City of Blaine
City Council Workshop

June 9, 2025 | 5:30 PM
Blaine City Hall
10801 Town Square Drive NE
Blaine, MN 55449

AGENDA

NOTICE OF WORKSHOP MEETING
In accordance with the provisions of Section 3.01 of the Blaine City Charter, a Council Workshop meeting is scheduled for the following purpose:

1. Call to Order

2. Roll Call

3. New Business

3.1. 2025-135 Council Requested Items for Discussion
Sponsors: Michelle Wolfe, City Manager

3.2. 2025-136 Introduction and Demonstration of City Council SharePoint Site
Sponsors: Ben Hayle, Communications Manager

3.3. 2025-137 2026 Budget - General Fund Budget and City/EDA Property Tax Levy
Sponsors: Jason Zimmerman, Finance Director

4. Other Business

5. Adjournment

City of Blaine
Staff Report

File Number: 2025-135

Agenda Date	Status
June 9, 2025	
In Control	**File Type**
City Council	Workshop Item

New Business - Michelle Wolfe, City Manager

Agenda Item # 3.1

Council Requested Items for Discussion

Background

Request From Councilmember Larson:
Councilmember Larson is proposing that the city consider an ordinance and/or signage prohibiting women from being topless at Lakeside Commons Beach in opposition to the Minnesota Supreme Court ruling that being topless in Minnesota is not a crime. Public concern has generated this conversation.

Urgency Level
Medium – within the next 2-3 workshops

Staff Recommendation

Per policy, this discussion will be limited to whether or not the council wishes to direct staff to prepare a future workshop agenda item for council discussion. Staff can answer questions about the nature of the work and timeline during the workshop.

Questions for Council

Is there council consensus to place this topic on a future workshop agenda?

Attachment List

None

City of Blaine
Staff Report

File Number: 2025-136

Agenda Date	Status
June 9, 2025	
In Control	**File Type**
City Council	Workshop Item

New Business - Ben Hayle, Communications Manager

Agenda Item # 3.2

Introduction and Demonstration of City Council SharePoint Site

Background

Staff has created a SharePoint site for councilmembers where they can access relevant resources quickly. In addition to the demonstration, staff will be seeking council feedback.

Staff Recommendation

Questions for Council

Provide feedback on the new Council SharePoint site.

Attachment List

None

City of Blaine
Staff Report
File Number: 2025-137

Agenda Date	Status
June 9, 2025	
In Control	**File Type**
City Council	Workshop Item

New Business - Jason Zimmerman, Finance Director

Agenda Item # 3.3

2026 Budget - General Fund Budget and City/EDA Property Tax Levy

Background

Staff will provide a presentation on the initial General Fund and Economic Development Authority (EDA) budgets as submitted by department heads, as well as preliminary levy impacts, which include increased funding for capital improvements and debt service. Input from this workshop will help shape additional staff efforts to produce the City Manager's 2026 budget recommendation for presentation at the August 11 City Council Workshop. Additionally, time is available at the September 1 Workshop if necessary to further review the proposal in advance of certifying the preliminary tax levy at the September 15 City Council and EDA meetings.

This first formal workshop regarding the 2026 operating budgets and property tax levy is intended to begin the annual process of aligning City Council priorities with financial resources to provide Blaine property owners, residents, and visitors with quality city services at a responsible tax level. While this discussion is very preliminary, with many assumptions, it will help set expectations for staff and create a more efficient budgetary process while striving for outcomes that align with Council goals. Based on prior year's guidance, staff have prioritized investments in capital assets that provide a broad benefit across the community, while minimizing additional ongoing operating requests.

As the budgeting process began, staff was asked to adhere to the following principles as a guide:

- Evaluate and acknowledge both the short and long-term impacts of all budgetary decisions
- Stabilize revenues and expenditures, and eliminate unanticipated variances
- Fund operations at a level to provide quality services at a reasonable cost
- Preserve structural balance and appropriate fund balance levels to mitigate future risks
- Consider additional investments when they help achieve City goals and provide a significant return to the community
- Seek to make a connection between resources and results

Because this document is being prepared in late May, many assumptions continue to be made based on trends in prior years' financial performance. Several factors may impact the final budget, including legislative changes, state mandates, economic shifts, and union negotiations. Estimated assessed values for taxes payable 2026 have not been provided by Anoka or Ramsey County, so at this time staff is unable to prepare an estimated tax capacity rate or impact scenario on the median valued single-family home. Additionally, metro-wide fiscal disparity information isn’t anticipated until sometime in late August, which staff also need to calculate an accurate estimate of tax rate/impact.

City-Based Budget and Levy

Significant assumptions and factors impacting the baseline department requested 2026 city-based budget / property tax levy include:

- Removal of one-time expenditures and revenues from the 2025 budget to the 2026 budget
- No new initiatives or programs not already provided for within the 2025 budget
- Compensation in accordance with existing labor agreements and non-union wage schedules
- Contributions to full-time benefit eligible employees' insurance coverage / cafeteria plan
- Funding to further address the operation of the City's internal service functions, including Worker's Compensation, Self-Insurance, and Facility Funds
- Inflationary impacts on commodities, supplies, and professional services
- Additional capital levy to assist in pre-funding capital equipment to reduce future debt requirements
- Increased debt service levy to support the city's street improvement program
- Technological improvements to enhance the resiliency of City operations
- Bonding in 2025 to finance transportation improvements and capital equipment purchases; new tax levy in 2026 to support debt service

As outlined in the budget schedule, Finance Department staff conducted small group discussions with all members of the Council during the second week of April to provide measured assumptions that incorporate operating, capital, and debt funding strategies as outlined in previous budgetary cycles while maintaining existing staffing and service levels at anticipated 2026 costs. An outcome of these small group meetings was the creation of a policy-driven framework containing key themes, goals, and expectations for the 2026 budget and property tax levy, which was informally supported by the majority of the Council at the April 14 Workshop. These items include:

- Equitable compensation for city staff
- Preserve existing complement of full-time staffing
- Prioritize new funding for capital investments
- Sufficient resources for internal service funds
- Connect budget requests to the strategic plan
- Evaluate non-personnel-related expenditures
- Leverage unrestricted reserves to fund non-reoccurring requests
- Maintain posture to incentivize development/redevelopment
- Reduce reliance on the property tax levy

City Tax Levy - Departmental Submissions

As currently prepared with the inclusion of departmental submissions, the 2026 City budget would require a $55,300,000 tax levy, which represents an increase of $5,964,000 or 12.1%. Despite this increase falling in line with the estimates presented to Council during the small group discussions in early April, staff made considerable efforts to comply with established guidance. Early departmental inputs put the estimated tax levy at an increase of approximately 11.2%, but subsequent requests from the Information Technology division have increased the departmental requested tax levy back to the same framework discussed in small groups.

Additional details supporting the consolidated summary below can be found within the attachments to this item. As previously noted, the direction provided to City staff has been to invest in capital and manage ongoing operational commitments.

City Levy History					
Levy Item	2022 Levy	2023 Levy	2024 Levy	2025 Levy	2026 Departmental Levy
Operating	$29,350,000	$31,712,000	$36,385,585	$39,547,598	$43,451,487
Capital	$450,000	$600,000	$200,000	$1,769,752	$2,890,360
Debt	$4,800,000	$4,800,000	$6,324,015	$8,018,650	$8,958,153
Total	$34,600,000	$37,112,000	$42,909,600	$49,336,000	$55,300,000

Economic Development Authority Levy - Departmental Submissions

Acting as a separate taxing authority, the Economic Development Authority (EDA) has leveraged its cash position and financial resources in recent years to advance the strategic goal tied to the 105th Avenue Redevelopment Area. While much of the property within the targeted redevelopment area has been acquired, the majority of this property is located on the east side of the project area, which is anticipated to be developed as a second phase. Within the Master Development Agreement is a Promissory Note of $3,704,430 which requires the developer to begin making payments to the EDA in 2028 and continue doing so until 2032, when the note is due.

The EDA tax levy was increased from $750,000 to $1,000,000 in 2023 to provide funding for capital-related projects including land acquisition, development assistance, and supporting redevelopment activities. While the baseline 2025 EDA operating budget aligned closely with prior years, the Board authorized a property tax levy of $1,150,000 with the full $150,000 increase dedicated to future targeted development/redevelopment initiatives, and authorized staff to place these funds in a separate fund for transparency purposes. This funding for 2025 has been earmarked for potential opportunities should they arise in the near future and before the EDA is reimbursed for property within the 105th Redevelopment Area.

The current 2026 EDA budget would call for a $1,225,000 tax levy, which represents an increase of

$75,000 or 6.5%. At this levy amount, current operational costs will be fully funded as well as provide additional resources to restore the EDA operating redevelopment budget as it was in 2024.

EDA Levy History					
Levy Item	2022 Levy	2023 Levy	2024 Levy	2025 Levy	2026 Departmental Levy
Operating	$750,000	$1,000,000	$1,000,000	$1,000,000	$1,075,000
Capital	-	-	-	$150,000	$150,000
Total	$750,000	$1,000,000	$1,000,000	$1,150,000	$1,225,000

Next Steps

With departmental budgets submitted, the Finance Department will complete a comprehensive analysis reviewing discretionary/contractual spending trends, focusing on the items of most direct control. In addition to exploring cost-containment strategies, staff will isolate one-time expenditures within the operating budget that may be eligible to fund using existing reserves, rather than building into the tax levy. The finance department will then schedule meetings with department heads and the City Manager to discuss their findings, prioritize spending, implement consistent practices, and ultimately identify opportunities to further reduce the tax levy. These actions will then be incorporated for review at the August 11 City Council Workshop.

Levy Setting Process

State statute requires local governments to adopt a preliminary levy by September 30. After that approval, the preliminary budget can still be changed and the levy can be reduced, but not increased, prior to adopting the final budget and levy in December. Best practice is to adopt a preliminary levy that provides adequate flexibility for the council to react to changing economic conditions and needs of the community.

Note: The presentation will be uploaded prior to June 9.

Remaining Budget Schedule:

~~February 10~~	~~Budget Kick-off~~
~~March 10~~	~~Budget Key Dates Discussed~~
~~April 1 - 11~~	~~Small Group Meetings with Mayor and Councilmembers~~
~~April 14~~	~~Review of Small Group Meetings; Outcomes and Council Direction~~
June 9	General Fund and EDA Budget and Tax Levy
June 23	Internal Service Funds *(Budget Retreat – 4th Monday)*
July 14	Capital Funds Budget
August 11	Review General Fund, EDA, and Capital Budgets and Tax Levy
September 1	Reserved for Budget Review if needed
September 15	Adopt Proposed General Fund, EDA, and Capital Budgets and Tax Levy

September 22	Charitable Gambling and Communications Funds
September 29	Utilities and Refuse Funds *(Budget Retreat – 5th Monday)*
October 13	Review Charitable Gambling Fund Scoring
October 13	Review General Fund, EDA, and Capital Budgets and Tax Levy
November 10	Review Utilities and Refuse Funds
December 1	Truth-in-Taxation Public Meeting
December 15	Adopt Final General Fund, EDA, and Capital Budgets and Tax Levy

Staff Recommendation

Questions for Council

Does the Council have any questions about the preliminary inputs or process to deliver the City Manager's recommended 2026 budget/tax levy?

Attachment List

1. Presentation
2. General Fund/Levy Exhibits
3. EDA Fund Exhibits

2026 Budget – General Fund Budget and City/EDA Property Tax Levy

City Council Workshop| Finance

06/09/2025

Agenda

Presentation

- Budgetary principles and objectives
- Process and timeline
- Property tax drivers and comparisons
- Budgets as submitted by department heads
- Next steps

Outcome

- Discuss Council questions about the preliminary inputs
- Demonstrate budget aligns with Council framework
- Outline staff driven process to contain operational spending
- Guidance to produce the City Manager’s 2026 budget/tax levy in August

Strategic Planning

- In early 2023, the city engaged in a strategic planning process to update existing priorities that were established in 2020
- The plan consists of six strategic priorities - the issues of greatest importance to the city over the next four years
- ***The strategic priorities serve as a roadmap, ensuring proposed investments reflect council policy direction***

City of Blaine Core Services

Public Safety

Public Works

Parks and Recreation

Community Development

Financial Oversight

Administration

Engineering

Budgetary Principles

- Evaluate and acknowledge both the short and long-term impacts of all budgetary decisions
- Stabilize revenues and expenditures, and eliminate unanticipated variances
- Fund operations at a level to provide quality services at a reasonable cost
- Preserve structural balance and appropriate fund balance levels to mitigate future risks
- Consider additional investments when they help achieve City goals and provide a significant return to the community
- Seek to make a connection between resources and results

Prioritized Objectives

Focusing on essential city services & funding these activities adequately

Sustaining high quality city operated public safety departments

Investing in modern technology to improve services & increase efficiency

Continuing to fund annual street reconstruction & maintenance projects

Enhancing city parks, trails, & open spaces

Fostering an efficient & transparent government

Promoting citizen engagement

Incorporating Council adopted Strategic Priorities

Maintaining “AAA” credit rating

Annual Process

Budget Creation → Budget Preparation → Small Group Meetings → Budget Entry → Budget Review → Adopt Proposed Levy → Budget Amendments → Adopt Final Levy

General Property Tax Timeline

January
Property values are established for next year's taxes

February
Value notices are mailed

March
Property tax statements are mailed for current year

May
1st half of property taxes due

September
Preliminary levies must be set by all taxing authorities for next year

October
2nd half property taxes due

November
Proposed tax statements are mailed

December
Final levies must be set by all taxing authorities for next year

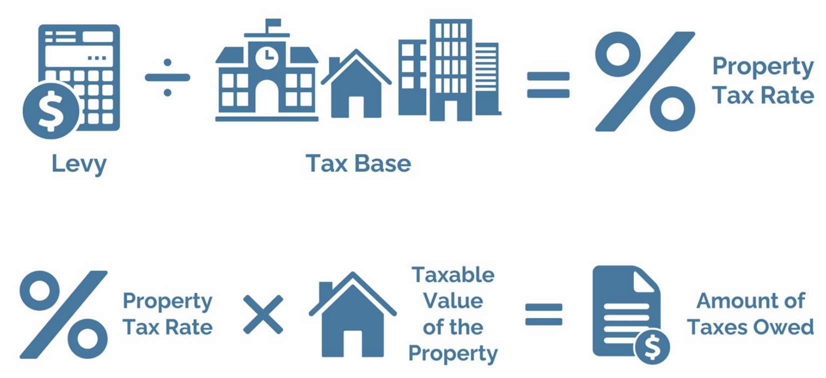
Why Do Property Taxes Change?

- Fluctuations in Market Values
- Changes in Non-Levy Revenue Sources
- Fiscal Disparities
- Levies at Various Jurisdictions
- Debt Issuance
- Special Assessments
- Voter Approved Referendums
- Changes in State & Federal Mandates
- State Legislative Changes

<u>Common misconception:</u>
Tax levy increases are directly correlated to new spending

Understanding Your Property Tax

- Property taxes do not have a set rate like income or sales taxes
- With property taxes, taxing jurisdictions determine the dollar amount to raise from property taxes. This is called the “levy”
- The levy is divided by the total value of the property in the taxing jurisdiction, the “tax base”, to arrive at a tax rate
- The tax rate is multiplied by the value of each individual parcel to determine each parcel’s share of property taxes



2025 Tax Statement

Statement Includes All Taxing Jurisdictions

- 6. Anoka County
- 7. County Public Safety System
- **8. City of Blaine**
- 10. SLP School District
- 11. Special Taxing Authorities
  - A. Metropolitan Special Taxing Districts:
    - Met Council, Metro Transit District, Metro Mosquito
  - B. Other Special Taxing Districts:
    - Watershed & Blaine EDA
- 14. Solid Waste Management Charge

Anoka County
Property Records and Taxation
2100 3rd Avenue
Anoka, MN 55303
(763) 323-5400
www.anokacountymn.gov

TAX STATEMENT **2025**
2024 Values for Taxes Payable in

Property ID Number: [redacted]

Taxpayer(s):
[redacted]

Property Description:
[redacted]

Property Address:
[redacted]

TCA: 10016A
Owner(s): [redacted]

	VALUES & CLASSIFICATIONS		
Step 1	**Taxes Payable Year:**	**2024**	**2025**
	Estimated Market Value:	329,500	340,200
	Homestead Exclusion:	7,585	15,932
	Taxable Market Value:	321,915	324,268
	New Improvements:		
	Property Classification:	RES HSTD	RES HSTD
	Sent in March 2024		
Step 2	**PROPOSED TAX**		
	Proposed Tax:		3,654.68
	Sent in November 2024		
Step 3	**PROPERTY TAX STATEMENT**		
	First half Taxes:		1,825.82
	Second half Taxes:		1,825.82
	Total Taxes Due in 2025 :		3,651.64

$$$ REFUNDS?

You may be eligible for one or even two refunds to reduce your property tax. Read the back of this statement to find out how to apply.

Taxes Payable Year:		**2024**	**2025**
1. Use this amount on Form M1PR to see if you are eligible for a homestead credit refund. File by August 15. If this box is checked, you owe delinquent taxes and are not eligible. ☐			3,627.62
2. Use these amounts on Form M1PR to see if you are eligible for a special refund.		3,245.44	
Property Tax and Credits			
3. Property taxes before credits		3,245.44	3,627.62
4. Credits that reduce property taxes	A. Agricultural and rural land credits	0.00	0.00
	B. Other credits	0.00	0.00
5. PROPERTY TAXES AFTER CREDITS		3,245.44	3,627.62
Property Tax by Jurisdiction			
6. County	A. General county levy	825.00	980.84
	B. Regional rail authority	0.00	0.00
7. County/municipal public safety system		0.00	0.00
8. City or town		1,072.54	1,239.86
9. State general tax		0.00	0.00
10. School district 0016	A. Voter approved levies	653.98	679.06
	B. Other local levies	549.10	564.40
11. Special taxing districts	A. Metropolitan special taxing districts	61.40	62.50
	B. Other special taxing districts	83.42	100.96
	C. Tax increment	0.00	0.00
	D. Fiscal disparity	0.00	0.00
12. Non-school voter-approved referenda levies		0.00	0.00
13. Total property tax before special assessments		3,245.44	3,627.62
Special Assessments			
14. Special Assessments	A. Solid waste management charge	24.02	24.02
	B. All other special assessments	0.00	0.00
	C. Contamination tax	0.00	0.00
15. TOTAL PROPERTY TAX AND SPECIAL ASSESSMENTS		3,269.46	3,651.64

2025 Distribution of Taxes Paid by Sample Parcel

Metropolitan Special Taxing Districts
1.7%

ISD 16
34.1%

City of Blaine
34.0%

Anoka County
27.5%

Other Special Taxing Districts
2.8%

Sample Parcel = $340,200; Located in SLP School District and Coon Creek WSD

2025 Levy Impact

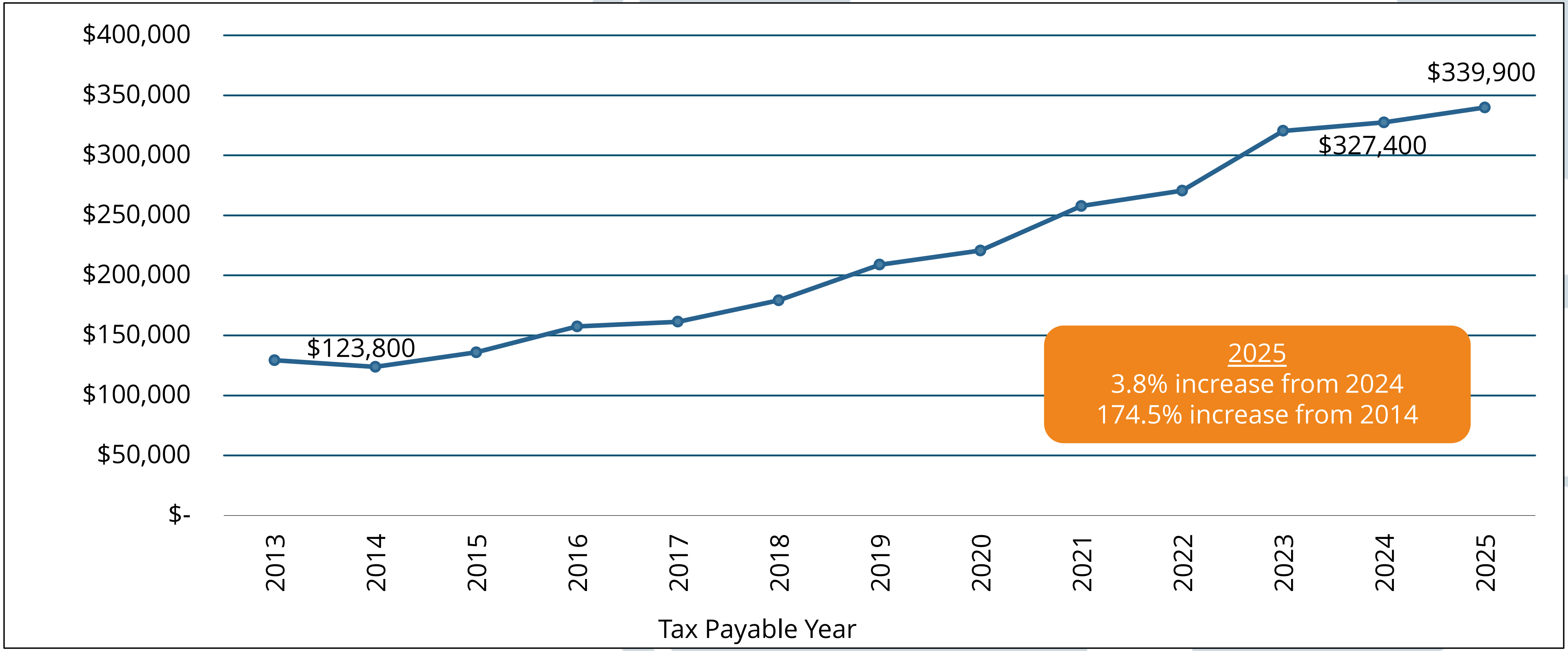
Category	2025 Final Levy	2025 Property Tax Increase*
General Fund	$ 36,385,585	$ -
Steps/Cafeteria Plan/COLA	1,524,000	$ 41.37
Position - Police Officer (2) and Forester (1)	449,617	$ 12.21
Positions Held Vacant	(195,813)	$ (5.32)
Self-Insurance/Workers Comp/Facilities	682,300	$ 18.53
Commodities/Services	868,479	$ 23.58
Reduce Engineering Charges for City Projects	250,000	$ 6.79
Misc Revenue Increase	(499,450)	$ (13.56)
Additional Safe Margin	82,880	$ 2.25
Total General Fund	**39,547,598**	**$ 85.85**
Capital/Debt Service		
Prefunding - Projects/Equipment	1,769,752	$ 42.62
Debt Service	8,018,650	$ 46.01
Total Capital/Debt Service	**9,788,402**	**$ 88.63**
2025 Tax Levy	**49,336,000**	**$ 174.48**
Total City Property Tax*	**1,239.37**	

*Based on median single family home valued at $339,900
The median value home means that 50% of the homes are valued more and 50% are valued less

Over 50% of the 2025 increase was allocated to debt service and prefunding capital

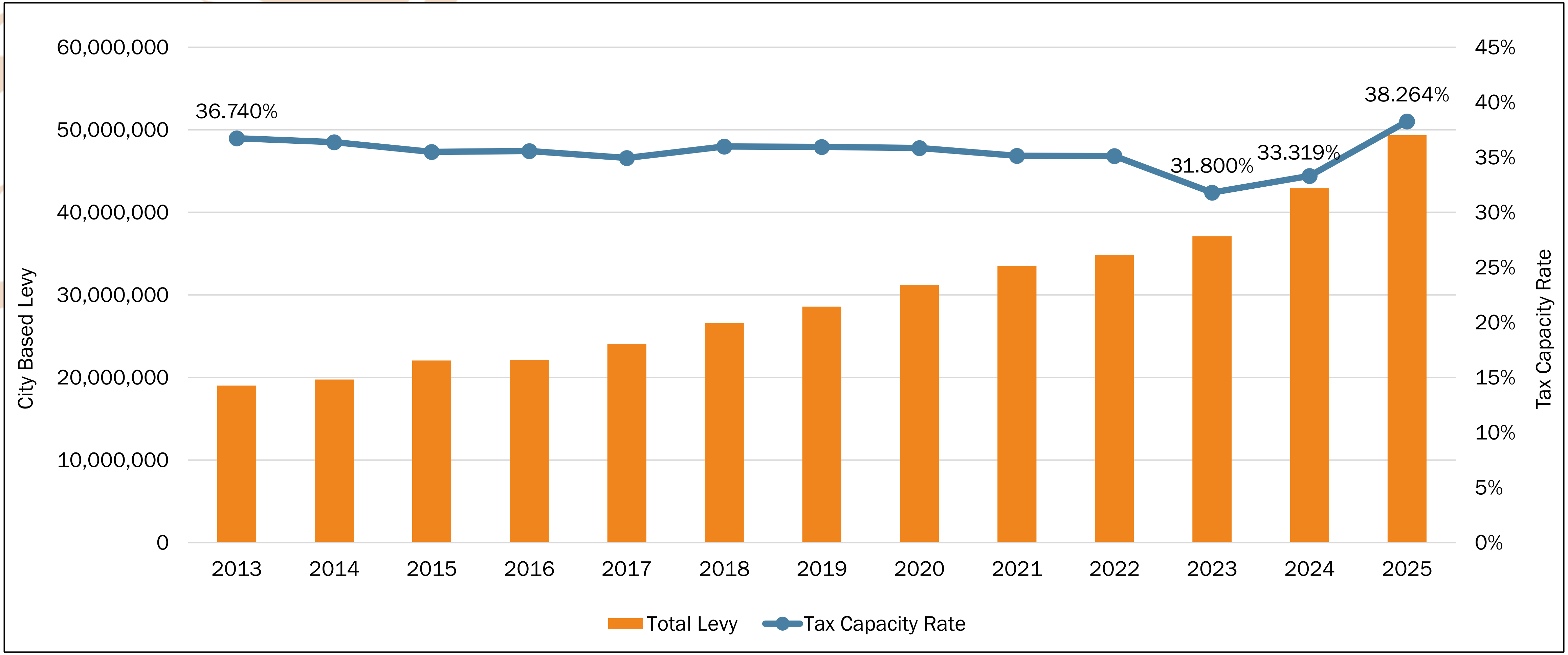
Assessed Estimated Median Value Single Family Home

(Year = Pay Year)



**2026 taxes payable are established based on January 2025 values*

Tax Capacity Rate and Total City Levy Trends



*Tax Capacity Rate = Levy / Tax Capacity Value

Calculating Median Value Single Family Home 2025Tax Bill

Market Value	Less Market Value Exclusion	= Taxable Value
$339,900	- $15,959	= $323,941

Taxable Value	Times Class Tax Rate	= Property Tax
$323,941	x 38.232%	= $1,238

2025 City Levy Allocation

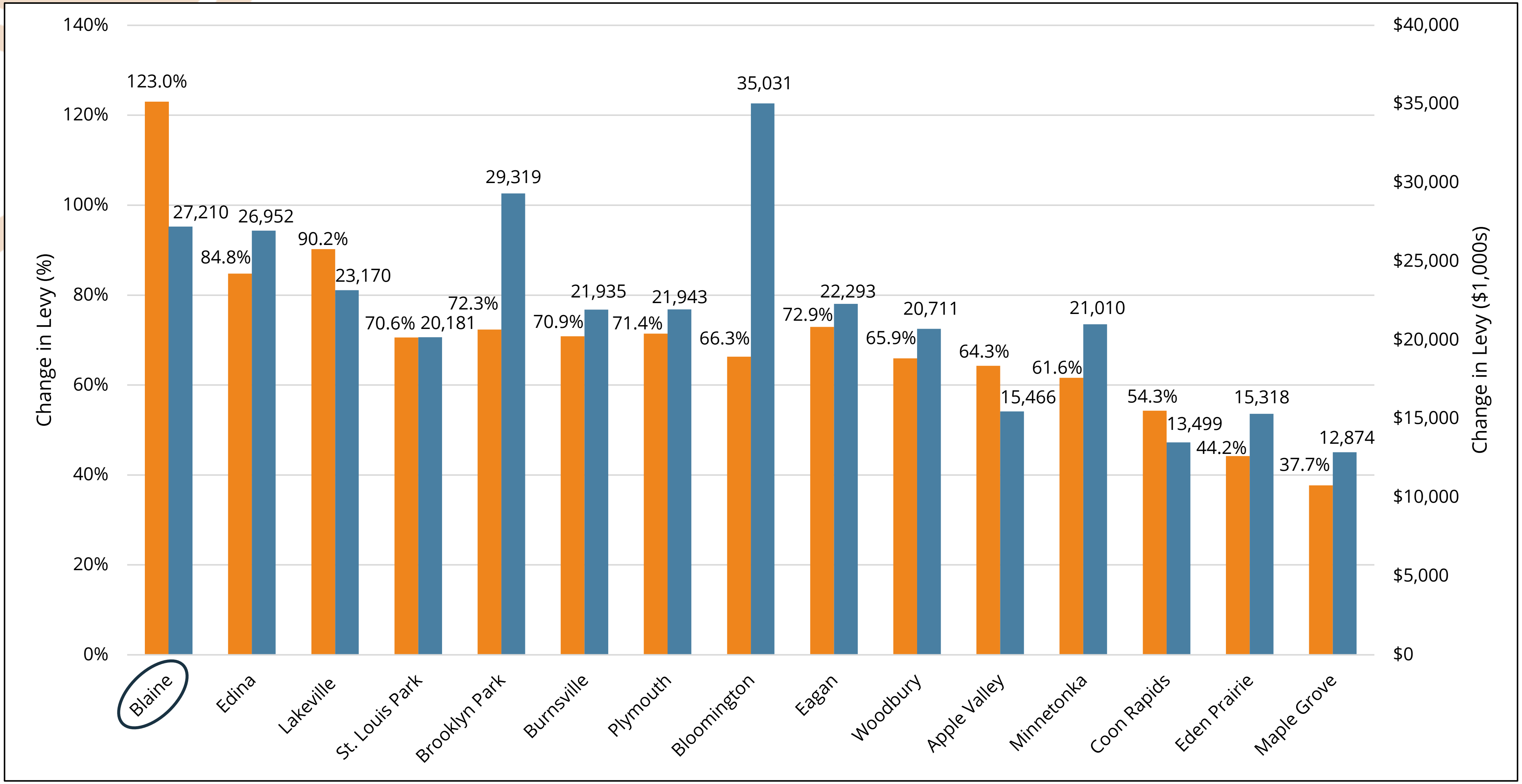
Monthly Distribution of City Taxes ($103.20)
On Median Value Single Family Property in Blaine - $339,900

Public Safety	Public Works & Recreation	Capital & Debt	Finance & IT	General Gov't
$44.58	$23.84	$20.43	$7.64	$6.71

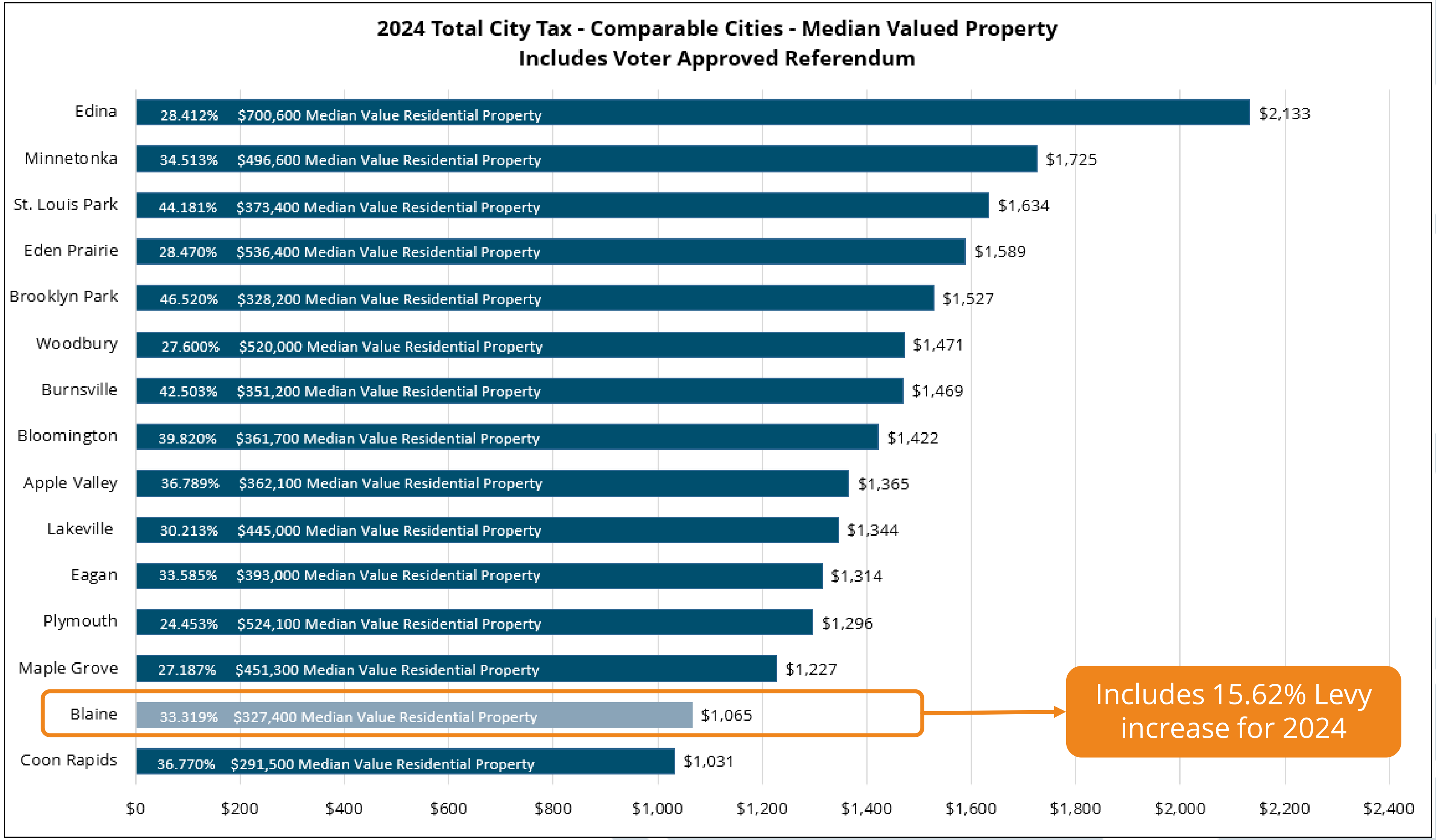
Levy Change – 2016 to 2025 Comparable Cities

Despite largest increase in percent change, tax on median single-family home remains favorable

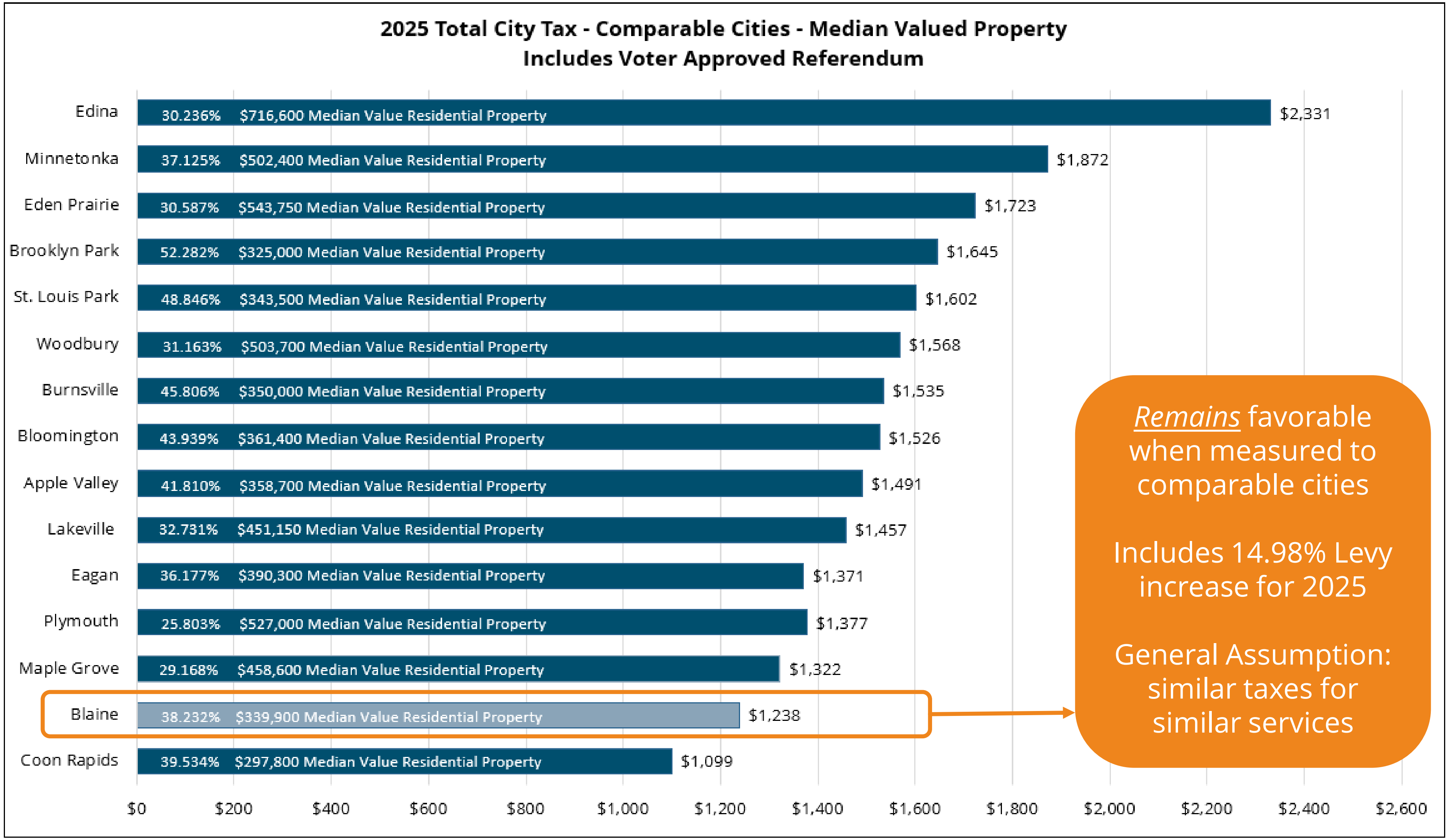
- Represents total levy change as % and $
- New market value (Construction) to share tax burden
- Legacy of low taxes relative to peer communities



Pay 2024 Taxes – Comparable Cities



Pay 2025 Taxes – Comparable Cities



Remains favorable when measured to comparable cities

Includes 14.98% Levy increase for 2025

General Assumption: similar taxes for similar services

2026 City Council Guidance

- Equitable compensation for city staff
- Preserve existing complement of full-time staffing
- Prioritize new funding for capital investments
- Sufficient resources for internal service funds
- Connect budget requests to the strategic plan
- Evaluate non-personnel related expenditures
- Leverage unrestricted reserves to fund non-recurring requests
- Maintain posture to incentivize development & redevelopment
- Reduce reliance on the property tax levy

2026 Budget Process

Removal of one-time expenditures/revenues from 2025 to the 2026 budget

No new initiatives/programs not already provided for within the 2025 budget

Ensure Equitable compensation for all staff

Contributions to full-time benefit eligible employees' insurance coverage/cafeteria plan

Funding to further address the operation of the City's internal service functions

Inflationary impacts on commodities, supplies, and professional services

Additional capital levy to assist in pre-funding capital equipment to reduce future debt requirements

Increased debt service levy to support the city's street improvement program

Technological improvements to enhance the resiliency of City operations

Initial Base Levy Assumptions

2025 service levels at 2026 costs

Assumptions

Category	Amount	Percent of Levy Increase
Personnel/Cafeteria Plan/Other Benefits/Taxes	2,303,089	4.7%
Self-Insurance/Workers Comp/Comp Abs/Facilities	440,000	0.9%
Commodities/Services	495,401	1.0%
Information Technology Improvements	459,300	0.9%
Department Requests	233,000	0.5%
SBM Fire Funding (Operating)	267,000	0.5%
Reduce Engineering Charges	250,000	0.5%
Misc Revenue Increase	(583,901)	-1.2%
Safe Margin	40,000	0.1%
Capital	1,120,608	2.3%
Debt Service	939,503	1.9%
Total	$ 5,964,000	12.1%

2025 Budgeted General Fund Revenues

General Fund	2021 Actual	2022 Actual	2023 Actual	2024 Adopted Budget	2025 Adopted Budget	2026 Department Requested Levy
Operating Revenues						
Taxes	$ 27,948,205	$ 29,298,176	$ 31,234,374	$ 36,385,585	$ 39,547,598	$ 43,451,487
Licenses & Permits	3,000,386	3,207,554	2,952,707	2,823,200	2,777,700	2,653,700
Intergovernmental Revenues	1,844,612	1,878,710	2,079,673	1,945,000	1,945,000	2,208,000
Charges for Services	5,625,773	5,602,152	5,348,447	5,109,300	5,183,900	5,269,301
Fines & Forefeitures	228,787	201,677	263,017	193,000	193,000	220,000
Investment Earnings	(180,734)	(750,207)	566,600	150,000	159,000	150,000
Miscellaneous Revenues	60,018	129,845	75,919	163,500	153,500	220,000
Total Operating Revenues	**$ 38,527,047**	**$ 39,590,930**	**$ 42,633,544**	**$ 46,891,985**	**$ 50,082,098**	**$ 54,294,888**
Difference from previous actual/budget	1.2%	2.8%	7.7%	10.0%	6.8%	8.4%

The property tax levy is the primary source of revenue for the General Fund and is directly impacted by changes in expenditures

2025 Budgeted General Fund Expenditures

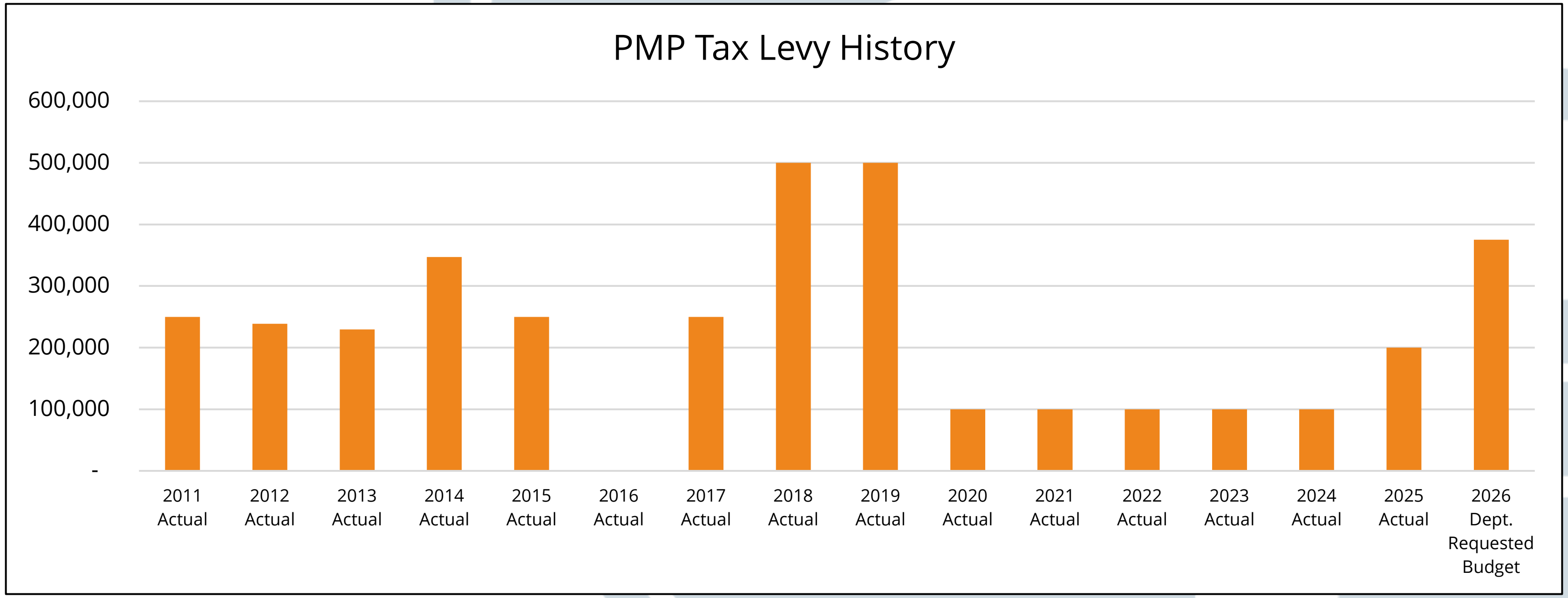
General Fund	2021 Actual	2022 Actual	2023 Actual	2024 Adopted Budget	2025 Adopted Budget	2026 Department Requested Levy
Operating Expenditures						
Legislative	$ 447,585	$ 462,763	$ 460,109	$ 475,163	$ 541,935	$ 546,271
Administration	2,072,359	2,489,169	2,642,225	3,117,206	3,154,421	3,446,137
Finance & IT	2,852,401	3,030,919	3,207,501	3,651,462	3,868,683	4,482,036
Safety Services	14,120,231	15,322,128	17,369,766	20,402,622	21,719,239	23,173,563
SBM Fire Services	2,201,800	2,281,120	2,361,784	2,598,085	2,731,464	2,998,464
Public Works	6,420,663	7,135,658	7,863,921	9,039,867	9,652,386	10,487,775
Engineering & GIS	1,523,036	1,697,749	1,884,954	2,110,861	2,279,549	2,391,964
Recreation	1,175,472	1,409,447	1,560,596	1,617,958	1,810,436	1,939,466
Community Development	2,191,429	2,559,352	2,657,734	2,937,833	2,995,927	3,241,154
General	411,688	431,083	436,320	623,758	928,058	1,148,058
Total Operating Expenditures	**$ 33,416,664**	**$ 36,819,388**	**$ 40,444,910**	**$ 46,574,815**	**$ 49,682,098**	**$ 53,854,888**
Difference from previous actual/budget	6.3%	10.2%	9.8%	15.2%	6.7%	8.4%

40% of the overall increase is related to public safety (Police, Fire, Community Standards)

Capital Levy

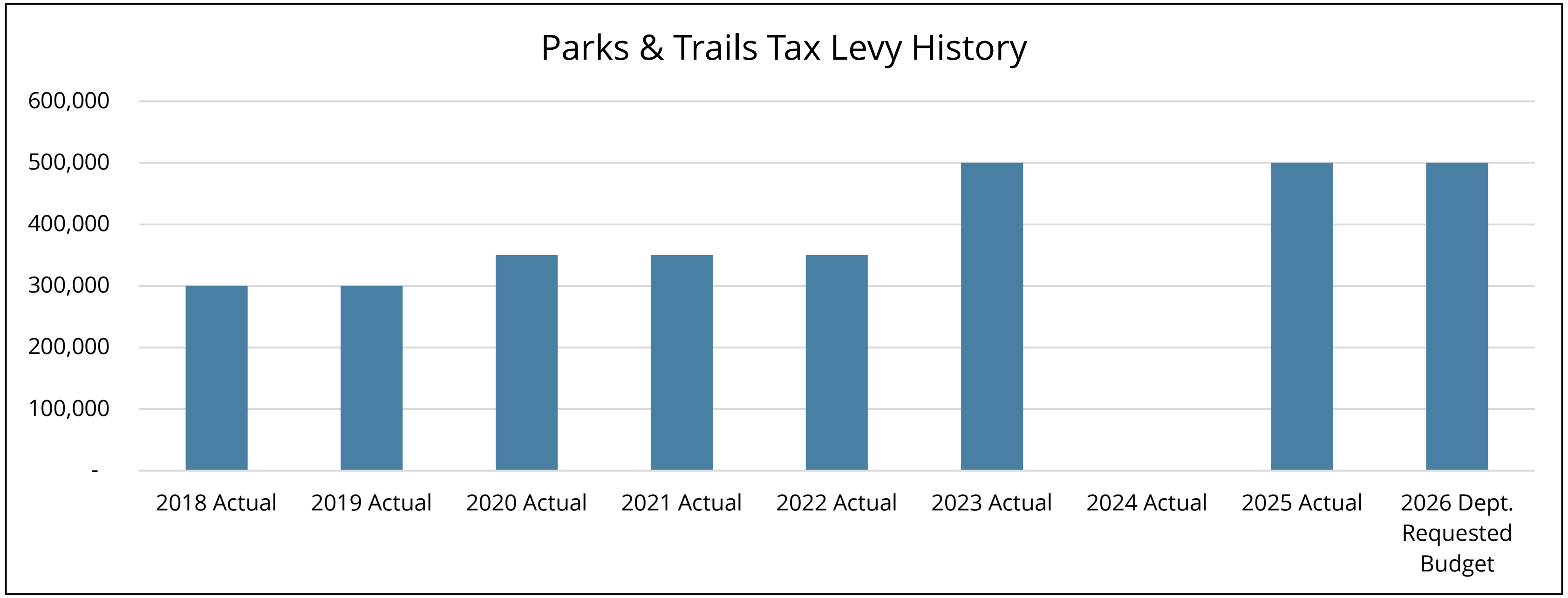
Capital Levy Background

- Transportation
  - Program was established to fund bituminous overlay projects within the Pavement Management Plan (PMP) Fund
  - In 2020 funding was reallocated to the Pavement Maintenance Fund
    - Funding change coincided with timeline to establish robust reconstruction program
  - 2025-2029 CIP indicated desire to fund at $250,000 annually for crack sealing program
    - 2026 includes an extra $125,000 for a pavement condition index study (conducted every 3 years)



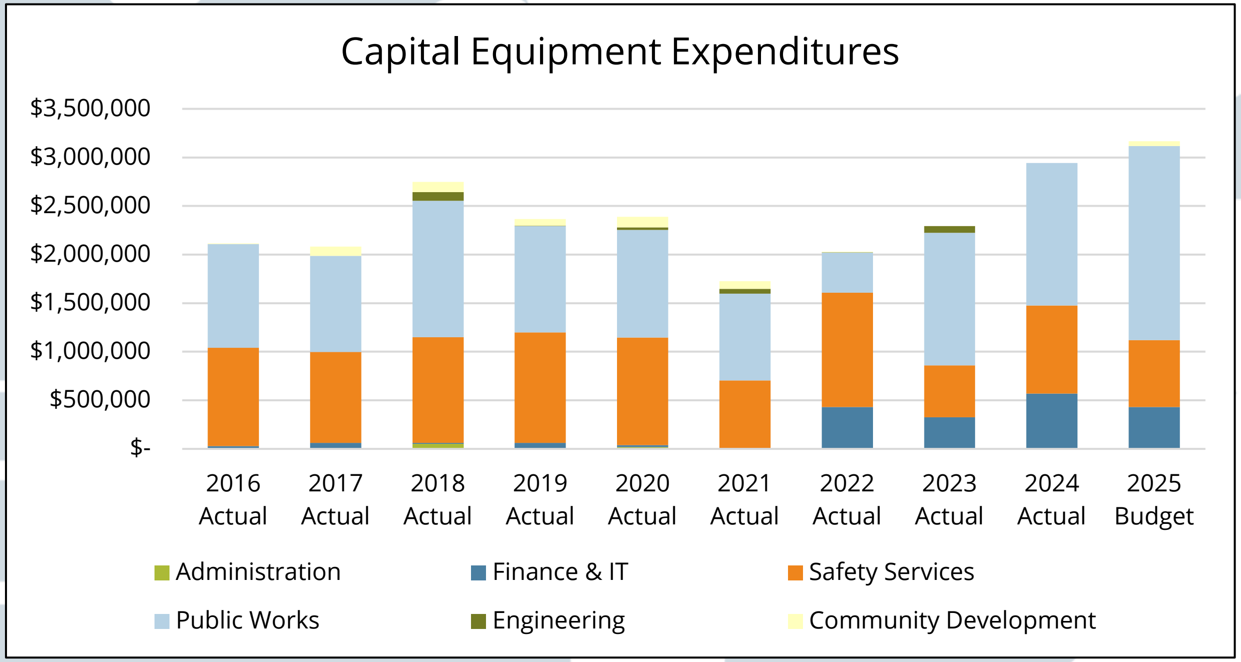
Capital Levy Background

- <u>Parks & Trails</u>
  - Fund was created to provide playground structure replacements at neighborhood parks
  - The first dedicated levy for Parks & Trails was established in 2018
    - Prior funding was solely billboard lease revenue
  - For 2024, the levy was replaced with a transfer from the Strategic Priorities Fund as a stabilization effort
  - 2026 maintains a levy of $500,000



Capital Levy Background

- <u>Capital Equipment</u>
  - Used to account for capital equipment not related to utilities, facilities, or SBM
    - i.e., Police, Community Standards, Building Inspections, Streets and Parks
  - 2024 First Dedicated Levy = $100,000; 2025 Levy = $500,000; 2026 Levy = $1,000,000
  - Historical Funding Sources:
    - 2005-2009: Unrestricted GF Reserves
    - 2010: Equipment Certificate
    - 2011-2013: Unrestricted GF Reserves
    - 2014: Equipment Certificate
    - 2015: Unrestricted GF Reserves
    - 2016: Reserves & Equipment Certificate
    - 2017-2022: Unrestricted GF Reserves
    - 2023-2024: Equipment Certificates
    - 2025: Equipment Certificate & Cash



Capital Levy Background

- <u>SBM Capital</u>
  - Prior to 2021 SBM cities issued bonds for large capital
  - In 2021, Blaine became the financial administrator for SBM Capital Funding
    - <u>Cities agreed to redirect completed debt levies to pre-fund non-station related capital items</u>
  - SBM cities also agreed to deposit 30% of 2023 Public Safety Aid into this capital account
    - Blaine - $931,819; Mounds View - $172,411; Spring Lake Park - $99,038
  - 2026 Levy supports prefunding SBM equipment by reallocating expiring debt

City	Funding Split	2025 Approved Levy	2025 Dept. Requested Levy
Blaine	***76.0%***	***596,752***	***1,015,360***
Mounds View	15.5%	121,706	207,080
Spring Lake Park	8.5%	66,742	113,560
Total	100.0%	785,200	1,336,000

Debt Levy

Debt Levy Background

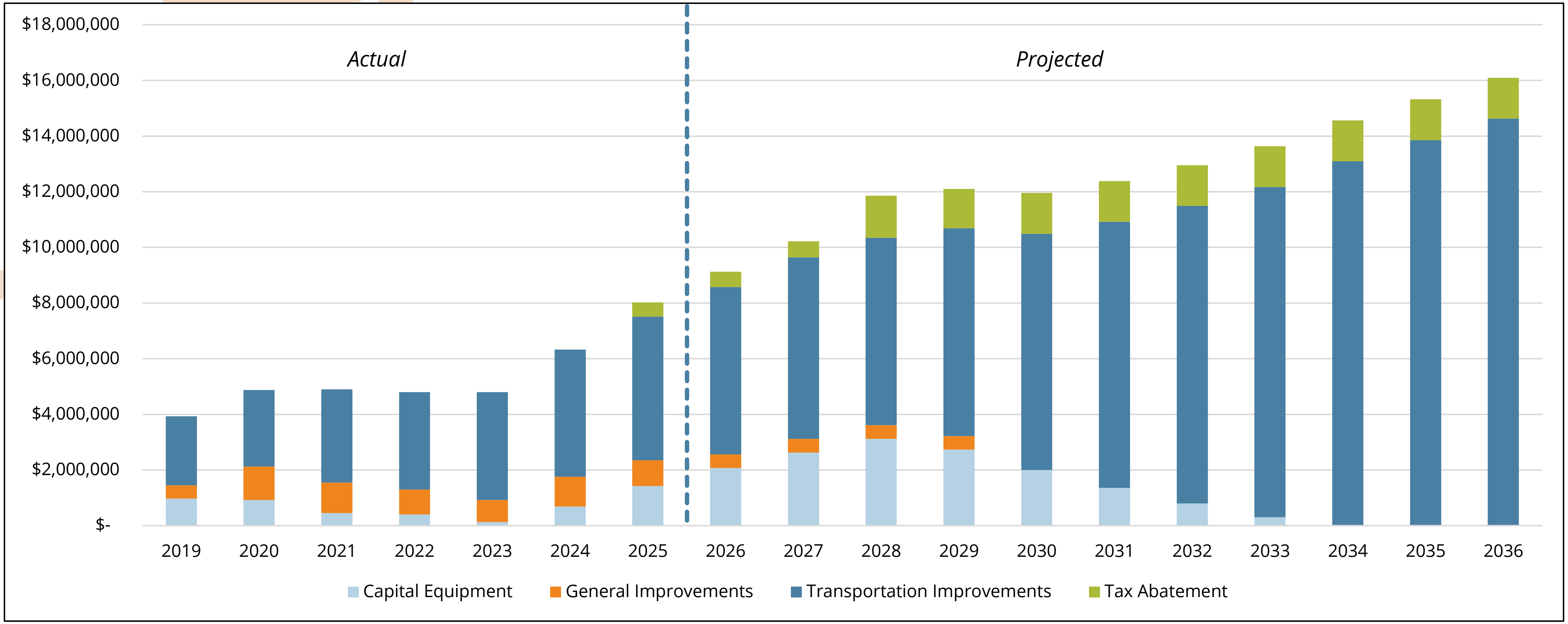
- <u>Pavement Management Program</u>
  - Started investing more heavily in pavement management program in 2019
  - Before 2019 around $2M to $4M of debt was issued per year for roads
  - In 2019, the city issued $9.6M for roads and has issued approximately $8M-$12M per year since
  - Will take 15 years to stabilize debt levy at current annual investment / project scope
  - Pavement management debt levy anticipated to flatten in 2034
- <u>Capital Equipment</u>
  - Previously primarily paid for using prior year's general fund savings
  - Annual requests expected to be approximately between $3-$4 million per year
  - Prefunding program supported by Council and begun for 2023 levy at $100,000
  - Capital equipment debt levy anticipated to phased out by 2029
  - ***Cash funding will reduce borrowing and interest costs → better value for property taxpayers***

City of Blaine, Minnesota
Standard & Poor's Credit Rating

- ✓ "The 'AAA' long-term rating reflects our view of the city's robust management policies and practices, revenue raising flexibility, and continued growth in the local economy, lending to operating stability and robust reserves and liquidity, despite high debt"
- ✓ "Growing local economy……with a large quantity of developable land that has contributed to its steady development trend and value growth"
- ✓ "Blaine has a long record of running a balanced operating budget, as reflected in its consecutive budget surpluses before annual transfers"
- ✓ "The city is developing a plan to prefund capital equipment through utility rate and operating levy increases, which will likely reduce the size of future annual debt issuances"

Debt Levy by Purpose and Levy Collection Year

(2019-2025 Historical & 2025-2036 Projected)

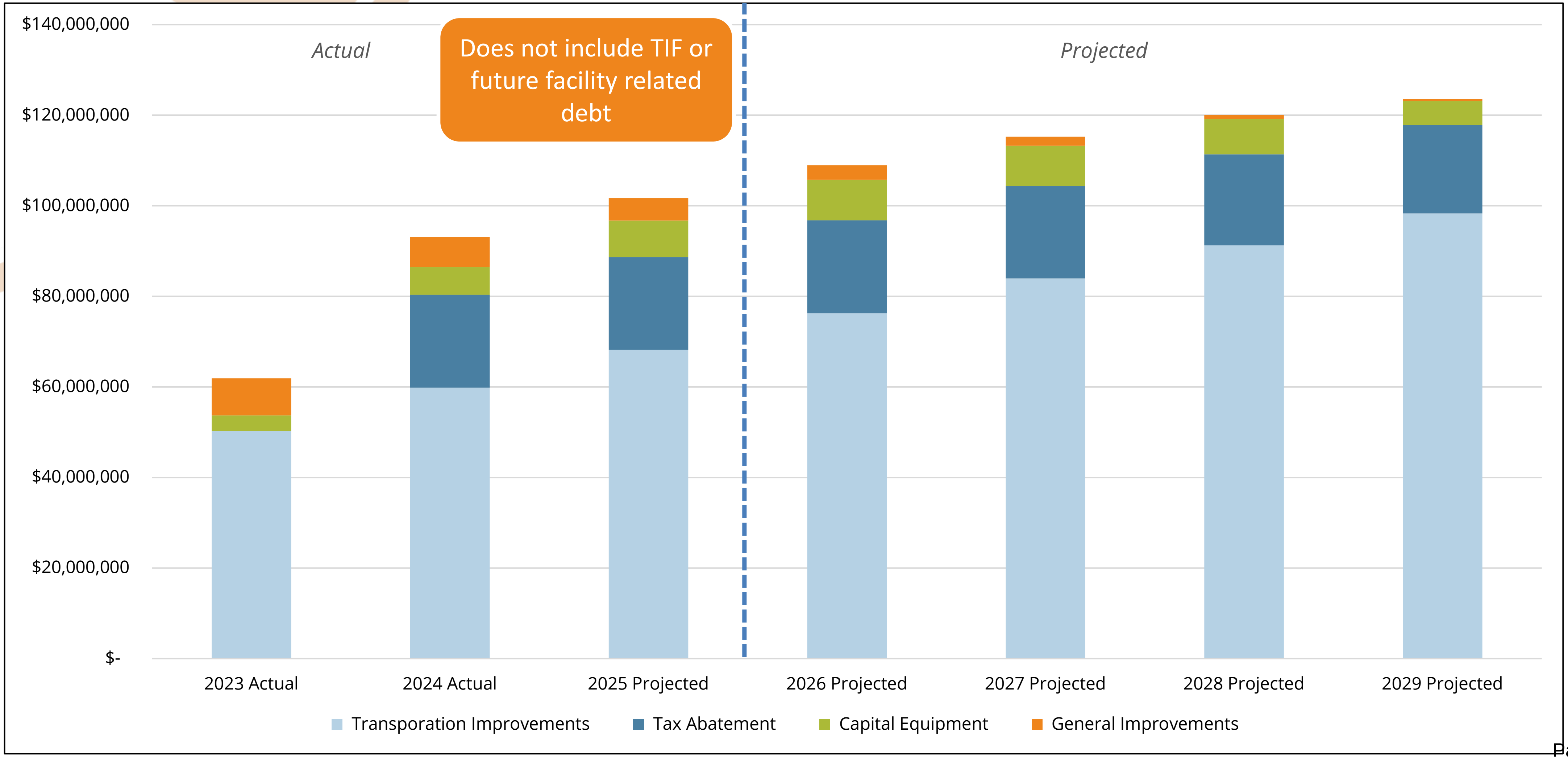


2026 actual debt levy is currently unknown and there is no buffer for

- Interest rate change
- Actual assessable portion of projects (currently assumes 25%)

Current & Projected Outstanding Governmental Debt

(Actual & Projected)



City-Based Levy

2026 City Levy Progression

- March small group results outlined an approximate 12.1% levy increase based on a combination of known, anticipated, and projected costs from trend data
- First draft department requests resulted in an anticipated 11.2% levy increase utilizing the guidance outlined by City Council
- Additional requests were submitted from IT to enhance infrastructure resiliency

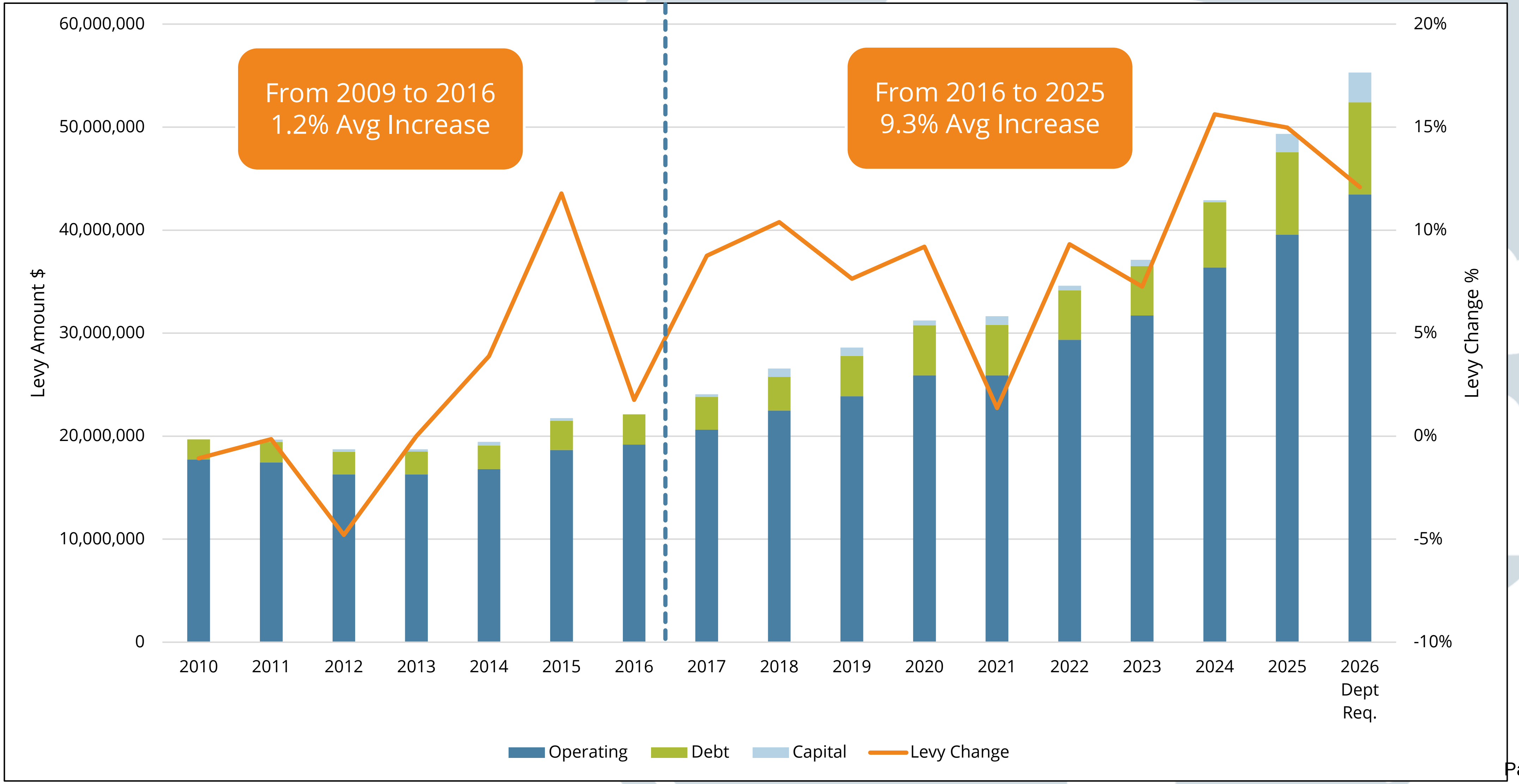
	2026 Small Group Levy	Department Requests	Additional Department Requests
Levy Dollars	$ 55,300,000	$ 54,840,700	$ 55,300,000
Percent Increase	12.1%	11.2%	12.1%

City Levy Components

- The 2016-2025 compound annual rate of change is 9.3%
- The capital equipment levy is proposed to assist with prefunding the replacement of vehicles & equipment in lieu of debt
- The debt levy is increasing due to the city's commitment to investing in critical infrastructure

Levy Component	2016 Budget	2025 Budget	2026 Dept. Requested Levy	2025 to 2026 % Change	2016 to 2025 Rate of Increase
General Fund	$ 19,190,375	$ 39,547,598	$ 43,451,487	9.9%	8.4%
Transportation (Pavement Maintenance)	-	200,000	250,000	25.0%	N/A
Transportation (Pavement Management)	-	-	125,000	N/A	0.0%
Capital Equipment	-	500,000	1,000,000	100.0%	N/A
Parks and Trails	-	500,000	500,000	0.0%	N/A
SBM Capital Equipment	-	569,752	1,015,360	78.2%	N/A
Debt	2,936,000	8,018,650	8,958,153	11.7%	11.8%
Total	**$ 22,126,375**	**$ 49,336,000**	**$ 55,300,000**	**12.1%**	**9.3%**

City Levy History



Economic Development Authority (EDA)

History of EDA

- In May 1985, the Blaine Housing and Redevelopment Authority (HRA) was established to promote economic development
  - State law empowered HRAs with broad authority to engage in redevelopment and economic development activities
- In December 1988, the Economic Development Authority (EDA) was established to replace the HRA as the vehicle for subsequent economic development activities
  - This allowed for greater flexibility per Minnesota Statute
  - Governed by the City Council
  - City Manager serves as the Executive Director

EDA Background

Primary powers of an EDA

- Set a property tax levy
- Issue revenue and general obligation bonds
- Purchase and sell property for development and redevelopment
- Serve to promote business and to recruit new businesses
- Serve as a financial partner to businesses and non-profits through loans
- Tax Increment Financing (TIF) and other financial mechanisms
- Carry out marketing and promotional efforts on behalf of the city

EDA Wetland Bank

- December 2024 cash balance = $0
- In 2025 the EDA established a wetland bank through the restoration of the Blaine Wetland Sanctuary
- The final wetland credits were sold in 2023
- Remaining funds have been transferred to the EDA Capital Fund for consolidation purposes
- Ongoing maintenance for the wetland area is provided through the Open Space Fund (separate & unique)

EDA Capital Fund

- December 2024 cash balance ≈ $(100,000)
- This fund has been used to account for non-operating activities including land transactions and providing for economic incentives
- Future proceeds from the 105th Avenue Redevelopment Area promissory note will be recorded in this fund
- Authorized assistance for extraordinary development costs within the Southside Entertainment District
  - $1,499,000

EDA Operating Fund

- December 2024 cash balance ≈ $2,500,000
- Provides for the routine activities of the EDA
  - Staff costs
  - Business engagement
  - Property holding costs
- Levy increased to $1,000,000 annually in 2023
  - Was $750,000 previously
  - Increased to provide flexibility for future opportunities

	2025 Adopted Budget	2026 Department Requested Budget	2025 Adopted vs. 2026 Proposed	
Revenues				
Tax Levy	$ 1,000,000	$ 1,075,000	$ 75,000	7.5%
Lodging Tax Fee	5,000	5,000	-	0.0%
TIF Admin Fees	40,000	40,000	-	0.0%
Building Rentals	14,400	14,400	-	0.0%
Investments	15,000	15,000	-	0.0%
Other	3,000	3,000	-	0.0%
Total Revenues	**$ 1,077,400**	**$ 1,152,400**	**$ 75,000**	**7.0%**
Expenditures				
Operating				
Personnel Services	$ 203,571	$ 212,739	$ 9,168	4.5%
Supplies	500	500	-	0.0%
Contractual Services	7,000	7,000	-	0.0%
Other	-	-	-	N/A
Programs				
3M Tournament	130,000	140,000	10,000	7.7%
City Monument Signage	-	-	-	N/A
Economic Development Programs				
Targeted Redevelopment	172,371	250,000	77,629	45.0%
Fire Supression Grants	25,000	25,000	-	0.0%
Business Appreciation	15,000	15,000	-	0.0%
Property Holding Costs	65,000	20,000	(45,000)	-69.2%
Dues, Subscriptions, Training	9,000	7,000	(2,000)	-22.2%
Gen Fund Admin Fees	448,800	473,900	25,100	5.6%
Facilities Maintenance	1,015	1,105	90	8.9%
Facilities Replacement	143	156	13	9.1%
Total Expenditures	**$ 1,077,400**	**$ 1,152,400**	**$ 75,000**	**7.0%**

EDA Levy Considerations

- December 2024 cash balance for all EDA operations ≈ $2,400,000
- From 2022 – 2024 approximately $9.2M was transferred into the EDA from other funds
- The EDA has traditionally leveraged its financial position to advance the City’s strategic plan and impact targeted development/redevelopment projects
- Significant outlays in recent years to acquire property within the 105th Avenue Redevelopment Area
- Levy as presented would commit $150,000 to the EDA Capital Fund for non-operating opportunities

EDA Levy History

Levy Item	2021 Levy	2022 Levy	2023 Levy	2024 Levy	2025 Levy	2026 Dept Requested Levy
Operating	$ 700,000	$ 750,000	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,075,000
Capital	-	-	-	-	150,000	150,000
Total	$ 700,000	$ 750,000	$ 1,000,000	$ 1,000,000	$ 1,150,000	$ 1,225,000
Increase	-15.2%	7.1%	33.3%	0.0%	15.0%	6.5%

Budget Team Next Steps

Analyze discretionary and contractual spending trends

- Focus on requests with the most direct control
- Review line items for itemized spending detail
- Diagnose historically underutilized budget lines
- Consider opportunities to contain costs across the board
- Find opportunities to leverage fund balance for non-reoccurring expenditures

Schedule meetings with department heads and the City Manager

- Discuss findings
- Prioritize spending
- Maintain current staffing levels
- Implement consistent practices
- Identify opportunities to further reduce the tax levy

Upcoming Council Dates

February 10	Budget Kick-off
March 10	Budget Key Dates Discussed
April 1 - 11	Small Group Meetings with Mayor and Councilmembers
April 14	Review Small Group Meeting Outcomes – General Council Direction
June 9	General Fund and EDA Budget and Tax Levy
June 23	Internal Service Funds *(Budget Retreat – 4th Monday)*
July 14	Capital Funds Budget
August 11	Review General Fund, EDA, and Capital Budgets and Tax Levy
September 1	Reserved for Budget Review if needed
September 15	Adopt Proposed General Fund, EDA, and Capital Budgets and Tax Levy
September 22	Charitable Gambling and Communications Funds
September 29	Utilities and Refuse Funds *(Budget Retreat – 5th Monday)*
October 13	Review Charitable Gambling Fund Scoring
October 13	Review General Fund, EDA, and Capital Budgets and Tax Levy
November 10	Review Utilities and Refuse Funds
December 1	Truth-in-Taxation Public Meeting
December 15	Adopt Final General Fund, EDA, and Capital Budgets and Tax Levy

Questions for Council

- Does the Council have any questions about the preliminary inputs or process to deliver the City Manager's recommended 2026 budget/tax levy?
  - *As a reminder, the final tax levy adopted in December may not exceed the preliminary levy set in September*

City of Blaine, Minnesota					
Exhibit A - 1					
2026 Property Tax Levy - Summary					
Levy Item	**Fund**	**2025 Final Levy**	**2026 Department Requested Levy**	**Total Change From '25**	**Percent Change From '25**
	General Fund	$ 39,547,598	$ 39,547,598		
1	Personnel/Cafeteria Plan	-	1,930,939		
2	Paid Family Medical Leave Act Premiums	-	137,150		
3	Self Insurance	-	190,000		
4	Workers Compensation	-	100,000		
5	Compensated Absences	-	30,000		
6	Facilities Fund Internal Service Charges	-	120,000		
7	Commodities/Services (Aggregate; excluding SBM)	-	391,622		
8	Information Technology Improvements	-	459,300		
9	Department Requests	-	233,000		
10	SBM Fire Funding (Operating)	-	267,000		
11	Elections	-	103,779		
12	Restore Permit Technician	-	105,000		
12	Restore Evidence Technician	-	105,000		
13	Reduce Engineering Charges for City Projects	-	250,000		
14	Crime Victim Services Grant Expiring	-	25,000		
15	Misc Revenue Increase	-	(583,901)		
16	Additional Safe Margin	-	40,000		
	Total General Fund	**39,547,598**	**43,451,487**	**3,903,889**	**9.9%**
	Capital				
17	Pavement Maintenance	200,000	250,000		
18	Pavement Management	-	125,000		
19	Capital Equipment	500,000	1,000,000		
20	Parks & Trails	500,000	500,000		
21	SBM Capital Equipment	569,752	1,015,360		
	Total Capital	**1,769,752**	**2,890,360**	**1,120,608**	**63.3%**
22	**Debt Service**				
	GO Improvement Bonds 2013A (67)	439,539	-		
	GO Equipment Capital Note 2016A (70) (NMTV)	-	-		
	GO Improvement Bonds 2016A (71a)	196,633	200,068		
	GO Improvement Bonds 2016A (71b)	163,892	163,251		
	GO Improvement Bonds 2016A (71d)	707,490	723,870		
	GO Taxable Improvement Bonds 2017A (72a)	251,711	253,888		
	GO Improvement Bonds 2019A (75)	555,697	556,306		
	GO Capital Improvement Plan Bonds 2019B (76)	486,938	487,725		
	GO Capital Improvement Plan Bonds 2020A (77)	514,683	513,115		
	GO Improvement Bonds 2021A (78A)	466,088	466,096		
	GO Improvement Bonds 2021A (78B)	110,358	112,248		
	GO Improvement Bonds 2022 (79A)	680,313	675,884		
	GO Improvement Bonds 2023A (80A)	715,783	713,129		
	GO Equipment Certificates 2023A (80C)	689,325	692,475		
	GO Improvement Bonds 2024B	835,000	806,813		
	GO Equipment Certificates 2024B	700,000	689,850		
	105th Ave Tax Abatement Debt Service (81) 2024A	505,200	603,435		
	City Improvement Bonds 2025	-	675,000		
	City Equipment Bonds 2025	-	625,000		
	Debt Service Total	**8,018,650**	**8,958,153**	**939,503**	**11.7%**
	2026 Tax Levy	**49,336,000**	**55,300,000**	**5,964,000**	**12.1%**

City of Blaine, Minnesota			
Exhibit A - 2			
2026 Property Tax Levy - Detail			
Levy Item	**Fund/Category**	**Detail**	**Amount**
1	**Personnel/Cafeteria Plan**	No new positions included	
		Equitable compensation for city staff	$ 1,930,939
		Cafeteria plan and other benefits and taxes included	
2	**Family Medical Leave Act Premiums**	New state-administered mandatory paid family and medical leave insurance beginning January 1, 2026	
		Premium is 0.88% of payroll, assuming city will fund 1/2, the minimum requirement by law	137,150
		Administered by the Minnesota Department of Employment and Economic Development (DEED)	
3	**Self Insurance**	2025 funding $1M, 2024/2025 Premium $756k, Deductible $200,000	
		2025/2026 policy renewal process has not started (Standard and MEL premium), July 15 to July 15	
		Ending 2024: Net Position $192k; incurred but not reported $367k	
		$100k deductible per occurrence/$200k standard aggregate/$4M MEL aggregate	190,000
		No current/proposed funding for new vehicle/equipment replacement (residual vs new)	
		Land-use litigation costs are based on a sliding scale, includes a 15% copay on the the first $250k and 40% on amounts above that	
		Increase spread amongst funds, 75% General Fund	
4	**Workers Compensation**	2025 funding $1.98M, 2026 Premium $1.36M	
		2024 Retro-Premium $282k; 2023-2024 Audit Adjustment $49k	
		2025/2026 policy renewal process has not started, July 15 to July 15	
		2024/2025 Standard Policy, $10k deductible per Occurrence	100,000
		Ending 2024: Cash $(81k), Net Position $(86k)	
		2024 expenditures exceed revenue by $56k	
		Increase spread amongst funds, 92% General Fund	
5	**Compensated Absences**	2020-2024 Funding $784k, Payouts $1.18M, total shortfall $392k	
		Ending 2024: Cash $1.25M	30,000
		Increase spread amongst funds, 93% General Fund	
6	**Facilities Fund Internal Service Charges**	Assumes 8.5% increase year over year, Increase spread amongst funds, 76% General Fund	120,000
7	**Commodities/Services (Aggregate; excluding SBM)**	23.15% of total General Fund expenditures for 2025 budget	
		Figure represents 2.8% increase for 2026 budget	391,622
		Historical increases: 23% for 2022 Actuals, 12% for 2023 Actuals, 9% for 2024 Actuals, 8% for 2025 Budget	
8	**Information Technology Improvements**	Additional requests for ongoing operational items proposed after the start of the budgetary process	459,300
		Investments tied to ensuring an efficient, secure, and modern approach to IT delivery	
9	**Administration Request**	Body Worn Cameras for non-sworn personnel (Community Standards, Building Inspections)	5,000
		Wellness Committee, Online wellness platform that integrates with the city's vendors	8,000
9	**Planning Request**	2050 Comprehensive Plan required by Met Council, a three-year process, additional funding needed in future years to complete	30,000
9	**Police Request**	Public Safety Data System (PSDS) costs	10,000
		Flock Cameras, currently paid using Public Safety (PS) Funds, phase out the PS Funds, $100k annually	20,000
		Axon Officer Safety Plan (OSP) for new officers	10,000
9	**Parks Maintenance**	LRS Portable Toilet services for city parks and special events	15,000
		Part-time labor costs, current budget $153k (including payroll taxes)	30,000
9	**Parks Forestry**	Emerald Ash Borer (EAB) removals, removed $120k in 2025 to fund the Forester position, remaining budget is $195k	105,000
10	**SBM Fire Funding (Operating)**	Ongoing operating funding, represents 9.75% increase, the city's portion is 76% of the total budget	267,000
		Includes the request of 3 Battalion chief-level positions, 20% increase in total salary budget	
11	**Elections**	2026 election year, costs fluctuate accordingly	103,779

City of Blaine, Minnesota			
Exhibit A - 2			
2026 Property Tax Levy - Detail			
Levy Item	**Fund/Category**	**Detail**	**Amount**
12	**Restore Positions**	Building Inspections, Permit Technician	210,000
		Police, Evidence Technician	
13	**Engineering Fees**	Engineering staff track their time spent on city projects then charge this time back to the associated project account (capital project or utility fund)	250,000
		In addition to the administrative time spent, most of the projects this time is allocated to are funded through debt	
		The current revenue budget for this activity in the General Fund is $500,000, 2026 is the 2nd year of a 3-year timeline to eliminate this chargeback	
14	**Crime Victim Services Grant**	Grant amended, originally set to expire in September of 2025, extended through September of 2026	25,000
15	**Misc Revenue Increase**	Administration fees charged to the EDA Fund for services provided by city employees, $474k per year	(583,901)
		Administration fees charged to the Enterprise Funds for services provided by city employees, $2.5M per year	
		Vehicle & equipment maintenance fees charged to the Water and Sewer Funds, $376,200/yr	
16	**Additional Safe Margin**	City safe margin to be established in an amount between 1% and 1.5%, the adjustment brings the 2026 safe margin to $440k	40,000
17	**Transportation - Pavement Maintenance**	Crack-sealing program, 2025-2029 CIP increased funding from $200k to $250k in 2026, city-wide 7 year program	50,000
18	**Transportation - Pavement Management**	Pavement Condition Index (PCI) Study, last completed city-wide in 2022, ideally would like to complete study every 3 years	125,000
19	**Capital Equipment**	2025-2029 CIP increased funding from $500k to $1M	500,000
		Goal is to be pre-funded by 2029	
		Lack of prefunding capital needs may impact credit rating	
20	**Parks & Trails**	2024 levy eliminated, used strategic priority funds, restored in 2025, no increase for 2026	-
21	**SBM Capital Equipment**	Increase funding from $569,752 to $1,015,360	445,608
		As existing debt expires, funding is reallocated to the SBM capital account	
		In total no levy increase	
22	**Debt Service**	Main funding source for Capital Projects	939,503
		Assumes 25% of all improvements will be assessed for the 2025 Transportation projects	
		Assumes current interest rate environment at time of sale for 2025 projects	
		No buffer for assessment/interest rate changes related to 2025 bonding	
		See Exhibit A-3 for further details	
		TOTAL LEVY INCREASE	**5,964,000**

City of Blaine, Minnesota		
Exhibit A - 3		
2026 Debt Service Detail		
Debt Issuance	**Final Levy Year**	**2026 Levy Amount**
GO Improvement Bonds 2013A (67)	2025	-
GO Equipment Capital Note 2016A (70) (NMTV)	Funded by Franchise Fees	
GO Improvement Bonds 2016A (71a)	2026	200,068
GO Improvement Bonds 2016A (71b)	2026	163,251
GO Improvement Bonds 2016A (71d)	2027	723,870
GO Taxable Improvement Bonds 2017A (72a)	2028	253,888
GO Improvement Bonds 2019A (75)	2034	556,306
GO Capital Improvement Plan Bonds 2019B (76)	2029	487,725
GO Capital Improvement Plan Bonds 2020A (77)	2035	513,115
GO Improvement Bonds 2021A (78A)	2036	466,096
GO Improvement Bonds 2021A (78B)	2036	112,248
GO Improvement Bonds 2022A (79A)	2037	675,884
GO Improvement Bonds 2023A (80A)	2038	713,129
GO Equipment Certificates 2023A (80C)	2028	692,475
GO Improvement Bonds 2024B	2039	806,813
GO Equipment Certificates 2024B	2029	689,850
105th Ave Tax Abatement Debt Service (81) 2024A	2040	603,435
City Improvement Bonds 2025 (Preliminary)	2040	675,000
City Equipment Bonds 2025 (Preliminary)	2030	625,000
2026 Tax Levy		**8,958,153**
2027 Tax Levy	**(363,319)**	**8,594,834**
2028 Tax Levy	**(723,870)**	**7,870,964**
2029 Tax Levy	**(946,363)**	**6,924,601**
2030 Tax Levy	**(1,177,575)**	**5,747,026**

Does not include new debt
Prefunded by 2029

BlaineMN.gov
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City of Blaine, Minnesota
Economic Development Authority - 213 & 415
Summary of Revenues, Expenditures, and Change in Net Position
2026 Budget - As of December 31, 2024

	2022 Actual	2023 Actual	2024 Actual	2025 Adopted Budget	2026 Department Requested Budget
EDA Operating Revenues					
Taxes	$ 757,132	$ 996,729	$ 1,008,661	$ 1,005,000	$ 1,080,000
Special Assessments	8,398	5,739	5,518	3,000	3,000
Charges for Services	82,687	64,440	92,611	54,400	54,400
Investment Earnings	(203,836)	165,943	83,131	15,000	15,000
Miscellaneous	2,355	2,229	1,952	-	-
Total EDA Operating Revenues	**646,736**	**1,235,080**	**1,191,872**	**1,077,400**	**1,152,400**
EDA Operating Expenditures					
Personnel Services	175,285	182,652	195,559	203,571	212,739
Supplies	574	361	105	500	500
Contractual Services	224,665	334,658	294,443	349,371	437,000
Other Services & Charges	510,145	493,343	513,678	523,958	502,161
Capital Outlay	(122,922)	1,091,180	(4,042)	-	-
Total EDA Operating Expenditures	**787,747**	**2,102,194**	**999,743**	**1,077,400**	**1,152,400**
EDA Operating Subtotal	**(141,011)**	**(867,114)**	**192,129**	**-**	**-**
EDA Capital Revenues					
Taxes	-	-	-	150,000	150,000
Investment Earnings	127,290	(145,697)	5,888	-	-
Total EDA Capital Revenues	**127,290**	**(145,697)**	**5,888**	**150,000**	**150,000**
EDA Capital Expenditures					
Contractual Services	18,694	-	1,499,000	-	-
Capital Outlay	2,862,053	436,559	2,554,406	-	-
Total EDA Capital Expenditures	**2,880,747**	**436,559**	**4,053,406**	**-**	**-**
EDA Capital Subtotal	**(2,753,457)**	**(582,256)**	**(4,047,518)**	**150,000**	**150,000**
Other Financing Sources (Uses)					
Transfers In	2,609,454	2,594,435	3,961,046	-	-
Transfers Out	-	3,700	-	-	-
Total Other Financing Sources (Use	**2,609,454**	**2,590,735**	**3,961,046**	**-**	**-**
Net Change in Fund Balance	**(285,014)**	**1,141,365**	**105,657**	**150,000**	**150,000**
Beginning Fund Balance	3,403,194	3,118,180	4,259,545	4,365,202	4,515,202
Ending Fund Balance	3,118,180	4,259,545	4,365,202	4,515,202	4,665,202
Year-End Cash Balance	**783,726**	**2,113,610**	**2,456,726**		
Property Tax Levy	**750,000**	**1,000,000**	**1,000,000**	**1,150,000**	**1,225,000**

CITY OF BLAINE, MINNESOTA

2026 SUMMARY BUDGET
EDA FUND - 213

	2025 Adopted Budget	2026 Department Requested Budget	2025 Adopted vs. 2026 Proposed	
Revenues				
Tax Levy	$ 1,000,000	$ 1,075,000	$ 75,000	7.5%
Lodging Tax Fee	5,000	5,000	-	0.0%
TIF Admin Fees	40,000	40,000	-	0.0%
Building Rentals	14,400	14,400	-	0.0%
Investments	15,000	15,000	-	0.0%
Other	3,000	3,000	-	0.0%
Total Revenues	**$ 1,077,400**	**$ 1,152,400**	**$ 75,000**	**7.0%**
Expenditures				
Operating				
Personnel Services	$ 203,571	$ 212,739	$ 9,168	4.5%
Supplies	500	500	-	0.0%
Contractual Services	7,000	7,000	-	0.0%
Other	-	-	-	N/A
Programs				
3M Tournament	130,000	140,000	10,000	7.7%
City Monument Signage	-	-	-	N/A
Economic Development Programs				
Targeted Redevelopment	172,371	250,000	77,629	45.0%
Fire Supression Grants	25,000	25,000	-	0.0%
Business Appreciation	15,000	15,000	-	0.0%
Property Holding Costs	65,000	20,000	(45,000)	-69.2%
Dues, Subscriptions, Training	9,000	7,000	(2,000)	-22.2%
Gen Fund Admin Fees	448,800	473,900	25,100	5.6%
Facilities Maintenance	1,015	1,105	90	8.9%
Facilities Replacement	143	156	13	9.1%
Total Expenditures	**$ 1,077,400**	**$ 1,152,400**	**$ 75,000**	**7.0%**