



# ***2024 Budget and Tax Levy***



# Timetable and key events

Work session: 2024 budget preview,  
KFS, utility rates & city fees, 2024  
CIB/2025-2028 CIP

Adopt preliminary tax levy

Certify final levy, adopt  
Budget & CIB/CIP

2 Aug.

Tonight

12 Sep.

28 Nov.

28 Nov.

2023 Revised and 2024  
Proposed Budget  
presentation with  
Directors

Truth in Taxation meeting

# Budget Update

- Labor market continues to remain competitive.
- Cost of living increase at 3%, average step increases 5%, market adjustments for negotiated contracts, hiring at higher steps
- Personnel is approximately 70% of GF
- No new debt issue planned in 2024
- Continued inflationary increases for some goods and services-fuel surcharges added

# Budget Update, cont.

- Rolling stock/equip/tech levy at \$1,208,000 -increased by 39% (to provide funding for increased costs/upgrades for rolling stock and technology)
- 2024 LGA reflects significant increase of \$1.35M
- Licenses and permits revenue slowing down ~ 175K decrease compared to 2023.
- EDA levy at \$599,364-increased by 3.50%
- Proposed levy increase is 5.89%





# General Fund Revenues

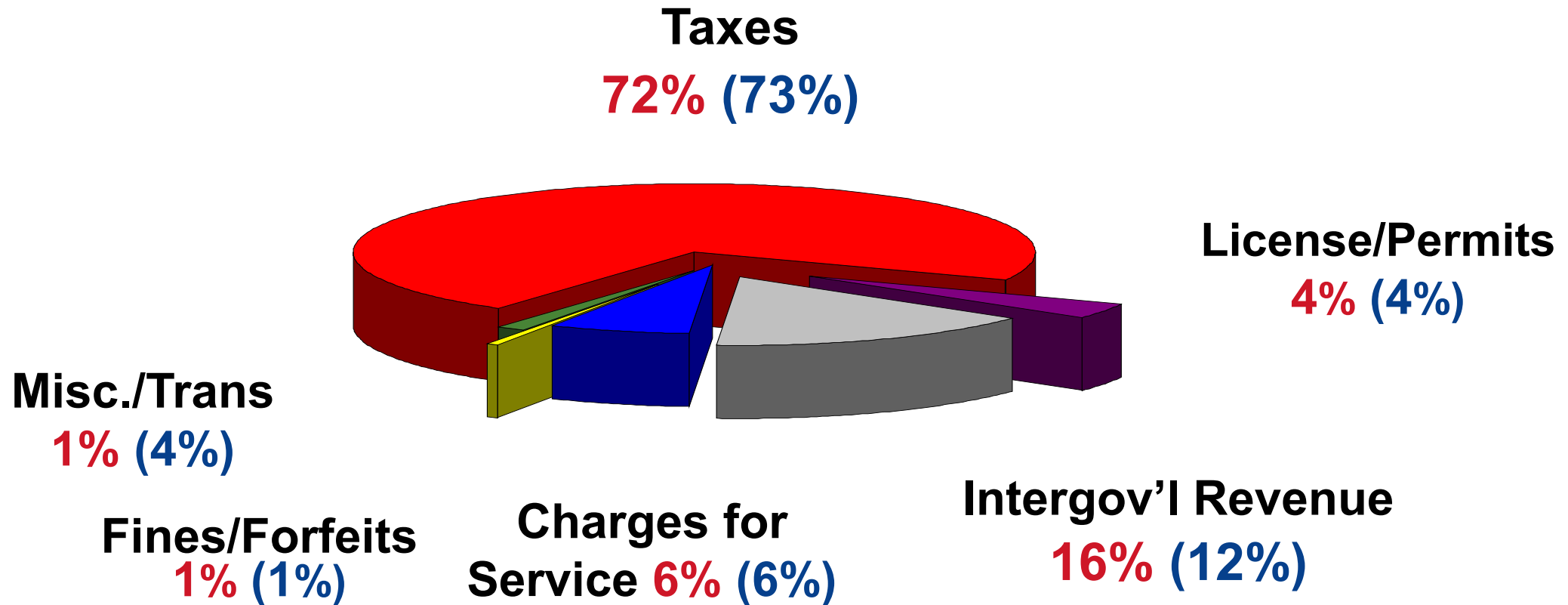
	<u>2023A</u>	<u>2023R</u>	<u>2024P</u>
Taxes	21,026,215	21,026,215	22,220,051
Licenses and Permits	1,314,495	1,089,810	1,140,000
Intergovernmental	3,544,943	3,553,902	4,885,289
Charges for services	1,907,618	1,860,551	2,016,720
Fines and forfeitures	220,000	200,000	200,000
Miscellaneous	70,580	129,700	77,060
Transfers	859,920	1,011,708	360,090
	<u>28,943,771</u>	<u>28,871,886</u>	<u>30,899,210</u>



# 2024 Proposed Preliminary Levy

- 2024 Proposed Levy is \$28,363,158
  - Increase of 5.89% over the 2023 Levy
- General Fund Levy \$22,442,251
- Equipment Levy \$ 1,208,000
- EDA Levy \$ 599,364
  - Base Levy Total \$24,249,615
- Debt Service Levy \$ 4,113,543
  - Total 2024 Levy \$28,363,158 (5.89%)

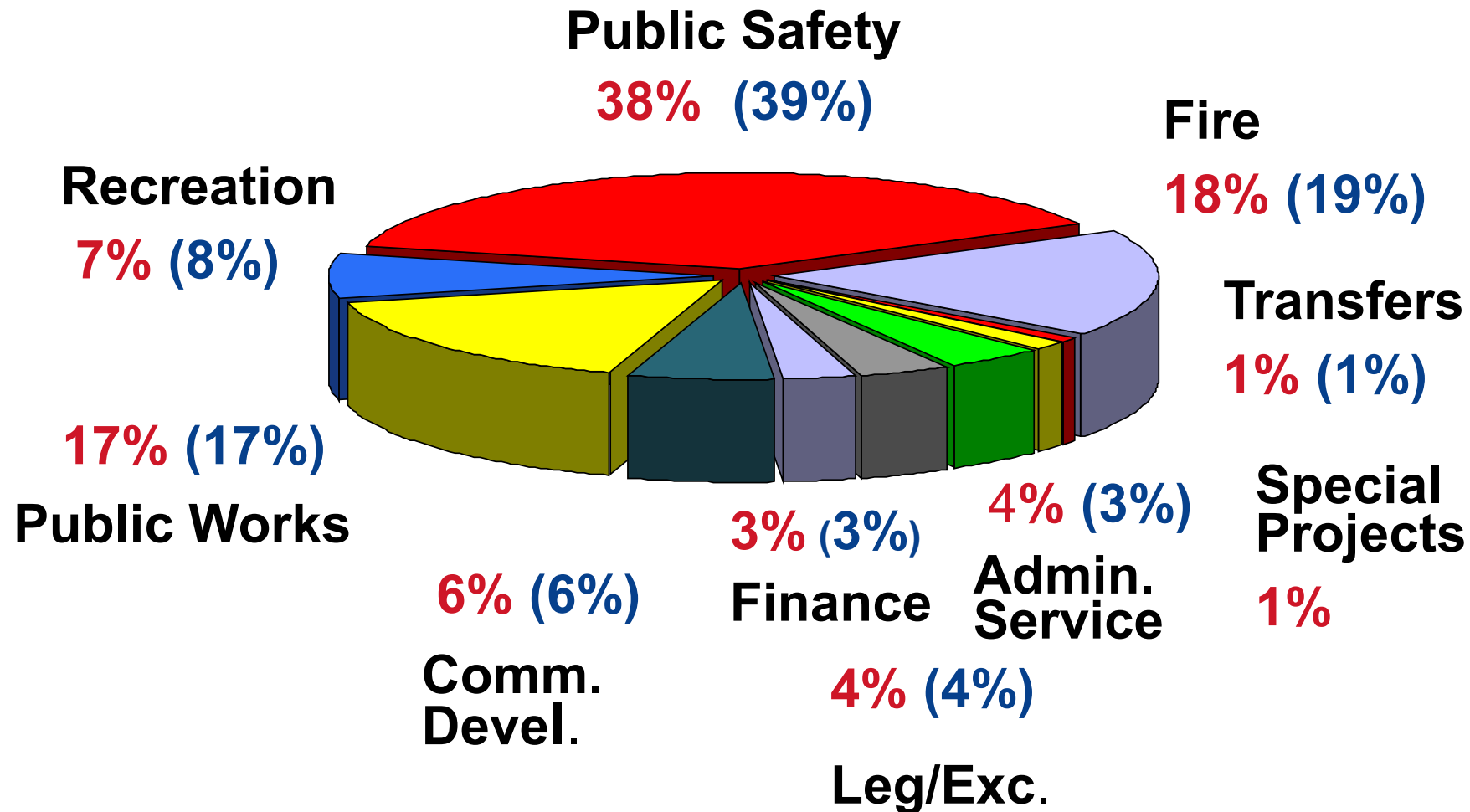
# 2024 (2023) Proposed Budget General Fund Revenues



# General Fund Expenditures

	<u>2023A</u>	<u>2023R</u>	<u>2024P</u>
Legislative/Executive	1,148,816	1,114,258	1,265,380
Administrative	1,000,852	991,424	1,263,950
Finance	886,071	1,006,135	912,618
Public Safety	11,332,622	11,095,903	11,817,265
Fire	5,335,950	5,397,355	5,552,889
Community Development	1,781,890	1,753,100	1,849,550
Public Works	4,946,140	5,006,740	5,182,120
Recreational Services	2,251,430	2,246,971	2,326,037
Transfer Out	260,000	260,000	330,000
Special Projects	-	-	399,401
	<u>28,943,771</u>	<u>28,871,886</u>	<u>30,899,210</u>

# 2024 (2023) Proposed Budget General Fund Expenditures





# City Reserves

## Long-term Capital Reserves

2022 Balance	\$8,663,000
2023 Budgeted Transfers <sup>#</sup>	<u>(\$1,115,000)</u>
2023 Projected Balance <sup>*</sup>	\$7,547,900
2024 Budgeted Transfers <sup>#</sup>	<u>(\$600,000)</u>
2024 Projected Balance <sup>*</sup>	<u>\$6,947,900</u>

*\* Projections do not include any investment returns*

*# Transfers to Ice Arena, Pool and Central Garage*

City policy also requires the General Fund to have reserves not less than 40% of current year expenditures. The balance was \$10,990,000 at FYE 2022. This is a separate reserve from above.



# Forecast of City Reserves

- Plan to use Capital Reserves over seven years to bring the negative reserves in the Ice Arena (-\$2,992,098) and the Pool (-\$147,803) into the black by 2028
- Reduce transfers to GF to zero in 2024 (LGA increase funds previous budget gap)
- General Fund goal of 40% of Total Expenditures may require future transfers from Capital Reserves to General Fund. In 2022, \$354,962 was transferred out to General Fund.
- Will need to evaluate future higher increases to the Rolling Stock, Equipment and IT levy to cover increased costs and continue technology updates





# **2024 Proposed Levy Impact on the Average Home**

## **2023**

- \$308,000 average home
- City Tax \$1,566

## **2024 Proposed**

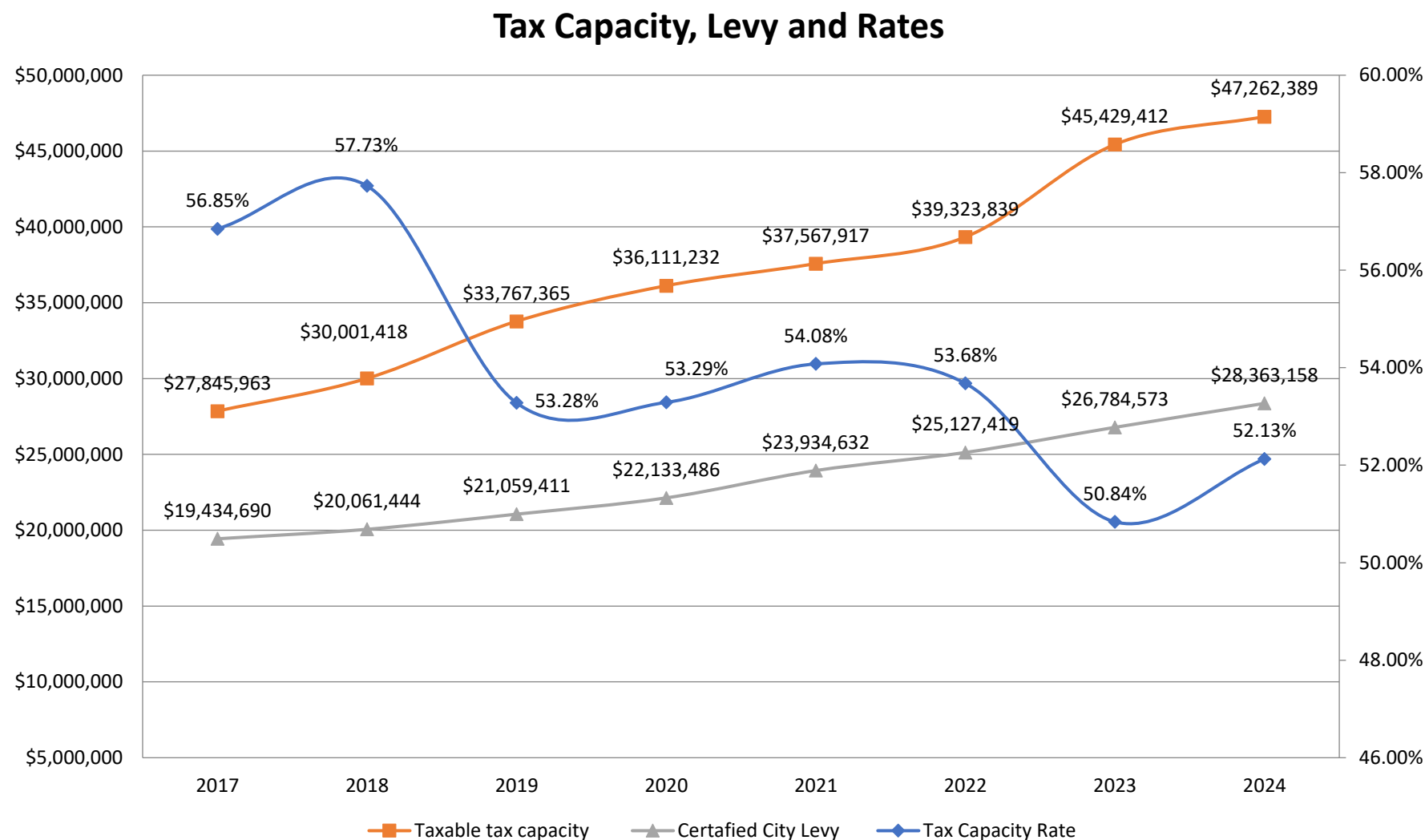
- \$318,000 average home
- City Tax \$1,657
- Annual tax increase: \$91



# History of State Aid

<u>Certified</u>	<u>Change</u>
2013 - \$1,218,346	\$0
2014 - \$1,937,907	\$719,561
2015 - \$2,053,363	\$115,456
2016 - \$2,084,057	\$ 30,694
2017 - \$2,094,443	\$ 10,386
2018 - \$2,229,280	\$137,837
2019 - \$2,235,643	\$ 6,363
2020 - \$2,366,046	\$130,403
2021 - \$2,001,680	\$(364,366)
2022 - \$2,010,927	\$ 9,247
2023 - \$2,038,711	\$ 27,784
<b>2024 - \$3,392,552</b>	<b>\$1,353,811</b>

# City Financial Overview





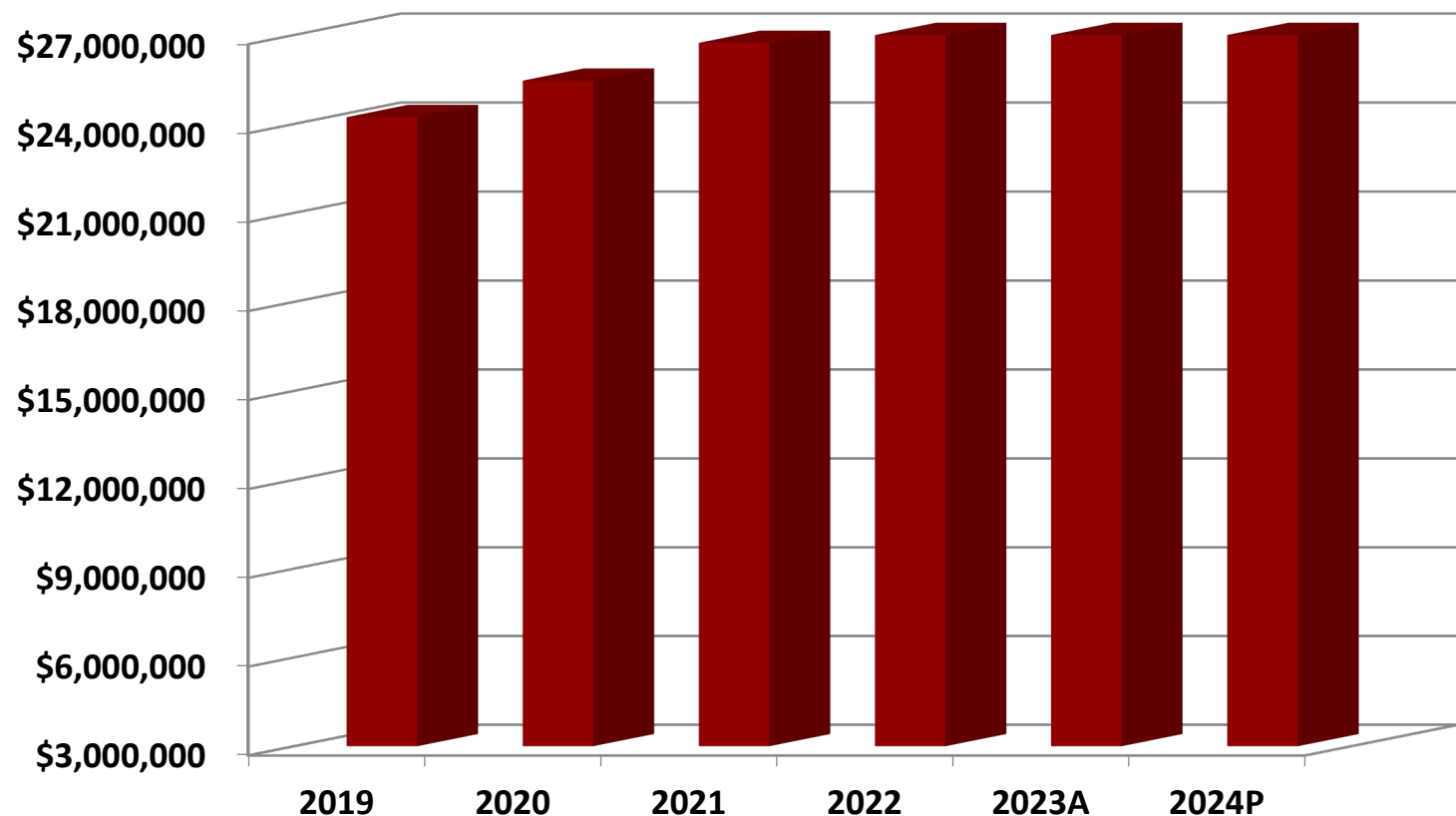
# 2024 Proposed General Fund Budget

The 2024 proposed General Fund Budget of \$30,899,210 is a:

- 6.76% increase from the 2023 adopted budget
- 7.02% increase from the 2023 revised budget

# General Fund Budget Expenditure History

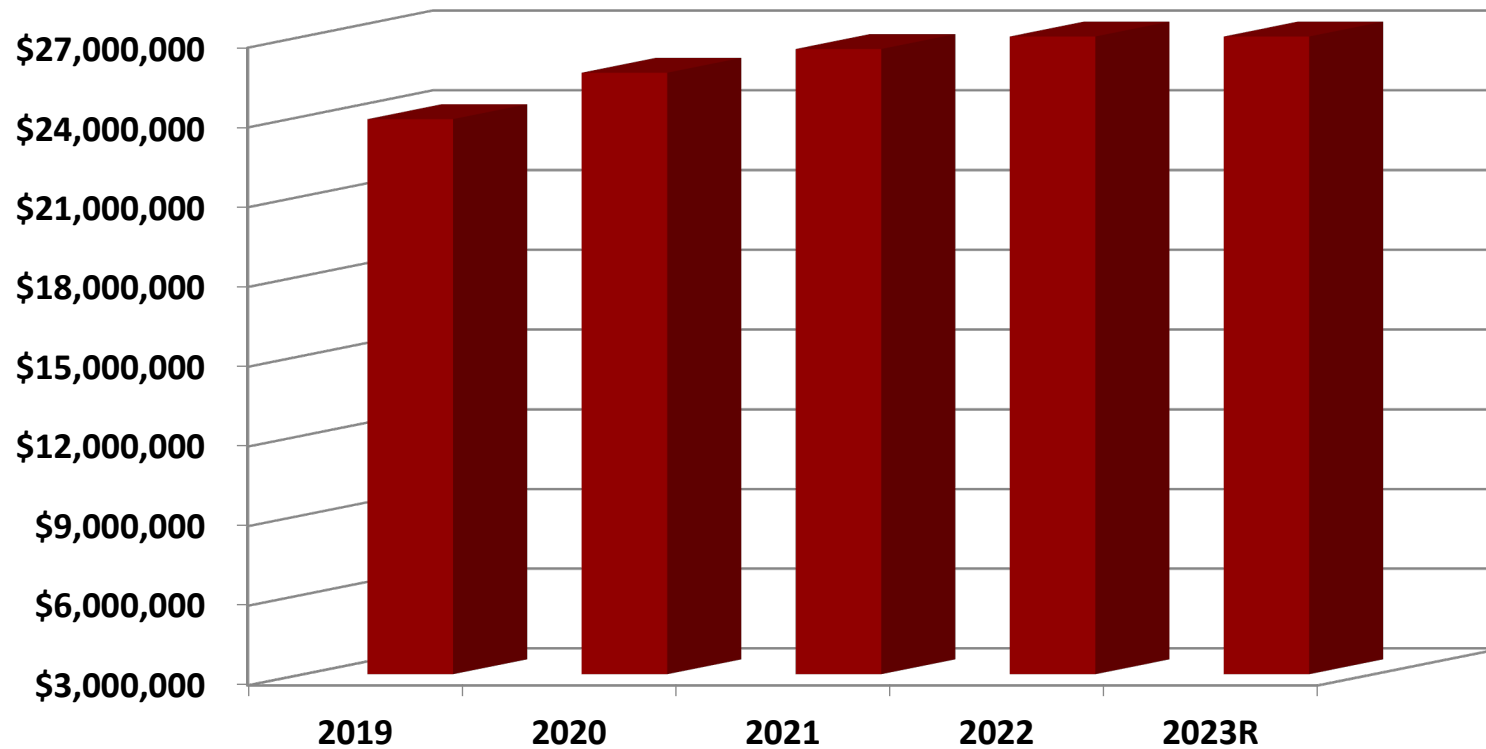
Average increase of 4.38%



2024P:  
6.76%

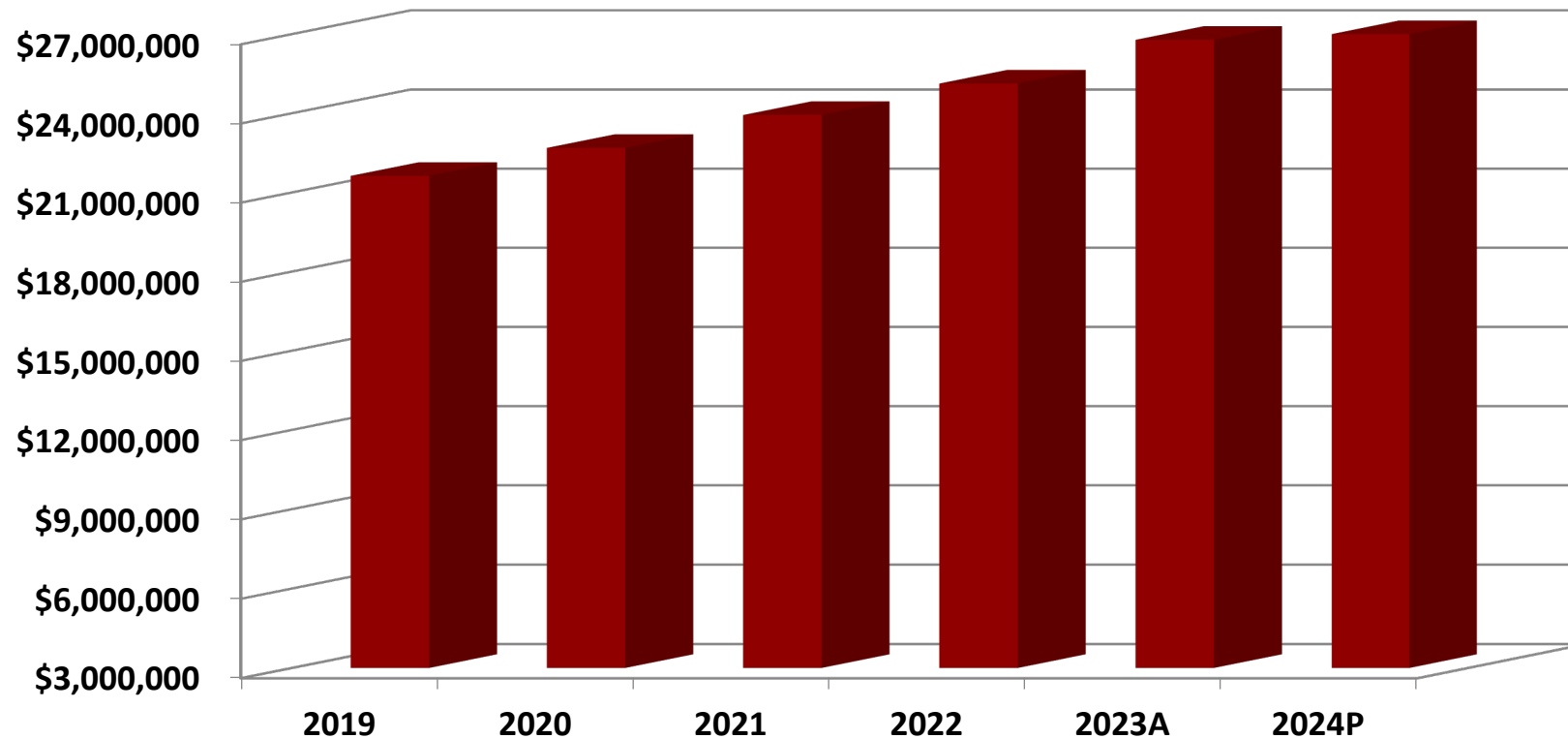
# General Fund Actual Expenditure History

Average increase of 4.78%



# Certified Tax Levy History

Average increase of 5.37%



2024P:  
5.89%

# General Fund Expenditure History

<u>Year</u>	<u>Budget</u>	<u>Actual*</u>	<u>Variance</u>
2018	23,350,010	22,684,616	665,394
2019	24,230,620	23,893,617	337,003
2020	25,460,720	25,638,042	(177,322)
2021	26,734,670	26,530,517	204,153
2022	27,868,330	27,475,961	392,369
2023	28,933,771	28,871,886	61,885
2024P	30,899,210		

Actual column for 2023 expenditure reports 2023 revised expenses.





# Staffing Update –

- One Staff Addition in 2023 Revised, none in 2024 Proposed
- One HR Specialist for the Administration was added to sufficiently support all City employees based on an increase workload and focus on strategic initiatives. The position will be funded from General Fund
- Due to the tight labor market many positions are being hired at the mid/top end of pay ranges which traditionally were filled at the lower end. Some positions were reclassified to adjust to the market

# Long-Term Financial Forecast

Inflation Assumptions		Revenue Expenditures												
GENERAL FUND					3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
		4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%
		2022	2023	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	
		Actual		Revised										
REVENUE														
1	GENERAL PROPERTY TAX	16,692,392	17,337,953	17,337,953	18,495,769	19,524,189	20,868,932	22,148,560	23,469,464	24,083,031	25,093,297	26,141,597	27,229,315	
2	FISCAL DISPARITIES	3,359,759	3,688,262	3,688,262	3,724,282	3,761,525	3,799,140	3,837,131	3,875,503	3,914,258	3,953,400	3,992,934	4,032,864	
3	LICENSES & PERMITS	1,379,973	1,314,495	1,089,810	1,140,000	1,174,200	1,209,426	1,245,709	1,283,080	1,321,572	1,361,220	1,402,056	1,444,118	
4	LOCAL GOVERNMENT AID	2,010,927	2,038,711	2,038,711	3,392,552	3,460,403	3,159,611	2,852,803	2,539,859	2,590,657	2,642,470	2,695,319	2,749,225	
5	OTHER INTERGOVERNMENTAL	1,408,647	1,506,232	1,515,191	1,492,737	1,537,519	1,583,645	1,631,154	1,680,089	1,730,491	1,782,406	1,835,878	1,890,955	
6	CHARGES FOR SERVICES	1,969,877	1,907,618	1,860,551	2,016,720	2,077,222	2,139,538	2,203,724	2,269,836	2,337,931	2,408,069	2,480,311	2,554,721	
7	FINES & FORFEITS	175,056	220,000	200,000	200,000	206,000	212,180	218,545	225,102	231,855	238,810	245,975	253,354	
8	MISC. REVENUE	181,987	70,580	129,700	77,060	79,372	81,753	84,206	86,732	89,334	92,014	94,774	97,617	
9	OTHER FINANCING SOURCES	722,817	859,920	1,011,708	360,090	370,893	382,019	393,480	405,284	417,443	429,966	442,865	456,151	
10	TOTAL REVENUE	27,901,435	28,943,771	28,871,886	30,899,210	32,191,322	33,436,245	34,615,313	35,834,949	36,716,572	38,001,652	39,331,710	40,708,320	
EXPENDITURES														
11	LEGISLATIVE/EXECUTIVE	990,581	1,148,816	1,114,258	1,265,380	1,327,890	1,374,366	1,422,469	1,472,255	1,523,784	1,577,117	1,632,316	1,689,447	
12	ADMINISTRATIVE	959,929	1,000,852	991,424	1,263,950	1,330,853	1,377,432	1,425,643	1,475,540	1,527,184	1,580,635	1,635,958	1,693,216	
13	FINANCE	1,005,251	886,071	1,006,135	912,618	956,235	989,703	1,024,342	1,060,194	1,097,301	1,135,707	1,175,456	1,216,597	
14	PUBLIC SAFETY	10,437,293	11,332,622	11,095,903	11,817,265	12,443,513	12,879,036	13,329,802	13,796,345	14,279,217	14,778,989	15,296,254	15,831,623	
15	FIRE	5,314,355	5,335,950	5,397,355	5,552,889	5,850,842	6,055,621	6,267,568	6,486,933	6,713,976	6,948,965	7,192,178	7,443,905	
16	COMMUNITY DEVELOPMENT	1,616,827	1,781,890	1,753,100	1,849,550	1,947,115	2,215,264	2,292,799	2,373,047	2,456,103	2,542,067	2,631,039	2,723,126	
17	PUBLIC WORKS	4,884,218	4,946,140	5,006,740	5,182,120	5,445,479	5,636,071	5,833,333	6,037,500	6,248,813	6,467,521	6,693,884	6,928,170	
18	RECREATION SERVICES	1,985,326	2,251,430	2,246,971	2,326,037	2,448,959	2,534,672	2,623,386	2,715,205	2,810,237	2,908,595	3,010,396	3,115,760	
19	COMPENSATION STUDY ESTIMATES	-	-	-	399,401	88,187	-	-	-	-	-	-	-	
20	TRANSFER OUT	282,194	260,000	260,000	330,000	352,250	374,079	395,972	417,931	59,958	62,057	64,229	66,477	
21	TOTAL EXPENDITURES	27,475,974	28,943,771	28,871,886	30,899,210	32,191,322	33,436,245	34,615,313	35,834,949	36,716,572	38,001,652	39,331,710	40,708,320	
22	REVENUE OVER (UNDER) EXPENDITURES	425,461	-	-	-	-	-	-	-	-	-	-	-	
LEVY CALCULATION														
23	General Fund Tax Levy	20,052,150	21,026,215		22,220,051	23,285,714	24,668,072	25,985,692	27,344,967	27,997,289	29,046,697	30,134,531	31,262,179	
24	Reserve for Uncollectable	200,459	210,262		222,201	232,857	246,681	259,857	273,450	279,973	290,467	301,345	312,622	
25	Total General Fund Tax Levy	20,252,609	21,236,477		22,442,251	23,518,571	24,914,753	26,245,548	27,618,417	28,277,262	29,337,164	30,435,877	31,574,801	
26	Existing Debt	3,668,535	3,672,620		4,113,543	4,101,375	4,110,046	4,121,139	3,605,541	2,473,449	2,490,093	2,487,906	2,475,481	
27	New Debt	-	427,980		0	-	0	377,140	577,747	1,596,827	1,596,827	2,158,526	2,158,526	
28	EDA	556,823	579,096		599,364	626,335	648,257	670,946	694,429	718,734	743,890	769,926	796,874	
29	Rolling Stock, Equipment, and IT Levy	835,000	868,400		1,208,000	1,262,360	1,306,543	1,352,272	1,399,601	1,448,587	1,499,288	1,551,763	1,606,074	
30	TOTAL CERTIFIED LEVY	25,312,967	26,784,573		28,363,158	29,508,641	30,979,598	32,767,046	33,895,734	34,514,860	35,667,263	37,403,997	38,611,755	
31	Levy % Increase	5.76%	5.81%		5.89%	4.04%	4.98%	5.77%	3.44%	1.83%	3.34%	4.87%	3.23%	
32	TOTAL CERTIFIED LEVY	25,127,419	26,784,573		28,363,158	29,508,641	30,979,598	32,767,046	33,895,734	34,514,860	35,667,263	37,403,997	38,611,755	
33	LESS FISCAL DISPARITIES	(3,359,759)	(3,688,262)		(3,724,282)	(3,761,525)	(3,799,140)	(3,837,131)	(3,875,503)	(3,914,258)	(3,953,400)	(3,992,934)	(4,032,864)	
34	NET LOCAL LEVY TO TAXPAYERS	21,767,660	23,096,311		24,638,876	25,747,116	27,180,458	28,929,914	30,020,231	30,600,602	31,713,863	33,411,062	34,578,891	
35	NET TAX CAPACITY	39,253,300	45,429,412		47,262,389	49,625,508	54,696,784	57,431,623	60,303,204	63,318,364	66,484,283	69,808,497	73,298,922	
36	TAX RATE ON TAX CAPACITY	55.454%	50.840%		52.132%	51.883%	49.693%	50.373%	49.782%	48.328%	47.701%	47.861%	47.175%	
37	TAX RATE % CHANGE	-0.60%	-8.32%		2.54%	-0.48%	-4.22%	1.37%	-1.17%	-2.92%	-1.30%	0.33%	-1.43%	
38	City Taxes on Avg Household	1,475	1,566		1,657	1,732	1,741	1,854	1,923	1,961	2,032	2,141	2,215	
39	Percentage tax increase in average home	7.49%	6.15%		5.82%	4.50%	0.57%	6.44%	3.77%	1.93%	3.64%	5.35%	3.50%	
40	Existing Tax Base Inflation Estimate (residential)	7.90%	15.94%		3.20%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	
41	Total Net Tax Capacity Increase (Decrease)	4.49%	13.90%		5.50%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	
42	Estimated Average Home Market Value	266,000	308,000		317,856	333,749	350,436	367,958	386,356	405,674	425,957	447,255	469,618	



# Long-Term Financial Forecast

- Property tax increases stabilize and decrease in future years
- Declining tax rate-tax base growing faster than taxes
- Assume higher GF increases in 2024 and 2025 due to labor and inflation pressures
- Major capital projects and resulting debt better aligned with retiring debt
- Steady overall debt levels: future debt policy?



# Long-Term Financial Forecast

- Still have unmet capital needs, especially in Recreation-additional revenues?
  - Plan to present options for local sales tax to fund Recreation capital needs in 2024
  - Recommending modest franchise fee increase to fund capital needs in 2023



# Finance





# Finance

## *Department overview*

- **General Fund Divisions**

- Finance
- Assessing

- **Finance Team**

- Finance Director
- Assistant Finance Director
- One Accountant
- One Payroll Specialist
- Two Accounting Clerks
- Two Utility Billing Clerks



# 2032R/2024 Budget

## Finance Department

BUSINESS UNIT	2022 ACTUAL	2023 BUDGET	2023 REVISED	2024 BUDGET	Increase/ (Decrease) 2023 Budget/ 2024 Budget
10210 Finance	\$ 615,335	\$ 474,151	\$ 594,215	\$ 483,629	2.00%
10220 Assessing	389,915	411,920	411,920	428,989	4.14%
<i>Finance TOTAL</i>	<u>\$ 1,005,250</u>	<u>\$ 886,071</u>	<u>\$ 1,006,135</u>	<u>\$ 912,618</u>	3.00%
<b><u>REVENUES</u></b>					
10210 Finance	\$ 15	\$ -	\$ -	\$ -	-

# Budget highlights

## Finance

- Maintain all financial records of the City, HRA and EDA
- Continued GFOA and CAFR awards
- Reaffirmation of City's AA+ bond rating

## Assessing

- Major cost is assessing contract
  - Hennepin County performs assessment
  - \$15,000 increase for 2024
- Responsible for special assessment processing

# 2024 Initiatives or Goals

- Develop long-term financial plans to implement actions identified in strategic plan.
- Review and update technology tools, business processes and workflows.
- Support and stabilize the staff.



# Community Development





# Community Development

## *Department overview*

**Community Development is a team of 20 employees: 15 FT/5 PT**

- 8 FTEs are funded > 60% by the HRA/EDA

**There are three divisions:**

- CD Administration
- Planning & Zoning
- Inspections

**Fully staffed for first time in 18+ months.  
10 of 20 have been in role for less than 2 years.**



# 2023/2024 Budget

- 2023 Revised Budget decreases by 1.6% due to staff turnover.
- 2024 increase 3.8% due to fixed costs (staff, building & IT, insurance, etc.)

BUSINESS UNIT	2022 ACTUAL	2023 BUDGET	2023 REVISED	2024 BUDGET	Increase/ (Decrease) 2023 Budget/ 2024 Budget
10500 Community Development	\$ 78,182	\$ 80,000	\$ 80,000	\$ 83,130	3.91%
10502 Planning & Zoning	259,115	315,270	311,630	331,160	5.04%
10505 Inspections	1,279,529	1,386,620	1,361,470	1,435,260	3.51%
<i>Community Development TOTAL</i>	<u>\$ 1,616,826</u>	<u>\$ 1,781,890</u>	<u>\$ 1,753,100</u>	<u>\$ 1,849,550</u>	3.80%

- Inspection revenues predicted to drop due to continued high interest rates and inflation.

## REVENUES

10500 Community Development	\$ 21,345	\$ 26,000	\$ 22,000	\$ 22,000	(15.38%)
10505 Inspections	1,597,682	1,529,293	1,260,200	1,344,920	(12.06%)



# Budget Notes

- **Almost all budget expenses (90+%) are salaries, benefits and non-discretionary costs**
- **Development activity slowing**
  - Project review and construction 1-2 years beyond receipt of revenue (read: still quite busy).
  - Implementation of new permit & plan review.
  - Still several projects in pipeline.
- **Many of the visible things the department does are funded through the HRA/EDA: <https://www.richfieldmn.gov/hra>**



# 2023 Highlights

## Inspections Division

- Staff churn / finally at full strength (Aug 2023)
- Implementation of new permitting/plan review software (ARPA funds)
- On track to do approximately 12,000 inspections in 2023
- Apartment compliance very challenging

## Planning & Zoning

- Staff turnover; continued onboarding & training
- Ordinance amendments – Missing middle, landscaping requirements, PUD size,
- Land use applications – MS Commercial, Halal supermarket, Aster Commons
- A lot of clean-up, follow-up

# 2024 Initiatives and Goals

- Citizenserve
  - Address filling/organization backlog
- Fee review
- Reenergize equity work
- Land use regulations: cannabis, short-term rentals, parking
- Continued onboarding/training

## WELCOME TO RICHFIELD'S ONLINE PORTAL

### Online Services Available

(Click on the icons below)



Permits



Licensing



Report a Code Violation



Planning and Zoning



Point of Sale Inspections



# Future considerations and needs

- Macro-economic impacts on future redevelopment.
- HRA/EDA financial support of CD staff costs will decline after 2025.
- A lot of new staff / new roles.
- Succession planning, leadership training.





# Public Works



# Public Works

## *Department overview*

### **Staff:**

- 54 FT staff
- + 7 seasonal staff in summer 2023

### **Divisions:**

- Administration
- Engineering
- Street Maintenance/Forestry
- Park Maintenance
- Water Utility
- Waste Water Utility
- Stormwater Utility
- Central Garage



# Public Works - Core Services

- Water treatment and distribution
- Snow plowing
- Forestry services
- Park and ballfield maintenance
- Street sweeping
- Sanitary waste disposal
- Stormwater management
- Infrastructure preservation, permitting, and capital projects
- Median maintenance
- Sidewalk, trails, cycle track maintenance and snow removal
- Special projects

**\$25.54 Million Budget (2024 Proposed)**





# 2023/2024 Public Works General Fund Budget

BUSINESS UNIT	2022 ACTUAL	2023 BUDGET	2023 REVISED	2024 BUDGET	Increase/ (Decrease) 2023 Budget/ 2024 Budget
10600 PW Administration	\$ 193,403	\$ 205,260	\$ 205,190	\$ 212,440	3.50%
10605 Engineering	478,840	548,020	543,540	567,180	3.50%
10610 Street Maintenance	2,691,361	2,608,500	2,673,600	2,763,140	5.93%
10615 Park Maintenance	1,520,611	1,584,360	1,584,410	1,639,360	3.47%
<i>Public Works TOTAL</i>	<u>\$ 4,884,215</u>	<u>\$ 4,946,140</u>	<u>\$ 5,006,740</u>	<u>\$ 5,182,120</u>	4.77%

## REVENUES

10605 Engineering	\$ 59,031	\$ 111,500	\$ 48,500	\$ 106,500	(4.48%)
10610 Street Maintenance	672,122	615,000	658,490	652,000	6.02%
10615 Park Maintenance	3,302	-	-	-	-



# 2023/2024 PW Enterprise Fund

## WATER AND WASTEWATER UTILITIES

BUSINESS UNIT	2022 ACTUAL	2023 BUDGET	2023 REVISED	2024 BUDGET	Increase/ (Decrease) 2023 Budget/ 2024 Budget
51000 WATER UTILITY	\$ 4,937,059	\$ 6,912,790	\$ 6,991,600	\$ 6,140,440	(11.17%)
52000 WASTEWATER UTILITY	4,251,791	5,540,170	5,544,580	5,573,210	0.60%
<i>Public Works TOTAL</i>	<u>\$ 9,188,849</u>	<u>\$ 12,452,960</u>	<u>\$ 12,536,180</u>	<u>\$ 11,713,650</u>	(5.94%)

### REVENUES

51000 WATER UTILITY	\$ 5,136,729	\$ 4,606,480	\$ 4,897,480	\$ 4,779,480	3.76%
52000 WASTEWATER UTILITY	5,213,287	5,244,670	5,244,670	5,348,650	1.98%

## STORMWATER UTILITY

BUSINESS UNIT	2022 ACTUAL	2023 BUDGET	2023 REVISED	2024 BUDGET	Increase/ (Decrease) 2023 Budget/ 2024 Budget
53000 STORMWATER UTILITY	\$ 2,085,996	\$ 3,947,950	\$ 4,174,940	\$ 4,578,530	15.97%
<i>Public Works TOTAL</i>	<u>\$ 2,085,996</u>	<u>\$ 3,947,950</u>	<u>\$ 4,174,940</u>	<u>\$ 4,578,530</u>	15.97%

### REVENUES

53000 STORMWATER UTILITY	\$ 3,094,660	\$ 2,407,102	\$ 2,404,700	\$ 2,517,660	4.59%
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# 2023/2024

## Public Works Internal Fund Budget

### CENTRAL GARAGE

BUSINESS UNIT	2022 ACTUAL	2023 BUDGET	2023 REVISED	2024 BUDGET	Increase/ (Decrease) 2023 Budget/ 2024 Budget
61000 CENTRAL GARAGE	\$ 2,417,720	\$ 3,688,280	\$ 3,196,330	\$ 4,070,620	10.37%
<i>Public Works TOTAL</i>	<u>\$ 2,417,720</u>	<u>\$ 3,688,280</u>	<u>\$ 3,196,330</u>	<u>\$ 4,070,620</u>	10.37%
<b><u>REVENUES</u></b>					
61000 CENTRAL GARAGE	\$ 2,363,954	\$ 2,538,820	\$ 2,533,820	\$ 2,768,310	9.04%

# Budget Notes

- Increasing Personnel Services (COLA & Step increases)
- Inflationary pressures driving increases in material, chemical & equipment acquisition across the department
- Electric Utility Costs increase by 25% (streetlights and water treatment plant are major users)
- MCES sewer charges increase by 7.47% despite reduced flow forecast for 2024
- Vehicle and fleet availability and long lead times on purchases
- Debt service payments in Stormwater division (65<sup>th</sup> St. reconstruction)



# 2023 PW Highlights

- Completed construction of 77<sup>th</sup> St. Underpass and 65<sup>th</sup> St. Reconstruction project
- Continued aggressive removal of EAB Ash trees and debuted EAB Removal Assistance Program (ARPA)
- Continued to represent Richfield's interests related to I-494 Project 1
- Initiated basketball hoop changeout projects at parks
- Completion of park asset inventory and condition assessment to determine future needs







# 2023 PW Highlights, cont.

- Began Nicollet Ave Reconstruction Project public engagement w/ Hennepin County
- Completed the Utility Rate Affordability Analysis
- Completed Water Treatment Plant roof replacement
- Completed Sheridan Pond Rehabilitation Project
- Maintained the City's vehicle/equipment fleet and purchased 5 Hybrid squads for Public Safety.



# 2024 PW Initiatives and Goals

- Advocate for equitable cost-share legislation
- Determine the future for Nicollet Avenue with Hennepin County and the public
- Continue to represent Richfield's interests related to I-494 Project 1
- Complete Sanitary Sewer Model Criticality Analysis
- Begin Adams Hill pond improvements project



# Future considerations and needs

- Identify sustainable funding solutions for City's aging infrastructure.
- Identify external funding source(s) for Nicollet Ave Reconstruction
- Fund necessary utility improvements while maintaining utility affordability for users
- Identify future PW storage site needs and location





# Recreation Services: General Fund



# Recreation Services: *General Fund Divisions*

## **Administration** *3 FULL TIME, 2 INTERNS*

- Department administration
- Sustainability

## **Recreation Programs** *7 FULL TIME, 3 PART TIME, 30+ SEASONALS & INTERMITTENTS*

- Youth, adult, & senior programs
- Picnic shelters, athletic facilities, Community Center
- Farmers Market

## **Wood Lake Nature Center** *5 FULL TIME, 8 SEASONALS & INTERMITTENTS, 1 INTERN*

- Environmental education
- Youth camps, weekend programs, and special events
- Building, amphitheater, and picnic shelter rental



# 2023/2024 Recreation Services General Fund Budget

BUSINESS UNIT	2022 ACTUAL	2023 BUDGET	2023 REVISED	2024 BUDGET	Increase/ (Decrease) 2023 Budget/ 2024 Budget
17000 Recreation Administration	\$ 455,797	\$ 483,350	\$ 504,000	\$ 500,190	3.48%
17501 Recreation	914,599	1,119,510	1,087,636	1,157,455	3.39%
18000 Wood Lake Nature Center	614,819	648,570	655,335	668,392	3.06%
<i>Recreation Services TOTAL</i>	<u>\$ 1,985,215</u>	<u>\$ 2,251,430</u>	<u>\$ 2,246,971</u>	<u>\$ 2,326,037</u>	3.31%
<b><u>REVENUES</u></b>					
17501 Recreation	\$ 247,494	\$ 231,180	\$ 236,010	\$ 233,850	1.15%
18000 Wood Lake Nature Center	129,702	104,790	116,305	119,360	13.90%



# Budget Notes: Administration

- Expenditure increase of 4.3% in 2023 revised, due to expected cost-of-living increases in Personal Services and project planning expenses under Professional Services.
- Increase of 3.5% in 2024, due to expected cost-of-living and inflationary increases.





# Budget Notes: Recreation Programs

## REVENUE

- Revenue is expected to be steady for 2023 and 2024.
- Decreases in some program revenue (dance, youth and family sports, adult leagues) will be offset by increases in revenue from field rentals, farmers market vendors, adult fitness, and School's Out Program.

## EXPENDITURES

- Expenditures will be 4.1% lower for the 2023 revised budget, due to a shift towards contracted programming and a savings in supplies and seasonal staffing.
- Expenditures in 2024 are projected to be 3.4% higher. Increases in contracted services and programs, as well as cost-of-living expenses for full-time employees are offset somewhat by decreases in seasonal staffing and supplies.



# Budget Notes: Wood Lake Nature Center

## REVENUE

- Revenue is expected to be \$12,000 higher than forecasted in 2023, due to success with special events and a busy ski and snowshoe rental season.
- Revenue in 2024 is expected to see an increase over 2023 adopted, due to very strong program participation numbers and small increases in some program fees.

## EXPENDITURES

- Expenditures for 2023 revised will be about 1% higher than expected, due to an increase in seasonal wages.
- An increase of 3.7% is forecasted for 2024, due to cost-of-living increases in personal services and inflationary factors for goods and services.





# 2023 Highlights: Administration

- Recreation Programs Manager position filled.
- New mission, vision, and values statements.
- Greenhouse gas survey with Pale Blue Dot; prioritization of CAP.
- Recycling report, prepared by recycling intern.
- Taft Bike Park partnership with Three Rivers Park District.
- MRPA Awards for Augsburg Adventure Park.
- New play equipment at Monroe and Sheridan Parks.
- Public input for new equipment at Donaldson & Fairwood Parks.
- Approval for local sales tax ballot inclusion in 2024.
- Augsburg Skate Park expansion with Hennepin County grant.
- \$15 million in funding for Wood Lake Building Project.
- Donaldson Park building replacement plan.





# 2023 Highlights: Recreation Programs

- Longer Farmers Market season
- Expansion of youth programming
- New adult sports leagues: Pickleball, Dodgeball, Kickball
- Increase in field rentals
- Increase in seasonal staff wages
- New Recreation Programs Manager position





# 2023 Highlights: Wood Lake Nature Center



- \$15 million for building project.
- Planning for public engagement and transition.
- 21st-annual Urban Wildland Half Marathon & 5K
- Partnering with Public Works on projects.
- Summer camps filled to capacity.
- FOWL memberships reach five-year high.



# 2024 Initiatives and Goals

## ADMINISTRATION

- Secure funding for **Donaldson Park** reinvestments.
- Focus on the identified high priority **Climate Action Plan** projects
- Continue developing a timeline and transition plan for **Wood Lake Building Project**.
- **Collaborate with Public Works** to assess recreation facilities.

## RECREATION PROGRAMS

- Increase program participation and offer a **wider breadth of programming**.
- Focus on **outreach to underserved populations** with programs and services.
- Implement **hiring solutions for seasonal staff**.
- Strengthen and develop **community and regional partnerships** to defer program expenses, including **sponsorships** for the Farmers Market.
- Update the **fee assistance program**.

## WOOD LAKE NATURE CENTER

- Implement an **educational campaign for local sales tax** and the **Wood Lake Building Project**.
- Continue developing a **timeline and transition plan** for **Wood Lake Building Project**.
- Develop a plan to raise the level of **fundraising through Friends of Wood Lake**.
- Continue to **partner with community groups and organizations**.



# 2024 Initiatives and Goals (cont.)

## DEPARTMENT-WIDE INITIATIVE

### LOCAL SALES TAX REFERENDUM (NOVEMBER 2024 BALLOT)

*Informational campaign about the proposed projects to be funded*



- **WOOD LAKE NATURE CENTER BUILDING**
- **VETERANS PARK REDEVELOPMENT**
  - Includes improvements to Arena, Pool, Band Shell, Mini Golf, Pavilion, Park Trails, Park Vegetation.
  - Construction of new wildlife viewing platform and improved park signage.
- **COMMUNITY CENTER BUILDING**





# **Recreation Services: Special Revenue Funds**



# Recreation Services: *Special Revenue Funds*

## **Ice Arena** 4 FULL TIME, 30+ SEASONALS & INTERMITTENTS

- Ice and facility rental
- Drop-in activities
- Support for all Veterans Park facilities

## **Outdoor Pool** 90+ SEASONALS & INTERMITTENTS

- Daily swimming and concession sales: June-August
- Lane rental and special events

## **Special Facilities** NO BUDGETED STAFF

- Wheel Fun Mini-Golf and Malt Shop (facility lease)
- Veterans Park Picnic Pavilion
- Honoring All Veterans Memorial
- Richfield Community Band Shell





# 2023/2024 Ice Arena Budget

EXPENSES	2020 ACTUAL	2021 ACTUAL	2022 ACTUAL	2023 ADOPTED	2023 REVISED	2024 PROPOSED
TOTAL PERSONAL SERVICES	\$ 501,111	\$ 547,667	\$ 613,791	\$ 654,120	\$ 654,120	\$ 725,690
TOTAL OTHER GOODS & SERVICES	\$ 368,794	\$ 503,556	\$ 538,826	\$ 546,250	\$ 546,250	\$ 564,393
TOTAL PURCHASE FOR RESALE	\$ 11,726	\$ 9,915	\$ 35,484	\$ 25,000	\$ 25,000	\$ 25,880
TOTAL OTHER FINANCING USES	\$ 14,130	\$ 12,300	\$ 7,299	\$ 10,970	\$ 9,605	\$ 8,220
TOTAL CAPITAL OUTLAY	\$ 3,309,822	\$ 324,657	\$ -	\$ -	\$ 100,000	\$ 20,000
<b>TOTAL EXPENDITURES</b>	<b>\$ 4,205,583</b>	<b>\$ 1,398,095</b>	<b>\$ 1,195,400</b>	<b>\$ 1,236,340</b>	<b>\$ 1,334,975</b>	<b>\$ 1,344,183</b>
					<i>7.98%</i>	<i>8.72%</i>
REVENUE	2020 ACTUAL	2021 ACTUAL	2022 ACTUAL	2023 ADOPTED	2023 REVISED	2024 PROPOSED
TOTAL INTERGOVERNMENTAL	\$ 57,781	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL CHARGES FOR SERVICE	\$ 490,197	\$ 843,242	\$ 1,094,991	\$ 1,138,210	\$ 1,127,430	\$ 1,180,390
TOTAL MISC REVENUE	\$ 42,840	\$ 67,512	\$ 103,620	\$ 61,930	\$ 61,930	\$ 62,210
TOTAL OTHER FINANCE SOURCES	\$ 3,940,000	\$ 315,000	\$ 330,000	\$ 350,000	\$ 300,000	\$ 320,000
<b>TOTAL REVENUE</b>	<b>\$ 4,530,818</b>	<b>\$ 1,225,754</b>	<b>\$ 1,528,611</b>	<b>\$ 1,550,140</b>	<b>\$ 1,489,360</b>	<b>\$ 1,562,600</b>
					<i>-3.92%</i>	<i>0.80%</i>
<b>DIFFERENCE</b>	<b>\$ 325,235</b>	<b>\$ (172,341)</b>	<b>\$ 333,211</b>	<b>\$ 313,800</b>	<b>\$ 154,385</b>	<b>\$ 218,417</b>
					<i>-50.80%</i>	<i>-30.40%</i>



# Budget Notes: Ice Arena

## REVENUE

- Operating revenue in 2023 is expected to be the same as previously budgeted, but the transfer in from the general fund was lowered by \$50k, so total sources are 3.9% lower.
- Revenue in 2024 is projected to be about 0.8% higher than 2023 adopted. The transfer in from the general fund will be lower, but other revenue is projected to continue to be strong.

## EXPENDITURES

- Expenditures for 2023 revised will be 8% higher than 2023 adopted due to an increase in seasonal staffing costs, as well as a capital expense (new sign and major maintenance) that is offset by a transfer in from the liquor revenue fund.
- 2024 expenses will increase 7.9% over 2023 adopted, due to increased staffing costs and the inflationary increases to goods and services.





# 2023 Highlights: Arena

- **LITTLE SPARTAN HOCKEY PROGRAM:** Successful in-house youth hockey program.
- **LEARN TO SKATE:** Welcomed Richfield school groups for skating sessions, with City staff from multiple departments helping out.
- **TOURNAMENTS:** Hosted 14 hockey tournaments in 2023.
- **NEW LIGHTING:** New lighting was installed in Rink 1.
- **HOCKEY TEAM COLLABORATION:** Managed successful collaborations with the Minnesota Whitecaps hockey team and local high school hockey teams.
- **PROGRAMMING/SPECIAL EVENTS :** Continued offering of skating lessons, movie nights, and special skating parties.

# 2024 Initiatives and Goals

## ARENA

- Finalize **lease agreement with Fortis Academy** for use of training space and ice time.
- Consider proposals to replace the **lease** for ice and locker rooms, with the **departure of the Minnesota Whitecaps**.
- Establish a budget plan and timeline to replace **flooring in the locker rooms, the Rink 2 roof, and Rink 1 siding**.
- Continue to collaborate with local **high school hockey teams** to provide ice time and help grow the game of hockey in Richfield.



**SKATE WITH SANTA**

Sunday, December 10  
5:00-6:15 pm  
Cost: \$5

Rental Skates \$2.00  
(limited rental skates available)

Hey families, lace up your skates and take to the ice with the man in the big red suit! Enjoy an afternoon of fun, photo ops, treats and refreshments.

An illustration of Santa Claus in his traditional red and white suit, wearing ice skates and skating on a blue ice surface. He is holding a small stick or baton.

# 2023/2024 Pool Budget

EXPENSES	2020 ACTUAL	2021 ACTUAL	2022 ACTUAL	2023 ADOPTED	2023 REVISED	2024 PROPOSED
TOTAL PERSONAL SERVICES	\$ 1,896	\$ 218,498	\$ 251,664	\$ 246,940	\$ 246,940	\$ 273,870
TOTAL GOODS & SERVICES	\$ 60,168	\$ 210,751	\$ 289,888	\$ 234,370	\$ 234,530	\$ 264,750
TOTAL PURCHASE FOR RESALE	\$ -	\$ 39,927	\$ 40,992	\$ 43,680	\$ 43,680	\$ 45,210

TOTAL EXPENDITURES	\$ 62,064	\$ 469,176	\$ 582,544	\$ 524,990	\$ 525,150	\$ 583,830
					0.03%	11.21%

REVENUE	2020 ACTUAL	2021 ACTUAL	2022 ACTUAL	2023 ADOPTED	2023 REVISED	2024 PROPOSED
TOTAL SALES & SERVICE	\$ 795	\$ 512,059	\$ 507,541	\$ 495,660	\$ 495,660	\$ 513,000
TOTAL OTHER INCOME	\$ 116	\$ 1,481	\$ 878	\$ -	\$ -	\$ -
TOTAL TRANSFERS IN	\$ 110,000	\$ 310,000	\$ 320,000	\$ 320,000	\$ 200,000	\$ 100,000

TOTAL REVENUE	\$ 110,911	\$ 823,540	\$ 828,419	\$ 815,660	\$ 695,660	\$ 613,000
					-14.71%	-24.85%

DIFFERENCE	\$ 48,847	\$ 354,364	\$ 245,875	\$ 290,670	\$ 170,510	\$ 29,170
					-41.34%	-89.96%



# Budget Notes: Pool

## REVENUE

- Operating revenue in 2023 is expected to be \$20k lower than forecasted due to air-quality closures. The transfer in from the general fund was lowered by \$120k, so total sources are 14.7% lower.
- Revenue in 2024 is projected to be about 0.8% higher than 2023 adopted. The transfer in from the general fund will be lower, but other revenue is projected to continue to be strong.

## EXPENDITURES

- Expenditures for 2023 revised will be 8% higher than 2023 adopted due to an increase in seasonal staffing costs, as well as a capital expense (new sign and major maintenance) that is offset by a transfer in from the liquor revenue fund.
- 2024 expenses will increase 7.9% over 2023 adopted, due to increased staffing costs and the inflationary increases on goods and services.



# 2023 Highlights: Pool

- **STAFF AT FULL STRENGTH:** Launched a focused seasonal staff recruitment campaign and ran fully-staffed in 2023 with 74 employees.
- **SEASON PASS SALES:** Enjoyed another strong year of season pass sales, exceeding the pass revenue of 2022 and setting a new record.
- **SPECIAL EVENTS:** Held another successful Poolapalooza, including the first-ever Cardboard Boat Races.





# 2024 Initiatives & Goals

## POOL

- Oversee the beginning of construction of a **new splash pad** in late-2023 and open it for use in 2024.
- Open the **zero-depth pool** on **Memorial and Labor Day** weekends to increase revenue.
- Add an **ADA lift** to the main pool.
- Introduce programs designed for **sensory-sensitive children**.



### FLOWER

Spouts water out the top, onto the petals, and the users below.

### OAK TREE

Bucket fills up, then dumps unpredictably on users below!



### SNAIL

Sprays from its mouth and shell, rotates, and has a button for a bigger spray.



### AQUALIEN FLOWERS

Rains water off the colored domes, which cast colorful shadows.

### SPIN/DUMP FLOWERS

Dumps water from a flower bucket and sprays water from a spinning flower.



### CATTAIL

Casts colorful shadows and sprouts water onto the users below.



### BUTTERFLY

Rotates and sprays, with a button for an extra burst.



### FROG

Creates a dome of water that users can go inside.

# 2023/2024 Special Facilities Budget

EXPENSES	2020 ACTUAL	2021 ACTUAL	2022 ACTUAL	2023 ADOPTED	2023 REVISED	2024 PROPOSED
TOTAL PERSONAL SERVICES	\$ -	\$ 10,780	\$ 10,980	\$ 11,420	\$ 11,420	\$ 11,820
TOTAL GOODS & SERVICES	\$ 23,069	\$ 34,045	\$ 31,606	\$ 44,250	\$ 44,250	\$ 51,185
TOTAL OTHER USES	\$ -	\$ 3,024	\$ 5,633	\$ -	\$ -	\$ -
<b>TOTAL EXPENDITURES</b>	<b>\$ 23,069</b>	<b>\$ 47,849</b>	<b>\$ 48,219</b>	<b>\$ 55,670</b>	<b>\$ 55,670</b>	<b>\$ 63,005</b>
					<i>0.00%</i>	<i>13.18%</i>
REVENUE	2020 ACTUAL	2021 ACTUAL	2022 ACTUAL	2023 ADOPTED	2023 REVISED	2024 PROPOSED
TOTAL MISCELLANEOUS	\$ 24,066	\$ 52,359	\$ 52,348	\$ 57,150	\$ 57,150	\$ 59,150
TOTAL TRANSFERS IN	\$ -	\$ 5,000	\$ -	\$ 5,000	\$ -	\$ -
<b>TOTAL REVENUE</b>	<b>\$ 24,066</b>	<b>\$ 57,359</b>	<b>\$ 52,348</b>	<b>\$ 62,150</b>	<b>\$ 57,150</b>	<b>\$ 59,150</b>
					<i>-8.05%</i>	<i>-4.83%</i>
<b>DIFFERENCE</b>	<b>\$ 997</b>	<b>\$ 9,510</b>	<b>\$ 4,129</b>	<b>\$ 6,480</b>	<b>\$ 1,480</b>	<b>\$ (3,855)</b>
					<i>-77.16%</i>	<i>-159.49%</i>



# Budget Notes: Special Facilities

## REVENUE

- Operating revenue in 2023 is expected to remain steady from 2023 adopted. The \$5k transfer-in from the general fund was eliminated because the fund balance is positive, so total sources are \$5k less.
- Other than the aforementioned \$5k transfer in being eliminated, revenue is expected to remain steady in 2024, with strong facility rentals and a new lease with B & J Trees.

## EXPENDITURES

- Expenditures for 2023 revised will remain the same as 2023 adopted.
- 2024 expenditures are budgeted to be 13.2% higher, be 8% higher, due to an increased need for maintenance and repair at the Veterans Memorial and the Band Shell.



# 2023 Highlights: Special Facilities

- **SHELTER RENTAL:** Saw another year of strong rentals at the Vets Park Picnic Shelter, with bookings every week of the season.
- **HOLIDAY MARKET:** Held a Holiday Market at the shelter; renewed lease with B & J Farms for holiday tree sales.
- **CONCERTS:** Conducted a full season of Entertainment in the Parks at the Band Shell, with two concerts a week.
- **VETERANS MEMORIAL:** Worked with the HAVM Board to oversee maintenance at the Memorial and conduct two ceremonies.





# 2024 Initiatives and Goals

## SPECIAL FACILITIES

- Stain and fix siding on the **mini-golf building**.
- Continue to increase revenue from **Vets Park shelter rentals**.
- Add additional **bike racks** and a **bike repair station**.



A stylized, low-poly illustration of a cityscape. It features a grey water tower on the left, a street lamp, several green bushes, and grey buildings of varying heights. On the right, a blue and white house with a green tree in front of it is visible. The background is a light blue gradient.

# **Recreation Services: Sustainability/Recycling/Organics**



# Recreation Services: *Sustainability Program*

## **Sustainability** 1 FULL TIME (split with Admin), 1 INTERN

- Sustainability Education & Initiatives
- Community Gardens
- Organized hauling administration

## **Recycling** 1 INTERN

- Recycling education
- Recycling program administration
- High-density housing study-recycling participation

## **Organics**

- Organic waste drop-off program administration
- Curbside organic pickup administration



# 2023/2024 Recreation Services Sustainability Funds Budget

	2022 Actual	2023 Budget	2023 Revised	2024 Budget
<u>PRIOR YEAR FUND BALANCE</u>	\$ -	\$ 107,421	\$ 156,619	\$ 215,240
<b><u>Sources</u></b>				
County Grants	135,337	125,350	135,409	130,000
Other Grants (multi-family)	-	10,260	3,155	5,800
Miscellaneous Revenue	3,695	1,200	-	-
Interest	799	-	-	-
General Fund Transfer in	-	-	-	50,000
Special Revenue Transfer In (franchise fee)	-	-	-	50,000
Capital Fund Transfer In	174,397	-	-	-
<b>TOTAL SOURCES</b>	<b>314,228</b>	<b>136,810</b>	<b>138,564</b>	<b>235,800</b>
<b><u>Uses</u></b>				
Personal Services	86,238	65,350	68,897	83,038
Other Services & Charges	38,546	90,400	11,046	123,690
Transfer out:				
General Fund	32,825	-	-	-
Subtotal	157,609	155,750	79,943	206,728
<u>FUND BALANCE</u>	<u>\$ 156,619</u>	<u>\$ 88,481</u>	<u>\$ 215,240</u>	<u>\$ 244,312</u>

# Expenditures: Sustainability Funds

- **Sustainability:** 2023 expenditures only include tree sale. Proposed 2024 show an increase by 97% to cover professional services, memberships, and general supplies for CAP related projects and other sustainability efforts as the program grows
- **Recycling:** Revised 2023 and proposed 2024 include 60% of the Sustainability Specialist's position and miscellaneous incidental expenses related to the residential solid waste collection program.
- **Organics:** Revised 2023 expenditures include expenses for operating the organics drop-off program and the curbside organics collection program. Proposed expenditures for 2024 are 39% higher because of increased supply costs, replenishing current supplies that will run out next year, and to fund an intern education position. This increase is offset by fund balances and current Hennepin County SCORE funding.





# Revenue: Sustainability Funds

- **Sustainability:** Revised 2023 revenue only includes the tree sale (there was no budget proposed last year). 2024 proposed revenue will increase by 97% due to the addition of franchise fee revenue and other city funding.
- **Recycling:** The annual revenue for this fund continues to decrease as the amount of SCORE funding from Hennepin County, specifically awarded for recycling-related activities, decreases. 2024 may see more state-allocated SCORE funding.
- **Organics:** Funding for this budget has stayed consistent due to SCORE funding. As more cities adopt curbside organics programs in Hennepin County, the amount allocated for 2024 may be affected.



# 2023 Sustainability Highlights

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- Successfully posted an intern position focusing on multi-unit housing recycling programs.
- Collaborated with Pale Blue Dot LLC to conduct a greenhouse gas emissions inventory and prioritize Climate Action Plan (CAP) actions to be approved by council and implemented into the City's strategic plan.
- Conducted municipal building energy audits and started implementing recommendations with ARPA funds.
- Launched the community garden at Veterans Park with 25 gardeners/plots registered.



# 2024 Sustainability Goals

- Work towards accomplishing all three CAP actions identified as strategic plan priorities.
- Implement the recommendations of the municipal building energy audits with allocated funding.
- Conduct an EV Suitability Assessment on the city fleet; use results to evaluate fleet for EV/PHEV replacement opportunities.
- Establish a coordinated communication and education campaign for all sections of the CAP.
- Strategically identify federal and state sustainability grants to apply for and post a grantwriter position to help the city identify and apply for said grants.
- Fully streamline B3 energy data for municipal buildings, including automation as available.





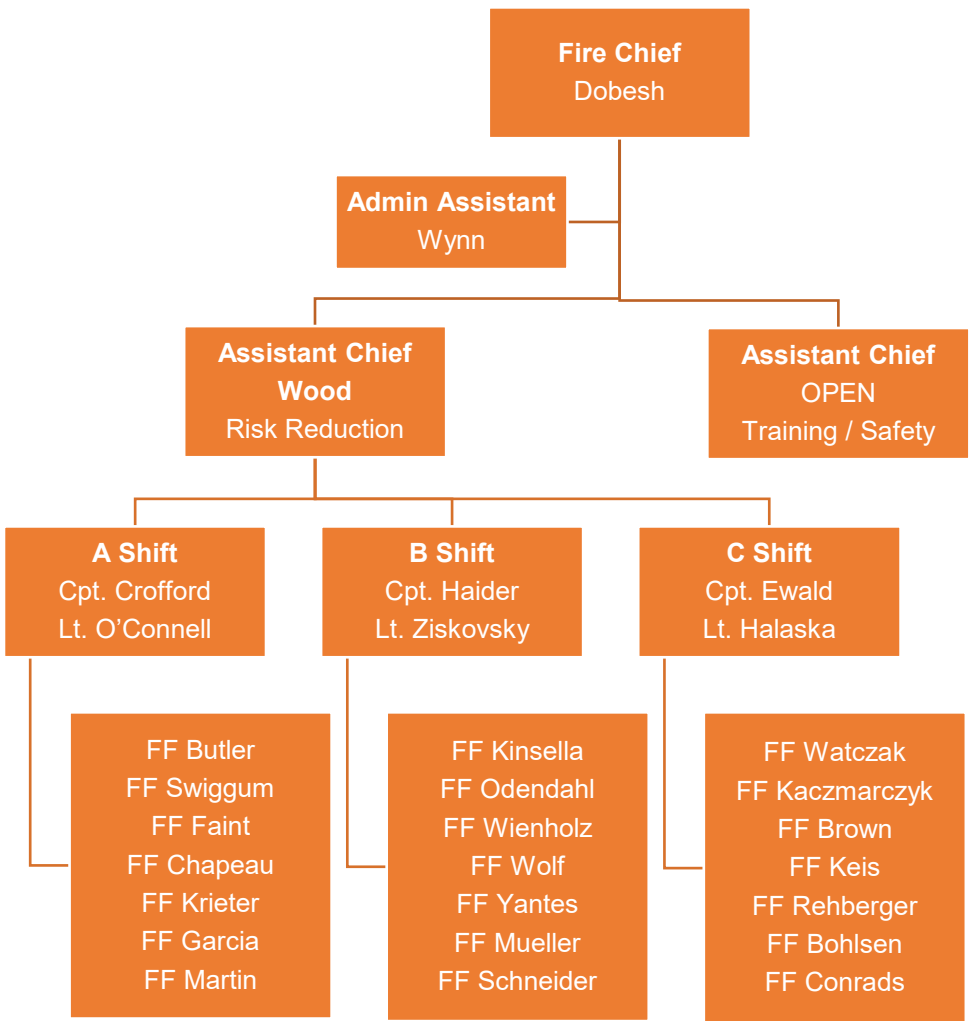


# Fire



# Richfield Fire

## Department overview



## New Hires



## Promotions



# 2023/2024 Fire Budget

BUSINESS UNIT	2022 ACTUAL	2023 BUDGET	2023 REVISED	2024 BUDGET	Increase/ (Decrease) 2023 Budget/ 2024 Budget
10400 Fire	\$ 5,314,355	\$ 5,335,950	\$ 5,397,355	\$ 5,552,889	4.07%
<i>Fire TOTAL</i>	<u>\$ 5,314,355</u>	<u>\$ 5,335,950</u>	<u>\$ 5,397,355</u>	<u>\$ 5,552,889</u>	4.07%
<b><u>REVENUES</u></b>					
10400 Fire	\$ 245,991	\$ 191,000	\$ 259,240	\$ 228,494	19.63%



# 2023 Highlights

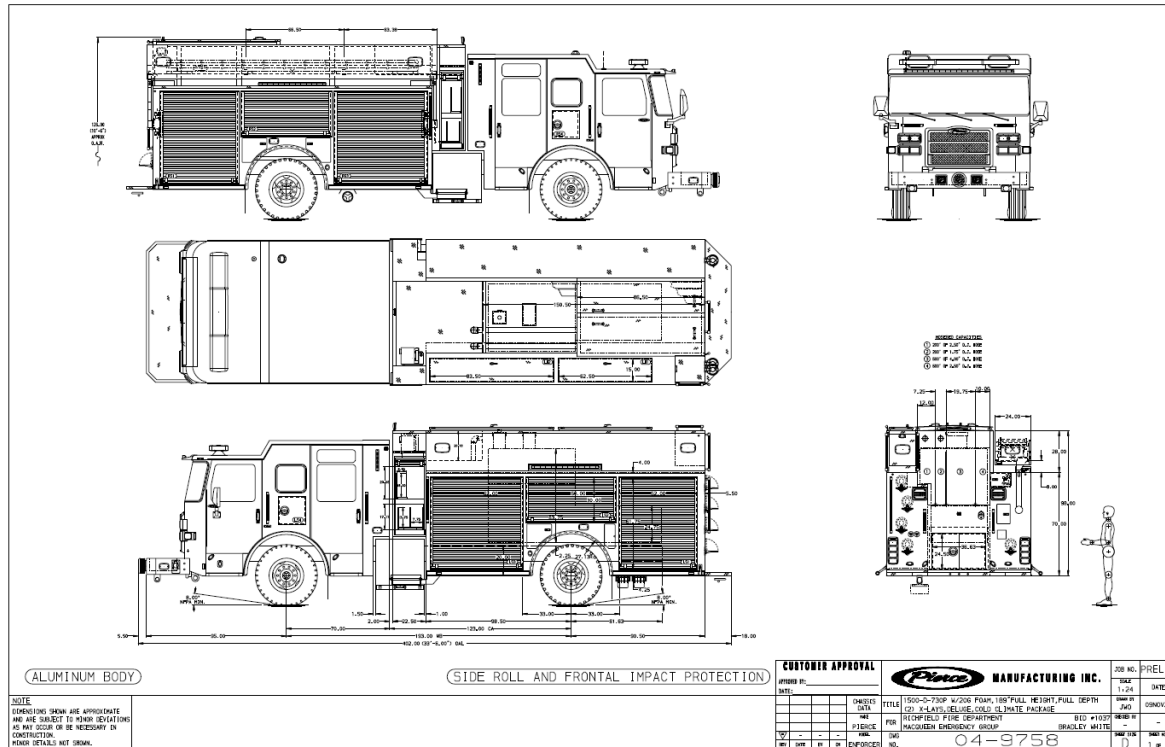
- **New Record:** 4,876 calls for service
- **Staffing:**
  - Residency Requirement Changed
  - Promoted: One Captain, One Lieutenant
  - Hired: Six Firefighters
- **C.A.D. and RMS Transitions**
- **Outside Consultant** (Code of Conduct/360 evals)
- **Later this year...**
  - Acting Officer Qualifications
  - SOP/SOGs
  - RFD Expectations (by Position)



first due



# 2024 Initiatives and Goals





# Future considerations & needs

- Continue to implement departmental Community Risk Reduction activities community-wide
- Conduct an Acting Officer process for firefighters
- Continue to develop staff in anticipation of additional retirements
- Implement a Fire Cadet/Apprentice program? (currently focusing on a regional model where we could participate)





# Administrative Services





# Administrative Services

## DIVISIONS

- Administration (1 FT employees)
- City Clerk (1 FT employee)
- Communications (1 FT employee, 1 PT employee, 1 intermittent)
- Deputy Registrar (4 FT employees, 5 PT employees, 2 intermittent employees)
- Human Resources (3 FT employees)
- Information Technology (5 FT employees)
- Liquor Operations (5 FT employees, 8 PT employees, ~50 intermittent employees)
- Building Services (3 FT employees, 1 PT employee)

**Total: 23 FT employees / 15 PT employees / 50+ Intermittent employees**



# **Administrative Services**

General Fund: Administration, Human Services, Deputy Registrar, City Clerk

Special Revenue Funds: Cable TV, Elections, Liquor Operations

Internal Service Funds: Self-Insurance and General Insurance, Building Services, IT

Enterprise Fund: Liquor Operations



# 2023/2024 Administrative Services Budget

BUSINESS UNIT	2022 ACTUAL	2023 BUDGET	2023 REVISED	2024 BUDGET	Increase/ (Decrease) 2023 Budget/ 2024 Budget
10200 Administration	\$ 117,770	\$ 153,769	\$ 153,585	\$ 164,417	6.92%
10205 Human Resources	204,406	119,711	173,240	251,572	110.15%
10215 Deputy Registrar	596,390	681,153	628,322	801,732	17.70%
10216 City Clerk	41,362	46,219	36,277	46,229	0.02%
<i>Administrative Services TOTAL</i>	<u>\$ 959,928</u>	<u>\$ 1,000,852</u>	<u>\$ 991,424</u>	<u>\$ 1,263,950</u>	26.29%
<b><u>REVENUES</u></b>					
10215 Deputy Registrar	\$ 626,525	\$ 618,800	\$ 682,800	\$ 710,000	14.74%
10216 City Clerk	500	-	-	-	-

# Budget Notes

## Human Resources (HR)

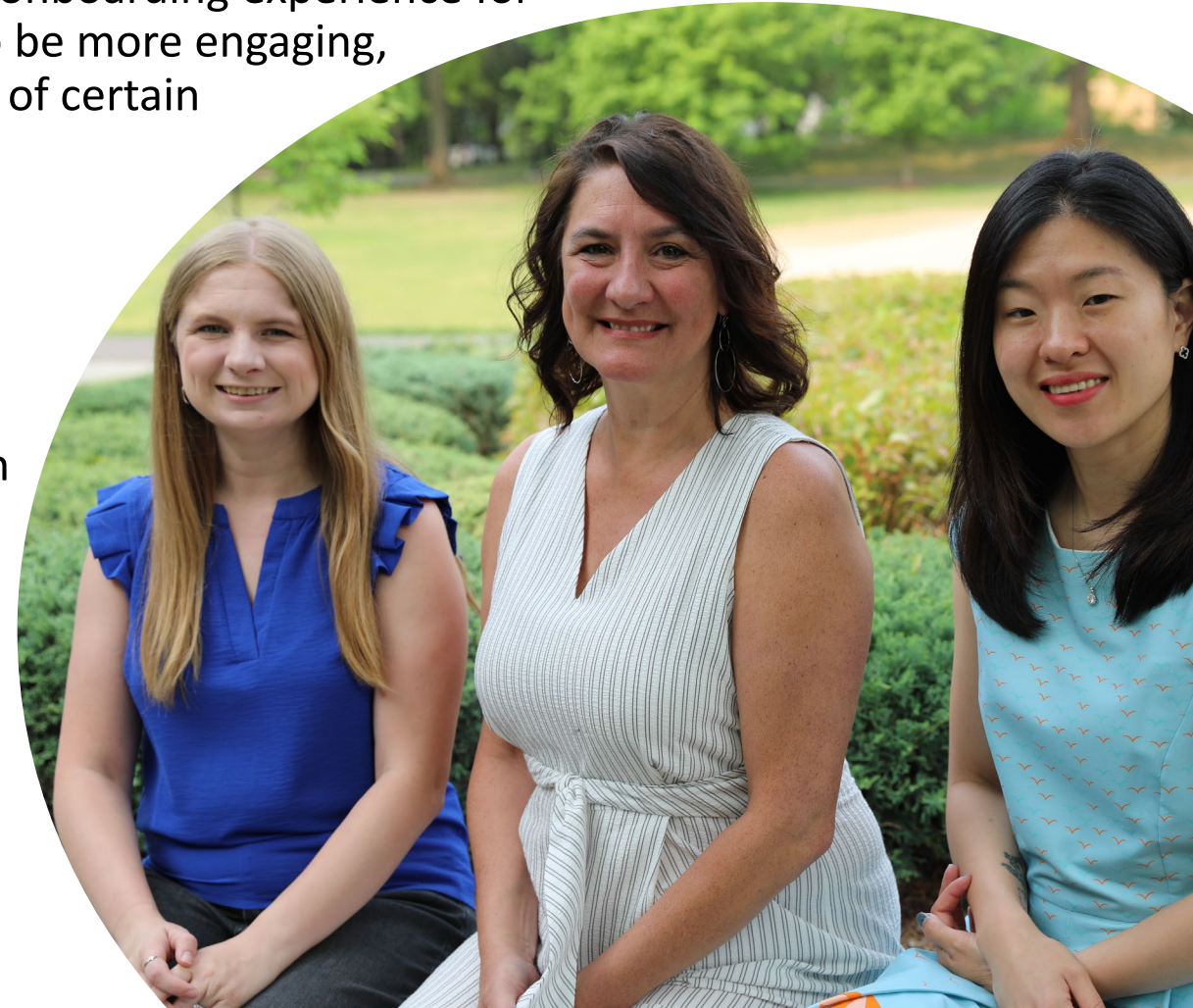
- Addition of one FTE in to efficiently support services across the City. Including increases to training for our three staff.
- Increase in Property and Liability Insurance Premium of \$398,517 to \$428,416.
- The 2024 increase accommodates preparation for new financial software.
- Increase in health insurance of 8.3% for 2024 which will be split between city and employee.

## Information Technology (IT)

- The 2024 proposed budget reflects an 18% increase from the 2023 revised budget. The reason for the rise is increased personnel costs (fully staffed), higher equipment replacement costs, enhancing the City's technical security, LOGIS increased costs by 4-5%, realizing the full cost of Office 365 licensing, the past 2 years were paid by ARPA funds, upgrading the IT ticketing system, and the migration from JDE financial software to Oracle for finance, payroll, and human resources.

# 2023 Highlights: Human Resources

- Negotiated a labor agreement with the Labor and Trades division.
- Continued to work on the City's recruitment process and onboarding experience for new employees including revising new hire orientation to be more engaging, simplifying processes for efficiency, shifting responsibility of certain steps for better collaboration with hiring managers.
- A number of increased efficiencies overall with the addition of one staff including streamlining onboarding, offboarding, updating forms, and having designated contacts.
- Kicked off the Compensation and Classification study with the goal to have implementation data by year end.
- Implemented the federal guidelines for CDL holders, including creating a 20 page policy for guidance and training of the CDL staff to understand their responsibilities.
- Implemented new hire check in's and stay interviews to create a more engaged workforce from day one.





# 2023 Highlights: City Clerk

- Made sure all customer service functions of the City Clerk Division met the goals of the City Council of being operationally excellent and customer focused to maintain Richfield's competitiveness with surrounding communities.
- Maintained an accurate record of all City Council, HRA, and EDA Minutes, Ordinances, Resolutions, and Legal Notices.
- Developed a data management system for storing contracts across the enterprise in one place for easier access.
- Signed an agreement with the Richfield School District to administer their School Board election in November.

# 2023 Highlights: Deputy Registrar

- Legislators approved 2 filing fee increases: motor vehicle increase of \$2.00 per transaction effective January 1, 2024 and \$3.00 on driver's license effective 10/1/2023.
- Legislators approved a one-time compensation to be distributed 7/15/23 (approximately \$55,234.00).
- Implemented the acceptance of ACH payments for auto dealers making it easier for them to remit payments.
- Named Regional Passport Spotlight Office for exceptional service.

# 2023 Highlights: Building Services

- Worked with Recreation Director on planning and design for a new Wood Lake Nature Center building.
- Refurbished Police garage floor and sally port.
- Replace heat coil at Lyndale Liquor internally to reduce overall cost.
- Took over the maintenance responsibilities of the Community Center and Public Works buildings.



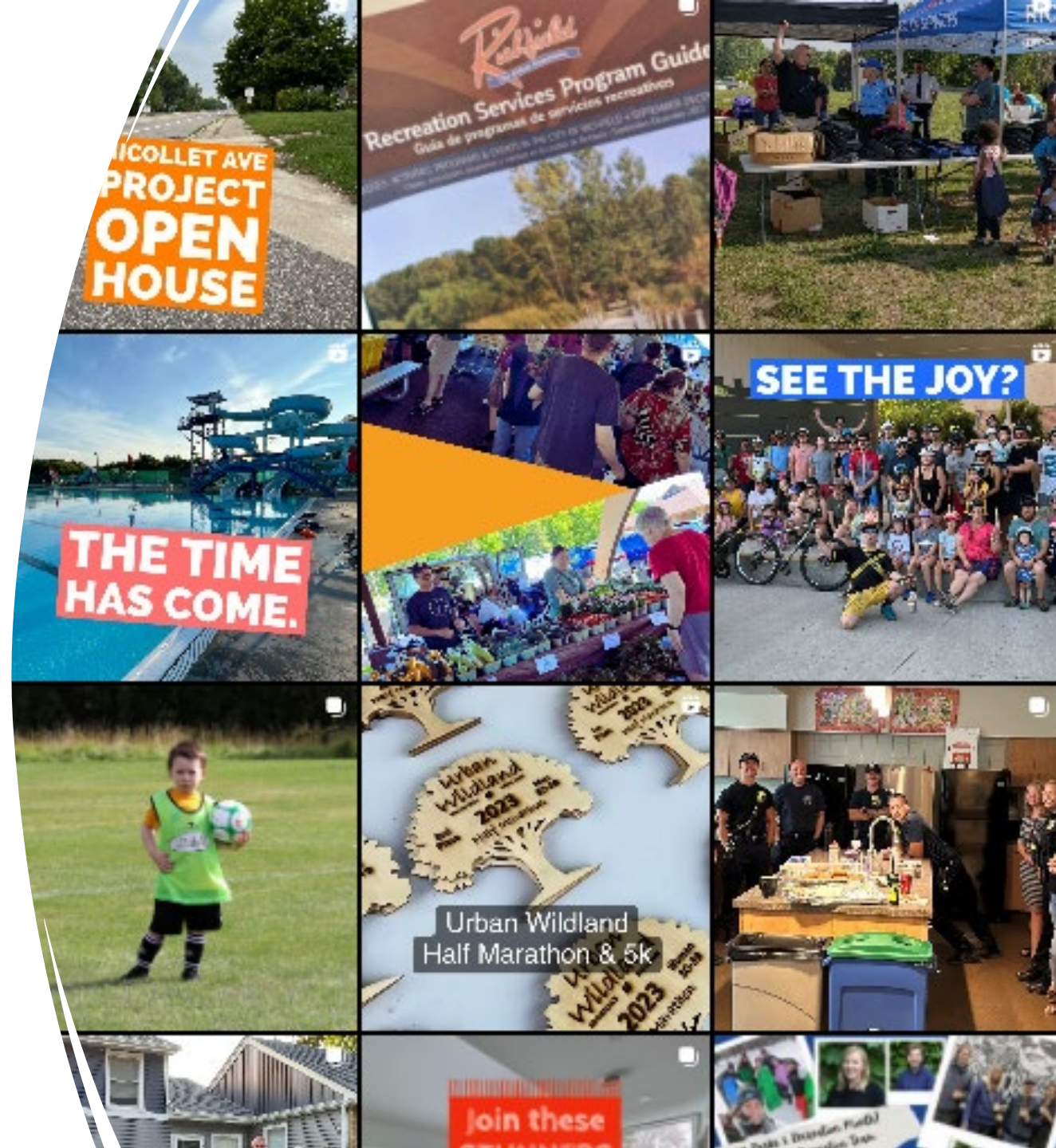
# 2023 Highlights: IT

- Completed the audio/visual project for the City Hall chambers
- Upgraded to M365 and training for all staff.
- Installation of fiber to the Penn Liquor Store, two well houses and down 66<sup>th</sup> Street from Xerxes Ave to 14<sup>th</sup> Ave was completed. The 66<sup>th</sup> Street fiber will allow us to create redundancy to our current fiber infrastructure
- Continue to manage and add city-owned mobile devices for greater security and safety of the City's network while maintaining work efficiency.
- Upgraded 6 network switches in the server room and 5 switches in the police demark room. Also updated equipment in other city facilities for reliability and security.
- Upgrading the wireless access points and controller. This will allow us to add a Certificate Authentication to allow staff to use their laptop wi-fi without having to reconnect to another network.
- Selected a training program for IT staff to use to better hone their skills and keep up-to-date with Technology.



# 2023 Highlights: Communications

- Delivered over 175 e-bulletins across topic areas, to more than 19,000 subscribers. Maintained impressive open-rates and click-rates.
- Assisted staff with the promotion and marketing of more than 20 citywide events and activities.
- Engaged a Social Media Coach to help provide insight into the efficiency, engagement and purpose of our social media presence across multiple channels.
- Re-established the Employee Engagement Committee to work on internal communications, recognition and engagement efforts.



# 2024 Initiatives and Goals

## Information Technology

- Enhance the M365 experience by adding more features to our environment such as Teams and SharePoint.
- Meet with all City departments to determine their technology needs.
- Create a more centralized IT Help Desk for city staff. Updating our current ticketing system for better efficiency and make it more user friendly. This will make for a more unified environment without duplication of tasks.
- Increase the use of Laserfiche technology by creating applications, which will enhance efficiency with workflows, automation and electronic processing.
- Joining LOGIS's Security as a Service to assist with IT Security policies, standards, procedures and guidelines as well as vulnerability management.

## Human Resources

- Conduct an employee engagement survey, as we have every two years.
- Implement the results of the 2023 Compensation and Classification study, including a complete overhaul of our compensation plan.
- Implement a more streamlined process for processing Personnel Action Forms.
- Explore alternatives to our current Workers Compensation Insurance arrangement.
- Create a formalized employee training program in coordination with other City leaders.
- Update our AWAIR program including creating a safety training program for all City staff.
- Upgrade our Oracle software for HR and payroll. This will include revising numerous processes and procedures for the entire employee life cycle.



# 2024 Initiatives and Goals, cont.

## Deputy Registrar

- Provide excellent core services across all departments and continue to monitor for improvements, efficiencies and cost savings.
- Continue to recruit, retain and develop a diverse, committed, high performing staff
- Continue to work with legislators regarding financial sustainability for deputy registrars.

## City Clerk

- Evaluate the options for agenda management system to improve staff report workflow for public meetings.
- Develop data management system city-wide.
- Continue to produce and maintain accurate City records, resolutions, ordinances and legal notices. Maximize efficiency and data management procedures.
- Along with the Hennepin County Elections Department, administer a successful election process for three elections: presidential primary, primary election, and general election.
- Continue involvement with the Municipal Clerks and Finance Officers Association of Minnesota (MCFOA) for professional development.



# 2024 Initiatives and Goals, cont.

## Building Services

- Continue to refine the operating budget between increased user charges and operating costs to ensure a balanced operation.
- Work with the Finance Director to establish a replacement plan for capital items at the Richfield Municipal Center to ensure its long-term viability.

## Communications

- Help implement a successful communications campaign for local option sales tax
- Refine content offerings for Channel 16, website and social media channels.
- Create pop-up engagement tools and opportunities for staff to better interact with residents
- Continue to balance revenue limitations with expenditures



# Liquor Operations

*Department overview*

## Employee Totals:

- 5 Full time employees:  
1 operations manager,  
4 store managers
- 8 Permanent Part-time:  
2 Shift lead supervisors  
per store
- Approximately 50  
intermittent





# 2023/2024 Liquor Budget

BUSINESS UNIT	2022 ACTUAL	2023 BUDGET	2023 REVISED	2024 BUDGET	Increase/ (Decrease) 2023 Budget/ 2024 Budget
50010 LYNDALDE LIQUOR STORE	\$ 3,948,413	\$ 4,479,970	\$ 3,867,497	\$ 4,037,272	(9.88%)
50020 CEDAR LIQUOR STORE	4,557,326	4,829,280	4,878,994	4,984,926	3.22%
50030 PENN LIQUOR STORE	3,540,414	3,671,015	3,710,746	3,785,013	3.11%
50040 WINE & SPIRITS	2,013,081	1,956,545	2,014,542	2,073,295	5.97%
<i>Administrative Services TOTAL</i>	<u>\$ 14,059,233</u>	<u>\$ 14,936,810</u>	<u>\$ 14,471,779</u>	<u>\$ 14,880,506</u>	(0.38%)
<b><u>REVENUES</u></b>					
50010 LYNDALDE LIQUOR STORE	\$ 3,983,393	\$ 4,537,085	\$ 3,808,048	\$ 3,885,910	(14.35%)
50020 CEDAR LIQUOR STORE	4,710,779	4,991,400	4,990,728	5,036,934	0.91%
50030 PENN LIQUOR STORE	3,604,701	3,630,150	3,671,257	3,730,885	2.77%
50040 WINE & SPIRITS	1,927,468	1,970,450	2,006,673	2,075,475	5.33%
<i>Revenues TOTAL</i>	<u>\$ 14,226,341</u>	<u>\$ 15,129,085</u>	<u>\$ 14,476,706</u>	<u>\$ 14,729,201</u>	(2.64%)

Note:  
These  
numbers  
include  
transfers  
out.







# Budget Notes

- Pandemic buying boom has subsided
- With data gathered we are seeing a leveling-off of sales. A revision of much lower increase in sales volume to around 1% increase.
- 65<sup>th</sup> & Lyndale Road work has cut customer traffic in half.
- September 2023: We will introduce the sales of Low-Dose cannabis. This should give us a bump in sales.



# 2023 Highlights

- Richfield Foundation: Toast to Richfield (*May*)
  - *Generated roughly \$11k worth of sales orders.*
- Direct Impact: 'Whiskey For Wildlife' Cedar Ridge Whiskey
  - *192 bottles sold so far = \$960 for various Wood Lake needs.*
- New Manager hired for 6444 Lyndale Store (August)
- Introduction of Low-Dose Cannabis beverages and edibles (September)





# 2023 Round Up Campaigns

FD. Bike Stretchers (2 <sup>nd</sup> quarter)	\$1,518.37
Recreational Scholarship Fund	\$2,134.03
Trees for the Richfield Parks (to date)	\$ 549.04
<u>4<sup>th</sup> quarter campaign</u>	<u>\$ .??</u>
Total customer donations as of 8/15	\$4,201.44





# 2024 Initiatives and Goals

- Enhance the connection between our profits and the city's recreational equipment and facilities.
  - The Round Up program is a great tool for this. We need to encourage all staff to simply ask “would you like to round up today?”
- Review inventory levels and scale back on some slow-moving inventory.
- Review staffing needs on a store-by-store basis to operate more efficiently.





# Future considerations and needs

- Compensation & Classification Study effects.
  - What impact will this have on the Liquor Operations?
- Low-dose Cannabis products in the store (difficult to forecast)





# Public Safety





# Public Safety

## *Department overview*

### **POLICE**

- 1 Director of Public Safety/Chief of Police
  - 1 Executive Analyst
- 1 Deputy Director of P.S./Deputy Chief
  - Patrol: 1 Lieutenant, 8 Sergeants, 25 Officers
  - Investigations: 1 Lieutenant, 8 Officers assigned to investigations (2 SIU)
  - Administration: 1 Lieutenant, 1 FT Records Supervisor, 2 FT Senior Office Assistants, 2 PT Senior Office Assistants, 1 FT Police IT Tech (80% PD/20% IT), 1 FT Police data and media specialist, 2 FT Social Worker (60%/40% Hennepin County), 1 FT JCPP Liaison (30%/70% Hennepin County)



# Public Safety, cont.

## *Department overview*

### **SUPPORT SERVICES**

- 1 FT Support Services Manager
  - 2 PT Environmental Health Specialists, 2 PT Business Licensing Clerks, 1 FT Code Compliance Officer, 3 PT Community Service Officers, 1 Seasonal Environmental Health Tech (April – August)

### **EMERGENCY MANAGEMENT**

- 1 Intermittent EOC Employee



# 2023/2024

## Public Safety Budget

BUSINESS UNIT	2022 ACTUAL	2023 BUDGET	2023 REVISED	2024 BUDGET	Increase/ (Decrease) 2023 Budget/ 2024 Budget
10300 Support Services	\$ 1,015,206	\$ 1,135,212	\$ 1,111,499	\$ 1,177,295	3.71%
10305 Police Operations	9,402,982	10,157,680	9,944,724	10,599,280	4.35%
10315 Emergency Services	19,104	39,730	39,680	40,690	2.42%
<i>Public Safety TOTAL</i>	<u>\$10,437,292</u>	<u>\$11,332,622</u>	<u>\$11,095,903</u>	<u>\$11,817,265</u>	4.28%

### REVENUES

10300 Support Services	\$ 565,392	\$ 592,912	\$ 584,757	\$ 577,783	(2.55%)
10305 Police Operations	804,415	846,870	874,750	876,750	3.53%





# Budget Notes

## 2023 - Police

- 4 new Police Officers
- Community relations and events
- Addition of second Full Time Social Worker
- New software with Tyler Technologies and the City of Edina
  - System is more community forward and focused and provides better data collection

## 2023 – Support Services

- Opioid funding
- Edibles registration revenue



# 2023 Public Safety Highlights

- Added second social worker in April 2023
- Responded to over 37,000 calls for service
- Cases managed by full time social workers
- Patrol Officers are providing drivers education instruction in partnership with MIRA. Classes will be in Sept/Oct 2023
- Legislative outcome mandates Narcan training and administration by officers.
- Legislative changes with adult use cannabis and enforcement along with licensing
- Legislative changes on gun background and emergency response protective order (ERPO)

# 2023 Public Safety Highlights, cont.,

## Support Services

- Continue to be a successful starting point for CSO/Officers
- Expect to see low-potency edible registration revenue late 2023
- Citizenserve “go-live” date for EH is October 1, 2023 and January 1, 2024 for Business Licensing
- CCO/CSO now wearing body-worn cameras



# 2024 Initiatives and Goals

## Initiatives

- Enhance Police effectiveness with additional technology upgrades and apps
- Continue to evaluate and update City Ordinances in the Public Safety department
- Maintain staffing levels in a shortage of quality candidates to fill potential vacancies due to retirements or people leaving the profession

## Goals

- Continue to build on our diversity and equity work in the Public Safety Department
- Continue to seek out grant funding for new programs and equipment
- Maintain crime reduction efforts to increase the feeling of safety/security via a partnership between members of the community and the police department



# Future considerations and needs

- Recruitment and retention of staff in Public Safety
- Co-Responder model in partnership with the City of Edina in 2024/2025
- Replacement of squad cameras due to outdated technology, cameras are over 10 years old



# Legislative/Executive





# Legislative/Executive

*Department overview*

- Mayor/City Council
- Other agencies
- City manager
- Legal



# 2023/2024 Legislative/Executive Budget

BUSINESS UNIT	2022 ACTUAL	2023 BUDGET	2023 REVISED	2024 BUDGET	Increase/ (Decrease) 2023 Budget/ 2024 Budget
10100 Mayor Council	\$ 223,054	\$ 237,515	\$ 236,673	\$ 308,084	29.71%
10105 Other Agencies	104,830	109,000	109,000	112,800	3.49%
10115 City Manager	360,096	450,911	417,145	493,006	9.34%
10120 Legal	302,599	351,390	351,440	351,490	0.03%
<i>Legislative/Executive TOTAL</i>	<u>\$ 990,579</u>	<u>\$ 1,148,816</u>	<u>\$ 1,114,258</u>	<u>\$ 1,265,380</u>	10.15%



# Budget Notes

## City Council

- The 2024 Proposed budget plans a 29.71% increase compared to the 2023 Adopted budget, primarily due to additional costs for the Strategic Plan dashboard, staff overtime costs to support community events and the community survey.
- City Council salaries increased 3% in 2023 and are proposed to increase 3% in 2024 consistent with staff cost of living increases.

## Other Agencies

- \$235,500 awarded to non-profit agencies in 2023, including additional \$160,000 of contracts funded by ARPA.
- 3.5% increase planned in 2024 resulting in \$78,100 in ongoing funding and the last additional round of ARPA funded contracts at \$140,000.





# Budget Notes, cont.

## City Manager

- The 2023 Revised budget has a decrease of 7.49% from the 2023 Adopted budget due to savings from an unfilled position.
- The 2024 Proposed budget has an increase of 9.34% from the 2023 Adopted budget largely due to increased personnel costs, including training.

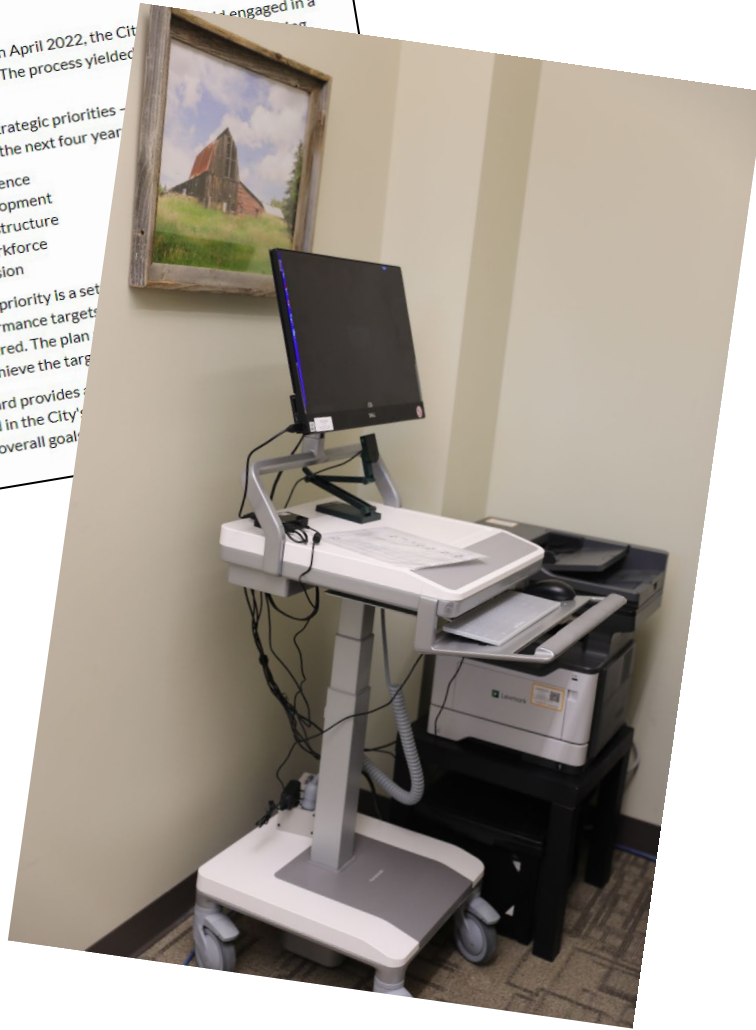
## Legal

- The 2024 Proposed budget has a negligible increase over the 2023 Adopted budget due to stable workload in recent years and minimal contract increases.



# 2023 Highlights: City Council

- Introduced a public dashboard online to better track progress on the 2023-2026 Strategic Plan.
- Improved commission recruiting procedures and provided onboarding for new commissioners with separate training for commission chairs.
- Met with residents and supported a variety of community initiatives.
  - Including Penn Fest, Juneteenth and the mural at Galaxy Foods.
- Advocated for City priorities at the federal, state and county level resulting in many positive changes, including:
  - \$15M in additional funding for the new WLNC building; and
  - Authority to ask residents for a .5% local sales tax to fund park and recreation infrastructure.



# 2023 Highlights: City Manager

- Led the implementation of the 2023-2026 strategic plan.
- Incorporated a strategic plan lens in staff reports.
- Organized City Council-Staff quarterly meetings.
- Coordinated organizational development seminars for all fire staff.
- Assisted Finance Department as new Finance Manager onboarded, the city was able to affirm AA+ bond rating.
- Applied for and sited a legal aid kiosk at city hall.
- Recruited an Equity Coordinator.



# 2024 Initiatives or Goals

## City Council

- Embed Strategic Plan mission, vision, values and priorities/outcomes in Council policy and communications and report progress on the dashboard.
- Support community engagement to inform residents about a November 2024 referendum,
  - Will fund three recreation projects including a new Wood Lake Nature Center Building, improvements to Veteran's Park and a new Community Center.
- Continue to advocate for City priorities at the federal, state and county level including,
  - Local match funding to reconstruct Nicollet Ave and legislation to better align local match transportation policies with cities' ability to pay and their relative burden.
- Conduct a community survey to better understand resident needs and gaps in programs and policies.



# 2024 Initiatives or Goals

## City Manager

- Continue to lead the integration of the City's mission, vision, values, and strategic plan priorities into communications, processes, and City culture.
  - Update dashboards to track performance targets.
- Develop equity plan with input from the community.
  - Launch Equity and Inclusion page on the City's website.
  - Lead internal equity team (CARES) to support implementation of equity toolkit.
- Assist the Finance Director to refine long-term financial plans to fund operations and capital needs.
- Implement process and technology improvements across administrative functions.
- Plan the Council-staff effective governance schedule and process.
- Coordinate the city's communications and messaging around a referendum on a local sales tax at the 2024 general election.



# Future considerations/needs

The success of the strategic plan depends on first implementing core initiatives

- Focused & cohesive leadership team
- Stabilized workforce
- Updated technology
- Continued process improvements
- Expanded long-term financial planning

***You do not rise to the level of your goals. You fall to the level of your systems. -James Clear***