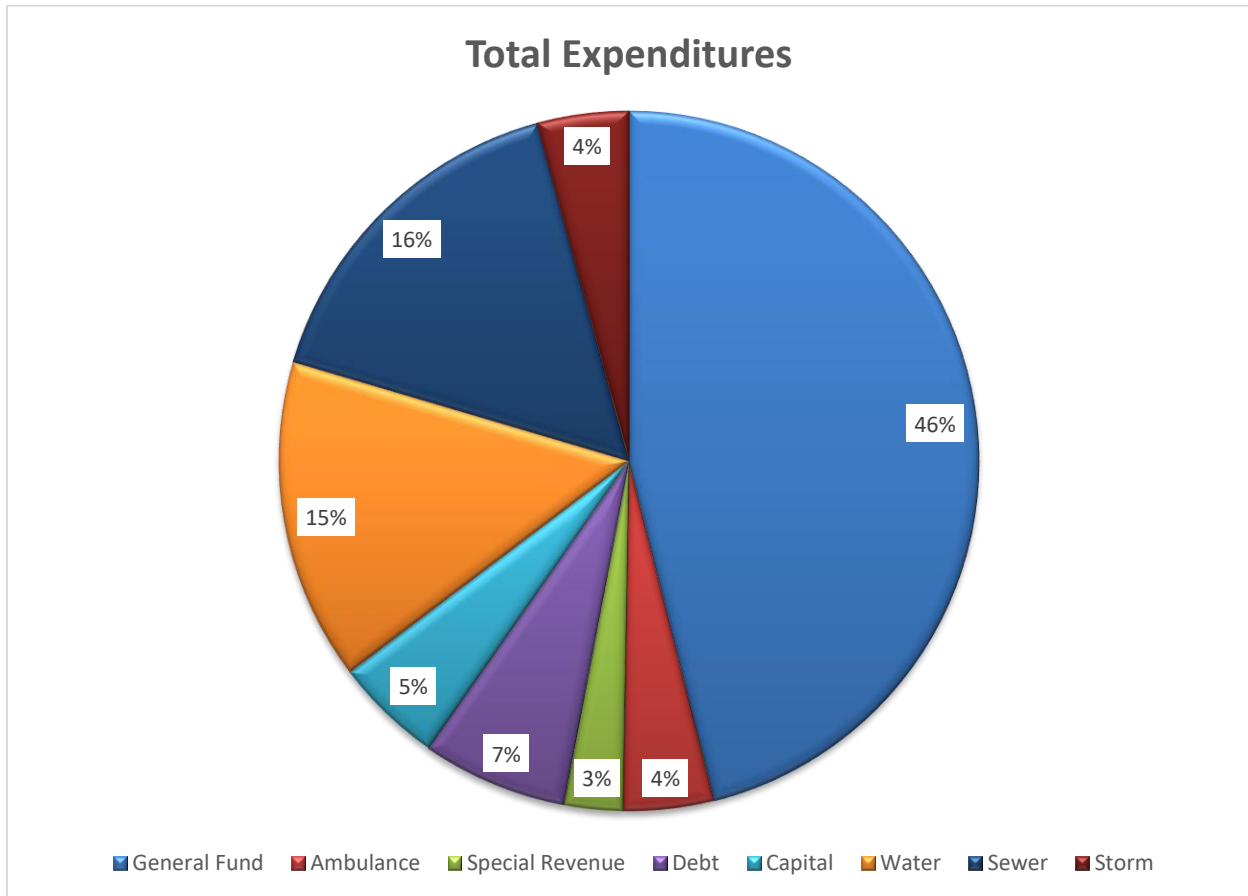
**Public Safety Fund** – the council created this fund in 2023 to hold the one-time state aid programmed specifically for public safety related activities. The funds will be held in this fund until the council determines an appropriate use for the funds.

The table below shows where the funds are anticipated to be at the end of 2024.

FUND	ESTIMATED 12/31/23	2024 REVENUE	2024 EXPENDITURE	ESTIMATED 2024 BALANCE
<b>401 FUND</b>	(\$219,600.67)	\$219,600.67	\$0.00	\$0.00
<b>STREET FUND</b>	\$863,414	\$100,000	\$150,000	\$813,414
<b>PARK FUND</b>	\$81,456	\$209,000	\$179,000	\$111,456
<b>EQUIPMENT FUND</b>	\$33,717	\$95,000	\$70,000	\$58,717
<b>MUNICIPAL FACILITIES</b>	\$223,361	\$40,000	\$40,000	\$233,361
<b>PUBLIC SAFETY</b>	\$147,735	\$0.00	\$TBD	\$TBD
<b>TOTAL</b>	\$1,130,082	\$663,600.67	\$439,000	\$1,216,948

## EXPENDITURES

Total budgeted expenditures for 2024 are 7,584,746. This is a decrease of \$494,675 from 2023. The majority of the decrease is due to some major utility bonds dropping off, ambulance purchases, and reductions in capital from prior years.



The table below provides further illustration to the changes in expenditure in the city budget.

<i>FUND</i>	<i>2023 Budget</i>	<i>2024 Budget</i>	<i>Difference</i>
<i>General</i>	\$ 3,081,592	\$ 3,480,317	\$ 398,725
<i>Ambulance</i>	\$ 647,902	\$ 316,991	(\$ 330,991)
<i>Special</i>	\$ 440,475	\$ 204,975	(\$ 235,500)
<i>Debt</i>	\$ 508,193	\$ 509,812	(\$ 1,619)
<i>Capital</i>	\$ 731,123	\$ 378,500	(\$ 352,623)
<i>Enterprise</i>	\$ 2,670,136	\$ 2,757,135	\$ 86,999
<i>Total</i>	<b>\$ 8,079,421</b>	<b>\$ 7,647,730</b>	<b>(\$ 435,009)</b>

Overall, the Council adopted a sound budget that continues to focus on the programs and priorities desired by the residents, while being sensitive to the impact the cost these services have on residents through taxes and assessments.

The rest of this document will present the funds in detail.

Brian W. Heck,  
City Administrator/Zoning Administrator

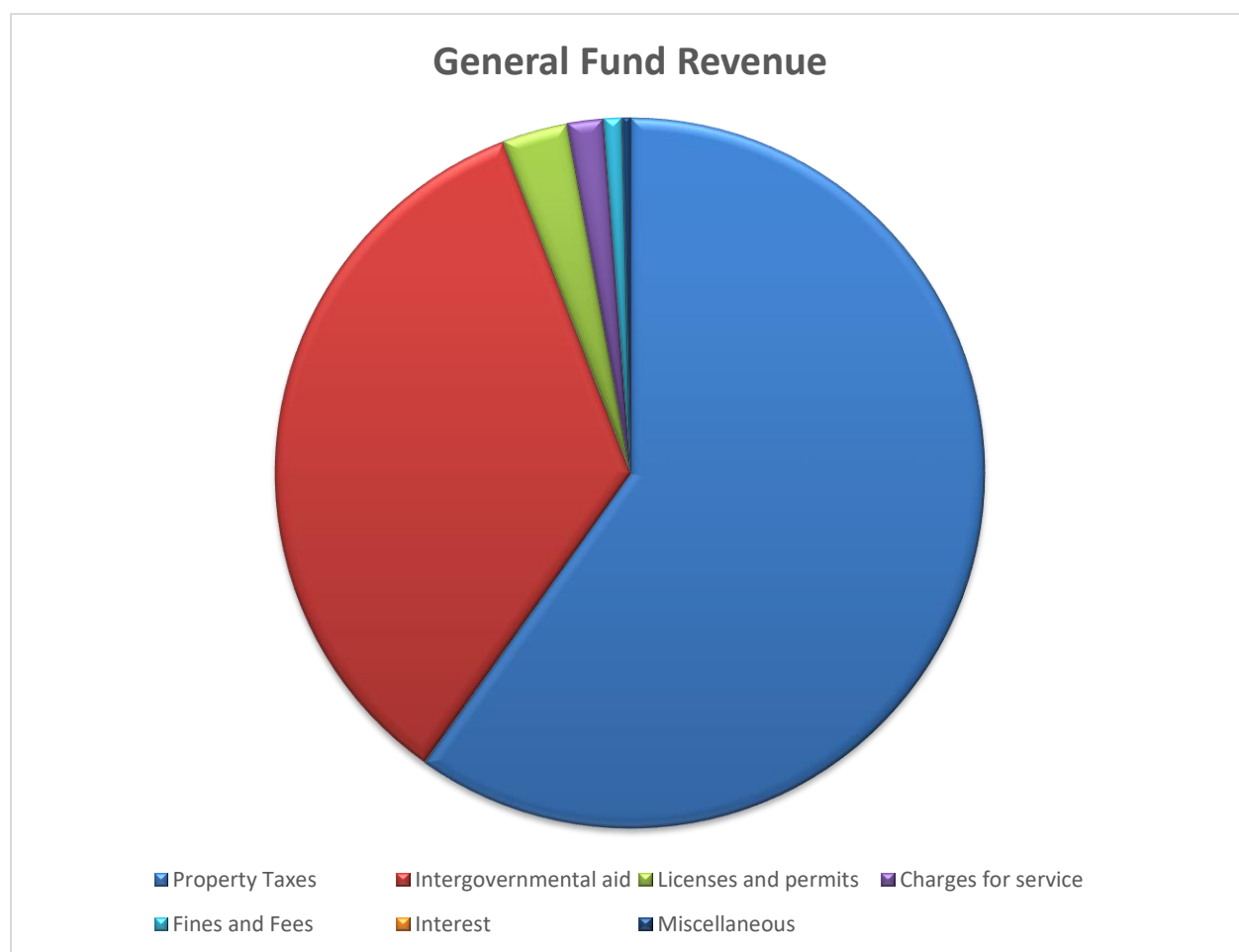
# General Fund

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The General Fund is the city's primary fund and supports the following departments:

- General Government (Council, Elections, Administration, Planning and Zoning)
- Public Safety (Police and Fire)
- Public Works (streets and snow and ice control)
- Cultural and Recreation (Parks, Recreation and Library), and
- Other (Unallocated and transfers).

Revenue comes primarily from property taxes and Intergovernmental aid. The graph below illustrates the 2024 general fund revenue.



City services are dependent on property taxes and intergovernmental aid. These two revenue sources make up 94% of total general operating funds.

Continued reliance on local government aid (LGA) for general operations puts the city at risk should there be a change in the state's financial condition or in the formula used to determine the allocation of local

government aid. A reduction in local government aid means a proportional increase in the levy, a reduction in services, or both.

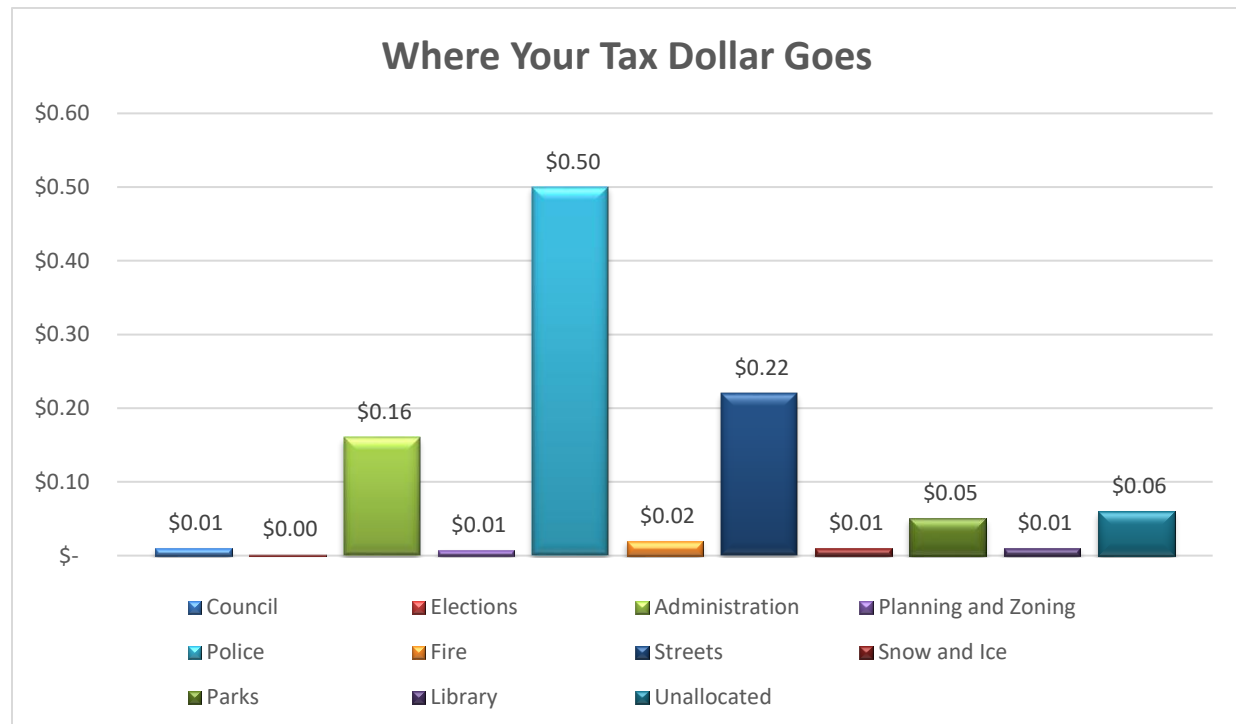
The city will continue to look at ways to lower its reliance on general local government aid.

The table below shows the history of general fund revenue over the past three years.

Revenue Source	2021 Actual	2022 Actual	2023 Budget	2024 Budget
<b>Property taxes</b>	\$1,272,726	\$1,618,860	\$1,833,666	\$2,059,467
<b>Assessments/other taxes</b>	\$0.00	\$0.00	\$0.00	\$0.00
<b>Intergovernmental</b>	\$926,385	\$1,025,410	\$1,046,111	\$1,200,450
<b>Licenses and permits</b>	\$164,211	\$115,894	\$104,450	\$104,450
<b>Charges for Service</b>	\$38,246	\$62,899	\$56,500	\$56,700
<b>Fines and Fees</b>	\$20,322	\$27,668	\$25,500	\$29,000
<b>Other</b>	\$49,180	\$51,715	\$12,250	\$12,250
<b>Interest</b>	\$9,697	\$1,414	\$1,000	\$1,000
<b>Total</b>	<b>2,480,767</b>	<b>2,559,224</b>	<b>\$3,075,110</b>	<b>\$3,480,317</b>

Revenue is planned to increase 13% over 2023. The increase is attributable to the increase in levy and in intergovernmental aid.

Expenditures are projected to be \$3,480,317, a 12.94% increase over 2023. Below is a rough estimate of where your levy dollars are allocated.



The table below provides a comparison to the actual 2020, 2021, 2022, current 2023 and 2024 budget. The bulk of the city's general fund expense is associated with Public Safety at 45.6%.

	2020 Actual	2021 Actual	2022 Actual	2023 Estimate*	2024 Budget
<b>General Government</b>	\$ 636,455	\$ 536,606	\$ 601,092	\$ 665,086	\$ 696,351
<b>Public Safety</b>	\$ 1,117,335	\$ 1,129,802	\$ 1,343,229	\$ 1,492,950	\$ 1,592,742
<b>Streets and Highway</b>	\$ 557,851	\$ 420,694	\$ 464,187	\$ 517,447	\$ 555,202
<b>Culture and Recreation</b>	\$ 73,005	\$ 134,981	\$ 178,742	\$ 218,750	\$ 206,828
<b>Miscellaneous</b>	\$ 32,579	\$ 100,517	\$ 93,175	\$ 94,033	\$ 134,682
<b>Capital Outlay</b>	\$ 85,454	\$ 31,728	\$ 69,893	\$ -	\$ -
<b>Operating Transfers</b>	\$ 372,389	\$ 436,000	\$ 345,000	\$ 195,000	\$ 310,000
<b>Total</b>	\$ 2,875,068	\$ 2,790,328	\$ 3,095,318	\$ 3,186,266	\$ 3,495,805

\*Note: based on unaudited expenditures through November. Transfers significantly less due to reallocation of other resources to streets and facilities.

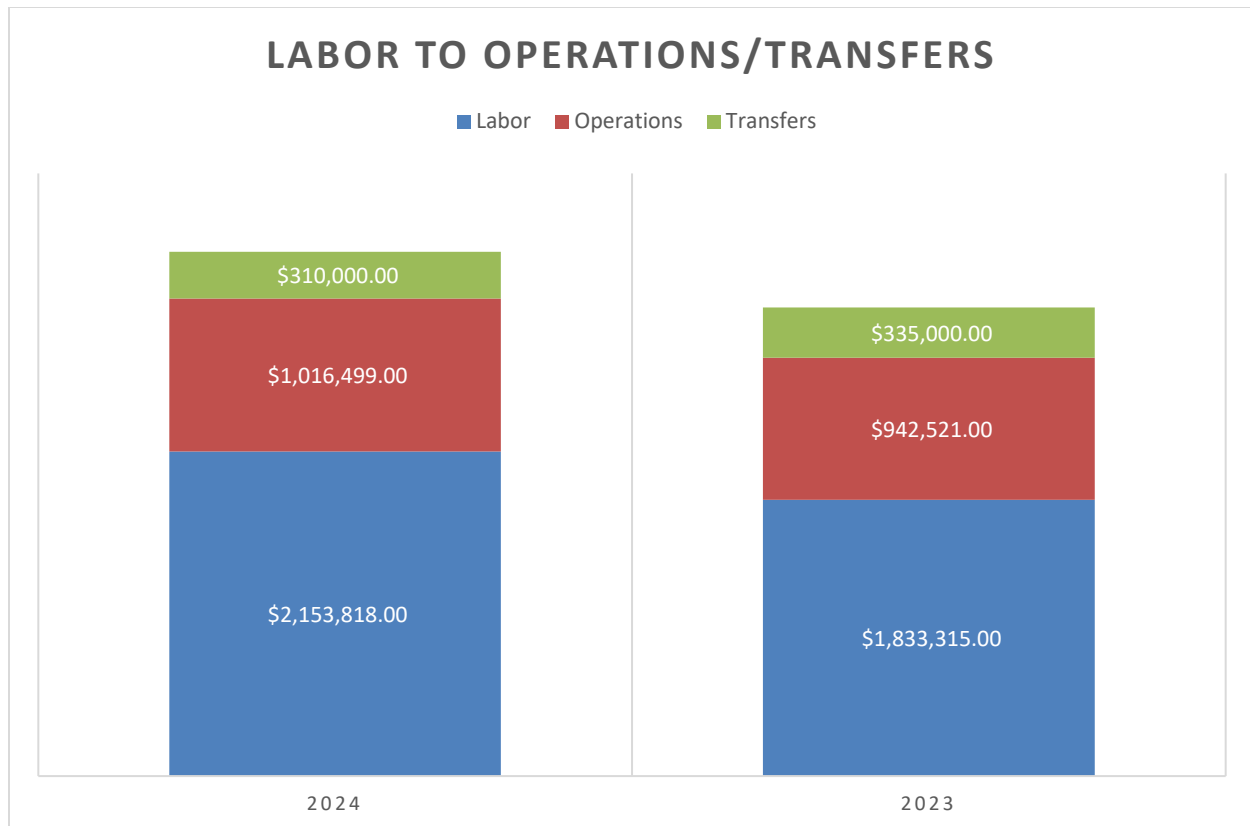
## Labor

There are 18 Full-Time Equivalent (FTE) positions funded by the General Fund as shown in the table below:

Department	2023 Authorized Staff	2024 Authorized Staff
<b>Administration</b>	4	4
<b>Planning and Zoning</b>	1	1
<b>HRA Contract</b>	0	0
<b>Police</b>	8	8
<b>Ambulance</b>	2	2
<b>Public Works</b>	3	3
<b>Total</b>	18	18

Labor continues to be the largest portion of the overall budget. Salaries and benefits were adjusted at the end of 2022 due to the significant increase in inflation, and to keep our compensation commensurate with the surrounding market.

Labor accounts for just over 61% of the total general fund budget, whereas operations are roughly 30%.



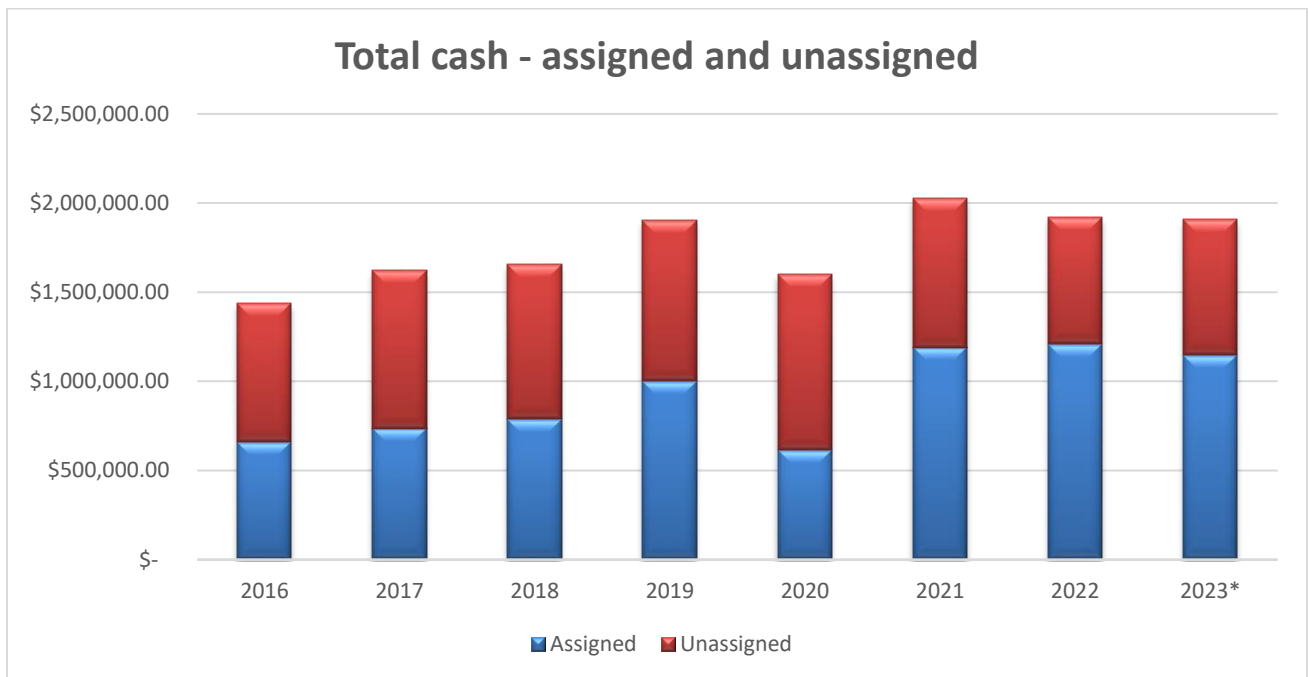
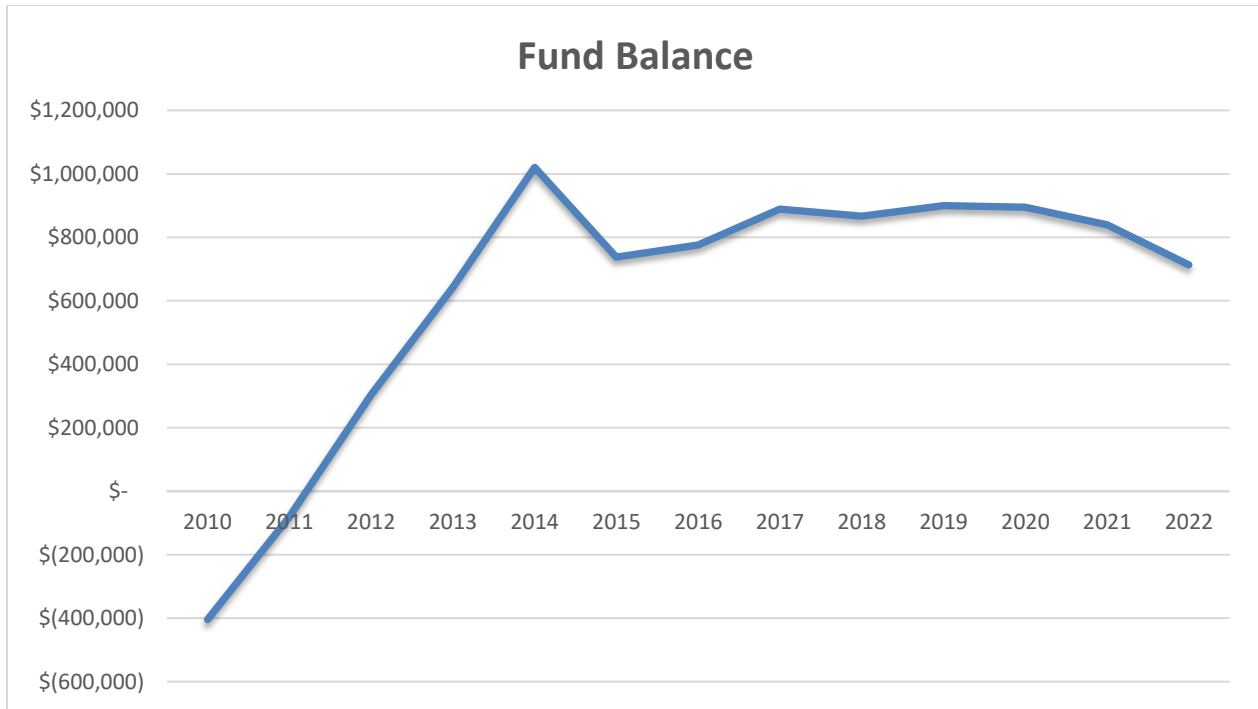
## Operating Reserves

Maintaining an operating reserve or “Fund Balance” is necessary to ensure the City has adequate resources to cover its obligations between the tax and aid distributions in May & July and October & December. As a result, the city needs at least 6 months operating cash to cover its obligations. In addition to having operating cash on hand between tax and aid distributions, there are times when unexpected and unbudgeted expenses arise. Adequate reserves allow the city to cover these unexpected expenses.

The city council continues to focus on building and maintaining a solid undesignated General Fund Reserve. Over the past several years, some of the “reserves” have been “designated” or “assigned” by the council to use for specific purposes – streets, parks, facilities, and equipment. These funds can, if necessary, be allocated by the Council to cover general operations should the need arise.

The policy and goal of the council is to have an undesignated general fund reserve of between 45% and 50% of the next years’ operating budget, less transfers. As of the end of 2022, the general fund undesignated reserve was 26%, well below the target amount.

The council has intentionally planned to begin increasing the general fund undesignated reserve as part of the 2024 budget.



The graph above shows the total fund balance including the assigned improvement funds (streets, equipment, parks, and facilities). Overall, the city continues to maintain a reasonable cash balance, however a large amount of the balance is assigned improvement funds.

\*NOTE: 2023 is based on unaudited financials.

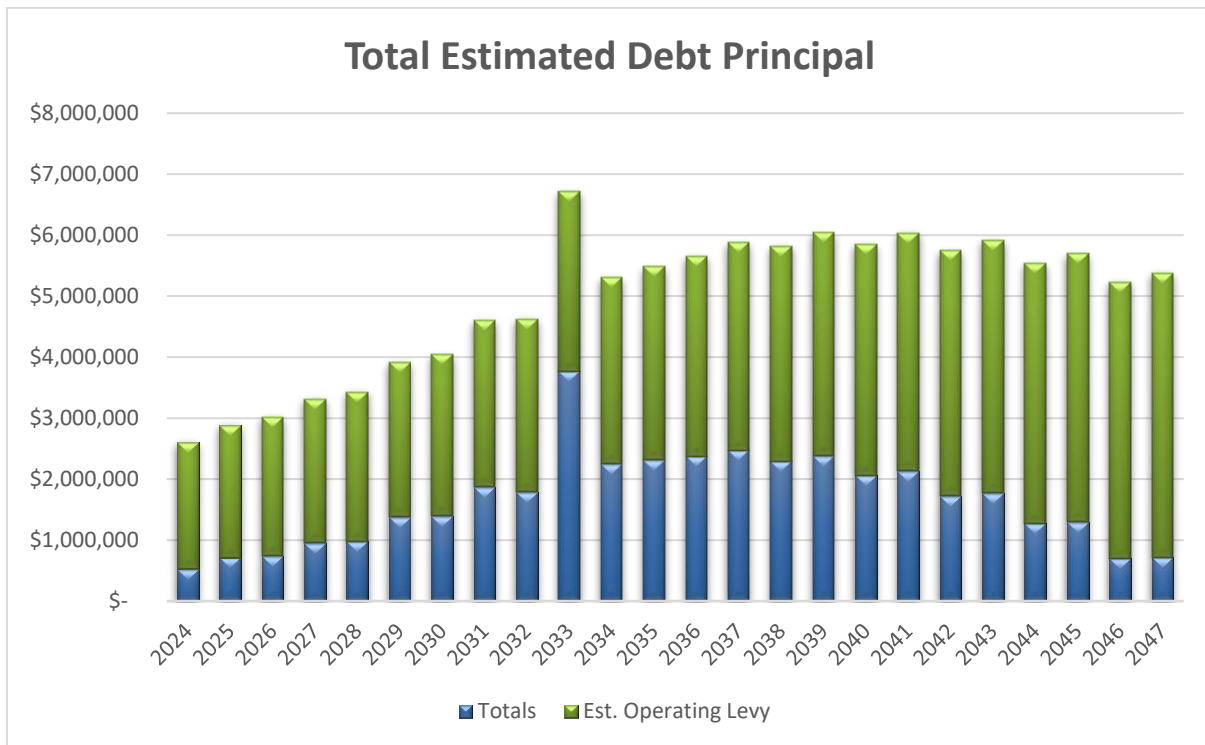
## GENERAL LEVY SUPPORTED DEBT

The table below shows the debt supported by the general levy.

<b>BOND ISSUE/DEBT</b>	<b>1/1/24 PRINCIPLE BALANCE</b>	<b>MATURITY</b>	<b>LAST LEVY YEAR</b>
<b>2012A</b>	\$330,000	2026	2020
<b>2015A</b>	\$982,900	2031	2030
<b>2021A</b>	\$2,655,000	2037	2036
<b>2022A</b>	\$2,615,000	2032	2031
<b>2023A</b>	\$4,750,000	2039	2038
<b>FUND 401</b>	\$0.00		
<b>TOTAL</b>	\$9,332,900		

The Council adopted a plan to rehabilitate the streets and two of the planned projects have been completed. The plan calls for a major street project every other year, starting in 2021 and ending in 2033. This ambitious plan has a significant price tag of over \$40,000,000. The method of paying for these projects is bonding using special assessment authority. The below illustrates the estimated impact of these projects. Reflected in the graph is the general revenue supported principal payments only and does not reflect interest payments. The amounts were increased by 10% for each bond cycle. Note this does not include possible refunding of any bonds throughout the term to achieve better interest rates.

The green bar represents an estimated levy based on a 3% annual growth rate.





### ENTERPRISE SUPPORTED DEBT

It is important to show the debt obligation for Enterprise Funds because this debt is backed by the general property tax should revenue from rates not be enough to cover the debt. The table below shows the debt covered by the Water, Sewer, and Stormwater Funds.

WATER FUND	1/1/24 Principal Balance	Maturity Date
2010A	\$ 172,800	2026
2012 A Refunding	\$ 185,000	2026
2016A Refunding (2009A)	\$ 1,620,000	2029
2017A Refunding (2006B)	\$ 570,850	2028
2021A	\$ 765,000	2037
2023A	\$ 910,000	2039
<b>TOTAL</b>	<b>\$ 2,458,650</b>	

SEWER FUND	1/1/24 Principal Balance	Maturity Date
2010A	\$ 7,200	2026
2015A 5 <sup>th</sup> Street	\$ 293,000	2031
2016A Refunding (2009A)	\$ 50,000	2029
2017A Refunding (2006B)	\$ 594,150	2028
2021A	\$ 330,000	2037
2023A	\$ 770,000	2039
<b>TOTAL</b>	<b>\$ 1,757,200</b>	

STORM WATER FUND	1/1/24 Principal Balance	Maturity Date
2021A	\$ 780,000	2037
<b>TOTAL</b>	<b>\$ 780,000</b>	

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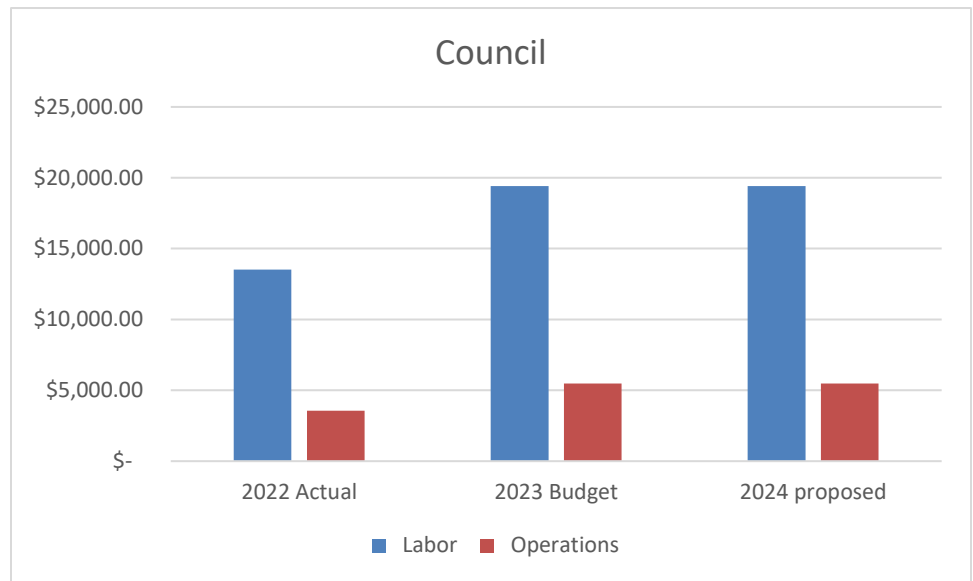
The total principal debt obligation for the city (general fund and enterprise funds) is \$18,398,000 which works out to be roughly \$5,444 per capita.

The following pages detail each department's revenue and expenditures in the General Fund.

## Mayor and Council

### Purpose

The City council consists of a mayor and four (4) council members elected at large. The mayor serves a two (2) year term and council members serve staggered four (4) year terms. The Council establishes overall policy and adopts the annual budget based on policy priorities. The City Council hires staff and contractors to carry out the established policies and plans.



### Budget Summary

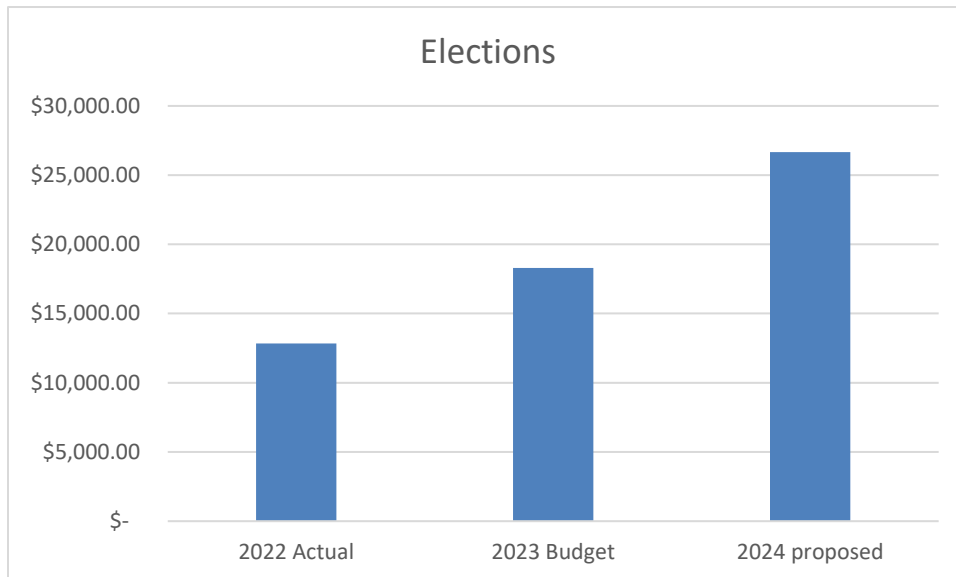
	2023 Budget	2024 Adopted
<b><i>Council</i></b>		
E 101-41110-100 Wages and Salaries	\$ 17,700	\$ 17,700
E 101-41110-122 FICA	\$ 1,175	\$ 1,175
E 101-41110-125 Medicare	\$ 275	\$ 275
E 101-41110-150 Worker s Comp (GENERAL)	\$ 93	\$ 93
<b><i>Total Personnel</i></b>	<b>\$ 19,243</b>	<b>\$ 19,243</b>
E 101-41110-200 Office Supplies (GENERAL)	\$ -	\$ -
E 101-41110-208 Training and Instruction	\$ 3,300	\$ 2,500
E 101-41110-331 Mileage Expenses	\$ 650	\$ 650
E 101-41110-350 Printing & Publishing	\$ -	\$ -
E-101-41110-353 Ordinance Publication	\$ 1,500	\$ 1,000
E 101-41110-416 Projects/Events	\$ -	\$ -
E 101-41110-430 Miscellaneous	\$ -	\$ -
E 101-41110-433 Dues and Subscriptions	\$ 30	\$ 30
E 101-41110-440 Contractual Services	\$ -	\$ -
<b><i>Services and Charges</i></b>	<b>\$ 5,480</b>	<b>\$ 4,180</b>
<b><i>Total Council</i></b>	<b>\$ 24,723</b>	<b>\$ 23,423</b>

### Significant Changes

There are no significant changes in the 2024 budget.

## Elections

### Purpose



This function is established to ensure elections are carried out in the manner prescribed by law. The city holds even year elections with the positions of Mayor and 2 members of Council up for election in 2024 along with both state and federal elections, including primaries.

	2023	2024
E 101-41410-100 Wages and Salaries	\$ 10,214	\$ 13,914
E 101-41410-102 Wages and Salaries	\$ -	\$ 146
E 101-41410-121 PERA	\$ 766	\$ 805
E 101-41410-122 FICA	\$ 635	\$ 665
E 101-41410-125 Medicare	\$ 150	\$ 155
E 101-41410-130 Disability/Life/Dental Insur	\$ 750	\$ 775
E 101-41410-131 Health Insurance	\$ 4,516	\$ 3,444
E 101-41410-331 Mileage Expenses	\$ 75	\$ 250
E 101-41410-430 Miscellaneous (GENERAL)	\$ 1,200	\$ 6,500
<b>Total Elections</b>	<b>\$ 18,306</b>	<b>\$ 26,654</b>

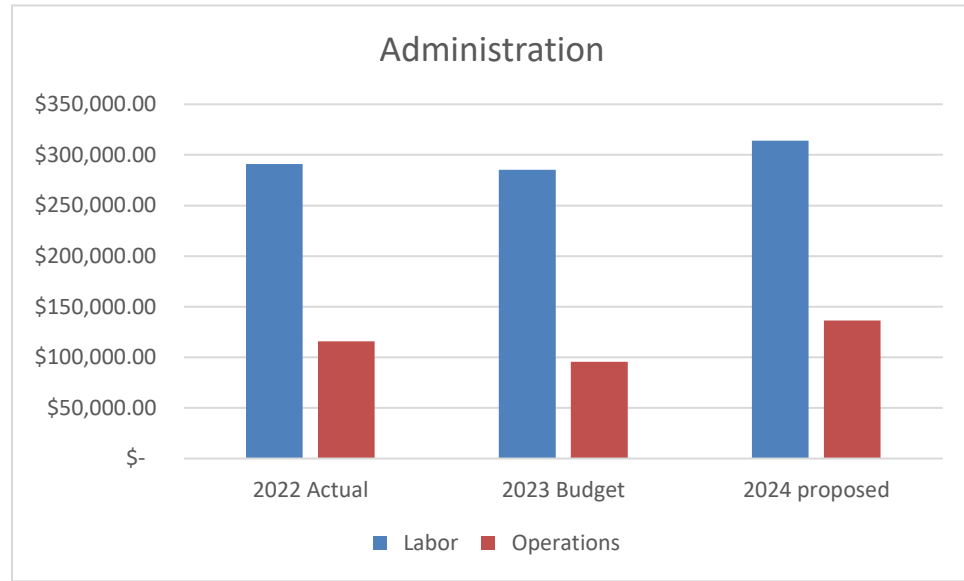
### Significant Changes

2024 will have three elections, a federal primary, a general primary, and a general that will include mayor and council seats.

## Administration

### Purpose

The administration department implements council policy, manages the city's finances, and oversees all city functions. Administration consists of the following positions: City Administrator, City Clerk / Treasurer, Billing / AP Clerk, and administrative assistant. The Administrator is appointed by the Council. All other staff are appointed by the Council on the recommendation of the Administrator.



### Budget Summary

#### Revenue

	<i>2023 Budget</i>	<i>2024 Budget</i>
R 101-41500-31010 Property Tax Levy	\$ 1,816,666	\$ 2,074,954
R 101-41500-31020 Delinquent Property Taxes	\$ 15,000	\$ 15,000
R 101-41500-31900 Payment in lieu of taxes	\$ 2,000	\$ 2,000
R 101-41500-32110 Liquor License	\$ 16,000	\$ 16,000
R 101-41500-32000 Licenses and Permits	\$ 1,000	\$ 1,000
R 101-41500-33400 State Grants and aids	\$ -	\$ -
R 101-41500-32185 Tobacco Licenses	\$ 400	\$ 400
R 101-41500-33401 Local Government Aid	\$ 910,244	\$ 1,050,450
R 101-41500-33450 PERA State Aid	\$ -	\$ -
R 101-41500-34010 TIF Administration	\$ -	\$ -
R 101-41500-36200 Miscellaneous Revenues	\$ 8,000	\$ 8,000
R 101-41500-36210 Interest Earnings	\$ 1,000	\$ 1,000
R 101-41500-36230 Contributions and	\$ -	\$ -
R 101-41500-36300 Refunds & Reimbursements	\$ 1,500	\$ 1,500
R-101-41500-36100 Special Ass	\$ -	\$ -
<b>Total Administration</b>	<b>\$ 2,529,973</b>	<b>\$ 3,154,817</b>

#### Expenses

<i>ADMINISTRATION</i>	<i>2023 Budget</i>	<i>2024 Budget</i>
E 101-41500-101 Full-Time Employees Regular	\$ 180,035	\$ 203,335
E-101-41500-102 Full-Time Employee OT	\$ 1,000	\$ 8,000
E 101-41500-103 Part-Time Employees	\$ -	\$ -

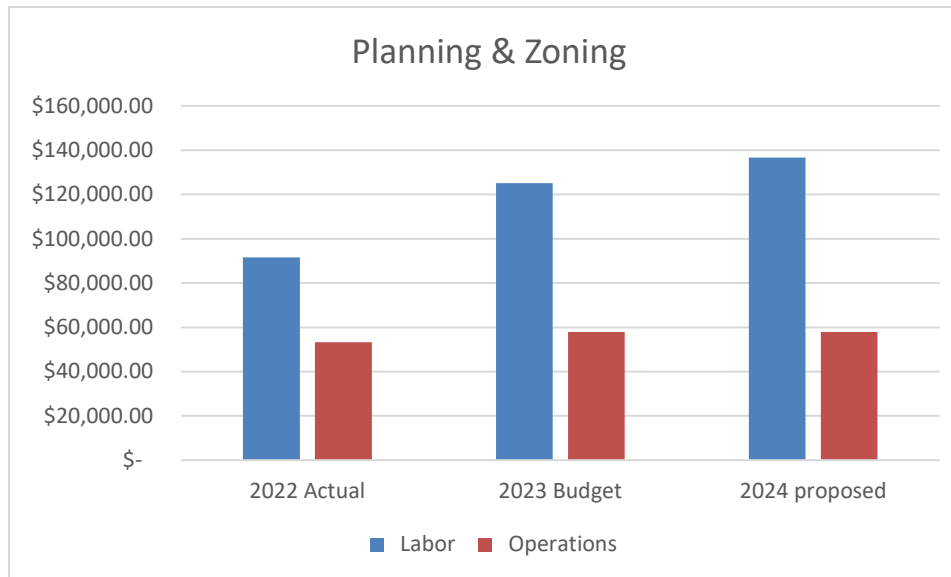
E 101-41500-121 PERA	\$	13,503	\$	15,707
E 101-41500-122 FICA	\$	11,162	\$	12,984
E 101-41500-125 Medicare	\$	2,611	\$	3,037
E 101-41500-130 Disability/Life/Dental Insur	\$	13,756	\$	15,000
E 101-41500-131 Health Insurance	\$	61,686	\$	56,022
E 101-41500-150 Worker s Comp (GENERAL)	\$	1,477	\$	1,958
<b>Total Personnel</b>	<b>\$</b>	<b>285,230</b>	<b>\$</b>	<b>316,043</b>
E 101-41500-200 Office Supplies (GENERAL)	\$	2,500	\$	2,500
E 101-41500-208 Training and Instruction	\$	3,500	\$	3,500
E 101-41500-210 Operating Supplies	\$	700	\$	700
E 101-41500-220 Repair/Maint Supply	\$	500	\$	-
E 101-41500-304 Legal Fees	\$	14,000	\$	14,000
E 101-41500-309 EDP, Software and Design	\$	-	\$	-
E 101-41500-321 Telephone	\$	2,500	\$	2,500
E 101-41500-322 Postage	\$	3,000	\$	3,000
E 101-41500-331 Mileage Expenses	\$	700	\$	700
E 101-41500-350 Printing & Publishing	\$	3,000	\$	3,000
E 101-41500-381 Electric Utilities	\$	4,000	\$	5,500
E 101-41500-383 Gas Utilities	\$	4,500	\$	5,000
E 101-41500-401 Repairs/Maint Buildings	\$	5,000	\$	2,500
E 101-41500-433 Dues and Subscriptions	\$	3,500	\$	2,500
E 101-41500-440 Contractual Services	\$	12,000	\$	13,500
E 101-41500- Contingency	\$	-	\$	26,326
<b>Other Services and Charges</b>	<b>\$</b>	<b>86,900</b>	<b>\$</b>	<b>119,226</b>
E 101-41500-570 Office Equip and Furnishings	\$	5,000	\$	3,500
E 101-41500-580 Other Equipment	\$	1,000	\$	9,213
E 101-41500-599 Lease Payments	\$	2,000	\$	2,000
E 101-41500-720 Operating Transfers	\$	-	\$	-
E 101-41500-722 Reserves Contribution	\$	-	\$	-
E 101-41500-821 Property Tax	\$	220	\$	-
<b>Capital</b>	<b>\$</b>	<b>8,720</b>	<b>\$</b>	<b>14,713</b>
<b>Total Administration</b>	<b>\$</b>	<b>380,850</b>	<b>\$</b>	<b>449,982</b>

### **Significant Changes**

The major change from 2023 is the addition of a contingency. The contingency fund is a planned increase to the fund balance. Use of the contingency requires a recommendation from the Administrator and approval of the Council. The other addition is an allocation to upgrade council devices.

## Planning & Zoning

### Purpose



The purpose of the planning and zoning is to ensure organized and planned development of the city by designating land use, establishing rules and regulations regarding land use, evaluating conditional use permits, reviewing building projects and developments in commercial and

industrial districts, administering the subdivision code, and reviewing variance requests. The Planning & Zoning Commission is made up of five citizens appointed by the Council. They review and recommend changes in land use, applications for conditional uses and variances to council. The planning & zoning function is overseen by the city administrator, who serves as the zoning administrator, and a full-time planner.

### Budget Summary

#### Revenue

	<i>2023 Budget</i>	<i>2024 Budget</i>
R 101-41910-32100 Business Licenses/Permits	\$ 17,000	\$ 17,000
R 101-41910-32102 Conditional Use Permit	\$ 250	\$ 250
R 101-41910-32210 Building Permits	\$ 65,000	\$ 65,000
R 101-41910-32211 State Building Permit Surchg	\$ 3,500	\$ 3,500
R 101-41910-34103 Zoning and Subdivision Fees	\$ 1,500	\$ 1,500
R 101-41910-36300 Refunds & Reimbursements	\$ 5,000	\$ 5,000
<b>Total Planning and Zoning</b>	<b>\$ 92,250</b>	<b>\$ 92,250</b>

<i>PLANNING AND ZONING</i>	<i>2023 Budget</i>	<i>2024 Budget</i>
E 101-41910-101 Full-Time Employees Regular	\$ 99,264	\$ 105,247
E 101-41910-102 Full-Time Regular OT	\$ -	\$ 3,224
E 101-41910-121 PERA	\$ 7,445	\$ 8,135
E 101-41910-122 FICA	\$ 6,154	\$ 6,725
E 101-41910-125 Medicare	\$ 1,439	\$ 1,573
E 101-41910-130 Disability/Life/Dental Insur	\$ 1,235	\$ 1,575
E 101-41910-131 Health Insurance	\$ 8,817	\$ 9,253

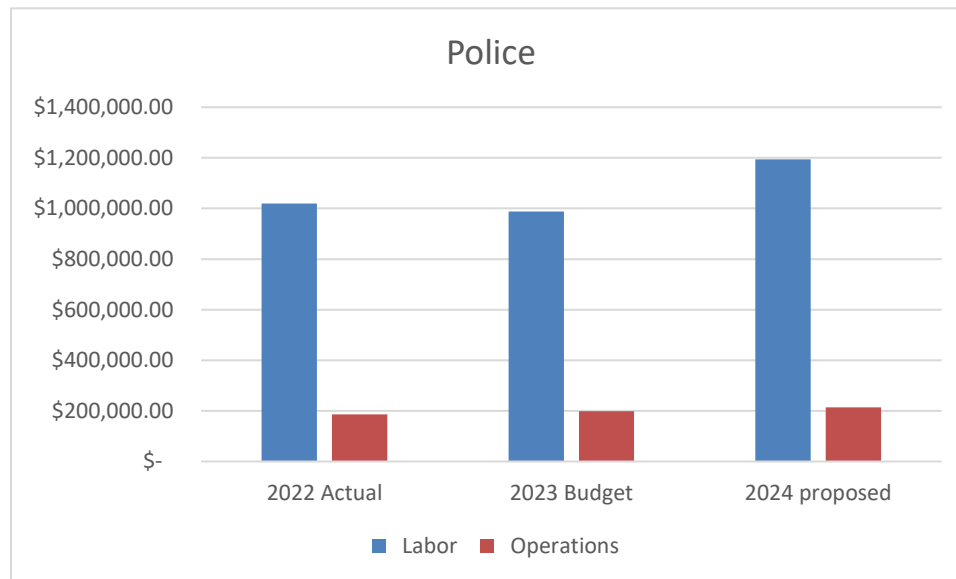
E 101-41910-150 Worker s Comp (GENERAL)	\$	814	\$	889
<b>Total Labor</b>	<b>\$</b>	<b>125,168</b>	<b>\$</b>	<b>136,621</b>
E 101-41910-111 Building Inspec Fees	\$	45,000	\$	40,000
E 101-41910-208 Training and Instruction	\$	1,000	\$	1,000
E 101-41910-303 Engineering Fees	\$	2,500	\$	1,500
E 101-41910-304 Legal Fees	\$	2,500	\$	3,000
E 101-41910-322 Postage	\$	200	\$	200
E 101-41910-350 Printing & Publishing	\$	500	\$	100
E 101-41910-351 Legal Notices & Public Info	\$	500	\$	650
E 101-41910-433 Dues and Subscriptions	\$	250	\$	250
E 101-41910-440 Contractual Services	\$	2,000	\$	2,000
E 101-41910-460 State surcharge	\$	3,500	\$	3,500
E 101-41910-580 Other Equipment	\$	-	\$	-
<b>Operating charges</b>	<b>\$</b>	<b>57,950</b>	<b>\$</b>	<b>52,200</b>
<b>Total Planning and Zoning</b>	<b>\$</b>	<b>183,118</b>	<b>\$</b>	<b>188,821</b>

### Significant Changes

There are no significant changes to the planning and zoning budget for 2024.

## Police

### Purpose



The police department is charged with providing residents and visitors a safe and secure environment as expressed in the department's mission statement "*The Montgomery Police Department, through teamwork and cooperation, will be responsive to our citizens' needs with a professional level of dedicated service.*"

*Officers will display the highest ethics and integrity and regard each citizen with a focused and unbiased attitude. Our citizens will determine our success.*" This is accomplished through enforcement of federal, state, and local laws by conducting routine patrols, engaging citizens, and sponsoring crime prevention activities.



## **Budget Summary**

### **Revenue**

	<i><b>2023 Budget</b></i>	<i><b>2024 Budget</b></i>
R 101-42100-32000 Licenses and Permits	\$ 1,250	\$ 1,250
R 101-42100-32240 Animal Licenses	\$ 50	\$ 50
R-101-42100-35101 Administrative Fines	\$ -	\$ -
R 101-42100-33416 Training Reimbursement	\$ 6,500	\$ 7,000
R 101-42100-33430 Police State Aid	\$ 65,367	\$ 65,000
R 101-42100-34201 Special Police Service	\$ 2,000	\$ 2,200
R 101-42100-35100 Court Fines	\$ 20,000	\$ 20,000
R 101-42100-35102 Parking Fines	\$ 1,500	\$ 1,500
R 101-42100-36301 police refunds	\$ -	\$ -
R 101-42100-35115 Dog Fines	\$ -	\$ -
R-101-42100-36300 Refunds & reimbursement	\$ -	\$ -
R 101-42100-36230 Contributions and	\$ 1,400	\$ 1,400
<b><i>Total Police</i></b>	<b><i>\$ 98,067</i></b>	<b><i>\$ 98,400</i></b>

### **Expenses**

<i><b>POLICE</b></i>	<i><b>2023 Budget</b></i>	<i><b>2024 Budget</b></i>
E 101-42100-101 Full-Time Employees Regular	\$ 520,848	\$ 615,259
E 101-42100-102 Full-Time Employees	\$ 12,000	\$ 20,000
E 101-42100-103 Part-Time Employees	\$ 38,115	\$ 45,720
E 101-42100-110 Office Administrator & Secretary	\$ 62,184	\$ 70,346
E 101-42100-120 Employer Contrib Ret	\$ 4,269	\$ 4,964
E 101-42100-121 PERA	\$ 96,854	\$ 122,269
E 101-42100-122 FICA	\$ 3,855	\$ 4,361
E 101-42100-125 Medicare	\$ 9,007	\$ 10,604
E 101-42100-130 Disability/Life/Dental Insur	\$ 33,000	\$ 39,450
E 101-42100-131 Health Insurance	\$ 160,634	\$ 209,955
E 101-42100-150 Worker s Comp (GENERAL)	\$ 47,685	\$ 51,747
<b><i>Total Personnel</i></b>	<b><i>\$ 988,451</i></b>	<b><i>\$ 1,194,675</i></b>
E 101-42100-200 Office Supplies (GENERAL)	\$ 4,000	\$ 4,000
E 101-42100-201 Uniform Expense	\$ 7,500	\$ 8,000
E 101-42100-208 Training and Instruction	\$ 15,000	\$ 15,000
E 101-42100-210 Operating Supplies	\$ 1,500	\$ 1,500
E 101-42100-212 Motor Fuels	\$ 20,000	\$ 20,000
E 101-42100-222 Tires	\$ 3,000	\$ 3,000
E 101-42100-304 Legal Fees	\$ 50,000	\$ 50,000
E 101-42100-309 EDP, Software and Design	\$ 13,000	\$ 24,000
E 101-42100-320 Cell Phones	\$ 4,500	\$ 4,500
E 101-42100-321 Telephone	\$ 1,500	\$ 1,500
E 101-42100-322 Postage	\$ 550	\$ 550
E 101-42100-350 Printing & Publishing	\$ 750	\$ 750
E 101-42100-381 Electric Utilities	\$ 3,000	\$ 3,000
E 101-42100-383 Gas Utilities	\$ 3,600	\$ 3,600

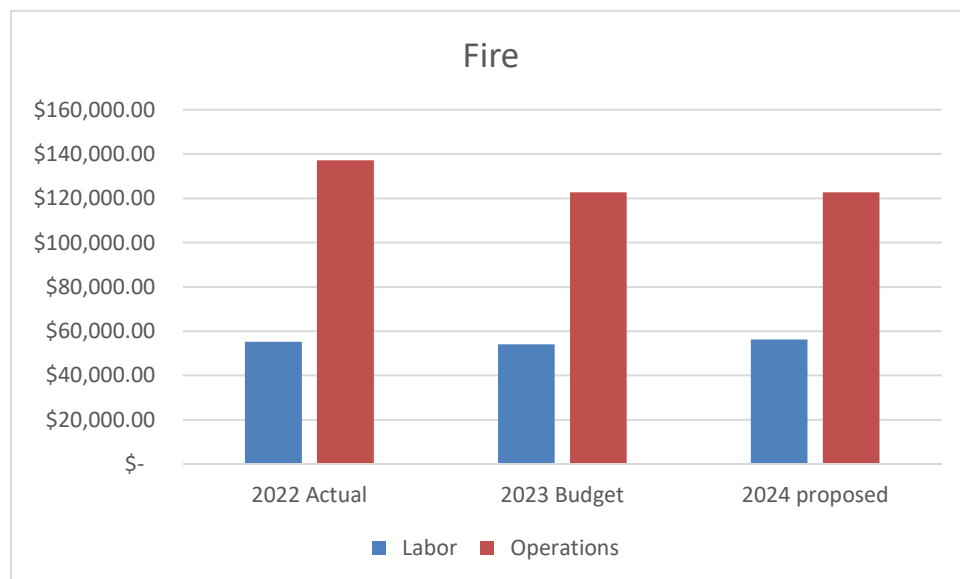
E 101-42100-400 Repairs & Maint Veh/Equip	\$	12,000	\$	12,000
E 101-42100-401 Repairs/Maint Buildings	\$	3,000	\$	1,500
E 101-42100-433 Dues and Subscriptions	\$	1,000	\$	1,000
E 101-42100-440 Contractual Services	\$	20,000	\$	22,000
E 101-42100-470 Animal Control	\$	7,000	\$	7,000
E 101-42100-495 Drug Task Force	\$	7,000	\$	7,000
<b><i>Other Services and Charges</i></b>	<b>\$</b>	<b>178,400</b>	<b>\$</b>	<b>192,900</b>
E 101-42100-580 Other Equipment	\$	18,000	\$	18,000
E 101-42100-581 Equipment Fund	\$	-	\$	-
E 101-42100-599 Lease Payments	\$	2,200	\$	2,200
E 101-42100-821 Property Tax				
<b><i>Capital Outlay</i></b>	<b>\$</b>	<b>20,200</b>	<b>\$</b>	<b>20,200</b>
<b><i>Total Police</i></b>	<b>\$</b>	<b>1,187,051</b>	<b>\$</b>	<b>1,407,775</b>

### **Significant Changes**

The department moved into a new facility in the summer of 2023. Full costs for heating, cooling, electrical, etc. will be monitored and re-evaluated for future budgets. All but one vehicle is leased, moving to a totally leased fleet should reduce equipment repair and maintenance in the future.

## **Fire**

### **Purpose**



The fire department provides fire suppression and prevention education for the City of Montgomery, Montgomery Township, and parts of Lanesburgh Township. The department also assists police and ambulance with rescue activities at accident scenes and

responds to medicals.

### **Budget Summary**

#### **Revenue**

***2023 Budget***

***2024 Budget***

R 101-42200-33416 Training reimbursement	\$	-	\$	5,000
R 101-42200-33440 Fire Department State Aid	\$	31,000	\$	33,000
R 101-42200-34202 Special Fire Protection Svcs	\$	30,000	\$	30,000
R 101-42200-34204 Fire Department Revenues	\$	8,000	\$	8,000
R 101-42200-36230 Contributions and	\$	-	\$	-
R 101-42200-36300 Refunds &	\$	-	\$	-
<b>Total Fire</b>	<b>\$</b>	<b>69,000</b>	<b>\$</b>	<b>76,000</b>

#### Expenditure

<b>FIRE</b>	<b>2023 Budget</b>	<b>2024 Budget</b>
E 101-42200-100 Wages and Salaries	\$ 38,000	\$ 44,000
E 101-42200-122 FICA	\$ 2,356	\$ 2,480
E 101-42200-125 Medicare	\$ 555	\$ 580
E 101-42200-150 Worker s Comp (GENERAL)	\$ 13,187	\$ 13,187
<b>Total Personnel</b>	<b>\$ 54,098</b>	<b>\$ 60,247</b>
E 101-42200-208 Training and Instruction	\$ 12,000	\$ 12,000
E 101-42200-210 Operating Supplies	\$ 5,500	\$ 6,000
E 101-42200-212 Motor Fuels	\$ 4,000	\$ 4,000
E 101-42200-220 Repair/Maint Supply	\$ 500	\$ 500
E 101-42200-320 Cell Phones	\$ 1,000	\$ 1,000
E 101-42200-321 Telephone	\$ 545	\$ 545
E 101-42200-322 Postage	\$ 350	\$ 350
E 101-42200-350 Printing & Publishing	\$ 225	\$ 225
E 101-42200-381 Electric Utilities	\$ 600	\$ 600
E 101-42200-383 Gas Utilities	\$ 1,000	\$ 1,000
E 101-42200-400 Repairs & Maint Veh/Equip	\$ 9,000	\$ 9,500
E 101-42200-433 Dues and Subscriptions	\$ 1,500	\$ 1,500
E 101-42200-438 Fire Relief Association	\$ 47,000	\$ 47,000
E 101-42200-440 Contractual Services	\$ 9,500	\$ 9,500
<b>Other Services and Charges</b>	<b>\$ 92,850</b>	<b>\$ 93,270</b>
E 101-42200-580 Other Equipment	\$ 10,000	\$ 10,000
E 101-42200-581 Equipment Fund-transfer	\$ 20,000	\$ 20,000
E 101-42200-599 Lease Payments		
<b>Capital</b>	<b>\$ 30,000</b>	<b>\$ 30,000</b>
<b>TOTAL FIRE</b>	<b>\$ 176,818</b>	<b>\$ 189,967</b>

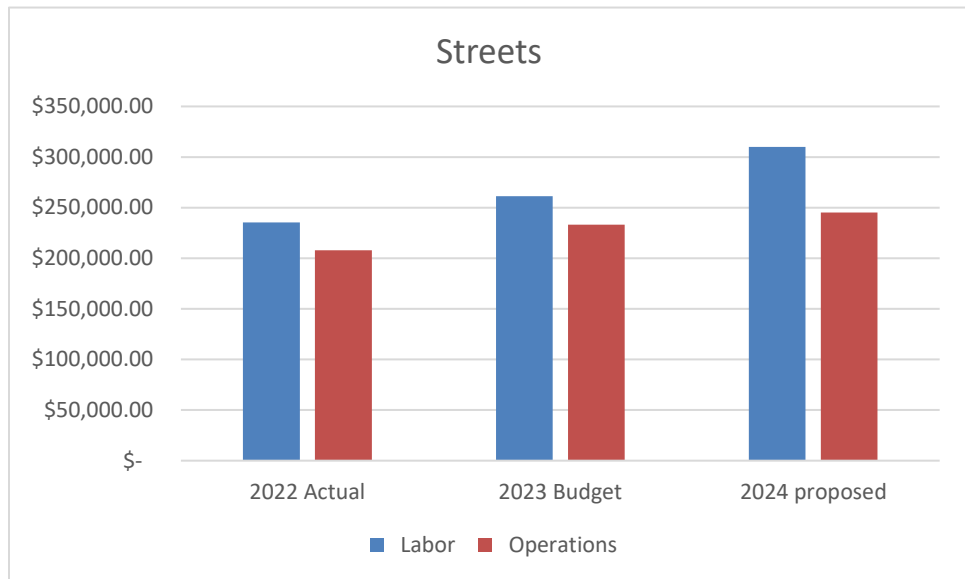
#### Significant Changes

Over the next few years, there could be a number of retirements. This may impact the relief association pension as well as staffing. There is also an increase in the hourly rate for calls and training, and new equipment will be on the near horizon.

## Public Works

### Purpose

The General Fund supported functions of Public Works includes streets, parks, sidewalks, trails, and facilities. Three staff are generally assigned to manage these functions with assistance from the two assigned to the water, wastewater, and storm water operations. The chart to the right includes snow and ice operations.



### Budget Summary

#### Revenue

	<i>2023 Budget</i>	<i>2024 Budget</i>
R 101-43000-33610 County Grants/Aid for Hwy	\$ 23,000	\$ 30,000
R 101-43000-34303 Other Highway and Street	\$ 11,500	\$ 11,500
R 101-43000-36300 Refunds &	\$ 1,000	\$ 1,000
R 101-43000-37310 Refuse/Garbage Fees	\$ 2,000	\$ 5,500
<b>Total Public Works</b>	<b>\$ 37,500</b>	<b>\$ 48,000</b>

#### Expense

<i>PUBLIC WORKS</i>	<i>2023 Budget</i>	<i>2024 Budget</i>
E 101-43000-101 Full-Time Employees Regular	\$ 127,036	\$ 150,026
E 101-43000-102 Full-Time Employee OT	\$ 500	\$ 10,000
E 101-43000-103 Part-Time Employees	\$ 17,500	\$ 18,570
E 101-43000-121 PERA	\$ 9,528	\$ 11,553
E 101-43000-122 FICA	\$ 8,961	\$ 10,702
E 101-43000-125 Medicare	\$ 2,096	\$ 2,503
E 101-43000-130 Disability/Life/Dental Insur	\$ 10,000	\$ 13,750
E 101-43000-131 Health Insurance	\$ 51,834	\$ 58,419
E 101-43000-150 Worker s Comp (GENERAL)	\$ 13,543	\$ 17,954
<b>Total Personnel</b>	<b>\$ 241,248</b>	<b>\$ 293,477</b>
E 101-43000-200 Office Supplies	\$ 1,000	\$ 1,000
E 101-43000-201 Uniform Expense	\$ 4,000	\$ 4,000
E 101-43000-208 Training and Instruction	\$ 500	\$ 500
E 101-43000-210 Operating Supplies	\$ 5,000	\$ 5,000
E 101-43000-212 Motor Fuels	\$ 9,000	\$ 9,000
E 101-43000-216 Chemicals	\$ 2,000	\$ 2,000
E 101-43000-218 Mosquito Control	\$ 14,500	\$ 15,500

E 101-43000-220 Repair/Maint Supply	\$	6,000	\$	6,000
E 101-43000-221 Equipment Parts	\$	5,000	\$	5,000
E 101-43000-222 Tires	\$	2,000	\$	2,000
E 101-43000-230 Street Signs	\$	2,500	\$	2,500
E 101-43000-240 Small Tools and Minor Equip	\$	5,000	\$	5,000
E 101-43000-311 Tree Removal	\$	10,000	\$	10,000
E 101-43000-320 Cell Phones	\$	2,000	\$	2,000
E 101-43000-321 Telephone	\$	1,000	\$	-
E 101-43000-334 Other Transportation	\$	1,500	\$	1,500
E 101-43000-381 Electric Utilities	\$	36,500	\$	36,500
E 101-43000-383 Gas Utilities	\$	5,500	\$	7,500
E 101-43000-384 Refuse/Garbage Disposal	\$	8,000	\$	8,000
E 101-43000-400 Repairs & Maint Veh/Equip	\$	20,000	\$	20,000
E 101-43000-401 Repairs/Maint Buildings	\$	20,000	\$	25,000
E 101-43000-440 Contractual Services	\$	11,000	\$	12,000
E 101-43000-443 License Fee	\$	200	\$	200
<b><i>Other Services and Charges</i></b>	<b>\$</b>	<b>171,200</b>	<b>\$</b>	<b>180,200</b>
E 101-43000-581 Equipment Fund	\$	-	\$	-
E 101-43000-821 Property Taxes	\$	8	\$	8
<b><i>Total Capital</i></b>	<b>\$</b>	<b>8</b>	<b>\$</b>	<b>8</b>
<b><i>Total Streets</i></b>	<b>\$</b>	<b>412,456</b>	<b>\$</b>	<b>473,685</b>

<b><i>Snow and Ice Control</i></b>	<b><i>2023 Budget</i></b>	<b><i>2024 Budget</i></b>
E-101-43125-101 - Full-time employee	\$ -	\$ -
E-101-43125-102 - Full-time employee OT	\$ 11,000	\$ -
E 101-43125-103 Part-time Employee	\$ 9,000	\$ 9,000
E 101-43125-121 PERA	\$ -	\$ -
E 101-43125-122 FICA	\$ -	\$ -
E 101-43125-125 Medicare	\$ -	\$ -
<b>Total Labor</b>	<b>\$ 20,000</b>	<b>\$ 9,000</b>
E 101-43125-212 Motor Fuels	\$ 9,000	\$ 1,500
E 101-43125-222 Tires	\$ 2,000	\$ 2,000
E 101-43125-224 Street Maint Materials	\$ 12,000	\$ 14,000
E 101-43125-400 Repairs & Maint Veh/Equip	\$ 17,000	\$ 21,000
E 101-43125-440 Contractual Services	\$ 22,000	\$ 22,000
<b><i>Operating costs</i></b>	<b>\$ 62,000</b>	<b>\$ 60,500</b>
<b><i>Sub-total snow and ice</i></b>	<b>\$ 82,000</b>	<b>\$ 69,500</b>
<b><i>TOTAL PUBLIC WORKS</i></b>	<b>\$ 494,456</b>	<b>\$ 593,185</b>

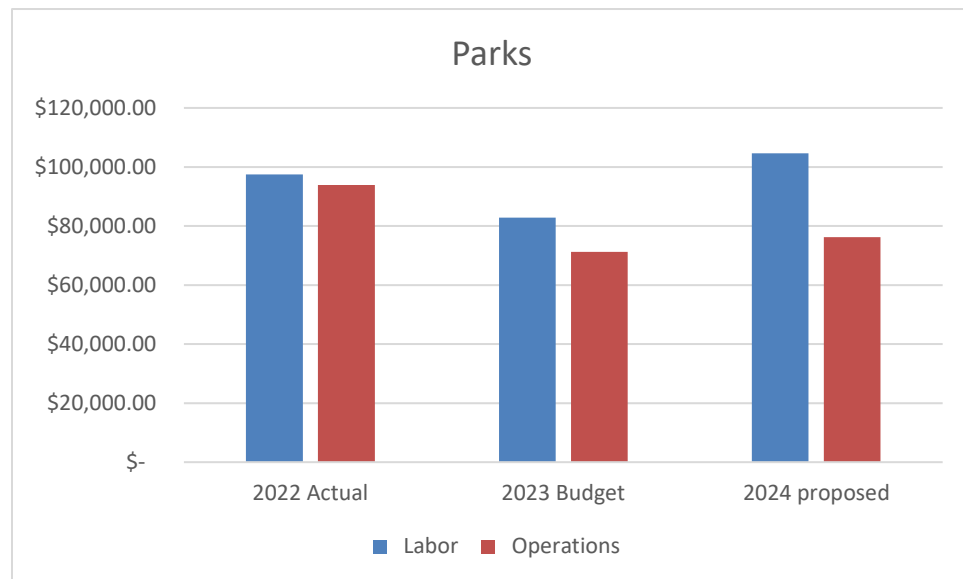
### **Significant Changes**

There are no significant changes to the 2024 budget.

## Parks and Recreation

### Purpose

This department provides for the development and maintenance of space dedicated for recreational activities of all types from passive open space to active space with playgrounds and athletic fields. The public works department is charged with ensuring facilities and equipment is clean and well maintained.



### Budget Summary

#### Revenue

	<i>2023 Budget</i>	<i>2024 Budget</i>
R 101-45200-34780 Park Fees	\$ 500	\$ 500
R 101-45200-36200 Miscellaneous Revenues	\$ 100	\$ 100
R 101-45200-36230 Contributions and	\$ 250	\$ 250
<b>Total Parks</b>	<b>\$ 850</b>	<b>\$ 850</b>

#### Expense

<i><b>PARKS</b></i>	<i>2023 Budget</i>	<i>2024 Budget</i>
E 101-45200-101 Full-Time Employees Regular	\$ 38,548	\$ 44,663
E 101-45200-102 Full-Time Employees Regular OT	\$ -	\$ 1,082
E 101-45200-103 Part-Time Employees	\$ 17,500	\$ 18,540
E 101-45200-121 PERA	\$ 2,891	\$ 3,431
E 101-45200-122 FICA	\$ 3,475	\$ 3,986
E 101-45200-125 Medicare	\$ 813	\$ 932
E 101-45200-130 Disability/Life/Dental Insur	\$ 2,000	\$ 2,875
E 101-45200-131 Health Insurance	\$ 12,814	\$ 24,413
E 101-45200-150 Worker s Comp (GENERAL)	\$ 4,305	\$ 4,681
<b>Total Personnel</b>	<b>\$ 82,846</b>	<b>\$ 104,603</b>
E 101-45200-208 Training and Instruction	\$ 500	\$ 500
E 101-45200-210 Operating Supplies	\$ 3,000	\$ 3,000
E 101-45200-212 Motor Fuels	\$ 1,250	\$ 1,250
E 101-45200-216 Chemicals and Chem	\$ 3,000	\$ 3,000
E 101-45200-220 Repair/Maint Supply	\$ 1,500	\$ 1,500
E-101-45200-300 Professional services	\$ -	\$ -

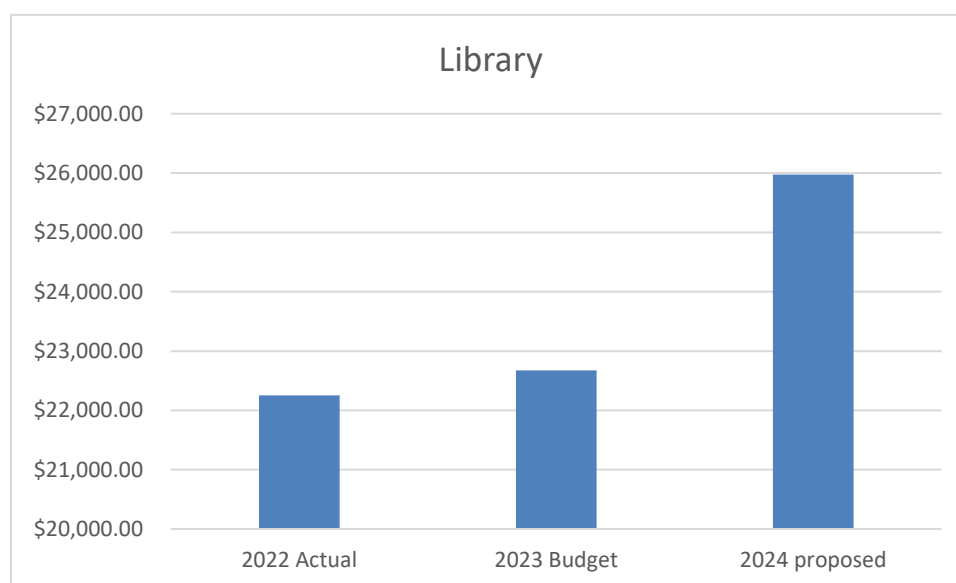
E 101-45200-311 Tree Removal	\$	7,000	\$	8,000
E 101-45200-381 Electric Utilities	\$	6,000	\$	7,000
E 101-45200-400 Repairs & Maint Veh/Equip	\$	4,000	\$	5,000
E 101-45200-401 Repairs/Maint Buildings	\$	10,000	\$	16,000
E 101-45200-440 Contractual Services	\$	15,000	\$	16,000
<b>Total Other Services and Charges</b>	<b>\$</b>	<b>52,750</b>	<b>\$</b>	<b>62,750</b>
E 101-45200-580 Other Equipment	\$	3,500	\$	3,500
E 101-45200-723 Capital improvements	\$	15,000	\$	15,000
<b>Capital outlay</b>	<b>\$</b>	<b>18,500</b>	<b>\$</b>	<b>18,500</b>
<b>Total Parks</b>	<b>\$</b>	<b>154,096</b>	<b>\$</b>	<b>185,853</b>

### **Significant Changes**

The Park Advisor Board continues to make improvements to the park infrastructure. For 2024, the plan is to begin the process of replacing and expanding the playground at Memorial Park, removal and replacement of about 109 Ash trees (contingent on successful grant application), expanding the Music in the Park program, improvements to shelters, and starting improvements to the band shell. The board has prepared and had a three-year improvement plan approved.

## **Library**

### **Purpose**



The city is responsible for providing and maintaining the building for the County Library system to deliver library services. These services include lending books and audio/visual material, reading programs, and other programs for youth and adults. It also provides a location to

access computers and the internet for those who do not have access.

## **Budget Summary**

### **Expense**

<b><i>LIBRARY</i></b>	<b><i>2023 Budget</i></b>	<b><i>2024 Budget</i></b>
E 101-45500-200 Office Supplies	\$ 100	\$ 100
E 101-45500-210 Operating Supplies	\$ 275	\$ 275
E 101-45500-220 Repair/Maint Supply	\$ 500	\$ 500
E 101-45500-321 Telephone	\$ 2,900	\$ 2,900
E 101-45500-381 Electric Utilities	\$ 5,200	\$ 5,200
E 101-45500-383 Gas Utilities	\$ 3,000	\$ 3,000
E 101-45500-401 Repairs/Maint Buildings	\$ 4,000	\$ 4,000
E 101-45500-440 Contractual Services	\$ 6,700	\$ 10,000
<b><i>Total Library</i></b>	<b><i>\$ 22,675</i></b>	<b><i>\$ 25,975</i></b>

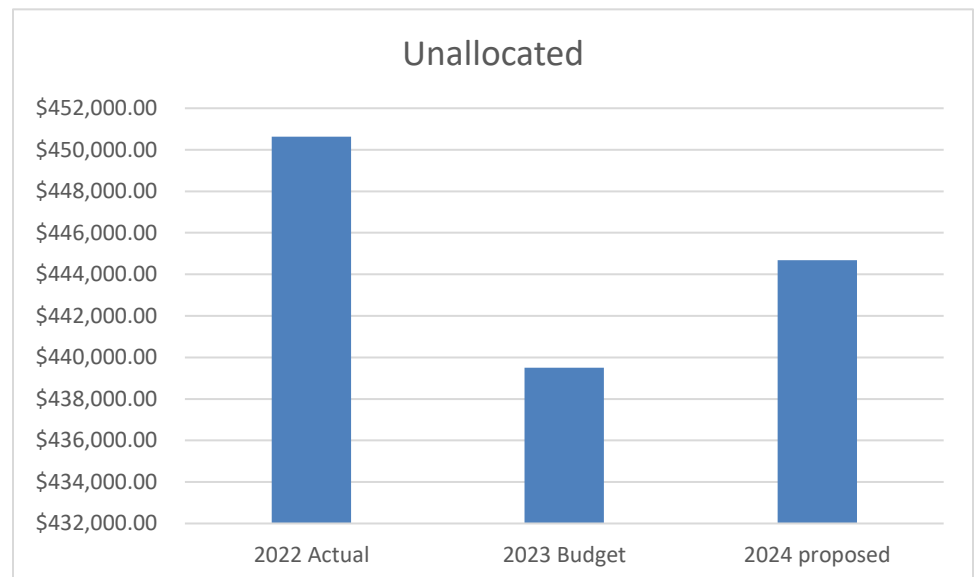
## **Significant Changes**

Contractual services were bumped up to accommodate the maintenance contract for the HVAC system and library cleaning.

## **Unallocated**

### **Purpose**

The Unallocated account contains expenditures benefiting all departments. An example is the safety program; rather than attempt to allocate this cost to each account in the General Fund; it is expensed from the unallocated account.



### **Expense**

<b><i>UNALLOCATED</i></b>	<b><i>2023 Budget</i></b>	<b><i>2024 Budget</i></b>
E-101-49200-200 Office Supplies	\$ 5,000	\$ 5,000
E 101-49200-313 Safety Program	\$ 4,500	\$ 5,000
E 101-49200-360 Insurance (GENERAL)	\$ 77,500	\$ 80,000
E 101-49200-433 Dues and Subscriptions	\$ 8,000	\$ 8,000
E 101-49200-439 Refunds and reimbursements	\$ 7,500	\$ 7,182
E-101-49200-440 Contractual Services	\$ -	\$ 27,500



E 101-42900-490 SMIF/SBDC	\$	2,000	\$	2,000
E 101-49200-720 Operating Transfers	\$	335,000	\$	310,000
Street Improvement Fund	\$	100,000	\$	75,000
Park Improvement Fund	\$	100,000	\$	100,000
Equipment Replacement Fund	\$	95,000	\$	95,000
Facilities Fund	\$	40,000	\$	40,000
<b><i>Total Unallocated</i></b>	<b>\$</b>	<b><i>439,500</i></b>	<b>\$</b>	<b><i>444,682</i></b>

### **Significant Changes**

Allocations to the different improvement funds has been adjusted to reflect priorities and additional funding that is anticipated to be received from the state for street maintenance activities.

# Special Revenue Funds

## Purpose

Special Revenue Funds are those where revenue is for a specific purpose. What makes special revenue different from an enterprise is that revenue for an Enterprise Fund comes from charges for service where the revenue for special revenue could come from franchise fees, grants, service fees, or a combination of sources. Dollars left in these Funds remain with the Fund and do not roll into the General Fund.

Department	Type of activity	Comments
<b>Ambulance</b>	Operational/Enterprise	Covers the operational costs of the ambulance service
<b>Fire Equipment Fund</b>	Capital Improvement	Covers the cost of equipment used by the Fire Department
<b>Economic Development Authority</b>	Loans & Grants	Funds for the EDA revolving loan program
<b>Police Forfeit Fund</b>	Public Safety	Funds are statutorily limited in how they can be spent and funds come from sale of forfeited property.
<b>Technology Fund</b>	Capital/Operational	Covers costs associated with city's technology enhancements.
<b>REV Grant (SMIF)</b>	Grant	Grant fund to cover expenses related to the city's Rural Entrepreneur Venture program
<b>Memorial Stadium</b>	Capital improvement/Maintenance	Covers the costs for improvements to Memorial Stadium
<b>Assisted Living TIF</b>	TIF/Loan	Serves the bonds for Traditions
<b>Medical Center TIF</b>	TIF/Loan	Serves the bonds for the medical center
<b>Crime Prevention</b>	Safety education	Funds are generated through grants and donations. Used to hold safety education programs at the schools

The balance available in each of these funds is shown in the table below.

Department	Est 12/31/23 Balance	2024 Est Revenue	2024 Est Expenses	Est. Balance 12/31/24
<b>Ambulance</b>	(\$8,902.97)	\$226,594	\$316,991	(\$99,299.97)
<b>Fire Equipment*</b>	\$407,872	\$40,000	\$21,000	\$426,872
<b>EDA</b>	\$168,964.74	\$10,000	\$30,000	\$148,964.74
<b>Police Forfeit</b>	\$3,369	\$5,000	\$0.00	\$8,369
<b>Technology</b>	(\$3,485.89)	\$20,000	\$47,500	(\$30,985.89)

<b>REV Grant</b>	\$4,836.72	\$0.00	\$1,000	\$3,836.72
<b>Memorial Stadium</b>	(\$6,191.72)	\$5,000	\$5,000	(\$6,191.72)
<b>Assisted Living TIF</b>	\$12,981.37	\$24,500	\$24,500	\$12,981.37
<b>Medical Center TIF</b>	\$4,334.14	\$10,000	\$10,000	\$4,334.14
<b>Crime Prevention</b>	\$1,484	\$1,000	\$1,000	\$1,484

**\*NOTE:** This fund may be used to cover initial costs associated with acquiring a new fire truck in 2024.

The following pages detail each of the Special Revenue funds

## Fire Equipment Fund

### Purpose

The fire equipment fund provides support for the fire department's capital and other equipment purchases. The department used this fund to purchase new turnout gear, SCBA gear, and a replacement rescue truck. The 2024 budget includes a \$20,000 transfer from the general. Other revenue for this fund comes from charitable gambling.

### Revenue

<b>FUND 203 FIRE TRUCK FUND</b>	<b>2023 Budget</b>	<b>2024 Budget</b>
R 203-42200-36210 Interest Earning		
R 203-42200-36230 Contributions and donate	\$20,000	\$20,000
R-203-42200-39200 Interfund transfers	\$20,000	\$20,000
R-203-42200-39101 Sale of equipment		
<b><i>FUND 203 TOTAL</i></b>	<b><i>\$40,000</i></b>	<b><i>\$40,000</i></b>

<b>FUND 203 FIRE TRUCK FUND</b>	<b>2023 Budget</b>	<b>2024 Budget</b>
E 203-42200-301 Auditing	\$6,400	\$6,400
E 203-42200-550 Motor Vehicles		
E-203-42200-580 Other equipment	\$250,000	\$15,000
<b><i>FUND 203 TOTAL</i></b>	<b><i>\$156,400</i></b>	<b><i>\$21,400</i></b>

### Significant Changes

The department is in the process of evaluating a new engine, and discussions on a new facility are also underway. The cost of a new engine could exceed \$1,000,000.

## Ambulance Service

### Purpose

The ambulance service provides basic life support emergency care to residents of Montgomery and surrounding areas. The service is staffed by two full-time EMT's and approximately 25 on-call paid volunteers. The service averages 300 patient contacts per year.

## **Budget Summary**

### **Revenue**

	<i>2023 Budget</i>	<i>2024 Budget</i>
R 204-44100-33416 Training Reimbursement	\$ 2,000	\$ 2,000
R 204-44100-34205 Ambulance Revenues	\$ 219,700	\$ 224,094
R 204-44100-34207 Special Ambulance	\$ 2,000	\$ -
R 204-44100-36210 Interest Earnings	\$ -	\$ -
R 204-44100-36230 Contributions	\$ 500	\$ 500
<i>Total</i>	<i>\$ 222,200</i>	<i>\$ 226,594</i>

### **Expense**

<i>AMBULANCE</i>	<i>2023 Budget</i>	<i>2024 Budget</i>
E-204-44100-101 Full-Time Employee	\$ 145,666	\$ 162,924
E-204-44100-121 PERA	\$ 6,262	\$ 6,661
E-204-44100-122 FICA	\$ 8,583	\$ 9,567
E-204-44100-125 Medicare	\$ 2,007	\$ 2,237
E-204-44100-130 Disability/life/dental	\$ 6,100	\$ 6,250
E-204-44100-131 Health Insurance	\$ 29,144	\$ 35,493
E-204-44100-150 Workers Compensation	\$ 7,930	\$ 8,909
E-204-44100-200 Office Supplies	\$ 500	\$ 500
E-204-44100-201 Uniforms	\$ 4,500	\$ 6,000
E-204-44100-208 Training and Instruction	\$ 9,500	\$ 9,500
E-204-44100-210 Operating Supplies	\$ 9,500	\$ 9,500
E-204-44100-212 Motor Fuels	\$ 2,800	\$ 5,000
E-204-44100-222 Tires	\$ 600	\$ 600
E-204-44100-300 Professional Services	\$ 750	\$ 750
E-204-44100-EDP, Software and Computers	\$ 1,000	\$ 2,000
E-204-44100-320 Cell phones	\$ 600	\$ 1,500
E-204-44100-321 Telephone	\$ 800	\$ 500
E-204-44100-322 Postage	\$ 300	\$ 300
E-204-44100-350 Printing and publishing	\$ 600	\$ 600
E-204-44100-360 Insurance (general)	\$ 800	\$ 2,000
E-204-44100-400 Repairs & Maintenance Veh.	\$ 3,000	\$ 3,000
E-204-44100-433 Dues & Subscriptions	\$ 1,000	\$ 1,000
E-204-44100-439 Refunds & Reimbursements	\$ 1,000	\$ 1,000
E-204-44100-440 Contractual Services	\$ 15,000	\$ 15,000
E-204-44100-581 Equipment	\$ 350,000	\$ -
E-204-44100-599 Lease Payments	\$ -	\$ 24,200
<i>Total</i>	<i>\$ 607,942</i>	<i>\$ 316,991</i>

## **Significant Changes**

The department has two full-time EMT's and is purchasing a new rig that should be delivered in 2024. The new rig will be financed via a loan through MVEC and the USDA. Payments will be over 10-years at zero percent interest. Run rates continue to be adjusted in an effort to fund the operation.

## **Economic Development Authority**

### **Purpose**

The Economic Development Authority (EDA) was established to develop and administer programs aimed at strengthening the business climate and expanding the tax base in the City of Montgomery. These activities include, but are not limited to, offering recommendations regarding business subsidies, preparing marketing plans, acquiring property for development and to attract, retain and assist current businesses expand their operations.

Funding for the EDA's loan program is generated through the sale of property, allocations from the General Fund, and interest on outstanding loans. At some point, the city will need to consider a funding mechanism for the EDA as there is a limited amount of land owned by the city.

### **Budget Summary**

#### **Revenue**

<b>FUND 205 EDA LOAN FUND</b>	<b><i>2023 Budget</i></b>	<b><i>2024 Budget</i></b>
R 205-49300-36210 Interest Earnings	\$ -	\$ -
R 205-49300-36220 Loan repayments	\$ 2,500	\$ 10,000
R 205-49300-39101 Sales of General Fixed	\$ 150,000	\$ -
R 205-49300-39200 Inter-fund Operating	\$ -	\$ -
<b><i>FUND 205 EDA LOAN FUND</i></b>	<b>\$ 152,500</b>	<b>\$ 10,000</b>

#### **Expense**

<b>FUND 205 EDA LOAN FUND</b>	<b>2023 Actual</b>	<b>2024 Budget</b>
E-205-46500-208 Training and Instruction	\$ 500	\$ -
E 205-46500-304 Legal Fees	\$ 2,000	\$ 2,000
E 205-465000-310 Other Professional Services	\$ 4,000	\$ 4,000
E-205-46500-331 Milage	\$ 150	\$ 150
E-205-46500-433 Dues and Subscriptions	\$ 300	\$ 300
E 205-46500-440 Contractual Services	\$ 10,000	\$ 10,000
E 205-49300-494 Loans made	\$ 25,000	\$ 25,000
E 205-49300-510 Land	\$ -	\$ -
E 205-46500-821 Property Taxes	\$ 1,500	\$ 1,500
<b><i>FUND 205 EDA LOAN FUND</i></b>	<b>\$ 43,450</b>	<b>\$ 42,950</b>

### **Significant Changes**

The EDA has three (3) loans totaling about \$100,000. There are two parcels of land left which the EDA can market, however, one is being considered for a municipal facility. In addition, a new “sub-committee” was established in late 2023, the purpose of which is to continue the efforts of the Rural Entrepreneur Venture Program.

## **Technology**

### **Purpose**

This fund will cover the city’s technology improvements and activities, including, but not limited to, annual maintenance for software, application upgrades, internet connections, video production, cable station maintenance, and the like. Funding comes from a franchise fee assessed to Cable subscribers.

### **Budget Summary**

#### **Revenue**

	<b><i>2023 Budget</i></b>	<b><i>2024 Budget</i></b>
<b>FUND 217 COMMUNICATIONS</b>		
R 217-41500-32181 T.V. Franchise	\$ 20,000	\$ 20,000
<b><i>FUND 217 COMMUNICATIONS</i></b>	<b><i>\$ 20,000</i></b>	<b><i>\$ 20,000</i></b>

#### **Expense**

	<b><i>2023 Budget</i></b>	<b><i>2024 Budget</i></b>
E 217-41500-207 Computer Services	\$ 35,000	\$ 35,000
E 217-41500-309 Software	\$ 15,000	\$ 10,000
E 217-41500-440 Contractual Services	\$ 5,000	\$ 2,500
<b><i>FUND 217 COMMUNICATIONS</i></b>	<b><i>\$ 55,000</i></b>	<b><i>\$ 47,500</i></b>

### **Significant Changes**

The fund being supported by franchise fees will become an issue overtime as more households discontinue subscribing to cable television and using on-line streaming services such as Amazon, Hulu, Sling, Netflix, and the like, for their video content. As a result, the city may need to reintegrate computer services in the general fund budget or find another revenue source.

## Rural Entrepreneur Venture (REV) Grant

### Purpose

The REV Grant was awarded in 2020 in the amount of \$7,500, paid out over three (3) years in \$2,500 annual installments. The work of the REV Core team and its subcommittees will continue as an arm of the EDA. The last installment of the grant was received in 2023 so there is no budget planned or anticipated for 2024 and beyond. This committee has transitioned to become a sub-committee of the EDA.

## Tax Increment Finance Funds

### Purpose

The city helped Traditions of Montgomery and the Medical Clinic develop their sites through the use of Tax Increment Finance (TIF) and the sale of bonds. The proceeds from the TIF district are used by the two entities to cover a portion of the annual principle, and interest payment on the bonds. When the district expires, the full property tax will be paid to the City, School, and County. This district runs 21-years or until a specified amount has been paid to the developers in accordance with the Agreement.

### Budget Summary

#### Revenue

	<b>2023</b>	<b>2024</b>
<b>FUND 227 TIF - ASSISTED LIVING FACILITY</b>	<b>Budget</b>	<b>Budget</b>
R 227-47110-31010 Property Tax Levy	\$24,500	\$24,500
<b><i>FUND 227 TIF - ASSISTED LIVING FACILITY</i></b>	<b><i>\$24,500</i></b>	<b><i>\$24,500</i></b>
	<b>2023</b>	<b>2024</b>
<b>FUND 228 TIF - MEDICAL CLINIC</b>	<b>Budget</b>	<b>Budget</b>
R 228-47111-31010 Property Tax Levy	\$10,000	\$10,000
R 228-47111-36100 Special Assessments	\$0.00	\$0.00
<b><i>FUND 228 TIF - MEDICAL CLINIC</i></b>	<b><i>\$10,000</i></b>	<b><i>\$10,000</i></b>

#### Expenditures

	<b>2023</b>	<b>2024</b>
<b>FUND 227 TIF - ASSISTED LIVING FACILITY</b>	<b>Budget</b>	<b>Budget</b>
E 227-47110-444 Assisted Living TIF Payment	\$24,000	\$24,000
<b><i>FUND 227 TIF - ASSISTED LIVING FACILITY</i></b>	<b><i>\$24,000</i></b>	<b><i>\$24,000</i></b>
	<b>2023</b>	<b>2024</b>
<b>FUND 228 TIF - MEDICAL CLINIC</b>	<b>Budget</b>	<b>Budget</b>
E 228-47111-445 Medical Clinic TIF Payment	\$10,000	\$10,000
<b><i>FUND 228 TIF - MEDICAL CLINIC</i></b>	<b><i>\$10,000</i></b>	<b><i>\$10,000</i></b>

# Debt Service Funds

## Purpose

Debt Service Funds hold proceeds from bonds the city sells to finance large projects such as road construction and buildings. Revenue from special assessment, interest, tax levy, etc., is placed in the debt service fund. Annual principal and interest payments are then made from the specific debt service fund.

## General Fund Debt

The table below outlines current debt supported by the General Fund as well as the amount due in 2024, the principal balance remaining 12/31/24, and maturity date for the debt.

Fund	2024 Principal Payment	2024 Interest Payment	2024 Total	12/31/24 Principal Balance	Maturity
<b>326 – 2012A</b>	\$145,000	\$8,752	\$153,752	\$185,000	2026
<b>327 – 2015A*</b>	\$115,600	\$25,557.82	\$141,157.82	\$867,300	2031
<b>328 – 2021A</b>	\$170,000	\$43,417.50	\$213,417.50	\$2,480,000	2037
<b>329 – 2023A</b>	\$	\$75,460.76	\$75,460.76	\$3,070,000	2039
<b>330+ – 2022A</b>	\$95,000	\$86,683	181,683	\$2,478,000	2033
<b>Total</b>	<b>\$525,600</b>	<b>\$239,871.08</b>	<b>\$765,471.08</b>	<b>\$9,515,900</b>	

\*Note – includes the water share of the bond amounting to \$39,910.

+ Note – Includes stormwater portion of the bond.

If cash is available, the 2012A refunding bond could be retired early, saving a small amount of interest and making room for new principal payments from the 2023A bond. Furthermore, the 2022A police facility bond should be looked at to refinance as a more traditional GO bond once interest rates are more favorable, and lower the overall payment.

## Enterprise Fund Debt

The City also carries debt supported by the Enterprise Fund. This debt is supported through the fees charged for water and wastewater services and special assessments. The first table contains the water debt, and the second table is the sewer debt.

### Water

Note	2024 Principal Payment	2024 Interest Payment	2024 Total	12/31/24 Principal Balance	Maturity
<b>2010A</b>	\$57,600	\$6,134.40	\$63,734.40	\$115,200	2026
<b>2012A</b>	\$60,000	\$5,308	\$65,308	\$125,000	2026
<b>2016A</b>	\$252,000	\$39,921.57	\$291,921.57	\$1,368,000	2029
<b>2017A</b>	\$110,250	\$10,896.38	\$121,146.38	\$460,600	2028
<b>2021A</b>	\$50,000	\$12,505	\$62,505	\$715,000	2037



<b>2023A</b>	\$	\$22,348.33	\$22,348.33	\$910,000	2039
<b>Total</b>	<b>\$529,850</b>	<b>\$97,113.68</b>	<b>\$626,963.68</b>	<b>\$3,693,200</b>	

### **Sewer**

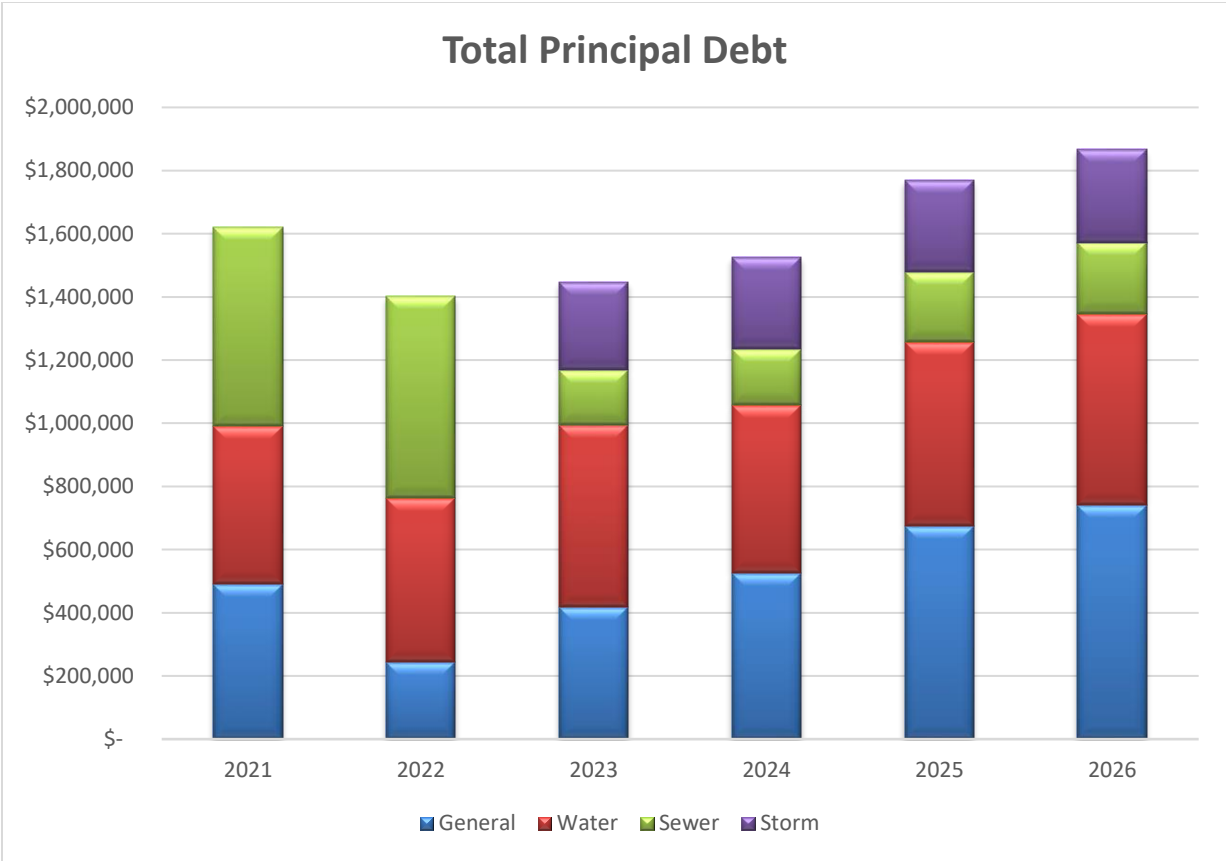
Note	2024 Principle Payment	2024 Interest Payment	2024 Total	12/31/24 Principal Balance	Maturity
<b>2010A</b>	\$2,400	\$255.60	\$2,655.60	\$4,800	2026
<b>2015A</b>	\$34,400	\$7,592.18	\$41,992.18	\$257,700	2031
<b>2016A</b>	\$8,000	\$1,234.69	\$9,234.69	\$42,000	2029
<b>2017A</b>	\$114,750	\$11,341.12	\$126,091.12	\$479,400	2028
<b>2021A</b>	\$20,000	\$5,400	\$25,400	\$310,000	2037
<b>2023A</b>		\$18,922.29	\$18,922.29	\$770,000	2039
<b>Total</b>	<b>\$179,550</b>	<b>\$44,745.88</b>	<b>\$224,295.88</b>	<b>\$1,870,900</b>	

### **Storm Water**

Note	2024 Principle Payment	2024 Interest Payment	2024 Total	12/31/24 Principal Balance	Maturity
<b>2021A</b>	\$50,000	\$12,775	\$62,775	\$730,000	2037
<b>Total</b>	<b>\$50,000</b>	<b>\$12,775</b>	<b>\$62,775</b>	<b>\$730,000</b>	

Total City Debt, represented by principal balance due, at the end of 2024 will be \$15,800,000. This was expected as additional street and utility projects are completed and with the construction of a new police facility.

The City monitors the call date for bond issues and evaluates if the resources allow the bond to be called e.g. paid off or if the bond should be refinanced. The determination to do either of these is based on available cash, estimated savings, and existing terms. The next bond likely to be considered for refinancing is the 2022A lease-revenue bond. The graph below shows the total debt.



# Capital Funds

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## Purpose

Capital Funds are used to cover the cost of major capital projects such as equipment, construction and improvements to parks, streets, trails, and facilities. Dollars in a capital fund carry over from year to year and are dedicated to the specific fund purpose. There are two (2) components to the capital program. The first is the capital improvement plan and the second is the capital budget.

The capital improvement plan (CIP) is a document, or series of documents, outlining planned capital expenditures over the next five to 10 years. The plan helps guide the council in establishing the annual capital budget.

The city has an adopted CIP for streets and parks. Staff continue to work on refining the equipment plan and to keep costs down, began leasing through the state cooperative purchasing venture. The city is currently leasing 2 of the 3 squad cars and plans to lease a third.

The funding for capital funds comes from planned transfers from the General Fund. Additional funds may be moved to a capital fund if there are dollars left in a project fund at the close out of the project.

## Current Status

The City operates five (5) capital funds: Street Improvements, Park Improvements, Equipment, Municipal Facilities, and the newly created public safety fund, which is being capitalized using one-time funding from the State of Minnesota. The reason for creating these funds is to ensure dedicated dollars are available each year for these important functions. The table below shows the current balance, planned transfer, planned expenditures, and projected balance.

Fund	Est. 12/31/23 Balance	2024 Allocation	2024 Planned Expenditures	2024 Est. Balance
<b>Parks</b>	\$ 81,456	\$209,000	\$179,000	\$ 111,456
<b>Streets</b>	\$863,414	\$100,000	\$150,000	\$ 813,414
<b>Equipment</b>	\$ 33,717	\$ 95,000	\$ 70,000	\$ 58,717
<b>Facilities</b>	\$223,361	\$ 40,000	\$ 40,000	\$ 233,361
<b>Public Safety</b>	\$147,735	\$ 0.00	\$TBD	\$ TBD
<b>General</b>	(\$219,600)	\$219,600	\$ -	\$ 0.00
<b>NET</b>				<b>1,236,948</b>

## PLANNED EXPENDITURES

### Street Program

The city will complete the second of the planned street reconstruction projects in 2024 and begin planning for the next project planned for 2025. There is no planned chip seal project for 2024. The county is

planning to mill and overlay 1<sup>st</sup> Street and may do a “thin” overlay on Oak Ave SE east of the railroad tracks. This is a process where a 1” to and 1.5” of asphalt is placed over the existing surface.

### **Equipment Program**

There will be continued leasing of squad cars and a skid loader. There will also be a payment, beginning in 2025, for the new 1-ton vehicle for streets. The plow truck will have its final payment in 2024. Public works will begin to look at acquiring a new loader and snowblower in 2024.

### **Park Program**

The Park and Recreation Advisory Board completed a three-year (3) improvement plan. This will include planned removal and replacement of Ash trees in Northside and Memorial Parks. A grant of \$109,000 was secured to cover the majority of this project. Lighting will be improved for the volleyball and horseshoe area and added to the sledding hill. Bandshell improvements will begin, the backstop in Memorial Field will be replaced, and possible preparation for an archery range.

### **Facilities**

Work will continue on planning for a new fire facility and improvements to City Hall.

# Enterprise Funds

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## Purpose

Enterprise Funds are supported through user fees. The fee is broken into a base fee and usage fee. The base fee covers the capital assets (buildings, pipes, towers, etc.) and long-term debt. The usage fee covers the annual operating costs of the utility. Because these operations are supported by user fees, there is usually little to no impact on the levy.

## Water Fund

### Purpose

The water fund covers the costs to pump, treat, and distribute water to residents. The system consists of four wells, a 500,000-gallon water tower, several miles of water main and laterals, and a treatment plant. The water is treated to remove iron, radium, and manganese. The current hardness of the water is about 21 grains.

Two wells are located near the treatment plant and provide drinking water to the city. The other wells are backups in case there is a water main break or there is need for additional water pressure due to a structure fire. One well is located near the grain elevator; the other is in Northside Park.

The entire water system has the capacity to service the needs of the city for the next several years and is designed to be expanded as the population grows.

There is no need to adjust the rates for water service in 2024. Water rates will likely need to increase slightly over the next few years to account for added operational costs, and costs associated with street reconstruction.

### Budget Summary

#### Revenue

<b>FUND 601 WATER FUND</b>	<b>2023 Budget</b>	<b>2024 Budget</b>
R 601-49400-36210 Interest Earnings	\$ 1,000	\$ 500
R 601-49400-37171 Le Sueur County Tax	\$ 1,500	\$ 1,500
R 601-49400-36220 Rents/Lease Revenues	\$ 20,000	\$ 21,000
R 601-49400-37100 Water Sales	\$ 975,000	\$ 980,000
R 601-49400-37170 WATER TAX	\$ 13,000	\$ 13,500
R 601-49400-37180 SURCHARGE TAX (ST	\$ 15,000	\$ 15,000
R 601-49400-37190 Sales- Meters	\$ 15,000	\$ 15,000
R 601-49400-37251 Water Connect/Reconnect	\$ 30,000	\$ 30,000
R 601-49400-39200 Inter-fund Operating Transfer	\$ 250,000	\$ 250,000
<b><i>FUND 601 WATER FUND</i></b>	<b><i>\$ 1,320,500</i></b>	<b><i>\$ 1,326,500</i></b>

Expense

	2023 Budget	2024 Budget
<b>FUND 601 WATER FUND</b>		
E 601-49400-101 Full-Time Employees Regular	\$ 129,334	\$ 141,633
E 601-49400-102 Full-Time Employees OT	\$ 1,000	\$ 1,200
E 601-49400-121 PERA	\$ 9,700	\$ 10,623
E 601-49400-122 FICA	\$ 8,019	\$ 8,781
E 601-49400-125 Medicare	\$ 1,875	\$ 2,054
E 601-49400-130 Disability/Life/Dental Insur	\$ 3,500	\$ 6,200
E 601-49400-131 Health Insurance	\$ 37,791	\$ 42,267
E 601-49400-150 Worker s Comp (GENERAL)	\$ 4,071	\$ 4,948
<b>Total Personnel</b>	<b>\$ 195,290</b>	<b>\$ 217,705</b>
E 601-49400-201 Uniforms	\$ 900	\$ 2,000
E 601-49400-208 Training and Instruction	\$ 1,200	\$ 700
E 601-49400-210 Operating Supplies	\$ 15,000	\$ 15,000
E 601-49400-212 Motor Fuels	\$ 10,300	\$ 10,300
E 601-49400-216 Chemicals	\$ 18,000	\$ 25,000
E 601-49499-220 Repair/Maint. Supplies	\$ 5,500	\$ 3,000
E 601-49400-221 Equipment Parts	\$ 20,000	\$ 22,000
<b>Total Services</b>	<b>\$ 72,900</b>	<b>\$ 78,000</b>
E 601-49400-303 Engineering Fees	\$ 7,000	\$ 5,000
E 601-49400-309 EDP, Software and Design	\$ 6,500	\$ 30,971
E 601-49400-320 Cell Phones	\$ 800	\$ 1,500
E 601-49400-321 Telephone	\$ 1,000	\$ 750
E 601-49400-322 Postage	\$ 3,100	\$ 3,200
E 601-49400-350 Printing & Publishing	\$ 800	\$ 800
E 601-49400-360 Insurance (GENERAL)	\$ 11,000	\$ 19,000
E 601-49400-381 Electric Utilities	\$ 30,500	\$ 33,000
E 601-49400-383 Gas Utilities	\$ 4,500	\$ 4,500
E 601-49400-400 Repairs & Maint Veh/Equip	\$ 5,500	\$ 2,500
E 601-49400-401 Repairs/Maint Buildings	\$ 12,000	\$ 12,000
E 601-49400-404 Repairs/Maint Machinery	\$ 25,000	\$ 25,000
E 601-49400-433 Dues and Subscriptions	\$ 1,600	\$ 1,600
E 601-49400-439 Refunds & Reimbursements	\$ 2,500	\$ 2,500
E 601-49400-440 Contractual Services	\$ 25,000	\$ 25,000
E 601-49400-442 Testing	\$ 2,000	\$ 2,000
E 601-49400-443 License Fees	\$ 1,000	\$ 250
E 601-49400-450 Sales Tax	\$ 5,500	\$ 5,500
E 601 49400-451 Le Sueur Tax	\$ 1,550	\$ 1,550
E 601-49400-460 State surcharge	\$ 15,000	\$ 15,000

<b><i>Other Services and Charges</i></b>	<b>\$ 161,850</b>	<b>\$ 191,621</b>
E 601-49400-520 Buildings & Structures	\$ 10,000	\$ 10,000
E 601-49400-550 Vehicles	\$ 4,667	\$ 12,800
E 601-49400-580 Other Equipment	\$ 47,000	\$ 27,000
E 601-49400- Interfund Loan	\$ -	\$ -
<b><i>Total Water Services</i></b>	<b>\$ 491,707</b>	<b>\$ 537,126</b>
E 601-22500-601 2004 issue	\$ 24,044	\$ -
E 601-49439-611 2004 issue Interest	\$ 683	\$ -
E 601-22500-601 2017A Refunding	\$ 107,800	\$ 110,250
E 601-49442-611 2017A Interest	\$ 13,077	\$ 10,896
E 601-22500-601 2002B	\$ 43,000	\$ -
E 601-49443-611 2002B Interest	\$ 1,367	\$ -
E 601-22500-601 2016A Refunded Bond	\$ 247,000	\$ 252,000
E 601-48922-611 2016A Interest	\$ 46,478	\$ 39,921
E 601-22500-601 2010A Bond	\$ 52,800	\$ 57,600
E 601-48923-611 2010A Interest	\$ 8,397	\$ 6,134
E 601-22500-601 2012A Refunding	\$ 55,000	\$ 60,000
E 601-48926-611 2012A Interest	\$ 7,093	\$ 5,308
E 601-22500-601 2021A Bond	\$ 45,000	\$ 50,000
E 601-47000-611 2021A Interest	\$ 13,458	\$ 12,505
E 601-49998-601 2023A Principal	\$ -	\$ -
E 601-49998-611 2023A Interest	\$ -	\$ 22,349
<b><i>Total Water Debt</i></b>	<b>\$ 665,198</b>	<b>\$ 626,964</b>
<b><i>FUND 601 WATER FUND</i></b>	<b>\$1,156,905</b>	<b>\$1,164,091</b>
<b><i>Operating surplus/(deficit)</i></b>	<b>\$ 163,595</b>	<b>\$ 162,409</b>

## Significant Changes

There are no significant changes to the water operations for 2024. Staffing costs may increase slightly as employees obtain licensure and become eligible for a grade adjustment and subsequent increase in compensation. In addition, new software, including GIS, will be implemented in 2024 and a new vehicle will be added.

## Sewer Fund

### Purpose

This Fund covers the cost to collect and treat sewage waste generated by residents and businesses in the community.

The wastewater system consists of a pre-treatment plant (headworks), two oxidation ditches, two final clarifiers, digesters, and five reed beds. The system is fed by three “neighborhood” lift stations and main lift station. Waste travels through several miles of forced and gravity mains and service laterals.

Maintenance of the system includes regular cleaning of the mains, pulling pumps and mixers, emptying and cleaning the oxidation ditches, drawing down the digesters to clean and maintain, etc. General sewer pipe maintenance requires root removal, regular inspections of flow, and examination and maintenance of lift station pumps and components.

## **Budget Summary**

### **Revenue**

<b>FUND 602 SEWER FUND</b>	<b>2023 Budget</b>	<b>2024 Budget</b>
R 602-49450-36210 Interest Earnings	\$ 1,000	\$ 500
R 602-49450-36220 Rents/Lease Revenues	\$ -	\$ -
R 602-49450-36100 Special Assessment	\$ -	\$ -
R 602-49450-37200 Sewer Sales	\$ 950,000	\$ 975,000
R 602-49450-37250 Sewer Connect/Reconnect	\$ 40,000	\$ 40,000
R 602-49400-39200 Inter-fund Operating Loan	\$ -	\$ -
R 602-49450-37270 Septic Revenue	\$ 40,000	\$ 40,000
<b><i>FUND 602 SEWER FUND</i></b>	<b><i>\$ 1,031,000</i></b>	<b><i>\$ 1,055,500</i></b>

### **Expense**

<b>FUND 602 SEWER FUND</b>	<b>2023 Budget</b>	<b>2024 Budget</b>
E 602-49450-101 Full-Time Employees Regular	\$ 129,334	\$ 141,633
E 602-49450-102 Full-Time Employees OT	\$ 1,000	\$ 1,200
E 602-49450-103 Part-Time Employees	\$ -	\$ -
E 602-49450-121 PERA	\$ 9,700	\$ 10,623
E 602-49450-122 FICA	\$ 8,019	\$ 8,781
E 602-49450-125 Medicare	\$ 1,875	\$ 2,054
E 602-49450-130 Disability/Life/Dental Ins	\$ 3,500	\$ 6,200
E 602-49450-131 Health Insurance	\$ 38,540	\$ 42,341
E 602-49450-150 Worker s Comp (GENERAL)	\$ 4,071	\$ 4,888
<b><i>Total Personnel</i></b>	<b><i>\$ 196,039</i></b>	<b><i>\$ 217,720</i></b>
E 602-49450-201 Uniform Expense	\$ 900	\$ 2,000
E 602-49450-208 Training and Instruction	\$ 1,200	\$ 500
E 602-49450-210 Operating Supplies	\$ 16,000	\$ 10,000
E 602-49450-212 Motor Fuels	\$ 10,300	\$ 10,300
E 602-49450-216 Chemicals	\$ 35,000	\$ 38,000
E 602-49450-220 Repair/Maint Supply	\$ 5,500	\$ 4,000
E 602-49450-221 Equipment Parts	\$ 15,000	\$ 10,000
<b><i>Total Supplies</i></b>	<b><i>\$ 83,900</i></b>	<b><i>\$ 74,800</i></b>
E 602-49450-303 Engineering Fees	\$ 16,500	\$ 16,500



E 602-49450-309 EDP, Software and Design	\$ 6,500	\$ 30,971
E 602-49450-320 Cell Phones	\$ 800	\$ 800
E 602-49450-321 Telephone	\$ 6,500	\$ 6,500
E 602-49450-322 Postage	\$ 3,100	\$ 3,100
E 602-49450-350 Printing & Publishing	\$ 800	\$ 1,200
E 602-49450-360 Insurance (GENERAL)	\$ 18,500	\$ 30,000
E 602-49450-381 Electric Utilities	\$ 60,000	\$ 60,000
E 602-49450-383 Gas Utilities	\$ 12,000	\$ 18,000
E 602-49450-400 Repairs & Maint Veh/Equip	\$ 5,500	\$ 1,500
E 602-49450-401 Repairs/Maint Buildings	\$ 10,000	\$ 10,000
E 602-49450-402 Repairs/Maint Structures	\$ 10,000	\$ 10,000
E 602-49450-403 Improvements other than build	\$ 2,500	\$ 2,500
E 602-49450-404 Repairs/Maint Machinery	\$ 40,000	\$ 45,000
E 602-49450-433 Dues and Subscriptions	\$ 1,300	\$ 1,000
E 602-49450-439 Refunds & Reimbursements	\$ 2,500	\$ 2,500
E 602-49450-440 Contractual Services	\$ 40,000	\$ 35,000
E 602-49450-441 Sludge Disposal	\$ 40,000	\$ 40,000
E 602-49450-442 Testing	\$ 17,500	\$ 15,000
E 602-49450-443 License Fees	\$ 100	\$ 100
<b><i>Other Services and Charges</i></b>	<b>\$ 294,100</b>	<b>\$ 329,671</b>
E 602-49450-520 Buildings & Structures	\$ 75,000	\$ 45,000
E 602-49450-530 Improvements Other Than	\$ 57,500	\$ 57,500
E 602-49450-550 Vehicles	\$ 4,666	\$ 12,800
E 602-49450-580 Other Equipment	\$ 77,955	\$ 50,000
E 602-49450-581 Equipment Fund	\$ -	\$ -
E 602-49450-720 Operating Transfers	\$ 250,000	\$ 250,000
<b><i>Capital Outlay</i></b>	<b>\$ 464,166</b>	<b>\$ 415,300</b>
<b><i>Total Sewer Operations</i></b>	<b>\$ 1,038,205</b>	<b>\$ 1,037,490</b>
E 601-22500-601 2010A Bond	\$ 2,200	\$ 2,400
E 601-48923-611 2010A Interest	\$ 349	\$ 225
E 602-22500-601 2016A refunded bond	\$ 8,000	\$ 8,000
E 602-48922-610 2016A Interest	\$ 1,437	\$ 1,234
E 602-22500-601 2003 Note	\$ -	\$ -
E 602-49496-611 2003 Note Interest	\$ -	\$ -
E 602-22500-601 2015A Improvement bond	\$ 32,100	\$ 34,400
E 602-49991-611 2015AInterest	\$ 8,256	\$ 7,592
E 602-22500-601 2017A Refunding	\$ 112,200	\$ 114,750
E 602-49499-611 2017A Interest	\$ 13,610	\$ 11,341
E 602-22500-601 2021A Bond	\$ 20,000	\$ 20,000
E 602-47000-611 2021A Interest	\$ 5,800	\$ 5,400
E 602-49998-601 2023A Principal	\$ -	\$ -
E 602-49998-611 2023A Interest	\$ -	\$ 18,922

<i>Sewer Fund Debt</i>	<i>\$ 203,954</i>	<i>\$ 224,296</i>
<b><i>TOTAL FUND 602 SEWER FUND</i></b>	<b><i>\$ 1,242,159</i></b>	<b><i>\$ 1,261,786</i></b>
<i>Operating surplus/(deficit)</i>	<i>\$ (211,159)</i>	<i>\$ (206,286)</i>

### Significant Changes

The Sewer fund will be completing paying back the water fund dollars borrowed in 2024. A new software system will be implemented, along with the purchase of a truck. Additionally, the city will be looking to work with the engineer on finalizing the city's wastewater permit. Lastly, there will be work with Seneca related to discharge of chlorides.

## Storm Water Fund

### Purpose

The Storm Water Fund is designed to cover the repair, maintenance and construction of the city's storm water system. The system consists of several miles of pipe and ditches as well as catch basins to collect rainwater and discharge the runoff to a series of ponds and ditches. The city is responsible for one large ditch on the west side of town and one smaller segment of ditch on the east side of town. The storm water fund also provides for general education and street sweeping as part of the program.

### Budget Summary

#### Revenue

<b>FUND 604 STORM WATER FUND</b>	<b>2023 Budget</b>	<b>2024 Budget</b>
R 604-49992-36210 Interest	\$	\$ 500
R 604-49992-39200 Inter-fund Operating	\$ -	\$ -
R 604-49992-40001 Strom Sewer	\$ 160,000	\$ 250,000
<b><i>FUND 604 STORM WATER FUND</i></b>	<b><i>\$ 160,000</i></b>	<b><i>\$ 250,500</i></b>

#### Expense

<b>FUND 604 STORM WATER FUND</b>	<b>2023 Budget</b>	<b>2024 Budget</b>
E 604-49992-101 Full-Time Employees Regular	\$ 43,257	\$ 76,539
E 604-49992-102 Full-Time Employee OT	\$ 1,000	\$ 1,000
E 604-49992-121 PERA	\$ 3,265	\$ 5,740
E 604-49992-122 FICA	\$ 2,699	\$ 4,745
E 604-49992-125 Medicare	\$ 631	\$ 1,110
E 604-49992-130 Disability/Life/Dental Ins.	\$ 2,100	\$ 5,500
E 604-49992-131 Health Insurance	\$ 16,849	\$ 24,649
E 604-49992-150 Worker s Comp (GENERAL)	\$ 2,811	\$ 3,128
<b><i>Total Personnel</i></b>	<b><i>\$ 72,881</i></b>	<b><i>\$ 122,412</i></b>
E 604-49992-201 Uniforms	\$ 900	\$ 2,000
E 604-49992-210 Operating Supplies	\$ 300	\$ 1,200

E 604-49992-212 Motor Fuels	\$ 5,000	\$ 5,000
E 604-49992-221 Equipment Parts	\$ 3,000	\$ 2,000
E 604-49992-303 Engineering Fees	\$ 1,000	\$ 1,000
E 604-49992-309 EDP, Software and Design	\$ 6,500	\$ 30,971
E 604-49992-322 Postage	\$ 3,100	\$ 3,100
E 604-49992-350 Printing and Publishing	\$ 800	\$ 500
E 604-49992-360 Insurance (General)	\$ 650	\$ 1,500
E 604-49992-400 Repairs & Maint Veh/Equip	\$ 10,000	\$ 5,000
E 604-49992-402 Repairs & Maint Structures	\$ 17,500	\$ 20,000
E 60449992-404 Repairs & Maint Machinery	\$ -	\$ -
E 604-49992-440 Contractual Services	\$ 50,000	\$ 50,000
E 604-49992-443 License fees	\$ 1,000	\$ 1,000
<b><i>Sub-total supplies and services</i></b>	<b>\$ 99,750</b>	<b>\$ 123,271</b>
E 604-49992-550 Vehicles	\$ 4,666	\$ 12,800
E 604-49992-580 Other Equipment	\$ 30,000	\$ 10,000
<b><i>Total Capital</i></b>	<b>\$ 34,666</b>	<b>\$ 22,800</b>
604-22500-601 2021A Bond	\$ 50,000	\$ 50,000
604-47000-611 2021A Interest	\$ 13,775	\$ 12,775
<b><i>TOTAL FUND 604 STORM WATER FUND</i></b>	<b>\$ 271,072</b>	<b>\$ 318,258</b>
<b><i>Operating surplus/(deficit)</i></b>	<b>(\$ 111,072)</b>	<b>(\$ 68,858)</b>

### Significant Change

The significant change for storm water is the purchase of a new pickup truck and new software for utility billing, GIS, and other functions.