



2020-2021 Budget

City Of Edina, Minnesota

CITY GOALS:

Strong Foundation

Livable City

Reliable Service

Better Together



2020 Edina City Council

Mayor	James Hovland
Council Member	Mary Brindle
Council Member	Mike Fischer
Council Member	Kevin Staunton
Council Member	Ron Anderson

City of Edina Staff

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Assistant City Manager	Lisa Schaefer
Finance Director	Don Uram
Assistant Finance Director	Kyle Sawyer
Financial Analyst	Andrea Rich

Contributing Staff

2018-20 City Management Fellow	Casey Casella
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GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Edina
Minnesota**

For the Biennium Beginning

January 1, 2018

Christopher P. Morill

Executive Director

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2020-2021
Budget

Introduction

CITY GOALS:

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City Manager's Message

I am pleased to present you the 2020-2021 biennial budget for the City of Edina. This budget is the culmination of hundreds of hours of work by City employees, advisory commissioners and City Council Members. By allocating public financial resources in specific directions, the 2020-2021 City Budget is an important policy statement for the City.

The budget is built on the priorities of our City Council, which is based on their interactions with Edina's residents, business owners and taxpayers. The City Council's priorities drive the City staff's production of work plans designed to accomplish the City Council's policy priorities. The staff also create fiscal projections for the work plans, which eventually become our 2020-2021 City Budget.

The work plans that drive the 2020-2021 City Budget describe a vibrant city that is growing and changing. Among other ways, the budget reflects that community growth and change by increasing our staffing levels in our Police and Fire Departments and increasing our investments in sustainability and diversity & inclusion services and programming.

Edina is poised for a bright future. The 2020-2021 Budget and work plans will help us get there. We will continue to do our best to lead and follow in a manner that is responsive to our residents and elected officials on our City Council, all with the goal of sustaining a high quality of life for Edina residents.

A handwritten signature in black ink that reads "Scott H. Neal".

Scott H. Neal, City Manager



Edina City Hall

Budget in

Brief

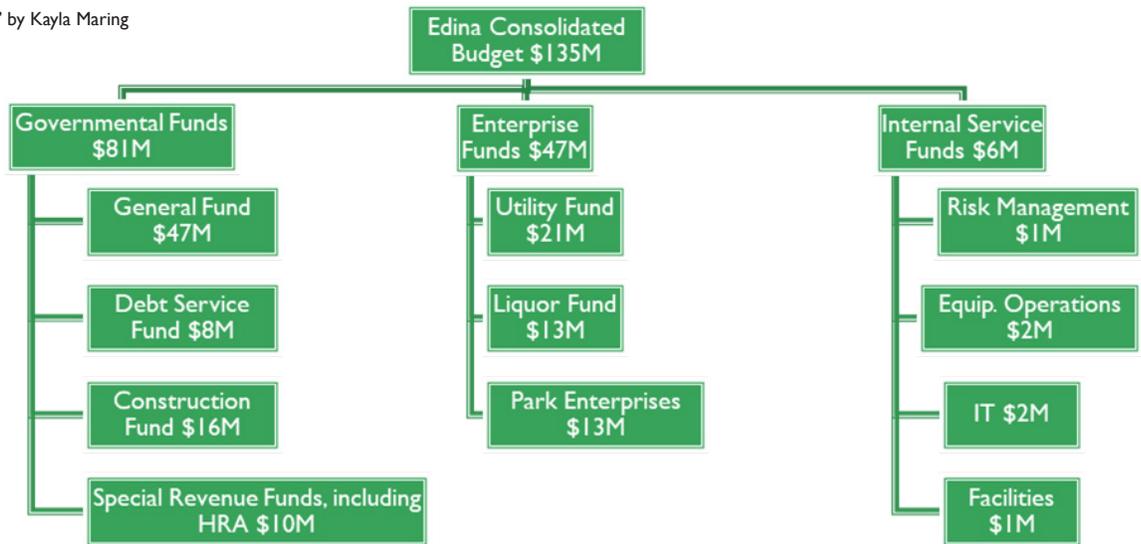


The Budget in Brief provides a summary of the 2020 Budget. Photos are selections from the 2019 Images of Edina photo contest.

OVERVIEW

The City of Edina has a consolidated budget of \$135 million for 2020 which is made up general government (Governmental Funds), business-type operations (Enterprise Funds) and shared expenses (Internal Service Funds).

"Reflecting on the Seasons" by Kayla Maring



The General Fund houses the following departments and services:

- | | |
|-------------------------------|--------------------|
| Assessing | Health & Recycling |
| Building Inspections | Housing |
| City Manager & Administration | Human Resources |
| Communications & Technology | Parks & Recreation |
| Economic Development | Police |
| Engineering | Public Works |
| Finance | Race & Equity |
| Planning | Sustainability |
| Fire | Utility Billing |

Enterprise Funds include:

- Aquatic Center
- Art Center
- Braemar Golf Course & Dome
- Braemar Arena
- Braemar Field
- Centennial Lakes Park
- Edinborough Park
- Liquor stores
- Water, Storm, Sewer

Internal Service Funds

represent shared costs that are allocated to the various departments and enterprises.

The City of Edina has four on-going budget goals. These goals guide the budget making process:



Maintain physical assets and infrastructure



Plan for connected and sustainable development



Maintain service levels that best meet community needs



Foster an inclusive and engaged community

BUDGET IN BRIEF

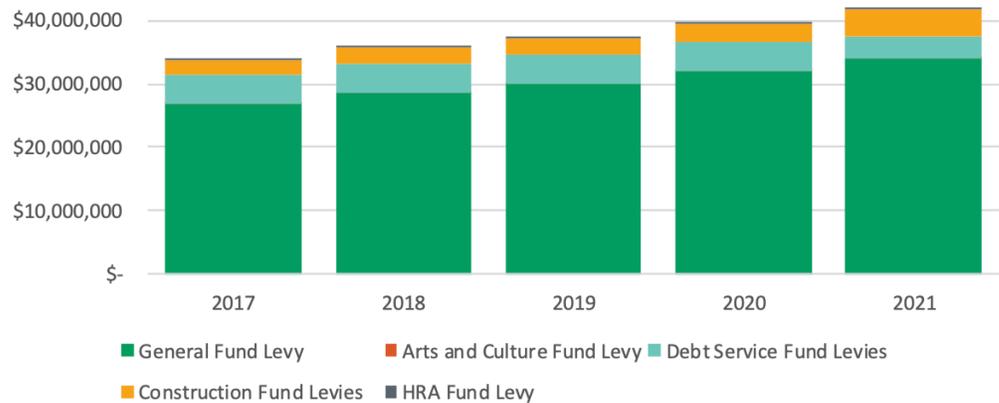


CITY OF EDINA PROPERTY TAXES

The City property tax levy includes levies for the General Fund, Debt Service Fund, Construction Fund, and the Housing and Redevelopment Authority (HRA) Fund. The total tax levy for the 2020 budget is \$39.7 million. This represents a 5.95% increase over 2019. On the median-valued home of \$548,500, the effect will be a monthly increase of about \$7 or annual increase of \$87 for a new total of \$1,561.

"Basketball at Cornelia Field Day" by Molly Andresen

City of Edina Property Tax Levy



Past Levy Increases & Drivers

Year	Increase	Year	Increase	Year	Increase	Year	Increase	Year	Increase
2017	6.36%	2018	5.80%	2019	4.60%	2020	5.95%	2021	5.95%
•Weber Woods •Comp Plan •CIP for Streets & Bridges		•Increased CIP Levy •Public Safety Staff		•Public Safety Staff		•Service Level Changes		•Public Safety Staff •Building Maintenance	

BUDGET IN BRIEF



"Photos from Home" by Shane McCartney

WHERE DO MY PROPERTY TAXES GO?

The City of Edina receives a portion of total property taxes.



Edina Public Schools
\$0.39

Hennepin County
\$0.32

Watershed, Metro Districts
& Other \$0.08
City of Edina
\$0.21

City Property Tax Comparison to Other Cities

2019 City taxes on a \$400,000 house:

1	Plymouth	\$1,051
2	Edina	\$1,097
3	Eden Prairie	\$1,264
4	Shoreview	\$1,314
5	Woodbury	\$1,323
6	Maple Grove	\$1,391
7	Minnetonka	\$1,394
8	Shakopee	\$1,394
9	Eagan	\$1,405
10	Lakeville	\$1,420
11	Apple Valley	\$1,579
12	Bloomington	\$1,658
13	Burnsville	\$1,739
14	Savage	\$1,774
15	Maplewood	\$1,782
16	St. Louis Park	\$1,849
17	Golden Valley	\$2,145
18	Richfield	\$2,183
19	Minneapolis	\$2,286
20	Hopkins	\$2,859

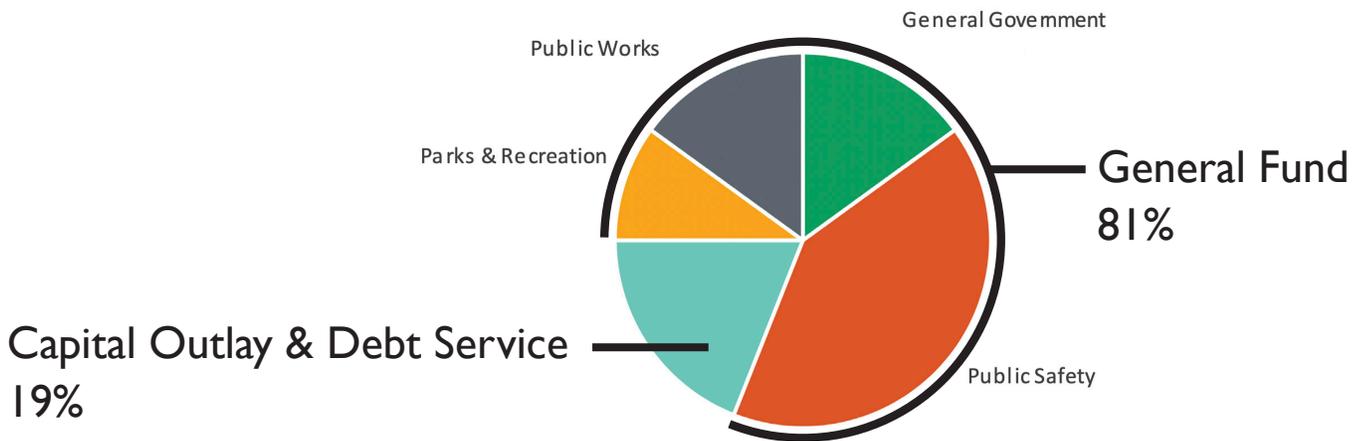
Source: Hennepin County

BUDGET IN BRIEF



“Taking Flight” by Lisa Rose

WHAT WILL MY CITY TAXES PAY FOR?



Parks & Recreation – Administration and maintenance of the entire parks system including 44 parks and open spaces that total 1,563 acres of property, including park enterprise facilities. The department coordinates park maintenance, adaptive recreation, adult and youth recreation, and works with 14 athletic associations, the Edina Garden Council and the Edina Historical Society.

Public Works – Responsibility for the City’s public buildings, roadways, water infrastructure, sanitary and storm sewer systems, and maintenance of vehicles and equipment such as automobiles, mowers, snowplows, fire trucks, etc.

General Government – Assessing, Building Inspections, City Administration, Communications & Technology, Economic Development, Finance, Planning, Human Resources, Race & Equity, and Sustainability.

Public Safety – Police, fire and ambulance services.

Capital Outlay & Debt Service – Fixed asset purchases in the General Fund as well as principal and interest payments for debt funded through the tax levy (e.g., new City Hall building).

The next pages go into detail about the General Fund and Capital Outlay & Debt Service, as well as the Housing & Redevelopment Authority Fund.

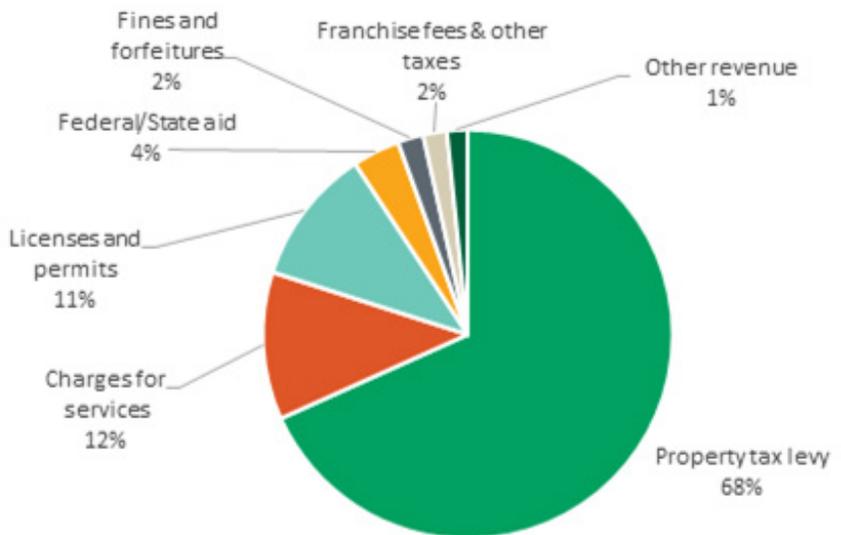
BUDGET IN BRIEF



"Fall Meets Winter" by Kayla Maring

General Fund Revenue

The General Fund provides financing for the wide range of services provided by the City, including funding for Parks, Police, Fire, Engineering and Public Works.



Charges for services – includes ambulance fees, park program registration fees, etc.

Licenses and permits – includes building permits, liquor licenses, food establishment licenses, etc.

Federal/State Aid – grants and programs. New to 2020-21 is the Staffing for Adequate Fire and Emergency Response (SAFER) grant.

Fines and forfeitures – court fines

Franchise fees and other taxes – franchise fees and lodging tax. Franchise fees are collected by gas, electric and cable companies and remitted to the City to fund pedestrian and cyclist improvements; conservation and sustainability initiatives; and government, education and public access channels.

BUDGET IN BRIEF



“The Night Before the Parade” by Kim Ritten

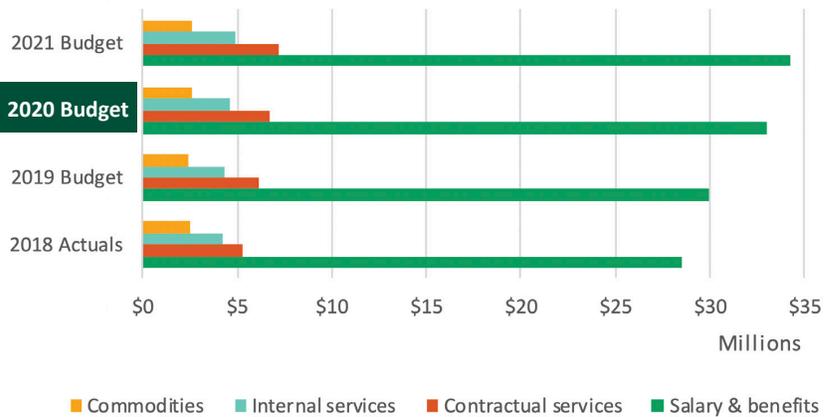
General Fund Expenses

The largest expense of the General Fund is salary and benefits for staff operating and supporting the City services. The City’s total General Fund budget for 2020 is \$46.9 million.

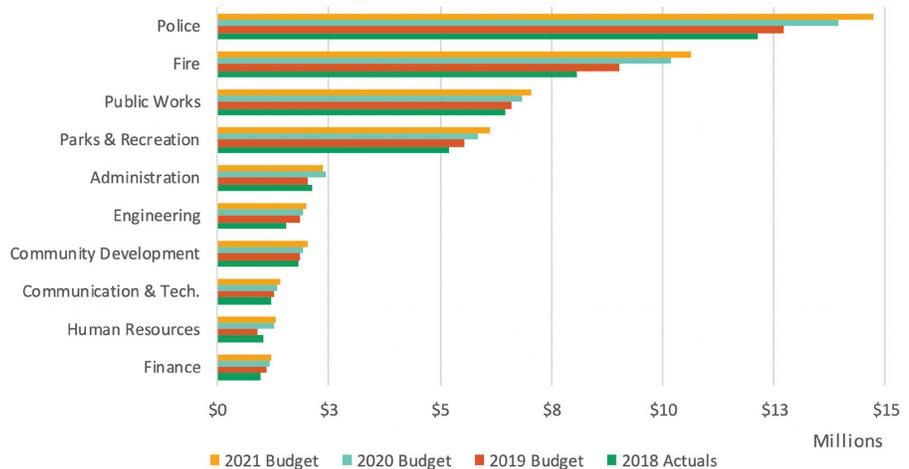
Significant initiatives in the 2020-2021 budget include:

-  Six new firefighter/paramedic positions, substantially covered by the federal SAFER grant for the next three years, to maintain adequate response times and continue to provide high-quality service.
-  Implementation of rental housing license and inspection program. Three positions have been added to the 2020 budget to support this program.
-  A police officer position in each 2020 and 2021 to respond to increased demand for public safety response while maintaining a high level of public safety response.
-  New facility staff positions in 2020 and 2021 to better manage approximately 80 buildings/facilities with an estimated market value of \$170 million.
-  Competitive employee compensation and benefits to attract and retain a skilled and high-performing workforce.

General Fund Expenditures by Expense Type



General Fund Expenditures by Department



BUDGET IN BRIEF



“Morning Rays—Edina” by Venkateshkumar Murugesan

Capital Outlay & Debt Service

The Construction Fund houses the equipment replacement program (e.g., fire trucks, etc.) and capital projects associated with the General Fund departments. Projects included in the 2019-2023 CIP and funded by the Construction Fund include the Arden Park restoration project and shelter building, salt storage facility, anti-icing and de-icing equipment, fire station improvements, and police body-worn cameras.

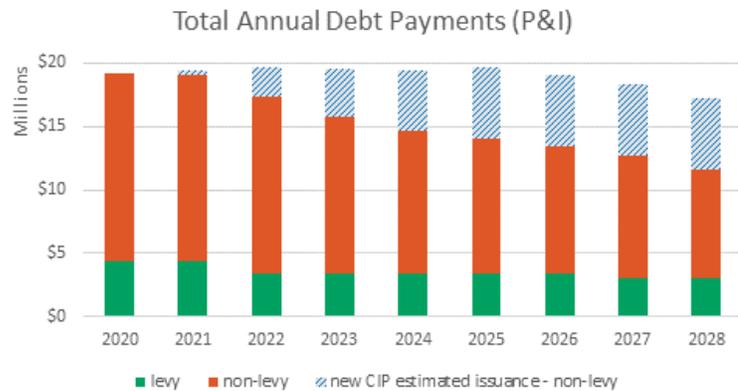
The 2019-2023 Capital Improvement Plan identified \$143 million in funded projects for the five-year period of which debt is projected to account for approximately \$70 million.

The Debt Service Fund is used to pay for principal and interest payments on debt funded by the tax levy. Other debt is funded through enterprise revenues. The below chart represents principal and interest payments on existing debt and projected future debt.

- Major capital projects funded through tax levy debt include:
 - City Hall
 - Braemar Field and Backyard Rink
 - Public Works & Park Maintenance Facility
 - Gymnasiums
 - Fire Station I

- Major capital projects funded by the Enterprise Funds include:
 - Water/storm/sewer improvements
 - Aquatic Center
 - Braemar Golf Course and Golf Dome

- ▨ The future debt includes the new water treatment facility and annual utility infrastructure needs from the 2019-2023 Capital Improvement Plan.



New in 2020

To more predictably fund future capital projects, the property tax levies for past community improvement projects will be repurposed to a capital improvement fund levy as the existing debt service levies expire. The debt service levy will decrease, and the capital improvement plan levy will increase, for a net zero impact to the total tax levy. These funds will be used specifically for those projects needed and desired by our community.

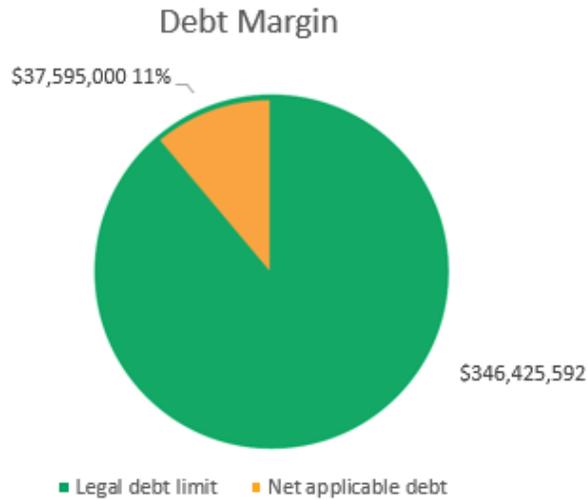
BUDGET IN BRIEF



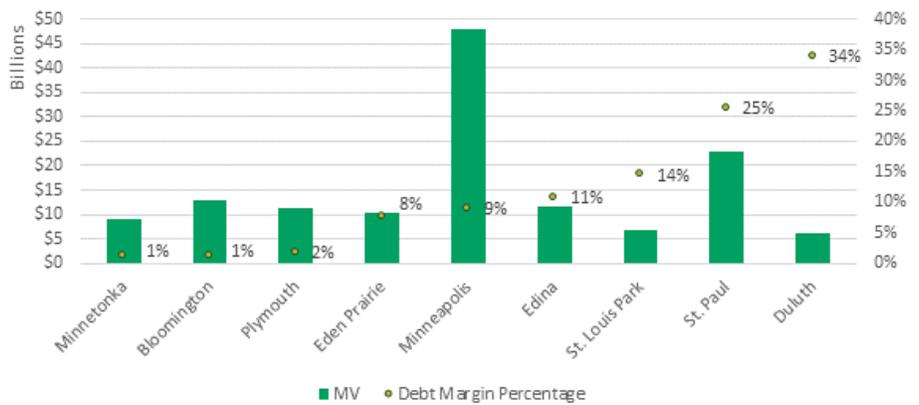
"Fastpitch Softball Victory Huddle" by Molly Andresen

Capital Outlay & Debt Service

The City is subject to a statutory limitation by the State of Minnesota for bonded indebtedness payable principally from property taxes.



While the state statute allows a legal debt limit of 3% of market value, the below provides a comparison to other Minnesota cities of debt margin percentage (net applicable debt/legal debt limit or percentage is use of total available). Edina has a strong market value and a mid-range percent usage of total allowable debt.



BUDGET IN BRIEF



"Twin Beards" by Britny Aklík

Housing & Redevelopment Authority Fund

In 1974, the Edina City Council passed a resolution declaring a need for a Housing and Redevelopment Authority in the City. Reasons stated included:

- The existence of substandard or blighted areas which cannot be redeveloped without the assistance of government;
- Lack of adequate housing accommodations for veterans and servicemen and their families; and,
- A shortage of decent, safe and sanitary dwelling accommodations available to persons of lower income and their families at rentals they can afford.

Since then, the City's HRA has been involved in several large-scale renewal projects including the 50th and France business district and the Southdale Mall shopping area. For Southdale, market value within that area since 2012 has increased from \$481 million to \$835 million, a 73% increase. The HRA has also been active in affordable housing. Some recent accomplishments include:

- Creation of an Affordable Housing Trust Fund.
- Passage of a local Fair Housing Policy.
- Approval and Implementation of a Rental Licensure program serving to protect the most vulnerable residents who face housing insecurity.
- Completion and/or approval of 323 affordable housing rental units.

BUDGET IN BRIEF



"Bus on Wooddale" by Nancy Fergesen

ENTERPRISE FUNDS

The activities presented as enterprise funds show user fees collected and associated operating costs of running the activities.

Parks & Rec Enterprise Fund Budgets



Did you know?

Braemar Golf Dome is now equipped with Toptracer Range technology, offering a fun, engaging, tech-driven experience that appeals to seasoned players, range rivals, friends, family members, and even first-time golfers.

BUDGET IN BRIEF

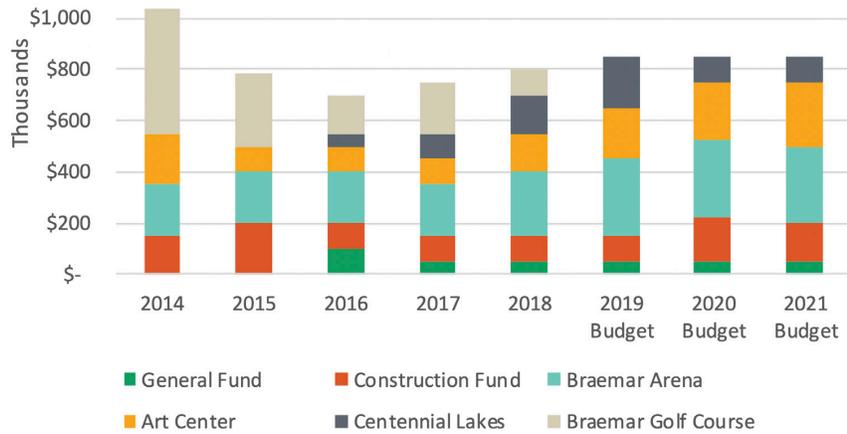


“Cold Snowy Spring--Hot Housing Market” by Tracy Mooty

ENTERPRISE FUNDS

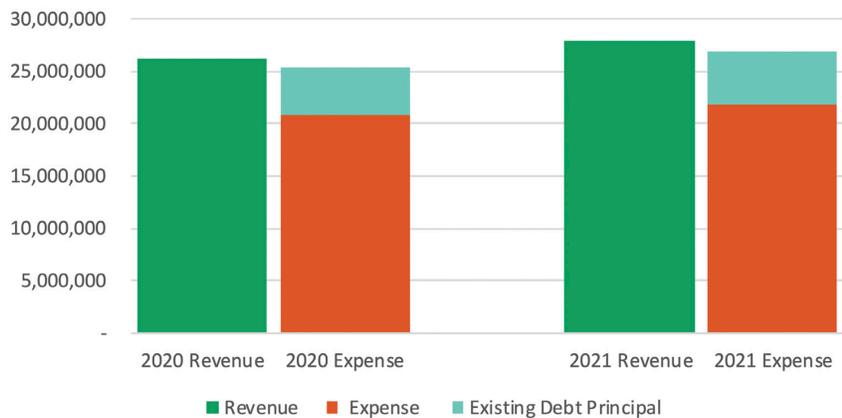
The Liquor Fund accounts for the operations of the three City-owned liquor stores. Liquor profit is budgeted at \$1.3 million for 2020 and 2021. The Liquor Fund also provides transfers to other funds to help subsidize their operations. The total planned transfer from the Liquor Fund for 2020-2021 is \$850,000 each year.

Liquor Support



The Utilities Fund is used to account for the use and operation of the City's water, sewer, stormwater and recycling systems. Fee levels are set to cover operating expenses as well as capital project costs.

Utilities



Community Background

Edina began as a small farming and milling community settled by Irish and Scottish families in the mid 1800s near Minnehaha Creek. At that time, the area was part of Richfield Township, but in 1888, the residents voted to separate from Richfield Township and incorporate as the Village of Edina.

The City is now a fully developed first-ring suburb of Minneapolis. The City occupies a land area of 16 square miles and serves a population of just over 50,000 residents. Currently, 98 percent of the City is developed. Its first major period of growth occurred in the 1950s as residents and businesses looked to move into suburban neighborhoods. The late 1960s and early 1970s were another significant period of growth. Today, the City is in a period of “redevelopment” as aging structures (both commercial and residential) are being replaced with newer structures that better suit the needs of today’s businesses and residents. Approximately 59 percent of Edina’s land area is attributed to developed residential neighborhoods, 12 percent to commercial/industrial uses, 16 percent parks and open space with the remainder used for local, county and state roadways.

Many major highways run through or are close to Edina, making it readily accessible to all within the Minneapolis metropolitan area. Edina is a short, 15-minute drive from the Minneapolis-St. Paul International Airport.

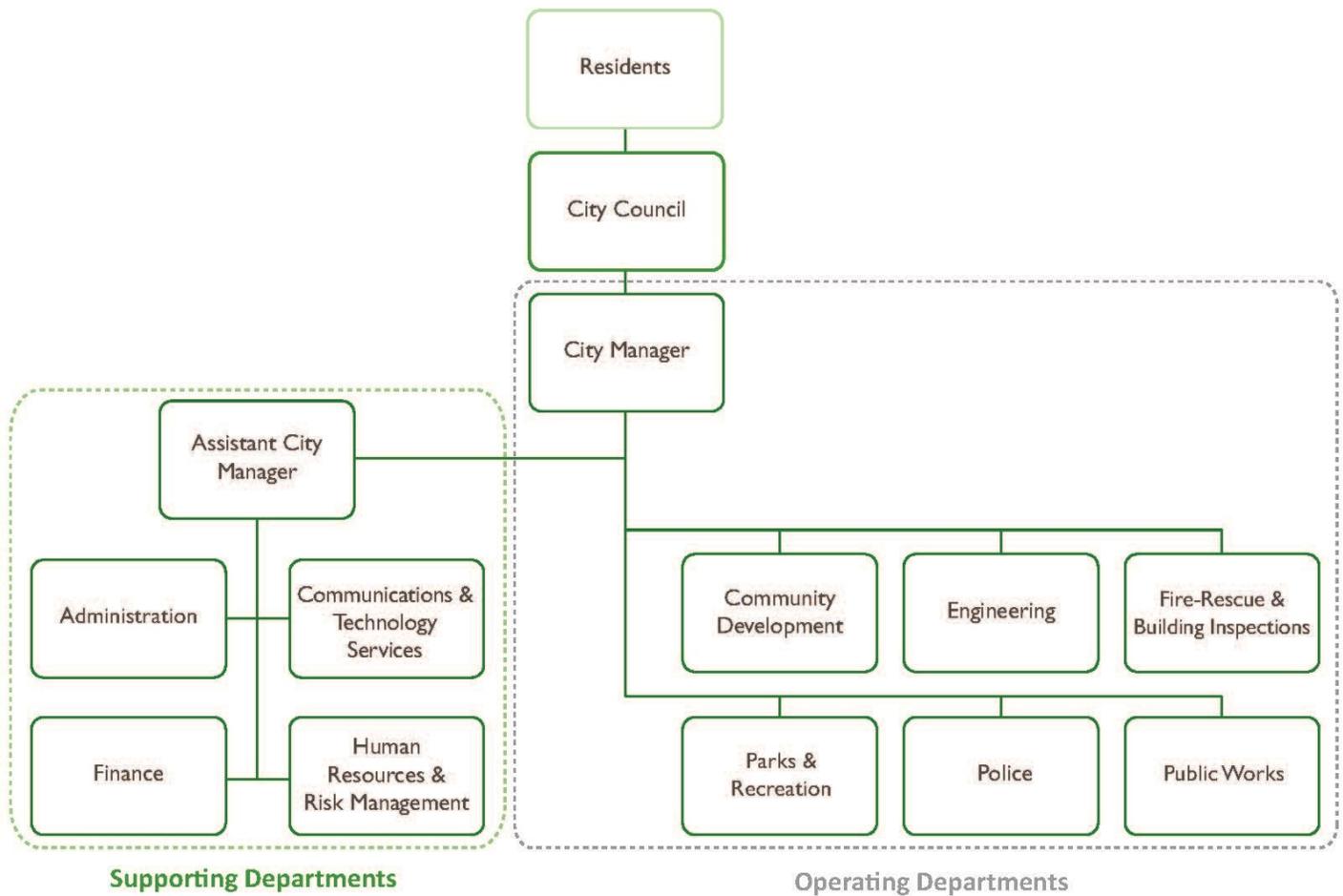
The City provides a full range of public services, including police and fire protection; ambulance service; construction and maintenance of highways, streets, and other infrastructure; water and sewer services; and recreational and cultural activities and events.



Organizational Highlights

The City of Edina operates under the Council-Manager form of government. Policy-making and legislative authority are vested in a City Council (Council) consisting of the Mayor and four other members, all elected on a non-partisan basis. The Council is responsible, among other things, for adopting the budget, approving ordinances, appointing committees and hiring the City Manager. Council Members serve four-year terms, with two Council members elected every two years. The Mayor also serves a four-year term. The Mayor and Council are elected at large.

The City Manager is responsible for carrying out the policies and ordinances of the Council and for overseeing the day-to-day operations of the city government. Edina is organized into six “operating” departments and four “supporting” departments. The primary function of operating departments is to provide direct services to the public. The primary function of supporting departments is to manage City-wide initiatives, coordinate resources across departments, and help departments meet their service-goals in alignment with organizational strategy.



ORGANIZATIONAL HIGHLIGHTS

The City of Edina has had several notable financial achievements over the last two years. Independent bond-rating agencies Standard & Poor's and Moody's Investors Service affirmed their high bond ratings of Edina in the spring of 2019. Edina is one of just a few communities in Minnesota with both "AAA" and "Aaa" ratings. Moody's Investors Service in 2000 gave the City of Edina its highest rating, Aaa. In 2003, Standard & Poor's upgraded Edina's general obligation bond rating to AAA, the company's highest rating.

The ratings reflect the agencies' view of the City's:

- ◆ Participation in the Minneapolis-St. Paul metropolitan area economy and role as a first-ring suburb in the prosperous Twin Cities western suburbs.
- ◆ Continued strong financial performance with very strong fund balance levels on a dollar and percent of expenditure basis.
- ◆ Evidence of continued strong management practices.
- ◆ Strong budgetary flexibility, with a high percentage of available fund balance compared to operating expenditures.

The high bond rating helps to ensure that future Edina debt will be issued with the lowest possible interest expense and cost to the taxpayer.



Centennial Lakes Park

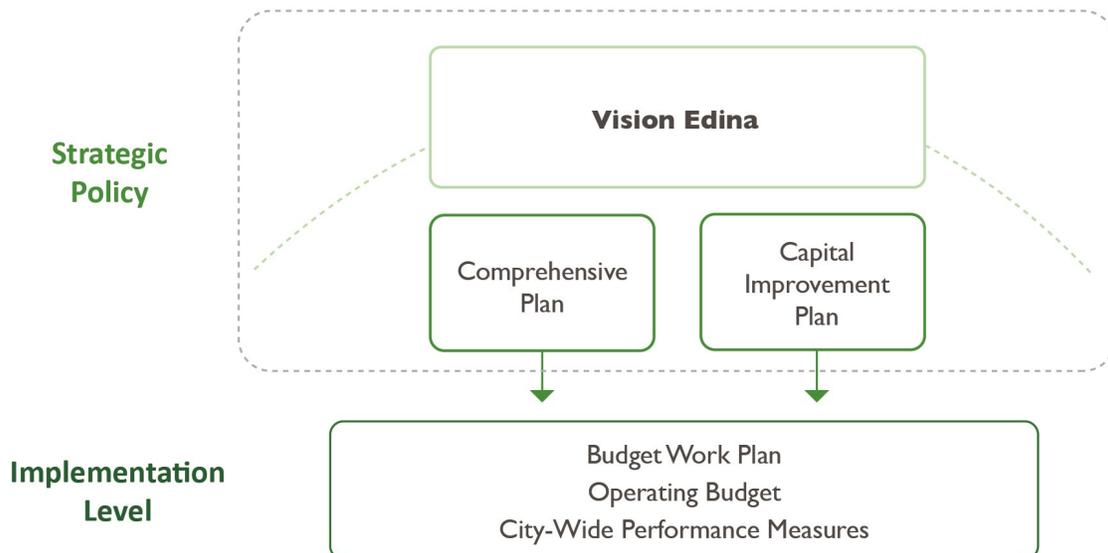
Organizational Performance

In the City of Edina, the operating budget is part of a comprehensive approach to performance management. The principles of this performance system are outlined below:

PERFORMANCE SYSTEM PRINCIPLES

Systemic	Strategic objectives play an integral role in leadership decision-making, organization planning and resource allocation.
Reflects Community Goals	Community input is gathered to determine desired community goals and outcomes. These goals are captured in a strategic plan that serves as the anchor for the performance management system.
Aligned at All Levels	The City’s departmental plans/programs reflect community goals. Departments work cooperatively across functional lines to achieve key outcomes. Employees understand how their work ties to City’s mission, vision and strategy.
Outcome-Based	Success is measured through performance measures that tie as closely as possible to customer outcomes. Performance data becomes an important factor in future planning.
Drives Budget	Resources are allocated according to strategic priorities. Successful programs, as determined through performance measures, receive more resources.

Edina has three critical sources of strategic guidance used to inform the creation of a two-year city-wide Budget Work Plan and operating budget: Vision Edina, the Comprehensive Plan, and the Capital Improvement Plan.



ORGANIZATIONAL PERFORMANCE

VISION EDINA

Vision Edina is a long-term strategic framework that helps our community understand and guide the important decision-making that will impact Edina's future. Vision Edina was developed through a broad-based and inclusive community visioning process conducted in 2014. This framework lays out the City's vision and mission.

Vision: Edina holds a well-earned reputation as a city of choice. It is the model of a successful, mature, and progressive urban community, that strives to lead in a modern and evolving world. We maintain our heritage and attractiveness, and afford our residents the highest quality of life, while actively embracing the future. The features that define our future community include:

Inclusive and Connected • Built-to-Scale Development • Sustainable Environment

Community of Learning • Future-Oriented

Mission: To provide effective and valued public services, maintain a sound public infrastructure, offer premier public facilities and guide the development and redevelopment of lands, all in a manner that sustains and improves the health and uncommonly high quality of life enjoyed by our residents and businesses.

COMPREHENSIVE PLAN

The Comprehensive Plan is meant to provide Edina with an outline for future development. Edina's Comprehensive Plan includes chapters on land use, transportation, wastewater, water supply, storm water management, housing and parks and recreation. The Metropolitan Council requires every city in the seven-county metro area to have such a plan and State law requires that it be updated every 10 years. Edina updated its Comprehensive Plan in 2018 and 2019. The process, established by the Edina City Council, included regular work sessions by the Planning Commission Comp Plan Task Force, large-group public meetings, smaller community meetings in specific areas of the city, listening sessions, intergenerational dialogue with residents and other stakeholders, as well as opportunity for comment on the city's website.

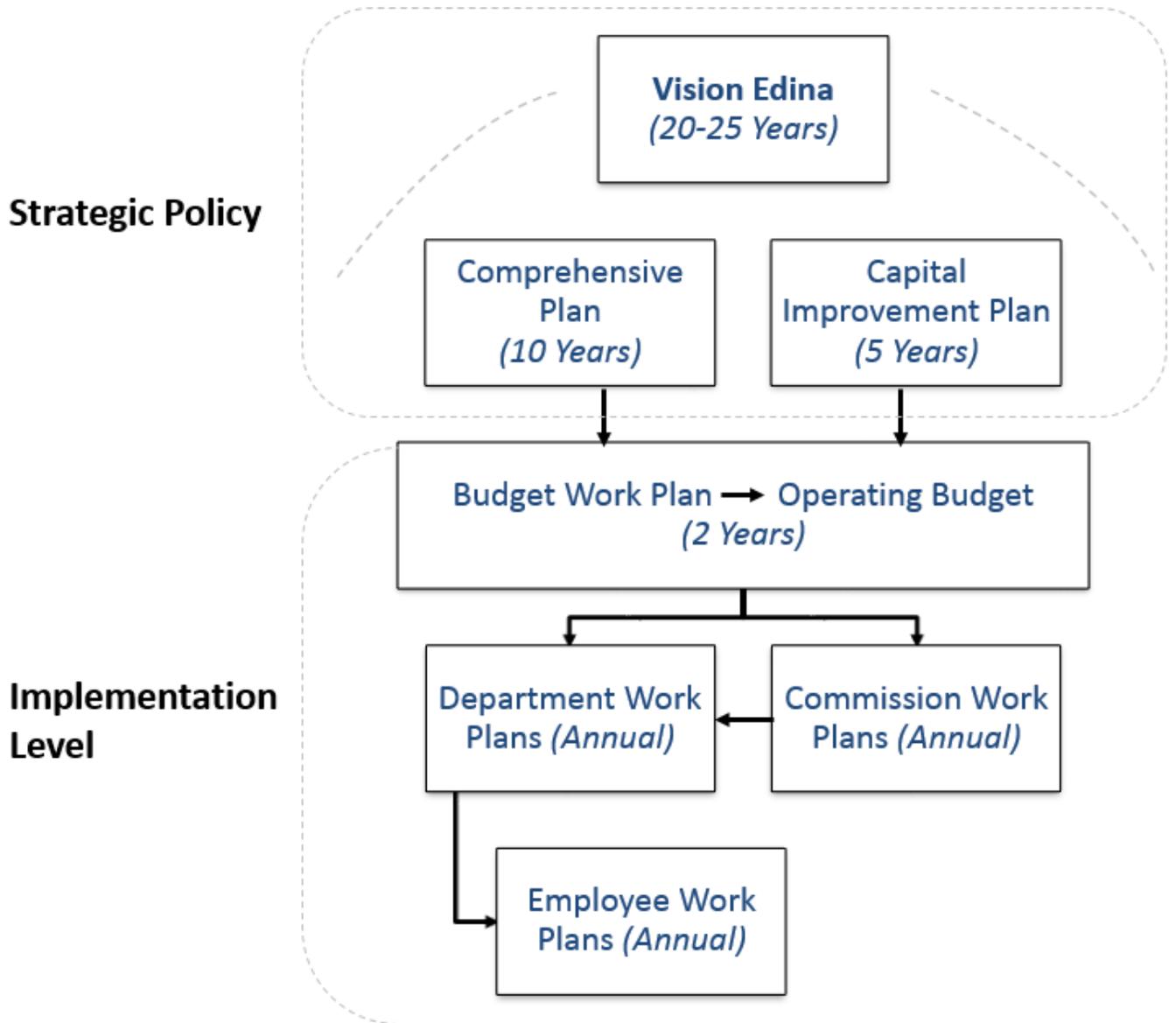
CAPITAL IMPROVEMENT PLAN

In addition to pursuing the strategic focus areas outlined in Vision Edina, the City plans for more routine capital maintenance and improvements by preparing a capital improvement plan (CIP). The CIP represents a framework for planning the preservation and expansion of infrastructure, facilities, equipment and technology while at the same time advancing towards our long-term vision. The CIP is the first step towards estimating the schedule, cost and sources of revenues to pay for high priority projects. More information regarding the City's CIP can be found on page 54.

ORGANIZATIONAL PERFORMANCE

OTHER CITY WORK PLANS

Once approved, the two-year Budget Work Plan drives several other Work Plan at the implementation level.

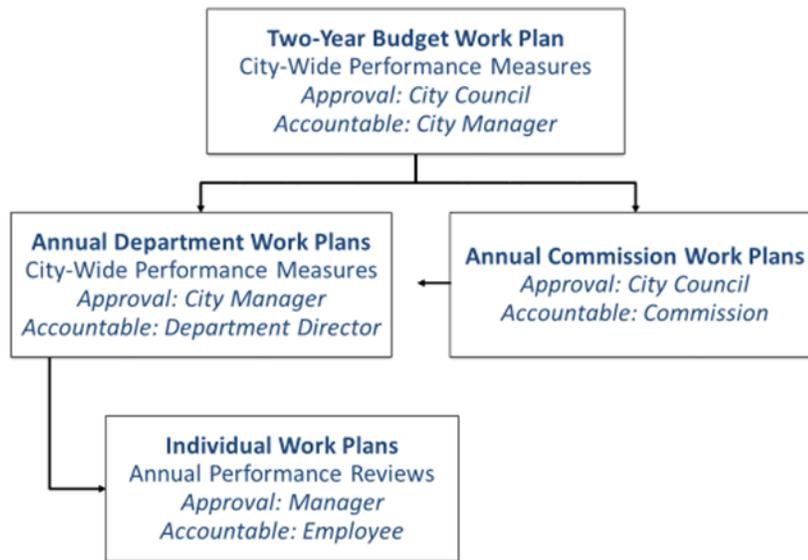


ORGANIZATIONAL PERFORMANCE

BUDGET WORK PLAN

The City Council and staff develop a two-year Budget Work Plan to coincide with the operating budget. The process begins with identifying the goals, objectives, and actions that will put the City in the best position to achieve the outcomes identified in the City's strategic plans.

Once approved, the two-year Budget Work Plan drives several other Work Plans at the implementation level.

Budget Work Plan Definitions

Budget Goals are the broad outcomes to be achieved by the two-year budget. Goals stay consistent from year to year.

Budget Objectives are the measurable results to be achieved during this budget to make progress on the Budget Goal.

Strategies/Actions are the specific methods to be used or projects to be completed during the budget to meet the objectives.

ORGANIZATIONAL PERFORMANCE

BUDGET GOALS

The City of Edina has four on-going budget goals:

1. Maintain Physical Assets & Infrastructure
2. Maintain Service Levels that Best Meet the Needs of the Community
3. Plan for Connected & Sustainable Development
4. Foster Inclusive and Engaged Community

These four goals guide the budget making process, including the budget work plan.



ORGANIZATIONAL PERFORMANCE



BUDGET GOAL I: MAINTAIN PHYSICAL ASSETS & INFRASTRUCTURE



It is crucial to maintain City infrastructure including streets, facilities, buildings, equipment and public spaces. Deferred maintenance can lead to costly unplanned repairs and replacements with decisions based on short-term implementation costs vs. long-term maintenance costs. Properly maintained facilities, streets, water main, sanitary sewer and storm sewer systems provide reliable and efficient operations while lessening the City's carbon footprint.

Ongoing Objectives

- Incorporate financial, societal and environmental costs into decision-making processes.
- Incorporate lifecycle and maintenance costs and climate adaptation design practices to allow more informed decision making.
- Provide funding to maintain and replace City facilities, assets and equipment in a manner that avoids deferred maintenance, prevents emergency repair and replaces assets at the most cost-effective time.
- Manage the City's facilities, operations, equipment and capital investments in a manner that increases energy efficiency, reduces the City's carbon footprint and GHG emissions and meets sustainability goals.
- Design and build for resiliency in the infrastructure that reduces flooded structures, improves water quality (drinking and surface) and increases filtered drinking water production.

ORGANIZATIONAL PERFORMANCE



BUDGET GOAL I: MAINTAIN PHYSICAL ASSETS & INFRASTRUCTURE

2020-2021 Budget Objectives

- As debt levies expire, increase the CIP Levy to establish reliable funding for ongoing building maintenance, replacement and capital improvements.
- Capture the Southdale TIF tax capacity for 2022 CIP.
- Reduce the total electricity GHG emissions by 5 percent, 893,000 kWh each year, of City operations through implementation of energy management plans, ongoing facility maintenance, capital improvements and operational behavior change.
- Implement Green Fleet Policy recommendations to meet goal of 30 percent emission reduction mpg and gas usage by 2025.
- Improve security and safety in City facilities for public and staff.



ORGANIZATIONAL PERFORMANCE



Budget Goal I: Maintain Physical Assets & Infrastructure

2020-2021 Strategy/Action

- Approve architectural option and complete construction of Water Plant #5.
- Create a green building policy for City facilities incorporating sustainability principles into evaluation, design and construction of City capital projects.
- Determine interim park and recreational uses of Fred Richards Park. Update cost plan estimate prior to CIP process.
- Identify funding source and timeline for implementation for Braemar Park Master Plan. Prioritize master plan components for future implementation. Ensure that master plan costing is updated prior to CIP process.
- Consider options for using alternative funding methods for park improvements and determine next steps.
- Develop a master plan for addressing City Hall deferred maintenance, energy efficiency, security and service needs in a cost-effective manner.
- Implement decision regarding street assessment financing and transition plan, if applicable. If local option sales tax is selected, seek State legislative approval to request that voters approve a local option sales tax for regional park improvements and MSA street improvements.
- Approve a water quality strategy for Lake Cornelia.
- Upgrade the communication equipment (SCADA) that monitors and ensures delivery of safe potable water and improve our ability to have a reliable storm and sanitary sewer system.
- Develop and begin implementation of the street lighting system and maintenance plan that balances sustainability, public safety, and quality of life goals, including increasing energy efficiency, ensuring safely lit community, and minimizing light pollution.
- Prepare for possible conversion of Centennial Lakes from Enterprise fund to General fund in 2022-23 budget cycle.

ORGANIZATIONAL PERFORMANCE



BUDGET GOAL 2: MAINTAIN SERVICE LEVELS THAT BEST MEET THE NEEDS OF THE COMMUNITY



The City delivers a variety of services, including police and fire response, water and sewer, snow plowing and building inspections, that are essential for the safety and wellbeing of those who live, work or visit Edina. In addition, amenities and services including recreation facilities, parks and programs contribute to the overall quality of life within the community. To deliver reliable service, the City needs to recruit and retain a strong workforce that has the resources and technology needed to effectively and efficiently perform their work.

Ongoing Objectives

- Comply with legal and safety standards.
- Maintain adequate response times.
- Provide high-quality services in an efficient manner that demonstrates respect for the public.
- Promote an engaging and respectful work culture that values employee quality of life and work/life balance.
- Provide competitive employee compensation and benefits to attract and retain a skilled and high-performing workforce.
- Provide staffing, tools, equipment, resources and training to meet expectations for service delivery.
- Utilize effective technology to easily maintain and locate data for the public, reduce risk and provide better data for informed decision-making by elected officials and staff.
- Ensure that limited resources (money, equipment and time) are deployed in an equitable manner.



ORGANIZATIONAL PERFORMANCE



BUDGET GOAL 2: MAINTAIN SERVICE LEVELS THAT BEST MEET THE NEEDS OF THE COMMUNITY

2020-2021 Budget Objectives

- Increase integration of disparate City data systems, (e.g., Financial, Human Resources and Geographic Information Systems) for better decision-making and easier access.
- Maintain adequate work-life balance for employees with an increased focus on employee quality of life, stress management, physical and mental well-being.
- Provide adjustments to employee compensation to maintain position with market.
- Provide benefit increases to and design changes to maintain affordability.



2020-2021 Strategy/Action

- Implement Enterprise Resource Planning (ERP) System.
- Determine long-term plan for future of Art Center.
- Implement rental housing license and inspection program.
- Implement Police-Worn body cameras.
- Replace Public Safety Computer-aided Dispatch (CAD) and Record Management System (RMS).
- Make a decision and determine a finance method and plan for relocating or expanding Fire Station 2 in order to accommodate 24-hour operations with one fire apparatus, two ambulances and support vehicle.
- Determine finance method and plan for Fire Station 3 in the northeast quadrant of the city. This station would be of such size to accommodate 24-hour operations with one fire engine, ambulance and support vehicle.
- Conduct first Presidential primary under new State legislation.
- Develop long-term plan for elections absentee voting and storage.

ORGANIZATIONAL PERFORMANCE



BUDGET GOAL 3: PLAN FOR CONNECTED & SUSTAINABLE DEVELOPMENT



Redevelopment and renewal of commercial and residential real estate is essential to the vibrancy of the community. Redevelopment will play an integral part of providing an inclusive, high quality of life the Edina community expects. It is important to ensure plans and policies are relevant today and flexible for tomorrow. Incorporating sustainability principles and standards during redevelopment with the goal of reducing the community's carbon footprint will be critical to human health and safety. Creating sustainable redevelopment requires forward thinking and preparing for the future.



Braemar Golf Course

Ongoing Objectives

- Determine, track and meet sustainability goals for metrics such as energy and waste.
- Connect neighborhoods, businesses and open spaces.
- Support the continued high quality of life offered to residents and those who work in Edina.
- Promote affordable lifecycle housing.
- Demonstrate resiliency to changing climate and future community needs.

ORGANIZATIONAL PERFORMANCE



BUDGET GOAL 3: PLAN FOR CONNECTED & SUSTAINABLE DEVELOPMENT

2020-2021 Budget Objectives

- Continue installation of sidewalks and shared-use paths.
- Launch residential curbside organics and recycling.
- Create affordable/workforce housing (1,220 units by 2030).

2020-2021 Strategy/Action

- Continue development and implement a strategy to create affordable housing units with revenue from the Affordable Housing Policy and from Southdale II TIF District special authority.
- Create and implement a green building policy to incent sustainable building and operational practices for new development and redevelopment.
- Develop waste reduction goals and implementation plan for residential organics recycling for April 2020 launch.
- Implement Energy Benchmarking ordinance.
- Decide on future of redevelopment of the former Public Works site in the Grandview area.
- Develop a Climate Action Plan for the City.
- Complete study of expanding public parking at 44th & France. Explore a strategy to create district parking in the 44th & France Area per the 44th & France Small Area Plan, including parameters that balance current transportation needs and sustainability goals.
- Develop a Travel Demand Management Policy.
- Prepare a District Plan for the Cahill Industrial Park.
- Work with Edina School District to develop a Safe Routes to School program.

ORGANIZATIONAL PERFORMANCE



BUDGET GOAL 4: FOSTER AN INCLUSIVE & ENGAGED COMMUNITY



It is important that the City helps to foster a community that is welcoming and inclusive to all who live, work and spend time in Edina. The City wants to ensure that it works for all of the community. Efforts to engage the community will utilize multiple platforms, be informative, transparent, responsive and involve volunteers and City Commissions.

Ongoing Objectives

- Ensure City policies and practices do not have disparate impacts based on race, color, national origin, creed, religion, age, sex, sexual orientation, gender expression, familial status or disability.
- Conduct clear and meaningful community engagement where:
 - The decision to be made and decision-making process is clearly defined.
 - Individuals understand how and when they can participate.
 - The City communicates what feedback is used and why.
 - Inclusive engagement methods provide a variety of ways for the public to participate in the decision-making process and ensure all voices are heard.
 - Residents are satisfied with the process, even if they disagree with the outcome.



Race and Equity Task Force 2018

ORGANIZATIONAL PERFORMANCE



BUDGET GOAL 4: FOSTER AN INCLUSIVE & ENGAGED COMMUNITY

2020-2021 Budget Objectives

- Increase participation in Better Together Edina online engagement website.
- Implement racial equity measures to provide accountability of work.
- Strengthen leadership and support for city-wide racial equity work.
- Better leverage Boards and Commissions.
- Reduce barriers to public participation.
- Increase diversity of boards, commissions, task forces and staff.



Mayor at Night to Unite Celebration

2020-2021 Strategy/Action

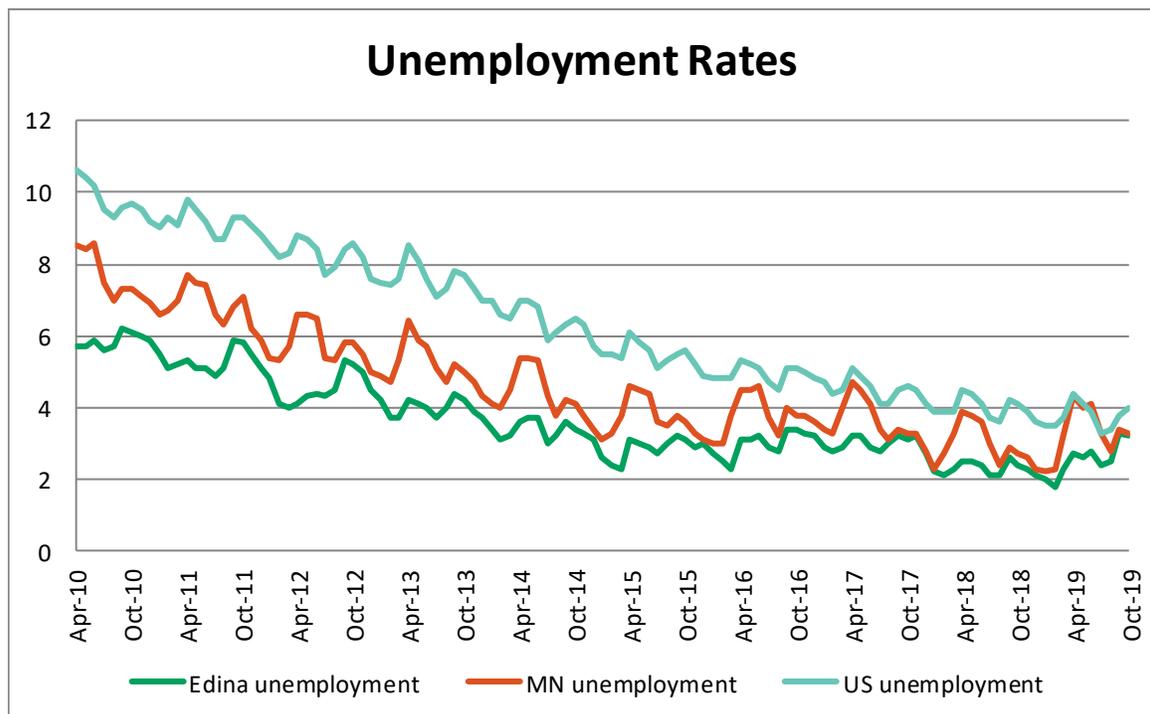
- Continue implementation of Racial Equity Implementation Plan and provide quarterly reports to City Council and Human Rights and Relations Commission (HRRC).
- Continue to evaluate and further refine community engagement standards and protocols based on IAP2 model.
- Develop measurable city-wide/department racial equity goals and incorporate racial equity tools and resources into decision-making processes.
- Strengthen leadership and support for city-wide racial equity work, including providing additional training, tools and resources to embed an equity framework to City processes, services and decisions. This strategy will build upon all employee and leadership training conducted in 2018-2019.
- Develop and implement racial equity leadership training, resources and support for City Council.
- Conduct advanced racial equity training for staff leadership and foundational training for all employees.
- Incorporate employee-selected racial equity competency in performance reviews.
- Develop and implement a plan to increase diversity of boards and commissions members.

Economic Outlook

The City of Edina currently enjoys a favorable economic environment and local indicators point to continued stability. The region, noted for strong retail and professional sectors, has enjoyed considerable redevelopment in recent years. The City employment base is populated with a healthy combination of retail, professional and light industrial businesses. The City does not rely solely on a single sector of employment and is able to weather fluctuations in national and international economic changes better than most municipalities.

Major industries with headquarters or divisions within Edina include M Health Fairview Southdale Hospital, Southdale Center and Galleria regional malls, BI Worldwide, Lund Food Holdings and Edina Realty. Edina's robust business community is based in three primary nodes: 50th & France, Greater Southdale and a professional/industrial district adjacent to Highway 100. Numerous employers in the medical, retail, service, manufacturing and distribution industries are located in Edina. Edina is home to approximately 50,000 jobs that are expected to remain stable over the coming years.

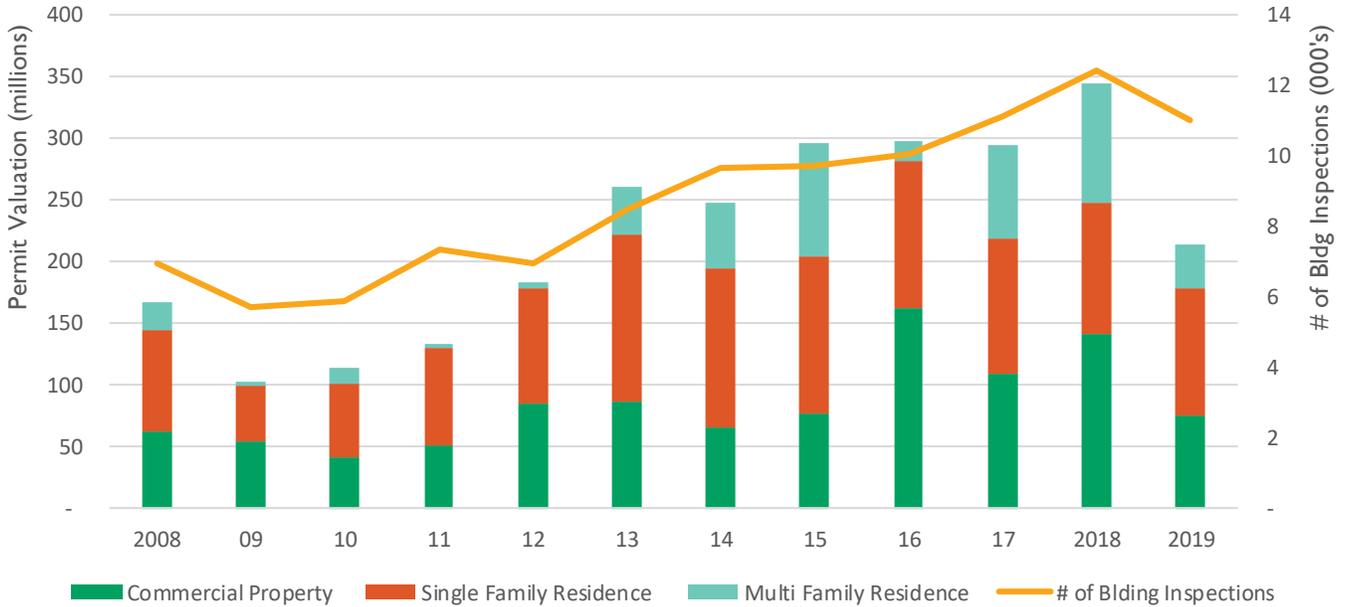
The City contains at least 2.5 million square feet of retail space plus an amount more than twice that of general commercial and industrial space.



As seen above, the Minnesota Department of Employment and Economic Development estimates that Edina's unemployment rates are consistently lower than comparable state and national rates. Edina's unemployment rate has remained under 4% since mid-2013 (not seasonally adjusted).

ECONOMIC OUTLOOK

In addition to commercial and industrial redevelopment, the City of Edina continues to remain relevant and desirable to current and new residents. Edina has long been known for its residential housing stock, attractive neighborhoods and high quality of life. Although the emphasis has changed over the years from exclusively single-family housing to a more balanced mix of single and multi-family housing types, the City’s concern for overall quality in residential development remains a top priority. The below chart shows the number of inspections and the related permit valuation:



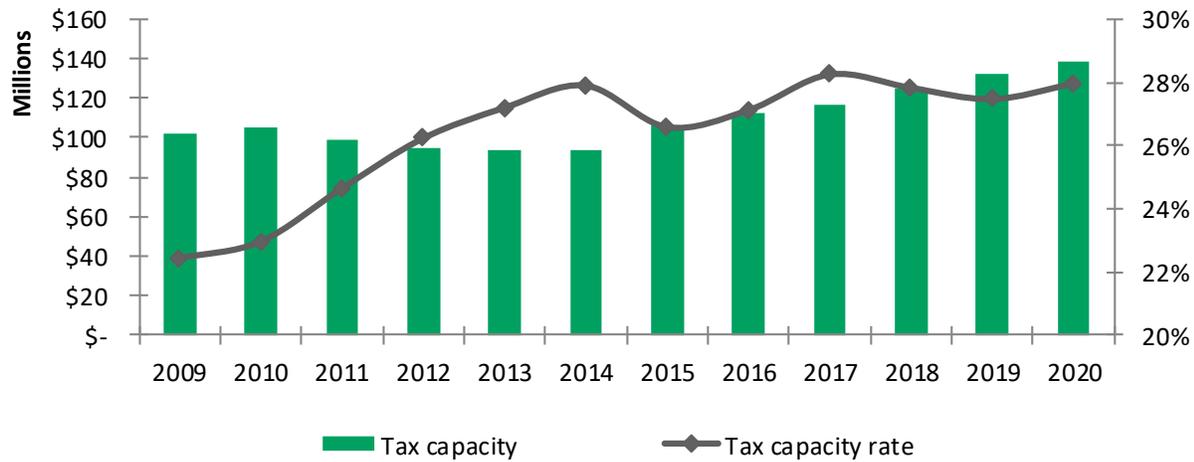
Property values in Edina were more stable than much of the rest of the state and country during the past several years. While the total market value and tax capacity began to fall around 2009, the declines were more moderate compared to some other communities. Beginning in 2013, the values trend in the other direction, with continued increases estimated through 2020 according to the preliminary tax capacity reports from Hennepin County.



“Venerable Edina in Venerable April” By Burton Hanson

ECONOMIC OUTLOOK

Tax Capacity & Tax Capacity Rate



Tax capacity is a unique property taxing system that is equivalent to multiplying the taxable market value of a property by its relevant class rate. The local tax rate of a taxing jurisdiction is determined by dividing the jurisdiction's levy by the jurisdiction's taxable net tax capacity. Rates often move in the opposite direction of tax capacity as shown in the chart above. Edina's tax capacity rate is the lowest among our geographical neighboring communities.

The City's tax capacity has grown in recent years and is expected to see continued growth in the coming years. The net tax capacity for the City of Edina grew by 5.9% from 2018 to 2019 and 4.2% from 2019 to 2020 after adjusting for tax-increment valuation and fiscal disparities contribution and distribution. The estimated market value of the City of Edina increased by 6.1% and 4.3% during the same time periods, from \$11.7B in 2018 to \$12.9B in 2020. This growth in estimated market value and the tax capacity of Edina can be primarily attributed to redevelopment activities taking place in the Southdale area as well as redevelopment occurring in residential neighborhoods.

A significant source of revenue for the City of Edina directly related to economic conditions is the receipt of licenses and permits from builders and developers of residential and commercial buildings. The City has budgeted conservatively in recent years due to the volatile nature of the revenue source. Since 2015, the City has budgeted an average of \$4.5 million annually for license and permit revenue. Actual revenue has increased 7% annually on average since 2015. The City has budgeted an increase of 7% for 2020. City staff will closely monitor construction activity in order to adjust the estimated revenue from licenses and permits in future years.

One other area of concern for the City is the cost of insurance. Like most private businesses and employers, the City buys many types of insurance; including property, auto, liability, worker's compensation, and health insurance. Like energy, insurance cost is a significant factor in the City's budget and pricing has also been volatile over the past several years. The City periodically surveys the market for the different types of insurance bought to ensure the rates paid are competitive for the coverage and services expected. However, in areas like health insurance, every provider is raising prices and all employers are experiencing similar price pressures. The City mitigates some of the pressure by purchasing health insurance together with a group of other cities to increase collective purchasing power. Also, the City of Edina shares the cost of health insurance with our employees, who sometimes must make contributions to their monthly premiums, depending on their benefit selections.

Budget

Process

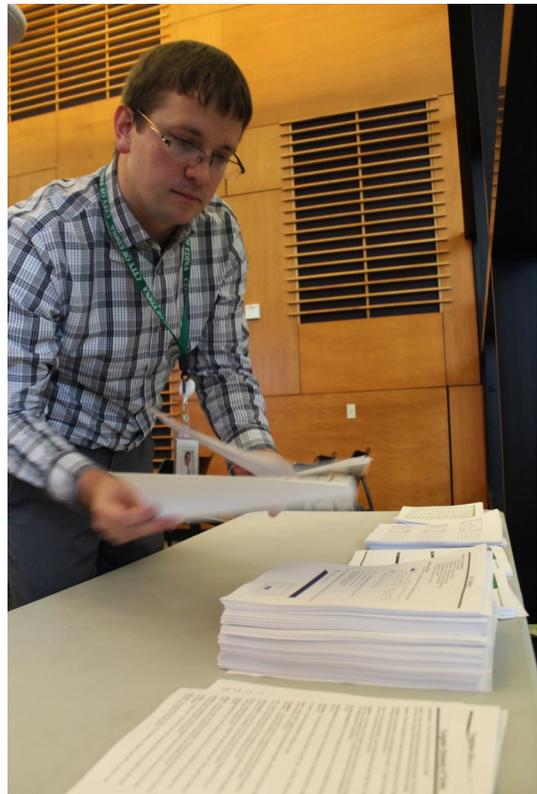
The City implemented a two-year budget cycle beginning with the 2012-2013 operating budget. The objective is to take an alternating year approach to the operating budget and Capital Improvement Plan (CIP) processes. While both the operating budget and CIP will be reviewed every year, the majority of the planning, focus and effort will alternate between the two.

During odd-numbered years, the City's focus is on the operating budget. Extra efforts by staff members are dedicated to examining operating budgets and ensuring that they are sustainable and able to meet the goals of the City. The two-year operating budget that is created during odd-numbered years will take effect on Jan. 1 of the following even-numbered year. The CIP is reviewed, but only updated if necessary.

During the spring and summer of 2019, the Finance Department worked with all City departments to create a budget that was reflective of the goals and priorities that the City Council identified earlier in the year. During these meetings, input was provided on trends and issues happening within each department and the City overall, especially as they relate to the operating budgets of each City department.

During even-numbered years, the City's focus will be on the CIP. Extra efforts are dedicated to reviewing the projects in the CIP and prioritizing them based on information available at the time. The operating budget is reviewed, but only updated if necessary. If an amendment is needed to the budget it is presented to the City Council for approval.

The City Council is required to adopt a final budget no later than the close of the fiscal year. The annual budget serves as the foundation for the City's financial planning and control. The budget is prepared by fund and by department. The City is empowered to levy a property tax on both real and personal property located within its boundaries.



BUDGET PROCESS

2020-2021 BUDGET PROCESS TIMELINE

March 14, 2019	Council retreat to develop 2020-2021 City-Wide Work Plan themes
June 1, 2019	Department Directors finalize 2020-2021 budget requests
July 19, 2019	The City's Executive Leadership Team (ELT) reviews the 2020-2021 draft budget
August 7, 2019	Council Work Session to introduce the City Manager's proposed 2020-2021 City-Wide Work Plan themes and budget scenarios
August 20, 2019	Council work session to review City Manager's proposed 2020-2021 budget draft
September 17, 2019	Council adopts a formal resolution to set the 2020 preliminary levy and budget; according to Minnesota State law, the final levy can be lower than the preliminary levy, but not higher
December 3, 2019	Public Hearing and option to adopt the 2020 final property tax and HRA levy at a City Council Meeting
December 17, 2019	Deadline to adopt a formal resolution to adopt the final 2020 budget and property tax levy
Summer/Fall 2020	City Council and staff will work together to develop the 2021-2025 Capital Improvement Plan (CIP)
Summer/Fall 2020	City Council and staff will work together to make any necessary changes to the 2021 Budget and Work Plan
December 1, 2020	Public Hearing and option to adopt the 2021 operating budget and levy at a City Council Meeting
December 15, 2020	Deadline to adopt a formal resolution to adopt the final 2021 budget and property tax levy





2020-2021
Budget

Executive Summary

CITY GOALS:

Strong Foundation

Livable City

Reliable Service

Better Together



2020-2021

Overview

The 2020-2021 budget provides the resources to achieve key results for Edina residents around City Council priorities and the supporting departmental work plans. The on-going budget goals are:



Maintain physical assets & infrastructure



Maintain service levels that best meet community needs



Plan for connected & sustainable development



Foster an inclusive and engaged community

The City prepares a two-year budget and strives to provide increased accountability and transparency into City operations through the budget document itself. This budget is organized both by fund (see section III) and by department (section IV). The fund level section shows all expenditures by department and type. The departmental organization gives insight into the types of services and programs that each one delivers and the departmental goals supporting the City-wide goals.

The 2020-2021 City budget proposal provides funding to continue existing service levels and incorporate the priorities of City Council, which are based on their interactions with Edina's residents, business owners and taxpayers. Many of the 2020-2021 budget objectives will be accomplished with existing resources impacting behavior and decision changes, while others have a financial budget impact. The primary general fund financial budget impacts for the 2020-2021 budgets are:



Six new firefighter/paramedic positions, substantially covered by the federal SAFER grant for the next three years, to maintain adequate response times and continue to provide high-quality services.



Implementation of rental housing license and inspection program.



A police officer position in both 2020 and 2021 to respond to increased demand for public safety response while maintaining a high level of public safety response.



New facility staff positions in both 2020 and 2021 to better manage the City's facilities, assets and equipment.



Competitive employee compensation and benefits to attract and retain a skilled and high-performing workforce.

In section IV, each department page also includes performance measures that assist in measuring goals and identifying services and programs that are effective. Many of the performance measures are based on the Quality of Life Survey that is administered every-other year.

Property Tax Levies

PROPERTY TAX LEVIES ANNUAL BUDGET— ALL YEARS

	2017	2018	2019	Budget 2020	Budget 2021
General Fund Levies					
General Operating Levy	\$ 26,860,319	\$ 28,493,077	\$ 30,009,121	\$ 32,021,243	\$ 33,986,471
General Fund Subtotal	<u>26,860,319</u>	<u>28,493,077</u>	<u>30,009,121</u>	<u>32,021,243</u>	<u>33,986,471</u>
Increase From Prior Year (%)	7.34%	6.08%	5.32%	6.71%	6.14%
Arts and Culture Fund Levies					
Arts and Culture	20,000	20,000	20,000	20,000	20,000
Arts and Culture Fund Subtotal	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>
Increase From Prior Year (%)	0.00%	0.00%	0.00%	0.00%	0.00%
Debt Service Fund Levies					
City Hall Debt Service	946,000	950,000	952,000	952,000	-
Gymnasium Debt Service	388,000	389,000	390,000	391,000	392,000
Fire Station Debt Service	403,000	405,000	406,000	402,000	402,000
Public Works Facility Debt Service	1,696,000	1,667,000	1,695,000	1,688,000	1,695,000
Sports Dome	1,162,500	1,168,700	1,168,900	1,163,300	1,162,400
Debt Service Fund Subtotal	<u>4,595,500</u>	<u>4,579,700</u>	<u>4,611,900</u>	<u>4,596,300</u>	<u>3,651,400</u>
Increase From Prior Year (%)	-9.45%	-0.34%	0.70%	-0.34%	-20.56%
Construction Fund Levies					
Capital Improvement Plan Levy	101,550	327,000	300,000	800,000	2,000,000
Equipment Levy	1,750,000	1,840,000	1,930,000	2,030,000	2,130,000
Weber Woods ^{NOTE 1}	400,000	400,000	400,000	-	-
Construction Fund Subtotal	<u>2,251,550</u>	<u>2,567,000</u>	<u>2,630,000</u>	<u>2,830,000</u>	<u>4,130,000</u>
Increase From Prior Year (%)	34.02%	14.01%	2.45%	7.60%	45.94%
HRA Fund Levies					
HRA Operating Levy	95,000	125,000	160,000	192,000	230,400
HRA Fund Subtotal	<u>95,000</u>	<u>125,000</u>	<u>160,000</u>	<u>192,000</u>	<u>230,400</u>
Increase From Prior Year (%)		31.58%	28.00%	20.00%	20.00%
Total Property Tax Levy	<u>\$ 33,822,369</u>	<u>\$ 35,784,777</u>	<u>\$ 37,431,021</u>	<u>\$ 39,659,543</u>	<u>\$ 42,018,271</u>
Increase From Prior Year (%)	6.36%	5.80%	4.60%	5.95%	5.95%

NOTE 1: Repayment of Construction Fund reserves used to purchase a portion of Weber Woods from the City of Minneapolis in 2016.

Consolidated Budget Summary

BIENNIAL BUDGET— ALL FUNDS AND YEARS

This page represents all of the financial activities of the City consolidated into one place.

	2018 Actual	2019 Budget	2020 Budget		2021 Budget	
REVENUES AND OTHER FINANCING SOURCES						
Property tax levy	\$ 35,613,883	\$ 37,431,021	\$ 39,659,543	5.95%	\$ 42,018,271	5.95%
Tax increments	4,997,706	5,315,000	6,708,700	26.22%	7,969,700	18.80%
Franchise fees & other taxes	2,584,741	3,397,500	3,182,000	-6.34%	3,182,000	0.00%
Special assessments	4,747,205	3,956,273	4,102,231	3.69%	4,281,222	4.36%
Licenses and permits	5,912,757	4,789,430	5,144,561	7.41%	5,258,514	2.22%
Intergovernmental	5,598,563	1,663,977	4,411,778	165.13%	2,888,218	-34.53%
Charges for services	4,898,548	4,721,523	5,667,499	20.04%	5,636,930	-0.54%
Fines and forfeitures	1,122,426	900,000	950,000	5.56%	950,000	0.00%
Operating revenue	44,644,751	46,835,044	50,578,406	7.99%	52,586,578	3.97%
Investment income	1,371,304	564,779	1,042,925	84.66%	1,039,925	-0.29%
Other revenue	2,437,621	653,861	725,761	11.00%	726,761	0.14%
Capital contribution	57,550	-	-	NA	-	NA
Debt issued	2,266,488	2,648,269	3,659,279	38.18%	3,144,387	-14.07%
Other financing sources	6,201,630	-	1,990,375	NA	28,135	-98.59%
TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>122,455,173</u>	<u>112,876,677</u>	<u>127,823,058</u>	13.24%	<u>129,710,641</u>	1.48%
EXPENDITURES, EXPENSES AND OTHER FINANCING USES - BY DEPARTMENT						
Administration	26,197,951	23,234,764	22,903,418	-1.43%	22,346,062	-2.43%
Communications & tech.	1,391,085	2,096,724	1,632,681	-22.13%	1,495,409	-8.41%
Human resources	1,046,623	888,694	1,288,736	45.01%	1,317,285	2.22%
Finance	1,322,987	1,483,534	2,028,799	36.75%	1,575,228	-22.36%
Public works	24,441,258	25,324,553	27,098,187	7.00%	27,703,662	2.23%
Engineering	6,772,232	7,175,297	11,371,022	58.47%	8,758,609	-22.97%
Police	13,321,203	13,620,838	16,123,478	18.37%	17,743,443	10.05%
Fire	8,360,983	9,180,218	11,583,430	26.18%	10,752,843	-7.17%
Parks & recreation	16,466,007	18,339,940	19,054,259	3.89%	19,451,571	2.09%
Community development	3,952,022	1,966,996	2,228,479	13.29%	2,161,890	-2.99%
Debt service	17,102,963	7,684,860	7,850,224	2.15%	7,287,877	-7.16%
TOTAL EXPENDITURES, EXPENSES AND OTHER FINANCING USES	<u>120,375,314</u>	<u>110,996,418</u>	<u>123,162,713</u>	10.96%	<u>120,593,879</u>	-2.09%
EXPENDITURES, EXPENSES AND OTHER FINANCING USES - BY TYPE						
Cost of goods sold	9,847,842	10,578,807	10,053,860	-4.96%	10,218,869	1.64%
Personal services	36,912,364	39,903,771	43,563,607	9.17%	45,333,488	4.06%
Contractual services	18,021,494	18,305,264	21,585,836	17.92%	22,130,672	2.52%
Commodities	4,273,495	4,944,488	4,652,144	-5.91%	4,696,946	0.96%
Internal services	5,780,117	5,913,624	7,006,613	18.48%	7,436,487	6.14%
Equipment	1,707,006	2,318,100	2,825,257	21.88%	2,495,960	-11.66%
Capital outlay	18,045,830	12,153,872	16,400,558	34.94%	11,426,741	-30.33%
Depreciation	7,577,122	8,268,250	8,208,500	-0.72%	8,466,500	3.14%
Debt service	18,149,767	8,610,242	8,866,338	2.97%	8,388,216	-5.39%
Other expense	60,277	-	-	NA	-	NA
TOTAL EXPENDITURES, EXPENSES AND OTHER FINANCING USES	<u>120,375,314</u>	<u>110,996,418</u>	<u>123,162,713</u>	10.96%	<u>120,593,879</u>	-2.09%
CHANGE IN FUND BALANCE OR NET POSITION						
	2,079,859	1,880,259	4,660,345		9,116,762	
FUND BALANCE OR NET POSITION - JANUARY 1						
	<u>172,237,093</u>	<u>174,316,952</u>	<u>176,197,211</u>		<u>180,857,556</u>	
FUND BALANCE OR NET POSITION - DECEMBER 31						
	<u>\$ 174,316,952</u>	<u>\$ 176,197,211</u>	<u>\$ 180,857,556</u>		<u>\$ 189,974,318</u>	

Combined Budget Summary

2018 ACTUAL AND 2019 BUDGET

Pages 45-46 are a bridge to combine more detailed data found on pages 65-74 in the Fund Level Financial Schedules section of the budget book. The summary totals agree with the Consolidated Budget Summary presented previously.

	2018 Actual				2019 Budget			
	Governmental	Enterprise	Internal Service	Total	Governmental	Enterprise	Internal Service	Total
	Funds	Funds	Funds		Funds	Funds	Funds	
REVENUES AND OTHER FINANCING SOURCES								
Property tax levy	\$ 35,613,883	\$ -	\$ -	\$ 35,613,883	\$ 37,431,021	\$ -	\$ -	\$ 37,431,021
Tax increments	4,997,706	-	-	4,997,706	5,315,000	-	-	5,315,000
Franchise fees & other taxes	2,584,741	-	-	2,584,741	3,397,500	-	-	3,397,500
Special assessments	4,747,205	-	-	4,747,205	3,956,273	-	-	3,956,273
Licenses and permits	5,912,757	-	-	5,912,757	4,789,430	-	-	4,789,430
Intergovernmental	5,124,573	473,990	-	5,598,563	1,553,977	110,000	-	1,663,977
Charges for services	4,898,548	-	-	4,898,548	4,721,523	-	-	4,721,523
Fines and forfeitures	1,122,426	-	-	1,122,426	900,000	-	-	900,000
Operating revenue	-	44,484,469	902,952	45,387,421	-	46,792,092	902,952	47,695,044
Investment income	889,550	481,754	-	1,371,304	401,779	163,000	-	564,779
Other revenue	1,622,288	98,622	716,711	2,437,621	610,861	43,000	-	653,861
Contributions	37,978	112,831	-	150,809	-	-	-	-
Transfers	5,464,771	650,000	-	6,114,771	3,548,163	700,000	-	4,248,163
Debt issued	2,266,488	-	-	2,266,488	2,648,269	-	-	2,648,269
Other financing sources	6,201,630	-	-	6,201,630	-	-	-	-
TOTAL REVENUES AND OTHER FINANCING SOURCES	81,484,544	46,301,666	1,619,663	129,405,873	69,273,796	47,808,092	902,952	117,984,840
EXPENDITURES, EXPENSES AND OTHER FINANCING USES - BY FUNCTION								
Administration	14,202,792	11,995,159	-	26,197,951	10,568,602	12,666,162	-	23,234,764
Communication & tech.	1,391,085	-	-	1,391,085	2,096,724	-	-	2,096,724
Human resources	1,046,623	-	742,670	1,789,293	888,694	-	860,000	1,748,694
Finance	1,031,852	291,135	-	1,322,987	1,099,125	384,409	-	1,483,534
Public works	7,630,484	16,810,774	-	24,441,258	8,000,677	17,323,876	-	25,324,553
Engineering	6,278,362	493,870	-	6,772,232	6,827,879	347,418	-	7,175,297
Police	12,795,914	525,289	-	13,321,203	13,082,656	538,182	-	13,620,838
Fire	8,360,983	-	-	8,360,983	9,180,218	-	-	9,180,218
Parks & recreation	5,901,975	10,564,032	-	16,466,007	5,876,635	12,463,305	-	18,339,940
Community development	3,952,022	-	-	3,952,022	1,966,996	-	-	1,966,996
Debt service	17,102,963	-	-	17,102,963	7,684,860	-	-	7,684,860
Transfers and contributions	5,139,771	1,068,259	-	6,208,030	3,298,163	950,000	-	4,248,163
TOTAL EXPENDITURES, EXPENSES AND OTHER FINANCING USES	84,834,826	41,748,518	742,670	127,326,014	70,571,229	44,673,352	860,000	116,104,581
EXPENDITURES, EXPENSES AND OTHER FINANCING USES - BY TYPE								
Cost of goods sold	-	9,847,842	-	9,847,842	-	10,578,807	-	10,578,807
Personal services	29,092,318	7,820,046	56,548	36,968,912	30,510,814	9,392,957	115,000	40,018,771
Contractual services	6,882,137	11,139,357	686,122	18,707,616	7,342,300	10,962,964	745,000	19,050,264
Commodities	2,606,648	1,666,847	-	4,273,495	2,897,376	2,047,112	-	4,944,488
Internal services	4,258,153	1,521,964	-	5,780,117	4,365,744	1,547,880	-	5,913,624
Equipment	1,707,006	-	-	1,707,006	2,318,100	-	-	2,318,100
Capital outlay	18,045,830	-	-	18,045,830	12,153,872	-	-	12,153,872
Depreciation	-	7,577,122	-	7,577,122	-	8,268,250	-	8,268,250
Debt service	17,102,963	1,046,804	-	18,149,767	7,684,860	925,382	-	8,610,242
Other expense	-	60,277	-	60,277	-	-	-	-
Contributions	-	93,259	-	93,259	-	-	-	-
Transfers	5,139,771	975,000	-	6,114,771	3,298,163	950,000	-	4,248,163
TOTAL EXPENDITURES, EXPENSES AND OTHER FINANCING USES	84,834,826	41,748,518	742,670	127,326,014	70,571,229	44,673,352	860,000	116,104,581
CHANGE IN FUND BALANCE OR NET POSITION								
FUND BALANCE OR NET POSITION - JANUARY 1	65,613,539	106,073,952	549,602	172,237,093	62,263,257	110,627,100	1,426,595	174,316,952
FUND BALANCE OR NET POSITION - DECEMBER 31	\$ 62,263,257	\$ 110,627,100	\$ 1,426,595	\$ 174,316,952	\$ 60,965,824	\$ 113,761,840	\$ 1,469,547	\$ 176,197,211

COMBINED BUDGET SUMMARY

2020 AND 2021 BUDGET

	2020 Budget				2021 Budget			
	Governmental	Enterprise	Internal Service	Total	Governmental	Enterprise	Internal Service	Total
	Funds	Funds	Funds		Funds	Funds	Funds	
REVENUES AND OTHER FINANCING SOURCES								
Property tax levy	\$ 39,659,543	\$ -	\$ -	\$ 39,659,543	\$ 42,018,271	\$ -	\$ -	\$ 42,018,271
Tax increments	6,708,700	-	-	6,708,700	7,969,700	-	-	7,969,700
Franchise fees & other taxes	3,182,000	-	-	3,182,000	3,182,000	-	-	3,182,000
Special assessments	4,102,231	-	-	4,102,231	4,281,222	-	-	4,281,222
Licenses and permits	5,144,561	-	-	5,144,561	5,258,514	-	-	5,258,514
Intergovernmental	4,339,178	72,600	-	4,411,778	2,828,218	60,000	-	2,888,218
Charges for services	5,667,499	-	-	5,667,499	5,636,930	-	-	5,636,930
Fines and forfeitures	950,000	-	-	950,000	950,000	-	-	950,000
Operating revenue	-	50,581,195	5,842,464	56,423,659	-	52,462,902	6,233,148	58,696,050
Investment income	626,805	416,120	-	1,042,925	626,805	413,120	-	1,039,925
Other revenue	659,761	66,000	-	725,761	660,761	66,000	-	726,761
Transfers	3,825,165	625,000	-	4,450,165	3,255,444	650,000	-	3,905,444
Debt issued	3,659,279	-	-	3,659,279	3,144,387	-	-	3,144,387
Other financing sources	1,990,375	-	-	1,990,375	28,135	-	-	28,135
TOTAL REVENUES AND OTHER FINANCING SOURCES	80,515,097	51,760,915	5,842,464	138,118,476	79,840,387	53,652,022	6,233,148	139,725,557
EXPENDITURES, EXPENSES AND OTHER FINANCING USES - BY FUNCTION								
Administration	10,356,980	12,546,438	-	22,903,418	9,542,147	12,803,915	-	22,346,062
Communication & tech.	1,632,681	-	1,699,463	3,332,144	1,495,409	-	1,777,106	3,272,515
Human resources	1,288,736	-	1,091,461	2,380,197	1,317,285	-	1,096,173	2,413,458
Finance	1,680,227	348,572	-	2,028,799	1,220,537	354,691	-	1,575,228
Public works	8,784,536	18,313,651	3,054,329	30,152,516	8,446,946	19,256,716	3,236,193	30,939,855
Engineering	10,859,192	511,830	-	11,371,022	8,240,798	517,811	-	8,758,609
Police	14,542,788	1,580,690	-	16,123,478	16,132,310	1,611,133	-	17,743,443
Fire	11,583,430	-	-	11,583,430	10,752,843	-	-	10,752,843
Parks & recreation	6,128,792	12,925,467	-	19,054,259	6,242,568	13,209,003	-	19,451,571
Community development	2,228,479	-	-	2,228,479	2,161,890	-	-	2,161,890
Debt service	7,850,224	-	-	7,850,224	7,287,877	-	-	7,287,877
Transfers	3,500,165	950,000	-	4,450,165	2,955,444	950,000	-	3,905,444
TOTAL EXPENDITURES, EXPENSES AND OTHER FINANCING USES	80,436,230	47,176,648	5,845,253	133,458,131	75,796,054	48,703,269	6,109,472	130,608,795
EXPENDITURES, EXPENSES AND OTHER FINANCING USES - BY TYPE								
Cost of goods sold	-	10,053,860	-	10,053,860	-	10,218,869	-	10,218,869
Personal services	33,575,360	9,988,247	2,163,803	45,727,410	34,844,101	10,489,387	2,375,247	47,708,735
Contractual services	9,075,119	12,510,717	2,362,350	23,948,186	9,279,995	12,850,677	2,382,450	24,513,122
Commodities	2,616,787	2,035,357	1,319,100	5,971,244	2,638,184	2,058,762	1,351,775	6,048,721
Internal services	4,592,760	2,413,853	-	7,006,613	4,867,752	2,568,735	-	7,436,487
Equipment	2,825,257	-	-	2,825,257	2,495,960	-	-	2,495,960
Capital outlay	16,400,558	-	-	16,400,558	11,426,741	-	-	11,426,741
Depreciation	-	8,208,500	-	8,208,500	-	8,466,500	-	8,466,500
Debt service	7,850,224	1,016,114	-	8,866,338	7,287,877	1,100,339	-	8,388,216
Transfers	3,500,165	950,000	-	4,450,165	2,955,444	950,000	-	3,905,444
TOTAL EXPENDITURES, EXPENSES AND OTHER FINANCING USES	80,436,230	47,176,648	5,845,253	133,458,131	75,796,054	48,703,269	6,109,472	130,608,795
CHANGE IN FUND BALANCE OR NET POSITION								
OR NET POSITION	78,867	4,584,267	(2,789)	4,660,345	4,044,333	4,948,753	123,676	9,116,762
FUND BALANCE OR NET POSITION - JANUARY 1								
	60,965,824	113,761,840	1,469,547	176,197,211	61,044,691	118,346,107	1,466,758	180,857,556
FUND BALANCE OR NET POSITION - DECEMBER 31								
	\$ 61,044,691	\$ 118,346,107	\$ 1,466,758	\$ 180,857,556	\$ 65,089,024	\$ 123,294,860	\$ 1,590,434	\$ 189,974,318

LONG TERM PLANNING

Long-Term Tax Levy Projection

In 2019, the City built a ten-year budget model to assist in long-term strategic planning and to detect any future structural funding and property tax levy fluctuations. The property tax levy does not support the proprietary funds; thus, proprietary funds are excluded from this projection. A separate rate study is performed every three years which builds a projection for the utility funds. As with any forecast, it is built upon assumptions and new news will change the future actual budgets.

This section looks at the property tax levy projections and the assumptions made in developing these projections.

Revenues

For the 2020-2021 budget, 41% of the City's revenue comes from taxes; 42% from proprietary fund sales (utilities, liquor and park facilities); 4% from licenses and permits; 3% special assessments and 10% from other combined sources.

Licenses & Permits are dependent upon construction/remodeling. Building permit revenue has been strong in the past five years; however, a downturn in the economy could significantly impact this line item. The 2019 budget for total General Fund licenses and permits is \$4.7M; subsequent year budgets are \$4.7M in 2022 and \$4.5M for 2023 through 2029.

Other revenues are expected to remain relatively flat and are projected at 0% growth.

Construction Fund levy is comprised of two pieces – capital improvement and equipment replacement for General Fund departments.

The City is focused on maintaining current buildings and infrastructure as well as meeting resident demands for new desirable projects. In order to properly fund the Construction Fund, and without an additional levy or bond issuance, the City Council has agreed to keep in place property tax levies that were originally implemented for past community improvement projects, such as the City Hall, Fire Station 1 and the Public Works Maintenance Facility after the debt incurred to finance those facilities is retired. This will increase the capital improvement budget from \$300k in 2019 to \$4M in 2029. The equipment replacement levy is projected at a 5% annual growth.

Centennial Lakes Park revenues and expenses are currently projected to be rolled into the General Fund. Currently, Centennial Lakes Park is an Enterprise fund. Enterprise Funds are utilized for business-type activities. Centennial Lakes Park is more consistent with other parks and the Senior Center which are housed in the General Fund.

Assessed valuation is assumed to increase at 2.8% annually based on the average of 2011 to 2019.

Median Value Home is assumed to increase 1% annually.

LONG TERM PLANNING

Expenses

Salary & Benefits are projected at an annual increase of 5%. This percentage is based upon an average and is inclusive of new positions, merit and step increases, and benefit costs.

Contractual services and **Commodities** are projected to increase at an annual rate of 3% which is approximate annual inflation.

Centennial Lakes Park revenues and expenses is currently projected to be rolled into the General Fund. Currently, Centennial Lakes Park is an Enterprise Fund. Enterprise Funds are utilized for business-type activities. Centennial Lakes Park is more consistent with other parks and the Senior Center which are housed in the General Fund.

The model was built for 2020 through 2029. Below is the projection for 2022 through 2029 as 2020-2021 is focused on throughout the budget book.

	Projection 2022	Projection 2023	Projection 2024	Projection 2025	Projection 2026	Projection 2027	Projection 2028	Projection 2029
General Fund Levies								
General Operating Levy	\$ 36,270,577	\$ 38,681,717	\$ 40,995,881	\$ 43,417,996	\$ 45,953,226	\$ 48,606,987	\$ 51,384,958	\$ 54,235,095
Equipment Levy	-	-	-	-	-	-	-	-
General Fund Subtotal	36,270,577	38,681,717	40,995,881	43,417,996	45,953,226	48,606,987	51,384,958	54,235,095
Increase From Prior Year (%)	6.72%	6.65%	5.98%	5.91%	5.84%	5.77%	5.72%	5.55%
Arts and Culture Fund Levies								
Arts and Culture	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Arts and Culture Fund Subtotal	20,000							
Increase From Prior Year (%)	0.00%							
Debt Service Fund Levies								
City Hall Debt Service	-	-	-	-	-	-	-	-
Gymnasium Debt Service	392,000	392,000	392,000	398,000	-	-	-	-
Fire Station Debt Service	403,000	403,000	403,000	406,000	403,000	404,000	-	-
Public Works Facility Debt Service	1,694,000	1,692,000	1,680,000	1,675,000	1,682,000	1,673,000	1,474,000	451,000
Park Bond Market Value Levy	-	-	-	-	-	-	-	-
Sports Dome	1,168,400	1,166,200	1,168,700	1,165,100	1,166,100	1,166,400	1,164,800	1,166,400
Debt Service Fund Subtotal	3,657,400	3,653,200	3,643,700	3,644,100	3,251,100	3,243,400	2,638,800	1,617,400
Increase From Prior Year (%)	0.16%	-0.11%	-0.26%	0.01%	-10.78%	-0.24%	-18.64%	-38.71%
Construction Fund Levies								
Capital Improvement Plan Levy	2,000,000	2,000,000	2,000,000	2,000,000	2,400,000	2,400,000	3,000,000	4,000,000
Equipment Levy	2,240,000	2,350,000	2,470,000	2,590,000	2,720,000	2,860,000	3,000,000	3,150,000
Weber Woods	-	-	-	-	-	-	-	-
Construction Fund Subtotal	4,240,000	4,350,000	4,470,000	4,590,000	5,120,000	5,260,000	6,000,000	7,150,000
Increase From Prior Year (%)	2.66%	2.59%	2.76%	2.68%	11.55%	2.73%	14.07%	19.17%
HRA Fund Levies								
HRA Operating Levy	237,300	244,400	251,700	259,300	267,100	275,100	283,400	291,900
HRA Fund Subtotal	237,300	244,400	251,700	259,300	267,100	275,100	283,400	291,900
Increase From Prior Year (%)	2.99%	2.99%	2.99%	3.02%	3.01%	3.00%	3.02%	3.00%
Total Property Tax Levy								
Total Property Tax Levy	\$ 44,425,277	\$ 46,949,317	\$ 49,381,281	\$ 51,931,396	\$ 54,611,426	\$ 57,405,487	\$ 60,327,158	\$ 63,314,395
Increase From Prior Year (%)	5.73%	5.68%	5.18%	5.16%	5.16%	5.12%	5.09%	4.95%

Based on the above assumptions, the annual tax levy increase is expected to remain at about 5%. The projection will be reviewed annually for changes to assumptions.

City of Edina

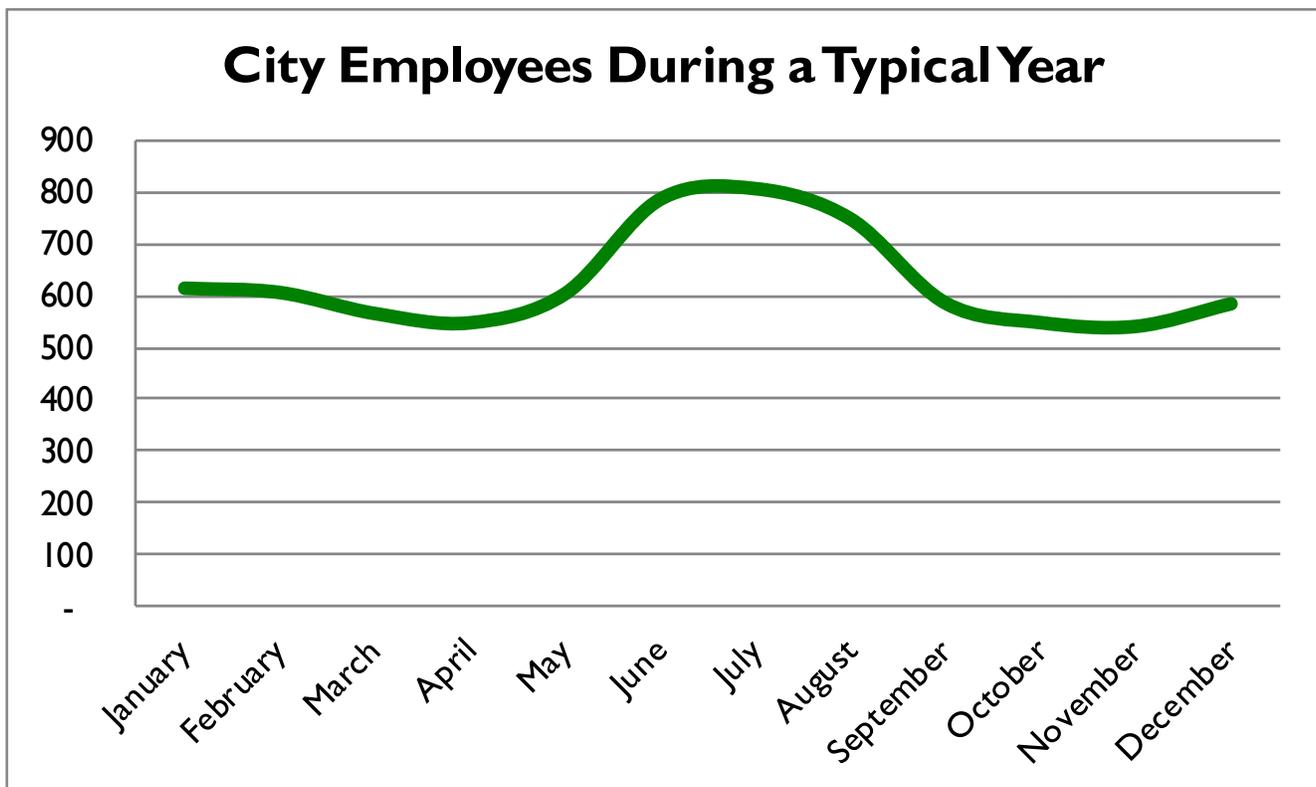
Employees

CITY OF EDINA EMPLOYEES BUDGET

The City highly values its staff members and realizes how critical they are in delivering the high level of services Edina residents have come to know. The City's annual payroll constitutes approximately 35% of the consolidated budget and is over \$35 million per year when benefits are included. According to a Quality of Life survey conducted in 2019, 98% of Edina residents rated the overall quality of services provided by the City as "Excellent" or "Good".

The full-time (FT) employee count has increased by 17 from the last budget cycle. New positions are public safety (6 firefighter/paramedics and 2 police officers), new rental licensing program (3), new organics recycling service (1) as well as public works (2), facility management (2) and risk management (1). The City received a federal grant to offset the majority of the costs associated with the new firefighter/paramedics. The grant phases out over three years, and the remainder of costs are funded by the general fund tax levy.

In addition to FT staff, the City employs a significant number of part-time (PT) employees, including many on a seasonal basis. The total number of City employees is constantly changing, as depicted on the chart below. The chart below is based upon a three-year average. Over the course of a typical year, the City will employ about 1,000 people.



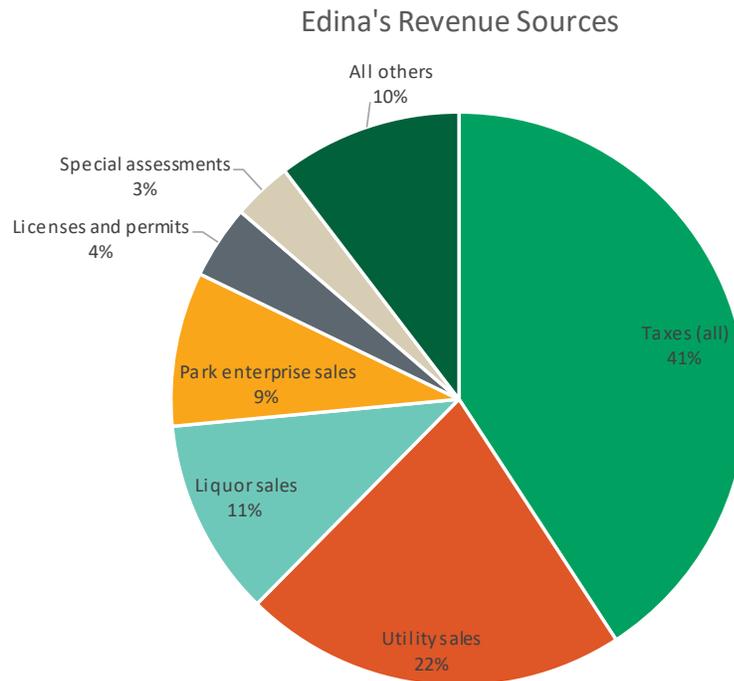
CITY OF EDINA EMPLOYEES

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	Authorized 2020/2021
Administration	15.85	14.85	14.85	14.85	16.00	16.00	16.00	16.00	18.00	18.00	18/18
General Fund	6.85	5.85	4.85	4.85	5.00	5.00	5.00	5.00	7.00	7.00	
CAS Fund	-	-	-	-	1.00	1.00	1.00	1.00	1.00	1.00	
HRA Fund	-	-	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	
Liquor Fund	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	8.50	8.50	
Parks & Recreation Enterprise Funds	-	-	-	-	-	-	-	-	0.50	0.50	
Communications and Technology Services	9.65	10.15	11.15	11.15	11.00	11.00	12.00	12.00	14.00	14.00	14/14
General Fund	4.65	5.15	6.15	6.15	6.00	6.00	6.00	6.00	6.80	6.80	
Internal Services	5.00	5.00	5.00	5.00	5.00	5.00	6.00	6.00	7.20	7.20	
Community Development	10.85	10.85	12.00	12/12							
General Fund	10.85	10.85	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	
Engineering	10.50	12.00	12.00	13.00	13.00	13.00	14.00	14.00	14.00	14.00	14/14
General Fund	10.50	12.00	10.00	11.00	11.00	11.00	12.00	12.00	12.00	12.00	
PACS Fund	-	-	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	
Utilities Fund	-	-	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	
Finance	8.00	7.00	7.00	7.00	6.00	6.00	7.00	7.00	7.00	7.00	7/7
General Fund	5.25	5.25	6.00	6.00	5.00	5.00	6.00	6.00	6.00	6.00	
Utilities Fund	2.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	
Liquor Fund	0.75	0.75	-	-	-	-	-	-	-	-	
Fire Protection	40.00	43.00	43.10	44.10	45.90	45.90	45.80	49.80	58.00	58.00	58/58
General Fund	39.75	42.75	42.85	43.85	45.90	45.90	45.80	49.80	57.80	57.80	
Utilities Fund	0.25	0.25	0.25	0.25	-	-	-	-	0.20	0.20	
Human Resources	1.00	4.00	4.00	4.00	5.00	5.00	5.00	5.00	5.00	5.00	6/6
General Fund	1.00	4.00	4.00	4.00	5.00	5.00	5.00	5.00	4.00	4.00	
Internal Services	-	-	-	-	-	-	-	-	1.00	1.00	
Parks & Recreation	54.75	54.75	54.00	54.00	51.50	51.50	54.95	54.95	56.00	56.00	56/56
General Fund	23.20	24.40	23.65	23.65	25.05	25.05	25.30	25.30	24.65	24.65	
Aquatic Center	0.55	0.55	0.55	0.55	0.60	0.60	0.70	0.70	0.70	0.70	
Golf Course	12.00	12.00	12.00	12.00	8.05	8.05	9.00	9.00	11.00	11.00	
Arena	5.00	5.00	5.00	5.00	4.85	4.85	6.25	6.25	5.95	5.95	
Sports Dome	-	-	-	-	0.15	0.15	1.00	1.00	1.05	1.05	
Art Center	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	
Edinborough Park	7.00	5.80	5.80	5.80	5.80	5.80	5.65	5.65	5.65	5.65	
Centennial Lakes	5.00	5.00	5.00	5.00	5.00	5.00	5.05	5.05	5.00	5.00	
Police Protection	72.15	71.15	73.00	71.00	73.00	73.00	77.00	77.00	84.00	85.00	84/85
General Fund	71.65	70.65	72.50	70.50	72.55	72.55	76.55	76.55	82.55	83.55	
Utilities Fund	0.50	0.50	0.50	0.50	0.45	0.45	0.45	0.45	1.45	1.45	
Public Works	55.25	53.25	53.90	53.90	53.60	53.60	53.25	53.25	56.00	58.00	56/58
General Fund	31.80	30.00	26.70	26.70	25.40	25.40	23.30	23.30	23.90	23.90	
Construction Fund	1.00	1.00	1.00	1.00	1.10	1.10	1.10	1.10	1.00	1.00	
Utilities Fund	13.95	13.75	15.20	15.20	16.85	16.85	18.65	18.65	19.40	20.40	
Internal Services	8.50	8.50	11.00	11.00	10.25	10.25	10.20	10.20	10.95	11.95	
General Fund - Park Maintenance	-	-	-	-	-	-	-	-	0.55	0.55	
Parks & Recreation Enterprise Funds	-	-	-	-	-	-	-	-	0.20	0.20	
Total	278.00	281.00	285.00	285.00	287.00	287.00	297.00	301.00	324.00	327.00	325/328

Source: City of Edina Finance Department

Revenues

The City of Edina has diverse sources of revenue. Most residents know that the City collects property taxes, franchise taxes and tax-increments, but some people are surprised to learn that these taxes combined represent only about 41% of the City’s annual revenue. In Edina, there are many parks enterprise facilities that generate revenue, in addition to the Utility Fund and Liquor Fund which are also significant sources of revenue in the chart below. Special assessments and licenses and permits are significant contributors to the City’s revenue, at about 3-4% each. Other sources include aid from federal and state government agencies, police fines, investment income, ambulance charges, park rentals and program registrations, donations, advertising sales, revenue earned from providing dispatch services to other communities, and many others.



Property taxes account for \$39,659,543 and \$42,018,271 of the City’s budgeted revenue in 2020 and 2021, respectively. Property taxes are difficult to compare across jurisdictions due to differences in the tax base, growth and development issues, and the quantity as well as quality of services delivered. However, we believe Edina compares favorably according to the comparison on the following page with other Municipal Legislative Commission (MLC) cities, which tend to share many similarities with Edina. The comparison chart on the next page shows what the buyer of a \$400,000 home would pay to each City in annual taxes if the buyer chose to live in that City.

REVENUES

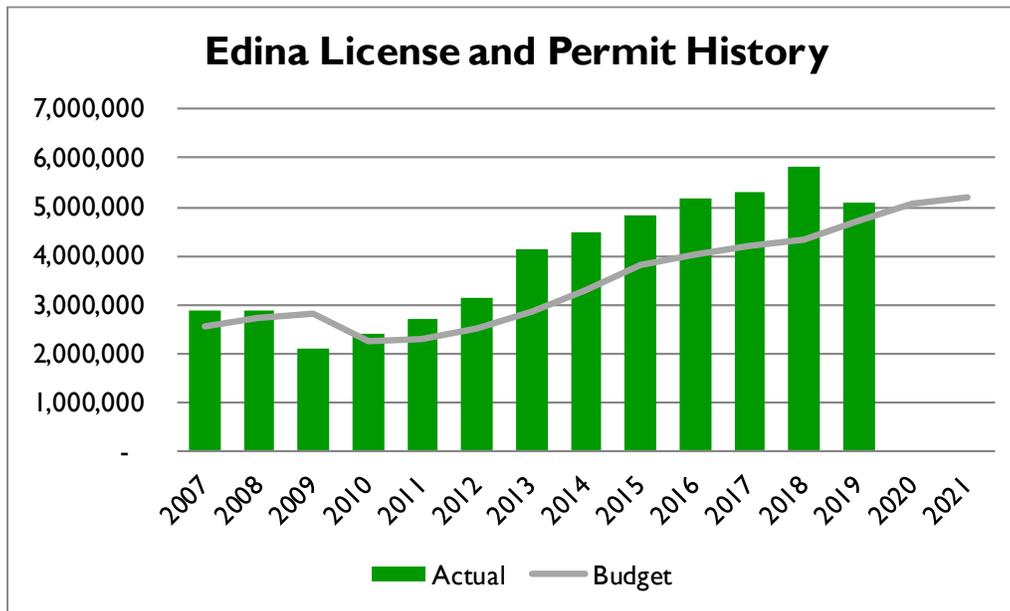
2019 City Taxes on \$400,000 House			
1	Chanhassen	\$	883
2	Plymouth	\$	1,060
3	Edina	\$	1,097
4	Chaska	\$	1,104
5	Eden Prairie	\$	1,296
6	Shoreview	\$	1,314
7	Woodbury	\$	1,350
8	Maple Grove	\$	1,391
9	Shakopee	\$	1,393
10	Lakeville	\$	1,420

Source: Calculated using tax rates from applicable Counties

The Property Buyer Approach: 2019 actual taxes on \$400,000 house			
		City Taxes	All Taxing Districts
1	Chanhassen	\$ 883	\$ 4,786
2	Plymouth	\$ 1,060	\$ 5,038
3	Edina	\$ 1,097	\$ 5,214
4	Chaska	\$ 1,104	\$ 5,067
5	Eden Prairie	\$ 1,296	\$ 5,066
6	Shoreview	\$ 1,314	\$ 5,638
7	Woodbury	\$ 1,350	\$ 5,550
8	Maple Grove	\$ 1,391	\$ 5,482
9	Shakopee	\$ 1,393	\$ 5,553
10	Lakeville	\$ 1,420	\$ 4,962

Source: Calculated using tax rates from applicable Counties

REVENUES



License and permit revenue is historically one of the most volatile revenue categories for the City, so the City's practice has been to budget for this revenue conservatively. License and permit revenue is collected primarily from builders and developers for residential or commercial building projects, but also includes smaller amounts for a variety of City-issued licenses, including liquor licenses, restaurant licenses, etc. The chart above shows the history of license and permit revenue collected in the General Fund.

Special assessments include assessments levied against benefitting properties for various infrastructure improvements and street reconstruction projects. In a typical Edina street reconstruction project, benefitting properties are assessed the full cost of the street repairs. The City's Utility Fund typically pays for costs related to underground water and sewer infrastructure as well as curbs and gutters. The special assessment process is guided by the City's Special Assessment Policy as well as State law for special assessments.

Enterprise operating revenue is the largest source of City revenue. However, there are many smaller sources of revenue that contribute to this category. The largest part of enterprise operating revenue (\$26.3M in 2020) comes from the Utility Fund for sales of water, sewer, stormwater and recycling services. The second largest part is sales of "off-sale" liquor at the three municipally owned liquor stores, which are budgeted to combine for \$13.9M in annual sales in 2020. Operating revenue is also collected at the Aquatic Center (\$1M), Braemar Golf Course (\$4M), Braemar Ice Arena (\$2.5M), Art Center (\$500K), Edinborough Park (\$1.4M) and Centennial Lakes Park (\$820K). The City's financial advisor prepared an update to a 2015 long-term rate study in 2018 that recommends 5% annual increases to water and sewer rates, and a 15% increase to storm sewer rates in 2019, with an annual increase thereafter of 8%. The rate increases are primarily to cover increasing costs of rebuilding, maintaining, and improving existing infrastructure. The stormwater increase in 2019 was higher to better align with increased capital costs associated with the storm sewer system. These increases will ensure that Enterprise Funds are maintained in a healthy and sustainable manner.

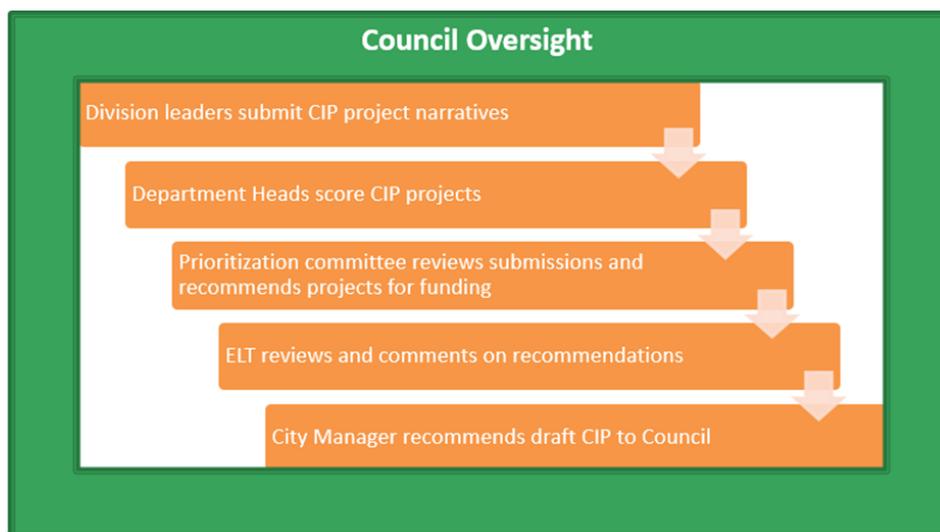
Capital Improvements

The City develops a five-year Capital Improvement Plan (CIP) every two years to provide a framework for planning the preservation and expansion of infrastructure, facilities and equipment. The most recent CIP adopted by the City Council was for the years 2019-2023. The City's threshold for projects or equipment to be included in the CIP is \$20,000. Projects or equipment expected to be under the threshold are part of the operating budget. The definition of capital expenditures to be included in the CIP is not necessarily identical to the definition of capital assets for financial accounting purposes. The main difference is that the CIP may include maintenance expenditures that do not meet the Generally Accepted Accounting Principles (GAAP) definition of a capital asset.

The 2019-2023 CIP further defined the formal departmental scoring process standardizing priorities and functions across departments. This prioritization process considers strategic goals and objectives, which are set by the City Council and City's leadership team. The scoring was based upon six criteria:

- Asset condition
- Operations and maintenance
- Health, safety & regulatory compliance
- Efficiency, accuracy and decision making
- Level of service
- Environmental impact

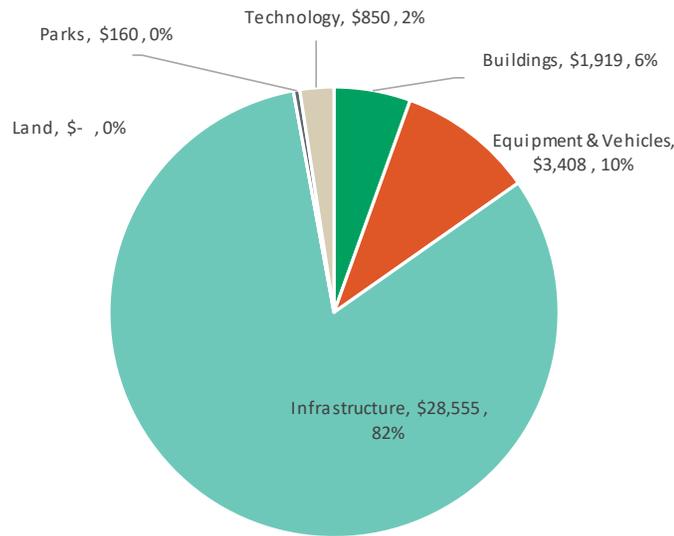
For both the CIP and the operating budget, it is the responsibility of City staff to gather information and develop a recommendation for the City Council to consider. City Council's role is to guide City staff through the process and to formally adopt a CIP near the end of every even-numbered year. The following illustrates City Council's oversight through the CIP process:



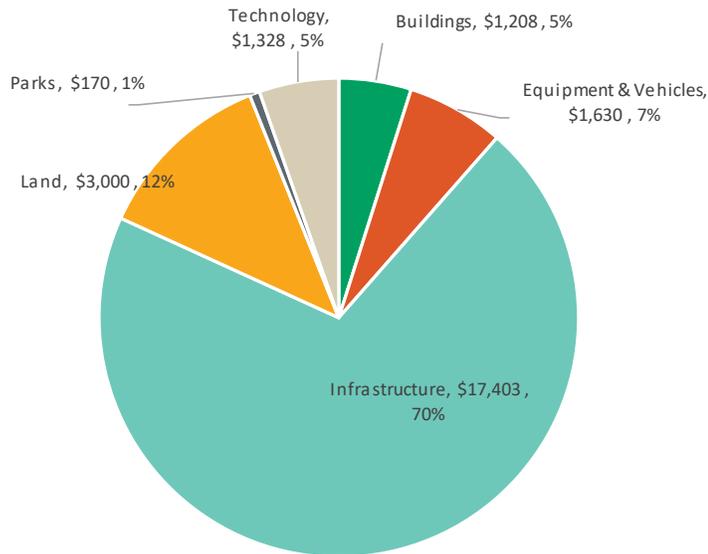
CAPITAL IMPROVEMENTS

For projects prioritized in the first two years of the adopted CIP, City staff generally plan, develop and promote the project until a contract is ready to be signed or a purchase over \$20,000 is ready to be made. These types of contracts/purchases receive final approval by the City Council, according to policy. The City recognizes that circumstances and priorities can change over time and in some cases may cause the timing of some projects to be moved after adoption of the CIP. These changes are considered by the City Council on a case-by-case basis.

2020 CIP - \$34,893 (\$'s in 000's)



2021 CIP - \$24,739 (\$'s in 000's)



CAPITAL IMPROVEMENTS

Significant recurring projects include street reconstruction, pedestrian/bike improvements and equipment replacement.

- **Street reconstruction**—Projects total \$15.5 million and \$10.4 million in 2020 and 2021, respectively, and are funded principally through special assessments and utility fees. Significant projects for 2020-21 are along Grandview, Melody Lake, West 58th, Prospect Knolls, Birchcrest and Creek Knoll
- **Pedestrian/bike improvements**—Projects total \$741,000 and \$805,000 for 2020 and 21, respectively, and are funded primarily through the City's Pedestrian and Cyclist Safety (PACS) Fund. Pedestrian/bike improvement projects for 2020-21 include Valley View Road sidewalk, Gleason Road shared-use path and Cornelia Elementary School sidewalks.
- **Equipment replacement**— Approximately \$3 million of equipment is expected to be replaced in 2020 and 2021. Equipment replacement for General Fund departments is funded by the equipment levy and resides in the Construction Fund. The equipment includes police squad cars, ambulance fleet and public works equipment.

Other projects include:

- **Facility improvements**—In 2018, the City completed a three year review process of 117 buildings to create a master database of physical buildings, plumbing, mechanical systems, fixtures and equipment to utilize in optimizing long-term financial resources and sustainability goals. The 2020-21 Capital Plan funds \$905,000 (\$297,000 2020 and \$608,000 2021) for facility improvements to the fire station, liquor stores and the North Parking Ramp which is funded through the Construction Fund and Liquor fund. Maintaining physical assets and infrastructure is one of the City's budget goals. The 2020-21 operating budget includes the addition of two facility staff to utilize the database in prioritizing and managing facility improvement projects. Proactive building maintenance can extend usable life and delay the need for more expensive maintenance.
- **New Enterprise Resource Planning (ERP) System**—The new ERP system will encompass human resources and finance functionality such as new hire onboarding, payroll, general ledger, budgeting, reporting, accounts receivable, accounts payable, purchasing and utility billing. Currently, these processes are performed in a myriad of software and manual processes. The cost of the project is \$1M and is funded through the Construction Fund. Annual operating savings in maintenance costs are estimated to be \$100,000 as well as increased staff efficiency.

CAPITAL IMPROVEMENTS

- **Facility Efficiency Upgrades**—Through 2014 Vision Edina, the City’s long-term strategic framework, environmental stewardship is one of the seven strategic focus areas which states:

“There is a growing awareness of the impact that the built environment has on the natural environment, and the individual and collective responsibility we all have towards good environmental stewardship. Community residents and stakeholders believe that Edina can take an active and ambitious internal and regional leadership role in promoting more comprehensive recycling, smart building, and energy efficiency practices.”

The City has committed to reducing greenhouse gas emissions by 30% by the year 2025 and then 80% reduction by 2050. In support of the vision, the City has several efficiency projects in the 2019-2023 CIP. These projects are City Hall Energy Efficiency Plan, Edinborough Energy Efficiency Plan, Facility Replacement Efficiency Upgrades and New Building Sustainability Additions. The projects cover identifying opportunities to lower energy costs in high-energy consumption building such as City Hall and Edinborough Park; replacing lighting/HVAC/other systems with more energy efficient options; and covering additional project cost for using sustainable products. The project costs account for \$865k and \$600k in the 2020-21 CIP. The projects are funded from the Conservation and Sustainability (CAS) fund.

- **New Water Treatment Plan 5**—This project includes the design of Water Treatment Plant 5. This plant will filter water from Wells 5, 18, and potentially future Well 21. Permitting and design began in 2017 with land use approvals and architectural design continuing in 2019. The 2019-21 CIP estimated cost is \$15M. Expansion of water system capacity is related to providing all residents the same quality of water during peak demand and creating operational redundancy to maintain and operate the system. Funding for this project will come from the Utility Fund.



Gleason Road Water Tower

Debt

Service

LEGAL DEBT MARGIN

Minnesota laws limit the amount of debt the City may issue to 3% of the assessor's market value of the City's tax base. The assessor's 3% market value less net debt is referred to as the legal debt margin. The following table shows the legal debt margin at December 31, 2018.

Legal Debt Margin Calculation for Fiscal Year 2018

Market value (after fiscal disparities)	\$ 11,547,519,732
Debt limit (3% of market value)	346,425,592
Debt applicable to limit:	
General obligation bonds	19,155,000
Public project revenue bonds	18,440,000
	<hr/>
Total debt applicable to limit	37,595,000
	<hr/>
Legal debt margin	<u><u>\$ 308,830,592</u></u>

According to this calculation, the City has the ability to issue over \$300 million in additional debt before reaching the statutory limit. This level of capacity to issue new debt means that the City is in a secure financial position.

The City had four types of bonded debt outstanding on Dec. 31, 2018: general obligation (GO) bonds, special assessment bonds, public project revenue bonds and enterprise revenue bonds.

GO bonds are payable from general property taxes. The special assessment bonds include permanent improvement revolving (PIR) bonds that are payable from special assessments with any deficiency to be provided for by general property taxes. Public project revenue bonds are payable from annual appropriation lease payments received from the City of Edina pursuant to a lease between the Edina Housing and Redevelopment Authority and the City. Enterprise revenue bonds are payable primarily from revenue from the City's enterprise facilities with any deficiency to be provided for by general property taxes.

Edina's long-term debt is segregated between the amounts to be repaid from governmental activities and amounts to be repaid from business-type activities in the table on the following page, which projects changes in debt levels for the next two years.

DEBT SERVICE

	12/31/2019		2020		12/31/2020		2021		12/31/2021	
	Balance		Additions	Reductions	Balance		Additions	Reductions	Balance	
Governmental activity debt:										
General obligation	\$ 19,905,000	\$ -	\$ (2,180,000)	\$ 17,725,000	\$ -	\$ (2,505,000)	\$ 15,220,000			
Special Assessment Bonds	25,118,476	3,659,279	(2,573,369)	26,204,386	3,144,387	(1,868,369)	27,480,404			
Public project revenue	17,360,000	-	(1,115,000)	16,245,000	-	(1,145,000)	15,100,000			
Subtotal	<u>62,383,476</u>	<u>3,659,279</u>	<u>(5,868,369)</u>	<u>60,174,386</u>	<u>3,144,387</u>	<u>(5,518,369)</u>	<u>57,800,404</u>			
Business-type activity debt:										
Enterprise revenue	<u>48,149,000</u>	<u>14,300,000</u>	<u>(5,456,000)</u>	<u>56,993,000</u>	<u>9,800,000</u>	<u>(6,079,000)</u>	<u>60,714,000</u>			
Citywide Grand Total	<u>\$ 110,532,476</u>	<u>\$ 17,959,279</u>	<u>\$ (11,324,369)</u>	<u>\$ 117,167,386</u>	<u>\$ 12,944,387</u>	<u>\$ (11,597,369)</u>	<u>\$ 118,514,404</u>			

In addition to principal payments in the chart above, the city also pays interest on outstanding debt. Principal and interest payments are sometimes referred to collectively as debt service. Debt service to maturity on all outstanding debt as of December 31, 2019 is shown below.

Year Ended	General Obligation Bonds		Public Project Revenue		Special Assessment Bonds		Revenue Bonds		Total City		Total P&I
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	
2020	2,180,000	669,125	1,115,000	540,690	2,573,369	772,040	5,456,000	1,574,482	11,324,369	3,556,337	14,880,706
2021	2,505,000	561,700	1,145,000	505,649	1,868,369	702,159	6,079,000	1,356,135	11,597,369	3,125,643	14,723,012
2022	1,670,000	482,000	1,185,000	472,949	2,023,369	641,473	6,261,000	1,155,895	11,139,369	2,752,317	13,891,686
2023	1,735,000	419,050	1,220,000	438,951	1,833,369	575,849	5,184,000	963,055	9,972,369	2,396,905	12,369,274
2024	1,800,000	353,550	1,255,000	400,171	1,515,000	517,544	4,622,000	791,399	9,192,000	2,062,664	11,254,664
2025	1,870,000	286,775	1,295,000	360,980	1,555,000	466,319	4,144,000	640,040	8,864,000	1,754,114	10,618,114
2026	1,935,000	218,675	1,335,000	321,335	1,600,000	416,644	3,687,000	506,321	8,557,000	1,462,975	10,019,975
2027	2,005,000	155,133	1,000,000	285,006	1,665,000	364,669	3,800,000	377,861	8,470,000	1,182,669	9,652,669
2028	2,060,000	97,350	1,030,000	251,566	1,715,000	311,100	2,828,000	263,554	7,633,000	923,570	8,556,570
2029	1,730,000	41,144	875,000	220,088	1,760,000	255,381	2,136,000	173,055	6,501,000	689,668	7,190,668
2030	415,000	7,263	905,000	191,163	1,590,000	200,506	1,632,000	100,973	4,542,000	499,905	5,041,905
2031	-	-	935,000	160,678	1,425,000	151,131	870,000	56,769	3,230,000	368,578	3,598,578
2032	-	-	965,000	128,013	1,475,000	104,269	715,000	32,775	3,155,000	265,057	3,420,057
2033	-	-	1,000,000	93,625	965,000	65,581	735,000	11,025	2,700,000	170,231	2,870,231
2034	-	-	1,030,000	57,456	670,000	39,991	-	-	1,700,000	97,447	1,797,447
2035	-	-	1,070,000	19,394	525,000	20,663	-	-	1,595,000	40,057	1,635,057
2036	-	-	-	-	360,000	6,038	-	-	360,000	6,038	366,038
	<u>19,905,000</u>	<u>3,291,765</u>	<u>17,360,000</u>	<u>4,447,714</u>	<u>25,118,476</u>	<u>5,611,356</u>	<u>48,149,000</u>	<u>8,003,339</u>	<u>110,532,476</u>	<u>21,354,173</u>	<u>131,886,649</u>

DEBT SERVICE

The City sets annual property tax levies to pay debt service on the debt types that are payable from general property taxes. The debt service levies are shown below, and are separated by purpose.

Debt Service Tax Levies	2017	2018	2019	2020	2021
City Hall	\$ 946,000	\$ 950,000	\$ 952,000	\$ 952,000	\$ -
Gymnasiums	388,000	389,000	390,000	391,000	392,000
Fire Station #1	403,000	405,000	406,000	402,000	402,000
Public Works Facility	1,696,000	1,667,000	1,695,000	1,688,000	1,695,000
Sports Dome	1,162,500	1,168,700	1,168,900	1,163,300	1,162,400
Total	\$4,595,500	\$4,579,700	\$4,611,900	\$4,596,300	\$ 3,651,400



Edina Fire Station 1



2020-2021
Budget

Fund Level Financial Schedules

CITY GOALS:

Strong Foundation

Livable City

Reliable Service

Better Together



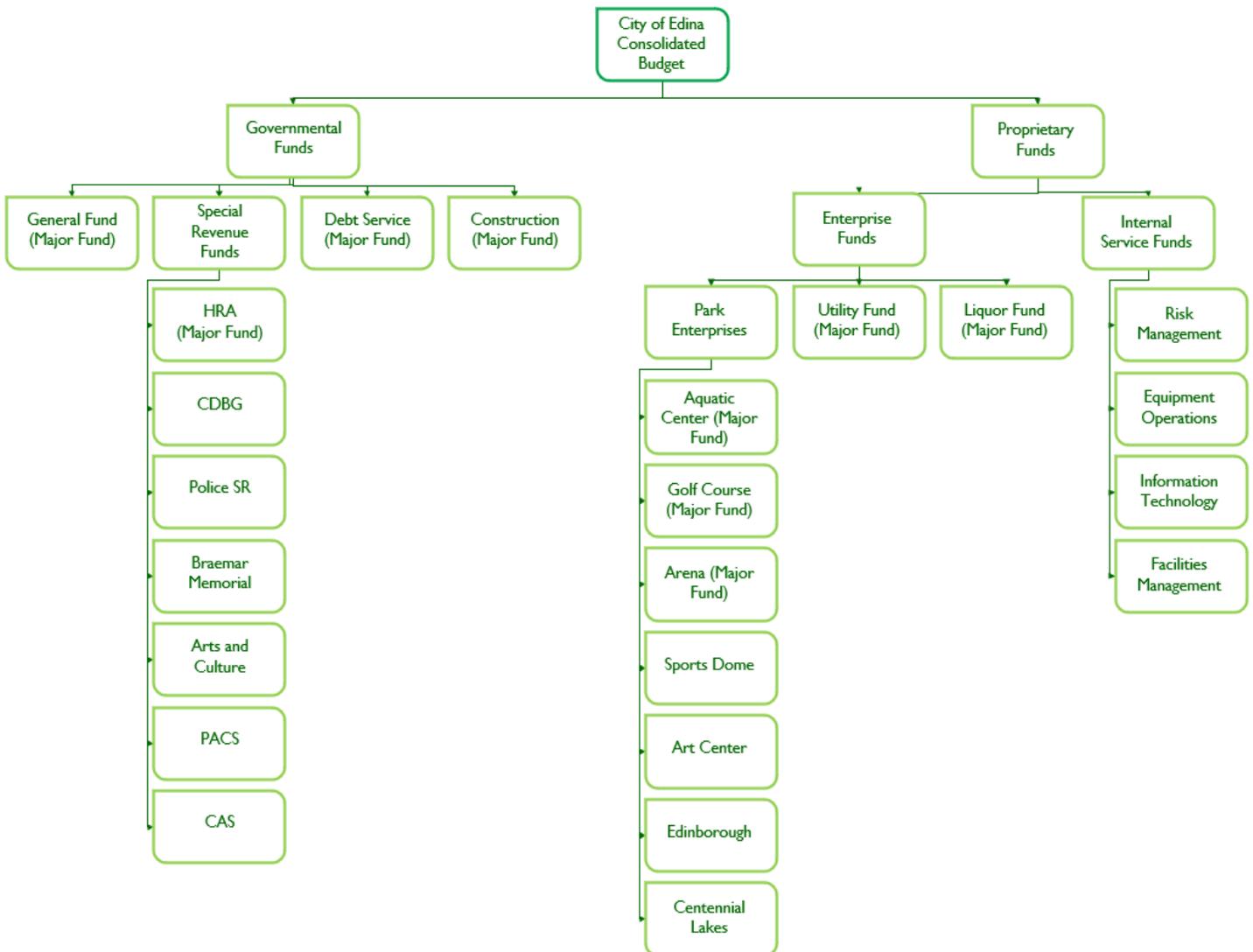
Fund
Descriptions

CITY OF EDINA FUND ACCOUNTING

The City is required to account for revenues and expenditures in accordance with Generally Accepted Accounting Principles (GAAP) in the United States of America as applied to governmental units by the Governmental Accounting Standards Board (GASB). GAAP allows the City to set up different funds for different purposes. The City of Edina uses two different types of funds; governmental and proprietary.

The relative size of an individual governmental fund is assessed based on its proportionate share of different financial statement elements. If those financial statement elements are quantitatively significant, the City is required to report the fund as a “major” fund. The City may also choose to evaluate qualitative factors to present additional funds as “major” even when they don’t meet the quantitative definition. Edina currently has 9 major funds.

All of the following funds are appropriated.



FUND DESCRIPTIONS

GOVERNMENTAL FUNDS

In general, governmental funds are used to account for traditional government services like Police, Fire, Public Works, and Parks and Recreation. These activities are often, but not always, supported by a mix of taxes and user fees. The City budgets and reports its governmental funds using the modified accrual basis of accounting, which is required by GAAP. Currently the City has 10 governmental funds:

- ◆ **General Fund.** This is the City's primary operating fund. It records most of the City's revenues and expenditures from core City operations like Administration, Police, Fire, Parks and Recreation, etc. Any activities that are not specifically reported in a different fund can be found in the General Fund. The General Fund is not used for debt service or capital projects.
- ◆ **Housing and Redevelopment Authority Fund (HRA).** The HRA is an entity legally separate from the City. However, for financial reporting purposes, the HRA is reported in a special revenue fund as if it were part of the City's operations. This is done because the members of the City Council serve as HRA commissioners and its activity is confined to the same geographic borders as the City of Edina.
- ◆ **Community Development Block Grant Fund (CDBG).** This special revenue fund was established to account for funds received under Title I of the Housing and Community Development Act of 1974.
- ◆ **Police Special Revenue Fund.** This special revenue fund was established to account for funds received for specific purposes within the Police Department, including E-911 and forfeiture funds.
- ◆ **Braemar Memorial Fund.** This account was created in 1976 and formally recognized as a separate special revenue fund by the City Council in 2010. It is used to account for funds donated to the City for the purpose of enhancing Braemar Golf Course with equipment and amenities that might not otherwise be affordable or viewed as a necessity to the golf course.
- ◆ **Arts and Culture Fund.** This special revenue fund was established in 2014 to account for funds donated to the City for the purpose of enhancing public arts and culture related activities.
- ◆ **Pedestrian and Cyclist Safety Fund (PACS).** This special revenue fund was established in 2013 to account for funds received from gas and electric franchise fees, which the City Council intends to use for pedestrian and cyclist improvements included in future street reconstruction projects.
- ◆ **Conservation and Sustainability Fund (CAS).** This special revenue fund was established in 2015 to account for funds received from gas and electric franchise fees beginning in 2016. The City will use these funds to provide a dedicated funding source for new conservation and sustainability functionality and programs.
- ◆ **Debt Service Fund.** This fund accounts for the payment of principal and interest on the City's governmental debt.
- ◆ **Construction Fund.** This fund accounts for the various special assessment and state aid projects throughout the City. This fund also provides financing for the City's Capital Improvement Plan (CIP) and the Equipment Replacement Program.

FUND DESCRIPTIONS

PROPRIETARY FUNDS

In general, proprietary funds are used to account for activities that the City intends to be mostly self-supporting. The costs of providing these activities are often, but not always, recovered primarily through user charges, similar to private businesses. Some of the activities we categorize as proprietary funds receive regular support from other City funds. The City budgets and reports our proprietary funds using the full accrual basis of accounting, which is required by GAAP. Currently the City has thirteen proprietary funds:

- ◆ **Utility Fund.** This fund is used to account for water pumping, treatment and distribution as well as sanitary sewer collection and disposal, storm water collection and recycling services to the City's residents.
- ◆ **Liquor Fund.** This fund accounts for the City's off-sale liquor business, which Edina first started around 1948. Today, there are three municipally owned liquor stores in Edina. Profits are generally transferred into other City funds.
- ◆ **Aquatic Center Fund.** This fund was established to account for the operations of the City's outdoor municipal pool.
- ◆ **Golf Course Fund.** This fund was established to account for the City's golf business when the 18-hole Braemar Golf Course opened in 1964. Today, the City operates Braemar Golf Course (a newly constructed 18-hole championship course), a new 9-hole executive course and driving range, an indoor golf dome, and banquet room.
- ◆ **Arena Fund.** This fund was created around 1966 when Braemar Arena was built. Today, there are three indoor, regulation size ice sheets, including the original "West" arena.
- ◆ **Sports Dome Fund.** This fund was created in 2013 to account for the revenues and expenses for Braemar Field which was built in 2014.
- ◆ **Art Center Fund.** This fund accounts for the revenues and expenses for the Edina Art Center.
- ◆ **Edinborough Park Fund.** Edinborough Park's finances were combined with Centennial Lakes Park in one fund through 2011. A separate fund for each facility was created in budget year 2012.
- ◆ **Centennial Lakes Fund.** Centennial Lakes Park's finances were combined with Edinborough Park in one fund through 2011. A separate fund for each facility was created in budget year 2012.
- ◆ **Risk Management Fund.** This internal service fund was established to account for expenses related to the costs of insurance, safety and prevention measures, and risk management programs across all departments.
- ◆ **Equipment Operations Fund.** This internal service fund was established to account for expenses related to the costs of maintaining and updating vehicles and equipment across all departments.
- ◆ **Information Technology Fund.** This internal service fund was established to account for expenses related to the costs of information technology equipment and services across all departments.
- ◆ **Facilities Management Fund.** This internal service fund was established to account for expenses related to the costs of maintaining and updating facilities across all departments.

2018 Actual

Financial Results
by Fund

GOVERNMENTAL FUNDS

The City uses two basic fund types to account for our financial activities, governmental and enterprise fund types. In general, governmental funds are used to account for traditional government services and enterprise funds are used to account for business-type activities. All of the City's funds are shown on pages 66-75.

	General Fund	HRA Fund	PACS Fund	CAS Fund	CDBG Fund	Police SR Fund	Braemar Memorial Fund	Arts & Culture Fund	Debt Service Fund	Environmental Efficiency Fund	Construction Fund	Total
REVENUES AND OTHER FINANCING SOURCES												
Property tax levy	\$ 28,367,096	\$ 124,493	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,000	\$ 4,551,002	\$ -	\$ 2,551,292	\$ 35,613,883
Tax increments	-	4,997,706	-	-	-	-	-	-	-	-	-	4,997,706
Franchise fees & other taxes	870,476	-	1,186,088	426,047	-	-	-	-	-	-	102,130	2,584,741
Special assessments	-	-	-	-	-	-	-	-	198,661	-	4,548,544	4,747,205
Licenses and permits	5,836,167	-	-	-	-	-	-	-	-	-	76,590	5,912,757
Intergovernmental	1,737,423	-	175,600	-	123,454	-	-	-	-	-	3,088,096	5,124,573
Charges for services	4,686,446	45,200	-	-	-	-	-	-	-	-	166,902	4,898,548
Fines and forfeitures	1,042,091	-	-	-	-	80,335	-	-	-	-	-	1,122,426
Investment income	298,135	253,744	1,170	4,011	-	57	2,237	450	11,396	-	318,350	889,550
Other revenue	1,187,474	-	59,211	49,526	-	112,061	1,755	2,562	-	-	209,699	1,622,288
Contributions	37,978	-	-	-	-	-	-	-	-	-	-	37,978
Transfers	50,000	-	-	-	-	-	-	-	3,100,000	-	2,314,771	5,464,771
Debt issued	-	-	-	-	-	-	-	-	112,956	-	2,153,532	2,266,488
Other financing sources	-	6,051,120	-	-	-	-	-	-	-	-	150,510	6,201,630
TOTAL REVENUES AND OTHER FINANCING SOURCES	44,113,286	11,472,263	1,422,069	479,584	123,454	192,453	3,992	23,012	7,974,015	-	15,680,416	81,484,544
EXPENDITURES AND OTHER FINANCING USES - BY DEPARTMENT												
Administration	2,112,886	11,823,714	-	266,192	-	-	-	-	-	-	-	14,202,792
Communication & tech.	1,204,650	-	-	-	-	-	-	-	-	-	186,435	1,391,085
Human resources	1,046,623	-	-	-	-	-	-	-	-	-	-	1,046,623
Finance	981,569	-	-	-	-	-	-	-	-	-	50,283	1,031,852
Public works	6,461,944	-	-	-	-	-	-	-	-	48,630	1,119,910	7,630,484
Engineering	1,554,691	-	1,058,632	-	-	-	-	-	-	-	3,665,039	6,278,362
Police	12,134,131	-	-	-	-	130,476	-	-	-	-	531,307	12,795,914
Fire	8,070,260	-	-	-	-	-	-	-	-	-	290,723	8,360,983
Parks & recreation	5,182,745	-	-	-	-	-	-	12,656	-	-	706,574	5,901,975
Community development	1,814,145	-	-	-	123,454	-	-	-	-	-	2,014,423	3,952,022
Debt service	-	-	-	-	-	-	-	-	17,102,963	-	-	17,102,963
Transfers	2,039,771	-	-	-	-	-	-	-	-	-	3,100,000	5,139,771
TOTAL EXPENDITURES AND OTHER FINANCING USES	42,603,415	11,823,714	1,058,632	266,192	123,454	130,476	-	12,656	17,102,963	48,630	11,664,694	84,834,826
EXPENDITURES AND OTHER FINANCING USES - BY TYPE												
Personal services	28,530,351	190,447	124,698	110,767	-	-	-	-	-	-	136,055	29,092,318
Contractual services	5,243,161	734,066	58,708	45,807	123,454	92,293	-	12,459	-	8,730	563,459	6,882,137
Commodities	2,544,435	7,076	3,103	3,932	-	15,116	-	197	-	-	32,789	2,606,648
Internal services	4,245,697	-	5,485	5,095	-	-	-	-	-	-	1,876	4,258,153
Equipment	-	-	-	-	-	23,067	-	-	-	-	1,683,939	1,707,006
Capital outlay	-	10,892,125	866,638	100,591	-	-	-	-	-	39,900	6,146,576	18,045,830
Debt service	-	-	-	-	-	-	-	-	17,102,963	-	-	17,102,963
Transfers	2,039,771	-	-	-	-	-	-	-	-	-	3,100,000	5,139,771
TOTAL EXPENDITURES AND OTHER FINANCING USES	42,603,415	11,823,714	1,058,632	266,192	123,454	130,476	-	12,656	17,102,963	48,630	11,664,694	84,834,826
CHANGE IN FUND BALANCE												
FUND BALANCE	\$ 1,509,871	\$ (351,451)	\$ 363,437	\$ 213,392	\$ -	\$ 61,977	\$ 3,992	\$ 10,356	\$ (9,128,948)	\$ (48,630)	\$ 4,015,722	\$ (3,350,282)

2018 ACTUAL FINANCIAL RESULTS BY FUND

PROPRIETARY FUNDS - ENTERPRISE AND INTERNAL SERVICE

	Utilities Fund	Liquor Fund	Aquatic Center Fund	Golf Course Fund	Arena Fund	Sports Dome Fund	Art Center Fund	Edinborough Fund	Centennial Fund	Risk Management Fund	Total
REVENUES AND TRANSFERS IN											
Operating revenues	\$ 22,757,745	\$ 13,401,754	\$ 997,727	\$ 1,396,174	\$ 2,625,474	\$ 454,362	\$ 513,974	\$ 1,444,834	\$ 892,425	\$ 902,952	\$ 45,387,421
Intergovernmental	473,990	-	-	-	-	-	-	-	-	-	473,990
Investment income	323,178	25,246	31,001	37,700	1,407	10,780	2,593	37,809	12,040	-	481,754
Other revenue	15,275	-	-	46,881	4,471	-	14,955	3,818	13,222	716,711	815,333
Contributions	-	906	11,725	15,085	76,656	598	-	7,861	-	-	112,831
Transfers	-	-	-	100,000	250,000	-	150,000	-	150,000	-	650,000
TOTAL REVENUES AND TRANSFERS IN	23,570,188	13,427,906	1,040,453	1,595,840	2,958,008	465,740	681,522	1,494,322	1,067,687	1,619,663	47,921,329
EXPENSES AND TRANSFERS OUT - BY DEPARTMENT											
Administration	-	11,995,159	-	-	-	-	-	-	-	-	11,995,159
Human resources	-	-	-	-	-	-	-	-	-	742,670	742,670
Finance	291,135	-	-	-	-	-	-	-	-	-	291,135
Public works	16,810,774	-	-	-	-	-	-	-	-	-	16,810,774
Engineering	493,870	-	-	-	-	-	-	-	-	-	493,870
Police	525,289	-	-	-	-	-	-	-	-	-	525,289
Parks and recreation	-	-	996,671	2,474,065	2,996,844	886,445	620,397	1,545,158	1,044,452	-	10,564,032
Transfers and contributions	193,259	800,000	-	-	-	-	-	-	75,000	-	1,068,259
TOTAL EXPENSES AND TRANSFERS OUT	18,314,327	12,795,159	996,671	2,474,065	2,996,844	886,445	620,397	1,545,158	1,119,452	742,670	42,491,188
EXPENSES AND TRANSFERS OUT - BY TYPE											
COGS	-	9,461,178	50,705	125,854	119,388	-	-	79,521	11,196	-	9,847,842
Personal services	2,242,552	1,565,574	397,607	770,733	930,417	137,456	396,303	723,589	655,815	56,548	7,876,594
Contractual services	8,312,052	534,639	156,134	339,997	987,768	190,596	108,726	345,237	164,208	686,122	11,825,479
Commodities	914,894	61,225	54,518	188,583	108,793	29,116	60,473	139,064	110,181	-	1,666,847
Internal services	772,507	276,808	34,374	140,414	92,881	17,062	41,000	76,536	70,382	-	1,521,964
Depreciation	5,169,978	95,735	283,098	626,931	661,389	512,215	13,895	181,211	32,670	-	7,577,122
Interest	648,808	-	20,235	281,553	96,208	-	-	-	-	-	1,046,804
Other expense	60,277	-	-	-	-	-	-	-	-	-	60,277
Contributions	93,259	-	-	-	-	-	-	-	-	-	93,259
Transfers	100,000	800,000	-	-	-	-	-	-	75,000	-	975,000
TOTAL EXPENSES AND TRANSFERS OUT	18,314,327	12,795,159	996,671	2,474,065	2,996,844	886,445	620,397	1,545,158	1,119,452	742,670	42,491,188
CHANGE IN NET POSITION											
POSITION	\$ 5,255,861	\$ 632,747	\$ 43,782	\$ (878,225)	\$ (38,836)	\$ (420,705)	\$ 61,125	\$ (50,836)	\$ (51,765)	\$ 876,993	\$ 5,430,141

2019 Budget by Fund

GOVERNMENTAL FUNDS

	General Fund	HRA Fund	PACS Fund	CAS Fund	CDBG Fund	Police SR Fund	Braemar Memorial Fund	Arts & Culture Fund	Debt Service Fund	Construction Fund	Total
REVENUES AND OTHER FINANCING SOURCES											
Property tax levy	\$ 30,009,121	\$ 160,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,000	\$ 4,611,900	\$ 2,630,000	\$ 37,431,021
Tax increments	-	5,315,000	-	-	-	-	-	-	-	-	5,315,000
Franchise fees & other taxes	892,500	-	1,200,000	1,200,000	-	-	-	-	-	105,000	3,397,500
Special assessments	-	-	-	-	-	-	-	-	-	3,956,273	3,956,273
Licenses and permits	4,714,430	-	-	-	-	-	-	-	-	75,000	4,789,430
Intergovernmental	1,253,977	-	-	-	125,000	-	-	-	-	175,000	1,553,977
Charges for services	4,521,523	-	-	-	-	-	-	-	-	200,000	4,721,523
Fines and forfeitures	900,000	-	-	-	-	-	-	-	-	-	900,000
Investment income	120,000	120,500	-	-	-	4	200	75	6,000	155,000	401,779
Other revenue	433,650	-	-	-	-	167,061	5,000	5,150	-	-	610,861
Transfers	50,000	-	-	-	-	-	-	-	3,298,163	200,000	3,548,163
Debt issued	-	-	-	-	-	-	-	-	-	2,648,269	2,648,269
TOTAL REVENUES AND OTHER FINANCING SOURCES	42,895,201	5,595,500	1,200,000	1,200,000	125,000	167,065	5,200	25,225	7,916,063	10,144,542	69,273,796
EXPENDITURES AND OTHER FINANCING USES - BY DEPARTMENT											
Administration	2,026,407	7,330,725	-	1,188,970	-	-	-	-	-	22,500	10,568,602
Communication & tech.	1,288,764	-	-	-	-	-	-	-	-	807,960	2,096,724
Human resources	888,694	-	-	-	-	-	-	-	-	-	888,694
Finance	1,099,125	-	-	-	-	-	-	-	-	-	1,099,125
Public works	6,595,064	-	-	-	-	-	-	-	-	1,405,613	8,000,677
Engineering	1,849,492	-	1,245,362	-	-	-	-	-	-	3,733,025	6,827,879
Police	12,728,656	-	-	-	-	133,000	-	-	-	221,000	13,082,656
Fire	9,035,218	-	-	-	-	-	-	-	-	145,000	9,180,218
Parks & recreation	5,541,785	-	-	-	-	-	40,000	15,850	-	279,000	5,876,635
Community development	1,841,996	-	-	-	125,000	-	-	-	-	-	1,966,996
Debt service	-	-	-	-	-	-	-	-	7,684,860	-	7,684,860
Transfers	-	-	-	-	-	-	-	-	-	3,298,163	3,298,163
TOTAL EXPENDITURES AND OTHER FINANCING USES	42,895,201	7,330,725	1,245,362	1,188,970	125,000	133,000	40,000	15,850	7,684,860	9,912,261	70,571,229
EXPENDITURES AND OTHER FINANCING USES - BY TYPE											
Personal services	29,966,880	168,305	133,679	131,033	-	-	-	-	-	110,917	30,510,814
Contractual services	6,135,622	585,520	20,000	252,525	125,000	78,000	-	15,250	-	130,383	7,342,300
Commodities	2,439,999	900	15,000	400,000	-	7,500	-	600	-	33,377	2,897,376
Internal services	4,352,700	-	5,796	5,412	-	-	-	-	-	1,836	4,365,744
Equipment	-	-	-	-	-	47,500	-	-	-	2,270,600	2,318,100
Capital outlay	-	6,576,000	1,070,887	400,000	-	-	40,000	-	-	4,066,985	12,153,872
Debt service	-	-	-	-	-	-	-	-	7,684,860	-	7,684,860
Transfers	-	-	-	-	-	-	-	-	-	3,298,163	3,298,163
TOTAL EXPENDITURES AND OTHER FINANCING USES	42,895,201	7,330,725	1,245,362	1,188,970	125,000	133,000	40,000	15,850	7,684,860	9,912,261	70,571,229
CHANGE IN FUND BALANCE											
FUND BALANCE	\$ -	\$ (1,735,225)	\$ (45,362)	\$ 11,030	\$ -	\$ 34,065	\$ (34,800)	\$ 9,375	\$ 231,203	\$ 232,281	\$ (1,297,433)

2019 BUDGET BY FUND

PROPRIETARY FUNDS - ENTERPRISE AND INTERNAL SERVICE

	Utilities Fund	Liquor Fund	Aquatic Center Fund	Golf Course Fund	Arena Fund	Sports Dome Fund	Art Center Fund	Edinborough Fund	Centennial Fund	Risk Management Fund	Total
REVENUES AND TRANSFERS IN											
Operating revenues	\$ 22,790,121	\$ 13,973,293	\$ 1,039,650	\$ 3,508,828	\$ 2,347,100	\$ 409,000	\$ 516,350	\$ 1,393,750	\$ 814,000	\$ 902,952	\$ 47,695,044
Intergovernmental	110,000	-	-	-	-	-	-	-	-	-	110,000
Investment income	90,000	-	22,000	16,000	1,000	8,000	2,000	18,000	6,000	-	163,000
Other revenue	2,000	32,000	-	-	-	-	9,000	-	-	-	43,000
Transfers	-	-	-	-	300,000	-	200,000	-	200,000	-	700,000
TOTAL REVENUES AND TRANSFERS IN											
TRANSFERS IN	22,992,121	14,005,293	1,061,650	3,524,828	2,648,100	417,000	727,350	1,411,750	1,020,000	902,952	48,711,044
EXPENSES AND TRANSFERS OUT - BY DEPARTMENT											
Administration	-	12,666,162	-	-	-	-	-	-	-	-	12,666,162
Human resources	-	-	-	-	-	-	-	-	-	860,000	860,000
Finance	384,409	-	-	-	-	-	-	-	-	-	384,409
Public works	17,323,876	-	-	-	-	-	-	-	-	-	17,323,876
Engineering	347,418	-	-	-	-	-	-	-	-	-	347,418
Police	538,182	-	-	-	-	-	-	-	-	-	538,182
Parks and recreation	-	-	1,082,477	3,871,292	3,036,046	887,431	715,142	1,722,953	1,147,964	-	12,463,305
Transfers	100,000	850,000	-	-	-	-	-	-	-	-	950,000
TOTAL EXPENSES AND TRANSFERS OUT											
TRANSFERS OUT	18,693,885	13,516,162	1,082,477	3,871,292	3,036,046	887,431	715,142	1,722,953	1,147,964	860,000	45,533,352
EXPENSES AND TRANSFERS OUT - BY TYPE											
COGS	-	10,100,558	43,000	213,999	127,750	-	500	80,000	13,000	-	10,578,807
Personal services	2,606,912	1,571,457	390,214	1,527,038	1,096,083	167,983	495,225	843,093	694,952	115,000	9,507,957
Contractual services	8,171,626	532,863	176,200	451,600	813,100	163,750	105,925	357,300	190,600	745,000	11,707,964
Commodities	1,084,750	76,812	105,600	249,950	127,500	22,250	66,500	178,950	134,800	-	2,047,112
Internal services	788,400	282,972	33,588	144,024	95,484	17,448	40,992	75,360	69,612	-	1,547,880
Depreciation	5,415,000	101,500	316,500	1,020,000	660,000	516,000	6,000	188,250	45,000	-	8,268,250
Interest	527,197	-	17,375	264,681	116,129	-	-	-	-	-	925,382
Transfers	100,000	850,000	-	-	-	-	-	-	-	-	950,000
TOTAL EXPENSES AND TRANSFERS OUT											
TRANSFERS OUT	18,693,885	13,516,162	1,082,477	3,871,292	3,036,046	887,431	715,142	1,722,953	1,147,964	860,000	45,533,352
CHANGE IN NET POSITION											
POSITION	\$ 4,298,236	\$ 489,131	\$ (20,827)	\$ (346,464)	\$ (387,946)	\$ (470,431)	\$ 12,208	\$ (311,203)	\$ (127,964)	\$ 42,952	\$ 3,177,692

2020 Budget by Fund

GOVERNMENTAL FUNDS

	General Fund	HRA Fund	PACS Fund	CAS Fund	CDBG Fund	Police SR Fund	Braemar Memorial Fund	Arts & Culture Fund	Debt Service Fund	Construction Fund	Total
REVENUES AND OTHER FINANCING SOURCES											
Property tax levy	\$ 32,021,243	\$ 192,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,000	\$ 4,596,300	\$ 2,830,000	\$ 39,659,543
Tax increments	-	6,708,700	-	-	-	-	-	-	-	-	6,708,700
Franchise fees & other taxes	877,000	-	1,200,000	1,000,000	-	-	-	-	-	105,000	3,182,000
Special assessments	-	-	-	-	-	-	-	-	-	4,102,231	4,102,231
Licenses and permits	5,066,561	-	-	-	-	-	-	-	-	78,000	5,144,561
Intergovernmental	1,753,218	-	-	-	125,000	-	-	-	-	2,460,960	4,339,178
Charges for services	5,465,499	2,000	-	-	-	-	-	-	-	200,000	5,667,499
Fines and forfeitures	950,000	-	-	-	-	-	-	-	-	-	950,000
Investment income	150,000	235,058	1,060	5,190	-	5	2,007	485	8,000	225,000	626,805
Other revenue	475,700	-	-	7,000	-	172,061	2,500	2,500	-	-	659,761
Transfers	50,000	-	-	-	-	-	-	-	3,500,165	275,000	3,825,165
Debt issued	-	-	-	-	-	-	-	-	-	3,659,279	3,659,279
Other financing sources	90,375	1,900,000	-	-	-	-	-	-	-	-	1,990,375
TOTAL REVENUES AND OTHER FINANCING SOURCES	46,899,596	9,037,758	1,201,060	1,012,190	125,000	172,066	4,507	22,985	8,104,465	13,935,470	80,515,097
EXPENDITURES AND OTHER FINANCING USES - BY DEPARTMENT											
Administration	2,439,333	6,784,124	-	1,133,523	-	-	-	-	-	-	10,356,980
Communication & tech.	1,338,881	-	-	-	-	-	-	-	-	293,800	1,632,681
Human resources	1,288,736	-	-	-	-	-	-	-	-	-	1,288,736
Finance	1,180,227	-	-	-	-	-	-	-	-	500,000	1,680,227
Public works	6,852,480	-	-	-	-	-	-	-	-	1,932,056	8,784,536
Engineering	1,920,392	-	1,520,802	-	-	-	-	-	-	7,417,998	10,859,192
Police	13,947,203	-	-	-	-	96,585	-	-	-	499,000	14,542,788
Fire	10,171,998	-	-	-	-	-	-	-	-	1,411,432	11,583,430
Parks & recreation	5,846,867	-	-	-	-	-	-	14,600	-	267,325	6,128,792
Community development	1,913,479	-	-	-	125,000	-	-	-	-	190,000	2,228,479
Debt service	-	-	-	-	-	-	-	-	7,850,224	-	7,850,224
Transfers	-	-	-	-	-	-	-	-	-	3,500,165	3,500,165
TOTAL EXPENDITURES AND OTHER FINANCING USES	46,899,596	6,784,124	1,520,802	1,133,523	125,000	96,585	-	14,600	7,850,224	16,011,776	80,436,230
EXPENDITURES AND OTHER FINANCING USES - BY TYPE											
Personal services	33,018,357	182,624	115,642	158,035	-	-	-	-	-	100,702	33,575,360
Contractual services	6,736,208	1,638,000	75,000	103,000	125,000	89,085	-	14,000	-	294,826	9,075,119
Commodities	2,567,739	2,500	15,000	-	-	7,500	-	600	-	23,448	2,616,787
Internal services	4,577,292	-	7,200	7,488	-	-	-	-	-	780	4,592,760
Equipment	-	-	-	-	-	-	-	-	-	2,825,257	2,825,257
Capital outlay	-	4,961,000	1,307,960	865,000	-	-	-	-	-	9,266,598	16,400,558
Debt service	-	-	-	-	-	-	-	-	7,850,224	-	7,850,224
Transfers	-	-	-	-	-	-	-	-	-	3,500,165	3,500,165
TOTAL EXPENDITURES AND OTHER FINANCING USES	46,899,596	6,784,124	1,520,802	1,133,523	125,000	96,585	-	14,600	7,850,224	16,011,776	80,436,230
CHANGE IN FUND BALANCE											
	\$ -	\$ 2,253,634	\$ (319,742)	\$ (121,333)	\$ -	\$ 75,481	\$ 4,507	\$ 8,385	\$ 254,241	\$ (2,076,306)	\$ 78,867

2020 BUDGET BY FUND

PROPRIETARY FUNDS - ENTERPRISE

	Utilities Fund	Liquor Fund	Aquatic Center Fund	Golf Course Fund	Arena Fund	Sports Dome Fund	Art Center Fund	Edinborough Fund	Centennial Fund	Total
REVENUES AND TRANSFERS IN										
Operating revenues	\$ 25,899,589	\$ 13,863,059	\$ 1,027,298	\$ 4,044,256	\$ 2,552,877	\$ 472,169	\$ 502,934	\$ 1,396,982	\$ 822,031	\$ 50,581,195
Intergovernmental	72,600	-	-	-	-	-	-	-	-	72,600
Investment income	324,120	-	24,000	15,000	7,000	13,000	-	30,000	3,000	416,120
Other revenue	25,000	31,000	-	-	-	-	10,000	-	-	66,000
Transfers	-	-	-	-	300,000	-	225,000	-	100,000	625,000
TOTAL REVENUES AND TRANSFERS IN	26,321,309	13,894,059	1,051,298	4,059,256	2,859,877	485,169	737,934	1,426,982	925,031	51,760,915
EXPENSES AND TRANSFERS OUT - BY DEPARTMENT										
Administration	-	12,546,438	-	-	-	-	-	-	-	12,546,438
Finance	348,572	-	-	-	-	-	-	-	-	348,572
Public works	18,313,651	-	-	-	-	-	-	-	-	18,313,651
Engineering	511,830	-	-	-	-	-	-	-	-	511,830
Police	1,580,690	-	-	-	-	-	-	-	-	1,580,690
Parks and recreation	-	-	1,125,503	3,900,556	3,183,375	928,915	820,171	1,725,089	1,241,858	12,925,467
Transfers	100,000	850,000	-	-	-	-	-	-	-	950,000
TOTAL EXPENSES AND TRANSFERS OUT	20,854,743	13,396,438	1,125,503	3,900,556	3,183,375	928,915	820,171	1,725,089	1,241,858	47,176,648
EXPENSES AND TRANSFERS OUT - BY TYPE										
COGS	-	9,668,176	49,474	129,706	114,591	-	500	81,618	9,795	10,053,860
Personal services	2,816,212	1,787,593	448,414	1,609,379	1,046,441	167,393	558,764	842,040	712,011	9,988,247
Contractual services	9,319,578	649,568	211,887	460,450	983,521	190,900	109,545	384,380	200,888	12,510,717
Commodities	1,157,000	55,050	75,600	274,000	106,112	22,000	76,500	144,700	124,395	2,035,357
Internal services	1,335,322	289,551	39,236	220,690	192,950	32,622	68,862	131,851	102,769	2,413,853
Depreciation	5,451,000	96,500	286,500	960,000	660,000	516,000	6,000	140,500	92,000	8,208,500
Interest	675,631	-	14,392	246,331	79,760	-	-	-	-	1,016,114
Transfers	100,000	850,000	-	-	-	-	-	-	-	950,000
TOTAL EXPENSES AND TRANSFERS OUT	20,854,743	13,396,438	1,125,503	3,900,556	3,183,375	928,915	820,171	1,725,089	1,241,858	47,176,648
CHANGE IN NET POSITION										
	\$ 5,466,566	\$ 497,621	\$ (74,205)	\$ 158,700	\$ (323,498)	\$ (443,746)	\$ (82,237)	\$ (298,107)	\$ (316,827)	\$ 4,584,267

2020 BUDGET BY FUND

PROPRIETARY FUNDS - INTERNAL SERVICE

	Risk Management Fund	Equipment Operations Fund	Information Technology Fund	Facilities Management Fund	Total
REVENUES AND TRANSFERS IN					
Operating revenues	\$ 971,484	\$ 1,906,716	\$ 1,740,300	\$ 1,223,964	\$ 5,842,464
TOTAL REVENUES AND TRANSFERS IN	<u>971,484</u>	<u>1,906,716</u>	<u>1,740,300</u>	<u>1,223,964</u>	<u>5,842,464</u>
EXPENSES AND TRANSFERS OUT - BY DEPARTMENT					
Communication & tech.	-	-	1,699,463	-	1,699,463
Human resources	1,091,461	-	-	-	1,091,461
Public works	-	1,860,222	-	1,194,107	3,054,329
TOTAL EXPENSES AND TRANSFERS OUT	<u>1,091,461</u>	<u>1,860,222</u>	<u>1,699,463</u>	<u>1,194,107</u>	<u>5,845,253</u>
EXPENSES AND TRANSFERS OUT - BY TYPE					
Personal services	199,961	705,122	830,613	428,107	2,163,803
Contractual services	891,500	187,000	709,850	574,000	2,362,350
Commodities	-	968,100	159,000	192,000	1,319,100
TOTAL EXPENSES AND TRANSFERS OUT	<u>1,091,461</u>	<u>1,860,222</u>	<u>1,699,463</u>	<u>1,194,107</u>	<u>5,845,253</u>
CHANGE IN NET POSITION	<u>\$ (119,977)</u>	<u>\$ 46,494</u>	<u>\$ 40,837</u>	<u>\$ 29,857</u>	<u>\$ (2,789)</u>

2021 Budget by Fund

GOVERNMENTAL FUNDS

	General Fund	HRA Fund	PACS Fund	CAS Fund	CDBG Fund	Police SR Fund	Braemar Memorial Fund	Arts & Culture Fund	Debt Service Fund	Construction Fund	Total
REVENUES AND OTHER FINANCING SOURCES											
Property tax levy	\$ 33,986,471	\$ 230,400	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,000	\$ 3,651,400	\$ 4,130,000	\$ 42,018,271
Tax increments	-	7,969,700	-	-	-	-	-	-	-	-	7,969,700
Franchise fees & other taxes	877,000	-	1,200,000	1,000,000	-	-	-	-	-	105,000	3,182,000
Special assessments	-	-	-	-	-	-	-	-	-	4,281,222	4,281,222
Licenses and permits	5,179,514	-	-	-	-	-	-	-	-	79,000	5,258,514
Intergovernmental	1,753,218	-	-	-	125,000	-	-	-	-	950,000	2,828,218
Charges for services	5,434,930	2,000	-	-	-	-	-	-	-	200,000	5,636,930
Fines and forfeitures	950,000	-	-	-	-	-	-	-	-	-	950,000
Investment income	150,000	235,058	1,060	5,190	-	5	2,007	485	8,000	225,000	626,805
Other revenue	476,700	-	-	7,000	-	172,061	2,500	2,500	-	-	660,761
Transfers	50,000	-	-	-	-	-	-	-	2,955,444	250,000	3,255,444
Debt issued	-	-	-	-	-	-	-	-	-	3,144,387	3,144,387
Other financing sources	28,135	-	-	-	-	-	-	-	-	-	28,135
TOTAL REVENUES AND OTHER FINANCING SOURCES	48,885,968	8,437,158	1,201,060	1,012,190	125,000	172,066	4,507	22,985	6,614,844	13,364,609	79,840,387
EXPENDITURES AND OTHER FINANCING USES - BY DEPARTMENT											
Administration	2,379,841	6,265,853	-	896,453	-	-	-	-	-	-	9,542,147
Communication & tech.	1,404,409	-	-	-	-	-	-	-	-	91,000	1,495,409
Human resources	1,317,285	-	-	-	-	-	-	-	-	-	1,317,285
Finance	1,220,537	-	-	-	-	-	-	-	-	-	1,220,537
Public works	7,040,222	-	-	-	-	-	-	-	-	1,406,724	8,446,946
Engineering	1,995,995	-	1,142,287	-	-	-	-	-	-	5,102,516	8,240,798
Police	14,712,978	-	-	-	-	147,882	-	-	-	1,271,450	16,132,310
Fire	10,642,843	-	-	-	-	-	-	-	-	110,000	10,752,843
Parks & recreation	6,134,968	-	-	-	-	-	14,600	-	-	93,000	6,242,568
Community development	2,036,890	-	-	-	125,000	-	-	-	-	-	2,161,890
Debt service	-	-	-	-	-	-	-	-	7,287,877	-	7,287,877
Transfers	-	-	-	-	-	-	-	-	-	2,955,444	2,955,444
TOTAL EXPENDITURES AND OTHER FINANCING USES	48,885,968	6,265,853	1,142,287	896,453	125,000	147,882	-	14,600	7,287,877	11,030,134	75,796,054
EXPENDITURES AND OTHER FINANCING USES - BY TYPE											
Personal services	34,263,697	190,353	120,202	165,109	-	-	-	-	-	104,740	34,844,101
Contractual services	7,183,342	1,363,000	75,000	123,100	125,000	92,882	-	14,000	-	303,671	9,279,995
Commodities	2,588,433	2,500	15,000	-	-	7,500	-	600	-	24,151	2,638,184
Internal services	4,850,496	-	7,860	8,244	-	-	-	-	-	1,152	4,867,752
Equipment	-	-	-	-	-	47,500	-	-	-	2,448,460	2,495,960
Capital outlay	-	4,710,000	924,225	600,000	-	-	-	-	-	5,192,516	11,426,741
Debt service	-	-	-	-	-	-	-	-	7,287,877	-	7,287,877
Transfers	-	-	-	-	-	-	-	-	-	2,955,444	2,955,444
TOTAL EXPENDITURES AND OTHER FINANCING USES	48,885,968	6,265,853	1,142,287	896,453	125,000	147,882	-	14,600	7,287,877	11,030,134	75,796,054
CHANGE IN FUND BALANCE											
	\$ -	\$ 2,171,305	\$ 58,773	\$ 115,737	\$ -	\$ 24,184	\$ 4,507	\$ 8,385	\$ (673,033)	\$ 2,334,475	\$ 4,044,333

2021 BUDGET BY FUND

PROPRIETARY FUNDS - ENTERPRISE

	Utilities Fund	Liquor Fund	Aquatic Center Fund	Golf Course Fund	Arena Fund	Sports Dome Fund	Art Center Fund	Edinborough Fund	Centennial Fund	Total
REVENUES AND TRANSFERS IN										
Operating revenues	\$ 27,537,195	\$ 14,076,681	\$ 1,040,875	\$ 4,044,256	2,556,942	\$ 472,169	\$ 502,934	\$ 1,402,819	\$ 829,031	\$ 52,462,902
Intergovernmental	60,000	-	-	-	-	-	-	-	-	60,000
Investment income	324,120	-	26,000	15,000	7,000	14,000	-	27,000	-	413,120
Other revenue	25,000	31,000	-	-	-	-	10,000	-	-	66,000
Transfers	-	-	-	-	300,000	-	250,000	-	100,000	650,000
TOTAL REVENUES AND TRANSFERS IN	<u>27,946,315</u>	<u>14,107,681</u>	<u>1,066,875</u>	<u>4,059,256</u>	<u>2,863,942</u>	<u>486,169</u>	<u>762,934</u>	<u>1,429,819</u>	<u>929,031</u>	<u>53,652,022</u>
EXPENSES AND TRANSFERS OUT - BY DEPARTMENT										
Administration	-	12,803,915	-	-	-	-	-	-	-	12,803,915
Finance	354,691	-	-	-	-	-	-	-	-	354,691
Public works	19,256,716	-	-	-	-	-	-	-	-	19,256,716
Engineering	517,811	-	-	-	-	-	-	-	-	517,811
Police	1,611,133	-	-	-	-	-	-	-	-	1,611,133
Parks and recreation	-	-	1,148,810	3,975,089	3,241,415	938,447	847,772	1,776,012	1,281,458	13,209,003
Transfers	100,000	850,000	-	-	-	-	-	-	-	950,000
TOTAL EXPENSES AND TRANSFERS OUT	<u>21,840,351</u>	<u>13,653,915</u>	<u>1,148,810</u>	<u>3,975,089</u>	<u>3,241,415</u>	<u>938,447</u>	<u>847,772</u>	<u>1,776,012</u>	<u>1,281,458</u>	<u>48,703,269</u>
EXPENSES AND TRANSFERS OUT - BY TYPE										
COGS	-	9,833,185	49,474	129,706	114,591	-	500	81,618	9,795	10,218,869
Personal services	3,043,658	1,855,852	464,478	1,671,452	1,086,231	173,828	579,389	874,981	739,518	10,489,387
Contractual services	9,647,622	650,603	217,768	465,450	983,521	190,900	109,545	384,380	200,888	12,850,677
Commodities	1,177,100	55,050	77,100	274,000	106,112	22,000	76,500	144,700	126,200	2,058,762
Internal services	1,387,235	312,725	44,281	242,329	212,718	35,719	75,838	144,833	113,057	2,568,735
Depreciation	5,696,000	96,500	284,500	965,000	665,000	516,000	6,000	145,500	92,000	8,466,500
Interest	788,736	-	11,209	227,152	73,242	-	-	-	-	1,100,339
Transfers	100,000	850,000	-	-	-	-	-	-	-	950,000
TOTAL EXPENSES AND TRANSFERS OUT	<u>21,840,351</u>	<u>13,653,915</u>	<u>1,148,810</u>	<u>3,975,089</u>	<u>3,241,415</u>	<u>938,447</u>	<u>847,772</u>	<u>1,776,012</u>	<u>1,281,458</u>	<u>48,703,269</u>
CHANGE IN NET POSITION										
POSITION	<u>\$ 6,105,964</u>	<u>\$ 453,766</u>	<u>\$ (81,935)</u>	<u>\$ 84,167</u>	<u>(377,473)</u>	<u>\$ (452,278)</u>	<u>\$ (84,838)</u>	<u>\$ (346,193)</u>	<u>\$ (352,427)</u>	<u>\$ 4,948,753</u>

2021 BUDGET BY FUND

PROPRIETARY FUNDS - INTERNAL SERVICE

	Risk Management Fund	Equipment Operations Fund	Information Technology Fund	Facilities Management Fund	Total
REVENUES AND TRANSFERS IN					
Operating revenues	\$ 1,096,188	\$ 1,958,868	\$ 1,819,860	\$ 1,358,232	\$ 6,233,148
TOTAL REVENUES AND TRANSFERS IN	<u>1,096,188</u>	<u>1,958,868</u>	<u>1,819,860</u>	<u>1,358,232</u>	<u>6,233,148</u>
EXPENSES AND TRANSFERS OUT - BY DEPARTMENT					
Communication & tech.	-	-	1,777,106	-	1,777,106
Human resources	1,096,173	-	-	-	1,096,173
Public works	-	1,911,066	-	1,325,127	3,236,193
TOTAL EXPENSES AND TRANSFERS OUT	<u>1,096,173</u>	<u>1,911,066</u>	<u>1,777,106</u>	<u>1,325,127</u>	<u>6,109,472</u>
EXPENSES AND TRANSFERS OUT - BY TYPE					
Personal services	204,673	733,191	891,256	546,127	2,375,247
Contractual services	891,500	188,600	720,850	581,500	2,382,450
Commodities	-	989,275	165,000	197,500	1,351,775
TOTAL EXPENSES AND TRANSFERS OUT	<u>1,096,173</u>	<u>1,911,066</u>	<u>1,777,106</u>	<u>1,325,127</u>	<u>6,109,472</u>
CHANGE IN NET POSITION					
	\$ 15	\$ 47,802	\$ 42,754	\$ 33,105	\$ 123,676

Transfers

TRANSFERS

Interfund transfers allow the City to reallocate assets to the funds where those assets can be used to achieve desired outcomes. In Edina, excess income generated by the three municipal liquor stores has historically been transferred to other funds and reinvested in the community. This tradition is expected to continue through 2021, as shown on the next two pages.

	<u>2020 Transfer Out:</u>			
	<u>Construction</u>	<u>Utilities</u>	<u>Liquor</u>	<u>Total</u>
2020 Transfer in:				
General Fund	\$ -	\$ -	\$ 50,000	\$ 50,000
Construction	-	100,000	175,000	275,000
Debt Service	3,500,165	-	-	3,500,165
Arena	-	-	300,000	300,000
Art Center	-	-	225,000	225,000
Centennial Lakes	-	-	100,000	100,000
Total	<u>\$ 3,500,165</u>	<u>\$ 100,000</u>	<u>\$ 850,000</u>	<u>\$ 4,450,165</u>

Budgeted transfers in 2020 include:

1. \$3,500,165 in total transfers out of the Construction Fund to the Debt Service Fund to provide financing for principal and interest payments for special assessment bonds and equipment certificates.
2. \$850,000 in total transfers from the Liquor Fund to the General Fund, Construction Fund, and to various park enterprise funds, to help finance the operation of these funds.
3. \$100,000 transfer from the Utilities Fund to the Construction Fund.

TRANSFERS

	2021 Transfer Out:			
	<u>Construction</u>	<u>Utilities</u>	<u>Liquor</u>	<u>Total</u>
2021 Transfer in:				
General Fund	\$ -	\$ -	\$ 50,000	\$ 50,000
Construction	-	100,000	150,000	250,000
Debt Service	2,955,444	-	-	2,955,444
Arena	-	-	300,000	300,000
Art Center	-	-	250,000	250,000
Centennial Lakes	-	-	100,000	100,000
Total	<u>\$ 2,955,444</u>	<u>\$ 100,000</u>	<u>\$ 850,000</u>	<u>\$ 3,905,444</u>

Budgeted transfers in 2021 include:

1. \$2,955,444 in total transfers out of the Construction Fund to the Debt Service Fund to provide financing for principal and interest payments for special assessment bonds and equipment certificates.
2. \$850,000 in total transfers from the Liquor Fund to the General Fund, Construction Fund, and to various park enterprise funds, to help finance the basic operating purposes of these funds.
3. \$100,000 transfer from the Utilities Fund to the Construction Fund.

In addition to budgeted transfers, the City Council will periodically authorize interfund transfers mid-year. The most common example of this is when the General Fund has an unassigned fund balance at year-end, according to the Fund Balance Policy. Typically, this amount is known when the annual audit is finished around June, and the process to reach a decision on where to allocate this money starts then. The Fund Balance Policy also states that, to the extent possible, such excess funds should be transferred to the Construction Fund to support capital improvements and equipment.

As of December 31, 2018, the City had \$2,708,564 in surplus funds in the General Fund according to the Fund Balance Policy. During 2019, the City Council decided to allocate \$2,458,564 of this excess to the Construction Fund for future projects.



Centennial Lakes Park

Projected Changes in Fund Balance — All Funds

Fund balance refers to the difference between assets and liabilities for governmental funds. Since all related assets and liabilities are not reported for governmental funds, fund balance is considered more of a liquidity measure than a net worth measure. Credit rating agencies monitor fund balance levels and consider fund balance when determining the City's creditworthiness.

GASB 54 defines five different classifications that the City may use to disclose constraints for how these amounts can be spent. These classifications are as follows:

- ◆ Nonspendable – Amounts that cannot be spent, such as prepaid items, inventory, and other long-term assets.
- ◆ Restricted – Amounts subject to externally imposed constraints established by creditors, grantors, contributors, or law.
- ◆ Committed – Constrained by formal internal action, such as City Council resolution.
- ◆ Assigned – Internally imposed constraints that do not meet the definition of Restricted or Committed.
- ◆ Unassigned – Available to spend.

The schedule on the next page show fund balance and net position trends for all of the City's funds. The first year of balances and activity shown represent actual amounts from the most recently completed annual audit. The second year of balances and activity shown are projections compiled by City staff for the uncompleted balance of the current fiscal year (the year this budget was written). The third and fourth years of balances and activity shown are continued projections based on the annual revenue and expenditure/expense budgets contained in this document.



Minnesota Task Force 1 Structural Collapse Rescue Team

PROJECTED CHANGES IN FUND BALANCE—ALL FUNDS

FUND BALANCE—GOVERNMENTAL FUNDS

Fund	Year	Revenues and Expenditures			Fund Balance December 31	\$ Increase/ (Decrease)	% Increase/ (Decrease)	Reason for Increase/(Decrease) > 10%
		Fund Balance January 1	other financing sources	and other financing uses				
General Fund	2018	18,369,854	44,113,286	42,603,415	19,879,725	1,509,871	8.2%	
	2019	19,879,725	43,202,855	43,128,745	19,953,835	74,110	0.4%	
	2020	19,953,835	46,899,596	46,899,596	19,953,835	-	0.0%	
	2021	19,953,835	46,899,596	46,899,596	19,953,835	-	0.0%	
Housing and Redevelopment Authority (HRA)	2018	13,447,196	11,472,263	11,823,714	13,095,745	(351,451)	(2.6%)	
	2019	13,095,745	6,278,200	6,209,725	13,164,220	68,475	0.5%	
	2020	13,164,220	9,037,758	6,784,124	15,417,854	2,253,634	17.1% Revenue collected for future projects	
	2021	15,417,854	8,437,158	6,265,853	17,589,159	2,171,305	14.1% Revenue collected for future projects	
Pedestrian and Cyclist Safety (PACS)	2018	23,765	1,422,069	1,058,632	387,202	363,437	1529.3% Revenue collected for future projects	
	2019	387,202	1,200,000	1,540,590	46,612	(340,590)	(88.0%) Projects detailed in 2019-2023 CIP	
	2020	46,612	1,201,060	1,520,802	(273,130)	(319,742)	(686.0%) Projects detailed in 2019-2023 CIP	
	2021	(273,130)	1,201,060	1,142,287	(214,357)	58,773	0.0%	
Conservation and Sustainability (CAS)	2018	246,922	479,584	266,192	460,314	213,392	86.4% Building fund balance for cash flow purposes	
	2019	460,314	1,005,000	1,753,970	(288,656)	(748,970)	(162.7%) Projects detailed in 2019-2023 CIP	
	2020	(288,656)	1,012,190	1,133,523	(409,989)	(121,333)	0.0%	
	2021	(409,989)	1,012,190	896,453	(294,252)	115,737	0.0%	
Community Development Block Grant (CDBG)	2018	-	123,454	123,454	-	-	0.0%	
	2019	-	125,000	125,000	-	-	0.0%	
	2020	-	125,000	125,000	-	-	0.0%	
	2021	-	125,000	125,000	-	-	0.0%	
Police Special Revenue	2018	583,959	192,453	130,476	645,936	61,977	10.6% External restrictions on spending	
	2019	645,936	167,065	83,200	729,801	83,865	13.0% External restrictions on spending	
	2020	729,801	172,066	96,585	805,282	75,481	10.3% External restrictions on spending	
	2021	805,282	172,066	147,882	829,466	24,184	3.0%	
Braemar Memorial	2018	130,933	3,992	-	134,925	3,992	3.0%	
	2019	134,925	5,200	40,000	100,125	(34,800)	(25.8%) Projects detailed in 2019-2023 CIP	
	2020	100,125	4,507	-	104,632	4,507	4.5%	
	2021	104,632	4,507	-	109,139	4,507	4.3%	
Arts & Culture	2018	20,781	23,012	12,656	31,137	10,356	49.8% Building fund balance for cash flow purposes	
	2019	31,137	25,225	15,850	40,512	9,375	30.1% Building fund balance for cash flow purposes	
	2020	40,512	22,985	14,600	48,897	8,385	20.7% Building fund balance for cash flow purposes	
	2021	48,897	22,985	14,600	57,282	8,385	17.1% Building fund balance for cash flow purposes	
Debt Service	2018	17,000,806	7,974,015	17,102,963	7,871,858	(9,128,948)	(53.7%) Refunding bonds sold in 2017 for 2018 call	
	2019	7,871,858	8,229,544	7,674,510	8,426,892	555,034	7.1%	
	2020	8,426,892	8,104,465	7,850,224	8,681,133	254,241	3.0%	
	2021	8,681,133	6,614,844	7,287,877	8,008,100	(673,033)	(7.8%)	
Construction	2018	15,710,621	15,680,416	11,664,694	19,726,343	4,015,722	25.6% Assessments collections from prior year projects	
	2019	19,726,343	14,492,234	17,381,886	16,836,691	(2,889,652)	(14.6%) Projects detailed in 2019-2023 CIP	
	2020	16,836,691	13,935,470	16,011,776	14,760,385	(2,076,306)	(12.3%) Projects detailed in 2019-2023 CIP	
	2021	14,760,385	13,364,609	11,030,134	17,094,860	2,334,475	15.8% Assessments collections from prior year projects	

PROJECTED CHANGES IN FUND BALANCE—ALL FUNDS

NET POSITION—PROPRIETARY FUNDS

Net position refers to the difference between assets and liabilities for proprietary funds. Since proprietary funds report more assets and liabilities than governmental funds, net position is a more accurate measure of net worth. Credit rating agencies also consider fund net position when determining the City's creditworthiness. Net position is displayed in three classifications:

- ◆ Net investment in capital assets – Capital assets less accumulated depreciation and debt, which cannot be spent because the asset is not liquid.
- ◆ Restricted – Amounts subject to externally imposed constraints established by creditors, grantors, contributors, or law.
- ◆ Unrestricted – Available to spend or allocate.



PROJECTED CHANGES IN FUND BALANCE—ALL FUNDS

NET POSITION—PROPRIETARY FUNDS

Fund	Year	Net Position January 1	Revenues and Expenses and		Net Position December 31	\$ Increase/ (Decrease)	% Increase/ (Decrease)	Reason for Increase/(Decrease) > 10%
			other financing sources	other financing uses				
Utilities	2018	81,300,438	23,570,188	18,314,327	86,556,299	5,255,861	6.5%	
	2019	86,556,299	24,168,400	18,860,212	91,864,487	5,308,188	6.1%	
	2020	91,864,487	26,321,309	20,854,743	97,331,053	5,466,566	6.0%	
	2021	97,331,053	27,946,315	21,840,351	103,437,017	6,105,964	6.3%	
Liquor	2018	2,491,735	13,427,906	12,795,159	3,124,482	632,747	25.4%	Profitable operations
	2019	3,124,482	13,407,707	13,040,224	3,491,965	367,483	11.8%	Profitable operations
	2020	3,491,965	13,894,059	13,396,438	3,989,586	497,621	14.3%	Profitable operations
	2021	3,989,586	14,107,681	13,653,915	4,443,352	453,766	11.4%	Profitable operations
Aquatic Center	2018	3,073,590	1,040,453	996,671	3,117,372	43,782	1.4%	
	2019	3,117,372	1,039,650	1,092,477	3,064,545	(52,827)	(1.7%)	
	2020	3,064,545	1,051,298	1,125,503	2,990,340	(74,205)	(2.4%)	
	2021	2,990,340	1,066,875	1,148,810	2,908,405	(81,935)	(2.7%)	
Golf Course	2018	2,967,361	1,595,840	2,474,065	2,089,136	(878,225)	(29.6%)	Course renovation
	2019	2,089,136	3,260,973	3,683,112	1,666,997	(422,139)	(20.2%)	Course renovation
	2020	1,666,997	4,059,256	3,900,556	1,825,697	158,700	9.5%	
	2021	1,825,697	4,059,256	3,975,089	1,909,864	84,167	4.6%	
Arena	2018	4,791,617	2,958,008	2,996,844	4,752,781	(38,836)	(0.8%)	
	2019	4,752,781	2,763,100	3,005,107	4,510,774	(242,007)	(5.1%)	
	2020	4,510,774	2,859,877	3,183,375	4,187,276	(323,498)	(7.2%)	
	2021	4,187,276	2,863,942	3,241,415	3,809,803	(377,473)	(9.0%)	
Sports Dome	2018	8,419,417	465,740	886,445	7,998,712	(420,705)	(5.0%)	
	2019	7,998,712	417,000	887,431	7,528,281	(470,431)	(5.9%)	
	2020	7,528,281	485,169	928,915	7,084,535	(443,746)	(5.9%)	
	2021	7,084,535	486,169	938,447	6,632,257	(452,278)	(6.4%)	
Art Center	2018	(114,864)	681,522	620,397	(53,739)	61,125	0.0%	
	2019	(53,739)	727,350	807,164	(133,553)	(79,814)	0.0%	
	2020	(133,553)	737,934	820,171	(215,790)	(82,237)	0.0%	
	2021	(215,790)	762,934	847,772	(300,628)	(84,838)	0.0%	
Edinborough Park	2018	2,590,724	1,494,322	1,545,158	2,539,888	(50,836)	(2.0%)	
	2019	2,539,888	1,390,750	1,675,203	2,255,435	(284,453)	(11.2%)	Planned use of unrestricted investments
	2020	2,255,435	1,426,982	1,725,089	1,957,328	(298,107)	(13.2%)	Planned use of unrestricted investments
	2021	1,957,328	1,429,819	1,776,012	1,611,135	(346,193)	(17.7%)	Planned use of unrestricted investments
Centennial Lakes	2018	553,934	1,067,687	1,119,452	502,169	(51,765)	(9.3%)	
	2019	502,169	1,020,000	1,164,964	357,205	(144,964)	(28.9%)	Planned use of unrestricted investments
	2020	357,205	925,031	1,241,858	40,378	(316,827)	(88.7%)	Planned use of unrestricted investments
	2021	40,378	929,031	1,281,458	(312,049)	(352,427)	(872.8%)	Planned use of unrestricted investments
Risk Management	2018	549,602	1,619,663	742,670	1,426,595	876,993	159.6%	Unanticipated revenue received
	2019	1,426,595	902,952	905,835	1,423,712	(2,883)	(0.2%)	
	2020	1,423,712	971,484	1,091,461	1,303,735	(119,977)	(8.4%)	
	2021	1,303,735	1,096,188	1,096,173	1,303,750	15	0.0%	
Equipment Operations	2020	-	1,906,716	1,860,222	46,494	46,494	0.0%	Fund established in 2020
	2021	46,494	1,958,868	1,911,066	94,296	47,802	102.8%	Building fund balance for budget overages
Information Technology	2020	-	1,740,300	1,699,463	40,837	40,837	0.0%	Fund established in 2020
	2021	40,837	1,819,860	1,777,106	83,591	42,754	104.7%	Building fund balance for budget overages
Facilities Management	2020	-	1,223,964	1,194,107	29,857	29,857	0.0%	Fund established in 2020
	2021	29,857	1,358,232	1,325,127	62,962	33,105	110.9%	Building fund balance for budget overages



2020-2021
Budget

Departments

CITY GOALS:

Strong Foundation

Livable City

Reliable Service

Better Together





ADMINISTRATION DEPARTMENT

Lisa Schaefer, Assistant City Manager

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952-826-0416



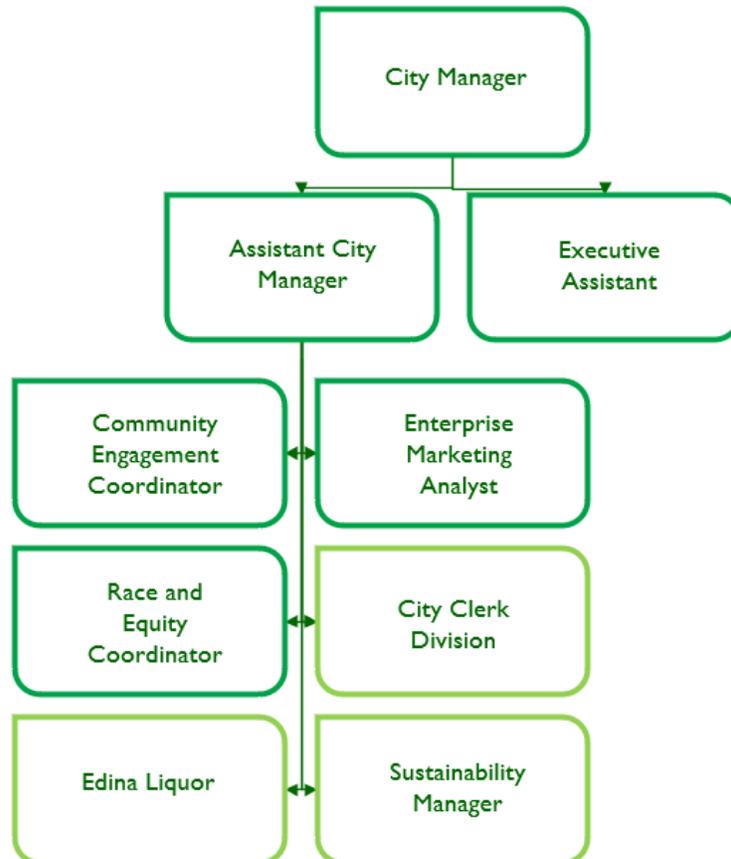
DEPARTMENT OVERVIEW

The Administration Department supports the work of the City Council and leads initiatives with city-wide impacts including strategic planning, performance management and measurement, boards and commissions, community engagement, race and equity, sustainability and promotion of intergovernmental partnerships. The Department provides staff support to the City’s Energy & Environment Commission and Human Rights & Relations Commission.

MAJOR SERVICE AREAS

- ◆ City Council support
- ◆ Advisory Boards and Commissions
- ◆ Elections administration
- ◆ Legal services
- ◆ Edina Liquor
- ◆ Records management
- ◆ Strategic planning
- ◆ Sustainability
- ◆ Community engagement
- ◆ Race and equity
- ◆ Intergovernmental partnerships

DEPARTMENT ORGANIZATIONAL CHART



ADMINISTRATION DEPARTMENT

2020-2021 DEPARTMENT GOALS

- ◆ Develop measurable city-wide/department racial equity goals and incorporate racial equity tools and resources into decision-making processes.
- ◆ Evaluate board, commission and task force administrative processes and make changes to onboarding, training and work plan processes.
- ◆ Support a new Racial Equity Advancement Team through equity development tools and resources.

2018-2019 DEPARTMENT ACCOMPLISHMENTS

- ◆ Supported the completion of the Race & Equity Task Force and developed an implementation plan. Hired a Race & Equity Coordinator.
- ◆ Increased profits from Liquor Store Operations to fund recreation enterprises and capital projects. Total profit for 2018 was \$1.4 Million.
- ◆ Developed community engagement plans using training from the International Association of Public Participation. Piloted the engagement plan with the 58th Street reconstruction project design.

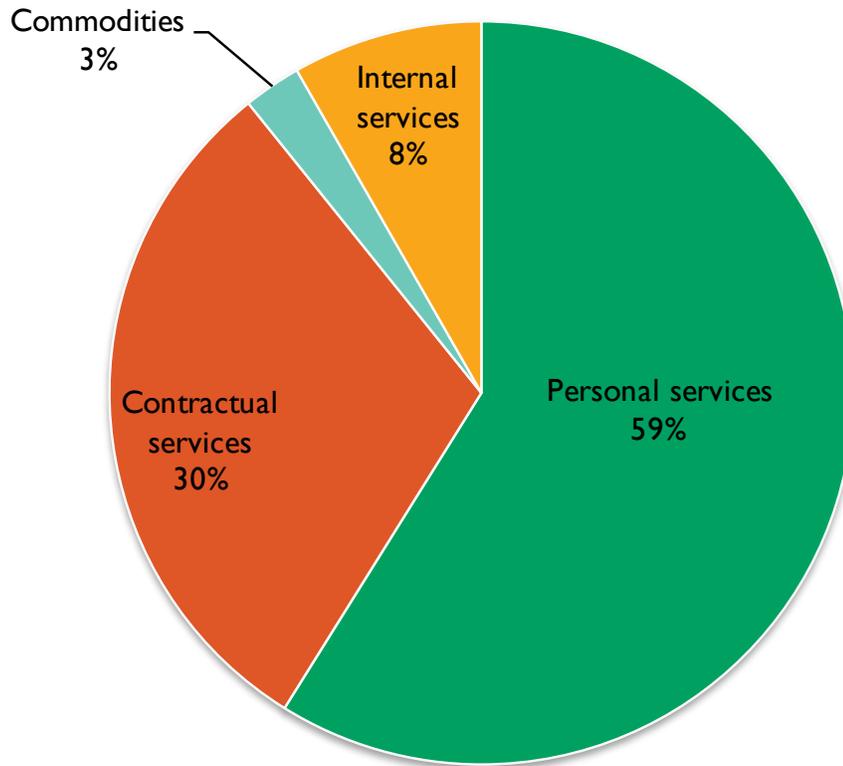
PERFORMANCE MEASURES	2017	2018	2019
Percentage of residents who felt they could have a say about the way things are run in the community in the Quality of Life Survey	69%	No Survey	68%
Percentage of resident who favorably rated the City's ability to treat all resident fairly in the Quality of Life Survey	69%	No Survey	70%



ADMINISTRATION DEPARTMENT

EXPENDITURES

Administration Expenditures by Type



Administration Expenditures						
	2017 Actual	2018 Actual	2019 Estimate	2019 Budget	2020 Budget	2021 Budget
General Fund						
Personal services	\$ 690,758	\$ 714,133	\$ 699,852	\$ 699,852	\$ 893,304	\$ 927,654
Contractual services	329,012	360,772	386,283	386,283	458,318	463,289
Commodities	31,694	29,737	34,000	34,000	34,000	33,950
Internal services	85,752	103,820	106,752	106,752	119,088	127,116
Total	<u>\$ 1,137,216</u>	<u>\$ 1,208,462</u>	<u>\$ 1,226,887</u>	<u>\$ 1,226,887</u>	<u>\$ 1,504,710</u>	<u>\$ 1,552,009</u>

*For comparative purposes previous year figures may be adjusted to reflect realigned responsibilities.

ADMINISTRATION DEPARTMENT

City Clerk

DIVISION OVERVIEW

The City Clerk Division is responsible for preparing meeting agendas and minutes for City Council meetings; maintaining official records and City Code; issuing business and liquor licenses; administering elections, including school board; and records and data practices management.



2020-2021 DIVISION GOALS

- ◆ Implement election software to manage Election Judges' training and scheduling.
- ◆ Conduct a fair and impartial presidential election in 2020 including administering the first presidential primary.
- ◆ Provide accurate information to the public in a prompt and efficient manner.
- ◆ Continue conversion to digitized records.

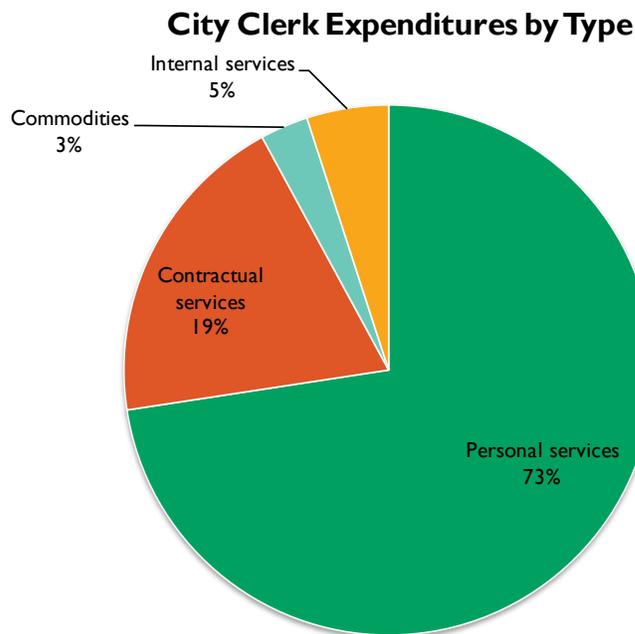
2018-2019 DIVISION ACCOMPLISHMENTS

- ◆ Expanded the electronic records archives.
- ◆ Administered a General Election in 2018 and a school board election in 2019.

ADMINISTRATION DEPARTMENT—CITY CLERK DIVISION

PERFORMANCE MEASURES	2017	2018	2019
Number of business license issued per year	531	577	600
Percent of registered voters voting in elections (elections vary by year of federal, state and local races on the ballot)	40%	84%	38%

EXPENDITURES



City Clerk Expenditures						
	2017	2018	2019	2019	2020	2021
	Actual	Actual	Estimate	Budget	Budget	Budget
General Fund						
Personal services	\$ 247,650	\$ 356,408	\$ 274,490	\$ 274,490	\$ 380,135	\$ 286,408
Contractual services	58,986	65,508	92,770	92,770	91,020	87,220
Commodities	4,735	24,415	11,500	11,500	16,100	5,300
Internal services	17,107	20,387	20,760	20,760	22,368	23,904
Total	\$ 328,478	\$ 466,718	\$ 399,520	\$ 399,520	\$ 509,623	\$ 402,832

*For comparative purposes previous year figures may be adjusted to reflect realigned responsibilities.

ADMINISTRATION DEPARTMENT

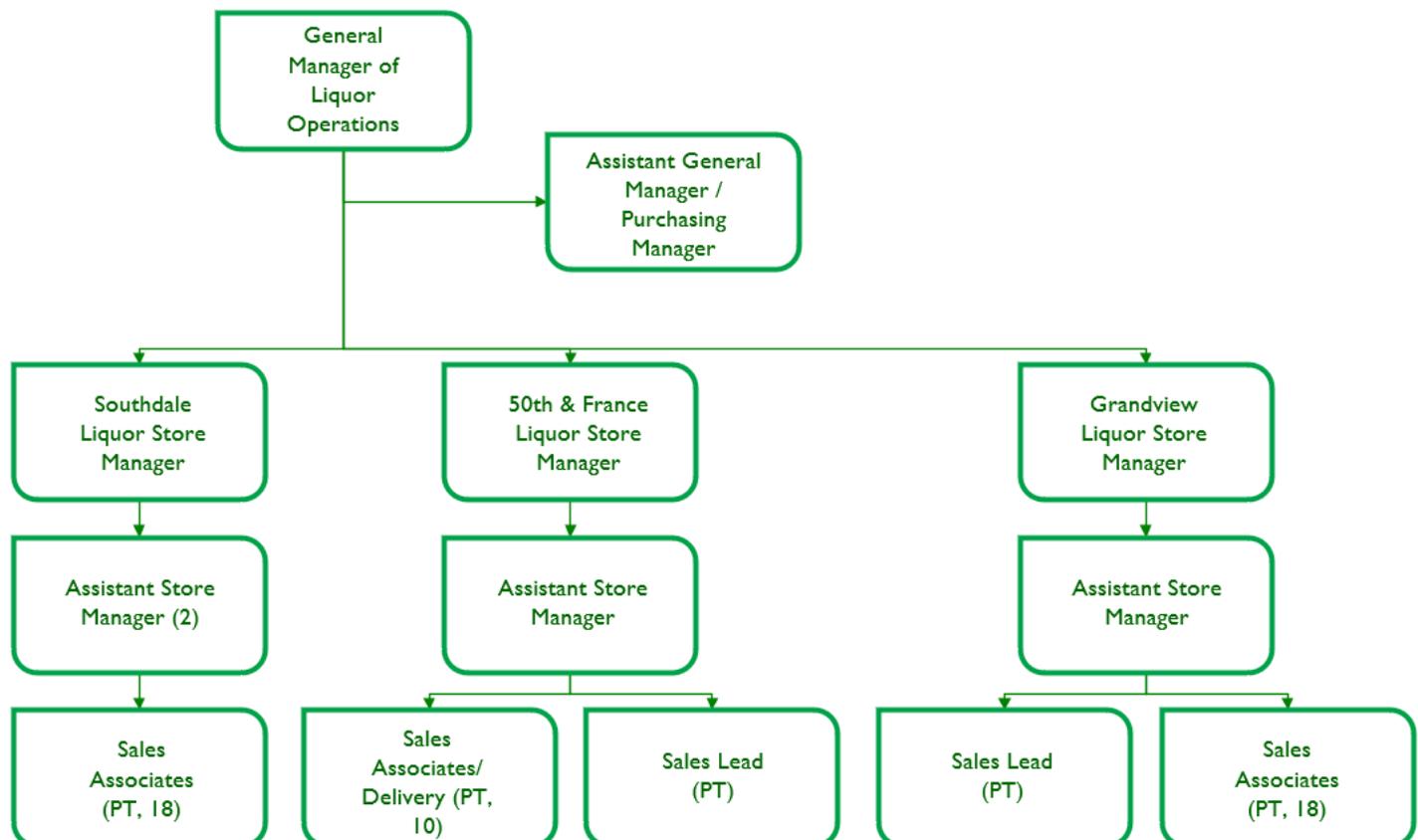
Edina Liquor

DIVISION OVERVIEW

The City operates three municipal stores. The liquor stores provide an exceptional service experience to customers. Profits from the municipal liquor operation are first used to subsidize the City's recreation enterprises, including Braemar Arena, Centennial Lakes Park, and the Edina Art Center. Additional profit can be transferred to the City's Capital Improvement Plan. Since its opening in 1948, it is estimated that Edina Liquor has generated revenue well over \$25M that has been used for property tax relief and investment in public infrastructure. Edina continues to be one of the top-performing municipal operations in Minnesota. The four guiding objectives for Edina liquor are:

1. Edina Liquor will consistently provide funding to subsidize the City's recreation enterprises and contribute to the City's Capital Improvement Plan.
2. Edina Liquor will consistently provide the best customer service experience in the metro area.
3. Edina Liquor will control the sale of alcohol to ensure that sales are not made to minors or other individuals as provided by law.
4. Edina Liquor will increase accountability to City Council, shareholders, and customers.

DIVISION ORGANIZATIONAL CHART



ADMINISTRATION DEPARTMENT— EDINA LIQUOR DIVISION

2020-2021 DIVISION GOALS

- ◆ Conduct a liquor store locations study.
- ◆ Expand customer loyalty program.
- ◆ Create a mobile application for eCommerce and delivery.

2018-2019 DIVISION ACCOMPLISHMENTS

- ◆ Expanded product and service offerings including customer education classes, clubs and tasting events.
- ◆ Launched a delivery and customer loyalty program.
- ◆ Maintained competitive pricing in the market with a focus on gross margin return on investment.

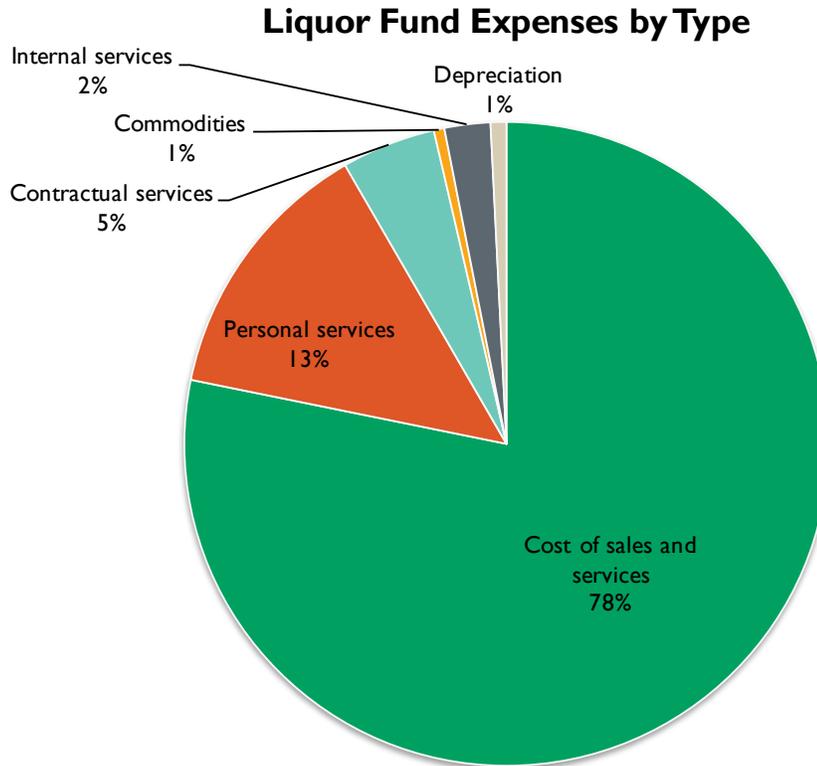


PERFORMANCE MEASURES	2017	2018	2019*
Gross margin percentage	27%	29%	30%
Inventory turns (number of times per year liquor stores sell all inventory)	7.4	6.4	5.3
Transfers supporting the City's enterprise facilities and capital projects	\$750,000	\$800,000	\$850,000
Total liquor profit	\$1.007M	\$1.432M	\$1.091M

* Projected

ADMINISTRATION DEPARTMENT—EDINA LIQUOR DIVISION

EXPENDITURES



Liquor Fund Revenues and Expenses						
	2017 Actual	2018 Actual	2019 Estimate	2019 Budget	2020 Budget	2021 Budget
Operating revenues						
Retail sales	\$ 12,991,764	\$ 13,401,754	\$ 13,375,707	\$ 13,973,293	\$ 13,863,059	\$ 14,076,681
Total revenues	<u>12,991,764</u>	<u>13,401,754</u>	<u>13,375,707</u>	<u>13,973,293</u>	<u>13,863,059</u>	<u>14,076,681</u>
Operating expenses						
Cost of sales and services	9,442,254	9,461,178	9,496,752	10,100,558	9,668,176	9,833,185
Personal services	1,574,642	1,565,574	1,628,499	1,571,457	1,787,593	1,855,852
Contractual services	522,687	534,639	614,675	532,863	649,568	650,603
Commodities	74,304	61,225	70,826	76,812	55,050	55,050
Internal services	263,570	276,808	282,972	282,972	289,551	312,725
Depreciation	101,211	95,735	96,500	101,500	96,500	96,500
Total expenses	<u>11,978,668</u>	<u>11,995,159</u>	<u>12,190,224</u>	<u>12,666,162</u>	<u>12,546,438</u>	<u>12,803,915</u>
Operating income	<u>\$ 1,013,096</u>	<u>\$ 1,406,595</u>	<u>\$ 1,185,483</u>	<u>\$ 1,307,131</u>	<u>\$ 1,316,621</u>	<u>\$ 1,272,766</u>

*For comparative purposes previous year figures may be adjusted to reflect realigned responsibilities.

ADMINISTRATION DEPARTMENT

Sustainability

DIVISION OVERVIEW

The Sustainability Division is responsible for integrating sustainability principles and goals into all projects and programs for the City of Edina. The Division supports the work of other City departments by performing cost/benefit analyses, developing performance metrics, and prioritizing funding and projects to best meet the City's sustainability goals. The division also supports the City's Energy & Environment Commission.

The Sustainability Division manages the Conservation & Sustainability (CAS) Fund. Funded by gas and electric franchise fees, the CAS Fund is used for capital improvements to City-owned buildings and equipment that meet the City's sustainability goals including increasing energy efficiency or reducing the City's production of greenhouse gas. The CAS Fund also pays for division staff, including one full-time Sustainability Manager.



2020-2021 DIVISION GOALS

- ◆ Start the creation of a climate action plan. Implement a plan and process, collect data and support the Community in determining goals.
- ◆ Implement an energy benchmarking ordinance.
- ◆ Create a green building policy.

2018-2019 DIVISION ACCOMPLISHMENTS

- ◆ Incorporated sustainability principals into the City's Comprehensive Plan.
- ◆ Created policies, goals and actions around reducing emissions from the City fleet.
- ◆ Completed Partners in Energy partnership to meet Electricity Action Plan goals.
- ◆ Approved efficient building benchmarking ordinance. The City will start energy benchmarking in 2020.
- ◆ Partnered with Cooperative Energy Futures to open a Community Solar Garden in Edina.

ADMINISTRATION DEPARTMENT—SUSTAINABILITY DIVISION

PERFORMANCE MEASURES	2017	2018	2019
Percent of residents who agree the City should invest in programs and policies to address climate change according to the Quality of Life Survey	Question not on survey	No Survey	75%
Number of Home Energy Squad visits for Edina residents	133	152	214

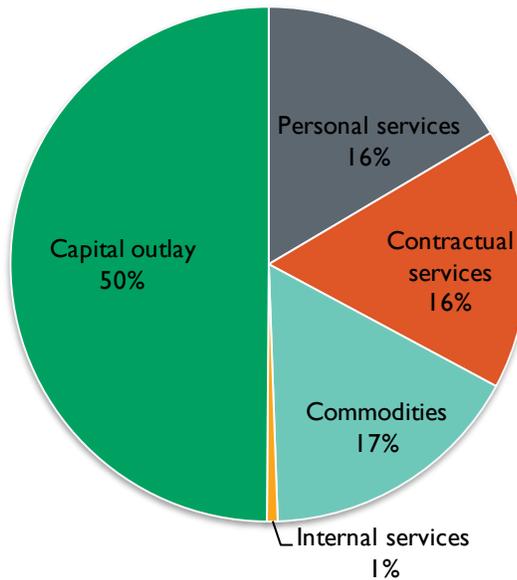


Opening of Community Solar Garden at Public Works Facility

ADMINISTRATION DEPARTMENT—SUSTAINABILITY DIVISION

EXPENDITURES

CAS Fund Expenditures by Type



CAS Fund Financial Summary

	2017 Actual	2018 Actual	2019 Estimate	2019 Budget	2020 Budget	2021 Budget
Revenues						
Franchise fees	\$ 242,650	\$ 426,047	\$ 1,000,000	\$ 1,200,000	\$ 1,000,000	\$ 1,000,000
Investment Income	2,145	4,011	-	-	5,190	5,190
Other revenues	1,988	49,526	5,000	-	7,000	7,000
Total revenues	<u>246,783</u>	<u>479,584</u>	<u>1,005,000</u>	<u>1,200,000</u>	<u>1,012,190</u>	<u>1,012,190</u>
Expenditures						
Personal services	102,941	110,767	131,033	131,033	158,035	165,109
Contractual services	17,531	45,807	252,525	252,525	103,000	123,100
Commodities	256	3,932	400,000	400,000	-	-
Internal services	734	5,095	5,412	5,412	7,488	8,244
Capital outlay	53,144	100,591	400,000	400,000	865,000	600,000
Total expenses	<u>174,606</u>	<u>266,192</u>	<u>1,188,970</u>	<u>1,188,970</u>	<u>1,133,523</u>	<u>896,453</u>
Change in fund balance	<u>72,177</u>	<u>213,392</u>	<u>(183,970)</u>	<u>11,030</u>	<u>(121,333)</u>	<u>115,737</u>
January 1 balance	<u>174,745</u>	<u>246,922</u>	<u>460,314</u>	<u>460,314</u>	<u>276,344</u>	<u>155,011</u>
December 31 balance	<u>\$ 246,922</u>	<u>\$ 460,314</u>	<u>\$ 276,344</u>	<u>\$ 471,344</u>	<u>\$ 155,011</u>	<u>\$ 270,748</u>

C OMMUNICATIONS & TECHNOLOGY SERVICES DEPARTMENT

Jennifer Bennerotte, Director
 jbennerotte@EdinaMN.gov 952-833-9520



DEPARTMENT OVERVIEW

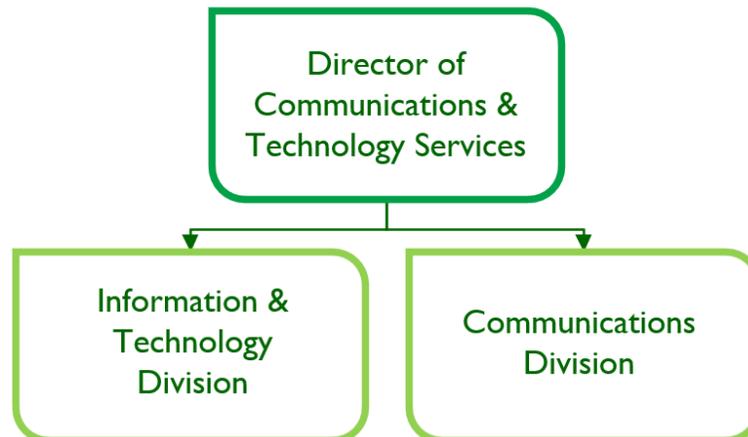
The City of Edina’s Communications & Technology Services Department helps other City departments with communication and technology needs. The Department identifies what information and messages need to be conveyed to Edina's diverse audiences and make sure that this is done in the most effective manner possible. The Department also manages all staff technology and security.

MAJOR SERVICE AREAS

- ◆ Advertising and marketing
- ◆ Systems and access
- ◆ End-user support and training
- ◆ Geographic Information Systems (GIS)
- ◆ Video production
- ◆ Telecommunications
- ◆ Website development
- ◆ Hardware & software installation
- ◆ Management of social media sites
- ◆ Media and public relations
- ◆ Network management
- ◆ Graphic Design
- ◆ Publication of the City’s newsletters and magazine



DEPARTMENT ORGANIZATIONAL CHART



COMMUNICATIONS & TECHNOLOGY SERVICES DEPARTMENT

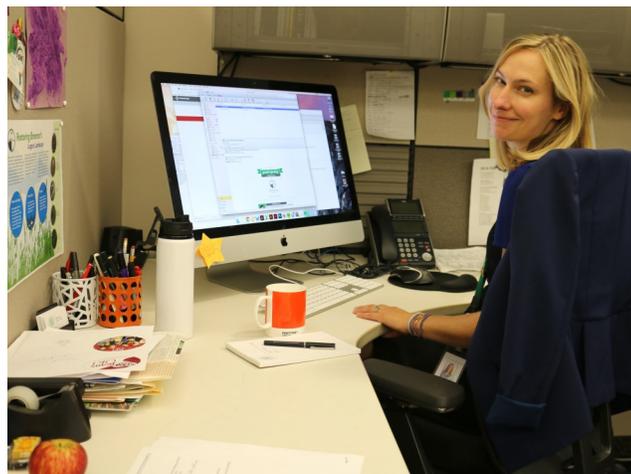
2020-2021 DEPARTMENT GOALS

- ◆ Conduct the Quality of Life Survey in 2021.
- ◆ Assist the Police Department with implementation of body-worn cameras.
- ◆ Create and share GIS maps, stories and dashboards.

2018-2019 DEPARTMENT ACCOMPLISHMENTS

- ◆ Advanced the use of GIS in all City operations, including hiring of a new GIS Coordinator.
- ◆ Conducted the Quality of Life Survey in 2019.
- ◆ Replaced City phone system.
- ◆ Launched a new online resident engagement and public participation platform, BetterTogetherEdina.org, and employee extranet.

PERFORMANCE MEASURES	2017	2018	2019
Total number of help desk/internal service requests	5,908	5,263	4,936
Percent of residents who rate the quality of public information services/communication from the City as "excellent" or "good" in the Quality of Life Survey	78%	No Survey	82%
Number of registered residents for the City's online engagement and public participation platform, Better Together Edina (launched Jan 2019)	NA	NA	907



COMMUNICATIONS & TECHNOLOGY SERVICES DEPARTMENT

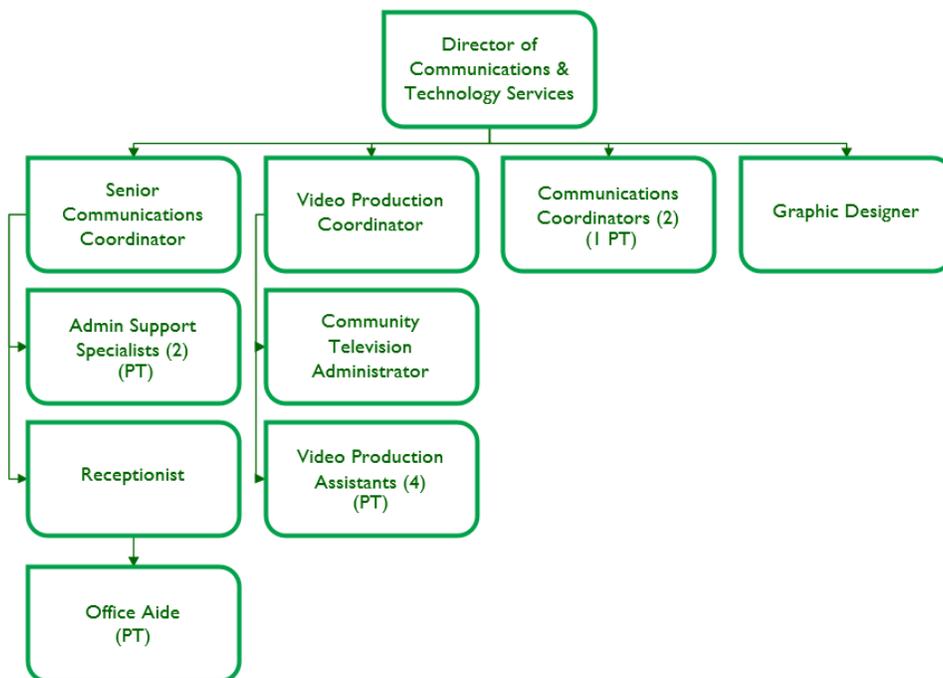
Communications Division

DIVISION OVERVIEW

The Communications Division works to find opportunities to promote what makes Edina the great community that it is and the successes of City government. Among other things, the Communications Division is responsible for media and public relations; publication of the City's newsletters and magazines, including *About Town*; maintaining the City's internal and external websites and social media sites; and administering the government access channels, branded as "Edina TV" on Comcast channels 16 and 813.



DIVISION ORGANIZATIONAL CHART



COMMUNICATIONS & TECHNOLOGY SERVICES DEPARTMENT—COMMUNICATIONS DIVISION

2020-2021 DIVISION GOALS

- ◆ Complete strategic overall communications plan.
- ◆ Assist with marketing programs and activities of advisory boards and commissions, including annual events on transportation safety, climate change and heritage preservation.

2018-2019 DIVISION ACCOMPLISHMENTS

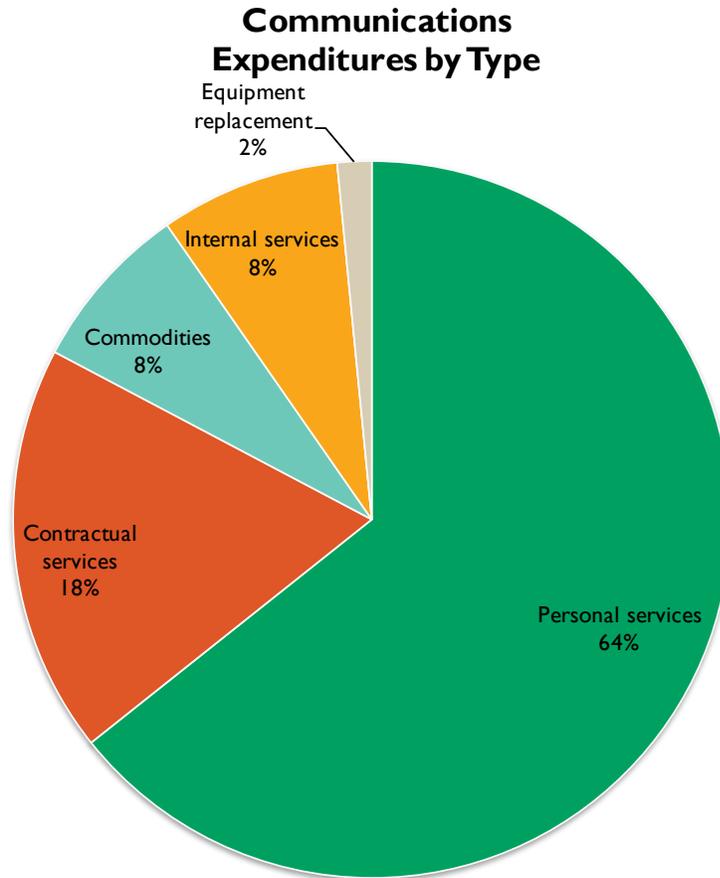
- ◆ Conducted a Quality of Life Survey in 2019.
- ◆ Launched a new online resident engagement and public participation platform, Better Together Edina.
- ◆ Launched the internal employee extranet, Edinet.

PERFORMANCE MEASURES	2017	2018	2019
Percentage of residents who find the City’s website “excellent” or “good” in the Quality of Life Survey	70%	No Survey	75%
Social Media followers and fans for the City of Edina Facebook, Twitter and Instagram accounts	62,083	74,413	87,575



COMMUNICATIONS & TECHNOLOGY SERVICES DEPARTMENT—COMMUNICATIONS DIVISION

EXPENDITURES



Communications Expenditures						
	2017	2018	2019	2019	2020	2021
	Actual	Actual	Estimate	Budget	Budget	Budget
General Fund						
Personal services	\$ 741,426	\$ 777,073	\$ 829,150	\$ 829,150	\$ 922,117	\$ 935,037
Contractual services	232,319	242,443	261,669	281,150	190,300	235,300
Commodities	49,081	94,786	116,301	85,500	124,500	124,500
Internal services	148,304	90,348	92,964	92,964	101,964	109,572
Construction Fund						
Equipment replacement	28,283	26,308	41,140	-	10,000	15,000
Total	\$ 1,199,413	\$ 1,230,958	\$ 1,341,224	\$ 1,288,764	\$ 1,348,881	\$ 1,419,409

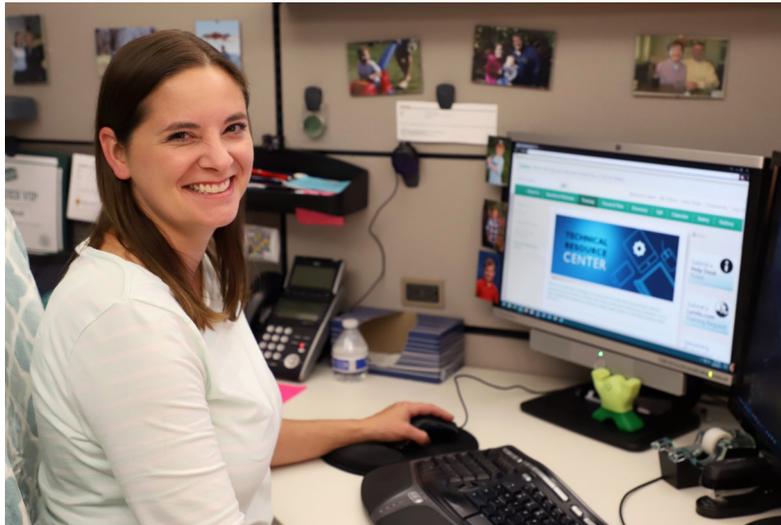
*For comparative purposes previous year figures may be adjusted to reflect realigned responsibilities.

COMMUNICATIONS & TECHNOLOGY SERVICES DEPARTMENT

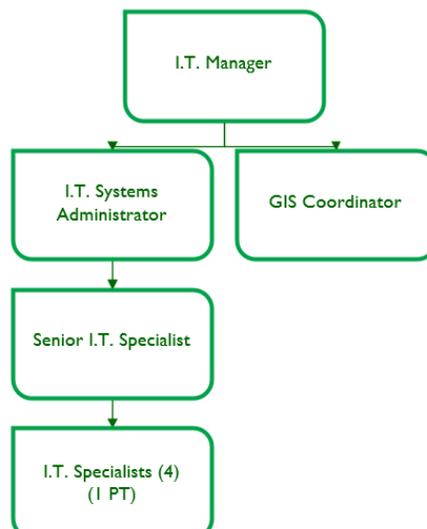
Information Technology Division

DIVISION OVERVIEW

The I.T. Division's primary goal is to enable access to City information and services conveniently, securely and efficiently. The I.T. Division provides the central services required by City departments, offices and facilities, including data center operations; network and telecommunications services; end-user support for personal computers; strategic technology investigation; project oversight; and administration of the City's hardware, software, and infrastructure contracts and agreements. They work to provide the vision, leadership and skills that will enable the City to benefit from technological innovation and improve service to the community. The Division provides support to approximately 550 domain users and 600 email users.



DIVISION ORGANIZATIONAL CHART



COMMUNICATIONS & TECHNOLOGY SERVICES DEPARTMENT— INFORMATION TECHNOLOGY

2020-2021 DIVISION GOALS

- ◆ Manage Enterprise Resource Planning (ERP) implementation.
- ◆ Migrate data to new storage servers to improve data security.
- ◆ Convert users to Microsoft 365 and train staff on its use for greater efficiency.

2018-2019 DIVISION ACCOMPLISHMENTS

- ◆ Advanced the use of GIS in all City operations, including hiring of a new GIS Coordinator.
- ◆ Replaced City phone system.

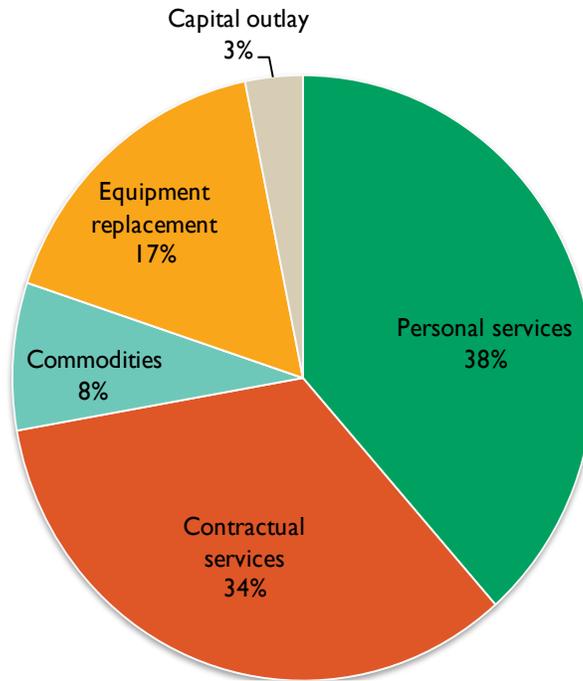
PERFORMANCE MEASURES	2017	2018	2019
Percentage of employees who said the service provided and the results “exceeded expectations or more” in the I.T. Client Survey	72%	100%	80%
Internal network and server up-time	100%	100%	100%



COMMUNICATIONS & TECHNOLOGY SERVICES DEPARTMENT— INFORMATION TECHNOLOGY

EXPENDITURES

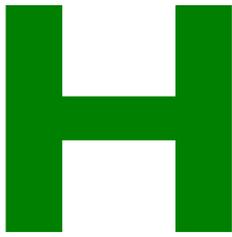
Information Technology Expenditures by Type



Information Technology Expenditures						
	2017	2018	2019	2019	2020	2021
	Actual	Actual	Estimate	Budget	Budget	Budget
Information Technology Fund**						
Personal services	\$ 579,326	\$ 645,896	\$ 697,152	\$ 697,152	\$ 830,613	\$ 891,256
Contractual services	583,438	569,295	612,350	612,350	709,850	720,850
Commodities	114,711	146,156	152,000	152,000	159,000	165,000
Construction Fund						
Equipment replacement	218,508	160,127	525,000	672,000	233,800	76,000
Capital outlay	88,013	-	145,000	78,000	50,000	-
Total	\$ 1,583,996	\$ 1,521,474	\$ 2,131,502	\$ 2,211,502	\$ 1,983,263	\$ 1,853,106

*For comparative purposes previous year figures may be adjusted to reflect realigned responsibilities.

**These costs were charged back as central service expenditures prior to 2020 and are now accounted for as an internal service fund.



HUMAN RESOURCES DEPARTMENT

Kelly Curtin, Director

kcurtin@EdinaMN.gov

952-826-0402



DEPARTMENT OVERVIEW

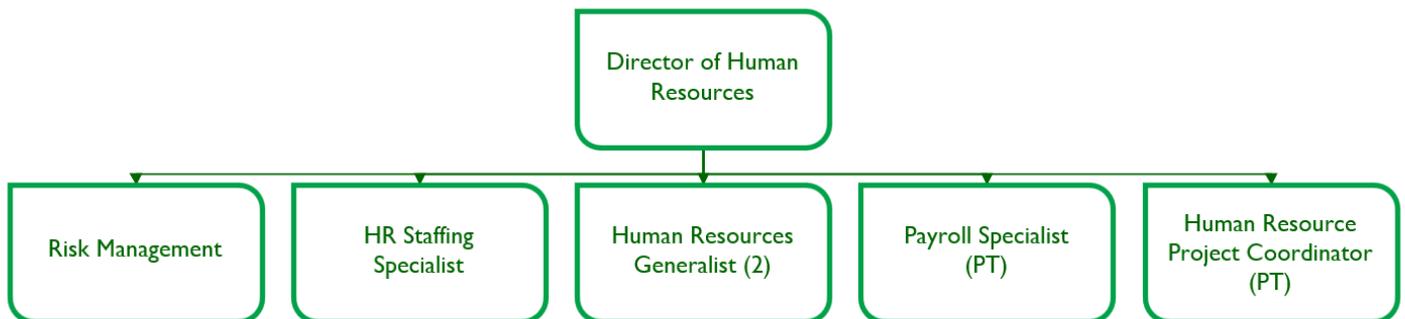
The Human Resources Department is dedicated to working with other City departments to support the goals of the City by promoting a work environment that is characterized by Edina’s values of Integrity, Quality and Service (IQS).

The Department is responsible for: developing recruitment and selections systems to hire top talent; designing, implementing and negotiating cost-effective compensation and benefits plans; developing employment policies based on best management practices; and compliance with employment laws. The Human Resources Department also provides leadership consulting, employee training and provides guidance and support with regard to employee and labor relations.

MAJOR SERVICE AREAS

- ◆ Compensation and benefits
- ◆ Employee and labor relations
- ◆ Employment policies
- ◆ Leadership and organizational development
- ◆ Employee safety and wellness
- ◆ Payroll
- ◆ Performance management
- ◆ Recruitment and selection
- ◆ Risk management
- ◆ Training

DEPARTMENT ORGANIZATIONAL CHART



HUMAN RESOURCES DEPARTMENT

2020-2021 DEPARTMENT GOALS

- ◆ Support Enterprise Resource Planning (ERP) system implementation, including change management for employees.
- ◆ Improve onboarding/mentoring process of new hires.
- ◆ Ensure progress on the Race & Equity Implementation plan, including assisting with completion of annual racial equity training for city staff.

2018-2019 DEPARTMENT ACCOMPLISHMENTS

- ◆ Supported selection and initial implementation of a new ERP system.
- ◆ Developed plans to increase internal and external recruitment efforts to be more inclusive, which included more diverse outreach and modifying the application and interview process.
- ◆ Implemented initiatives deriving from the Edina Race & Equity Task Force and the Public Safety Staffing analysis, which included special projects and modifying recruitment processes.

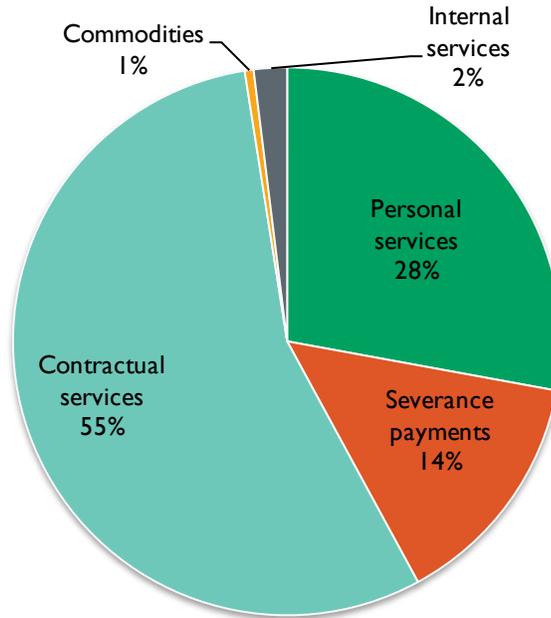
PERFORMANCE MEASURES	2017	2018	2019
Workers' compensation claims resulting in lost time or medical treatment	31	29	29
All employees who worked as full time throughout the year	311	331	324
Percentage of employees retained per year	97%	96%	95%



HUMAN RESOURCES DEPARTMENT

EXPENDITURES

Human Resources Expenditures by Type



Human Resources Expenditures						
	2017 Actual	2018 Actual	2019 Estimate	2019 Budget	2020 Budget	2021 Budget
General Fund						
Personal services	\$ 525,099	\$ 543,822	\$ 585,162	\$ 569,802	\$ 616,828	\$ 640,985
Severance payments	227,031	445,698	300,000	200,000	300,000	300,000
Contractual services	27,003	20,181	38,300	80,200	290,900	290,900
Commodities	1,888	2,479	2,620	2,800	27,800	27,800
Internal services	27,401	34,443	35,892	35,892	53,208	57,600
General fund subtotal	<u>808,422</u>	<u>1,046,623</u>	<u>961,974</u>	<u>888,694</u>	<u>1,288,736</u>	<u>1,317,285</u>
Other Funds						
Risk management fund	596,170	742,670	905,835	860,000	1,091,461	1,096,173
Employee shared services	171,205	238,826	246,200	226,800	-	-
Department Total Budget	<u>\$ 1,575,797</u>	<u>\$ 2,028,119</u>	<u>\$ 2,114,009</u>	<u>\$ 1,975,494</u>	<u>\$ 2,380,197</u>	<u>\$ 2,413,458</u>

*For comparative purposes previous year figures may be adjusted to reflect realigned responsibilities.

FINANCE

Don Uram, Director

duram@EdinaMN.gov

952-826-0414



DEPARTMENT OVERVIEW

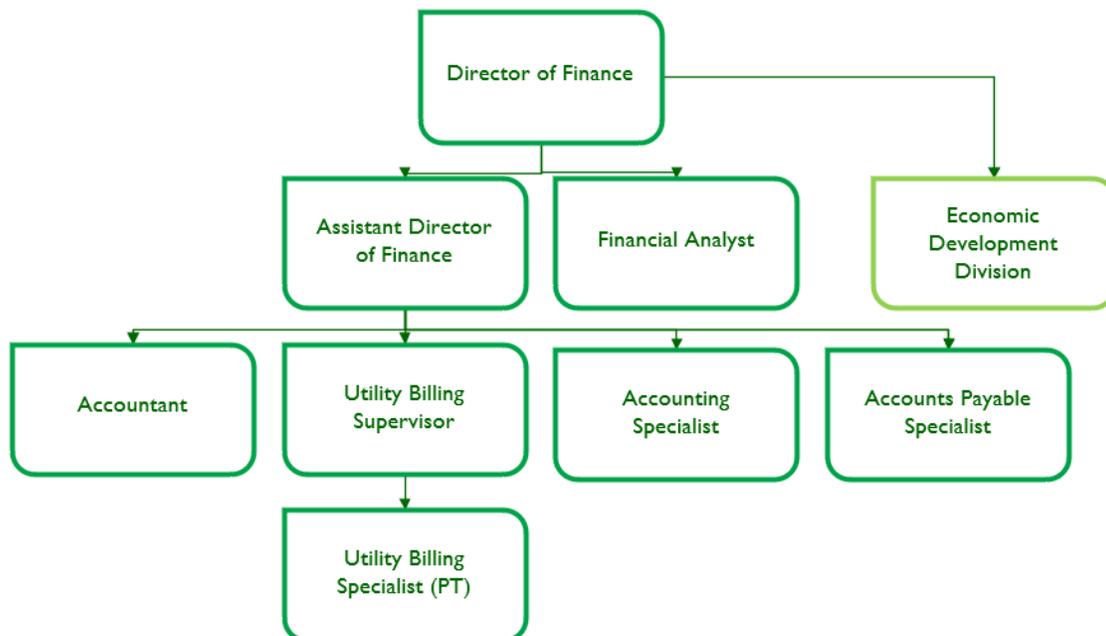
The Finance Department provides accounting and control services for all financial activities of the City, the Housing & Redevelopment Authority (HRA), the South Metro Public Safety Training Facility, and other auxiliary organizations.

The department is also responsible for revenue collections, disbursements and investments, preparation of the annual budget and financial statements of the City. Periodically, the department will also perform custom financial analysis for various proposals. The Finance Department is responsible for processing about 55,000 utility bills and 16,000 vendor payments annually. The department is also responsible for managing the City’s debt and investments as well as preparing the City budget, Comprehensive Annual Financial Report (CAFR), and Capital Improvement Plan (CIP).

MAJOR SERVICE AREAS

- ◆ Accounting
- ◆ Accounts payable
- ◆ Budget and CIP compilation
- ◆ Revenue collections
- ◆ Tax compliance
- ◆ Treasury and debt administration
- ◆ Finance administration
- ◆ Financial reporting
- ◆ Utility billing

DEPARTMENT ORGANIZATIONAL CHART



FINANCE DEPARTMENT

2020-2021 DEPARTMENT GOALS

- ◆ Prepare the 2021-2025 Capital Improvement Plan.
- ◆ Implement a new Enterprise Resource Planning (ERP) system.
- ◆ Implement a new Utility Billing (UB) system.

2018-2019 DEPARTMENT ACCOMPLISHMENTS

- ◆ Compiled the 2019-2024 Capital Improvement Plan (CIP), including updating of the CIP project priority evaluation method.
- ◆ Worked with the City’s Human Resources Department to jointly research a new Financial/HRIS system.
- ◆ Completed cost recovery analysis of parks-related enterprise funds and develop reasonable Cost Recovery Expectations (CRE). Formalized CRE through Council adoption.

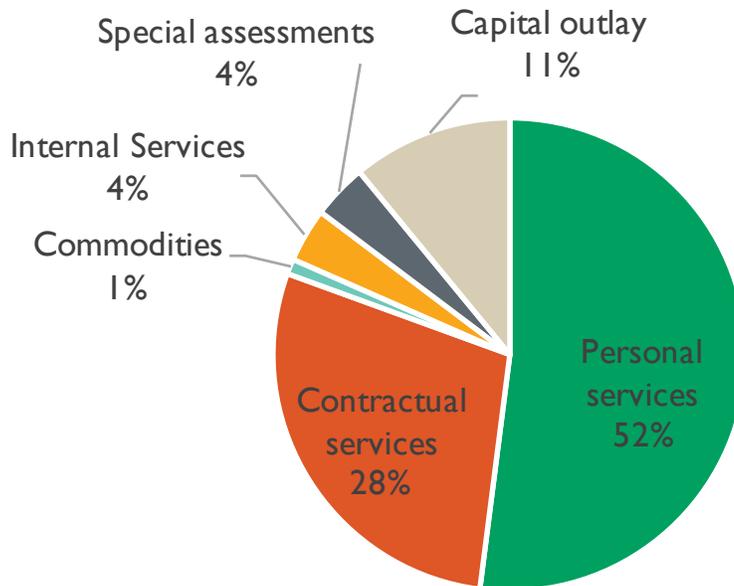


PERFORMANCE MEASURES	2017	2018	2019
City received an independent auditor’s judgment that financial statements are in compliance with generally accepted accounting principles (unqualified audit opinion)	Yes	Yes	TBD
Conversion of the City’s light and power to solar, reflected on utility bills	0%	4%	7%
Number of proactive reviews of customer water usage to identify potential leaks in water systems	52	55	63

FINANCE DEPARTMENT

EXPENDITURES

Finance Expenditures by Type



Finance Department Expenditures						
	2017	2018	2019	2019	2020	2021
	Actual	Actual	Estimate	Budget	Budget	Budget
General Fund						
Personal services	\$ 685,819	\$ 744,651	\$ 862,888	\$ 862,888	\$ 901,265	\$ 936,402
Contractual services	438,244	397,286	446,300	479,100	486,250	491,250
Commodities	13,609	10,384	18,750	21,750	17,500	17,500
Internal Services	51,776	57,979	59,796	59,796	59,784	65,076
Special assessments	46,388	62,405	63,000	60,000	64,000	65,000
Construction Fund						
Capital outlay	1,750	50,283	500,000	-	500,000	-
	<u>\$1,237,585</u>	<u>\$1,322,987</u>	<u>\$1,950,734</u>	<u>\$1,483,534</u>	<u>\$2,028,799</u>	<u>\$1,575,228</u>

*For comparative purposes previous year figures may be adjusted to reflect realigned responsibilities.

FINANCE DEPARTMENT

Economic Development/Housing & Redevelopment Authority (HRA)

DIVISION OVERVIEW

The City strives to maintain a strong tax base and diversified mixture of land uses to compliment the many single-family neighborhoods with employment opportunities, retail and service destinations, and multi-family housing options. The Economic Development Division undertakes economic development projects to sustain and support an environment where businesses can prosper and contribute to the desirable quality of life for which Edina is known. In recent years, a small portion of these activities have been included in the Administrative expenses of the General Fund with primary support from the Edina Housing & Redevelopment Authority (HRA).

The Edina HRA was established in 1974 for the purpose of undertaking urban redevelopment projects and assisting with the development of affordable housing. The Edina HRA is an entity legally separate from the City with separate taxing authority. However, for financial reporting purposes, the HRA is reported as if it were part of the City's operations because the members of the City Council serve as HRA commissioners and its activity is confined within the city. The special revenue HRA Fund is used to account for revenues from several sources (tax-increment, bond proceeds, investment earnings, etc.) that are designated for housing and redevelopment activities. Due to the involvement of tax-increment financing (TIF) dollars, there are legal restrictions on how the money in this fund may be spent.



North Ramp at 50th & France



Nolan Mains Apartments

2020-2021 DIVISION GOALS

- ◆ Study the needs of the Southwest quadrant business park of Edina.
- ◆ Implement redevelopment strategy and plan for strategic use of Grandview 2 TIF funds.
- ◆ Create program to support local businesses as they seek funds for physical improvements.

FINANCE—ECONOMIC DEVELOPMENT/HRA DIVISION

2018-2019 DIVISION ACCOMPLISHMENTS

- ◆ Coordinated completion of the expanded North Ramp and new Center Ramp/Market Street Apartments on Market Street.
- ◆ Established three new Housing TIF Districts to help fund affordable priced units.
- ◆ Completed TIF agreements to enable redevelopment at Pentagon Park South, 4500 France Ave. and 7200-7250 France Ave.
- ◆ Implemented infrastructure improvements in Grandview District and Wooddale/Valley View, including utilities and street improvements.

PERFORMANCE MEASURES	2017	2018	2019*
Non-Residential Tax Base within Edina	\$2.7 B	\$2.9 B	\$3.1 B
Commercial Vacancy Rates in Southwest metro, including Edina (Source: Colliers International Quarterly Market Report)			
Retail	5.7%	6.4%	8.5%
Office	14.9%	14.1%	13.9%
Industrial	6.5%	5.5%	6.3%

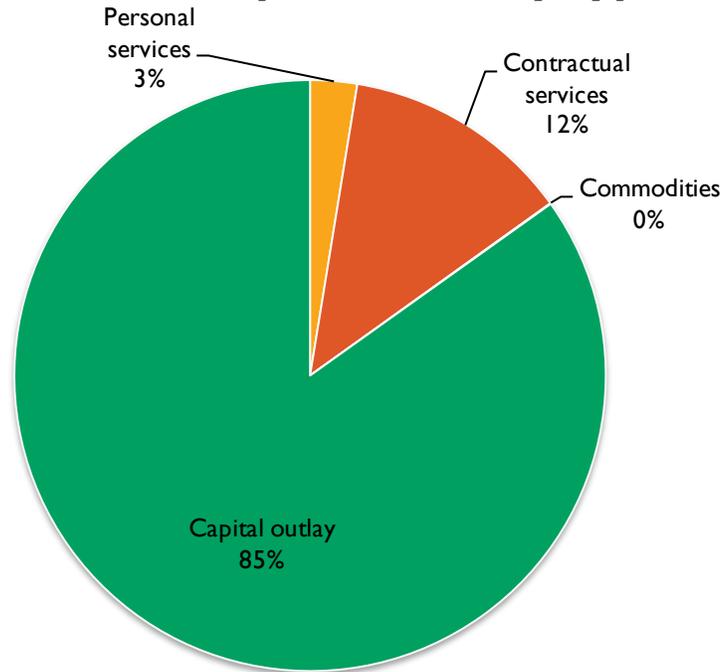
*projected



FINANCE—ECONOMIC DEVELOPMENT/HRA DIVISION

EXPENDITURES

HRA Fund Expenditures by Type



Economic Development Expenditures						
	2017 Actual	2018 Actual	2019 Estimate	2019 Budget	2020 Budget	2021 Budget
HRA Fund						
Personal services	\$ 135,739	\$ 190,447	\$ 168,305	\$ 168,305	\$ 182,624	\$ 190,353
Contractual services	337,063	734,066	415,520	585,520	1,638,000	1,363,000
Commodities	2,121	7,076	900	900	2,500	2,500
Capital outlay	1,584,867	10,892,125	5,625,000	6,576,000	4,961,000	4,710,000
Total	\$ 2,059,790	\$ 11,823,714	\$ 6,209,725	\$ 7,330,725	\$ 6,784,124	\$ 6,265,853

HRA expenditures are based on anticipated revenues and draw down of existing balances.

FINANCE—ECONOMIC DEVELOPMENT/HRA DIVISION

Tax-Increment Finance (TIF) Districts

Edina uses Tax-Increment Finance (TIF) as a tool to promote high-quality economic development and redevelopment in the city. Each TIF District has a district budget fund. This document includes details of the nine active TIF Districts as well as two de-certified TIF Districts that retain a fund balance. A summary table of each TIF District and anticipated expenditures follows.

Centennial Lakes TIF District

This district was established in 1988 with the goal of attracting new investment to the underdeveloped portions of Southeast Edina that had formerly been a gravel pit. The District was decertified in 2014 and retained a balance of \$9.2M as of 12/31/2018. The balance is intended to be invested in redevelopment projects over the next five years.

	2017 Actual	2018 Actual	2019 Estimate	2019 Budget	2020 Budget	2021 Budget
Centennial TIF District						
Personal services	\$ 38,526	\$ 98,487	\$ 57,660	\$ 57,660	\$ 64,288	\$ 66,642
Contractual services	248,325	179,428	354,150	524,150	977,500	7,500
Commodities	-	382	-	-	-	-
Capital outlay	1,309,867	94,568	1,325,000	1,325,000	500,000	500,000
Total	\$ 1,596,718	\$ 372,865	\$ 1,736,810	\$ 1,906,810	\$ 1,541,788	\$ 574,142

*For comparative purposes previous year figures may be adjusted to reflect realigned responsibilities.

Grandview 2 TIF District

This district was established in 2016 to create a viable funding source for the many public improvements anticipated to improve access to and through the overall Grandview commercial district. This TIF District includes 15 properties that cover 11 acres of the 80 acre commercial area. The parcels included are considered the most likely to be redeveloped in the next few years. Specific uses of TIF monies will be considered on a case-by-case basis when development proposals are prepared for the vacant and underutilized parcels. The first revenue collection will occur in 2020 and the District will expire in 2045.

	2017 Actual	2018 Actual	2019 Estimate	2019 Budget	2020 Budget	2021 Budget
Grandview 2 TIF District						
Personal services	\$ -	\$ 991	\$ 13,830	\$ 13,830	\$ 14,791	\$ 15,463
Contractual services	-	153,717	1,500	1,500	51,500	1,500
Commodities	-	-	-	-	-	-
Capital outlay	-	-	-	451,000	451,000	-
Total	\$ -	\$ 154,708	\$ 15,330	\$ 466,330	\$ 517,291	\$ 16,963

*For comparative purposes previous year figures may be adjusted to reflect realigned responsibilities.

FINANCE—ECONOMIC DEVELOPMENT/HRA DIVISION

Pentagon Park TIF District

This district was created in 2014 to attract first-class investment to this outdated office park that had suffered from disinvestment. The first revenue collection began in 2018. The District is anticipated to terminate in 2043. The City entered into a redevelopment agreement with Pentagon Village, LLC in 2018 pertaining to the redevelopment of the 12-acre South Parcel. The City issued a TIF Note for \$18.1 million that is payable upon successful completion of the site.

	2017 Actual	2018 Actual	2019 Estimate	2019 Budget	2020 Budget	2021 Budget
Pentagon Park TIF District						
Personal services	\$ 7,955	\$ 18,950	\$ 13,830	\$ 13,830	\$ 14,791	\$ 15,463
Contractual services	21,133	44,778	1,500	1,500	101,500	286,500
Commodities	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total	\$ 29,088	\$ 63,728	\$ 15,330	\$ 15,330	\$ 116,291	\$ 301,963

*For comparative purposes previous year figures may be adjusted to reflect realigned responsibilities.

Southdale 2 TIF District

This district was created in 2010 to spur investment in and around Southdale Center shopping mall. It will terminate in 2021. The City entered into an agreement with the owners of Southdale Center to provide a \$5 million no-interest loan if they would invest at least \$15 million into the common areas of the shopping center. This work was completed in 2012. In 2014 and 2019, Edina was granted special legislation to use monies from this district to support affordably-priced housing in Edina.

	2017 Actual	2018 Actual	2019 Estimate	2019 Budget	2020 Budget	2021 Budget
Southdale 2 TIF District						
Personal services	\$ 4,874	\$ 10,078	\$ 13,830	\$ 13,830	\$ 14,791	\$ 15,463
Contractual services	14,635	51,416	6,500	6,500	2,000	12,000
Commodities	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total	\$ 19,509	\$ 61,494	\$ 20,330	\$ 20,330	\$ 16,791	\$ 27,463

*For comparative purposes previous year figures may be adjusted to reflect realigned responsibilities.

FINANCE—ECONOMIC DEVELOPMENT/HRA DIVISION

44th & France 2 TIF District

This Renewal TIF District was established in 2018 to support redevelopment of an obsolete site to include new housing and retail space, along with shared public parking, a new public plaza and new streetscaping. The City executed a redevelopment agreement with Orion 4500 France LLC to pledge future incremental property taxes to the developer to reimburse them for up to \$2.3M in eligible expenses. Groundbreaking occurred in May 2019 and completion is anticipated in August 2020.

	2017 Actual	2018 Actual	2019 Estimate	2019 Budget	2020 Budget	2021 Budget
50th & France TIF District						
Personal services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-	1,500	31,500
Commodities	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total	\$ -	\$ -	\$ -	\$ -	\$ 1,500	\$ 31,500

*For comparative purposes previous year figures may be adjusted to reflect realigned responsibilities.

50th & France 2 TIF District

This district was created in 2017 to support new investment and new public parking along Market Street. This district includes only the parcels along Market Street that are intended to be redeveloped in 2018-2020. This project will return several parcels to the tax rolls and will create more public parking, new outdoor public areas, new business opportunities and new housing options. The first revenue collection will occur in 2020 and the District will expire in 2045.

In June 2019, the City executed a redevelopment agreement with Edina Market Street, LLC to pledge \$10.1M in reimbursement for costs associated with delivering the public benefits.

	2017 Actual	2018 Actual	2019 Estimate	2019 Budget	2020 Budget	2021 Budget
50th & France TIF District						
Personal services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contractual services	-	48,439	1,500	1,500	201,500	701,500
Commodities	-	4,604	-	-	-	-
Capital outlay	-	10,534,357	-	-	-	-
Total	\$ -	\$ 10,587,400	\$ 1,500	\$ 1,500	\$ 201,500	\$ 701,500

*For comparative purposes previous year figures may be adjusted to reflect realigned responsibilities.

FINANCE—ECONOMIC DEVELOPMENT/HRA DIVISION

66 West TIF District

This district was created in 2016 to support the construction of new affordably priced housing in Edina. The 66 West Apartments consist of 39 apartments developed by Beacon Interfaith Housing that are dedicated to youth and young adults who formerly experienced homelessness. The City used TIF monies to supplement other private funds and grants. The first revenue collection occurred in 2019 and the District will expire in 2044.

	2017 Actual	2018 Actual	2019 Estimate	2019 Budget	2020 Budget	2021 Budget
66th West Housing TIF District						
Personal services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contractual services	-	1,064	1,500	1,500	1,500	1,500
Commodities	-	-	-	-	-	-
Capital outlay	275,000	-	-	-	-	-
Total	\$ 275,000	\$ 1,064	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500

*For comparative purposes previous year figures may be adjusted to reflect realigned responsibilities.

70th & Cahill/Wooddale Valley View TIF Redevelopment District

Three TIF Districts were created in 1990 to encourage redevelopment and economic development at three commercial nodes in Edina. The 70th & Cahill District, 44th & France District and Wooddale Valley View Districts were decertified in 1999. The remaining balances were pooled together. As of Dec. 31, 2018, the balance was \$626k. This balance is intended to be invested in redevelopment projects in these districts over the next two to four years.

	2017 Actual	2018 Actual	2019 Estimate	2019 Budget	2020 Budget	2021 Budget
70th & Cahill TIF District						
Personal services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-	-	-
Commodities	-	-	-	-	-	-
Capital outlay	-	260,000	300,000	-	-	200,000
Total	\$ -	\$ 260,000	\$ 300,000	\$ -	\$ -	\$ 200,000

*For comparative purposes previous year figures may be adjusted to reflect realigned responsibilities.

FINANCE—ECONOMIC DEVELOPMENT/HRA DIVISION

Affordable Housing TIF Districts

This budget category is a placeholder for anticipated efforts to support affordable housing in Edina. Funds pooled from the Southdale 2 TIF District are anticipated to be used to support affordable housing in multiple locations. Based on 2019 revenue collections, approximately \$14.9M is estimated to be available to fund affordable housing when the Southdale 2 TIF District terminates in 2021. These monies are intended to be invested over multiple years and in multiple sites.

	2017 Actual	2018 Actual	2019 Estimate	2019 Budget	2020 Budget	2021 Budget
Affordable Housing TIF District						
Personal services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	41,650	41,650	121,500	121,500
Commodities	-	-	-	-	-	-
Capital outlay	-	-	4,000,000	4,000,000	4,000,000	4,000,000
Total	\$ -	\$ -	\$ 4,041,650	\$ 4,041,650	\$ 4,121,500	\$ 4,121,500

*For comparative purposes previous year figures may be adjusted to reflect realigned responsibilities.

New Districts to be created out of this fund include:

West 76th Street TIF District

This district was established in 2018 to support new affordable housing at 4100 West 76th St. In 2019, the HRA purchased the site and entered into an agreement with Aeon for the construction of new affordable housing on the site. The first revenue collection will occur in 2022. The district is scheduled to terminate in 2042.

72nd & France TIF District

This district was established in 2019 to support new affordable housing on a site previous occupied by two obsolete office buildings. The City entered into a redevelopment agreement with France Equities, LLC and pledged to issue a TIF Note after completion of the mixed use project that includes housing, commercial space and public realm improvements. The first revenue collection is scheduled to occur in 2023. The district is scheduled to terminate in 2043.

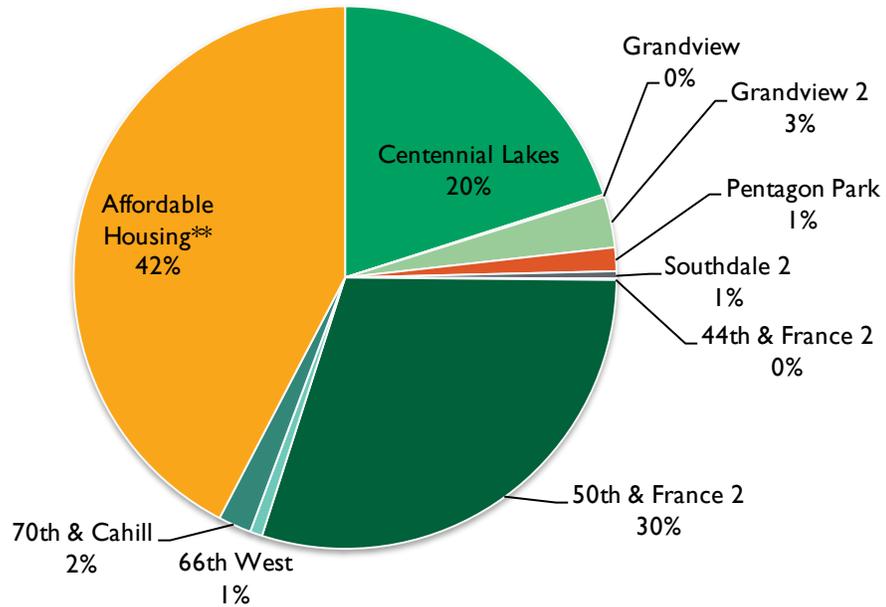
Amundson Avenue TIF District

This district was established in 2019 to support new affordable housing at 7075 Amundson Ave. The HRA intends to acquire the site and resell it to MWF Properties for the construction of new affordable housing on the site. The first revenue collection will occur in 2022. The district is scheduled to terminate in 2042.

FINANCE—ECONOMIC DEVELOPMENT/HRA DIVISION

EXPENDITURES

HRA Fund Expenditures by TIF District



Expenditures by TIF District						
	2017 Actual	2018 Actual	2019 Estimate	2019 Budget	2020 Budget	2021 Budget
TIF District						
Centennial Lakes	\$ 1,596,718	\$ 372,865	\$ 1,736,810	\$ 1,906,810	\$ 1,541,788	\$ 574,142
Grandview	54,100	-	-	-	-	-
Grandview 2	-	154,708	15,330	466,330	517,291	16,963
Pentagon Park	29,088	63,728	15,330	15,330	116,291	301,963
Southdale 2	19,509	61,494	20,330	20,330	16,791	27,463
44th & France 2	-	-	-	-	1,500	31,500
50th & France 2	-	10,587,400	1,500	1,500	201,500	701,500
66th West	275,000	1,064	1,500	1,500	1,500	1,500
70th & Cahill	-	260,000	300,000	-	-	200,000
Affordable Housing**	-	-	4,041,650	4,041,650	4,121,500	4,121,500
Total	\$ 1,974,415	\$ 11,501,259	\$ 6,132,450	\$ 6,453,450	\$ 6,518,161	\$ 5,976,531

*For comparative purposes previous year figures may be adjusted to reflect realigned responsibilities.

**Additional TIF District(s) that are planned to be created with the purpose of funding affordable housing

PUBLIC WORKS DEPARTMENT

Brian Olson, Director
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DEPARTMENT OVERVIEW

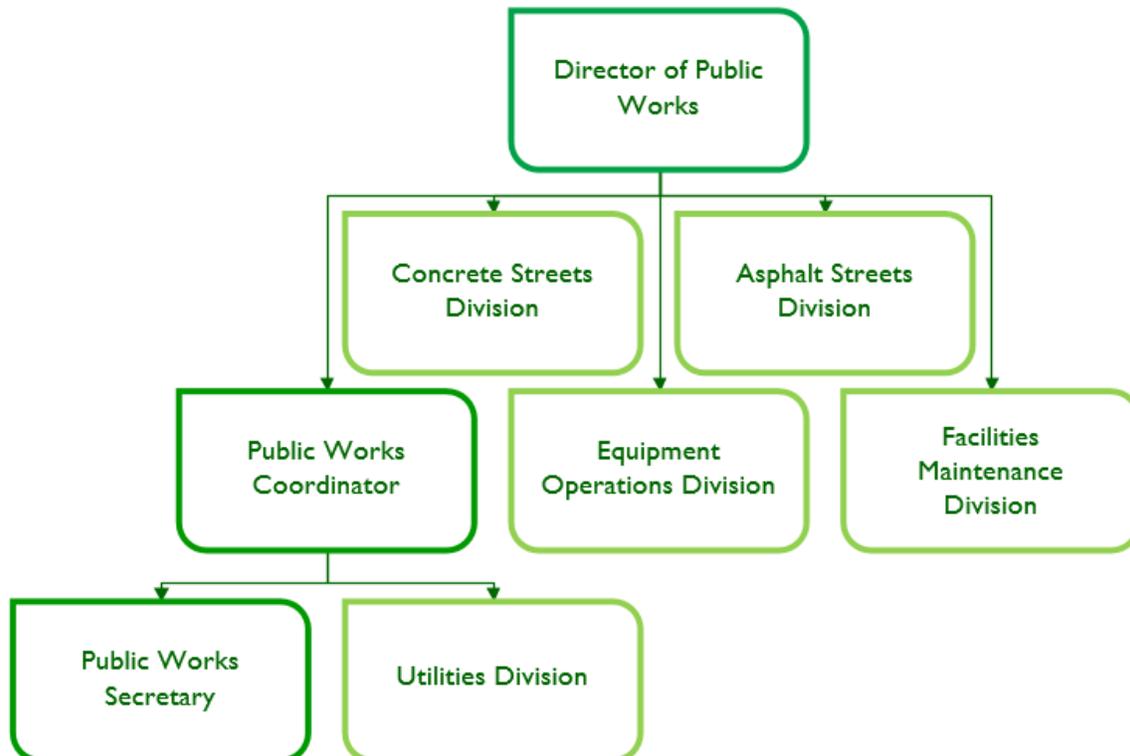
Edina's roadway, water infrastructure, sanitary and storm sewer systems are in the care of the employees of Edina's Public Works Department. Employees maintain and provide these services in an efficient, responsible and professional manner.

The Public Works Department is responsible for the City's public buildings, transportation infrastructure, public spaces, public services, and physical assets. The Department also maintains vehicles and equipment including automobiles, mowers, trucks of every description, snowplows, street sweepers, fire trucks, ambulances and police cars.

MAJOR SERVICE AREAS

- ◆ Roadway and sidewalk maintenance
- ◆ Equipment operations
- ◆ Facility and asset management
- ◆ Utility operations

DEPARTMENT ORGANIZATIONAL CHART



PUBLIC WORKS DEPARTMENT

2020-2021 DEPARTMENTAL GOALS

- ◆ Install a salt storage facility to assist with road deicing efforts.
- ◆ Paint the community center water tower.
- ◆ Develop a plan to determine the critical wayfinding signage necessary in multiple languages throughout the City’s facilities.

2018-2019 DEPARTMENTAL ACCOMPLISHMENTS

- ◆ Completed the North Ramp Expansion in the 50th & France District.
- ◆ Completed 7 miles of street overlay projects per year.

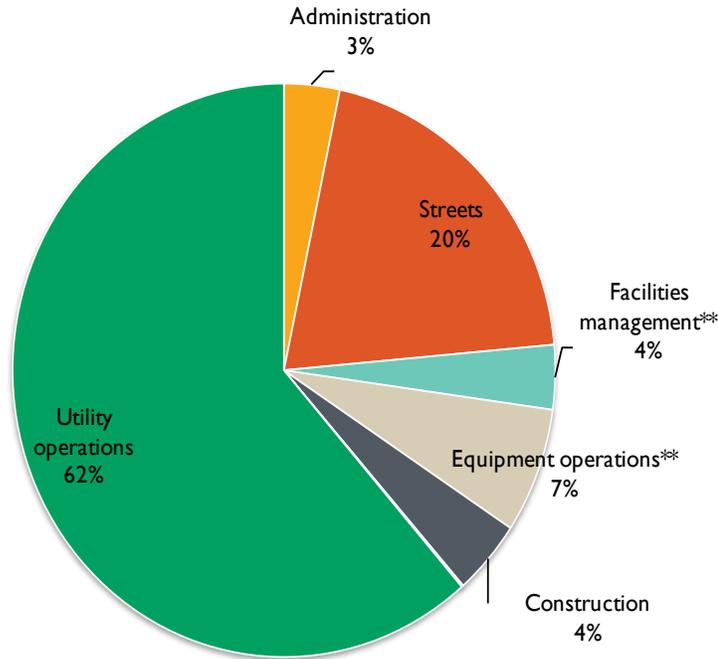
PERFORMANCE MEASURES	2017	2018	2019
Public service requests submitted to the Public Works Department	1,542	1,876	2,062
Percentage of residents rating street snow plowing services as “excellent” or “good” in the Quality of Life Survey	92%	No Survey	87%
Percentage of residents rating the overall ease of getting to the places visited as “excellent” or “good” in the Quality of Life Survey	87%	No Survey	86%



PUBLIC WORKS DEPARTMENT

EXPENDITURES

Public Works Expenses by Division and/or Service Area



Public Works Expenses						
	2017 Actual	2018 Actual	2019 Estimate	2019 Budget	2020 Budget	2021 Budget
General Fund						
Administration	\$ 833,670	\$ 913,744	\$ 947,494	\$ 948,244	\$ 922,793	\$ 966,687
Streets	5,204,104	5,548,200	5,891,120	5,646,820	5,929,687	6,073,535
General fund subtotal	6,037,774	6,461,944	6,838,614	6,595,064	6,852,480	7,040,222
Other Funds						
Facilities management**	924,242	998,635	1,076,499	993,649	1,194,107	1,325,127
Equipment operations**	1,766,593	1,971,061	2,027,946	2,011,526	1,860,222	1,911,066
Construction	981,515	1,119,910	1,160,355	1,405,613	1,932,056	1,406,724
Environmental Efficiency	66,908	48,630	-	-	-	-
Utility operations	16,015,401	16,810,774	17,362,828	17,323,876	18,313,651	19,256,716
Department Total Budget	\$ 25,792,433	\$ 27,410,954	\$ 28,466,242	\$ 28,329,728	\$ 30,152,516	\$ 30,939,855

*For comparative purposes previous year figures may be adjusted to reflect realigned responsibilities.

** These costs were charged back as central service expenditures prior to 2020 and are now accounted for as an internal service fund.

PUBLIC WORKS DEPARTMENT

Facilities Management Division

DIVISION OVERVIEW

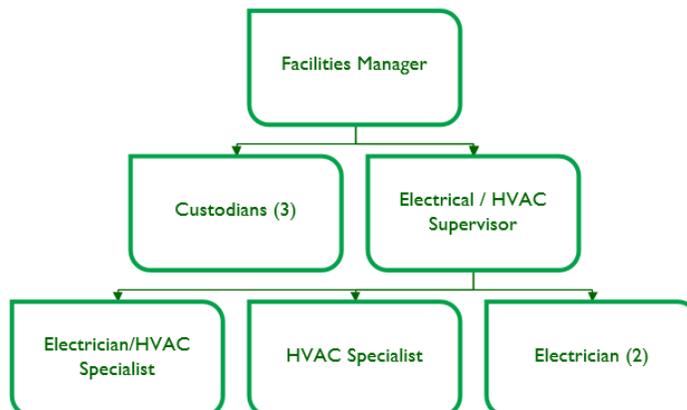
The Facilities Management Division supports all City departments by managing the long-term viability of the City's current physical infrastructure and by planning for future needs. The major facilities include City Hall, Public Works & Parks Maintenance Facility, City parking ramps. Other non-City facilities include the exterior building services at Edina Community Library/Senior Center and the 50th & France Special Services District; park shelter buildings and utility buildings. The City maintains over 80 buildings.

The Facilities Division includes the Electrical and Heating, Ventilation, and Air Conditions (HVAC) Division of the City's Public Works Department. Electricians maintain more than 400 street lights, City-owned traffic signals, and lighting fixtures for the more than 80 City facilities and the Electrical/HVAC needs at each of those facilities.



France Ave.

DIVISION ORGANIZATIONAL CHART



PUBLIC WORKS DEPARTMENT— FACILITIES MANAGEMENT DIVISION

2020-2021 DIVISION GOALS

- ◆ Research a computerized maintenance management system program for City-wide use.
- ◆ Develop service level agreements for facilities maintenance.
- ◆ Implement funded portions of the energy efficiencies and preventative maintenance plans.

2018-2019 DIVISION ACCOMPLISHMENTS

- ◆ Implemented energy efficiencies and preventative maintenance plan.
- ◆ Implemented traffic signal cabinet removal and replacement program.
- ◆ Implemented work request system.
- ◆ Rolled out small cell sites city wide/reorganized cell inventory.

PERFORMANCE MEASURES	2017	2018	2019
Percentage of residents rating the quality of street lighting as “excellent” or “good” in the Quality of Life Survey	70%	No Survey	77%
Average Facilities Condition Index (FCI) of all City buildings. Scale from 0 to 1, with 0 being a new building and 1 a deteriorated structure	.24	.25	.27



City Hall

PUBLIC WORKS DEPARTMENT

Streets Division

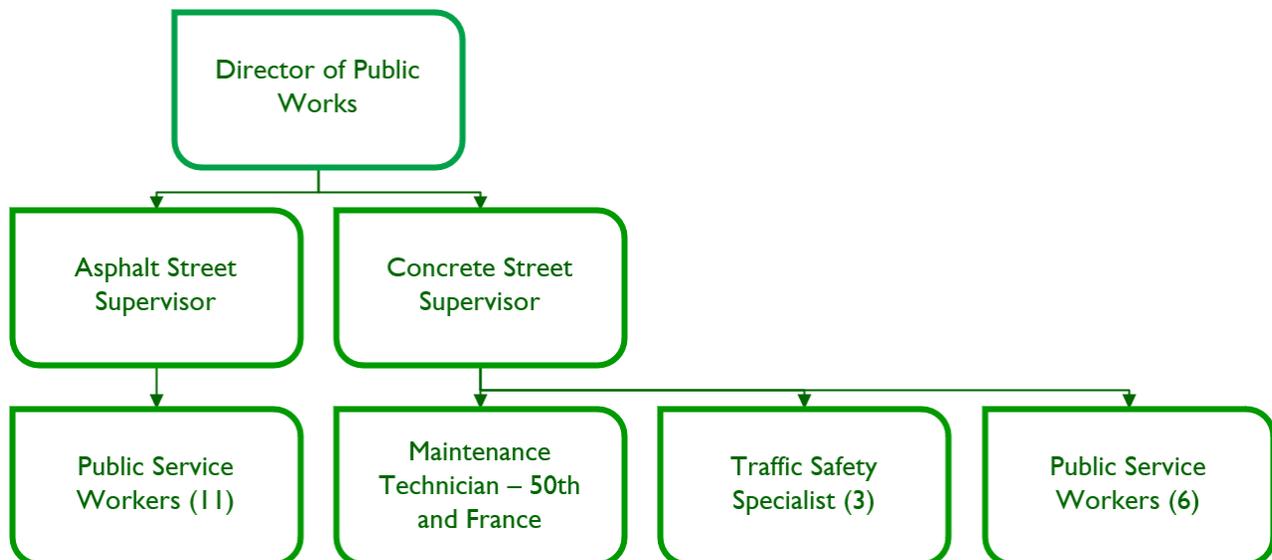
DIVISION OVERVIEW

The Streets Division is responsible for the year-round maintenance and repair of more than 230 miles of City streets, public parking lots, street signs and pavement markings.

This responsibility is managed by two department divisions: Asphalt (bituminous/blacktop) and Concrete Streets. Approximately 80 percent of Edina's streets are paved with a flexible bituminous pavement. All pothole repairs, street sweeping, crack sealing and a majority of overlay projects and sealcoating are performed by the Asphalt Streets crews. The Concrete Streets crews manage the concrete street repairs, concrete curb and gutter, sidewalk replacements and maintenance of the City's traffic signs.



DIVISION ORGANIZATIONAL CHART



PUBLIC WORKS DEPARTMENT—STREETS DIVISION

2020-2021 DIVISION GOALS

- ◆ Complete annual mill-and-overlay program.
- ◆ Create a snow event tracking system utilizing Automated Vehicle Location (AVL) equipment and new technology.
- ◆ Finalize adoptive management plan to improve deicing operations.

2018-2019 DIVISION ACCOMPLISHMENTS

- ◆ Implemented street rehabilitation programs (sealcoat, mill and overlay, concrete road repair, etc.).
- ◆ Implemented sign maintenance policy and annual bridge rehabilitation program.
- ◆ Integrated Edina 311 application that allows concerns from residents to be easier logged and more efficiently tracked.

PERFORMANCE MEASURES	2017	2018	2019
Average Pavement Condition Index (PCI) of Edina local streets	68	72	73
Number of potholes filled throughout the year	4,043	3,077	1,977
Percent of resident who rated Street Repair as "excellent" or "good" in the Quality of Life Survey	54%	No Survey	60%



PUBLIC WORKS DEPARTMENT

Utilities Division

DIVISION OVERVIEW

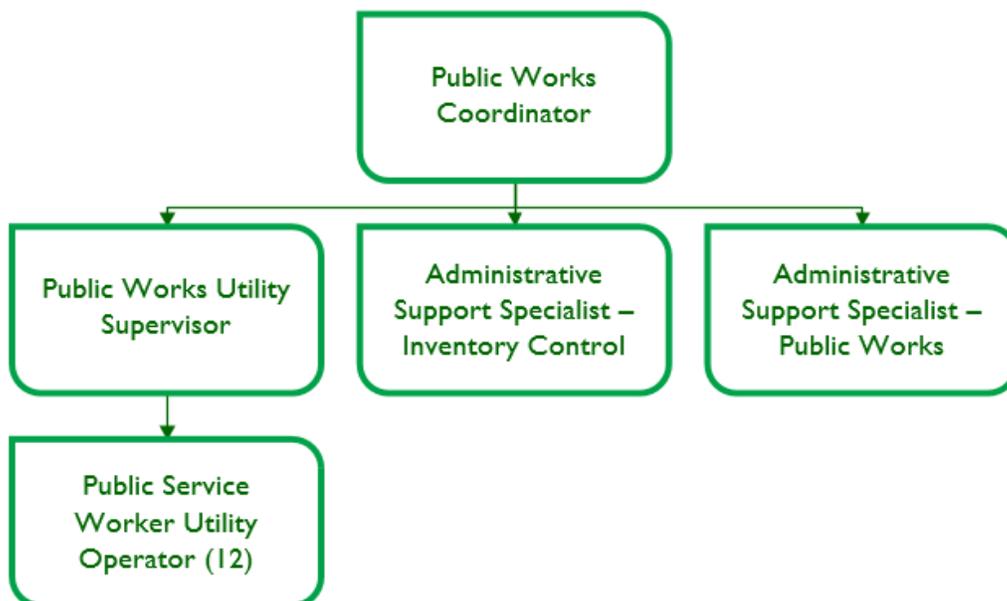
The City’s Utilities Division ensures that there is clean, safe water. There are three main components of the Utilities Division: pump, treat and distribute drinking water; sanitary sewer collection; and storm water collection.

The City of Edina operates two water systems: The Morningside water system and the Edina water system. The Morningside system is supplied with treated surface water from the City of Minneapolis. While the water is from Minneapolis, Edina’s Utilities Division maintains the system’s piping. The Edina system gets its water from 18 ground-water wells. Once the water has been treated, it is distributed through a system of 200 miles of water main, four water towers and a ground reservoir.

Sewage collection and flow is based on gravity and controlled by lift stations and pumps. The City collects and pumps sewage from a neighboring community where it eventually goes to a wastewater treatment facility operated by the Metropolitan Council.

The City also collects storm water. During and after a rain or melt event, it is crucial that water is removed quickly from roadways so it doesn’t create a public safety issue. The water is routed to creeks, ponds, lakes and wetlands. These highly visible areas serve as natural treatment facilities for storm water, create wildlife habitat and add to the aesthetics of neighborhoods. The Utilities Division is responsible for managing, repairing and monitoring these water systems.

DIVISION ORGANIZATIONAL CHART



PUBLIC WORKS DEPARTMENT—UTILITIES DIVISION

2020-2020 DIVISION GOALS

- ◆ Implement SCADA upgrades recommended by the System Needs Assessment Report completed in 2019.
- ◆ Complete a risk and resilience assessment on the City’s water infrastructure.
- ◆ Complete the well rehabilitation program for Well 19.

2018-2019 DIVISION ACCOMPLISHMENTS

- ◆ Completed maintenance rehabilitations of Wells 4, 6, 9, and 15.
- ◆ Completed the hydrant maintenance program.
- ◆ Repaired the Dublin Reservoir Pump.
- ◆ Installed Sanitary sewer Lift Station No. 14 pump.

PERFORMANCE MEASURES	2017	2018	2019
Operating cost per 1 million gallons water pumped/produced	\$1,398	\$1,529	\$1,568
Percentage of unaccounted water within system (water produced but not billed) Goal is a minimal percent	2.2%	1.7%	1.8%
Percentage of residents rating the quality of the City’s sanitary sewer services as “excellent” or “good” in the Quality of Life Survey	88%	No Survey	89%



Equipment Operations Division

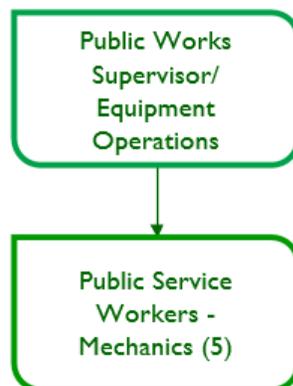
DIVISION OVERVIEW

The Equipment Operations Division serves as the City’s auto shop. It maintains more than \$8M worth of vehicles and rolling stock. The mechanics who work in this division are responsible for routine maintenance and the emergency repairs necessary to keep the City’s fleet in operation during critical events such as snow plowing.



Public Works Garage

DIVISION ORGANIZATIONAL CHART



PUBLIC WORKS DEPARTMENT—EQUIPMENT OPERATIONS DIVISION

2020-2021 DIVISION GOALS

- ◆ Complete the equipment operations customer satisfaction survey.

2018-2019 DIVISION ACCOMPLISHMENTS

- ◆ Conducted weekly inspections of emergency vehicle apparatuses.
- ◆ Implemented equipment replacement plan.

PERFORMANCE MEASURES	2017	2018	2019
Total gallons of fuel usage for City equipment			
Diesel fuel	71,912	73,686	82,211
Unleaded Fuel	104,168	102,051	99,515
Number of repair orders submitted to the equipment operations division	1,812	2,369	1,910



E NGINEERING DEPARTMENT

Chad Millner, Director

cmillner@EdinaMN.gov

952-826-0318



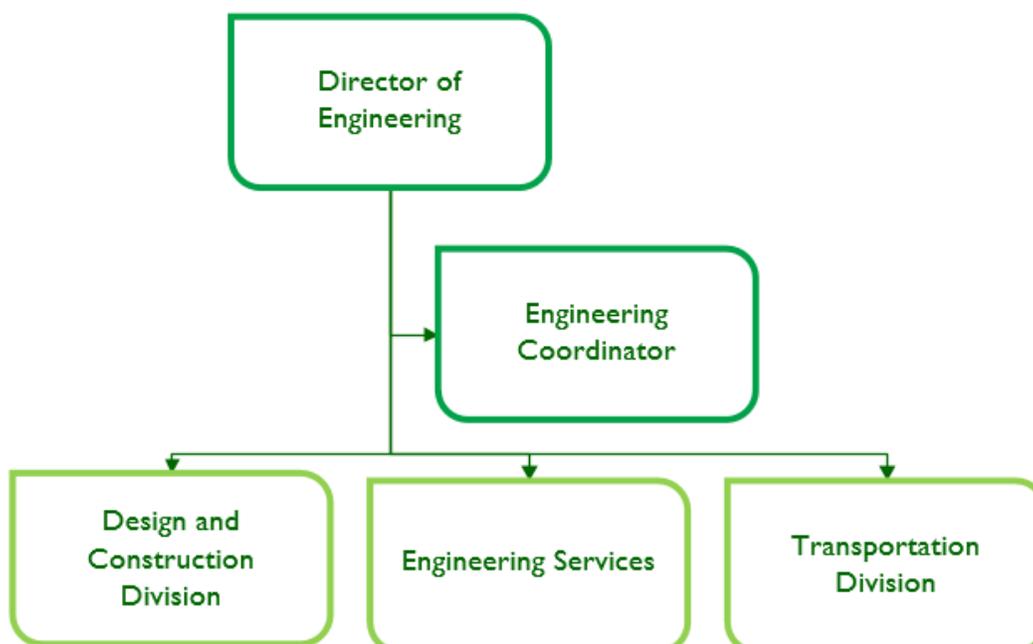
DEPARTMENT OVERVIEW

The Engineering Department is responsible for the planning, design and construction of the City's infrastructure, including the sidewalk and bikeway systems, local and Municipal State Aid (MSA) street systems, storm sewer, sanitary sewer, water and street lighting systems as well as other projects that support residents and businesses. Staff ensures that projects meet design standards and engineering requirements. The Engineering Department provides a staff liaison to the Transportation Commission and works directly with other local, regional and state agencies.

MAJOR SERVICE AREAS

- ◆ Asset management
- ◆ Design, construction and project management of infrastructure projects
- ◆ Water resources
- ◆ Redevelopment reviews
- ◆ Transportation

DEPARTMENT ORGANIZATIONAL CHART



ENGINEERING DEPARTMENT

2020-2021 DEPARTMENTAL GOALS

- ◆ Design and begin construction of Water Treatment Plant 5.
- ◆ Coordinate with Metro Transit on the E-Line bus rapid transit project.
- ◆ Coordinate with Hennepin County on the Vernon Ave bridge replacement project.

2018-2019 DEPARTMENTAL ACCOMPLISHMENTS

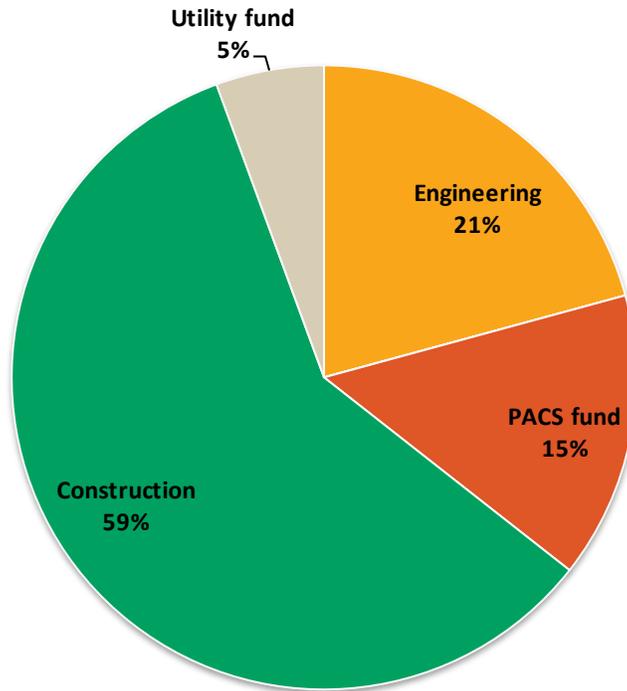
- ◆ Improved communications with residents during the Neighborhood Street Reconstruction Projects, including the pilot of an online engagement platform for the 58th St. reconstruction planning in 2019.
- ◆ Successfully constructed 6.48 and 0.37 miles of local neighborhood and Municipal State Aid (MSA) streets.
- ◆ Improved performance of the water infrastructure system by replacing and rehabilitating more than 28,736 feet of water main, 93 fire hydrants, 104 gate valves and 508 water services.
- ◆ Reduced potential inflow and infiltration by rehabilitating 28,690 feet of sanitary sewer trunk pipe.
- ◆ Updated the Water Resources Management Chapter and Transportation Chapter of the Comprehensive Plan.

PERFORMANCE MEASURES	2017	2018	2019
Citywide Pavement Condition Index (PCI) rating the condition of city streets on a scale of 1-100, with 100 being a new street	64	72	73
Post Street Reconstruction Survey: During construction, how effective was the project team in understanding your specific construction related issue	74%	75%	69%
Number of registered users of BetterTogetherEdina.org, an online engagement tool for City projects, including street reconstruction	NA	NA	907

ENGINEERING DEPARTMENT

EXPENDITURES

Engineering Expenses by Service Area



Engineering Expenses						
	2017	2018	2019	2019	2020	2021
	Actual	Actual	Estimate	Budget	Budget	Budget
General Fund						
Engineering	\$ 1,501,354	\$ 1,554,691	\$ 1,809,492	\$ 1,849,492	\$ 1,920,392	\$ 1,995,995
General fund subtotal	1,501,354	1,554,691	1,809,492	1,849,492	1,920,392	1,995,995
Other Funds						
PACS fund	1,083,506	1,058,632	1,540,590	1,245,362	1,520,802	1,142,287
Construction	5,804,437	3,665,039	4,380,921	3,733,025	7,417,998	5,102,516
Utility fund	496,792	493,870	495,418	347,418	511,830	517,811
Department Total Budget	\$ 8,886,089	\$ 6,772,232	\$ 8,226,421	\$ 7,175,297	\$ 11,371,022	\$ 8,758,609

*For comparative purposes previous year figures may be adjusted to reflect realigned responsibilities.

ENGINEERING DEPARTMENT

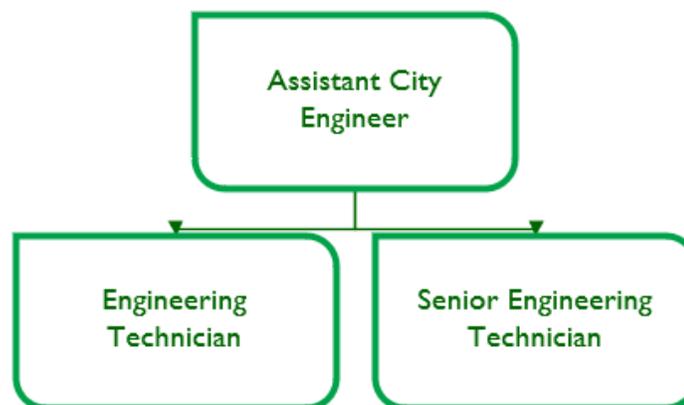
Design & Construction Division

DIVISION OVERVIEW

The Design & Construction Division is responsible for the design and construction of the City's infrastructure. Staff coordinates reconstruction of neighborhood and MSA roadways. The Division is also responsible for the rehabilitation of utility infrastructure. The Design & Construction Division works with other agencies such as the Minnesota Department of Transportation and Hennepin County to coordinate other reconstruction projects throughout the City.



DIVISION ORGANIZATIONAL CHART



ENGINEERING DEPARTMENT—DESIGN & CONSTRUCTION DIVISION

2020-2021 DIVISION GOALS

- ◆ Implement the 2020 and 2021 neighborhood roadway reconstruction projects.
- ◆ Coordinate and implement design and construction of bike and pedestrian projects.

2018-2019 DIVISION ACCOMPLISHMENTS

- ◆ Planned, designed and coordinated street reconstruction utilizing the Living Streets Plan and Small Area Plans.
- ◆ Successfully constructed 6.85 miles of City streets.



PERFORMANCE MEASURES	2017	2018	2019
Citywide Pavement Condition Index (PCI) rating the condition of city streets on a scale of 1-100, with 100 being a new street	64	72	73
Street Reconstruction Survey for residents: Did final infrastructure meet your expectations? Percent that selected “Yes”	60%	64%	62%

ENGINEERING DEPARTMENT

Transportation Division

DIVISION OVERVIEW

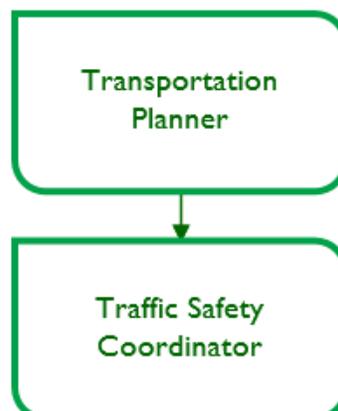
The Transportation Division is responsible for the planning, design and management of local transportation systems and facilities in the City of Edina and in coordination with surrounding agencies. The Division prepares and reviews City policies related to transportation and traffic systems planning, design and maintenance.

Staff in this Division serve as the liaison to the Transportation Commission. Staff works directly with the Commission on matters related to transportation systems. The Transportation Division receives and reviews resident requests for transportation systems changes to increase safety or consistency throughout the city, conducts the appropriate level of analysis and makes recommendations.

The Division Coordinates non-motorized transportation facilities marketing and promotional activities aimed at furthering education in the city. Staff administers the Living Streets program and Pedestrian and Cyclist Safety (PACS) fund.



DIVISION ORGANIZATIONAL CHART



ENGINEERING DEPARTMENT—TRANSPORTATION DIVISION

2020-2021 DIVISION GOALS

- ◆ Create an Electric Vehicle (EV) strategy that includes policy and infrastructure recommendations.
- ◆ Develop a travel demand management ordinance or policy.

2018-2019 DIVISION ACCOMPLISHMENTS

- ◆ Increased pedestrian safety and walkability by constructing 0.6 mile of new sidewalks.
- ◆ Updated the Transportation Chapter of the Comprehensive Plan and amended the Pedestrian and Bicycle Master Plan into the Comprehensive Plan.

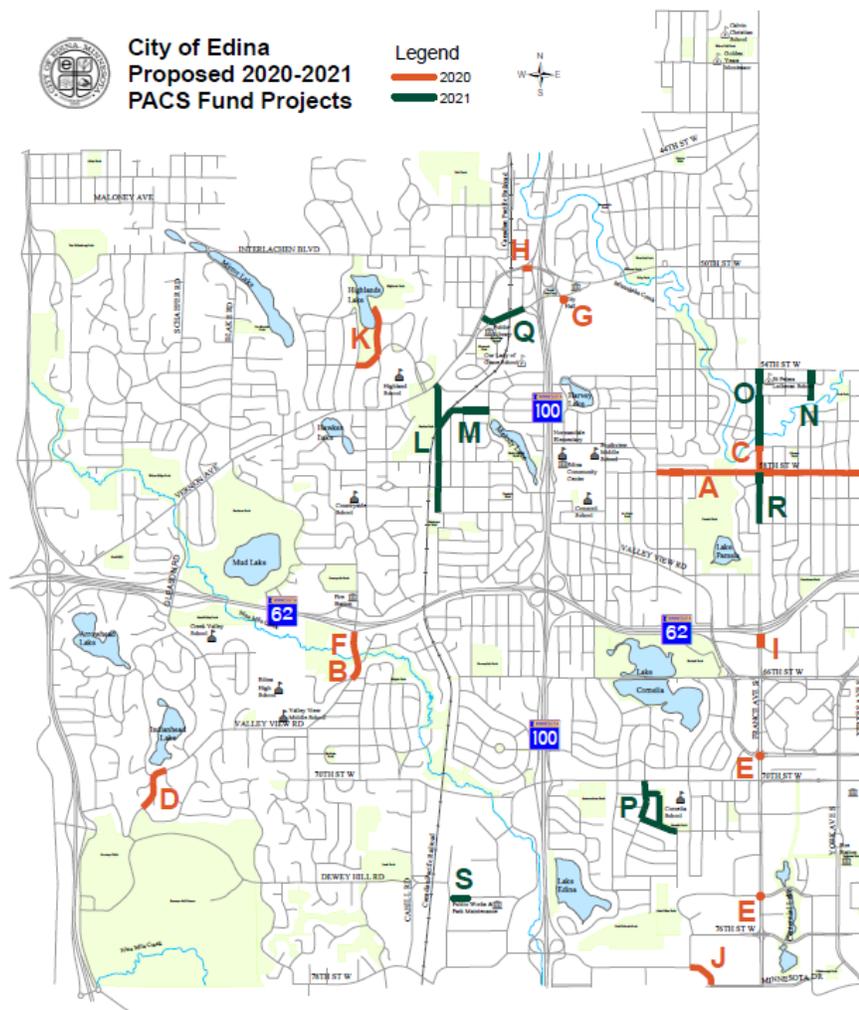
PERFORMANCE MEASURES	2017	2018	2019
Percent of resident-submitted traffic safety issues resolved within the year	66%	91%	93%
Miles of sidewalks constructed	2.3	0.7	0.7
Miles of bikeways constructed	0.1	0.3	0.4
Percentage of residents who rated the ease of walking in Edina as “excellent” or “good” in the Quality of Life Survey	66%	NA	65%



ENGINEERING DEPARTMENT—TRANSPORTATION DIVISION

PACS Fund

The Pedestrian and Cyclist Safety (PACS) Fund is a special revenue fund created to account for new gas and electric utility franchise fee revenues from customers. The utility franchise fees are dedicated revenue to the PACS Fund. Other potential revenues for the PACS Fund may include grants, donations, special assessments and transfers from other City funds. The purpose of the PACS Fund is to provide funding for the creation, maintenance and improvement of non-motorized transportation facilities for the primary benefit of pedestrians and cyclists in Edina. Non-motorized transportation facilities (NMTF) is defined as sidewalks, trails and other bicyclist-related facilities. In 2020 and 2021, the franchise fees are expected to generate approximately \$1.2 million each year in revenue.



2020 Projects (orange)

- A. W 58th St sidewalk, shared-use path
- B. Valley View Rd sidewalk
- C. France Ave sidewalk
- D. Valley View Rd sidewalk
- E. France Ave pedestrian improvements
- F. Tracy Ave shared-use path
- G. City Hall raised crosswalk
- H. Vernon Ave sidewalk
- I. France Ave sidewalk
- J. W 77th St sidewalk
- K. Highlands Park shared-use paths

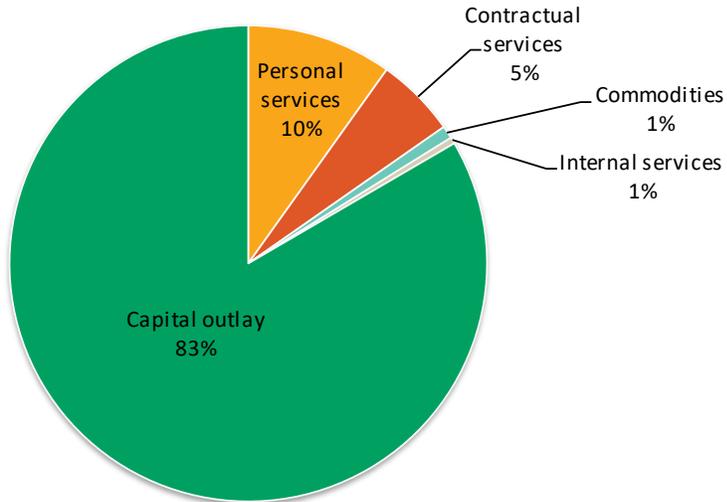
2021 Projects (green)

- L. Hansen Rd sidewalk
- M. W 56th St sidewalk
- N. Beard Ave sidewalk
- O. France Ave sidewalk
- P. Cornelia School sidewalks
- Q. Eden Ave shared-use path
- R. France Ave sidewalk
- S. W 74th St sidewalk

ENGINEERING DEPARTMENT—TRANSPORTATION DIVISION

EXPENDITURES

PACS Fund Expenditures by Type



PACS Fund Financial Summary

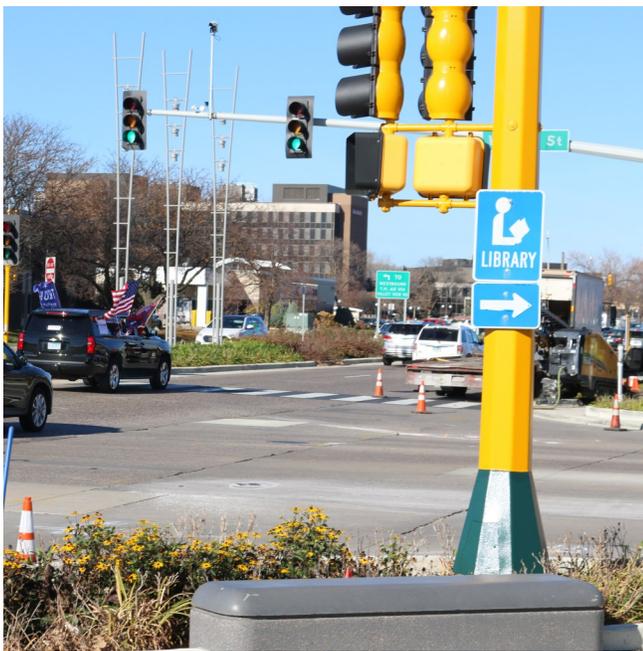
	2017 Actual	2018 Actual	2019 Estimate	2019 Budget	2020 Budget	2021 Budget
Revenues						
Franchise fees	\$ 1,176,085	\$ 1,186,088	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000
Intergovernmental	113,131	175,600	-	-	-	-
Investment Income	-	1,170	-	-	1,060	1,060
Other revenues	8,900	59,211	-	-	-	-
Total revenues	<u>1,298,116</u>	<u>1,422,069</u>	<u>1,200,000</u>	<u>1,200,000</u>	<u>1,201,060</u>	<u>1,201,060</u>
Expenditures						
Personal services	119,608	124,698	133,679	133,679	115,642	120,202
Contractual services	108,161	58,708	75,000	20,000	75,000	75,000
Commodities	2,816	3,103	15,000	15,000	15,000	15,000
Internal services	734	5,485	5,796	5,796	7,200	7,860
Capital outlay	852,187	866,638	1,311,115	1,070,887	1,307,960	924,225
Total expenses	<u>1,083,506</u>	<u>1,058,632</u>	<u>1,540,590</u>	<u>1,245,362</u>	<u>1,520,802</u>	<u>1,142,287</u>
Change in fund balance	<u>214,610</u>	<u>363,437</u>	<u>(340,590)</u>	<u>(45,362)</u>	<u>(319,742)</u>	<u>58,773</u>
January 1 balance	<u>(190,845)</u>	<u>23,765</u>	<u>387,202</u>	<u>387,202</u>	<u>46,612</u>	<u>(273,130)</u>
December 31 balance	<u>\$ 23,765</u>	<u>\$ 387,202</u>	<u>\$ 46,612</u>	<u>\$ 341,840</u>	<u>\$ (273,130)</u>	<u>\$ (214,357)</u>

ENGINEERING DEPARTMENT

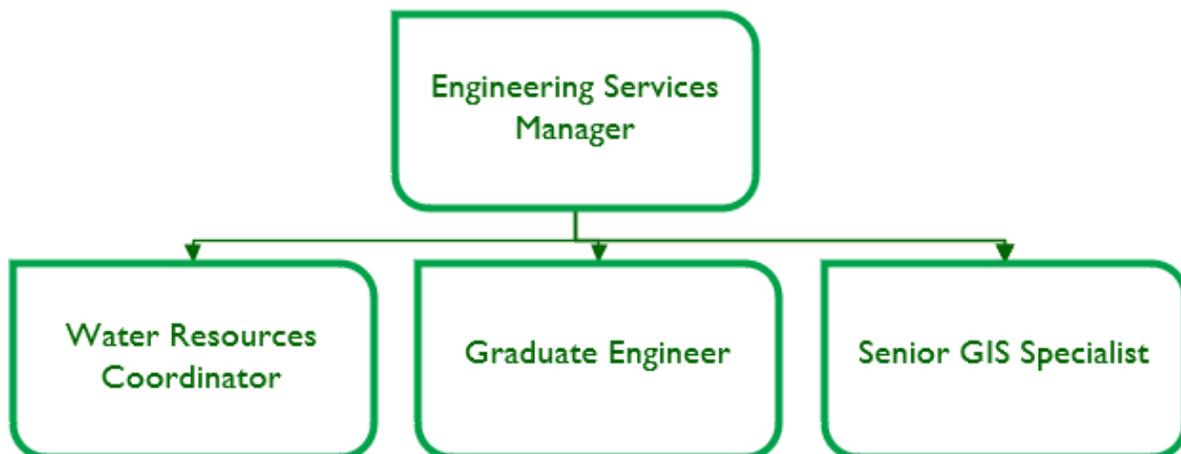
Engineering Services Division

DIVISION OVERVIEW

The Engineering Services Division provides a variety of services to planners, builders, property owners and utility customers by managing the shared public right-of-way, coordinating utility and street connections, managing and planning surface water resources and flood protection, reducing surface water pollution and providing geographical maps and data.



DIVISION ORGANIZATIONAL CHART



ENGINEERING DEPARTMENT—ENGINEERING SERVICES DIVISION

2020-2021 DIVISION GOALS

- ◆ Create flood risk reduction strategy.
- ◆ Create a Lake Cornelia water quality strategy.

2018-2019 DIVISION ACCOMPLISHMENTS

- ◆ Approval of the 2019 water supply plan and water resources management plan.
- ◆ Launched DataLink interval GIS tool to all City staff.
- ◆ Launched an Adopt-a-Drain program that connects residents to caring for stormwater drains.
- ◆ Completed Sunnyslope area shoreline stabilization project.

PERFORMANCE MEASURES	2017	2018	2019
Number of GIS service requests per year	1,754	2,285	2,512
Number of storm/erosion control plan reviews by staff	269	421	326
Water resources City Extra email list subscribers	96	140	160



POLICE DEPARTMENT

Dave Nelson, Police Chief

dnelson@EdinaMN.gov

952-826-0487



DEPARTMENT OVERVIEW

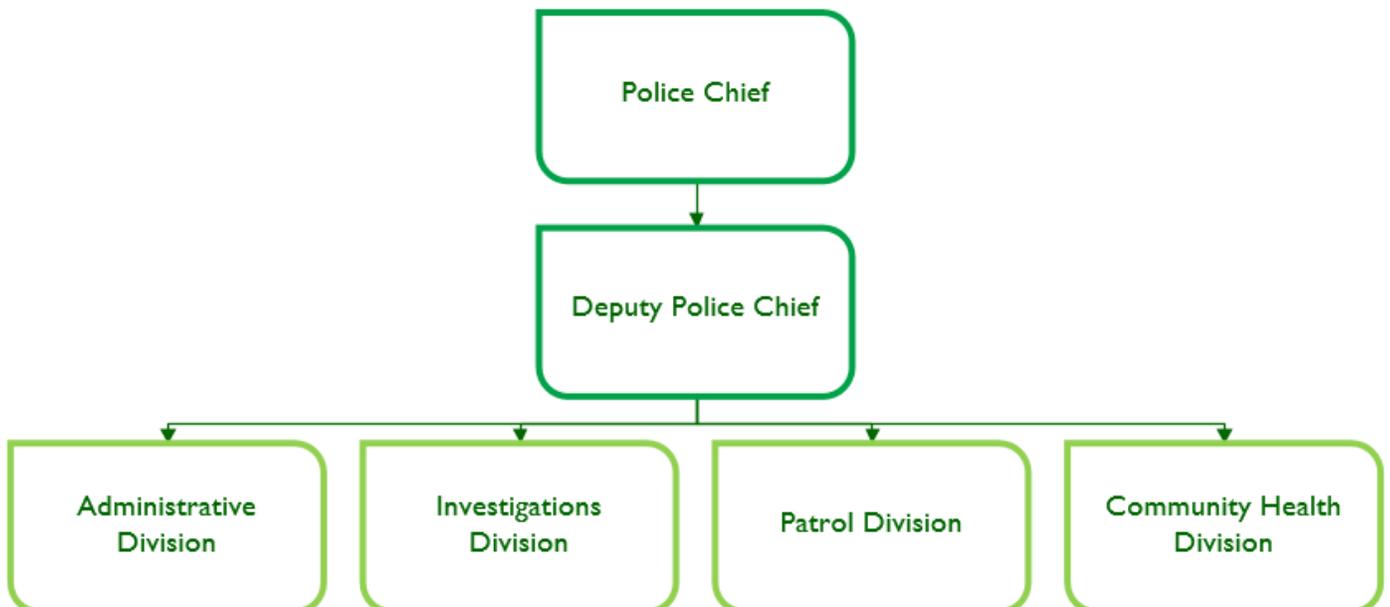
The Police Department is responsible for maintaining public order and safety; enforcing the law; and preventing, detecting, and investigating criminal activities within the community. This mission is accomplished through the four divisions of the department: Administration, Investigations, Patrol, and Community Health.

The police department is the largest department in the City with 55 sworn officers and 30 civilian staff.

MAJOR SERVICE AREAS

- ◆ Animal control
- ◆ Computer forensics
- ◆ Community health
- ◆ Civilian services
- ◆ Crime prevention
- ◆ Drug Task Force
- ◆ Investigations
- ◆ Patrol
- ◆ Property and evidence
- ◆ School Resource Officers
- ◆ Traffic
- ◆ 911 Dispatch

DEPARTMENT ORGANIZATIONAL CHART



POLICE DEPARTMENT

2020-2021 DEPARTMENTAL GOALS

- ◆ Implement body worn cameras.
- ◆ Continue to leverage communication strategies to publicize, notify and promote the department activities such as active incidents, including through social media.

2018-2019 DEPARTMENT ACCOMPLISHMENTS

- ◆ Replaced in-squad and interview room video system.
- ◆ Carried out several of the recommendations of the Public Safety Staffing Analysis Report by hiring additional staff: two patrol officers, one full-time dispatcher and one support staff.
- ◆ Five Edina officers received Mothers Against Drunk Driving (MADD) awards for their work in the detection and arrest of impaired drivers.

PERFORMANCE MEASURES	2017	2018	2019
Percentage of respondents rating police services as “excellent” or “good” in the Quality of Life Survey	89%	No Survey	92%
Cost of police services per household	\$475.43	\$454.38	\$476.64



POLICE DEPARTMENT

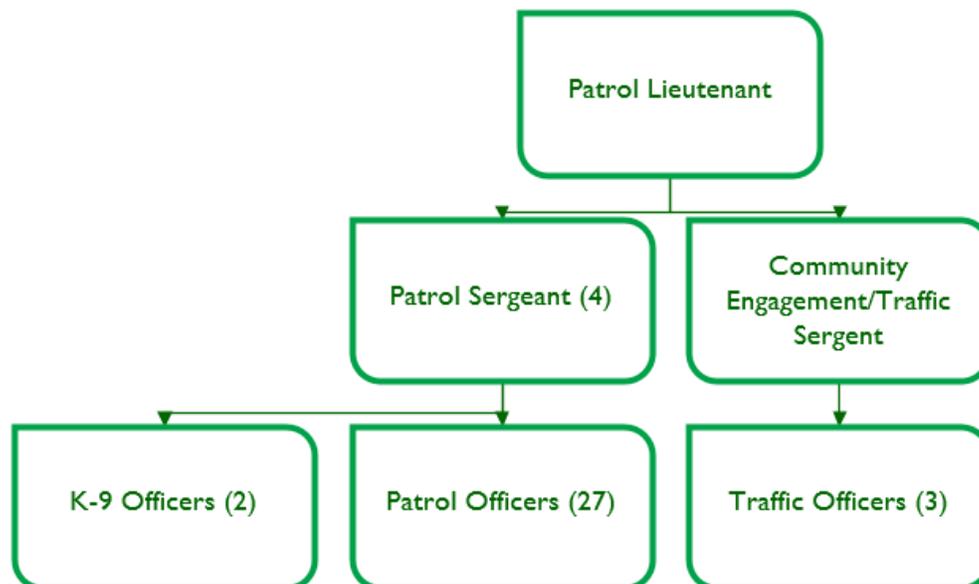
Patrol Division

DIVISION OVERVIEW

The Patrol Division is the uniformed portion of the police department most people are familiar with. It's the people in uniform, driving marked police vehicles throughout the City and providing public safety to the community. Officers' interactions are significant steps toward crime deterrence, crime prevention and nurturing positive community relations.



DIVISION ORGANIZATIONAL CHART



POLICE DEPARTMENT— PATROL DIVISION

2020-2021 DIVISION GOALS

- ◆ Research and implement within the southwest consortium a Peer-to-Peer support program.
- ◆ Work with Edina Public Schools to support a response to an active shooter training.
- ◆ Hire and field train two additional police officers.

2018-2018 DIVISION ACCOMPLISHMENTS

- ◆ Reviewed booking procedures in an effort to streamline systems to reduce the amount of time processing arrestees.
- ◆ Promoted officer wellness by continuing to offer organizational interventions through individual employee services in addition to allowing employees to exercise while on-duty if schedule allows.
- ◆ Provided training and instruction to non-police City employees on active shooter protocol and workplace violence.
- ◆ Fully implemented an on-line web-based scheduling software program.

PERFORMANCE MEASURES	2017	2018	2019
Number of impaired driving arrests per year	477	466	412
Number of traffic and misdemeanor citable violations per year	19,651	20,202	14,262



POLICE DEPARTMENT

Investigations Division

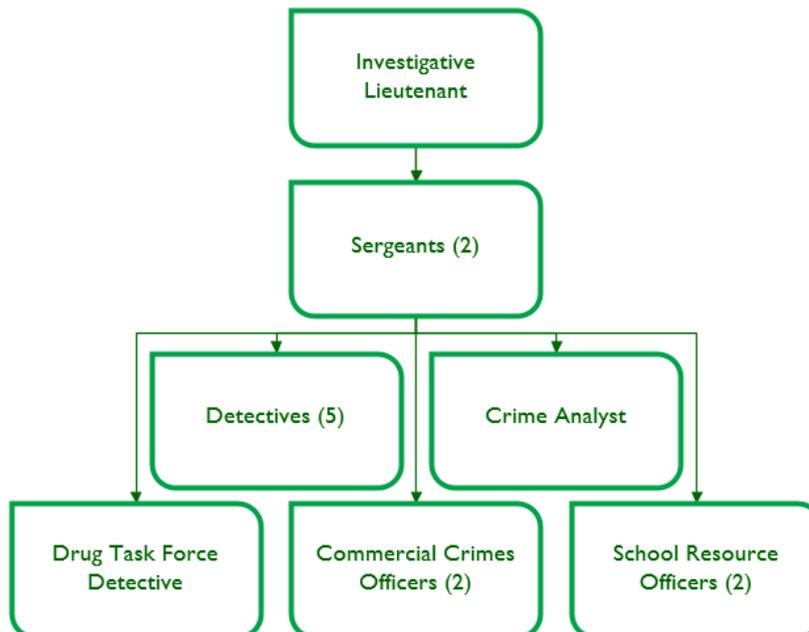
DIVISION OVERVIEW

The Investigative Division is responsible for investigating crimes that occur within the City and processing case files for possible prosecution.

The Investigations Division is comprised of one Lieutenant, two Sergeants, five Detectives, one Southwest Hennepin Drug Task Force Investigator, two School Resource Officers, two Commercial Crimes Officers and a Crime Analyst.



DIVISION ORGANIZATIONAL CHART



POLICE DEPARTMENT— INVESTIGATIONS DIVISION

2020-2021 DIVISION GOALS

- ◆ Expand Division staffing to include an additional Detective.
- ◆ Complete implementation of Electronic Forensic Work Group.
- ◆ Assess the effectiveness of the Commercial Crime Unit dedicated to the Southdale Mall.

2018-2019 DIVISION ACCOMPLISHMENTS

- ◆ Created a formal training manual outlining the duties and responsibilities of the rotational Investigative Sergeant assignment.
- ◆ Expanded School Resource Officer case responsibilities to include Edina juvenile residents as well as Edina students.
- ◆ Cross trained Computer Forensic Detective duties to ensure general knowledge and understanding of the position is preserved in the event of internal changes.
- ◆ Review feasibility of making the Computer Forensic Detective a formal full-time assignment, dedicated to computer forensics.

PERFORMANCE MEASURES	2017	2018	2019
Clearance Rates for reported (Part I and Part II) crimes. Per FBI guidelines, crimes are divided into two components: violent (Part I) and property (Part II)	61%	63%	60%



POLICE DEPARTMENT

Administrative Division

DIVISION OVERVIEW

The Administrative Division is responsible for 911 dispatch, records, Animal Control, Community Service Officers, coordinating special events, acquisition of equipment and the Police Explorer program.

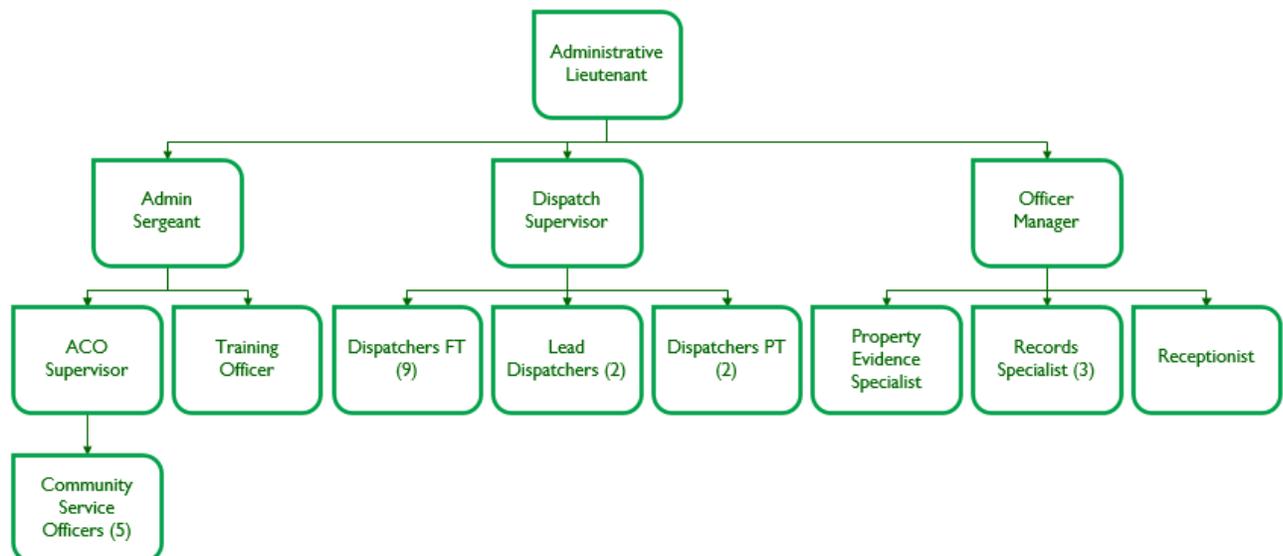
Edina’s 911 Communications Center staff handles thousands of calls for service annually for both the cities of Edina and Richfield. This provides an exceptional level of emergency and non-emergency assistance and customer service to community members.

The Administrative Support staff is responsible for numerous behind the scenes functions in the department, including: records management, property and evidence management, finance, false alarm billing, data privacy and public information requests, specialized support to investigators and prosecutors for processing of criminal cases. They also respond to customer service requests to courts, partner agencies, city staff, and members of the community.

A full-time Training Officer manages continuing education training for all employees of the department as well as mandated training for officers according to the Minnesota Peace Officer Standards and Training.



DIVISION ORGANIZATIONAL CHART



POLICE DEPARTMENT— ADMINISTRATIVE DIVISION

2020-2021 DIVISION GOALS

- ◆ Hire and onboard a new Dispatch Supervisor.
- ◆ Research and plan for a new Computer-Aided Design (CAD) system.

2018-2019 DIVISION ACCOMPLISHMENTS

- ◆ Added one Records Specialist and developed the Lead Records Specialist position into a supervisory position.
- ◆ Evaluated the dispatch services provided to Richfield and added additional dispatch staffing to accommodate growing workload.
- ◆ Implemented Text-to-911 program in dispatch.
- ◆ Develop officer candidates and provide critical support to the police through the Community Service Officer and Reserve Officer programs.
- ◆ Fully train dispatch staff and work toward complete utilization of Emergency Medical Dispatching (EMD) protocols for Edina EMS calls.

PERFORMANCE MEASURES	2017	2018	2019
Property room items/evidence disposed of after court disposition per state guidelines	1,217	3,384	1,808
All misdemeanor and gross misdemeanor cases submitted to the City Attorney for prosecution	1,012	1,020	882
Percent of alarm bills paid	97.2%	95.7%	78%



POLICE DEPARTMENT

Community Health Division

DIVISION OVERVIEW

The Community Health Division, through a delegation agreement with the Minnesota Department of Health, is responsible for the licensing and inspection of food and beverage establishments, lodging facilities, temporary food events and public swimming pools in the city. These include restaurants, schools, daycares, hotels, apartment complex pools, the Aquatic Center and food vendors at various events. The Community Health Division performs plan reviews for new facilities, investigates foodborne illness complaints, reports waterborne illnesses and responds to disasters such as fires or wastewater backups in regulated facilities.

Public health nuisance complaint investigations, property maintenance inspections and code enforcement activities are also conducted by the Division. These activities range from simple maintenance issues to calls from Police or Fire to order abatement of extreme public health nuisance conditions in a property. An intern is hired each summer to assist with code enforcement activities and gain exposure to public and environmental health regulation.

The Division manages four grants from the Minnesota Department of Health to the Edina Community Health Board, which funds contracts with Bloomington Public Health for public health activities in Edina. The Community Health Administrator manages the grants and acts as the liaison to the Community Health Commission.

In addition, the Division is responsible for oversight and education of the residential recycling and organics collection program, which provides service to over 14,000 residential households. The Division also manages some programs created by local ordinance, including regulation of body art, massage facilities and noise complaints.

DIVISION ORGANIZATIONAL CHART



POLICE DEPARTMENT— COMMUNITY HEALTH DIVISION

2020-2020 DIVISION GOALS

- Implement citywide organics recycling program.
- Implement residential rental housing licensing and inspection program.

2018-2019 DIVISION ACCOMPLISHMENTS

- ◆ Developed training policy and procedure for new staff training to align with new evaluation tool produced by workgroup of Environmental Health Continuous Improvement Board.
- ◆ Work with LOGIS to develop, test and implement new electronic inspection module of PIMS.
- ◆ Updated website information and functionality relating to mobile food applications.



PERFORMANCE MEASURES	2017	2018	2019
Total number of food, pool, and lodging inspections conducted by staff	381	358	385
Total number of foodborne illness complaints or investigations	19	31	22
Total number of regulatory inspections conducted by staff	603	623	652

FIRE DEPARTMENT

Tom Schmitz, Fire Chief

tschmitz@EdinaMN.gov

952-826-0332



DEPARTMENT OVERVIEW

The mission of the Edina Fire Department is to serve the community by protecting lives, property and the environment in a safe, efficient and professional manner. The Department works together to ensure the safety of the City's residents through the implementation of building and fire codes for new constructions, fire extinguishment and full Advanced Life Support Ambulance response.

The City of Edina is also responsible for the management of the South Metro Public Training Facility (SMPTF). SMPTF provides high-quality, cost-effective training and development for public safety organizations. The Fire Department is also a member of Minnesota Task Force I Urban Search & Rescue Team. This State funded program equips and trains personnel to respond statewide to disasters and complicated technical rescues.

MAJOR SERVICE AREAS

- ◆ Building Inspections
- ◆ Emergency management
- ◆ Emergency Medical
- ◆ Management of the South Metro Public Training Facility
- ◆ Fire suppression & prevention
- ◆ Special Operations

DEPARTMENT ORGANIZATIONAL CHART



FIRE DEPARTMENT

2020-2021 DEPARTMENT GOALS

- ◆ Evaluate Emergency Reporting platform.
- ◆ Review and revise the City Emergency Operations Plan, including emergency management best practices.

2018-2019 DEPARTMENT ACCOMPLISHMENTS

- ◆ Created a purchasing plan and purchased three engines and one aerial truck.
- ◆ Developed a Quality Assurance Program for Emergency Medical Services (EMS) operations.
- ◆ Upgraded the building inspections online plan submittal system.

PERFORMANCE MEASURES	2017	2018	2019
Percentage of residents who rate fire and ambulance services as “excellent” or “good” in the Quality of Life Survey	99%	No Survey	98%
Number of public education events hosted	186	116	69
Property dollar loss from fires per year	\$1,252,945	\$1,269,575	\$533,455



FIRE DEPARTMENT

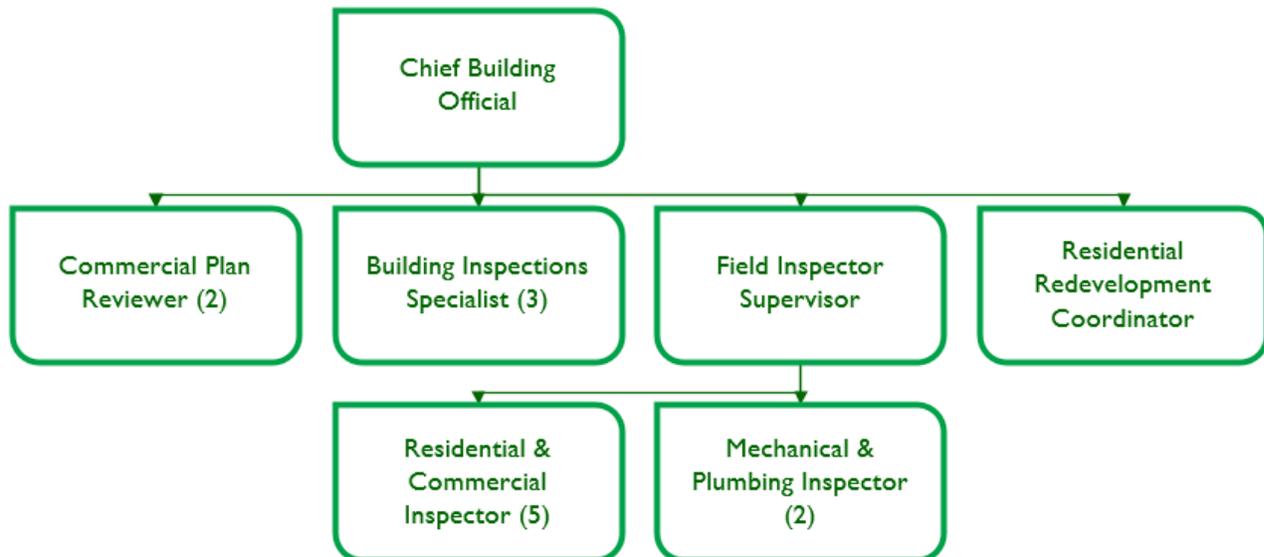
Building Inspections Division

DIVISION OVERVIEW

The Building Inspections Division is responsible for plan review, permitting and inspection of all new construction within the city to ensure that new buildings meet both structural and exiting safety standards. The City of Edina adopts the Minnesota State Building Code, which in turn adopts the International Building Code, International Residential Code and other codes and standards relating to building inspections. The Division has been a leader within the City to go paperless with electronic plan reviews and permits.



DIVISION ORGANIZATIONAL CHART



FIRE DEPARTMENT— BUILDING INSPECTIONS DIVISION

2020-2021 DIVISION GOALS

- ◆ Implement new Minnesota State building, fire, plumbing, mechanical, accessibility, and energy code adopted by the State.
- ◆ Continue to scan 20% of building house files per year.
- ◆ Test fleet transition to Electric Vehicles (EV).

2018-2019 DIVISION ACCOMPLISHMENTS

- ◆ Transitioned to a paperless process for all plan reviews and permits.
- ◆ Piloted employee development and flexible workforce plans for the department.
- ◆ Scanned 25 percent of the house files and moved to virtual storage.

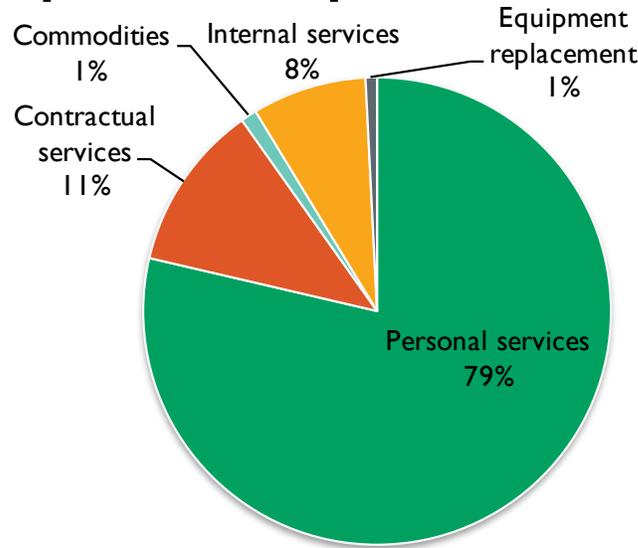
PERFORMANCE MEASURES	2017	2018	2019
Total number of inspections conducted	20,708	22,642	22,000
Average number of days for building plan reviews to be processed (application to issue permit)	13	14	15
Median number of days it takes to process a commercial plan review from (application to issue permit)	12	13	23



FIRE DEPARTMENT— BUILDING INSPECTIONS DIVISION

EXPENDITURES

Inspections Expenditures by Type



Building Inspections Expenditures						
	2017 Actual	2018 Actual	2019 Estimate	2019 Budget	2020 Budget	2021 Budget
General Fund						
Personal services	\$ 1,407,812	\$ 1,494,738	\$ 1,639,287	\$ 1,639,287	\$ 1,732,445	\$ 1,800,677
Contractual services	196,911	235,404	227,950	227,950	264,050	274,700
Commodities	17,572	17,056	24,850	24,850	26,050	26,650
Internal services	145,017	160,082	165,624	165,624	163,572	176,616
General fund subtotal	<u>1,767,312</u>	<u>1,907,280</u>	<u>2,057,711</u>	<u>2,057,711</u>	<u>2,186,117</u>	<u>2,278,643</u>
Other Funds						
Equipment replacement	37,946	37,758	-	-	22,000	-
Department Total Budget	<u>\$ 1,805,258</u>	<u>\$ 1,945,038</u>	<u>\$ 2,057,711</u>	<u>\$ 2,057,711</u>	<u>\$ 2,208,117</u>	<u>\$ 2,278,643</u>

*For comparative purposes previous year figures may be adjusted to reflect realigned responsibilities.

FIRE DEPARTMENT

Fire & Emergency Medical Services Division

DIVISION OVERVIEW

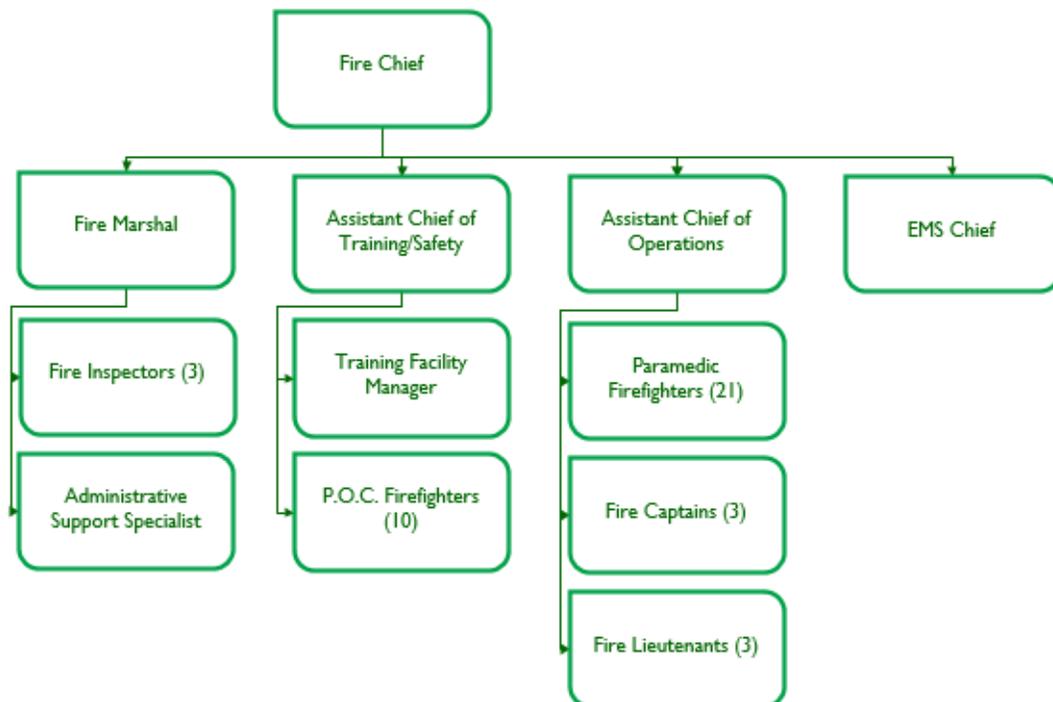
The Fire & Emergency Medical Services Division is responsible for extinguishing fires, providing paramedic and Advanced Life Support (ALS) medical service, special operations, educating the community on fire prevention issues and maintaining firefighting equipment and Department facilities. In addition, the Division enforces laws and ordinances pertaining to fire safety.



South Metro Public Safety Training Facility



DIVISION ORGANIZATIONAL CHART



FIRE DEPARTMENT— FIRE & EMERGENCY MEDICAL SERVICES DIVISION

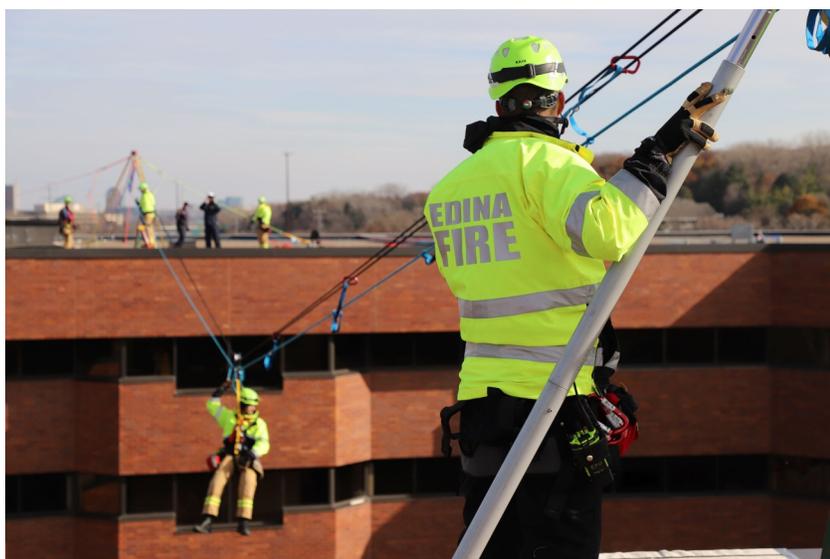
2020-2021 DIVISION GOALS

- ◆ Hire and onboard new firefighter/paramedic positions of SAFER Grant in March of 2020.
- ◆ Develop an inventory tracking and management system for medical supplies.
- ◆ Build a library of lesson plans which cover core firefighting, EMS, and technical rescue competencies.

2018-2019 DIVISION ACCOMPLISHMENTS

- ◆ Updated Department directives to ensure compliance with the City Employee Handbook.
- ◆ Provided Incident Command training to key City personnel to enhance Emergency Operations Center capability.
- ◆ Carried out several of the recommendations of the Public Safety Staffing Analysis Report.
- ◆ Implemented records management system and training platform software for Training Division.

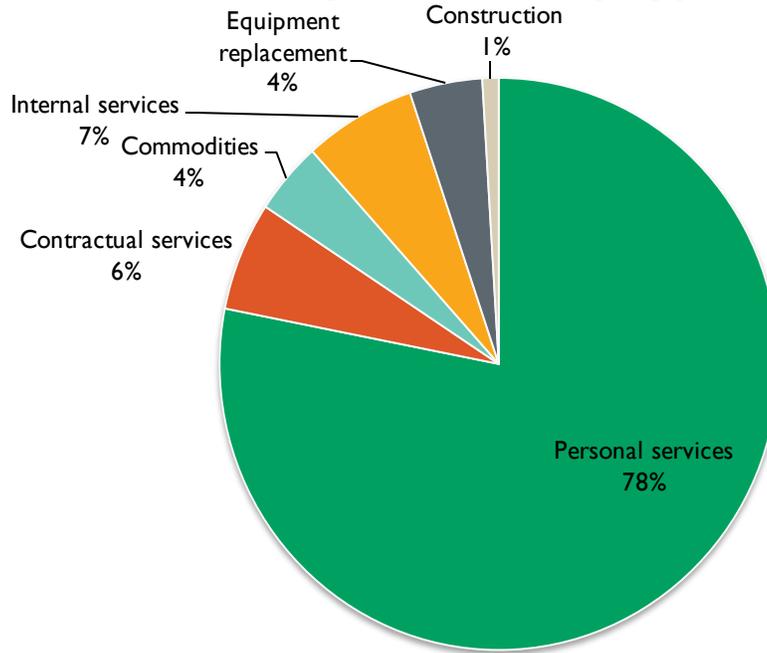
PERFORMANCE MEASURES	2017	2018	2019
Annual operating cost for fire and emergency services per household	\$273	\$276	\$302
Average fire response time in minutes	5.42	6.13	6.0
Average ambulance response time in minutes	5.37	6.11	6.0



FIRE DEPARTMENT— FIRE & EMERGENCY MEDICAL SERVICES DIVISION

EXPENDITURES

Fire and Emergency Medical Services Expenditures by Type



Fire & Rescue Expenditures						
	2017	2018	2019	2019	2020	2021
	Actual	Actual	Estimate	Budget	Budget	Budget
General Fund						
Personal services	\$ 4,895,586	\$ 5,044,786	\$ 5,740,875	\$ 5,740,875	\$ 6,605,064	\$ 6,866,055
Contractual services	360,864	396,611	459,050	451,250	504,360	576,510
Commodities	221,610	255,470	303,200	302,550	366,025	379,343
Internal services	415,985	466,113	482,832	482,832	510,432	542,292
General fund subtotal	<u>5,894,045</u>	<u>6,162,980</u>	<u>6,985,957</u>	<u>6,977,507</u>	<u>7,985,881</u>	<u>8,364,200</u>
Other Funds						
Equipment replacement	290,380	95,498	96,000	145,000	1,142,832	110,000
Construction	18,835	157,467	-	-	246,600	-
Department Total Budget	<u>\$ 6,203,260</u>	<u>\$ 6,415,945</u>	<u>\$ 7,081,957</u>	<u>\$ 7,122,507</u>	<u>\$ 9,375,313</u>	<u>\$ 8,474,200</u>

*For comparative purposes previous year figures may be adjusted to reflect realigned responsibilities.

PARKS & RECREATION DEPARTMENT

Perry Vetter, Director
 pvetter@EdinaMN.gov 952-826-0430



DEPARTMENT OVERVIEW

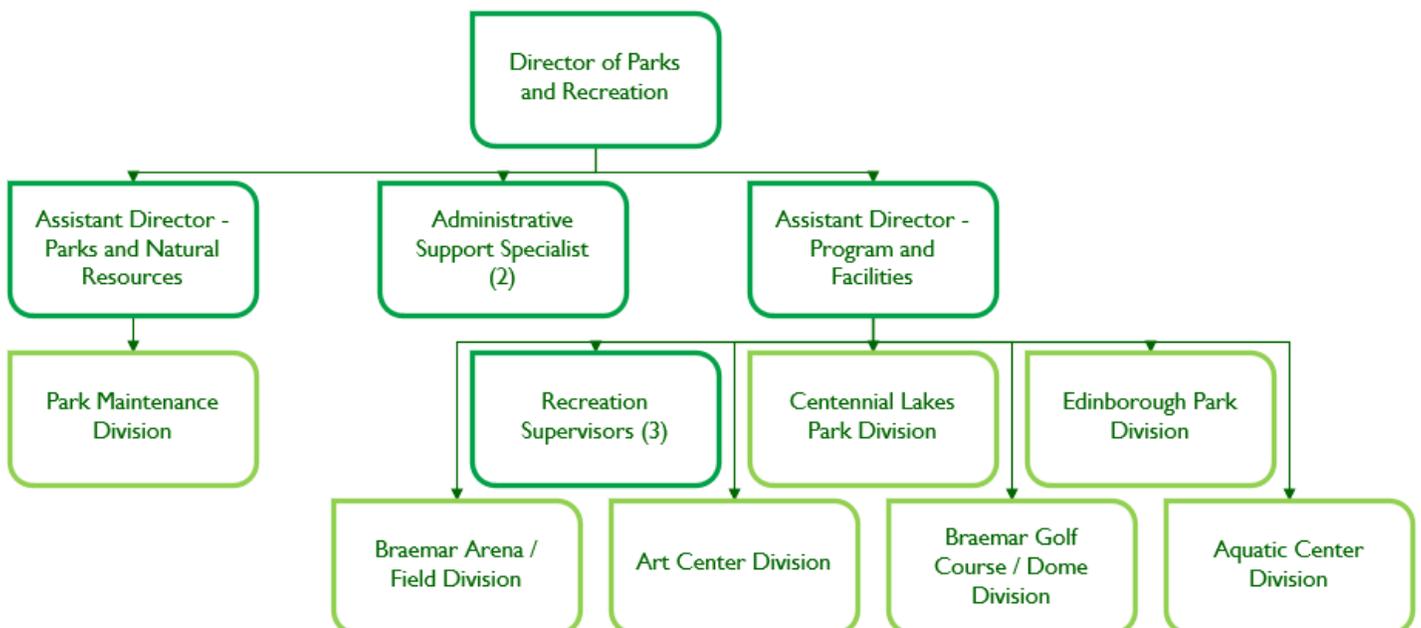
The Parks & Recreation Department is responsible for administering and maintaining the entire parks system. This includes 44 parks and open spaces that total 1,563 acres of property, including park enterprise facilities. The department coordinates park maintenance, adaptive recreation, adult and youth recreation, and works with 14 athletic associations, the Edina Garden Council and the Edina Historical Society. The Parks & Recreation Director acts as staff liaison to the Parks & Recreation Commission, which advises the City Council on parks and recreation issues.

Staff consists of approximately 40 full-time employees and approximately 500 part-time seasonal staff, including playground leaders, ice rink attendants, arts and craft specialists, concession employees, sports instructors, recreation supervisors, administrative staff and maintenance personnel.

MAJOR SERVICE AREAS

- ◆ Park Maintenance & Natural Resources
- ◆ Enterprise facilities
- ◆ Recreation programs
- ◆ Forestry
- ◆ Park design
- ◆ Special events
- ◆ Strategic planning
- ◆ Project management

DEPARTMENT ORGANIZATIONAL CHART



PARKS & RECREATION DEPARTMENT

2020-2021 DEPARTMENT GOALS

- ◆ Complete phase II of Hennepin County recycling grant.
- ◆ Move park building and shelter reservations online.
- ◆ Conduct an accessibility audit for recreation programming.

2018-2019 DEPARTMENT ACCOMPLISHMENTS

- ◆ Completed renovation of Braemar Golf Championship 18-hole Course.
- ◆ Completed Fred Richards Park Master Plan phase I, including adding a playground, shelter, walkways and storm-water improvements.
- ◆ Built new Arden Park shelter, hockey rink, playground and trails as part of the Arden Park Restoration project.
- ◆ Completed the Braemar Park Master Plan.



Braemar Golf Course



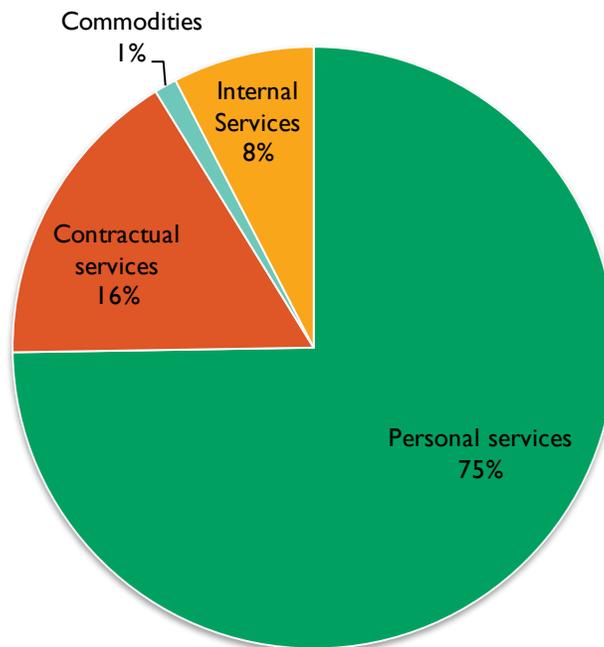
Rosland Park

PERFORMANCE MEASURES	2017	2018	2019
Percentage of residents who, from their experience, rate the quality of parks as “excellent” or “good” in the Quality of Life Survey	91%	No Survey	94%
Percentage of residents who, from their experience, rate the recreation programs and classes “excellent” or “good” in the Quality of Life Survey	87%	No Survey	93%

PARKS & RECREATION DEPARTMENT

EXPENDITURES

Park Administration Expenditures by Type



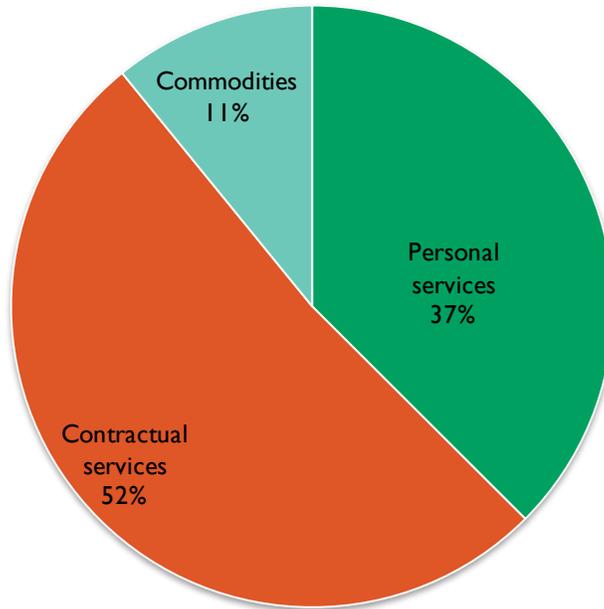
Park Administration Expenditures						
	2017 Actual	2018 Actual	2019 Estimate	2019 Budget	2020 Budget	2021 Budget
General Fund						
Personal services	\$ 785,004	\$ 839,286	\$ 874,220	\$ 874,220	\$ 907,072	\$ 942,411
Contractual services	174,008	134,788	108,300	292,700	219,200	220,100
Commodities	6,023	18,817	24,000	19,800	7,800	7,900
Internal Services	75,384	86,198	87,528	87,528	93,180	100,548
Total	\$ 1,040,419	\$ 1,079,089	\$ 1,094,048	\$ 1,274,248	\$ 1,227,252	\$ 1,270,959

*For comparative purposes previous year figures may be adjusted to reflect realigned responsibilities.

PARKS & RECREATION DEPARTMENT

EXPENDITURES

Recreation Expenditures by Type



Recreation Expenditures						
	2017	2018	2019	2019	2020	2021
	Actual	Actual	Estimate	Budget	Budget	Budget
General Fund						
Personal services	\$ 217,087	\$ 251,606	\$ 245,644	\$ 245,644	\$ 319,415	\$ 330,603
Contractual services	332,877	305,068	449,175	270,810	374,445	485,995
Commodities	90,526	70,264	72,125	83,575	74,500	76,100
Total	\$ 640,490	\$ 626,938	\$ 766,944	\$ 600,029	\$ 768,360	\$ 892,698

*For comparative purposes previous year figures may be adjusted to reflect realigned responsibilities.

PARKS & RECREATION DEPARTMENT

Art Center

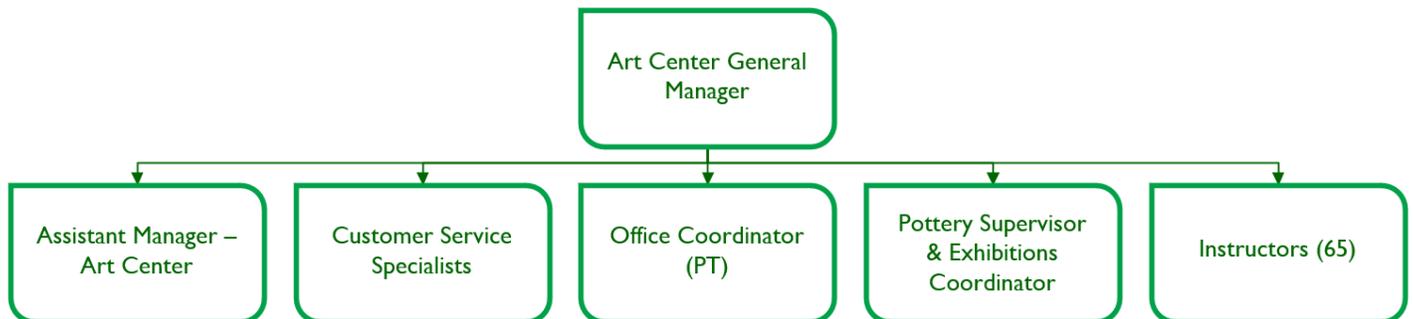
DIVISION OVERVIEW

The Edina Art Center is a community asset providing educational programs for all ages in the visual arts. Residents and guests may take a class, attend a lecture, roam the galleries and gift shop to view and purchase local and regional art-work. Historically, the Art Center has covered its cost recovery goals by donations from the public and transfers from two other City funds. Traditionally, the Liquor Fund supports operations and the Construction Fund supports building improvement projects.

The Edina Arts & Culture Commission advises the City Council on artistic and cultural initiatives in Edina. The General Manager of the Art Center acts as staff liaison to the Commission and its working groups.



DIVISION ORGANIZATIONAL CHART



PARKS & RECREATION DEPARTMENT— ART CENTER

2020-2021 DIVISION GOALS

- ◆ Review and approve public art installations.
- ◆ Plan and evaluate the impacts of a membership campaign.
- ◆ Define a strategy for facility upgrades.

2018-2019 DIVISION ACCOMPLISHMENTS

- ◆ Partnered with Edina School District and Arts & Culture Commission to conduct a Student Art Competition.
- ◆ Partnered with the Edina Crime Prevention Fund to host Fall Into the Arts Festival in 2018 and 2019.



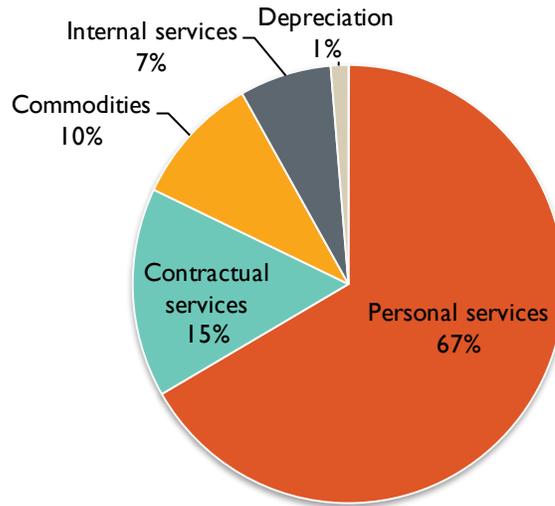
PERFORMANCE MEASURES	2017	2018	2019
Residents, who, from their experience, rate the quality of the Art Center as “excellent” or “good” in the Quality of Life Survey	86%	No Survey	88%
Management cost recovery (measurement of facility’s ability to cover certain operating expenses)	75%	91%	67%*
Energy Use Index of the Art Center building	188.08	173.34	TBD

* Projected

PARKS & RECREATION DEPARTMENT— ART CENTER

EXPENDITURES

Art Center Expenses by Type



Art Center Revenues and Expenses

	2017	2018	2019	2019	2020	2021
	Actual	Actual	Estimate	Budget	Budget	Budget
Revenues						
Retail sales	\$ 42,504	\$ 47,457	\$ 41,000	\$ 41,000	\$ 44,980	\$ 44,980
Concessions sales	652	250	350	350	451	451
Memberships	14,213	17,115	18,000	18,000	15,664	15,664
Class registration & other	437,004	449,152	457,000	457,000	441,839	441,839
Investment income	2,113	2,593	2,000	2,000	-	-
Donations	20,138	14,955	9,000	9,000	10,000	10,000
Revenues	<u>516,624</u>	<u>531,522</u>	<u>527,350</u>	<u>527,350</u>	<u>512,934</u>	<u>512,934</u>
Expenses						
Cost of sales and services	-	-	500	500	500	500
Personal services	494,764	396,303	495,225	495,225	558,764	579,389
Contractual services	95,853	108,726	171,175	105,925	109,545	109,545
Commodities	67,108	60,473	93,272	66,500	76,500	76,500
Internal services	44,451	41,000	40,992	40,992	68,862	75,838
Depreciation	22,032	13,895	6,000	6,000	6,000	6,000
Expenses	<u>724,208</u>	<u>620,397</u>	<u>807,164</u>	<u>715,142</u>	<u>820,171</u>	<u>847,772</u>
Income (loss)	<u>\$ (207,584)</u>	<u>\$ (88,875)</u>	<u>\$ (279,814)</u>	<u>\$ (187,792)</u>	<u>\$ (307,237)</u>	<u>\$ (334,838)</u>

PARKS & RECREATION DEPARTMENT

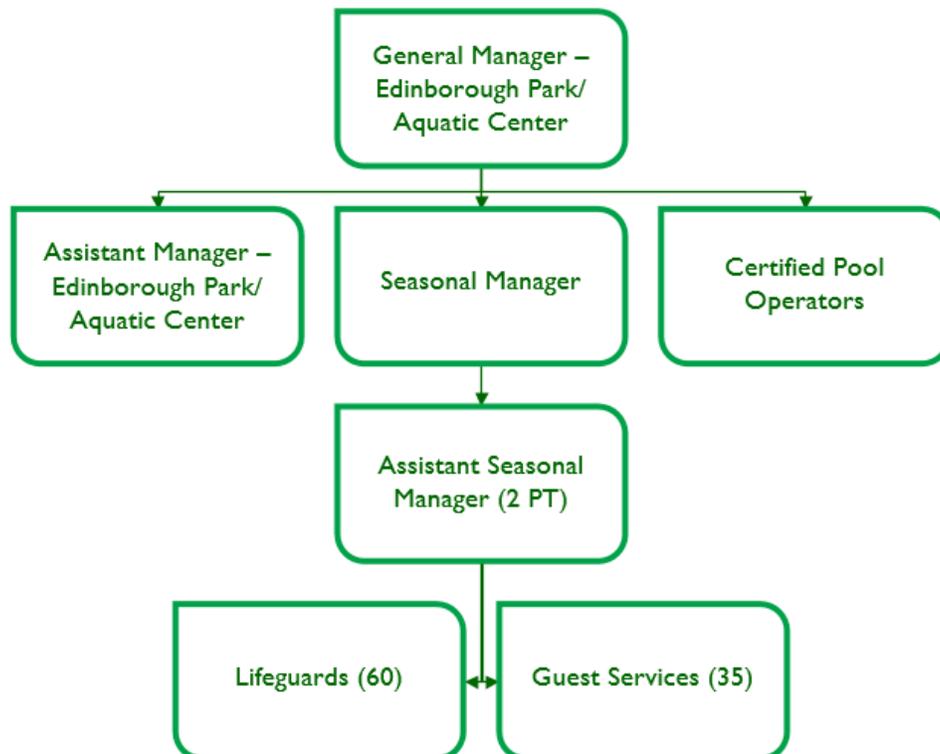
Aquatic Center

DIVISION OVERVIEW

The Aquatic Center is a unique, high-volume facility that accommodates swimmers of all ages and a wide range of activities, including recreational swimming, competitive swimming, lap swimming and swimming lessons. The Aquatic Center is open for 11 weeks from June-August. The financial success of the Aquatic Center is highly dependent on the weather and the sale of daily admissions.

The full-time staff consists of four positions with shared responsibilities. There are three full-time employees (General Manager, Assistant Manager and Maintenance Coordinator) who have year-round responsibility for Edinborough Park and the Aquatic Center during the summer season. There is also one full-time Certified Pool Operator, who is dedicated to the Aquatic Center in the summer and also works in Park Maintenance the remainder of the year. The Aquatic Center hires approximately 85 seasonal staff, including assistant managers, lifeguards, concession, admissions and facility services employees.

DIVISION ORGANIZATIONAL CHART



PARKS & RECREATION DEPARTMENT—AQUATIC CENTER

2020-2020 DIVISION GOALS

- ◆ Continue updating amenities, mechanical equipment and overall aesthetics.
- ◆ Evaluate options for filter room upgrades.

2018-2019 DIVISION ACCOMPLISHMENTS

- ◆ Hosted week-long celebration of the 60th Anniversary of the Aquatic Center in 2018.
- ◆ Completed water slide renovations in Spring 2018.
- ◆ Replaced 1-meter and 3-meter diving boards thanks to a donation.



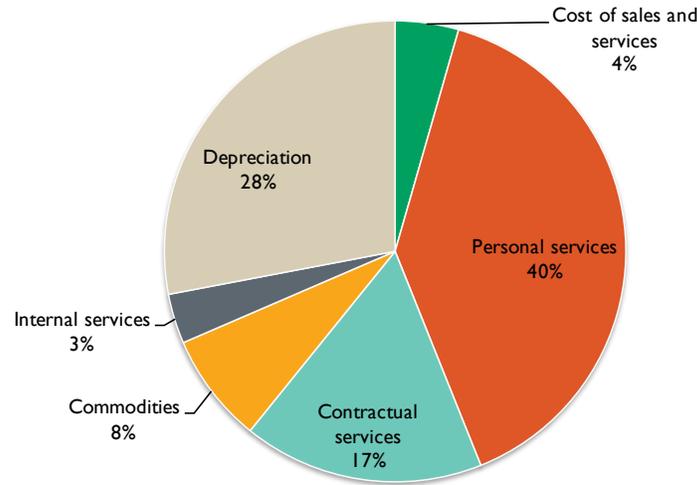
PERFORMANCE MEASURES	2017	2018	2019
Percentage of residents who, from their experience, rate the quality of the Aquatic Center as “excellent” or “good” in the Quality of Life Survey	88%	No Survey	95%
Management cost recovery (measurement of facility’s ability to cover certain operating expenses)	151%	154%	157%*

* Projected

PARKS & RECREATION DEPARTMENT—AQUATIC CENTER

EXPENDITURES

Aquatic Center Expenses by Type



Aquatic Center Revenues and Expenses						
	2017 Actual	2018 Actual	2019 Estimate	2019 Budget	2020 Budget	2021 Budget
Revenues						
Retail sales	\$ 6,050	\$ 5,583	\$ 7,000	\$ 7,000	\$ 5,800	\$ 5,800
Concessions sales	120,138	121,281	125,000	135,000	121,000	121,000
Memberships	407,297	412,365	430,000	435,000	440,000	440,000
Admissions	371,334	393,824	395,650	410,650	397,798	411,375
Building rental	58,038	64,674	60,000	52,000	62,700	62,700
Investment income	16,892	31,001	22,000	22,000	24,000	26,000
Other nonoperating revenue	-	-	-	-	-	-
Total revenues	979,749	1,028,728	1,039,650	1,061,650	1,051,298	1,066,875
Expenses						
Cost of sales and services	47,330	50,705	43,000	43,000	49,474	49,474
Personal services	384,513	397,607	430,214	390,214	448,414	464,478
Contractual services	136,359	156,134	176,200	176,200	211,887	217,768
Commodities	72,368	54,518	105,600	105,600	75,600	77,100
Internal services	37,391	34,374	33,588	33,588	39,236	44,281
Depreciation	325,623	283,098	286,500	316,500	286,500	284,500
Bond interest	11,744	20,235	17,375	17,375	14,392	11,209
Total expenses	1,015,328	996,671	1,092,477	1,082,477	1,125,503	1,148,810
Income (loss)	\$ (35,579)	\$ 32,057	\$ (52,827)	\$ (20,827)	\$ (74,205)	\$ (81,935)

PARKS & RECREATION DEPARTMENT

Edinborough Park

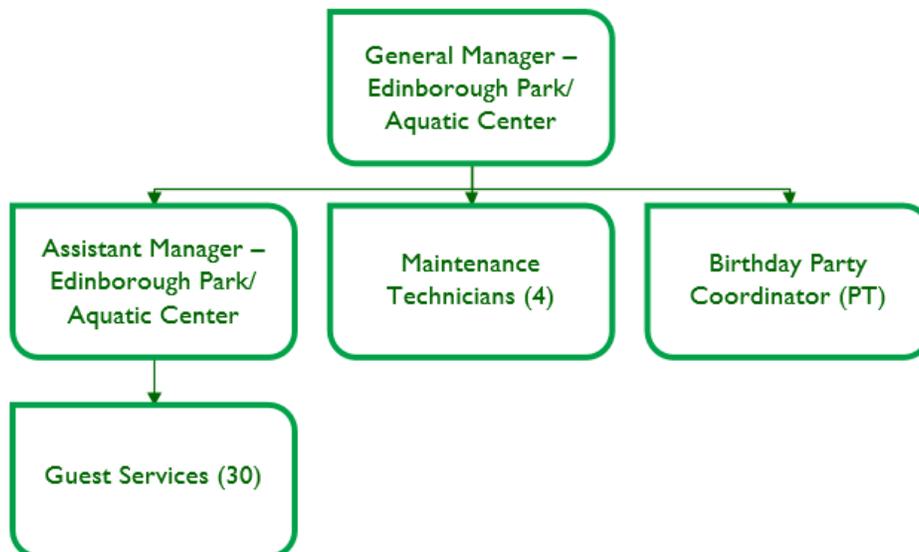
DIVISION OVERVIEW

Edinborough Park is Minnesota’s unique indoor public park. The enclosed, one-acre park includes a swimming pool, a running track and fitness equipment, multi-purpose activity area, 250-seat amphitheater, a renovated Grotto, and Adventure Peak. One of the most unique features of the park is Adventure Peak, which is the largest and tallest indoor play structure in the region. Each week during the school year, there is free entertainment consisting of music, dance, theater and visual arts programs.

Revenue is generated by season passes, daily admissions, birthday parties, facility rentals and association fees charged to neighboring residents and businesses. Edinborough Park covers the cost recovery goals by the Edinborough Park dedication funds.



DIVISION ORGANIZATIONAL CHART



PARKS & RECREATION DEPARTMENT—EDINBOROUGH PARK

2020-2021 DIVISION GOALS

- ◆ Complete the southeast entrance plaza reconstruction project.
- ◆ Identify options for an energy management program.

2018-2019 DIVISION ACCOMPLISHMENTS

- ◆ Began branding and internal signage updates throughout the Park, including the addition of exterior visuals to better represent Edinborough Park.
- ◆ Updated birthday party packages to be more flexible for families.



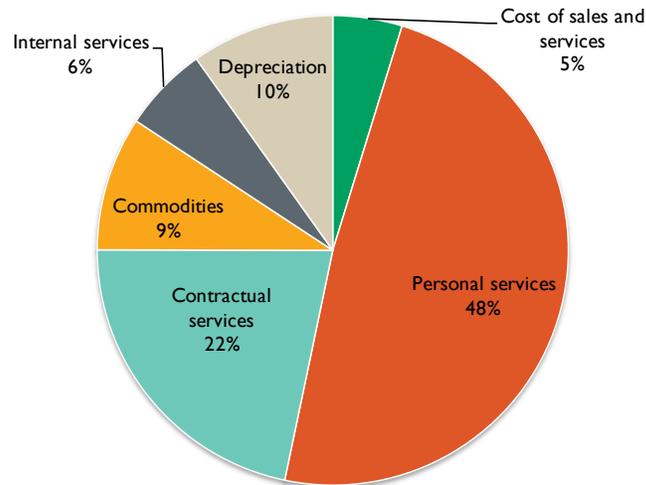
PERFORMANCE MEASURES	2017	2018	2019
Percentage of residents who, from their experience, rate the quality of Edinborough Park as “excellent” or “good” in the Quality of Life Survey	91%	No Survey	88%
Management cost recovery (measurement of facility’s ability to cover certain operating expenses)	127%	113%	105%*
Energy Use Index of the Edinborough Park building	183.67	216.34	TBD

* Projected

PARKS & RECREATION DEPARTMENT—EDINBOROUGH PARK

EXPENDITURES

Edinborough Park Expenses by Type



Edinborough Park Revenues and Expenses						
	2017	2018	2019	2019	2020	2021
	Actual	Actual	Estimate	Budget	Budget	Budget
Revenues						
Concessions sales	\$ 150,627	\$ 140,619	\$ 135,000	\$ 135,000	\$ 144,342	\$ 144,342
Memberships	148,235	120,559	131,250	131,250	127,901	131,738
Admissions	716,309	711,218	623,000	623,000	678,636	678,636
Building rental	242,545	228,875	252,000	252,000	222,103	222,103
Equipment rental	12,248	14,050	11,500	11,500	11,500	11,500
Association fees and other	316,007	229,513	220,000	241,000	212,500	214,500
Investment income (loss)	22,501	37,809	18,000	18,000	30,000	27,000
Other nonoperating revenues	892	3,818	-	-	-	-
Total revenues	<u>1,609,364</u>	<u>1,486,461</u>	<u>1,390,750</u>	<u>1,411,750</u>	<u>1,426,982</u>	<u>1,429,819</u>
Expenses						
Cost of sales and services	71,514	79,521	80,000	80,000	81,618	81,618
Personal services	710,273	723,589	843,093	843,093	842,040	874,981
Contractual services	340,886	345,237	357,300	357,300	384,380	384,380
Commodities	136,232	139,064	178,950	178,950	144,700	144,700
Internal services	83,017	76,536	75,360	75,360	131,851	144,833
Depreciation	183,781	181,211	140,500	188,250	140,500	145,500
Total expenses	<u>1,525,703</u>	<u>1,545,158</u>	<u>1,675,203</u>	<u>1,722,953</u>	<u>1,725,089</u>	<u>1,776,012</u>
Income (loss)	\$ 83,661	\$ (58,697)	\$ (284,453)	\$ (311,203)	\$ (298,107)	\$ (346,193)

PARKS & RECREATION DEPARTMENT

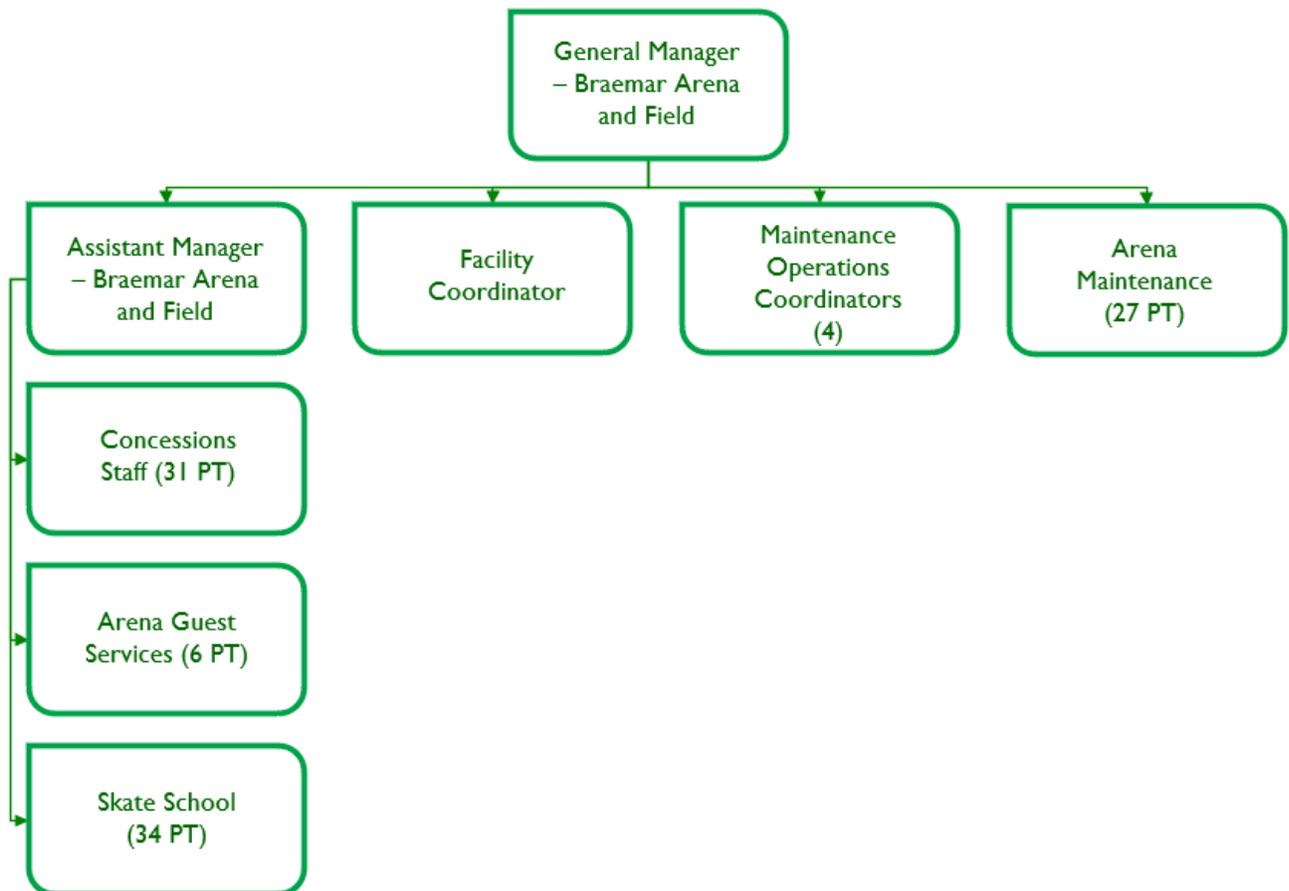
Braemar Arena

DIVISION OVERVIEW

Braemar Arena features three indoor and one outdoor regulation-size ice sheets. Braemar is available for open skating, skating lessons, group rental, adult and youth hockey and figure skating programs. The facility is also home to the Braemar-City of Lakes Figure Skating Club, the Edina Hornets high school hockey teams and the Edina Hockey Association.

Braemar Arena currently operates with seven full-time employees. During prime season, a typical high activity time will have one full-time staff member on-duty, three rink attendants and 2-4 concession stand employees. Besides the full-time employees, Braemar Arena has approximately 90 part-time employees. Liquor store operational profits continue to subsidize Braemar Arena’s cost recovery. The City’s Construction Fund provides for annual capital improvement needs.

DIVISION ORGANIZATIONAL CHART



PARKS & RECREATION DEPARTMENT—BRAEMAR ARENA

2020-2021 DIVISION GOALS

- ◆ Implement various technology upgrades in the arena.
- ◆ Define metrics to utilize in creating a facility condition index and customer feedback.

2018-2019 DIVISION ACCOMPLISHMENTS

- ◆ Completed energy-saving projects such as lighting retrofit, ceiling, and building automation.
- ◆ Hosted an international hockey tournament, Da Beauty League, in summer of 2018 and 2019.
- ◆ Hosted the Braemar-City of Lakes Figure Skating Club show.
- ◆ Used visitor data to optimize staffing levels based on arena usage.



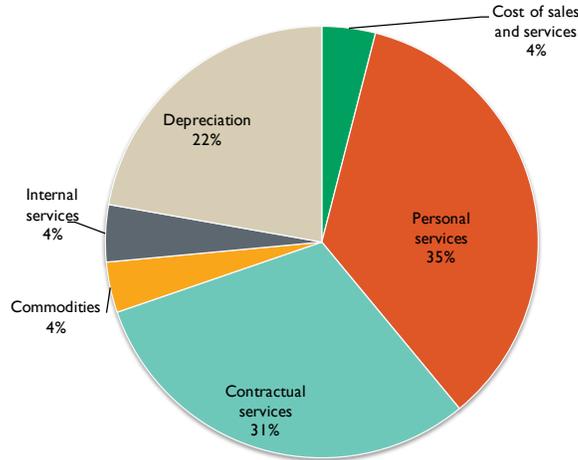
PERFORMANCE MEASURES	2017	2018	2019*
Percentage of residents who, from their experience, rate the quality of Braemar Arena as “excellent” or “good” in the Quality of Life Survey	90%	No Survey	96%
Management cost recovery (measurement of facility’s ability to cover certain operating expenses)	119%	123%	124%*
Energy Use Index of the Arena building	132.51	135.09	TBD

* Projected

PARKS & RECREATION DEPARTMENT—BRAEMAR ARENA

EXPENDITURES

Arena Fund Expenses by Type



Arena Revenues and Expenses

	2017	2018	2019	2019	2020	2021
	Actual	Actual	Estimate	Budget	Budget	Budget
Revenues						
Retail sales	\$ 389	\$ 2,235	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
Concessions sales	316,432	318,910	303,500	303,500	317,672	317,672
Admissions	63,070	97,823	85,000	65,000	86,430	86,430
Building rental	1,924,652	1,957,334	1,863,600	1,793,600	1,922,745	1,926,810
Rental of equipment	5,879	7,248	4,000	4,000	6,209	6,209
Class registration & other	196,597	241,924	205,000	180,000	218,821	218,821
Investment income (loss)	530	1,407	1,000	1,000	7,000	7,000
Other nonoperating revenue	1,223	4,471	-	-	-	-
Total revenues	2,508,772	2,631,352	2,463,100	2,348,100	2,559,877	2,563,942
Expenses						
Cost of sales and services	109,842	119,388	127,750	127,750	114,591	114,591
Personal services	995,357	930,417	1,096,083	1,096,083	1,046,441	1,086,231
Contractual services	898,904	987,768	813,100	813,100	983,521	983,521
Commodities	100,109	108,793	127,500	127,500	106,112	106,112
Internal services	72,879	92,881	95,484	95,484	192,950	212,718
Depreciation	657,763	661,389	660,000	660,000	660,000	665,000
Bond interest & other	126,933	96,208	85,190	116,129	79,760	73,242
Total expenses	2,961,787	2,996,844	3,005,107	3,036,046	3,183,375	3,241,415
Income (loss)	\$ (453,015)	\$ (365,492)	\$ (542,007)	\$ (687,946)	\$ (623,498)	\$ (677,473)

PARKS & RECREATION DEPARTMENT

Braemar Field

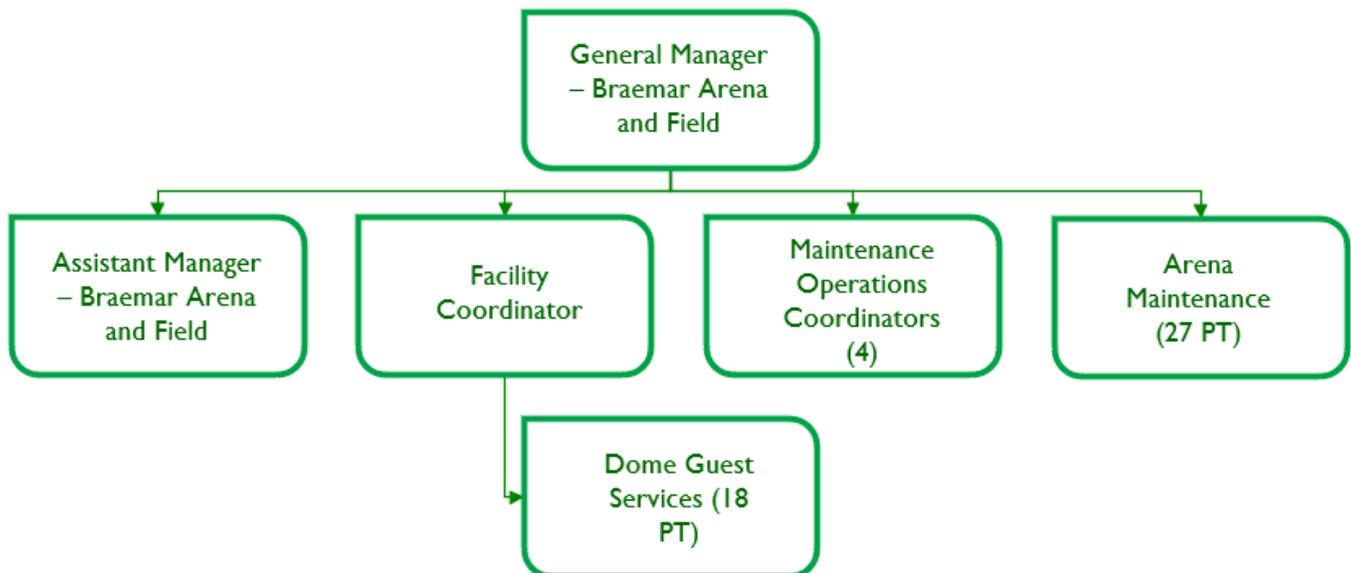
DIVISION OVERVIEW

Braemar Field is a 250-by-400 foot turf field that is covered seasonally by a dome. The facility also includes an accessory building and storage facility for the dome components during the offseason. Braemar Field is located to the north of Braemar Arena and is operated by Braemar Arena staff. The dome season runs November through April.

Braemar Field is used by the Edina Baseball Association, Edina Football Association, Edina Lacrosse Association and Edina Soccer Club. The facility charges a participant use fee to supplement revenues in order to recover 100% of operating costs and provide for a fund to pay for the replacement of turf and dome fabric when needed.



DIVISION ORGANIZATIONAL CHART



PARKS & RECREATION DEPARTMENT—BRAEMAR FIELD

2020-2021 DIVISION GOALS

- ◆ Review contract process for field rentals.
- ◆ Complete gabion seating maintenance.

2018-2019 DIVISION ACCOMPLISHMENTS

- ◆ Implemented new operation activities schedule for revenue enhancement during non-prime hours.
- ◆ Developed operations plan for maintaining new and existing facilities.



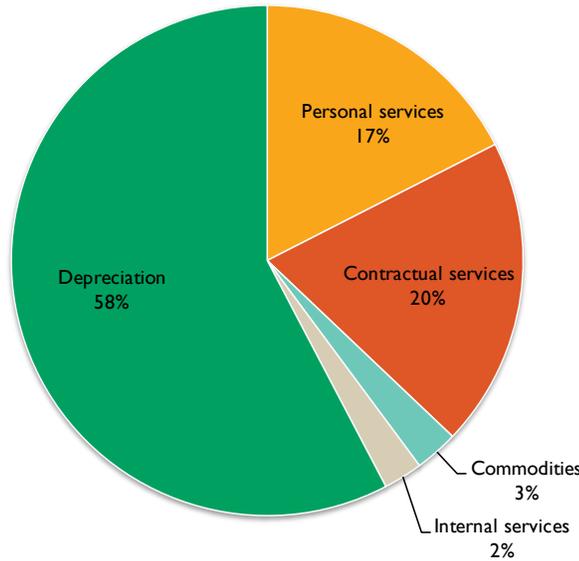
PERFORMANCE MEASURES	2017	2018	2019
Percentage of residents who, from their experience, rate the quality of Braemar Field as “excellent” or “good” in the Quality of Life Survey	93%	No Survey	97%
Management cost recovery (measurement of facility’s ability to cover certain operating expenses)	162%	127%	226%*
Energy Use Index of the Braemar Field building	132.49	142.99	TBD

* Projected

PARKS & RECREATION DEPARTMENT—BRAEMAR FIELD

EXPENDITURES

Braemar Field Expenses by Type



Braemar Field Revenues and Expenses						
	2017	2018	2019	2019	2020	2021
	Actual	Actual	Estimate	Budget	Budget	Budget
Revenues						
Concessions sales	\$ -	\$ -	\$ 1,000	\$ 1,000	\$ -	\$ -
Admissions	21,881	27,982	13,000	13,000	23,646	23,646
Building rental	466,904	423,500	394,000	394,000	447,523	447,523
Class registration & other	1,091	2,880	1,000	1,000	1,000	1,000
Investment income (loss)	5,334	10,780	8,000	8,000	13,000	14,000
Other nonoperating revenue	-	-	-	-	-	-
Total revenues	495,210	465,142	417,000	417,000	485,169	486,169
Expenses						
Personal services	121,400	137,456	167,983	167,983	167,393	173,828
Contractual services	150,864	190,596	163,750	163,750	190,900	190,900
Commodities	29,648	29,116	22,250	22,250	22,000	22,000
Internal services	11,772	17,062	17,448	17,448	32,622	35,719
Depreciation	511,577	512,215	516,000	516,000	516,000	516,000
Total expenses	825,261	886,445	887,431	887,431	928,915	938,447
Income (loss)	\$ (330,051)	\$ (421,303)	\$ (470,431)	\$ (470,431)	\$ (443,746)	\$ (452,278)

PARKS & RECREATION DEPARTMENT

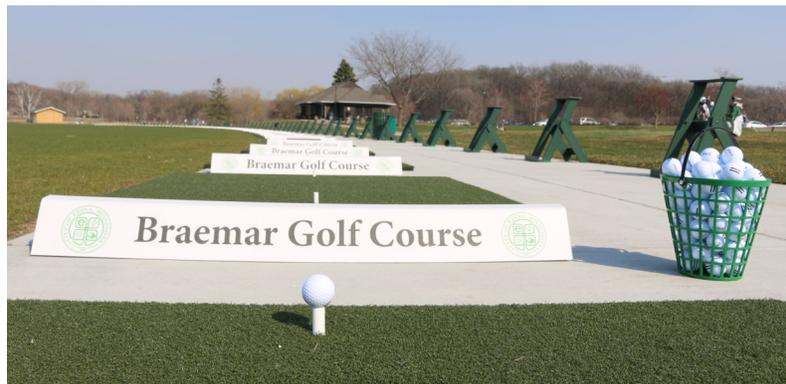
Braemar Golf Operations

DIVISION OVERVIEW

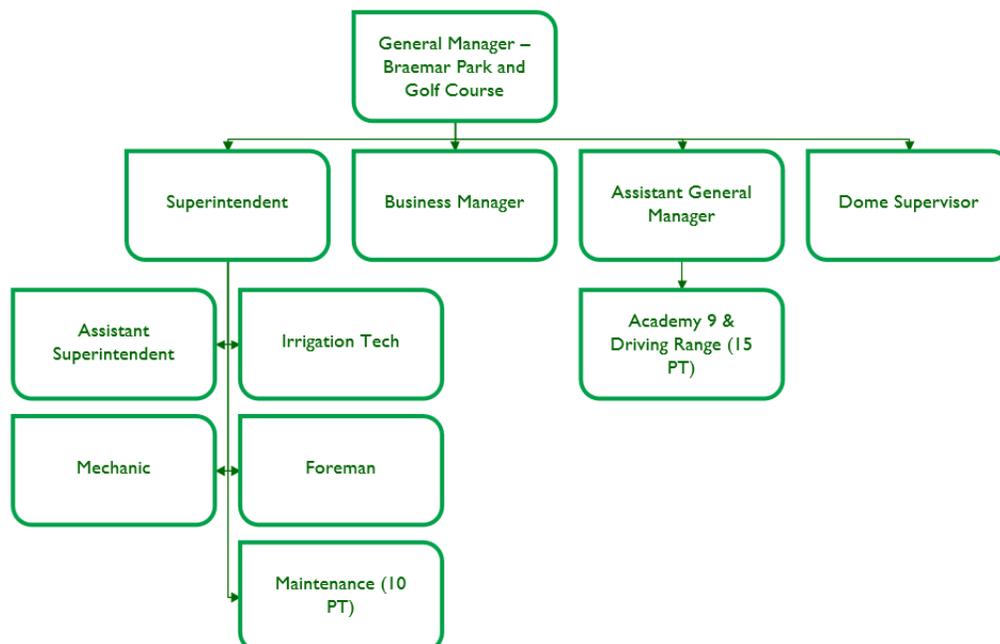
Braemar Golf Course is a nationally recognized public golf course operated by the City of Edina. Braemar Golf recently opened a new Championship 18 course in 2019, marking the first new public 18-hole course to open in the state in more than a decade.

Braemar Golf Course has a complete year-round experience for golfers. Braemar has an 18-hole course, the Academy 9 Par 3 course, an enlarged putting green, a chipping and bunker practice space, remodeled Pro Shop, Red River Kitchen restaurant, the Courtyard for games and events, and Braemar Golf Dome for practice in the offseason.

The 2017 and 2018 financials were impacted by the 18-hole course being closed while under construction in those years.



DIVISION ORGANIZATIONAL CHART



PARKS & RECREATION DEPARTMENT—BRAEMAR GOLF

2020-2021 DIVISION GOALS

- ◆ Research and create a weather policy.
- ◆ Complete upgrades to the lower-level lounges for multipurpose use.
- ◆ Develop league options for implementation at the golf dome.

2018-2019 DIVISION ACCOMPLISHMENTS

- ◆ Renovated and opened the new Championship 18-hole Golf Course.
- ◆ Completed construction of the Braemar Golf Course Master Plan project.
- ◆ Launched new mobile device application to enhance golfer experience and engagement.

PERFORMANCE MEASURES	2017	2018	2019
Percentage of residents who, from their experience, rate the quality of Braemar Golf as “excellent” or “good” in the Quality of Life Survey	85%	No Survey	94%
Management cost recovery (measurement of facility’s ability to cover certain operating expenses)	65%	75%	126%*
Energy Use Index of the Braemar Golf buildings	100.9	96.58	TBD

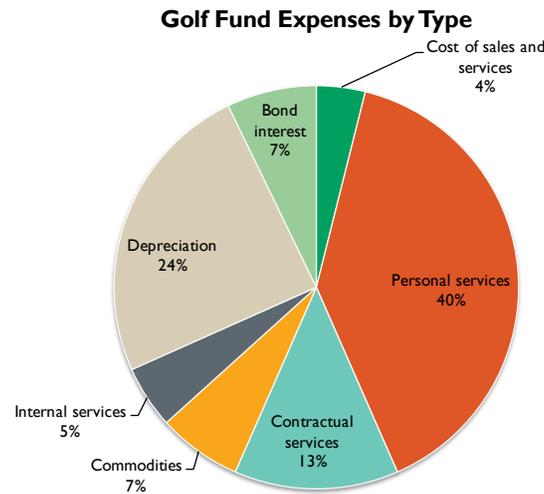
* Projected



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PARKS & RECREATION DEPARTMENT—BRAEMAR GOLF

EXPENDITURES



Braemar Golf Revenue and Expenses

	2017 Actual	2018 Actual	2019 Estimate	2019 Budget	2020 Budget	2021 Budget
Revenues						
Liquor sales	\$ 7,305	\$ 17,478	\$ -	\$ -	\$ -	\$ -
Retail sales	91,739	137,143	241,433	253,165	252,364	252,364
Concessions sales	3,109	17,829	-	-	-	-
Memberships	22,863	27,191	128,459	101,944	128,459	128,459
Admissions	346,461	494,446	450,000	374,571	500,000	500,000
Building rental	70,222	68,207	160,000	124,795	190,000	190,000
Equipment rental	44,153	45,016	362,104	370,448	397,940	397,940
Greens fees	304,185	266,823	1,364,985	1,843,052	1,928,685	1,928,685
Other operating revenue	364,375	322,041	537,992	440,853	646,808	646,808
Investment income	25,669	37,700	16,000	16,000	15,000	15,000
Other nonoperating revenue	-	46,881	-	-	-	-
Total revenues	1,280,081	1,480,755	3,260,973	3,524,828	4,059,256	4,059,256
Expenses						
Cost of sales and services	82,968	125,854	117,415	213,999	129,706	129,706
Personal services	860,175	770,733	1,665,442	1,527,038	1,609,379	1,671,452
Contractual services	523,042	339,997	451,600	451,600	460,450	465,450
Commodities	140,868	188,583	249,950	249,950	274,000	274,000
Internal services	138,156	140,414	144,024	144,024	220,690	242,329
Depreciation	664,003	626,931	790,000	1,020,000	960,000	965,000
Bond interest	186,070	281,553	264,681	264,681	246,331	227,152
Other nonoperating expense	873,839	-	-	-	-	-
Total expenses	3,469,121	2,474,065	3,683,112	3,871,292	3,900,556	3,975,089
Income (loss)	\$ (2,189,040)	\$ (993,310)	\$ (422,139)	\$ (346,464)	\$ 158,700	\$ 84,167

PARKS & RECREATION DEPARTMENT

Centennial Lakes Park

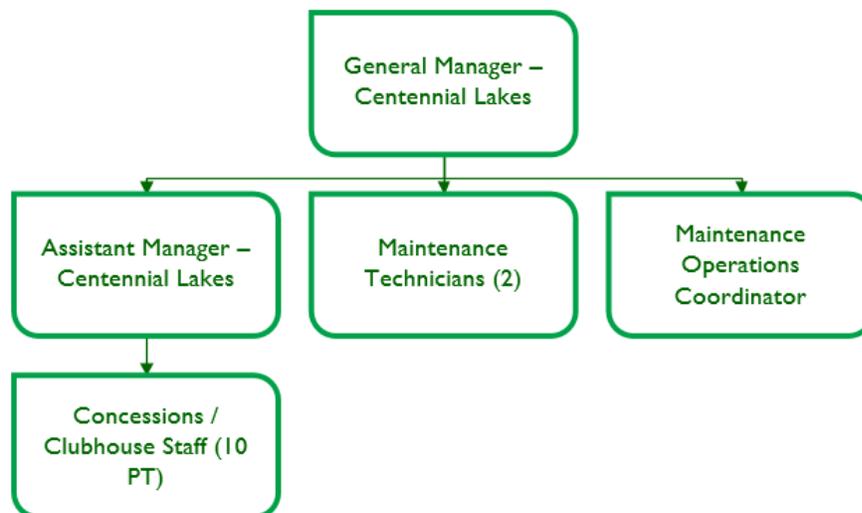
DIVISION OVERVIEW

Centennial Lakes Park provides a unique social and recreational experience for Edina and the metropolitan area. The 24-acre site features more than 1.5 miles of paved pathways meandering around a 10-acre lake and boasts numerous amenities, including an amphitheater, putting course, lawn games area, paddleboats, fishing, winter ice skating, banquet space and a farmers market. The park and the adjacent Edina Promenade have a number of sculptures and works of public art for visitors to enjoy.

Centennial Lakes has historically run at an annual operating loss that is subsidized by the Liquor Fund.



DIVISION ORGANIZATIONAL CHART



PARKS & RECREATION DEPARTMENT—CENTENNIAL LAKES PARK

2020-2021 DIVISION GOALS

- ◆ Develop construction guidance for public art installations.
- ◆ Develop a plan for critical wayfinding signage in multiple languages.

2018-2019 DIVISION ACCOMPLISHMENTS

- ◆ Replaced pedestrian bridges over lake to be more accessible and updated.
- ◆ Analyzed park operations for revenue and cost saving opportunities such as paddleboat rental rates, new amenities on lawn games area and volunteer program for horticulture maintenance.
- ◆ Implemented online staff scheduling system for all part-time staff.
- ◆ Partnered with nearby condo associations to provide landscaping improvements and beautification.
- ◆ Replaced eastside pathways around the lake as part of the capital improvement plan.



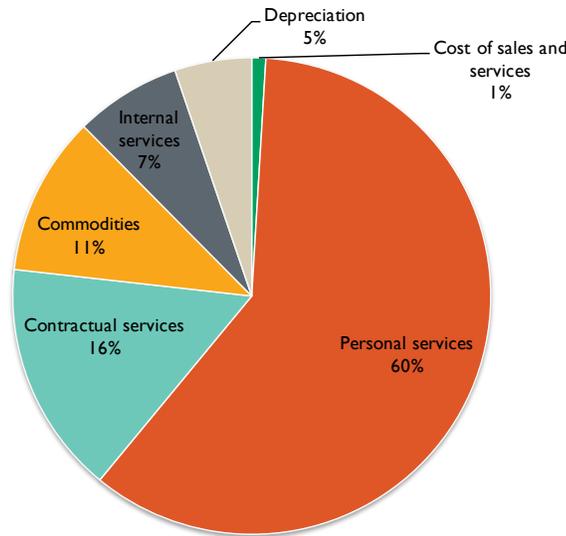
PERFORMANCE MEASURES	2017	2018	2019
Percentage of residents who, from their experience, rate the quality of Centennial Lakes Park as “excellent” or “good” in the Quality of Life Survey	95%	No Survey	99%
Management cost recovery (measurement of facility’s ability to cover certain operating expenses)	85%	95%	84%*
Energy Use Index of the Centennial Lakes Pavilion	187.47	205.09	TBD

* Projected

PARKS & RECREATION DEPARTMENT—CENTENNIAL LAKES PARK

EXPENDITURES

Centennial Lakes Expenses by Type



Centennial Lakes Revenue and Expenses

	2017	2018	2019	2019	2020	2021
	Actual	Actual	Estimate	Budget	Budget	Budget
Revenues						
Concessions sales	\$ 22,998	\$ 26,198	\$ 30,000	\$ 30,000	\$ 24,598	\$ 24,598
Building rental	86,047	85,577	117,000	117,000	85,814	85,814
Equipment rental	119,994	138,397	150,000	150,000	129,196	129,196
Greens fees	247,326	223,521	210,000	210,000	235,423	235,423
Association fees and other	302,043	418,732	307,000	307,000	347,000	354,000
Investment income (loss)	8,684	12,040	6,000	6,000	3,000	-
Other nonoperating revenue	8,555	13,222	-	-	-	-
Total revenues	<u>795,647</u>	<u>917,687</u>	<u>820,000</u>	<u>820,000</u>	<u>825,031</u>	<u>829,031</u>
Expenses						
Cost of sales and services	8,488	11,196	13,000	13,000	9,795	9,795
Personal services	644,001	655,815	694,952	694,952	712,011	739,518
Contractual services	144,192	164,208	190,600	190,600	200,888	200,888
Commodities	116,002	110,181	134,800	134,800	124,395	126,200
Internal services	71,105	70,382	69,612	69,612	102,769	113,057
Depreciation	35,551	32,670	62,000	45,000	92,000	92,000
Total expenses	<u>1,019,339</u>	<u>1,044,452</u>	<u>1,164,964</u>	<u>1,147,964</u>	<u>1,241,858</u>	<u>1,281,458</u>
Income (loss)	\$ (223,692)	\$ (126,765)	\$ (344,964)	\$ (327,964)	\$ (416,827)	\$ (452,427)

PARKS & RECREATION DEPARTMENT

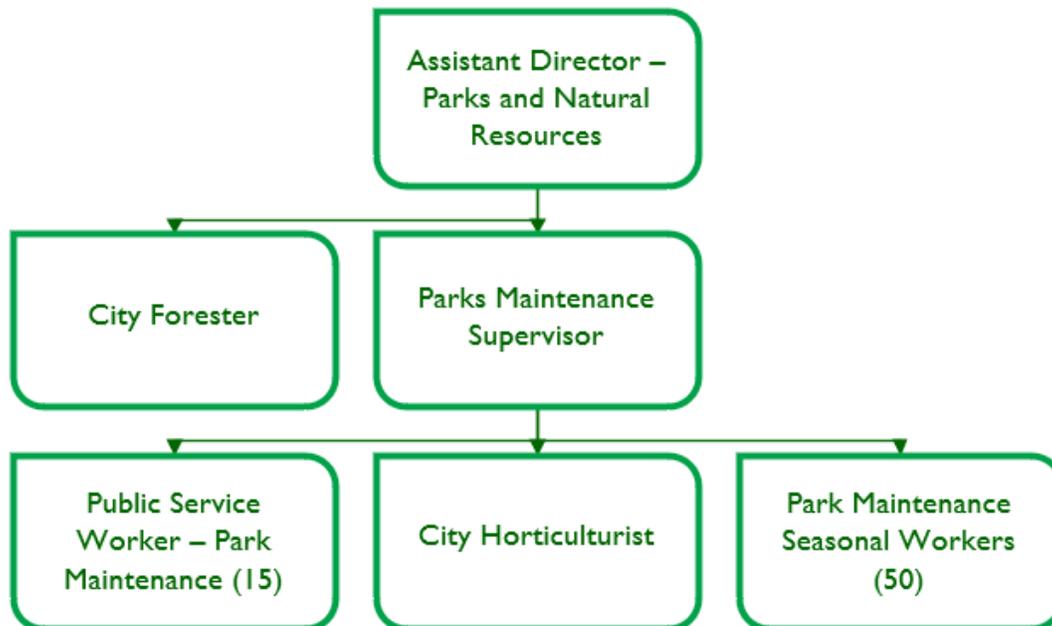
Parks Maintenance Division

DIVISION OVERVIEW

The City of Edina prides itself in providing premier public park facilities. The Park Maintenance division operates nearly 40 parks and recreational facilities, including Arneson Acres, Todd, Pamela, Arden and Highlands Parks and over a dozen warming houses. The activities of the division support more than a dozen athletic associations that serve thousands of athletic participants.



DIVISION ORGANIZATIONAL CHART



PARKS & RECREATION DEPARTMENT— PARKS MAINTENANCE DIVISION

2020-2021 DIVISION GOALS

- ◆ Evaluate the City’s tree ordinance.
- ◆ Assess next steps in the park signage program.

2018-2019 DIVISION ACCOMPLISHMENTS

- ◆ Began data collection of mowing trends in order to determine efficiencies.
- ◆ Identified special project areas for high intensity buckthorn removal and started removal at Pamela Park, Arden Park and Braemar Park with assistance from volunteers and grant opportunities.
- ◆ Replaced hockey boards and lights at Arden Park.
- ◆ Created a turf maintenance program and improved the condition of secondary athletic fields utilizing organic weed and grub control and adding irrigation where viable.
- ◆ Responded to Emerald Ash Borer by diversifying tree species in parks and at recreation facilities and added ash trees to the list of trees that are not included in the definition of a protected tree.

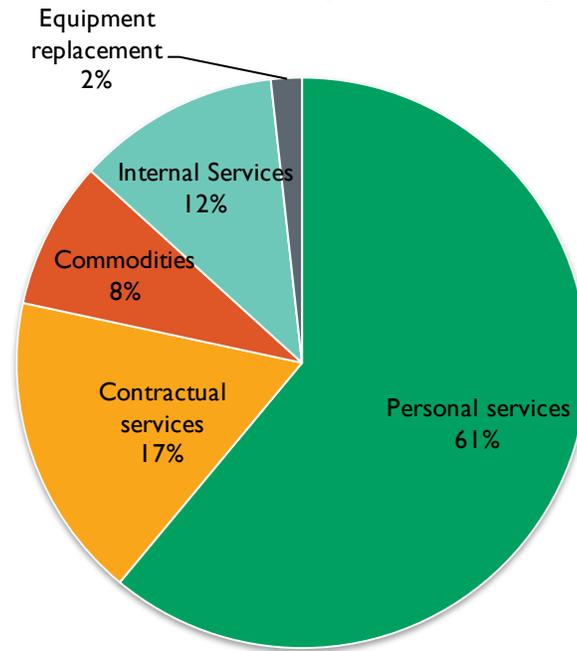


PERFORMANCE MEASURES	2017	2018	2019
Percentage of residents rating the quality of parks maintenance service as “excellent” or “good” in the Quality of Life Survey	90%	No Survey	92%
Percentage of residents rating the condition of trails and sidewalks as “excellent” or “good” in the Quality of Life Survey	81%	No Survey	96%

PARKS & RECREATION DEPARTMENT— PARKS MAINTENANCE DIVISION

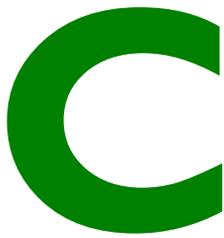
EXPENDITURES

Park Maintenance Expenditures by Type



Park Maintenance Expenditures						
	2017	2018	2019	2019	2020	2021
	Actual	Actual	Estimate	Budget	Budget	Budget
General Fund						
Personal services	\$ 2,033,922	\$ 2,150,763	\$ 2,268,800	\$ 2,268,800	\$ 2,392,464	\$ 2,485,536
Contractual services	635,069	678,317	610,075	632,600	655,175	655,175
Commodities	317,676	247,274	304,700	356,800	320,400	320,900
Internal Services	351,471	400,365	409,308	409,308	483,216	509,700
Construction Fund						
Equipment replacement	66,811	41,807	54,000	54,000	80,325	93,000
Total	\$ 3,404,949	\$ 3,518,526	\$ 3,646,883	\$ 3,721,508	\$ 3,931,580	\$ 4,064,311

*For comparative purposes previous year figures may be adjusted to reflect realigned responsibilities.



COMMUNITY DEVELOPMENT DEPARTMENT

Cary Teague, Director

cteague@EdinaMN.gov

952-826-0460



DEPARTMENT OVERVIEW

The mission of the Community Development Department is to promote the health, safety and welfare of Edina’s residents, neighborhoods and districts and to preserve our historic and natural resources in an efficient and effective manner through orderly land use and development. The Community Development Department is responsible for planning and zoning, housing and redevelopment, estimating market value and determining the classification of each piece of property in the City for property tax purposes.

MAJOR SERVICE AREAS

- ◆ Commercial appraisal
- ◆ Heritage preservation
- ◆ Planning
- ◆ Sign permits
- ◆ Residential appraisal
- ◆ Housing
- ◆ Zoning

DEPARTMENT ORGANIZATIONAL CHART



COMMUNITY DEVELOPMENT DEPARTMENT

2020-2021 DEPARTMENT GOALS

- ◆ Complete the work of the Housing Task Force.
- ◆ Seek development opportunities for affordable housing.
- ◆ Update the zoning ordinance as a result of the 2018 Comprehensive Plan recommendations.
- ◆ Complete the study of the Cahill Area Business Park.

2018-2019 DEPARTMENT ACCOMPLISHMENTS

- ◆ Completed the 2018 Comprehensive Plan Update.
- ◆ Participated in the implementation and training for the new Assessment and Taxes program with Hennepin County.
- ◆ Hired and onboarded a new Affordable Housing Development Manager.



PERFORMANCE MEASURES	2017	2018	2019
Residents who, from their experience, rate the quality of land use, planning and zoning as “excellent” or “good” in the Quality of Life Survey	60%	No Survey	53%

COMMUNITY DEVELOPMENT DEPARTMENT

Assessing Division

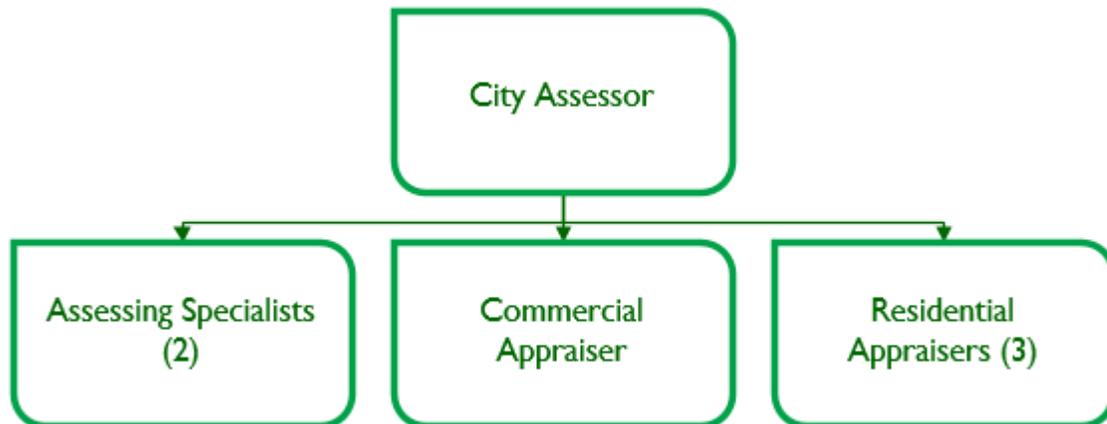
DIVISION OVERVIEW

The Assessing Division conducts field inspections (Minnesota Statute 273.08) and performs annual classification and valuation of Edina’s 21,311 taxable and exempt real estate parcels. Accepted approaches (cost, market comparison and income approach) to property valuation are considered in the appraisal process. The Assessing Division is also responsible for certification and collection of special assessments.

Each year, all tangible changes to property that may affect value are physically inspected using building permits as an informational source. Statistical analysis is performed on more than approximately 850 residential sales and existing assessor’s market values each year, forming a basis for annual adjustments to value. Sales and the analysis of available income and expense data help determine adjustments to commercial, industrial, and apartment values. The Division’s work culminates each year with the Board of Appeal & Equalization. Hundreds of inquiries and reviews are handled each year prior to the board meeting. Throughout the year, staff also manages appeals on commercial/industrial and apartment properties in Minnesota Tax Court.



DIVISION ORGANIZATIONAL CHART



COMMUNITY DEVELOPMENT DEPARTMENT—ASSESSING DIVISION

2020-2021 DIVISION GOALS

- ◆ Physically inspect and revalue 20 percent of all real property.
- ◆ Value all taxable parcels annually and meet the market adjusted minimum target sales ratio of as percent.

2018-2019 DIVISION ACCOMPLISHMENTS

- ◆ Completed the 2019 assessment with a market adjusted median sales ratio of 95.1 percent and a coefficient of dispersion of 4.5 percent.
- ◆ Physically inspected and revalued 20 percent of all real property, as required by statute.

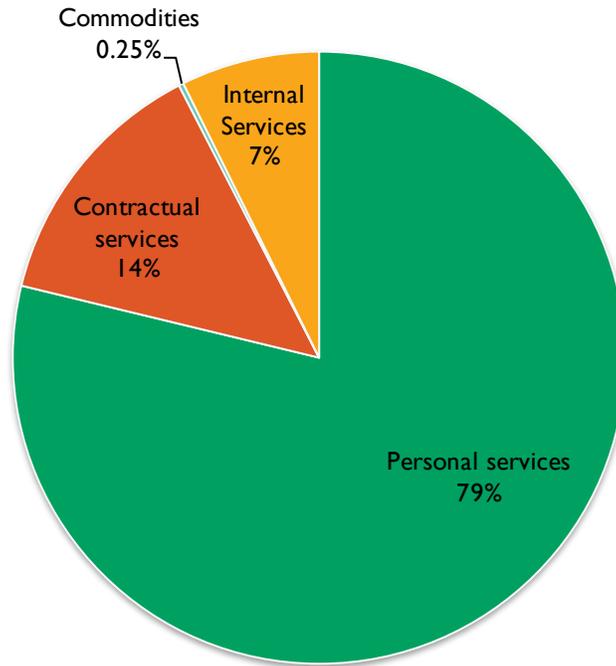


PERFORMANCE MEASURES	2017	2018	2019
Appraisal value to actual sales value ratio (a complete accurate rating would be 100%)	95.5%	95.6%	95.1%
Minnesota Tax Court petitions filed	80	77	97
Board of Appeal and Equalization cases heard	23	27	15

COMMUNITY DEVELOPMENT DEPARTMENT—ASSESSING DIVISION

EXPENDITURES

Assessing Expenditures by Type



Assessing Division Expenditures						
	2017	2018	2019	2019	2020	2021
	Actual	Actual	Estimate	Budget	Budget	Budget
General Fund						
Personal services	\$ 753,820	\$ 798,776	\$ 823,823	\$ 823,823	\$ 846,248	\$ 879,462
Contractual services	126,224	140,965	140,700	140,700	151,100	154,100
Commodities	6,241	1,138	2,200	2,200	2,000	2,000
Internal Services	73,810	73,123	75,564	75,564	76,440	82,656
Construction Fund						
Equipment replacement	-	24,512	-	-	15,000	-
Total	\$ 960,095	\$ 1,038,514	\$ 1,042,287	\$ 1,042,287	\$ 1,090,788	\$ 1,118,218

*For comparative purposes previous year figures may be adjusted to reflect realigned responsibilities.

COMMUNITY DEVELOPMENT DEPARTMENT

Planning Division

DIVISION OVERVIEW

The Planning Division is primarily responsible for the review and management of development and redevelopment in the City of Edina. The Division coordinates the preparation of a Comprehensive Plan, including the City's long-range guide to how property should be developed or redeveloped.

Within the context of the Comprehensive Plan, the Division administers the City's zoning ordinances, which govern how property can be used. The Division acts as the staff liaison to the Planning Commission. Planning staff provides recommendations to the Planning Commission and City Council on all land use issues. The Planning Division also acts as the staff liaison to the Edina Heritage Preservation Board and the Edina Housing Foundation.



Southdale Area

DIVISION ORGANIZATIONAL CHART



COMMUNITY DEVELOPMENT DEPARTMENT—PLANNING DIVISION

2020-2021 DIVISION GOALS

- ◆ Update the zoning ordinance as a result of the 2018 Comprehensive Plan, including the codification of the affordable housing policy.
- ◆ Start the Cahill Business Park study in 2020.

2018-2019 DIVISION ACCOMPLISHMENTS

- ◆ Completed Small Area Plans for 50th & France, 44th & France, 70th & Cahill; and a District Plan for the Greater Southdale Area.
- ◆ Completed the 2018 Comprehensive Plan.
- ◆ In collaboration with the Engineering and Building Inspections Departments, created and delivered two training sessions in March for residential redevelopment construction.
- ◆ Revised the City’s Affordable Housing Policy.

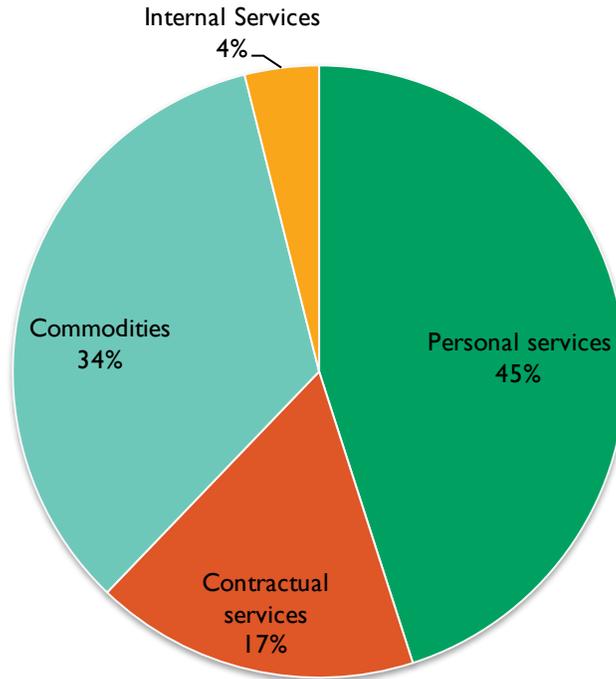


PERFORMANCE MEASURES	2017	2018	2019
Land use application processed	48	73	43
Multi-Family apartment units approved or denied by City Council:			
Approved	375	733	557
Denied	507	2,139	215
Number of affordable housing units built using Tax-Increment Financing (TIF) Districts	10	3	5

COMMUNITY DEVELOPMENT DEPARTMENT—PLANNING DIVISION

EXPENDITURES

Planning Expenditures by Type



Planning Division Expenditures						
	2017	2018	2019	2019	2020	2021
	Actual	Actual	Estimate	Budget	Budget	Budget
General Fund						
Personal services	\$ 576,731	\$ 644,108	\$ 681,088	\$ 623,211	\$ 661,079	\$ 686,784
Contractual services	112,349	96,090	114,750	114,750	114,500	164,500
Commodities	8,988	4,856	5,000	5,000	6,000	6,500
Internal Services	51,173	55,089	56,748	56,748	56,112	60,888
CDBG Fund						
Contractual services	131,191	123,454	125,000	125,000	125,000	125,000
Total	\$ 880,432	\$ 923,597	\$ 982,586	\$ 924,709	\$ 962,691	\$ 1,043,672





2020-2021
Budget

Community Profile

CITY GOALS:

Strong Foundation

Livable City

Reliable Service

Better Together



COMMUNITY PROFILE

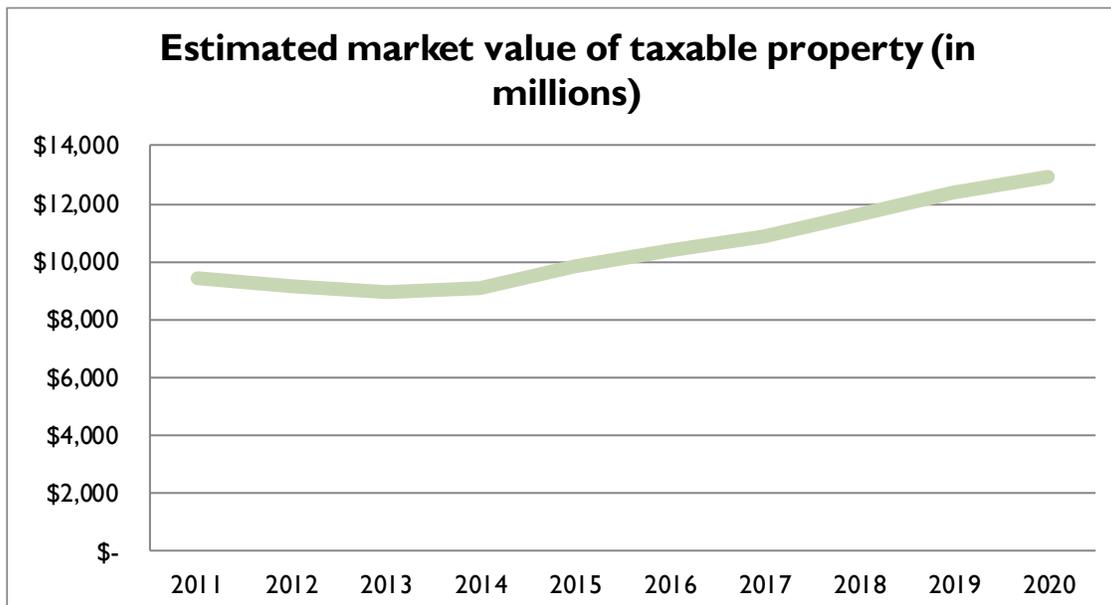
MARKET VALUE OF PROPERTY: LAST 10 FISCAL YEARS

Although the City has been nearly fully developed and borders haven't changed for many years, total market value of properties in the City has grown. Like many communities, property values dropped somewhat after 2009, but the drop in Edina was not as severe as many other places. Residential and commercial redevelopment in recent years has contributed to the increase in the total market value of Edina.

Fiscal Year	Market Value (In millions) ^a	
	Estimated	Taxable
2011	\$ 9,442	\$ 9,432
2012	9,179	9,026
2013	8,955	8,799
2014	9,066	8,912
2015	9,838	9,702
2016	10,420	10,296
2017	10,903	10,785
2018	11,655	11,548
2019	12,370	12,272
2020	12,904	12,813

Source: Hennepin County Taxpayer Services.

^a Property in the City is assessed annually. Assessed value is equal to market value, although taxable value may be different, as shown. The City receives reports from Hennepin County showing total market value, but not separated by property classification.



COMMUNITY PROFILE

TOP 10 TAXPAYERS

The City of Edina's local economy is healthy and diverse. There are several large taxpayers in the City that are important, but none is dominant. Edina is not overly reliant on one business or industry.

Taxpayer	2018		
	Tax Capacity	Rank	Percentage of Total Capacity
Southdale Shopping Center	\$ 2,869,380	1	2.02%
Galleria Shopping Center	2,666,013	2	1.88%
Southdale Medical Building	1,370,553	3	0.97%
Centennial Lakes Retail	998,708	4	0.70%
Southdale Office Center	980,280	5	0.69%
Centennial Lakes Phase V	779,680	6	0.55%
Onyx Apartments	764,580	7	0.54%
Centennial Lakes Phase IV	641,756	8	0.45%
One Southdale Place Apartments	588,448	9	0.41%
Totals	<u>\$ 11,659,398</u>		<u>8.21%</u>

Source: City of Edina Assessing Office



COMMUNITY PROFILE

TOP 10 EMPLOYERS

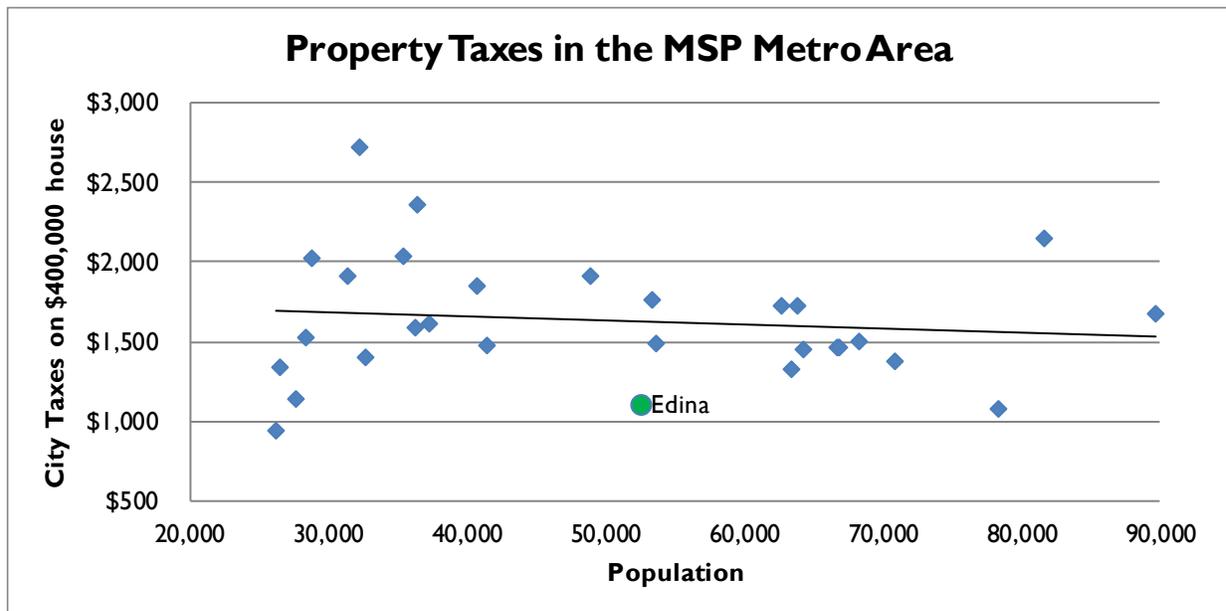
The City of Edina's local economy is healthy and diverse. There are several large employers in the City that are important, but none is dominant. Edina is not overly reliant on one employer or industry.

Employer	2018		
	Employees	Rank	Percentage of Total City Employment
Fairview Southdale Hospital	1,825	1	7.11%
Edina Public Schools ISD #273	1,450	2	5.65%
City of Edina	1,100	3	4.29%
BI Worldwide	550	4	2.14%
Minnesota Garage Door Experts	500	5	1.95%
Lund Food Holdings, Inc.	500	6	1.95%
Regis Corporation	460	7	1.79%
Edina Realty	400	8	1.56%
International Dairy Queen Inc.	400	9	1.56%
Dow Water & Process Solutions	375	10	1.46%
Totals	7,560		29.47%

Sources:

2018 data from ReferenceUSA, written and telephone survey (May 2018) done by Ehlers, and the Minnesota Department of Employment and Economic Development.

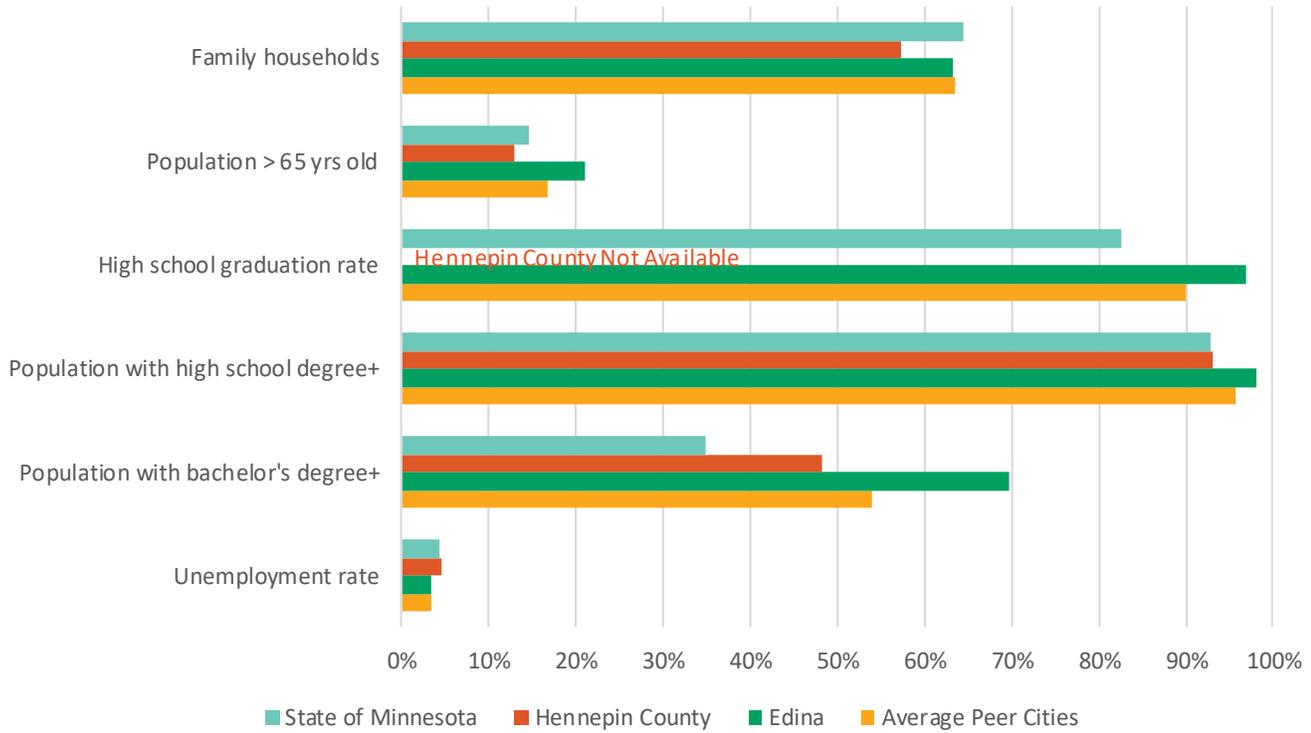
TAXES



Each blue diamond indicates a different city in the MSP area. Includes all cities with population 25,000-100,000
 2018 Taxes calculated using tax rates from applicable County
 2018 Population per Metropolitan Council estimate

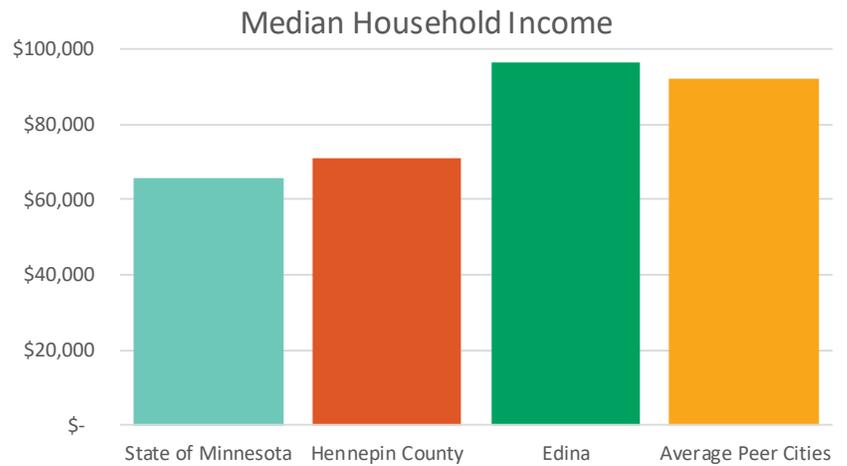
COMMUNITY PROFILE

COMPOSITION OF POPULATION



Source: datacensus.gov

The City's median household income is \$96,477.



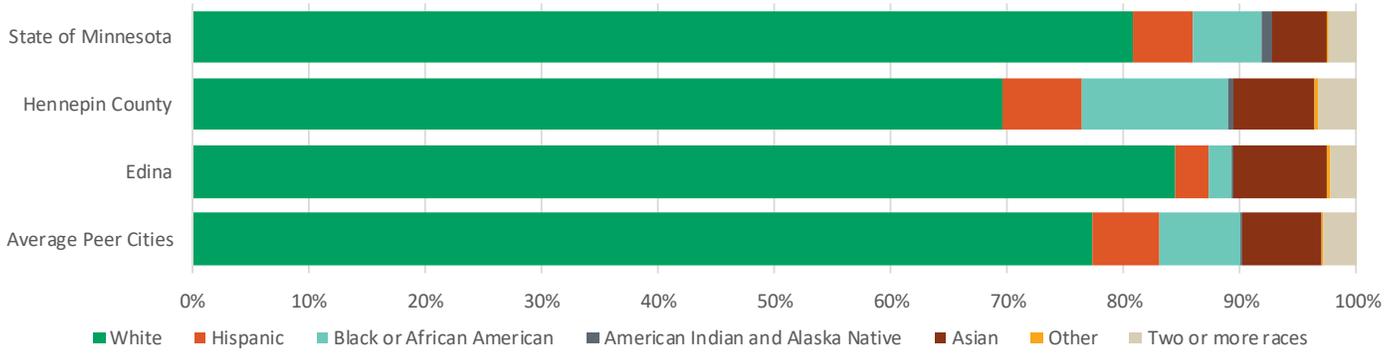
Source: datacensus.gov

COMMUNITY PROFILE

BETTER TOGETHER DATA 

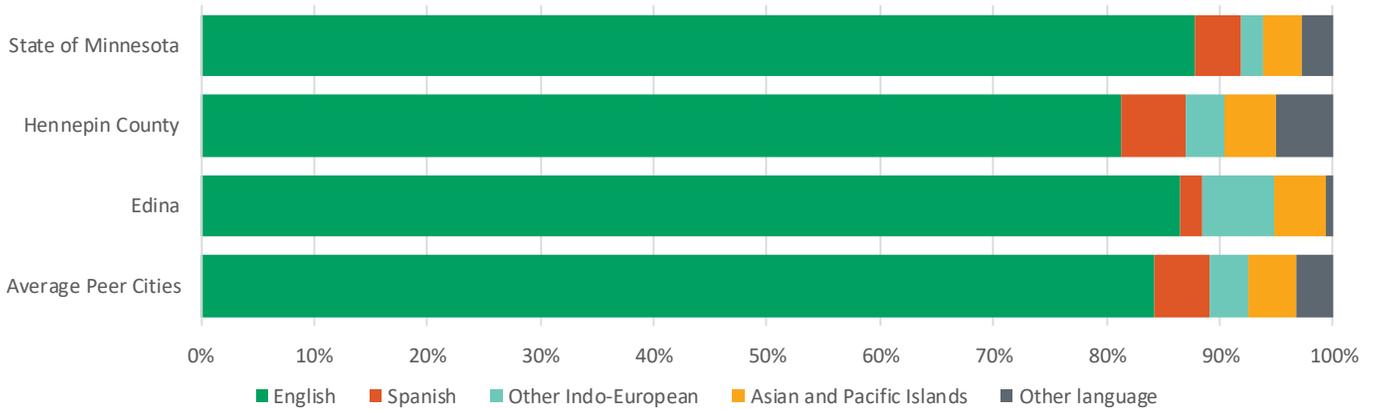
The City of Edina is committed to being welcoming and inclusive to all who live, work and spend time in the city. Below is data regarding the current composition of Edina’s population.

Race



Source: factfinder.census.gov

Language Spoken at Home



Source: factfinder.census.gov



Centennial Lakes Park Farmers Market

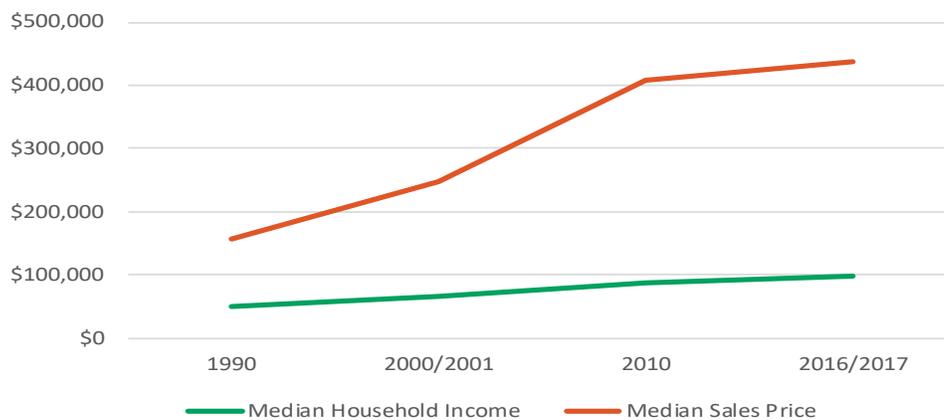
COMMUNITY PROFILE

AFFORDABLE HOUSING DATA 

The City has recognized the need for affordable housing. In 2018, an affordable housing position was created. Accomplishments to date include:

- 323 affordable housing rental units approved or completed in past year.
- Two 100% affordable workforce housing developments applied for and received financing from the City together with our funding partners. Construction is expected in summer 2020.
- A local Fair Housing Policy was passed by City Council.
- A Rental Licensing program was approved which will serve to protect the most vulnerable residents who face housing insecurity.

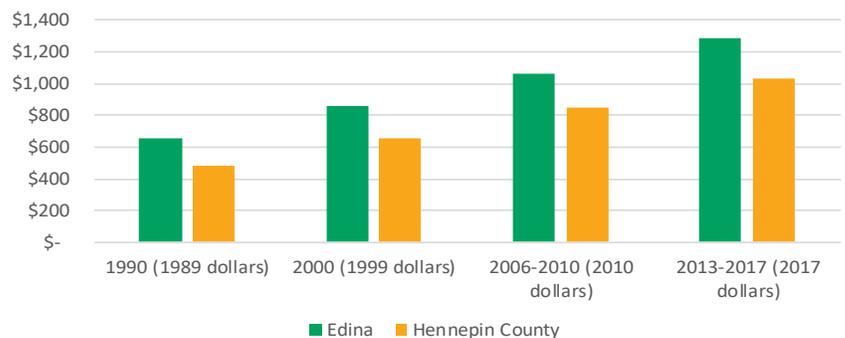
The 2020-2021 Budget Objective is to create affordable/workforce housing (1,220 units by 2030).



Home prices have outpaced the growth in median household income.

Source: <https://stats.metc.state.mn.us/profile/detail.aspx?c=02394621>

Median Gross Rent in Edina



Rent in Edina has increased from \$654 in 1990 to \$1,288 in 2017, remaining 25% higher than the average for Hennepin County.

Source: https://factfinder.census.gov/faces/nav/jsf/pages/community_facts.xhtml





2020-2021
Budget

Appendix

CITY GOALS:

Strong Foundation

Livable City

Reliable Service

Better Together



F INANCIAL MANAGEMENT POLICIES

PURPOSE

The City of Edina has a responsibility to provide quality services to its residents, and considers it important to do so in a fiscally responsible fashion designed to keep services and taxes as consistent as possible over time. These financial management policies are meant to serve as the framework upon which consistent operations may be built and sustained.

OPERATING BUDGET POLICIES

Scope. It is the City's policy to budget for all governmental and enterprise funds.

Accounting. The governmental funds use the modified accrual basis of accounting for budgeting and reporting purposes. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities for the current period. The City considers all revenues, except reimbursement grants, to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments are recorded only when payment is due.

The Enterprise Funds use the accrual basis of accounting for budgeting and reporting purposes. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Stakeholder Input. The annual budget process is intended to weigh all competing requests for City resources within expected fiscal constraints. Requests for new programs made outside the annual budget process are discouraged. The City will provide ample time and opportunity for public input into its budget process every year.

Balanced Budget Adoption. The operating budget for the General Fund will be balanced. The City will not use internal or external short-term borrowing, asset sales, or one-time accounting changes to balance the General Fund budget. The balanced budget will include a reasonable annual appropriation for contingencies.

Budgetary Controls. The legal level of budgetary control is at the department level within the General Fund even though budgetary data is presented at lower levels (personal services, contractual services, commodities, and central services). Expenditures may not legally exceed appropriations by department unless offset by increases in revenues. All unencumbered appropriations lapse at year-end.

The City Manager may approve budgetary transfers. The City Council may approve supplemental appropriations.

FINANCIAL MANAGEMENT POLICIES

Monitoring. Department Directors are responsible for administration of their respective department budgets. Such responsibility includes reviewing monthly financial reports to detect errors and assess progress, staying within budget authorization, and submitting requests for budget adjustments, when required.

REVENUE POLICIES

Policies. The City will endeavor to maintain a diversified and stable revenue system to shelter programs and services from short-term fluctuations in any single revenue source.

Property Taxes. It is beneficial for residents and for the City to keep tax rates low and consistent from year to year. The City will strive to proactively avoid large increases in the operating budget levy.

Fees and Charges. The City shall establish user charges and fees for General Fund program activities at a level related to the full cost of providing the services. Components of the user charges shall include direct and indirect costs of providing the service. The City will also consider policy objectives and market rates when setting fees.

Transfers. Transfers should not be used as a revenue source to balance the operating budget except for the annual transfer from our liquor operations.

Investment Income. The City will reasonably budget for investment revenue in our operating budget based on the conservative investment strategy outlined in our investment policy (under separate cover).

FUND BALANCE POLICIES

Definitions. The term *fund balance* describes the net assets of the City's governmental funds calculated in accordance with generally accepted accounting principles (GAAP). GAAP further divides fund balance into five categories; *nonspendable* fund balance, *restricted* fund balance, *committed* fund balance, *assigned* fund balance, and *unassigned* fund balance.

- ◆ Nonspendable fund balance consists of amounts that cannot be spent because they are not in spendable form, such as prepaid items.
- ◆ Restricted fund balance consists of amounts related to externally imposed constraints established by creditors, grantors or contributors; or constraints imposed by state statutory provisions.
- ◆ Committed fund balance consists of amounts that are constrained for specific purposes that are internally imposed by formal action (resolution) of the City Council. Those committed amounts cannot be used for any other purpose unless City Council removes or changes the specified use by taking the same type of action it employed to previously commit those amounts.
- ◆ Assigned fund balance consists of amounts intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by the City Council.
- ◆ Unassigned fund balance is the residual classification for the general fund and also reflects negative residual amounts in other funds.

FINANCIAL MANAGEMENT POLICIES

Policies. At the end of each fiscal year, the City will maintain nonspendable and restricted fund balance equal to the amounts required by GAAP for a variety of purposes, including but not limited to: prepaid expenditures, park dedication fees, E-911 funds, forfeiture funds, and other assets restricted by grantors, contributors, creditors, or enabling legislation.

At the end of each fiscal year, the City will maintain committed fund balance constrained for specific purposes by City Council.

At the end of each fiscal year, the City will maintain assigned fund balance in the General Fund for investments as calculated by the difference between market value and amortized value of investments held by the City at year-end. The City will also maintain assigned fund balance in the General Fund for Compensated Absences of 40% of the actual full-accrual General Fund liability for compensated absences.

At the end of each fiscal year, the City's goal is to maintain unassigned fund balance for Cash Flow in the General Fund in a range equal to 42-47% of the subsequent year's budgeted tax revenue. In the event that unassigned fund balance falls above or below the desired range, the Finance Director shall report such amounts to the City Council as soon as practicable after the end of the fiscal year. Should the actual amount of unassigned fund balance fall below the desired range, the City shall create a plan to restore the appropriate levels. Should the actual amount of unassigned fund balance fall above the desired range, any excess funds will remain unassigned pending the Council's final decision concerning transfer to another fund. It is the policy of the City that, to the extent possible, such excess funds will be transferred to the Construction Fund to support capital improvements and equipment.

Available fund balances shall not be used for ongoing operating expenditures.

When both restricted and unrestricted resources are available for use, it is the City's policy to first use restricted resources, then use unrestricted resources as they are needed.

When committed, assigned, or unassigned resources are available for use, it is the City's policy to use resources in the following order: 1) committed, 2) assigned, and 3) unassigned.

CAPITAL OUTLAY POLICIES

Equipment Replacement Program. The City strives to maintain its physical assets at a level that minimizes future repair and maintenance costs. To accomplish this goal, the City has established the Equipment Replacement Program to annually budget and set aside funds for the timely replacement of City equipment.

The City's Equipment Replacement Program includes equipment used for General Fund programs.

Capital Improvement Plan (CIP). The goal of the City's CIP is to develop a comprehensive program for use by decision makers to guide capital investments based on an assessment of the community's needs, taking into account the best use of limited resources while providing efficient and effective municipal services.

FINANCIAL MANAGEMENT POLICIES

The City will develop a five-year plan for capital improvements and update it annually. The CIP process includes analyzing projects contributing to the public health and welfare, projects helping to maintain and improve the efficiency of the existing systems, and projects that define a future need within the community.

The City will identify the estimated cost and potential funding sources for each capital project proposal in the CIP. Purchase contracts for equipment and projects included in the CIP must still be properly authorized according to the City's Purchasing Policy.

The CIP will include equipment and projects from any City fund.

DEBT MANAGEMENT POLICIES

Policy Limits. The City will use debt only for capital improvement or projects that have a life of more than 4 years. The City will avoid using debt for cash flow borrowing, operations, or repairs.

When possible, the City will not use debt to finance equipment purchases when it is possible to purchase the equipment on a pay-as-you-go basis with equipment replacement program or capital improvement plan reserves.

The City shall use G.O. tax increment bonds only when the development merits special consideration.

The City's capital improvement plan shall contain debt assumptions which match this policy and requires a commitment to long-range financial planning which looks at multiple years of capital and debt needs.

Legal Limits. Minnesota Statutes, Section 475 prescribes the statutory debt limit that outstanding principal of debt cannot exceed 2% of taxable market value. This limitation applies only to debt that is wholly tax-supported. The type of debt included is either general obligation debt of any size bond issue (G.O.) or lease revenue bond issues that were over \$1,000,000 at the time of issuance. However, there are also several other types of debt that do not count against the limit. G.O. tax increment, G.O. special assessment, G.O. utility revenue, G.O. recreational facility revenue, and HRA-issued debt are considered to have a separate revenue source other than just taxes and are excluded from the legal debt limit calculation. Local ordinances do not limit the City's ability to issue debt.

Issuance Practices. The City uses the competitive sale method for its general obligation bond sales unless factors such as structure, size or market conditions compel the use of a negotiated sale.

The City may use an outside bond attorney, an independent financial advisor, and/or other service providers to assist with the structuring and sale of the bonds.

Debt Structuring. The City's collective debt shall amortize at least 50% of its principal within 10 years. In all cases, the maturity shall be shorter than the life of the related assets.

Conduit Debt. The City may participate in conduit debt financings. Development proposals are reviewed to determine if they meet program objectives and whether the proposals are financially feasible.

FINANCIAL MANAGEMENT POLICIES

Variable Rate Debt. The City may use variable rate debt to provide debt structuring flexibility and potential interest savings to the total debt portfolio. Variable rate debt should not constitute more than 20% of the City's total debt obligations.

Refunding. Current refunding bonds may be utilized when present value savings of 3% of refunded principal is achieved or in concert with other bond issues to save costs of issuance.

Advance refunding bonds may be utilized when present value savings of 4% of refunded principal is achieved.

Adopted by City Council February 20, 2007

Revisions: March 20, 2007
 December 15, 2009
 December 20, 2011



2020-2021
Budget

Glossary

CITY GOALS:

Strong Foundation

Livable City

Reliable Service

Better Together





LOSSARY

Accounting – A system to measure and communicate financial information about an organization, including annual results and current position. It has been called the “language of business”.

Accrual basis of accounting – A method of accounting for transactions by recording revenues when they are earned (whether cash is received at the same time or not) and recording expenses when goods and services are received (whether cash is paid at the same time or not).

Adopted budget – The City Council adopts a financial plan for a fiscal year, including revenues and other financing sources as well as expenditures, expenses and other uses.

Advisory Board or Commission – The City of Edina’s boards and commissions advise the City Council on various projects and, at times, make recommendations for its consideration. The City’s boards and commissions are comprised of volunteers.

Affordable housing – Housing is deemed affordable if no more than 30% of a household’s income is spent on housing costs. For Rental program the target is generally to served households with incomes at or below 60% of the Area Median Income for Hennepin County. For ownership programs, the target is to generally to serve households with incomes at or below 120% of Area Median Income for Hennepin County.

Appropriation – An authorization made by the legislative body of a government which permits officials to incur obligations against and to make expenditures of governmental resources.

Assessed valuation – Market value for all real or personal property equals the price that a property would command under competitive, open-market conditions, at the time the property is assessed. The City Assessor’s Office determines assessed valuation. In Minnesota there is a one year delay between the time a property is valued and the payment of taxes based on that value.

Asset – An accounting term. Any tangible or intangible economic resource that is capable of producing future value can be considered an asset. Assets are shown on the balance sheet. Asset values are sometimes estimated as of the balance sheet date.

Average Peer Cities — Represents average data from Bloomington, Eden Prairie and Minnetonka.

Balance sheet – Summarizes an entity’s financial position on a specific date, often the last day of the fiscal year. The balance sheet is sometimes described as a “snapshot of an entity’s financial position”. Governmental accounting sometimes uses alternative words or phrases to describe financial documents similar to a balance sheet, such as “Statement of Net Position” or “Statement of Fund Net Position”.

Balanced budget – In the General Fund, when expenditures are exactly offset by an equal amount of revenue.

Biennium/biennial – A specified period of two years. The City of Edina operates a biennial budget planning process, meaning the budget is planned for two years.

GLOSSARY

Bond – A written promise to pay (debt) a specified sum of money (called principal, par or face value) at a specified future date (called the maturity date(s)) along with periodic interest paid at a specified percentage of the principal (interest rate). Bonds are typically used for long-term debt.

Budget – The financial plan for the operation of a program or organization which includes an estimate of proposed expenditures for a given period and the proposed means of financing those expenditures.

Budget transfer/interfund transfer – Budget transfers are requests to move funds from one fund to another, after the original budget has been approved by City Council.

Capital asset – An accounting term used to describe assets with significant value and having a useful life of several years. Capital assets are sometimes called fixed assets.

Capital Improvement Plan (CIP) – A plan to prioritize expenditures for significant projects and match financing to pay the project costs. The City of Edina prepares a five-year CIP every two years.

Capital outlay – Expenditures for the acquisition of capital assets.

Capital projects fund – A type of fund defined by GASB. Capital projects funds are used to account for all financial resources that are restricted, committed, or assigned to expenditures for capital outlay, other than those financed by proprietary funds. The City of Edina has one capital projects fund that we call the Construction fund.

City Council – Five elected leaders, including the mayor, that represent the legislative arm of local government in Edina.

Community Development Block Grant (CDBG) – The CDBG program is a federal program that dates back to 1974, and exists to provide communities with resources to address a wide range of unique community development needs. The City of Edina receives CDBG funding through Hennepin County.

Comprehensive Plan – The Edina Comprehensive Plan is designed as a framework for guiding future development, redevelopment, and community enhancement. It reflects community vision for the orderly and coordinated physical development of a city into the future; anticipates change and provides specific guidance for long term legislative and administrative actions. It is legally required per state statute and Metropolitan Council regulation. Comprehensive Plans are updated every 10 years.

Conservation and Sustainability (CAS) – In 2016 the City began collecting franchise fee revenue from both Xcel and CenterPoint customers to be used for initiatives focused on conservation and sustainability.

Debt service – Payment of interest and repayment of principal to holders of a government's debt instruments.

Debt service fund – A type of fund defined by GASB. Debt service funds are used to account for all financial resources that are restricted, committed, or assigned to expenditures for principal and interest. The City of Edina has one debt service fund that we call the Debt Service fund.

Deficit – May be used when discussing an entity's balance sheet where liabilities exceed assets. Also may be used when discussing an entity's income statement where expenditures or expenses exceed revenues during an accounting period.

GLOSSARY

Depreciation – A system of allocating the cost of a capital asset over its useful life. The City of Edina uses depreciation in our enterprise funds, but not our governmental funds.

Energy Use Index (EUI) – A measurement of a building’s energy use as a function of its size (square feet). It is calculated by dividing the total energy consumed by the building in one year by the total gross floor area of the building.

Franchise fee – Sometimes called a franchise tax, this is revenue the City of Edina collects from a company in exchange for granting the right or license to market that company’s goods or services in the City’s borders. The City of Edina currently receives franchise fee revenue from Comcast Cable, Xcel Energy, and Centerpoint Energy.

Enterprise fund – A type of fund defined by GASB. Enterprise funds use full accrual accounting. The City of Edina has nine enterprise funds; Utilities, Liquor, Aquatic Center, Golf Course, Arena, Art Center, Edinborough Park, Centennial Lakes, and Sports Dome.

Enterprise Resource Planning (ERP) – A business process management software that allows an organization to use a system of integrated applications to manage the business and automate many back-office functions related to technology, services and human resources.

Expenditure – An accounting term often used when discussing governmental or modified accrual accounting. Expenditures are generally recorded when a liability is incurred, as expenses are recorded under accrual accounting. However, some changes in long-term liabilities, like debt service or compensated absences, are recorded as expenditures only when payment is due.

Expense – An accounting term. Expenses include outflows of economic resources or depletions of assets during a period of time, like a month, quarter, or fiscal year.

Fiscal disparities – A program in the Minneapolis/St. Paul (MSP) metropolitan area in which a portion of the commercial and industrial property value of each city and township is contributed to a tax base sharing pool. Each city and township then receives a distribution of property value from the pool based on market value and population in each city.

Generally Accepted Accounting Principles (GAAP) – The body of rules that govern accounting. The City of Edina uses accounting principles generally accepted in the United States for local governments. The Governmental Accounting Standards Board (GASB) is an influential body that sets GAAP. GAAP is enforced through the audit process, when auditors render opinions on the fairness of financial statement presentations in conformity with GAAP.

General fund – The General fund is the City’s primary operating fund. It accounts for the proceeds of specific revenue sources that are restricted or committed to expenditures for the specified purposes other than debt service and capital projects. It carries the basis activities of the City including Administration, Human Resources, Communications and Technology Services, Finance, Community Development, Parks and Recreation, Police, Fire, Engineering and Public Works.

Geographical Information System (GIS) – a framework for gathering, managing, and analyzing data based on geography. It analyzes location and information into visualizations to reveal deeper insights.

GLOSSARY

Governmental Accounting Standards Board (GASB) – An independent, non-governmental organization that is the official source of Generally Accepted Accounting Principles (GAAP) used by State and Local governments in the United States, including the City of Edina. The GASB was established in 1984 by agreement of the Financial Accounting Foundation (FAF) and 10 national associations of state and local government officials.

Governmental funds – A category of funds that always includes a governmental entity’s general fund, special revenue funds, capital projects funds and debt service funds. Governmental funds use the modified accrual basis of accounting with revenues recognized in the accounting period in which they become available and measurable. Expenditures are generally recorded when a liability is incurred, as expenses are recorded under accrual accounting. However, some changes in long-term liabilities, like debt service or compensated absences, are recorded as expenditures only when payment is due.

Government Finance Officers Association (GFOA) – A professional association of local government finance officers in the United States and Canada, headquartered in downtown Chicago. The purpose of the Government Finance Officers Association is to enhance and promote the professional management of governments for the public benefit by identifying and developing financial policies and best practices and promoting their use through education, training, facilitation of member networking, and leadership.

Greenhouse Gas (GHG) – A gas that has the property of absorbing infrared radiation (net heat energy) emitted from Earth’s surface and reradiating it back to Earth’s surface, thus contributing to the greenhouse effect. GHG is a common indicator used in climate change discussions.

Homestead market value exclusion – Property that is homesteaded is eligible to receive the Homestead market value exclusion. The Homestead market value exclusion causes the amount of value that is taxable to be reduced by excluding a portion of a property’s estimated market value.

Housing and Redevelopment Authority (HRA) – The Edina HRA is an entity legally separate from the City, established in 1974 for the purpose of undertaking urban redevelopment projects and assisting with the development of affordable housing. The members of the City Council comprise the five-member board of commissioners of the HRA.

Income statement – Summarizes an entity’s revenues and expenses or expenditures for a specified accounting period, such as a month, quarter, or fiscal year. The income statement is sometimes also called the profit and loss (P&L), statement of operations, earnings statement or other similar term. Governmental accounting sometimes uses additional alternative words or phrases to describe financial documents similar to an income statement, such as “Statement of Activities”, “Statement of Revenues, Expenditures, and Changes in Fund Balances” (governmental funds), or “Statement of Revenues, Expenses, and Changes in Fund Net Position/Equity” (proprietary funds).

Integrity, Quality, Service (IQS) – Edina IQS are the organizational values of City Staff that guide organizational thinking and actions. The three values were developed by City staff in a visioning process.

Internal services – The City of Edina is a diverse organization that has several departments, divisions and business units. There are some common costs (overhead) like property and liability insurance, IT services, building maintenance and equipment maintenance that we have found are most efficiently performed internally for all of our business units. The term internal service is how we describe our system for allocating the costs of this overhead to the business units that benefit from them.

GLOSSARY

Internal service fund – Internal service funds are used to account for financing of goods or services provided by one department or agency to other departments or agencies of the government on a cost-reimbursed basis. The City of Edina has four internal service funds; Risk Management, Equipment Operations, Information Technology, and Facilities Management.

International Association of Public Participation (IAP2) – An organization that leads, advances and advocates for best practices in public participation. Edina staff use tools and techniques from IAP2.

League of Minnesota Cities (LMC) – The LMC is a membership organization dedicated to promoting excellence in local government. The League serves its more than 800 member cities, including Edina, through advocacy, education and training, policy development, risk management, and other services.

Levy – An act of imposing a tax, fine, or other fee.

Levy limit – The amount a local unit of government is permitted to levy for specific services under state law. Annual levy limits, when applicable, are set by the State Legislature.

Liability – An accounting term. A liability is an obligation arising from past events, the settlement of which is expected to result in an outflow of resources (assets). Liabilities are shown on the balance sheet. Liability values are sometimes estimated as of the balance sheet date.

Local Government Aid (LGA) – A Minnesota State government revenue sharing program for cities with low property wealth or high service burdens that is intended to provide an alternative to the property tax. The City of Edina doesn't receive LGA.

Local sales taxes – A local tax levied on the sale of goods and services to be used for specific purposes by a local government. The City of Edina doesn't impose or collect any local sales taxes.

Major fund – Under GASB 34 certain funds are designated as major funds. Major funds must have their own columns in the fund financial statements in the Comprehensive Annual Financial Report. The General fund is always a major fund and other funds are considered major if they meet certain financial criteria.

Management Cost Recovery (Mgmt CR) - Cost recovery percentages indicate a facility's ability to cover operating expenses. The calculation is operating revenue divided by operating expense excluding depreciation, central services and water/storm/sewer expenses. Goals are set with each budget cycle.

Market value – The amount for which something is valued on a given market.

Municipal Legislative Commission (MLC) – The MLC is a lobbying group that provides a voice at the state capital for 16 suburban communities, including Edina, sharing common demographic, economic and tax base characteristics.

Municipal State Aid (MSA) – A city designated street that becomes part of a broader state transportation system. This designation allows the city to receive resources to assist with the construction and maintenance of the street.

Net position – Represents the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources in fund financial statements.

Ordinance – A piece of legislation enacted by a municipal authority. The City Council passes ordinances.

GLOSSARY

Pedestrian and Cyclist Safety (PACS) – In 2013 the City began collecting franchise fee revenue from both Xcel and CenterPoint customers to be used for the creation, maintenance and improvement of non-motorized transportation facilities in Edina.

Property tax levy – The City of Edina goes through a budget process to determine what services we will provide, what those services will cost, and where we will get the money. The City Council sets the annual property tax levy, which is then certified to Hennepin County for collection.

Property tax refund – The State of Minnesota has a program to partially refund property taxes to those taxpayers whose property taxes are out of proportion with their incomes, according to program guidelines. The program is available to homeowners and renters.

Proprietary fund – Proprietary funds are used to account for activities that involve business-like interactions. These funds are considered self-supporting in that services rendered by them are generally financed through user charges or on a cost reimbursement basis. There are two types of proprietary funds; enterprise and internal service.

Quality of Life survey (QLS) – A survey of residents commissioned by the City of Edina designed to provide performance feedback to the City Council and city staff.

Revenue – An accounting term. Revenues include money an organization receives during a period of time, like a month, quarter, or fiscal year.

Special assessment – The City places a financial lien against a property to recoup the cost of certain improvements or services provided to a property, such as a street or utility improvement or unpaid utility services.

Special revenue fund – A type of fund defined by GASB. Special revenue funds are used to account for all financial resources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. The City of Edina has seven special revenue funds; HRA, PACS, CAS, CDBG, Police, Braemar Memorial, and Arts and Culture.

State general property tax – The State of Minnesota imposes property taxes on commercial, industrial, and seasonal recreational properties.

Subsidize/subsidy – An act of supporting a fund, organization, or activity financially.

Supervisory Control and Data Acquisition (SCADA) – A computer system for gathering and analyzing real time data. SCADA systems are used to monitor City utilities such as lift stations, water treatment plants, and water towers.

To be determined (TBD) – Information that cannot be verified.

Tax capacity – The valuation of property based on market value and class rates. For properties in Edina, the City Assessor's office sets the value, the State of Minnesota sets the class rates, and Hennepin County performs the calculation.

Tax-Increment Financing (TIF) – A public financing tool that uses incremental growth in property taxes to fund public improvements and public benefits. TIF Districts and use of TIF is governed by Minnesota State Law.

Vision Edina – A community visioning process conducted in 2015 that produced a strategic vision and framework for the community. This served as the initial direction for the 2019 Comprehensive Plan update. More information is on Page 22.