



CITY OF OAK GROVE REQUEST FOR COUNCIL ACTION

DEPARTMENT: Finance	MEETING DATE: December 9, 2024
TITLE OF REQUEST: Final 2025 Budget and Levy	
BACKGROUND AND SUPPLEMENTAL INFORMATION: Attached is the final version of the proposed 2025 budget and levy summary for the General fund and utility funds.	
REQUESTED COUNCIL ACTION: Consider Resolution #24-136 adopting the Final General Fund 2025 budget and tax levy. Consider Resolution #24-137 adopting the final Economic Development Authority 2025 tax levy.	

RESOLUTION 24-136

CITY OF OAK GROVE
COUNTY OF ANOKA
STATE OF MINNESOTA

A RESOLUTION APPROVING 2025 PROPOSED GENERAL FUND BUDGET
AND 2025 FINAL PROPERTY TAX LEVY

WHEREAS, the City of Oak Grove is required by State law to approve a resolution setting forth an Annual tax levy to the Anoka County Auditor; and

WHEREAS, Minnesota Statutes require approval of a final property tax levy and final budget on or Before December 31st of each year; and

WHEREAS, the City Council has received the proposed budget document;

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Oak Grove, that the Final 2025 Budget shall be as follows:

REVENUES	2025 Proposed Budget
Taxes and special assessments	\$ 2,847,779
Other General Revenues	605,975
TOTAL REVENUES	3,804,754
EXPENDITURES	
General Government	1,041,689
Public Safety	1,774,106
Public Works	888,233
Parks and Recreation	100,726
TOTAL EXPENDITURES	\$ 3,804,754

BE IT FURTHER RESOLVED, that the City Council of the City of Oak Grove, Anoka County, Minnesota, that the following sums of money be levied for collection in 2025 upon the taxable property in said City of Oak Grove for the following purposes.

	<u>2025</u>
Program or Service	
Base Levy	
General Fund	\$ 3,565,779
Debt Service Fund	\$ 896,455
Economic Development	-
	<u>\$ 4,462,234</u>

And

BE IT FURTHER RESOLVED, that the City Clerk is hereby authorized and directed to transmit this information to the County Auditor of Anoka County, Minnesota and the Minnesota Department of Revenue, if applicable, in the format requested as required by law.

Adopted by the City of Oak Grove, Anoka County, Minnesota, this 9th day of December 2024.

Weston Rolf, Mayor

Attest: _____
Britt Pease, Deputy City Clerk

RESOLUTION 24-137

CITY OF OAK GROVE
ECONOMIC DEVELOPMENT AUTHORITY
COUNTY OF ANOKA
STATE OF MINNESOTA

A RESOLUTION AUTHORIZING THE FINAL LEVY OF
A SPECIAL BENEFIT LEVY PURSUANT TO MINNESOTA STATUTES,
SECTION 469.033, SUBDIVISION 6 AND APPROVAL
OF A FINAL BUDGET FOR FISCAL YEAR 2025

WHEREAS, pursuant to Minnesota Statutes, Section 469.090 to 469.108 (the "EDA Act"), the City Council of the City of Oak Grove created the City of Oak Grove Economic Development Authority (the "Authority"); and

WHEREAS, Section 469.033, subdivision 6 of the Act authorizes the Authority to levy a tax upon all taxable property within the City to be expended for the purposed authorized by the EDA Act; and

WHEREAS, such levy may be in an amount not to exceed .0185 percent of estimated market value of the City; and

WHEREAS, the Authority has filed its budget for the special benefit levy in accordance with the budget procedures of the City in the amount of \$0; and

WHEREAS, based upon such budgets the Authority will levy all or such portion of the authorized levy as it deems necessary and proper;

NOW, THEREFORE, BE IT RESOLVED, by the City of Oak Economic Development Authority, that, subject to the approval of the City Council of the City of Oak Grove, the Authority adopts a final levy of \$0, for taxes payable in 2025.

Adopted by the City of Oak Grove EDA, Anoka County, Minnesota, this 9th day of December 2024.

Mayor

Attest:

City Clerk



City Hall
 19900 Nightingale Street NW
 Oak Grove, Minnesota 55011
 Main (763) 404-7000
 Fax (763) 404-7001

Budget Memorandum

To: Mayor and City Council

From: Loren Wickham, City Administrator
 Karri Thorsten, Consulting Finance Director

Date: December 9, 2024

RE: 2025 Final General Fund Budget

The following is the 2025 proposed budget based on the City Administrator and Department Heads recommendations.

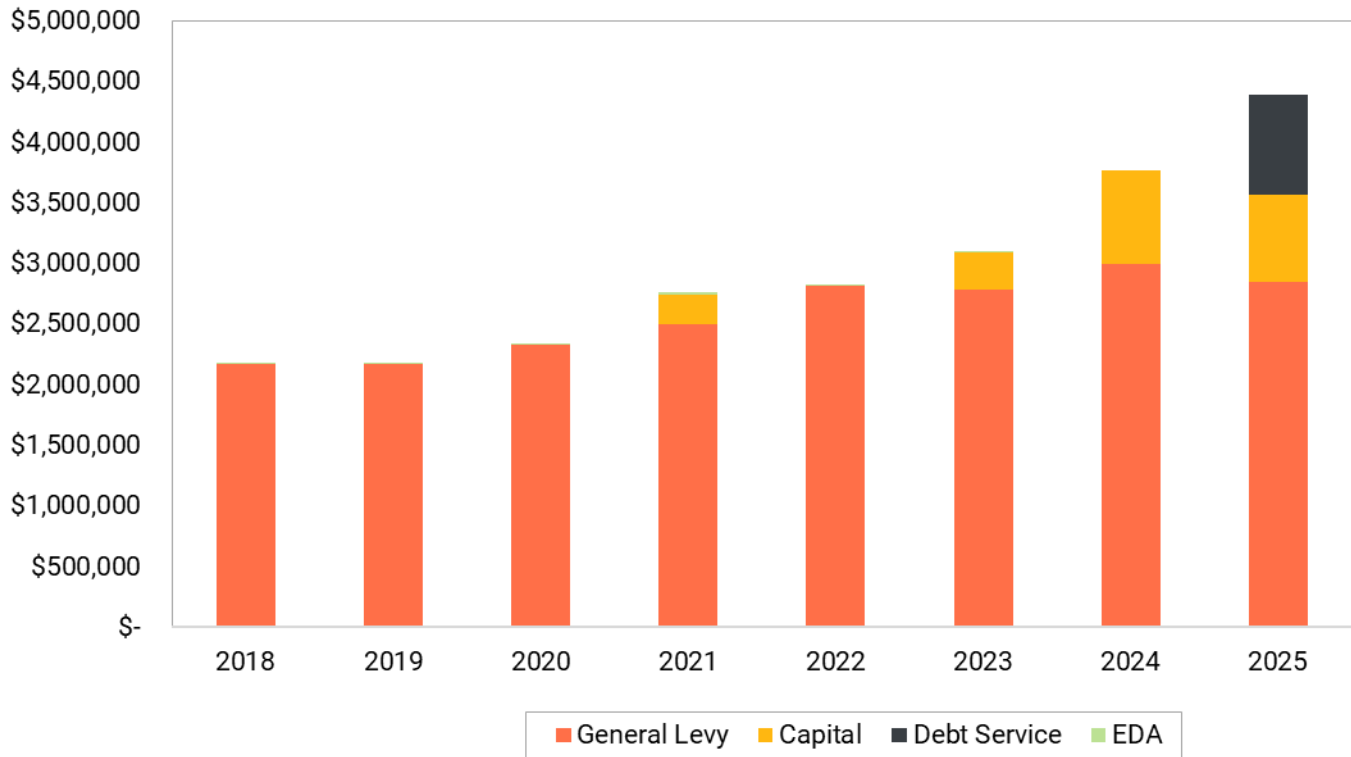
Levy Summary

During the 2025 preliminary budget meeting, the City Council approved a levy increase of 18.44%. The General Fund levy decreased by 5.09%, however, a new Debt Service levy was included for the bonding for the future building project. The 2025 tax rate is calculated to be 25.880%, an increase from the 2024 tax rate of 23.00%. The 2023 and 2024 adopted and the 2025 proposed tax levies are listed below:

Fund	2023 Levy	2024 Levy	Proposed 2025 Levy	Increase (Decrease) from 2024	Percent Change from 2024
General Fund	\$ 2,789,474	\$ 3,000,496	\$ 2,847,779	\$ (152,717)	-5.09%
Capital Levies					
Road Improvement	250,000	551,050	400,000	(151,050)	-27.41%
Trail Maintenance	50,000	66,000	68,000	2,000	3.03%
Public Works Asset Acquisition	-	150,000	50,000	(100,000)	-66.67%
Fire Dept Asset Acquisition	-	-	200,000	200,000	100%
Debt Service	-	-	896,455	896,455	100%
Economic Development Authority	1,000	-	-	-	0%
 Total	 \$ 3,090,474	 \$ 3,767,546	 \$ 4,462,234	 \$ 694,688	 18.44%
Total City Levy (Excluding EDA)	\$ 3,089,474	\$ 3,767,546	\$ 4,462,234	\$ 694,688	18.44%

Levy Summary (Continued)

Eight years of historical levy trend data are presented below for comparison.

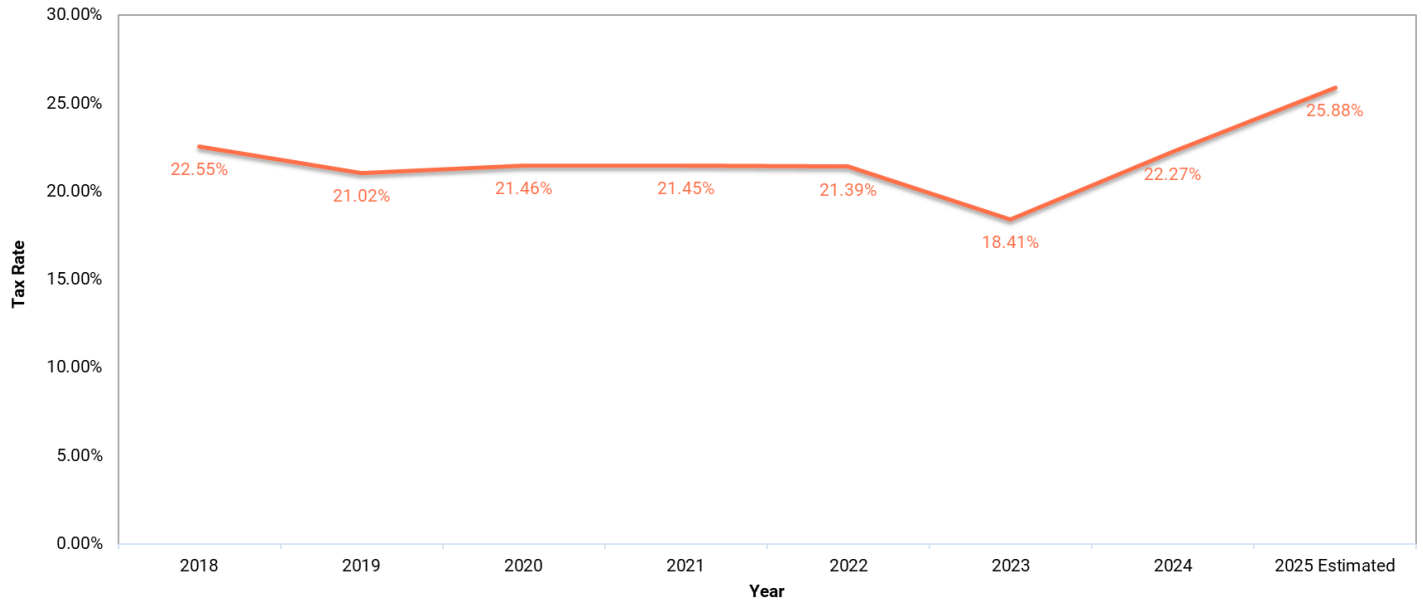


Tax Capacity and Tax Rates

	Actual Payable 2023	Actual Payable 2024	Estimated Payable 2025
Tax Capacity (Anoka)	\$ 15,540,977	\$ 16,122,736	\$ 16,348,908
TIF Captured Value	(47,213)	(52,144)	(52,607)
Fiscal Disparities Contribution	(263,592)	(314,937)	(364,754)
Net Tax Capacity	15,230,172	15,755,655	15,931,547
Certified Levy	3,290,474	3,767,546	4,462,234
Fiscal Disparities Distribution	(288,261)	(314,937)	(339,186)
Local Levy	\$ 3,002,213	\$ 3,452,609	\$ 4,123,048
City Tax Rate	18.400%	22.274%	25.880%
EDA Special District Tax Rate	5.200%	0.000%	0.000%
County Tax Rate	24.176%	26.873%	30.171%
School Tax Rate	15.883%	16.190%	15.136%
Other Tax Rate	2.201%	2.533%	2.543%
Total Tax Rate	65.860%	67.870%	73.730%

Tax Capacity and Tax Rates (Continued)

The following is a summary of Oak Grove's tax rate history for the last eight years.



Below are the actual revenues and expenditures for 2022, 2023 and 2024 budget, and 2025 as proposed with comparative figures for 2024 budget amounts.

CITY OF OAK GROVE, MINNESOTA
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES -
SUMMARY - GENERAL FUND
BUDGET FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2025

	Actual 2022	Actual 2023	Budget 2024	Preliminary 2025	\$ Change	% Change
REVENUES						
Taxes and special assessments	\$2,805,969	\$ 2,759,615	\$ 3,000,496	\$ 2,847,779	\$ (152,717)	-5.09 %
Intergovernmental	348,522	305,451	214,000	270,000	56,000	26.17 %
Licenses and permits - Business	18,725	14,873	14,975	14,475	(500)	-3.34 %
Licenses and permits - Nonbusiness	443,286	379,839	181,400	257,000	75,600	41.68 %
Charges for services	36,682	24,693	20,000	20,000	-	0.00 %
Fines and forfeitures	19,621	19,964	20,000	20,000	-	0.00 %
Miscellaneous	45,389	81,322	22,000	24,500	2,500	11.36 %
Transfer in	350,000	-	15,000	351,000	336,000	N/A %
TOTAL REVENUES	\$4,068,194	\$ 3,585,758	\$ 3,487,871	\$ 3,804,754	\$ 316,883	9.09 %
EXPENDITURES						
Mayor and council	\$ 47,775	\$ 53,167	\$ 51,948	\$ 54,777	\$ 2,829	5.45 %
Administration	350,209	338,366	411,739	430,269	18,530	4.50 %
Elections	16,360	2,144	25,280	14,500	(10,780)	-42.64 %
Finance	193,140	251,841	198,259	203,934	5,675	2.86 %
Assessing	39,421	39,983	40,500	42,500	2,000	4.94 %
Legal Services	62,940	70,913	60,000	72,000	12,000	20.00 %
Planning and Zoning	27,555	69,370	63,261	64,209	948	1.50 %
Computer Services	46,855	53,470	60,000	65,000	5,000	8.33 %
Government Building and Grounds	80,927	90,318	95,217	94,500	(717)	-0.75 %
Police Services	730,808	798,369	859,175	966,000	106,825	12.43 %
Animal Control	1,297	1,338	2,000	2,000	-	0.00 %
Fire Management	462,391	552,259	510,670	656,106	145,436	28.48 %
Building Inspection	339,988	279,290	160,000	150,000	(10,000)	-6.25 %
Public Works	669,137	624,591	709,208	737,343	28,135	3.97 %
Watershed	13,121	14,458	13,245	15,031	1,786	13.48 %
Ice & Snow Removal	96,806	98,534	119,568	115,859	(3,709)	-3.10 %
Engineering	12,787	26,333	20,000	20,000	-	0.00 %
Park and Park Maintenance	81,901	80,156	87,801	100,726	12,925	14.72 %
Miscellaneous	(86)	552	-	-	-	0.00 %
Transfer Out	1,223,233	-	-	-	-	0.00 %
TOTAL EXPENDITURES	\$4,496,565	\$ 3,445,451	\$ 3,487,871	\$ 3,804,754	\$ 316,883	9.09 %
EXCESS REVENUES (EXPENDITURES)	(428,371)	140,306	-	-	-	0.00 %

General Fund Revenues

- General Fund property tax levy decreased \$152,717 or 5.09% from the 2024 General Fund Levy.
- License and permits increase due to increase in activity and fees.
- Interest earnings are budgeted conservatively for 2025 similar to the 2024 budget.
- Budgeted transfer totaling \$351,000, with \$300,000 Public Safety Aid from the Fire Asset Acquisition.

General Fund Expenditures

Wages and Benefits

Changes to wages and benefits for the 2025 budget year are as follows:

- The preliminary budget includes a 3.5% COLA increase for all full-time staff.
- Change in the required years of service for each step in the pay grid.
- City contributions for health insurance remain at 80% for single coverage and 70% for family coverage.
- No changes to PERA contribution rates.

Administration

- Increased \$18,530 from 2024 due to wages and benefits.

Elections

- Decreased \$10,870 due to 2025 not being an election year.
- Budgeted for ½ annual elections costs to avoid large budget swings.

Finance

- Increase due to additional professional service costs.
- Adding HR/payroll software.

Legal

- Increased by \$12,000 due to additional code enforcement.

Police Services

- Increase of \$106,825 over prior year's budget due to increase in contract with Anoka County.
- Transfer of public safety funds to help with this contract.

Fire Management

- Change of required years of service for each step in pay grid resulted in a \$28,000 increase.
- Increase of \$70,000 noted in the budget to properly record pass through Fire State Aid to PERA, which is offset by revenues.
- Increase \$10,000 for various small operating equipment.

Public Works

- Increase of \$28,135 preliminary due to increase in equipment and crack sealing costs.

Park and Park Maintenance

- Added controlled access for parks.

Summary of Revenue Trends

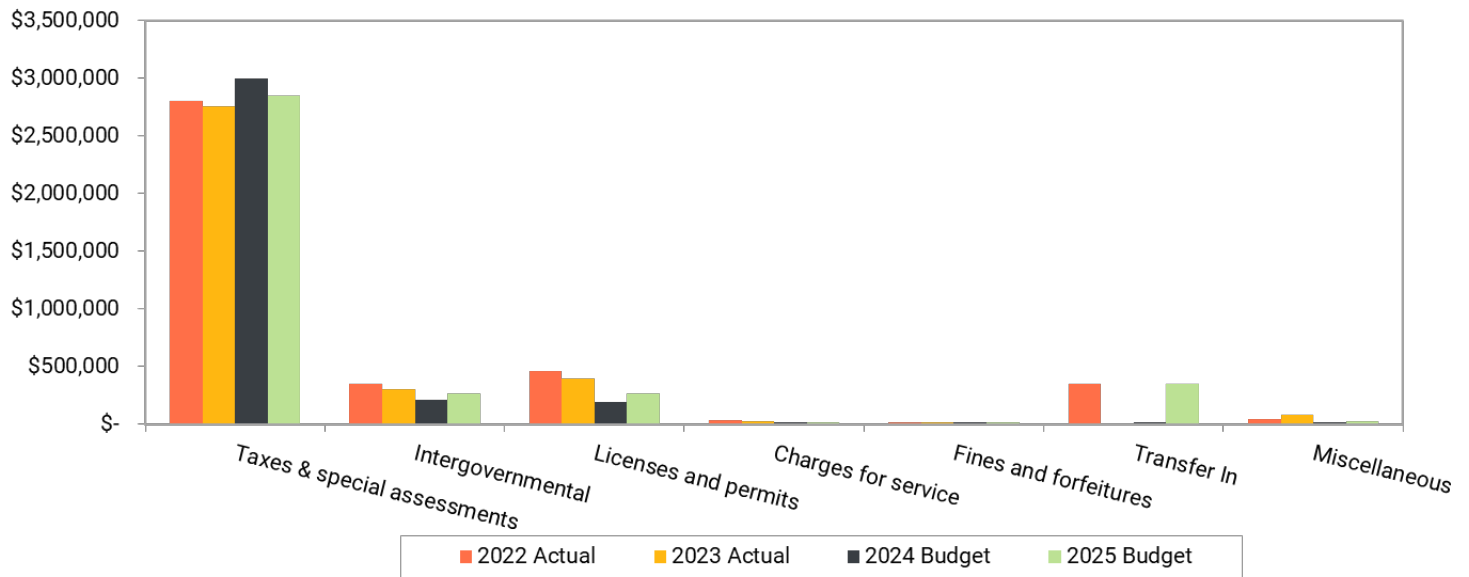
A summary of the 2022 and 2023 General Fund actual revenues as well as the 2024 and 2025 budgeted revenues are presented below with graphical analysis.

**CITY OF OAK GROVE
REVENUE TRENDS/GRAPHS**

	Actual 2022	Actual 2023	Budget 2024	Budget 2025	Change
Taxes & special assessments	\$ 2,805,969	\$ 2,759,615	\$ 3,000,496	\$ 2,847,779	-5.09%
Intergovernmental	348,522	305,451	214,000	270,000	26.17%
Licenses and permits	462,011	394,712	196,375	271,475	38.24%
Charges for service	36,682	24,693	20,000	20,000	0.00%
Fines and forfeitures	19,621	19,964	20,000	20,000	0.00%
Miscellaneous	45,389	81,322	22,000	24,500	11.36%
Transfer in	350,000	-	15,000	351,000	N/A
Total Revenue	\$ 4,068,194	\$ 3,585,758	\$ 3,487,871	\$ 3,804,754	9.09%

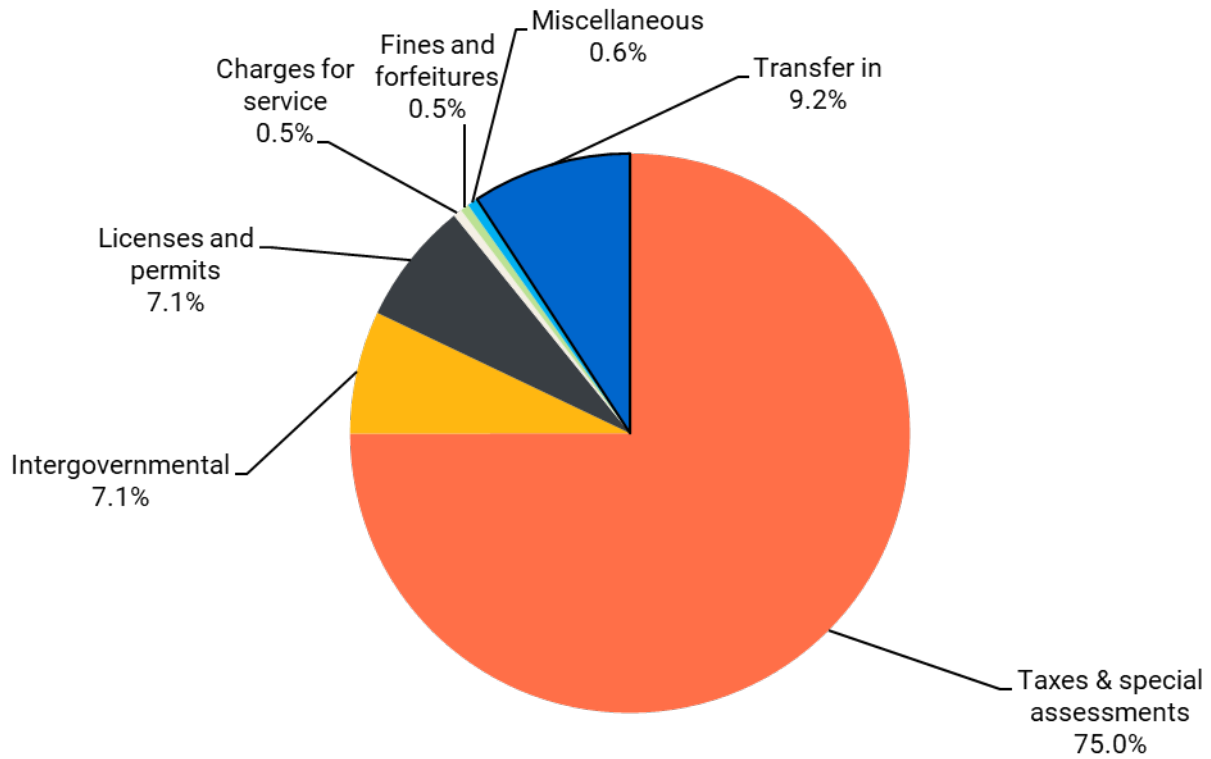
Summary of Revenue Trends

Revenue Trends



Below is a graph of the City's General fund revenues by source as a percentage of total 2025 budgeted revenues.

2025 Revenue Budget



Summary of Expenditure Trends

A summary of the 2022 and 2023 actual General Fund expenditures by function as well as the 2024 and 2025 budgeted expenditures are presented below with a graphical analysis.

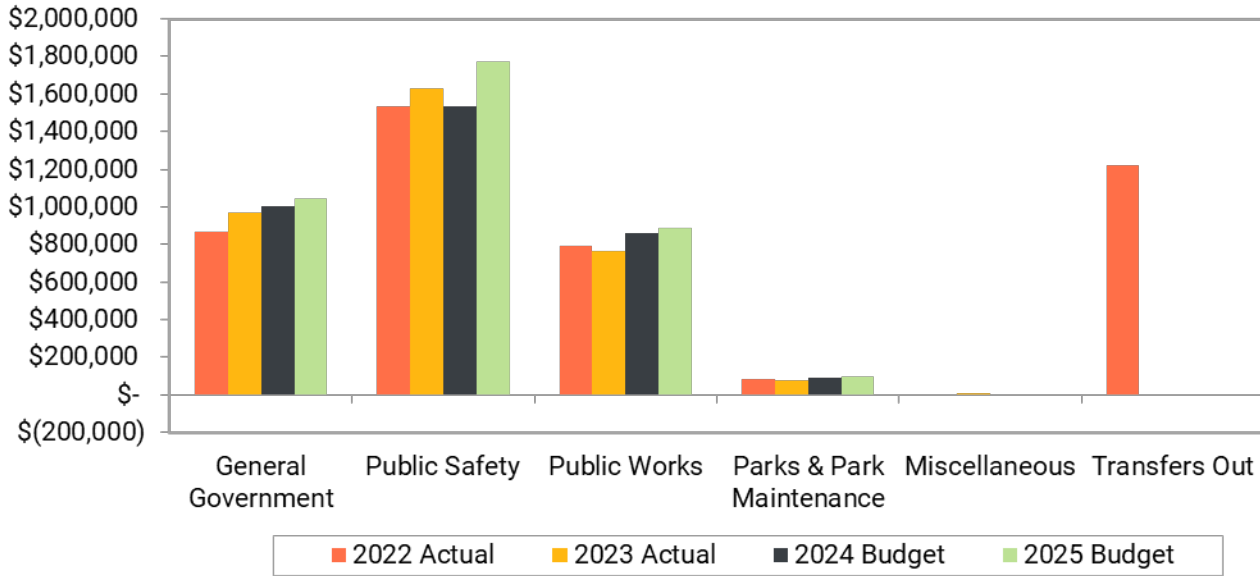
CITY OF OAK GROVE EXPENDITURE TRENDS/GRAPHS

	Actual 2022	Actual 2023	Budget 2024	Budget 2025	Change
General Government	\$ 865,182	\$ 969,572	\$ 1,006,204	\$ 1,041,689	3.53%
Public Safety	1,534,484	1,631,256	1,531,845	1,774,106	15.81%
Public Works	791,851	763,915	862,021	888,233	3.04%
Parks & Park Maintenance	81,901	80,156	87,801	100,726	14.72%
Miscellaneous	(86)	552	-	-	0.00%
Transfers Out	1,223,233	-	-	-	0.00%
Total Expenditures	\$ 4,496,565	\$ 3,445,451	\$ 3,487,871	\$ 3,804,754	9.09%

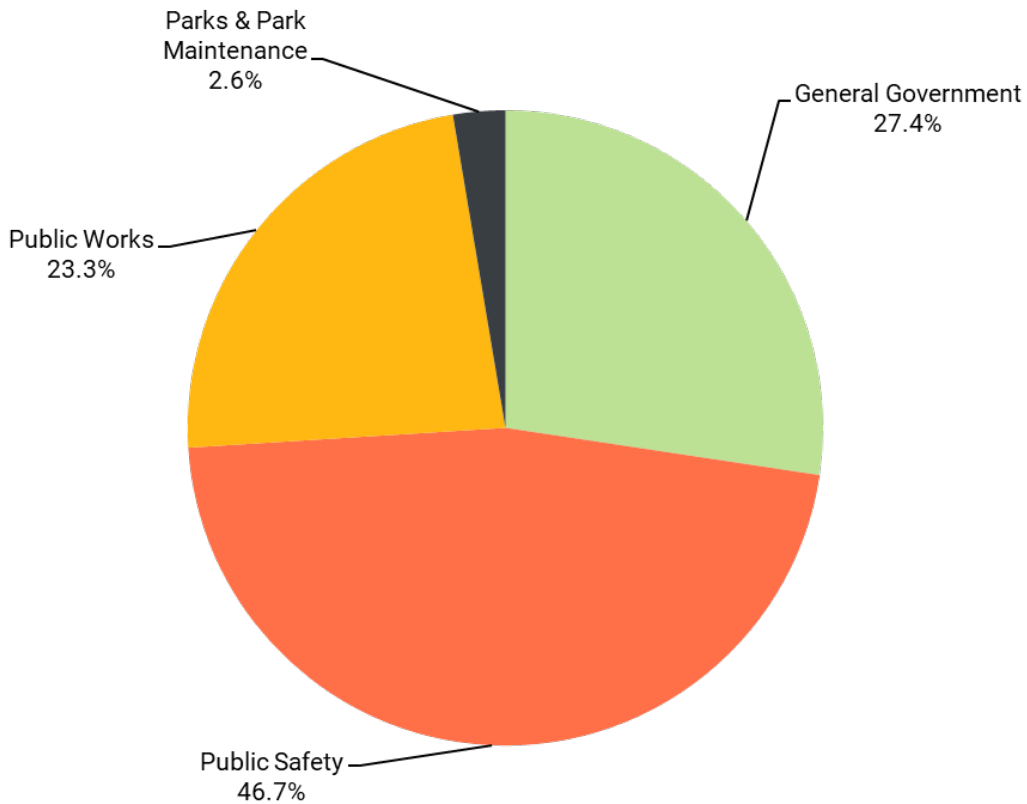
Summary of Expenditure Trends – Continued

Below is a graph of the City's General Fund expenditures by function.

Expenditure Trends



2025 Expenditure Budget



Summary of Impact on Homeowners

Below are tables indicating the impact to the average homeowner based on the preliminary levy and transfer scenarios mentioned previously.

Estimated Taxable Market Values and Tax Estimates - 2025

Value of Home	2023 Actual	2024 Actual	2025 Estimated	\$ Increase / (decrease)	% Increase / (decrease)
\$ 250,000	460	557	647	90	16.19%
300,000	552	668	776	108	16.19%
350,000	644	780	906	126	16.19%
400,000	736	891	1,035	144	16.19%
403,159 **	742	898	1,043	145	16.19%
418,300 **	770	932	1,083	151	16.19%
419,650 *	772	935	1,086	151	16.19%
450,000	828	1,002	1,165	162	16.19%
500,000	920	1,114	1,294	180	16.19%
550,000	1,012	1,225	1,423	198	16.19%

* Average Home Taxable Market Value - 2023

** Average Home Taxable Market Value - 2024

** Estimated Average Home Taxable Market Value - 2025

Notation: Does not include Market Value Exclusions.

Capital Project Funds

The projected cash balances for the end of the 2025 fiscal year are as follows:

Fund	2025 Revenue	2025 Expenditures	2025 Projected Ending Balance
403 Road Improvement Fund	666,000	(721,000)	351,653
404 Trail Maintenance Fund	68,000	(67,980)	20
410 Asset Acquisition Fund	-	-	4,586
411 Public Works Assets Acquisition Fund	50,000	(96,300)	616,949
412 Fire Equipment Acquisition Fund	200,000	(226,600)	1,417,915
413 Building Repair/Maintenance	-	20,600	441,452



CITY OF OAK GROVE REQUEST FOR COUNCIL ACTION

DEPARTMENT: Finance	MEETING DATE: December 9, 2024
TITLE OF REQUEST: Final 2025 Utility Budget Approval	
BACKGROUND AND SUPPLEMENTAL INFORMATION: Attached is the final version of the proposed 2025 budget for the utility funds.	
REQUESTED COUNCIL ACTION: We recommend the council to approve the resolution 24-138 in adopting the 2025 Utility Fund budget.	

RESOLUTION 24-138

CITY OF OAK GROVE
COUNTY OF ANOKA
STATE OF MINNESOTA

A RESOLUTION APPROVING 2025 PROPOSED UTILITY FUND BUDGET AND
UTILITY RATE INCREASE

WHEREAS, the City of Oak Grove is required by State law approval of a utility budget on or before December 31st of each year; and

WHEREAS, the City Council has received the proposed budget document;

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Oak Grove, that the Final 2025 utility budget shall be as adopted as written:

Adopted by the City of Oak Grove, Anoka County, Minnesota, this 9th day of December 2024.

Weston Rolf, Mayor

Attest:

Britt Pease, Deputy City Clerk



City Hall
19900 Nightingale Street NW
Oak Grove, Minnesota 55011
Main (763) 404-7000
Fax (763) 404-7001

Budget Memorandum

To: Mayor and City Council

From: Loren Wickham, City Administrator
Karri Thorsten, Consulting Finance Director

Date: December 9, 2024

RE: 2025 Final Utility Fund Budget

The following is the 2025 Utility Fund Final budget based on Department Head recommendations and City Administrator adjustments for Utility Funds.

**CITY OF OAK GROVE
ENTERPRISE FUNDS
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPOSED BUDGET - SUMMARY FISCAL YEAR 2025**

Fund Description Fund Number	Street Lights 601	Sewer - Lake George 611	Sewer - The Ponds 612	Water - Lake George 621	Water - The Ponds 622	Total
Revenue						
Charges for Services	\$ 12,000	\$ 113,000	\$ 200,000	\$ 45,000	\$ 155,000	\$ 525,000
Hook Up Fees	-	-	-	-	-	-
Special Assessments	-	-	-	-	-	-
Interest Earnings	1,000	12,000	5,000	1,000	5,000	24,000
Transfers In	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Total Revenue	13,000	125,000	205,000	46,000	160,000	549,000
Expenses						
Salaries & Benefits	-	43,711	8,188	14,089	14,456	80,444
Fees and Charges	7,500	6,000	170,000	4,700	150,000	338,200
Supplies	-	12,000	600	7,900	7,400	27,900
Professional Services	80	7,430	3,720	7,727	2,740	21,697
Capital Outlay	-	10,000	-	-	-	10,000
Repair and Maintenance	-	36,800	5,000	5,000	-	46,800
Debt Service	-	2,500	-	-	-	2,500
Transfers Out	-	-	-	-	-	-
Total Expenses	7,580	118,441	187,508	39,416	174,596	527,541
Net Revenue over (under) Expenses	5,420	6,559	17,492	6,584	(14,596)	21,459
Depreciation	-	70,919	49,574	28,169	16,892	165,554
Revenue over (under) Expenses	\$ 5,420	\$ (64,360)	\$ (32,082)	\$ (21,585)	\$ (31,488)	\$ (144,095)
Estimated 2025 Beginning Cash Balance	104,697	713,261	177,944	18,152	268,710	1,282,764
Internal Loan Payment	-	30,000	(30,000)	-	-	-
Estimated 2025 Ending Cash Balance	110,117	749,820	165,436	24,736	254,114	1,304,223

Rate Changes

- No rate changes for 2025.