CITY OF MAYER
CITY COUNCIL WORKSHOP MEETING
CITY COUNCIL CHAMBERS
MONDAY, JULY 13, 2020
AFTER REGULARLY SCHEDULED CITY COUNCIL MEETING

1. Call Meeting to Order
2. 2021 Budget Goals
3. Second Camera in Council Chambers – Discussion
4. Adjournment

2021 BUDGET SCHEDULE

Monday, July 13th	Workshop Discussion on 2021 Budget Goals, Objectives & Priorities
Week of July 20th	Budget worksheets distributed to staff
Week of July 27th	Staff meet with City Administrator to review draft General Fund Budget
Monday, August 10th	City Council Work Session #1 – (Draft Versions) Capital Improvement Plans & General Budget Review Discussion
Week of August 10th	General Funds budgets due to City Administrator from staff
Monday, August 24th	City Council Work Session #2 – General Fund Budget
Week of August 31st	Staff meet with City Administrator to review draft Enterprise Fund Budgets
Week of September 7th	Enterprise Fund Budgets due to City Administrator from staff
Monday, September 14th	City Council Work Session #3 – General Fund Budget
Monday, September 28th	**City Council Meeting – Adopt 2021 Preliminary Levy**
Monday, October 11th	City Council Work Session #4 – Enterprise Fund Budget
Monday, October 25th	City Council Work Session #5 – General Fund & Enterprise Fund Wrap-Up
Monday, November 23th	**Hold 2020 Public Information Meeting**
Monday, December 14th	**Adopt 2020 Budget and Certify Tax Levy**

2021 BUDGET GOALS, OBJECTIVES & PRIORITIES SESSION –

The 2021 Budget Goals, Objectives and Priorities Session for the City of Mayer is meant to assess the community as a whole and the vision for the near and far future.

What are goals?
How are we going to achieve those goals?

It is important that the Council/community assesses the environment and then takes a proactive approach where it can.

While some factors may be fixed or unlikely to change in the foreseeable future, some factors can. We must take advantage of areas that can be controlled.

Remember too that nonlocal factors can impact our local environment.

There is not a one size fits all approach. It is important to investigate an approach that works for the City of Mayer.

When possible, to utilize a team Approach between Government, Non-Profits and Private Stakeholders if beneficial.

With that…

Where does the community see itself going in the future?

What are community expectations?

Where should resources and energy be focused?

Where is there control and where isn't there control?

Example Topics:

Attracting New Residents/Tourists. – Park and Recreation
School Links – Education.
Good Communication.
Businesses Attraction/Retention/Creating Jobs.
Tax Revenue Generated.
Civic Engagement.
Creating Sense of Community.
Maintenance of current infrastructure.
Planning for future needs with future growth.

2020 General Fund Budget—Final

Margaret McCallum, City Administrator
December 9, 2019

Important Dates:

Preliminary 2020 Budget

- September 23, 2019 - Mayer City Council passes preliminary levy.
- September 30, 2019 - City preliminary levy certification due to Carver County.

Final 2020 Budget

- November 25, 2019 - Truth in Taxation Hearing meeting
- December 9, 2019 - Mayer City Council passes final levy
- December 31, 2019 - City final levy certification due to Carver County.

What is Truth in Taxation?

- It is a process that enhances public participation in Minnesota's property tax system.
- It educates the public on how property taxes are determined.
- It encourages the public to understand the local government's budget process.
- It encourages the public to become involved in helping local officials set spending priorities.

Property Valuation Questions

- That is not the focus of this meeting.
-
- The Board of Equalization meeting is held annually in April to answer those types of questions.

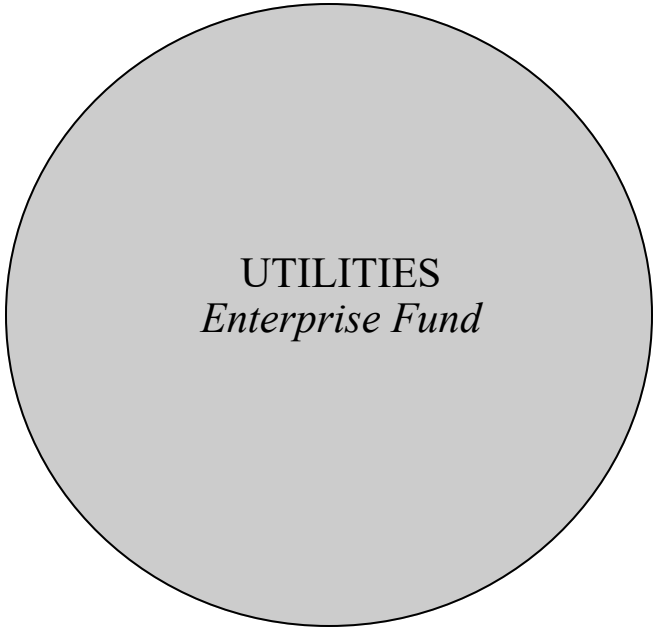
Valuation Questions & Concerns

Carver County Assessor's Office
Angela Johnson
Carver County Assessor
952-361-1961
ajohnson@co.carver.mn.us

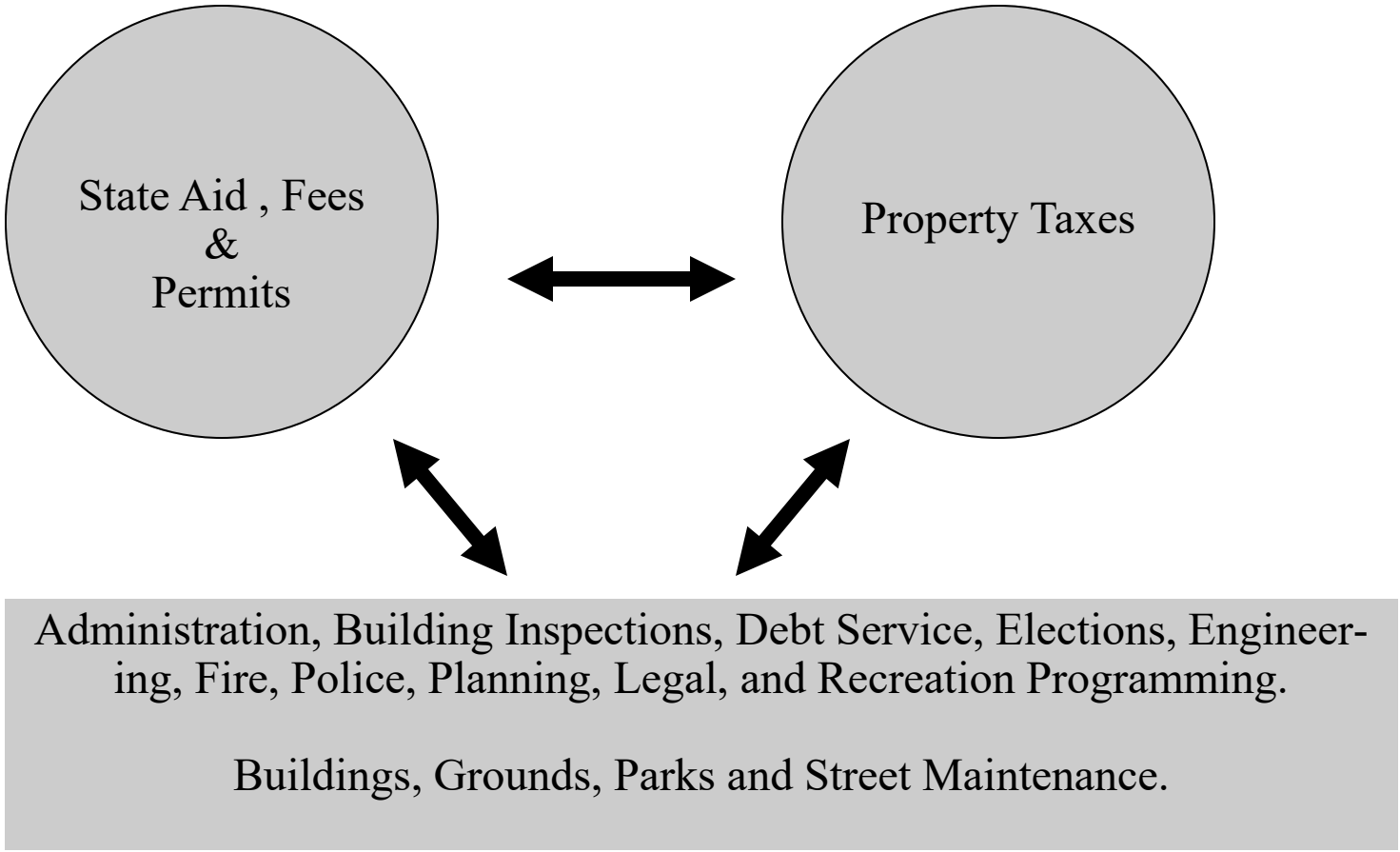
City Tax Rates

2011	59.47%
2012	65.62%
2013	68.83%
2014	67.78%
2015	59.57%
2016	58.91%
2017	51.5%
2018	50.6%
2019	49.1%
2020—Preliminary	52.00%
2020—Proposed Final	49.1%

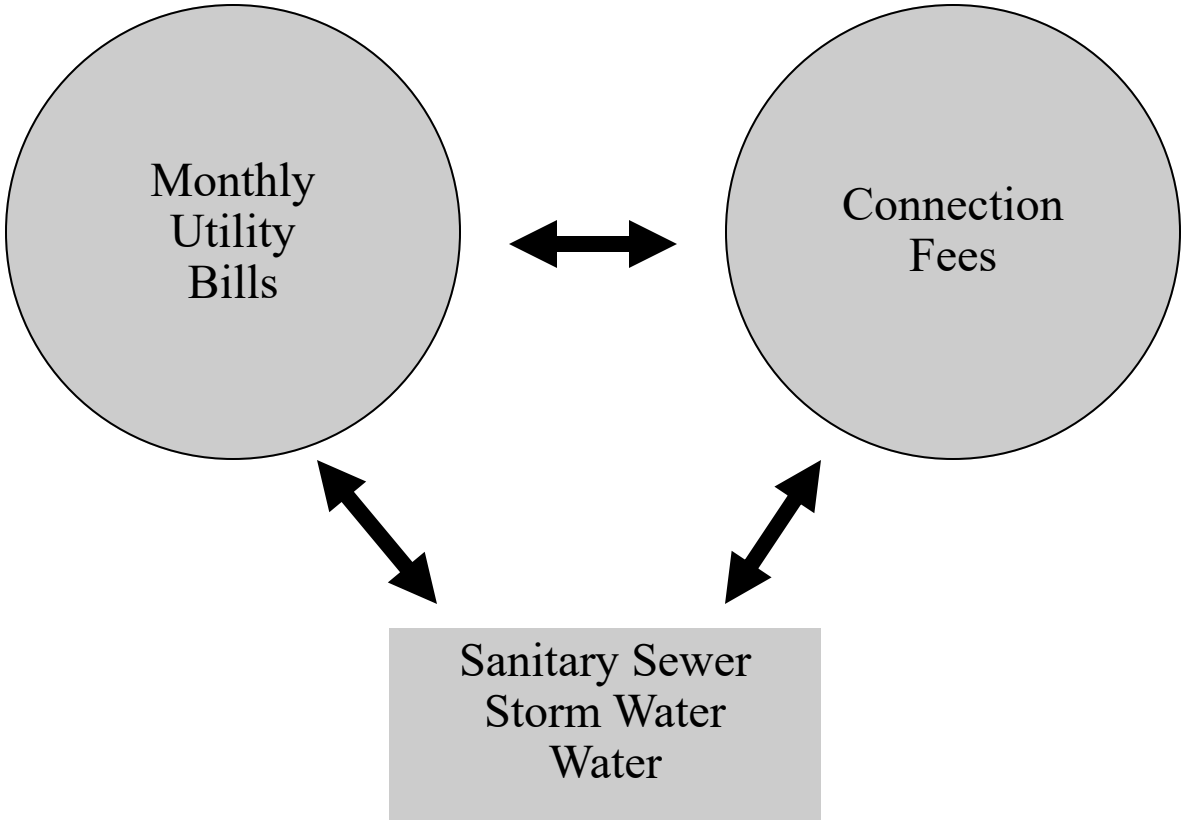
Two Primary Business Functions



Anatomy of a Budget General Fund



Anatomy of a Budget Enterprise Funds



Budget Process

- Staff Prepares Proposed Budgets

- Proposed Budgets are reviewed
  - City Council and Staff Review
  - Occurs During Meetings that are open to the public

- Preliminary Tax Levy and Budget
  - Certified to Carver County - September 2019

- Additional Budget Review

- Truth in Taxation - Additional Public Input

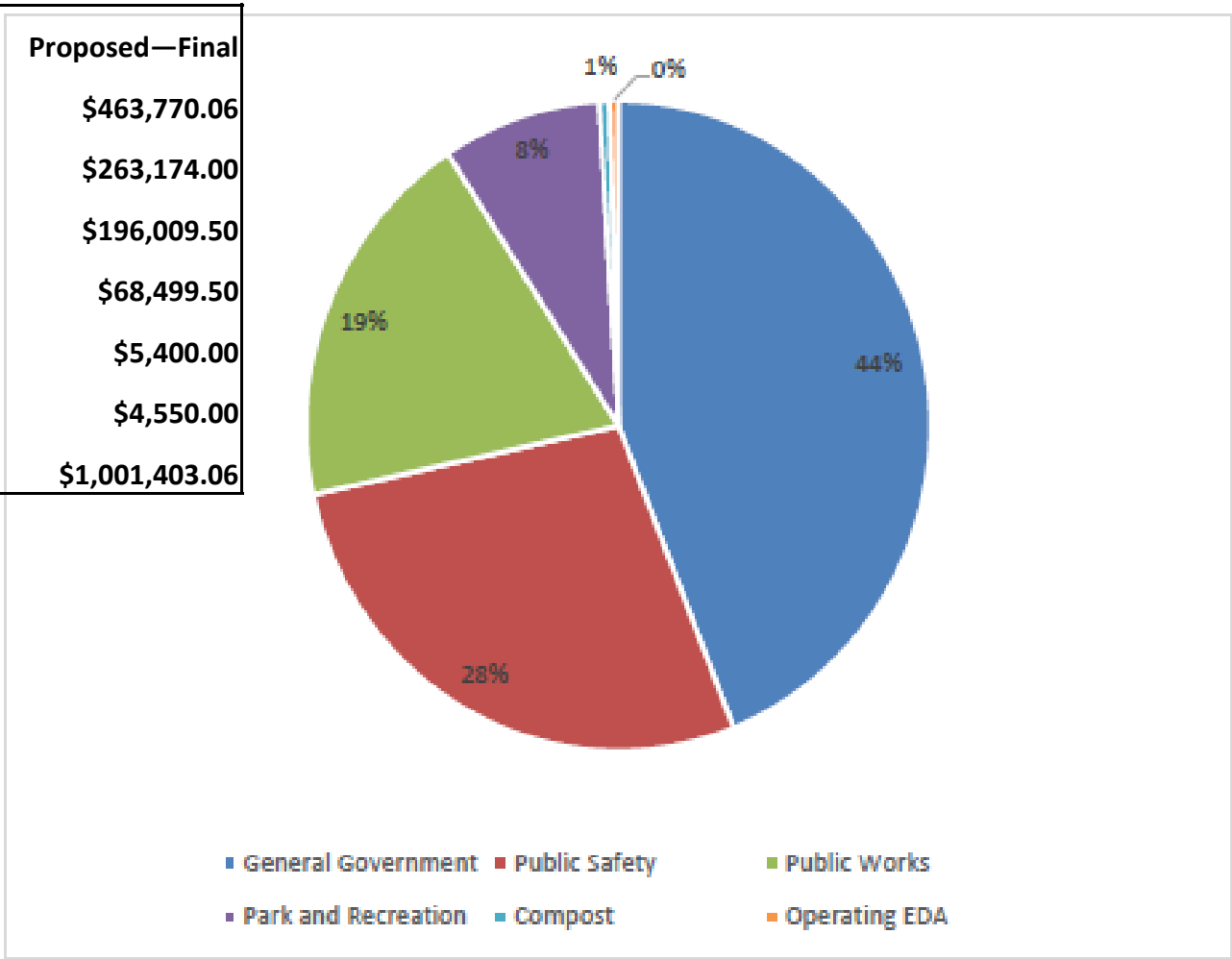
- Final Budget Adoption - December 2019

Debt Tax Levies - 2020

Debt Service Levies	**2018 Final**	**2019 Final**	**2020 Final**
2015A (Roundabout)	$48,221.00	$47,100.00	$46,961.00
2014A (Highway 25 2007A) (Water Tower)	$150,664.00	$153,079.00	$150,000.00
Fire Station - Security Bank	$8,308.00	$3,320.00	$0.00
Fire Truck	$21,749.00	$21,749.000	$21,749.00
Debt Service (Sewer)	$282,000.00	$253,000.00	$254,500.00
Total Debt Service Levy	**$510,942.00**	**$477,978.00**	**$473,210.00**
Total Debt and Capital Levy	**$510,942.00**	**$477,978.00**	**$473,210.00**

2020 General Fund Operating Expenditures - $1,001,403.06

	Preliminary	Proposed—Final
General Government	$446,640.41	$463,770.06
Public Safety	$270,374.00	$263,174.00
Public Works	$194,960.00	$196,009.50
Park and Recreation	$83,450.00	$68,499.50
Compost	$5,400.00	$5,400.00
Operating EDA	$4,550.00	$4,550.00
	$1,005,374.41	$1,001,403.06



General Levy

	2019	2020—Preliminary	($) Change	2020 - Proposed Final	($) Change
General Government	$353,331.78	$446,640.41	$93,308.63	$463,770.06	$ 110,438.28
Public Safety *	$370,874.00	$270,374.00	-$100,500.00	$263,174.00	-$107,700.00
Public Works	$223,823.00	$194,960.00	-$28,863.00	$196,009.50	-$27,813.50
Park and Recreation*	$139,913.00	$83,450.00	-$56,463.00	$68,499.50	-$71,463.50
Streets*	$100,000.00	$0.00	-100,000.00	$0.00	-$100,000.00
Compost	$5,390.00	$5,400.00	$10.00	$5,400.00	$10.00
Operating EDA	$4,550.00	$4,550.00	$0.00	$4,550.00	$0.00
	$1,197,881.78	**$1,005,374.41**	**-$192,507.37**	**$1,001,403.06**	**-$196,478.72**

Preliminary - 16.04% decrease in General Fund Levy

Proposed Final - 16.39% decrease in General Fund Levy

***These funds have money shifting into Capital Levy Funds**

Revenue Overview

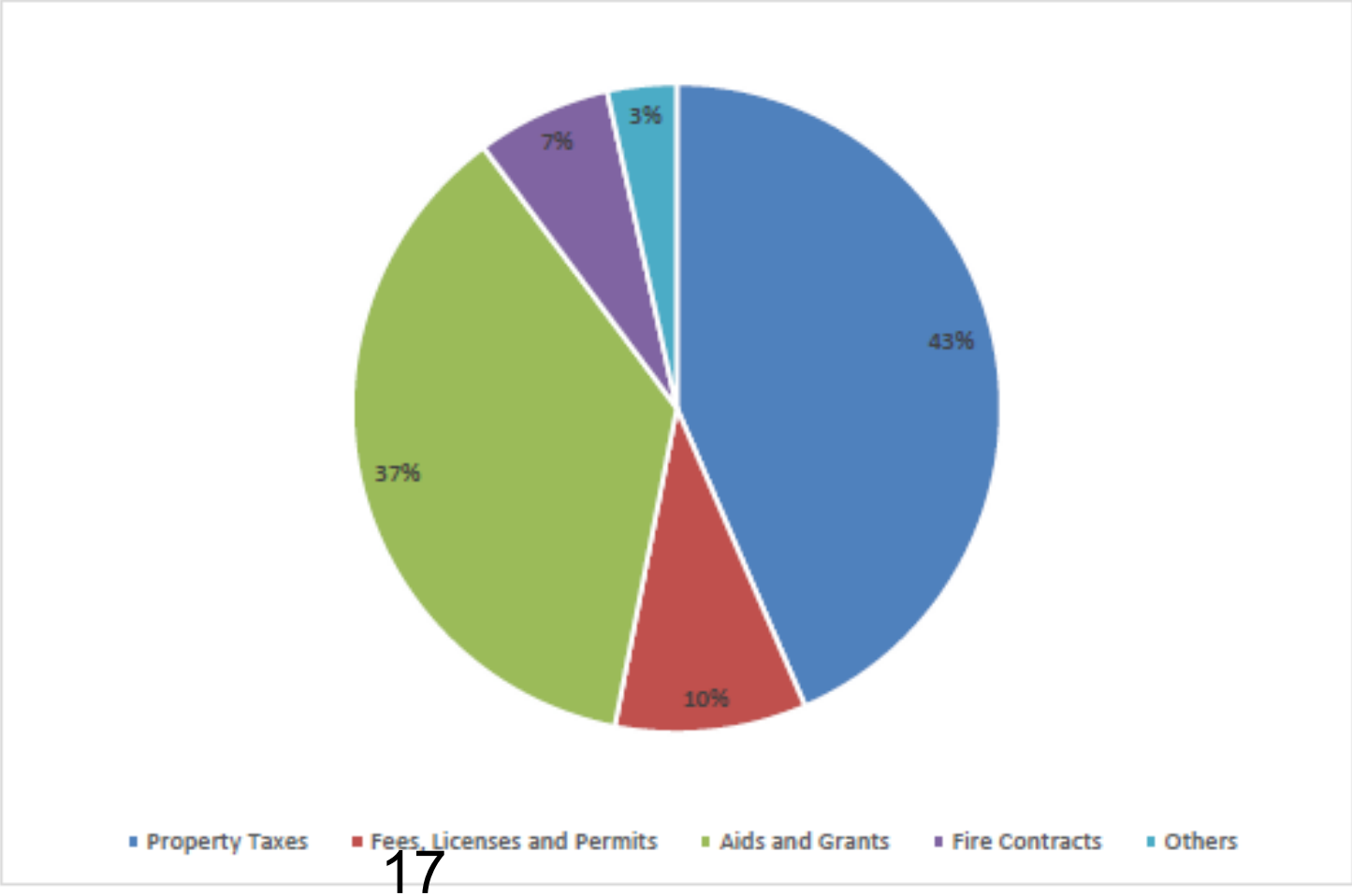
- Anticipating 25-30 housing starts in 2020.
- **Local Government Aid** will increase $25,317 from $313,058 to $338,375

Years	Houses Built	Total at Year End
2012	15	610
2013	12	622
2014	20	642
2015	26	668
2016	31	698
2017	34	732
2018	34	766
2019	20 (to date)	786
2020	-	

Years	LGA Amount
2011	$220,680.00
2012	$220,680.00
2013	$266,365.00
2014	$290,421.00
2015	$296,482.00
2016	$298,017.00
2017	$298,717.00
2018	$312,296.00
2019	$313,058.00
2020	$338,375.00

2020 General Fund Revenues -

	Preliminary	Proposed Final
Property Taxes	$431,921.27	$427,949.92
Fees, Licenses and Permits	$96,900.00	$96,000.00
Aids and Grants	$373,375.00	$373,375.00
Fire Contracts	$68,178.14	$68,178.14
Others	$35,000.00	$35,000.00
	$1,005,374.41	$1,001,403.06



Capital Levy (New)

	2019	2020 - Preliminary	($) Change	2020 - Proposed Draft	($) Change
Fire Dept Capital Levy	$100,000.00	$100,000.00	$0.00	$100,000.00	$0.00
Streets Fund Capital Levy	$100,000.00	$112,500.00	$12,500.00	$125,000.00	$25,000.00
Park & Recreation	$70,000.00	$100,000.00	$30,000.00	$100,000.00	$30,000.00
	$270,000.00	**$312,500.00**	**$42,500.00**	**$325,000.00**	**$55,000.00**

Staff is proposing a separate Capital Levy for these funds to keep them separate from the operating general funds.

This money will be placed in the capital funds to spend on projects that are needed in the future.

The projects are highlighted in more detail in the City's Long Term Capital Improvement Plan Document.

	2020 - Preliminary	2020 - Proposed Draft
TAXES LEVIED FOR GENERAL	$431,934.87	427,949.92
TAXES LEVIED FOR CAPITAL FUNDS		
Street Capital Fund	$112,500.00	$125,000.00
Fire Capital Fund	$100,000.00	$100,000.00
Parks Capital Fund	$100,000.00	$100,000.00
TOTAL CAPITAL	$312,500.00	$325,000.00
TAXES LEVIED FOR DEBT		
Fire Station	$0.00	$0.00
GO Improvement and Utility Refunding Bonds 2014A	$218,079.00	$150,000.00
Fire Truck	$21,749.00	$21,749.00
GO Bonds 2015A	$46,961.00	$46,961.00
GO Water & Sewer Refunding Bonds - 2007A	$254,500.00	$254,500.00
TOTAL DEBT	$541,019.00	$473,210.00
Total Levy (Gen +Capital+Debt)	$1,285,453.87	$1,226,159.92
- Fiscal Disparities	$226,107.00	$226,107.00
New Actual Levy	$1,059,346.87	$1,000,052.92
Actual (Projected) Tax Cap.	$2,134,422.00	$2,134,422.00
- FD Contribution	$96,240.00	$96,240.00
Adjusted Tax Capacity	2,038,182.00	$2,038,182.00
Actual (Projected) Tax Rate (Actual Levy/Adj TC)	52.00%	49.1%

2020 Tax Levy - Factors

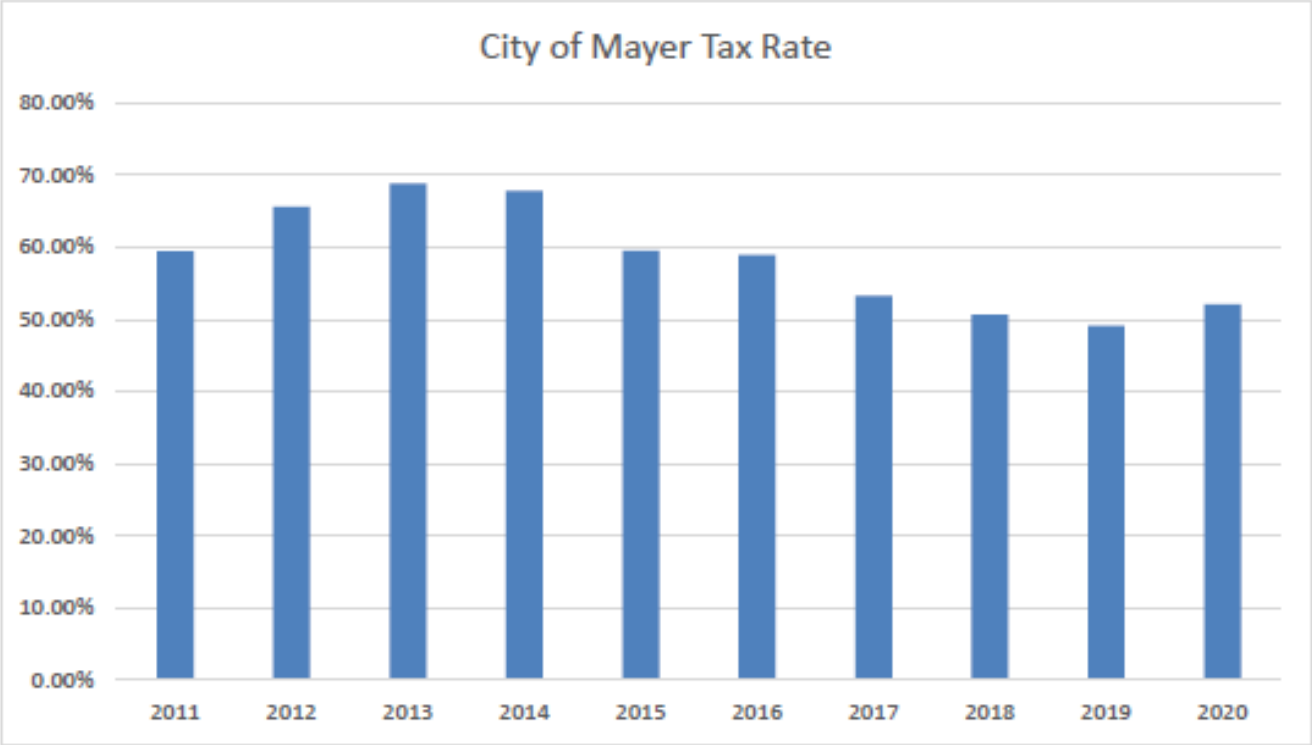
- **Market Value**
  - Carver County is responsible for valuations
  - Current Increasing Trends
    * 2019 Assessment/2020 Payable ~9.76% Increase
- **Tax Capacity**
  - Change is dependent on market value
  - New Construction in 2019
    - 20 New Homes (to date)
- **Tax Levy**
  - General Operating Fund Decrease of 16.04% - Preliminary and 16.39% - Proposed Final (shift of funds)
  - Tax Levy Percentage increase of 2.75% - Preliminary and .00% - Proposed Final
    * Growing City = Growing Needs
    * Future Planning (Capital Reserves)
    * Debt Service
- **Other Districts**
  - Carver County
  - School District (Watertown - Mayer)
  - Other special taxing districts

Carver County
Market Values

City of Mayer 2019 Assessment Summary

	Residential	Commercial/Industrial	Apartment	Ag	Total
2019 EMV	$195,714,400	$11,394,600	$835,900	$1,584,900	$209,529,800
2018 EMV	$178,446,900	$10,307,100	$756,600	$1,384,800	$190,895,400
Total Value Change	$17,267,500	$1,087,500	$79,300	$200,100	$18,634,400
New Construction	$8,838,900	$0	$0	$0	$8,838,900
Market Change	$8,428,600	$1,087,500	$79,300	$200,100	$9,795,500
% New Construction	4.52%	0.00%	0.00%	0.00%	4.22%
% Market Change	4.72%	10.55%	10.48%	14.45%	5.13%
2018 Total % Increase	9.68%	10.55%	10.48%	14.45%	9.76%

The City of Mayer tax rate is determined by dividing the jurisdiction's levy by the jurisdiction's taxable net tax capacity.



YEAR	TAX RATE	STATUS
2012	65.66%	FINAL
2013	68.84%	FINAL
2014	67.78%	FINAL
2015	59.57%	FINAL
2016	58.91%	FINAL
2017	53.29%	FINAL
2018	50.61%	FINAL
2019	49.10%	FINAL
2020	52.00%	PRELIM
2020	49.10%	FINAL

TOTAL LEVY (Debt Levy + General Levy)

	2018 Final	2019	2020—Preliminary	2020—Proposed Final
General Levy	$480,931.00	$639,646.00	$431,921.27	$427,949.92
Debt Service Levy	$510,942.00	$477,978.00	$541,289.00	$473,210.00
Capital Levy			$312,500.00	$325,000.00
Total Levy	$991,873.00	$1,117,624.00	$1,285,710.27	$1,226,159.92
Percent Change	**-**	**12.7%**	**15.1%**	**9.7%**

Levy Information W/ Capital—Preliminary

$1,285,710.27	Tax Capacity Based Levy Amount (After LGA)
- $226,107	Fiscal Disparities Distribution Dollars
$1,059,603.27	**Local Levy for 2020**

2020 Adjusted Tax Capacity—$2,038,182.00
$1,059,603.27$2,038,182 x 100 = 52.00%

Levy Information W/ Capital—Proposed - Final

$1,226,195.92	Tax Capacity Based Levy Amount (After LGA)
- $226,107	Fiscal Disparities Distribution Dollars
$1,000,088.92	**Local Levy for 2020**

2020 Adjusted Tax Capacity—$2,038,182.00
$1,000,088.92/$2,038,182.00 x 100 = 49.1%

Each local taxing jurisdiction certifies a levy equal to the amount it intends to raise from property taxes in the upcoming year.

Comparison to other Carver County Cities

CITY	2019 FINAL RATE
Chanhassen	21.10 %
Chaska	27.67%
Victoria	31.27%
Mayer	49.10%
Carver	50.59%
Waconia	52.50%
Watertown	56.47%
Cologne	62.41%
NYA	70.39%
New Germany	97.65%
Hamburg	122.13%

Example Calculation of Property Taxes

Estimated Market Value	$300,000
Homestead Exclusion	($10,200)
Taxable Market Value	***$289,800***

$289,800	**X**	**1%**	**=**	**$2,898**
Taxable Market Value	x	Residential Tax Class Rate	=	Tax Capacity
$2,898	**X**	**52.00%**	**=**	**$1,503.96**
Tax Capacity	x	City of Mayer Tax Rate	=City of Mayer Property Taxes	
$289,800	**X**	**1%**	**=**	**$2,898**
Taxable Market Value	x	Residential Tax Class Rate	=	Tax Capacity
$2,898	**X**	**49.1%**	**=**	**$1,422.92**
Tax Capacity	x	City of Mayer Tax Rate	=City of Mayer Property Taxes	

Property Taxes Represented as a monthly Bill for City Services

Preliminary - A home with an estimated Market Value of $300,000 will pay an estimated $1,503.96 per year in City of Mayer property taxes, or **$125.58 per month.**

Proposed Final- A home with an estimated Market Value of $300,000 will pay an estimated $1,422.92 per year in City of Mayer property taxes, or **$118.58 per month.**

City of Mayer Monthly Services	***Preliminary***	***P-Final***
Street Repairs, Snow Plowing, Fleet Maintenance	***$12.23***	***$12.23***
Debt Payments	***$35.86***	***$32.02***
General Administration	***$32.30***	***$31.30***
Including: Administration, Assessor, auditor, legal, elections, IT support, Supplies and projects Planning and Zoning, Engineering, Building Inspection.		
Fire Protection	***$8.54***	***$8.54***
Police Protection	***$10.08***	***$8.51***
Park Recreation Facilities and Programming	***$5.78***	***$5.78***
Capital	***$20.10***	***$19.51***
Compost	***$0.37***	***$0.37***
Operating EDA	***$0.32***	***$0.32***
Total	***$125.58***	***$118.58***

QUESTIONS?
COMMENTS?

MAYER

Workshop - Memorandum
Item: Second Camera in Council Chambers – Discussion
Workshop Meeting Date: July 13, 2020
Presented By: Margaret McCallum, City Administrator

Details:
Staff looked into a second camera for the Council Chambers. The camera would be in a way that would face the presentation screen.

A remote would be available to switch between cameras (the one facing the Council) and the second camera.

This would allow for the presentation materials to be displayed on the recording for those who watch the meeting online.

The cost of the camera, remote and accessories and installation is estimated to be around $5,000.00.

Attachments.
None.