
Glossary of Terms

ACCRUAL ACCOUNTING The basis of accounting which recognizes revenues as they are earned and expenses as soon as a liability is incurred, regardless of related cash inflows and outflows.

AD VALOREM TAX A tax which is based on value, such as property taxes.

AUDIT An annual third party review of financial operations and procedures required by State Statutes.

BALANCED BUDGET A budget in which the sources of funds (revenues) is equal to the uses of funds (expenditures).

BASIS OF ACCOUNTING The technical term that describes the criteria governing the timing of the recognition of transactions and events.

BONDS A written promise to pay a sum of money at specified dates, including interest at a designated time.

BONDED DEBT The portion of City debt represented by outstanding bonds.

BUDGET A financial operations plan of proposed expenditures for a given period of time and the proposed revenues to finance them. Proposed expenditures must equal proposed revenues.

CAPITAL IMPROVEMENT PLAN (CIP) A plan for capital expenditures to be incurred each year for a fixed period of years and the estimated resources to finance the projected expenditures.

CAPITAL OUTLAY Expenditures resulting from the acquisition of fixed assets.

CAPITAL PROJECTS FUND A fund established to account for financial resources to be used for the acquisition or construction of major capital facilities.

COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR) The official annual report of a government which includes combined financial statements, supporting schedules, supplementary information, extensive introductory information, and a statistical section.

DEBT An obligation resulting from the borrowing of money or the purchase of goods or services.

DEBT SERVICE FUND A fund established to account for the payment of principal and interest on debt of the City.

EMPLOYEE SERVICES The portion of the budget pertaining to employee salaries and related fringe benefits.

ENTERPRISE FUND A fund established to account for the financing of services to the general public where all or most of the costs involved are recovered primarily through user fees. (City enterprise funds are water and sewer, ice center, golf course, and storm drainage).

EXPENDITURES Disbursements for operating costs, debt service, capital outlay.

FIDUCIARY FUNDS A classification of funds that is used to account for resources that are held by the government as a trustee or agent for parties outside the government and that cannot be used to support the government's own programs.

FISCAL DISPARITIES Is a tax sharing pool created to distribute dollars to areas with modest tax capacity values.

FISCAL YEAR The twelve month period to which the annual budget applies and at the end of which the City determines its financial position. The City's fiscal year is January 1st to December 31st.

FIXED ASSETS Long-term tangible assets which are "fixed" in nature, such as building, land, and equipment.

FUND An accounting entity with a self-balancing set of accounts in which assets, liabilities, and equity are recorded for a specific activity or objective.

FUND BALANCE The difference between fund assets and fund liabilities. The fund balance can be used as a revenue source by decreasing an existing positive balance.

GENERAL FUND This fund is used to account for all general operations of the City which are necessary to provide basic governmental services.

GENERAL OBLIGATION BONDS (G.O. BONDS) Bonds that are backed by the full faith and credit of the City.

GENERAL OPERATING BUDGET The part of the operating budget which includes the general, special revenue, and capital funds. (Excludes the enterprise funds)

GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP) Uniform minimum standards and guidelines for financial accounting and reporting. The primary authoritative body on the application of GAAP to state and local governments is the Governmental Accounting Standards Board (GASB).

GOVERNMENT FINANCE OFFICERS ASSOCIATION (GFOA) A nonprofit finance professional association serving over 12,600 government finance officials.

GOVERNMENTAL ACCOUNTING STANDARDS BOARD (GASB) A seven-member board which is responsible for setting governmental accounting standards.

GOVERNMENTAL FUNDS A classification of funds that is typically used to account for tax-supported (governmental) activities. Included in this classification are the general fund, special revenue funds, debt service funds, capital projects funds, and permanent funds.

GRANT A contribution of cash or other asset from a government or other organization for a specified purpose, activity, or facility.

INFRASTRUCTURE Immovable assets such as roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, and lighting systems that are of value only to the City.

INTERGOVERNMENTAL REVENUE Revenues from other governments in the form of grants, entitlements, shared revenues, or payments in lieu of taxes.

INTERNAL SERVICE FUND A fund established to report any activity that provides goods or services to other funds, departments, or agencies of the primary government and its component units, or to other governments, on a cost-reimbursement basis.

LEVY The total amount of taxes or special assessments imposed by the City.

LOCAL GOVERNMENT AID (LGA) Unrestricted funds distributed to Cities by the State of Minnesota.

MARKET VALUE The value determined by the County Assessor for real estate or property used for levying taxes.

MARKET VALUE HOMESTEAD CREDIT (MVHC) Credit given on residential property taxes that is equal to 0.4% of the market value up to \$304, less 0.09% times any value over \$76,000.

MODIFIED ACCRUAL ACCOUNTING The basis of accounting which recognizes increases and decreases in financial resources only to the extent that they reflect near-term inflows or outflows of cash. Revenues are recognized to the degree that they are available to finance expenditures of the fiscal period. Similarly, debt service payments and a number of specific accrued liabilities are only recognized as expenditures when payment is due because it is only at that time that they normally are liquidated with expendable available financial resources.

NET ASSETS The difference between assets and liabilities in the government-wide statement of net assets.

OPERATING BUDGET The annual financial plan for funding the costs of providing services and programs.

OTHER CURRENT EXPENSES The portion of the budget relating to general operations (supplies, maintenance, utilities, etc) excluding employee salaries.

PARKS CAPITAL FUND A fund established to account for revenues and expenditures for the purchase and maintenance of city parks.

PROGRAM An activity or operation created to achieve a specific purpose or objective.

PROPRIETARY FUND A classification of funds that is used to account for a government's business-type activities which are supported, at least in part, by fees or charges. Included in this classification are enterprise funds and internal service funds.

RESERVES Funds set aside for unanticipated expenditures or unforeseen emergencies, as well as to have adequate working capital for current operating needs to avoid short-term borrowing.

RESIDENTIAL EQUIVALENT UNIT (REU) Standardized unit of measurement used in billing utilities to property owners.

REVENUE Funds collected as income to offset operational expenses including property taxes, charges for service, licenses & permits, etc.

RISK MANAGEMENT The ways and means used to avoid accidental loss or to reduce its consequences if it does occur.

SPECIAL ASSESSMENT A levy made against a property to defray all or part of the cost of a capital improvement or service deemed to benefit that property.

SPECIAL REVENUE FUND A fund established used to account for revenue which is restricted for expenditures of a designated purpose.

TAX CAPACITY VALUE Is the taxable portion of the market value which is based on classification rates determined by the type of property tax.

TAX INCREMENT FINANCING (TIF) A financing method in which bonds are secured by the anticipated incremental increase in tax revenue resulting from the redevelopment of an area.

TAX LEVY The amount of property taxes levied to finance operations that are not funded by other sources.

TAXES Compulsory charges levied by a government to finance services performed for the common benefit.

Capital Improvement Plan

City of Lexington, Minnesota

2014 thru 2018

Department Administration
 Contact Finance Director
 Type Improvement
 Useful Life
 Category Buildings
 Priority n/a

Project #	AD-05-001
Project Name	Administration: 2004A G.O. Improvement Bonds

Description	Total Project Cost: \$224,669
The G.O. Improvement Bonds were issued in 2004 to finance Oak Lane improvements. The benefitting properties were assessed for the improvement. The final payment will be paid in 2020.	

Justification

Prior	Expenditures	2014	2015	2016	2017	2018	Total	Future
68,292	Debt	21,557	20,911	20,249	24,822	23,898	111,437	44,940
Total	Total	21,557	20,911	20,249	24,822	23,898	111,437	Total

Prior	Funding Sources	2014	2015	2016	2017	2018	Total	Future
110,617	Debt Service	10,000	10,000	2,566	1,642	697	24,905	22,256
	Special Assessments	22,256	22,256	22,256	22,256	22,256	111,280	
Total	Total	32,256	32,256	24,822	23,898	22,953	136,185	Total

Budget Impact/Other

Capital Improvement Plan
City of Lexington, Minnesota

2014 thru 2018

Department Administration
Contact Finance Director
Type Improvement
Useful Life
Category Buildings
Priority n/a

Project # AD-13-001
Project Name Administration: 2012A G.O. Refunding Bond

Description

Total Project Cost: \$495,980

The G.O. Refunding Bond was issued in 2012 to refinance the purchase of the Police Building. The final payment will be paid in 2021.

Justification

Expenditures	2014	2015	2016	2017	2018	Total	Future
Debt	58,188	62,913	62,336	61,758	61,181	306,376	189,604
Total	58,188	62,913	62,336	61,758	61,181	306,376	Total

Prior	Funding Sources	2014	2015	2016	2017	2018	Total	Future
58,188	Debt Service	62,913	62,336	61,758	61,181	60,517	308,705	129,087
Total	Total	62,913	62,336	61,758	61,181	60,517	308,705	Total

Budget Impact/Other

Capital Improvement Plan
City of Lexington, Minnesota

2014 thru 2018

Department Administration
 Contact Finance Director
 Type Equipment
 Useful Life
 Category Equipment: Computers
 Priority 3 Important

Project #	AD-14-001
Project Name	Administration: Technology/Equipment

Description	Total Project Cost: \$27,409
2016 Phone system (City Hall) - \$13,733 Phone system (Fire, PW, Liquor) - \$3,000 Email solution - \$3,000 Network overhaul - \$7,000 Network wiring - \$6,000 Website upgrade - \$5,000 2017 Copier - \$10,676	

Justification

Expenditures	2014	2015	2016	2017	2018	Total
Office Equipment/Furnishings			16,733	10,676		27,409
Total			16,733	10,676		27,409

Funding Sources	2014	2015	2016	2017	2018	Total
Capital Fund: Administration - Technology			16,733	10,676		27,409
Total			16,733	10,676		27,409

Budget Impact/Other

Capital Improvement Plan
City of Lexington, Minnesota

2014 thru 2018

Department Administration
Contact Deputy Clerk
Type Unassigned
Useful Life
Category Unassigned
Priority n/a

Project # AD-14-002
Project Name Administration: City Celebration

Total Project Cost: \$10,000

Description

Celebrate city's 65th - \$10,000

Justification

Expenditures	2014	2015	2016	2017	2018	Total
Other		10,000				10,000
Total		10,000				10,000

Funding Sources	2014	2015	2016	2017	2018	Total
Capital Fund: Administration - Other	5,000	2,000				7,000
Total	5,000	2,000				7,000

Budget Impact/Other

Capital Improvement Plan
City of Lexington, Minnesota

2014 thru 2018

Department Administration
Contact Finance Director
Type Unassigned
Useful Life
Category Unassigned
Priority n/a

Project # AD-14-003
Project Name Administration: Annual PTO Payout

Description

Total Project Cost: \$62,393

Calculated each year - dollar amount also changes each year

2014 - \$19,170
2015 - \$22,185

Justification

Expenditures	2014	2015	2016	2017	2018	Total
Other	18,024	22,185	22,184			62,393
Total	18,024	22,185	22,184			62,393

Funding Sources	2014	2015	2016	2017	2018	Total
Capital Fund: Annual PTO Payout	19,170	22,185				41,355
Total	19,170	22,185				41,355

Budget Impact/Other

Budget Items	2014	2015	2016	2017	2018	Total
Staff Cost	19,170	22,185				41,355
Total	19,170	22,185				41,355

Capital Improvement Plan
City of Lexington, Minnesota

2014 thru 2018

Department Administration
Contact Deputy Clerk
Type Unassigned
Useful Life
Category Equipment: Miscellaneous
Priority n/a

Project #	AD-14-005
Project Name	Administration: City Hall Energy Upgrades

Description	Total Project Cost: \$0
City Hall remodeling/updates to include HVAC system, toilets/sinks, lighting, windows, and insulation.	

Justification

Budget Impact/Other

Capital Improvement Plan
City of Lexington, Minnesota

2014 thru 2018

Department Administration
Contact Deputy Clerk
Type Unassigned
Useful Life
Category Buildings
Priority n/a

Project #	AD-14-006
Project Name	Administration: City Hall Roof

Description	Total Project Cost: \$37,000
Replace roof, soffit and fascia	

Justification

Expenditures	2014	2015	2016	2017	2018	Total
Building and Structures			37,000			37,000
Total			37,000			37,000

Funding Sources	2014	2015	2016	2017	2018	Total
Capital Fund: City Hall			37,000			37,000
Total			37,000			37,000

Budget Impact/Other

Capital Improvement Plan
City of Lexington, Minnesota

2014 thru 2018

Department Administration
Contact Permit Technician
Type Unassigned
Useful Life
Category Equipment, Computers
Priority 2 Very Important

Project # AD-15-001
Project Name Administration: Property Maintenance Program

Description

Total Project Cost: \$9,000

Work with consultant to continue to develop and improve the property maintenance program
Develop and improve policies and ordinances to support program

Justification

Expenditures	2014	2015	2016	2017	2018	Total
Other			9,000			9,000
Total			9,000			9,000

Funding Sources	2014	2015	2016	2017	2018	Total
Capital Fund: Franchise Fees- Electric/Natural Gas			9,000			9,000
Total			9,000			9,000

Budget Impact/Other

Capital Improvement Plan
City of Lexington, Minnesota

2014 *thru* 2018

Department Administration
 Contact Permit Technician
 Type Unassigned
 Useful Life
 Category Equipment, Computers
 Priority I Critical

Project #	AD-15-002
Project Name	Administration: Rental Inspection Program

Description	Total Project Cost: \$9,370
Work with consultant to develop and implement rental inspection program Develop and improve policies and ordinances to support program	

Justification

Expenditures	2014	2015	2016	2017	2018	Total
Other		9,370				9,370
Total		9,370				9,370

Funding Sources	2014	2015	2016	2017	2018	Total
Capital Fund: Administration - Technology		15,000				15,000
Total		15,000				15,000

Budget Impact/Other

Capital Improvement Plan
City of Lexington, Minnesota

2014 thru 2018

Department Administration
Contact
Type Unassigned
Useful Life
Category Unassigned
Priority n/a

Project # AD-15-003
Project Name Administration: 2014A G.O. Improvement Bonds

Description

Total Project Cost: \$0

The G.O. Refunding Bond was issued in 2014 to finance the 2012/2013 street improvements. A portion of the debt is also in Storm Sewer. The final payment will be paid in 2031.

Justification

Budget Impact/Other

Capital Improvement Plan

City of Lexington, Minnesota

2014 *thru* 2018

Department City Wide
 Contact Public Works
 Type Maintenance
 Useful Life
 Category Buildings
 Priority n/a

Project # CW-14-001
 Project Name City Wide: Parking Lot Overlay

Total Project Cost: \$0

Description

A. City Hall: 1529 Sq Yds - completed 2014
 B. Liquor Store: 3244 Sq Yds
 C. Fire Department: 419 Sq Yds
 D. Lovell Building: 11400 Sq Yds
 E. Public Works: 1375 Sq Yds

Justification

A. City Hall - est cost \$13,119 - year TBD, complete after landscaping - completed 2014
 B. Liquor Store - est cost \$27,833 - year 2022
 C. Fire Department - est cost \$3,595 - year TBD
 D. Lovell Building - est cost \$125,300 - year TBD
 E. Public Works - est cost \$15,120 - year 2028

Expenditures	2014	2015	2016	2017	2018	Total
Other			0			0
Total			0			0

Funding Sources	2014	2015	2016	2017	2018	Total
Capital Fund: Administration - Technology		13,119				13,119
Capital Fund: Fire - Vehicles		3,595				3,595
Capital Fund: Street - Vehicles		15,120				15,120
Liquor Fund		27,833				27,833
Lovell Fund		125,300				125,300
Total		184,967				184,967

Budget Impact/Other

Capital Improvement Plan
City of Lexington, Minnesota

2014 thru 2018

Department City Wide
 Contact Deputy Clerk
 Type Unassigned
 Useful Life
 Category Unassigned
 Priority 3 Important

Project # CW-15-001
 Project Name City Wide: Identity and Community Pride

Description

Total Project Cost: \$10,000

Develop the City's identity and strengthen community pride
 Reevaluate/redesign city logo - Hire consultant
 Research, develop and implement civic engagement program
 Use social media and technology to 'market' our good qualities

Justification

Expenditures	2014	2015	2016	2017	2018	Total
Other			10,000			10,000
Total			10,000			10,000

Funding Sources	2014	2015	2016	2017	2018	Total
Capital Fund: Franchise Fees- Electnc/Natural Gas			10,000			10,000
Total			10,000			10,000

Budget Impact/Other

Capital Improvement Plan
City of Lexington, Minnesota

2014 thru 2018

Department City Wide
Contact City Administrator
Type Unassigned
Useful Life
Category Unassigned
Priority 3 Important

Project # CW-15-002
Project Name City Wide: Assess Public Safety Services

Description

Total Project Cost: \$0

Evaluate level and current business models for public safety services
Conduct citizen survey via website (use League of MN Cities survey tool)
Evaluate public safety shared services (police, fire, building inspection, animal control) - if necessary, hire consultant to assist
Evaluate and implement programs using lean government, sigma 6, or another type of process improvement

Justification

Expenditures	2014	2015	2016	2017	2018	Total
Other		0				0
Total		0				0

Budget Impact/Other

Capital Improvement Plan
City of Lexington, Minnesota

2014 thru 2018

Department City Wide
Contact City Administrator
Type Unassigned
Useful Life
Category Unassigned
Priority 3 Important

Project # CW-15-003
Project Name City Wide: Parkview Community

Description

Total Project Cost: \$0

Improve or redevelop Parkview Manufactured Home community
Continue to require the current owner's of Parkview to improve infrastructure
Guide developer's to purchase the park

Justification

Expenditures	2014	2015	2016	2017	2018	Total
Other		0				0
Total		0				0

Budget Impact/Other

Capital Improvement Plan
City of Lexington, Minnesota

2014 thru 2018

Department Fire
Contact Fire Chief
Type Unassigned
Useful Life
Category Unassigned
Priority 3 Important

Project # F-14-001
Project Name Fire: Land Acquisition

Description

Total Project Cost: \$0

Land acquisition for new fire department. - est. cost \$300,000

Justification

The current site of the fire department will not accommodate a new fire station.

There have been discussions about acquiring 9050 Lake Dr. However, there will be environmental cleanup costs associated with its purchase.

Budget Impact/Other

Capital Improvement Plan City of Lexington, Minnesota

2014 thru 2018

Department Fire
Contact Fire Chief
Type Unassigned
Useful Life
Category Unassigned
Priority n/a

Project #	F-14-002
Project Name	Fire: New Fire Hall

Description	Total Project Cost: \$0
A new 10,000 SF Fire Station. - est cost \$1.7 million	
Hire consultant to conduct a space needs/facility needs assessment	

Justification
The current building is not energy efficient nor ADA compliant. The block walls have been repaired by Public Works but the deterioration is so significant that it requires yearly repair.
The space within the department is not adequate to accommodate federal mandates for fire departments for additional equipment, training, and maintenance of equipment.
The new facility is contingent on first acquiring the land needed for the new station.

Funding Sources	2014	2015	2016	2017	2018	Total
Capital Fund: Fire Station				0		0
Total				0		0

Budget Impact/Other
Potential funding sources identified: USDA Loan, Bonding, Grants, Donations

Capital Improvement Plan
City of Lexington, Minnesota

2014 thru 2018

Department Fire
Contact Fire Chief
Type Equipment
Useful Life
Category Vehicles
Priority 3 Important

Project # **F-14-003**
Project Name **Fire: Tanker Truck**

Description Total Project Cost: \$140,000
Purchase a new tanker truck

Justification
The current tanker truck is a 1987 Ford F800. The truck is scheduled to be replaced after 30 years, 2017.

Expenditures	2014	2015	2016	2017	2018	Total
Machinery/Vehicles/Equipment				140,000		140,000
Total				140,000		140,000

Funding Sources	2014	2015	2016	2017	2018	Total
Capital Fund: Charitable Gambling	38,929	47,000	20,000	20,000		125,929
Capital Fund: Fire - Vehicles	60,000					60,000
Total	98,929	47,000	20,000	20,000		185,929

Budget Impact/Other
This will be funded through current dollars in the Capital Fund: Fire, charitable gambling, grants, and/or donations.

Capital Improvement Plan
City of Lexington, Minnesota

2014 thru 2018

Department Fire
Contact Fire Chief
Type Equipment
Useful Life
Category Equipment, Miscellaneous
Priority 3 Important

Project # F-15-001
Project Name Fire: Radio Replacement

Description Total Project Cost: \$84,000
The Motorola XTL 5000 mobile and the XTS 2500 portable radios have reached their end of life.

Justification
The radios that were purchased in 2004 when Anoka County joined the ARMER 800 MHz radio system are no longer available for purchase after 2014. According to Motorola, they will be available to be serviced, parts and service contracts for the next five years.
See attached information from Anoka County Central Communications

Expenditures	2014	2015	2016	2017	2018	Total
Machinery/Vehicles/Equipment					84,000	84,000
Total					84,000	84,000

Budget Impact/Other
Projected funding will be from current fire capital dollars, fire charitable gambling, and a grant.

Capital Improvement Plan
City of Lexington, Minnesota

2014 thru 2018

Department Fire
Contact Fire Chief
Type Unassigned
Useful Life
Category Buildings
Priority 3 Important

Project # F-15-002
Project Name Fire: Building Repairs

Total Project Cost: \$200,000

Description

Repair existing fire station - \$200,000

Justification

Expenditures	2014	2015	2016	2017	2018	Total
Building and Structures		200,000				200,000
Total		200,000				200,000

Funding Sources	2014	2015	2016	2017	2018	Total
Capital Fund: Fire Station		200,000				200,000
Total		200,000				200,000

Budget Impact/Other

Capital Improvement Plan
City of Lexington, Minnesota

2014 thru 2018

Department Liquor
Contact Liquor Store Manager
Type Improvement
Useful Life
Category Buildings
Priority n/a

Project # L-14-001
Project Name Liquor: Interior Upgrades

Total Project Cost: \$20,000

Description

Shelving - (1) - 10ft/12ft gondola, (1) - 12 ft gondola - \$3,000 - completed 2015
Paint - Interior of liquor store walls - \$4,000 - completed 2015
Flooring - Office carpeting - \$1,000 - completed 2015
Furniture - (4) cash register stations - \$8,000
Shelving - add'l 16 ft gondola - \$4,000

Justification

Furniture - Worn formica on 4 cash register stations
Shelving - outgrowspace for microbrew and specialty beer

Expenditures	2014	2015	2016	2017	2018	Total
Building and Structures	8,000	12,000				20,000
Total	8,000	12,000				20,000

Funding Sources	2014	2015	2016	2017	2018	Total
Liquor Fund	8,000	14,000				22,000
Total	8,000	14,000				22,000

Budget Impact/Other

Capital Improvement Plan
City of Lexington, Minnesota

2014 thru 2018

Department Liquor
Contact Liquor Store Manager
Type Improvement
Useful Life
Category Buildings
Priority n/a

Project # L-14-002
Project Name Liquor: Energy Upgrades

Description	Total Project Cost: \$7,500
Doors - New back door (delivery entrance) - \$2,500	
Coolers - Replace cooler fan motors - \$5,000	

Justification
Doors - door rusting, hinges coming off, closer broken, security and energy issue
Coolers - increased efficiency leading to lower utility costs

Expenditures	2014	2015	2016	2017	2018	Total
Building and Structures		7,500				7,500
Total		7,500				7,500

Funding Sources	2014	2015	2016	2017	2018	Total
Liquor Fund		7,500				7,500
Total		7,500				7,500

Budget Impact/Other

Capital Improvement Plan
City of Lexington, Minnesota

2014 thru 2018

Department Liquor
Contact Liquor Store Manager
Type Maintenance
Useful Life
Category Buildings
Priority n/a

Project # L-14-003
Project Name Liquor: Exterior Upgrades

Description	Total Project Cost: \$40,000
Parking Lot: Repair erosion in North Parking Lot - schedule for every 5 years - \$5,000 - completed 2015 Sidewalk: Repair cracking and crumbling side walk on the North side of building - \$35,000 - completed 2015	

Justification
Parking Lot: Current erosion requires overlay Sidewalk: Cracking and crumbling leading to dangerous footing for customers

Expenditures	2014	2015	2016	2017	2018	- Total
Building and Structures		40,000				40,000
Total		40,000				40,000

Funding Sources	2014	2015	2016	2017	2018	Total
Liquor Fund		40,000				40,000
Total		40,000				40,000

Budget Impact/Other

Capital Improvement Plan
City of Lexington, Minnesota

2014 thru 2018

Department Liquor
Contact Finance Director
Type Improvement
Useful Life
Category Buildings
Priority n/a

Project # L-14-005
Project Name Liquor: 2006 Lease Purchase Agreement

Description

Total Project Cost: \$496,833

The Lease Purchase Agreement was issued in 2006 to finance the Liquor Store Expansion. The final payment will be paid in 2022.

Justification

Expenditures	2014	2015	2016	2017	2018	Total	Future
Building and Structures	62,104	62,104	62,104	62,104	62,104	310,520	186,313
Total	62,104	62,104	62,104	62,104	62,104	310,520	Total
Funding Sources	2014	2015	2016	2017	2018	Total	Future
Liquor Fund	62,104	62,104	62,104	62,104	62,104	310,520	186,313
Total	62,104	62,104	62,104	62,104	62,104	310,520	Total

Budget Impact/Other

Budget Items	2014	2015	2016	2017	2018	Total
Debt	62,104	62,104				124,208
Total	62,104	62,104				124,208

Capital Improvement Plan
City of Lexington, Minnesota

2014 thru 2018

Department Lovell
Contact City Administrator
Type Improvement
Useful Life
Category Buildings
Priority n/a

Project # LO-14-001
Project Name Lovell: Low Flow Fixtures and Sinks

Total Project Cost: \$0

Description

Replace 11 toilets and 3 urinals with low-flow models - \$15,000

Justification

To reduce water and sewer consumption. A majority of the current fixtures are in need of repair or replacement.

Budget Impact/Other

Capital Improvement Plan
City of Lexington, Minnesota

2014 thru 2018

Department Lovell
Contact City Administrator
Type Improvement
Useful Life
Category Buildings
Priority n/a

Project # LO-14-002
Project Name Lovell: North Door Replacement / Card Swipe Access

Description

Total Project Cost: \$0

Replace North door and install card access entry system on 3 exterior doors. - \$6,000

Justification

North door is beyond repair and needs replacement - \$3500

Installing card access system will alleviate the need for City Staff to unlock and lock building daily and improve building security - \$2500

Budget Impact/Other

Capital Improvement Plan
City of Lexington, Minnesota

2014 thru 2018

Department Lovell
Contact City Administrator
Type Improvement
Useful Life
Category Buildings
Priority n/a

Project # LO-14-003

Project Name Lovell: Common Area Flooring

Description

Total Project Cost: \$0

Replace carpet and linoleum in common areas - approximately 5300 SF
Asbestos removal
\$16,000

Justification

Current flooring is pieced together and in less than fair condition - building needs some modernization and updating to remain competitive in commercial rental market.

Budget Impact/Other

Capital Improvement Plan
City of Lexington, Minnesota

2014 *thru* 2018

Department Lovell
Contact City Administrator
Type Unassigned
Useful Life
Category Unassigned
Priority 2 Very Important

Project # LO-15-001
Project Name Lovell: Market and sell the property

Description

Total Project Cost: \$153,000

Hire commercial realtor to market building - 9% of estimated price of \$1.7 million
Work to vacate building by not renewing existing leases

Justification

Expenditures	2014	2015	2016	2017	2018	Total
Other		153,000				153,000
Total		153,000				153,000

Funding Sources	2014	2015	2016	2017	2018	Total
Lovell Fund		153,000				153,000
Total		153,000				153,000

Budget Impact/Other

Capital Improvement Plan
City of Lexington, Minnesota

2014 thru 2018

Department Parks
Contact Public Works
Type Unassigned
Useful Life
Category Unassigned
Priority n/a

Project # P-14-001
Project Name Parks: Skidsteer

Description

Total Project Cost: \$60,000

Replace 2005 Bobcat T250 skidsteer.

Justification

Passed its scheduled useful life - est cost \$60,000

Expenditures	2014	2015	2016	2017	2018	Total
Machinery/Vehicles/Equipment					60,000	60,000
Total					60,000	60,000

Prior	Funding Sources	2014	2015	2016	2017	2018	Total
7,334	Capital Fund: Parks - Equipment	5,375	10,750	10,750	10,750	10,750	48,375
Total	Total	5,375	10,750	10,750	10,750	10,750	48,375

Budget Impact/Other

2015 budget transfer \$6,000

Capital Improvement Plan
City of Lexington, Minnesota

2014 thru 2018

Department Parks
Contact Public Works
Type Unassigned
Useful Life
Category Equipment: PW Equip
Priority n/a

Project # P-14-002
Project Name Parks: Mowers

Description

Total Project Cost: \$43,000

A. 1994 JD F1145
B. 1996 JD F1145
C. 2007 CubCadet RZT50
D. 2008 JD F1545
E. 2013 Z920M Commercial Ztrak

Justification

A. 1994 JD F1145 - useful life, 10 years - est cost \$20,000
B. 1996 JD F1145 - useful life, 10 years - est cost \$20,000
C. 2007 CubCadet RZT50 - useful life, 10 years - est cost \$6,000
D. 2008 JD F1545 - useful life, 10 years - est cost \$43,000
E. 2013 Z920M Commercial Ztrak - useful life, 10 years - est cost \$

Expenditures	2014	2015	2016	2017	2018	Total
Machinery/Vehicles/Equipment					43,000	43,000
Total					43,000	43,000

Prior	Funding Sources	2014	2015	2016	2017	2018	Total
19,448	General Fund	9,473	9,473	9,473	9,473		37,892
Total	Total	9,473	9,473	9,473	9,473		37,892

Budget Impact/Other

Capital Improvement Plan
City of Lexington, Minnesota

2014 thru 2018

Department Parks
Contact Finance Director
Type Unassigned
Useful Life
Category Park Improvements
Priority n/a

Project # P-15-001
Project Name Parks: Implement Park Master Plan

Total Project Cost: \$103,022

Description

Aggressively pursue grant opportunities
Research public-public and public-private partnerships
Develop construction schedule (proper order for work to be completed)

Be sure to include/add ballfield irrigation - \$84,000

Justification

Expenditures	2014	2015	2016	2017	2018	Total
Planning/Design			103,022			103,022
Total			103,022			103,022

Prior	Funding Sources	2014	2015	2016	2017	2018	Total
51,886	Capital Fund: Parks - Equipment/Facilities			50,000			50,000
Total	General Fund			26,511			26,511
	Total			76,511			76,511

Budget Impact/Other

Budget Items	2014	2015	2016	2017	2018	Total
Other (Insurance, Utilities)			103,022			103,022
Total			103,022			103,022

Capital Improvement Plan
City of Lexington, Minnesota

2014 thru 2018

Department Sewer
 Contact Public Works
 Type Equipment
 Useful Life
 Category Water
 Priority n/a

Project # SE-14-001
 Project Name Sewer: Jetter

Description	Total Project Cost: \$386,000
Replace 1991 2100 Vactor (jetter truck)	

Justification
Jetter truck useful life is typically 15 years. Maintenance and repairs are starting to become very expensive. In order to minimize sewer backups and for liability reasons, the equipment needs to be replaced.

Expenditures	2014	2015	2016	2017	2018	Total
Machinery/Vehicles/Equipment				386,000		386,000
Total				386,000		386,000

Funding Sources	2014	2015	2016	2017	2018	Total
Sewer Capital Fund				300,000		300,000
Total				300,000		300,000

Budget Impact/Other
Sewer Fund balance needs to be separated so there are monies put into the Sewer Capital Fund.
Funding source can be a combination of Sewer and Storm Sewer.

Capital Improvement Plan
City of Lexington, Minnesota

2014 thru 2018

Department Sewer
Contact Public Works
Type Equipment
Useful Life
Category Wastewater
Priority n/a

Project # SE-14-002
Project Name Sewer: Emergency Generator

Total Project Cost: \$21,000

Description

Emergency Generator

Small pull behind - 25 KVA - \$14,000
Large pull behind - \$21,000

Quotes are from United Rental (new units)

Adapter costs need to be obtained.

Justification

Emergency generator for lift stations, when we have a power outage for a long period of time. Units can be shared with neighboring cities.

Expenditures	2014	2015	2016	2017	2018	Total
Machinery/Vehicles/Equipment			21,000			21,000
Total			21,000			21,000

Funding Sources	2014	2015	2016	2017	2018	Total
Sewer Capital Fund			21,000			21,000
Total			21,000			21,000

Budget Impact/Other

Capital Improvement Plan
City of Lexington, Minnesota

2014 thru 2018

Department Sewer
Contact Public Works
Type Unassigned
Useful Life
Category Wastewater
Priority n/a

Project # SE-15-001
Project Name Sewer: Lift Stations

Description

Total Project Cost: \$10,000

Pascal/Restwood and Hamline/Edgewood - new hatches - \$5,500
Truck crane for motors - \$4,500

Justification

Truck Crane - pulling pumps when things get stuck in the motor instead of calling Northstar Pump at a rate of \$250-\$400 / call.

Expenditures	2014	2015	2016	2017	2018	Total
Machinery/Vehicles/Equipment			4,500			4,500
Building and Structures			5,500			5,500
Total			10,000			10,000

Funding Sources	2014	2015	2016	2017	2018	Total
Sewer Capital Fund			10,000			10,000
Total			10,000			10,000

Budget Impact/Other

Capital Improvement Plan
City of Lexington, Minnesota

2014 *thru* 2018

Department Storm
Contact Finance Director
Type Unassigned
Useful Life
Category Buildings
Priority n/a

Project # S-15-001
Project Name Storm: 2014A G.O. Improvement Bonds

Description

Total Project Cost: \$0

The G.O. Refunding Bond was issued in 2014 to finance the 2012/2013 street improvements. A portion of the debt is also in Administration. The final payment will be paid in 2031.

Justification

Budget Impact/Other

Capital Improvement Plan
City of Lexington, Minnesota

2014 *thru* 2018

Department Street
Contact Public Works
Type Unassigned
Useful Life
Category Equipment: PW Equip
Priority n/a

Project # ST-14-001
Project Name Streets: Salt Storage Lean-To

Description

Total Project Cost: \$7,000

Cover to protect salt pile - est. \$7,000

Justification

A "fixed style" of covering to protect the salt would save money because we purchase 2-3 tarps each year but they tear too easy. (\$150-\$200 for each tarp)

Compliance with MPCA, RCWD, EPA - stored above our aquifer

Expenditures	2014	2015	2016	2017	2018	Total
Other			7,000			7,000
Total			7,000			7,000

Funding Sources	2014	2015	2016	2017	2018	Total
Capital Fund: Streets - Other			7,000			7,000
Total			7,000			7,000

Budget Impact/Other

Capital Improvement Plan
City of Lexington, Minnesota

2014 *thru* 2018

Department Street
 Contact Public Works
 Type Equipment
 Useful Life
 Category Equipment: PW Equip
 Priority n/a

Project # **ST-14-002**
 Project Name **Streets: Sweeper**

Description

Total Project Cost: \$190,000

Replace 1996 Elgin Pelican sweeper.

Justification

Passed its scheduled useful life - est cost \$190,000

Expenditures	2014	2015	2016	2017	2018	Total
Machinery/Vehicles/Equipment					190,000	190,000
Total					190,000	190,000

Funding Sources	2014	2015	2016	2017	2018	Total
Capital Fund: Street - Vehicles		31,600	31,600			63,200
General Fund				31,600		31,600
Grant				0		0
Storm Fund			0			0
Total		31,600	31,600	31,600		94,800

Budget Impact/Other

Capital Improvement Plan
City of Lexington, Minnesota

2014 *thru* 2018

Department Street
Contact Finance Director
Type Equipment
Useful Life
Category Equipment Computers
Priority n/a

Project # ST-14-004
Project Name Streets: Technology/Equipment

Description	Total Project Cost: \$68,695
A. Mobile media device B. GPS C. Office media device D. Software	

Justification

Expenditures	2014	2015	2016	2017	2018	Total
Office Equipment/Furnishings	45,695	23,000				68,695
Total	45,695	23,000				68,695

Funding Sources	2014	2015	2016	2017	2018	Total
Capital Fund: Streets - Other	45,695					45,695
Capital Fund: Undesignated - Interest Allocation		23,000				23,000
Total	45,695	23,000				68,695

Budget Impact/Other

Capital Improvement Plan
City of Lexington, Minnesota

2014 thru 2018

Department Street
Contact Public Works
Type Unassigned
Useful Life
Category Equipment: Miscellaneous
Priority n/a

Project # ST-15-001
Project Name Street: Retroreflectivity Compliance

Total Project Cost: \$0

Description

State mandate

Justification

State mandate - implementation by 2015?

Expenditures	2014	2015	2016	2017	2018	Total
Other			0			0
Total			0			0

Budget Impact/Other

Capital Improvement Plan
City of Lexington, Minnesota

2014 thru 2018

Department Street
Contact Public Works
Type Unassigned
Useful Life
Category Buildings
Priority n/a

Project # ST-16-001
Project Name Street: Salt Storage Area

Total Project Cost: \$150,000

Description

Build a salt storage area, next to the public works building.

Estimate cost \$150,000, \$37,500 per year for four (4) years, construction would start in the year 2020/2021

Justification

Future

150,000

Total

Funding Sources	2014	2015	2016	2017	2018	Total	Future
General Fund				37,500	37,500	75,000	75,000
Total				37,500	37,500	75,000	Total

Budget Impact/Other

Capital Improvement Plan City of Lexington, Minnesota

2014 *thru* 2018

Department Water
Contact Public Works
Type Improvement
Useful Life
Category Water
Priority n/a

Project # W-14-001
Project Name Water: Wellhouse

Description

Total Project Cost: \$370,000

Upgrade Wellhouse electrical systems and building

Justification

The wellhouse has gone basically untouched since it was installed in the mid-sixties. The aging controls and building are reaching the end of its useful life. - est cost \$370,000

Expenditures	2014	2015	2016	2017	2018	Total
Building and Structures			370,000			370,000
Total			370,000			370,000

Prior	Funding Sources	2014	2015	2016	2017	2018	Total
100,614	Water Capital Fund			370,000			370,000
Total	Total			370,000			370,000

Budget Impact/Other

Water Fund balance needs to be separated so there are monies put into the Water Capital Fund.

Capital Improvement Plan

City of Lexington, Minnesota

2014 thru 2018

Department Water
Contact Public Works
Type Equipment
Useful Life
Category Water
Priority n/a

Project # W-14-002
Project Name Water: Fire Hydrant Replacement

Total Project Cost: \$155,000

Description

Replace outdated fire hydrants (est \$186,000) - 50-60 hydrants - project will span multiple years until completed

7'6" = \$2800

8'0" = \$3100

plus labor

Justification

Expenditures	2014	2015	2016	2017	2018	Total	Future
Machinery/Vehicles/Equipment			31,000	31,000	31,000	93,000	62,000
Total			31,000	31,000	31,000	93,000	Total

Prior	Funding Sources	2014	2015	2016	2017	2018	Total
100,614	Water Capital Fund			31,000			31,000
Total	Total			31,000			31,000

Budget Impact/Other

Capital Improvement Plan
City of Lexington, Minnesota

2014 thru 2018

Department Water
Contact City Administrator
Type Unassigned
Useful Life
Category Water
Priority n/a

Project # W-15-001
Project Name Water: Participate in Local Water Supply Study

Total Project Cost: \$20,000

Description

Hire consultant to update/redevelop local water supply study for the DNR

Justification

Expenditures	2014	2015	2016	2017	2018	Total
Other		20,000				20,000
Total		20,000				20,000

Funding Sources	2014	2015	2016	2017	2018	Total
Water Capital Fund			20,000			20,000
Total			20,000			20,000

Budget Impact/Other

City of Lexington



City of Lexington, Minnesota

Strategic Plan

July – 2015

Background

The City of Lexington is a community with a population of just over 2,000 citizens tucked in the northern suburbs of the Twin Cities metropolitan area. Lexington is a cozy little community nestled between Circle Pines and Blaine - small in size, but big on pride. Lexington is a short drive from the cities of Minneapolis and Saint Paul. Our City is adjacent to Interstate 35W providing easy access to everywhere in the region. Whether you are stopping by for a visit or choose to make Lexington your home, you will find Lexington a comfortable, tranquil community that offers excellent educational opportunities and a variety of housing opportunities.

The City provides administration, public works, municipal liquor store, parks, police services (Centennial Lakes Department) and fire services. The Mayor and Council are experienced leaders who are in a position to identify present and future challenges. The City Council recognizes the importance of ensuring the day to day responsibilities of city government are well managed. However, planning ahead and looking out for opportunities and addressing needs are a prerequisite of community success. This strategic plan moves “above and beyond” the day-to-day operations of the City and serves to move the City and community forward in an optimistic and progressive manner. While preserving the small town feel and historic charm of the City, the purpose of the strategies and goals are to revitalize, restore and reinvigorate the city and Lexington community. The City will accomplish its goals through wise financial planning, progressive thinking, innovative solutions, deliberate risk-taking, and collaborative decision-making. The City is committed to effective planning to ensure that it will build a consensus for future direction. As stewards of the future, high expectations are set for ourselves, the citizens, and this special place we call the Lexington, Minnesota.

Strategic Planning

A strategic plan is a means to organize all of priorities of the city into one document. A strategic plan is complementary to the Comprehensive Plan and the other planning tools used by city leaders. A strategic plan organizes the priorities, programs and services into common themes and then presents strategies and goals to ensure there is a clear road map for the future. Strategic planning is an effective tool to provide a means for the Council, staff and community to ensure that their resources are applied and used in an optimal manner. The methods used in strategic planning are a means to an end; the City’s process was designed to identify the most important priorities and goals of the City and community. There are many benefits to strategic planning; a few relevant to the City of Lexington are:

- Develop a consensus-based direction for the City Council and staff
- Provide a *written road map* to record and document the direction
- Provide a means to ensure the City is proactively addressing issues
- Improve accountability and capacity to measure performance and outcomes

The intent of the planning process is to integrate and organize all relevant information from various sources of city documents into an overall strategic plan. The purpose of the strategic plan is to support the governance work of the City Council and the administration and operation of the City staff with four clear goals – to strengthen the *decision-making, leadership, management and communication* of the City.

Process

The process was initiated by the City Council and organized and structured by the City Administrator. Three City Council work sessions were held to develop the plan: April 21, June 11, and July 8. The first work session identified 10 major projects and priorities; the second work session focused on the details; and the third work session prioritized the specific projects. The discussions in the work sessions were inclusive and participatory. City Administrator Bill Petrcek and Finance Director Tina Northcutt attended and participated in each session. Between the two sessions, a questionnaire was completed by the Department Heads (Fire, Engineer, Finance/Administration, Public Works, Liquor Store, Attorney, and City Administrator) that provided useful information on their issues, priorities, and major projects. A copy of all material used in the process is available in the City Administrator's office.

Strategic Plan

Strategies & Goals

Based on the needs, priorities and projects within the City, three strategies emerged to structure the goals in a logical and orderly manner. The three strategies are:

- *Efficient and Effective Public Services*
- *Viable and Strong Economy*
- *Positive Community Image*

There are 12 goals in the strategic plan. These goals are not listed in any order or priority.

I. Efficient and Effective Public Services

1. Develop a comprehensive Capital Improvement Program
2. Evaluate funding options for the new Fire Hall
3. Explore ways to enhance sales at the Liquor Store
4. Evaluate level and current business models for public safety services
5. Implement Park Master Plan

II. Viable and Strong Economy

1. Redevelopment of Parkview Home Park
2. Market and sell the Lovell property
3. Create economic development financial incentive policies
4. Participate in local water supply study

III. Positive Community Image

1. Develop the City's identity and strengthen community pride
2. Create a property maintenance and rental housing inspections program
3. Participate in Green Step City program

Priority of Goals

Goal #1 – Explore ways to enhance sales and improve operations at the Liquor Store

Action Steps	Status
a. Revise 2009 Liquor Store Marketing Plan to reflect current markets.	
b. Consider hiring Minnesota Municipal Beverage Association (MMBA)/consultant to conduct an audit of our operation to provide ideas on how to improve sales and efficiencies.	
c.	

Goal #2 – Develop a comprehensive Capital Improvement Program

Action Steps	Status
a. Department Heads will develop a proposed 5- year capital improvements plan.	
b. Gain input and revisions from City Council on plan at a Council workshop.	
c. Council will adopt 5-year plan, and Department Heads will develop future proposed budgets around the plan to implement it.	

Goal #3 – Market and sell the Lovell property

Action Steps	Status
a. Hire a commercial realtor to market Lovell Building.	
b. Work to vacate building by not renewing existing leases	
c. Offer economic development incentives (TIF, Tax abatement, HRA funds, CDBG funds, DEED funds) to redevelop property.	

Goal #4 – Create a property maintenance and rental housing inspections program

Action Steps	Status
a. Work with consultant (Inspectron Inc.) to continue to develop and improve the property maintenance program (purchase Permit Works software to improve efficiency.)	
b. Develop and improve policies and ordinances to support programs	
c. Communicate programs to the community	

Goal #5 – Participate in Green Step City program

Action Steps	Status
a. Adopt resolution to work toward GreenStep Cities recognition	
b. Post initial information on GreenStep Cities website	
c. Prepare workplan for implementation of best practices	

Goal #6 – Create economic development financial incentive policies

Action Steps	Status
a. Research other communities economic development financial incentive policies as a benchmark for incentives	
b. Work with City Council to draft a policy that is acceptable to Lexington	
c. City Council would adopt the policy and staff would implement policies when working with potential developers.	

Goal #7 – Evaluate funding options and space needs for the new Fire Hall

Action Steps	Status
a. Hire consultant to conduct a space needs/facility needs assessment	
b. Consider a funding source from the sale of Lovell Building and Current fire station.	
c. City staff will continue to research grant opportunities for public safety.	

Goal #8 – Develop the City's identity and strengthen community pride

Action Steps	Status
a. Reevaluate/redesign city logo	
b. Research, develop and implement civic engagement program	
c. Use social media and technology to 'market' our good qualities	

Goal #9 – Evaluate level and current business models for public safety services

Action Steps	Status
a. Conduct citizen survey via website (use League of MN Cities survey tool)	
b. Evaluate public safety shared services (police, fire, building inspection, animal control) – if necessary, hire consultant to assist	
c. Evaluate and implement programs using lean government, sigma 6, or another type of process improvement	

**** Talk to County to determine if there is a contract for our police and fire services to respond to all 911 calls in Lexington.**

On-Going Goals

Goal: Implement Park Master Plan

Action Steps	Status
a. Agressively pursue grant opportunities	
b. Research public-public and public-private partnerships	
c. Develop construction schedules (proper order for work to be completed).	

Goal: Improve or Redevelop Parkview Home Park

Action Steps	Status
a. Continue to require the current owner's of Parkview to improve utility – water and sewer - infrastructure in the park via moratorium on building permits, property maintenance enforcement, etc.	
b. Guide developer's to purchase the park – offer economic development incentives to redevelop (TIF, Tax abatement, HRA Funds, CDBG funds, DEED funds).	

Goal: Participate in local water supply study

Action Steps	Status
a. Hire a consultant to update/redevelop local water supply study for the Department of Natural Resources (DNR).	
b. Council adopts plan	
c. Submit plan to DNR	

Implementation

The City Administrator is responsible for the ongoing updates and reporting of the status of the goals. The City Council will formally review the goals on a quarterly basis and annually adopt a new and updated strategic plan. This does not preclude the Council and staff from meeting and reviewing goals and projects at any time throughout the year.