**LEVANDER,
GILLEN &
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MEMO

TO: **Sunfish Lake Mayor and Councilmembers**
FROM: **Timothy J. Kuntz, City Attorney**
DATE: **December 1, 2021**
RE: **2022 Tax Levy and 2022 General Fund Operating Budget – December 7, 2021 City Council Meeting, Agenda Item 5(a) and 8(a)(1) & 8(a)(2)**

Section 1. **Background**. At the September 7, 2021 Council meeting, the City Treasurer Ann Lanoue reported the Debt Service for the 2021A Series Bonds would be $27,544 and would increase the 2022 budget to $144,827 for the Improvement Bond Debt Retirement. Treasurer Lanoue stated that the Fire Department had submitted their final request for $71,045, which was increased from the earlier estimate of $50,000 or $60,000. Treasurer Lanoue commented that she had placed $70,000 in the budget estimates. Treasurer Lanoue further noted that the Engineer had requested $145,000 in the 2022 budget for CIP projects. Treasurer Lanoue stated that $5,000 was also added to the cash reserves in August per Council request.

Treasurer Lanoue directed Council to the Budget Analysis page and the 2022 Balanced Budget column and referred to the amount $592,071 General Revenue and the Bond Fund Levy in the amount of $144,827 for a total 2022 tax levy of $736,898 which is a 9.96% increase over the 2021 levy. Treasurer Lanoue noted that the total 2022 budget amount would be $851,852. Council recommended a .28424 tax rate.

The City Treasurer reviewed the proposed 2022 budget as follows:

General Revenue:	$592,071
Bond Fund-Levy:	$144,827
Total:	$736,898

The Council moved to adopt Resolution No. 21-38 Adopting the Proposed Budget & Setting the Not-to-Exceed Tax Levy for Collection in Year 2022 as shown above and scheduled a public hearing to discuss the proposed 2022 budget and tax levy on December 7, 2021 at 7:00 p.m.

633 SOUTH CONCORD STREET • SUITE 400 • SOUTH SAINT PAUL, MINNESOTA 55075 • 651-451-1831 • FAX 651-450-7384
OFFICE ALSO LOCATED IN SPOONER, WISCONSIN

The attached resolution sets the tax levy for collection in the year 2022 at $736,898, calculated as follows:

General Fund:	
Not-to-Exceed General Property Tax Levy	$592,071
Bond Retirement:	
Not-to-Exceed Improvement Bond Debt Retirement	$144,827
Total Not-to-Exceed Levy	$736,898
Less HACA and LGA	-$0.00
Final Net Not-to-Exceed Levy	**$736,898**

Section 2. Council Action. The Council now must adopt the final budget and the final tax levy for 2022. The Council is asked to consider the following:

1. Resolution Adopting the General Fund Operating Budget for the City of Sunfish Lake for the Year 2022; and

2. Resolution Levying and Adopting the Tax Levy for Collection in the Year 2022.

The City Treasurer will provide any additional information or updates at the December 7, 2021 Council meeting.

Attachments

CITY OF SUNFISH LAKE
DAKOTA COUNTY, MINNESOTA

RESOLUTION NO. 21-______

RESOLUTION ADOPTING THE GENERAL FUND OPERATING BUDGET FOR THE CITY OF SUNFISH LAKE FOR THE YEAR 2022

BE IT RESOLVED BY THE CITY COUNCIL OF SUNFISH LAKE, MINNESOTA:

The attached 2022 General Fund Operating Budget for the City of Sunfish Lake is hereby approved and the appropriations shown for each department are hereby approved.

Adopted this 7th day of December, 2021, by the City Council of Sunfish Lake.

____
Dan O'Leary, Mayor

ATTEST:

____
Catherine Iago, City Clerk

BUDGET

City of Sunfish Lake
Budget Analysis
All Funds
Year 2022

09/07/21

	2020 Actual	2021 Budget	2021 Actual to 7/31/2021	2021 Full yr estimate As of 7/31	2021 Budget Difference	Proposed 2022 Budget	$ Change	% Change	Non levy items-general	
Revenues										
Property taxes - current	$ 535,783	$ 557,629	$ 308,725	$ 557,629	$ -	$ 592,071	34,442	5.8%		
Property taxes - delinq	3,169	0	8,188	8,188	8,188	0	0	0.0%	0	
Grants	2,046	5,000	715	5,000	0	5,000	0	0.0%	5,000	Recycle Grant to match actual expenditures
Other grants	0	0	9,030	18,059	18,059	0	0	0.0%		Small Cities Assistance M.S. 162.145 -not funded for 2022
Other taxes	2,383	1,500	1,907	1,907	407	1,500	0	0.0%	1,500	NDC4 Franchise Fee
Gross permits & plan checks	35,580	24,000	10,590	24,000	0	24,000	0	0.0%	24,000	Same as 2021
Surtax revenue	1,486	420	457	457	37	420	0	0.0%	420	
Charges for City services	1,015	3,000	0	3,000	0	3,000	0	0.0%	3,000	Includes Arbor Day Receipts
Fines	2,348	2,000	1,754	3,000	1,000	2,500	500	20.0%	2,500	
Interest income	5,899	6,000	2,357	6,000	0	6,000	0	0.0%	6,000	
Subtotal-General and Surtax	589,709	599,549	343,722	627,240	27,691	634,491	34,942	5.5%	42,420	
									Total	2014 / 2017 / 2019 / 2021
Special Assessments	25,307	72,564	7,299	72,564	0	72,564	(1)	0.0%	72,564	12,586 / 5,194 / 54,783
Bond Fund Levy	135,023	112,523	62,293	124,587	12,064	144,827	32,304	22.3%	144,827	19,005 / 33,363 / 64,915 / 27544 Per bond schedules
Assessments-interest	0	0	850	0	0	0	0	0.0%	0	
Funding from CIP						0	0			
Bond Proceeds	0	0	0	604,495	604,495	0	0	0.0%		
Total Revenues	750,039	784,636	413,964	1,428,886	644,250	851,882	67,246	7.9%	114,984	
Expenditures										
Council expenses	0	400	0	0	(400)	400	0	0.0%		
Publishing-printing & advertising	1,396	2,400	2,712	2,712	312	2,400	0	0.0%	Includes attorney publications	
Mayor	334	878	0	878	0	878	0	0.0%		
City Administrator	6,505	6,593	3,947	6,593	0	6,791	198	2.9%	2021 estimated +3%	
City Clerk	16,344	17,156	9,916	17,156	0	17,671	515	2.9%	2021 estimated +3%	
Elections	2,785	600	665	705	105	2,000	1,400	70.0%		
Postage	309	600	74	600	0	600	0	0.0%		
Treasurer	23,349	24,066	14,164	24,066	0	24,788	722	2.9%	2021 estimated +3%	
Bank charges	60	120	30	120	0	120	0	0.0%	Same	
City Attorney	45,261	36,500	24,233	38,500	0	36,500	(2,000)	-5.5%	Per City Attorney	
City Planner	33,156	36,000	14,869	36,000	0	43,400	7,400	17.1%	Per Planner	
Police	106,286	106,337	62,034	106,337	0	107,311	974	0.9%	Per WSP Finance Director 1% increase	
Fire protection	64,773	57,559	28,524	57,559	0	71,045	13,486	19.0%	Per Kristen Schabacher-Mendota Heights reflects costs for Fire Hall remodeling	
Signal lighting	58	90	63	90	0	90	0	0.0%		
Due to City Inspector	29,970	19,200	6,899	19,200	0	19,200	0	0.0%	80% of Permit income + plan check fees	
Septic system administration	0	600	0	600	0	600	0	0.0%		

(2)

City of Sunfish Lake
Budget Analysis
All Funds

Year 2022	2020 Actual	2021 Budget	2021 Actual to 7/31/2021	2021 Full yr estimate	2021 Budget Difference	Proposed 2022 Budget	$ Change	% Change	
City Engineer	47,663	47,580	30,270	46,861	(719)	49,790	2,210	4.4%	Monthly, NPDES, LGU Role, Mapping & General
Road maint/capital improve	56,979	54,792	5,723	57,276	2,484	9,100	(45,692)	-502.1%	Street sweeping, sign replacement (CIP), bituminous & shoulder maintenance
Capital Improvements	8,786	71,998	62,191	138,380	66,382	145,000	73,002	-100.0%	Per capital improvement plan
Charlton road maint	0	0	0	0	0	0	0	-100.0%	Gravel, grading, Sunfish Outlet cleaning & dust control
Street lighting	842	600	504	700	100	600	0	0.0%	
Sign maint/pavement mark	947	0	0	240	240	4,500	4,500	0.0%	
Snow removal - ICH	0	3,000	0	0	(3,000)	3,000	0	0.0%	Per City Engineer
Snow removal - other	40,645	38,000	26,000	38,000	0	39,000	1,000	2.6%	Per City Engineer
Recycling	0	5,000	651	3,757	0	5,000	0	100.0%	Recycling coordinator and expenses per City Administrator
City Forester	11,181	20,794	9,574	20,794	0	21,418	624	2.9%	Per Jim Nayes-no change 3% increase
Forestry expenses	1,630	4,800	2,656	3,630	(1,170)	4,800	0	0.0%	Per Jim Nayes-no change-expenses includes Arbor Day trees
Deer management	0	450	0	450	0	450	0	0.0%	
Water quality	1,140	1,140	0	1,140	0	1,140	0	0.0%	Camp program & public education materials
Insurance	1,654	2,800	2,136	2,800	0	2,800	0	0.0%	League of MN Cities, Workers Comp
Memberships	4,109	4,900	3,067	4,900	0	4,900	0	0.0%	League of MN Cities, Lower Mississippi, Metro, et al
Rent	4,200	4,200	0	4,200	0	0	(4,200)	-100.0%	New lease $0
Office Supplies & Expense	1,377	1,440	301	1,440	0	1,940	500	25.8%	Add'l $500 for shelving for planning files
Surtax payments	1,420	420	647	420	0	420	0	0.0%	
Website Expenses	660	4,000	364	4,000	0	4,000	0	0.0%	Webmaster
Miscellaneous	347	500	148	500	0	500	0	0.0%	
Add to cash reserves						5,000			
Subtotal-General & Surtax	511,551	580,134	312,602	640,604	60,470	639,174	59,040	9.2%	
Bond Interest	42,936	34,523	17,346	42,936	8,413	42,707	8,184	18.2%	Per bond schedules
Bond Principle	75,000	170,000	170,000	170,000	0	170,000	0	0.0%	Per bond schedules
Total expenditures	631,505	784,636	499,948	853,539	68,503	851,882	67,245	7.9%	
Net increase(decrease) in reserve	118,534	0	(85,584)	575,347	575,347	0	0		

	2014	2017	2019	2021
Bond Interest	4,148	7,595	24,780	6184.5
Bond Principle	35,000	40,000	95,000	-

Summary & Tax Rate Analysis	2020	2021
General Revenue	531,724	557,629
Bond Fund-Levy	138,428	112,523
Total	670,152	670,152
Tax Rate	0.28441	0.28410

	2022 Budget Balance		Levy $ Unchanged			2022 Tax Rate Unchanged	
	592,071	6.19%	525,325	-5.79%		525,331	-5.79%
	144,827	28.71%	144,827	28.71%		144,827	28.71%
2022	736,898	9.96%	670,152	0.00%	2022	670,158	0.00%
	0.28424	0.06%	0.25849	-9.01%		0.28441	0.11%
2021	670,152				2021	670,152	
Difference	66,746				Difference	6	

170,001

CITY OF SUNFISH LAKE
DAKOTA COUNTY, MINNESOTA

RESOLUTION NO. 21-______

RESOLUTION LEVYING AND ADOPTING THE TAX LEVY FOR COLLECTION IN THE YEAR 2022

BE IT RESOLVED BY THE CITY COUNCIL OF SUNFISH LAKE, MINNESOTA:

There is hereby levied upon all taxable property in the City of Sunfish Lake a direct Ad Valorem Tax for the year 2022 for the following purposes and for the following amounts:

General Fund:	
General Property Tax Levy	$592,071
Bond Retirement:	
Improvement Bond Debt Retirement	$144,827
Total Levy	$736,898
Less HACA and LGA	$-0-
Final Net Levy	**$736,898**

Adopted this 7th day of December, 2021, by the City Council of Sunfish Lake.

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Dan O'Leary, Mayor

ATTEST:

____
Catherine Iago, City Clerk