

November 13, 2012

2013 Budget Message



It is with pleasure that I present you with the City of Algona's budget for the year 2013. This is no easy task in a time of declining revenues and unstable economic climate. I would like to thank the Department Directors and City staff for their active and direct participation in the development and preparation of this year's budget. Through these continual efforts Algona has consistently been able to provide quality public services to its citizens while maintaining the highest degree of fiscal responsibility.

The total City budget for 2013 is \$9,290,540; inclusive of projected beginning and ending cash balances. We have conservatively estimated revenues, and tried to anticipate the rise in cost of goods as well as services. Health benefits have increased by 6%, which has a dramatic impact on the budget. Also highlighted in the 2013 budget are \$726,400 in capital projects and capital outlay purchases. It's been our continuing policy to fund repair, maintenance and capital improvements over multiple years to recognize fiscal responsibility.

The proposed budget for 2013, stated on a comparative basis with 2012 and actual expenditures for 2011 are as follows:

<i>Fund</i>	2011 Actual	2012 Budget	2013 Budget
Current Expense	1,763,442	2,518,642	2,463,743
Drug Fund	0	2,200	2,200
Street Fund	366,760	684,505	575,441
Arterial Street Fund	0	0	0
Grant Fund	17,212	12,254	0
Contingency Fund	0	0	0
Capital Improvement Fund	21,699	20,000	0
Park Impact Fund	40,648	20,000	0
Stormwater Mgmt. Fund	177,645	270,218	168,980
Water/Sewer Maint. Fund	1,240,963	1,550,916	1,475,377
Water Capital Improvement	231,547	500,000	0
Sewer Capital Improvement	0	0	0
Stormwater Capital Imp.	0	0	0
Unemployment Trust Fund	15,095	5,000	5,000
<i>TOTAL</i>	\$3,875,011	\$5,583,735	\$4,690,741

Capital Outlay

The 2013 budget reflects \$127,400 set aside for capital outlay items. Capital outlay items include purchases of goods or materials to better perform day to day services. The following items will be purchased from various funds for the year 2013:

Miscellaneous	Network Server	\$22,000
	Phone System	\$30,000
	PT Admin Assistant	\$16,000
	iCompass System	\$12,000
	Computer Towers	\$2,400
Public Works	Fire Hydrants	\$25,000
	Safety Equipment	\$5,000
	Water System Parts	\$15,000
TOTAL		<u>\$127,400</u>

The City of Algona employs sixteen full time staff members, and two part time employees within the Administration, Police, and Public Works Departments.

I hope you find this document a useful and informational tool to help you understand and discover more about our community and the challenges we all face. I am confident the operating budget for 2013 reflects our mission to provide outstanding services while addressing transportation, recreational, public safety needs, and other central issues facing our community in these tough economic times.

It has been a pleasure serving as your Mayor these past 12 months, and I am proud of our accomplishments and appreciate the dedication and commitment of our hard working and well-trained City staff. I look forward to serving the citizens of Algona in 2013.

Respectfully submitted,
David E. Hill, Mayor

2013 BUDGET TOTALS

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Fund	Revenues	Expenditures	Net
001 Current Expense	4,226,450.00	4,226,450.00	0.00
002 Drug Fund	3,500.00	3,500.00	0.00
101 Street Fund	603,700.00	603,700.00	0.00
102 Arterial Street Fund	0.00	0.00	0.00
103 Grant Fund	0.00	0.00	0.00
105 Contingency Fund	100,125.00	100,125.00	0.00
106 Capital Improvement Fund	1,225,500.00	1,225,500.00	0.00
110 Park Impact Fund	10,035.00	10,035.00	0.00
203 Lid 1-91 Guarantee Fund	0.00	0.00	0.00
204 Lid 1-91 Fund	0.00	0.00	0.00
401 Stormwater Mgmt Fund	770,400.00	770,400.00	0.00
402 Water/sewer Maintenance Fund	1,854,200.00	1,854,200.00	0.00
404 Water Capt'l Improve Fund	500.00	500.00	0.00
405 Sewer Capt'l Improve Fund	300,900.00	300,900.00	0.00
406 Stormwater Capt'l Improve Fund	180,200.00	180,200.00	0.00
603 Unapplied Cash	0.00	0.00	0.00
621 Unemployment Trust Fund	15,030.00	15,030.00	0.00
634 Youth Trust Fund	0.00	0.00	0.00
	<u>9,290,540.00</u>	<u>9,290,540.00</u>	<u>0.00</u>