

Hutchinson's Vision Statement

Our vision for the city of Hutchinson is that we will continue to be an involved, progressive, and innovative community that promotes our regional prominence while preserving our hometown character and delivering quality, cost-effective services.



Questions/comments please contact:

City of Hutchinson
Finance Department
111 Hassan ST SE
Hutchinson, MN 55350

or

call (320)587-5151

The Adopted 2007 Budget is available
online at:
<http://www.ci.hutchinson.mn.us>

For general information please call (320)587-5151

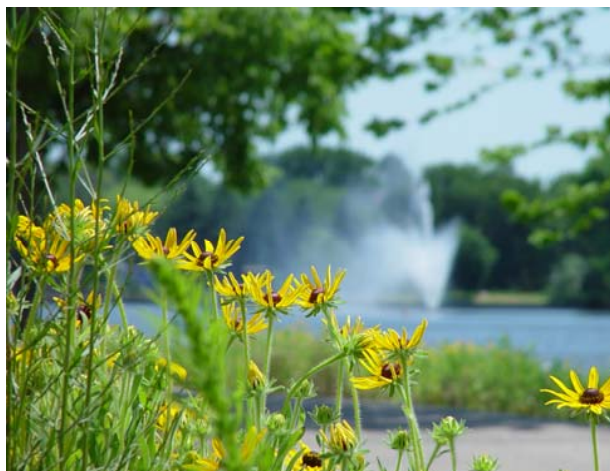
Revision 11/30/2007

CITY OF HUTCHINSON

2009

Proposed BUDGET SUMMARY

Hutchinson Minnesota's hometown.™



Understanding Hutchinson's 2009 Proposed Budget

HUTCHINSON'S APPROACH TO BUDGETING

The beginning of the 2009 budget process started with the City Council setting parameters as a framework for City Directors to follow. City Council being very cognizant of the tax levy impact to citizens and the LGA uncertainty challenged city staff to keep expenditure increases to a minimum while reviewing areas where potential increases in revenue could be generated. Partnerships among departments and other outside entities was also a focal point in the 2009 budget process as another means of containing costs in a growing and expanding community.

EXPENDITURES FOR OPERATING BUDGET

The expenditures from the operating budget provide services to benefit the residents and businesses of the City of Hutchinson. Of the total General Operating Budget 67% is spent on employee salaries and benefits, with the remaining balance primarily spent on capital items, such as vehicles and buildings..etc. along with operational costs such as utilities, contractual services and supplies and maintenance costs. The brochure provides total appropriations by individual department functions. Additional detail can be obtained in the complete budget book available at City Center or online at www.ci.hutchinson.mn.us/Finance

LONG TERM DEBT

The City of Hutchinson incurs long term debt on an annual basis to maintain the community's infrastructure. These items include: roads, stormwater, water and wastewater improvements. Further explanation is given inside this document.

REVENUE SOURCES FOR OPERATING BUDGET

- ◆ The revenues to support the General fund comes from a variety of sources. The largest of which is property and delinquent taxes at 36.5% of total expenditures.
- ◆ General Government revenues make up the next largest share at 23.5%. Revenues generated in this category include license fees, building permits, fines, program fees, facility rentals, interest earnings and reimbursements for services provided.
- ◆ Intergovernmental Revenue makes up the next largest portion of revenue at 22.5%, with Local Government Aid (**LGA**) contributing 19.2% of the total. LGA is established by the State of Minnesota Legislative process. Because this revenue is subject to the State Budget Process, the amount the City receives is often difficult to predict. Recent years have seen some large reductions followed by some small increases and decreases from one year to the next. Various other State and Federal money along with other local jurisdiction revenue falls into this category as well.
- ◆ Enterprise & Miscellaneous Transfers make up the last 17.5% of the General Fund Revenues. These revenues are deposited from other city operations into Hutchinson's General Operating Fund and Capital Improvement Fund. Revenues from Enterprise Departments come from Service Charges, User Fees and Profits from products sold. Water and Sewer as an example of User Fees and profits from the Liquor Hutch for product sold.

Fiscal Year 2009 Proposed Budget Summary

TOTAL ESTIMATED REVENUES

General Operating Fund

General Government	23.5%	\$2,692,149
Charges for Services	\$1,757,664	
Reimbursements	\$408,632	
Permit Fees	\$304,696	
Licenses & Fines	\$103,989	
Interest, Fund Balance	\$117,168	
Taxes (current & delinquent)	36.5%	\$4,196,810
Intergovernmental Revenue	22.5%	\$2,584,224
Local Government Aid (LGA)	\$2,205,753	
Local, State, Federal	\$378,471	
Transfers	17.5%	\$2,012,140
Water & Sewer	\$136,290	
Creekside	\$52,500	
Liquor Hutch	\$348,600	
Misc. Transfers, Inc. Self Insurance Transfer	\$157,000	
Hutchinson Hospital	\$157,500	
Hutchinson Utilities	\$1,160,250	
Total General Fund Revenues		\$11,485,323

TOTAL APPROPRIATIONS

General Operating Fund

MAYOR & CITY COUNCIL ADMINISTRATION	\$56,310	
ELECTIONS	\$411,883	
FINANCE DEPARTMENT	\$10,128	
MOTOR VEHICLE	\$638,174	
ASSESSING	\$231,500	
LEGAL	\$57,940	
INFORMATION TECHNOLOGY	\$200,194	
PLANNING	\$286,127	
CITY HALL	\$173,215	
CEMETERY	\$148,477	
UNALLOCATED GENERAL EXPENSE	\$146,459	
	\$836,835	
General Government Expenditures Total	28%	\$3,197,242
SAFETY COMMITTEE	\$13,450	
PROTECTIVE INSPECTIONS	\$285,596	
EMERGENCY MANAGEMENT	\$18,000	
POLICE	\$3,168,196	
FIRE	\$438,677	
Public Safety Expenditures Total	34%	\$3,923,919
PARK/RECREATION ADMINISTRATION	\$221,451	
RECREATION	\$225,665	
SENIOR PROGRAMMING	\$71,856	
CIVIC ARENA	\$324,827	
PARK DEPARTMENT	\$866,975	
RECREATION BUILDING & POOL	\$142,254	
EVENTS CENTER	\$253,036	
LIBRARY	\$189,792	
EVERGREEN BUILDING	\$15,450	
Culture & Recreation Expenditures Total	20%	\$2,311,306
ENGINEERING	\$487,287	
STREETS & ALLEYS	\$1,463,999	
Streets & Highways Expenditures Total	17%	\$1,951,286
AIRPORT	\$101,570	
Airport Expenditures Total	1%	\$101,570
TOTAL GENERAL FUND EXPENDITURES		\$11,485,323

Enterprise Funds Breakdown

Liquor Hutch	
Total Budgeted Revenues	\$4,877,710
Total Budgeted Expenses	\$4,896,454
LESS: Pricipal Payment	\$78,000
Capital Purchases	\$0
Transfer to General Fund	\$348,600
Net Income (Loss) Before Transfer	\$407,856
Refuse	
Total Budgeted Revenues	\$1,192,921
Total Budgeted Expenses	\$1,167,393
LESS: Capital Purchases	\$0
Net Income (Loss)	\$25,528
CreekSide Soils	
Total Budgeted Revenues	\$2,446,000
Total Budgeted Expenses	\$2,455,107
LESS: Pricipal Payment	\$60,000
Capital Purchases	\$199,000
Transfer	\$52,500
Net Income (Loss) Before Transfer	\$302,393
Water Treatment	
Total Budgeted Revenues	\$2,505,355
Total Budgeted Expenses	\$4,061,006
LESS: Pricipal Payment	\$938,000
Capital Purchases	\$240,005
Transfer to General Fund	\$68,145
Net Income (Loss) Before Transfer	\$(309,501))
Waste Water Treatment	
Total Budgeted Revenues	\$4,609,668
Total Budgeted Expenses	\$5,550,230
LESS: Pricipal Payment	\$990,000
Capital Purchases	\$566,343
Transfer to General Fund	\$68,148
Net Income (Loss) Before Transfer	\$683,926
Storm Water	
Total Budgeted Revenues	\$546,650
Total Budgeted Expenses	\$621,967
LESS: Capital Purchases	\$196,026
Net Income (Loss) Before Transfer	\$120,709

2009 Proposed City Property Tax Levy \$5,890,698

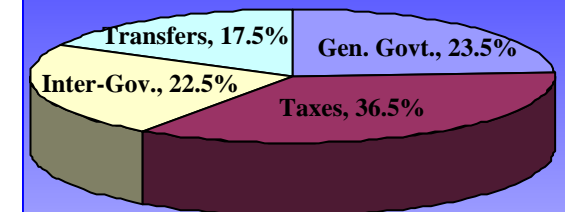
(Your 2008 Property Tax Levy was \$5,605,900. 2009 increased by 5.1%.)

Part of your property tax is utilized for general operations of the City. This amount, \$4,184,810 makes up 71% of the tax levy. The remaining amount \$1,705,888 is used to service debt payments on capital improvements such as streets, buildings, water & sewer projects.

2009 Revenue Sources

\$11,485,323

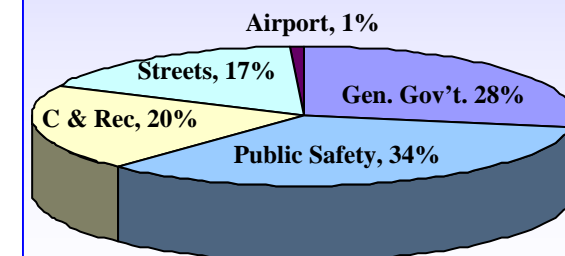
General Fund



2009 Expenditures

\$11,485,323

General Fund



(The 2009 budget is 2.5% greater than 2008)