



City of St. Francis, MN
2025 Budget Book

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Introduction

Letter of Transmittal

In compliance with State Statutes, we are pleased to present the 2025 budget for the City of St. Francis. This budget document should be viewed as more than just a collection of financial data, but as the financial plan in which the organization will implement and accomplish Council policies, as well as meet the needs of the community and residents. In addition to the financial data contained within, this document includes information on the City organization, describes programs and services, and provides statistical values measuring activity performance and workloads.

The 2025 Budget, in the amount of \$15,185,671, includes all the funds for the City of St. Francis and reflects a 3.2% increase from the previous year's budget. The budget, as presented, reflects the Council's direction and a staff commitment to achieving a cost-effective, efficient and high-quality service delivery model. Essentially, the 2025 budget reflects the City's commitment to live within its means and ensure that tax dollars are wisely managed and expended in as prudent a manner as possible to achieve high-quality service outcomes.

The City Council has been committed to strategically planning for the city's future while providing efficient and responsive services in the present. Goals, priorities and financial plans were developed through a series of meetings with the City Council. Highlights of recent Council initiatives and goals can be found below as a description identifying strategic goals, action plans/strategies, priorities for the coming year, actions taken to address these priorities, and a description of the long-range financial plans and assumptions used:

Provide high quality services for residents in a cost-effective manner. The 2025 Budget provides an increased service level at nearly the same cost as the tax base of St. Francis as the 2024 Budget. The city was able to make city services available electronically to increase efficiency and cost. This includes, but is not limited to; promoting electronic payment, processing documents and permits electronically, holding virtual meetings for greater opportunity in attendance; and enhancing

1. community outreach platforms such as the website and electronic messaging.

Provide residents in St. Francis with high quality public safety services. The 2025 Budget provides for an enhanced level of public safety. The City of St. Francis has a fully staffed Police Department and ensures officers the necessary education and enhanced training opportunities to better serve the community. The Fire Department continues to expand their relationships with Fire Services through

2. a joint service agreement with the City of Bethel.

The expanded Fire relationship with Bethel has created a more regional and expanded approach of fire services in northern Anoka County. The department continues to expand training and education to enhance the role of the fire department for additional EMS responses. Public engagement is a high priority for both Public Safety teams through direct outreach to residents and partnering with local organizations such as the school district.

Manage responsible growth and promote the enhancement of commercial services to residents. The 2025 Budget continues the city's commitment to responsible growth patterns and managing growth to reinvest in areas within the city. Through the St. Francis Forward (re)Development Plan, the City has identified both the Bridge Street Corridor and Highway 47 as strategic areas for reinvestment. The city constructed a new City Hall/Fire Station within the Bridge Street corridor. This will enhance the usability of the area and provide for a concentration of people within the business district. Within the two strategic areas, we strive to complete smart growth through safe access, job creation and commercial choices. In addition, the city has committed to increasing the residential growth within the area. The city, through its Community Development Department, has promoted and facilitated several residential developments that continue to expand the population of St. Francis. These include Rivers Edge, Bluffs of Rum River and Turtle Ponds development along with a

1. 134-unit senior living facility along Highway 47.

Continue to review and analyze water/sewer rates within the city. The City's commitment to growth has a direct impact on the water and sewer rates. By increasing the number of users, rates can effectively be reduced through WAC/SAC and additional monthly billing users. The city continues to promote residential and commercial growth which creates a positive impact on the rate users. A comprehensive water meter allows the city to accurately bill and track water usage per property. The city also supplies water and sewer services to the neighboring community of Oak Grove. They also

2. continue to build homes that will support the overall rate of services.

The City uses a variety of tools for long-range financial planning:

Capital Purchasing Software program – the city uses capital purchasing software to plan for and track upcoming capital acquisitions. The forecasted purchases include a nominal price adjustment for annual inflation in pricing. The city reviews and determines an adequate level of contribution on

- A. an annual basis.

The city has a robust road assessment and inventory program that analyzes the road conditions every year to plan for 5 years of road improvements. This program allows the city a consistent long-term planning policy for road projects and an annual nominal price adjustment is included in the

- B. estimates.

The city monitors the growing tax base every year. The City accounts for increases in development and property values to determine the appropriate amount to adjust the tax levy. This annual review allows the city to monitor the tax revenue in relation to the growing tax base and additional strains that new development has on the city. This also helps the city adjust the levy appropriately for any

- C. cost-of-living adjustment costs that the city incurs.

The city annually analyzes the cost of replacement and improvement necessary to the City's building assets. The City has taken active steps to set aside portions of the property tax levy every year to ensure adequate funding for city assets and to ensure assets are kept in a maintenance cycle to

- D. expand their longevity.

The city has also forecasted the amount of growth it can expect over the coming years. Between the Met Council estimates and the city's land use inventory- a snapshot is provided of the amount of growth the city can anticipate in the mid to long term future. This helps to plan financially on what the city can expect as far as future revenues and tax base increases. This is monitored closely

- E. through comprehensive planning documents.

Below are some additional descriptions and highlights of the 2025 Budget:

Development and Redevelopment: The city has adopted a comprehensive Development/Redevelopment plan for the two primary commercial corridors in the city. The St. Francis Forward Plan strategically analyzes the land use options and implementation for development/redevelopment in the Highway 47 and Bridge Street commercial corridors. The plan is supported by our comprehensive plan and strongly focuses on commercial areas located within the MUSA. Sequential steps to implement these development strategies are provided within the plan and the city will be working towards this implementation and documenting the progress.

Residential Building Activity: The city has had a stable new residential home permitting and development over the last few years. Increased housing building activity requires the city to focus on proper infrastructure and workload management. This focus allows the city to properly accommodate the high level of development within the city, in addition to monitoring long term financial planning to adequately budget for anticipated costs.

Commercial Building Activity: The city has seen consistent commercial development through retail construction. Retail needs remain a gap within the city and St. Francis has seen a steady interest in market demand. Over the past year, the city has seen the opening of an auto retail supply store as well as a clinic. Land use projects continue to review retail opportunities looking at future construction.

Utility Services: The city closely examines the city-owned infrastructure within the Municipal Urban Service Area (MUSA) to properly stage growth within the community. The city completes a comprehensive planning process every 10 years to clarify anticipated growth along with updated studies to verify the infrastructure has the capacity and lifespan needed to meet existing and potential MUSA expansions.

Technological Upgrades: Requirements to meet additional legislative demands, city services and building activity has substantially increased the workload of processing city business. Staffing, coupled with technological upgrades, has allowed the city to manage the increased activity and accommodate ongoing city services. New software for financial, land use, GIS Infrastructure management and permitting, in addition to structuring packets and televising meetings has been put in place. The city continues to work on upgrades to the city's website and media efforts to allow for more citizen engagement and easier search for residents who are seeking information.

Parks: A renewed commitment to parks has increased not only funding but community engagement. The city brought back its Park Commission and within the 2025 budget dedicated funding to repair and replace structures within the existing park system as well as increase amenities to meet the demands of residents.

The budgeting function is the primary tool that the Council must use to make sure the city's limited resources are wisely utilized and to establish department objectives for the coming year. The City Council will continue to review, discuss, and analyze how to best utilize limited tax dollars to ensure quality services are provided while continuing to plan for future growth and stress on city services. The city will also continue to review and analyze economic forces and intergovernmental funds to ensure the City of St. Francis continues to be fiscally responsible while providing top level services to their residents.

Respectfully submitted,

Kate Thunstrom

City Administrator

Darcy Mulvihill

Finance Director

Distinguished Budget Award

Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of St. Francis for its annual budget for the fiscal year beginning January 1, 2024. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as a financial plan, as an operations guide, and as a communications device. The award is valid for the period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to the GFOA to determine its eligibility for another award.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

City of St. Francis
Minnesota

For the Fiscal Year Beginning
January 01, 2024

Christopher P. Morrill

Executive Director

History of the City



Welcome Sign

Location

The City of St. Francis is in the northernmost section of Anoka County, 12 miles north of Anoka and approximately 30 miles northwest of Minneapolis. The community can be accessed in a north-south direction by State Trunk Highway 47 and County Road 24 in an east-west direction.

Community Profile

St. Francis was originally known as the “Village of Otona” and was established in 1855 along the Rum River with a dam, grist, and a sawmill. The town was formally established as St. Francis in 1857. The Post Office was the first commercial building constructed in 1866, and in that year the Creamery Association was also built. Two other buildings were constructed during this period and still exist today: the Rum River Inn and the H.G. Leathers House. Both buildings are also listed on the National Register of Historic Places.

The community was an active center for milling lumber and flour in its early days. In the late 1880s, the population of St. Francis was almost 500, and the population held near that number until the 1960s. In 1923, the flour mill closed. Development of St. Francis in its early days suffered from the loss of the railroad as trade went to better transportation centers. From 1930 until 1960, agriculture was the community's economic mainstay.

During the late 1960s, St. Francis began to attract more residents and over the next few decades grew significantly. The community was incorporated in 1974, and with the assistance of a loan from the U.S. Department of Agriculture – Farmer's Home Administration, the city constructed and began operating a municipal sewer and water system. These systems attracted quality development in the area. By 1980, the population had grown from 897 to 1,184 and by 1990, the population had grown 117% to reach a total of 2,538 residents. Growth continued through the 1990s and has been particularly dramatic in the past years. Today, the population is approximately 7,652. Its small-town character, its schools and accessible location have attracted and continues to attract new residents, particularly young families.

St. Francis is a home-rule charter city. Minnesota has two basic types of cities – home rule and statutory – which influence cities' organization and powers. The difference is the type of enabling legislation from which the municipality gains its authority. Home rule cities obtain their powers from a locally enacted home rule charter which is essentially a city constitution. Statutory cities get their power from Chapter 412 of Minnesota Statutes. Home rule charter cities can exercise any powers in their locally adopted charters as long as there's no conflict with state law. Conversely, charter provisions can specifically restrict the powers of a city.

St. Francis operates under the Council/Administrator form of government. An elected City Council sets the policy and overall direction for St. Francis. Then city staff, under the direction of a city administrator, carries out council decisions and provides day-to-day city services. The city administrator is accountable to the City Council.

The City Council consists of a Mayor and four Council Members elected at-large. City elections are held in even numbered years, with the Mayor serving a two-year term and all Council Members serving four-year terms.

The City of St. Francis provides a full range of services. The general governmental functions include police and fire protection, street maintenance, engineering, planning and zoning, parks and recreation, economic and community development and general legislative and administrative services. The City also operates as enterprise funds the following services: water, sewer and a municipal liquor store.

St. Francis is served by Independent School District #15. They serve the communities of St. Francis, East Bethel, Bethel, Oak Grove, Andover, Athens, Nowthen and Stanford. The school district offices as well as the bus garage and several of the school buildings are located within the city limits.

The Rum River runs north/south through the central area of St. Francis offers scenic views and canoeing opportunities. Rum River North County Park, an Anoka County Park, consists of 80 acres located near the south-central boundary of St. Francis. It is the northern access to the Rum River Canoe Corridor and offers amenities such as picnic shelters, biking and hiking trails, campsites, and observation decks.



Woodbury Park

Basis of Budgeting

The modified accrual basis was used for the budgets for most of the funds in the budget. Under this basis, revenues are recognized in the accounting period that they become available and measurable. Expenditures are recognized in the accounting period in which the liability is incurred, if measurable. The accrual basis was used for the budget of the enterprise funds (Water, Sewer, Storm Sewer and Liquor) in the Operating Budget. Under this basis, revenues are recognized in the accounting period that they are earned and measurable; expenses are recognized in the accounting period that they are incurred, if measurable. The basis of budgeting is the same as the basis of accounting.

The City is required to account for revenues and expenditures according to generally accepted accounting principles (GAAP). The budget was prepared using the following basis of accounting, which is consistent with the accounting methods used for financial reporting.

Budget Process

One of the most important activities undertaken each year by the City is the budget process. The quality of decisions made in the budget process conveys the City's long-range plans and policies for current and future services and programs. The budget is a financial, planning, and policy document which reflects the allocation of limited revenue between competing uses and serves as a guide for the various departments in implementing their goals and objectives.

It is important that the budget process communicates and involves the citizens, elected officials, staff, management, businesses, and all other interested parties of the City by:

- Identifying their issues and concerns,
- Obtaining their support for the budget process with different opportunities to get involved or express opinions,
- Achieving their knowledge and understanding of the goals and resource allocation,
- And reporting to them on services and resource utilization.

The budget process is a year-round activity because regular reporting is necessary to provide accountability, understanding, and confidence in the City. The City provides different types of reports to facilitate this process. These reports include: quarterly newsletters, monthly department reports, monthly investment reports, budget documents, and an audited comprehensive annual financial statement.

The annual budget process begins in February of each year. Department heads receive preliminary budget guidance from the City Administrator, with direction from the Mayor and Council. In April – May, department heads are given budget instructions and worksheets reflecting two-year historical data and current year's budget and expenditure amounts. Each department is responsible for submitting the proposed budgets for their respective programs. They are asked to determine if there is a need to increase staff or if other major changes are needed. They are given approximately a month to finalize their research and submit the budget worksheets to the Finance Director by early June. Revenues are projected by the Finance Director. In budgeting revenues, a conservative approach is taken. For many revenue line items, actual data over the past three years is analyzed to identify inherent trends, and an adjustment is made for known events predicted to occur in the coming calendar year. The City Administrator and Finance Director meet individually with each department head to discuss the department's budget submittal, and changes are made, either increases or decreases, to accommodate the overall budget picture. Total budget requests are compared to revenue estimates to ensure that there is funding available to fund the proposed expenditures. Following the individual meetings, budget workshops are held by the City Council. The submittal of the Proposed Budget is followed by a series of public presentations to the City Council that are designed to give the Council and citizens an overview of the Budget, and to prepare the Council in making informed budget decisions. The final document is adopted in December following the required public hearings. A more detailed timeline for the budget process is as follows:

Budget Timeline

- **March 2024**

Council/staff work session to discuss goals and priorities for the CIP and Budget Finance Director prepares initial draft of debt service budget using existing bond issues to determine the property tax levy required for debt service.

- **April 2024**

Finance Director prepares personnel cost estimates.

- **May 2024**

Finance Director prepares budget worksheets and instructions for department heads. These are then distributed to the department heads with instructions. Preliminary revenue estimates are completed.

- **June 2024**

Finance Director prepares initial draft of Capital Budget. Budget requests are due back from Department Heads. Preliminary report is given to the City Administrator. City Administrator and Finance Director meet with department heads to discuss budget requests. Final decisions made regarding Operating, Capital and Debt Service Budgets. Final General Fund revenue estimates are prepared by Finance Director.

- **July 2024**

Budget workshops held with City Council as needed.

- **August 2024**

Finance Director makes final changes for the Proposed Budget. At a Council meeting, the public hearing date on the proposed budget and proposed tax levy are approved by the Council.

- **September 2024**

At a Council meeting, the tax levy is discussed and a proposed tax levy is approved along with the public hearing dates. Finance Director certifies preliminary levy and hearing date to Anoka County.

- **November 2024**

The Finance Director prepares the final budget information and materials for the budget public hearing. County auditor mails tax notices to each taxpayer.

- **December 2024**

Public hearings and Council adoption of the Budget and tax levy. Finance Director prepares tax certification forms for Anoka County. Summary Budget Statement published in accordance with the State Auditor's guidelines. Certification of Compliance with Truth in Taxation and Property Tax Levy Report requirements filed with State Department of Revenue.

Financial Policies

Balancing the Budget

The City recognizes that its citizens deserve a commitment from the City to live within its means and that a balanced operating budget is the cornerstone of fiscal responsibility. A balance must be struck between revenues and expenditures so the public can realize the benefits of a strong and stable government. Annual operating expenditures (personnel costs, operating expenses, capital expenses and transfers) will be fiscally balanced with revenues or income estimates that can be reasonably and normally projected to be received during the fiscal year.

On an annual basis the City will present a balanced General Fund operating budget to the City Council. Total resources available, including fund balances plus projected revenue, shall be equal to or greater than the projected expenditures for the coming year. In the event a budget deviates from being presented as balanced, full disclosure and City Council approval will be required including the factors affecting the budget such as economic factors or emergency capital expenditures.

- Any increase in expenses that requires budget revision shall be offset by a budget transfer, increased revenue or use of fund balance.
- Any significant decrease in revenue that results in a budget imbalance shall be offset by a budget revision to reduce expenditures. Any minor decrease in revenues that results in a budget imbalance shall be assumed to be offset by departments that won't spend their entire expenditure budget.
- Temporary shortages, or operating deficits, can and will occur due to extraordinary events and circumstances. These operating deficits will not be tolerated as an extended trend.
- Any year-end operating surpluses will revert to unappropriated balances for use in maintaining reserve levels set by policy or transferring for use in capital projects or "one-time only" projects.
- Special Revenue Funds are supported by special levies and fees, grants or intergovernmental revenues. Expenditures in these funds are strictly limited to the mandates of the funding source.

Long-Range Planning and Fund Balance

A good budget process incorporates a long-term perspective to assess the financial implications of current and proposed operating and capital budgets, budget policies, cash management and investment policies, programs and assumptions. This information is important in making quality decisions for both the current and future needs of the City.

Maintaining an adequate fund balance is essential. The City shall establish a reserve general fund balance in order to accommodate unexpected operational changes, legislative impacts or other economic events affecting the City's operations that could not have been reasonably anticipated. The goal is to establish an unreserved fund balance in the General Fund that is equivalent to forty percent (40%) of General Fund revenues. Fund balance is defined as the difference between assets and liabilities reported in a governmental fund. This unreserved fund balance will be used to meet cash flow needs until the first property tax and state aid payments are received at mid-year and to provide for unanticipated expenditures, revenue shortfalls, and emergency situations which may occur.

Capital Improvement

The City shall establish a multi-year Capital Improvement Plan that allows the City to maintain its equipment and infrastructure at an adequate level. This plan will be updated annually. The City will coordinate development of the Capital Improvement Budget with the development of the operating budget. Future operating costs associated with new capital improvements will be projected and included in operating budget forecasts. As resources are available, the most current year of the CIP will be incorporated into the current year operating budget as the Capital Improvement Budget. The City will provide ongoing preventative maintenance and upkeep on all its assets at a level adequate to protect the City's capital investment and to minimize future maintenance and replacement costs.

Capital Asset Inventory

Understanding the use and condition of all the City's equipment and infrastructure (capital asset) is important in receiving maximized public benefit. This allows the City to plan for the ongoing financial commitments required to maintain and replace the equipment and infrastructure.

- The City shall maintain a list of equipment and infrastructure.
- Identify corrective/maintenance needs on a yearly basis.
- Develop preventive and predictive maintenance planning estimates.
- Establish replacement schedules by determining useful life and estimated year of replacement for inventory.

Revenue Policies

Understanding the revenue stream is essential to prudent planning. These policies seek stability to avoid potential service disruptions caused by revenue shortfalls. Estimates are arrived at by studying relevant revenue history along with economic trends and indices when available.

Revenue Diversification

Program demands require that an adequate revenue stream be maintained. The City will continuously seek to diversify its revenue sources in order to improve the ability to handle fluctuations or dependency on individual sources. New and expanded unrestricted revenue streams should be first applied to support existing programs prior to funding new or expanded programs. The various sources of revenue shall be monitored to determine that rates continue to be adequate so each source is maximized. The City will pursue federal, state, and private grants but will strictly limit financial support of these programs to avoid commitments that continue beyond funding availability.

Fees and Charges

The City will charge fees for services where such an approach is permissible, and where there is only a limited or specific group of beneficiaries of the City service. Sufficient user charges and fees shall be pursued and levied to support the full cost (operating, direct, indirect and capital) of operations. The City will consider market rates and charges levied by other public and private organizations for similar services in establishing tax fees and charges. The City will periodically review fees and charges in order to keep pace with the cost of providing the service or that percentage of the total cost deemed appropriate by the City. Services shall be scaled to the level of support available from these fees and charges. When sufficient user charges and fees cannot be pursued and levied to support the full cost of operations (such as public record request), the City shall be aware of the costs not allocated to the user charges and fees. In conjunction with the annual budget process, departments will review the cost of providing services against the fee charged. Proposed increases will be brought before the City Council for approval. The City will set fees and user charges for each Enterprise Fund, such as Water and Sewer, at a level that fully supports the total direct and indirect costs of the activity. Indirect costs include the cost of annual depreciation of capital assets.

Use of One-time Revenues

Non-recurring revenue or one-time revenues are sources of revenue the City cannot anticipate receiving on a continuing basis. It is important to seek out and receive this non-recurring revenue because these revenues have value different from ongoing revenues. The City will pursue one-time revenues but will strictly limit expenses to avoid commitments that continue on an ongoing basis.

The City shall not budget one-time revenues unless the revenue has been received or a commitment notice has been received. Use of one-time revenues will be reserved for the highest priorities of the current budget to include any revenue shortfalls impacting the current budget, reducing and managing debt, use in considering one-time capital purchases and fund balance reserves.

Use of Unpredictable Revenues

The City uses a conservation approach in making ongoing revenue assumptions by utilizing growth patterns and knowledge of the developing areas. Unpredictable revenue assumptions also need to consider the various factors that make the source unpredictable. Unpredictable revenue shall be monitored to determine how the various factors are affecting the collection both currently and in the future. Unpredictable revenue shall be described in the budget document, and the factors that make the source unpredictable discussed.

The City shall budget unpredictable revenue lower than the revenue assumption or anticipated collection. The City has not restricted the use of unpredictable revenues.

Stabilization

The City needs to maintain a prudent level of financial resources to protect the public against the need to reduce service levels or raise taxes and fees due to temporary revenue shortfalls or unpredictable one-time expenditures. The long-range planning policy established a reserve general fund balance for unexpected operational changes, legislative impacts or other economic events.

Expenditure Policies

The expenditures of a City define the ongoing public service commitment. Prudent expenditure planning and accountability will ensure fiscal stability.

Expenditure Accountability

Policies and budgets are not effective if the City does not make periodical review to actual expenditures. This review allows the City to decide on necessary actions to bring the budget back into balance. Financial reports presented to City Council and department heads on a regularly scheduled basis. Analysis of the financial reports presented to City Council and department heads on a regularly scheduled basis.

Debt

Per state statutes, the City will not exceed three percent (3%) of the estimated market value of taxable property for general obligation debt. The City will utilize all appropriate financing methods to assist it in meeting its financial needs.

- Utilize finance consultants and professional service providers to assist in managing the debt of the City including: bond counsel, underwriters, financial advisers, paying agent and other professional service providers.
- Utilize the long-range planning plans in preparing the budget and developing financing scenarios.
- The structure and term of all City indebtedness shall vary in order to accommodate the different economic life cycles of the financed improvement.
- Short-term debt and interim financing should be used when it is prudent and advantageous to the City.
- All debt issues will be reviewed periodically to determine if refinancing or calling of any issue would be financially beneficial when advantageous, legally permissible and prudent.
- The City shall seek to use credit enhancement (letters of credit, bond issuance, surety bond, etc.) when such credit enhancement proves cost-effective.
- Establish a system of record keeping and reporting to meet the arbitrage rebate compliance requirements of the federal tax code.
- The City shall maintain a relationship with the rating agencies that currently assign ratings to the various debt obligations.
- Provide ongoing disclosure information to established information repositories for maintaining compliance with disclosure standards promulgated by state and national regulatory bodies.
- Long term borrowing will not be used to finance current operations or normal maintenance.
- The City will strive to maintain a high reliance on pay-as-you-go financing for its capital improvements.
- The City will confine long term borrowing to capital improvements or projects that cannot be financed from current revenues.
- When the City finances capital projects by issuing bonds, it will pay back the bonds within a period not to exceed the expected useful life of the project.

- Where possible, the City will use special assessment revenue or other self-supporting bonds instead of General Obligation Bonds.

Demographics

Population

null

null

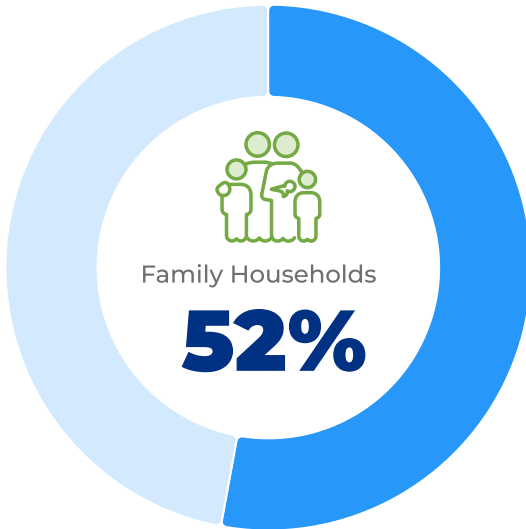
null

Household

TOTAL HOUSEHOLDS

2,780

Municipalities must consider the dynamics of household types to plan for and provide services effectively. Household type also has a general correlation to income levels which affect the municipal tax base.

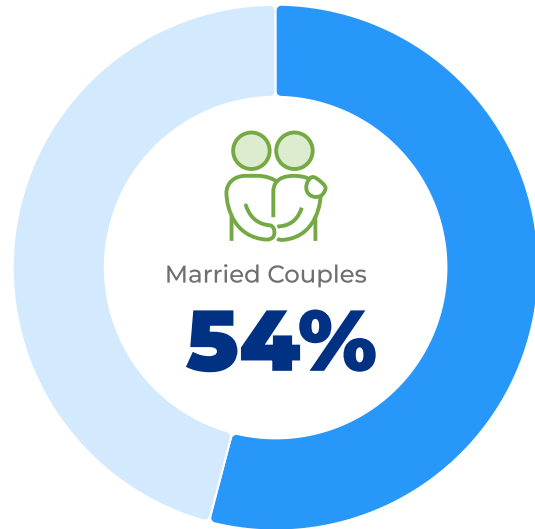


Family Households

52%

6%

higher than state average

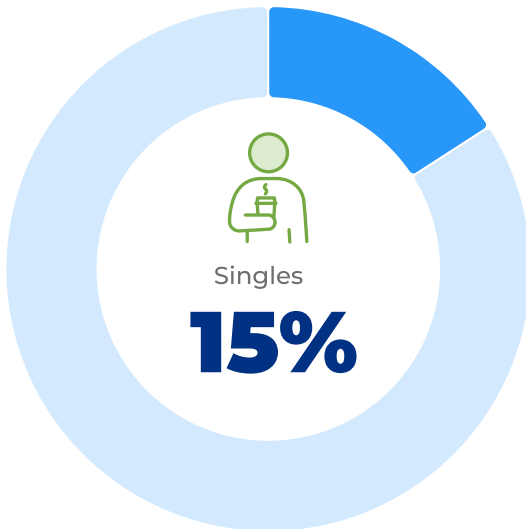


Married Couples

54%

6%

higher than state average

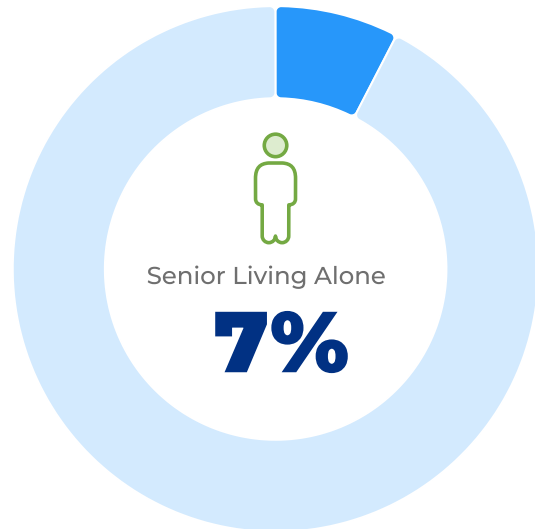


Singles

15%

-44%

lower than state average



Senior Living Alone

7%

-50%

lower than state average

* Data Source: American Community Survey 5-year estimates

Economic

Housing



2022 MEDIAN HOME VALUE

\$275,500

HOME OWNERS VS RENTERS

Saint Francis

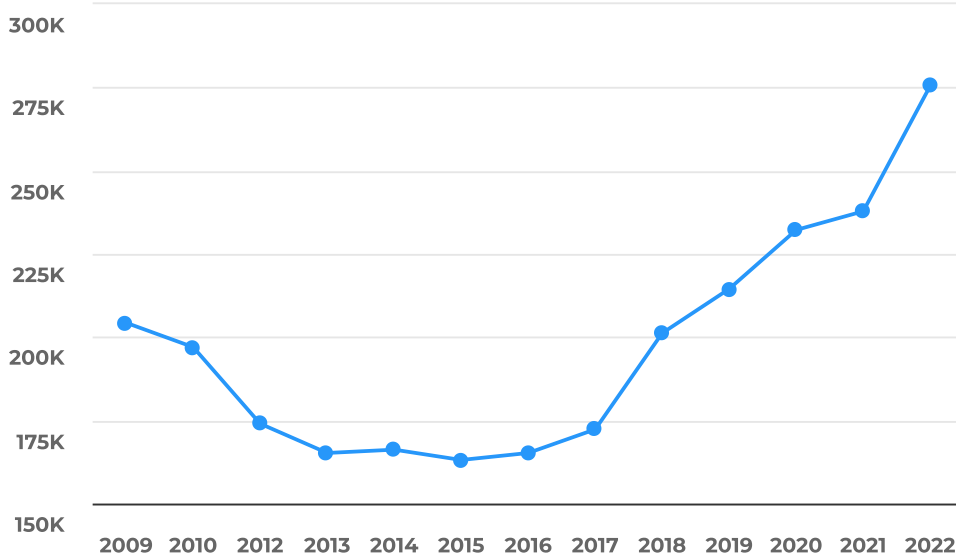
State Avg.

14%
Rent

28%
Rent

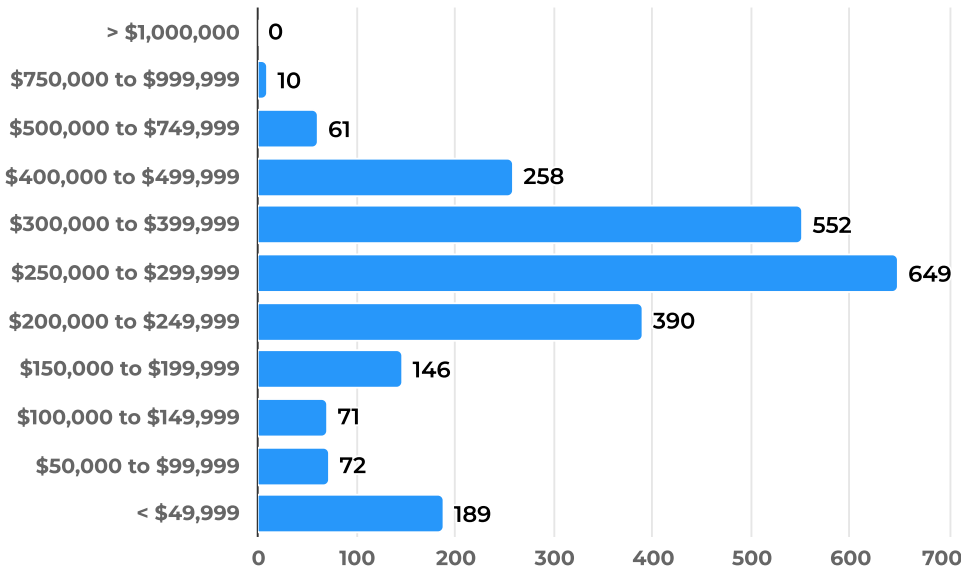
86%
Own

72%
Own



* Data Source: 2022 US Census Bureau, American Community Survey. Home value data includes all types of owner-occupied housing.

HOME VALUE DISTRIBUTION

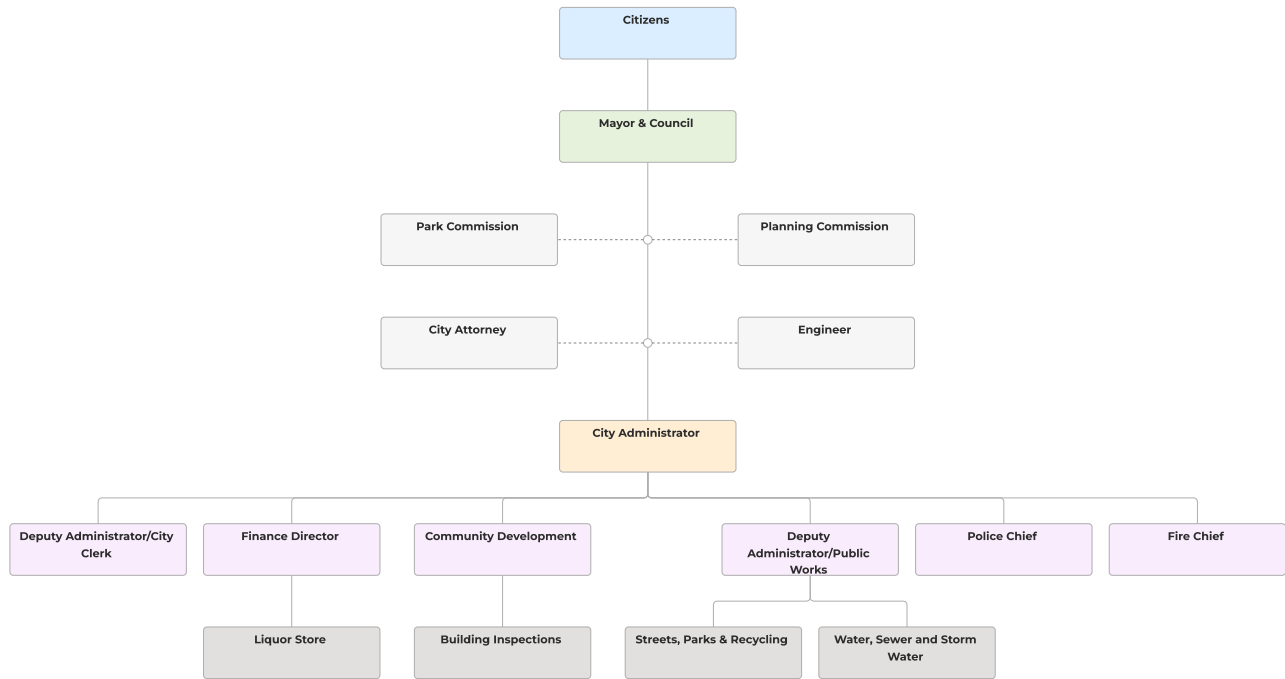


* Data Source: 2022 US Census Bureau, American Community Survey. Home value data includes all types of owner-occupied housing.

* Data Source: 2022 US Census Bureau, American Community Survey. Home value data includes all types of owner-occupied housing.

Organizational Chart

Organizational Chart



Fund Structure

The following is a description of the funds that are subject to appropriation, for which financial plans and budget appropriations are prepared annually. These funds are the General, Special Revenue, Capital Projects, Debt Service, and Enterprise Funds.

GENERAL FUND

The General Fund is the City's primary operating fund. It accounts for all financial transactions not properly accounted for in any other fund, including most of the basic governmental services. The expenditures from the General Fund account for the majority of primary services provided by the City in the areas of public safety, parks and recreation, street maintenance, planning, engineering and general government. In 2012, the Bi-Centennial and the Pioneer Days Special Revenue Funds were moved into the General Fund.

SPECIAL REVENUE FUNDS

This type of fund accounts for services and expenditures where revenue is restricted for a designated purpose. The City maintains the following Special Revenue Funds:

- **Police Forfeiture Fund** – proceeds from the sale of forfeited vehicles which is legally restricted for the purchase of police equipment.

CAPITAL PROJECTS FUNDS

Capital projects funds account for the acquisition and construction of major capital facilities and equipment (except those financed by proprietary funds). This includes expenditures relating to street projects and economic development. The City maintains the following Capital Projects Funds:

- **Capital Projects/Equipment** – funds set aside for future purchases of equipment, vehicles, and facility replacements and improvements. Resources are currently provided by transfers from other funds.
- **Park Fund** – for the development of new City parks and improvement of existing parks. Revenue is primarily from park development fees.
- **Gambling Fund** – activity associated with the 10% contribution from the net gambling proceeds from the charitable organizations in the city.
- **Building Improvement**—accounts for financial resources to finance future building improvements
- **Street Improvements**-- accounts for financial resources to finance future street improvements

DEBT SERVICE FUNDS

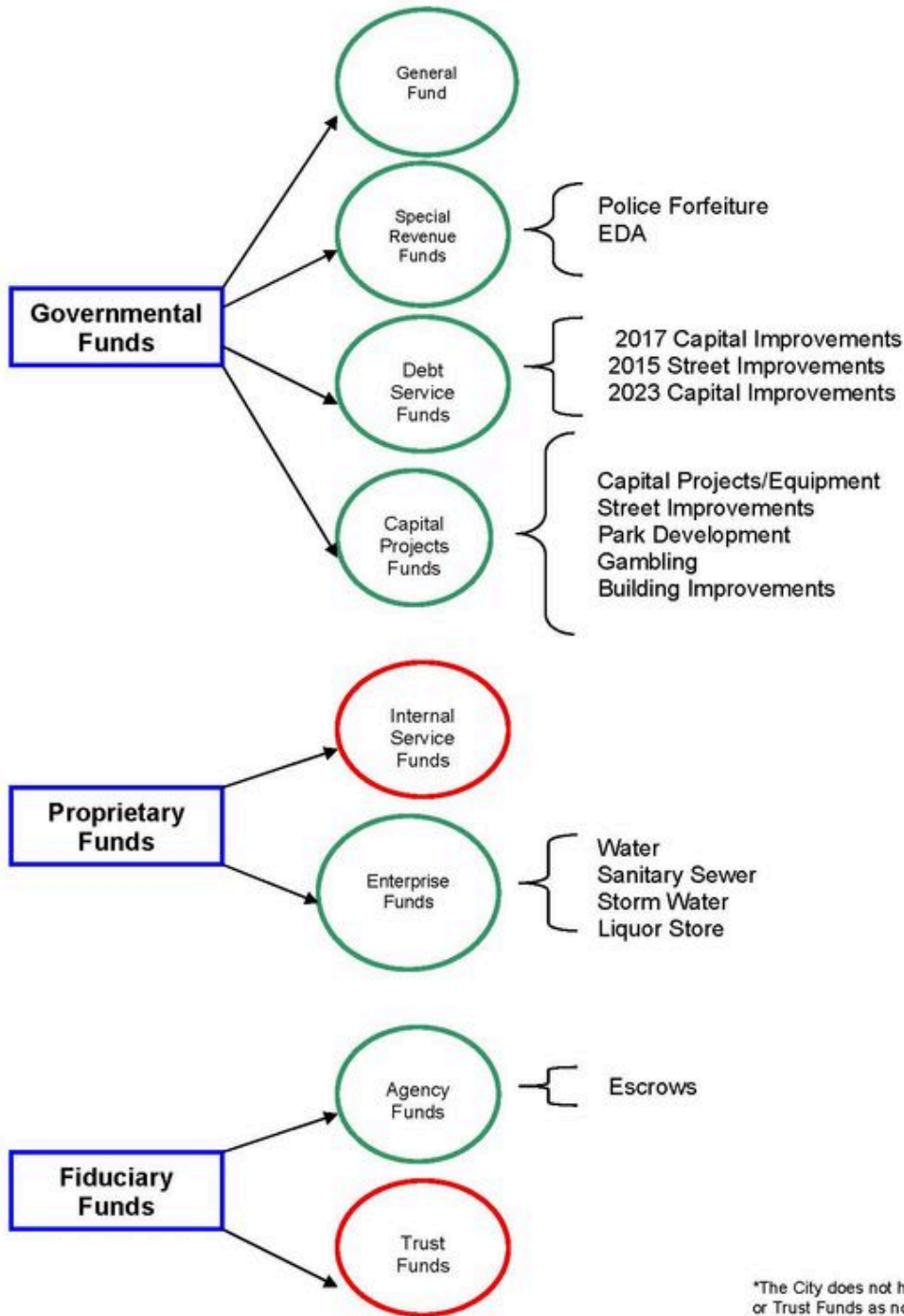
Debt service funds account for the accumulation of resources for, and the payment of, general and special assessment long-term debt principal, interest and fiscal agents' fees. Enterprise fund debt is accounted for in the individual enterprise fund.

ENTERPRISE FUNDS

Enterprise funds account for our business-type activities. These activities provide services where most or all of the costs are recovered through user fees and charges. The City maintains the following Enterprise Funds:

- **Water Fund** – receives its revenues from charges to property owners to provide water utilities, fund operations and maintain infrastructure.
- **Sewer Fund** – receives its revenues from charges to property owners to provide sewer utilities, fund operations and maintain infrastructure.
- **Storm Water Fund** – receives its revenues from charges to property owners to fund operations and maintain infrastructure.
- **Liquor Fund** – accounts for the costs associated with the City's liquor operations.

FUND STRUCTURE



Fund/Department Relationship

	General Government	Public Safety	Public Works	Culture & Recreation	Community Development	Miscellaneous	Liquor
General Fund	X	X	X	X	X	X	
Special Revenue Funds							
Police Forfeiture		X					
EDA					X		
Debt Service Funds							
2015 Bonds	X						
2017 Bonds	X						
2023 Bonds	X						
Capital Project Funds							
Capital Equipment	X	X	X	X	X	X	
Street Improvements			X				
Park Development				X			
Building Improvements	X						
Gambling		X					
Enterprise Funds							
Water			X				
Sewer			X				
Storm Water			X				
Liquor							X

Personnel Positions

For the 2025 budget year, the city added a facility technician position to manage/clean all the buildings the city owns. In 2024, an administrative captain position in the fire department was added.

LISTING OF PERSONNEL POSITIONS			
BUDGETED FULL-TIME REGULAR EMPLOYEES 2023-2025			
	<u>2023</u>	<u>2024</u>	<u>2025</u>
<u>CITY ADMINISTRATION</u>			
City Administrator	1.00	1.00	1.00
Deputy Administrator/City Clerk	1.00	1.00	1.00
Receptionist/Office Support	1.00	1.00	1.00
City Administration Department Total	<u>3.00</u>	<u>3.00</u>	<u>3.00</u>
<u>FINANCE</u>			
Finance Director	1.00	1.00	1.00
Office Support	1.00	1.00	1.00
Finance Department Totals	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>
<u>COMMUNITY DEVELOPMENT</u>			
Community Development Director	1.00	1.00	1.00
Community Development Specialist	1.00	1.00	1.00
Community Development Totals	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>
<u>BUILDING INSPECTIONS</u>			
Building Inspector	1.00	1.00	1.00
<u>Building Maintenance</u>			
Facility Technician	0.00	0.00	1.00
<u>POLICE DEPARTMENT</u>			
Police Chief	1.00	1.00	1.00
Administrative Assistant	1.00	1.00	1.00
Police Records Clerk	1.00	1.00	1.00
Sergeant	2.00	2.00	2.00
Investigator	1.00	1.00	1.00
Police Officer	8.00	8.00	8.00
Police Department Total	<u>14.00</u>	<u>14.00</u>	<u>14.00</u>
<u>FIRE DEPARTMENT</u>			
Fire Chief	1.00	1.00	1.00
Administrative Captain	0.00	1.00	1.00
Fire Department Total	<u>1.00</u>	<u>2.00</u>	<u>2.00</u>
<u>Public Works (Including Water/Sewer)</u>			
Deputy Administrator/Public Works Director	1.00	1.00	1.00
Administrative Assistant	1.00	1.00	1.00
Streets/Parks Supervisor	1.00	1.00	1.00
Water/Wastewater Supervisor	1.00	1.00	1.00
Water/Wastewater Operator	3.00	3.00	3.00
Streets & Parks Worker	3.00	3.00	3.00
	<u>10.00</u>	<u>10.00</u>	<u>10.00</u>
<u>MUNICIPAL LIQUOR STORE</u>			
Liquor Store Manager	1.00	1.00	1.00
Liquor Store Asst. Manager	1.00	1.00	1.00
Liquor Clerk-Fulltime	1.00	1.00	1.00
Municipal Liquor Store Total	<u>3.00</u>	<u>3.00</u>	<u>3.00</u>
TOTAL	<u>36.00</u>	<u>37.00</u>	<u>38.00</u>

Executive Summary

Budget Overview

Challenges for the 2025 Budget

Levy – For the 2025 tax levy, the Market Value Exclusion program continues, but was increased. This program gives homestead properties valued at less than \$520,000, an exclusion of the market value from property taxes. This shifted the taxes that would have been paid by this part of the excluded property mostly onto commercial and industrial properties. The city council raised the tax levy rate from 50.065% in 2024 to an estimated rate of 53.686% in 2025. The levy for 2025 is \$6,185,000. This was an increase of \$586,805.

State aid –Local Government Aid was increased by \$443 for a total of \$646,100 in 2025.

Maintaining a competitive employee compensation and benefit package – In an effort to attract and retain high-performing employees, the City makes great effort to ensure that the City's compensation and benefit package is commensurate with peer communities. During 2024, the city council authorized a compensation study done by Abdo. Their recommendations were put into place for the non-union employees. Bringing the city up to market rate. Along with this, the council authorized a 3% COLA for these employees. The two police unions, Sergeants and Officers, were renegotiated, and those unions received a market increase and a COLA also. Their contracts are from 2025 to 2027. During 2025, the last union, Public Works, will have to negotiate their next contract.

Revenues up by 4.5%

The 2025 budget anticipates revenues in the amount of \$15,635,400, an increase of \$673,911 (4.5%) from 2024. The increase is mainly due to the increase in the 2025 levy, the increase in LGA and an increase Water/Sewer charges. The City also continues to review its fee schedule to determine what, if any, changes need to be implemented in future years to water and sewer rates.

Fund	2024	2025	\$ Change	% Change
General	5,354,285	5,751,000	396,715	7.41%
Special Revenue	0	0	-	#DIV/0!
Debt	1,394,855	1,273,000	(121,855)	-8.74%
Capital	1,399,297	1,480,100	80,803	5.77%
Enterprise	6,813,052	7,131,300	318,248	4.67%
TOTAL	14,961,489	15,635,400	673,911	4.50%

Expenditures up by 3.2%

Expenditures in the 2025 Budget are up by 3.2% or (\$472,848) than 2024. This is attributed to projects planned to be done in 2025

Fund	2024	2025	\$ Change	% Change
General	5,354,285	5,751,000	396,715	7.41%
Special Revenue	3,647	0	(3,647)	-100.00%
Debt	782,178	1,037,413	255,235	32.63%
Capital	1,820,727	1,346,275	(474,452)	-26.06%
Enterprise	6,751,986	7,050,983	298,997	4.43%
TOTAL	14,712,823	15,185,671	472,848	3.21%

Tax levy Increased for 2025

The City’s tax levy for 2025 is \$6,185,000, which is an increase of \$586,805 over the 2024 levy. The median home value in the City of St. Francis decreased from \$293,500 in 2024 to \$284,701 in 2025. A median home will pay an estimated \$1,418/year for 2025 city taxes. The following table summarizes the estimated tax impact on homestead residential homes, based on the 2025 tax levy. This assumes no change in property valuations from year to year.

Total Market Value	2024 Actual 2025 Proposed	
	Yearly City Taxes	
<u>Residential Property:</u>		
\$150,000	\$632.31	\$628.13
\$200,000	\$905.16	\$920.71
\$284,701	\$1,367.25	\$1,416.24
\$350,000	\$1,723.70	\$1,798.48
\$450,000	\$2,252.88	\$2,383.66
\$550,000	\$2,753.52	\$2,952.73
<u>Increase to Taxes</u>		
<u>Residential Property:</u>		
\$150,000		-\$4.18
\$200,000		\$15.55
\$284,701		\$48.99
\$350,000		\$74.78
\$450,000		\$130.78
\$550,000		\$199.21

County assessors value all property in the city annually. There is a lag between when the property value is set and when the taxes are paid. For example, the market values that are set in 2024 are the basis for the taxes payable in 2025. The total of all the individual market values determines the total market value of the city. After the estimated market value is determined, the amount of market value exclusion is determined. This exclusion only applies to homestead residential properties. The full market value exclusion amount is \$38,000. This is 40% of \$95,000. Any value over \$95,000 loses 9% of the exclusion. The calculation for a \$200,000 house is as follows:

$$\mathbf{\$38,000 - ((\$200,000 - \$95,000) \times .09) = \$28,550}$$

The \$28,550 is then subtracted from the \$200,000 to determine the property’s taxable market value (TMV):

$$\mathbf{\$200,000 - \$28,550 = \$171,450}$$

The taxable market value is then taken times the class rate of 1% (See table following to see class rates) to determine the net tax capacity (NTC):

$$\mathbf{\$171,450 \times .01 = \$1,715}$$

Then the net tax capacity rate is taken times the total tax rate to determine the taxes for the property. On non-homestead properties, the estimated market value is taken times the class rate and then taken times the tax rate to determine the tax amount.

Property Type	Payable 2025 Class Rate
Homestead	
0 to \$500,000	1.00%
Over \$500,000	1.25%
Non-Homestead (Single Family)	
0 to \$500,000	1.00%
Over \$500,000	1.25%
Apartments	
Regular	1.25%
Low Income	0.75%
Commercial/Industrial	
0 to \$150,000	1.50%
Over \$150,000	2.00%

When the City of St. Francis levies property taxes, the amount levied is allocated to property owners based on the tax capacity of their property. The total tax capacity is computed by factoring adjustments for tax increment districts and fiscal disparities. The adjustment for tax increment districts reduces the tax base for the value of the new development in a specified area. This allows the city to use the additional property taxes generated by the development to pay for certain expenses. The adjustment in tax base for fiscal disparities provides for sharing throughout the Twin Cities metropolitan area of a percentage of the growth in commercial and industrial tax base values. The growth contributes to an area-wide tax base pool. A distribution index, based on the factors of population and property market value per capita, is used to allocate the area-wide tax base pool back to each taxing district. The following table provides a breakdown of St. Francis' tax base values:

	2023	2024	2025
Estimated Market Value	947,300,900	976,126,700	995,745,600
Taxable Market Value	912,153,498	938,191,612	935,748,616
Tax Capacity	9,577,860	9,876,609	9,855,479

The tax capacity is calculated by dividing the tax levy amount by the total tax capacity of the city's tax base. This rate is then applied to the tax capacity of the property to determine the amount of taxes due. The tax capacity rate for the city property tax levy for the past few years has been as follows:

Year	Tax Levy %
2021	50.589%
2022	51.146%
2023	44.719%
2024	50.065%
2025	53.686%

Using the prior example of a single family home with an estimated market value of \$200,000, the approximate city tax for 2025 would be:

$$\mathbf{\$1,715 \times 53.686\% = \$920.71}$$

There are other factors taken into consideration when computing the final tax amount. This example is intended to give an estimate of the city's property tax amount. City property taxes are only a portion of the total tax bill for property owners. In Minnesota, property taxes are also levied by school districts, counties, and miscellaneous taxing districts. The property tax bill for each property owner is equal to each taxing district's tax rate multiplied by the property value and then added together.

Staffing

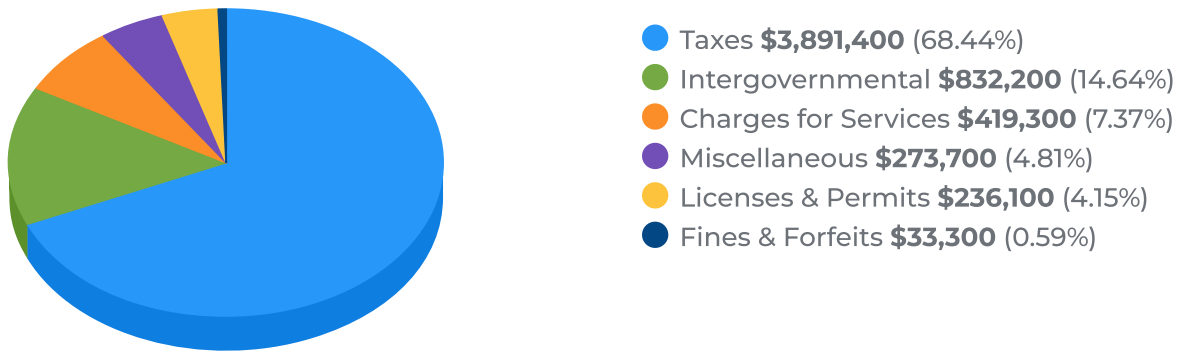
The number of full-time positions increased by one to 38 for the 2026 budget year. With the addition of the new city hall/fire station, council added a facility technician to do maintenance/cleaning on all buildings owned by the city.

General Fund Revenues (net of transfers) up 7.5%

The 7.5% increase in General Fund revenues (net of transfers) amounts to \$396,715 more in revenues than 2024. Taxes budgeted for the General Fund are \$682,022 more in 2024. Taxes represent 68% of the revenues for the General Fund.

	2024	2025	\$ Change	% Change
Taxes	3,209,378	3,891,400	682,022	21.25%
Licenses & permits	230,670	236,100	5,430	2.35%
Fines & forfeits	34,620	33,300	(1,320)	-3.81%
Intergovernmental	1,211,167	832,200	(378,967)	-31.29%
Charges for services	391,630	419,300	27,670	7.07%
Miscellaneous	211,820	273,700	61,880	29.21%
TOTAL	5,283,285	5,686,000	396,715	7.50%

General Fund Revenues

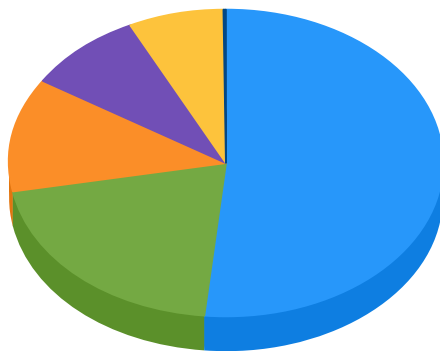


General Fund Expenditures (net of transfers) up 7.41%

The 2025 Budget includes recommended expenditures (net of transfers) that are 7.41% higher than the 2024 Budget. This is an increase of \$396,715 over the previous year with the largest increases being recognized in the Public Safety budget for personnel costs.

Type	2024	2025	\$ Change	% Change
General Government	1,129,600	1,175,500	45,900	4.06%
Public Safety	2,653,400	2,967,000	313,600	11.82%
Public Works	677,800	688,000	10,200	1.50%
Parks & Rec.	404,550	407,700	3,150	0.78%
Community Dev.	478,875	502,800	23,925	5.00%
Miscellaneous	10,060	10,000	(60)	-0.60%
TOTAL	5,354,285	5,751,000	396,715	7.41%

General Fund Expenditures



- Public Safety **\$2,967,000** (51.59%)
- General Government **\$1,175,500** (20.44%)
- Public Works **\$688,000** (11.96%)
- Community Development **\$502,800** (8.74%)
- Parks & Recreation **\$407,700** (7.09%)
- Miscellaneous **\$10,000** (0.17%)

General Fund Fund Balance will be 65.1% of Budget

The State Auditor recommends that cities maintain unreserved fund balances in their general fund of approximately 35 to 50 percent of fund operating revenues or no less than five months of operating expenditures. The 2025 budget projects a fund balance of 67.9% of fund operating revenues and 8.1 months of operating expenditures. This should provide a sufficient balance to cover cash flow needs and unexpected expenditures.

Debt Service Funds

The City has three debt service funds to account for debt. Fund 327 accounts for the 2015 bonds related to street improvements. This fund is funded through property taxes and special assessments. The other two funds are the 2017 GO Capital Improvement Bonds and the 2023 GO Capital Improvement Bonds. These bonds are repaid through property taxes and transfers.

Debt for the Water and Sewer Enterprise funds are accounted for in the respective funds.

Outstanding debt on December 31, 2024 is calculated at \$36,223,000.

Capital Improvements

The 2025 Budget implements the first year of the 2025-2029 Capital Improvement Plan (CIP) adopted by the City Council on August 5, 2024. This five-year plan is updated annually through a comprehensive capital needs planning process. Some of the projects listed in the CIP are not included in the annually adopted budget because budgets are not established until after a public hearing is held and the City Council approves the project. This process is normally used for street projects and building construction because of the size of the project and the uncertainty of approval. The plan link is:

https://www.stfrancismn.gov/sites/default/files/fileattachments/finance/page/2931/capital_improvement_plan-2029.pdf

Utility rates

Water and sewer rates are set with the knowledge that predicting income is far more difficult than predicting expense and capital costs. In setting rates, the City expects fluctuations in consumption from year to year, and therefore expects a net loss in some years and a net profit in others. The rate setting process is designed to make gradual changes in rates whenever possible, focusing on a long-term strategy.

Utility rate history (usage is per 1,000 gallons; base is per equivalent connection):

	<u>2015</u>	<u>11/1/15</u>	<u>12/1/16</u>	<u>2018</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Water							
Base	13.75	16.50	19.80	14.55	15.28	16.04	16.04
Usage	Tiered	Tiered	Tiered	Tiered	Tiered	Tiered	Tiered
MN Test Fee	.53	.53	.53	.81	.81	.81	.81
Sewer							
Base	12.50	17.50	24.50	20.82	21.24	21.66	21.66
Usage	4.90	6.86	9.60	8.16	8.32	8.49	8.49

MN Statute 103G.291 was amended in 2008 to include a requirement for public water suppliers serving more than 1,000 people to adopt a water rate structure that encourages conservation by January 1, 2010. It was determined that a tiered rate system was the easiest and fairest solution. The following tiered rate system is in place for water usage.

<u>Gallons per Equivalent Connection</u>	<u>Fee per 1,000 gallons</u>
0 – 14,999	\$4.97
15,000 – 29,999	\$5.21
30,000 – 44,999	\$6.10
>= 45,000	\$7.18

MN PFA, the lender on our new Water Treatment Plant, requires that the city collect amounts necessary to produce net revenues adequate to pay all principal and interest when due on the Note. If not, they can require us to have a rate increase or direct us to levy the amount through property taxes. MN PFA is also the lender of our Wastewater Treatment Plant.

Water and Sewer Funds

Customers are billed for water and sewer charges on a monthly basis. Monthly billing assists in water conservation and leak detection by notifying customers of their usage every 30 days. The City contracts with an outside billing service for its utilities. Unpaid bills are the responsibility of the property owner and are certified to the property taxes each year.

Staff continues to monitor utility revenues to ensure financial stability.

Expenditures from these funds are used for operation and maintenance, debt service, capital improvements, and infrastructure replacement relating specifically to the operation of water and sewer services. Major activity relating to these funds include:

- A Water Treatment Plant was constructed in 2008 with low interest financing provided through the MN Public Facilities Authority.
- A Waster Water Treatment Plant was constructed in 2016 with low interest financing provided through the MN Public Facilities Authority
- A second river crossing vital for uninterrupted water service for those residents on the east side of the Rum River and necessary for efficient watermain system maintenance was completed in 2009.
- Construction of sanitary sewer and water mains to serve properties along Ambassador Boulevard as well as providing development opportunities for existing undeveloped properties was completed in 2011.

Liquor

The St. Francis Municipal Bottle Shop was established in 1964 and has been a key partner in the operation of the City. Records show that over \$500,000 of store proceeds have been used to support City purchases and various recreational activities within the City. The Bottle Shop has been a proud sponsor of the Pioneer Days fireworks display since 1999 and has also assisted with the financing of the Fire Department building expansion, Woodbury Park gazebo, Fire Department tanker, and various public safety equipment, just to name a few. Gross sales topped \$3 million for the first time in 2023 with gross profit at 24.8%. During 2021, the Liquor Store was remodeled. This added space for sales, storage and employees.

Financial Management Plan

The city completed a financial management plan in 2023 to work through long-term issues with the city council and try to plan for them. This plan tries to lay out and additional staffing needs and the need to update rates and taxes. This plan looked at the years 2024-2028 and will be updated on a 3 to 4 year schedule.

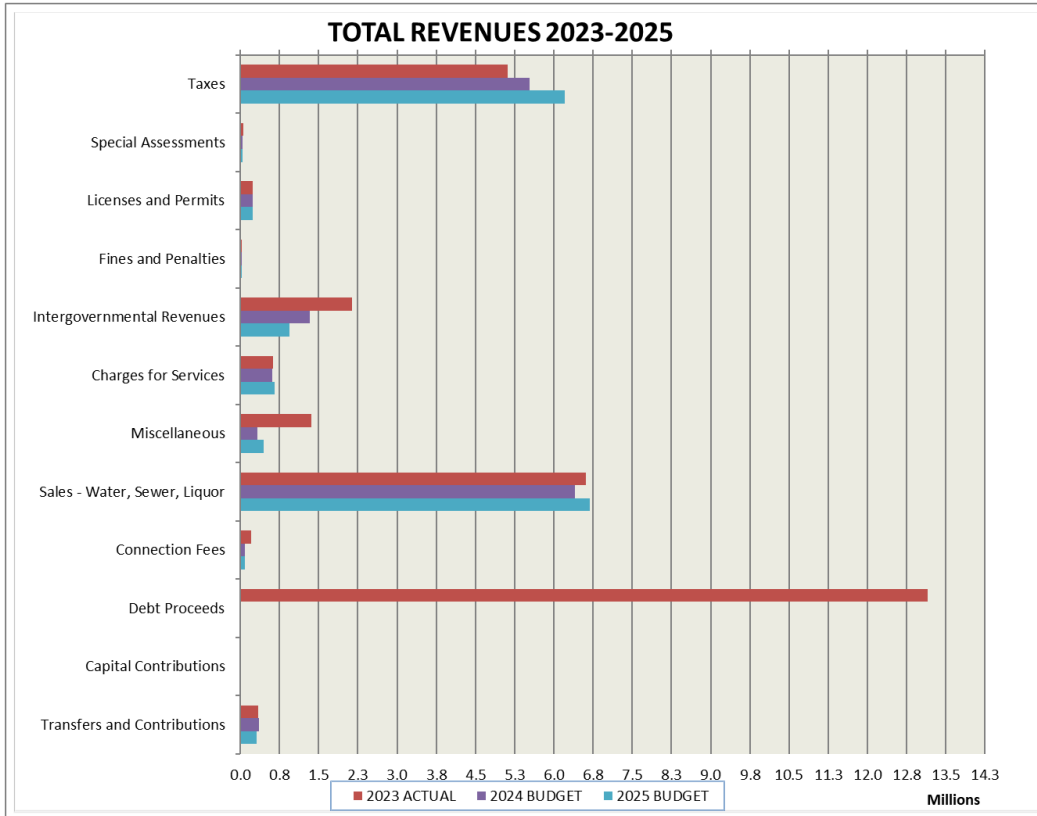
The plan can be found on the city's website at

https://www.stfrancismn.gov/sites/default/files/fileattachments/finance/page/2901/financial_management_plan-2023.pdf

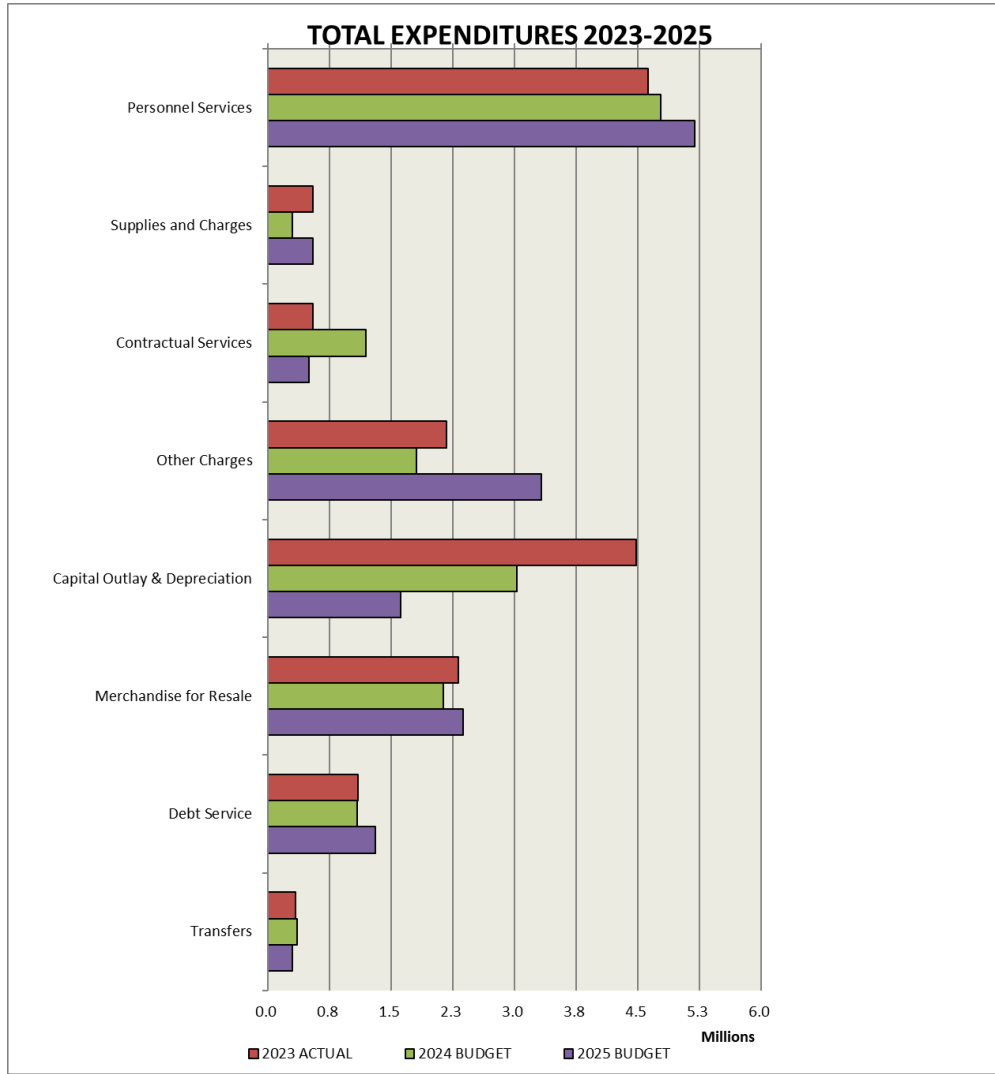
Consolidated Statement-All Funds

ALL FUNDS REVENUE SUMMARY

Total by Source	2023	2024	2025	%
	ACTUAL	BUDGET	BUDGET	CHANGE
Taxes	\$5,113,276	\$5,527,573	\$6,201,400	12.2%
Special Assessments	56,765	47,000	47,000	0.0%
Licenses and Permits	243,859	230,670	236,100	2.4%
Fines and Penalties	30,630	34,620	33,300	-3.8%
Intergovernmental Revenues	2,142,722	1,327,264	948,300	-28.6%
Charges for Services	631,155	611,966	650,300	6.3%
Miscellaneous	1,361,834	329,420	444,200	34.8%
Sales - Water, Sewer, Liquor	6,608,245	6,404,130	6,679,600	4.3%
Connection Fees	207,626	88,128	88,100	0.0%
Debt Proceeds	13,154,539	-	-	N/A
Capital Contributions	-	-	-	N/A
Transfers and Contributions	341,938	360,718	307,100	-14.9%
Totals	\$ 29,892,589	\$ 14,961,489	\$ 15,635,400	4.5%
Total By Fund				
Operating Budget:				
General Fund	\$ 5,940,771	\$ 5,354,285	\$ 5,751,000	7.4%
Police Forfeiture Fund	6,681	-	-	N/A
EDA Fund	2,873	-	-	N/A
Water Fund	1,946,167	1,696,778	1,711,400	0.9%
Sanitary Sewer Fund	2,250,328	1,912,138	2,027,400	6.0%
Storm Water Fund	339,236	237,336	252,000	6.2%
Municipal Liquor Fund	3,150,205	2,966,800	3,140,500	5.9%
Total Operating Budget	\$ 13,636,261	\$ 12,167,337	\$ 12,882,300	5.9%
Capital Improvements Budget:				
Park Improvements	\$ 31,609	\$ 351,700	\$ 201,000	-42.8%
Gambling Fund	35,039	40,500	35,000	-13.6%
Capital Equipment	823,209	367,000	420,000	14.4%
Building Fund	14,120,212	1,000	55,000	5400.0%
Street Fund	678,024	639,097	769,100	20.3%
Total Capital Budget	\$ 15,688,093	\$ 1,399,297	\$ 1,480,100	5.8%
Debt Service Budget:				
Debt Service Fund-2007	\$ 39,880	\$ 53,660	\$ -	-100.0%
Debt Service Fund-2015	31,298	26,470	6,000	-77.3%
Debt Service Fund-2017	497,057	493,220	476,000	-3.5%
Debt Service Fund-2023	-	821,505	791,000	
Total Debt Service Budget	\$ 568,235	\$ 1,394,855	\$ 1,273,000	-8.7%
Totals	\$ 29,892,589	\$ 14,961,489	\$ 15,635,400	4.5%



ALL FUNDS				
EXPENDITURE SUMMARY				
	2023	2024	2025	%
	ACTUAL	BUDGET	BUDGET	CHANGE
<u>Total By Classification</u>				
Personnel Services	\$ 4,624,258	\$ 4,783,860	\$ 5,196,000	8.6%
Supplies and Charges	548,494	307,422	550,600	79.1%
Contractual Services	553,536	1,193,350	501,000	-58.0%
Other Charges	2,176,209	1,807,500	3,327,475	84.1%
Capital Outlay & Depreciation	4,478,964	3,034,727	1,616,600	-46.7%
Merchandise for Resale	2,318,382	2,135,000	2,376,100	11.3%
Debt Service	1,096,761	1,090,246	1,310,796	20.2%
Transfers	341,938	360,718	307,100	-14.9%
Totals	\$ 16,138,542	\$ 14,712,823	\$ 15,185,671	3.2%
<u>Total By Fund</u>				
Operating Budget:				
General Fund	\$ 5,297,922	\$ 5,354,285	\$ 5,751,000	7.4%
Park Improvements	135	-	-	N/A
Police Forfeiture	17,518	3,647	-	-100.0%
EDA	-	-	-	N/A
Water Fund	1,364,889	1,377,506	1,387,944	0.8%
Sanitary Sewer Fund	2,198,058	2,226,730	2,288,639	2.8%
Storm Sewer Fund	267,650	221,100	238,700	8.0%
Municipal Liquor Fund	3,033,373	2,926,650	3,135,700	7.1%
Total Operating Budget	\$ 12,179,545	\$ 12,109,918	\$ 12,801,983	5.7%
Capital Improvements Budget:				
Capital Equipment	\$ 251,790	\$ 844,016	1,007,275	19.3%
Building Fund	\$ 2,756,067	\$ -	-	N/A
Street Fund	\$ 458,084	\$ 976,711	339,000	-65.3%
Gambling	\$ -	\$ -	-	N/A
Total Capital Budget	\$ 3,465,941	\$ 1,820,727	1,346,275	-26.1%
Debt Service Budget:				
Debt Service Fund-2007	\$ -	\$ -	\$ -	N/A
Debt Service Fund-2015	27,950	32,725	31,825	-2.8%
Debt Service-2017	465,106	465,657	460,981	-1.0%
Debt Service-2023	-	283,796	544,607	91.9%
Total Debt Service	\$ 493,056	\$ 782,178	\$ 1,037,413	32.6%
Totals	\$ 16,138,542	\$ 14,712,823	\$ 15,185,671	3.2%



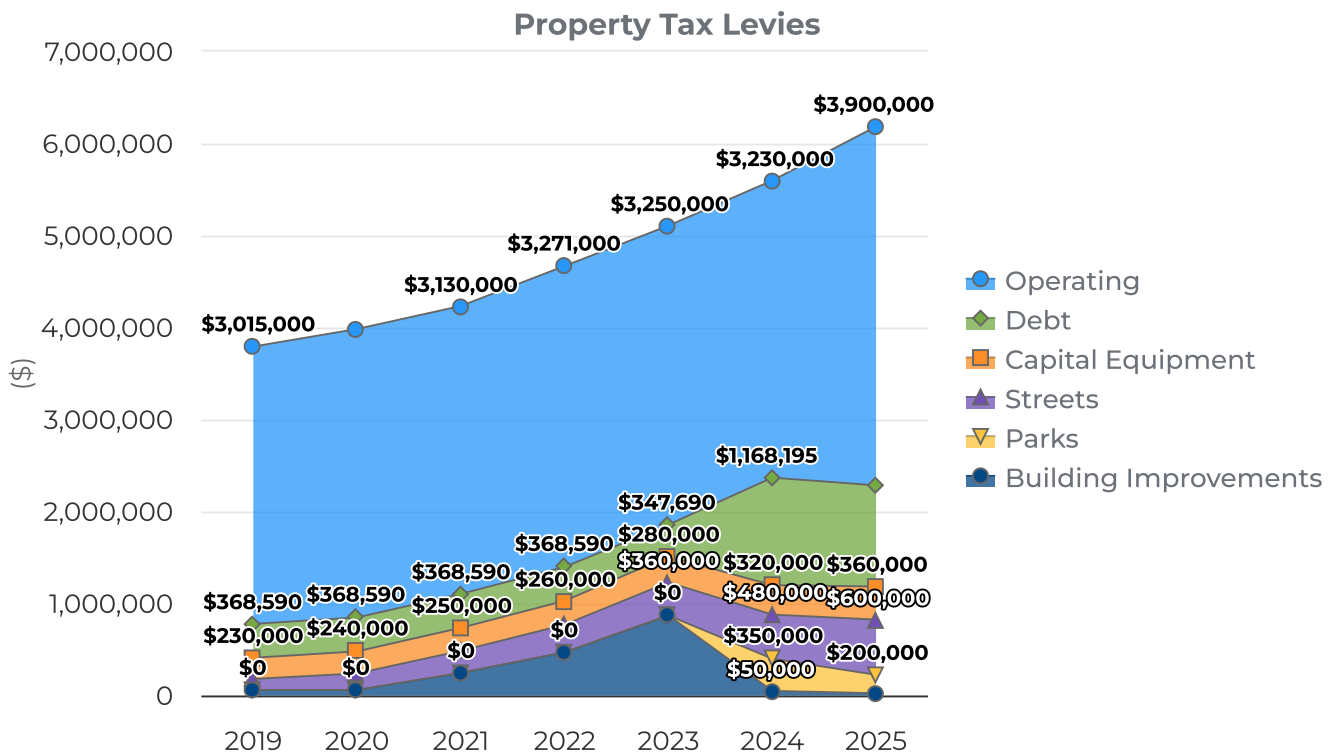
Revenue Sources

The City is dependent on the resources that generate revenue to provide for the different services that our residents receive. This dependency is the limiting factor on what services can be provided. These services range from the basic services of public safety and road maintenance to services enhancing the quality of life such as parks and community events. Our resources to generate revenues are affected by a number of factors, including City, State and Federal laws, rates, demographics, and economic conditions. The following provides a summary of the different revenue sources.

Taxes-\$6,201,400

Tax revenues consist of property taxes (current and delinquent), tax increments and penalties and interest. This revenue source is primarily used in the General Fund and is set at a level to raise adequate revenue for the operating budget when combined with other expected revenues. The final level of expected revenue should be sufficient to conduct City business in accordance with Council policy and directives and result in a projected year-end fund balance to cover possible emergencies and contingencies. The Minnesota State Legislature eliminated the Market Value Credit Program in 2012 and replaced it with the Market Value Exclusion Program, which continues in 2025 with changes to the formulas.

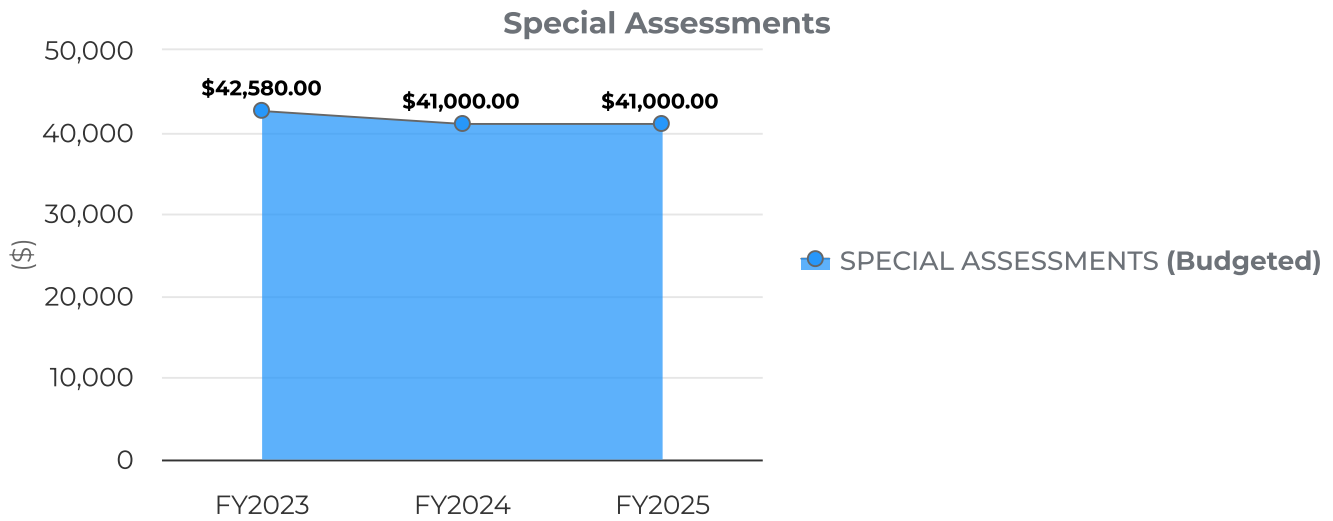
The City relies on property taxes for 68% of the total General Fund revenues, supporting such functions as public safety, public works, and general government.



Special Assessments - \$47,000

A portion of the costs for public improvements is recovered by assessment charges to the benefiting property owners. These collections are used to pay bond principal and interest on the outstanding improvement bonds or to reimburse the City if no bonds were issued. Property owners have the option of paying for the assessment in full or spreading the assessment over a 10 or 15-year payback period, depending on the type of improvement. The budget is based on current payment schedules and a review of upcoming projects and outstanding balances.

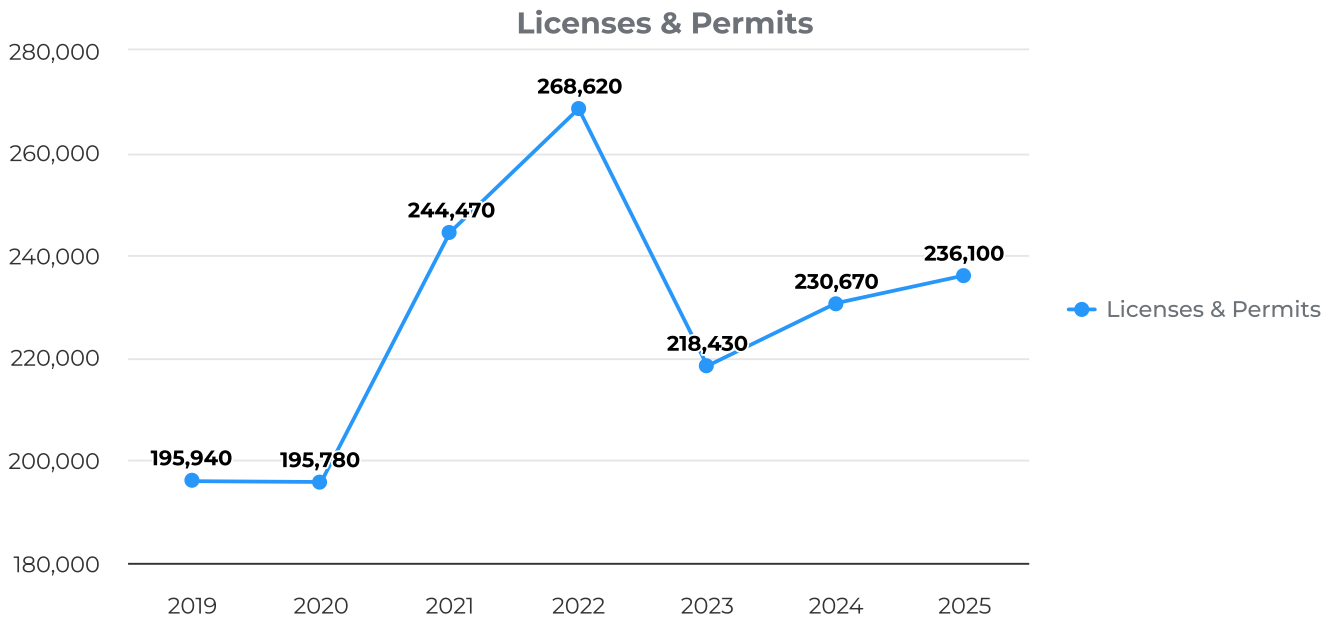
Special assessment collections for 2025 will drop stay the same.



Licenses and Permits - \$236,100

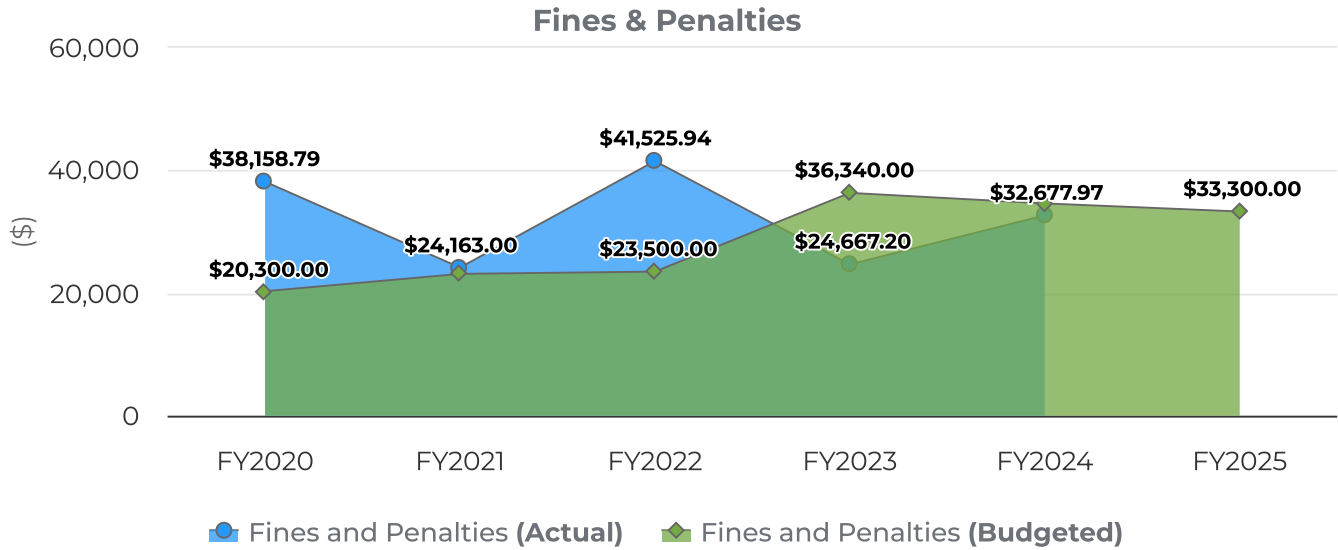
This revenue source is found only in the General Fund. It primarily consists of liquor license fees, building permit fees, and animal licenses. These revenues are based on a review of the prior three years actuals, changes in economic conditions, City determined license rates, State regulated rates, and the Uniform Building Code.

These fees are normally charged as a means of recovering the cost of regulation in the interest of the overall community. Business license fees are required to be paid annually in order to operate a business within the City. Liquor license fees account for most of the revenue in this category. Non-business license and permit fees are levied to finance the cost of inspecting and regulating new construction and to cover a portion of the administrative costs associated with monitoring activities. Building permit fees generate most of the revenue in this category and have been the major factor in the increase for this revenue stream.



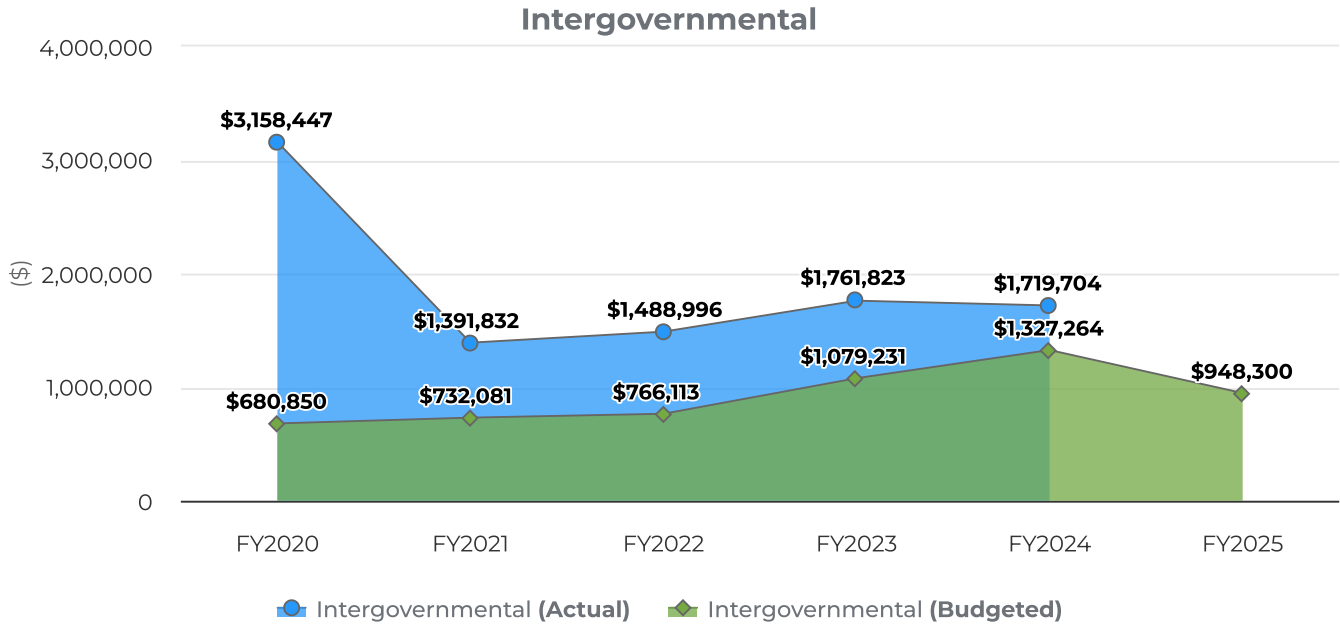
Fines and Penalties - \$33,300

Fines and penalties consist of the City's share of fines collected by the County for court actions, animal impound fees, and revenue from drug forfeiture proceeds. The budget is based on a review of the prior three years actuals. The fluctuations in this category are mainly caused by drug forfeiture proceeds. The revenue from drug forfeitures is dependent on crime in the city. We do not budget for drug forfeiture revenue as it is very unpredictable.



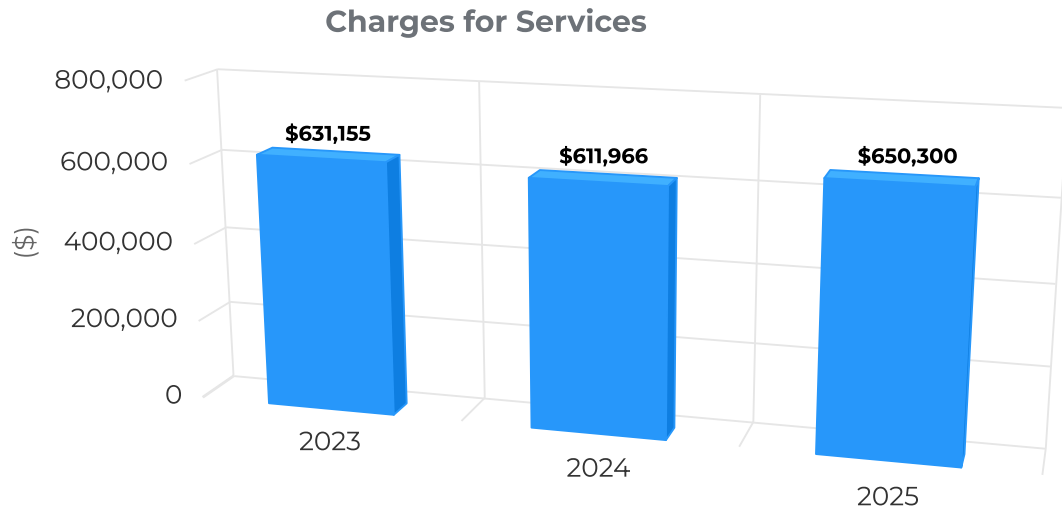
Intergovernmental - \$948,300

This represents monies from other governments in the form of grants, entitlements, and shared revenues. The city is going to receive \$646,100 in Local Government Aid in 2025. Other items represented in this revenue source are Police and Fire State Aid, Community Development Block Grants and State Street Aid. This also accounts for the use of the ARP Funds from the Federal Government.



Charges for Services - \$650,300

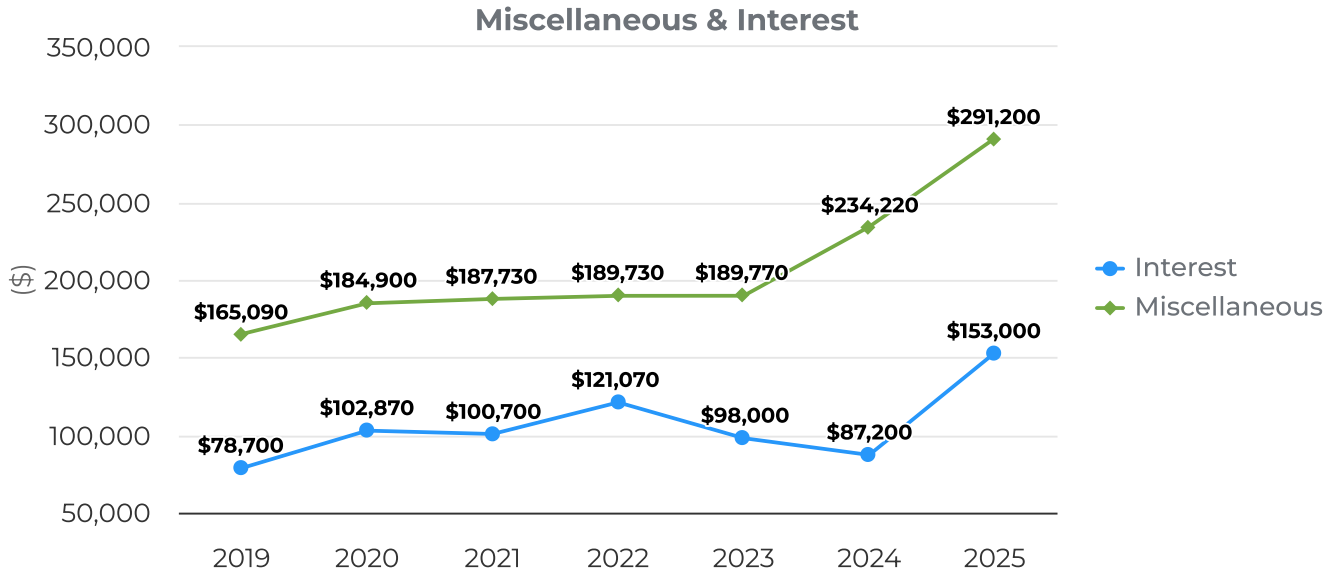
Charges for services come from a variety of sources, such as fire contracts with a neighboring city, plan reviews, recycling revenue, special event fees, and administrative charges between funds.



Miscellaneous - \$444,200

Miscellaneous revenues include investment earnings, park dedication fees, donations, cable franchise fees, sale of property, and antenna lease agreements. They are based on a review of the prior three years actuals.

Interest revenue is earned on the investment of City funds. Most cash in the City is pooled for investment purposes. Interest is allocated to funds monthly based on the change in each of the fund's cash balances.

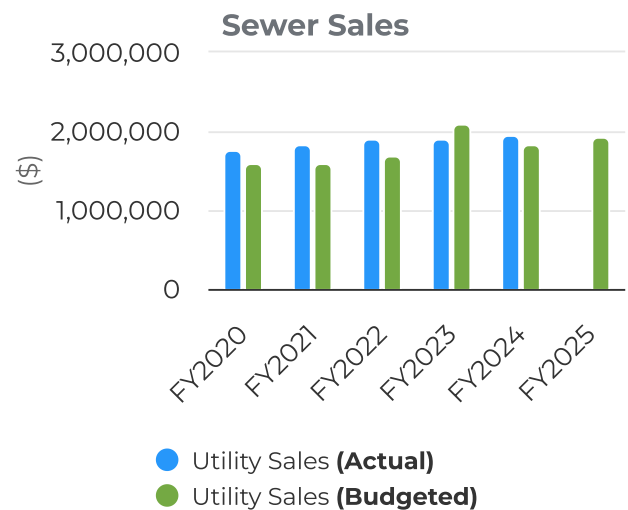
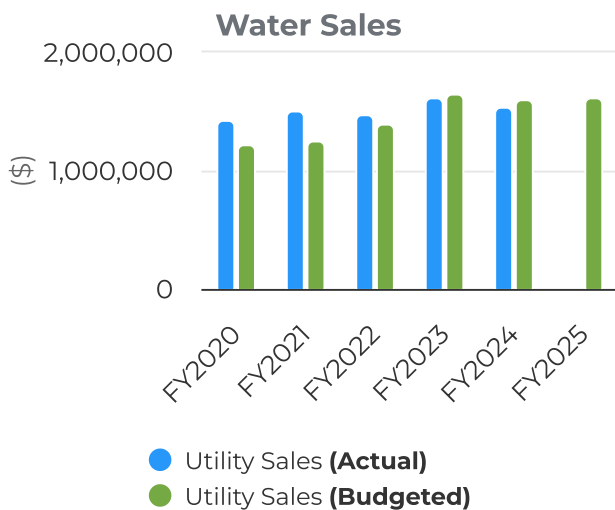


Sales - Water, Sewer, Liquor - \$6,679,600

This represents water and sewer usage charges and sales made by our municipal liquor store. Rate studies and forecasts are reviewed to determine user charges. The Water, Sewer and Municipal Liquor Funds are enterprise funds of the City. The funds are financed and operated in a manner similar to private business enterprises where the intent of the City is that the costs (including depreciation) of providing services to the public on a continuing basis be financed primarily through user charges.

The history of the monthly water and sewer bill for a residential household that uses 6,000 gallons per month would be:

Year	Water	Sewer	Total
2017	\$57.05	\$82.10	\$139.15
2018	\$57.05	\$82.10	\$139.15
2019	\$42.08	\$69.78	\$111.86
2020	\$42.08	\$69.78	\$111.86
2021	\$42.08	\$69.78	\$111.86
2022	\$42.08	\$69.78	\$111.86
2023	\$44.47	\$71.16	\$115.63
2024	\$46.67	\$72.60	\$119.27
2025	\$46.67	\$72.60	\$119.27



Liquor Sales

The following shows the sales at the liquor store broken down by category and the percent of total sales.

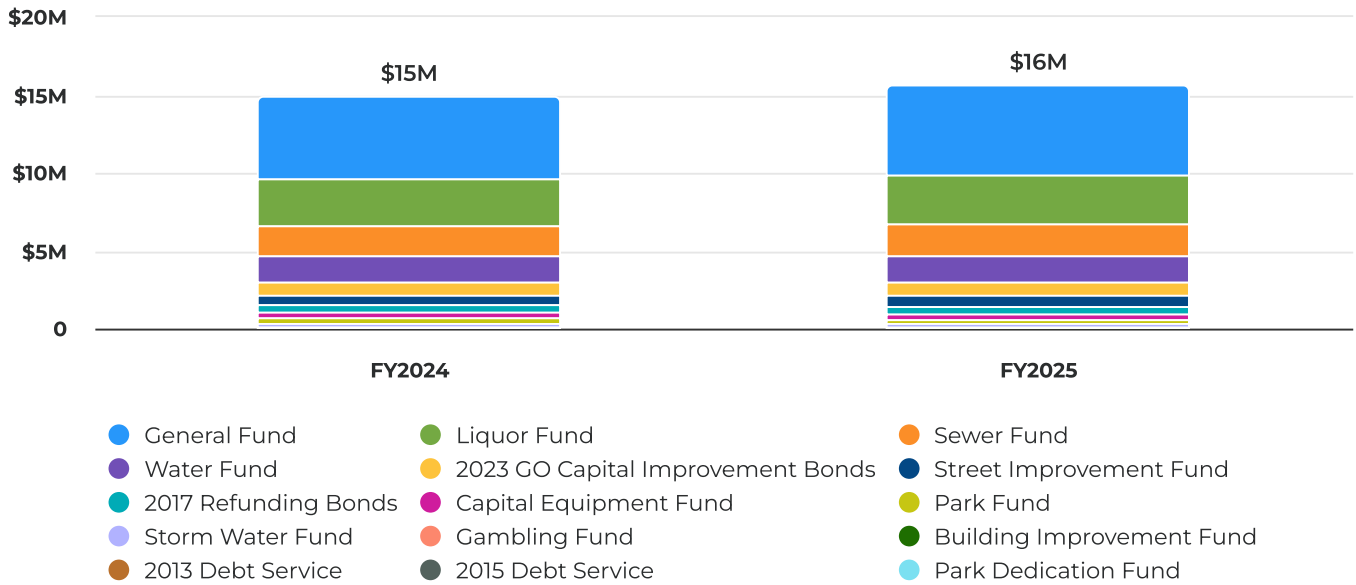
Percent of Sales	2023		2024		2025	
Liquor	1,137,220	36.8%	1,065,000	36.0%	1,180,000	37.8%
Beer	1,553,322	50.3%	1,517,300	51.3%	1,550,000	49.7%
Wine	234,567	7.6%	230,000	7.8%	235,000	7.5%
Tobacco	80,402	2.6%	76,000	2.6%	80,000	2.6%
THC	-	0.0%	-	0.0%	10,000	0.3%
Misc	81,454	2.6%	68,100	2.3%	63,000	2.0%
Total Sales	3,086,965		2,956,400		3,118,000	

Transfers and Contributions of Assets - \$307,100

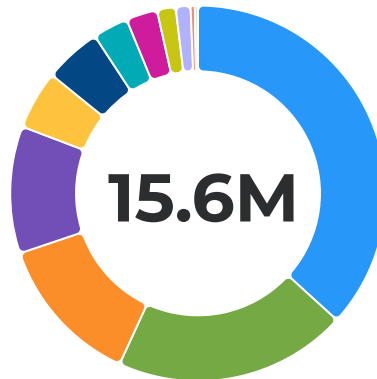
Transfers are not an outside revenue source, but instead reflect amounts transferred between City Funds. These transfers may be utilized as a means to fund projects or debt service from multiple sources. The largest components of transfers are to cover capital equipment or projects.

Budget Summary

Revenues by Fund



FY25 Revenues by Fund

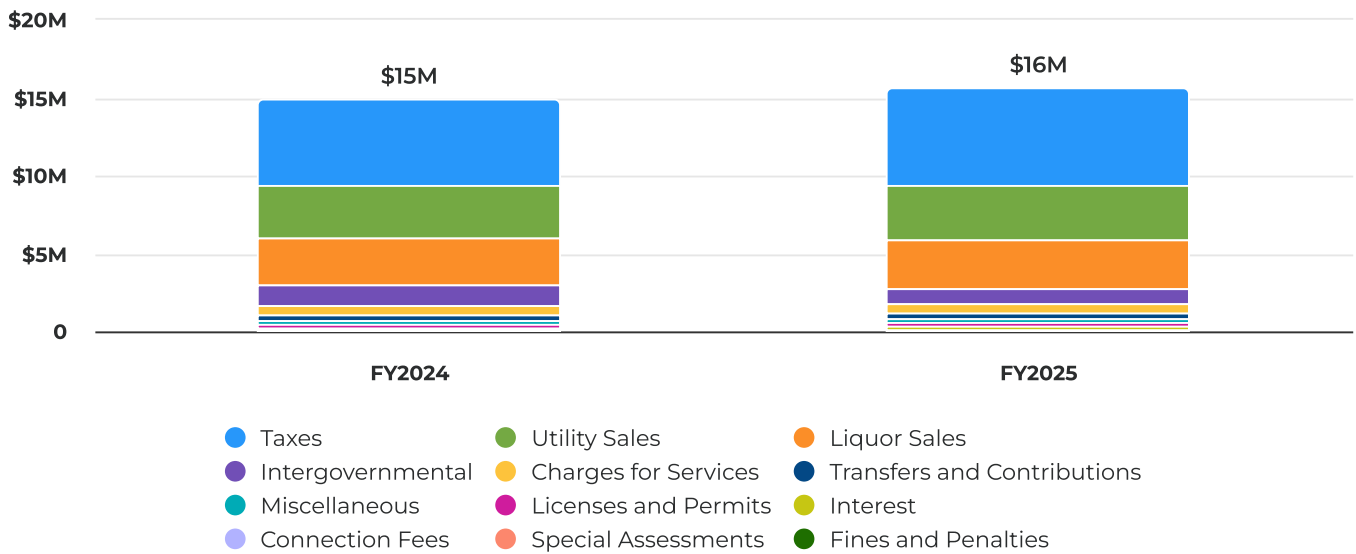


General Fund	\$5,751,000	36.78%
Liquor Fund	\$3,140,500	20.09%
Sewer Fund	\$2,027,400	12.97%
Water Fund	\$1,711,400	10.95%
2023 GO Capital Improvement Bonds	\$791,000	5.06%
Street Improvement Fund	\$769,100	4.92%
2017 Refunding Bonds	\$476,000	3.04%
Capital Equipment Fund	\$420,000	2.69%
Storm Water Fund	\$252,000	1.61%
Park Fund	\$200,000	1.28%
Building Improvement Fund	\$55,000	0.35%
Gambling Fund	\$35,000	0.22%
2015 Debt Service	\$6,000	0.04%
Park Dedication Fund	\$1,000	0.01%

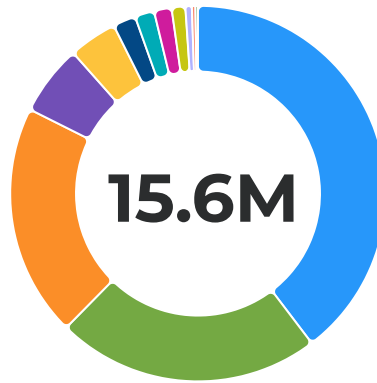
Revenues by Fund

Category	FY 2024 Adopted	FY 2025 Budgeted	FY 2024 Adopted vs. FY 2025 Budgeted (% Change)
General Fund	\$5,354,285	\$5,751,000	7.41%
Gambling Fund	\$40,500	\$35,000	-13.58%
Park Dedication Fund	\$1,700	\$1,000	-41.18%
Park Fund	\$350,000	\$200,000	-42.86%
2013 Debt Service	\$53,660	-	-100.00%
2015 Debt Service	\$26,470	\$6,000	-77.33%
2017 Refunding Bonds	\$493,220	\$476,000	-3.49%
2023 GO Capital Improvement Bonds	\$821,505	\$791,000	-3.71%
Capital Equipment Fund	\$367,000	\$420,000	14.44%
Building Improvement Fund	\$1,000	\$55,000	5,400.00%
Street Improvement Fund	\$639,097	\$769,100	20.34%
Water Fund	\$1,696,778	\$1,711,400	0.86%
Sewer Fund	\$1,912,138	\$2,027,400	6.03%
Storm Water Fund	\$237,336	\$252,000	6.18%
Liquor Fund	\$2,966,800	\$3,140,500	5.85%
Total Revenues	\$14,961,489	\$15,635,400	4.50%

Revenues by Revenue Account Summary



FY25 Revenues by Revenue Account Summary

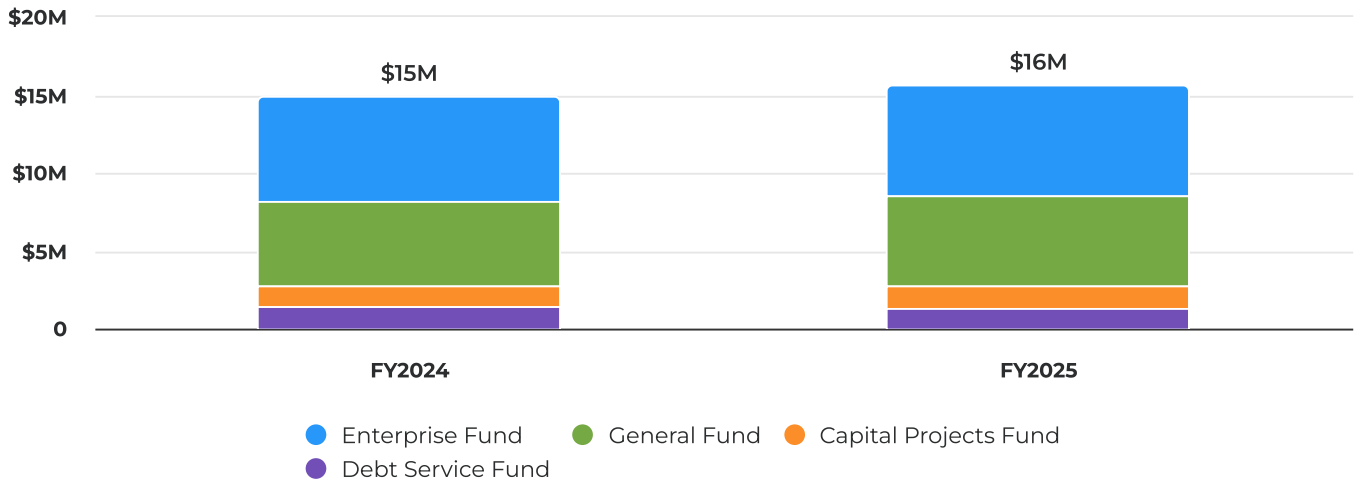


Taxes	\$6,201,400	39.66%
Utility Sales	\$3,549,600	22.70%
Liquor Sales	\$3,130,000	20.02%
Intergovernmental	\$948,300	6.07%
Charges for Services	\$649,300	4.15%
Transfers and Contributions	\$307,100	1.96%
Miscellaneous	\$260,600	1.67%
Licenses and Permits	\$236,100	1.51%
Interest	\$184,600	1.18%
Connection Fees	\$88,100	0.56%
Special Assessments	\$47,000	0.30%
Fines and Penalties	\$33,300	0.21%

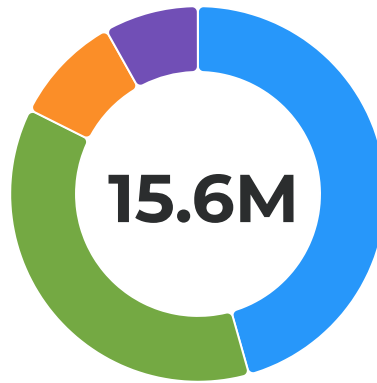
Revenues by Revenue Account Summary

Category	FY 2024 Adopted	FY 2025 Budgeted	FY 2024 Adopted vs. FY 2025 Budgeted (% Change)
Taxes	\$5,527,573	\$6,201,400	12.19%
Licenses and Permits	\$230,670	\$236,100	2.35%
Charges for Services	\$618,966	\$649,300	4.90%
Intergovernmental	\$1,327,264	\$948,300	-28.55%
Fines and Penalties	\$34,620	\$33,300	-3.81%
Special Assessments	\$47,000	\$47,000	0.00%
Interest	\$88,200	\$184,600	109.30%
Miscellaneous	\$234,220	\$260,600	11.26%
Transfers and Contributions	\$360,718	\$307,100	-14.86%
Utility Sales	\$3,447,730	\$3,549,600	2.95%
Connection Fees	\$88,128	\$88,100	-0.03%
Liquor Sales	\$2,956,400	\$3,130,000	5.87%
Total Revenues	\$14,961,489	\$15,635,400	4.50%

Revenues by Fund Summary



FY25 Revenues by Fund Summary



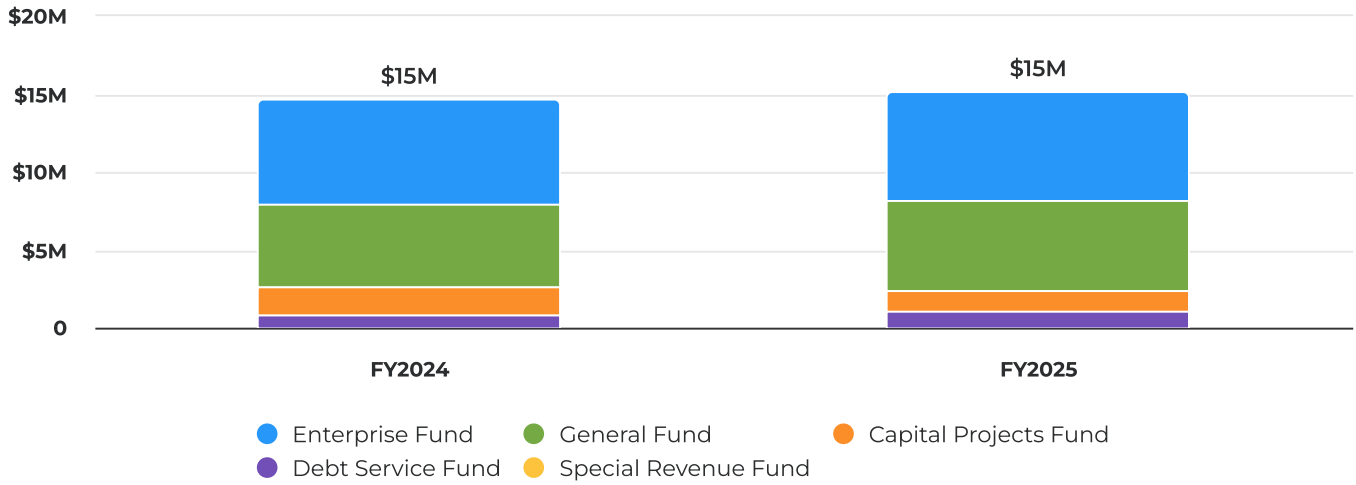
Enterprise Fund	\$7,131,300	45.61%
General Fund	\$5,751,000	36.78%
Capital Projects Fund	\$1,480,100	9.47%
Debt Service Fund	\$1,273,000	8.14%

Revenues by Fund Summary

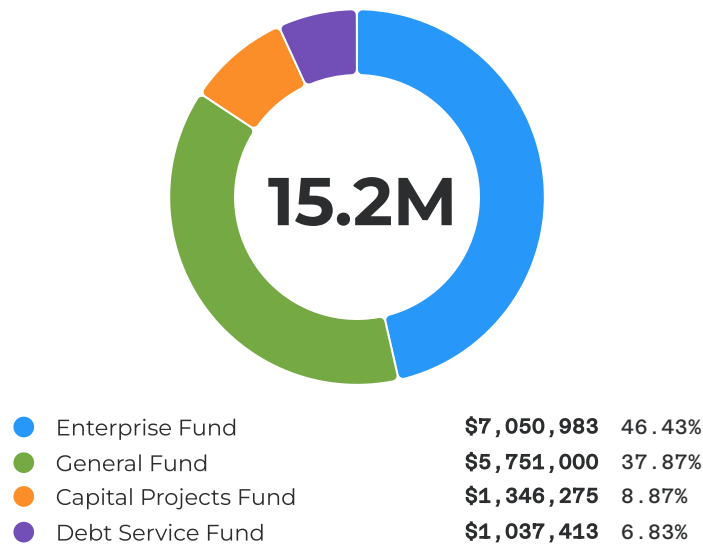
Category	FY 2024 Adopted	FY 2025 Budgeted	FY 2024 Adopted vs. FY 2025 Budgeted (% Change)
General Fund	\$5,354,285.00	\$5,751,000.00	7.41%
Capital Projects Fund	\$1,399,297.00	\$1,480,100.00	5.77%
Debt Service Fund	\$1,394,855.00	\$1,273,000.00	-8.74%
Enterprise Fund	\$6,813,052.00	\$7,131,300.00	4.67%
Total Revenues	\$14,961,489.00	\$15,635,400.00	4.50%

Expenditures by Fund

Historical Expenditures by Fund Summary



FY25 Expenditures by Fund Summary



Expenditures by Fund

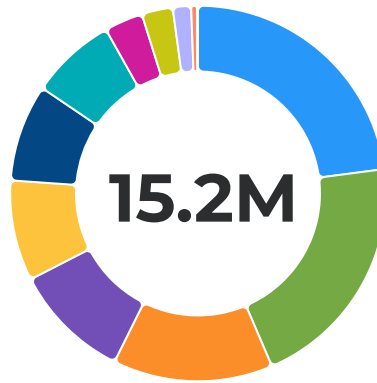
Category	FY 2024 Adopted	FY 2025 Budgeted	FY 2024 Adopted vs. FY 2025 Budgeted (% Change)
General Fund	\$5,354,285	\$5,751,000	7.41%

Category	FY 2024 Adopted	FY 2025 Budgeted	FY 2024 Adopted vs. FY 2025 Budgeted (% Change)
Special Revenue Fund	\$3,647	-	-100.00%
Capital Projects Fund	\$1,820,727	\$1,346,275	-26.06%
Debt Service Fund	\$782,178	\$1,037,413	32.63%
Enterprise Fund	\$6,751,986	\$7,050,983	4.43%
Total Expenditures	\$14,712,823	\$15,185,671	3.21%

Expenditure Summary

Expenditures by Function

FY25 Expenditures by Function



Public Safety	\$3,481,699	22.93%
Liquor Store	\$3,135,700	20.65%
Sewer	\$2,088,900	13.76%
Debt	\$1,539,188	10.14%
Water	\$1,314,300	8.65%
General Government	\$1,268,835	8.36%
Public Works	\$1,120,249	7.38%
Community Development	\$502,800	3.31%
Culture and Recreation	\$407,700	2.68%
Storm Water	\$238,700	1.57%
Recycle	\$77,600	0.51%
Miscellaneous	\$10,000	0.07%

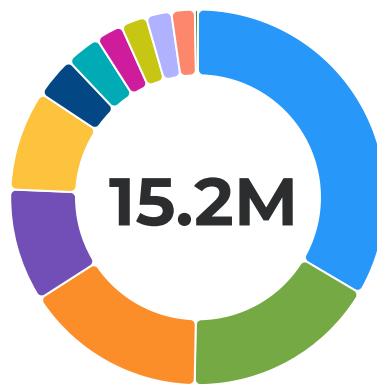
Expenditures by Function

Category	FY 2024 Adopted	FY 2025 Budgeted	FY 2024 Adopted vs. FY 2025 Budgeted (% Change)
General Government	\$1,212,311	\$1,268,835	4.66%
Community Development	\$478,875	\$502,800	5.00%
Public Safety	\$3,075,809	\$3,481,699	13.20%
Public Works	\$1,723,651	\$1,120,249	-35.01%
Recycle	\$82,700	\$77,600	-6.17%
Culture and Recreation	\$404,550	\$407,700	0.78%

Category	FY 2024 Adopted	FY 2025 Budgeted	FY 2024 Adopted vs. FY 2025 Budgeted (% Change)
Debt	\$1,280,949	\$1,539,188	20.16%
Miscellaneous	\$10,060	\$10,000	-0.60%
Water	\$1,283,070	\$1,314,300	2.43%
Sewer	\$2,013,098	\$2,088,900	3.77%
Storm Water	\$221,100	\$238,700	7.96%
Liquor Store	\$2,926,650	\$3,135,700	7.14%
Total Expenditures	\$14,712,823	\$15,185,671	3.21%

Expenditures by Expense Account Summary

FY25 Expenditures by Expense Account Summary



● Personnel Services	\$5,090,100	33.52%
● Capital Outlay & Depreciation	\$2,546,875	16.77%
● Cost of Goods Sold	\$2,376,100	15.65%
● Other Charges	\$1,479,700	9.74%
● Debt Service	\$1,310,796	8.63%
● Repairs and Maintenance	\$549,400	3.62%
● Contractual Services	\$458,600	3.02%
● Supplies and Charges	\$355,300	2.34%
● Insurance	\$341,700	2.25%
● Utilities	\$329,500	2.17%
● Transfers	\$307,100	2.02%
● Communications	\$40,500	0.27%

Expenditures by Expense Account Summary

Category	FY 2024 Adopted	FY 2025 Budgeted	FY 2024 Adopted vs. FY 2025 Budgeted (% Change)
Personnel Services	\$4,783,860	\$5,090,100	6.40%
Insurance	\$316,850	\$341,700	7.84%
Supplies and Charges	\$328,122	\$355,300	8.28%
Cost of Goods Sold	\$2,135,000	\$2,376,100	11.29%
Contractual Services	\$451,000	\$458,600	1.69%
Other Charges	\$1,386,300	\$1,479,700	6.74%
Repairs and Maintenance	\$559,100	\$549,400	-1.73%

Category	FY 2024 Adopted	FY 2025 Budgeted	FY 2024 Adopted vs. FY 2025 Budgeted (% Change)
Capital Outlay & Depreciation	\$2,957,727	\$2,546,875	-13.89%
Communications	\$42,300	\$40,500	-4.26%
Utilities	\$301,600	\$329,500	9.25%
Debt Service	\$1,090,246	\$1,310,796	20.23%
Transfers	\$360,718	\$307,100	-14.86%
Total Expenditures	\$14,712,823	\$15,185,671	3.21%

Fund Summaries

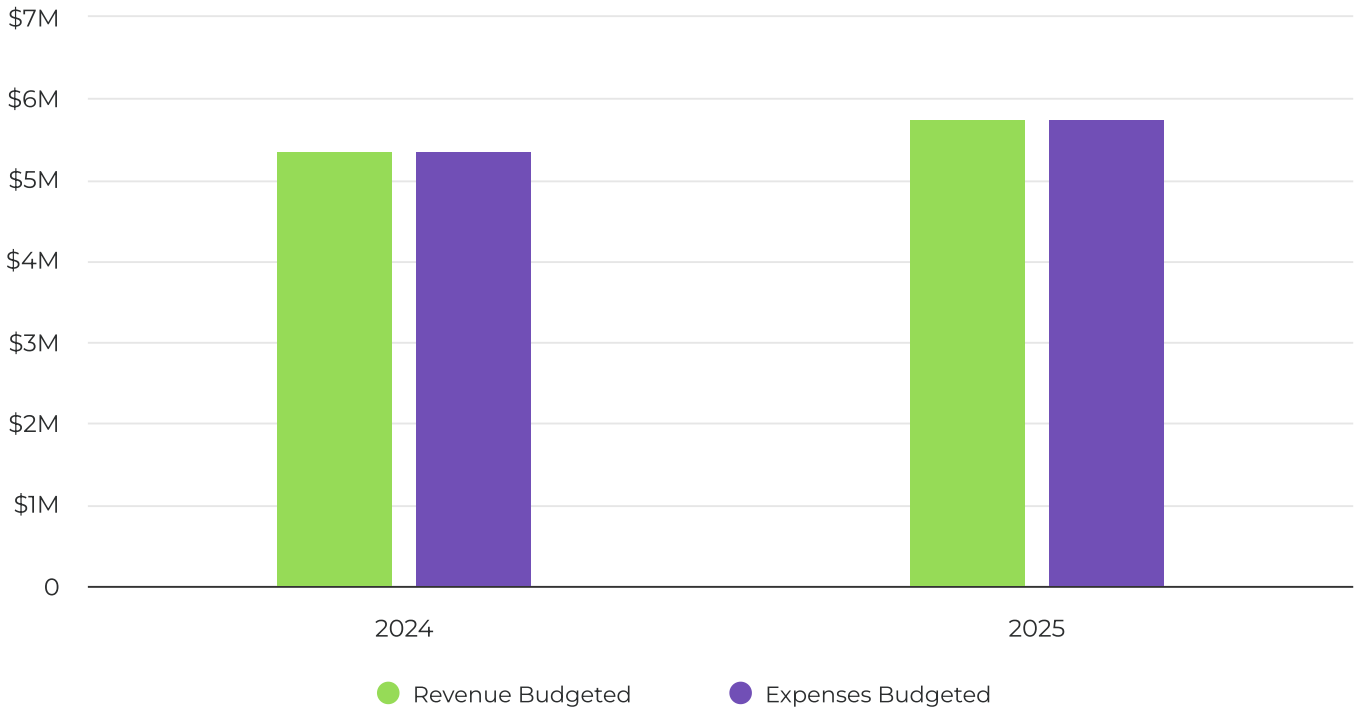
General Fund

The General Fund serves as the chief operating fund of the City. The General Fund is used to account for all financial resources not accounted for in some other funds. The General Fund uses the modified accrual basis of accounting for budgeting and financial reporting purposes. This means expenditures are recorded when the liability is incurred, and revenues are recorded when they become measurable and available. The adopted General Fund budget is a balanced budget, meaning current revenues and other sources equal expenditures and other uses. The General Fund is considered a major fund.

Statement of Revenues, Expenditures and Fund Balance

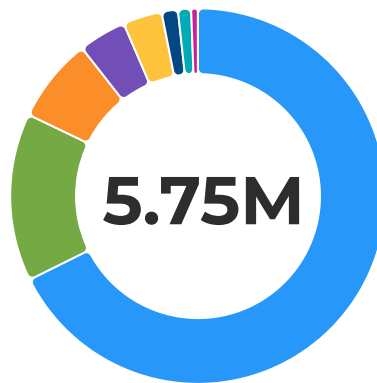
Category	FY 2024 Adopted	FY 2025 Budgeted
Beginning Fund Balance	\$3,858,331	\$3,858,331
Revenues		
Taxes	\$3,209,378	\$3,891,400
Licenses and Permits	\$230,670	\$236,100
Charges for Services	\$391,630	\$419,300
Intergovernmental	\$1,211,167	\$832,200
Fines and Penalties	\$34,620	\$33,300
Interest	\$25,000	\$80,600
Miscellaneous	\$186,820	\$193,100
Transfers and Contributions	\$65,000	\$65,000
Total Revenues	\$5,354,285	\$5,751,000
Expenditures		
Personnel Services	\$3,799,410	\$4,096,400
Insurance	\$220,350	\$216,100
Supplies and Charges	\$166,175	\$181,800
Contractual Services	\$151,500	\$158,500
Other Charges	\$744,750	\$798,800
Repairs and Maintenance	\$192,600	\$194,000
Capital Outlay & Depreciation	\$2,000	\$2,000
Communications	\$28,800	\$28,400
Utilities	\$48,700	\$75,000
Total Expenditures	\$5,354,285	\$5,751,000
Total Revenues Less Expenditures	-	-
Ending Fund Balance	\$3,858,331	\$3,858,331

Revenues vs Expenditures Summary



Revenues by Revenue Account Summary

FY25 Revenues by Revenue Account Summary



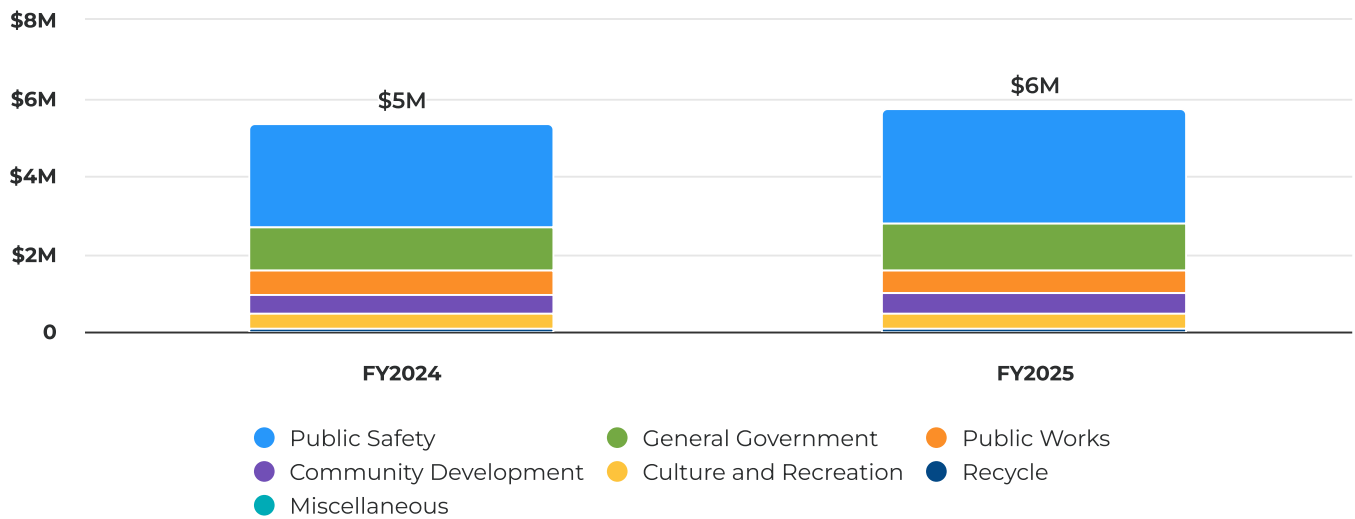
Taxes	\$3,891,400	67.66%
Intergovernmental	\$832,200	14.47%
Charges for Services	\$419,300	7.29%
Licenses and Permits	\$236,100	4.11%
Miscellaneous	\$193,100	3.36%
Interest	\$80,600	1.40%
Transfers and Contributions	\$65,000	1.13%
Fines and Penalties	\$33,300	0.58%

Revenues by Revenue Account Summary

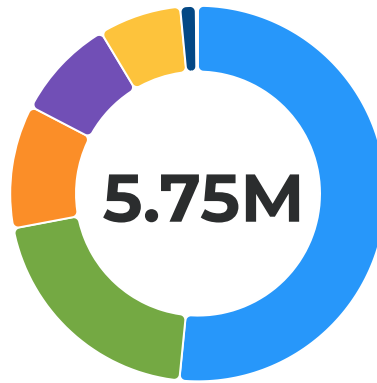
Category	FY 2024 Adopted	FY 2025 Budgeted	FY 2024 Adopted vs. FY 2025 Budgeted (% Change)
Taxes	\$3,209,378.00	\$3,891,400.00	21.25%
Licenses and Permits	\$230,670.00	\$236,100.00	2.35%
Charges for Services	\$391,630.00	\$419,300.00	7.07%
Intergovernmental	\$1,211,167.00	\$832,200.00	-31.29%
Fines and Penalties	\$34,620.00	\$33,300.00	-3.81%
Interest	\$25,000.00	\$80,600.00	222.40%
Miscellaneous	\$186,820.00	\$193,100.00	3.36%
Transfers and Contributions	\$65,000.00	\$65,000.00	0.00%
Total Revenues	\$5,354,285.00	\$5,751,000.00	7.41%

Expenditures by Function

Historical Expenditures by Function



FY25 Expenditures by Function



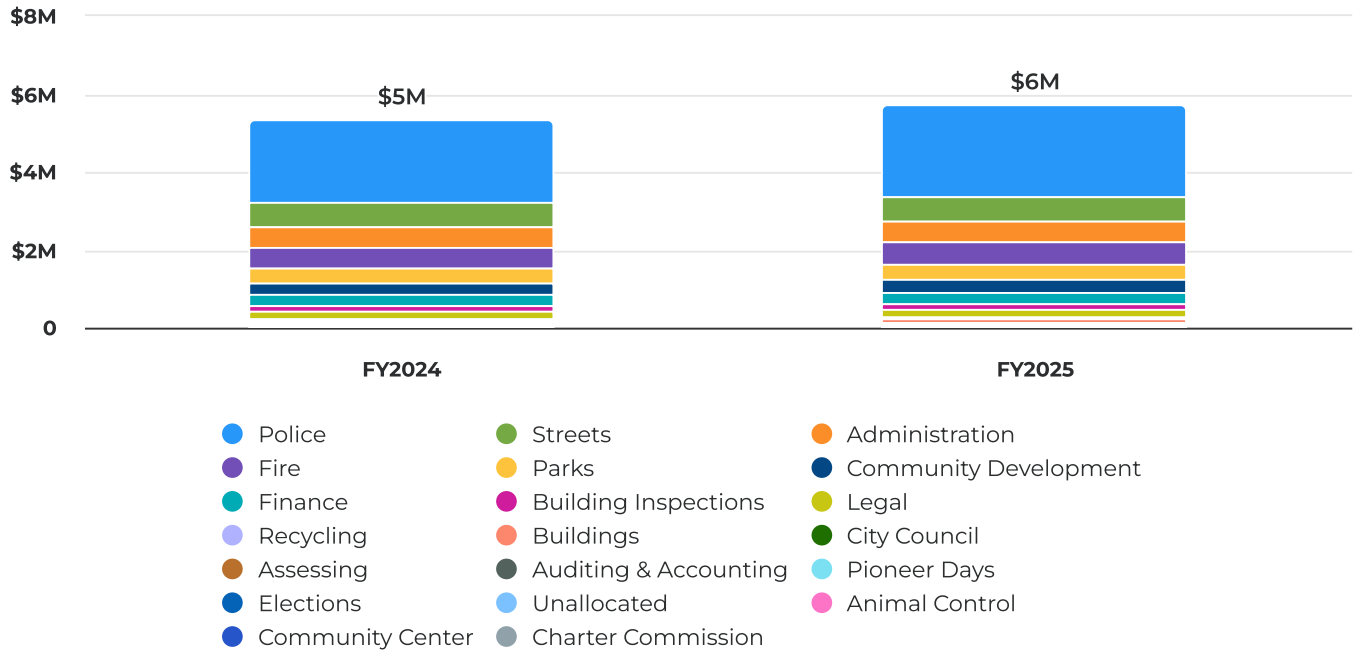
● Public Safety	\$2,967,000	51.59%
● General Government	\$1,175,500	20.44%
● Public Works	\$610,400	10.61%
● Community Development	\$502,800	8.74%
● Culture and Recreation	\$407,700	7.09%
● Recycle	\$77,600	1.35%
● Miscellaneous	\$10,000	0.17%

Expenditures by Function

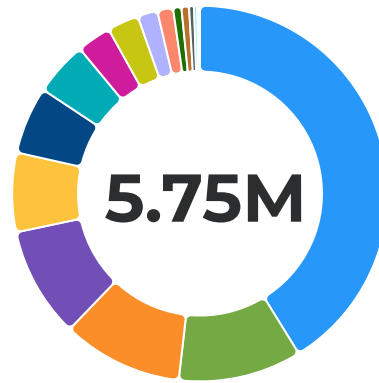
Category	FY 2024 Adopted	FY 2025 Budgeted	FY 2024 Adopted vs. FY 2025 Budgeted (% Change)
General Government	\$1,129,600.00	\$1,175,500.00	4.06%
Community Development	\$478,875.00	\$502,800.00	5.00%
Public Safety	\$2,653,400.00	\$2,967,000.00	11.82%
Public Works	\$595,100.00	\$610,400.00	2.57%
Recycle	\$82,700.00	\$77,600.00	-6.17%
Culture and Recreation	\$404,550.00	\$407,700.00	0.78%
Miscellaneous	\$10,060.00	\$10,000.00	-0.60%
Total Expenditures	\$5,354,285.00	\$5,751,000.00	7.41%

Expenditures by Department

Historical Expenditures by Department



FY25 Expenditures by Department



Police	\$2,369,800	41.21%
Streets	\$610,400	10.61%
Fire	\$596,200	10.37%
Administration	\$547,000	9.51%
Parks	\$392,400	6.82%
Community Development	\$333,300	5.80%
Finance	\$268,100	4.66%
Building Inspections	\$169,500	2.95%
Legal	\$155,800	2.71%
Buildings	\$98,500	1.71%
Recycling	\$77,600	1.35%
City Council	\$41,700	0.73%
Assessing	\$37,000	0.64%
Auditing & Accounting	\$25,000	0.43%
Pioneer Days	\$15,300	0.27%
Unallocated	\$10,000	0.17%
Elections	\$2,300	0.04%
Animal Control	\$1,000	0.02%
Charter Commission	\$100	0.00%

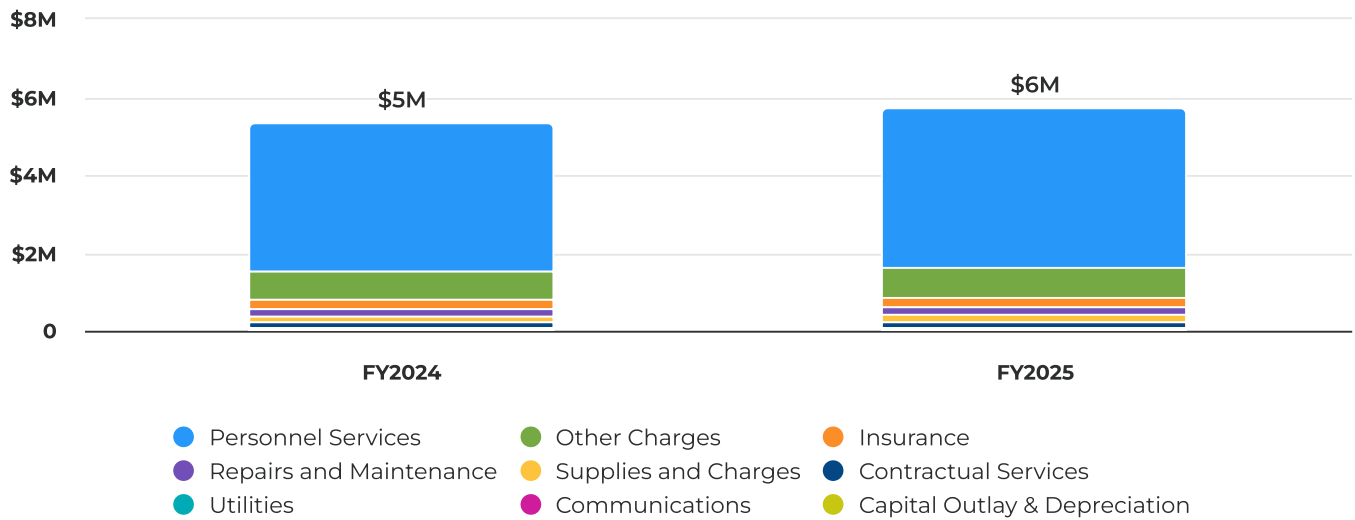
Expenditures by Department

Category	FY 2024 Adopted	FY 2025 Budgeted	FY 2024 Adopted vs. FY 2025 Budgeted (% Change)
City Council	\$40,760.00	\$41,700.00	2.31%
Charter Commission	\$50.00	\$100.00	100.00%
Administration	\$562,000.00	\$547,000.00	-2.67%
Elections	\$23,040.00	\$2,300.00	-90.02%
Finance	\$261,850.00	\$268,100.00	2.39%
Auditing & Accounting	\$26,000.00	\$25,000.00	-3.85%
Assessing	\$39,000.00	\$37,000.00	-5.13%
Legal	\$155,600.00	\$155,800.00	0.13%
Community Development	\$310,375.00	\$333,300.00	7.39%
Buildings	\$21,300.00	\$98,500.00	362.44%
Police	\$2,148,200.00	\$2,369,800.00	10.32%
Fire	\$503,200.00	\$596,200.00	18.48%
Building Inspections	\$168,500.00	\$169,500.00	0.59%

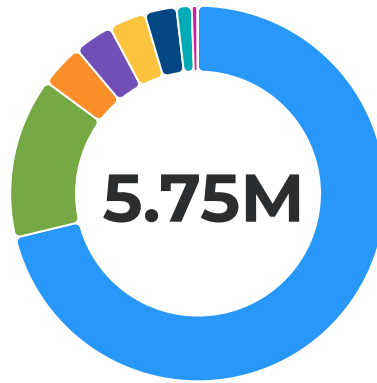
Category	FY 2024 Adopted	FY 2025 Budgeted	FY 2024 Adopted vs. FY 2025 Budgeted (% Change)
Animal Control	\$2,000.00	\$1,000.00	-50.00%
Streets	\$595,100.00	\$610,400.00	2.57%
Recycling	\$82,700.00	\$77,600.00	-6.17%
Community Center	\$1,550.00	-	-100.00%
Parks	\$388,000.00	\$392,400.00	1.13%
Pioneer Days	\$15,000.00	\$15,300.00	2.00%
Unallocated	\$10,060.00	\$10,000.00	-0.60%
Total Expenditures	\$5,354,285.00	\$5,751,000.00	7.41%

Expenditures by Expense Account Summary

Historical Expenditures by Expense Account Summary



FY25 Expenditures by Expense Account Summary



● Personnel Services	\$4,096,400	71.23%
● Other Charges	\$798,800	13.89%
● Insurance	\$216,100	3.76%
● Repairs and Maintenance	\$194,000	3.37%
● Supplies and Charges	\$181,800	3.16%
● Contractual Services	\$158,500	2.76%
● Utilities	\$75,000	1.30%
● Communications	\$28,400	0.49%
● Capital Outlay & Depreciation	\$2,000	0.03%

Expenditures by Expense Account Summary

Category	FY 2024 Adopted	FY 2025 Budgeted	FY 2024 Adopted vs. FY 2025 Budgeted (% Change)
Personnel Services	\$3,799,410.00	\$4,096,400.00	7.82%
Insurance	\$220,350.00	\$216,100.00	-1.93%
Supplies and Charges	\$166,175.00	\$181,800.00	9.40%
Contractual Services	\$151,500.00	\$158,500.00	4.62%
Other Charges	\$744,750.00	\$798,800.00	7.26%
Repairs and Maintenance	\$192,600.00	\$194,000.00	0.73%
Capital Outlay & Depreciation	\$2,000.00	\$2,000.00	0.00%
Communications	\$28,800.00	\$28,400.00	-1.39%
Utilities	\$48,700.00	\$75,000.00	54.00%
Total Expenditures	\$5,354,285.00	\$5,751,000.00	7.41%

Special Revenue Funds

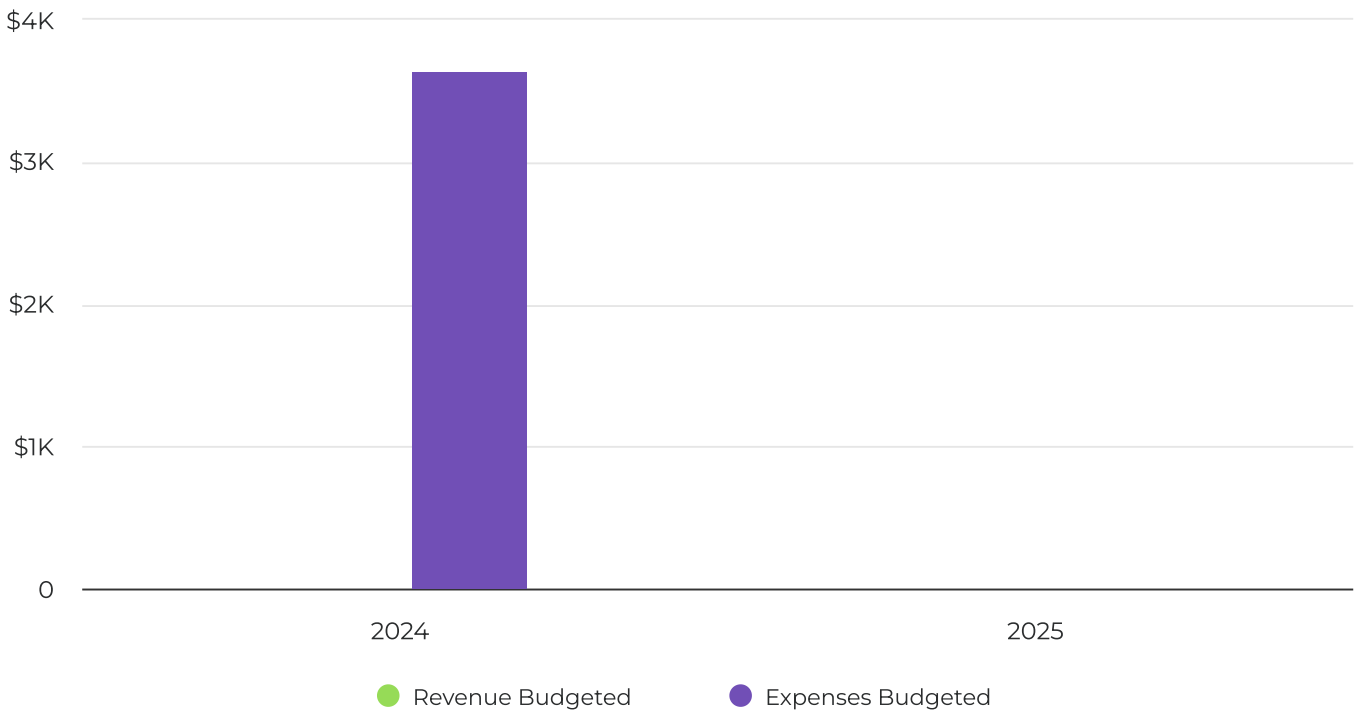
Police Forfeiture Fund

The police forfeiture fund accounts for the proceeds from the sale of forfeited vehicles, which is legally restricted for the purchase of police equipment. This fund was established to account for money that is legally restricted for police services. Most of the revenues for this fund are from confiscated money that is split between the city, county and state based on a statutory formula. The city's share is 70%. The balance in this fund will fluctuate greatly.

Statement of Revenues, Expenditures and Fund Balance

Category	FY 2024 Adopted	FY 2025 Budgeted
Beginning Fund Balance	\$1,146	\$1,145
Revenues		
Total Revenues	-	-
Expenditures		
Supplies and Charges	\$3,647	-
Total Expenditures	\$3,647	-
Total Revenues Less Expenditures	-\$3,647	-
Ending Fund Balance	-\$2,501	\$1,145

Revenues vs Expenditures Summary



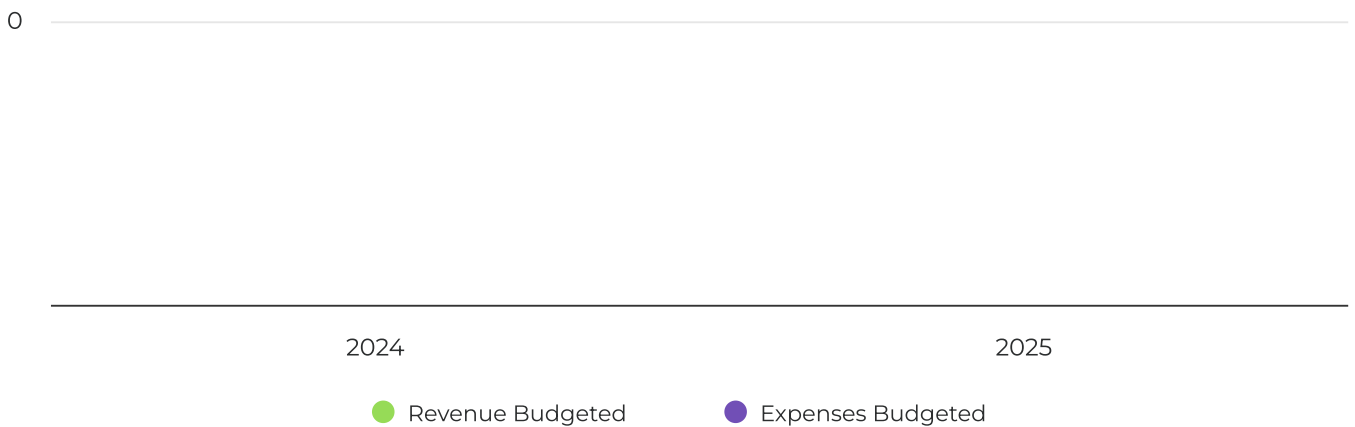
EDA Fund

The EDA Fund accounts for revenues and expenditures for the Economic Development Authority in St Francis. This is considered a component unit of the city.

Statement of Revenues, Expenditures and Fund Balance

Category	FY 2024 Adopted	FY 2025 Budgeted
Beginning Fund Balance	\$43,736	\$43,736
Revenues		
Total Revenues	-	-
Expenditures		
Total Expenditures	-	-
Total Revenues Less Expenditures	-	-
Ending Fund Balance	-	-

Revenues vs Expenditures Summary



Debt Service Funds

Debt Overview Summary

Debt Service Funds are used to account for the accumulation and use of financial resources to pay principal, interest, and related costs on long-term debt. A separate Debt Service Sub-Fund is required for each bond issue.

The principal sources of revenue are property taxes (debt service levies), special assessments, interest earned on cash balances in funds, and transfers from other funds.

Expenditures include bond principal and interest on City bonds as well as fiscal agent fees.

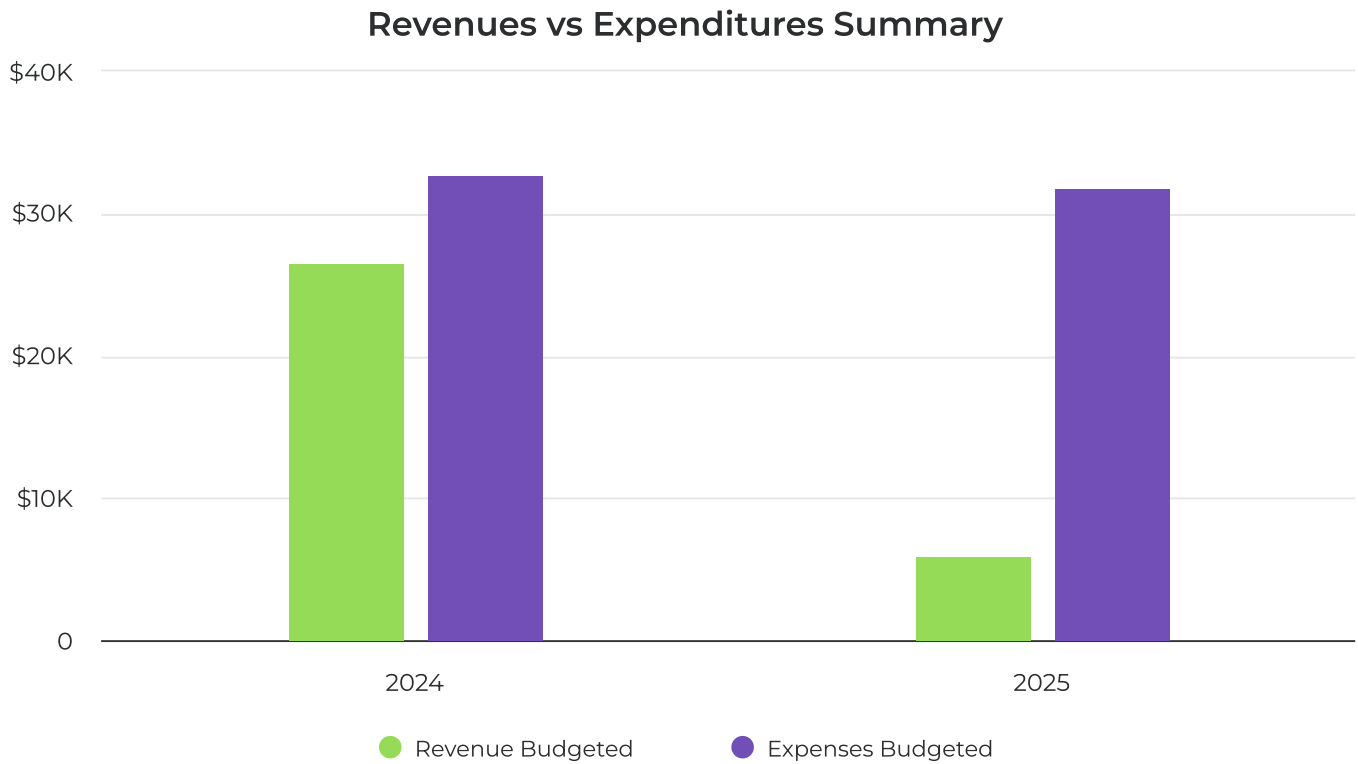
Legal Debt Limit

Minnesota State Statutes limit the city's net debt to no more than three percent (3%) of the estimated market value of the taxable property within the municipality. Bond issues covered by this limit are those that are financed by property taxes unless at least 20% of the annual debt service costs are financed by special assessments or tax increments. St. Francis has two bond issues subject to the debt limit, the 2017 GO Capital Improvement Bonds and the 2023 GO Capital Improvement Bonds. The difference between the statutory debt limit and the bonds outstanding that are covered by the debt limit is referred to as the legal debt margin. See the following table for the amounts.

2024	
Estimated market value of taxable property	975,880,800
Debt limit (3% of market value)	\$29,276,424
Total bonds outstanding excluding enterprise debt	\$17,625,000
Total long term debt being paid by annual appropriations	\$0
Total debt applicable to debt limit	\$ 17,625,000
Unused Debt Margin	\$11,651,424

2015 Debt (Fund #327)

Summary



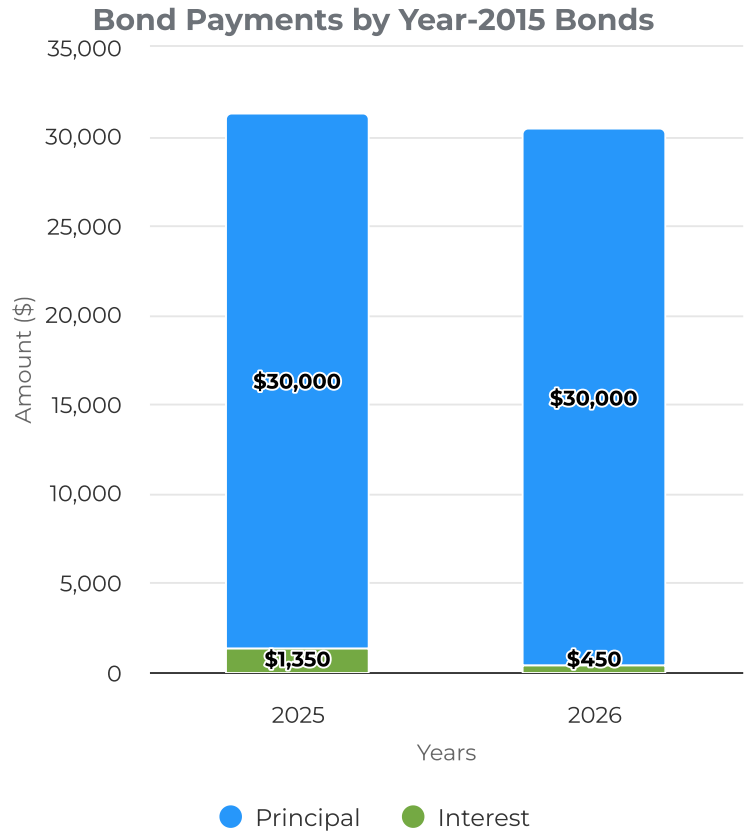
Comprehensive Fund Summary

Comprehensive Fund Summary

Category	FY 2024 Adopted	FY 2025 Budgeted
Beginning Fund Balance	\$84,552.25	\$91,251.00
Revenues		
Taxes	\$20,470.00	-
Special Assessments	\$6,000.00	\$6,000.00
Total Revenues	\$26,470.00	\$6,000.00
Expenditures		
Debt Service	\$32,725.00	\$31,825.00
Total Expenditures	\$32,725.00	\$31,825.00
Total Revenues Less Expenditures	-\$6,255.00	-\$25,825.00
Ending Fund Balance	\$78,297.25	\$65,426.00

The following tables depict the city's debt service payments by year for the 2017 General Obligation Debt Payable.

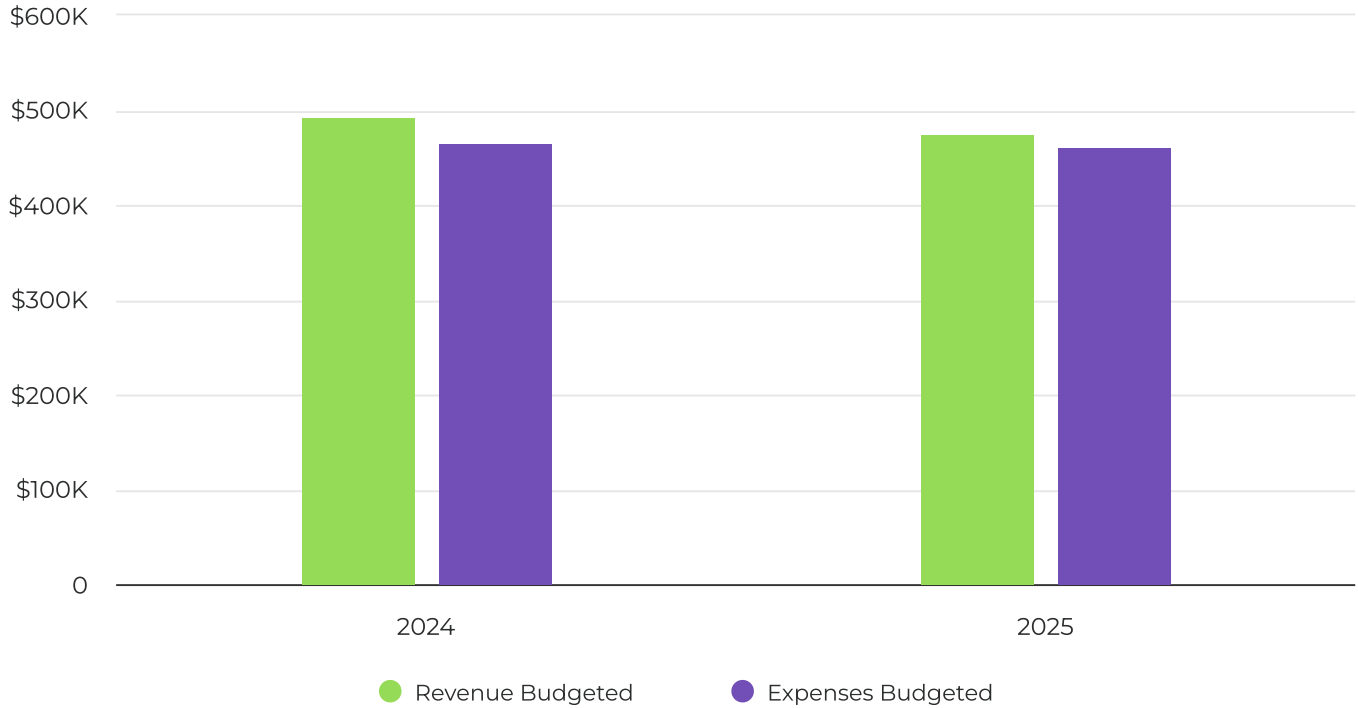
Year	Principal	Interest	Total
2025	\$ 30,000	\$ 1,350	\$ 31,350
2026	30,000	450	30,450
Total	\$60,000	\$1,800	\$61,800



2017 Debt (Fund #330)

Summary

Revenues vs Expenditures Summary



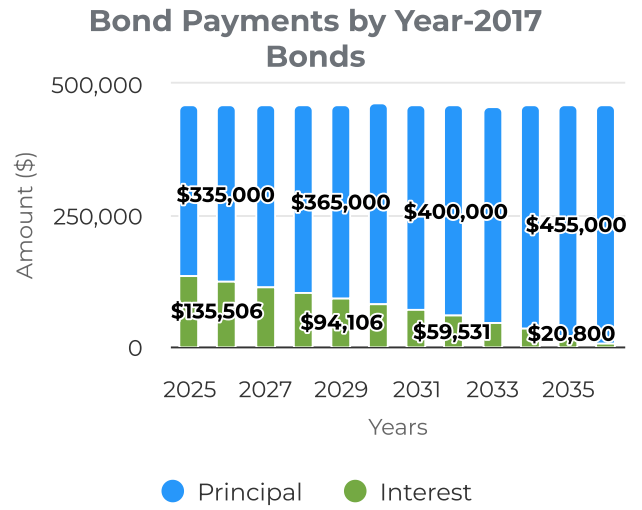
Comprehensive Fund Summary

Comprehensive Fund Summary

Category	FY 2024 Adopted	FY 2025 Budgeted
Beginning Fund Balance	\$133,385.75	\$160,949.00
Revenues		
Taxes	\$327,220.00	\$310,000.00
Interest	\$1,000.00	\$1,000.00
Transfers and Contributions	\$165,000.00	\$165,000.00
Total Revenues	\$493,220.00	\$476,000.00
Expenditures		
Debt Service	\$465,657.00	\$460,981.00
Total Expenditures	\$465,657.00	\$460,981.00
Total Revenues Less Expenditures	\$27,563.00	\$15,019.00
Ending Fund Balance	\$160,948.75	\$175,968.00

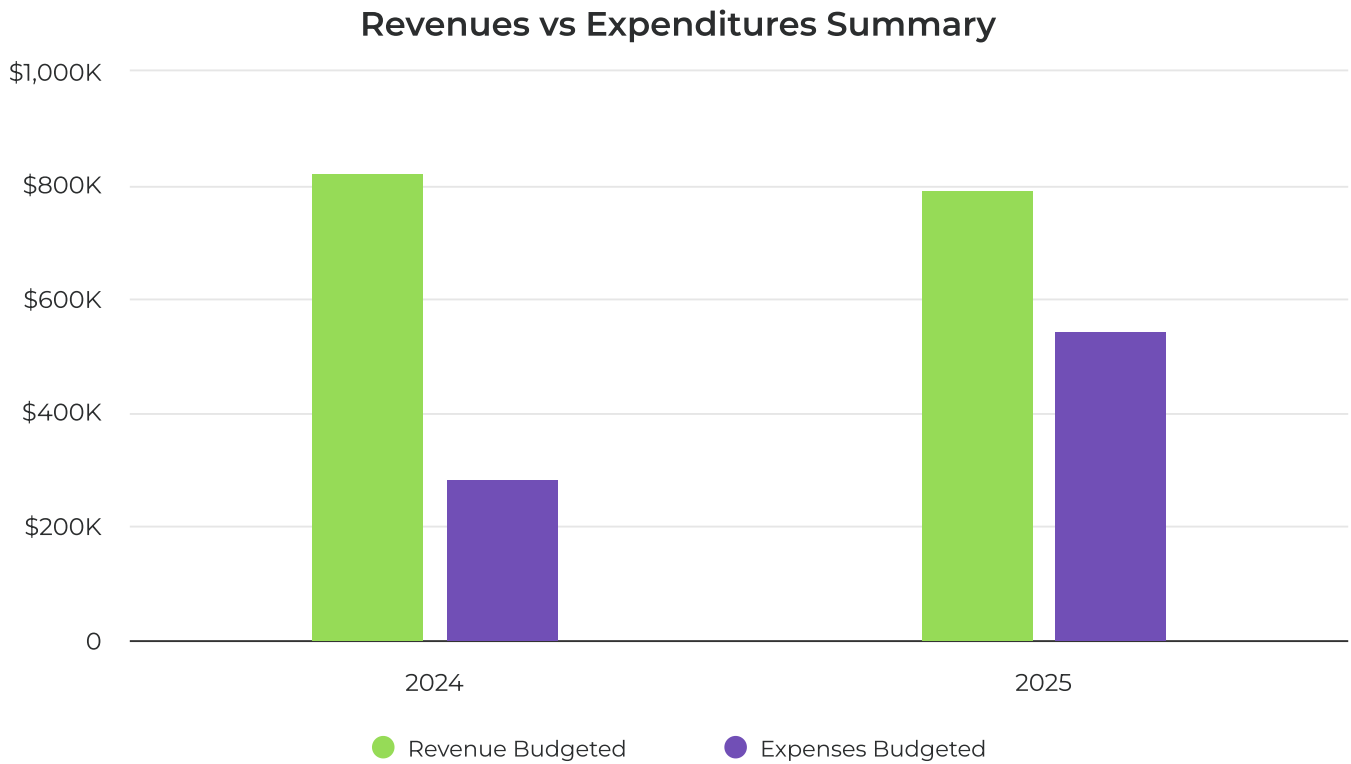
The following tables depict the city's debt service payments by year for the 2015 General Obligation Debt Payable.

Year	Principal	Interest	Total
2025	325,000.00	135,506.26	460,506.26
2026	335,000.00	125,606.26	460,606.26
2027	345,000.00	115,406.26	460,406.26
2028	355,000.00	104,906.26	459,906.26
2029	365,000.00	94,106.26	459,106.26
2030	380,000.00	82,931.26	462,931.26
2031	390,000.00	71,381.26	461,381.26
2032	400,000.00	59,531.26	459,531.26
2033	410,000.00	47,381.26	457,381.26
2034	425,000.00	34,590.63	459,590.63
2035	440,000.00	20,800.00	460,800.00
2036	455,000.00	6,825.00	461,825.00
Total	4,625,000.00	898,971.97	5,523,971.97



2023 Debt (Fund #335)

Summary



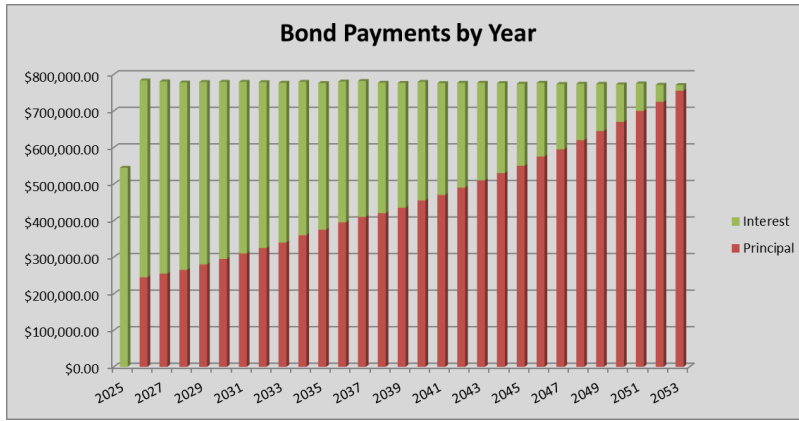
Comprehensive Fund Summary

Comprehensive Fund Summary

Category	FY 2024 Adopted	FY 2025 Budgeted
Beginning Fund Balance	-	\$537,709.00
Revenues		
Taxes	\$820,505.00	\$790,000.00
Interest	\$1,000.00	\$1,000.00
Total Revenues	\$821,505.00	\$791,000.00
Expenditures		
Debt Service	\$283,796.00	\$544,607.00
Total Expenditures	\$283,796.00	\$544,607.00
Total Revenues Less Expenditures	\$537,709.00	\$246,393.00
Ending Fund Balance	\$537,709.00	\$784,102.00

The following tables depict the city's debt service payments by year for the 2023 General Obligation Debt Payable.

Year	Principal	Interest	Total
2025	-	544,131.26	544,131.26
2026	245,000.00	538,006.26	783,006.26
2027	255,000.00	525,506.26	780,506.26
2028	265,000.00	512,506.26	777,506.26
2029	280,000.00	498,881.26	778,881.26
2030	295,000.00	484,506.26	779,506.26
2031	310,000.00	469,381.26	779,381.26
2032	325,000.00	453,506.26	778,506.26
2033	340,000.00	436,881.26	776,881.26
2034	360,000.00	419,381.26	779,381.26
2035	375,000.00	401,006.26	776,006.26
2036	395,000.00	385,212.51	780,212.51
2037	410,000.00	371,618.76	781,618.76
2038	420,000.00	356,831.26	776,831.26
2039	435,000.00	341,334.38	776,334.38
2040	455,000.00	324,350.00	779,350.00
2041	470,000.00	305,850.00	775,850.00
2042	490,000.00	286,650.00	776,650.00
2043	510,000.00	266,650.00	776,650.00
2044	530,000.00	245,850.00	775,850.00
2045	550,000.00	224,250.00	774,250.00
2046	575,000.00	201,750.00	776,750.00
2047	595,000.00	178,350.00	773,350.00
2048	620,000.00	154,050.00	774,050.00
2049	645,000.00	128,750.00	773,750.00
2050	670,000.00	102,450.00	772,450.00
2051	700,000.00	75,050.00	775,050.00
2052	725,000.00	46,096.88	771,096.88
2053	755,000.00	15,571.88	770,571.88
Total	13,000,000.00	9,294,359.53	22,294,359.53



Capital Funds

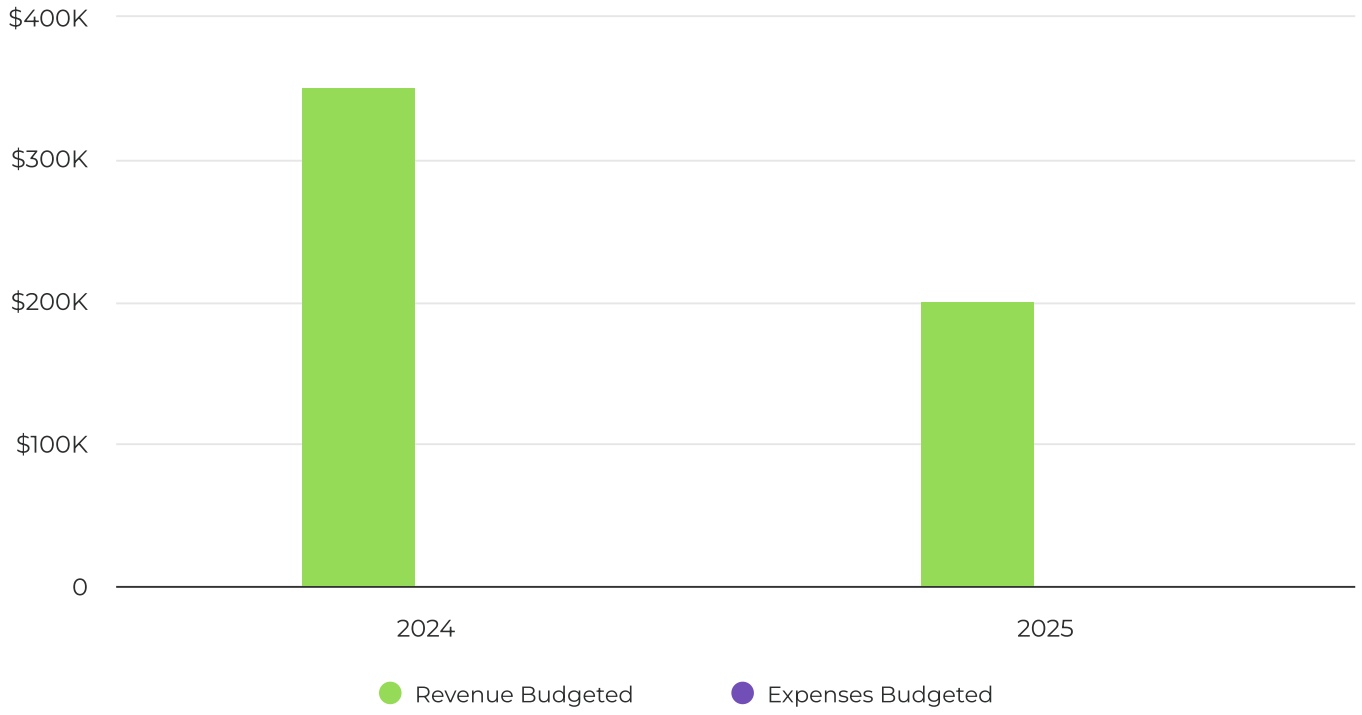
Park Fund

This fund accounts for the use of park availability charges, grants and tax revenues that are dedicated to the acquisition and improvement of City parks. Park availability charges are levied against all new buildings constructed. In 2022, Siwek Park was constructed with the help of grant funds. Funds are split between park dedication funds and regular park money received outside the park dedication restrictions.

Statement of Revenues, Expenditures and Fund Balance

Category	FY 2024 Adopted	FY 2025 Budgeted
Beginning Fund Balance	\$167,756	\$871,156
Revenues		
Taxes	\$350,000	\$200,000
Interest	\$700	-
Miscellaneous	\$1,000	\$1,000
Total Revenues	\$351,700	\$201,000
Expenditures		
Total Expenditures	-	-
Total Revenues Less Expenditures	\$351,700	\$201,000
Ending Fund Balance	\$519,456	\$1,072,156

Revenues vs Expenditures Summary



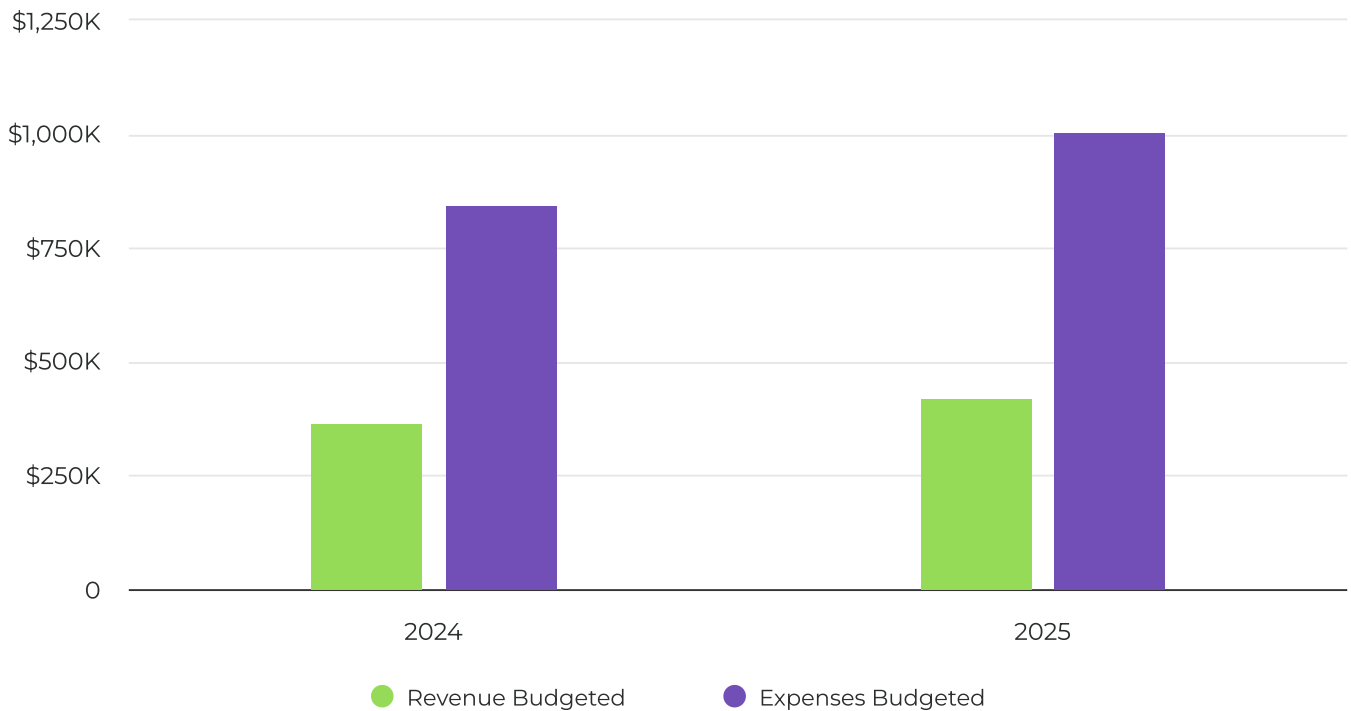
Capital Equipment Fund

Accounts for funds set aside for future purchases of equipment, vehicles, and facility replacements and improvements. Resources are currently provided by transfers from other funds.

Statement of Revenues, Expenditures and Fund Balance

Category	FY 2024 Adopted	FY 2025 Budgeted
Beginning Fund Balance	\$1,292,429	\$815,413
Revenues		
Taxes	\$320,000	\$360,000
Interest	\$7,000	\$20,000
Transfers and Contributions	\$40,000	\$40,000
Total Revenues	\$367,000	\$420,000
Expenditures		
Capital Outlay & Depreciation	\$844,016	\$1,007,275
Total Expenditures	\$844,016	\$1,007,275
Total Revenues Less Expenditures	-\$477,016	-\$587,275
Ending Fund Balance	\$815,413	\$228,138

Revenues vs Expenditures Summary



The following table depicts the city's five year CIP needs for equipment replacement.

City of St. Francis, MN						
Vehicle and Equipment Replacement Fund						
	Previous	2025	2026	2027	2028	2029
Administration						
Computers	23,684	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000
Technology Equipment	59,027	10,000	10,000	10,000	10,000	10,000
Leased Vehicles-All Departments	190,703	150,000	180,000	210,000	210,000	210,000
Fire						
Batteries	2,314	1,000	1,000	1,000	1,000	1,000
CPR Device	20,000	-	-	-	-	30,000
Extriction Equipment	-	-	-	-	-	35,000
Gas Fans	3,000	5,000	-	-	-	-
Gear	16,142	10,000	10,000	10,000	10,000	15,000
Hose Replacement	10,000	-	-	-	-	15,000
Radios	35,824	10,000	10,000	10,000	10,000	10,000
SCBA	-	-	-	-	45,000	-
Thermal Imagers	10,000	-	-	-	-	12,000
Trucks	200,000	100,000	100,000	100,000	100,000	150,000
Police						
Body Cameras	16,004	6,000	9,500	7,000	10,000	10,000
Cameras for Buildings	11,000	-	-	-	4,000	-
Computers	15,572	-	4,100	3,800	7,500	7,500
Firearms	3,513	1,000	1,000	1,000	2,000	2,000
Radios	5,857	10,000	5,000	21,000	40,000	40,000
Squad Cameras	50,108	9,000	9,000	9,000	16,000	18,000
Squad Computers	11,728	4,400	2,200	11,000	5,000	10,000
UAV	2,700	500	500	500	2,000	5,000
UTV	5,000	5,000	5,000	5,000	5,000	-
Public Works						
Computers	8,443	3,000	3,000	3,000	3,000	3,500
Crane Truck	-	-	-	-	-	-
Dump Trucks	-	-	-	-	50,000	50,000
Dump Truck (One-Ton)	-	-	-	-	-	100,000
Loader	-	-	-	-	-	-
Miscellaneous Equipment	87,897	5,000	8,000	12,000	23,500	15,000
Motorgrader	-	-	-	-	-	-
Mowers	15,500	28,000	-	-	17,000	17,500
Sign Truck	-	-	-	125,000	-	-
ToolCat	40,000	30,000	-	-	43,000	43,000
Tractor	-	-	-	-	-	-
Trailer	-	-	-	-	5,000	-
	-	-	-	-	-	-
Total	\$ 844,016	393,900	364,300	545,300	625,000	815,500
Sources of Funds:						
Transfer from Water	20,000	20,000	20,000	20,000	25,000	25,000
Transfer from Sewer	20,000	20,000	20,000	20,000	25,000	25,000
General Property Tax	320,000	360,000	400,000	440,000	480,000	520,000
Total	360,000	400,000	440,000	480,000	530,000	570,000

Some of the projects listed above are not included in our annually adopted budget because budgets are not established until after a public hearing is held and the City Council approves the project. This process is normally used for street projects and building construction because of the size of the project and the uncertainty of approval. Councils, economic conditions and priorities are always changing and these types of projects seem to be postponed or modified more than once. If they were included in our budget each year we feel it would misrepresent what is actually occurring.

Please see the city's website for the complete plan as adopted.

https://www.stfrancismn.gov/sites/default/files/fileattachments/finance/page/2931/capital_improvement_plan_2025-2029.pdf

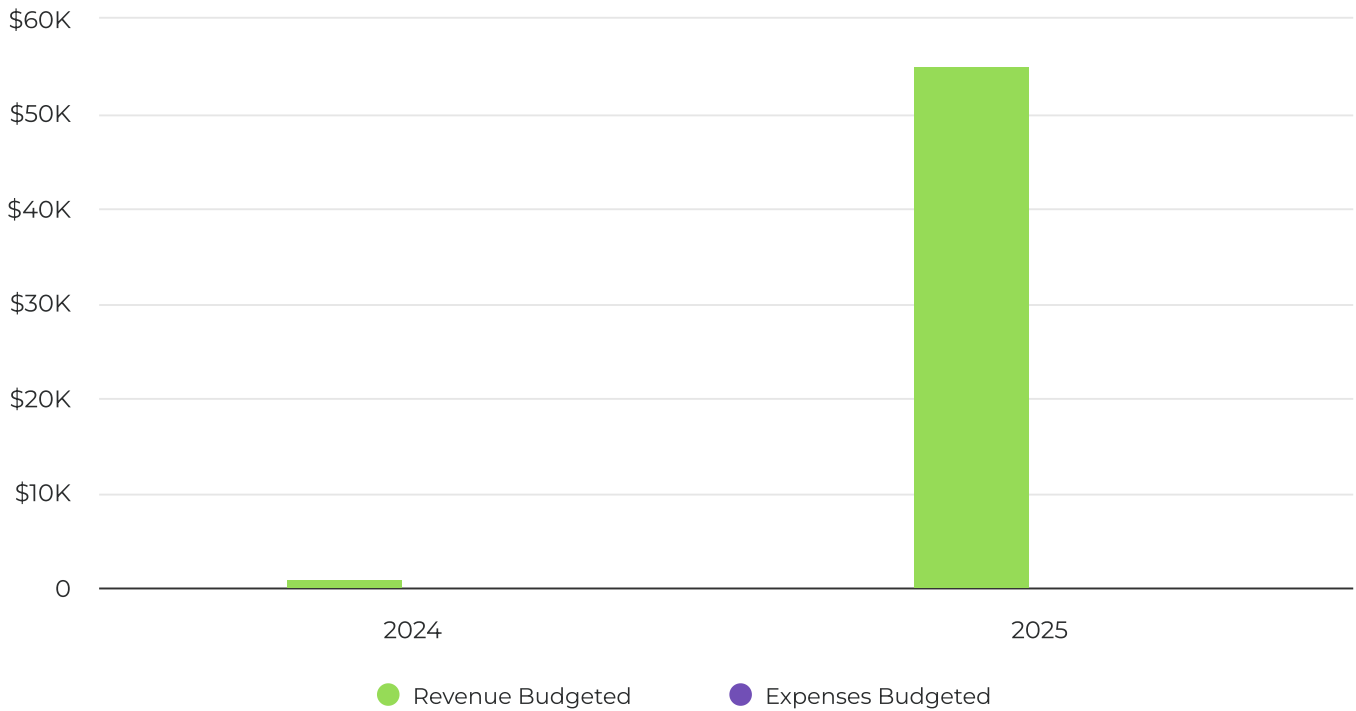
Building Fund

This fund accounts for financial resources to finance future building improvements. In 2023, bonds were sold to finance the building of a new City Hall/Fire Station. This building was constructed during 2023/2024. City hall and fire staff moved in the end of November and the beginning of December 2024. For the 2024 budget, the tax levy was moved to fund the debt service on this building.

Statement of Revenues, Expenditures and Fund Balance

Category	FY 2024 Adopted	FY 2025 Budgeted
Beginning Fund Balance	\$12,079,571	\$12,080,572
Revenues		
Taxes	-	\$50,000
Interest	\$1,000	\$5,000
Total Revenues	\$1,000	\$55,000
Expenditures		
Total Expenditures	-	-
Total Revenues Less Expenditures	\$1,000	\$55,000
Ending Fund Balance	\$12,080,571	\$12,135,572

Revenues vs Expenditures Summary



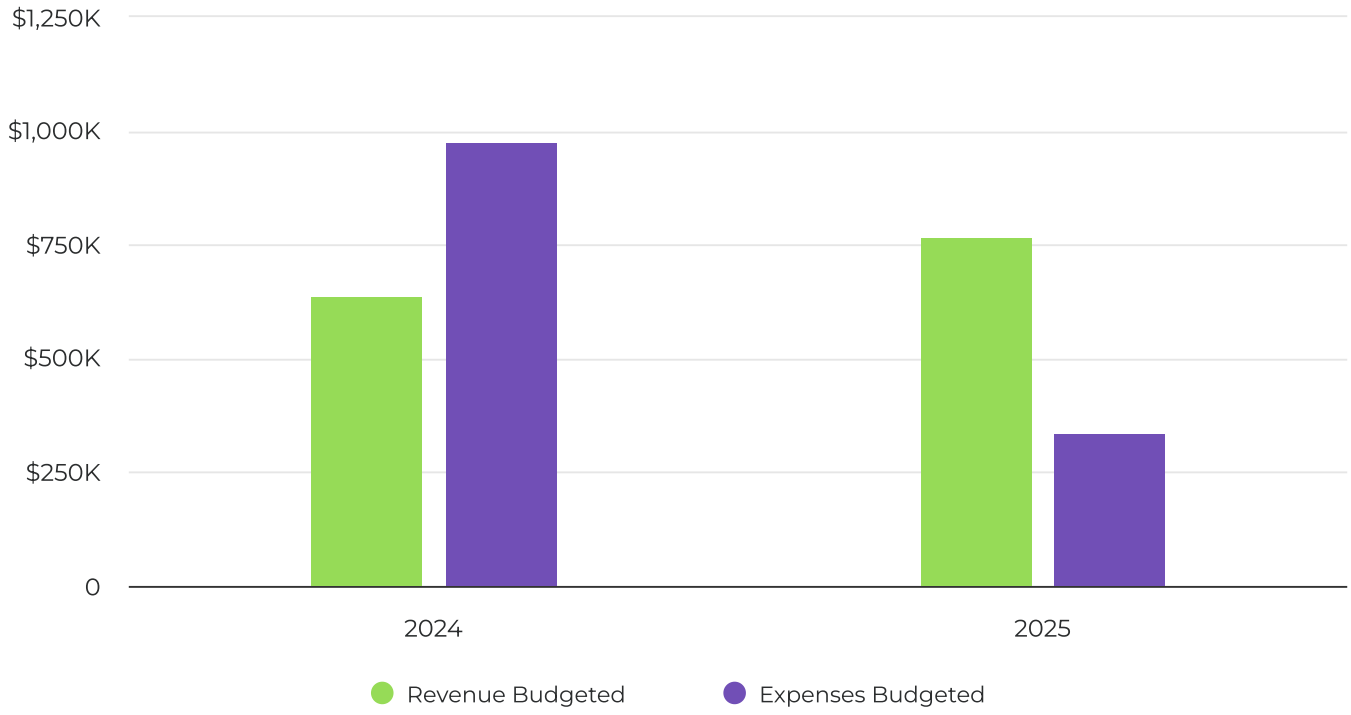
Street Fund

The Street Fund accounts for financial resources to finance future street improvements.

Statement of Revenues, Expenditures and Fund Balance

Category	FY 2024 Adopted	FY 2025 Budgeted
Beginning Fund Balance	\$1,097,874	\$760,260
Revenues		
Taxes	\$480,000	\$600,000
Intergovernmental	\$116,097	\$116,100
Special Assessments	\$33,000	\$33,000
Interest	\$10,000	\$20,000
Total Revenues	\$639,097	\$769,100
Expenditures		
Contractual Services	\$14,000	\$14,000
Other Charges	\$65,000	\$65,000
Capital Outlay & Depreciation	\$897,711	\$260,000
Total Expenditures	\$976,711	\$339,000
Total Revenues Less Expenditures	-\$337,614	\$430,100
Ending Fund Balance	\$760,260	\$1,190,360

Revenues vs Expenditures Summary



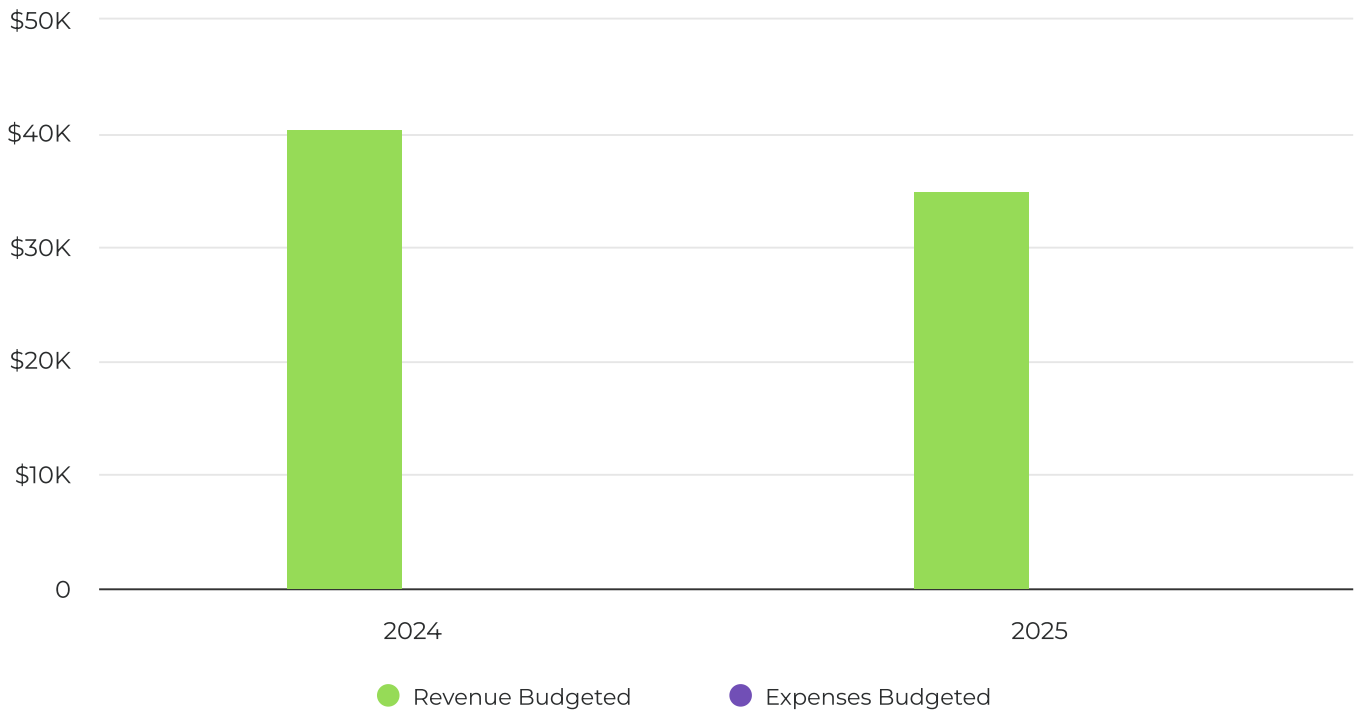
Gambling Fund

This fund was established in 2012 to account for the gambling proceeds received from charitable gambling in the city. 10% of net profits need to be sent to the city. The city then uses these funds to pay for things such as police, fire and other emergency service equipment and training.

Statement of Revenues, Expenditures and Fund Balance

Category	FY 2024 Adopted	FY 2025 Budgeted
Beginning Fund Balance	\$198,961	\$239,460
Revenues		
Interest	\$500	\$5,000
Miscellaneous	\$40,000	\$30,000
Total Revenues	\$40,500	\$35,000
Expenditures		
Total Expenditures	-	-
Total Revenues Less Expenditures	\$40,500	\$35,000
Ending Fund Balance	\$239,461	\$274,460

Revenues vs Expenditures Summary



Enterprise Funds

Water Fund

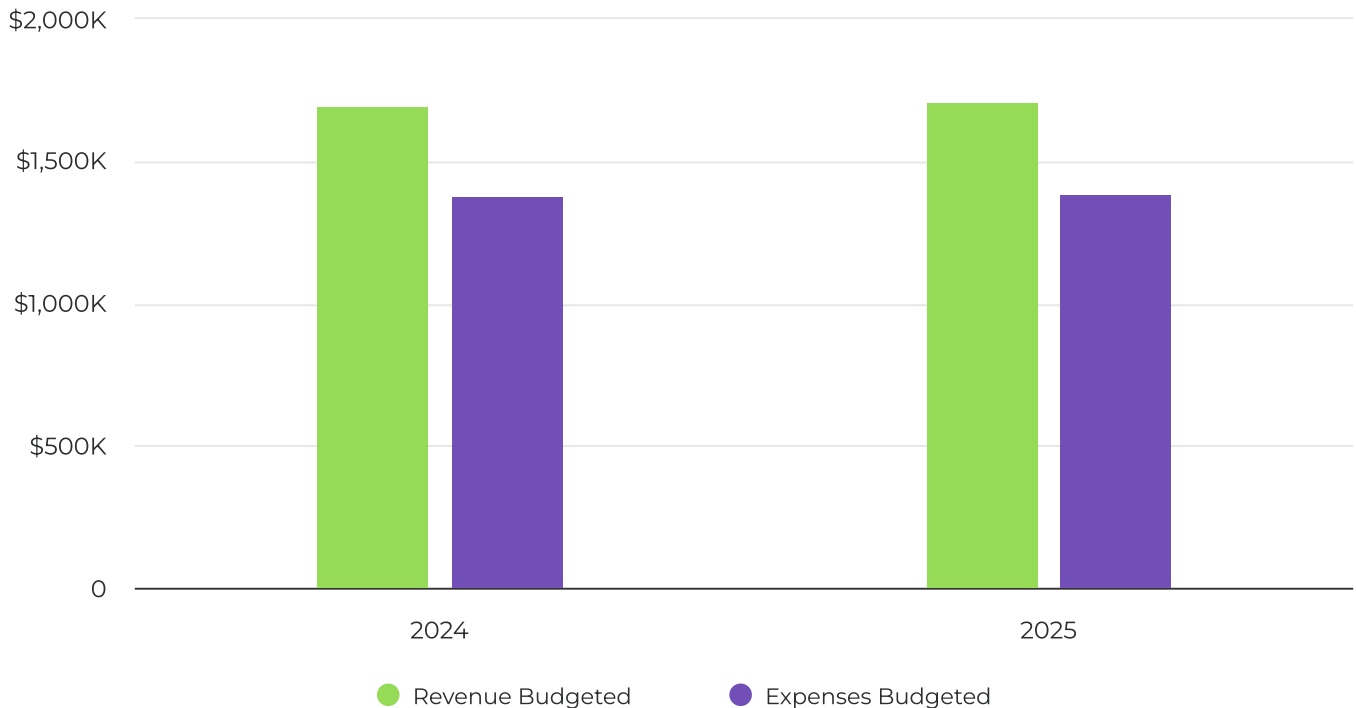
The Water Fund is a self-sustaining utility fund. The City's water utility provides a safe, reliable, efficient, and cost-effective water operating system to meet the needs of residents and businesses now and into the future. Services include water pumping, water treatment, water storage, water distribution, repairs and maintenance, hydrant flushing, water locates, water meter reading and responding to emergency water main breaks. The City's water supply comes from 3 wells and a water treatment plant with a total pumping capacity of about 2 million gallons per day. There are approximately 30 miles of water mains. The water is chlorinated and fluoridated to meet Department of Health standards.

Billings to customers are based on actual water usage that is metered for each property. A portion of the fee collected supports system infrastructure replacement; however, significant capital improvements generally warrant borrowing for a share of the capital costs. Bonding helps the City maintain a stable rate structure by avoiding spikes in large capital expenses.

Water data is collected monthly and customers are billed for water use on a monthly basis as well. The City bills one month in arrears. The city installed remote meters several years ago, and it has aided in correct billings and the ability to see when problems arise. Unpaid bills are the responsibility of the property owner and are certified to the property taxes in November each year.

An annual review of rates is completed to ensure financial stability of the utility.

Revenues vs Expenditures Summary



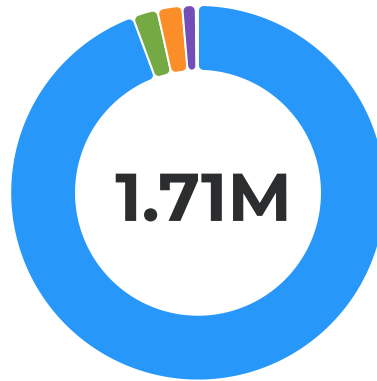
Water Fund Comprehensive Summary

Comprehensive Fund Summary

Category	FY 2024 Adopted	FY 2025 Budgeted
Beginning Fund Balance	\$9,156,660	\$9,475,935
Revenues		
Interest	\$10,000	\$20,000
Miscellaneous	\$3,000	\$3,000
Transfers and Contributions	\$37,058	\$37,100
Utility Sales	\$1,610,000	\$1,614,600
Connection Fees	\$36,720	\$36,700
Total Revenues	\$1,696,778	\$1,711,400
Expenditures		
Personnel Services	\$269,800	\$278,600
Insurance	\$27,000	\$34,700
Supplies and Charges	\$48,600	\$53,300
Contractual Services	\$43,000	\$48,500
Other Charges	\$143,450	\$165,000
Repairs and Maintenance	\$182,250	\$174,100
Capital Outlay & Depreciation	\$350,000	\$360,000
Communications	\$5,500	\$6,100
Utilities	\$85,500	\$91,500
Debt Service	\$94,436	\$73,644
Transfers	\$127,970	\$102,500
Total Expenditures	\$1,377,506	\$1,387,944
Total Revenues Less Expenditures	\$319,272	\$323,456
Ending Fund Balance	\$9,475,932	\$9,799,391

Revenues by Revenue Account Summary

FY25 Revenues by Revenue Account Summary



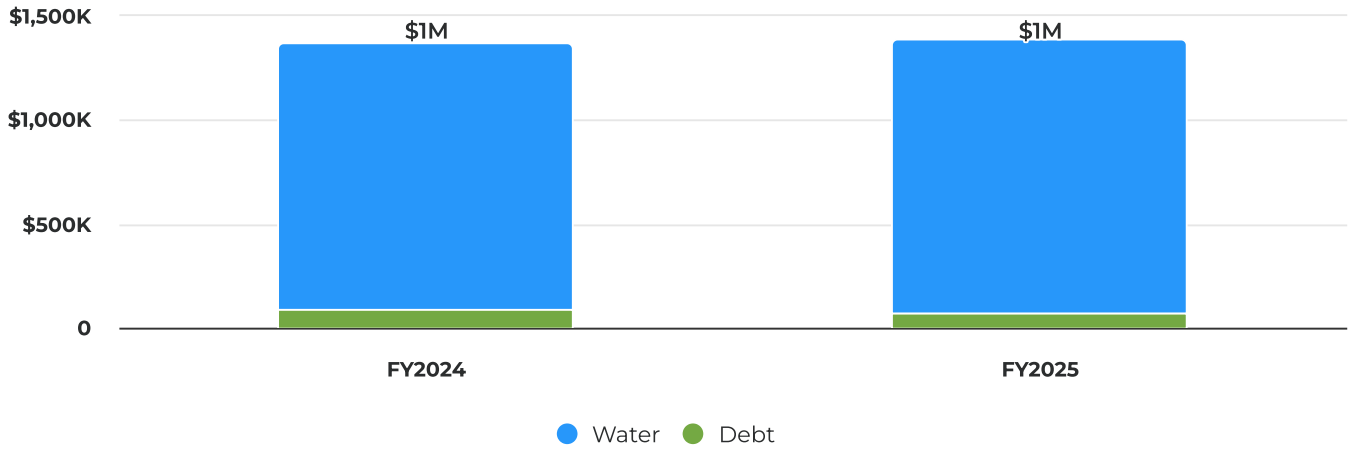
● Utility Sales	\$1,614,600	94.34%
● Transfers and Contributions	\$37,100	2.17%
● Connection Fees	\$36,700	2.14%
● Interest	\$20,000	1.17%
● Miscellaneous	\$3,000	0.18%

Revenues by Revenue Account Summary

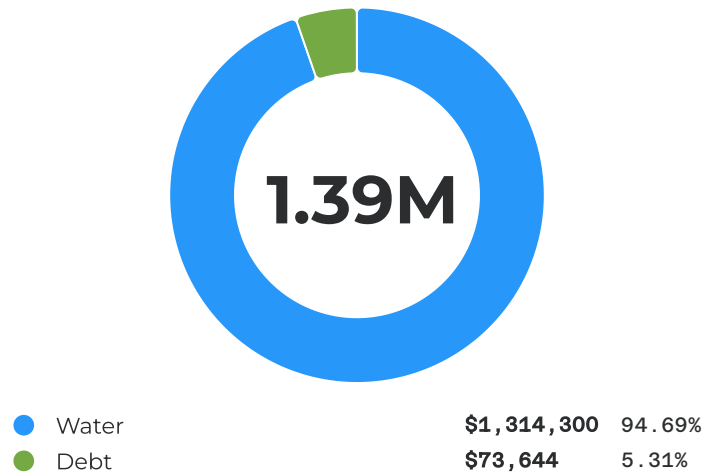
Category	FY 2023 Actual	FY 2024 Adopted	FY 2025 Budgeted	FY 2024 Adopted vs. FY 2025 Budgeted (% Change)
Intergovernmental	\$1,523.38	-	-	-
Special Assessments	\$562.71	-	-	-
Interest	\$172,391.57	\$10,000.00	\$20,000.00	100.00%
Miscellaneous	\$65.77	\$3,000.00	\$3,000.00	0.00%
Transfers and Contributions	\$37,058.00	\$37,058.00	\$37,100.00	0.11%
Utility Sales	\$1,615,534.06	\$1,610,000.00	\$1,614,600.00	0.29%
Connection Fees	\$114,351.33	\$36,720.00	\$36,700.00	-0.05%
Total Revenues	\$1,941,486.82	\$1,696,778.00	\$1,711,400.00	0.86%

Expenditures by Function

Historical Expenditures by Function



FY25 Expenditures by Function

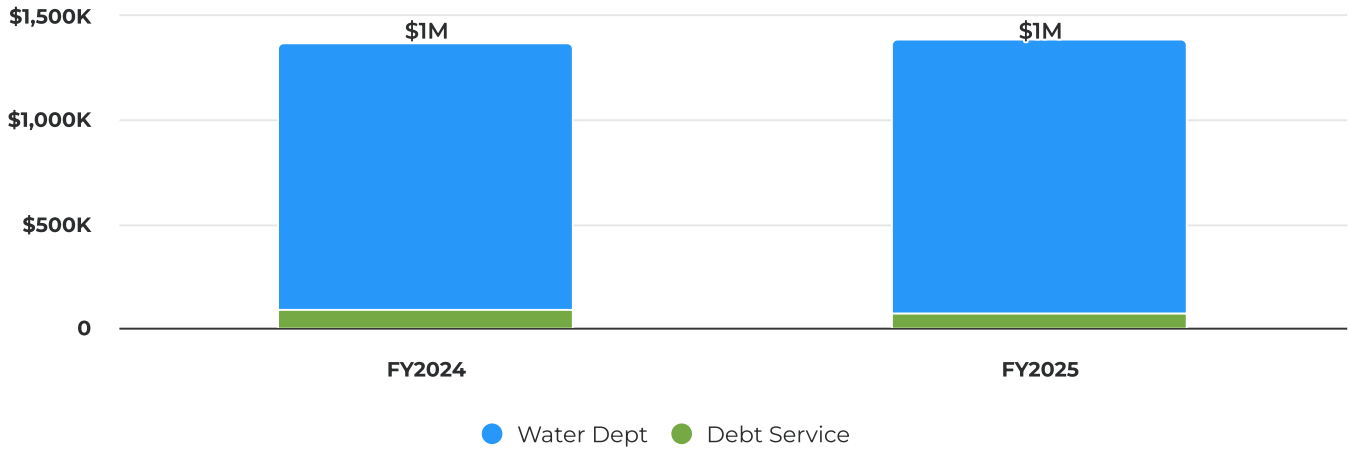


Expenditures by Function

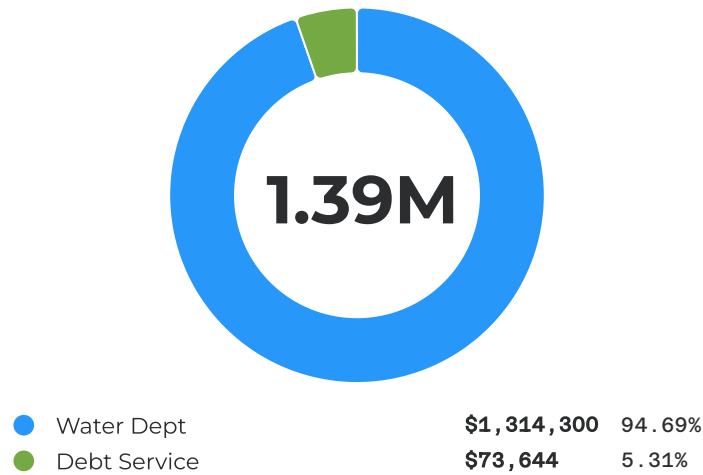
Category	FY 2023 Actual	FY 2024 Adopted	FY 2025 Budgeted	FY 2024 Adopted vs. FY 2025 Budgeted (% Change)
Debt	\$108,135.12	\$94,436.00	\$73,644.00	-22.02%
Water	\$877,697.23	\$1,283,070.00	\$1,314,300.00	2.43%
Total Expenditures	\$985,832.35	\$1,377,506.00	\$1,387,944.00	0.76%

Expenditures by Department

Historical Expenditures by Department



FY25 Expenditures by Department

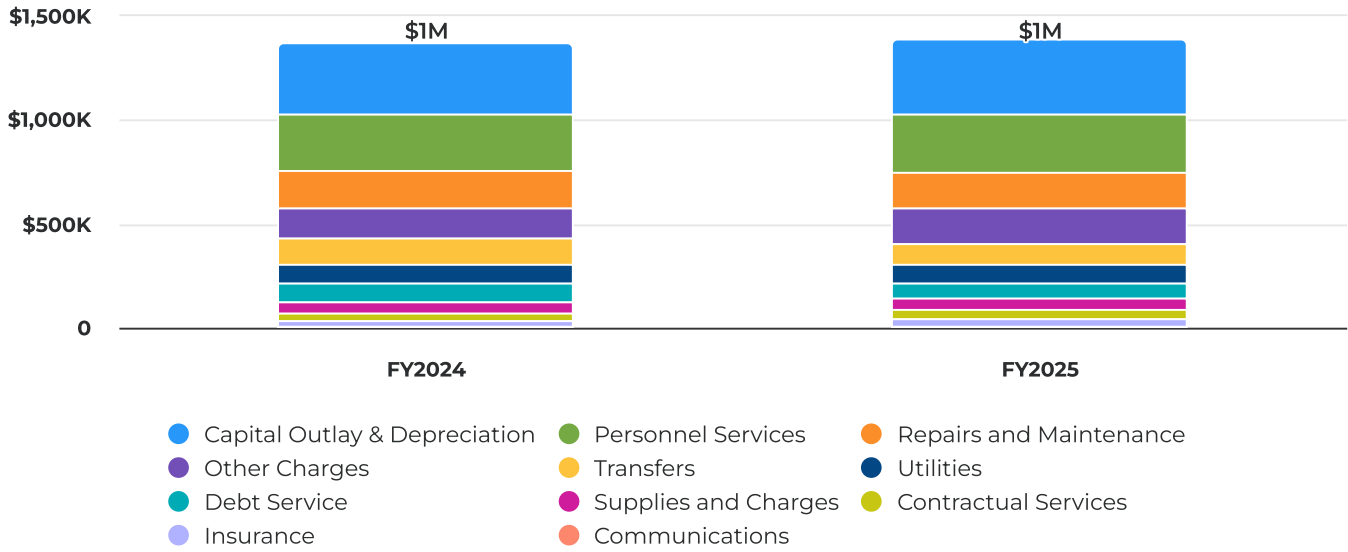


Expenditures by Department

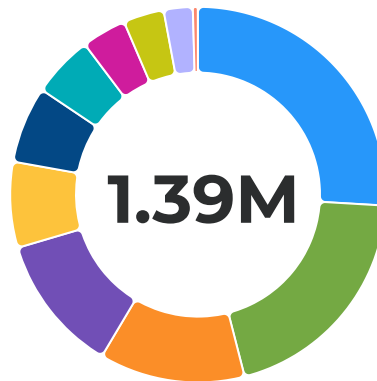
Category	FY 2024 Actual	FY 2024 Adopted	FY 2025 Budgeted	FY 2024 Adopted vs. FY 2025 Budgeted (% Change)
Debt Service	\$100,991.47	\$94,436.00	\$73,644.00	-22.02%
Water Dept	\$1,023,852.35	\$1,283,070.00	\$1,314,300.00	2.43%
Total Expenditures	\$1,124,843.82	\$1,377,506.00	\$1,387,944.00	0.76%

Expenditures by Expense Account Summary

Historical Expenditures by Expense Account Summary



FY25 Expenditures by Expense Account Summary



Category	Amount	Percentage
Capital Outlay & Depreciation	\$360,000	25.94%
Personnel Services	\$278,600	20.07%
Repairs and Maintenance	\$174,100	12.54%
Other Charges	\$165,000	11.89%
Transfers	\$102,500	7.39%
Utilities	\$91,500	6.59%
Debt Service	\$73,644	5.31%
Supplies and Charges	\$53,300	3.84%
Contractual Services	\$48,500	3.49%
Insurance	\$34,700	2.50%
Communications	\$6,100	0.44%

Expenditures by Expense Account Summary

Category	FY 2023 Adopted	FY 2024 Adopted	FY 2025 Budgeted	FY 2024 Adopted vs. FY 2025 Budgeted (% Change)
Personnel Services	\$271,450.00	\$269,800.00	\$278,600.00	3.26%

Category	FY 2023 Adopted	FY 2024 Adopted	FY 2025 Budgeted	FY 2024 Adopted vs. FY 2025 Budgeted (% Change)
Insurance	\$26,000.00	\$27,000.00	\$34,700.00	28.52%
Supplies and Charges	\$43,900.00	\$48,600.00	\$53,300.00	9.67%
Contractual Services	\$41,500.00	\$43,000.00	\$48,500.00	12.79%
Other Charges	\$135,400.00	\$143,450.00	\$165,000.00	15.02%
Repairs and Maintenance	\$164,950.00	\$182,250.00	\$174,100.00	-4.47%
Capital Outlay & Depreciation	\$350,000.00	\$350,000.00	\$360,000.00	2.86%
Communications	\$5,500.00	\$5,500.00	\$6,100.00	10.91%
Utilities	\$83,500.00	\$85,500.00	\$91,500.00	7.02%
Debt Service	\$114,800.00	\$94,436.00	\$73,644.00	-22.02%
Transfers	\$121,080.00	\$127,970.00	\$102,500.00	-19.90%
Total Expenditures	\$1,358,080.00	\$1,377,506.00	\$1,387,944.00	0.76%

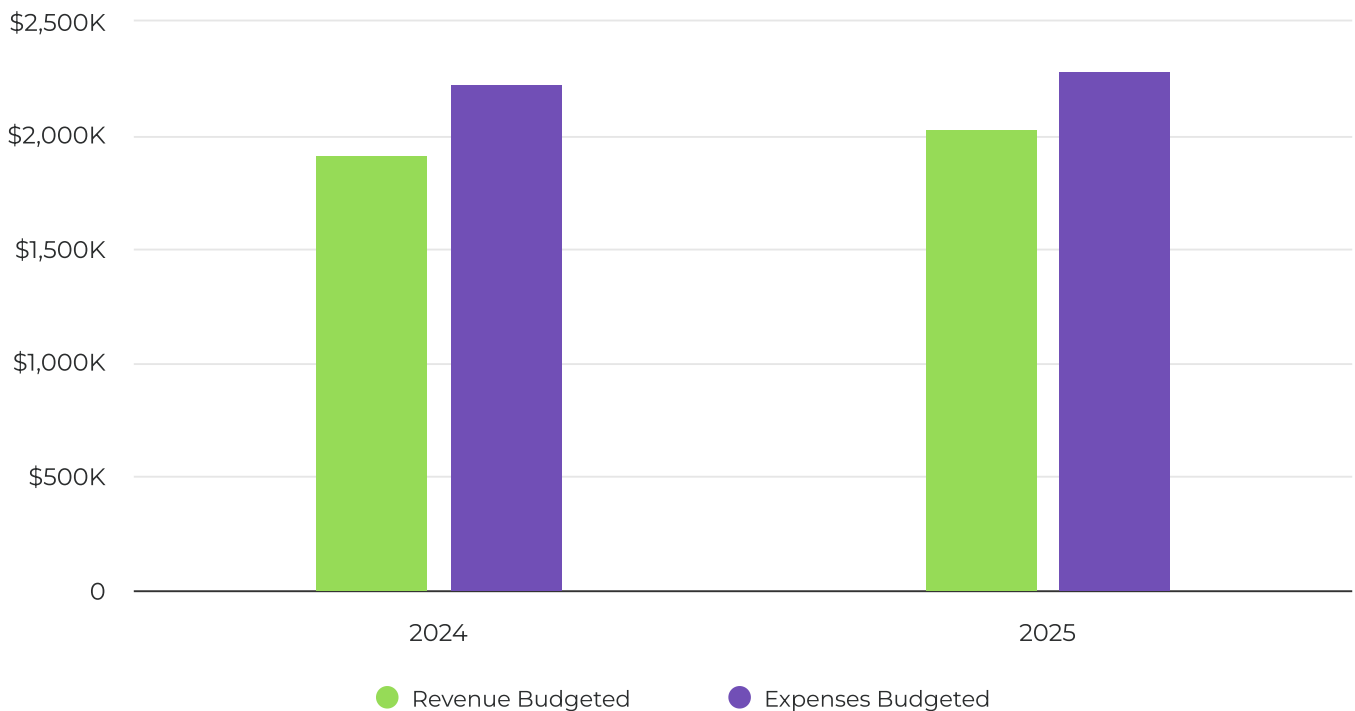
Sewer Fund

The Sewer Fund is a self-sustaining utility fund. The City's sewer utility provides an efficient, well-maintained, and cost-effective sewer collection system to meet the needs of the growing community. The City operates and maintains 9 lift stations, and approximately 24 miles of sanitary sewer lines. Services include operating and maintaining the sanitary sewer collection system, sewer jetting, inspecting lift stations, inflow and infiltration improvements, and emergency sewer repairs. The City's sanitary sewer is discharged to the Wastewater Treatment Plant in St. Francis, and treatment charges are the largest source of expenses in the Sewer Fund (excluding depreciation).

Billings to customers for sewer are based on actual water usage that is metered for each property from the fall to spring. In the summer, sewer billing is capped at an amount based on actual water usage in the winter. This is called the look-back program. A portion of the fee collected supports system infrastructure replacement; however, significant capital improvements generally warrant borrowing for a share of the capital costs. Bonding helps the City maintain a stable rate structure by avoiding spikes in large capital expenses.

An annual review of rates is completed to ensure financial stability of the utility.

Revenues vs Expenditures Summary

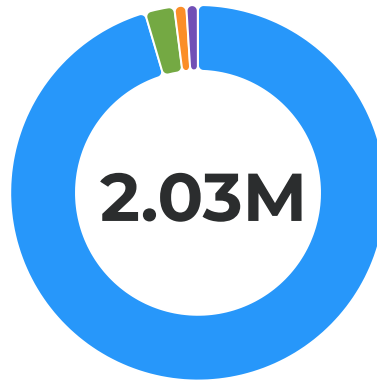


Fund Summary

Category	FY 2024 Adopted	FY 2025 Budgeted
Beginning Fund Balance	\$15,995,475	\$15,680,879
Revenues		
Interest	\$20,000	\$20,000
Miscellaneous	\$3,000	\$21,000
Utility Sales	\$1,837,730	\$1,935,000
Connection Fees	\$51,408	\$51,400
Total Revenues	\$1,912,138	\$2,027,400
Expenditures		
Personnel Services	\$269,500	\$278,600
Insurance	\$38,500	\$50,200
Supplies and Charges	\$98,900	\$112,100
Contractual Services	\$102,000	\$111,000
Other Charges	\$262,200	\$276,100
Repairs and Maintenance	\$122,250	\$119,300
Capital Outlay & Depreciation	\$800,000	\$850,000
Communications	\$4,000	\$4,000
Utilities	\$148,000	\$148,000
Debt Service	\$213,632	\$199,739
Transfers	\$167,748	\$139,600
Total Expenditures	\$2,226,730	\$2,288,639
Total Revenues Less Expenditures	-\$314,592	-\$261,239
Ending Fund Balance	\$15,680,883	\$15,419,640

Revenues by Revenue Account Summary

FY25 Revenues by Revenue Account Summary



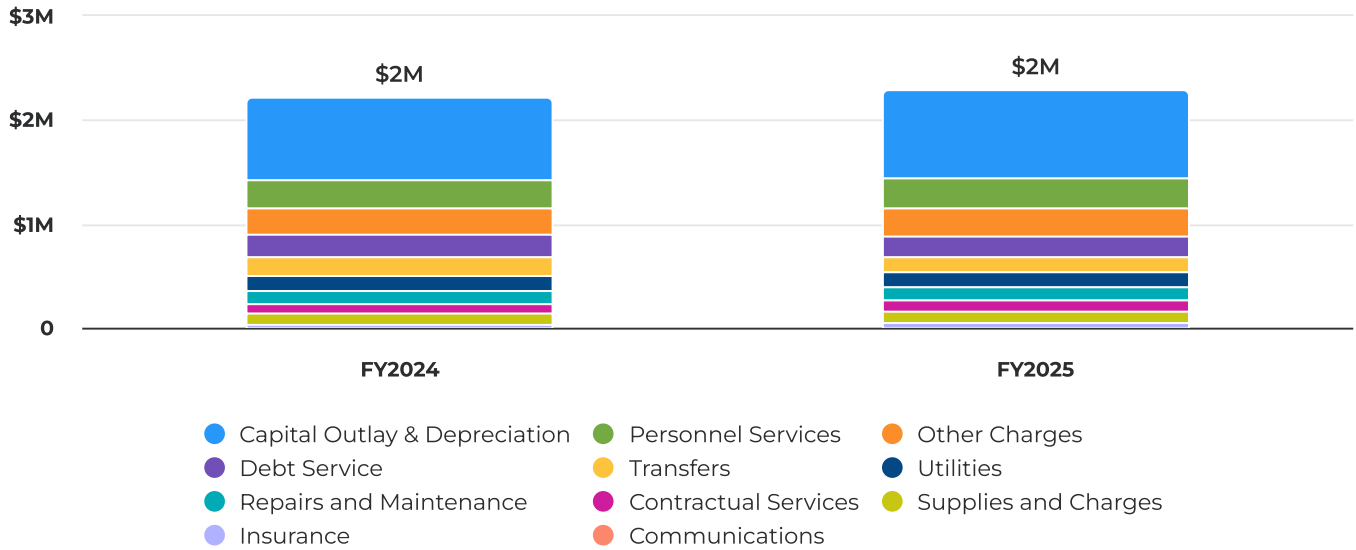
● Utility Sales	\$1,935,000	95.44%
● Connection Fees	\$51,400	2.54%
● Miscellaneous	\$21,000	1.04%
● Interest	\$20,000	0.99%

Revenues by Revenue Account Summary

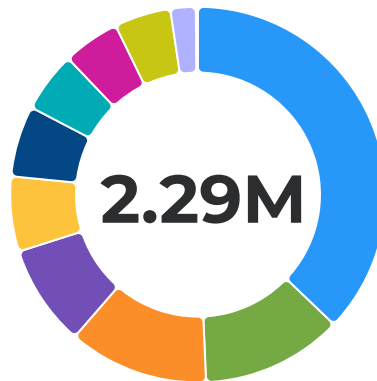
Category	FY 2023 Actual	FY 2024 Adopted	FY 2025 Budgeted	FY 2024 Adopted vs. FY 2025 Budgeted (% Change)
Special Assessments	\$393.55	-	-	-
Interest	\$206,905.48	\$20,000.00	\$20,000.00	0.00%
Miscellaneous	\$21,723.99	\$3,000.00	\$21,000.00	600.00%
Utility Sales	\$1,905,744.84	\$1,837,730.00	\$1,935,000.00	5.29%
Connection Fees	\$93,273.76	\$51,408.00	\$51,400.00	-0.02%
Total Revenues	\$2,228,041.62	\$1,912,138.00	\$2,027,400.00	6.03%

Expenditures by Expense Account Summary

Historical Expenditures by Expense Account Summary



FY25 Expenditures by Expense Account Summary



Category	Amount	Percentage
Capital Outlay & Depreciation	\$850,000	37.14%
Personnel Services	\$278,600	12.17%
Other Charges	\$276,100	12.06%
Debt Service	\$199,739	8.73%
Utilities	\$148,000	6.47%
Transfers	\$139,600	6.10%
Repairs and Maintenance	\$119,300	5.21%
Supplies and Charges	\$112,100	4.90%
Contractual Services	\$111,000	4.85%
Insurance	\$50,200	2.19%
Communications	\$4,000	0.17%

Expenditures by Expense Account Summary

Category	FY 2023 Adopted	FY 2024 Adopted	FY 2025 Budgeted	FY 2024 Adopted vs. FY 2025 Budgeted (% Change)
Personnel Services	\$271,450.00	\$269,500.00	\$278,600.00	3.38%

Category	FY 2023 Adopted	FY 2024 Adopted	FY 2025 Budgeted	FY 2024 Adopted vs. FY 2025 Budgeted (% Change)
Insurance	\$38,000.00	\$38,500.00	\$50,200.00	30.39%
Supplies and Charges	\$78,600.00	\$98,900.00	\$112,100.00	13.35%
Contractual Services	\$102,500.00	\$102,000.00	\$111,000.00	8.82%
Other Charges	\$265,150.00	\$262,200.00	\$276,100.00	5.30%
Repairs and Maintenance	\$124,400.00	\$122,250.00	\$119,300.00	-2.41%
Capital Outlay & Depreciation	\$800,000.00	\$800,000.00	\$850,000.00	6.25%
Communications	\$4,000.00	\$4,000.00	\$4,000.00	0.00%
Utilities	\$135,000.00	\$148,000.00	\$148,000.00	0.00%
Debt Service	\$226,095.00	\$213,632.00	\$199,739.00	-6.50%
Transfers	\$160,858.00	\$167,748.00	\$139,600.00	-16.78%
Total Expenditures	\$2,206,053.00	\$2,226,730.00	\$2,288,639.00	2.78%

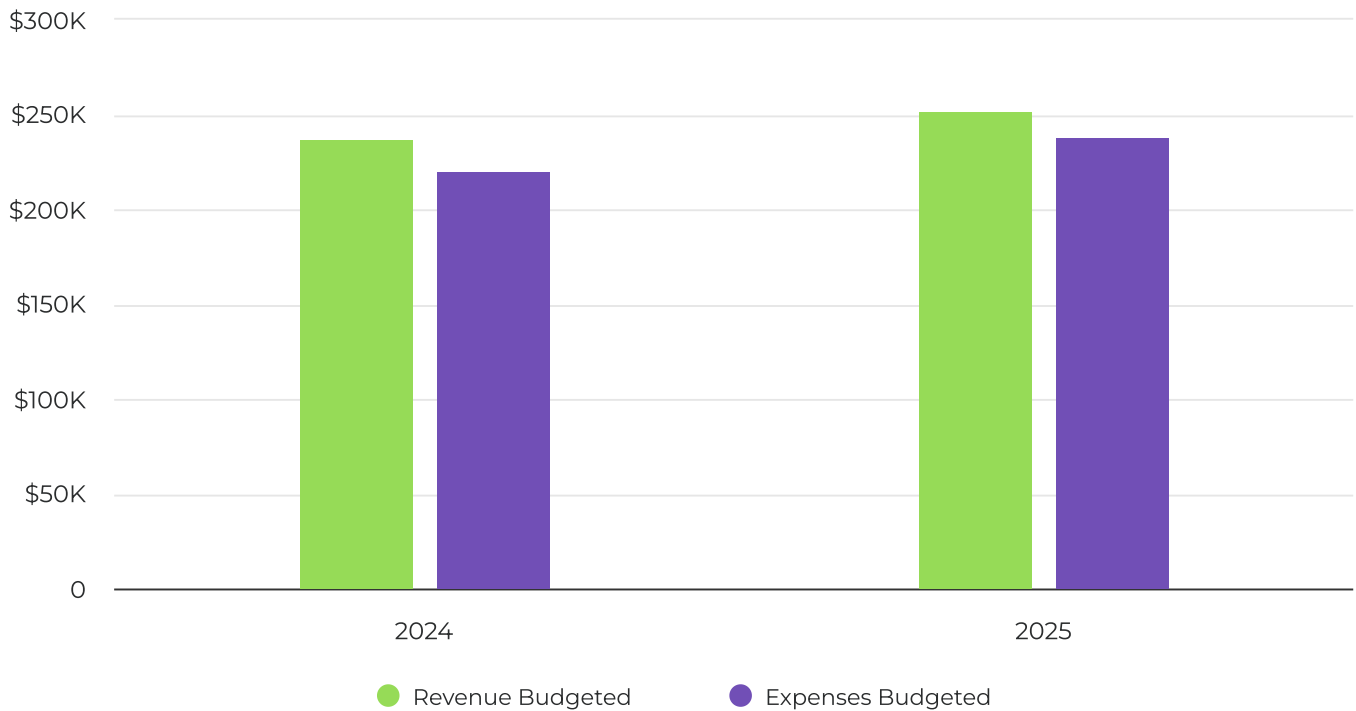
Storm Water Fund

The Stormwater Fund is a self-sustaining utility fund. The City's stormwater utility exists to improve and protect St. Francis's surface water resources and provide flood protection through the installation and maintenance of stormwater infrastructure, the preservation and enhancement of natural features, and through education and outreach.

Stormwater charges provide funding for storm drainage maintenance, pond clean-out, and other stormwater-related functions to convey stormwater away from properties.

An annual review of rates is completed to ensure financial stability of the utility.

Revenues vs Expenditures Summary

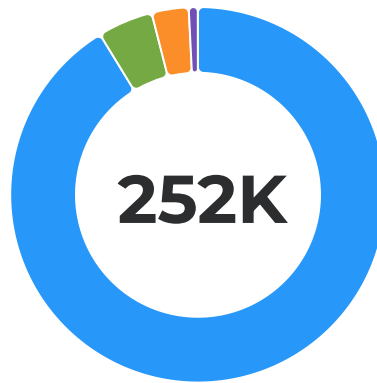


Fund Summary

Category	FY 2024 Adopted	FY 2025 Budgeted
Beginning Fund Balance	\$1,319,745	\$1,335,982
Revenues		
Charges for Services	\$227,336	\$230,000
Special Assessments	\$8,000	\$8,000
Interest	\$2,000	\$2,000
Miscellaneous	-	\$12,000
Total Revenues	\$237,336	\$252,000
Expenditures		
Personnel Services	\$49,100	\$63,100
Insurance	\$1,000	\$1,000
Contractual Services	\$40,000	\$40,000
Other Charges	\$60,000	\$60,000
Repairs and Maintenance	\$50,000	\$50,000
Capital Outlay & Depreciation	\$21,000	\$24,600
Total Expenditures	\$221,100	\$238,700
Total Revenues Less Expenditures	\$16,236	\$13,300
Ending Fund Balance	\$1,335,981	\$1,349,282

Revenues by Revenue Account Summary

FY25 Revenues by Revenue Account Summary



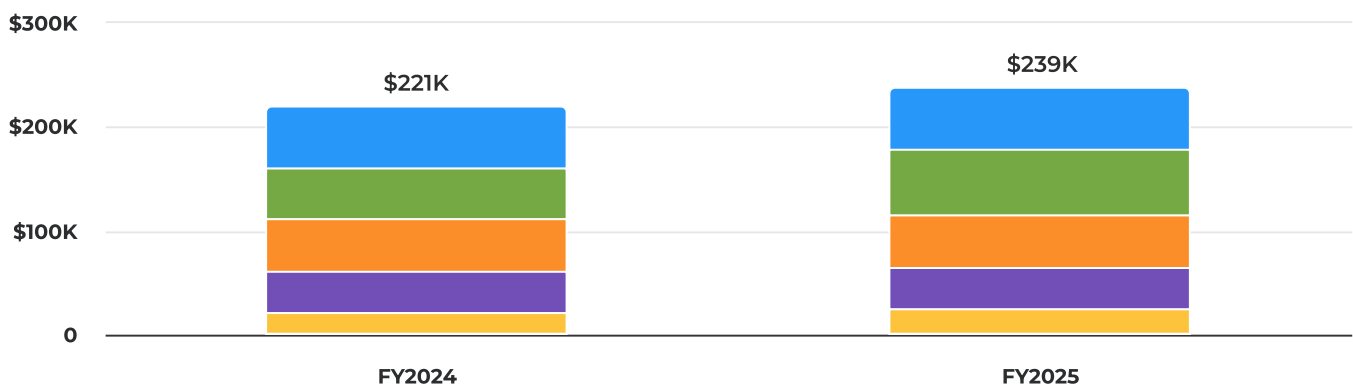
● Charges for Services	\$230,000	91.27%
● Miscellaneous	\$12,000	4.76%
● Special Assessments	\$8,000	3.17%
● Interest	\$2,000	0.79%

Revenues by Revenue Account Summary

Category	FY 2023 Actual	FY 2024 Adopted	FY 2025 Budgeted	FY 2024 Adopted vs. FY 2025 Budgeted (% Change)
Charges for Services	\$176,940.00	\$227,336.00	\$230,000.00	1.17%
Intergovernmental	\$132,497.07	-	-	-
Special Assessments	\$285.91	\$8,000.00	\$8,000.00	0.00%
Interest	\$20,803.57	\$2,000.00	\$2,000.00	0.00%
Miscellaneous	-	-	\$12,000.00	-
Total Revenues	\$330,526.55	\$237,336.00	\$252,000.00	6.18%

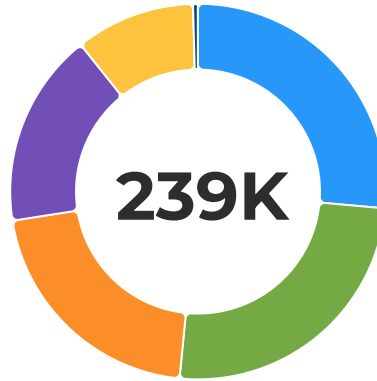
Expenditures by Expense Account Summary

Historical Expenditures by Expense Account Summary



● Other Charges	● Personnel Services	● Repairs and Maintenance
● Contractual Services	● Capital Outlay & Depreciation	● Insurance

FY25 Expenditures by Expense Account Summary



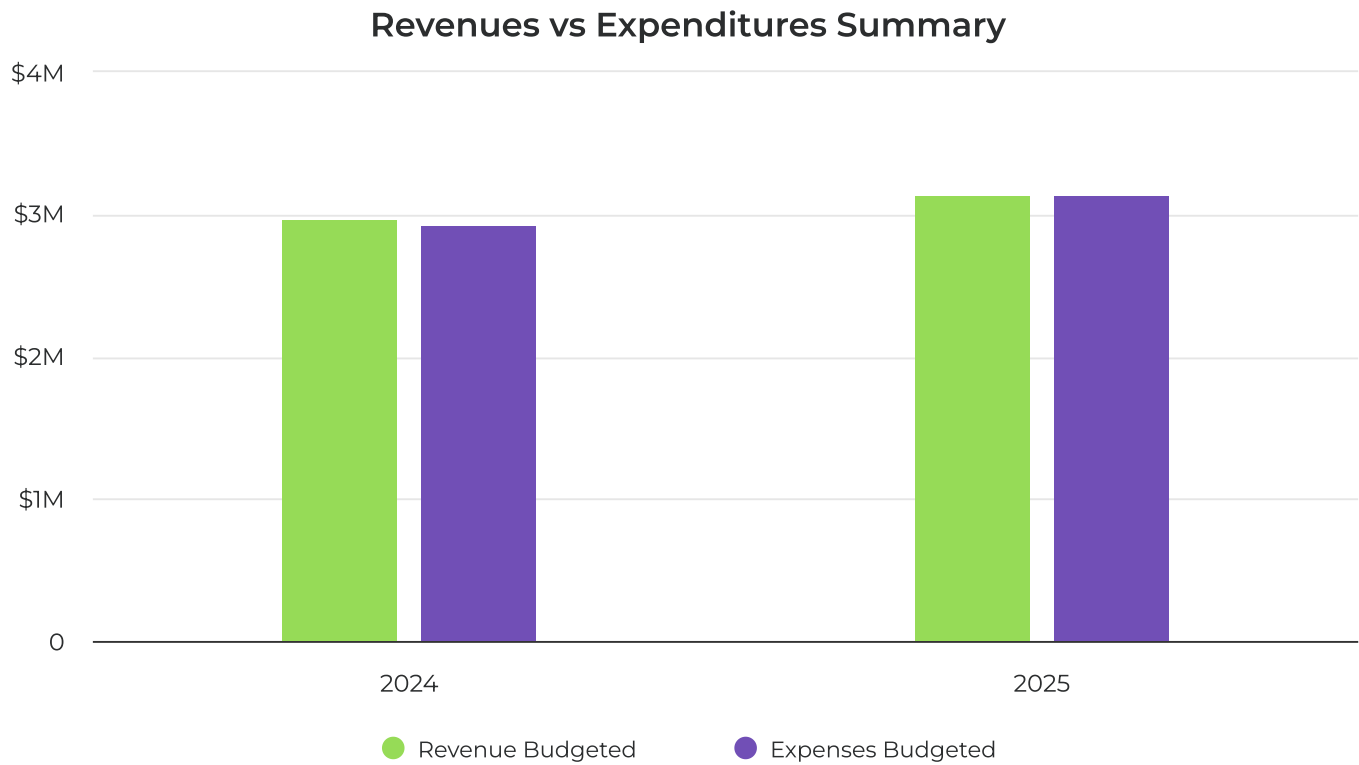
● Personnel Services	\$63,100	26.43%
● Other Charges	\$60,000	25.14%
● Repairs and Maintenance	\$50,000	20.95%
● Contractual Services	\$40,000	16.76%
● Capital Outlay & Depreciation	\$24,600	10.31%
● Insurance	\$1,000	0.42%

Expenditures by Expense Account Summary

Category	FY 2024 Adopted	FY 2025 Budgeted	FY 2024 Adopted vs. FY 2025 Budgeted (% Change)
Personnel Services	\$49,100.00	\$63,100.00	28.51%
Insurance	\$1,000.00	\$1,000.00	0.00%
Contractual Services	\$40,000.00	\$40,000.00	0.00%
Other Charges	\$60,000.00	\$60,000.00	0.00%
Repairs and Maintenance	\$50,000.00	\$50,000.00	0.00%
Capital Outlay & Depreciation	\$21,000.00	\$24,600.00	17.14%
Total Expenditures	\$221,100.00	\$238,700.00	7.96%

Liquor Fund

The Liquor Fund is used to account for the operations of the City's Liquor Store. The city remodeled the store in 2021, to add space for sales and storage. It hit sales of \$3 million in 2023 for the first time. The store's profits have been used to help support the city's other functions such as the fire department and parks.

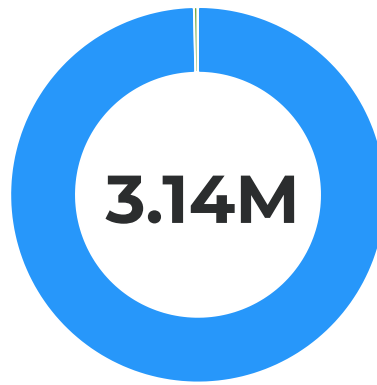


Fund Summary

Category	FY 2024 Adopted	FY 2025 Budgeted
Beginning Fund Balance	\$2,186,928	\$2,227,079
Revenues		
Interest	\$10,000	\$10,000
Miscellaneous	\$400	\$500
Liquor Sales	\$2,956,400	\$3,130,000
Total Revenues	\$2,966,800	\$3,140,500
Expenditures		
Personnel Services	\$396,050	\$373,400
Insurance	\$30,000	\$39,700
Supplies and Charges	\$10,800	\$8,100
Cost of Goods Sold	\$2,135,000	\$2,376,100
Contractual Services	\$100,500	\$86,600
Other Charges	\$110,900	\$114,800
Repairs and Maintenance	\$12,000	\$12,000
Capital Outlay & Depreciation	\$43,000	\$43,000
Communications	\$4,000	\$2,000
Utilities	\$19,400	\$15,000
Transfers	\$65,000	\$65,000
Total Expenditures	\$2,926,650	\$3,135,700
Total Revenues Less Expenditures	\$40,150	\$4,800
Ending Fund Balance	\$2,227,078	\$2,231,879

Revenues by Revenue Account Summary

FY25 Revenues by Revenue Account Summary



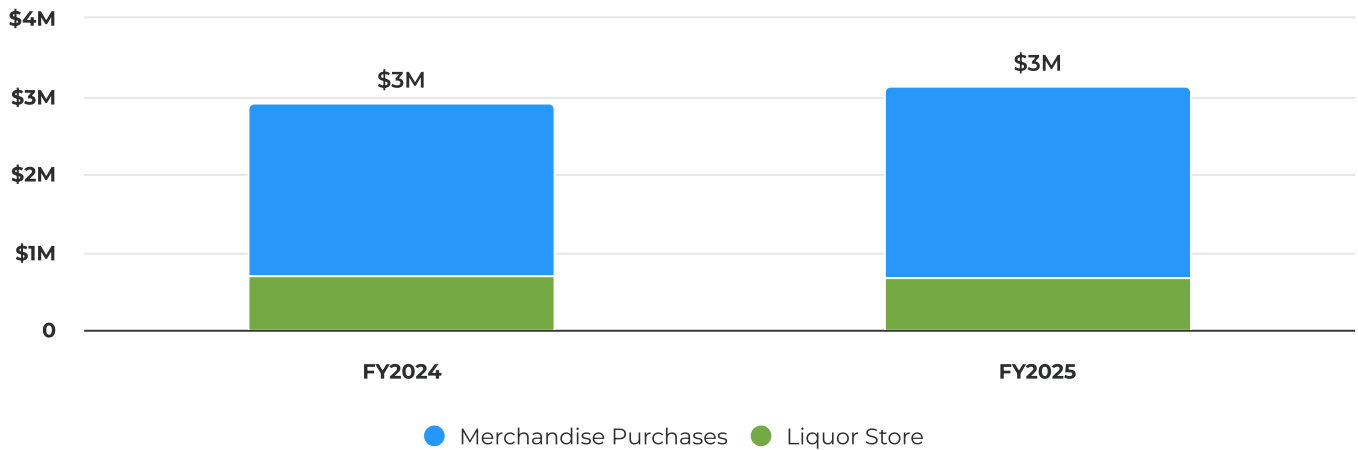
● Liquor Sales	\$3,130,000	99.67%
● Interest	\$10,000	0.32%
● Miscellaneous	\$500	0.02%

Revenues by Revenue Account Summary

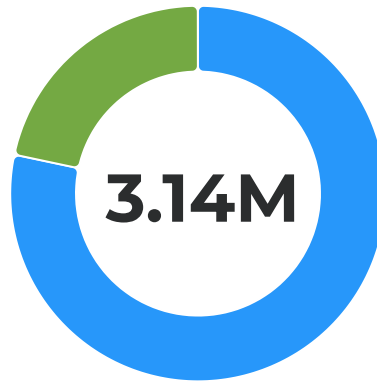
Category	FY 2024 Adopted	FY 2025 Budgeted	FY 2024 Adopted vs. FY 2025 Budgeted (% Change)
Interest	\$10,000.00	\$10,000.00	0.00%
Miscellaneous	\$400.00	\$500.00	25.00%
Liquor Sales	\$2,956,400.00	\$3,130,000.00	5.87%
Total Revenues	\$2,966,800.00	\$3,140,500.00	5.85%

Expenditures by Department

Historical Expenditures by Department



FY25 Expenditures by Department



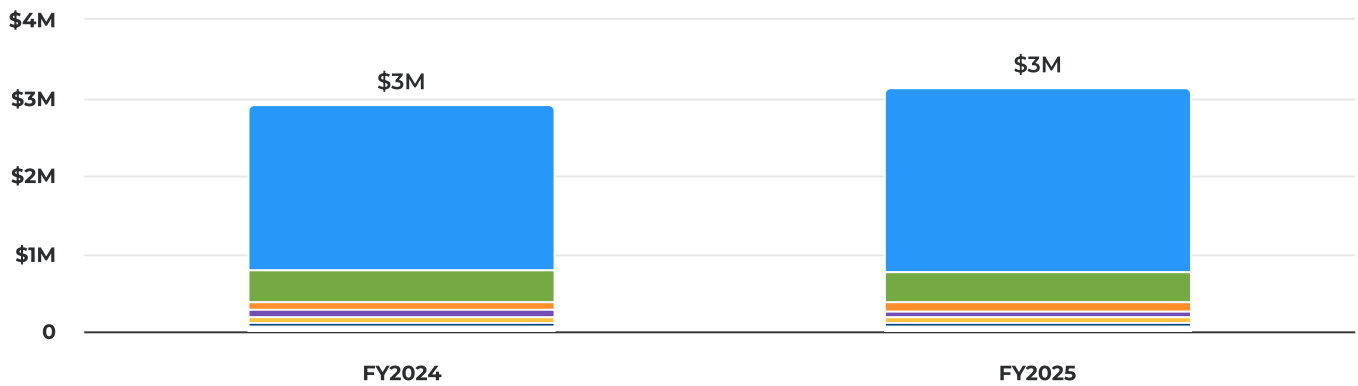
● Merchandise Purchases	\$2,456,100	78.33%
● Liquor Store	\$679,600	21.67%

Expenditures by Department

Category	FY 2024 Adopted	FY 2025 Budgeted	FY 2024 Adopted vs. FY 2025 Budgeted (% Change)
Liquor Store	\$701,650.00	\$679,600.00	-3.14%
Merchandise Purchases	\$2,225,000.00	\$2,456,100.00	10.39%
Total Expenditures	\$2,926,650.00	\$3,135,700.00	7.14%

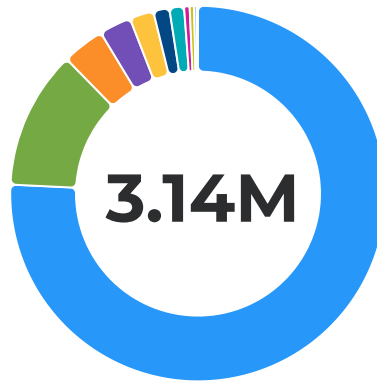
Expenditures by Expense Account Summary

Historical Expenditures by Expense Account Summary



- Cost of Goods Sold
- Personnel Services
- Other Charges
- Contractual Services
- Transfers
- Capital Outlay & Depreciation
- Insurance
- Utilities
- Repairs and Maintenance
- Supplies and Charges
- Communications

FY25 Expenditures by Expense Account Summary



● Cost of Goods Sold	\$2,376,100	75.78%
● Personnel Services	\$373,400	11.91%
● Other Charges	\$114,800	3.66%
● Contractual Services	\$86,600	2.76%
● Transfers	\$65,000	2.07%
● Capital Outlay & Depreciation	\$43,000	1.37%
● Insurance	\$39,700	1.27%
● Utilities	\$15,000	0.48%
● Repairs and Maintenance	\$12,000	0.38%
● Supplies and Charges	\$8,100	0.26%
● Communications	\$2,000	0.06%

Expenditures by Expense Account Summary

Category	FY 2023 Adopted	FY 2024 Adopted	FY 2025 Budgeted	FY 2024 Adopted vs. FY 2025 Budgeted (% Change)
Personnel Services	\$383,800.00	\$396,050.00	\$373,400.00	-5.72%
Insurance	\$28,000.00	\$30,000.00	\$39,700.00	32.33%
Supplies and Charges	\$10,200.00	\$10,800.00	\$8,100.00	-25.00%
Cost of Goods Sold	\$1,928,900.00	\$2,135,000.00	\$2,376,100.00	11.29%
Contractual Services	\$63,500.00	\$100,500.00	\$86,600.00	-13.83%
Other Charges	\$103,150.00	\$110,900.00	\$114,800.00	3.52%
Repairs and Maintenance	\$25,500.00	\$12,000.00	\$12,000.00	0.00%
Capital Outlay & Depreciation	\$40,000.00	\$43,000.00	\$43,000.00	0.00%
Communications	\$4,000.00	\$4,000.00	\$2,000.00	-50.00%
Utilities	\$17,900.00	\$19,400.00	\$15,000.00	-22.68%
Transfers	\$60,000.00	\$65,000.00	\$65,000.00	0.00%
Total Expenditures	\$2,664,950.00	\$2,926,650.00	\$3,135,700.00	7.14%

General Fund Departments Summary

City Council

Description

The Council provides the legislative and policy-making activities of the City for the health, safety and welfare of the community. It exercises budgetary control through the adoption of the annual budget, and approval of claims against the City treasury. The Council also annually adopts a five-year capital improvement plan identifying the City's infrastructure needs, appoints various citizen committees to render advice on legislative and city issues, and responds to constituent concerns and questions by working with city administration to address community service issues.

Objectives

- Adopt policies and ordinances consistent with the council's position on growth, zoning and financial strategy.
- Continue joint efforts with other agencies to promote efficiency in government processes.

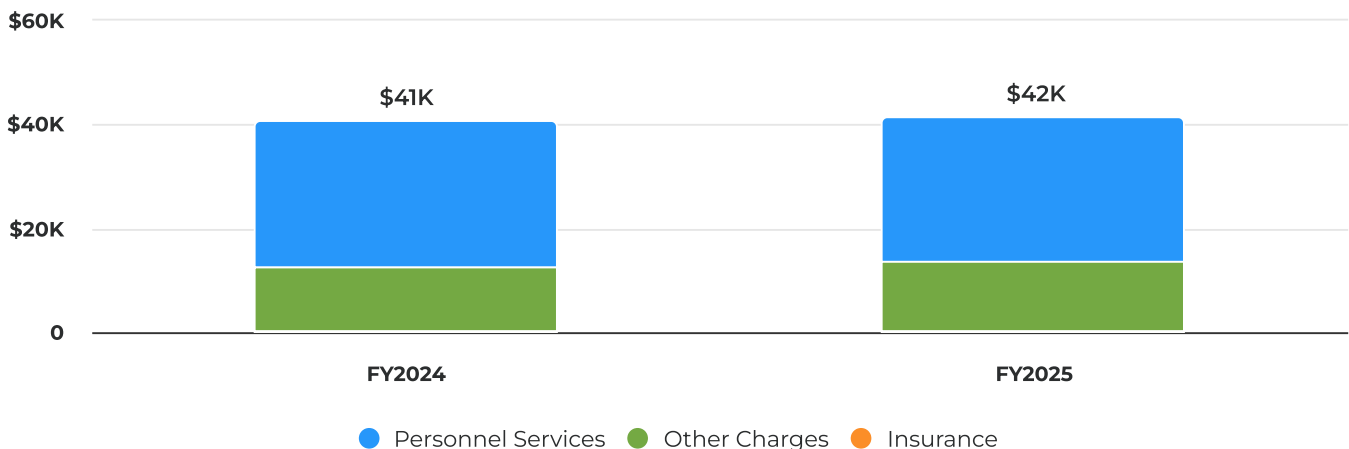
Performance Measures

	2022 Actual	2023 Actual	2024 Actual	2025 Projected
Council meetings	24	24	24	24
Special meetings	0	3	1	2
Worksessions	11	8	7	8

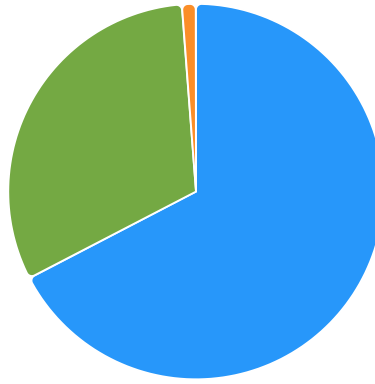
<u>Staffing</u>	
Full-Time Equivalent positions	Council consists of one Mayor and four Council Members.

Expenditures by Expense Account Summary

Historical Expenditures by Expense Account Summary



2025 Expenditures by Expense Account Summary



● Personnel Services	\$28,100	67.39%
● Other Charges	\$13,100	31.41%
● Insurance	\$500	1.20%

Expenditures by Classification

Category	FY 2024 Adopted	FY 2025 Adopted	Change 2024 to 2025 Budgets
Personnel Services	\$28,010	\$28,100	0.32%
Insurance	\$350	\$500	42.86%
Other Charges	\$12,400	\$13,100	5.65%
Total Expenditures	\$40,760	\$41,700	2.31%

Charter Commission

Description

The City operates under a Home Rule Charter. This budget, when used, is mainly for legal advice and publishing requirements.

Objectives

- Bring forward charter amendments as needed.

Performance Measures

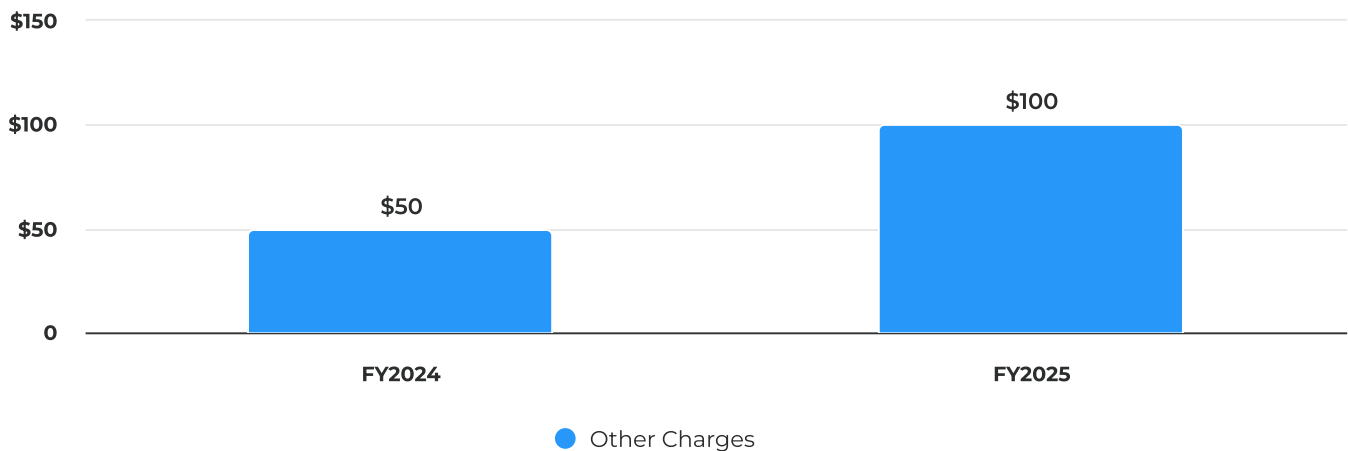
	2022 Actual	2023 Actual	2024 Actual	2025 Projected
Meetings	1	1	1	1

Personnel Summary

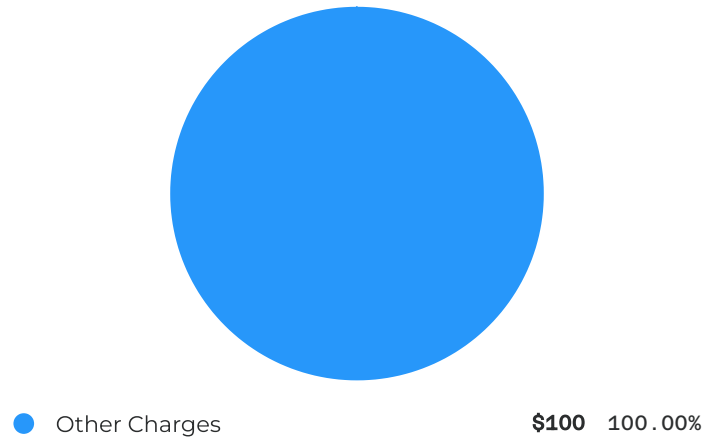
	2022 Actual	2023 Actual	2024 Actual	2025 Projected
Full-Time Equivalent positions	N/A	N/A	N/A	N/A

Expenditures by Expense Account Summary

Historical Expenditures by Expense Account Summary



2025 Expenditures by Expense Account Summary



Expenditures by Classification

Category	FY 2024 Adopted	FY 2025 Adopted	Change 2024 to 2025 Budgets
Other Charges	\$50	\$100	100.00%
Total Expenditures	\$50	\$100	100.00%

Administration

Description

This program provides for the administration of the city government within the guidelines and policies established by the City Council. Responsibilities include directing the administration of city affairs and enforcing laws, city ordinances and resolutions as adopted by the governing body. The City Administrator and City Clerk are accounted for in this program.

Objectives

- Assist the city council with setting policies and procedures.
- Provide direction and leadership on city projects and budget management.
- Work on succession planning for key staffing roles within the organization.
- Continue the conversion of paper documents to electronic format.

Performance Measures

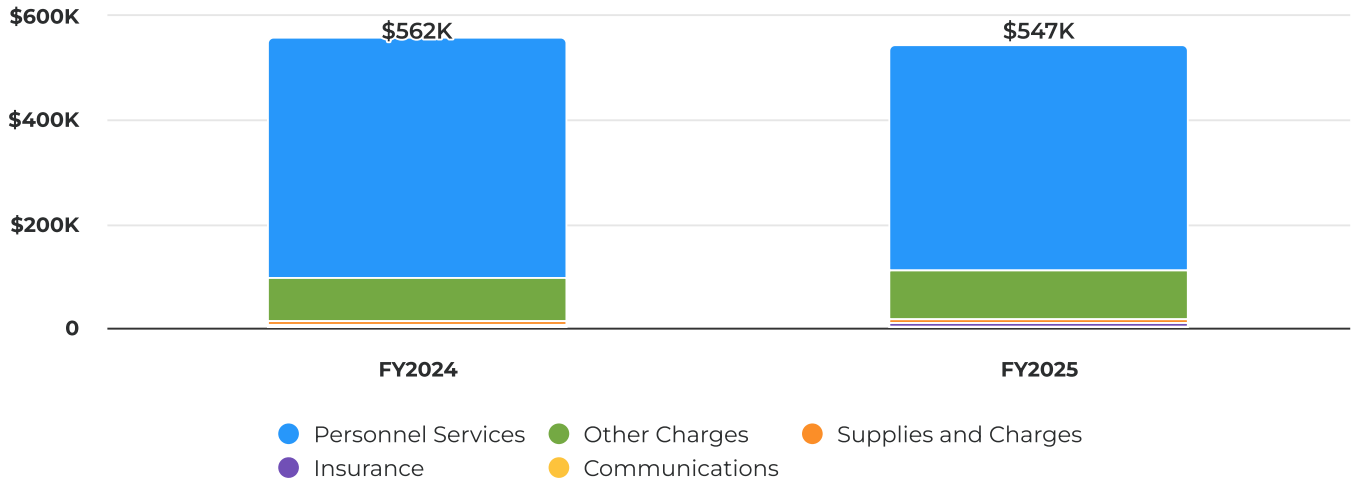
	2022 Actual	2023 Actual	2024 Actual	2025 Projected
Staff Meetings Held	52	48	52	52
Number of Resolutions	64	71	47	70
Number of Ordinances	19	21	15	20
Licenses Issued	24	22	57	25

Personnel Summary

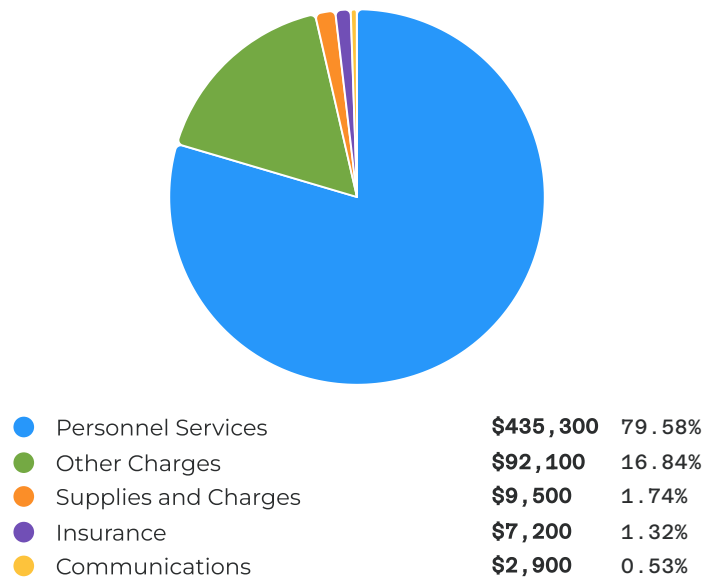
	2022 Actual	2023 Actual	2024 Actual	2025 Projected
Full-Time Equivalent positions	2	2	2	2

Expenditures by Expense Account Summary

Historical Expenditures by Expense Account Summary



2025 Expenditures by Expense Account Summary



Expenditures by Classification

Category	FY 2024 Adopted	FY 2025 Adopted	Change 2024 to 2025 Budgets
Personnel Services	\$463,800	\$435,300	-6.14%
Insurance	\$5,600	\$7,200	28.57%
Supplies and Charges	\$7,000	\$9,500	35.71%
Other Charges	\$83,600	\$92,100	10.17%
Communications	\$2,000	\$2,900	45.00%
Total Expenditures	\$562,000	\$547,000	-2.67%

Elections

Description

Conduct national, state and local elections in accordance with statutory requirements. The City does not provide for elections associated with Independent School District #15.

Objectives

- Prepare for and stay current with election law changes for future elections.
- Recruit and train judges to ensure positive voter experience.

Performance Measures

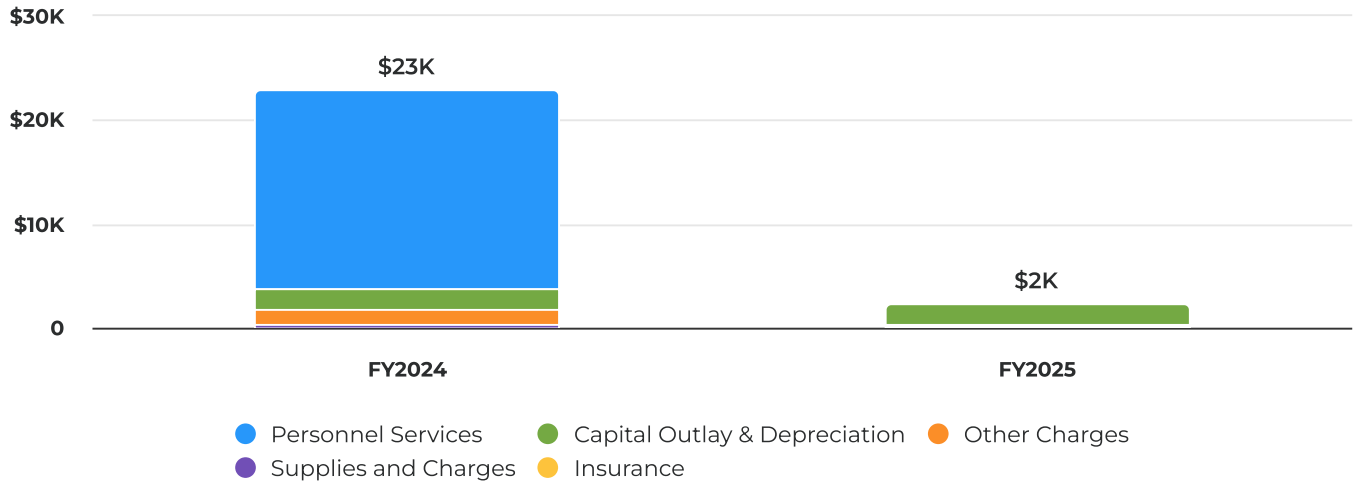
	2022 Actual	2023 Actual	2024 Actual	2025 Projected
Number of registered voters	5109	N/A	5671	N/A
Number of votes cast	3167	N/A	4712	N/A
Number of precincts	3	N/A	3	N/A
Number of voting locations	2	N/A	2	N/A

Personnel Summary

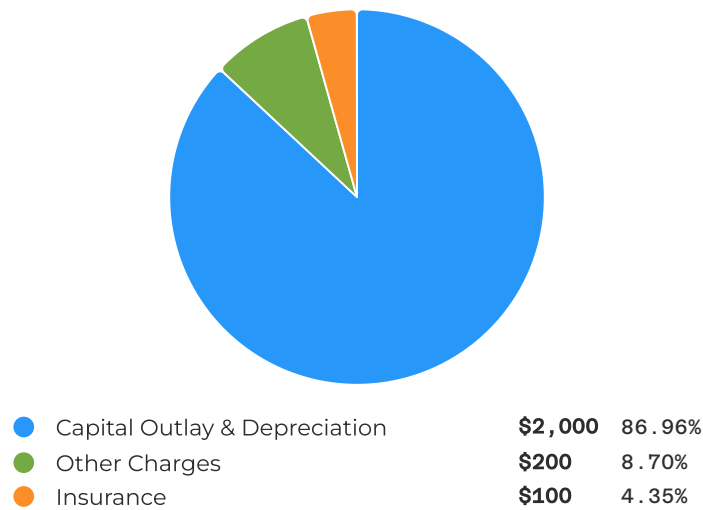
	2022 Actual	2023 Actual	2024 Actual	2025 Projected
Full-Time Equivalent positions	2	2	2	2

Expenditures by Expense Account Summary

Historical Expenditures by Expense Account Summary



2025 Expenditures by Expense Account Summary



Expenditures by Classification

Category	FY 2024 Adopted	FY 2025 Adopted	Change 2024 to 2025 Budgets
Personnel Services	\$19,200	-	-100.00%
Insurance	\$90	\$100	11.11%
Supplies and Charges	\$250	-	-100.00%
Other Charges	\$1,500	\$200	-86.67%
Capital Outlay & Depreciation	\$2,000	\$2,000	0.00%
Total Expenditures	\$23,040	\$2,300	-90.02%

Finance

Description

This program is responsible for administration of the City's financial affairs. This includes maintaining accounting records for all operations, investment of funds, supervision of revenue collection, disbursements of city monies, debt administration, payroll, audit and budget preparation, and risk management.

Objectives

- Continue CAFR and Budget Award Recognition
- Provide meaningful and timely financial reports and information to council, commissions and other city departments.

Performance Measures

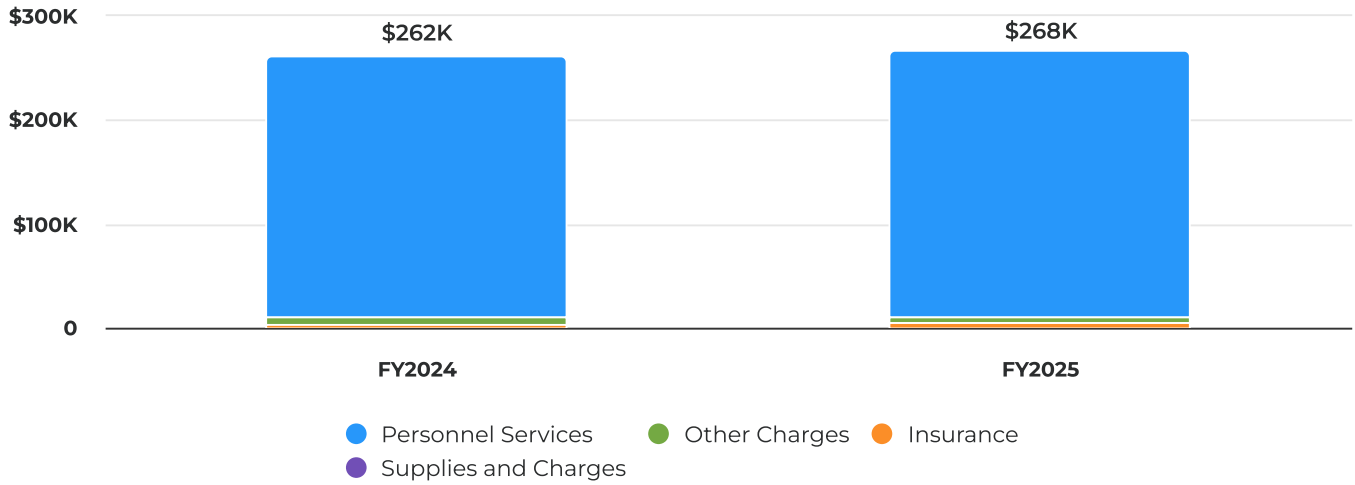
	2022 Actual	2023 Actual	2024 Actual	2025 Projected
Bond Rating	AA-	AA-	AA-	AA-
GFOA Financial Award	Yes	Yes	To be Submitted	To be Submitted
GFOA Budget Award	Yes	Yes	Yes	To be Submitted

Personnel Summary

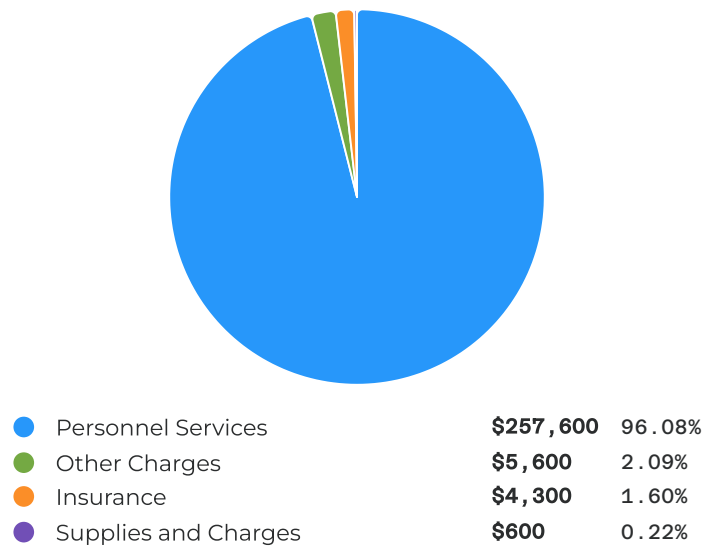
	2022 Actual	2023 Actual	2024 Actual	2025 Projected
Full-Time Equivalent positions	2	2	2	2

Expenditures by Expense Account Summary

Historical Expenditures by Expense Account Summary



2025 Expenditures by Expense Account Summary



Expenditures by Classification

Category	FY 2024 Adopted	FY 2025 Adopted	Change 2024 to 2025 Budgets
Personnel Services	\$251,900	\$257,600	2.26%
Insurance	\$3,100	\$4,300	38.71%
Supplies and Charges	\$550	\$600	9.09%
Other Charges	\$6,300	\$5,600	-11.11%
Total Expenditures	\$261,850	\$268,100	2.39%

Auditing

Description

This program accounts for costs associated with the annual audit of the City, our financial accounting software, and administration of our benefit services.

Objectives

- Complete the financial audit in a timely fashion.
- Keep informed on ongoing changes to financial reporting requirements.

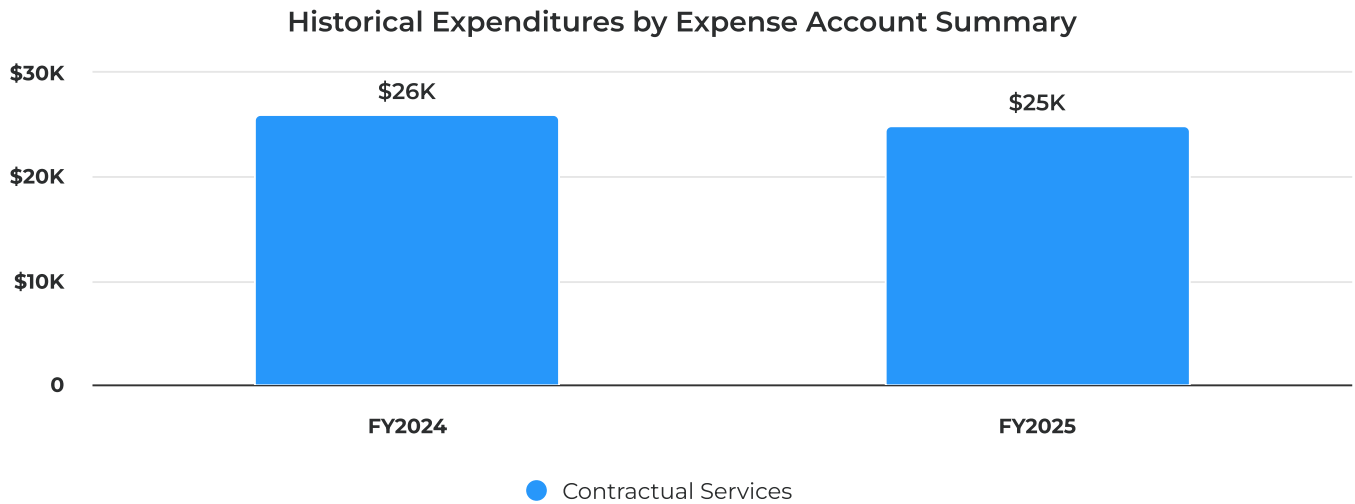
Performance Measures

	2022 Actual	2023 Actual	2024 Actual	2025 Projected
N/A	N/A	N/A	N/A	N/A

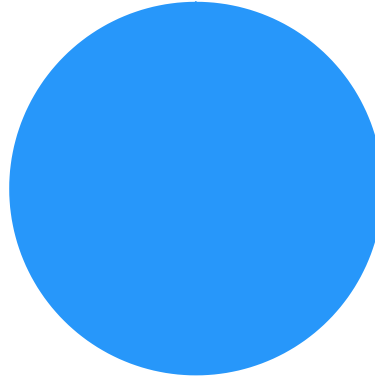
Personnel Summary

	2022 Actual	2023 Actual	2024 Actual	2025 Projected
Full-Time Equivalent positions	N/A	N/A	N/A	N/A

Expenditures by Expense Account Summary



2025 Expenditures by Expense Account Summary



● Contractual Services **\$25,000** 100.00%

Expenditures by Classification

Category	FY 2024 Adopted	FY 2025 Adopted	Change 2024 to 2025 Budgets
Contractual Services	\$26,000	\$25,000	-3.85%
Total Expenditures	\$26,000	\$25,000	-3.85%

Assessing

Description

Assessing is responsible for classifying, valuing and equalizing all taxable and exempt property within City limits. The City contracts with Anoka County for this service.

Objectives

- To assess new and existing parcels with the city as required.

Performance Measures

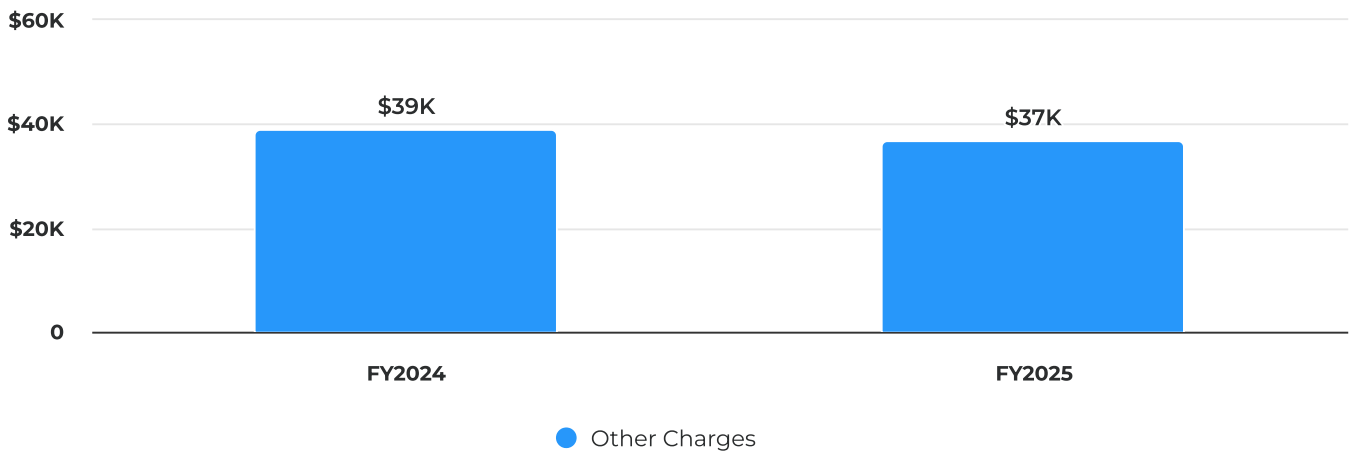
	2022 Actual	2023 Actual	2024 Actual	2025 Projected
N/A	N/A	N/A	N/A	N/A

Personnel Summary

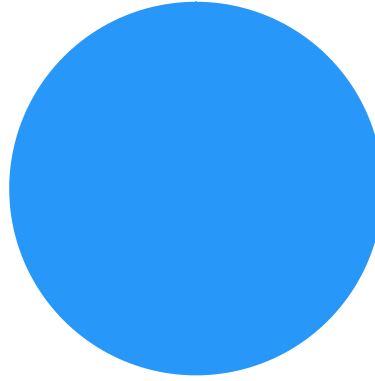
	2022 Actual	2023 Actual	2024 Actual	2025 Projected
Full-Time Equivalent positions	N/A	N/A	N/A	N/A

Expenditures by Expense Account Summary

Historical Expenditures by Expense Account Summary



2025 Expenditures by Expense Account Summary



● Other Charges \$37,000 100.00%

Expenditures by Classification

Category	FY 2024 Adopted	FY 2025 Adopted	Change 2024 to 2025 Budgets
Other Charges	\$39,000	\$37,000	-5.13%
Total Expenditures	\$39,000	\$37,000	-5.13%

Legal

Description

The City Attorney provides City Council and staff with research and support on issues of legal matters. The City Attorney also serves as the chief prosecuting attorney for the City, attends Council meetings, and serves in an advisory capacity to all City departments on matters coming before the City Council.

Objectives

- Continue to realize savings by contracting legal services.

Performance Measures

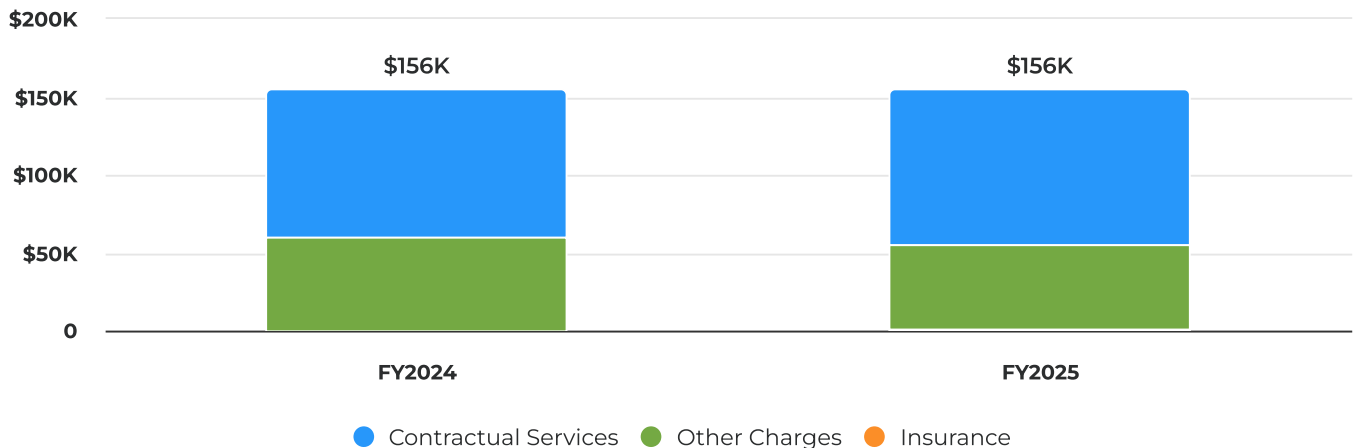
	2022 Actual	2023 Actual	2024 Actual	2025 Projected
N/A	N/A	N/A	N/A	N/A

Personnel Summary

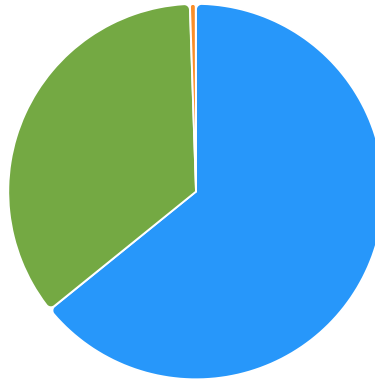
	2022 Actual	2023 Actual	2024 Actual	2025 Projected
Full-Time Equivalent positions	N/A	N/A	N/A	N/A

Expenditures by Expense Account Summary

Historical Expenditures by Expense Account Summary



2025 Expenditures by Expense Account Summary



● Contractual Services	\$100,000	64.18%
● Other Charges	\$55,000	35.30%
● Insurance	\$800	0.51%

Expenditures by Classification

Category	FY 2024 Adopted	FY 2025 Adopted	Change 2024 to 2025 Budgets
Insurance	\$600	\$800	33.33%
Contractual Services	\$95,000	\$100,000	5.26%
Other Charges	\$60,000	\$55,000	-8.33%
Total Expenditures	\$155,600	\$155,800	0.13%

Buildings

Description

Provide for a clean, well-maintained and comfortable environment for users of City Hall.

Objectives

- Continue to keep city hall clean.
- Maintain building to minimize repair costs.

Performance Measures

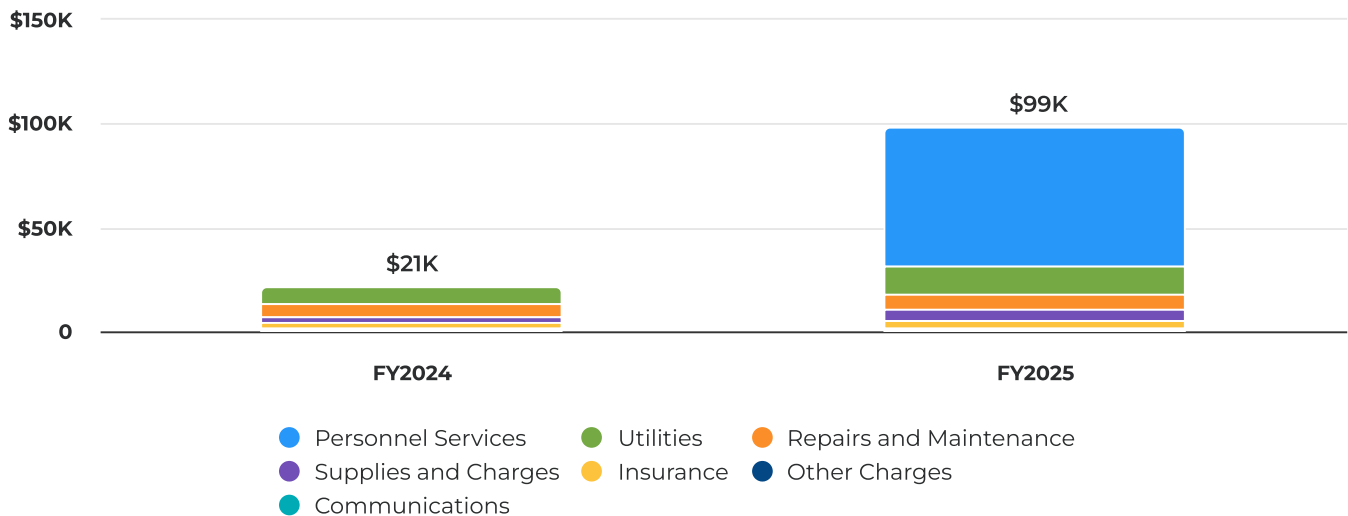
	2022 Actual	2023 Actual	2024 Actual	2025 Projected
N/A	N/A	N/A	N/A	N/A

Personnel Summary

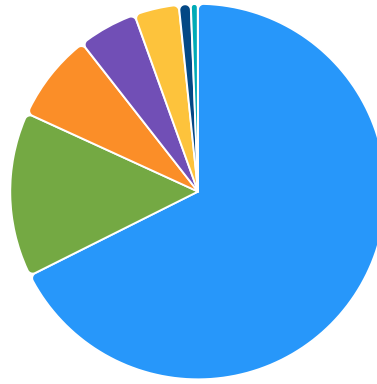
	2022 Actual	2023 Actual	2024 Actual	2025 Projected
Full-Time Equivalent positions	N/A	N/A	N/A	1

Expenditures by Expense Account Summary

Historical Expenditures by Expense Account Summary



2025 Expenditures by Expense Account Summary



● Personnel Services	\$66,600	67.61%
● Utilities	\$14,000	14.21%
● Repairs and Maintenance	\$7,500	7.61%
● Supplies and Charges	\$5,000	5.08%
● Insurance	\$3,800	3.86%
● Other Charges	\$1,000	1.02%
● Communications	\$600	0.61%

Expenditures by Classification

Category	FY 2024 Adopted	FY 2025 Adopted	Change 2024 to 2025 Budgets
Personnel Services	-	\$66,600	-
Insurance	\$3,000	\$3,800	26.67%
Supplies and Charges	\$2,300	\$5,000	117.39%
Other Charges	\$1,000	\$1,000	0.00%
Repairs and Maintenance	\$6,400	\$7,500	17.19%
Communications	\$600	\$600	0.00%
Utilities	\$8,000	\$14,000	75.00%
Total Expenditures	\$21,300	\$98,500	362.44%

Fire

Description

Responds to all fire and emergency medical incidents in the city. Paid on-call firefighters are alerted to an incident via a pager dispatched through the Anoka County Central Communications System. The fire department is responsible for performing new building plan reviews and existing building inspections to ensure compliance with State and Federal Fire Codes and Standards.

Objectives

- Address staffing challenges within the organization.
- Develop policies and procedures.
- Continue to evaluate programs and services.

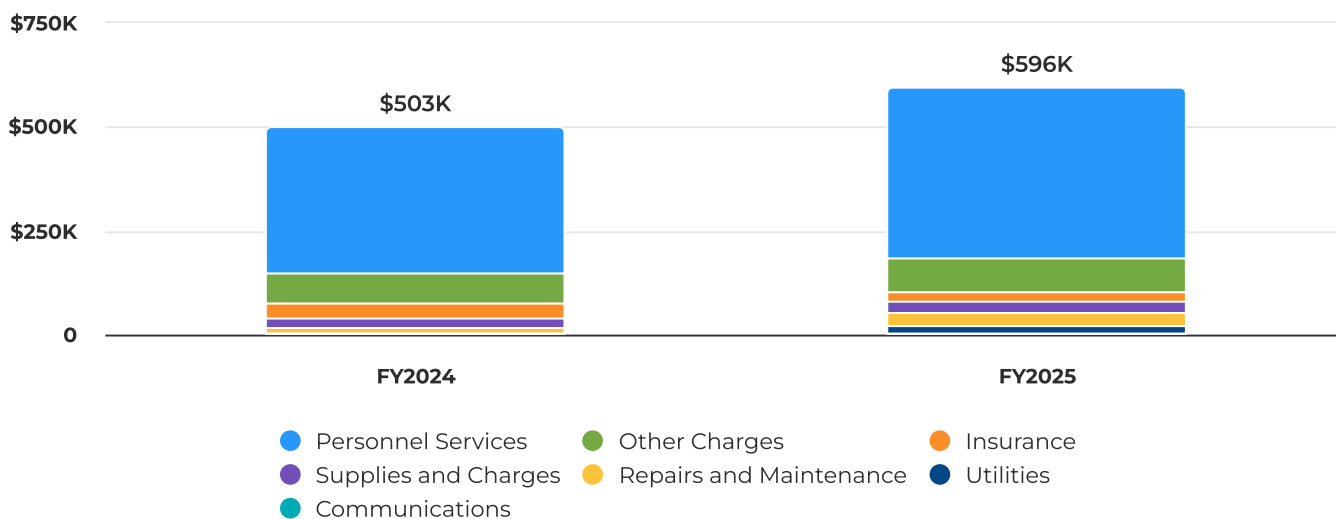
Performance Measures

	2022 Actual	2023 Actual	2024 Actual	2025 Projected
Total Calls	727	730	839	700

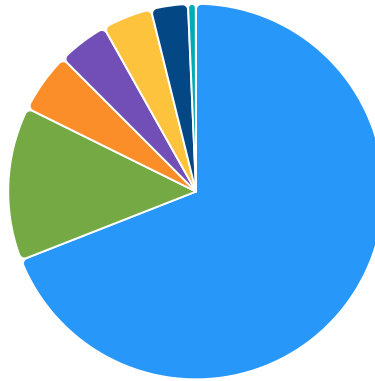
Personnel Summary

	2022 Actual	2023 Actual	2024 Actual	2025 Projected
Full-Time Equivalent positions	1	1	2	2

Historical Expenditures by Expense Account Summary



2025 Expenditures by Expense Account Summary



● Personnel Services	\$411,700	69.05%
● Other Charges	\$79,000	13.25%
● Repairs and Maintenance	\$31,000	5.20%
● Supplies and Charges	\$26,000	4.36%
● Insurance	\$25,500	4.28%
● Utilities	\$19,000	3.19%
● Communications	\$4,000	0.67%

Expenditures by Classification

Category	FY 2024 Adopted	FY 2025 Adopted	Change 2024 to 2025 Budgets
Personnel Services	\$356,200	\$411,700	15.58%
Insurance	\$33,500	\$25,500	-23.88%
Supplies and Charges	\$25,000	\$26,000	4.00%
Other Charges	\$71,500	\$79,000	10.49%
Repairs and Maintenance	\$14,500	\$31,000	113.79%
Communications	\$2,500	\$4,000	60.00%
Utilities	-	\$19,000	-
Total Expenditures	\$503,200	\$596,200	18.48%

Streets

Description

Maintains all city streets to minimize deterioration. Maintenance includes seal coating, crack sealing, pothole patching, sweeping, plowing, gravel road maintenance, and repair of the storm drainage system. This program is also responsible for traffic control devices such as street signs, pavement markings, and guard rails on all city roadways.

Objectives

- Address staffing challenges within the organization.
- Develop policies and procedures.
- Continue to evaluate programs and services.

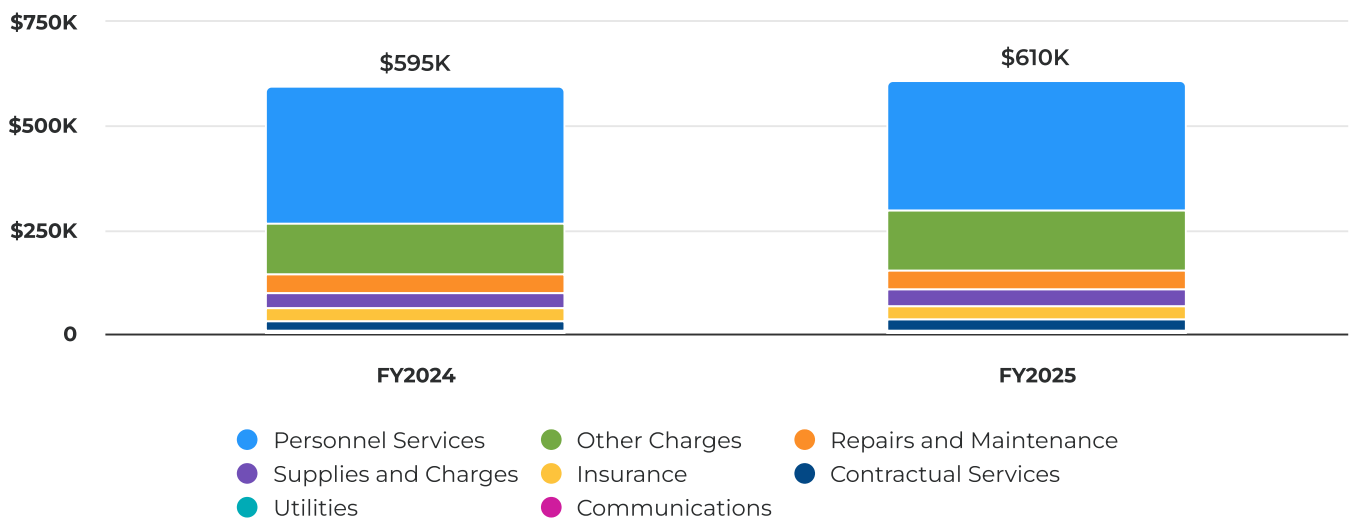
Performance Measures

	2022 Actual	2023 Actual	2024 Actual	2025 Projected
Asphalt street miles maintained	37	38	38	38
Gravel road miles maintained	150	143	143	140
Sand/salt usage (tons)	413	654	530	300
Total Incident Crime Reports	6521	6427		6500

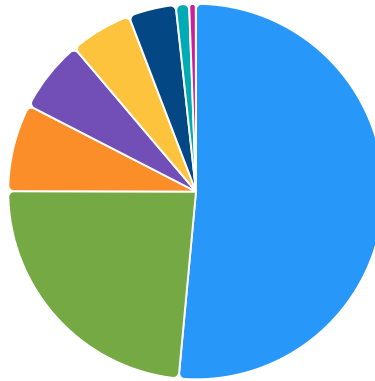
Personnel Summary

	2022 Actual	2023 Actual	2024 Actual	2025 Projected
Full-Time Equivalent positions	3.35	3.35	3.35	3.35

Historical Expenditures by Expense Account Summary



2025 Expenditures by Expense Account Summary



● Personnel Services	\$314,300	51.49%
● Other Charges	\$143,700	23.54%
● Repairs and Maintenance	\$46,000	7.54%
● Supplies and Charges	\$38,200	6.26%
● Insurance	\$32,700	5.36%
● Contractual Services	\$25,000	4.10%
● Utilities	\$7,000	1.15%
● Communications	\$3,500	0.57%

Expenditures by Classification

Category	FY 2024 Adopted	FY 2025 Adopted	Change 2024 to 2025 Budgets
Personnel Services	\$328,000	\$314,300	-4.18%
Insurance	\$34,000	\$32,700	-3.82%
Supplies and Charges	\$36,800	\$38,200	3.80%
Contractual Services	\$20,000	\$25,000	25.00%
Other Charges	\$122,100	\$143,700	17.69%
Repairs and Maintenance	\$43,500	\$46,000	5.75%
Communications	\$4,000	\$3,500	-12.50%
Utilities	\$6,700	\$7,000	4.48%
Total Expenditures	\$595,100	\$610,400	2.57%

Recycling

Description

This program provides recycling opportunities for all city residents and surrounding areas. The goal is to provide this service in a cost-effective manner while ensuring compliance with state rules and regulations.

Objectives

- Continue to achieve goals set by the county for recycling tonnage.
- Provide residents with a safe and effective recycling event each year.

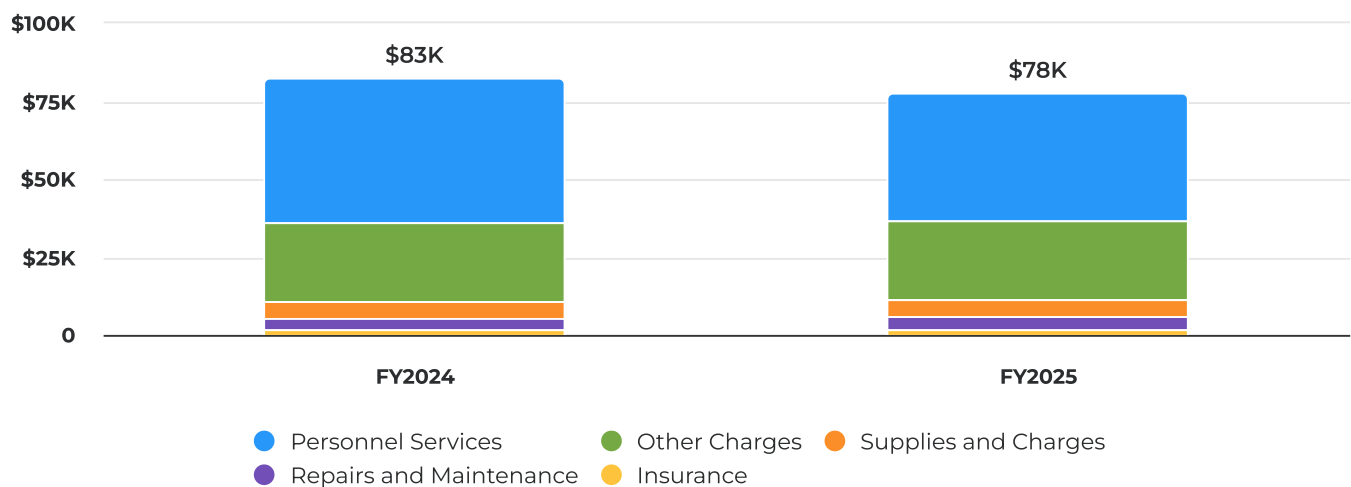
Performance Measures

	2022 Actual	2023 Actual	2024 Actual	2025 Projected
Recycling events	5	4	4	4
Recycling collection tonnage	857	951	1026.96	900

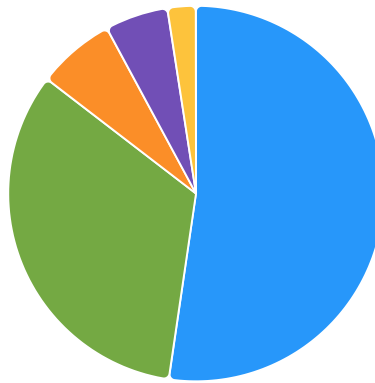
Personnel Summary

	2022 Actual	2023 Actual	2024 Actual	2025 Projected
Full-Time Equivalent positions	0.4	0.4	0.4	0.4

Historical Expenditures by Expense Account Summary



2025 Expenditures by Expense Account Summary



● Personnel Services	\$40,600	52.32%
● Other Charges	\$25,700	33.12%
● Supplies and Charges	\$5,200	6.70%
● Repairs and Maintenance	\$4,200	5.41%
● Insurance	\$1,900	2.45%

Expenditures by Classification

Category	FY 2024 Adopted	FY 2025 Adopted	Change 2024 to 2025 Budgets
Personnel Services	\$46,400	\$40,600	-12.50%
Insurance	\$1,600	\$1,900	18.75%
Supplies and Charges	\$5,150	\$5,200	0.97%
Other Charges	\$25,650	\$25,700	0.19%
Repairs and Maintenance	\$3,900	\$4,200	7.69%
Total Expenditures	\$82,700	\$77,600	-6.17%

Parks

Description

Provides for the overall planning, management and administrative activities of the park facilities and for the maintenance and improvement of park and recreational facilities, including skating rinks, athletic fields, neighborhood parks, community center and pioneer days.

Objectives

- Improve safety and maintenance throughout the park system.
- Maintain athletic fields through proper irrigation, fertilization and weed control.
- Maintain landscaped areas.

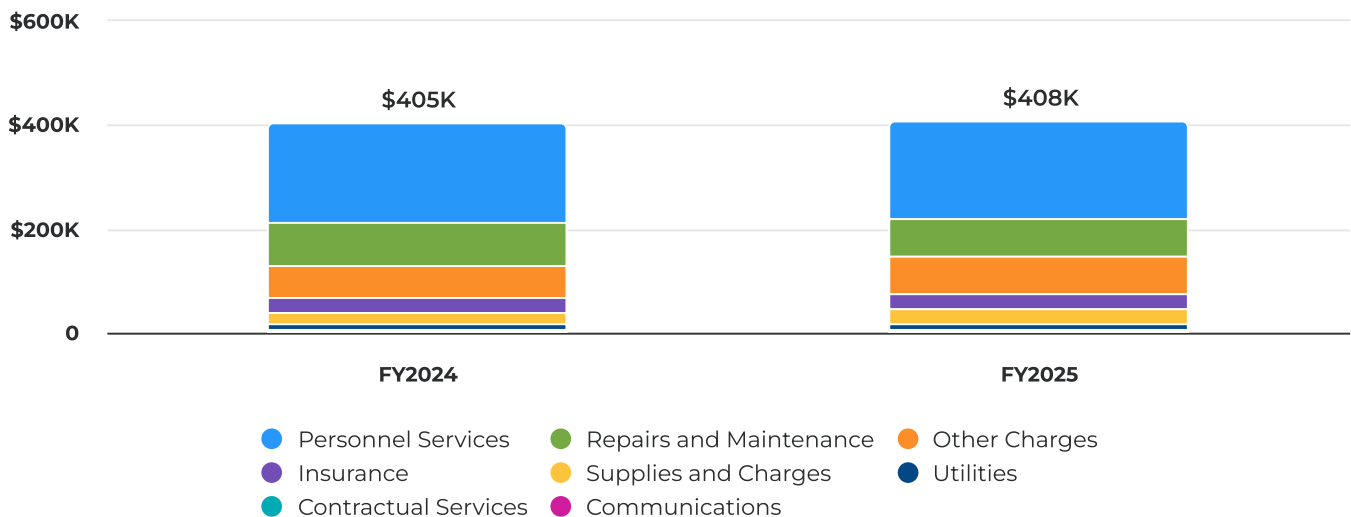
Performance Measures

	2022 Actual	2023 Actual	2024 Actual	2025 Projected
Number of parks maintained	9	10	10	10
Total acreage mowed	1273	890	1221	1100
Ballfields maintained	2	2	2	2
Number of playgrounds	7	8	8	8
Miles of trail maintained	13	13	13	13

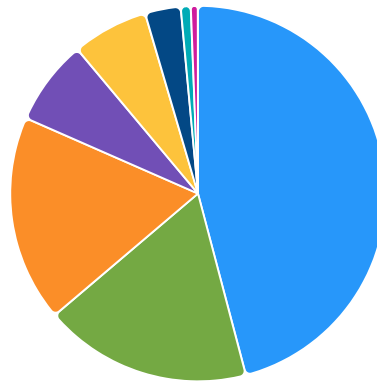
Personnel Summary

	2022 Actual	2023 Actual	2024 Actual	2025 Projected
Full-Time Equivalent positions	0.4	0.4	0.4	0.4

Historical Expenditures by Expense Account Summary



2025 Expenditures by Expense Account Summary



● Personnel Services	\$187,100	45.89%
● Repairs and Maintenance	\$73,000	17.91%
● Other Charges	\$72,500	17.78%
● Insurance	\$29,900	7.33%
● Supplies and Charges	\$26,700	6.55%
● Utilities	\$12,500	3.07%
● Contractual Services	\$3,500	0.86%
● Communications	\$2,500	0.61%

Expenditures by Classification

Category	FY 2024 Adopted	FY 2025 Adopted	Change 2024 to 2025 Budgets
Personnel Services	\$192,200	\$187,100	-2.65%
Insurance	\$26,050	\$29,900	14.78%
Supplies and Charges	\$22,800	\$26,700	17.11%
Contractual Services	\$3,500	\$3,500	0.00%
Other Charges	\$64,500	\$72,500	12.40%
Repairs and Maintenance	\$80,500	\$73,000	-9.32%
Communications	\$3,500	\$2,500	-28.57%
Utilities	\$11,500	\$12,500	8.70%
Total Expenditures	\$404,550	\$407,700	0.78%

Unallocated

Description

Contains funding for the unexpected and miscellaneous items not directly associated with a specific program.

Objectives

N/A

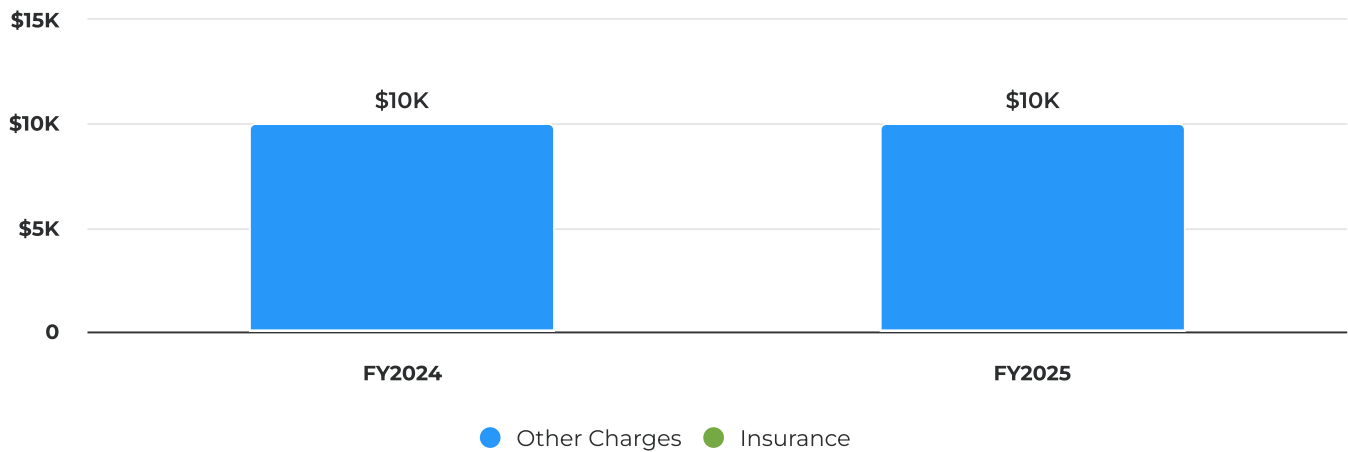
Performance Measures

	2022 Actual	2023 Actual	2024 Actual	2025 Projected
None	N/A	N/A	N/A	N/A

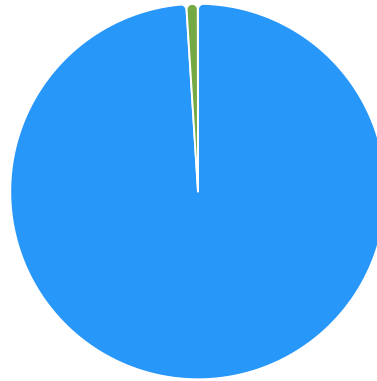
Personnel Summary

	2022 Actual	2023 Actual	2024 Actual	2025 Projected
Full-Time Equivalent positions	N/A	N/A	N/A	N/A

Historical Expenditures by Expense Account Summary



2025 Expenditures by Expense Account Summary



●	Other Charges	\$9,900	99.00%
●	Insurance	\$100	1.00%

Expenditures by Classification

Category	FY 2024 Adopted	FY 2025 Adopted	Change 2024 to 2025 Budgets
Insurance	\$60	\$100	66.67%
Other Charges	\$10,000	\$9,900	-1.00%
Total Expenditures	\$10,060	\$10,000	-0.60%

Appendix

Glossary

Abatement: A reduction or elimination of a real or personal property tax, motor vehicle excise, a fee, charge, or special assessment imposed by a governmental unit. Granted only on application of the person seeking the abatement and only by the committing governmental unit.

Accounting System: The total structure of records and procedures that identify, record, classify, and report information on the financial position and operations of a governmental unit or any of its funds, account groups, and organizational components.

Accrued Interest: The amount of interest that has accumulated on the debt since the date of the last interest payment, and on the sale of a bond, the amount accrued up to but not including the date of delivery (settlement date). (See Interest)

ACFR: Annual Comprehensive Financial Report - A detailed report of an organization's financial activities and performance over the fiscal year.

Amortization: The gradual repayment of an obligation over time and in accordance with a predetermined payment schedule.

Appropriation: A legal authorization from the community's legislative body to expend money and incur obligations for specific public purposes. An appropriation is usually limited in amount and as to the time period within which it may be expended.

Arbitrage: As applied to municipal debt, the investment of tax-exempt bonds or note proceeds in higher yielding, taxable securities. Section 103 of the Internal Revenue Service (IRS) Code restricts this practice and requires (beyond certain limits) that earnings be rebated (paid) to the IRS.

Assessed Valuation: A value assigned to real estate or other property by a government as the basis for levying taxes.

Assets: Items owned by an organization that have economic value, such as cash, investments, property, and equipment.

Audit: An examination of a community's financial systems, procedures, and data by a certified public accountant (independent auditor), and a report on the fairness of financial statements and on local compliance with statutes and regulations. The audit serves as a valuable management tool in evaluating the fiscal performance of a community.

Audit Report: Prepared by an independent auditor, an audit report includes: (a) a statement of the scope of the audit; (b) explanatory comments as to application of auditing procedures; (c) findings and opinions. It is almost always accompanied by a management letter which contains supplementary comments and recommendations.

Available Funds: Balances in the various fund types that represent non-recurring revenue sources. As a matter of sound practice, they are frequently appropriated to meet unforeseen expenses, for capital expenditures or other one-time costs.

Balance Sheet: A statement that discloses the assets, liabilities, reserves and equities of a fund or governmental unit at a specified date.

Betterments (Special Assessments): Whenever a specific area of a community receives benefit from a public improvement (e.g., water, sewer, sidewalk, etc.), special property taxes may be assessed to reimburse the governmental entity for all or part of the costs it incurred. Each parcel receiving benefit from the improvement is assessed for its proportionate share of the cost of such improvements. The proportionate share may be paid in full or the property owner may request that the assessors apportion the betterment over 20 years. Over the life of the betterment, one year's

apportionment along with one year's committed interest computed from October 1 to October 1 is added to the tax bill until the betterment has been paid.

Bond: A means to raise money through the issuance of debt. A bond issuer/borrower promises in writing to repay a specified sum of money, alternately referred to as face value, par value or bond principal, to the buyer of the bond on a specified future date (maturity date), together with periodic interest at a specified rate. The term of a bond is always greater than one year. (See Note)

Bond and Interest Record: (Bond Register) – The permanent and complete record maintained by a treasurer for each bond issue. It shows the amount of interest and principal coming due each date and all other pertinent information concerning the bond issue.

Bonds Authorized and Unissued: Balance of a bond authorization not yet sold. Upon completion or abandonment of a project, any remaining balance of authorized and unissued bonds may not be used for other purposes, but must be rescinded by the community's legislative body to be removed from community's books.

Bond Issue: Generally, the sale of a certain number of bonds at one time by a governmental unit.

Bond Rating (Municipal): A credit rating assigned to a municipality to help investors assess the future ability, legal obligation, and willingness of the municipality (bond issuer) to make timely debt service payments. Stated otherwise, a rating helps prospective investors determine the level of risk associated with a given fixed-income investment. Rating agencies, such as Moody's and Standard and Poors, use rating systems, which designate a letter or a combination of letters and numerals where AAA is the highest rating and C1 is a very low rating.

Budget: A plan for allocating resources to support particular services, purposes and functions over a specified period of time. (See Performance Budget, Program Budget)

Capital Assets: All real and tangible property used in the operation of government, which is not easily converted into cash, and has an initial useful life extending beyond a single financial reporting period. Capital assets include land and land improvements; infrastructure such as roads, bridges, water and sewer lines; easements; buildings and building improvements; vehicles, machinery and equipment. Communities typically define capital assets in terms of a minimum useful life and a minimum initial cost. (See Fixed Assets)

Capital Budget: An appropriation or spending plan that uses borrowing or direct outlay for capital or fixed asset improvements. Among other information, a capital budget should identify the method of financing each recommended expenditure, i.e., tax levy or rates, and identify those items that were not recommended. (See Capital Assets, Fixed Assets)

Cash: Currency, coin, checks, postal and express money orders and bankers' drafts on hand or on deposit with an official or agent designated as custodian of cash and bank deposits.

Cash Flow: The movement of money into or out of an organization, showing its liquidity and ability to meet financial obligations.

Cash Management: The process of monitoring the ebb and flow of money in an out of municipal accounts to ensure cash availability to pay bills and to facilitate decisions on the need for short- term borrowing and investment of idle cash.

Certificate of Deposit (CD): A bank deposit evidenced by a negotiable or non-negotiable instrument, which provides on its face that the amount of such deposit plus a specified interest payable to a bearer or to any specified person on a certain specified date, at the expiration of a certain specified time, or upon notice in writing.

Classification of Real Property: Assessors are required to classify all real property according to use into one of four classes: residential, open space, commercial, and industrial. Having classified its real properties, local officials are permitted to

determine locally, within limitations established by statute and the Commissioner of Revenue, what percentage of the tax burden is to be borne by each class of real property and by personal property owners.

Collective Bargaining: The process of negotiating workers' wages, hours, benefits, working conditions, etc., between an employer and some or all of its employees, who are represented by a recognized labor union, regarding wages, hours and working conditions.

Compliance: Adherence to relevant laws, regulations, and internal policies governing financial reporting and operations.

Consumer Price Index: The statistical measure of changes, if any, in the overall price level of consumer goods and services. The index is often called the "cost-of-living index."

Cost-Benefit Analysis: A decision-making tool that allows a comparison of options based on the level of benefit derived and the cost to achieve the benefit from different alternatives.

Debt Burden: The amount of debt carried by an issuer usually expressed as a measure of value (i.e., debt as a percentage of assessed value, debt per capita, etc.). Sometimes debt burden refers to debt service costs as a percentage of the total annual budget.

Debt Service: The repayment cost, usually stated in annual terms and based on an amortization schedule, of the principal and interest on any particular bond issue.

Encumbrance: A reservation of funds to cover obligations arising from purchase orders, contracts, or salary commitments that are chargeable to, but not yet paid from, a specific appropriation account.

Enterprise Funds: An enterprise fund is a separate accounting and financial reporting mechanism for municipal services for which a fee is charged in exchange for goods or services. It allows a community to demonstrate to the public the portion of total costs of a service that is recovered through user charges and the portion that is subsidized by the tax levy, if any. With an enterprise fund, all costs of service delivery — direct, indirect, and capital costs — are identified. This allows the community to recover total service costs through user fees if it chooses. Enterprise accounting also enables communities to reserve the "surplus" or net assets unrestricted generated by the operation of the enterprise rather than closing it out to the general fund at year-end. Services that may be treated as enterprises include, but are not limited to, water, sewer, hospital, and airport services.

Equalized Valuations (EQVs): The determination of the full and fair cash value of all property in the community that is subject to local taxation.

Equity: The residual interest in the assets of an organization after deducting liabilities, representing the owners' stake in the business.

Estimated Receipts: A term that typically refers to anticipated local revenues often based on the previous year's receipts and represent funding sources necessary to support a community's annual budget. (See Local Receipts)

Exemptions: A discharge, established by statute, from the obligation to pay all or a portion of a property tax. The exemption is available to particular categories of property or persons upon the timely submission and approval of an application to the assessors. Properties exempt from taxation include hospitals, schools, houses of worship, and cultural institutions. Persons who may qualify for exemptions include disabled veterans, blind individuals, surviving spouses, and seniors.

Expenditure: An outlay of money made by municipalities to provide the programs and services within their approved budget.

Fiduciary Funds: Repository of money held by a municipality in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and other funds. These include pension (and other employee benefit) trust funds, investment trust funds, private- purpose trust funds, and agency funds.

Financial Statements: Reports summarizing an organization's financial activities and position, including the balance sheet, income statement, and cash flow statement.

Fiscal Year: The 12-month period for which an organization plans the use of its funds, typically not the same as the calendar year.

Fixed Assets: Long-lived, assets such as buildings, equipment and land obtained or controlled as a result of past transactions or circumstances.

Fixed Costs: Costs that are legally or contractually mandated such as retirement, FICA/Social Security, insurance, debt service costs or interest on loans.

Float: The difference between the bank balance for a local government's account and its book balance at the end of the day. The primary factor creating float is clearing time on checks and deposits. Delays in receiving deposit and withdrawal information also influence float.

Full Faith and Credit: A pledge of the general taxing powers for the payment of governmental obligations. Bonds carrying such pledges are usually referred to as general obligation or full faith and credit bonds.

Fund: An accounting entity with a self-balancing set of accounts that are segregated for the purpose of carrying on identified activities or attaining certain objectives in accordance with specific regulations, restrictions, or limitations.

Fund Accounting: Organizing financial records into multiple, segregated locations for money. A fund is a distinct entity within the municipal government in which financial resources and activity (assets, liabilities, fund balances, revenues, and expenditures) are accounted for independently in accordance with specific regulations, restrictions or limitations. Examples of funds include the general fund and enterprise funds. Communities whose accounting records are organized according to the Uniform Municipal Accounting System (UMAS) use multiple funds.

GAAP: Generally Accepted Accounting Principles - Standard accounting principles, standards, and procedures that companies use to compile their financial statements.

GASB 34: A major pronouncement of the Governmental Accounting Standards Board that establishes new criteria on the form and content of governmental financial statements. GASB 34 requires a report on overall financial health, not just on individual funds. It requires more complete information on the cost of delivering value estimates on public infrastructure assets, such as bridges, road, sewers, etc. It also requires the presentation of a narrative statement the government's financial performance, trends and prospects for the future.

GASB 45: This is another Governmental Accounting Standards Board major pronouncement that each public entity account for and report other postemployment benefits in its accounting statements. Through actuarial analysis, municipalities must identify the true costs of the OPEB earned by employees over their estimated years of actual service.

General Fund: The fund used to account for most financial resources and activities governed by the normal appropriation process.

General Obligation Bonds: Bonds issued by a municipality for purposes allowed by statute that are backed by the full faith and credit of its taxing authority.

Governing Body: A board, committee, commission, or other executive or policymaking body of a municipality or school district.

Indirect Cost: Costs of a service not reflected in the operating budget of the entity providing the service. An example of an indirect cost of providing water service would be the value of time spent by non-water department employees processing water bills. A determination of these costs is necessary to analyze the total cost of service delivery. The matter of indirect costs arises most often in the context of enterprise funds.

Internal Controls: Policies and procedures implemented by an organization to ensure the reliability of financial reporting and compliance with laws and regulations, aiming to prevent fraud and errors.

Interest: Compensation paid or to be paid for the use of money, including amounts payable at periodic intervals or discounted at the time a loan is made. In the case of municipal bonds, interest payments accrue on a day-to-day basis, but are paid every six months.

Interest Rate: The interest payable, expressed as a percentage of the principal available for use during a specified period of time. It is always expressed in annual terms.

Investments: Securities and real estate held for the production of income in the form of interest, dividends, rentals or lease payments. The term does not include fixed assets used in governmental operations.

Liabilities: Debts or obligations owed by an organization, including loans, accounts payable, and accrued expenses.

Line Item Budget: A budget that separates spending into categories, or greater detail, such as supplies, equipment, maintenance, or salaries, as opposed to a program budget.

Local Aid: Revenue allocated by the state or counties to municipalities and school districts.

Maturity Date: The date that the principal of a bond becomes due and payable in full.

Municipal(s): (As used in the bond trade) "Municipal" refers to any state or subordinate governmental unit. "Municipals" (i.e., municipal bonds) include not only the bonds of all political subdivisions, such as cities, towns, school districts, special districts, counties but also bonds of the state and agencies of the state.

Net Income: The difference between an organization's revenues and expenses, representing its profit or loss for a specific period.

Note: A short-term loan, typically with a maturity date of a year or less.

Objects of Expenditures: A classification of expenditures that is used for coding any department disbursement, such as "personal services," "expenses," or "capital outlay."

Official Statement: A document prepared for potential investors that contains information about a prospective bond or note issue and the issuer. The official statement is typically published with the notice of sale. It is sometimes called an offering circular or prospectus.

Operating Budget: A plan of proposed expenditures for personnel, supplies, and other expenses for the coming fiscal year.

Overlapping Debt: A community's proportionate share of the debt incurred by an overlapping government entity, such as a regional school district, regional transit authority, etc.

Performance Budget: A budget that stresses output both in terms of economy and efficiency.

Principal: The face amount of a bond, exclusive of accrued interest.

Program: A combination of activities to accomplish an end.

Program Budget: A budget that relates expenditures to the programs they fund. The emphasis of a program budget is on output.

Proprietary Funds: Funds used to record the financial transactions of governmental entities when they engage in activities that are intended to recover the cost of providing goods or services to the general public on a user-fee basis.

Purchased Services: The cost of services that are provided by a vendor.

Refunding of Debt: Transaction where one bond issue is redeemed and replaced by a new bond issue under conditions generally more favorable to the issuer.

Reserve Fund: An amount set aside annually within the budget of a town to provide a funding source for extraordinary or unforeseen expenditures.

Revaluation: The assessors of each community are responsible for developing a reasonable and realistic program to achieve the fair cash valuation of property in accordance with constitutional and statutory requirements. The nature and extent of that program will depend on the assessors' analysis and consideration of many factors, including, but not limited to, the status of the existing valuation system, the results of an in-depth sales ratio study, and the accuracy of existing property record information.

Revenues: Inflows of resources or other enhancements of assets of an organization, usually from sales of goods or services.

Revenue Anticipation Note (RAN): A short-term loan issued to be paid off by revenues, such as tax collections and state aid. RANs are full faith and credit obligations.

Revenue Bond: A bond payable from and secured solely by specific revenues and thereby not a full faith and credit obligation.

Revolving Fund: Allows a community to raise revenues from a specific service and use those revenues without appropriation to support the service.

Sale of Real Estate Fund: A fund established to account for the proceeds of the sale of municipal real estate other than proceeds acquired through tax title foreclosure.

Stabilization Fund: A fund designed to accumulate amounts for capital and other future spending purposes, although it may be appropriated for any lawful purpose.

Surplus Revenue: The amount by which cash, accounts receivable, and other assets exceed liabilities and reserves.

Tax Rate: The amount of property tax stated in terms of a unit of the municipal tax base; for example, \$14.80 per \$1,000 of assessed valuation of taxable real and personal property.

Tax Title Foreclosure: The procedure initiated by a municipality to obtain legal title to real property already in tax title and on which property taxes are overdue.

Trust Fund: In general, a fund for money donated or transferred to a municipality with specific instructions on its use. As custodian of trust funds, the treasurer invests and expends such funds as stipulated by trust agreements, as directed by the commissioners of trust funds or by the community's legislative body. Both principal and interest may be used if the trust is established as an expendable trust. For nonexpendable trust funds, only interest (not principal) may be expended as directed.

Uncollected Funds: Recently deposited checks included in an account's balance but drawn on other banks and not yet credited by the Federal Reserve Bank or local clearinghouse to the bank cashing the checks. (These funds may not be

loaned or used as part of the bank's reserves and they are not available for disbursement.)

Undesignated Fund Balance: Monies in the various government funds as of the end of the fiscal year that are neither encumbered nor reserved, and are therefore available for expenditure once certified as part of free cash.

Unreserved Fund Balance (Surplus Revenue Account): The amount by which cash, accounts receivable, and other assets exceed liabilities and restricted reserves. It is akin to a "stockholders' equity" account on a corporate balance sheet. It is not, however, available for appropriation in full because a portion of the assets listed as "accounts receivable" may be taxes receivable and uncollected. (See Free Cash)

Valuation (100 Percent): The legal requirement that a community's assessed value on property must reflect its market, or full and fair cash value.