

**Truth N Taxation
Public Hearing**

**Baudette City Hall
6:00 P.M.**

December 12, 2016

TAXES

The property tax amounts below compare that portion of the current budget levied in property taxes in City of Baudette for 2016 with the property taxes the City of Baudette proposes to collect in 2017.

2016 Property Taxes	Proposed 2017 Property Taxes	Change from 2016-2017
\$ 328,220	\$ 361,042	9%

LOCAL GOVERNMENT AID

Local Government Aid (LGA) is a state aid to local governments. LGA has undergone several changes since its creation in 1971, especially over the last several years. The LGA is manipulated by the Legislature annually. The State of Minnesota has slowly restored the LGA cuts to local governments for now and Baudette receives LGA in two equal payments on July 20 and December 26. In addition, the legislature restored the tax exempt status for **most** things for local governments in 2014.

2013 LGA	2014 LGA	2015 LGA	2016 LGA	2017 LGA
\$279,740	\$297,714	\$301,402	\$301,822	\$302,106

Similar City Comparison

City	Population	Tax Capacity	2016 LGA	2016 Net Levy
BAUDETTE	1103	658176	301822	328244
Atwater	1139	464152	298587	431689
Blackduck	797	248796	244610	210001
Buhl	1002	234033	359378	214161
Cottonwood	1203	734373	299148	654770
Elgin	1088	573326	326580	431463
Fairfax	1206	374576	445502	489068
Goodhue	1184	597823	272338	449671
Hector	1112	449750	345077	640754
Keewatin	1078	210493	382879	225110
New York Mills	1199	548321	382235	424901
Pine River	946	417097	276963	441689
Roseau	2643	1522621	662388	1049242
Warroad	1781	902390	848040	754408
Wanamingo	1092	613423	234705	590003
Averages	1088	471103	320756	425502

**Roseau and Warroad are not included in the averages.

Budget Overview- Accomplishments and Projects for 2016

Airport

- Increased air traffic/gas sales
- Taxilane Extension Completed
- Hangar Bathroom Repaired
- Office/Storage Space Added
- Repaired West wall of the Hangar
- Roof Leaks Repaired
- Repaired the Ramp at the Seaplane Dock
- Prep Work for A New Hangar Facility Started
- Natural Gas Service Installed

Community Action

- Removed old utility services from the Bosch Lot/Hauled in Fill
- \$5,400 Community Donation to the Chamber of Commerce for Community Events
- \$5,000 Community Donation to the Theater
- \$7,500 Community Donation to the Fair Board
- \$2,200 Community Donation to the Humane Society

Streets and Parks

- Poured an ADA ramp in the SE Neighborhood Park
- Helped Install a New Civil Service Siren
- Drainage culverts installed in several places along the walking path
- Catch basin added by the path near Peace Park to correct the drainage issue
- Tree trimming and removal in several parks and areas throughout town
- Stained the fishing pier
- Installed the dock system at Willie Walleye Park
- New signs at Timber Mill
- Repaired and Stained the dock sections
- Replaced 12 more street lights with LED energy efficient bulbs
- Worked with the committee on the International Bridge Replacement
- Completed the Highway 11 Reconstruct and Utility Replacement Project
- Several streets were patched or overlaid
- Timber Mill camping sites were graveled
- Digger truck inspected
- Blacktop repaired at the boat landing area
- Pole and power placed for the installation of wi-fi at the campground
- Increased camping revenue by \$7,000
- Corrected the drainage on 4th Avenue SE
- Purchased a chipper for getting rid of branches
- Repaired curbs and gutters on 2nd Street SW

Trails Projects

- Walking Path was widened and paid for with the Grant for \$90,000

Electric

- Replaced several power poles and straightened others
- Bucket Truck inspected
- Installed several new services
- Trimmed trees in the power lines

Fire Department

- 37 calls (up by 10 runs from 2015)
- Hosted 3rd Annual Pancake Breakfast for Willie Walleye
- Completed two Live Burns for training
- Building Maintenance

Water Department

- Completed the topo work and surveying of 2017 NW Baudette utility project
- Installed one new motor at the wells
- Replaced several non-functional and leaking meters, valves, and curb stops
- Removed the water tower in East Baudette
- Completed some water loops and water main installation
- Replaced all of the water mains under Highway 11

Stormwater

- Cleaned culverts
- Rehabbed and maintained catch basins
- Cleaned ditches
- Repaired the pipe and out fall on 5th Street SW

Wastewater Department

- Cleaned sewer lines in East Baudette
- Cleaned lift stations
- Replaced operator panel in the bridge lift station
- Replaced all of the sewer mains under Highway 11

Liquor Store

- Updated Signage for Muni on Main
- Increased the Gross Sales by \$11,100 (YTD)
- Updated the POS Software at Muni on Main
- Transferred \$150,000 to the General Fund (keeping taxes down)

Police Department

- Received a second Grant for Enhanced Enforcement
- Sent Officers to Training
- Purchased a new squad car on a lease option

Cemetery

- Continued Headstone Leveling Project
- Tree Trimming

Library

- Junior shelving fixed so books don't slide off back of shelves
- Art display cabinet finished
- Gigabit Router & Switch Upgraded
- 3 Mac computers were donated to us because the Youth Center closed
- Children's Book & CD collection being updated replacing cassettes
- Major weeding for inventory to be completed

Budget Overview- Services and Goals for 2017

The City is in a stable financial position. The following projects were included in the budget for completion in 2017--and unless the legislature takes action and reduces LGA--they should be completed. In addition, the city again conducted a survey of community members to gain insight to the public opinions on services as well as improvements needed.

Water Department

- Infrastructure replacement NW Baudette project
- Develop replacement plans for infrastructure
- Improve Water Quality
- Complete Wellhead Protection Plan
- Update meter reading system to remote read software
- Replace all water meters with remote read units

Waste Water Department

- Line Cleaning in West Baudette
- Develop replacement plans for infrastructure and equipment

Electric

- Continue LED street light upgrade
- Develop replacement plans for infrastructure and equipment
- Replace meters with remote read units

Streets and Parks

- Purchase new mower
- Sidewalk replacement
- Snow Haul truck and Skid Steer purchase
- Install walkway to the dock system at Willie Walleye Park

Liquor Store

- Upgrade On Sale Coolers
- Increase promotional activities and productivity
- Fix Floor Tile
- Exterior Upgrade on Muni on Main Building

Police Department

- Initiate some new programs within the department and add volunteer programs within the community
- Safety camp/bike rodeo

Trails Project

- Add Lighting
- Add Exercise Stations
- Install Bike rental kiosk

Fire Department

- New Rescue Rig
- Lighting Retrofit
- Purchase Larger cascade air bottles
- Purchase new extraction tools

Library

- Replace doors
- Paint building
- Better Signage
- Little library outside
- Art Sculpture grant from ALS
- Replace bulletin boards (cork fall off from age)
- Better anti-virus protection for computers
- Purchase laminator
- New flooring in Book Nook
- Inventory all materials into computer

Budget Overview
City Budgets Have 3 Main Funds:

1. The **General Fund** of the city is the core fund that finances standard city services such as:

- City Hall/Administrative
- Professional Services
- Public Works (street, park)
- Public Safety (fire, police)
- Libraries and Cemeteries

Expenses are paid for by taxes and several forms of revenue, such as:

- Property Taxes
- State Aid Programs (police aid, fire aid)
- Local Government Aid
- Interest Revenue
- Transfers from the Light and Water and the Liquor Fund

2. The **Enterprise Funds** cover other city services:

- Water
- Sanitary Sewer
- Electric
- Liquor Store

Department expenses are paid for by the revenues that each utility takes in, usually by monthly utility bills, or fees for service.

3. The **Capital Reserve Funds** contain money budgeted for in the general fund and transferred each year. They are 'savings accounts' for specific equipment purchases.

CITY OF BAUDETTE
BUDGET SUMMARY

Dept Description	2015 Budget	2016 Budget	2017 Budget
General Government	245,994	234,847	234,157
Library	85,350	101,778	104,766
Parks/Recreation	93,146	90,797	113,598
Airport	31,500	31,500	31,500
Cemetery	13,361	13,676	15,177
LW Econ Development	10,000	10,000	10,000
Public Safety	320,886	337,867	347,057
Streets/Highways	348,231	421,327	427,093
Total	1,148,468	1,241,792	1,283,348