

**Watertown Economic Development Authority**December 6<sup>th</sup>, 2018**Agenda Item: 2019 EDA Budget & Levy****Request for Action: Adopt Resolution #2018-05EDA, Approving 2018 Tax Levy for Pay 2019  
Motion to Recommend Approval of the EDA Budget for 2019****Department: Shane Fineran, City Administrator****Background:**

In September the EDA approved the certification of the preliminary EDA levy at an amount of \$55,294. This is the maximum amount that can be certified based upon state statute that sets a percentage amount based upon the market value within the community. Staff is recommending that the final levy approval be maintained at the \$55,294 amount in order to continue to support current economic development activities and efforts within the community identified in the budget.

The current fund balance of the EDA Fund is \$400,711. This fund balance and the additional revenue of \$55,294 will be used to support a recommended budget of \$522,164. The 2019 proposed budget looks like a significant increase from 2018, however \$389,119 of this is pass through expense for the Small Cities Development Program (SCDP) and is offset by an equal amount of revenue.

Non-SCDP expense budget equals \$133,045. This includes support for the Emergency Loan Program, Watertown 4 Life! Program, Revolving Loan Fund program, Building Façade Improvement program, and a partnership with the Carver County CDA in an additional funding request for the land trust program. We also have consultant support for planning, legal, and any special EDA support that could be needed.

Staff is seeking discussion on the proposed event and budgetary support. Staff is also recommending approval of the final levy amount and proposed budget.

**Attachments:**

2019 EDA Revenues

2019 EDA Expenditures

Resolution #2018-05EDA

**EDA Expenses**  
2019

Account	Description	2016 Budget	2016 YTD	2017 Budget	2017 YTD	2018 Budget	2018 YTD	2019 Budget	2019 YTD	Comment
228-46500-101	Full-Time Employees Regular									
228-46500-110	Commission Wages	\$ 2,700		\$ 2,700		\$ 2,700		\$ 2,700		\$40 per meeting
228-46500-121	PERA									
228-46500-122	FICA									
228-46500-303	Engineering Fees				\$ 340		\$ 430			
228-46500-304	Legal Fees	\$ 2,000	\$ 1,885	\$ 3,000	\$ 3,986	\$ 3,000	\$ 2,811	\$ 3,000		Contract Review of Loans/Development Agreements
228-46500-310	Other Professional Services	\$ 5,000	\$ 5,248	\$ 20,000	\$ 20,831	\$ 10,000	\$ 1,500	\$ 10,000		ED Support & Market Data
228-46500-314	Professional Planning Services	\$ 1,000		\$ 2,000	\$ 940	\$ 2,000	\$ 1,749	\$ 2,000		MK Land (Mark Kaltsas)
228-46500-329	Other Communications	\$ 3,000	\$ 3,000	\$ 3,000	\$ 2,879	\$ 3,000	\$ 2,750	\$ 3,000		Jaguar ISP Service for WIFI
228-46500-433	Dues & Subscriptions	\$ 1,125	\$ 250	\$ 1,125	\$ 295	\$ 295	\$ 295	\$ 295		Minnesota Marketing Partnership & EDAM
228-46500-331	Travel Expenses									
228-46500-340	Advertising	\$ 1,000	\$ 1,569	\$ 1,000	\$ 1,160	\$ 3,500	\$ 2,645	\$ 2,000		EDA Programs Marketing
228-46500-351	Legal Notices Publishing		\$ 45	\$ 50		\$ 50	\$ 26	\$ 50		Annual Audit Disclosure Report
228-46500-430	Miscellaneous	\$ -			\$ 446					
228-46500-630	Bank Service Fee				\$ 20					
228-46500-651	Loan Program	\$ 60,000		\$ 117,000	\$ -	\$ 75,000	\$ 50,000	\$ 35,000		1 RLF, 2 BFI Loans
228-46500-652	Grant Program	\$ 5,000		\$ 55,000	\$ 4,100	\$ 55,000	\$ 146,400	\$ 444,119		Small Cities/BFI/Home Renovation Grant Program
228-46500-720	Operating Transfers	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000		Salary Support for EDA Director
228-46500-510	Land Acquisition	\$ 65,000	\$ 27,929	\$ 35,000	\$ 2,950			\$ 10,000		Carver County Land Trust Property Partnership
		\$ 155,825	\$ 49,926	\$ 249,875	\$ 47,947	\$ 164,545	\$ 218,606	\$ 522,164	\$ -	

**EDA Revenue**  
2019

<b>Account</b>	<b>Description</b>	<b>2017 YTD</b>	<b>2017 Budget</b>	<b>2018 Budget</b>	<b>2018 YTD</b>	<b>2019 Budget</b>	<b>2019 YTD</b>	<b>Comment</b>
228-31010	Current Ad Valorem Taxes	\$ 47,238	\$ 47,349	\$ 50,062	\$ 49,711	\$ 55,294		
228-31020	Delinquent Ad Valorem Taxes	\$ 26	\$ 500	\$ 500	\$ 156	\$ 500		
228-33620	Other County Grants/Aid	\$ 7,500			\$ 143,900	\$ 389,119		DEED SCDG Program Revenue (Pass Through)
228-36200	Miscellaneous Revenue	\$ 5,750		\$ 500	\$ 50	\$ 500		Loan, Grant Application Fees
228-36210	Interest Earnings	\$ 3,829	\$ 1,400	\$ 1,400	\$ 5,136	\$ 3,000		
228-36500	Note Receivable	\$ 1,150	\$ 2,500	\$ 6,700	\$ -	\$ 6,700		RLF & CBD Loan Repayments
228-39000	Other Financing Sources			\$ 15,000	\$ 15,000	\$ -		
228-39201	Transfer from General Fund							
228-39203	Transfer from Other Fund							
		\$ 65,493	\$ 51,749	\$ 74,162	\$ 213,953	\$ 455,113	\$ -	

**RESOLUTION 2018-05 EDA**

**A RESOLUTION ADOPTING A 2018 TAX LEVY  
FOR THE WATERTOWN ECONOMIC DEVELOPMENT AUTHORITY  
FOR COLLECTION IN 2019**

**WHEREAS**, The City of Watertown is dependent upon the collection of a tax to fund a portion of its economic development activities,

**NOW**, therefore be it resolved that the Watertown Economic Development Authority hereby adopts the following Year 2019 tax levy for collection upon taxable property in the City of Watertown for the following purposes:

Watertown Economic Development Authority	\$ 55,294
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Total Levy:	\$ 55,294
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Adopted this 6th day of December, 2018 by the Watertown Economic Development Authority.

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Ken Grotbo, President

Attest: \_\_\_\_\_  
Shane Fineran, Executive Director