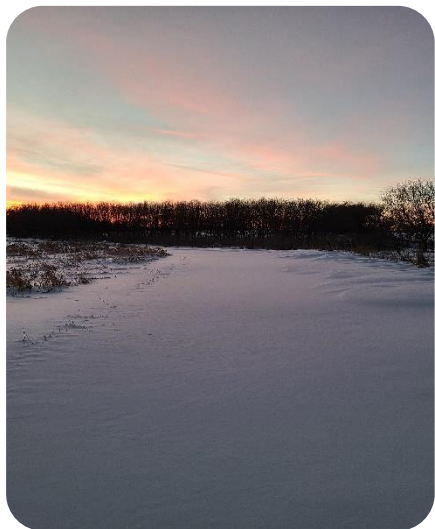


2022

CITY OF MONTGOMERY



BUDGET



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December 31, 2021

To: Honorable Mayor, City Council, and Staff

For your consideration is the 2022 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 6, 2021.

This document represents work put in 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 city parks.
3. Improve the city's sidewalks and trails.
4. Develop and implement plan to address city facilities.
5. Public Safety.
6. Promote programs to expand and retain businesses.

Funding Priorities

Street Improvements

The Council continues to make regular transfers to the dedicated street improvement fund. The allocation in 2021 was \$200,000 and is planned to be \$190,000 for 2022. The fund continues to maintain a healthy balance and is used to cover annual chip sealing and preliminary studies for major street projects. The funds expended for the feasibility studies and preliminary engineering for a project are reimbursed to the fund following the sale of bonds.

The first of many major road projects involving road reconstruction, replacement of water and sewer, and improvements to stormwater began in 2021 with the Circle Drive neighborhood. This project will be completed in the spring of 2022. A feasibility study is currently underway for the next project planned for 2023.

In addition to the street reconstruction, general maintenance of existing streets is also important and to that end, the city does regular chip sealing. This process involves placing a coat of oil on the road and covering the oil with trap rock. In 2021, the city chip sealed the area reconstructed in 2015 including Countryside drive, the Preserve, and East Welco neighborhoods. The project for 2022 will include West Welco neighborhood, which was milled and overlaid in 2020, as well as the Stone Ridge and Country Ridge neighborhoods.

Improve Parks

The 2022 budget allocates \$70,000 to the park improvement fund. This follows a \$70,000 allocation in 2021 and transfer of park dedication fees collected over the past several years amounting to just over \$80,000 that were not placed in a dedicated fund as required.

The fund is used to complete improvements, enhancements, and expansions of the City's parks. The city completed Phase I of the North Ridge Prairie restoration project. This project restored more than 17 acres of native prairie and is funded in part by a \$50,000 grant from the DNR. A sledding hill was completed at North Ridge Recreation area in 2021. The city acquired refurbished hockey board in anticipation of moving the hockey rink from the middle school site to Northside Park.

Planned improvements for 2022 include installation of the hockey rink in Northside Park, restoring an additional 3.75 acres of native prairie in North Ridge, rehabilitation of the tennis courts and lighting in Northside, continued accessibility improvements to the south restroom in Memorial Park, and improvements to the shelters in Northside and Memorial Parks.

The park advisory board completed and recommended a multi-year improvement plan to address many of the deficient facilities such as playgrounds, lighting, and accessibility present in many of the parks, and the Council approved the plan in late 2021.

Improve the city's sidewalks and trails.

The city will be addressing the sidewalk needs as it progresses with the street reconstruction program. During this process, sidewalk connections will be evaluated, and segments added or removed to make a cohesive and connected community. Throughout this process, an eye toward connecting other neighborhoods and parks will be part of this process.

Over 2-miles of trails were created in North Ridge Recreation area in 2021 and plans are in place to create an on-street path along the south side of Deer Trail from Rogers Drive to the existing trail and to add a crosswalk at Pheasant Run and County Road 26.

City Facilities

Finding a solution to the current police facility is a priority for the Council. The council engaged an architect in 2021 to help plan and design a new building. The council plans to continue to work toward preparation of constructing a new building in 2022.

Public Safety

The Council continues to prioritize police, fire, and ambulance services. The council authorized 2 full-time emergency medical technicians [EMT's] in 2021 to staff the ambulance during the day. To cover this added cost, the council adjusted the rates for the service. The rates are set so there is no "subsidy" needed by the city or those jurisdictions within the service area.

Promotion of Business

No funds are proposed to be allocated in 2022 to the Economic Development Authority (EDA). However, the Board continued to be active in 2021. Two buildings were removed on 1st Street, one parcel was sold, and another was platted in preparation for marketing and possible sale.

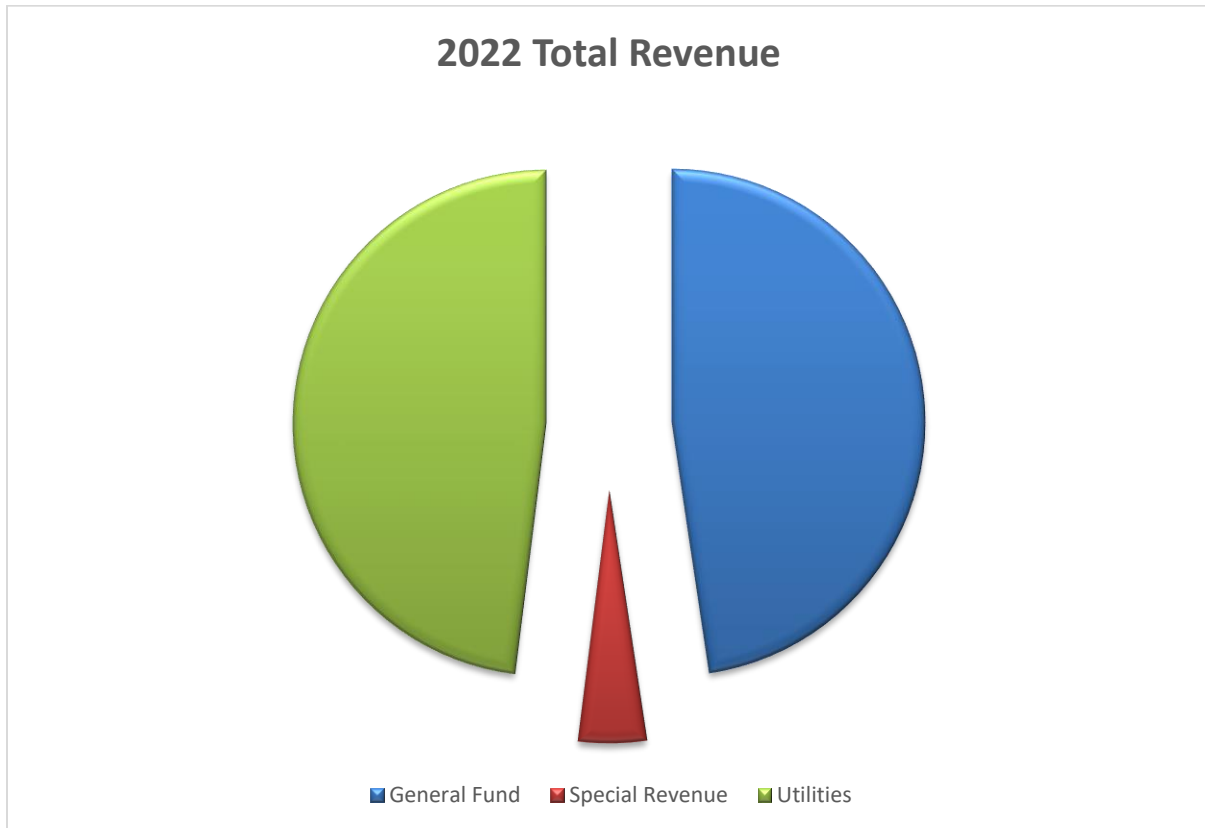
The EDA participates in the Rural Entrepreneur Venture (REV) project, participates with the Montgomery Area Chamber, and will be looking to create one or more marketing videos.

2022 BUDGET

REVENUES

Total revenue for 2022 is set at \$5,973,571 not including debt or transfers. 48% of the revenue goes to support general fund operations and 48% will go to support utility fund operations. The remaining 4% supports the various special revenue funds.

The graph below shows the revenue distribution.



The table below shows the change in revenue from 2021 to 2022.

FUND	2021	2022	Difference
	Budget	Budget	
General	\$ 2,727,647	\$ 2,876,513	\$ 148,866
Special	\$ 168,500	\$ 225,369	\$ 56,869
Enterprise	\$ 2,504,681	\$ 2,871,869	\$ 367,188
Total	\$ 5,400,828	\$ 5,973,751	\$ 572,923

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

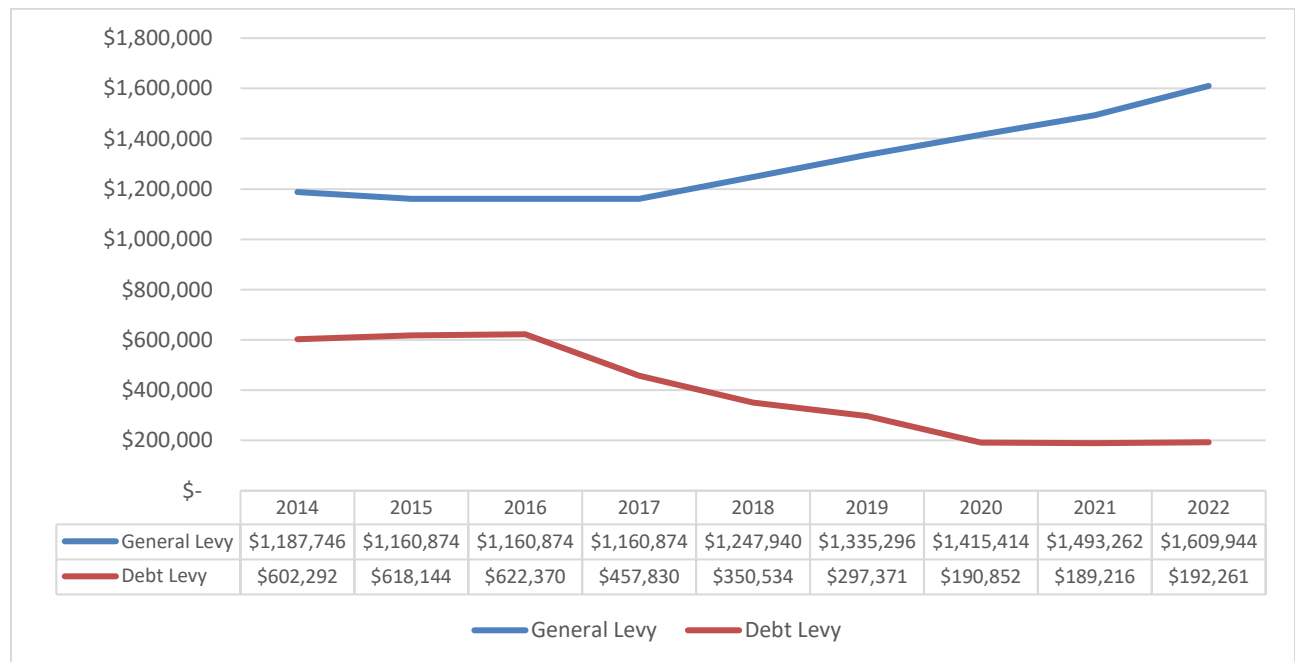
- General Levy – the general levy will increase 7.8% or \$116,682 over the 2021 levy.
- The tax rate will decrease by 0.995% to 67.049%. New construction in 2020 and general value increases on existing property have expanded the tax base resulting in a lowering of the tax rate.
- Water and sewer rates will remain unchanged for 2022.
- Stormwater rates will increase 10% or seventy cents in 2022. This is necessary to cover bonding from the 2021 street project.

General Fund Levy

The General Fund is supported primarily through the property tax levy. The 2022 levy will increase \$116,682 over the 2021 levy. Since 2014, the levy has risen 36.55% or 4.06% per year, whereas the total levy – general and debt combined has been decreasing each year since 2014. The total levy for 2022 is only \$12,167 more than the 2014 total levy.

The city's tax rate has also been decreasing over the past 9 years going from 124.266% in 2014 to an estimated 67.049% in 2022.

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 projects will be added to the debt levy. However, there will be a few reductions in the levy as well to help moderate the increase. For example, the water fund will begin to pay for its portion of the 2015A bond currently being paid from the property tax and there is a possibility the debt levy for the general capital fund could be reduced or eliminated.



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 2022 is planned to increase by roughly \$12,000 from \$876,000 to \$889,000. There is still some concern regarding the status of LGA as the legislature likes to review and consider revisions to the formula every few years and the 2022 legislative session may produce proposals for changing the formula.

The Council is allocating \$335,00 of the LGA for transfers to the street, park, equipment, and facility funds. The remaining \$554,000 is spread to the general fund departments. 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.

Any change in the state's financial condition can have a major impact on the City. Working to reduce the reliance on general local government aid will go a long way in ensuring city services are not adversely impacted should the legislature change the formula or allocation to the city's LGA allotment.

Special Revenue

Special Revenue dollars are projected to increase from 2021. The main factor in this increase is the projected increase in revenue in the ambulance due to the increase in charges for service. In addition, there is the possibility of deferred revenue coming to the EDA from delayed land sale and reimbursement for building removal projects. This deferred revenue is not included in the 2022 revenue projections.

Debt Service

The debt levy will increase slightly from 2021. There are two outstanding bonds with payments due in 2022. The 2021A bond has interest payment due, but this has been covered as part of the bond sale. Principal and interest on this bond will start in 2023. The table below shows the status of outstanding bonds.

BOND ISSUE	PRINCIPLE	MATURITY	LAST LEVY YEAR
2012A	\$615,000	2026	2020
2015A STREET	\$835,000	2031	2030
2015A WATER	\$360,000	2031	2022
401 FUND	\$439,823	2024	2024
2021A	\$2,820,000	2037	2036
TOTAL	\$5,069,823		

Capital Improvement Funds

The City has four dedicated capital improvement funds – streets, parks, equipment, and municipal facilities. The funds are supported mainly through transfers from the general fund. The street fund also receives revenue from special assessments and small cities street aid when approved by the legislature.

421 - Street Fund. The fund is dedicated to covering the cost of seal coating to mill and overlay projects. Seal coating projects do not result in a special assessment and are paid for 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, and expanding the park system. 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.

The table below shows where the funds are anticipated to be at the end of 2022.

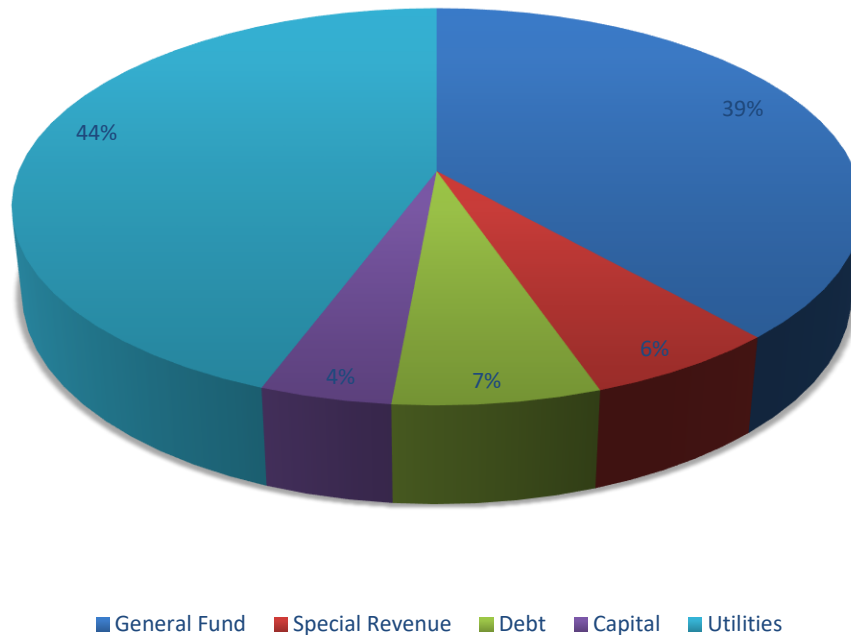
FUND	ESTIMATED 12/31/21	2022 REVENUE	2022 EXPENDITURE	ESTIMATED 2022 BALANCE
STREET FUND	\$640,365	\$190,000	\$141,500	\$688,865
PARK FUND	\$215,102	\$70,000	\$89,000	\$196,102
EQUIPMENT FUND	\$73,151	\$50,000	\$64,000	\$59,151
MUNICIPAL FACILITIES	\$15,087	\$25,000	\$25,000	\$15,087
TOTAL	\$943,705	\$335,000	\$319,500	\$959,205

Street fund revenue does not include the special assessments from the 2017 and 2020 street projects, nor does it include possible revenue from the state for small cities assistance. The city did receive \$54,000 in 2021 from this fund as a one-time allocation.

EXPENDITURES

Total budgeted expenditures for 2022 are 7,377,906. This is an increase of \$598,476 from 2021. The majority of the increase in 2022 is due to interest on new debt, full-time positions for a year in ambulance and utilities, and capital improvements, specifically the reconditioning of the city's water tower.

Total City Expenditures



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

<i>FUND</i>	<i>2022 Budget</i>	<i>2021 Budget</i>	<i>Difference</i>
<i>General</i>	\$ 2,848,396	\$ 2,727,647	\$ 120,749
<i>Special</i>	\$ 465,576	\$ 292,965	\$ 172,611
<i>Debt</i>	\$ 494,531	\$ 593,155	\$ (98,624)
<i>Capital</i>	\$ 314,000	\$ 570,000	\$ (256,000)
<i>Enterprise</i>	\$ 3,285,403	\$ 2,625,663	\$ 659,740
<i>Total</i>	\$ 7,377,906	\$ 6,809,430	\$ 598,476

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.

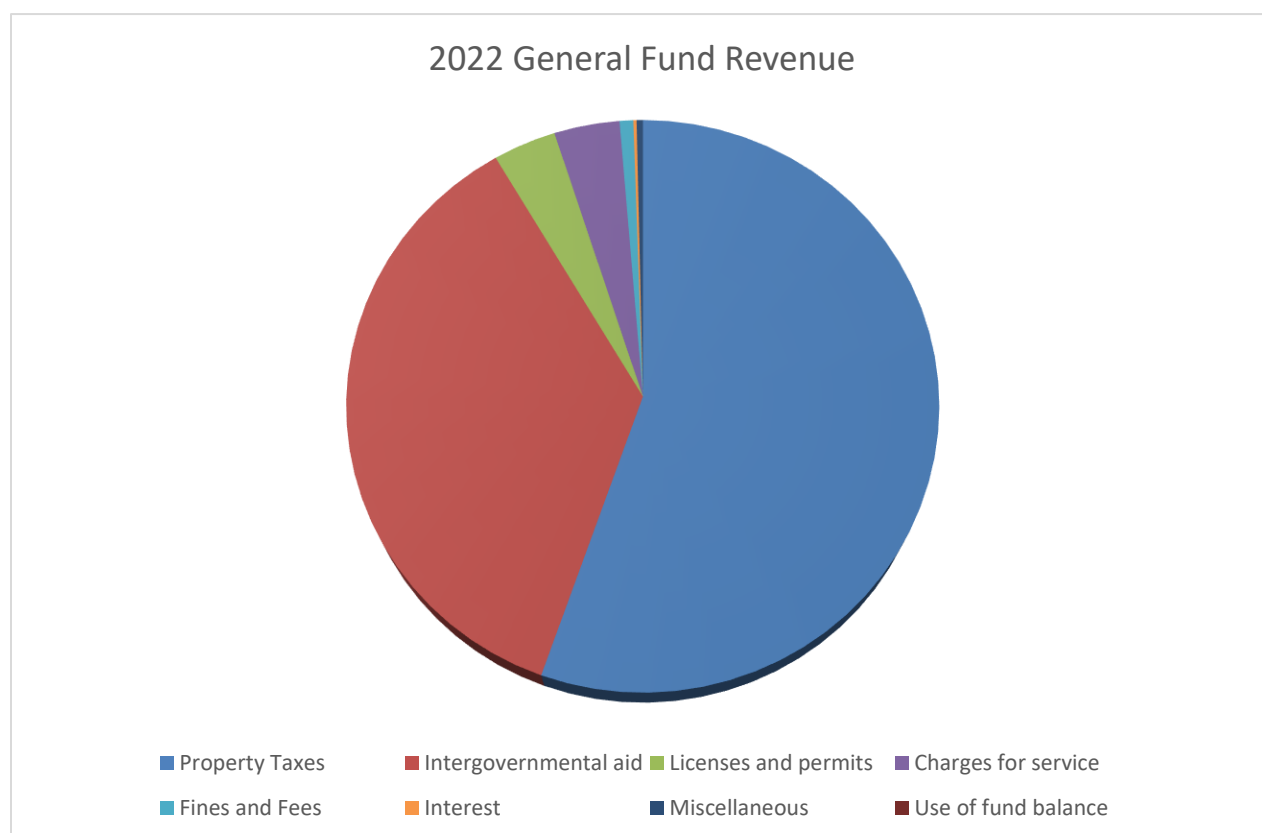
Brian W. Heck,
City Administrator/Zoning Administrator

General Fund

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 2022 revenue.



City services are dependent on property taxes and intergovernmental aid. These two revenue sources make up 92% 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.

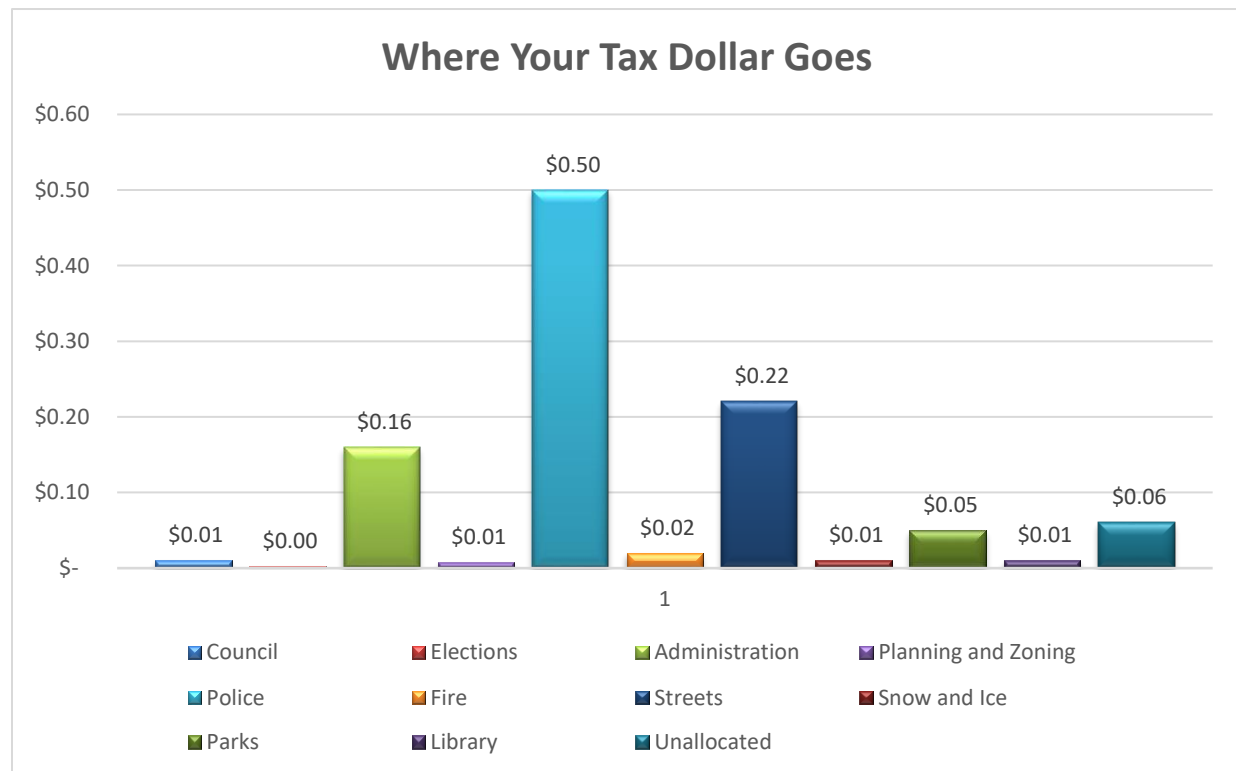
The city will continue to look at ways to lower its reliance on general local government aid.

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

Revenue Source	2018 Actual	2019 Actual	2020 Actual	2021 YTD	2022 Budget
Property taxes	\$1,272,726	\$1,337,143	\$1,443,111	\$1,479,191	\$1,626,944
Assessments/other taxes	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Intergovernmental	\$926,385	\$910,812	\$1,122,611	\$992,232	\$1,000,789
Licenses and permits	\$164,211	\$110,613	\$205,204	\$162,148	\$102,950
Charges for Service	\$38,246	\$58,275	\$66,784	\$41,777	\$62,500
Fines and Fees	\$20,322	\$28,888	\$17,584	\$29,948	\$20,500
Other	\$49,180	\$92,483	\$61,981	\$54,299	\$14,650
Interest	\$9,697	\$21,010	\$6,394	\$352	\$5,000
Total	2,480,767	2,559,224	\$2,923,679	\$2,759,948	\$2,877,813

Revenue is planned to increase 5.5% over 2021. The increase is attributable the increase in levy and slight increase in intergovernmental aid.

Expenditures are projected to be \$2,877,813 a 6.3% increase over 2021.



The table below provides a comparison to the actual 2018, 2019, 2020, and current 2021 budget. The bulk of the city's expense is associated with Public Safety.

Expenditures	2018 Actual	2019 Actual	2020 Actual	2021 To date	2022 Adopted
General Government	\$524,838	\$517,767	\$636,455	\$510,227	\$509,183
Public Safety	\$964,630	\$999,146	\$1,117,335	\$1,050,614	\$1,245,690
Public Works	\$403,198	\$478,493	\$557,851	\$383,650	\$493,239
Culture & Recreation	\$50,380	\$87,114	\$73,005	\$140,868	\$165,131
Other	\$70,589	\$105,415	\$32,579	\$86,754	\$99,500
Capital Outlay	\$72,608	\$86,036	\$85,454	\$ -	\$ -
Operating Transfers	\$390,000	\$256,956	\$372,389	\$ -	\$365,070
Total Expenditures	\$2,086,356	\$2,567,927	\$2,875,068	\$2,172,112	\$2,877,813

Labor

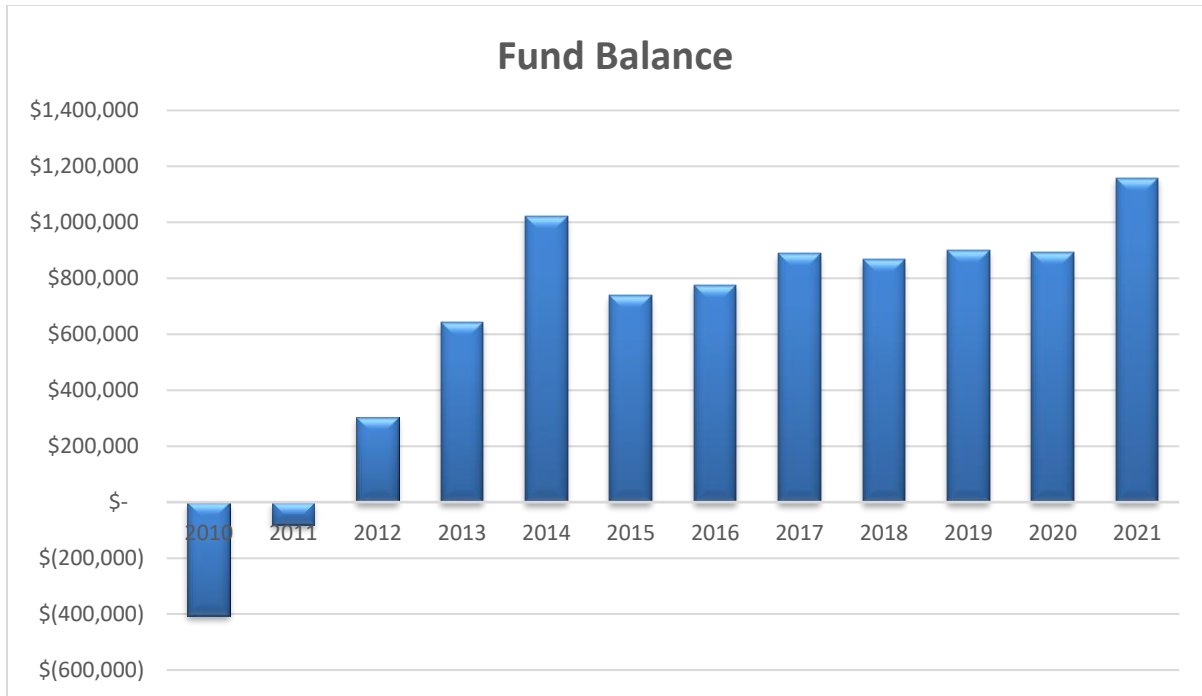
There are 15.7 Full-Time Equivalent (FTE) positions funded by the General Fund as shown in the table below:

Department	2021 Authorized Staff	2022 Authorized Staff
Administration	2.2	2.2
Planning and Zoning	1	1
HRA Contract	0	0
Police	8	8
Ambulance	2	2
Public Works	2.25	2.25
Parks	.35	.35
Total	15.8	15.8

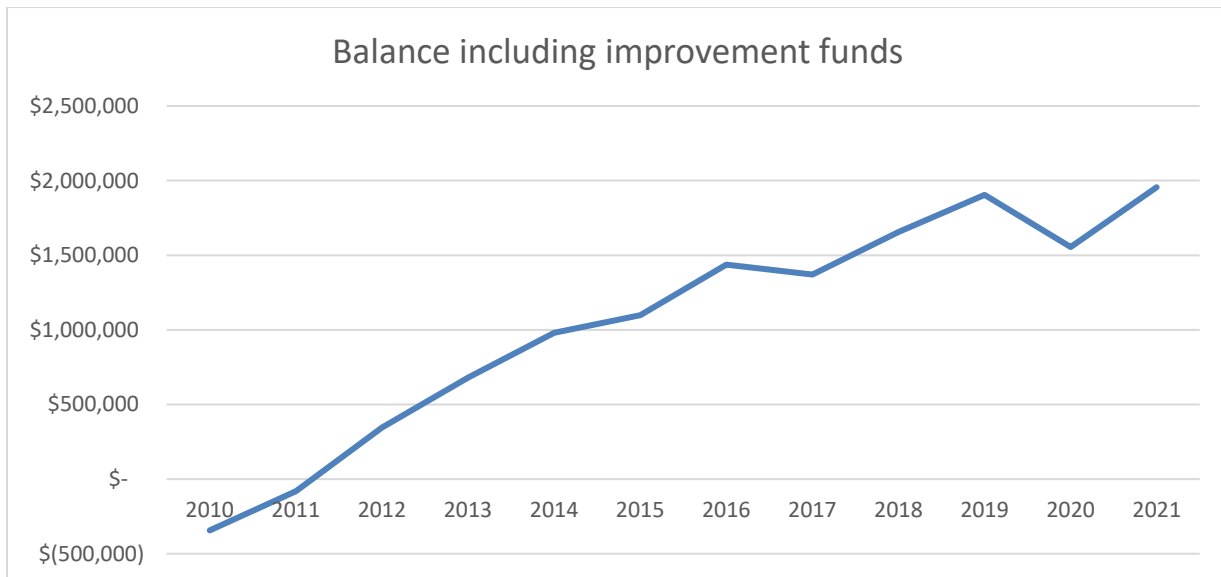
Operating Reserves

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 and 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.

The city continues to build the reserves to an adequate level. At the end of 2020, the General Fund had a cash reserve of \$894,615 which is 37.9% of the 2021 operating expenditures less planned transfers. The city’s financial policy calls for a fund balance between 40% and 50% of the next year’s operating expenditures less planned transfers. The graph on the following page shows how much progress has been made since 2010. The number for 2021 is an estimate based on current budget performance.



The second graph shows the total fund balance including the designated improvement funds (streets, equipment, parks, and facilities) but does not include the deficit in the general capital fund of just over \$733,000 or funds held for repayment of debt.



Continued diligence monitoring the budget will help the city to improve its general fund balance and maintain it at the target of 40% to 50% of the next year's operating expenditures less transfers.

GENERAL LEVY SUPPORTED DEBT

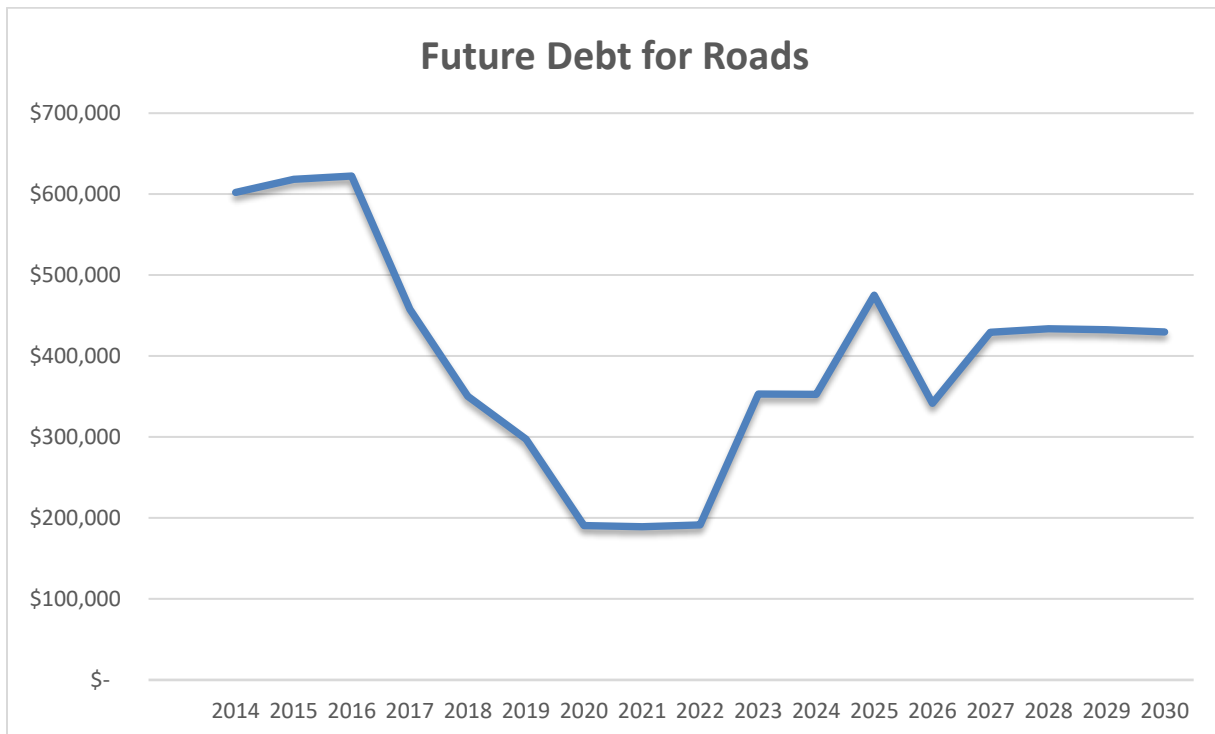
The table below shows the debt supported by the general levy.

BOND ISSUE/DEBT	1/1/22 PRINCIPLE BALANCE	MATURITY	LAST LEVY YEAR
2012A	\$615,000	2026	2020
2015A	\$1,194,900	2031	2030
2021A	\$2,820,000	2037	2036
FUND 401	\$495,648		
TOTAL	\$5,125,548		

The City has enough funds in reserve to cover the remaining principal and interest payments for the 2012A bonds which is why 2020 is the last year there will be a levy for this bond. However, the city will continue to levy for debt service and allocate it to the general capital fund deficit.

Interest payment on the 2021A bonds will be required in 2022. There are funds set aside from the bond sale to cover this first interest payment. Principal will be added to debt payments in 2023 and will increase the debt levy by \$165,000.

As the city implements the street improvement plan, debt will increase over the next several years. The chart below is an estimation of the impact on the debt levy for part of this plan. Note any debt issued for future buildings is not part of this chart.



ENTERPRISE SUPPORTED DEBT

It is important to show the debt obligation for the 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	1/1/22 Principal Balance	Maturity Date
2002B	\$ 85,000	2023
2004 PFA Note	\$ 47,044	2023
2010A	\$ 278,400	2026
2012 A Refunding	\$ 295,000	2026
2015A	\$ 355,100	2031
2016A Refunding (2009A)	\$ 2,109,000	2029
2017A Refunding (2006B)	\$ 784,350	2028
2021A	\$ 810,000	2037
TOTAL	\$ 4,763,894	

SEWER FUND	1/1/22 Principal Balance	Maturity Date
2003 PFA Note	\$ 485,999	2022
2010A	\$ 11,600	2026
2015A 5 th Street	\$ 355,100	2031
2016A Refunding (2009A)	\$ 66,000	2029
2017A Refunding (2006B)	\$ 618,000	2028
2021A	\$ 350,000	2037
TOTAL	\$ 1,886,699	

STORM WATER FUND	1/1/22 Principal Balance	Maturity Date
2021A	\$ 830,000	2037
TOTAL	\$ 830,000	

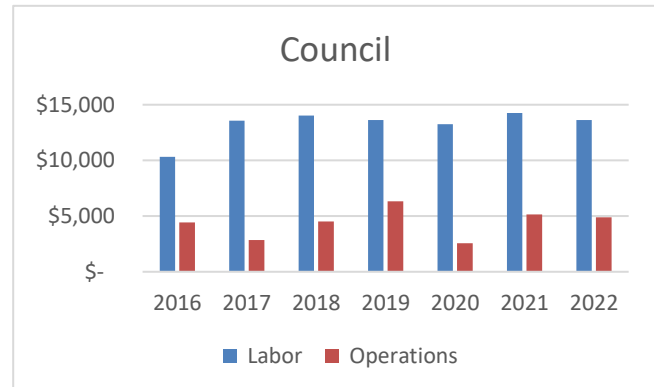
The total principal debt obligation for the city (general fund and enterprise funds) is \$12,706,141 which works out to be roughly \$3,898 per capita.

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

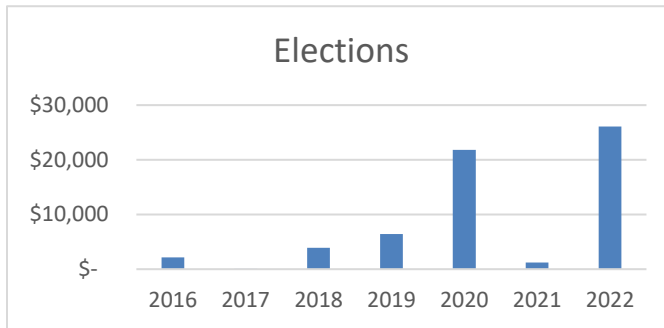
	2021 Budget	2022 Adopted
<i>Council</i>		
E 101-41110-100 Wages and Salaries	\$ 13,200	\$ 12,600
E 101-41110-122 FICA	\$ 850	\$ 785
E 101-41110-125 Medicare	\$ 195	\$ 185
E 101-41110-150 Worker s Comp (GENERAL)	\$ -	\$ 65
<i>Total Personnel</i>	\$ 14,245	\$ 13,635
E 101-41110-200 Office Supplies (GENERAL)	\$ -	\$ -
E 101-41110-208 Training and Instruction	\$ 3,000	\$ 3,000
E 101-41110-331 Mileage Expenses	\$ 650	\$ 650
E 101-41110-350 Printing & Publishing	\$ -	\$ -
E-101-41110-353 Ordinance Publication	\$ 1,500	\$ 1,200
E 101-41110-416 Projects/Events	\$ -	\$ -
E 101-41110-430 Miscellaneous	\$ -	\$ -
E 101-41110-433 Dues and Subscriptions	\$ -	\$ 30
E 101-41110-440 Contractual Services	\$ -	\$ -
<i>Services and Charges</i>	\$ 5,150	\$ 4,880
<i>Total Council</i>	\$ 19,395	\$ 18,515

Significant Changes

There are no significant changes in the 2022 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 2020. In 2021 there will not be an election, but we have payments for election equipment to the County.

<i>ELECTIONS</i>	<i>2021 Budget</i>	<i>2022 Budget</i>
E 101-41410-100 Wages and Salaries	\$ -	\$ 12,800
E 101-41410-121 PERA	\$ -	\$ 727
E 101-41410-122 FICA	\$ -	\$ 795
E-101-41410-125 Medicare	\$ -	\$ 186
101-41410-130 Disability/life/dental	\$ -	\$ 725
101-41410-131 Health Insurance	\$ -	\$ 4,096
E 101-41410-331 Mileage Expenses	\$ -	\$ 250
E 101-41410-430 Miscellaneous (GENERAL)	\$ 1,200	\$ 6,500
<i>Total Elections</i>	<i>\$ 1,200</i>	<i>\$ 26,079</i>

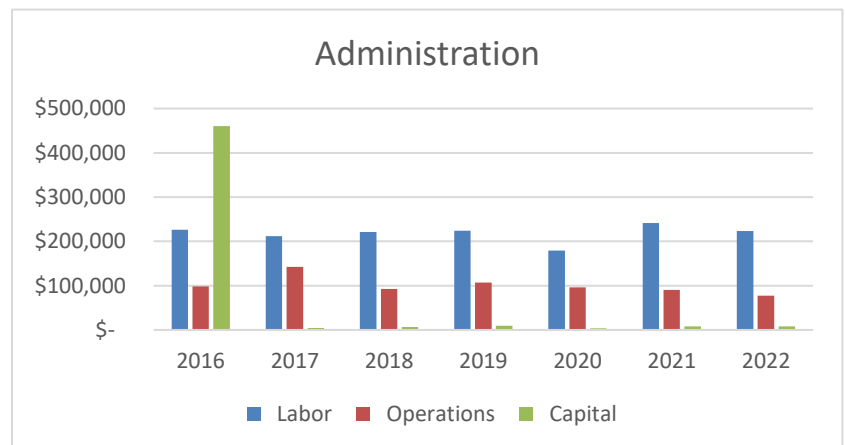
Significant Changes

2022 will have two elections, a state primary and a general that will include city positions. The ballot will include one additional candidate as there will be a “special election” to fill the remaining two-years on former member Svoboda’s term.

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 part-time administrative assistant working 75% time. The Administrator is appointed by the Council. All other staff in the city is appointed by the Council on the recommendation of the Administrator.



Budget Summary

Revenue

	<i>2021 Budget</i>	<i>2022 Budget</i>
R 101-41500-31010 Property Tax Levy	\$ 1,493,262	\$ 1,609,944
R 101-41500-31020 Delinquent Property Taxes	\$ 15,000	\$ 15,000
R 101-41500-31900 Payment in lieu of taxes	\$ 1,500	\$ 2,000
R 101-41500-32110 Liquor License	\$ 15,000	\$ 15,000
R 101-41500-33400 State Grants and aids	\$ -	\$ -
R 101-41500-32185 Tobacco Licenses	\$ 400	\$ 400
R 101-41500-33401 Local Government Aid	\$ 878,529	\$ 889,200
R 101-41500-33450 PERA State Aid	\$ 1,589	\$ 1,589
R 101-41500-34010 TIF Administration	\$ 1,000	\$ 1,000
R 101-41500-36200 Miscellaneous Revenues	\$ 8,000	\$ 8,000
R 101-41500-36210 Interest Earnings	\$ 5,000	\$ 5,000
R 101-41500-36230 Contributions and	\$ -	\$ -
R 101-41500-36300 Refunds & Reimbursements	\$ -	\$ 5,000
R-101-41500-36100 Special Ass	\$ -	\$ -
<i>Total Administration</i>	\$ 2,419,280	\$ 2,549,633

Expenses

<i>ADMINISTRATION</i>	<i>2021 Budget</i>	<i>2022 Budget</i>
E 101-41500-101 Full-Time Employees Regular	\$ 146,729	\$ 141,900
E-101-41500-102 Full-Time Employee OT	\$ 1,000	\$ 1,000
E 101-41500-103 Part-Time Employees	\$ 1,254	\$ 3,025
E 101-41500-121 PERA	\$ 11,220	\$ 10,872
E 101-41500-122 FICA	\$ 9,080	\$ 8,987
E 101-41500-125 Medicare	\$ 2,184	\$ 2,102
E 101-41500-130 Disability/Life/Dental Insur	\$ 8,590	\$ 2,520
E 101-41500-131 Health Insurance	\$ 58,352	\$ 51,693
E 101-41500-150 Worker s Comp (GENERAL)	\$ 1,100	\$ 1,268
<i>Total Personnel</i>	\$ 241,121	\$ 223,367
E 101-41500-200 Office Supplies (GENERAL)	\$ 2,500	\$ 2,250
E 101-41500-208 Training and Instruction	\$ 3,000	\$ 3,000
E 101-41500-210 Operating Supplies	\$ 700	\$ 700
E 101-41500-220 Repair/Maint Supply	\$ 500	\$ -
E 101-41500-300 Professional Srvs	\$ -	\$ -
E 101-41500-301 Auditing and Acct g Services	\$ 28,000	\$ 25,000
E-101-41500-303 Engineer Services	\$ -	\$ -
E 101-41500-304 Legal Fees	\$ 15,000	\$ 12,000
E 101-41500-309 EDP, Software and Design	\$ 10,000	\$ -
E 101-41500-320 Cell Phones	\$ -	\$ -
E 101-41500-321 Telephone	\$ 3,500	\$ 2,000
E 101-41500-322 Postage	\$ 2,700	\$ 3,000
E 101-41500-331 Mileage Expenses	\$ 700	\$ 750

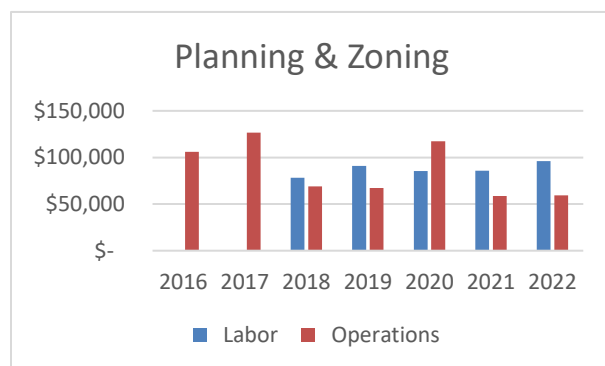
E 101-41500-350 Printing & Publishing	\$	3,000	\$	3,000
E 101-41500-381 Electric Utilities	\$	4,500	\$	3,600
E 101-41500-383 Gas Utilities	\$	4,600	\$	3,500
E 101-41500-401 Repairs/Maint Buildings	\$	2,000	\$	5,000
E 101-41500-416 Projects/Events	\$	-	\$	-
E 101-41500-433 Dues and Subscriptions	\$	2,500	\$	3,500
E 101-41500-437 Other Miscellaneous	\$	-	\$	-
E 101-41500-440 Contractual Services	\$	8,000	\$	10,000
<i>Other Services and Charges</i>	\$	90,705	\$	77,550
E 101-41500-570 Office Equip and Furnishings	\$	5,000	\$	5,000
E 101-41500-580 Other Equipment	\$	1,000	\$	1,000
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	\$	220
<i>Capital</i>	\$	8,220	\$	8,220
<i>Total Administration</i>	\$	340,046	\$	309,173

Significant Changes

There are no significant changes to the Administration budget from 2022.

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>2021 Budget</i>	<i>2022 Budget</i>
R 101-41910-32100 Business Licenses/Permits	\$ 12,000	\$ 17,000
R 101-41910-32102 Conditional Use Permit	\$ -	\$ -

R 101-41910-32209 Electrical Permits	\$	6,000	\$	-
R 101-41910-32210 Building Permits	\$	60,000	\$	65,000
R 101-41910-32211 State Building Permit Surchg	\$	3,400	\$	5,500
R 101-41910-34103 Zoning and Subdivision Fees	\$	1,500	\$	1,500
R 101-41910-36300 Refunds & Reimbursements	\$	30,000	\$	5,000
Total Planning and Zoning	\$	112,900	\$	94,200

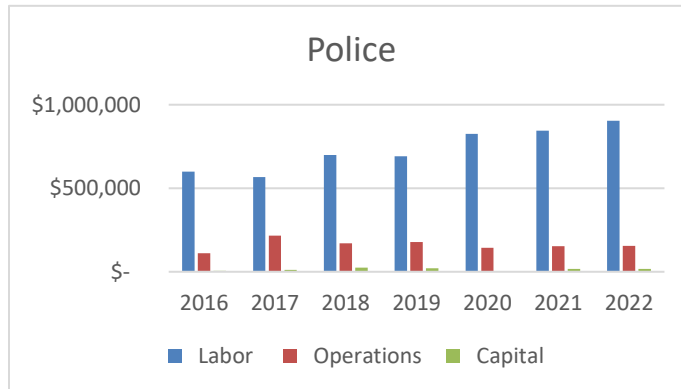
PLANNING AND ZONING	2021 Budget	2022 Budget
E 101-41910-101 Full-Time Employees Regular	\$ 62,843	\$ 76,317
E 101-41910-103 Part-Time Employees Regular	\$ 3,582	\$ 4,029
E 101-41910-121 PERA	\$ 4,982	\$ 6,026
E 101-41910-122 FICA	\$ 4,032	\$ 4,982
E 101-41910-125 Medicare	\$ 970	\$ 1,165
E 101-41910-130 Disability/Life/Dental Insur	\$ 1,106	\$ 495
E 101-41910-131 Health Insurance	\$ 7,856	\$ 3,188
E 101-41910-150 Worker s Comp (GENERAL)	\$ 450	\$ -
Total Labor	\$ 85,821	\$ 96,202
E 101-41910-111 Building Inspec Fees	\$ 39,000	\$ 45,000
E 101-41910-114 Electrical Inspec Fees	\$ 5,500	\$ -
E 101-41910-208 Training and Instruction	\$ 1,000	\$ 1,000
E 101-41910-303 Engineering Fees	\$ 500	\$ 2,500
E 101-41910-304 Legal Fees	\$ 1,500	\$ 2,500
E 101-41910-309 EDP, Software and Design	\$ 2,500	\$ -
E 101-41910-322 Postage	\$ 300	\$ 200
E 101-41910-350 Printing & Publishing	\$ 300	\$ 300
E 101-41910-351 Legal Notices & Public Info	\$ 500	\$ 500
E 101-41910-433 Dues and Subscriptions	\$ 250	\$ 250
E 101-41910-440 Contractual Services	\$ 2,500	\$ 1,500
E 101-41910-460 State surcharge	\$ 5,000	\$ 5,500
E 101-41910-580 Other Equipment	\$ -	\$ -
Operating charges	\$ 58,650	\$ 59,250
Total Planning and Zoning	\$ 144,471	\$ 155,452

Significant Changes

The biggest change for 2022 is the discontinuance of issuing electrical permits. The city made the change to having the State do the electrical permits in mid-2021 due to the contract inspector choosing to discontinue to work as the city's contract inspector. The revenue and expenditures related to this activity have been removed.

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>2021 Budget</i>	<i>2022 Budget</i>
R 101-42100-32240 Animal Licenses	\$ 20	\$ 50
R-101-42100-35101 Administrative Fines	\$ -	\$ -
R 101-42100-33416 Training Reimbursement	\$ 6,000	\$ 6,000
R 101-42100-33430 Police State Aid	\$ 50,000	\$ 55,000
R 101-42100-34201 Special Police Service	\$ 2,000	\$ 2,000
R 101-42100-35100 Court Fines	\$ 15,000	\$ 15,000
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
Total Police	\$ 75,920	\$ 80,950

Expenses

POLICE	<i>2021 Budget</i>	<i>2022 Budget</i>
E 101-42100-101 Full-Time Employees Regular	\$ 465,161	\$ 483,426
E 101-42100-102 Full-Time Employees	\$ 10,000	\$ 10,000
E 101-42100-103 Part-Time Employees	\$ 30,492	\$ 38,115
E 101-42100-110 Office Administrator & Secretary	\$ 57,294	\$ 60,080
E 101-42100-120 Employer Contrib Ret	\$ 3,948	\$ 4,000
E 101-42100-121 PERA	\$ 87,069	\$ 91,100
E 101-42100-122 FICA	\$ 3,478	\$ 3,725
E 101-42100-125 Medicare	\$ 8,002	\$ 8,450

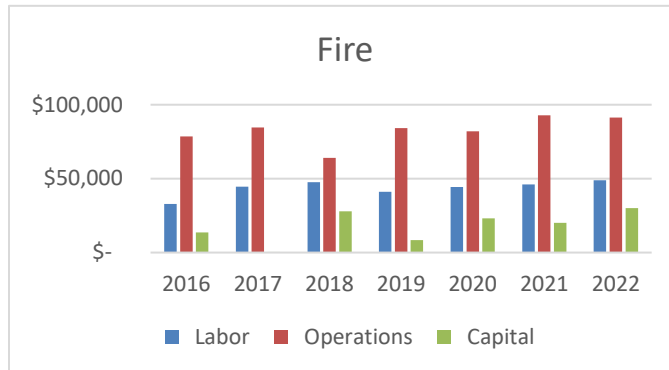
E 101-42100-130 Disability/Life/Dental Insur	\$	13,263	\$	14,280
E 101-42100-131 Health Insurance	\$	145,118	\$	161,843
E 101-42100-150 Worker s Comp (GENERAL)	\$	20,000	\$	29,230
Total Personnel	\$	843,824	\$	903,249
E 101-42100-200 Office Supplies (GENERAL)	\$	3,500	\$	3,750
E 101-42100-201 Uniform Expense	\$	6,500	\$	6,500
E 101-42100-208 Training and Instruction	\$	9,000	\$	15,000
E 101-42100-210 Operating Supplies	\$	1,000	\$	1,500
E 101-42100-212 Motor Fuels	\$	10,000	\$	12,000
E 101-42100-222 Tires	\$	2,500	\$	2,500
E 101-42100-304 Legal Fees	\$	43,000	\$	50,000
E 101-42100-309 EDP, Software and Design	\$	20,000	\$	-
E 101-42100-320 Cell Phones	\$	6,800	\$	5,900
E 101-42100-321 Telephone	\$	3,500	\$	1,500
E 101-42100-322 Postage	\$	100	\$	325
E 101-42100-350 Printing & Publishing	\$	500	\$	500
E 101-42100-381 Electric Utilities	\$	3,350	\$	3,000
E 101-42100-383 Gas Utilities	\$	3,700	\$	3,600
E 101-42100-400 Repairs & Maint Veh/Equip	\$	9,500	\$	11,000
E 101-42100-401 Repairs/Maint Buildings	\$	1,000	\$	3,000
E 101-42100-433 Dues and Subscriptions	\$	1,000	\$	1,000
E 101-42100-439 Refunds and Reimbursements	\$	-	\$	-
E 101-42100-440 Contractual Services	\$	15,000	\$	20,000
E 101-42100-470 Animal Control	\$	7,000	\$	7,000
E 101-42100-495 Drug Task Force	\$	7,000	\$	7,000
Other Services and Charges	\$	153,950	\$	155,075
E 101-42100-580 Other Equipment	\$	15,000	\$	15,000
E 101-42100-581 Equipment Fund	\$	-	\$	-
E 101-42100-599 Lease Payments	\$	2,000	\$	2,200
E 101-42100-821 Property Tax				
Capital Outlay	\$	17,000	\$	17,200
Total Police	\$	1,014,774	\$	1,075,524

Significant Changes

The department will be leasing squad cars from the state. The first vehicle under this program was added in mid-2021 and the plan would be to order another in 2022, setting up a 3-to-5-year rotation on the three squad cars. The other activity that will have an impact in the future is the planned construction of a new police facility. Construction of a new facility may result in some operational costs being increased and other lowered.

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, ambulance with rescue activities at accident scenes, and responds to medicals. The fire department is staffed by a group of 28 dedicated paid volunteers.

Budget Summary

Revenue

	<i>2021 Budget</i>	<i>2022 Budget</i>
R 101-42200-33416 Training reimbursement	\$ -	\$ -
R 101-42200-33440 Fire Department State Aid	\$ 27,000	\$ 27,000
R 101-42200-34202 Special Fire Protection Svcs	\$ 47,000	\$ 35,000
R 101-42200-34204 Fire Department Revenues	\$ 8,000	\$ 8,000
R 101-42200-36230 Contributions and	\$ -	\$ -
R 101-42200-36300 Refunds &	\$ -	\$ -
Total Fire	\$ 82,897	\$ 70,000

Expenditure

<i>FIRE</i>	<i>2021 Budget</i>	<i>2022 Budget</i>
E 101-42200-100 Wages and Salaries	\$ 36,000	\$ 37,000
E 101-42200-122 FICA	\$ 1,650	\$ 2,294
E 101-42200-125 Medicare	\$ 400	\$ 537
E 101-42200-150 Worker s Comp (GENERAL)	\$ 8,000	\$ 9,065
Total Personnel	\$ 46,050	\$ 48,096
E 101-42200-200 Office Supplies (GENERAL)	\$ -	\$ -
E 101-42200-208 Training and Instruction	\$ 12,000	\$ 12,000
E 101-42200-210 Operating Supplies	\$ 5,000	\$ 5,500
E 101-42200-212 Motor Fuels	\$ 2,500	\$ 3,500
E 101-42200-220 Repair/Maint Supply	\$ -	\$ 250
E 101-42200-303 Engineering Fees	\$ -	\$ -
E 101-42200-304 Legal Fees	\$ -	\$ -
E 101-42200-309 EDP, Software and Design	\$ 2,000	\$ -
E 101-42200-320 Cell Phones	\$ 900	\$ 1,000
E 101-42200-321 Telephone	\$ 1,020	\$ 545
E 101-42200-322 Postage	\$ 500	\$ 350

E 101-42200-331 Mileage Expenses	\$	-	\$	-
E 101-42200-350 Printing & Publishing	\$	225	\$	225
E 101-42200-381 Electric Utilities	\$	325	\$	500
E 101-42200-383 Gas Utilities	\$	900	\$	900
E 101-42200-400 Repairs & Maint Veh/Equip	\$	8,500	\$	8,500
E 101-42200-430 Miscellaneous (GENERAL)	\$	-	\$	-
E 101-42200-433 Dues and Subscriptions	\$	1,500	\$	1,500
E 101-42200-438 Fire Relief Association	\$	47,500	\$	47,500
E 101-42200-440 Contractual Services	\$	9,500	\$	9,500
<i>Other Services and Charges</i>	\$	92,850	\$	91,270
E 101-42200-580 Other Equipment	\$	10,000	\$	10,000
E 101-42200-581 Equipment Fund-transfer	\$	10,000	\$	20,000
E 101-42200-599 Lease Payments				
<i>Capital</i>	\$	20,000	\$	30,000
<i>TOTAL FIRE</i>	\$	158,900	\$	170,166

Significant Changes

As state aid increases due to the additional housing and commercial/industrial development, the amount provided in voluntary contributions will decrease such that the total relief association amount is equivalent to the budgeted \$47,500. For example, if state aid is \$30,500, the contribution from the city would be \$17,000.

Public Works

Purpose

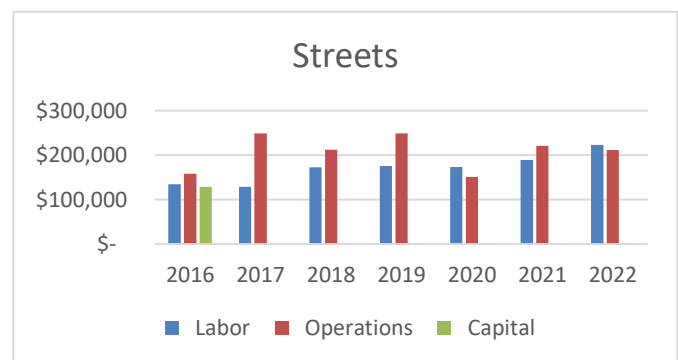
The General Fund supported functions of Public Works includes streets, parks, sidewalks, trails, and facilities. Three staff are generally assigned to manage these functions with assistance from the two assigned to the water, wastewater, and storm water operations.

Budget Summary

Revenue

	<i>2021 Budget</i>	<i>2022 Budget</i>
R 101-43000-33610 County Grants/Aid for Hwy	\$ 22,000	\$ 22,000
R 101-43000-34303 Other Highway and Street	\$ 11,500	\$ 11,500
R 101-43000-36300 Refunds &	\$ -	\$ 1,000
R 101-43000-37310 Refuse/Garbage Fees	\$ 2,000	\$ 2,000
<i>Total Public Works</i>	\$ 35,500	\$ 36,500

Expense



<i>PUBLIC WORKS</i>	<i>2021 Budget</i>	<i>2022 Budget</i>
E 101-43000-101 Full-Time Employees Regular	\$ 122,221	\$ 121,081
E 101-43000-102 Full-Time Employee OT	\$ 500	\$ 500
E 101-43000-103 Part-Time Employees	\$ -	\$ 16,500
E 101-43000-121 PERA	\$ 9,260	\$ 9,081
E 101-43000-122 FICA	\$ 7,944	\$ 8,530
E 101-43000-125 Medicare	\$ 1,784	\$ 1,995
E 101-43000-130 Disability/Life/Dental Insur	\$ 3,608	\$ 2,059
E 101-43000-131 Health Insurance	\$ 35,111	\$ 52,848
E 101-43000-150 Worker s Comp (GENERAL)	\$ 9,000	\$ 10,195
<i>Total Personnel</i>	<i>\$ 189,365</i>	<i>\$ 222,789</i>
E 101-43000-201 Uniform Expense	\$ 2,500	\$ 3,000
E 101-43000-208 Training and Instruction	\$ 500	\$ 500
E 101-43000-210 Operating Supplies	\$ 4,000	\$ 5,000
E 101-43000-212 Motor Fuels	\$ 13,000	\$ 13,000
E 101-43000-218 Mosquito Control	\$ 14,000	\$ 14,500
E 101-43000-220 Repair/Maint Supply	\$ 6,000	\$ 6,000
E 101-43000-221 Equipment Parts	\$ 4,000	\$ 3,000
E 101-43000-222 Tires	\$ 3,000	\$ 4,000
E 101-43000-224 Street Maint Materials	\$ 45,000	\$ 60,000
E-101-43000-226 Seal Coating	\$ -	\$ -
E 101-43000-230 Street Signs	\$ 2,500	\$ 2,500
E 101-43000-240 Small Tools and Minor Equip	\$ 4,000	\$ 4,000
E 101-43000-303 Engineering Fees	\$ -	\$ -
E 101-43000-304 Legal	\$ -	\$ -
E 101-43000-309 EDP, Software and Design	\$ 3,200	\$ -
E 101-43000-311 Tree Removal	\$ 5,000	\$ 8,000
E 101-43000-320 Cell Phones	\$ 3,000	\$ 1,600
E 101-43000-321 Telephone	\$ 1,000	\$ -
E 101-43000-334 Other Transportation	\$ -	\$ 1,500
E 101-43000-350 Printing & Publishing	\$ -	\$ -
E 101-43000-381 Electric Utilities	\$ 32,500	\$ 32,500
E 101-43000-383 Gas Utilities	\$ 5,500	\$ 5,500
E 101-43000-384 Refuse/Garbage Disposal	\$ 7,200	\$ 7,000
E 101-43000-400 Repairs & Maint Veh/Equip	\$ 20,000	\$ 15,000
E 101-43000-401 Repairs/Maint Buildings	\$ 10,000	\$ 15,000
E 101-43000-403 Improvements Other Than	\$ 25,000	\$ -
E-101-43000-430 Miscellaneous	\$ -	\$ -
E 101-43000-440 Contractual Services	\$ 10,000	\$ 10,000
E 101-43000-443 License Fee	\$ 150	\$ 150
<i>Other Services and Charges</i>	<i>\$ 221,060</i>	<i>\$ 211,750</i>
E 101-43000-581 Equipment Fund	\$ -	\$ -
E 101-43000-821 Property Taxes	\$ 700	\$ 700
<i>Total Capital</i>	<i>\$ 700</i>	<i>\$ 700</i>
<i>Total Streets</i>	<i>\$ 411,125</i>	<i>\$ 435,239</i>

<i>Snow and Ice Control</i>	<i>2021 Budget</i>	<i>2022 Budget</i>
E-101-43125-101 - Full-time employee	\$ -	\$ -

E-101-43125-102 - Full-time employee OT	\$ 20,000	\$ 9,000
E 101-43125-121 PERA	\$ -	\$ -
E 101-43125-122 FICA	\$ -	\$ -
E 101-43125-125 Medicare	\$ -	\$ -
Total Labor	\$ 20,000	\$ 9,000
E 101-43125-212 Motor Fuels	\$ 500	\$ 1,000
E 101-43125-222 Tires	\$ -	\$ -
E 101-43125-224 Street Maint Materials	\$ 3,000	\$ 10,000
E 101-43125-400 Repairs & Maint Veh/Equip	\$ 8,000	\$ 16,000
E 101-43125-440 Contractual Services	\$ 20,000	\$ 22,000
Operating costs	\$ 31,500	\$ 49,000
Sub-total snow and ice	\$ 51,500	\$ 58,000
TOTAL PUBLIC WORKS	\$ 412,083	\$ 493,239

Significant Changes

Health insurance increased due to alteration in staffing and there are two part-time seasonal included in the 2022 budget. The additional part-time staff will assist with patching, tree trimming, and other activities in the summer.

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>2021 Budget</i>	<i>2022 Budget</i>
R 101-45200-34780 Park Fees	\$ 900	\$ 500
R 101-45200-36200 Miscellaneous Revenues	\$ -	\$ -
R 101-45200-36230 Contributions and	\$ 250	\$ 250
<i>Total Parks</i>	\$ 1,150	\$ 750

Expense

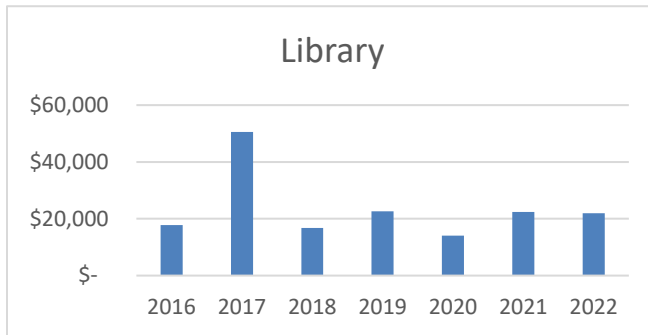
<i>PARKS</i>	<i>2021 Budget</i>	<i>2022 Budget</i>
E 101-45200-101 Full-Time Employees Regular	\$ 35,194	\$ 36,889
E 101-45200-102 Full-Time Employees Regular OT	\$ -	\$ -
E 101-45200-103 Part-Time Employees	\$ 10,000	\$ 17,500
E 101-45200-121 PERA	\$ 2,490	\$ 2,767
E 101-45200-122 FICA	\$ 2,864	\$ 3,372
E 101-45200-125 Medicare	\$ 1,183	\$ 789
E 101-45200-130 Disability/Life/Dental Insur	\$ 1,103	\$ 628
E 101-45200-131 Health Insurance	\$ 8,889	\$ 13,029
E 101-45200-150 Worker s Comp (GENERAL)	\$ 1,300	\$ 3,432
<i>Total Personnel</i>	\$ 63,023	\$ 78,406
E 101-45200-208 Training and Instruction	\$ -	\$ 500
E 101-45200-210 Operating Supplies	\$ 2,000	\$ 3,000
E 101-45200-212 Motor Fuels	\$ 750	\$ 750
E 101-45200-216 Chemicals and Chem	\$ 2,000	\$ 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	\$ 5,000	\$ 5,000
E 101-45200-350 Printing & Publishing	\$ -	\$ -
E 101-45200-381 Electric Utilities	\$ 6,200	\$ 5,000
E 101-45200-383 Gas Utilities	\$ 50	\$ -
E 101-45200-400 Repairs & Maint Veh/Equip	\$ 2,000	\$ 2,500
E 101-45200-401 Repairs/Maint Buildings	\$ 4,000	\$ 10,000
E 101-45200-440 Contractual Services	\$ 15,000	\$ 15,000
<i>Total Other Services and Charges</i>	\$ 38,500	\$ 46,250
E 101-45200-580 Other Equipment	\$ 2,500	\$ 3,500
E 101-45200-723 Capital improvements	\$ 10,000	\$ 15,000
<i>Capital outlay</i>	\$ 12,500	\$ 18,500
<i>Total Parks</i>	\$ 114,633	\$ 143,156

Significant Changes

Labor represents the largest increase in the 2022 budget. The park and recreation advisory board will reimburse Community Education for sponsoring summer youth activities, plan to increase the number of park concerts in the summer and will complete several improvements in 2022.

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

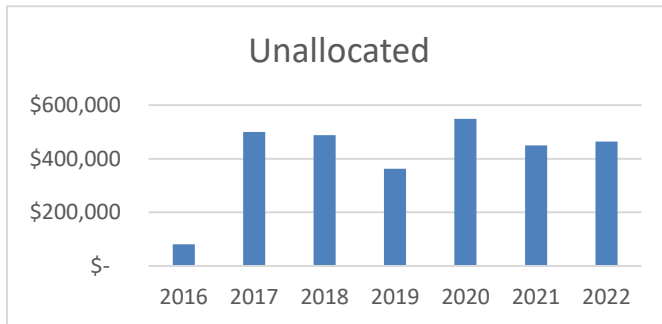
<i>LIBRARY</i>	<i>2021 Budget</i>	<i>2022 Budget</i>
E 101-45500-200 Office Supplies (GENERAL)	\$ 100	\$ 100
E 101-45500-210 Operating Supplies	\$ 275	\$ 275
E 101-45500-220 Repair/Maint Supply	\$ 500	\$ 500
E 101-45500-321 Telephone	\$ 3,200	\$ 2,900
E 101-45500-381 Electric Utilities	\$ 5,300	\$ 5,200
E 101-45500-383 Gas Utilities	\$ 3,000	\$ 3,000
E 101-45500-401 Repairs/Maint Buildings	\$ 4,000	\$ 4,000
E-101-45500-430 Miscellaneous	\$ -	\$ -
E 101-45500-440 Contractual Services	\$ 6,000	\$ 6,000
E 101-45500-580 Other Equipment	\$ -	\$ -
<i>Total Library</i>	<i>\$ 22,375</i>	<i>\$ 21,975</i>

Significant Changes

The city entered into a maintenance agreement with a company to perform annual inspections and maintenance on the buildings mechanical systems.

Unallocated

Purpose



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

Expense

UNALLOCATED	2021 Budget	2022 Budget
E-101-49200-200 Office Supplies	\$ -	\$ 5,000
E 101-49200-313 Safety Program	\$ 4,300	\$ 4,500
E 101-49200-360 Insurance (GENERAL)	\$ 75,000	\$ 75,000
E 101-49200-433 Dues and Subscriptions	\$ 3,000	\$ 8,000
E 101-49200-439 Refunds and reimbursements	\$ 6,500	\$ 7,000
E-101-49200-440 Contractual Services	\$ 15,937	\$ 30,070
E 101-49200-720 Operating Transfers	\$ 345,000	\$ 335,000
Street Improvement Fund	\$ 200,000	\$ 190,000
Park Improvement Fund	\$ 70,000	\$ 70,000
Equipment Replacement Fund	\$ 50,000	\$ 50,000
Facilities Fund	\$ 25,000	\$ 25,000
Total Unallocated	\$ 449,847	\$ 464,750

Significant Changes

Funds were added to office supplies for the purchase of bulk paper and other supplies used city wide and transfers were reduced by \$10,000.

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
Ambulance	Operational/Enterprise	Covers the operational costs of the ambulance service
Fire Equipment Fund	Capital Improvement	Covers the cost of equipment used by the Fire Department
Economic Development Authority	Loans & Grants	Funds for the EDA revolving loan program
Police Forfeit Fund	Capital	Funds are statutorily limited in how they can be spent and funds come from sale of forfeited property.
Technology Fund	Capital/Operational	Covers costs associated with city's technology enhancements.
Memorial Stadium	Capital improvement	Covers the costs for improvements to Memorial Stadium
Assisted Living TIF	TIF/Loan	Services the bonds for Traditions
Medical Center TIF	TIF/Loan	Services the bonds for the medical center
Crime Prevention	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 12/31/21 Balance	2022 Est Revenue	2022 Est Expenses	Est. Balance 12/31/22
Ambulance	\$53,307	\$339,632	\$240,207	\$152,732
Fire Equipment	\$210,061	\$50,000	\$50,000	\$210,061
EDA	\$97,389	\$26,500	\$30,000	\$93,899
Police Forfeit	\$3,369	\$0.00	\$0.00	\$3,369
Communications	\$76,855	\$22,000	\$49,000	\$49,855
Memorial Stadium	\$20,870	\$5,000	\$10,000	\$15,870
Assisted Living TIF	\$4,452	\$24,500	\$24,500	\$3,902
Medical Center TIF	\$1,854	\$10,000	\$10,000	\$1,640
Crime Prevention	\$1,484	\$1,000	\$1,000	\$1,484

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 in 2021 to purchase new turnout gear. The City council has authorized and budgeted a \$20,000 transfer from the general fund to the equipment fund in 2022. Other revenue for this fund comes from charitable gambling.

Revenue

FUND 203 FIRE TRUCK FUND	2021 Budget	2022 Budget
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		
<i>FUND 203 TOTAL</i>	<i>\$40,000</i>	<i>\$40,000</i>

FUND 203 FIRE TRUCK FUND	2021 Budget	2022 Budget
E 203-42200-301 Auditing	\$5,000	\$5,000
E 203-42200-550 Motor Vehicles		
E-203-42200-580 Other equipment	\$96,000	\$ -
<i>FUND 203 TOTAL</i>	<i>\$101,000</i>	<i>\$5,000</i>

Significant Changes

Turnout gear was purchased and delivered in 2021. The department is reviewing and planning for truck replacement in the next couple of years.

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 16 paid volunteers. The service averages 270 patient contacts per year.

Budget Summary

Revenue

	<i>2021 Budget</i>	<i>2022 Budget</i>
R 204-44100-33416 Training Reimbursement	\$ 2,000	\$ 2,000
R 204-44100-34205 Ambulance Revenues	\$ 100,000	\$ 337,642

R 204-44100-34207 Special Ambulance	\$	11,761	\$	-
R 204-44100-36210 Interest Earnings	\$	-	\$	-
R 204-44100-36230 Contributions and	\$	-	\$	-
R 204-44100-36300 Refunds &	\$	-	\$	-
R 204-44100-39201 Transfer from General	\$	-	\$	-
	\$	113,761	\$	339,642

Expense

<i>AMBULANCE</i>	<i>2021 Budget</i>		<i>2022 Budget</i>	
E-204-44100-101 Full-Time Employee	\$	90,000	\$	118,510
E-204-44100-121 PERA	\$		\$	5,570
E-204-44100-122 FICA	\$	6,000	\$	7,348
E-204-44100-125 Medicare	\$	1,300	\$	1,718
E-204-44100-130 Disability/life/dental	\$		\$	
E-204-44100-131 Health Insurance	\$		\$	31,049
E-204-44100-150 Workers Compensation	\$	5,100	\$	7,162
E-204-44100-200 Office Supplies	\$	500	\$	500
E-204-44100-201 Uniforms	\$	3,500	\$	3,500
E-204-44100-208 Training and Instruction	\$	9,000	\$	9,000
E-204-44100-210 Operating Supplies	\$	8,500	\$	8,500
E-204-44100-212 Motor Fuels	\$	2,500	\$	2,500
E-204-44100-222 Tires	\$	600	\$	600
E-204-44100-300 Professional Services	\$	750	\$	750
E-204-44100-304 Legal Fees	\$	-	\$	-
E-204-44100-EDP, Software and Computers	\$	1,000	\$	1,000
E-204-44100-320 Cell phones	\$	600	\$	600
E-204-44100-321 Telephone	\$	1,000	\$	1,000
E-204-44100-322 Postage	\$	500	\$	500
E-204-44100-350 Printing and publishing	\$	1,000	\$	1,000
E-204-44100-360 Insurance (general)	\$	800	\$	800
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 Fund	\$	-	\$	-
E-204-44100-599 Lease Payments	\$	18,500	\$	18,500
	\$	171,150	\$	240,207

Significant Changes

Two full-time EMT positions were created and filled partway through 2021. Rates were adjusted by the Council to ensure the service generates enough income to cover its costs and future capital costs.

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 came from state grants. Additional funding for activities is generated through the sale of property and allocations from the General Fund. There are no allocations to the EDA from the General Fund planned in 2022.

Budget Summary

Revenue

FUND 205 EDA LOAN FUND	2020 Budget	2021 Budget
R 205-49300-34110 General Sales	\$ 26,5000	\$ 26,5000
R 205-49300-36210 Interest Earnings	\$ -	\$ -
R 205-49300-36220 Rents/Lease Revenues	\$ -	\$ -
R 205-49300-39101 Sales of General Fixed	\$ -	\$ -
R 205-49300-39200 Inter-fund Operating	\$ -	\$ -
Deferred Revenue		\$ 129,152
FUND 205 EDA LOAN FUND	\$ 26,500	\$ 155,660

Expense

FUND 205 EDA LOAN FUND	2020 Actual	2021 Budget
E 205-46500-101 Full-Time Employees Regular	\$ 13,965	
E 205-46500-121 PERA	\$ 524	
E 205-46500-122 FICA	\$ 424	
E 205-46500-125 Medicare	\$ 102	
E 205-46500-130 Disability/Life/Dental Insur	\$ 246	
E 205-46500-131 Health Insurance	\$ 1,746	
E-205-46500-200 Office Supplies	\$ -	\$ -
E-205-46500-208 Training and Instruction	\$ 300.00	\$ 500
E 205-46500-304 Legal Fees	\$ 2,000.00	\$2,000
E 205-465000-310 Other Professional Services	\$ -	\$4,000
E-205-46500-331 Milage	\$ 350.00	\$ 150
E-205-46500-433 Dues and Subscriptoins	\$ 300.00	\$ 300.00
E 205-46500-440 Contractural Services	\$ -	\$ 10,000

E 205-49300-494 Loans made	\$ 25,000.00	\$ 25,000
E 205-49300-510 Land	\$ -	\$ -
E-205-46500-715 Grants	\$ -	\$ -
E 205-46500-821 Property Taxes	\$ 500.00	\$ 1,500
<i>FUND 205 EDA LOAN FUND</i>	\$ 45,457	\$ 43,450

Significant Changes

The major issue for 2022 is pulling the staffing allocation out of this budget. The Board will be looking to create and produce one or more marketing videos. The EDA will continue to work with and support the Rural Entrepreneurship Venture (REV) that will enter its second year.

Technology – [formerly Communications]

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 subscribers.

Budget Summary

Revenue

FUND 217 COMMUNICATIONS	<i>2021 Budget</i>	<i>2022 Budget</i>
R 217-41500-32181 T.V. Franchise	\$22,000	\$22,000
<i>FUND 217 COMMUNICATIONS</i>	\$22,000	\$22,000

Expense

	<i>2021 Budget</i>	<i>2022 Budget</i>
E 217-41500-103 Part-Time Employees	\$ 1,791	\$ 4,029
E 217-41500-121 PERA	\$ 1,152	\$ 810
E 217-41500-122 FICA	\$ 932	\$ 670
E 217-41500-125 Medicare	\$ 224	\$ 155
E 217-41500-130 Disability/Life/Dental Insur	\$ 501	\$ -
E 217-41500-131 Health Insurance	\$ 4,890	\$ -
E 217-41500-207 Computer Services	\$	\$ 33,000
E 217-41500-309 Software	\$	\$ 15,000
E 217-41500-329 Other Comm(internet)	\$	\$ 8,400
E 217-41500-440 Contractual Services	\$ 5,000	\$ 5,000
E 217-41500-570 Office Equipment (computers)	\$	\$ 15,000
E 217-41500-599 Lease Payments	\$	\$ 16,000

FUND 217 COMMUNICATIONS

\$	28,058	\$	109,294
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Significant Changes

The significant change for 2022 is the addition of another franchise for voice, data, and video. The franchisee is MetroNet and they are planning to build out a fiber to the home network in the city. The revenue only reflects the anticipated revenue from Mediacom and moving the majority of our technology expenses to this fund.

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**

	2021	2022
	Budget	Budget
FUND 227 TIF - ASSISTED LIVING FACILITY		
R 227-47110-31010 Property Tax Levy	\$24,500	\$24,500
R 227-47110-36210 Interest Earnings	\$50	\$0.00
FUND 227 TIF - ASSISTED LIVING FACILITY	\$24,550.00	\$24,500.00
	2021	2022
	Budget	Budget
FUND 228 TIF - MEDICAL CLINIC		
R 228-47111-31010 Property Tax Levy	\$9,000.00	\$9,000.00
R 228-47111-36100 Special Assessments	\$0.00	\$0.00
R 228-47111-36210 Interest Earnings	\$20.00	\$0.00
FUND 228 TIF - MEDICAL CLINIC	\$9,020.00	\$9,000.00

Expenditures

	2021	2022
	Budget	Budget
FUND 227 TIF - ASSISTED LIVING FACILITY		
E 227-47110-444 Assisted Living TIF Payment	\$24,000.00	\$24,000.00
FUND 227 TIF - ASSISTED LIVING FACILITY	\$24,000.00	\$24,000.00

	2021	2022
	Budget	Budget
FUND 228 TIF - MEDICAL CLINIC		
E 228-47111-445 Medical Clinic TIF Payment	\$10,000.00	\$10,000.00
<i>FUND 228 TIF - MEDICAL CLINIC</i>	\$10,000.00	\$10,000.00

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 2022, the principal balance remaining 12/31/22, and maturity date for the debt.

Fund	2022 Principal Payment	2022 Interest Payment	2022 Total	12/31/21 Principal Balance	Maturity
326 – 2012A	\$140,000	\$17,417	\$157,417	\$475,000	2026
327 – 2015A*	\$104,100	\$29,914	\$133,914	\$1,090,800	2031
328 – 2021A	\$	\$63,615	\$ 63,615	\$2,820,000	2037
Total	\$244,100	\$110,946	\$354,946	\$4,385,800	

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

Enterprise Fund Debt

The City also carries debt supported by the Enterprise Fund. This debt is supported though 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	2022 Principal Payment	2022 Interest Payment	2022 Total	12/31/22 Principal Balance	Maturity
2002B	\$42,000	\$2,703	\$44,703	\$43,000	2023
2004A PFA	\$23,000	\$1,336	\$24,336	\$24,044	2023
2010A	\$52,800	\$17,291	\$120,191	\$225,600	2028
2012A	\$55,000	\$8,702	\$63,702	\$240,000	2029
2016A	\$242,000	\$52,756	\$294,765	\$1,857,000	2026
2017A	\$105,350	\$15,208	\$120,558	\$2,030,350	2026
2021A	\$	\$18,270	\$18,270	\$810,000	2037
Total	\$520,150	\$116,266	\$686,525	\$5,229,994	

Sewer

Note	2022 Principle Payment	2022 Interest Payment	2022 Total	12/31/22 Principal Balance	Maturity
2003 PFA	\$485,998	\$4,860	\$490,858	\$	2022
2010A	\$2,200	\$437	\$2,637	\$9,400	2026
2015A	\$30,900	\$8,886	\$39,786	\$324,200	2031
2016A	\$8,000	\$1,632	\$9,632	\$58,000	2029
2017A	\$109,650	\$15,829	\$125,479	\$706,350	2028
2021A	\$	\$7,883	\$7,883	\$350,000	2037
Total	\$636,748	\$39,527	\$676,275	\$1,447,950	

Storm Water

Note	2022 Principle Payment	2022 Interest Payment	2022 Total	12/31/22 Principal Balance	Maturity
2021A	\$	\$18,756	\$18,756	\$830,000	2037
Total	\$	\$18,756	\$18,756	\$830,000	

Total City Debt at the end of 2022 will be \$11,839,744. Debt increased \$4,810,000 and is from the sale of bonds for the 2021 street and utility improvement project. It is anticipated the debt load will continue to be in the \$11,000,000 to \$13,000,000 over the next 8 to 10 years as the city progresses through the street improvement program.

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 2015A bond.

Capital Funds

Purpose

Capital Funds are used to cover the cost of major capital projects such as purchasing equipment, construction and improvements to parks, streets, and trails. 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 continues to work on refining the equipment plan and to keep cost down, has begun to look at leasing options through the state cooperative purchasing venture. Another squad car is planned for 2022 to replace the 2018 squad.

The funding for capital funds comes from planned transfers from the General Fund.

Current Status

The City operates four (4) capital funds: Street Improvements, Park Improvements, Equipment, and Municipal Facilities. 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. 12/31/21 Balance	2022 Allocation	2022 Planned Expenditures	2022 Est. Balance
Parks	\$215,102	\$70,000	\$89,000	\$196,102
Streets	\$640,635	\$190,000	\$141,500	\$689,135
Equipment	\$73,151	\$50,000	\$64,000	\$59,151
Facilities	\$15,087	\$25,000	\$25,000	\$15,087
General	(\$489,236)	\$138,000	\$ -	(\$351,236)
NET				608,239

PLANNED EXPENDITURES

Street Program

The 2021 street and utility improvement project will be completed in spring of 2022 and the city will chip seal three neighborhoods – West Welco, Stone Ridge and Country Ridge. The state provided some funds in 2021 that covered the chip seal project. While the state has a projected surplus, it is not anticipated funding will be provided in 2022 and 2023.

Equipment Program

The equipment contained in the 2022 program will consume roughly \$68,000 and includes the following items:

Item	Amount
Police Squad lease (going to 2)	\$9,000
Plow Truck Replacement payment	\$48,000
Skid loader lease	\$11,000
Total	\$68,000

In addition, staff will be looking at a possible lease with the state for a new 1-ton truck and will monitor the used market for a tandem axel truck.

Park Program

The Park and Recreation Advisory Board recommended, and Council approved a park improvement plan that extends out to 2025. The plan for 2022 includes the following items:

Item	Description	Amount
Tennis Court rehabilitation	Crack filling, resurfacing, and striping two tennis courts and four pickle ball courts. Will also retrofit the lights and refurbish the light poles	\$27,000
Prairie Restoration (3-year project)	We will add another 3.75 acres to the restoration project in North Ridge Park	\$7,130
Hockey Rink Relocation	The existing hockey rink will be removed, and new facility will be installed at Northside Park	\$26,000
Memorial Park Restroom	Continue with getting the south restroom ready for use.	\$10,000
Bike path and cross walk	Paint an on-street bike path on the south side of Deer Path from Rogers Drive to the path and a crosswalk at Pheasant Run and County 26.	\$1,500
Walking trails and parking lot in North Ridge	Planning and cutting walking trails in this area and completion of the parking lot – this project was completed in the fall of 2021	Staff time
Improver shelters at Memorial and Northside	Installation of metal “ceiling” and lighting in the shelters and band shell.	\$10,000
Dugout shade covers	Purchasing and installing dugout shade covers at Northside if funding allows	\$5,000- \$12,000
Batting Cage	Purchase batting cage net for the new structure at Northside Park	\$1,000
Sidewalk, trails, bike racks	Add sidewalk or trail connections where feasible and bike racks at parks and other locations where funds are available.	TBD
Total		\$95,280

As part of the improvement plan, the city will seek grant opportunities, partner with associations, and fund raising as needed to help cover the costs of projects.

Facilities

Minor improvements to City Hall to accommodate better sleeping area and space for ambulance personnel who are working or on-call and need to stay at the facility. This would include a separate sleeping room and shower type facility.

In 2023, the roof on the public works street garage will need to be replaced at an estimated cost of just over \$80,000.

Enterprise Funds

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.

The entire water system has the capacity to service the needs of the city for the next several years. If the population of the city expands beyond 6,500, the plant can be expanded to meet the needs of populations in excess of 13,000.

There is no need to adjust the rates for water service in 2022. It should be noted the last rate increase was in 2017.

Budget Summary

Revenue

FUND 601 WATER FUND	2021 Budget	2022 Budget
R 601-49400-36210 Interest Earnings	\$ 1,500	\$ 1,000
R 601-49400-37171 Le Sueur County Tax	\$	\$ 1,500
R 601-49400-36220 Rents/Lease Revenues	\$ 15,000	\$ 17,500
R 601-49400-37100 Water Sales	\$ 1,317,808	\$ 1,327,397
R 601-49400-37170 WATER TAX	\$ 10,000	\$ 8,000
R 601-49400-37180 SURCHARGE TAX (ST	\$ 15,000	\$ 15,000
R 601-49400-37190 Sales- Meters	\$ 5,000	\$ 10,000
R 601-49400-37251 Water Connect/Reconnect	\$ 30,000	\$ 30,000
R 601-49400-39200 Inter-fund Operating Transfer		
FUND 601 WATER FUND	\$ 1,394,308	\$ 1,407,397

Expense

	2020 Budget	2021 Budget
FUND 601 WATER FUND		
E 601-49400-101 Full-Time Employees Regular	\$ 87,059	\$ 95,614
E 601-49400-102 Full-Time Employees OT	\$ 1,000	\$ 1,000
E 601-49400-103 Part-Time Employees	\$ 2,148	\$ 3,383
E 601-49400-121 PERA	\$ 13,482	\$ 7,425
E 601-49400-122 FICA	\$ 5,318	\$ 6,138
E 601-49400-125 Medicare	\$ 1,271	\$ 1,435
E 601-49400-130 Disability/Life/Dental Insur	\$ 5,706	\$ 2,839
E 601-49400-131 Health Insurance	\$ 27,076	\$ 33,562
E 601-49400-150 Worker s Comp (GENERAL)	\$ 3,933	\$ 3,360
Total Personnel	\$146,993	\$ 154,756
E 601-49400-201 Uniforms	\$ 500	\$ 575
E 601-49400-208 Training and Instruction	\$ 1,000	\$ 1,000
E 601-49400-210 Operating Supplies	\$ 8,000	\$ 15,000
E 601-49400-212 Motor Fuels	\$ 4,000	\$ 6,500
E 601-49400-216 Chemicals	\$ 18,000	\$ 18,000
E 601-49400-221 Equipment Parts	\$ 20,000	\$ 20,000
Total Services	\$ 51,500	\$ 61,075
E 601-49400-303 Engineering Fees	\$ 1,500	\$ 8,500
E 601-49400-309 EDP, Software and Design	\$ 5,000	\$ 6,500
E 601-49400-320 Cell Phones	\$ 660	\$ 650
E 601-49400-321 Telephone	\$ -	\$ -
E 601-49400-322 Postage	\$ 3,000	\$ 3,100
E 601-49400-350 Printing & Publishing	\$ 1,500	\$ 1,800
E 601-49400-360 Insurance (GENERAL)	\$ 9,500	\$ 11,000
E 601-49400-381 Electric Utilities	\$ 30,500	\$ 30,500
E 601-49400-383 Gas Utilities	\$ 4,500	\$ 4,500
E 601-49400-400 Repairs & Maint Veh/Equip	\$ 4,500	\$ 5,500
E 601-49400-401 Repairs/Maint Buildings	\$ 12,000	\$ 12,000
E 601-49400-404 Repairs/Maint Machinery	\$	\$ 15,000
E 601-49400-433 Dues and Subscriptions	\$ 1,200	\$ 1,600
E 601-49400-439 Refunds & Reimbursements	\$ 2,000	\$ 2,500
E 601-49400-440 Contractual Services	\$ 1,250	\$ 20,000
E 601-49400-442 Testing	\$ 2,500	\$ 2,000
E 601-49400-443 License Fees	\$ 1,000	\$ 1,000
E 601-49400-450 Sales Tax	\$ 5,000	\$ 5,000
E 601-49400-460 State surcharge	\$ 15,000	\$ 15,000
Other Services and Charges	\$ 108,210	\$ 146,650

E 601-49400-520 Buildings & Structures	\$ 8,000	\$ 690,000
E 601-49400-550 Vehicles	\$ 1,333	\$ -
E 601-49400-580 Other Equipment	\$ 25,000	\$ 25,000
E 601-49400- Interfund Loan	\$ 250,000	\$ 200,000
Total Water Services	\$ 582,603	\$ 915,000
E 601-22500-601 2004 issue	\$ 23,000	\$ 23,000
E 601-49439-611 2004 issue Interest	\$ 1,984	\$ 1,336
E 601-22500-601 2017A Refunding	\$ 102,900	\$ 105,350
E 601-49442-611 2017A Interest	\$ 17,291	\$ 15,208
E 601-22500-601 2002B	\$ 40,000	\$ 42,000
E 601-49443-611 2002B Interest	\$ 3,975	\$ 2,703
E 601-22500-601 2016A Refunded Bond	\$ 232,800	\$ 242,000
E 601-48922-611 2016A Interest	\$ 58,697	\$ 52,756
E 601-22500-601 2010A Bond	\$ 48,500	\$ 52,800
E 601-48923-611 2010A Interest	\$ 12,566	\$ 10,496
E 601-22500-601 2012A Refunding	\$ 55,000	\$ 55,000
E 601-48926-611 2012A Interest	\$ 10,214	\$ 8,702
E 601-22500-601 2021A Bond	\$	\$
E 601-47000-611 2021A Interest	\$	\$ 18,270
Total Water Debt	\$ 606,928	\$ 629,621
FUND 601 WATER FUND	\$1,189,531	\$1,907,102
Operating surplus/(deficit)	\$204,777	(\$499,705)

Significant Changes

The two most significant issues with the 2022 budget are the addition of a full-time employee and the rehabilitation of the water tower. The rehabilitation of the tower will consist of the removal of all paint and coating inside and out and recoating the entire tower. There will also be minor spot repairs to rusted and corroded areas of the tower. This is a general maintenance activity that should be completed every 20 or so years.

Sewer Fund

Purpose

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

The septic 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

FUND 602 SEWER FUND	2021 Budget	2022 Budget
R 602-49450-36210 Interest Earnings	\$ 1,500	\$ 1,000
R 602-49450-36220 Rents/Lease Revenues	\$ -	\$ -
R 602-49450-36100 Special Assessment	\$ -	\$ -
R 602-49450-37200 Sewer Sales	\$ 943,073	\$ 1,024,648
R 602-49450-37250 Sewer Connect/Reconnect	\$ 40,000	\$ 40,000
R 602-49400-39200 Inter-fund Operating Loan	\$ 250,000	\$ 200,000
R 602-49450-37270 Septic Revenue	\$ 25,000	\$ 40,000
<i>FUND 602 SEWER FUND</i>	<i>\$ 1,259,573</i>	<i>\$ 1,305,608</i>

Expense

FUND 602 SEWER FUND	2021 Budget	2022 Budget
E 602-49450-101 Full-Time Employees Regular	\$ 87,059	\$ 95,614
E 602-49450-102 Full-Time Employees OT	\$ 1,000	\$ 1,000
E 602-49450-103 Part-Time Employees	\$ 2,148	\$ 3,383
E 602-49450-121 PERA	\$ 13,482	\$ 7,425
E 602-49450-122 FICA	\$ 5,318	\$ 6,138
E 602-49450-125 Medicare	\$ 1,271	\$ 1,435
E 602-49450-130 Disability/Life/Dental Ins	\$ 5,706	\$ 2,838
E 602-49450-131 Health Insurance	\$ 27,076	\$ 33,562
E 602-49450-150 Worker s Comp (GENERAL)	\$ 4,106	\$ 4,145
<i>Total Personnel</i>	<i>\$147,236</i>	<i>\$ 155,540</i>
E 602-49450-201 Uniform Expense	\$ 500	\$ 575
E 602-49450-208 Training and Instruction	\$ 1,000	\$ 1,000
E 602-49450-210 Operating Supplies	\$ 15,000	\$ 16,000
E 602-49450-212 Motor Fuels	\$ 5000	\$ 6,500
E 602-49450-216 Chemicals	\$ 30,000	\$ 33,000
E 602-49450-220 Repair/Maint Supply	\$ 5,500	\$ 5,500
E 602-49450-221 Equipment Parts	\$ 15,000	\$ 15,000
<i>Total Supplies</i>	<i>\$ 75,000</i>	<i>\$ 77,575</i>
E 602-49450-303 Engineering Fees	\$ 1,000	\$ 1,000
E 602-49450-309 EDP, Software and Design	\$ 5,500	\$ 6,500
E 602-49450-320 Cell Phones	\$ 660	\$ 650
E 602-49450-321 Telephone	\$ 7,000	\$ 6,500
E 602-49450-322 Postage	\$ 3,100	\$ 3,100

E 602-49450-350 Printing & Publishing	\$ 3,100	\$ 3,100
E 602-49450-360 Insurance (GENERAL)	\$ 18,500	\$ 18,500
E 602-49450-381 Electric Utilities	\$ 60,000	\$ 60,000
E 602-49450-383 Gas Utilities	\$ 16,000	\$ 12,000
E 602-49450-400 Repairs & Maint Veh/Equip	\$ 2,500	\$ 5,500
E 602-49450-401 Repairs/Maint Buildings	\$ 10,000	\$ 10,000
E 602-49450-402 Repairs/Maint Structures	\$	\$ 10,000
E 602-49450-403 Improvements other than build	\$	\$ 2,500
E 602-49450-404 Repairs/Maint Machinery	\$	\$ 35,000
E 602-49450-433 Dues and Subscriptions	\$ 1,500	\$ 1,300
E 602-49450-439 Refunds & Reimbursements	\$ 1,500	\$ 2,500
E 602-49450-440 Contractual Services	\$ 35,000	\$ 35,000
E 602-49450-441 Sludge Disposal	\$ 40,000	\$ 40,000
E 602-49450-442 Testing	\$ 13,000	\$ 13,000
E 602-49450-443 License Fees	\$ 1,000	\$ 1,500
<i>Other Services and Charges</i>	\$ 219,360	\$ 267,650
E 602-49450-530 Improvements Other Than	\$	\$ 35,000
E 602-49450-550 Vehicles	\$	\$
E 602-49450-580 Other Equipment	\$ 168,955	\$ 15,000
E 602-49450-581 Equipment Fund	\$ -	\$
E 602-49450-599 Lease Payments	\$ -	\$
<i>Capital Outlay</i>	\$ 168,955	\$ 50,000
<i>Total Sewer Operations</i>	\$ 610,551	\$ 550,765
E 601-22500-601 2010A Bond	\$ 1,500	\$ 2,200
E 601-48923-611 2010A Interest	\$ 389	\$ 437
E 602-22500-601 2016A refunded bond	\$ 7,200	\$ 8,000
E 602-48922-610 2016A Interest	\$ 1,816	\$ 1,632
E 602-22500-601 2003 Note	\$ 483,000	\$ 485,998
E 602-49496-611 2003 Note Interest	\$ 9,690	\$ 9,690
E 602-22500-601 2015A Improvement bond	\$ 30,000	\$ 30,900
E 602-49991-611 2015AInterest	\$ 9,510	\$ 8,886
E 602-22500-601 2017A Refunding	\$ 107,100	\$ 109,650
E 602-49499-611 2017A Interest	\$ 17,997	\$ 15,829
E 602-22500-601 2021A Bond	\$	\$
E 602-47000-611 2021A Interest	\$	\$ 7,883
<i>Sewer Fund Debt</i>	\$ 668,201	\$ 567,805
<i>TOTAL FUND 602 SEWER FUND</i>	\$ 1,278,752	\$1,541,760
<i>Operating surplus/(deficit)</i>	\$ (19,179)	\$(236,162)

Significant Changes

A full-time position has been added to the utility department. Several major capital improvements will be made to the facility in 2022 and will be paid for through federal ARPA funds. The improvements will total over \$360,000.

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

FUND 604 STORM WATER FUND	2021 Budget	2022 Budget
R 604-00000-39990 Capital Contributions	\$ -	\$ -
R 604-49992-39200 Inter-fund Operating	\$ -	\$ -
R 604-49992-40001 Storm Sewer	\$ 100,800	\$ 158,824
<i>FUND 604 STORM WATER FUND</i>	<i>\$ 100,800</i>	<i>\$ 158,824</i>

Expense

FUND 604 STORM WATER FUND	2021 Budget	2022 Budget
E 604-49992-101 Full-Time Employees Regular	\$ 47,867	\$ 31,729
E 604-49992-102 Full-Time Employee OT	\$ 1,000	\$ 1,000
E 604-49992-103 Part-Time Employees	\$ 2,148	\$ 3,383
E 604-49992-121 PERA	\$ 5,310	\$ 2,633
E 604-49992-122 FICA	\$ 4,394	\$ 2,177
E 604-49992-125 Medicare	\$ 1,034	\$ 509
E 604-49992-130 Disability/Life/Dental Ins.	\$ 1,025	\$ 1,726
E 604-49992-131 Health Insurance	\$ 17,292	\$ 14,786
E 604-49992-150 Worker s Comp (GENERAL)	\$ 2,007	\$ 1,289
<i>Total Personnel</i>	<i>\$ 79,929</i>	<i>\$ 59,232</i>
E 604-49992-201 Uniforms	\$ 500	\$ 575
E 604-49992-210 Operating Supplies	\$ 300	\$ 300
E 604-49992-212 Motor Fuels	\$ 1,000	\$ 1,000
E 604-49992-221 Equipment Parts	\$ 3,000	\$ 3,000
E 604-49992-303 Engineering Fees	\$ -	\$ 1,000
E 604-49992-309 EDP, Software and Design	\$ 5,500	\$ 6,500
E 604-49992-322 Postage	\$ -	\$ 3,100

E 604-49992-350 Printing and Publishing	\$	\$ 3,100
E 604-49992-360 Insurance (General)	\$ 650	\$ 650
E 604-49992-400 Repairs & Maint Veh/Equip	\$ 8,000	\$ 10,000
E 604-49992-402 Repairs & Maint Structures	\$	\$ 15,000
E 604-49992-404 Repairs & Maint Machinery	\$	\$
E 604-49992-405 Depreciation (GENERAL)	\$ -	\$ -
E 604-49992-440 Contractual Services	\$ 45,000	\$ 45,000
E 604-49992-443 License fees	\$ 1,000	\$ 1,000
Sub-total supplies and services	\$ 67,450	\$ 90,225
E 604-49992-550 Vehicles	\$	\$
E 604-49992-580 Other Equipment	\$ 10,000	\$ 10,000
Total Capital	\$ 10,000	\$ 10,000
604-22500-601 2021A Bond	\$	\$
604-47000-611 2021A Interest	\$	\$ 18,756
TOTAL FUND 604 STORM WATER FUND	\$163,388	\$ 178,213
Operating surplus/(deficit)	(\$62,588)	(\$19,389)

Significant Change

The significant change for 2022 is the addition of debt as the result of the 2021 street and utility improvement project. Interest will be paid in 2022 and principal will begin to be paid in 2023. To support this added expense, the rate will be increasing over the next few years.