



City of  
**St. Francis**  
Minnesota



**2014 ADOPTED BUDGET**



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**INTRODUCTION**

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23340 Cree Street NW  
St. Francis, Minnesota 55070  
763-753-2630  
FAX 763-753-9881

## Letter of Transmittal

In compliance with State Statutes, I am pleased to present the 2014 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 2014 budget, in the amount of \$9,429,993 includes all of the funds for the City of St. Francis and reflects a 3.5% increase from the previous year's budget. The budget, as presented, reflects Council's direction and staff commitment to achieve a cost-effective, efficient and high-quality service delivery model. Essentially, the 2014 Budget is a reflection of the City's commitment to live within its means, and ensure that tax dollars are wisely managed and expended in as prudent a manner possible to achieve high-quality service outcomes.

Council priorities established during the past few strategic planning retreats include:

Additional citizen engagement – the City has a high percentage two income homes and we enjoy a very young community by comparison to other similar sized communities. This is great for our citizens, but does create some challenges as it relates to civic involvement. We continue to have challenges trying to find citizen volunteer for our board and commission. New and creative ways of engaging the citizens will be explored in 2014.

Development of commercial and industrial sites – the City has designated sites through its comprehensive plan for both commercial and industrial sites. The Council continues to discuss water and sewer growth areas north along Highway 47. Council desires to lead economic development in industrial areas where the private sector is hesitant to outlay the upfront money to get development started.

Exploring additional City Communication with Citizens – the city website continues to be the primary source for timely, accurate information and forms. The City continues to utilize both Facebook and Twitter for additional information efforts. We continue to monitor usage on these communication tools. Both tools continue to grow in utilization.

Reinventing the traditional way government services are provided. The Council continues to look and occasionally completes “pilot projects” to test new types of governmental service delivery.

The adopted budget provides a 0% increase in property taxes. The levy of \$2,988,086 represents a 0% increase over 2013. This translates to a 5.6% decrease on a median value home due to an increase in the amount of the levy coming from fiscal disparities.

Conserving the financial resources of the City is more important than ever. The budgeting function is the primary tool the Council has to make sure the City’s limited resources are wisely utilized and to establish department objectives for the coming year. The Council will continue to hold discussions on how Federal, State, County and local financing will evolve in the future. Current statewide discussions are being held to describe the future on government finance “as-is” verses what state and local government finance will be in the future. Through these discussions and studies we will be able to better refine exactly what service we can afford to provide in the future. These studies will continue to ensure St. Francis is an affordable place to live while providing the services that make it a good place to call home.

Respectfully submitted,



Matthew L. Hylan  
City Administrator



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## COMMUNITY PROFILE

The City of St. Francis is located 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 southerly direction by State Trunk Highway 47 and County Road 24 in an east westerly direction.



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 saw mill. 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 of these 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 actually 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 1960’s, 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 into 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 7,218. Its small town character, its schools and accessible location has 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 offering 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.

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**CITY OF ST. FRANCIS, MINNESOTA**  
**PRINCIPAL CITY OFFICIALS**

DECEMBER 2013

CITY COUNCIL

JERRY TVEIT, MAYOR  
Term Expires 12-31-2014

VACANCY, COUNCILMEMBER

TIM BROWN, COUNCILMEMBER  
Term Expires 12-31-2016

AMY LAZERE, COUNCILMEMBER  
Term Expires 12-31-2014

CHRISTOPHER MCCLISH, COUNCILMEMBER  
Term Expires 12-31-2014

CITY MANAGERIAL STAFF

Employee	Position	Date Appointed
Matthew Hylan	City Administrator	November 14, 2005
Barbara Held	City Clerk	July 1, 1991
Darcy Mulvihill	Finance Director	June 28, 2010
Jeffery Harapat	Police Chief	September 1, 2007
Dean Kapler	Fire Chief	May 16, 2011
Paul Teicher	Public Works Director	April 14, 2008
John Schmidt	Liquor Store Manager	November 12, 2007

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## BUDGET OVERVIEW

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### Challenges for the 2014 Budget

Challenges that frame the development of the 2014 Budget include:

Levy – For the 2014 tax levy, the Legislature did reinstate levy limits. The Market Value Exclusion program does continue for 2014. This program gives homestead properties valued at less than \$413,778, an exclusion of the market value from property taxes. This shifted the taxes that would be paid by this part of the excluded property mostly onto commercial and industrial properties. The city did not increase the levy.

State aid –Local Government Aid was significantly reformed for 2014. The Legislature increased the total appropriation for city aid payments. The city is going to receive \$313,420 which is an increase of \$232,491 over the 2013 amount.

Volatility in fuel and energy costs – Fuel and energy costs remain volatile and are outpacing general inflation. The fluctuations in gas prices can affect every department.

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. Union contracts with the City's two collective bargaining units were negotiated in 2012. Currently, City of St. Francis employees are far below our peer communities with respect to health insurance benefits. This will be an issue discussed during the next contract negotiations in 2014.

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### Revenues (net of transfers and debt proceeds) up by 3.96%

The 2014 budget anticipates revenues (net of transfers and debt proceeds) in the amount of \$8,425,429, an increase of \$321,200 (3.96%) from 2013. The primary reason for this increase is the increase in LGA for 2014. There was also a increase in sales at the liquor store based on current sales and water and sewer rates are being increased. The sales figures each year are analyzed to try and set reasonable budgets. The City also continues to review its fee schedule to determine what, if any, changes need to be implemented in future years for water and sewer rates.

### Revenue Comparison

Fund	2013	2014	\$ Change	% Change
General	\$3,864,729	\$4,065,329	\$200,600	5.19%
Special Revenue	15,200	15,200	\$0	0.00%
Debt	47,300	48,900	\$1,600	3.38%
Capital	57,500	43,500	(\$14,000)	-24.35%
Enterprise	4,119,500	4,252,500	\$133,000	3.23%
TOTAL	\$8,104,229	\$8,425,429	\$321,200	3.96%

**Expenditures  
(net of  
transfers and  
refunded  
debt service)  
up 3.13%**

Expenditures (net of transfers and refunded debt service) in the 2014 Budget are 3.13% or \$266,644 more than 2013.

**Expenditure Comparison**

Fund	2013	2013	\$ Change	% Change
General	\$3,701,477	\$3,735,329	\$33,852	0.91%
Special Revenue	24,230	14,719	(\$9,511)	-39.25%
Debt	620,652	651,691	\$31,039	5.00%
Capital	0	0	\$0	#DIV/0!
Enterprise	4,162,110	4,373,374	\$211,264	5.08%
TOTAL	\$8,508,469	\$8,775,113	\$266,644	3.13%

The main reason for this increase is the increased costs in the sewer fund for Treatment Plant issues.

**Tax levy for  
2014 is 0%  
change**

The City's tax levy for 2014 is \$ 2,988,086 which is the same as 2013. The median home value in the City of St. Francis dropped from \$114,500 in 2013 to \$113,700 in 2014. A median home will pay \$546/year for 2014 city taxes.

The following table summarizes the estimated tax impact on homestead residential homes, based on the 2014 tax levy. This assumes no change in property valuation from year to year

Estimated Market Value	2014 City Taxes	2013 City Taxes	Difference
100,000	\$ 427.12	\$ 452.52	\$ (25.40)
113,700	\$ 515.75	\$ 546.43	\$ (30.68)
120,000	\$ 556.80	\$ 589.91	\$ (33.11)
140,000	\$ 686.48	\$ 727.31	\$ (40.83)
160,000	\$ 816.16	\$ 864.70	\$ (48.54)
180,000	\$ 945.84	\$ 1,002.10	\$ (56.26)
200,000	\$ 1,075.52	\$ 1,139.49	\$ (63.97)
220,000	\$ 1,205.21	\$ 1,276.89	\$ (71.68)

County assessors value all property in the City annually. There is a lag time between when the property value is set and when the taxes are paid. For example, the market values that are set in 2013 are the basis for the taxes payable in 2014. 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. The full market value exclusion amount is \$30,400. This is 40% of \$76,000. Any value over \$76,000 loses 9% of the exclusion. This calculation on a \$200,000 house is as follows:

$$\$30,400 - ((\$200,000 - \$76,000) \times .09) = \$19,240$$

The \$19,240 is then subtracted from the \$200,000 to determine the property's taxable market value (TMV):

$$\$200,000 - \$19,420 = \$180,760$$

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):

$$\$180,760 \times .01 = \$1,808$$

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.

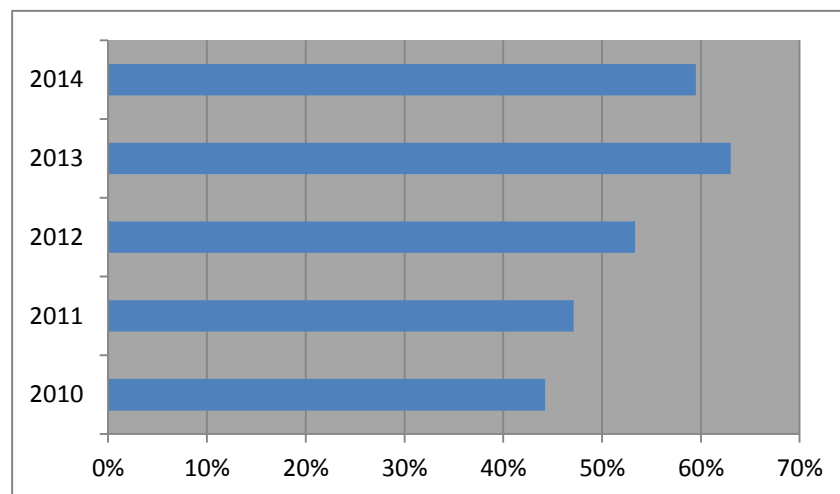
Property Type	Payable 2011 Class Rate	Payable 2012 Class Rate	Payable 2013 Class Rate
<b>Homestead</b>			
0 to \$500,000	1.00%	1.00%	1.00%
Over \$500,000	1.25%	1.25%	1.25%
<b>Non-Homestead (Single Family)</b>			
0 to \$500,000	1.00%	1.00%	1.00%
Over \$500,000	1.25%	1.25%	1.25%
<b>Apartments</b>			
Regular	1.25%	1.25%	1.25%
Low Income	0.75%	0.75%	0.75%
<b>Commercial/Industrial</b>			
0 to \$150,000	1.50%	1.50%	1.50%
Over \$150,000	2.00%	2.00%	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 is contributed 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:

Tax Capacity	2012	2013	2014
Real Estate/Personal Property	4,491,688	3,946,348	3,784,282
Tax Increment Districts	(12,628)	(11,899)	(11,891)
Sub-Total	4,479,060	3,934,449	3,772,391
Fiscal Disparities:			
Contribution	(323,392)	(310,151)	(274,535)
Distribution	1,383,468	1,320,087	1,434,712
Total Tax Capacity	5,539,136	4,944,385	4,932,568
Percent change	-10.35%	-10.74%	-0.24%

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:

2010	44.24%
2011	47.13%
2012	53.34%
2013	63.03%
Preliminary 2014	59.49%



Using the prior example of a single family home with an estimated market value of \$200,000, the approximate city tax for 2014 would be:

$$\$1,808 \times 59.49\% = \$1,075.58$$

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



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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.

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**Staffing**

The number of full time equivalent positions increased to 30.5 for the 2014 budget year.

Additional employees were requested by departments during the budget process, one employee went from part-time to full-time in the 2014 Budget. Staff currently needed by the City includes:

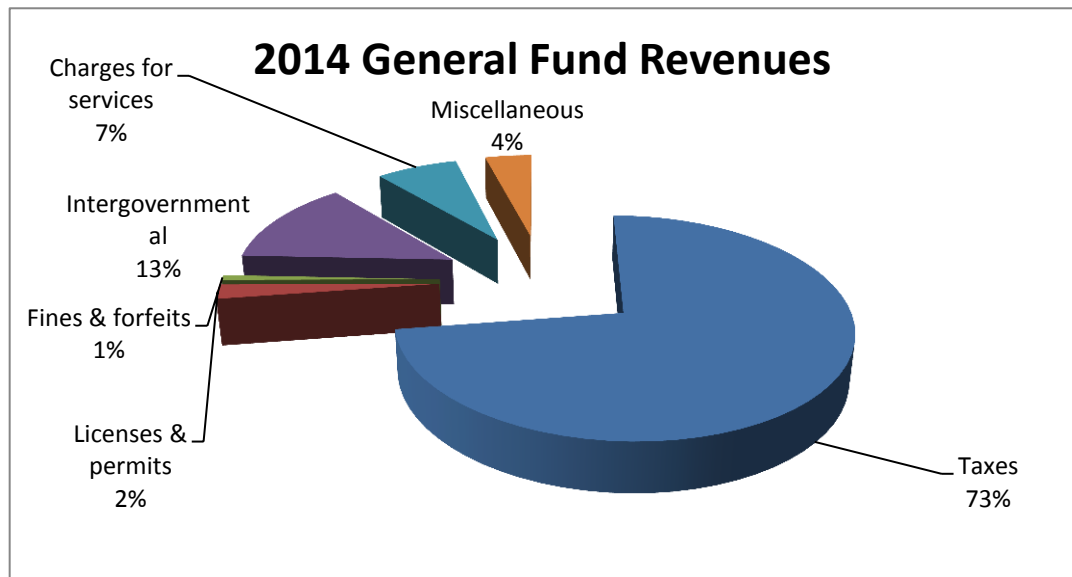
Police Officers

Community Development Director/EDA

**General Fund Revenues (net of transfers) up 5.19%**

The 5.19% increase in General Fund revenues (net of transfers) amounts to \$200,600 more revenues than 2013. Taxes are \$35,000 lower than the 2013 Budget and they represent 73% of the revenues for the General Fund. Local Government aid, which is part of Intergovernmental Revenue, was budgeted at \$313,420 while the amount received in 2013 was only \$80,929.

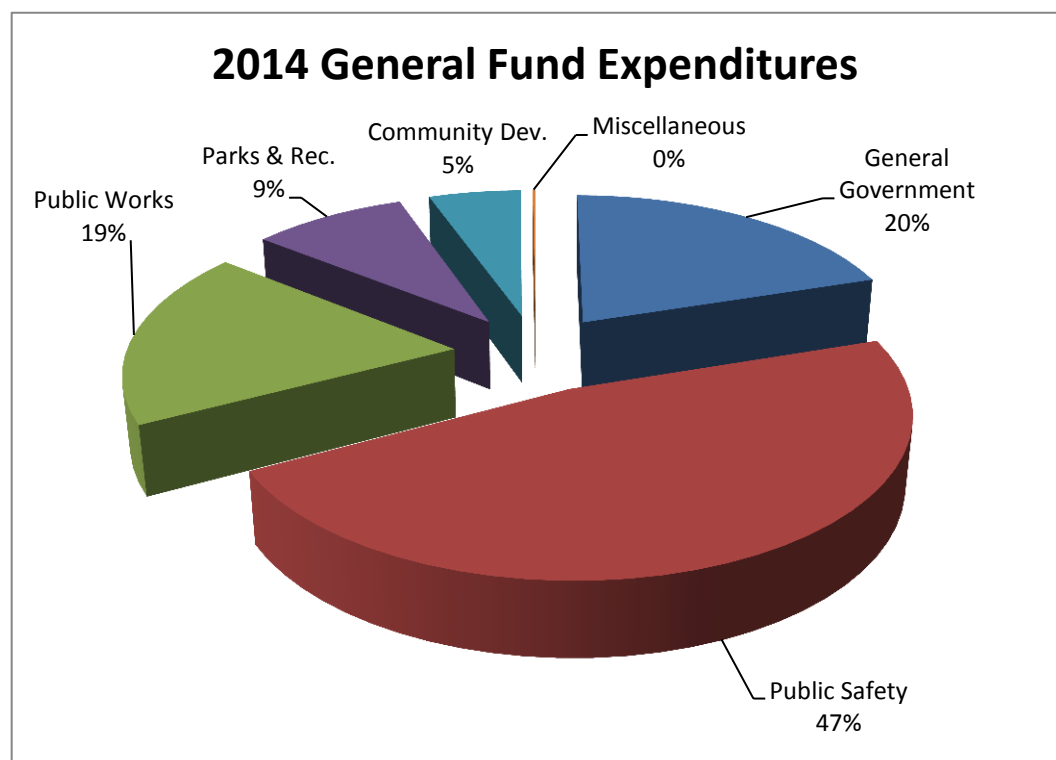
	2013	2014	\$ Change	% Change
<b>Taxes</b>	2,990,200	2,955,200	(35,000)	-1.17%
<b>Licenses &amp; permits</b>	90,668	89,756	(912)	-1.01%
<b>Fines &amp; forfeits</b>	27,230	31,290	4,060	14.91%
<b>Intergovernmental</b>	311,071	534,239	223,168	71.74%
<b>Charges for services</b>	268,733	289,642	20,909	7.78%
<b>Miscellaneous</b>	176,827	165,202	(11,625)	-6.57%
<b>TOTAL</b>	<b>3,864,729</b>	<b>4,065,329</b>	<b>200,600</b>	<b>5.19%</b>



**General Fund Expenditures (net of transfers) up .91%**

The 2014 Budget includes recommended expenditures (net of transfers) that are .91% higher than the 2013 Budget. This is an increase of \$33,852 over the previous year with the largest increase being recognized in the Public Safety budget.

	2013	2014	\$ Change	% Change
General Government	736,355	747,650	11,295	1.53%
Public Safety	1,725,722	1,764,829	39,107	2.27%
Public Works	694,260	688,150	(6,110)	-0.88%
Parks & Rec.	370,160	330,900	(39,260)	-10.61%
Community Dev.	168,880	197,700	28,820	17.07%
Miscellaneous	6,100	6,100	-	0.00%
<b>TOTAL</b>	<b>3,701,477</b>	<b>3,735,329</b>	<b>33,852</b>	<b>0.91%</b>



**General Fund Fund Balance will be 51.1% 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 2014 budget projects a fund balance of 51.1% of fund operating revenues and 6.7 months of operating expenditures. This should provide a sufficient balance to cover cash flow needs and unexpected expenditures.

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**Debt Service  
Funds**

The City has two debt service funds to account for debt. Fund 311 accounts for the 2007 bonds related to street improvements. This is funded through property taxes, special assessments and transfers. The other fund is EDA Lease Revenue Bonds (330). This bond was sold in 2012 to financing the new Police/Public Works Building. This will be repaid with transfers from the General Fund, Water Fund and Sewer Fund.

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

Outstanding debt at December 31, 2013 is calculated at \$24,791,000.

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**Capital  
Improvements**

The 2014 Budget implements the first year of the 2014-2018 Capital Improvement Plan (CIP) adopted by the City Council on August 5, 2013. 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. Items from the 2014-2018 CIP which are included in the 2014 Budget are:

PUBLIC WORKS/POLICE FACILITY BOND	340,000
REPLACEMENT OF SCBA BOTTLES	15,624
BOBCAT ANNUAL REPLACEMENT	32,900
RADIOS FOR SQUADS	4,000
ZERO TURN MOWER	19,500
SQUAD CAR REPLACEMENT	35,000
1/2 TON PICKUP	37,500

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**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.

Current base rates and connection charges bring in \$335,700 in the Sewer Fund and \$321,800 in the Water Fund. The remaining revenue is from usage charges, penalties and interest earnings.

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

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<b>Water</b>							
Base	11.50	11.50	11.50	11.75	11.75	11.75	13.75
Usage	3.50	Tiered	Tiered	Tiered	Tiered	Tiered	Tiered
MN Test Fee	.53	.53	.53	.53	.53	.53	.53
<b>Sewer</b>							
Base	12.00	12.00	12.00	12.25	12.25	12.25	12.50
Usage	3.50	3.85	4.20	4.55	4.55	4.55	4.90

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	\$4.25
15,000 – 29,999	\$4.45
30,000 – 44,999	\$5.15
>= 45,000	\$6.15

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.

#### **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.
- It is anticipated that the City will need to construct a new Waste Water Treatment Facility in the future and land was purchased in 2007 to accommodate this project.

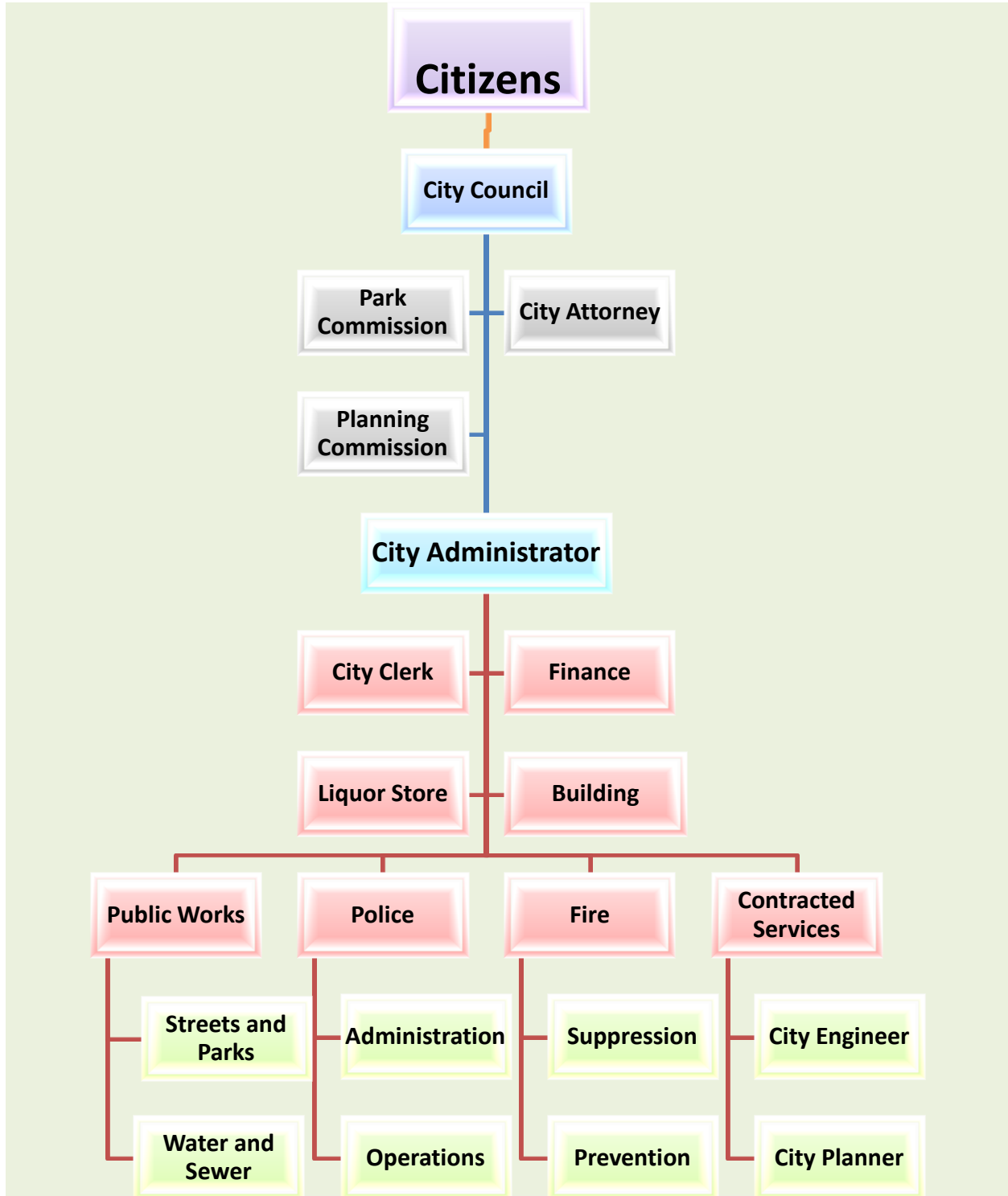
- A second river crossing vital for uninterrupted water service for those residents on the east side of the Rum River and necessary for efficient watermain system maintenance was completed in 2009.
- Construction of sanitary sewer and water mains to serve properties along Ambassador Boulevard as well as providing development opportunities for existing undeveloped properties was completed in 2011.

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**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 \$2 million for the first time in 2008 with gross profit at 25%.

# ORGANIZATIONAL CHART

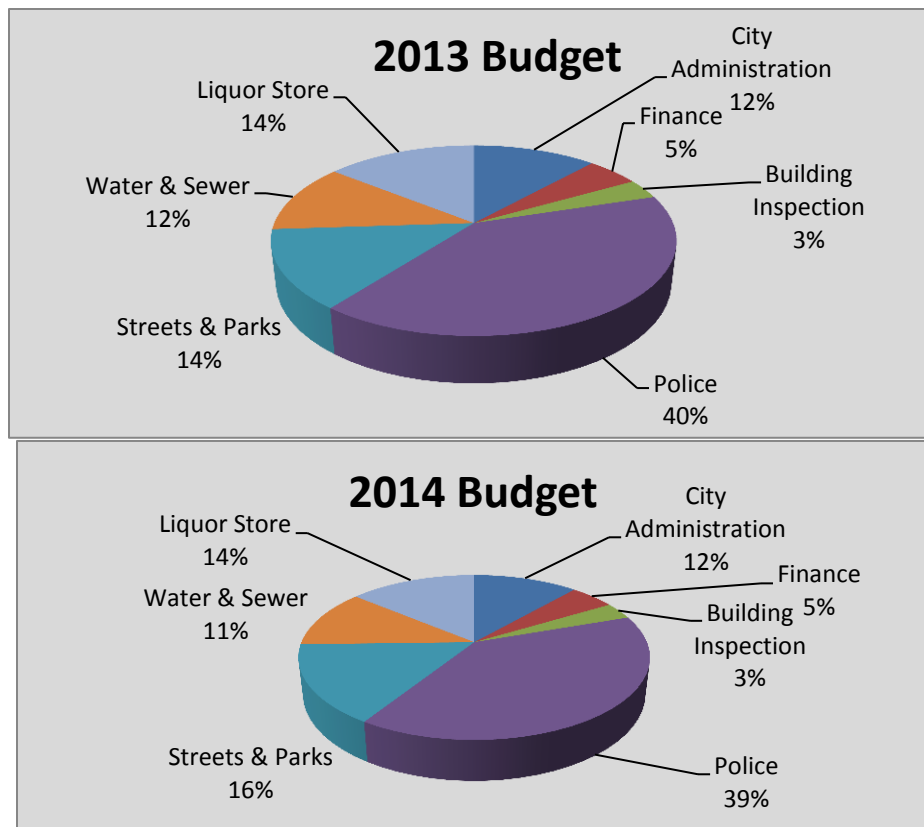


CITY OF ST. FRANCIS, MINNESOTA  
SUMMARY OF PERSONNEL

NUMBER OF BUDGETED REGULAR EMPLOYEES

	2013		2014	
	FULL TIME	PART TIME	FULL TIME	PART TIME
City Administration	3.00	0.50	3.00	0.50
Finance	1.00	0.50	1.00	0.50
Building Inspection	1.00	0.00	1.00	0.00
Police	12.00	0.00	12.00	0.00
Streets & Parks	2.50	1.50	3.50	1.25
Water & Sewer	3.50	0.00	3.50	0.00
Liquor Store	2.00	2.25	2.00	2.25
<b>TOTALS</b>	<b>25.00</b>	<b>4.75</b>	<b>26.00</b>	<b>4.50</b>

The number of part-time employees listed is after conversion to full-time equivalents. Employee totals do not include paid-per-call firefighters, reserve officers, commission members or election judges.





CITY OF ST. FRANCIS, MINNESOTA LISTING OF PERSONNEL POSITIONS BUDGETED FULL-TIME REGULAR EMPLOYEES 2012-2014				
<u>CODE</u>		<u>2012</u>	<u>2013</u>	<u>2014</u>
	<b><u>CITY ADMINISTRATION</u></b>			
101-41400	City Administrator	1.00	1.00	1.00
	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>
	<b><u>FINANCE</u></b>			
101-41500	Finance Director	1.00	1.00	1.00
	<b><u>Building Inspection</u></b>			
101-42400	Building Inspector	0.00	1.00	1.00
	<b><u>POLICE DEPARTMENT</u></b>			
101-42110	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	1.00	1.00	1.00
	Investigator	1.00	1.00	1.00
	Police Officer	7.00	7.00	7.00
	Police Department Total	<u>12.00</u>	<u>12.00</u>	<u>12.00</u>
	<b><u>STREETS &amp; PARKS</u></b>			
101-43100	Highways, Streets & Roads			
	Public Works Director	0.35	0.20	0.25
	Asst. Public Works Director	0.10	0.00	0.00
	Streets & Parks Worker	2.10	1.50	1.70
101-45200	Parks			
	Public Works Director	0.35	0.20	0.25
	Asst. Public Works Director	0.10	0.00	0.00
	Streets & Parks Worker	0.90	0.50	0.90
101-43210	Recycling			
	Public Works Director	0.10	0.10	0.00
	Streets & Parks Worker	0.00	0.00	0.40
	Streets & Parks Department Total	<u>4.00</u>	<u>2.50</u>	<u>3.50</u>
	<b><u>WATER &amp; SEWER</u></b>			
601-49440	Water Operations:			
	Public Works Director	0.10	0.25	0.25
	Asst. Public Works Director	0.40	0.00	0.00
	Water/Wastewater Operator	1.50	1.50	1.50
602-49440	Sanitary Sewer Operations:			
	Public Works Director	0.10	0.25	0.25
	Asst. Public Works Director	0.40	0.00	0.00
	Water/Wastewater Operator	1.50	1.50	1.50
	Public Works Department Total	<u>4.00</u>	<u>3.50</u>	<u>3.50</u>
	<b><u>MUNICIPAL LIQUOR STORE</u></b>			
609-49750	Liquor Store Manager	1.00	1.00	1.00
	Liquor Store Asst. Manager	1.00	1.00	1.00
	Municipal Liquor Store Total	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>
	<b>TOTAL</b>	<u>26.00</u>	<u>25.00</u>	<u>26.00</u>



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**City of St. Francis**

**Minnesota**

For the Fiscal Year Beginning

**January 1, 2013**

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to City of St. Francis, Minnesota for its annual budget for the fiscal year beginning January 1, 2013. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

A light blue, wavy-edged banner with a dark blue outline, containing the word 'POLICIES' in bold, black, uppercase letters.

**POLICIES**

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## 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 among competing uses and serves as a guide for the various departments in implementing their goals and objectives.

It is important that the budget process communicate and involve 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 reporting to facilitate this process. These reports include: quarterly newsletters, monthly department reports, monthly investment reports, budget document, 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 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 with 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:

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February	* Council-staff retreat to discuss goals and priorities for CIP and Budget.
March	* Finance Director prepares initial draft of Debt Service Budget.
April	* Finance Director prepares personnel cost estimates.
May	* Finance Director prepares budget worksheets and instructions for department heads. * City Administrator distributes budget preparation materials to department heads. * Finance Director prepares preliminary revenue estimates.
June	* Finance Director prepares initial draft of Capital Budget. * Budget requests are due from department heads. * Finance Director prepares preliminary report for the City Administrator on the Budget. * 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 prepared by Finance Director.
July	* Budget workshops held with City Council as needed.
August	* Finance Director makes final changes for the Proposed Budget.
Prior to Sept. 15 <sup>th</sup>	* At a Council meeting, the public hearing date on the proposed budget and proposed tax levy are approved by the Council.
By Sept 15 <sup>th</sup>	* Finance Director certifies preliminary levy and hearing date to Anoka County.
Sept/Oct	* Budget presentations held with City Council as needed.
November	* County auditor mails tax notices to each taxpayer.
December	* 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.

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## 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



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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 than 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 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 need to also 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.

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### 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 unpredicted 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.

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- 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.

### **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 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.

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## FUND STRUCTURE

Following is a description of the funds included 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.
- ***Turtle Ridge TIF Fund*** – activity associated with the City's only Tax Increment Financing District established for the Turtle Ridge Townhome project.

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## 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.
- **Creekview Estates** – accounts for the accumulation of resources to finance the 2006 street reconstruction project.
- **Fire Truck Replacement** – funds set aside for future purchases of vehicles. Resources are currently provided by transfers from other funds.
- **Ivywood & 230<sup>th</sup>** – accounts for financial resources used to finance a future street reconstruction project.
- **Trunk Utilities River's Edge** – accounts for financial resources used to improve current city infrastructure and to finance construction of sanitary sewer and water mains to serve the new River's Edge development and Rum River Bluffs development.
- **Watermain Looping** – this will complete a second river crossing vital for uninterrupted and quality water service for those residents on the east side of the Rum River and necessary for efficient watermain system maintenance.

## DEBT SERVICE FUNDS

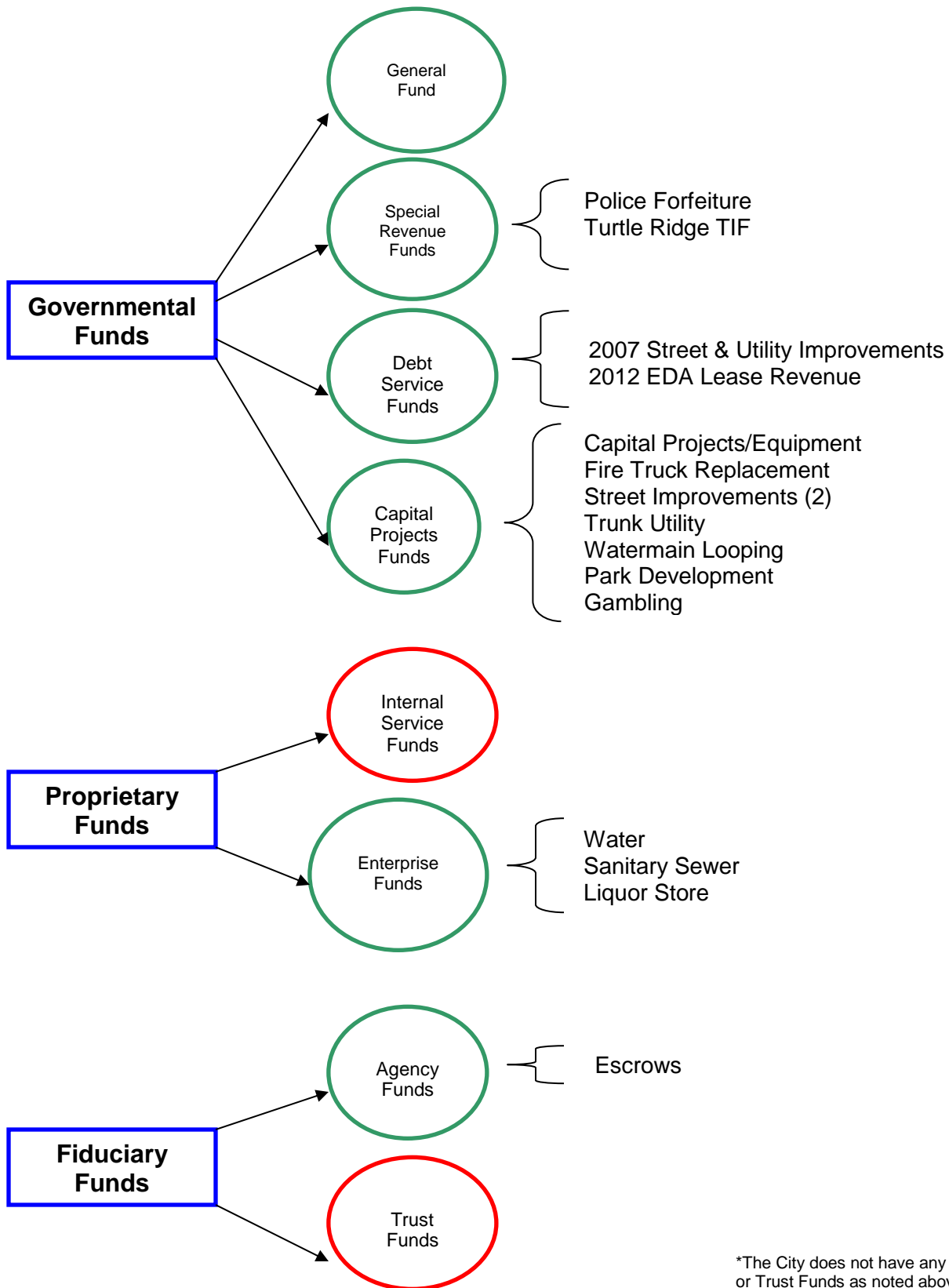
Debt service funds account for the accumulation of resources for, and the payment of, general and special assessment long-term debt principal, interest and fiscal agents' fees. Enterprise fund debt is accounted for in the individual enterprise fund.

## 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.
- **Liquor Fund** – accounts for the costs associated with the City's liquor operations.

**FUND STRUCTURE**



\*The City does not have any Internal Service or Trust Funds as noted above in red.

## City of St. Francis Funds and Departments Relationship

	General Government	Public Safety	Public Works	Culture & Recreation	Community Development	Miscellaneous	Liquor
<b>General Fund</b>	X	X	X	X	X	X	
<b>Special Revenue Funds</b>							
Police Forfeiture		X					
Tax Increment Financing	X						
<b>Debt Service Funds</b>							
2007 Street & Utility Improvements	X						
2012 EDA Lease Revenue Bonds	X						
<b>Capital Projects Funds</b>							
Capital Projects		X	X	X			
Fire Truck Replacement		X					
Street Improvements			X				
Trunk Utility			X				
Watermain Looping			X				
Park Development				X			
Gambling		X					
<b>Proprietary Funds</b>							
Water			X				
Sewer			X				
Liquor							X





**BUDGET SUMMARY**

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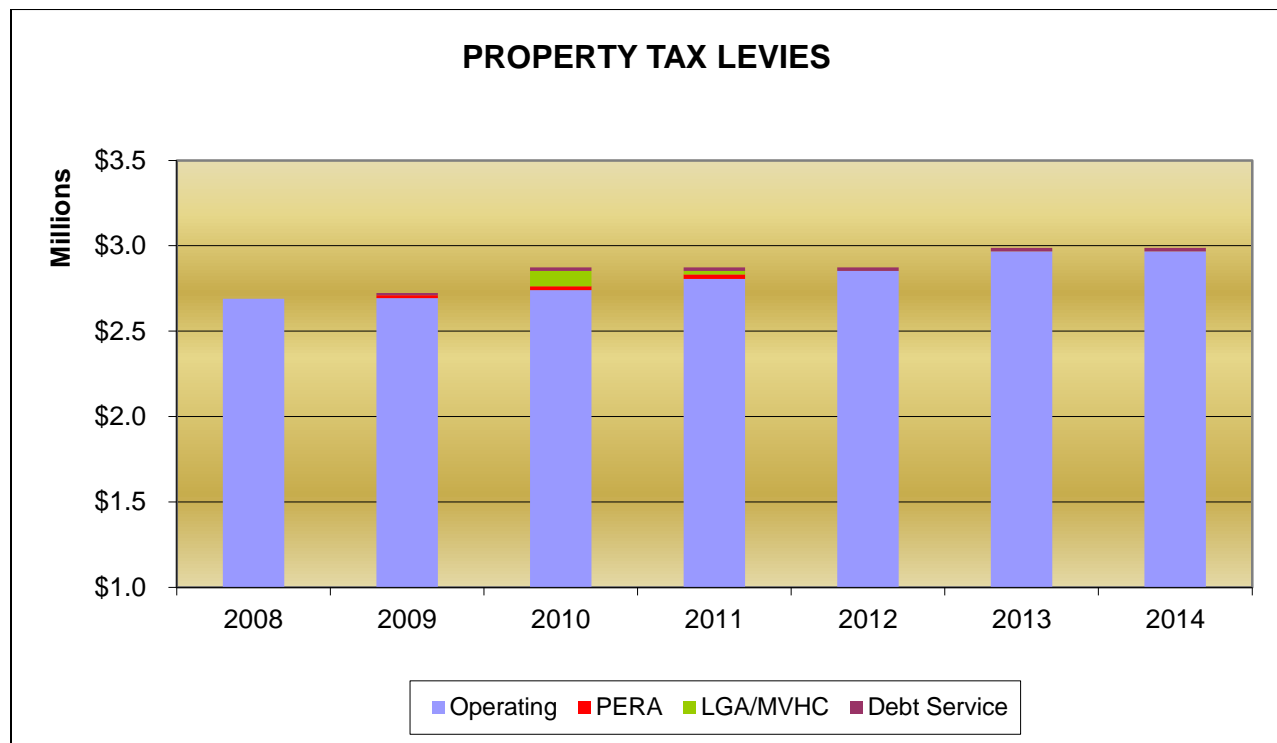
## REVENUE SOURCES

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 - \$2,991,300 (32.9%)**

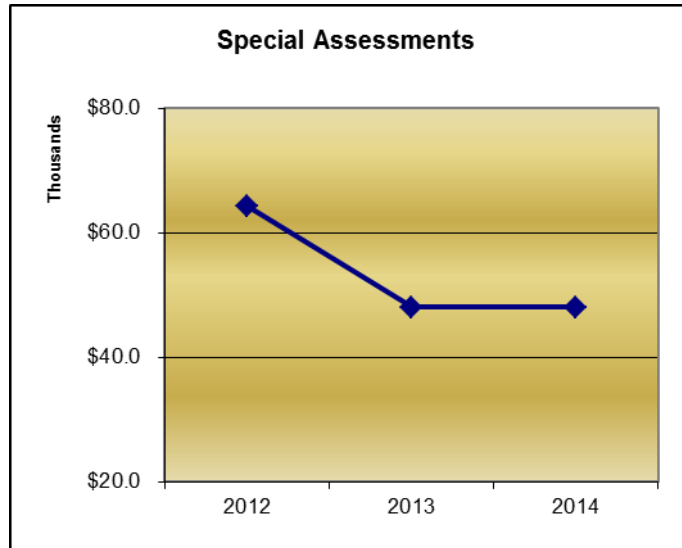
Tax revenues consist of property taxes (current and delinquent), tax increments and penalties and interest. This revenue source is primarily used in the General Fund and is set at a level to raise adequate revenue for the operating budget when combined with other expected revenues. The final level of 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. Levy limits are reinstated for taxes payable for 2014. The Minnesota State Legislature eliminated the Market Value Credit Program for 2012 and replaced it with the Market Value Exclusion Program which continues in 2014.

The City relies on property taxes for 73% of the total General Fund revenues, supporting such functions as public safety, public works, and general government. There was a zero percent increase in the levy for 2014.



**Special Assessments - \$48,000 (0.5%)**

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 improvements bonds or to reimburse the City if no bonds were issued. Property owners have the option of paying the assessment in full or spreading the assessment over a 10, 15 or 20-year payback period depending on the type of improvement. Special assessment revenue also includes charges against property for the collection of delinquent utility bills or miscellaneous charges. The budget is based on current payment schedules and a review of upcoming projects and outstanding balances.

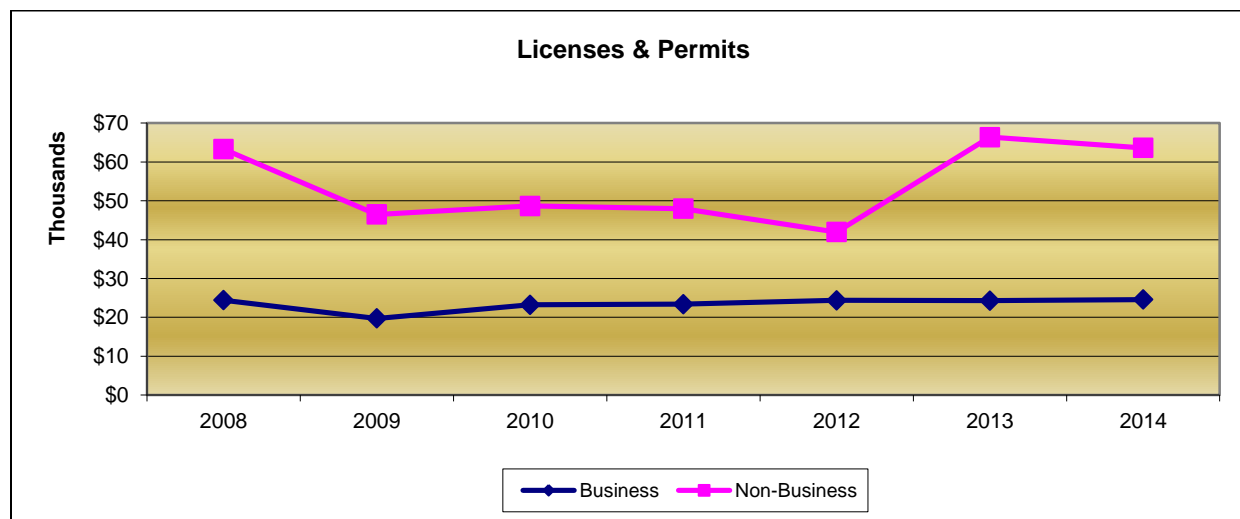


Special assessment collections for 2014 will be the same as the 2013 budget based on an analysis of new rolls, scheduled installments and historical collection rates.

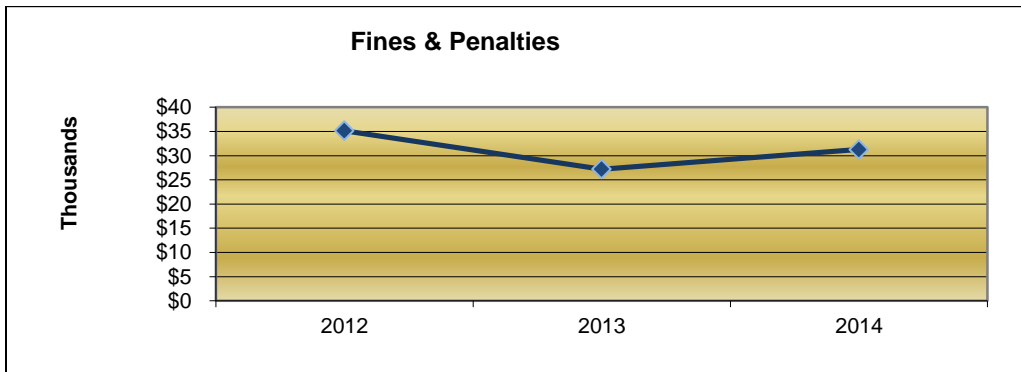
**Licenses and Permits - \$89,756 (1.0%)**

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 - \$31,290 (0.3%)**



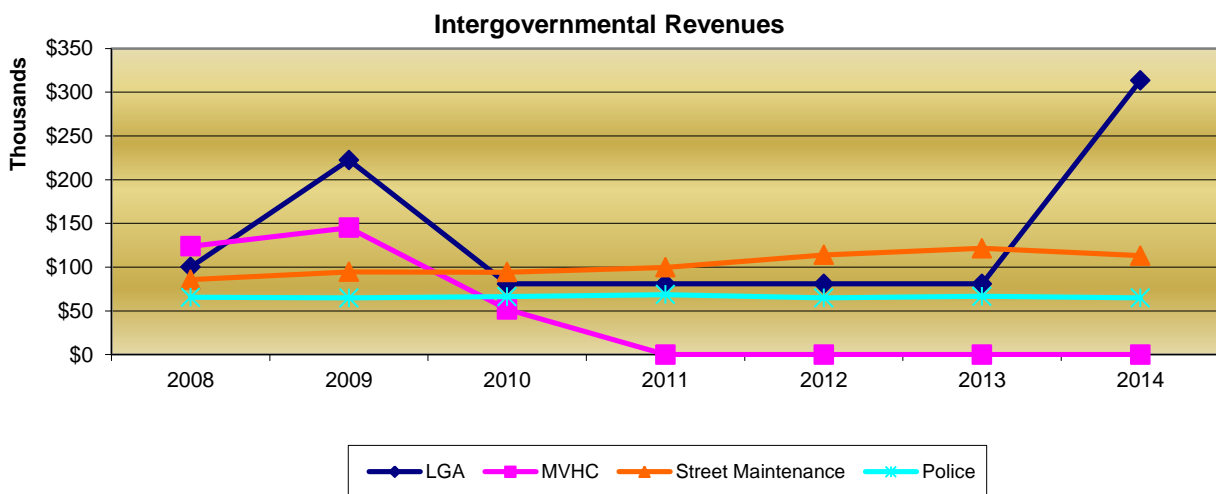
Fines and penalties consist of the City's share of fines collected by the County for court actions, animal impound fees, and revenue from drug forfeiture proceeds. The budget is based on a review of the prior three years actuals.

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 - \$534,239 (5.9%)**

This represents monies from other governments in the form of grants, entitlements, and shared revenues. In prior years this revenue source was comprised primarily of state aid in the form of the Market Value Homestead Credit (MVHC) and Local Government Aid (LGA). The state increased the amount allocated to LGA in 2014. The city is going to receive \$313,420 in 2014. This is an increase of \$232,491. Other items represented in this revenue source are Police and Fire State Aid, Community Development Block Grants and State Street Aid.

Items that account for most of these revenues on a consistent basis are local government aid, state market value homestead credit, state street maintenance aid and state police aid.



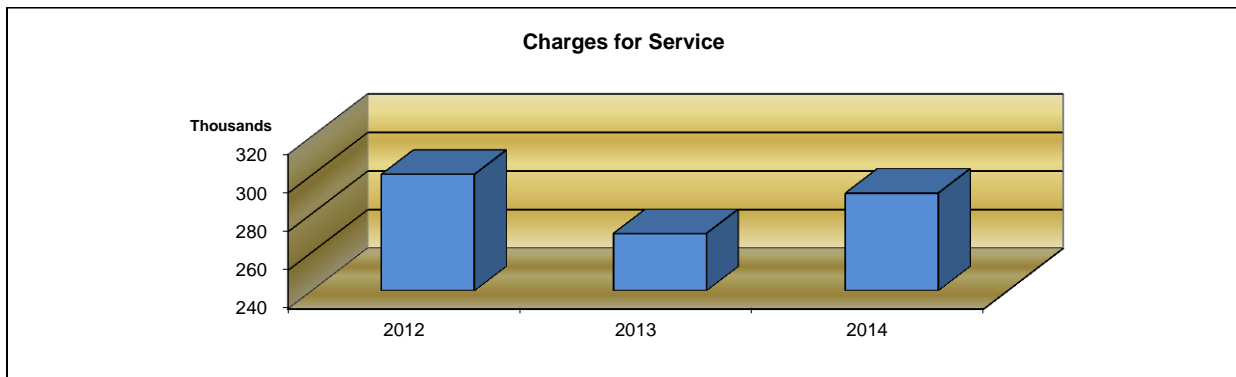
**Charges for Services - \$290,642 (3.2%)**

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

The police contract with the school district has been adjusted over the past few years and the City now provides less staff hours for a reduced fee. For the 2013-2014 school year, the contract stayed the same at 1 officer. The revenue under this contract has been as follows:

2010	\$116,379
2011	\$122,880
2012	\$103,650
2013	\$60,463
2014 Budget	\$60,888

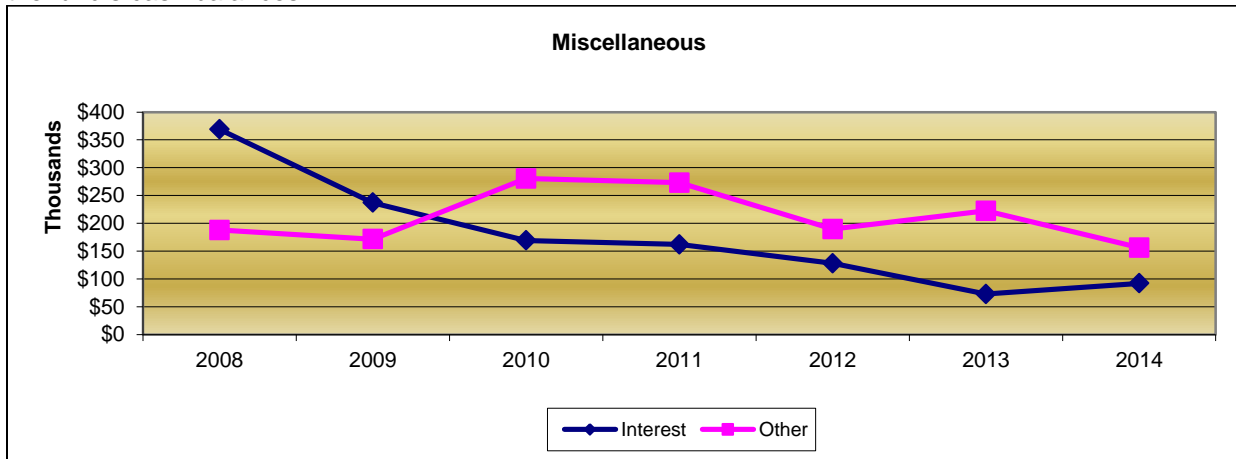
In 2012, the city also entered into a contract with a neighboring city to provide building inspection services. This is budgeted in 2014 to bring in \$37,000.



**Miscellaneous - \$252,702 (2.8%)**

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 on a monthly basis based on the change in each of the fund's cash balances.



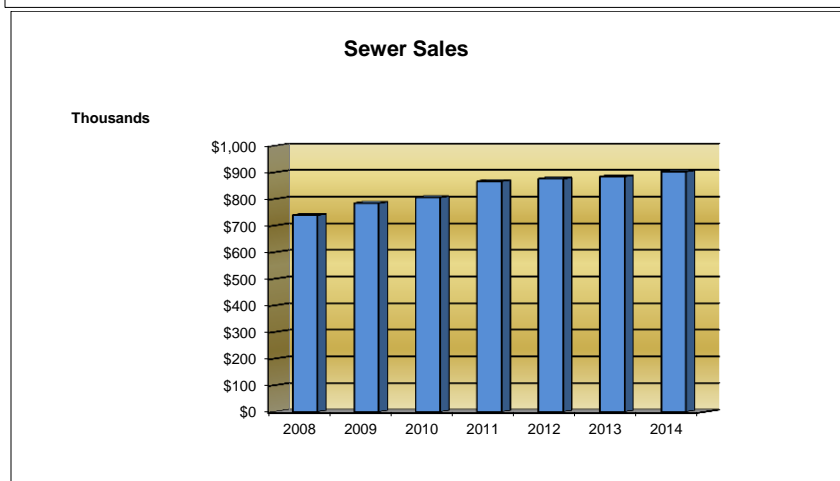
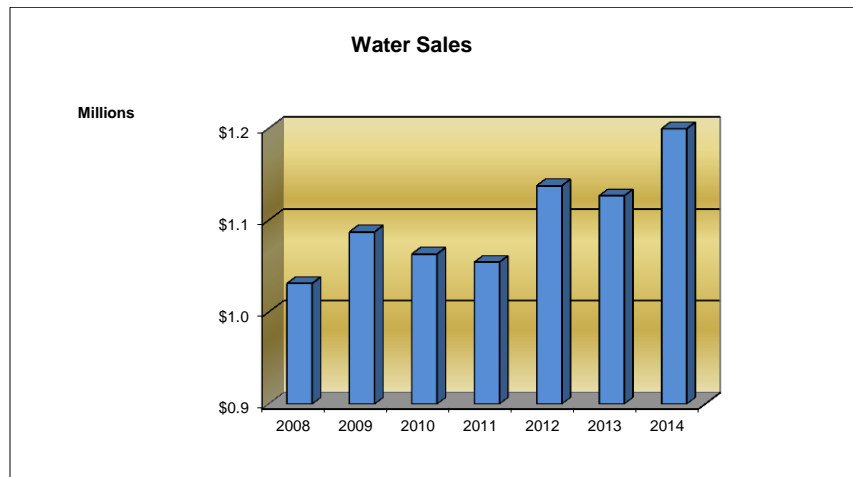
**Sales - Water, Sewer, Liquor - \$4,187,500 (46.1%)**

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 general public on a continuing basis be financed primarily through user charges.

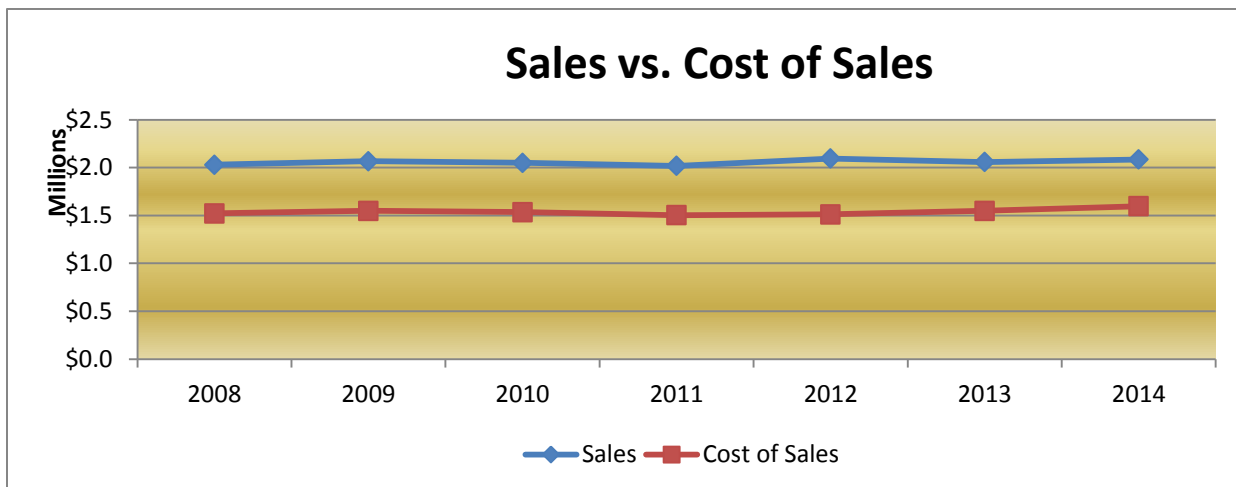
The history for the monthly water and sewer bill on a residential household that uses 6,000 gallons per month would be:

	<u>Water</u>	<u>Sewer</u>
2006	\$28.00	\$22.00
2007	\$32.00	\$26.00
2008	\$33.03	\$33.00
2009	\$35.13	\$35.10
2010	\$35.73	\$37.20
2011	\$36.58	\$39.55
2012	\$36.58	\$39.55
2013	\$36.58	\$39.55
2014	\$39.78	\$41.90



**St. Francis Municipal Liquor Store  
Sales Analysis**

Percent of Sales	2011		2012		2013		2014	
Liquor	656,175	31.5%	692,430	33.2%	686,979	33.0%	680,000	32.6%
Beer	1,075,743	51.6%	1,103,578	52.9%	1,082,628	51.9%	1,100,000	52.8%
Wine	183,453	8.8%	196,181	9.4%	197,266	9.5%	200,000	9.6%
Miscellaneous	56,250	2.7%	58,443	2.8%	50,405	2.4%	58,000	2.8%
Tobacco	46,063	2.2%	44,244	2.1%	40,705	2.0%	46,500	2.2%
<b>Total Sales</b>	<b>2,017,684</b>		<b>2,094,876</b>		<b>2,057,983</b>		<b>2,084,500</b>	



**Connection Fees - \$0 (0.0%)**

Water and sewer connection charges are due when new hookups are added to the City's system from either new construction or additions to current property. The fee per connection is set by the City. This category also contains payments from developers for their portion of infrastructure costs when putting in a new development. Connection fees are not budgeted for because of their unpredictability.

**Debt Proceeds - \$0 (0.0%)**

This Other Financing Source represents the funds received when issuing debt to pay for infrastructure or other capital items. None are projected for 2014

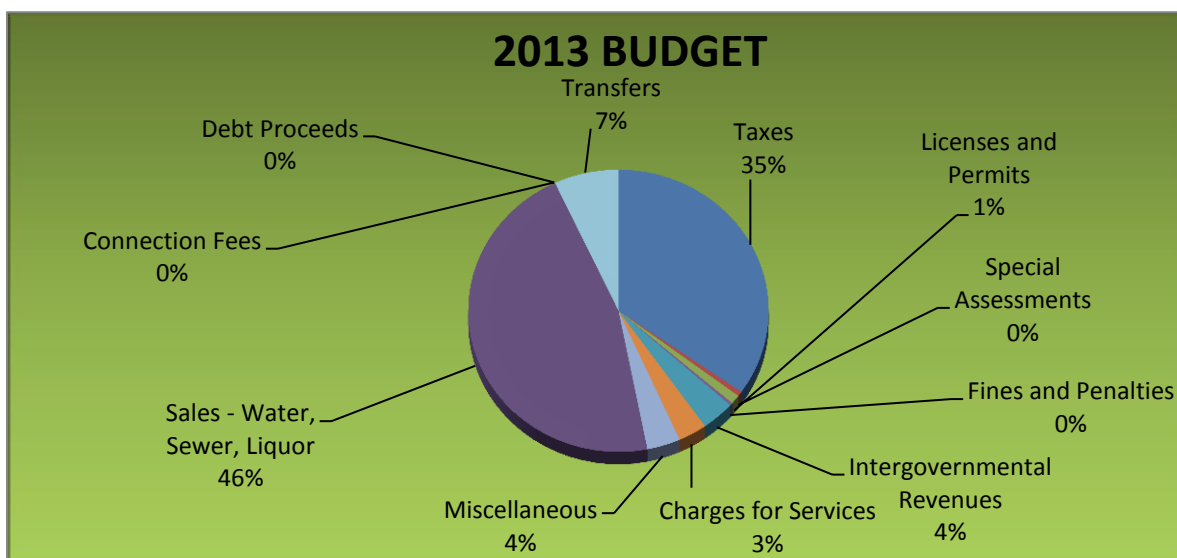
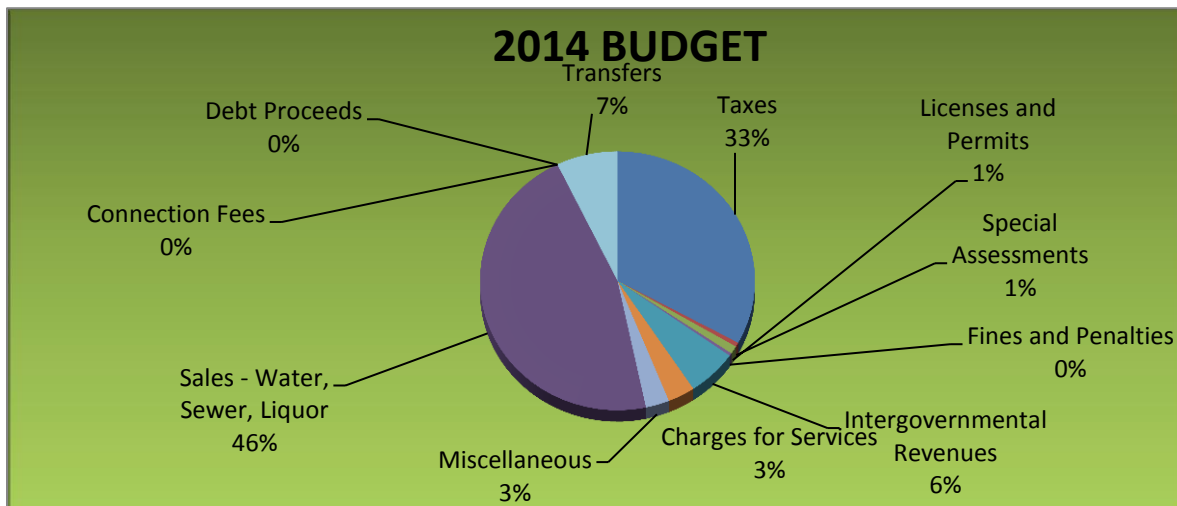
**Transfers and Contributions of Assets - \$654,880 (7.2%)**

Transfers in 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 in are to cover capital equipment or projects.



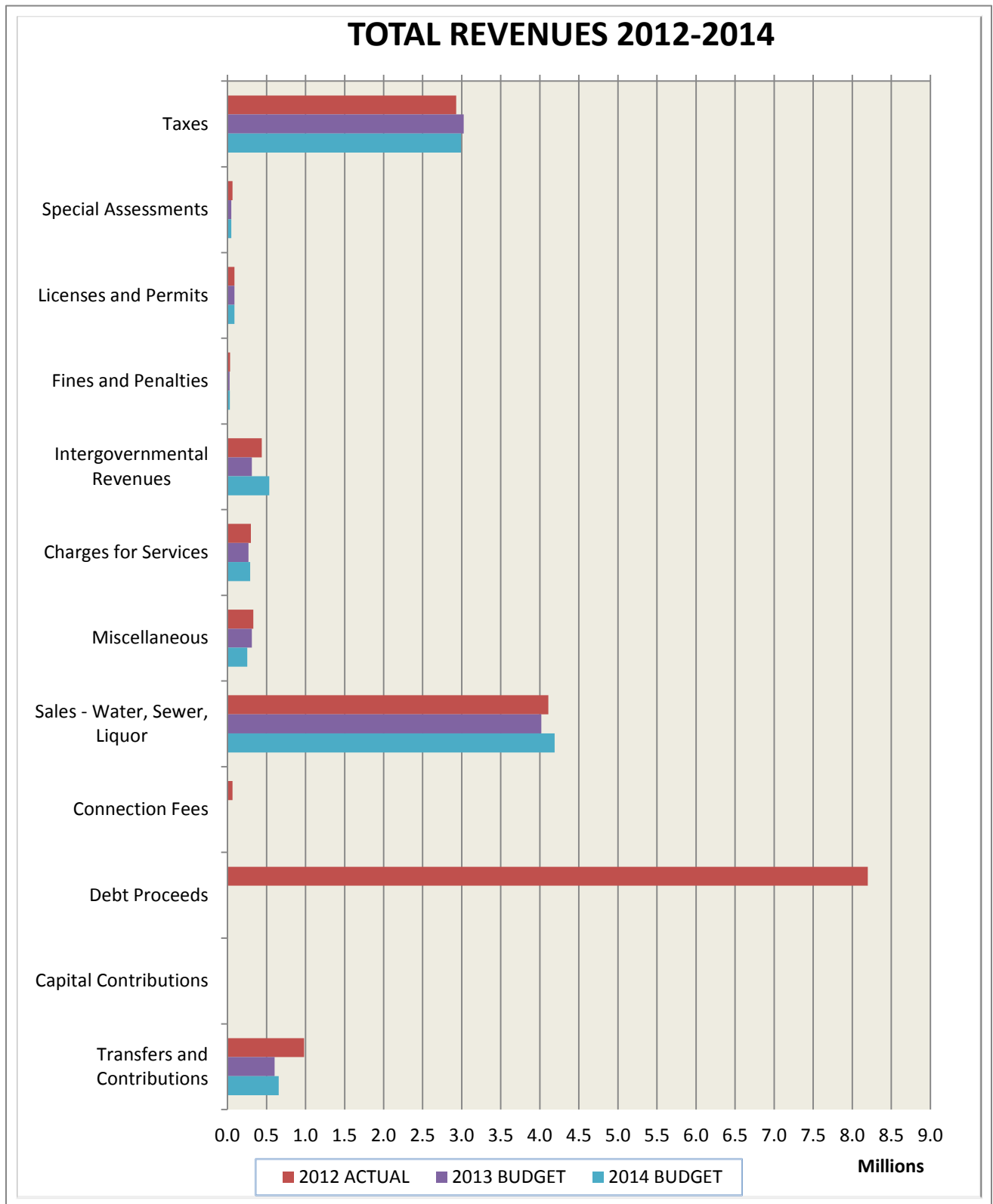
**CITY OF ST. FRANCIS, MINNESOTA**  
**ALL FUNDS**  
 REVENUE SOURCES AS A PERCENT OF TOTAL

Total by Source	2013 BUDGET	PERCENT OF TOTAL	2014 BUDGET	PERCENT OF TOTAL
Taxes	\$ 3,026,300	34.7%	2,991,300	32.9%
Special Assessments	48,000	0.6%	48,000	0.5%
Licenses and Permits	90,668	1.0%	89,756	1.0%
Fines and Penalties	27,230	0.3%	31,290	0.3%
Intergovernmental Revenues	311,071	3.6%	534,239	5.9%
Charges for Services	269,733	3.1%	290,642	3.2%
Miscellaneous	312,727	3.6%	252,702	2.8%
Sales - Water, Sewer, Liquor	4,018,500	46.1%	4,187,500	46.1%
Connection Fees	-	0.0%	-	0.0%
Debt Proceeds	-	0.0%	-	0.0%
Transfers	604,880	6.9%	654,880	7.2%
<b>Totals</b>	<b>\$8,709,109</b>	<b>100.0%</b>	<b>\$9,080,309</b>	<b>100.0%</b>



CITY OF ST. FRANCIS, MINNESOTA  
**ALL FUNDS**  
 REVENUE SUMMARY

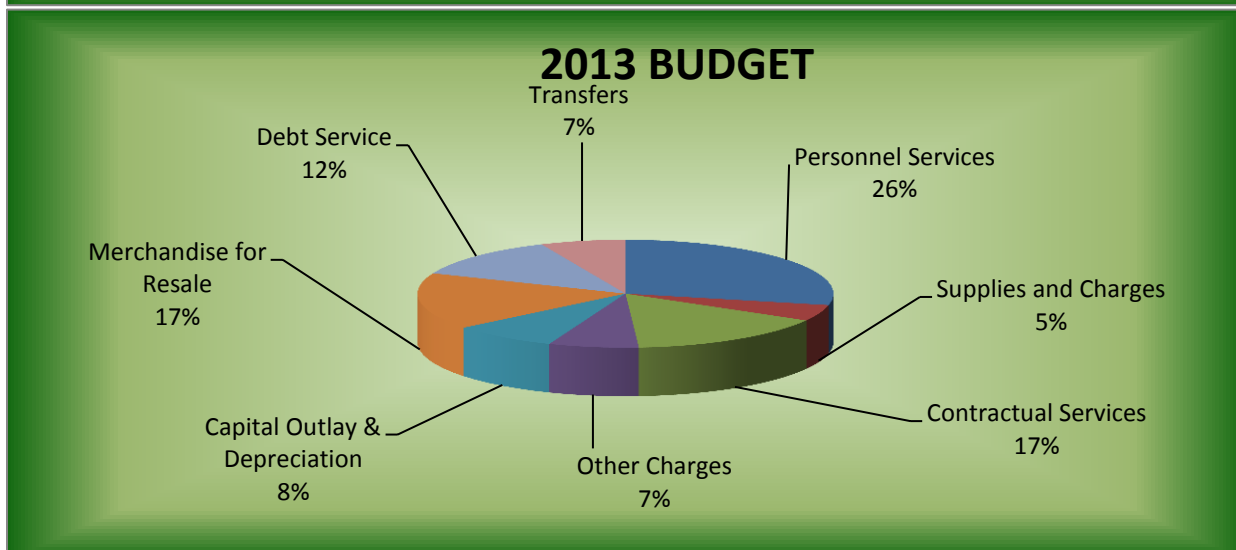
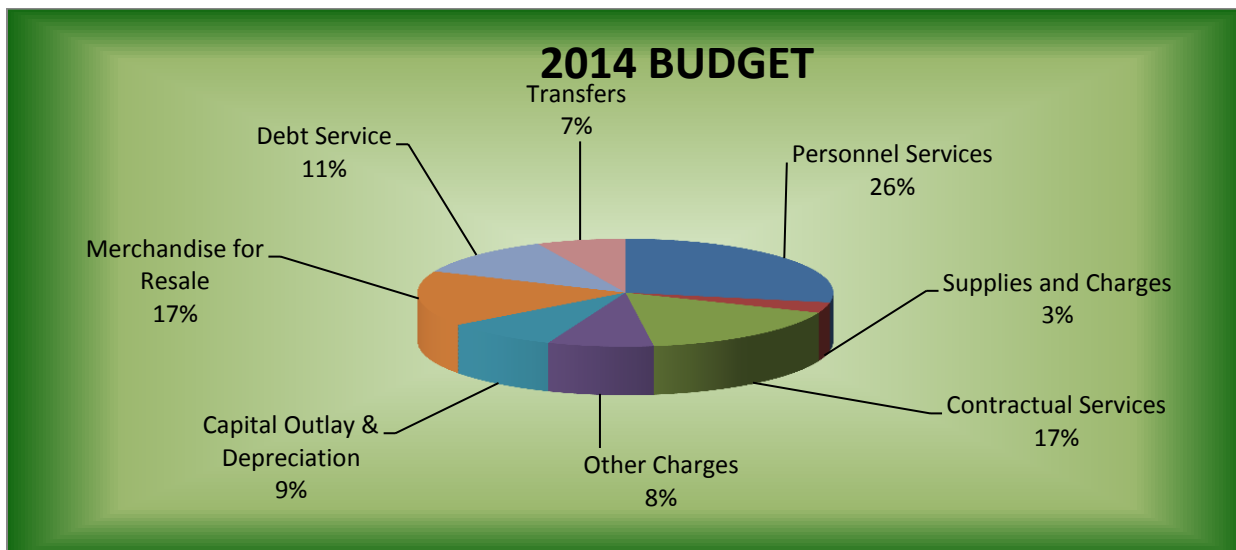
<u>Total by Source</u>	2012	2013	2014	PERCENT
	ACTUAL	BUDGET	BUDGET	OVER(UNDER) 2013 BUDGET
Taxes	\$2,929,782	\$3,026,300	\$2,991,300	-1.2%
Special Assessments	64,370	48,000	48,000	0.0%
Licenses and Permits	89,299	90,668	89,756	-1.0%
Fines and Penalties	35,166	27,230	31,290	14.9%
Intergovernmental Revenues	440,823	311,071	534,239	71.7%
Charges for Services	300,359	269,733	290,642	7.8%
Miscellaneous	330,182	312,727	252,702	-19.2%
Sales - Water, Sewer, Liquor	4,108,340	4,018,500	4,187,500	4.2%
Connection Fees	66,000	-	-	N/A
Debt Proceeds	8,200,000	-	-	N/A
Capital Contributions	-	-	-	N/A
Transfers and Contributions	981,795	604,880	654,880	8.3%
<b>Totals</b>	<b>\$ 17,546,116</b>	<b>\$ 8,709,109</b>	<b>\$ 9,080,309</b>	<b>4.3%</b>
<u>Total By Fund</u>				
Operating Budget:				
General Fund	\$ 3,865,784	\$ 3,924,729	\$ 4,125,329	5.1%
Community Dev Block Grant	-	-	-	N/A
Park Improvements	128,244	2,500	2,500	0.0%
Police Forfeiture Fund	-	-	-	N/A
Gambling Fund	2,373	10,000	10,000	
Turtle Ridge TIF Fund	15,326	15,200	15,200	0.0%
Water Fund	1,221,621	1,158,000	1,230,000	6.2%
Sanitary Sewer Fund	949,942	911,000	926,000	1.6%
Municipal Liquor Fund	2,107,661	2,050,500	2,096,500	2.2%
<b>Total Operating Budget</b>	<b>\$ 8,290,951</b>	<b>\$ 8,071,929</b>	<b>\$ 8,405,529</b>	<b>4.1%</b>
Capital Improvements Budget:				
Capital Equipment	\$ 8,231,961	\$ 16,000	\$ 3,000	-81.3%
Fire Truck Replacement	43,837	5,000	54,000	980.0%
Creekview Estates	14,156	12,000	12,000	0.0%
Ivywood Street & 230th Lane	17,855	12,000	12,000	0.0%
<b>Total Capital Budget</b>	<b>\$ 8,307,809</b>	<b>\$ 45,000</b>	<b>\$ 81,000</b>	<b>80.0%</b>
Debt Service Budget:				
Debt Service Fund	\$ 54,548	\$ 86,380	\$ 85,780	-0.7%
EDA Lease Revenue Bonds	892,808	505,800	508,000	0.4%
	\$ 947,356	\$ 592,180	\$ 593,780	0.3%
<b>Totals</b>	<b>\$ 17,546,116</b>	<b>\$ 8,709,109</b>	<b>\$ 9,080,309</b>	<b>4.3%</b>



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CITY OF ST. FRANCIS, MINNESOTA  
**ALL FUNDS**  
 EXPENDITURE CLASSIFICATIONS AS A PERCENT OF TOTAL

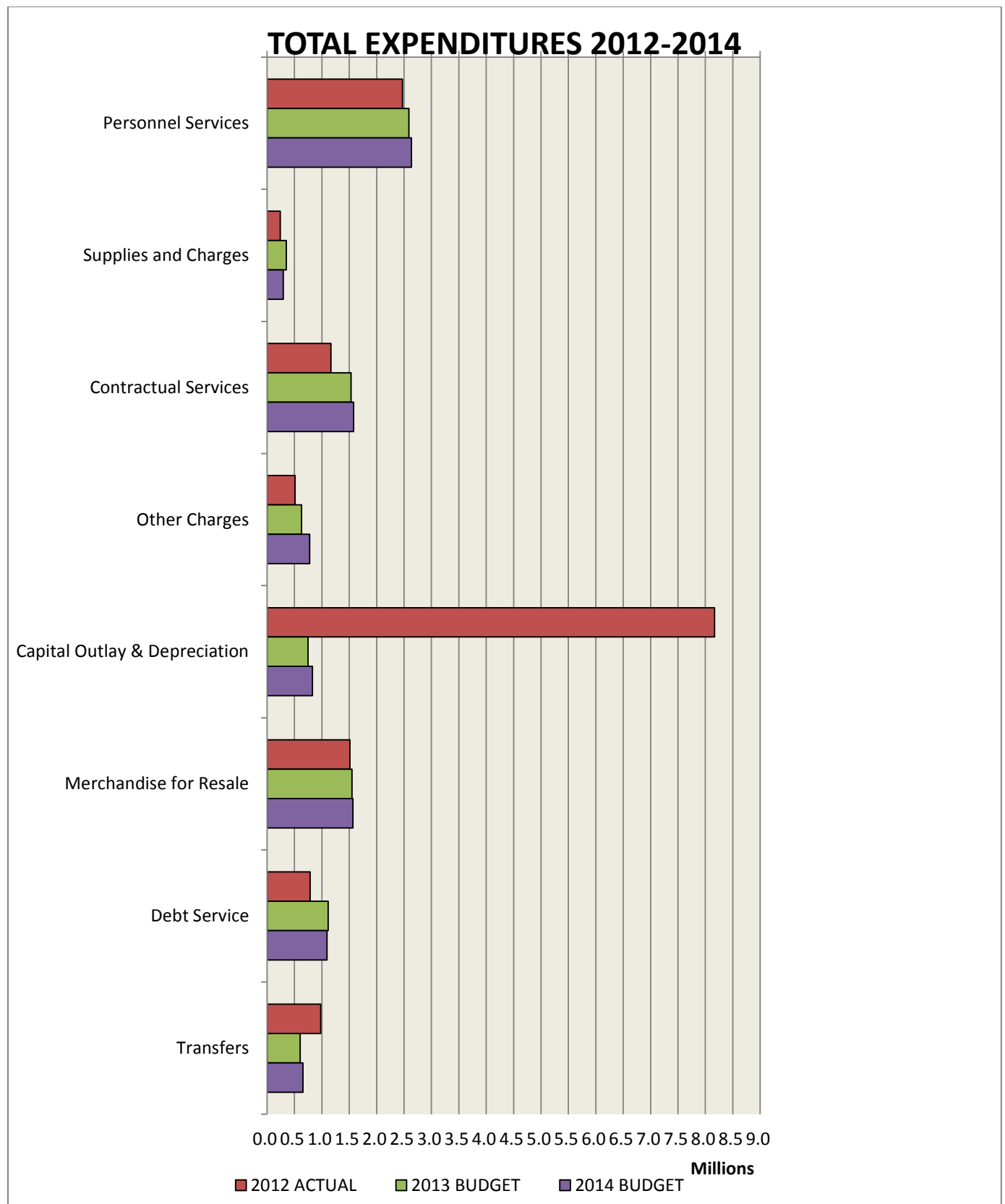
<u>Total By Classification</u>	2013 BUDGET	PERCENT OF TOTAL	2014 BUDGET	PERCENT OF TOTAL
Personnel Services	\$2,590,410	28.4%	\$2,633,985	27.9%
Supplies and Charges	\$350,180	3.8%	\$296,669	3.1%
Contractual Services	\$1,531,594	16.8%	\$1,578,526	16.7%
Other Charges	\$627,235	6.9%	\$775,650	8.2%
Capital Outlay & Depreciation	\$746,840	8.2%	\$829,051	8.8%
Merchandise for Resale	\$1,548,000	17.0%	\$1,568,000	16.6%
Debt Service	\$1,114,210	12.2%	\$1,093,232	11.6%
Transfers	\$604,880	6.6%	\$654,880	6.9%
<b>Totals</b>	<b>\$9,113,349</b>	<b>100.0%</b>	<b>\$9,429,993</b>	<b>100.0%</b>



CITY OF ST. FRANCIS, MINNESOTA  
**ALL FUNDS**

EXPENDITURE SUMMARY

	2012 ACTUAL	2013 BUDGET	2014 BUDGET	% CHANGE
<b>Total by Department</b>				
City Council	\$ 27,239	\$ 34,090	\$ 32,820	-3.7%
Charter	57	1,510	1,510	0.0%
Administration	405,812	414,830	426,300	2.8%
Elections	46	10,040	7,790	-22.4%
Finance	103,374	125,190	133,650	6.8%
Legal	88,041	120,100	120,530	0.4%
Government Buildings	28,366	30,595	25,050	-18.1%
Police	1,609,554	1,631,590	1,574,859	-3.5%
Fire	416,959	273,762	411,089	50.2%
Streets	612,093	824,800	808,110	-2.0%
Landfill Abatement (Recycling)	38,193	39,460	50,040	26.8%
Community Center	876	3,370	550	-83.7%
Parks	711,453	366,790	330,350	-9.9%
Planning & Zoning	71,124	84,800	96,650	14.0%
Building Inspections	33,517	84,080	101,050	20.2%
Unallocated/Contingency	3,308	6,100	6,100	0.0%
Tax Increment Financing	14,737	14,600	13,600	-6.8%
Debt Service	560,603	1,067,088	1,047,109	-1.9%
Capital Equipment	7,591,650	-	-	N/A
Water	823,790	1,074,274	1,093,267	1.8%
Sanitary Sewer	757,875	898,807	1,104,919	22.9%
Municipal Liquor	1,933,937	2,007,473	2,044,650	1.9%
Totals	\$ 15,832,604	\$ 9,113,349	\$ 9,429,993	3.5%
<b>Total By Classification</b>				
Personnel Services	\$ 2,471,033	\$ 2,590,410	\$ 2,633,985	1.7%
Supplies and Charges	239,472	350,180	296,669	-15.3%
Contractual Services	1,167,307	1,531,594	1,578,526	3.1%
Other Charges	509,872	627,235	775,650	23.7%
Capital Outlay & Depreciation	8,165,765	746,840	829,051	11.0%
Merchandise for Resale	1,511,868	1,548,000	1,568,000	1.3%
Debt Service	785,492	1,114,210	1,093,232	-1.9%
Transfers	981,795	604,880	654,880	8.3%
Totals	\$ 15,832,604	\$ 9,113,349	\$ 9,429,993	3.5%
<b>Total By Fund</b>				
Operating Budget:				
General Fund	\$ 3,864,311	\$ 4,041,477	\$ 4,125,329	2.1%
Park Improvements	127,786	-	-	N/A
Police Forfeiture	2,728	9,630	1,119	-88.4%
Turtle Ridge TIF Fund	14,177	14,600	13,600	-6.8%
Water Fund	1,136,619	1,364,262	1,358,555	-0.4%
Sanitary Sewer Fund	858,682	1,055,255	1,235,049	17.0%
Municipal Liquor Fund	1,943,145	2,007,473	2,044,650	1.9%
Total Operating Budget	\$ 7,947,448	\$ 8,492,697	\$ 8,778,302	3.4%
Capital Improvements Budget:				
Capital Equipment	\$ 7,591,521	\$ -	\$ -	N/A
Creekview Estates	54	-	-	N/A
Ivywood Street & 230th Lane	75	-	-	N/A
Trunk Utilities Rivers Edge	-	-	-	N/A
Total Capital Budget	\$ 7,591,650	\$ -	\$ -	N/A
Debt Service Budget:				
Debt Service Fund	\$ 103,328	\$ 100,607	\$ 102,908	2.3%
EDA Lease Revenue bonds	190,178	520,045	548,783	5.5%
Total Debt Service	\$ 293,506	\$ 620,652	\$ 651,691	5.0%
Totals	\$ 15,832,604	\$ 9,113,349	\$ 9,429,993	3.5%



CITY OF ST. FRANCIS, MINNESOTA  
**ALL FUNDS**  
 BUDGETED CHANGES IN FUND BALANCES/RETAINED EARNINGS

<u>Total By Fund</u>	BALANCE 01-01-14	REVENUES	NET OTHER INCREASES (DECREASES)	EXPENDITURES	BALANCE 12-31-14
<b>Operating Budget:</b>					
General	\$ 2,077,689	\$ 4,065,329	\$ (330,000)	\$ 3,735,329	\$ 2,077,689
Police Forfeiture	1,119	-	-	1,119	-
Turtle Ridge TIF	19,045	15,200	-	13,600	20,645
Water	5,682,755	1,230,000	(101,080)	1,257,475	5,554,200
Sanitary Sewer	7,530,123	926,000	(103,800)	1,131,249	7,221,074
Municipal Liquor	1,813,977	2,096,500	(60,000)	1,984,650	1,865,827
<b>Total Operating Budget</b>	<b>17,124,708</b>	<b>8,333,029</b>	<b>(594,880)</b>	<b>8,123,422</b>	<b>16,739,435</b>
<b>Capital Improvements Budget:</b>					
Capital Projects/Equipment	167,067	3,000	-	-	170,067
Creekview Estates	(89,300)	12,000	-	-	(77,300)
Fire Truck Replacement	454,020	4,000	50,000	-	508,020
Gambling Fund	12,373	10,000	-	-	22,373
Ivywood St & 230th Lane	(100,766)	12,000	-	-	(88,766)
Park Improvements	154,916	2,500	-	-	157,416
Trunk Utilities Rivers Edge	(520,641)	-	-	-	(520,641)
Watermain Looping	(287,151)	-	-	-	(287,151)
<b>Total Capital Budget</b>	<b>(209,482)</b>	<b>43,500</b>	<b>50,000</b>	<b>-</b>	<b>(115,982)</b>
<b>Debt Service Budget:</b>					
Debt Service	130,738	45,900	39,880	102,908	113,610
EDA Lease Revenue Bonds	689,185	3,000	505,000	548,783	648,402
<b>Total Debt Service Budget</b>	<b>\$ 819,923</b>	<b>\$ 48,900</b>	<b>\$ 544,880</b>	<b>\$ 651,691</b>	<b>\$ 762,012</b>
<b>Grand Total</b>	<b>\$ 17,735,149</b>	<b>\$ 8,425,429</b>	<b>\$ -</b>	<b>\$ 8,775,113</b>	<b>\$ 17,385,465</b>





**GENERAL FUND**

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CITY OF ST. FRANCIS, MINNESOTA  
**GENERAL FUND (101)**  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

	2012 ACTUAL	2013 BUDGET	2013 ESTIMATE	2014 BUDGET
<b>Revenues:</b>				
Property Taxes	\$2,893,540	\$2,990,200	\$2,943,200	\$2,955,200
Licenses and permits	89,299	90,668	76,280	89,756
Fines and forfeits	35,166	27,230	29,800	31,290
Intergovernmental	310,344	311,071	400,572	534,239
Charges for services	297,084	268,733	274,784	289,642
Miscellaneous	180,352	176,827	167,960	165,202
<b>Total revenues</b>	<b>3,805,784</b>	<b>3,864,729</b>	<b>3,892,596</b>	<b>4,065,329</b>
<b>Expenditures:</b>				
General Government	656,189	736,355	671,784	747,650
Public Safety	1,549,421	1,725,722	1,654,317	1,764,829
Public Works	770,543	694,260	698,870	688,150
Culture and Recreation	358,072	370,160	295,140	330,900
Community Development	141,592	168,880	278,880	197,700
Miscellaneous	18,494	6,100	7,402	6,100
<b>Total expenditures</b>	<b>3,494,311</b>	<b>3,701,477</b>	<b>3,606,393</b>	<b>3,735,329</b>
Excess (deficit) of revenues over expenditures	311,473	163,252	286,203	330,000
<b>Other financing sources (uses):</b>				
Operating transfers in (out):				
Municipal Liquor Operations	60,000	60,000	60,000	60,000
Capital Projects Fund	-	-	-	-
Fire Truck Replacement Fund	(40,000)	-	-	-
Debt Service	(330,000)	(340,000)	(340,000)	(390,000)
<b>Total other financing sources (uses)</b>	<b>(310,000)</b>	<b>(280,000)</b>	<b>(280,000)</b>	<b>(330,000)</b>
Net change in fund balance	1,473	(116,748)	6,203	0
Fund balance - January 1	2,070,013	1,867,338	2,071,486	2,077,689
Fund balance - December 31	<b>\$2,071,486</b>	<b>\$1,750,590</b>	<b>\$2,077,689</b>	<b>\$2,077,689</b>
Fund balance/revenues	54.4%	45.3%	53.4%	51.1%
Fund balance/expenditures	59.3%	47.3%	57.6%	55.6%
Fund balance/# of mths of expenditures	7.1	5.7	6.9	6.7

CITY OF ST. FRANCIS, MINNESOTA  
GENERAL FUND  
STATEMENT OF REVENUES

	2012 ACTUAL	2013 BUDGET	2013 ESTIMATE	2014 BUDGET
<u>Taxes</u>				
Current	\$2,830,863	\$2,920,000	\$2,920,000	\$2,920,000
Delinquent	57,015	65,000	20,000	30,000
Penalties & interest	5,662	5,200	3,200	5,200
	2,893,540	2,990,200	2,943,200	2,955,200
<u>Licenses and Permits</u>				
<u>Business:</u>				
Liquor	25,650	21,400	21,400	21,400
Amusements	593	630	600	640
Cigarette, Refuse, etc.	2,825	2,250	2,800	2,542
<u>Non-business:</u>				
Building	48,099	58,930	40,000	55,821
Plumbing	685	1,852	1,600	1,558
Mechanical	8,349	2,650	4,200	4,545
Surcharge - Permits	232	106	100	100
Fireplace	-	290	-	160
Septic	375	1,650	1,650	1,580
Animal Licenses	792	630	1,030	670
Misc Permits	1,700	280	2,900	740
	89,300	90,668	76,280	89,756
<u>Fines and Penalties</u>				
Court fines	32,146	25,000	28,000	29,000
Animal impound fees	3,020	2,230	1,800	2,290
	35,166	27,230	29,800	31,290
<u>Intergovernmental Revenue</u>				
PERA rate increase	1,971	1,971	1,971	1,971
Local government aid	80,929	80,929	80,929	313,420
Homestead credit	4,394	-	-	-
Manufactured home homestead credit	-	-	-	-
Police grants	15,934	17,681	15,000	17,058
Street maintenance aid	113,957	121,460	113,303	113,000
Fire aid	23,834	22,509	35,197	24,065
Police aid	64,725	66,521	72,384	64,725
DNR state aid	-	-	-	-
Other Fire grants/aid	4,600	-	6,273	-
Local government grants and aid	-	-	75,515	-
	310,344	311,071	400,572	534,239

Charges for ServiceGeneral Government:

Maps, fax, copies, notary fees	71	122	30	84
Assessment search fees	300	160	40	230
Refuse collection charges	3,767	4,551	4,361	4,240
Administrative charges	137,479	144,353	144,353	151,571

Public Safety:

ISD #15 contract	103,651	62,631	60,000	60,888
Accident reports	371	256	160	306
Special event pay	4,836	5,961	2,040	4,000
Lock out fees	1,025	1,379	1,005	1,179
Fire Department charges	2,482	-	550	500

Public Works:

WCA Block Grant	403	750	400	750
Highways and street charges				

Community Development:

Inspection contract	19,358	22,000	39,000	37,000
Zoning and subdivision fees	4,350	2,215	6,845	3,980
Plan check fees	18,990	24,355	16,000	24,914
Economic development		-	-	-

	297,083	268,733	274,784	289,642
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Miscellaneous Revenue

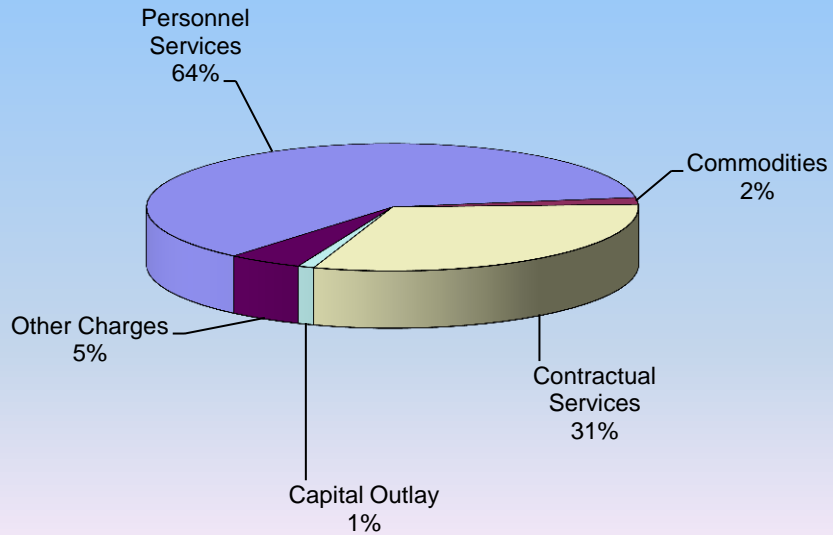
Rentals, leases	43,955	43,836	47,600	46,440
Landfill abatement	20,872	17,201	20,000	33,186
Miscellaneous revenues	21,566	16,688	19,020	16,803
Interest on investments	16,189	32,205	16,000	18,000
Community Center rental	1,180	970	480	1,000
Donations & contributions	-	-	300	-
Pioneer Day Revenues	21,780	18,400	11,260	-
Cable TV revenues	24,768	19,527	26,000	21,773
Sale of property	30,041	28,000	27,300	28,000

	180,351	176,827	167,960	165,202
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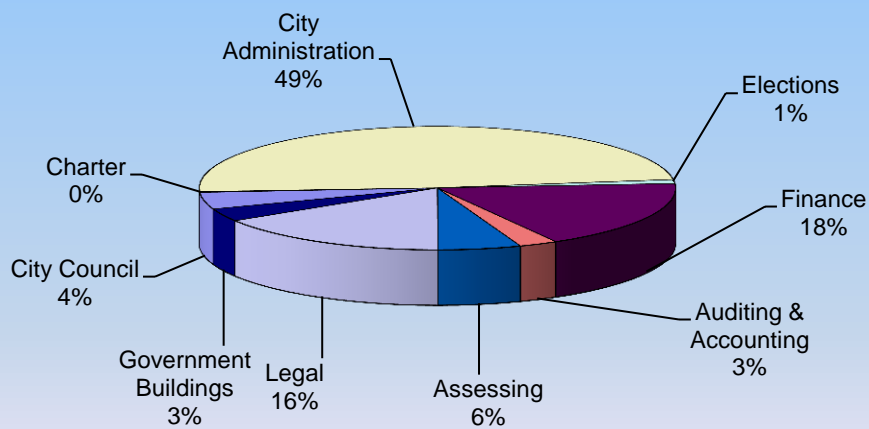
TOTAL REVENUES	3,805,784	3,864,729	3,892,596	4,065,329
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# GENERAL GOVERNMENT 2014 BUDGET

## Total By Classification



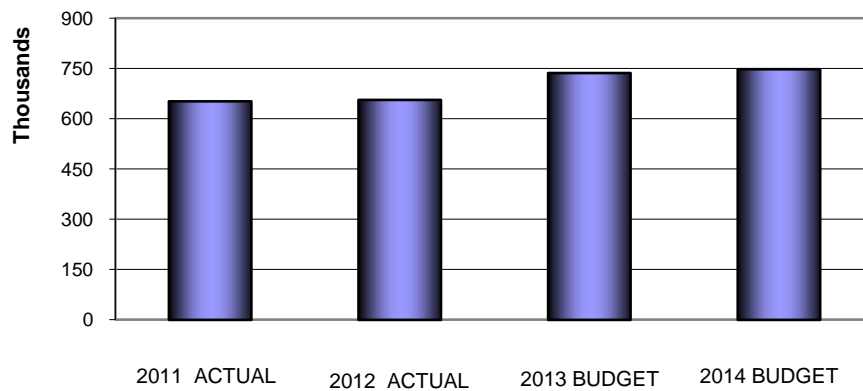
## Total By Program



**CITY OF ST. FRANCIS, MINNESOTA**  
**GENERAL GOVERNMENT SUMMARY**  
 EXPENDITURE ANALYSIS

Total By Program	2011 ACTUAL	2012 ACTUAL	2013 BUDGET	2014 BUDGET	PERCENT OVER(UNDER) 2013 BUDGET
City Council	\$27,239	\$25,812	\$34,090	\$32,820	-3.7%
Charter	57	138	1,510	1,510	0.0%
City Administration	347,212	342,470	354,790	364,800	2.8%
Elections	46	4,978	10,040	7,790	-22.4%
Finance	103,374	108,447	125,190	133,650	6.8%
Auditing & Accounting	18,133	19,018	19,010	19,500	2.6%
Assessing	39,465	39,266	41,030	42,000	2.4%
Legal	88,041	90,834	120,100	120,530	0.4%
Government Buildings	28,366	25,227	30,595	25,050	-18.1%
<b>Totals</b>	<b>651,933</b>	<b>656,189</b>	<b>736,355</b>	<b>747,650</b>	<b>1.5%</b>
<b>Total By Classification</b>					
Personnel Services	404,771	429,371	444,710	459,770	3.4%
Commodities	15,458	9,155	15,400	13,000	-15.6%
Contractual Services	192,583	191,182	226,110	230,430	1.9%
Capital Outlay	0	0	16,000	8,000	-50.0%
Other Charges	39,121	26,482	34,135	36,450	6.8%
<b>Totals</b>	<b>651,933</b>	<b>656,189</b>	<b>736,355</b>	<b>747,650</b>	<b>1.5%</b>
<b>Staffing</b>					
Full-time equivalents	5.00	5.00	5.00	5.00	

**Expenditures**



**Department:** General Government **Fund:** 101  
**Program:** City Council **Cost Center:** 41110

**Program 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 question by working with City administration to address community service issues.

**Program Expenditure Highlights**

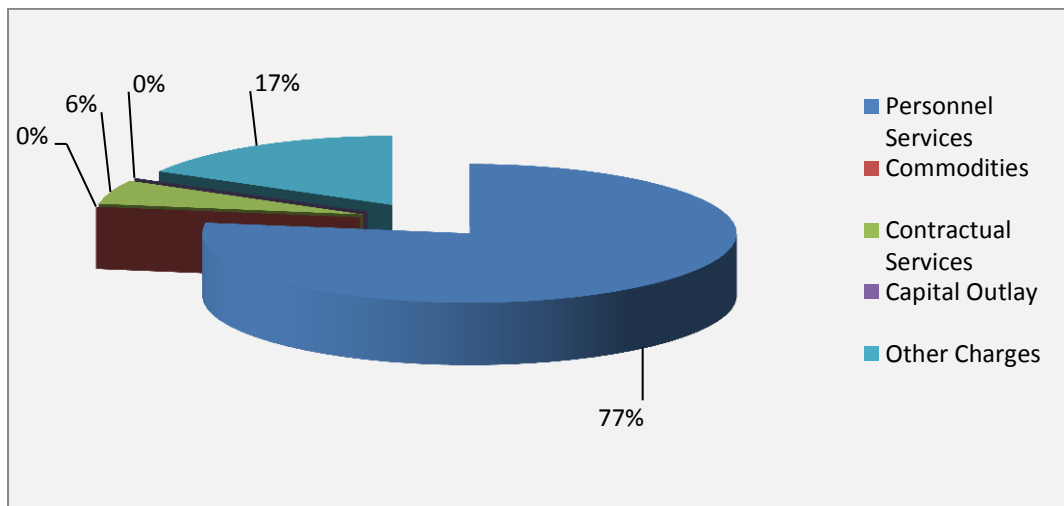
A large portion of Other Charges is allocated to training and travel.

<b><u>Program Expenditures</u></b>	2011 ACTUAL	2012 ACTUAL	2013 BUDGET	2014 BUDGET	PERCENT OVER(UNDER) 2013 BUDGET
Personnel Services	\$ 22,411	\$ 23,169	\$ 27,290	\$ 25,420	-6.9%
Commodities	-	-	-	-	N/A
Contractual Services	662	1,561	1,250	1,850	48.0%
Capital Outlay	-	-	-	-	N/A
Other Charges	4,166	1,082	5,550	5,550	0.0%
<b>Total</b>	<b>\$ 27,239</b>	<b>\$ 25,812</b>	<b>\$ 34,090</b>	<b>\$ 32,820</b>	<b>-3.7%</b>

Full-Time Equivalent positions

Council consists of one Mayor and four Council Members.

**Program Expenditures by Classification**



<b><u>Performance Measures</u></b>	2011 ACTUAL	2012 ACTUAL	2013 ACTUAL	2014 BUDGET
Council meetings	24	24	24	24
Special meetings	2	1	1	0
Special workshops	1	1	2	5
Town Hall meetings	1	1	0	1



**Department:** General Government  
**Program:** Charter Commission

**Fund:** 101  
**Cost Center:** 41120

**Program Description**

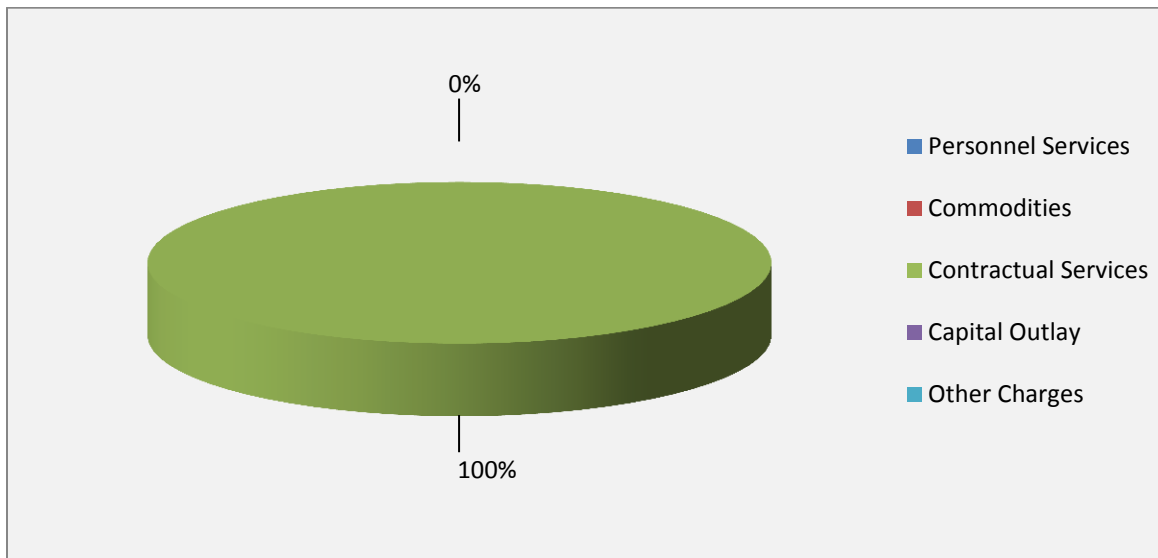
The City operates under a Home Rule Charter. This budget, when used, is mainly for legal advice and publishing requirements.

**Program Expenditure Highlights**

Charter amendments are brought up as needed.

<b><u>Program Expenditures</u></b>	2011 ACTUAL	2012 ACTUAL	2013 BUDGET	2014 BUDGET	PERCENT OVER(UNDER) 2013 BUDGET
Personnel Services	\$ -	\$ -	\$ -	\$ -	N/A
Commodities	-	-	-	-	N/A
Contractual Services	57	138	1,510	1,510	0.0%
Capital Outlay	-	-	-	-	N/A
Other Charges	-	-	-	-	N/A
<b>Total</b>	<b>\$ 57</b>	<b>\$ 138</b>	<b>\$ 1,510</b>	<b>\$ 1,510</b>	<b>0.0%</b>

**Program Expenditures by Classification**



**Department:**                    **General Government**                                                 **Fund:**                 **101**  
**Program:**                           **City Administration**                                                                 **Cost Center:**         **41400**

### Program Description

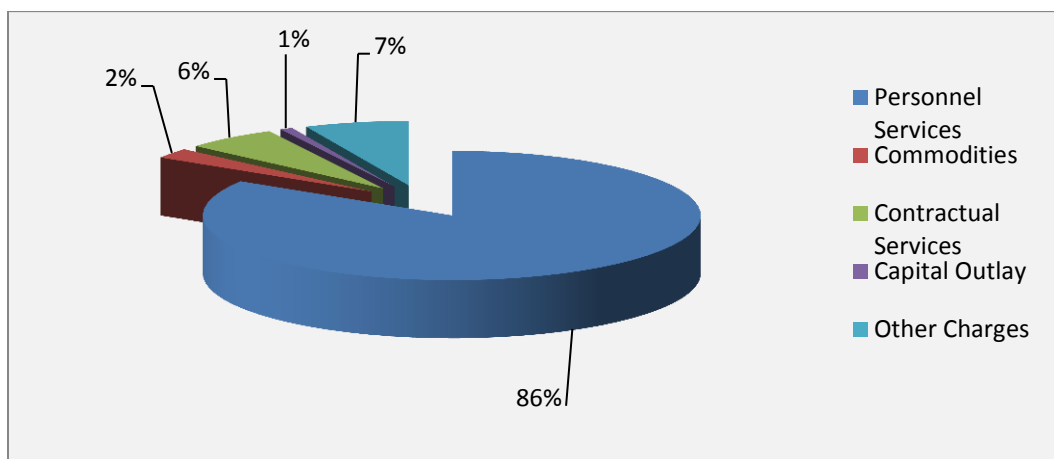
This program provides for the administration of City Government within the guidelines and policies established by the City Council. Responsibilities include directing the administration of City affairs and enforcing laws, City ordinances and resolutions as adopted by the governing body. The City Administrator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

### Program Expenditure Highlights

Capital Outlay is for the on-going computer needs.

<b><u>Program Expenditures</u></b>	2011 ACTUAL	2012 ACTUAL	2013 BUDGET	2014 BUDGET	PERCENT OVER(UNDER) 2013 BUDGET
Personnel Services	\$ 283,100	\$ 299,247	\$ 300,480	\$ 305,900	1.8%
Commodities	14,196	7,281	12,100	9,300	-23.1%
Contractual Services	18,171	16,167	15,400	21,900	42.2%
Capital Outlay	-	-	3,000	3,000	0.0%
Other Charges	31,745	19,775	23,810	24,700	3.7%
Total	\$ 347,212	\$ 342,470	\$ 354,790	\$ 364,800	2.8%
Full-Time Equivalent positions	4.00	4.00	3.50	3.50	0.0%

### Program Expenditures by Classification



<b><u>Performance Measures</u></b>	2011 ACTUAL	2012 ACTUAL	2013 ACTUAL	2014 BUDGET
Staff meetings held	52	52	52	52
Number of resolutions	48	46	44	40
Number of ordinances	10	20	10	12
Licenses issued	34	34	29	30

**Department:** General Government **Fund:** 101  
**Program:** Elections **Cost Center:** 41410

**Program 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.

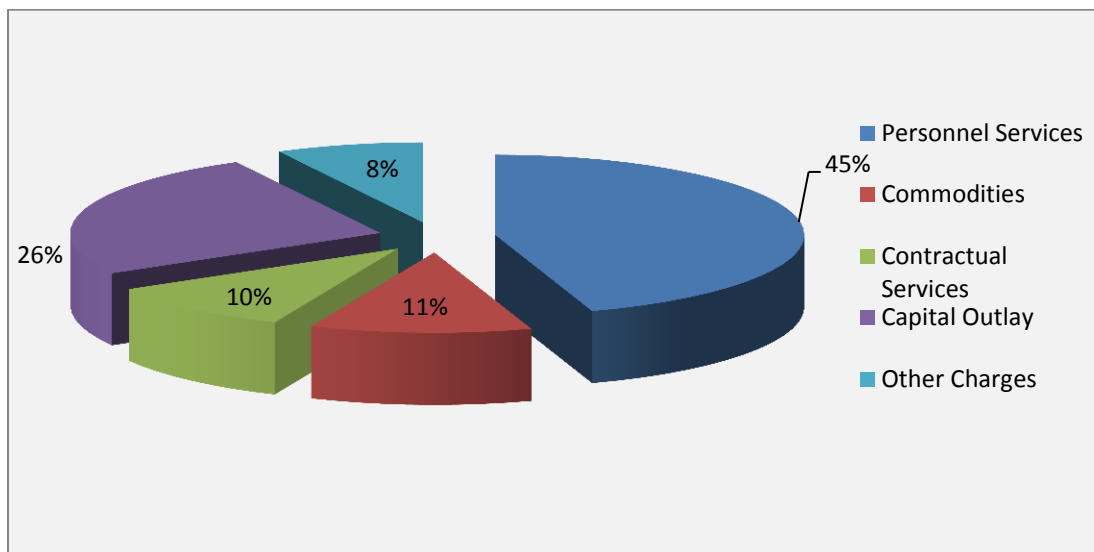
**Program Expenditure Highlights**

Elections are normally held on even numbered years.

<b><u>Program Expenditures</u></b>	2011	2012	2013	2014	PERCENT OVER(UNDER) 2013 BUDGET
	ACTUAL	ACTUAL	BUDGET	BUDGET	
Personnel Services	\$ -	\$ 2,974	\$ -	\$ 3,500	N/A
Commodities	-	747	-	900	N/A
Contractual Services	46	700	40	790	1875.0%
Capital Outlay	-	-	10,000	2,000	-80.0%
Other Charges	-	557	-	600	N/A
<b>Total</b>	<b>\$ 46</b>	<b>\$ 4,978</b>	<b>\$ 10,040</b>	<b>\$ 7,790</b>	<b>-22.4%</b>

Full-Time Equivalent positions Election judges are paid based on the number of hours they work.

**Program Expenditures by Classification**



<b><u>Performance Measures</u></b>	2011 ACTUAL	2012 ACTUAL	2013 ACTUAL	2014 BUDGET
Number of registered voters	N/A	4,743	N/A	4,500
Number of votes cast	N/A	3,673	N/A	3,700
Number of precincts	N/A	3	N/A	3
Number of voting locations	N/A	2	N/A	2

**Department:** General Government      **Fund:** 101  
**Program:** Finance      **Cost Center:** 41500

**Program Description**

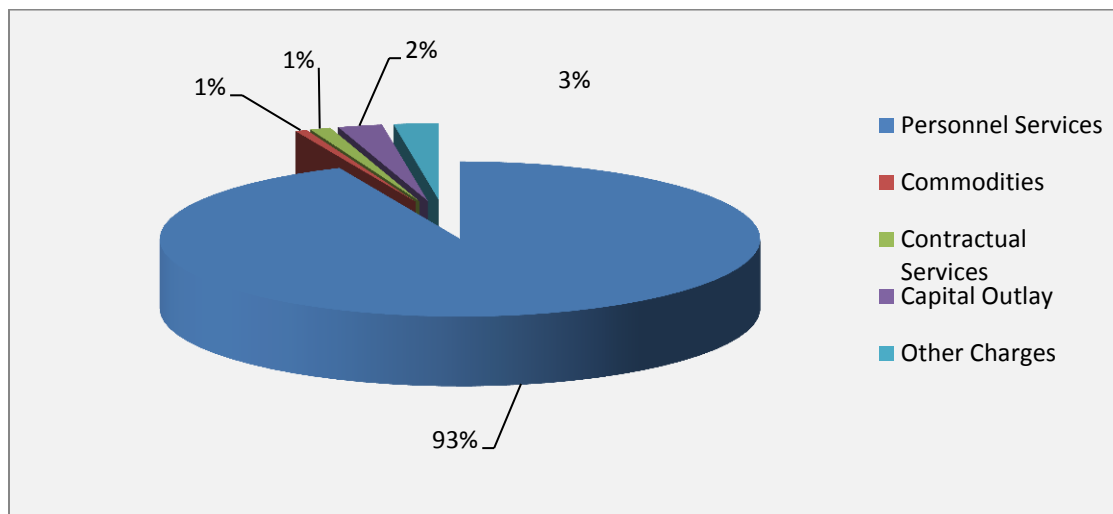
This program is responsible for administration of the City's financial affairs. This includes maintaining accounting records for all operations, investment of funds, supervision of revenue collection, disbursements of city monies, debt administration, payroll, audit and budget preparation, and risk management.

**Program Expenditure Highlights**

Capital Outlay is for on-going computer needs.

<b><u>Program Expenditures</u></b>	2011	2012	2013	2014	PERCENT
	ACTUAL	ACTUAL	BUDGET	BUDGET	OVER(UNDER) 2013 BUDGET
Personnel Services	\$ 99,260	\$103,982	\$116,940	\$124,950	6.8%
Commodities	961	543	800	800	0.0%
Contractual Services	1,286	1,247	1,400	1,400	0.0%
Capital Outlay	-	-	3,000	3,000	0.0%
Other Charges	1,867	2,675	3,050	3,500	14.8%
<b>Total</b>	<b>\$103,374</b>	<b>\$108,447</b>	<b>\$125,190</b>	<b>\$133,650</b>	<b>6.8%</b>
Full-Time Equivalent positions	1.50	1.50	1.50	1.50	0.0%

**Program Expenditures by Classification**



<b><u>Performance Measures</u></b>	2011 ACTUAL	2012 ACTUAL	2013 ACTUAL	2014 BUDGET
Number of invoices paid	5,319	5,461	5,304	5,300
Number of payroll direct deposits	1,259	1,245	1,230	1,240
Number of receipts processed	1,011	1,266	154	950
Number of wires/ACH transactions	247	341	382	290

**Department:** General Government      **Fund:** 101  
**Program:** Auditing and Accounting      **Cost Center:** 41540

**Program Description**

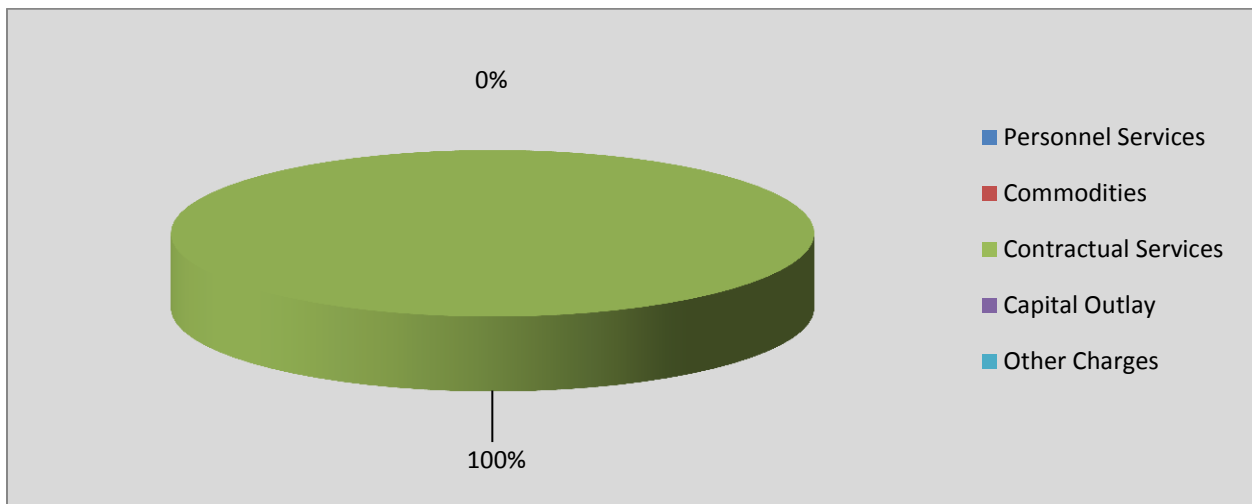
This program accounts for costs associated with the annual audit of the City, our financial accounting software, and administration of our benefit services.

**Program Expenditure Highlights**

Audit costs are expected to stay relatively the same.

<b><u>Program Expenditures</u></b>	2011	2012	2013	2014	PERCENT OVER(UNDER) 2013 BUDGET
	ACTUAL	ACTUAL	BUDGET	BUDGET	
Personnel Services	\$ -	\$ -	\$ -	\$ -	N/A
Commodities	-	-	-	-	N/A
Contractual Services	18,133	19,018	19,010	19,500	2.6%
Capital Outlay	-	-	-	-	N/A
Other Charges	-	-	-	-	N/A
<b>Total</b>	<b>\$ 18,133</b>	<b>\$ 19,018</b>	<b>\$ 19,010</b>	<b>\$ 19,500</b>	<b>2.6%</b>

**Program Expenditures by Classification**



**Department:** General Government  
**Program:** Assessing

**Fund:** 101  
**Cost Center:** 41550

**Program Description**

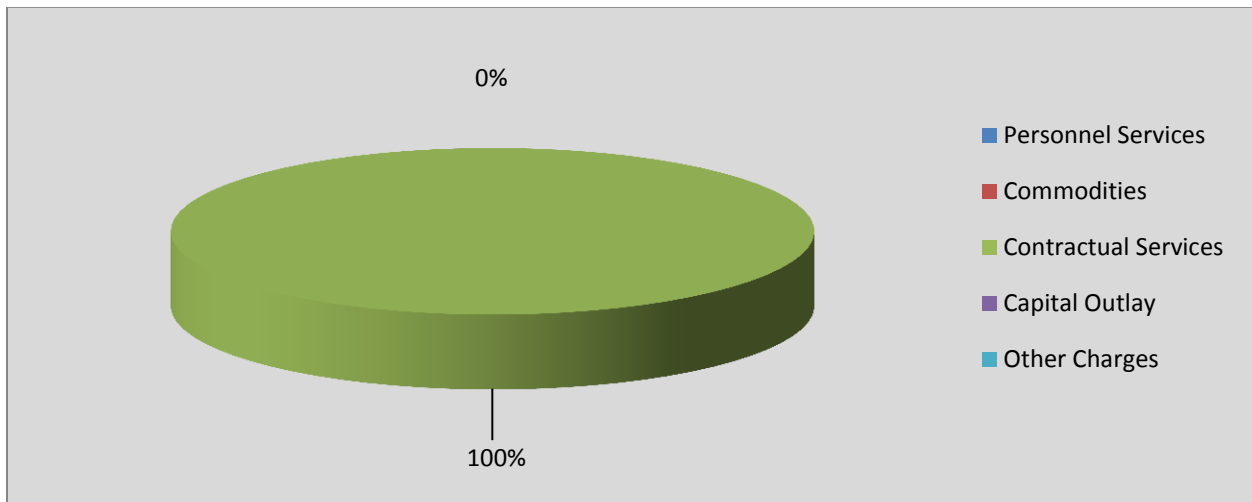
Assessing is responsible for classifying, valuing and equalizing all taxable and exempt property within City limits. The City contracts with Anoka County for this service.

**Program Expenditure Highlights**

The costs for this program remain fairly flat.

<b><u>Program Expenditures</u></b>	2011	2012	2013	2014	PERCENT
	ACTUAL	ACTUAL	BUDGET	BUDGET	OVER(UNDER) 2013 BUDGET
Personnel Services	\$ -	\$ -	\$ -	\$ -	N/A
Commodities	-	-	-	-	N/A
Contractual Services	39,465	39,266	41,030	42,000	2.4%
Capital Outlay	-	-	-	-	N/A
Other Charges	-	-	-	-	N/A
<b>Total</b>	<b>\$ 39,465</b>	<b>\$ 39,266</b>	<b>\$ 41,030</b>	<b>\$ 42,000</b>	<b>2.4%</b>

**Program Expenditures by Classification**



**Department:** General Government  
**Program:** Legal  
**Fund:** 101  
**Cost Center:** 41600

**Program Description**

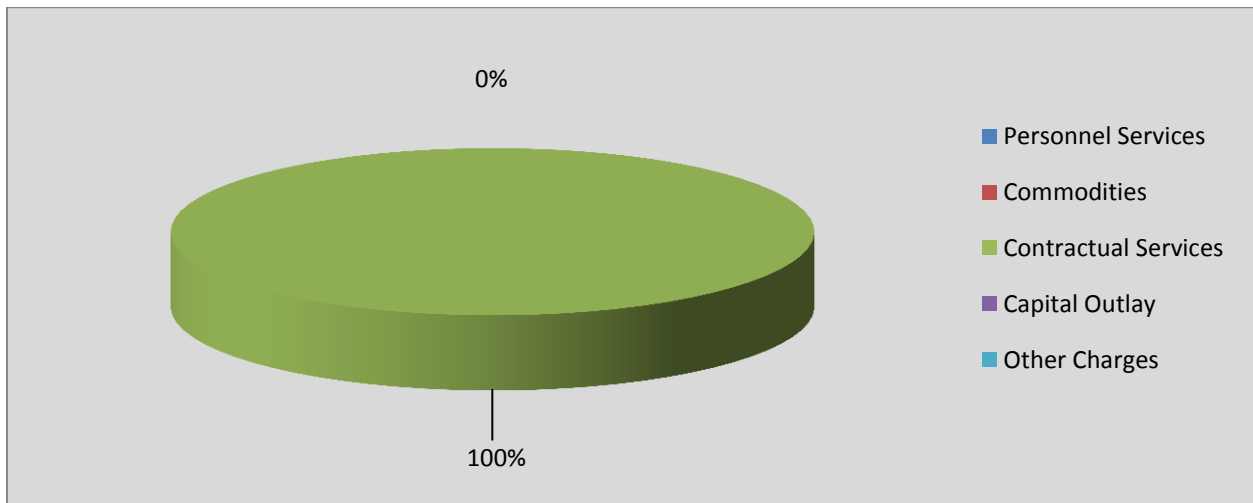
The City Attorney provides City Council and staff with research and support on issues of a legal matter. The City Attorney also serves as the chief prosecuting attorney for the City, attends Council meetings, and serves in an advisory capacity to all City departments on matters coming before the City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

**Program Expenditure Highlights**

The city anticipates a small change from 2013 to 2014.

<b><u>Program Expenditures</u></b>	2011	2012	2013	2014	PERCENT
	ACTUAL	ACTUAL	BUDGET	BUDGET	OVER(UNDER) 2013 BUDGET
Personnel Services	\$ -	\$ -	\$ -	\$ -	N/A
Commodities	-	-	-	-	N/A
Contractual Services	88,041	90,834	120,100	120,530	0.4%
Capital Outlay	-	-	-	-	N/A
Other Charges	-	-	-	-	N/A
<b>Total</b>	<b>\$ 88,041</b>	<b>\$ 90,834</b>	<b>\$120,100</b>	<b>\$120,530</b>	<b>0.4%</b>

**Program Expenditures by Classification**



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**Department:** General Government **Fund:** 101  
**Program:** Government Buildings **Cost Center:** 41940

**Program Description**

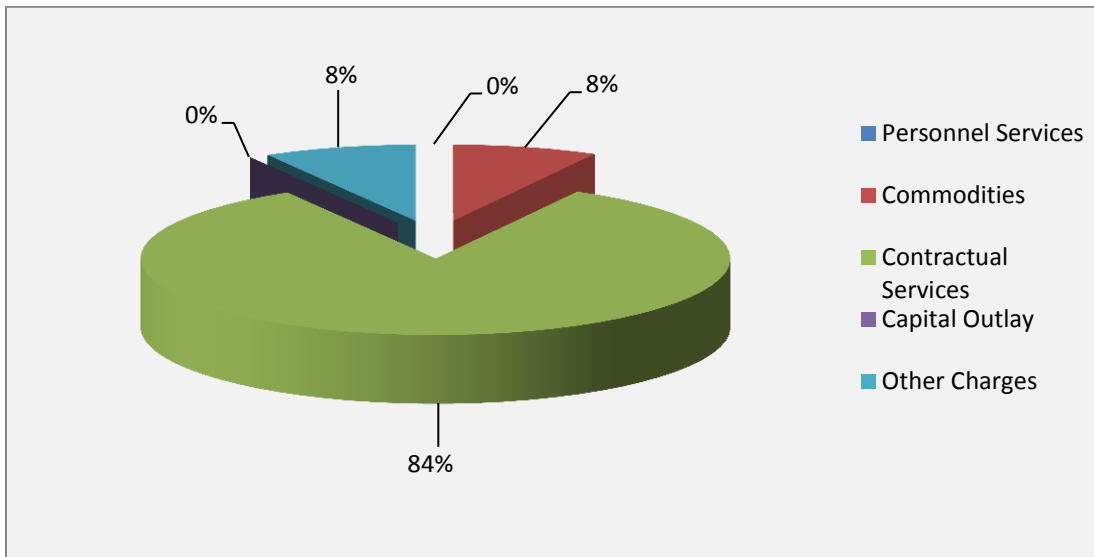
Provide for a clean, well-maintained and comfortable environment for building users of City Hall.

**Program Expenditure Highlights**

The city has seen a decrease in janitorial services and electric costs are scheduled to rise.

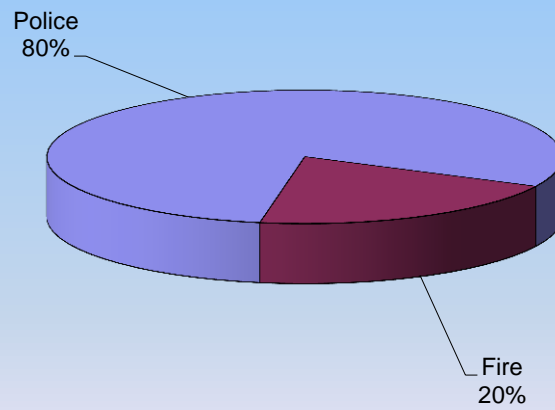
<u>Program Expenditures</u>	2011 ACTUAL	2012 ACTUAL	2013 BUDGET	2014 BUDGET	PERCENT OVER(UNDER) 2013 BUDGET
Personnel Services	\$ -	\$ -	\$ -	\$ -	N/A
Commodities	301	582	2,500	2,000	-20.0%
Contractual Services	26,722	22,251	26,370	20,950	-20.6%
Capital Outlay	-	-	-	-	N/A
Other Charges	1,343	2,394	1,725	2,100	21.7%
<b>Total</b>	<b>\$ 28,366</b>	<b>\$ 25,227</b>	<b>\$ 30,595</b>	<b>\$ 25,050</b>	<b>-18.1%</b>

**Program Expenditures by Classification**

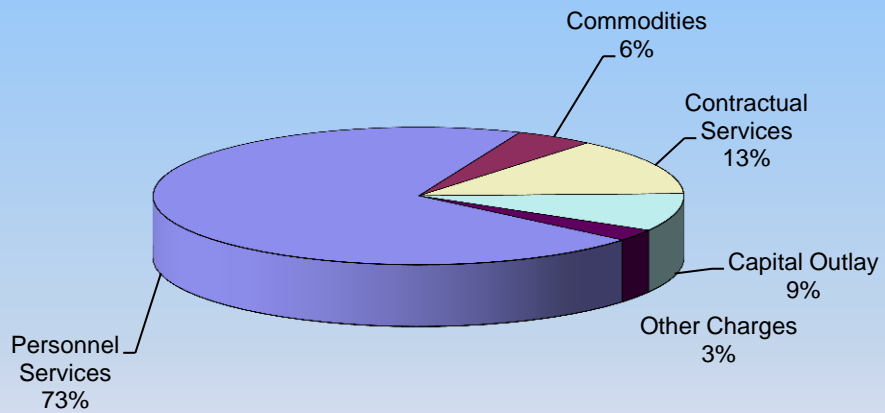


# PUBLIC SAFETY 2014 BUDGET

### Total By Program



### Total By Classification



**CITY OF ST. FRANCIS, MINNESOTA  
PUBLIC SAFETY SUMMARY**

Total By Program	2011	2012	2013	2014	PERCENT
	ACTUAL	ACTUAL	BUDGET	BUDGET	OVER(UNDER) 2013 BUDGET
Police	\$1,291,729	\$1,277,731	\$1,451,960	\$1,403,740	-3.3%
Fire	316,959	271,690	273,762	361,089	31.9%
<b>Totals</b>	<b>1,608,688</b>	<b>1,549,421</b>	<b>1,725,722</b>	<b>1,764,829</b>	<b>2.3%</b>

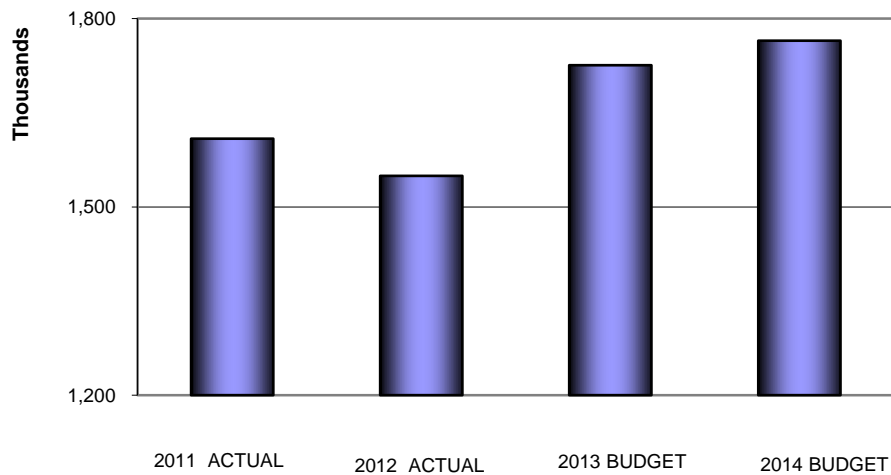
  

Total By Classification					
Personnel Services	1,175,550	1,173,591	1,213,260	1,237,465	2.0%
Commodities	69,688	72,376	117,500	84,000	-28.5%
Contractual Services	188,748	202,028	232,440	238,240	2.5%
Capital Outlay	131,394	65,857	99,022	156,524	58.1%
Other Charges	43,308	35,569	63,500	48,600	-23.5%
<b>Totals</b>	<b>1,608,688</b>	<b>1,549,421</b>	<b>1,725,722</b>	<b>1,764,829</b>	<b>2.3%</b>

Staffing					
Full-time equivalents	12.00	12.00	12.00	12.00	

**Expenditures**



**Department:** Public Safety      **Fund:** 101  
**Program:** Police      **Cost Center:** 42110

**Program Description**

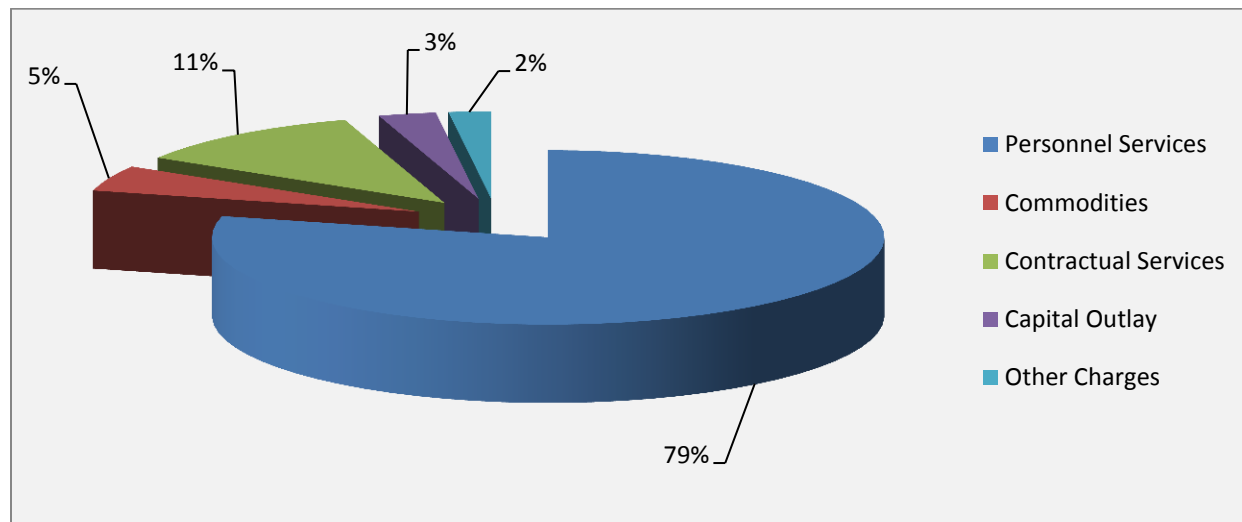
Enforce state laws and city ordinances as directed to provide the public with law enforcement services in the areas of patrol, investigation, school liaison, crime prevention and traffic control. Animal control is also accounted for in this program.

**Program Expenditure Highlights**

The decrease in Capital Outlay is one car is scheduled to be purchased. Commodities went down for fuel costs.

<b><u>Program Expenditures</u></b>	2011 ACTUAL	2012 ACTUAL	2013 BUDGET	2014 BUDGET	PERCENT OVER(UNDER) 2013 BUDGET
Personnel Services	\$ 1,053,030	\$ 1,059,950	\$ 1,085,820	\$ 1,107,600	2.0%
Commodities	48,644	53,251	94,000	67,000	-28.7%
Contractual Services	112,679	116,231	162,740	161,640	-0.7%
Capital Outlay	59,560	28,533	65,900	39,000	-40.8%
Other Charges	17,816	19,766	43,500	28,500	-34.5%
<b>Total</b>	<b>\$ 1,291,729</b>	<b>\$ 1,277,731</b>	<b>\$ 1,451,960</b>	<b>\$ 1,403,740</b>	<b>-3.3%</b>
Full-Time Equivalent positions	12.00	12.00	12.00	12.00	0.0%

**Program Expenditures by Classification**



<b><u>Performance Measures</u></b>	2011 ACTUAL	2012 ACTUAL	2013 ACTUAL	2014 PROJECTED
Total calls for service	4,859	5,419	4,990	6,500
Citations issued	695	900	640	1,100
Chargeable offenses (Parts 1 & 2)	735	998	700	1,200
Miscellaneous offenses (Parts 3 & 4)	4,124	4,421	4,290	4,600

**Department:** Public Safety      **Fund:** 101  
**Program:** Fire      **Cost Center:** 42210

**Program 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.

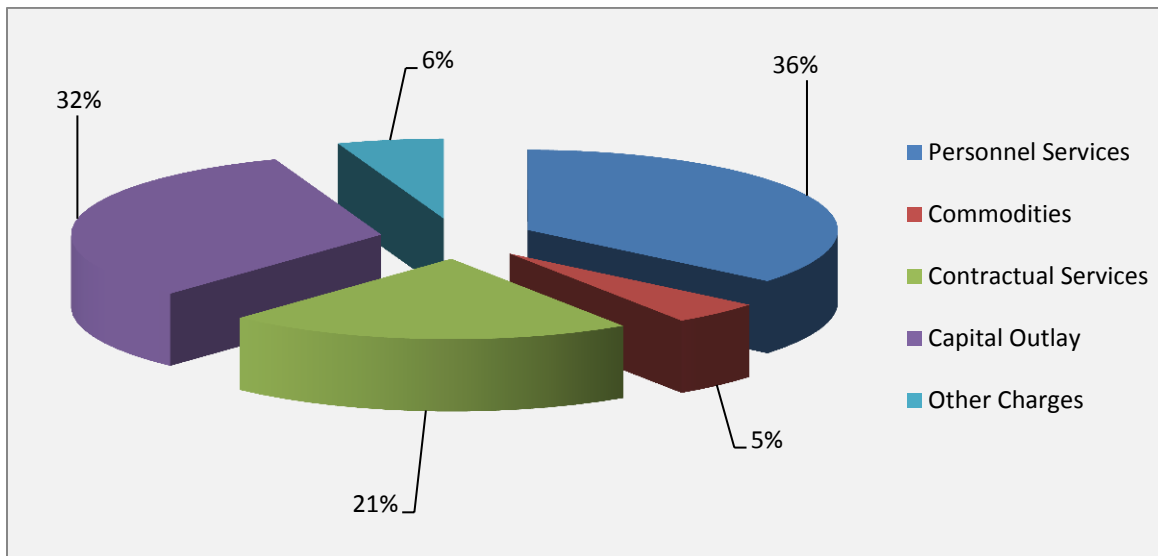
**Program Expenditure Highlights**

Personnel Services are tied to the number of calls the volunteer firefighters respond to.

<u>Program Expenditures</u>	2011	2012	2013	2014	PERCENT
	ACTUAL	ACTUAL	BUDGET	BUDGET	OVER(UNDER) 2013 BUDGET
Personnel Services	\$122,520	\$113,641	\$127,440	\$129,865	1.9%
Commodities	21,044	19,124	23,500	17,000	-27.7%
Contractual Services	76,069	85,797	69,700	76,600	9.9%
Capital Outlay	71,834	37,324	33,122	117,524	254.8%
Other Charges	25,492	15,804	20,000	20,100	0.5%
<b>Total</b>	<b>\$316,959</b>	<b>\$271,690</b>	<b>\$273,762</b>	<b>\$361,089</b>	<b>31.9%</b>

Full-Time Equivalent positions      Paid on-call fire department.

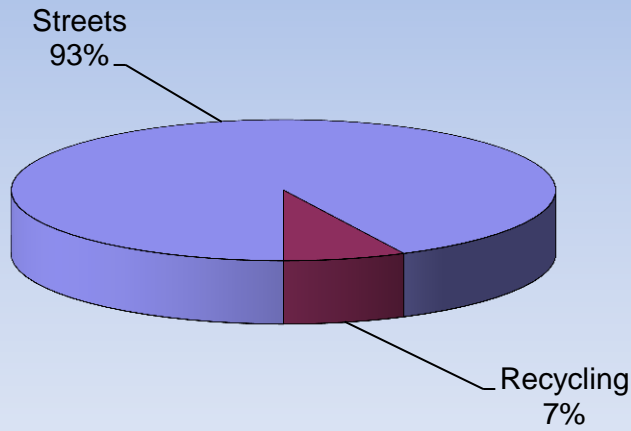
**Program Expenditures by Classification**



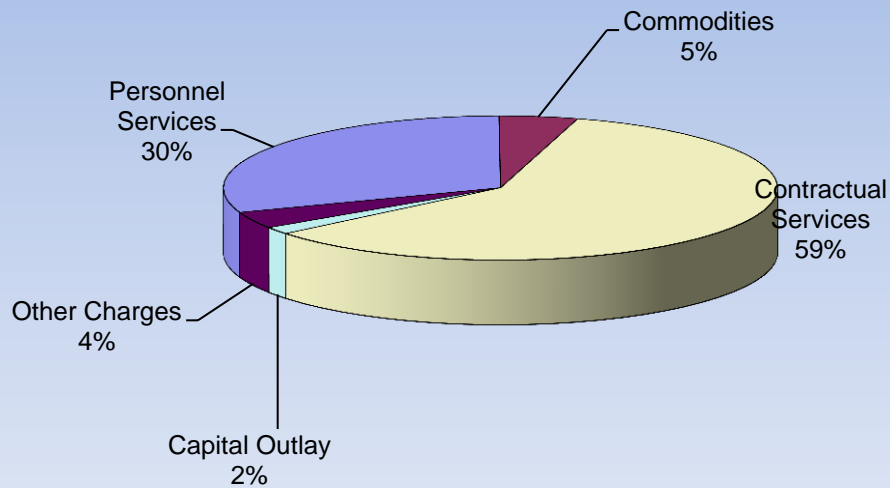
<u>Performance Measures</u>	2011	2012	2013	2014
	ACTUAL	ACTUAL	ACTUAL	PROJECTED
Total calls	393	415	368	400
Emergency medical responses	278	292	287	300

# PUBLIC WORKS 2014 BUDGET

### Total By Program



### Total By Classification



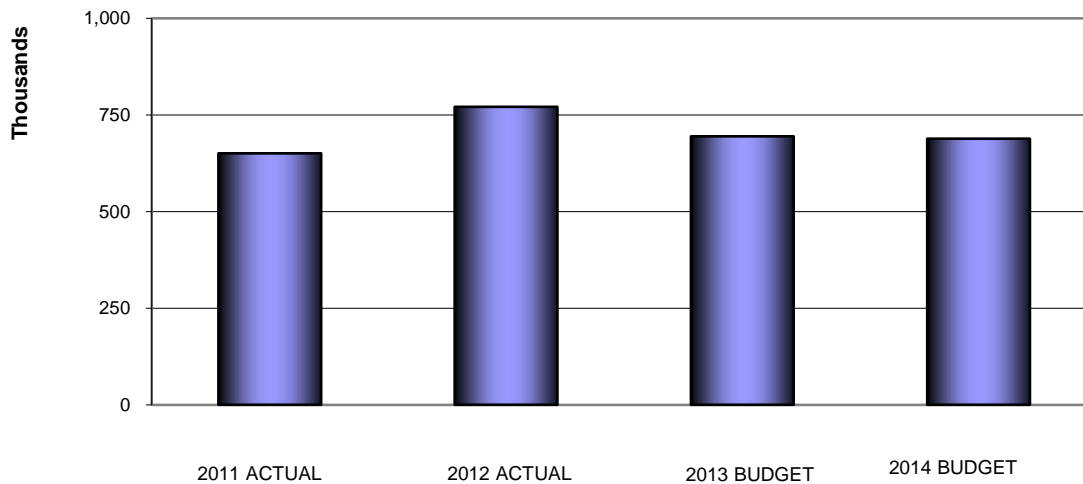
**CITY OF ST. FRANCIS, MINNESOTA  
PUBLIC WORKS SUMMARY  
EXPENDITURE ANALYSIS**

Total By Program	2011 ACTUAL	2012 ACTUAL	2013 BUDGET	2014 BUDGET	PERCENT OVER(UNDER) 2013 BUDGET
Streets	\$612,093	\$732,064	\$654,800	\$638,110	-2.5%
Recycling	38,193	38,479	39,460	50,040	26.8%
<b>Totals</b>	<b>650,286</b>	<b>770,543</b>	<b>694,260</b>	<b>688,150</b>	<b>-0.9%</b>

Total By Classification	2011 ACTUAL	2012 ACTUAL	2013 BUDGET	2014 BUDGET	PERCENT OVER(UNDER) 2013 BUDGET
Personnel Services	195,858	196,972	180,710	209,700	16.0%
Commodities	24,996	34,046	34,550	31,550	-8.7%
Contractual Services	405,775	246,378	451,750	409,850	-9.3%
Capital Outlay	0	265,561	0	11,250	N/A
Other Charges	23,657	27,586	27,250	25,800	-5.3%
<b>Totals</b>	<b>650,286</b>	<b>770,543</b>	<b>694,260</b>	<b>688,150</b>	<b>-0.9%</b>

Staffing	2011 ACTUAL	2012 ACTUAL	2013 BUDGET	2014 BUDGET
Full-time equivalents	2.95	2.65	1.80	2.35

**Expenditures**



**Department:** Public Works **Fund:** 101  
**Program:** Streets **Cost Center:** 43100

**Program Description**

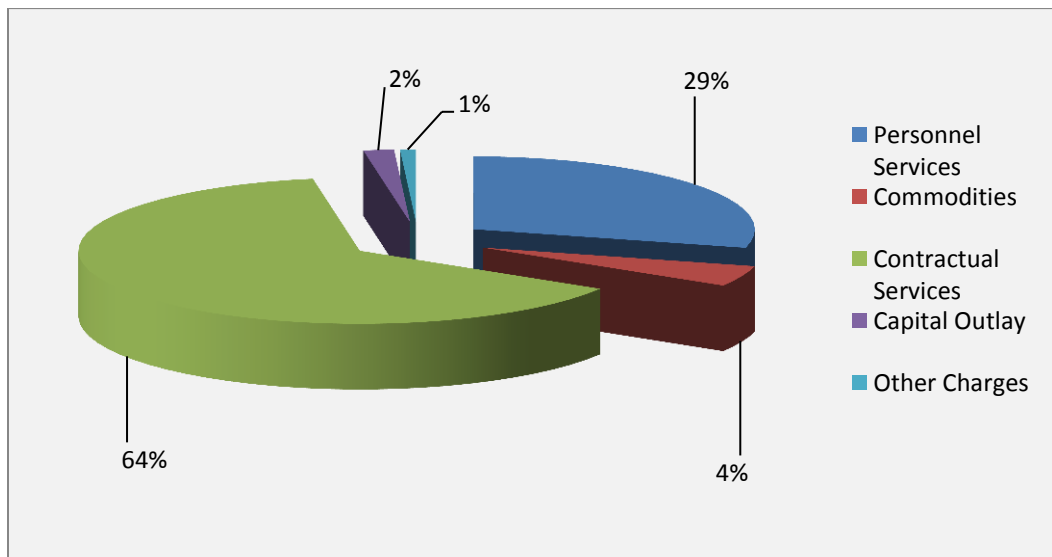
Maintains all City streets to minimize deterioration. Maintenance includes seal coating, crack sealing, pothole patching, sweeping, plowing, gravel road maintenance, and repairs of the storm drainage system. This program is also responsible for traffic control devices such as street signs, pavement markings,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

**Program Expenditure Highlights**

Personnel services is being adjusted to more accurately reflect where time is spent. Seal coating has been lowered to \$118,000 for 2014.

<b><u>Program Expenditures</u></b>	2011 ACTUAL	2012 ACTUAL	2013 BUDGET	2014 BUDGET	PERCENT OVER(UNDER) 2013 BUDGET
Personnel Services	\$173,886	\$187,154	\$167,400	\$185,610	10.9%
Commodities	24,858	18,604	32,450	29,450	-9.2%
Contractual Services	404,003	257,119	447,700	406,000	-9.3%
Capital Outlay	-	265,561	-	11,250	N/A
Other Charges	9,346	3,626	7,250	5,800	-20.0%
<b>Total</b>	<b>\$612,093</b>	<b>\$732,064</b>	<b>\$654,800</b>	<b>\$638,110</b>	<b>-2.5%</b>
Full-Time Equivalent positions	2.55	2.55	1.70	1.95	-33.3%

**Program Expenditures by Classification**



<b><u>Performance Measures</u></b>	2011 ACTUAL	2012 ACTUAL	2013 ACTUAL	2014 PROJECTED
Asphalt street miles maintained	36	36	36	36
Gravel road miles maintained	11	11	11	11
Street sweeping hours	90	60	73	60
Gravel usage (tons)	3625	4200	872	2000
Sand/salt usage (tons)	368	223	189	180



**Department:** Public Works  
**Program:** Recycling  
**Fund:** 101  
**Cost Center:** 43210

**Program Description**

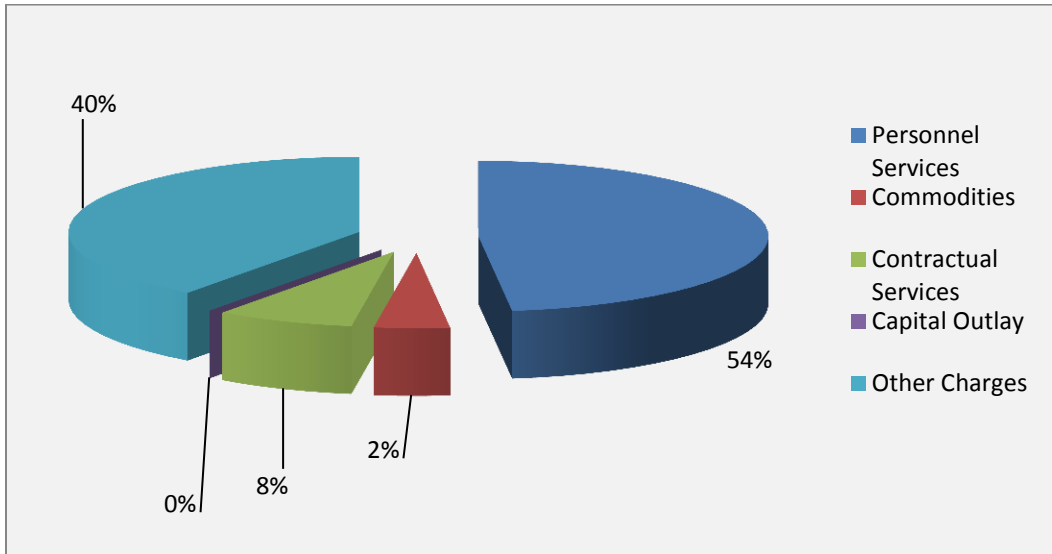
This program provides recycling opportunities to all city residents and surrounding areas. The goal is to provide this service in a cost effective manner while ensuring compliance with state rules and regulations.

**Program Expenditure Highlights**

Other charges reflects the costs of recycling days.

<b><u>Program Expenditures</u></b>	2011 ACTUAL	2012 ACTUAL	2013 BUDGET	2014 BUDGET	PERCENT OVER(UNDER) 2013 BUDGET
Personnel Services	\$ 21,972	\$ 21,801	\$ 13,310	\$ 24,090	81.0%
Commodities	138	1,644	2,100	2,100	0.0%
Contractual Services	1,772	1,773	4,050	3,850	-4.9%
Capital Outlay	-	-	-	-	N/A
Other Charges	14,311	13,261	20,000	20,000	0.0%
<b>Total</b>	<b>\$ 38,193</b>	<b>\$ 38,479</b>	<b>\$ 39,460</b>	<b>\$ 50,040</b>	<b>26.8%</b>
Full-Time Equivalent positions	0.40	0.10	0.10	0.40	0.0%

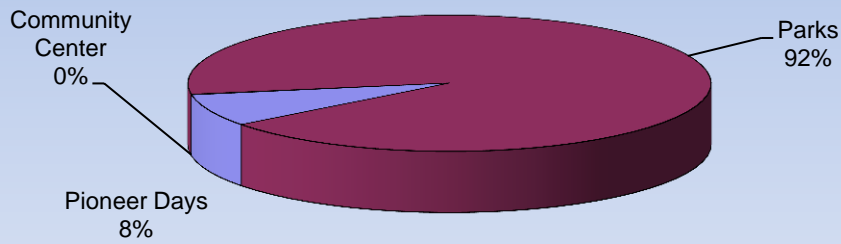
**Program Expenditures by Classification**



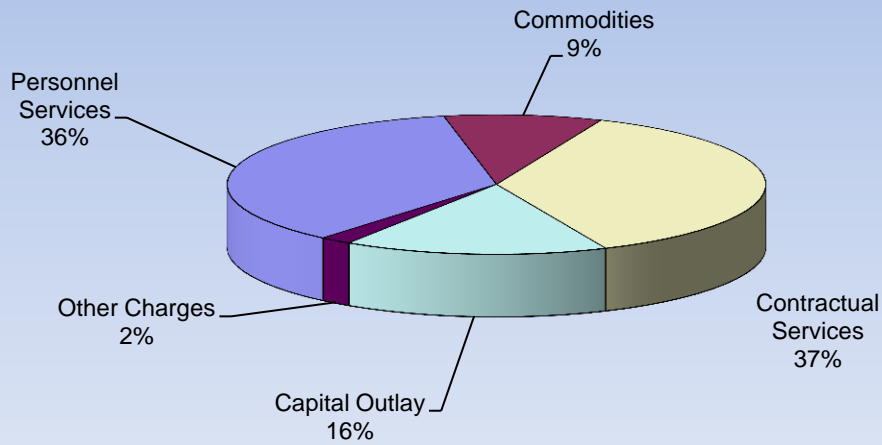
<b><u>Performance Measures</u></b>	2010 ACTUAL	2011 ACTUAL	2012 ACTUAL	2013 PROJECTED
Recycling days	2	2	2	1
Recycling collection tonnage	476	553	572	600

# CULTURE & RECREATION 2014 BUDGET

### Total By Program



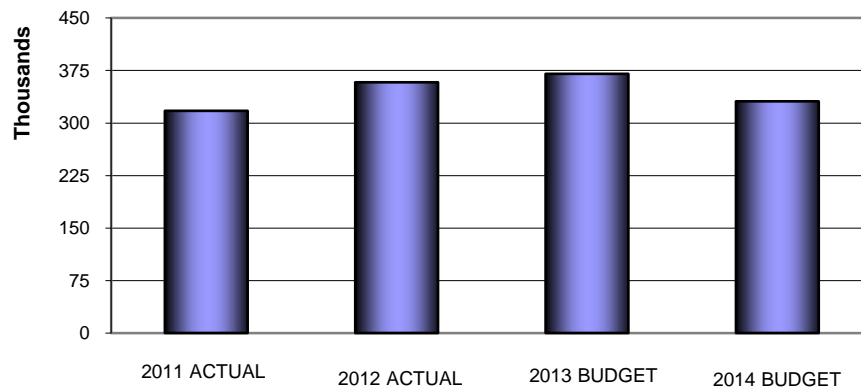
### Total By Classification



**CITY OF ST. FRANCIS, MINNESOTA  
CULTURE & RECREATION SUMMARY  
EXPENDITURE ANALYSIS**

Total By Program	2011 ACTUAL	2012 ACTUAL	2013 BUDGET	2014 BUDGET	PERCENT OVER(UNDER) 2013 BUDGET
Community Center	\$876	\$992	\$3,370	\$550	-83.7%
Parks	284,443	324,706	329,390	305,100	-7.4%
Pioneer Days	31,997	32,374	37,400	25,250	-32.5%
<b>Totals</b>	<b>317,316</b>	<b>358,072</b>	<b>370,160</b>	<b>330,900</b>	<b>-10.6%</b>
<b>Total By Classification</b>					
Personnel Services	143,394	132,961	130,700	118,300	-9.5%
Commodities	15,341	45,483	51,900	31,400	-39.5%
Contractual Services	97,266	94,867	147,820	122,500	-17.1%
Capital Outlay	27,236	80,818	31,940	52,400	64.1%
Other Charges	34,079	3,945	7,800	6,300	-19.2%
<b>Totals</b>	<b>317,316</b>	<b>358,072</b>	<b>370,160</b>	<b>330,900</b>	<b>-10.6%</b>
<b>Staffing</b>					
Full-time equivalents	1.35	1.35	0.70	1.15	

**Expenditures**



**Department:** Culture & Recreation **Fund:** 101  
**Program:** Community Center **Cost Center:** 45000

**Program Description**

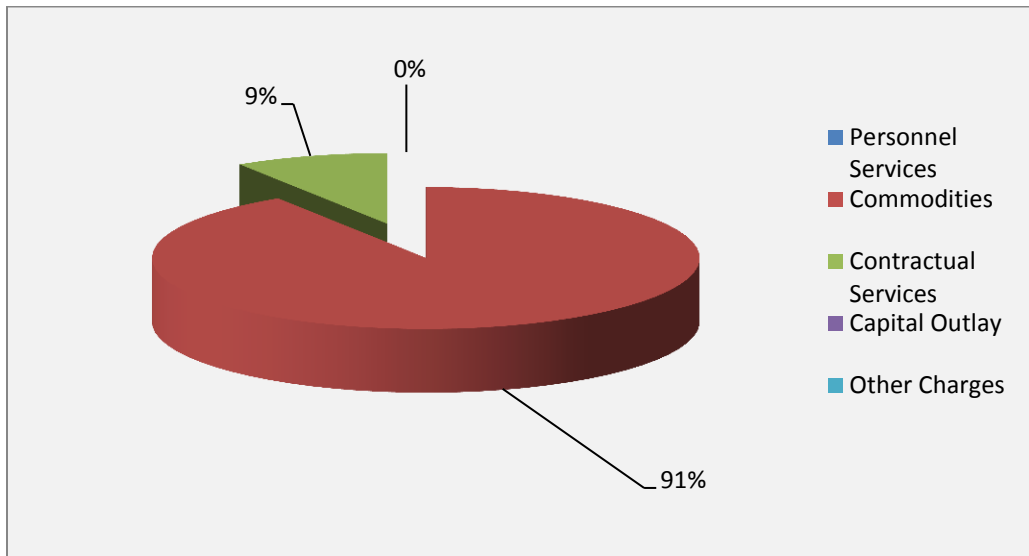
Provides for the operation and maintenance of the Community Center on Cree Street NW.

**Program Expenditure Highlights**

Most costs are shown in the Government Buildings department.

<b><u>Program Expenditures</u></b>	2011 ACTUAL	2012 ACTUAL	2013 BUDGET	2014 BUDGET	PERCENT OVER(UNDER) 2013 BUDGET
Personnel Services	\$ -	\$ -	\$ -	\$ -	N/A
Commodities	57	109	500	500	0.0%
Contractual Services	819	883	2,770	50	-98.2%
Capital Outlay	-	-	-	-	N/A
Other Charges	-	-	100	-	-100.0%
<b>Total</b>	<b>\$ 876</b>	<b>\$ 992</b>	<b>\$ 3,370</b>	<b>\$ 550</b>	<b>-83.7%</b>

**Program Expenditures by Classification**



<b><u>Performance Measures</u></b>	2011 ACTUAL	2012 ACTUAL	2013 ACTUAL	2014 PROJECTED
Number of uses	236	201	180	250

**Department:** Culture & Recreation **Fund:** 101  
**Program:** Parks **Cost Center:** 45200

**Program Description**

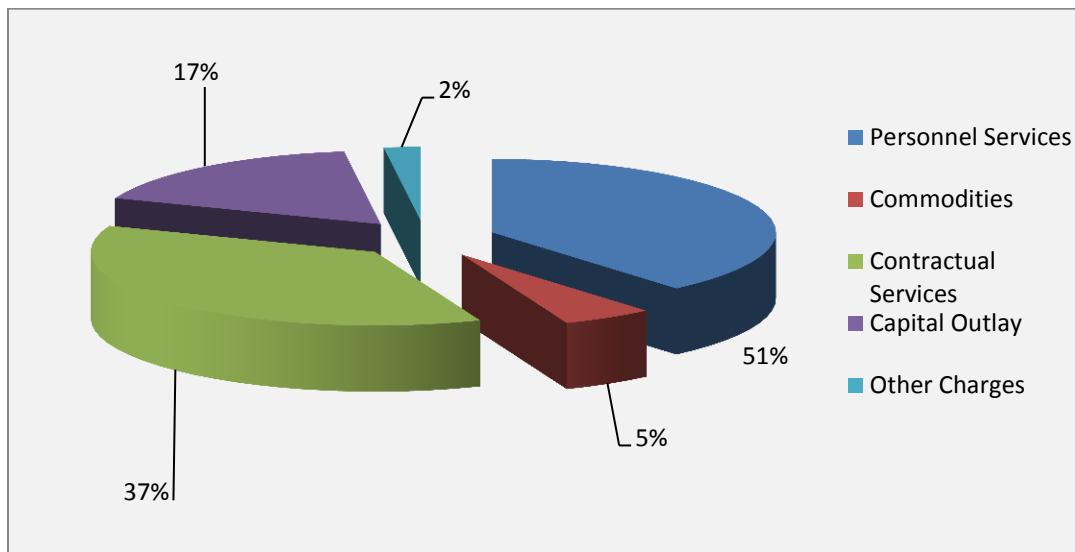
Provides for the overall planning, management and administrative activities of the park facilities and for the maintenance and improvement of park and recreational facilities, including skating rinks, athletic fields and neighborhood parks.

**Program Expenditure Highlights**

Personnel services dropped as they are going to only utilize one seasonal position instead of two.

<b><u>Program Expenditures</u></b>	2011 ACTUAL	2012 ACTUAL	2013 BUDGET	2014 BUDGET	PERCENT OVER(UNDER) 2013 BUDGET
Personnel Services	\$143,394	\$132,960	\$125,500	\$118,300	-5.7%
Commodities	15,284	13,179	19,200	15,900	-17.2%
Contractual Services	96,447	93,984	145,050	112,200	-22.6%
Capital Outlay	27,236	80,818	31,940	52,400	64.1%
Other Charges	2,082	3,765	7,700	6,300	-18.2%
<b>Total</b>	<b>\$284,443</b>	<b>\$324,706</b>	<b>\$329,390</b>	<b>\$305,100</b>	<b>-7.4%</b>
Full-Time Equivalent positions	1.35	1.35	0.70	1.15	-48.1%

**Program Expenditures by Classification**



<b><u>Performance Measures</u></b>	2011 ACTUAL	2012 ACTUAL	2013 BUDGET	2014 BUDGET
Number of parks maintained	14	14	14	14
Total acreage mowed	58	58	58	58
Ballfields maintained	2	2	2	2
Number of playgrounds	8	8	8	8
Miles of trail maintained	7	7	7	7

**Department:** Culture & Recreation  
**Program:** Pioneer Days

**Fund:** 101  
**Cost Center:** 45230

**Program Description**

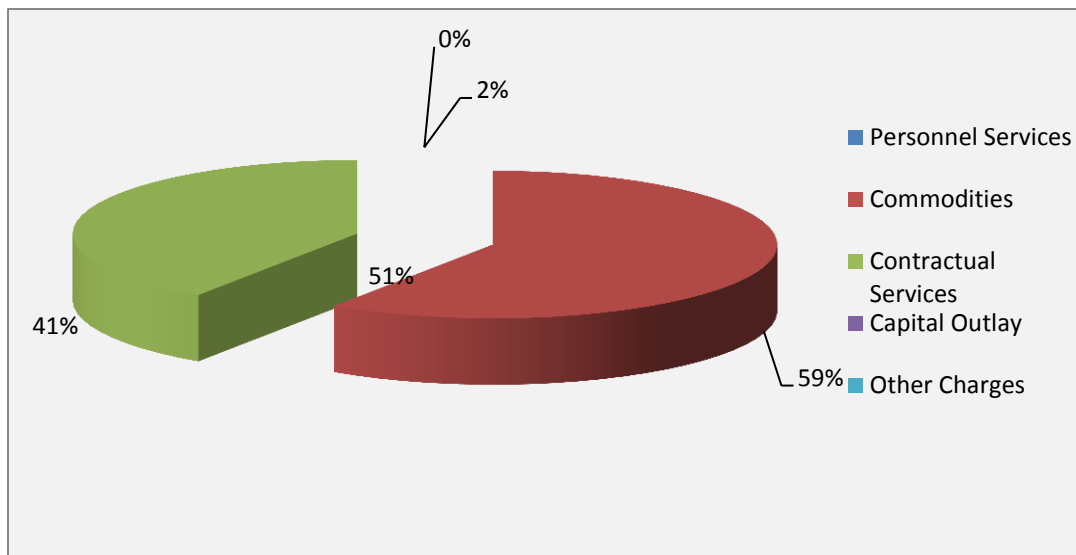
Provides for the City's annual celebration in June.

**Program Expenditure Highlights**

The Pioneer Days celebration will be run by the Chamber of Commerce with the city contributing \$15,000.00 to them.

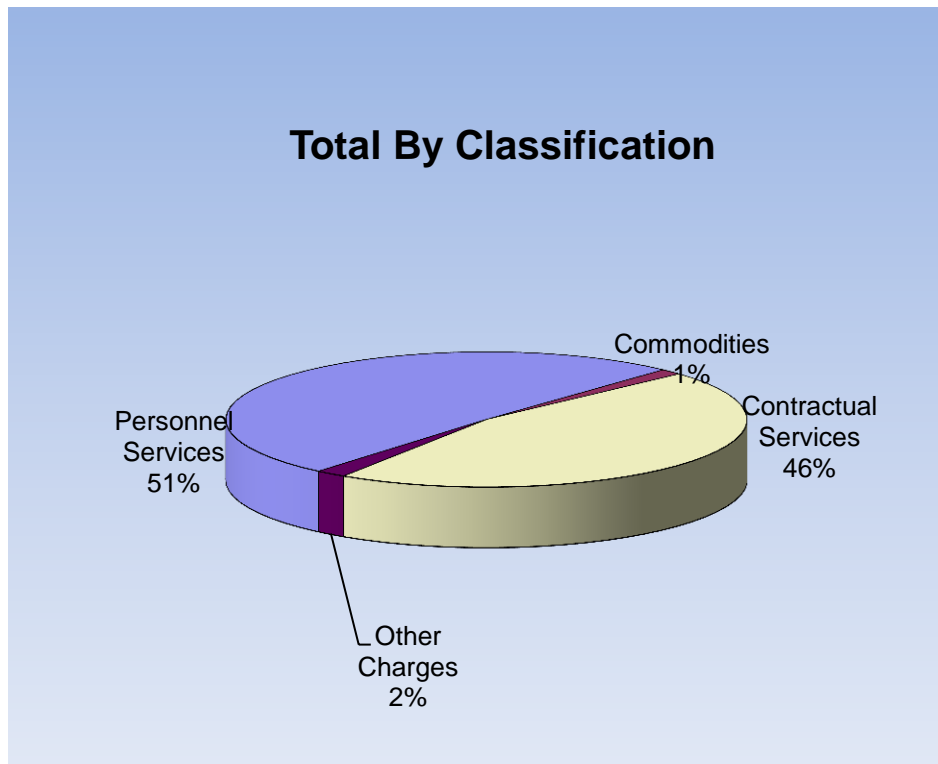
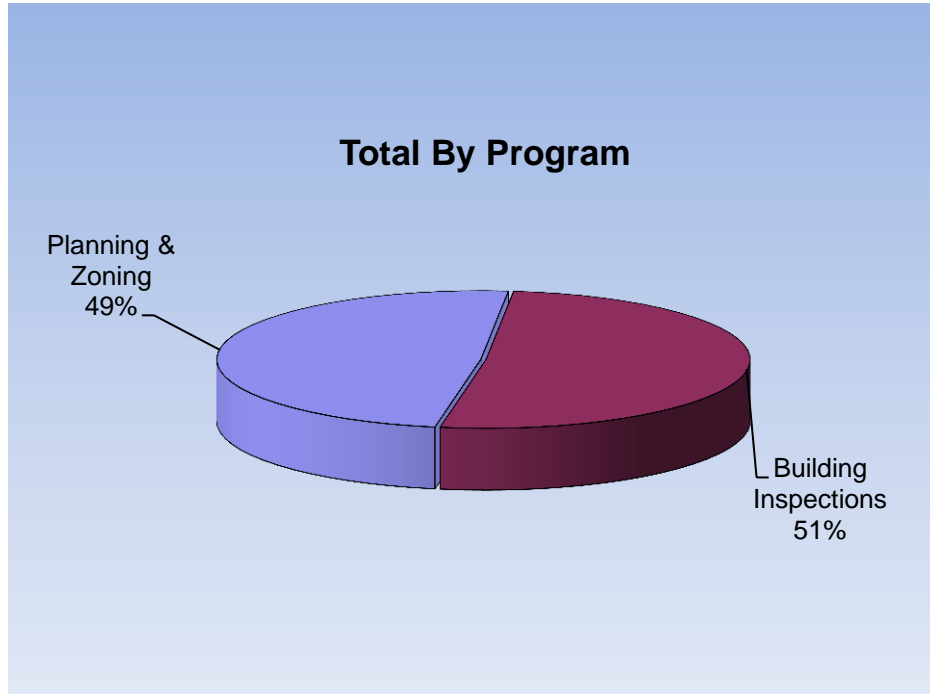
<b><u>Program Expenditures</u></b>	2011	2012	2013	2014	PERCENT
	ACTUAL	ACTUAL	BUDGET	BUDGET	OVER(UNDER) 2013 BUDGET
Personnel Services	\$ -	\$ -	\$ 5,200	\$ -	-100.0%
Commodities	32,254	32,194	32,200	15,000	-53.4%
Contractual Services	-	-	-	10,250	N/A
Capital Outlay	-	-	-	-	N/A
Other Charges	-	180	-	-	N/A
<b>Total</b>	<b>\$ 32,254</b>	<b>\$ 32,374</b>	<b>\$ 37,400</b>	<b>\$ 25,250</b>	<b>-32.5%</b>
Full-Time Equivalent positions	-	-	-	-	N/A

**Program Expenditures by Classification**



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# COMMUNITY DEVELOPMENT 2014 BUDGET





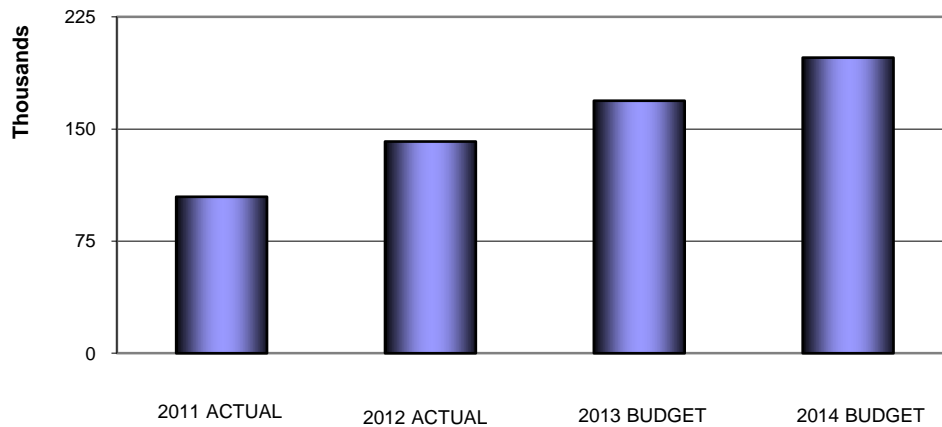
CITY OF ST. FRANCIS, MINNESOTA  
**COMMUNITY DEVELOPMENT SUMMARY**  
 EXPENDITURE ANALYSIS

Total By Program	2011 ACTUAL	2012 ACTUAL	2013 BUDGET	2014 BUDGET	PERCENT OVER(UNDER) 2013 BUDGET
Planning & Zoning	\$71,124	\$83,413	\$84,800	\$96,650	14.0%
Building Inspections	33,517	58,179	84,080	101,050	20.2%
<b>Totals</b>	<b>104,641</b>	<b>141,592</b>	<b>168,880</b>	<b>197,700</b>	<b>17.1%</b>

Total By Classification	2011 ACTUAL	2012 ACTUAL	2013 BUDGET	2014 BUDGET	PERCENT OVER(UNDER) 2013 BUDGET
Personnel Services	1,262	57,670	92,410	100,350	8.6%
Commodities	92	1,702	300	2,700	800.0%
Contractual Services	103,205	79,821	72,420	90,900	25.5%
Capital Outlay	0	0	0	0	N/A
Other Charges	82	2,399	3,750	3,750	0.0%
<b>Totals</b>	<b>104,641</b>	<b>141,592</b>	<b>168,880</b>	<b>197,700</b>	<b>17.1%</b>

Staffing	2011 ACTUAL	2012 ACTUAL	2013 BUDGET	2014 BUDGET
Full-time equivalents	0.00	0.00	1.00	1.00

**Expenditures**



**Department:** General Government  
**Program:** Planning and Zoning

**Fund:** 101  
**Cost Center:** 41910

**Program Description**

Performs long range planning, develops and implements zoning and subdivision ordinances, and reviews development proposals.

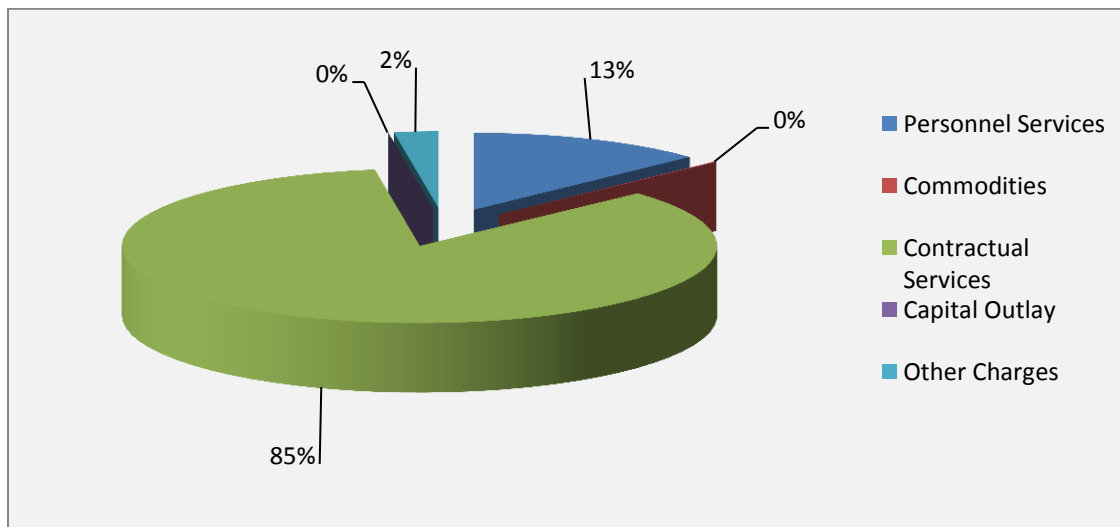
**Program Expenditure Highlights**

The city continues to have many zoning questions and complaints on properties.

<b><u>Program Expenditures</u></b>	2011 ACTUAL	2012 ACTUAL	2013 BUDGET	2014 BUDGET	PERCENT OVER(UNDER) 2013 BUDGET
Personnel Services	\$ 585	\$ 5,635	\$ 11,000	\$ 8,000	-27.3%
Commodities	45	-	100	100	0.0%
Contractual Services	70,412	77,055	71,650	86,900	21.3%
Capital Outlay	-	-	-	-	N/A
Other Charges	82	723	2,050	1,650	-19.5%
<b>Total</b>	<b>\$ 71,124</b>	<b>\$ 83,413</b>	<b>\$ 84,800</b>	<b>\$ 96,650</b>	<b>14.0%</b>

Full-Time Equivalent positions      Commission members are paid based on number of meetings attended.

**Program Expenditures by Classification**



<b><u>Performance Measures</u></b>	2011 ACTUAL	2012 ACTUAL	2013 ACTUAL	2014 PROJECTED
Special use permits	0	0	2	3
Ordinance amendments	5	7	7	2
Rezoning	1	1	1	1
Comp Plan amendments	0	2	0	0
Subdivisions processed	2	3	5	0
Concept plan review	0	0	0	0
Site plan review	1	0	2	1
Variations	1	1	1	0

**Department:** Community Development      **Fund:** 101  
**Program:** Building Inspections      **Cost Center:** 42400

**Program Description**

Provide for the administration of the Uniform Building Code requirements and related ordinances to safeguard life or limb, health, property and public welfare by regulating and controlling the design, construction, quality of materials, use and occupancy, location and maintenance of all building and structures within the City of St. Francis. In December, 2011, the city hired a part-time building inspector to take over these duties. The city then contracted with the City of Nowthen for building inspection and the position was changed to full-time in June.

**Program Expenditure Highlights**

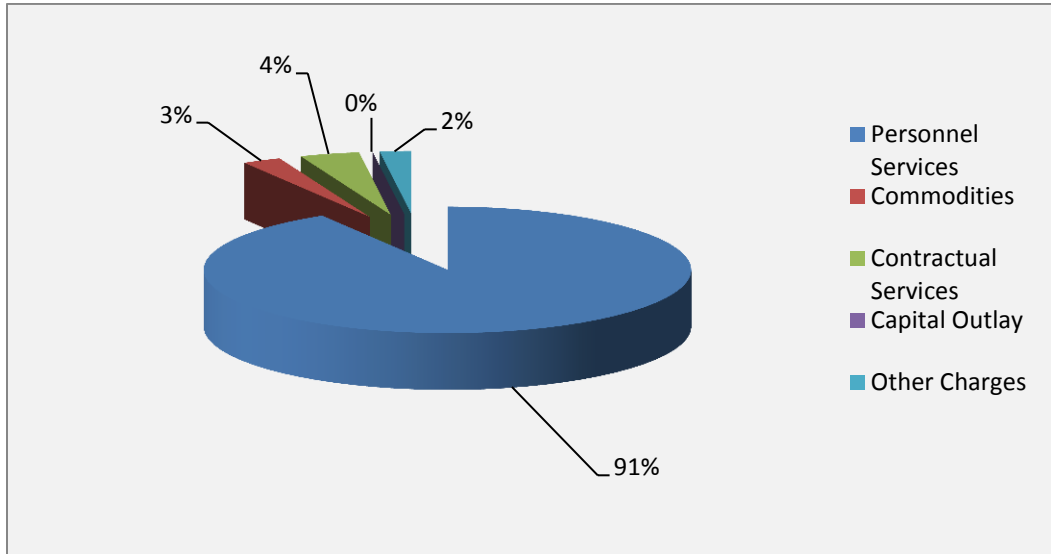
Adjusted for the costs associated with the full-time staff.

<b>Program Expenditures</b>	2011 ACTUAL	2012 ACTUAL	2013 BUDGET	2014 BUDGET	PERCENT OVER(UNDER) 2013 BUDGET
Personnel Services	\$ 677	\$ 52,035	\$ 81,410	\$ 92,350	13.4%
Commodities	47	1,702	200	2,600	1200.0%
Contractual Services	32,793	2,766	770	4,000	419.5%
Capital Outlay	-	-	-	-	N/A
Other Charges	-	1,676	1,700	2,100	23.5%
<b>Total</b>	<b>\$ 33,517</b>	<b>\$ 58,179</b>	<b>\$ 84,080</b>	<b>\$101,050</b>	<b>20.2%</b>

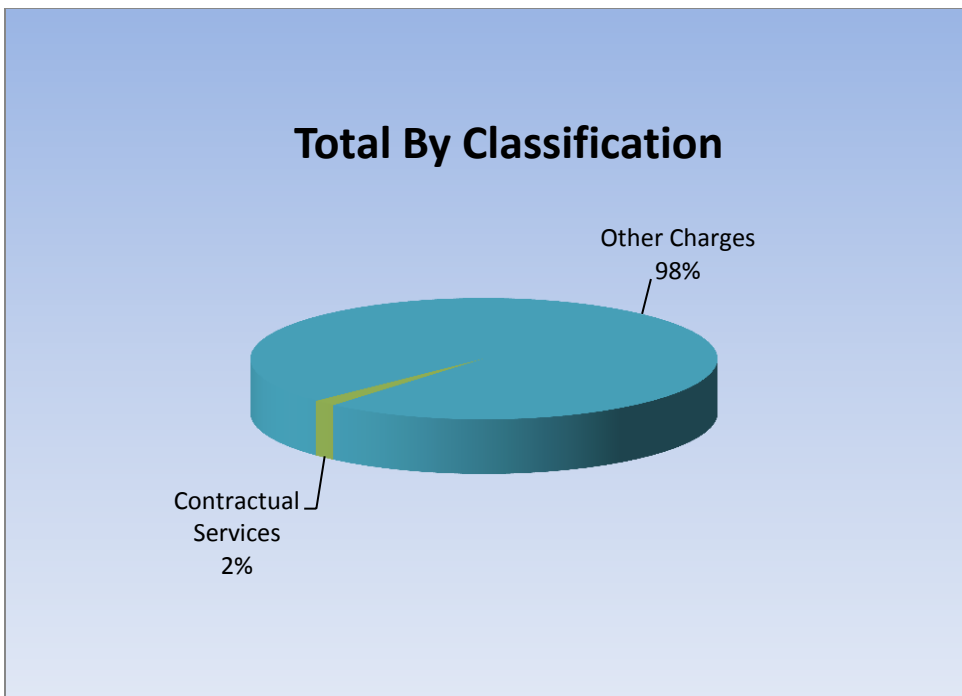
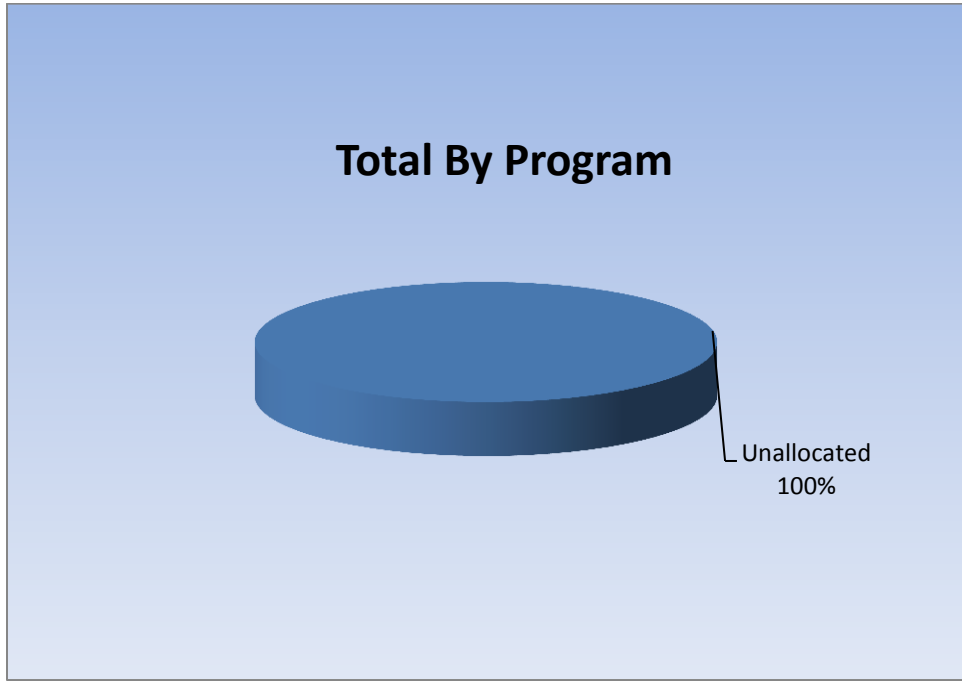
Full-Time Equivalent positions	0	0	1.00	1.00
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**Program Expenditures by Classification**



<b><u>Performance Measures</u></b>	2011 ACTUAL	2012 ACTUAL	2013 ACTUAL	2014 PROJECTED
Single family	4	7	12	10
Townhomes/Manufactured homes	0	0	0	0
Commercial/Industrial	1	0	1	1
Miscellaneous building permits	306	421	290	400

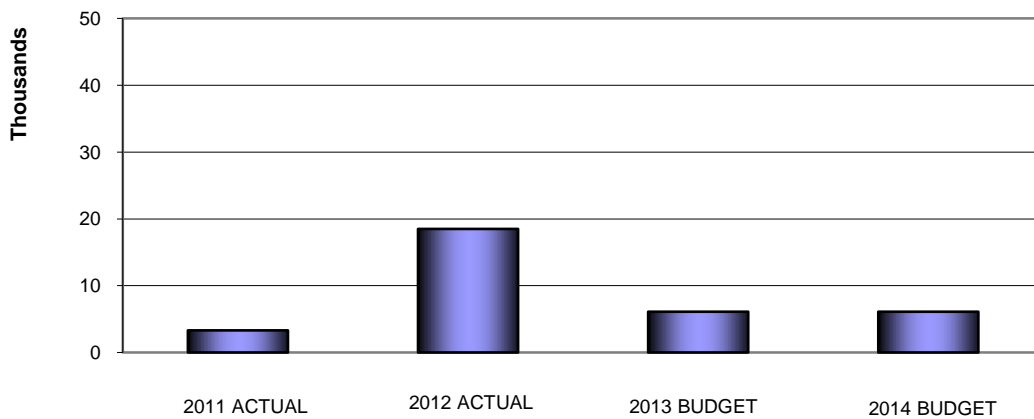
# MISCELLANEOUS 2014 BUDGET



**CITY OF ST. FRANCIS, MINNESOTA  
MISCELLANEOUS SUMMARY  
EXPENDITURE ANALYSIS**

Total By Program	2011 ACTUAL	2012 ACTUAL	2013 BUDGET	2014 BUDGET	PERCENT OVER(UNDER) 2013 BUDGET
Unallocated	\$3,308	\$18,494	\$6,100	\$6,100	0.0%
<b>Totals</b>	<b>3,308</b>	<b>18,494</b>	<b>6,100</b>	<b>6,100</b>	<b>0.0%</b>
<b>Total By Classification</b>					
Personnel Services	0	0	0	0	N/A
Commodities	0	0	0	0	N/A
Contractual Services	72	26	100	100	0.0%
Capital Outlay	0	0	0	0	N/A
Other Charges	3,236	18,468	6,000	6,000	0.0%
<b>Totals</b>	<b>3,308</b>	<b>18,494</b>	<b>6,100</b>	<b>6,100</b>	<b>0.0%</b>
<b>Staffing</b>					
Full-time equivalents	0.00	0.00	0.00	0.00	

**Expenditures**



**Department:** Miscellaneous      **Fund:** 101  
**Program:** Unallocated      **Cost Center:** 49200

**Program Description**

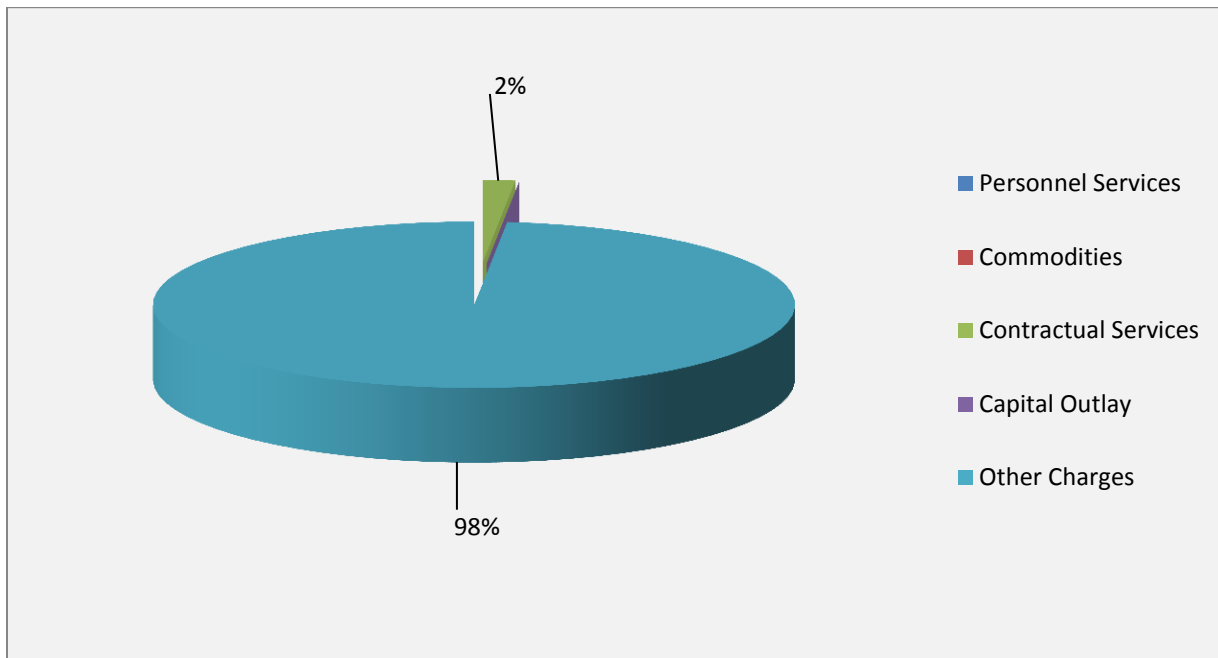
Contains funding for the unexpected and miscellaneous items not directly associated with a specific program.

**Program Expenditure Highlights**

The costs for this program are anticipated to remain stable.

<b><u>Program Expenditures</u></b>	2011	2012	2013	2014	PERCENT
	ACTUAL	ACTUAL	BUDGET	BUDGET	OVER(UNDER) 2013 BUDGET
Personnel Services	\$ -	\$ -	\$ -	\$ -	N/A
Commodities	-	-	-	-	N/A
Contractual Services	72	26	100	100	0.0%
Capital Outlay	-	-	-	-	N/A
Other Charges	3,236	18,468	6,000	6,000	0.0%
<b>Total</b>	<b>\$ 3,308</b>	<b>\$ 18,494</b>	<b>\$ 6,100</b>	<b>\$ 6,100</b>	<b>0.0%</b>

**Program Expenditures by Classification**





**SPECIAL REVENUE  
FUNDS**

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CITY OF ST. FRANCIS, MINNESOTA  
**POLICE FORFEITURE FUND (208)**  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

	2012 ACTUAL	2013 BUDGET	2013 ESTIMATE	2014 BUDGET
<u>Fines and Forfeits:</u>				
Confiscated property	\$ -	\$ -	\$ -	\$ -
<u>Miscellaneous:</u>				
Miscellaneous	-	-	-	-
<b>Total revenues</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<u>Expenditures:</u>				
Commodities	-	9,630	5,425	1,119
Contractual services	2,728	-	1,911	-
Other charges	-	-	-	-
<b>Total expenditures</b>	<b>2,728</b>	<b>9,630</b>	<b>7,336</b>	<b>1,119</b>
Excess (deficit) of revenues over expenditures	(2,728)	(9,630)	(7,336)	(1,119)
Fund balance - January 1	11,183	9,630	8,455	1,119
Fund balance - December 31	<u>\$ 8,455</u>	<u>\$ -</u>	<u>\$ 1,119</u>	<u>\$ -</u>

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.

CITY OF ST. FRANCIS, MINNESOTA  
**TAX INCREMENT TURTLE RIDGE FUND (250)**  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

	2012 ACTUAL	2013 BUDGET	2013 ESTIMATE	2014 BUDGET
<u>Revenues:</u>				
Tax increments	\$ 15,144	\$ 15,200	\$ 14,276	\$ 15,200
Investment earnings	182	-	200	-
<b>Total revenues</b>	<b>15,326</b>	<b>15,200</b>	<b>14,476</b>	<b>15,200</b>
<u>Expenditures:</u>				
Miscellaneous	-	600	600	600
Interest payments	14,177	14,000	12,848	13,000
<b>Total expenditures</b>	<b>14,177</b>	<b>14,600</b>	<b>13,448</b>	<b>13,600</b>
Excess (deficit) of revenues over expenditures	1,149	600	1,028	1,600
Fund balance - January 1	16,868	18,042	18,017	19,045
Fund balance - December 31	<u>\$ 18,017</u>	<u>\$ 18,642</u>	<u>\$ 19,045</u>	<u>\$ 20,645</u>

This fund is used to account for activity associated with the City's only Tax Increment Financing District which was established for the Turtle Ridge Townhome project.



**ENTERPRISE FUNDS**

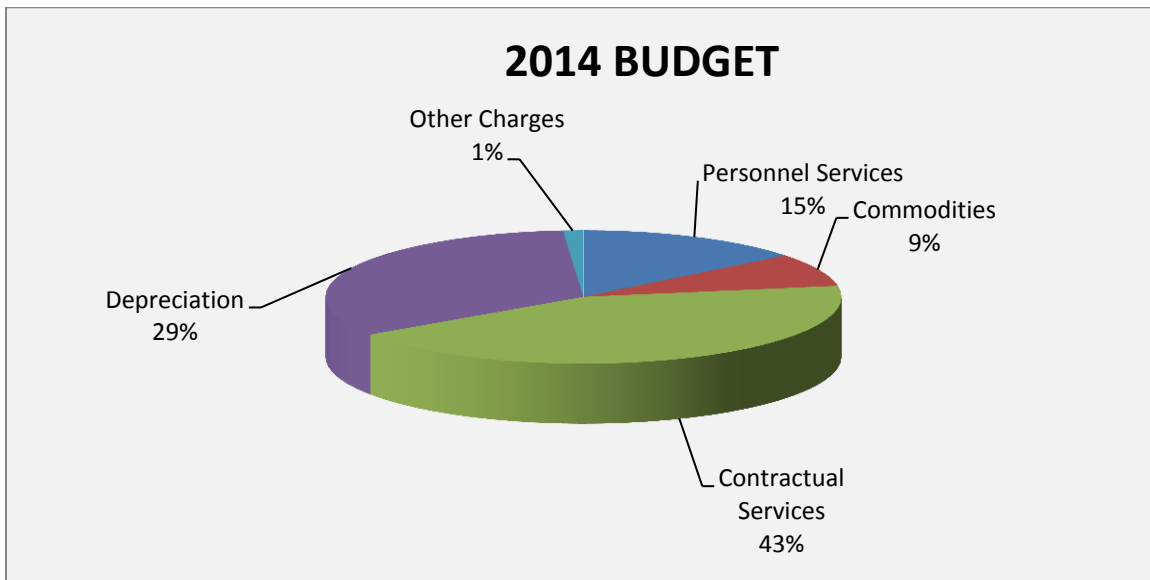
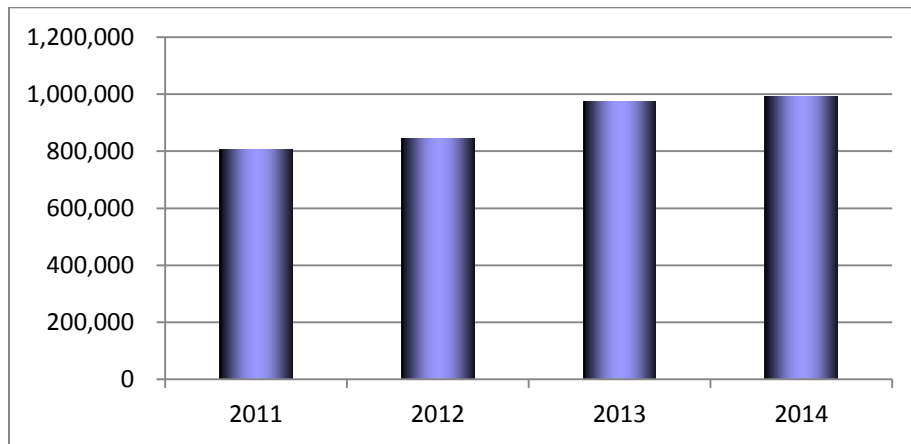
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**CITY OF ST. FRANCIS, MINNESOTA  
WATER FUND SUMMARY  
EXPENSE ANALYSIS**

Total By Classification	2011 ACTUAL	2012 ACTUAL	2013 BUDGET	2014 BUDGET	PERCENT OVER(UNDER) 2013 BUDGET
Personnel Services	152,168	136,032	154,390	142,000	-8.0%
Commodities	51,937	42,777	75,700	79,700	5.3%
Contractual Services	268,381	337,979	402,154	427,787	6.4%
Depreciation	327,100	322,687	330,000	330,000	0.0%
Other Charges	5,623	3,918	10,950	12,700	16.0%
<b>Totals</b>	<b>805,209</b>	<b>843,393</b>	<b>973,194</b>	<b>992,187</b>	<b>2.0%</b>

**Staffing**

Full-time equivalents	2.00	2.00	2.00	1.75
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CITY OF ST. FRANCIS, MINNESOTA  
**WATER FUND (601)**  
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS

	2012 ACTUAL	2013 BUDGET	2013 ESTIMATE	2014 BUDGET
<u>Operating revenues:</u>				
Water sales	\$ 1,137,548	\$ 1,080,000	\$ 1,044,000	\$ 1,170,000
Water penalty		28,000	30,000	30,000
Total revenues	<u>1,137,548</u>	<u>1,108,000</u>	<u>1,074,000</u>	<u>1,200,000</u>
<u>Operating expenses:</u>				
Personnel services	136,032	154,390	127,350	142,000
Supplies	42,099	75,200	54,000	78,700
Professional services	181,874	195,104	151,550	212,037
Communications	5,538	8,000	3,400	7,000
Insurance	13,679	21,500	10,000	19,000
Utilities	74,951	90,800	79,000	95,000
Repairs and maintenance	61,936	86,750	32,859	94,750
Depreciation	322,687	330,000	325,000	330,000
Other	4,596	11,450	11,000	13,700
Total expenses	<u>843,392</u>	<u>973,194</u>	<u>794,159</u>	<u>992,187</u>
Operating income (loss)	294,156	134,806	279,841	207,813
<u>Nonoperating revenues (expenses):</u>				
Investment earnings	35,203	50,000	30,000	30,000
Miscellaneous grants	6,500	-	-	-
Connection Fees	32,400	-	60,600	-
Interest expense	(293,227)	(289,988)	(283,605)	(265,288)
Special assessments	-	-	-	-
Miscellaneous revenues	9,970	-	-	-
Total nonoperating revenues (expenses)	<u>(209,154)</u>	<u>(239,988)</u>	<u>(193,005)</u>	<u>(235,288)</u>
Net income (loss) before contributions and transfers	85,002	(105,182)	86,836	(27,475)
<u>Transfers in (out):</u>				
Debt Service Fund	-	(18,580)	(18,580)	(18,580)
EDA Lease Revenue Bonds	-	(82,500)	(82,500)	(82,500)
Capital contributions	-	-	-	-
Change in net assets	85,002	(206,262)	(14,244)	(128,555)
Net assets- January 1	<u>5,611,997</u>	<u>5,563,986</u>	<u>5,696,999</u>	<u>5,682,755</u>
Net assets- December 31	<u>\$ 5,696,999</u>	<u>\$ 5,357,724</u>	<u>\$ 5,682,755</u>	<u>\$ 5,554,200</u>

CITY OF ST. FRANCIS, MINNESOTA  
**WATER FUND (601)**  
 STATEMENT OF CASH FLOWS

	2012 ACTUAL	2013 BUDGET	2013 ESTIMATE	2014 BUDGET
Net Income (loss)	\$ 85,002	\$ (105,182)	\$ 86,836	\$ (27,475)
Add depreciation	322,687	330,000	325,000	330,000
Change in current assets	239,600	-	-	-
Change in deferred	(27,971)	-	-	-
Change in current liabilities	139,400	-	-	-
Purchase of fixed assets	(210,660)	(12,520)	(12,520)	(12,520)
Principal payments on debt	(461,500)	(575,250)	(575,250)	(593,500)
<b>Total</b>	<b>86,558</b>	<b>(362,952)</b>	<b>(175,934)</b>	<b>(303,495)</b>
Cash balance - January 1	2,767,521	2,560,039	2,854,079	2,678,145
Cash balance - December 31	<b>\$ 2,854,079</b>	<b>\$ 2,197,087</b>	<b>\$ 2,678,145</b>	<b>\$ 2,374,650</b>

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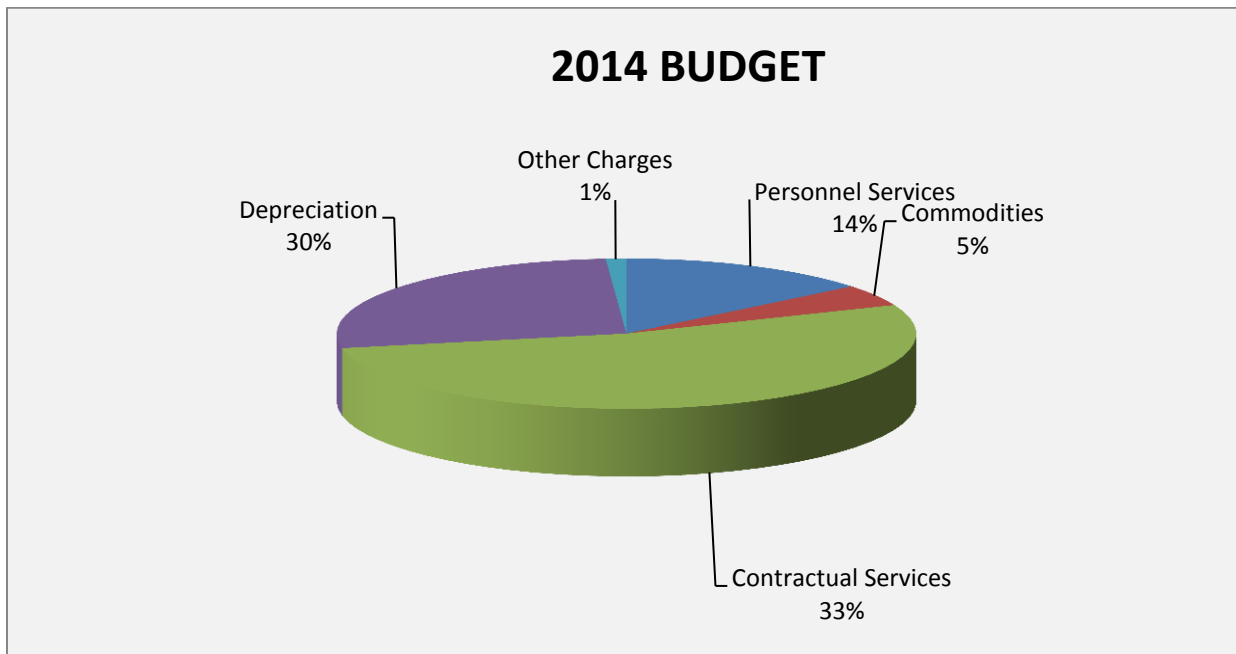
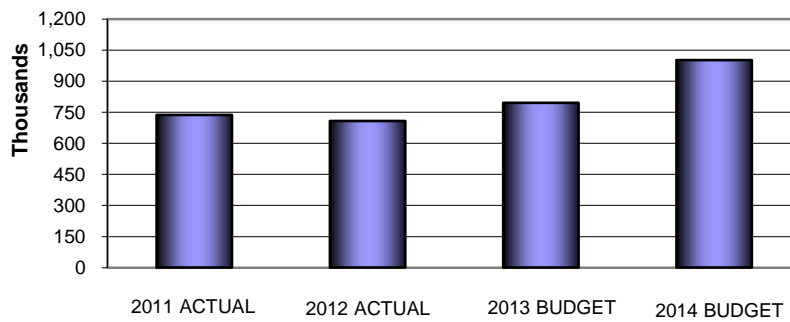


**CITY OF ST. FRANCIS, MINNESOTA  
SANITARY SEWER FUND SUMMARY  
EXPENSE ANALYSIS**

Total By Classification	2011 ACTUAL	2012 ACTUAL	2013 BUDGET	2014 BUDGET	PERCENT OVER(UNDER) 2013 BUDGET
Personnel Services	150,324	132,992	154,210	142,000	-7.9%
Commodities	46,240	35,387	39,700	46,200	16.4%
Contractual Services	254,818	258,280	321,047	531,419	65.5%
Depreciation	267,577	264,128	270,000	270,000	0.0%
Other Charges	17,615	16,435	10,050	11,500	14.4%
<b>Totals</b>	<b>736,574</b>	<b>707,222</b>	<b>795,007</b>	<b>1,001,119</b>	<b>25.9%</b>

Staffing

Full-time equivalents	2.00	2.00	2.00	1.75
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CITY OF ST. FRANCIS, MINNESOTA  
**SANITARY SEWER FUND (602)**  
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS

	2012 ACTUAL	2013 BUDGET	2013 ESTIMATE	2014 BUDGET
<u>Operating revenues:</u>				
Sewer sales	\$ 875,916	\$ 855,000	\$ 821,000	\$ 880,000
Sewer penalty	-	23,000	26,000	23,000
Total revenues	<u>875,916</u>	<u>878,000</u>	<u>847,000</u>	<u>903,000</u>
<u>Operating expenses:</u>				
Personnel services	132,992	154,210	125,500	142,000
Supplies	35,387	39,700	40,420	46,200
Professional services	79,176	120,697	118,623	185,569
Communications	2,925	3,500	1,770	3,500
Insurance	8,768	9,800	5,800	7,000
Utilities	97,178	109,800	103,200	112,100
Repairs and maintenance	69,305	77,250	31,730	223,250
Depreciation	264,128	270,000	265,000	270,000
Other	17,363	10,050	16,100	11,500
Total expenses	<u>707,222</u>	<u>795,007</u>	<u>708,143</u>	<u>1,001,119</u>
Operating income (loss)	168,694	82,993	138,857	(98,119)
<u>Nonoperating revenues (expenses):</u>				
Investment earnings	18,050	30,000	24,000	20,000
Connection charges	33,600	-	25,200	-
Interest Expense	(151,460)	(156,448)	(160,527)	(130,130)
Special assessments	-	-	-	-
Miscellaneous revenues	22,376	3,000	3,000	3,000
Total nonoperating revenues (expenses)	<u>(77,434)</u>	<u>(123,448)</u>	<u>(108,327)</u>	<u>(107,130)</u>
Net income (loss) before contributions and transfers	91,260	(40,455)	30,530	(205,249)
<u>Transfers in (out):</u>				
Debt Service Fund	-	(21,300)	(21,300)	(21,300)
Improvement Projects	-	(82,500)	(82,500)	(82,500)
Capital contributions	-	-	-	-
Change in net assets	91,260	(144,255)	(73,270)	(309,049)
Net assets - January 1	<u>7,512,133</u>	<u>7,548,134</u>	<u>7,603,393</u>	<u>7,530,123</u>
Net assets - December 31	<u>\$ 7,603,393</u>	<u>\$ 7,403,879</u>	<u>\$ 7,530,123</u>	<u>\$ 7,221,074</u>

CITY OF ST. FRANCIS, MINNESOTA  
**SANITARY SEWER FUND (602)**  
 STATEMENT OF CASH FLOWS

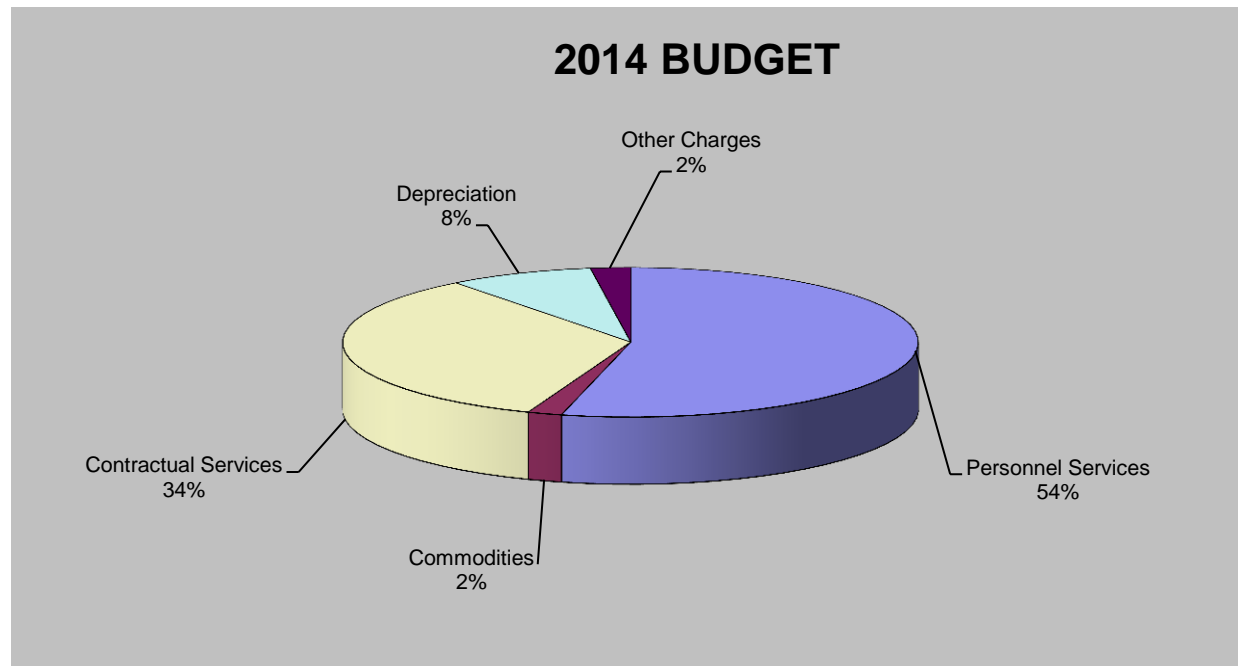
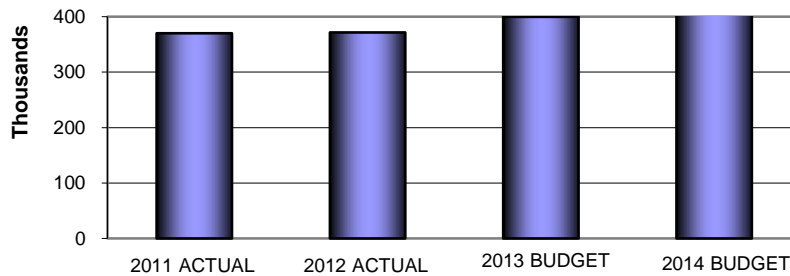
	2012 ACTUAL	2013 BUDGET	2013 ESTIMATE	2014 BUDGET
Net income (loss)	\$ 91,260	\$ (144,255)	\$ (73,270)	\$ (309,049)
Add depreciation	264,128	270,000	265,000	270,000
Change in current assets	89,061	-	-	-
Change in deferred	(71,596)	-	-	-
Change in current liabilities	(692)	-	-	-
Purchase of fixed assets	(26,850)	(12,500)	(12,500)	-
Issued debt	-	-	-	-
Principal payments on debt	(233,500)	(392,750)	(392,750)	(406,500)
<b>Total</b>	<b>111,811</b>	<b>(279,505)</b>	<b>(213,520)</b>	<b>(445,549)</b>
Cash balance - January 1	1,927,623	1,925,826	2,039,434	1,825,914
Cash balance - December 31	<u>\$ 2,039,434</u>	<u>\$ 1,646,321</u>	<u>\$ 1,825,914</u>	<u>\$ 1,380,365</u>

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**CITY OF ST. FRANCIS, MINNESOTA  
LIQUOR STORE FUND SUMMARY  
EXPENSE ANALYSIS**

Total By Classification	2011 ACTUAL	2012 ACTUAL	2013 BUDGET	2014 BUDGET	PERCENT OVER(UNDER) 2013 BUDGET
Personnel Services	198,260	199,460	220,020	224,400	2.0%
Commodities	4,508	13,024	6,000	8,000	33.3%
Contractual Services	129,063	117,397	129,953	140,900	8.4%
Depreciation	31,859	32,325	33,000	34,000	3.0%
Other Charges	6,134	9,071	10,500	9,350	-11.0%
<b>Totals</b>	<b>369,824</b>	<b>371,277</b>	<b>399,473</b>	<b>416,650</b>	<b>4.3%</b>

Staffing					
Full-time equivalents	4.25	4.25	4.25	4.25	



CITY OF ST. FRANCIS, MINNESOTA  
**MUNICIPAL LIQUOR OPERATIONS FUND (609)**  
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS

	2012 ACTUAL	2013 BUDGET	2013 ESTIMATE	2014 BUDGET
<u>Operating revenues:</u>				
Liquor sales	\$ 692,430	\$ 650,000	\$ 650,000	\$ 680,000
Beer sales	1,103,578	1,100,000	1,100,000	1,100,000
Wine sales	196,181	180,000	180,000	200,000
Miscellaneous merchandise	39,993	42,000	42,000	42,000
N/A beer	4,251	4,500	4,500	4,500
Tobacco products	58,443	56,000	56,000	58,000
Total revenues	<u>2,094,876</u>	<u>2,032,500</u>	<u>2,032,500</u>	<u>2,084,500</u>
<u>Cost of sales:</u>				
	(1,511,868)	(1,548,000)	(1,548,000)	(1,568,000)
Gross profit	583,008	484,500	484,500	516,500
<u>Operating expenses:</u>				
Personnel services	199,461	220,020	220,020	224,400
Supplies	13,023	6,000	6,000	8,000
Professional services	76,713	85,153	85,153	88,900
Communications	2,234	2,500	2,500	2,500
Insurance	7,829	11,000	11,000	14,000
Utilities	16,987	18,600	18,600	21,500
Repairs and maintenance	13,633	12,700	12,700	14,000
Depreciation	32,325	33,000	33,000	34,000
Other	9,072	10,500	10,500	9,350
Total expenses	<u>371,277</u>	<u>399,473</u>	<u>399,473</u>	<u>416,650</u>
Operating income (loss)	211,731	85,027	85,027	99,850
<u>Other revenues (expenses):</u>				
Investment earnings				
Miscellaneous revenues	11,650	18,000	12,000	12,000
Total other revenues (expenses)	<u>1,135</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net income (loss) before contributions and transfers	12,785	18,000	12,000	12,000
Transfers in (out):	224,516	103,027	97,027	111,850
General Fund				
Pioneer Days	<u>(60,000)</u>	<u>(60,000)</u>	<u>(60,000)</u>	<u>(60,000)</u>
Change in net assets	164,516	43,027	37,027	51,850
Net assets - January 1	<u>1,612,434</u>	<u>1,503,999</u>	<u>1,776,950</u>	<u>1,813,977</u>
Net assets - December 31	<u>\$ 1,776,950</u>	<u>\$ 1,547,026</u>	<u>\$ 1,813,977</u>	<u>\$ 1,865,827</u>

CITY OF ST. FRANCIS, MINNESOTA  
**MUNICIPAL LIQUOR OPERATIONS FUND (609)**  
 STATEMENT OF CASH FLOWS

	2012 ACTUAL	2013 BUDGET	2013 ESTIMATE	2014 BUDGET
Net income (loss)	\$ 164,516	\$ 43,027	\$ 37,027	\$ 51,850
Add depreciation	32,325	33,000	33,000	34,000
Change in current assets	5,174	-	-	-
Change in deferred	-	-	-	-
Change in current liabilities	(20,031)	-	-	-
Purchase of fixed assets	(7,059)	-	-	-
<b>Total</b>	<b>174,925</b>	<b>76,027</b>	<b>70,027</b>	<b>85,850</b>
Cash balance - January 1	1,085,442	784,118	1,260,367	1,330,394
Cash balance - December 31	<b>\$ 1,260,367</b>	<b>\$ 860,145</b>	<b>\$ 1,330,394</b>	<b>\$ 1,416,244</b>

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**CAPITAL OUTLAY  
FUNDS**

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## CAPITAL OUTLAY

This section provides an overview of Capital Outlay projects for the City of St. Francis. Projects include those within the Capital Improvement Plan, Departmental Operating Budgets and Capital Projects Fund.

### Capital Improvement Plan

The Capital Improvement Plan (CIP) is a schedule of proposed public projects and purchases over a five-year period. Capital improvements are normally non-routine projects costing \$5,000 or more, which require acquisition, construction, or replacement of various equipment or facilities, including public buildings, infrastructure, utilities and parks.

The plan is not intended to provide for precise budgeting. Capital costs are projected as estimates. Upon each update of the plan, deletions, additions, delays, or other revisions may occur, reflecting changing community needs. These changes allow for budget refinements as a particular project nears actual construction. Only after incorporation within successive budgets or as approved separately by the City Council will these items be considered funded.

Some of the items contained in the CIP will require on-going operational costs and in some cases produce operational savings. However, given the speculative nature of latter-year purchases, the exact cost cannot be reasonably quantified beyond next year. The 2014-2018 CIP was adopted by the Council on August 5, 2013. The following provides a summary of projects included in the City's Capital Improvement Plan along with project year. Overall the 2014 budget provided for in the Capital Improvement plan is \$2,129,246. The following shows a breakdown by year.

FIVE-YEAR CAPITAL IMPROVEMENT PLAN PROJECTS							
BY PROJECT CATEGORY							
CATEGORY	TOTAL	PRIOR YEARS	2014	ALLOCATION OF COSTS BY YEAR			
				2015	2016	2017	2018
BUILDINGS	\$ 2,328,948	\$ -	\$ 450,000	\$ 411,948	\$ 727,000	\$ 360,000	\$ 380,000
COMPUTERS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
EQUIPMENT	\$ 1,350,014	\$ 10,000	\$ 137,746	\$ 687,372	\$ 223,612	\$ 175,632	\$ 115,652
LAND	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
PARKS	\$ 770,700	\$ -	\$ 110,000	\$ 150,000	\$ 349,700	\$ 161,000	\$ -
STREETS	\$15,596,000	\$ -	\$ 1,309,000	\$ 4,535,000	\$ 6,450,000	\$ -	\$3,302,000
TRAILS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
UTILITIES	\$22,305,730	\$ -	\$ -	\$18,000,000	\$ -	\$ 4,305,730	\$ -
VEHICLES	\$ 1,186,500	\$ 300,000	\$ 122,500	\$ 357,000	\$ 167,000	\$ 155,000	\$ 85,000
<b>TOTALS</b>	<b>\$43,537,892</b>	<b>\$ 310,000</b>	<b>\$ 2,129,246</b>	<b>\$24,141,320</b>	<b>\$ 7,917,312</b>	<b>\$ 5,157,362</b>	<b>\$3,882,652</b>

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

PROJECT TITLE	PRIOR YEARS	ALLOCATION OF COSTS BY YEAR				
		2014	2015	2016	2017	2018
<b>General Government</b>						
CITY CAR	-	-	-	20,000	-	-
VOTING BOOTHS	10,000	-	-	-	-	-
Total	10,000	-	-	20,000	-	-
<b>Fire Department</b>						
TRAINING/MEETING ROOM/FIRE HALL	-	110,000	-	-	-	-
TANKER/PUMPER TRUCK REPLACEMENT	300,000	-	-	-	-	-
FUTURE FIRE TRUCK REPLACEMENTS	-	50,000	50,000	50,000	50,000	50,000
CONCRETE REPAIR AT FIRE STATION	-	-	51,948	-	-	-
PAVING, CURBING & UTILITIES BEHIND STATION	-	-	125,000	-	-	-
REPLACEMENT OF SCBA BOTTLES	-	15,624	-	-	-	-
Total	300,000	175,624	226,948	50,000	50,000	50,000
<b>Police Department</b>						
DEBT SERVICE PAYMENTS FOR POLICE STATION	-	170,000	180,000	180,000	180,000	190,000
SQUAD CAR REPLACEMENT	-	35,000	65,000	35,000	65,000	35,000
800 MHZ Radios	-	4,000	4,000	4,000	4,000	4,000
In Car Cameras	-	-	15,000	10,000	5,000	-
Total	-	209,000	264,000	229,000	254,000	229,000
<b>Streets Department</b>						
SAFETY TRAILER	-	-	24,000	-	-	-
DEBT SERVICE PAYMENTS FOR POLICE STATION	-	170,000	180,000	180,000	180,000	190,000
2005 INTERNATIONAL DUMP TRUCK REPLACEMENT	-	-	242,000	-	-	-
2006 FORD F-350 REPLACEMENT	-	-	-	62,000	-	-
239TH & BITTERSWEET MILL AND OVERLAY	-	689,000	-	-	-	-
241ST AVENUE	-	-	-	3,523,000	-	-
245TH & KINGS HWY REALIGNMENT & DITCH WORK	-	-	1,013,000	-	-	-
BRIDGE STREET EXTENSION	-	-	-	-	-	3,302,000
BRIDGE STREET TRAFFIC IMPROVEMENTS	-	-	2,500,000	-	-	-
BUTTERFIELD DRIVE RECONSTRUCTION	-	620,000	-	-	-	-
RUM RIVER WOODS ADDITION RECONSTRUCTION	-	-	-	2,752,000	-	-
TAMMARACK STREET	-	-	897,000	-	-	-
ARROWHEAD STREET MILL AND OVERLAY	-	-	-	175,000	-	-
Total	-	1,479,000	4,856,000	6,692,000	180,000	3,492,000
<b>Parks Department</b>						
DEER CREEK PARK TRAIL	-	-	-	349,700	-	-
Hockey Rink Improvements	-	110,000	-	-	-	-
Highland Woods Park Improvements	-	-	-	-	47,000	-
Rum River Woods Improvements	-	-	-	-	114,000	-
REPLACE BUILDING AT COMMUNITY PARK	-	-	-	367,000	-	-
Zero Turn Mower	-	19,500	-	-	-	-

PROJECT TITLE	PRIOR YEARS	ALLOCATION OF COSTS BY YEAR					
		2014	2015	2016	2017	2018	
BOBCAT ANNUAL REPLACEMENT	-	32,900	32,900	33,890	34,910	35,930	
Hidden Ponds Irrigation	-	-	180,250	-	-	-	
NEW MOWER DECK FOR BELOS	-	-	20,000	-	-	-	
REPLACE FOUNTAIN/BASIN AT WOODBURY PARK	-	-	35,000	-	-	-	
SEALCOATING FOR BITUMINOUS TRAILS	-	-	150,000	-	-	-	
<b>Total</b>	-	162,400	418,150	750,590	195,910	35,930	
<b>Water/Wastewater</b>							
HOUSEHOLD WATER METER CHANGEOUT	-	65,722	65,722	65,722	65,722	65,722	
WELL #5	-	-	-	-	405,730	-	
EAST SIDE WASTEWATER TREATMENT FAC.	-	-	18,000,000	-	-	-	
TRUNK HWY 47 WATER & SEWER EXTENSION	-	-	-	-	3,900,000	-	
1/2 TON PICK-UP TRUCK	-	37,500	-	-	-	-	
CAB & CHASSIS	-	-	-	-	40,000	-	
PORTABLE GENSET	-	-	-	-	56,000	-	
VAC/JETTER TRUCK	-	-	300,500	-	-	-	
MONITORING WELL	-	-	-	100,000	-	-	
<b>Total</b>	-	103,222	18,366,222	165,722	4,467,452	65,722	
<b>Liquor</b>							
COOLER DOORS/LED LIGHTS	-	-	10,000	10,000	10,000	10,000	
<b>Total</b>	-	-	10,000	10,000	10,000	10,000	
<b>Grand Total</b>		310,000	2,129,246	24,141,320	7,917,312	5,157,362	3,882,652

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 at [www.stfrancismn.org](http://www.stfrancismn.org) for a copy of the complete plan as adopted.

2014 projects from the 2014-2018 CIP which are not included in the 2014 budget because a budget will not be established until the Council approves the project are:

239TH & BITTERSWEET MILL & OVERLAY	689,000
BUTTERFIELD DRIVE	620,000
HOCKEY RINK IMPROVEMENTS	110,000

### **Capital Projects Fund**

There are no planned expenditures from the Capital Projects Fund for 2014 at this time.

CITY OF ST. FRANCIS, MINNESOTA  
**CAPITAL PROJECTS FUND (402)**  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

	2012 ACTUAL	2013 BUDGET	2013 ESTIMATE	2014 BUDGET
<u>Miscellaneous Revenue:</u>				
Investment earnings	\$ 29,961	\$ 16,000	\$ 3,000	\$ 3,000
Miscellaneous	2,000	-	13,000	-
<b>Total revenues</b>	<b>31,961</b>	<b>16,000</b>	<b>16,000</b>	<b>3,000</b>
<u>Expenditures:</u>				
Building & Structures	6,763,168	-	263,969	-
Motor Vehicles	104,359	-	23,856	-
	172,199	-	-	-
<b>Total expenditures</b>	<b>7,039,726</b>	<b>-</b>	<b>287,825</b>	<b>-</b>
Excess (deficit) of revenues over expenditures	(7,007,765)	16,000	(271,825)	3,000
<u>Other financing sources (uses):</u>				
Transfers in (out):				
Contract for Deed Issued	8,200,000	-	-	-
Fire Truck Replacement Fund	-	-	-	-
General Fund	(551,795)	-	-	-
<b>Net increase (decrease) in fund balance</b>	<b>640,440</b>	<b>16,000</b>	<b>(271,825)</b>	<b>3,000</b>
Fund balance - January 1	(201,548)	1,773,781	438,892	167,067
<b>Fund balance - December 31</b>	<b>\$ 438,892</b>	<b>\$ 1,789,781</b>	<b>\$ 167,067</b>	<b>\$ 170,067</b>

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.

CITY OF ST. FRANCIS, MINNESOTA  
**CREEKVIEW ESTATES FUND (505)**  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

	2012 ACTUAL	2013 BUDGET	2013 ESTIMATE	2014 BUDGET
<u>Revenues:</u>				
Special Assessments	\$ 14,156	\$ 12,000	\$ 13,000	\$ 12,000
<b>Total revenues</b>	<b>14,156</b>	<b>12,000</b>	<b>13,000</b>	<b>12,000</b>
<u>Expenditures:</u>				
Miscellaneous	54	-	59	-
Engineering	-	-	-	-
Interest expense	-	-	-	-
<b>Total expenditures</b>	<b>54</b>	<b>-</b>	<b>59</b>	<b>-</b>
Excess (deficit) of revenues over expenditures	14,102	12,000	12,941	12,000
Fund balance - January 1	(116,343)	104,644	(102,241)	(89,300)
<b>Fund balance - December 31</b>	<b>\$ (102,241)</b>	<b>\$ 116,644</b>	<b>\$ (89,300)</b>	<b>\$ (77,300)</b>

Accounts for the accumulation of resources to finance the 2006 street reconstruction project. There was no debt taken out to finance this project. The deficit will be eliminated through future collections of special assessments.



CITY OF ST. FRANCIS, MINNESOTA  
**FIRE TRUCK REPLACEMENT FUND (403)**  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

	2012 ACTUAL	2013 BUDGET	2013 ESTIMATE	2014 BUDGET
<u>Miscellaneous Revenue:</u>				
Investment earnings	\$ 3,837	\$ 5,000	\$ 4,000	\$ 4,000
	-			
Total revenues	3,837	5,000	4,000	4,000
<u>Expenditures:</u>				
Vehicles and equipment	-	-	-	-
	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficit) of revenues over expenditures	3,837	5,000	4,000	4,000
<u>Other financing sources (uses):</u>				
Transfers in (out):				
General Fund	40,000	-	-	50,000
Capital Projects Fund	-	-	-	-
Net increase (decrease) in fund balance	43,837	5,000	4,000	54,000
Fund balance - January 1	406,183	510,183	450,020	454,020
Fund balance - December 31	\$ 450,020	\$ 515,183	\$ 454,020	\$ 508,020

Accounts for funds set aside for future purchases fire trucks. Resources are currently provided by transfers from other funds.

CITY OF ST. FRANCIS, MINNESOTA  
**GAMBLING FUND (210)**  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

	2012 ACTUAL	2013 BUDGET	2013 ESTIMATE	2014 BUDGET
<u>Miscellaneous:</u>				
Miscellaneous	\$ 2,373	\$ 10,000	\$ 10,000	\$ 10,000
<b>Total revenues</b>	<b>2,373</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>
<u>Expenditures:</u>				
Commodities	-	-	-	-
Contractual services	-	-	-	-
Other charges	-	-	-	-
<b>Total expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficit) of revenues over expenditures	2,373	10,000	10,000	10,000
Fund balance - January 1	-	-	2,373	12,373
Fund balance - December 31	<u>\$ 2,373</u>	<u>\$ 10,000</u>	<u>\$ 12,373</u>	<u>\$ 22,373</u>

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 use these funds to pay for things such and police, fire and other emergency services equipment and training.

CITY OF ST. FRANCIS, MINNESOTA  
**IVYWOOD STREET & 230TH LANE FUND (507)**  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

	2012 ACTUAL	2013 BUDGET	2013 ESTIMATE	2014 BUDGET
<u>Revenues:</u>				
Special Assessments	\$ 17,855	\$ 12,000	\$ 12,000	\$ 12,000
Total revenues	<u>17,855</u>	<u>12,000</u>	<u>12,000</u>	<u>12,000</u>
<u>Expenditures:</u>				
Miscellaneous	75	-	-	-
Engineering	-	-	-	-
Construction	-	-	-	-
Interest expense	-	-	-	-
Total expenditures	<u>75</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficit) of revenues over expenditures	17,780	12,000	12,000	12,000
Other financing sources (uses):				
Transfers in (out):				
Water Fund	-	-	-	-
Sewer Fund	-	-	-	-
General Fund	-	-	-	-
Net increase (decrease) in fund balance	17,780	(125,017)	12,000	12,000
Fund balance - January 1	<u>(130,546)</u>	<u>(103,500)</u>	<u>(112,766)</u>	<u>(100,766)</u>
Fund balance - December 31	<u>\$ (112,766)</u>	<u>\$ (228,517)</u>	<u>\$ (100,766)</u>	<u>\$ (88,766)</u>

Accounts for financial resources used to finance a street reconstruction project which is receiving special assessment revenue to pay for a portion of the costs.

CITY OF ST. FRANCIS, MINNESOTA  
**TRUNK UTILITIES RIVER'S EDGE FUND (423)**  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

	2012 ACTUAL	2013 BUDGET	2013 ESTIMATE	2014 BUDGET
<u>Revenues:</u>				
Developer costs	\$ -	\$ -	\$ -	\$ -
Investment earnings	(1,332)	-	-	-
<b>Total revenues</b>	<b>(1,332)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<u>Expenditures:</u>				
Miscellaneous	-	-	-	-
Engineering	-	-	-	-
Construction	-	-	-	-
Land	-	-	-	-
Interest expense	-	-	-	-
<b>Total expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficit) of revenues over expenditures	(1,332)	-	-	-
<u>Other financing sources (uses):</u>				
Bond proceeds	-	-	-	-
Transfers in (out):				
Water Fund	-	-	-	-
<b>Net increase (decrease) in fund balance</b>	<b>(1,332)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Fund balance - January 1	(519,309)	(520,641)	(520,641)	(520,641)
Fund balance - December 31	<u>\$ (520,641)</u>	<u>\$ (520,641)</u>	<u>\$ (520,641)</u>	<u>\$ (520,641)</u>

Accounts for financial resources used to improve current city infrastructure and to finance construction of sanitary sewer and water mains to serve the new River's Edge development and Rum River Bluffs development.

CITY OF ST. FRANCIS, MINNESOTA  
**PARK DEVELOPMENT FUND (225)**  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

	2012 ACTUAL	2013 BUDGET	2013 ESTIMATE	2014 BUDGET
<u>Miscellaneous Revenue:</u>				
Park rental fees	\$ 3,275	\$ 1,000	\$ 775	\$ 1,000
Other Grants	123,980	-	-	-
Park dedication fees	-	-	7,500	-
Investment earnings	989	1,000	900	1,000
Contributions and donations	-	500	-	500
<b>Total revenues</b>	<b>128,244</b>	<b>2,500</b>	<b>9,175</b>	<b>2,500</b>
<u>Expenditures:</u>				
Park development projects	127,786	-	18,735	-
<b>Total expenditures</b>	<b>127,786</b>	<b>-</b>	<b>18,735</b>	<b>-</b>
Excess (deficit) of revenues over expenditures	458	2,500	(9,560)	2,500
Other financing sources (uses): Transfers in (out): General Fund	-	-	-	-
<b>Net increase (decrease) in fund balance</b>	<b>458</b>	<b>2,500</b>	<b>(9,560)</b>	<b>2,500</b>
Fund balance - January 1	164,018	163,890	164,476	154,916
<b>Fund balance - December 31</b>	<b>\$ 164,476</b>	<b>\$ 166,390</b>	<b>\$ 154,916</b>	<b>\$ 157,416</b>

This fund accounts for the use of park availability charges, grants and tax revenues that are dedicated for the acquisition and improvement of City parks. Park availability charges are levied against all new buildings constructed.

The \$269,000 that was budgeted in 2011 was for the construction of Pederson Path along Pederson Drive. The city secured a federal and state grant to fund a major portion of this project. It was completed in 2011.

CITY OF ST. FRANCIS, MINNESOTA  
**WATERMAIN LOOPING FUND (427)**  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

	2012 ACTUAL	2013 BUDGET	2013 ESTIMATE	2014 BUDGET
<u>Revenues:</u>				
Investment earnings	\$ -	\$ -	\$ -	\$ -
<b>Total revenues</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<u>Expenditures:</u>				
Miscellaneous	-	-	-	-
Engineering	-	-	-	-
Construction	-	-	-	-
Land easement	-	-	-	-
Interest expense	-	-	-	-
<b>Total expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficit) of revenues over expenditures	-	-	-	-
Other financing sources (uses):				
Transfers in (out):				
Water Fund	-	-	-	-
Net increase (decrease) in fund balance	-	-	-	-
Fund balance - January 1	(287,151)	(287,151)	(287,151)	(287,151)
Fund balance - December 31	<u>\$ (287,151)</u>	<u>\$ (287,151)</u>	<u>\$ (287,151)</u>	<u>\$ (287,151)</u>

This fund was established to account for costs associated with completing 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. The project also includes the demolition and abandonment of wellhouse and well number 2.



**DEBT SERVICE  
FUNDS**

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## DEBT SERVICE

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 and interest on negative cash balances in funds.

The annual debt service tax levy anticipated each year through 2022 on current debt is \$20,900. The balance of the debt will be paid from special assessments, transfers from other funds, and interest earnings.

### Legal Debt Limit

Minnesota State Statutes limits 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 one bond issue subject to the debt limit, that being the EDA Lease Revenue 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.

		2013
Estimated market value of taxable property		\$412,869,600
Debt limit (3% of market value)		\$12,386,088
Total bonds outstanding excluding enterprise debt		\$9,385,000
Less:	Special assessment bonds	1,380,000
Total debt applicable to debt limit		\$ 8,005,000
Legal debt margin		\$4,381,088

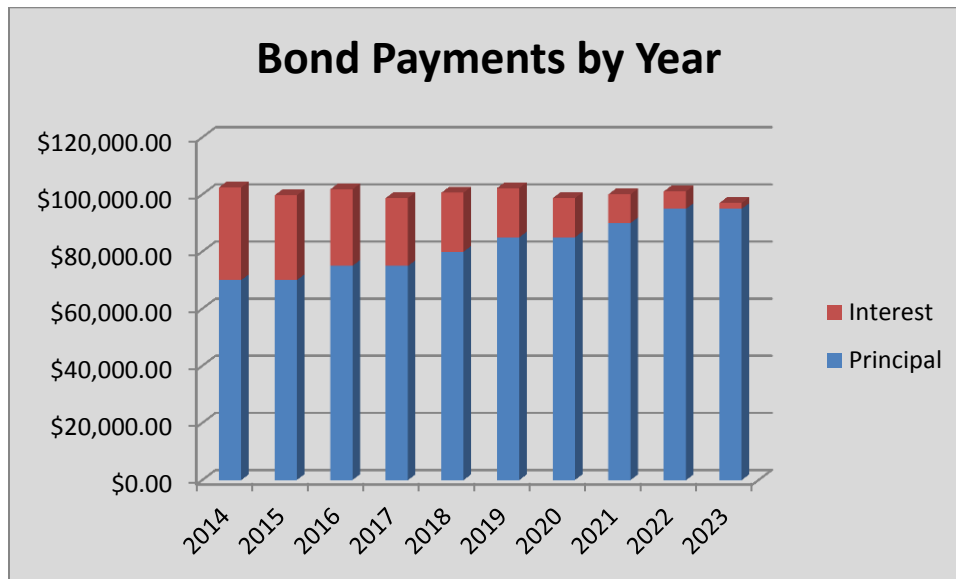
All bonds issued by the city's enterprise funds are reported in the individual budgets.

CITY OF ST. FRANCIS, MINNESOTA  
**DEBT SERVICE BUDGET (311)**  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

	2012 ACTUAL	2013 BUDGET	2013 ESTIMATE	2014 BUDGET
<b>Revenues:</b>				
Property taxes	\$ 21,098	\$ 20,900	\$ 20,900	\$ 20,900
Special assessments	32,359	24,000	24,000	24,000
Investment earnings	1,091	1,600	1,000	1,000
<b>Total revenues</b>	<b>54,548</b>	<b>46,500</b>	<b>45,900</b>	<b>45,900</b>
<b>Expenditures:</b>				
<u>Debt Service:</u>				
Principal:				
Regular	65,000	65,000	65,000	70,000
Interest	38,328	35,182	35,182	32,483
Paying agent fees	-	425	134	425
<b>Total expenditures</b>	<b>103,328</b>	<b>100,607</b>	<b>100,316</b>	<b>102,908</b>
Excess (deficit) of revenues over expenditures	(48,780)	(54,107)	(54,416)	(57,008)
<b>Other financing sources (uses):</b>				
Bond proceeds (net)	-	-	-	-
Transfers in (out):				
Water Fund	-	18,580	18,580	18,580
Sanitary Sewer Fund	-	21,300	21,300	21,300
<b>Net increase (decrease) in fund balance</b>	<b>(48,780)</b>	<b>(14,227)</b>	<b>(14,536)</b>	<b>(17,128)</b>
Fund balance - January 1	194,054	137,624	145,274	130,738
<b>Fund balance - December 31</b>	<b>\$ 145,274</b>	<b>\$ 123,397</b>	<b>\$ 130,738</b>	<b>\$ 113,610</b>

The following tables depict the City's debt service payments by year for General Obligation Debt payable from Special Assessments.

Year	Principal	Interest	Total
2014	70,000.00	32,482.50	102,483
2015	70,000.00	29,682.50	99,683
2016	75,000.00	26,782.50	101,783
2017	75,000.00	23,782.50	98,783
2018	80,000.00	20,642.50	100,643
2019	85,000.00	17,238.75	102,239
2020	85,000.00	13,711.25	98,711
2021	90,000.00	10,035.00	100,035
2022	95,000.00	6,103.75	101,104
2023	95,000.00	2,042.50	97,043
<b>Total</b>	<b>\$820,000</b>	<b>\$182,504</b>	<b>\$1,002,504</b>



CITY OF ST. FRANCIS, MINNESOTA  
**EDA LEASE REVENUE BONDS**  
 STATE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

	2012 ACTUAL	2013 BUDGET	2013 ESTIMATE	2014 BUDGET
Revenues:				
Investment earnings	\$ 11,013	\$ 800	\$ 3,000	\$ 3,000
Total revenues	11,013	800	3,000	3,000
Expenditures:				
<u>Debt Service:</u>				
Principal:				
Regular	-	195,000	195,000	225,000
Interest	190,178	325,045	325,045	322,383
Paying agent fees	-	-	1,400	1,400
Total expenditures	190,178	520,045	521,445	548,783
Excess (deficit) of revenues over expenditures	(179,165)	(519,245)	(518,445)	(545,783)
Other financing sources (uses):				
Transfers in (out):				
General Fund	881,795	340,000	340,000	340,000
Water Fund	-	82,500	82,500	82,500
Sanitary Sewer Fund	-	82,500	82,500	82,500
Net increase (decrease) in fund balance	702,630	(14,245)	(13,445)	(40,783)
Fund balance - January 1	-	140,322	702,630	689,185
Fund balance - December 31	\$ 702,630	\$ 126,077	\$ 689,185	\$ 648,402

This fund was set up in 2012 to account for the Lease Revenue Bonds sold by the EDA at the beginning of the year.



**SUPPLEMENTARY  
INFORMATION**

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**City of St. Francis, Minnesota  
Demographic Statistics**

Characteristics	Year	St. Francis	% Change From 1990	Anoka County	% Change From 1990	Metro Area	% Change From 1990
		#		#		#	
<b>Population</b>	1990	2,538	--	243,641	--	2,288,721	--
	2000	4,910	0.0	298,084	0.0	2,642,062	0.0
	2010	7,218	47.0	330,844	11.0	2,849,567	7.9
	2020	10,400	111.8	407,710	36.8	3,334,000	26.2
	2030	12,800	160.7	425,260	42.7	3,608,000	36.6
<b>Households</b>	1990	760	--	82,437	--	875,504	--
	2000	1,638	-35.0	106,428	-12.2	1,021,456	-8.6
	2010	2,520	0.0	121,227	0.0	1,117,749	0.0
	2020	4,000	58.7	156,220	28.9	1,362,000	21.9
	2030	5,000	98.4	172,250	42.1	1,492,000	33.5
<b>Persons Per Household</b>	1990	3.34	--	2.96	--	2.61	--
	2000	3.00	15.3	2.80	7.3	2.59	5.7
	2010	2.86	10.2	2.73	4.6	2.55	4.1
	2020	2.60	0.0	2.61	0.0	2.45	0.0
	2030	2.56	-1.5	2.47	-5.4	2.42	-1.2
<b>Employment</b>	1990	793	--	N/A	--	1,273,773	--
	2000	1,247	57%	110,091	-28.8	1,607,916	-24.4
	2010	1,537	94%	124,790	-19.3	1,544,613	-27.3
	2020	1,900	140%	141,970	-8.2	1,990,000	-6.4
	2030	2,220	180%	154,690	0.0	2,126,000	0.0

Sources: 1990, 2000 and 2010 -- U.S. Census Bureau or American Community Survey  
2020 and 2030 -- Metropolitan Council Estimates.

**City of St. Francis, Minnesota  
Demographic Statistics**

<b>Characteristics</b>	<b>St. Francis In 1990</b>	<b>St. Francis In 2000</b>	<b>St. Francis In 2010</b>	<b>Metro Area In 1990</b>	<b>Metro Area In 2000</b>	<b>Metro Area In 2010</b>
<b>Number of Persons</b>	2,538	4,910	7,218	2,288,721	2,642,062	2,849,567
<b>Persons by Gender</b>						
Female	49%	50%	51%	51%	51%	51%
Male	51%	50%	49%	49%	49%	49%
<b>Number of Families</b>	656	1,301	1,301	583,900	658,159	707,496
<b>Number of Households</b>	760	1,638	2,520	1,021,456	1,117,749	1,362,000
<b>Persons per Household</b>	3.34	3.00	2.86	2.61	2.59	2.55
<b>Number of Housing Units</b>	800	1,689	2,667	922,224	1,047,240	1,117,749
<b>Number of Persons By Age</b>						
0 - 19	44%	38%	34%	28%	29%	27%
20 - 24	6%	7%	6%	8%	7%	7%
25 - 34	22%	20%	16%	20%	16%	15%
35 - 64	25%	32%	38%	34%	39%	41%
65 - 74	2%	2%	4%	5%	5%	6%
75+	1%	1%	2%	4%	5%	5%
<b>Persons by Race</b>						
White	97%	95%	95%	91%	83%	76%
Non-white	3%	5%	5%	9%	17%	24%
<b>Households by Type</b>						
Family Households						
Married with children	46%	36%	30%	27%	26%	23%
Unmarried with children	17%	17%	16%	8%	9%	9%
Married without children	24%	26%	30%	31%	30%	31%
Non-family households	4%	7%	6%	8%	8%	8%
Lived alone	10%	13%	18%	25%	28%	29%



**City of St. Francis, Minnesota  
Demographic Statistics**

<b>Characteristics</b>	<b>St. Francis In 1990</b>	<b>St. Francis In 2000</b>	<b>St. Francis In 2010</b>	<b>Metro Area In 1990</b>	<b>Metro Area In 2000</b>	<b>Metro Area In 2010</b>
<b>Children By Age</b>						
Under 5 Years Old	28%	28%	26%	31%	31%	27%
5 to 19 Years Old	72%	72%	74%	69%	69%	73%
<b>Household Incomes</b>						
Median	\$32,474	\$51,982	\$67,480	\$36,565	\$54,304	\$65,181
<b>Highest Level of Education</b>						
Did not graduate high school	16%	10%	7%	12%	9%	7%
High school graduate	42%	38%	40%	30%	24%	23%
Some college not degree	21%	31%	28%	21%	24%	22%
Associate degree	11%	11%	12%	9%	8%	9%
Bachelor degree	7%	6%	10%	20%	24%	26%
Graduate/Professional degree	2%	4%	3%	8%	11%	13%

**CITY OF ST. FRANCIS, MINNESOTA**  
Miscellaneous Statistical Facts  
December 31, 2013

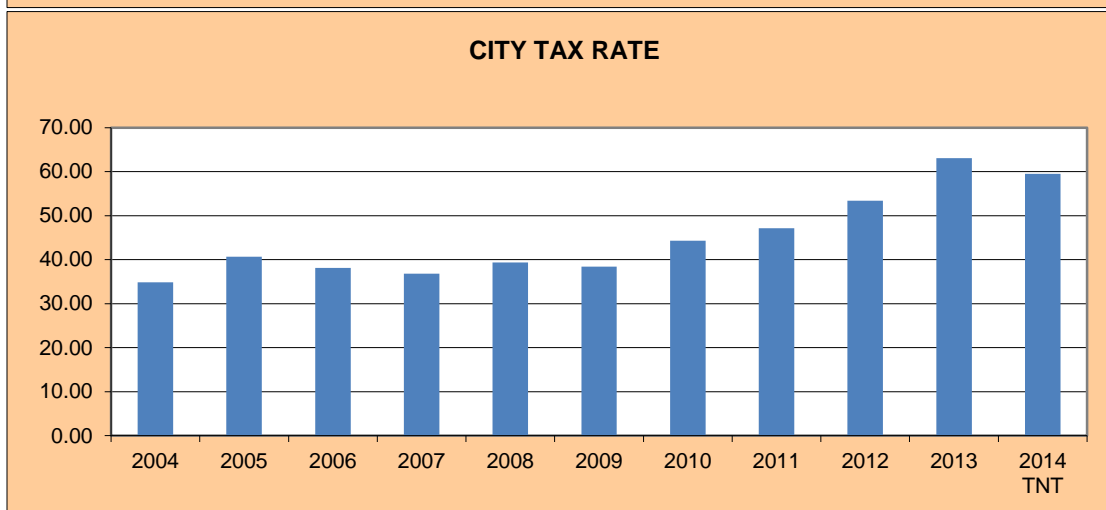
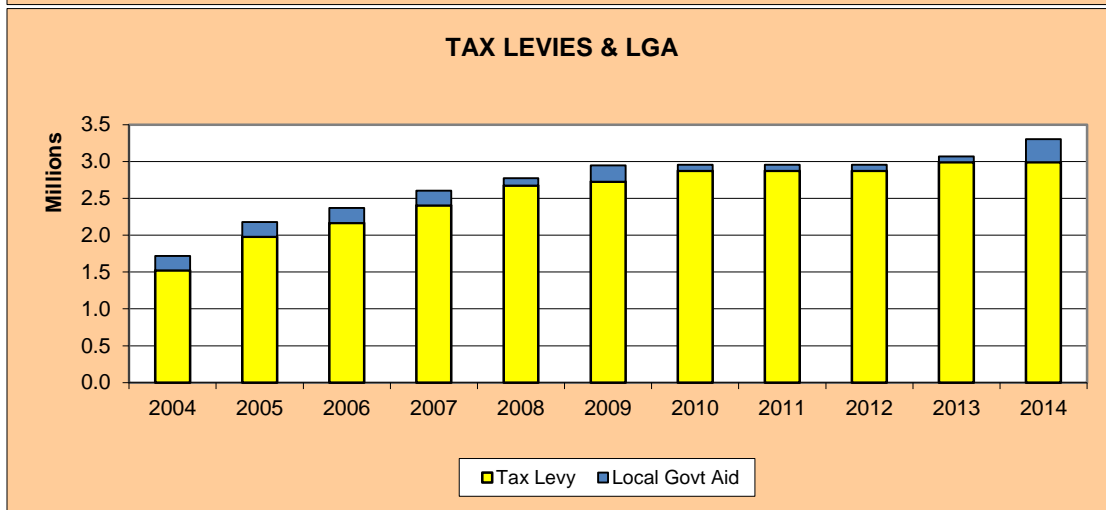
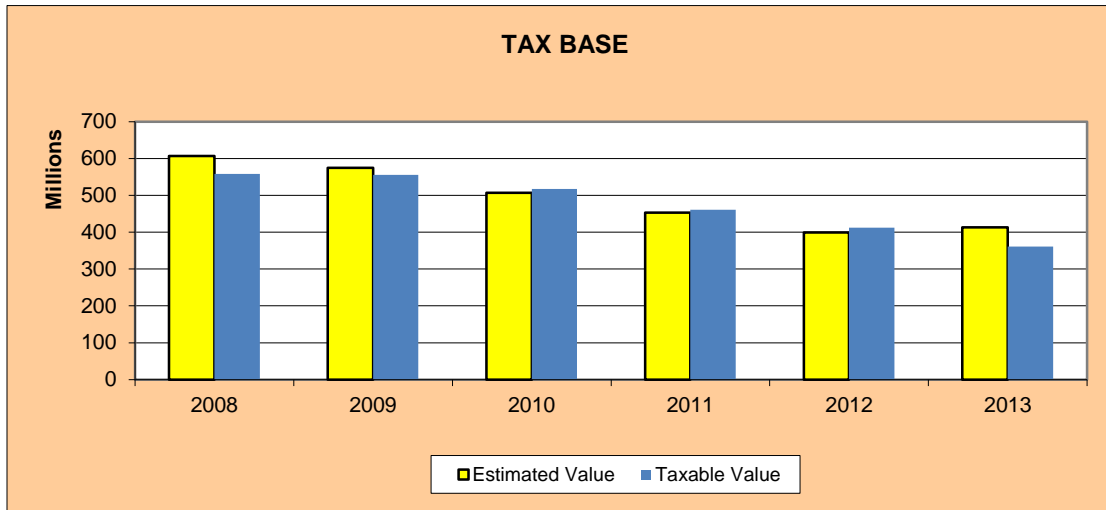
Year of incorporation	1974
Area of city	23.7 sq miles
Miles of roads:	
City	47
State/County	26.9
Private	4.5
	78.4
Water system:	
Number of hydrants	
City	269
Private	68
Number of wells	3
Miles of water mains	
City	24.7
Private	7.4
Raw	0.6
Abandoned	0.2
Sewer system:	
Lift stations	
City	12
Private	2
Miles of sewer mains	
City	20.6
Private	5.7
Number of manholes	
City	504
Private	142
Fire protection:	
Number of stations	1
Number of paid-per-call employees	18
Police protection:	
Number of stations	1
Number of full-time police officers	10
Recreation:	
Parks (developed)	83 acres
Number of parks and playgrounds	14
Employees:	
Full time (including police protection)	26
Part time and temporary (including fire protection)	24
Council members	5

	Local	State	National
Elections:			
Date of last elections	Nov 06, 2012	Nov 06, 2012	Nov 06, 2012
Number of registered voters	4,743	4,743	4,743
Number of votes cast	3,673	3,673	3,673
Percent of registered voters voting	78%	78%	78%

CITY OF ST. FRANCIS  
Principal Taxpayers  
December 31, 2013  
(Unaudited)

Taxpayer		2012/2013		
		Taxable Market Value	Net Tax Capacity	Percent of Total Tax Capacity
Alliant Techsystems	Ammunition manufacturer	12,086,300	175,977	4.46%
ALS Properties Woodhaven LLC	Mobile Home Park	8,154,700	101,934	2.58%
St. Francis Realty LLC	Shopping Center	4,670,400	92,167	2.34%
Connexus Energy	Utility	3,475,600	69,512	1.76%
King Exchange LLC	Shopping Center	3,145,800	61,416	1.56%
Minnegasco Inc.	Utility	2,634,800	52,696	1.34%
Northern Capital Investments	Residential	2,000,000	25,000	0.63%
Village Bank	Commercial	1,195,200	23,024	0.58%
Individual Family LP	Commercial	1,116,600	21,582	0.55%
Abbey Field LTD Partnership	Apartment	2,279,800	17,099	0.43%
		40,759,200	640,407	16.23%

**CITY OF ST. FRANCIS, MINNESOTA  
TAX BASE, TAX LEVIES AND TAX RATES**



**CITY OF ST. FRANCIS, MINNESOTA  
TAX BASE, TAX LEVIES AND TAX RATES**

**TAX BASE**

Year Payable	Estimated Value	Taxable Value
2008	606,300,761	557,796,700
2009	574,727,404	555,761,400
2010	507,098,392	517,621,700
2011	452,734,781	461,213,200
2012	399,249,358	411,814,985
2013	412,869,600	361,177,080

**TAX LEVIES**

Year Payable	Tax Levy	Local Govt Aid	Total Levy + LGA
2004	1,521,752	197,454	1,719,206
2005	1,979,977	200,000	2,179,977
2006	2,167,157	200,000	2,367,157
2007	2,402,157	200,000	2,602,157
2008	2,672,615	100,000	2,772,615
2009	2,724,202	222,535	2,946,737
2010	2,873,160	80,940	2,954,100
2011	2,873,160	80,940	2,954,100
2012	2,873,160	80,940	2,954,100
2013	2,988,086	80,940	3,069,026
2014	2,988,086	313,420	3,301,506

**TAX RATES**

Year Payable	City Rate	Overlapping Rates*			Special Districts
		Anoka County	ISD #15	ISD #728	
2004	34.852	35.765	19.149	31.107	4.233
2005	40.652	33.581	18.598	32.996	4.443
2006	38.145	32.543	23.167	36.105	4.016
2007	36.786	31.094	24.716	33.352	3.912
2008	39.380	31.453	23.269	32.491	5.224
2009	38.401	32.445	20.992	36.300	3.797
2010	44.265	35.574	24.970	40.142	4.317
2011	47.139	40.376	28.896	43.489	4.478
2012	53.406	42.265	32.835	45.548	3.225
2013	63.026	41.411	33.707	50.058	3.317
2014 TNT	59.488	43.567	33.580	51.845	3.278

\*-Overlapping rates are those of local and county governments that apply to property owners within the City. Not all overlapping rates apply to all City property owners (e.g. the rates for special districts apply only to the proportion of the City's property owners whose property is located within the geographic boundaries of the special district).

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## GLOSSARY OF TERMS

**ACCOUNTING SYSTEM:** The total set of records and procedures which are used to record, classify, and report information on the financial status and operations of an entity.

**ACCRUAL BASIS OF ACCOUNTING:** The method of accounting under which revenues are recorded when they are earned (whether or not cash is received at that time) and expenditures are recorded when goods and services are received (whether cash disbursements are made at that time or not).

**APPROPRIATION:** An authorization made by the legislative body of a government which permits officials to incur obligations against and to make expenditures of governmental resources. Appropriations are usually made for fixed amounts and are typically granted for a one-year period.

**ASSESSED VALUATION:** A valuation set upon real estate or other property by a government as a basis for levying taxes.

**ASSETS:** Property owned by a government which has a monetary value.

**BOND:** A written promise to pay (debt) a specified sum of money (called principal or face value) at a specified future date (called the maturity date{s}) along with periodic interest paid at a specified percentage of the principal (interest rate). Bonds are typically used for long-term debt.

**BUDGET DOCUMENT:** The official written statement prepared by the budget office and supporting staff which presents the proposed budget to the legislative body.

**CAPITAL ASSETS:** Assets of significant value and having a useful life of several years. Capital assets are also called fixed assets.

**CAPITAL IMPROVEMENTS BUDGET:** A plan of proposed capital expenditures and the means of financing them. The capital budget is usually enacted as part of the complete annual budget which includes both operating and capital outlays. The capital budget normally is based on a capital improvement program.

**CAPITAL IMPROVEMENT PROGRAM:** A plan for capital expenditures to be incurred each year over a fixed period of several future years setting forth each capital project, identifying the expected beginning and ending date for each project, the amount to be expended in each year, and the method of financing those expenditures.

**CAPITAL OUTLAYS:** Expenditures for the acquisition of capital assets.

**CAPITAL PROJECTS:** Projects which purchaser construct capital assets. Typically a capital project encompasses a purchase of land and/or the construction of a building or facility.

**CASH BASIS:** The method of accounting under which revenues are recorded when received in cash and expenditures are recorded when paid.

**CONTINGENCY ACCOUNT:** A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted for.

**CONTRACT:** A contract, for purposes of the bidding laws, is an agreement for the sale or purchase of supplies, materials, equipment, or the rental thereof or the construction, alteration, repairs or maintenance of real or personal property.

**DEBT SERVICE:** Payment of interest and repayment of principal to holders of a government's debt instruments.

**DEFICIT:** (1) The excess of an entity's liabilities over its assets (See Fund Balance); (2) the excess of expenditures or expenses over revenues during a single accounting period.

**DEPRECIATION:** (1) Expiration in the service life of capital assets attributable to wear and tear, deterioration, action of the physical elements, inadequacy or obsolescence; (2) that portion of the cost of a capital asset which is charged as an expense during a particular period.

**ENTERPRISE FUND:** A fund established to account for operations (a) that are financed and operated in a manner similar to private business enterprises – where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

**EXPENDITURES:** Where accounts are kept on the accrual or modified accrual basis of accounting, the cost of goods received or services rendered whether cash payments have been made or not. Where accounts are kept on a cash basis, expenditures are recognized only when the cash payments for the above purchases are made.

**FISCAL DISPARITIES:** A distribution of 40% of the growth in commercial and industrial properties within the seven-county metropolitan area since 1971

**FULL FAITH AND CREDIT:** A pledge of the general taxing power of a government to repay debt obligations (typically used in reference to bonds).



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**FUND:** An independent fiscal and accounting entity with a self-balancing set of accounts recording cash and/or other resources together with all related liabilities, obligations, reserves, and equities which are segregated for the purpose of carrying on specific activities or attaining certain objectives.

**FUND BALANCE:** The excess of a fund's assets over its liabilities. A negative fund balance is sometimes called a deficit.

**GENERAL FUND:** The fund used to account for all financial resources except those required to be accounted for in another fund.

**GENERAL OBLIGATION BONDS:** When a government pledges its full faith and credit to the repayment of the bonds it issues, then those bonds are general obligation (GO) bonds. Sometimes the term is also used to refer to bonds which are to be repaid from taxes and other general revenues.

**GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP):** Uniform minimum standards and guidelines for financial accounting and reporting. They govern the form and content of the financial statements of an entity. GAAP encompass the conventions, rules and procedures necessary to define accepted accounting practices at a particular time. They include not only broad guidelines of general application, but also detailed practices and procedures. GAAP provide a standard by which to measure financial presentations. The primary authoritative body on the application of GAAP to state and local governments is the GAAP.

**GOVERNMENTAL ACCOUNTING STANDARDS BOARD (GASB):** The authoritative accounting and financial reporting standard-setting body for government entities.

**GOVERNMENTAL FUNDS:** Funds used to account for the acquisition, use and balance of expendable financial resources and the related current liabilities-except those accounted for in proprietary funds and fiduciary funds. Under current GAAP, there are four governmental fund types: general, special revenue, debt service and capital projects.

**GRANT:** A contribution of assets (usually cash) by one governmental unit or other organization to another. Typically, these contributions are made to local governments from the state and federal governments. Grants are usually made for specified purposes.

**HOME RULE CHARTER:** A home rule charter City is one that has its powers and structure determined by an election of its citizens in adopting a charter, as opposed to a statutory City whose structure and powers are fairly well proscribed by state statute.

**HOMESTEAD AND AGRICULTURAL CREDIT AID (HACA):** A property tax relief program that replaced the former homestead credit program and the agricultural credit program. HACA is tied to class rate reductions for certain classes of property.

**INFRASTRUCTURE:** The basic facilities, equipment, services and installations needed for the

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growth and functioning of a community. Includes roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems.

**INTERGOVERNMENTAL REVENUES:** Revenues from other governments in the form of grants, entities, shared revenues or payments in lieu of taxes.

**INTERNAL SERVICE FUND:** A fund used to account for the financing of goods or services provided by one department or agency to other departments or agencies of a government, or to other governments, on a cost reimbursement basis.

**LEGAL DEBT LIMIT:** The maximum amount of outstanding gross or net debt legally permitted.

**LEGAL DEBT MARGIN:** The legal debt limit less outstanding debt subject to limitation.

**LEGISLATIVE:** Having the power to create laws.

**LEVY:** (1) (Verb) To impose taxes, special assessments or service charges for the support of government activities. (2) (Noun) The total amount of taxes, special assessments or service charges imposed by a government.

**LOCAL GOVERNMENT AID (LGA):** A state government revenue sharing program for cities and townships that is intended to provide an alternative to the property tax. LGA is distributed through a formula based on tax base, population, population decline, age of housing and the percent of market value classified as commercial or industrial.

**MARKET VALUE:** An assessor's estimate of what property would be worth on the open market if sold. The market value is set on January 2 of the year before taxes are payable.

**MARKET VALUE HOMESTEAD CREDIT (MVHC):** A property tax relief program devised by the State government to give local property tax payers relief from the burden of local property taxes.

**MODIFIED ACCRUAL BASIS:** The basis of accounting under which expenditures, other than accrued interest on general long-term debt, are recorded at the time liabilities are incurred and revenues are recorded when received in cash, except for material and/or available revenues, which should be accrued to reflect properly the taxes levied and revenue earned.

**MATURITIES:** The dates on which the principal or stated values of investments or debt obligations mature and may be reclaimed.

**OPERATING BUDGET:** A plan of financial operation embodying an estimate of proposed expenditures for the calendar year and the proposed means of financing them (revenue estimates).

**PERA:** Public Employees Retirement Association

**PERSONAL SERVICES:** A level of budgetary appropriations, which includes expenses for salaries, wages, and related employee benefits such as the City's share of retirement and insurance.

**POLICE DEPARTMENT AID:** An intergovernmental revenue from the State to be used to maintain the Police Department. A premium tax of two percent is imposed on automobile insurance and apportioned to qualifying cities.

**POLICY:** A set of guidelines used for making decisions.

**RETAINED EARNINGS:** An equity account reflecting the accumulated earnings of the City's Water, Sanitary Sewer and Liquor Store Fund.

**REVENUE:** The term designates an increase to a fund's assets which:

- does not increase a liability (e.g., proceeds from a loan);
- does not represent a repayment of an expenditure already made;
- does not represent a cancellation of certain liabilities; and
- does not represent an increase in contributed capital.

**REVENUE ESTIMATE:** A formal estimate of how much revenue will be earned from a specific revenue source for some future period; typically, a future fiscal year.

**SPECIAL ASSESSMENT:** A compulsory levy made against certain properties to defray part or all of the cost of a specific improvement or service deemed to primarily benefit those properties.

**SPECIAL REVENUE FUND:** A fund used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditure for specified purposes.

**SUPPLIES:** A level of budgetary appropriations, which includes expenses for commodities that are used such as office supplies, operating supplies, repair and maintenance supplies.

**TAX CAPACITY:** A valuation set upon real estate and certain personal property by the County Assessor as a basis for levying property taxes. The assessor determines the estimated market (resale) value of property. This value is converted to tax capacity by a formula specified in state law.

**TAX CAPACITY RATE:** The property tax rate which is based on the taxes levied as a proportion of the property value. A tax rate of 30.751% produces \$30.75 of taxes on each \$100 of tax capacity that a property is valued at.

**TAX LEVY:** The total amount to be raised by general property taxes for the purposes stated in the resolution certified to the County Auditor.

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**TRANSFER:** Transfers of assets between funds.

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## Acronyms

CAFR	Comprehensive Annual Financial Report
CIP	Capital Improvement Plan
EDA	Economic Development Authority
EMV	Estimated Market Value
FTE	Full Time Equivalent
GAAP	Generally Accepted Accounting Principles
GASB	Governmental Accounting Standards Board
GFOA	Government Finance Officers' Association
GO	General Obligation
LGA	Local Government Aid
MVHC	Market Value Homestead Credit
MVHE	Market Value Homestead Exclusion
NTC	Net Tax Capacity
SAC	Sewer Availability Charge
SIPC	Securities Investor Protection Corporation
TIF	Tax Increment Financing
TMV	Taxable Market Value
WAC	Water Availability Charge