

 City of
St. Francis
Minnesota



2016 ADOPTED BUDGET

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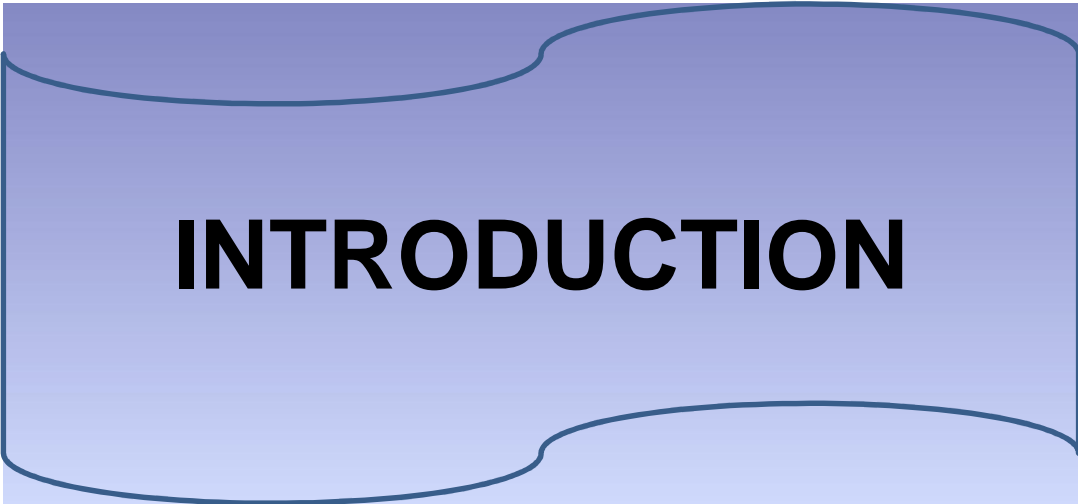
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INTRODUCTION

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St. Francis, Minnesota 55070
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Letter of Transmittal

In compliance with State Statutes, we are pleased to present the 2016 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 2016 Budget, in the amount of \$10,363,291 includes all of the funds for the City of St. Francis and reflects a 1.9% 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 2016 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 of two-income households 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 volunteers for our board and commission. New and creative ways of engaging the citizens will be explored in 2016.

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 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 utilizes both Facebook and Twitter for additional information efforts. We continue to monitor usage on these communication tools.

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 2016 levy of \$3,244,573 represents a 2.0% increase over 2015. This budget provides the services the residents and taxpayers have come to expect.

In 2016, Anoka County will be coordinating a corridor improvement project on Bridge Street along with the city. This project will improve traffic flow by the high school and give the city the opportunity to replace wastewater lines underneath the road. This project will be funded through a combination of federal, state and local funds.

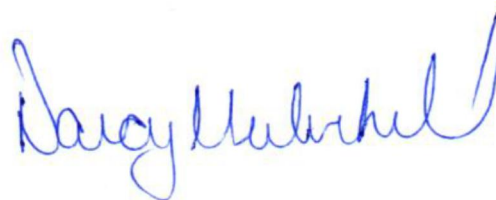
Another major impact on the 2016 Budget and forward is the new wastewater treatment plant. This plant is required by the state to comply with levels the city is required to meet. Construction started in 2015 and scheduled opening is in Summer, 2017.

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,



Joe Kohlmann
City Administrator



Darcy Mulvihill
Finance Director

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.

CITY OF ST. FRANCIS, MINNESOTA
PRINCIPAL CITY OFFICIALS

DECEMBER 2015

CITY COUNCIL

STEVE KANE, MAYOR
Term Expires 12-31-2016

RICHARD ORPEN, COUNCILMEMBER
Term Expires 12-31-2016

TIM BROWN, COUNCILMEMBER
Term Expires 12-31-2016

RICHARD SKORDAHL, COUNCILMEMBER
Term Expires 12-31-2018

CHRISTOPHER MCCLISH, COUNCILMEMBER
Term Expires 12-31-2018

CITY MANAGERIAL STAFF

Employee	Position	Date Appointed
Joe Kohlmann	City Administrator	May 11, 2015
Barbara Held	City Clerk	July 1, 1991
Darcy Mulvihill	Finance Director	June 28, 2010
Jeffery Harapat	Police Chief	September 1, 2007
Matt Kohout	Fire Chief	May 19, 2015
Paul Teicher	Public Works Director	April 14, 2008
Kate Thunstrom	Community Development Director	November 30, 2015
John Schmidt	Liquor Store Manager	November 12, 2007

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BUDGET OVERVIEW

Challenges for the 2016 Budget

Challenges that frame the development of the 2016 Budget include:

Levy – For the 2016 tax levy, the Market Value Exclusion program continues. 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 increase the levy by \$63,620. This was a 2% increase over the 2015 levy. The total preliminary tax rate for 2016 is 58.345%

State aid –Local Government Aid was increased by \$8,907 for a total of \$356,255 in 2016.

Volatility in fuel and energy costs – Fuel and energy costs remain volatile. 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 2014. A 3.25% COLA increase for the two unions and non-union personnel was given for 2016.

Revenues (net of transfers and debt proceeds) up by 7.53%

The 2016 budget anticipates revenues (net of transfers and debt proceeds) in the amount of \$9,425,623, an increase of \$660,350 (7.53%) from 2015. The primary reason for this increase are the increases the increases in the water and sewer rates and the addition of a storm water fee. 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	2015	2016	\$ Change	% Change
General	4,422,723	4,276,343	(146,380)	-3.31%
Special Revenue	14,650	14,650	-	0.00%
Debt	48,900	76,970	28,070	57.40%
Capital	44,500	220,200	175,700	394.83%
Enterprise	4,234,500	4,837,460	602,960	14.24%
TOTAL	8,765,273	9,425,623	660,350	7.53%

**Expenditures
(net of
transfers and
refunded
debt service)
up 2.40%**

Expenditures (net of transfers and refunded debt service) in the 2016 Budget are up 2.40% or \$228,026 more than 2015.

Expenditure Comparison

Fund	2015	2016	\$ Change	% Change
General	4,072,723	3,976,343	(96,380)	-2.37%
Special Revenue	46,896	51,383	4,487	9.57%
Debt	649,678	656,543	6,865	1.06%
Capital	266,021	342,650	76,629	28.81%
Enterprise	4,455,067	4,691,492	236,425	5.31%
TOTAL	9,490,385	9,718,411	228,026	2.40%

The main reasons for this increase are the addition of a Community Development Director and increases in the interest costs in the Sewer Fun.

**Tax levy for
2016 is 2.0%
change**

The City's tax levy for 2016 is \$3,244,573 which is an increase of \$63,620 over the 2015 levy. The median home value in the City of St. Francis increased from \$132,700 in 2015 to \$133,800 in 2016. A median home will pay an estimated \$634/year for 2016 city taxes.

The following table summarizes the estimated tax impact on homestead residential homes, based on the 2016 tax levy. This assumes no change in property valuation from year to year

Estimated Market Value	2016 City Taxes	2015 City Taxes	Difference
100,000	\$ 418.92	\$ 422.96	\$ (4.04)
120,000	\$ 546.11	\$ 551.38	\$ (5.27)
133,800	\$ 633.63	\$ 639.74	\$ (6.11)
140,000	\$ 673.30	\$ 679.80	\$ (6.50)
160,000	\$ 800.49	\$ 808.22	\$ (7.73)
180,000	\$ 927.69	\$ 936.64	\$ (8.95)
200,000	\$ 1,054.88	\$ 1,065.06	\$ (10.18)
220,000	\$ 1,182.07	\$ 1,193.48	\$ (11.41)

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 2015 are the basis for the taxes payable in 2016. 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):

$$\$200,000 - \$19,240 = \$180,760$$

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.

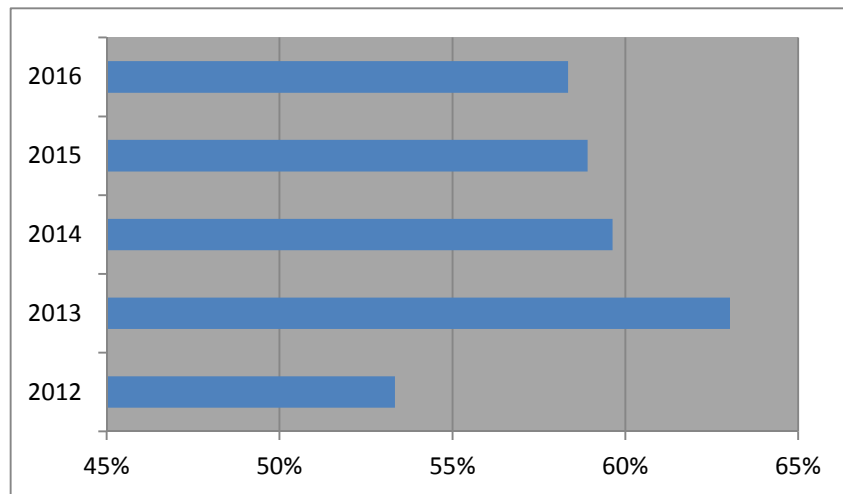
Property Type	Payable 2013 Class Rate	Payable 2014 Class Rate	Payable 2015 Class Rate
Homestead			
0 to \$500,000	1.00%	1.00%	1.00%
Over \$500,000	1.25%	1.25%	1.25%
Non-Homestead (Single Family)			
0 to \$500,000	1.00%	1.00%	1.00%
Over \$500,000	1.25%	1.25%	1.25%
Apartments			
Regular	1.25%	1.25%	1.25%
Low Income	0.75%	0.75%	0.75%
Commercial/Industrial			
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	2014	2015	2016
Real Estate/Personal Property	3,784,282	4,300,563	4,421,797
Tax Increment Districts	(11,891)	(20,004)	(12,522)
Sub-Total	3,772,391	4,280,559	4,409,275
Fiscal Disparities:			
Contribution	(274,535)	(251,537)	(225,974)
Distribution	1,434,712	1,352,805	1,358,892
Total Tax Capacity	4,932,568	5,381,827	5,542,193
Percent change	-0.24%	9.11%	2.98%

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:

2012	53.34%
2013	63.03%
2014	59.63%
2015	58.91%
Preliminary 2016	58.35%



Using the prior example of a single family home with an estimated market value of \$200,000, the approximate city tax for 2016 would be:

$$\$1,808 \times 58.35\% = \$1,054.97$$

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

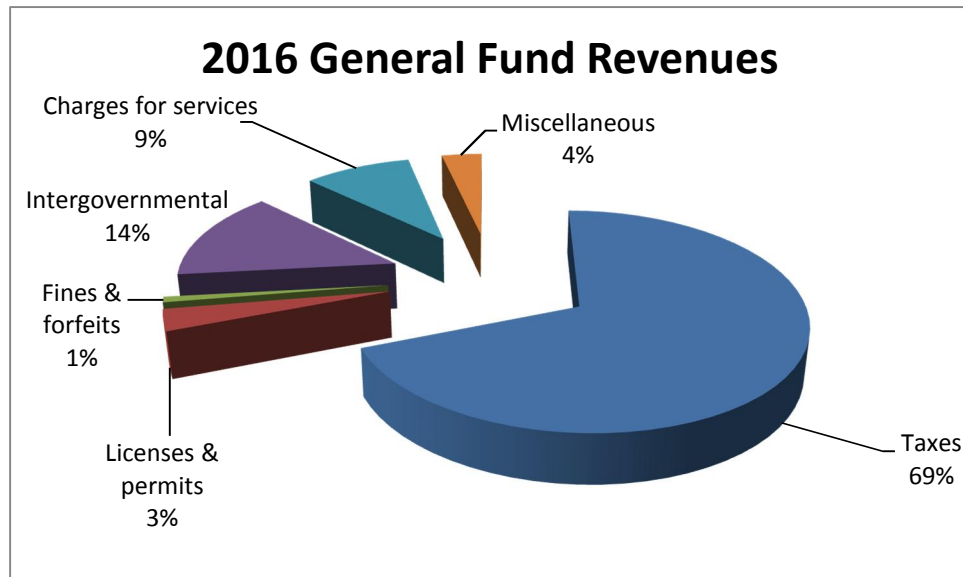
Staffing

The number of full time equivalent positions increased to 33 for the 2016 budget year.

General Fund Revenues (net of transfers) down 3.31%

The 3.31% decrease in General Fund revenues (net of transfers) amounts to \$146,380 less revenues than 2015. Taxes are \$192,200 lower than the 2015 Budget and they represent 69% of the revenues for the General Fund. The reason for the drop is that a portion of the level is being allocated directly to the Capital Equipment Fund. Local Government aid, which is part of Intergovernmental Revenue, is budgeted at \$356,255 while the amount received in 2015 was 347,348.

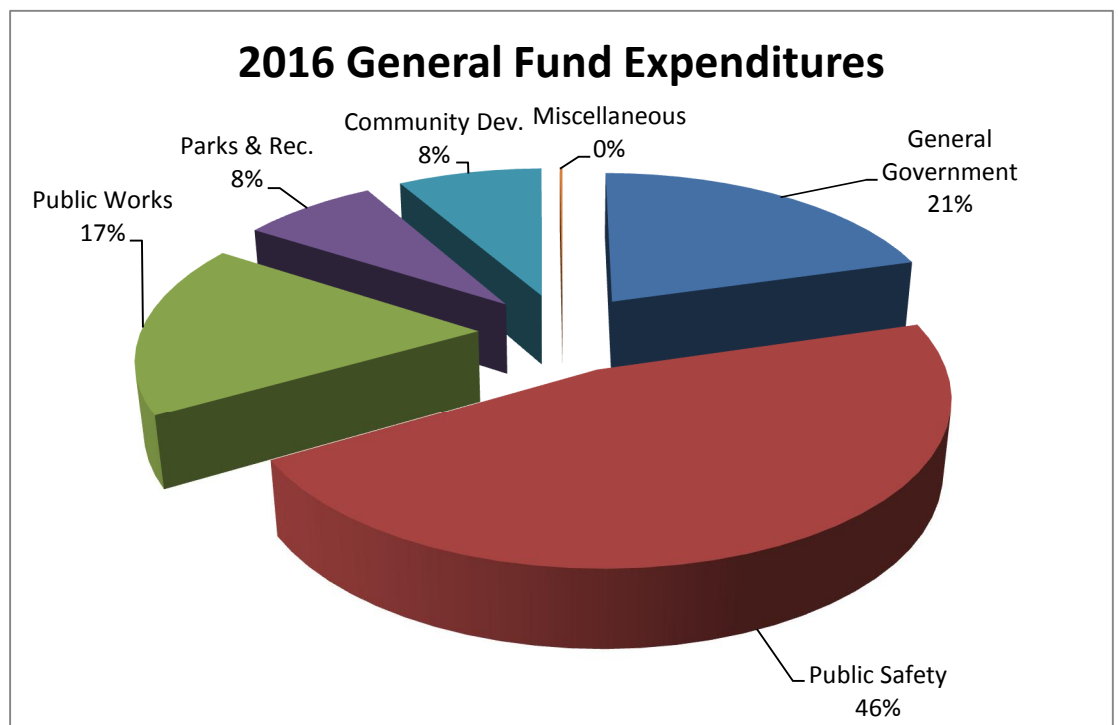
	2015	2016	\$ Change	% Change
Taxes	781,350	815,445	34,095	4.36%
Licenses & permits	1,842,832	1,835,338	(7,494)	-0.41%
Fines & forfeits	809,120	692,830	(116,290)	-14.37%
Intergovernmental	367,020	302,630	(64,390)	-17.54%
Charges for services	257,082	324,000	66,918	26.03%
Miscellaneous	15,319	6,100	(9,219)	-60.18%
TOTAL	4,072,723	3,976,343	-96,380	-2.37%



General Fund Expenditures (net of transfers) down 2.37%

The 2016 Budget includes recommended expenditures (net of transfers) that are 2.37% lower than the 2015 Budget. This is a decrease of \$96,380 over the previous year with the largest decrease being recognized in the Public Works budget. This is because costs associated with storm water have been moved to a Storm Water Fund

	2015	2016	\$ Change	% Change
General Government	781,350	815,445	34,095	4.36%
Public Safety	1,842,832	1,835,338	(7,494)	-0.41%
Public Works	809,120	692,830	(116,290)	-14.37%
Parks & Rec.	367,020	302,630	(64,390)	-17.54%
Community Dev.	257,082	324,000	66,918	26.03%
Miscellaneous	15,319	6,100	(9,219)	-60.18%
TOTAL	4,072,723	3,976,343	-96,380	-2.37%



General Fund Fund Balance will be 58.8% 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 2016 budget projects a fund balance of 58.8% of fund operating revenues and 7.6 months of operating expenditures. This should provide a sufficient balance to cover cash flow needs and unexpected expenditures.

Debt Service Funds

The City has three debt service funds to account for debt. Fund 311 accounts for the 2007 bonds related to street improvements and Fund 327 accounts for the 2015 bonds related to street improvements. These two funds are funded through property taxes, special assessments and transfers. The other fund is EDA Lease Revenue Bonds (330). This bond was sold in 2012 to finance 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, 2015 is calculated at \$39,323,000.

Capital Improvements

The 2016 Budget implements the first year of the 2016-2020 Capital Improvement Plan (CIP) adopted by the City Council on July 16, 2015. 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.

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. A two-step rate increase was implemented in 2015 to pay for the debt service on a new wastewater treatment plant and to adjust the water rates to pay for the debt and operating in that fund. The first step went into effect for the bills due 12/10/2015 and the second step will be effective with the bills due 01/01/2017.

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

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>11/1/15</u>
Water							
Base	11.50	11.75	11.75	11.75	13.75	13.75	16.50
Usage	Tiered	Tiered	Tiered	Tiered	Tiered	Tiered	Tiered
MN Test Fee	.53	.53	.53	.53	.53	.53	.53
Sewer							
Base	12.00	12.25	12.25	12.25	12.50	12.50	17.50
Usage	4.20	4.55	4.55	4.55	4.90	4.90	6.86

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	\$5.10
15,000 – 29,999	\$5.34
30,000 – 44,999	\$6.18
>= 45,000	\$7.38

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

MN PFA is also the lender on our new Wastewater Treatment Plant.

Water and Sewer Funds

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

Staff continues to monitor utility revenues to ensure financial stability.

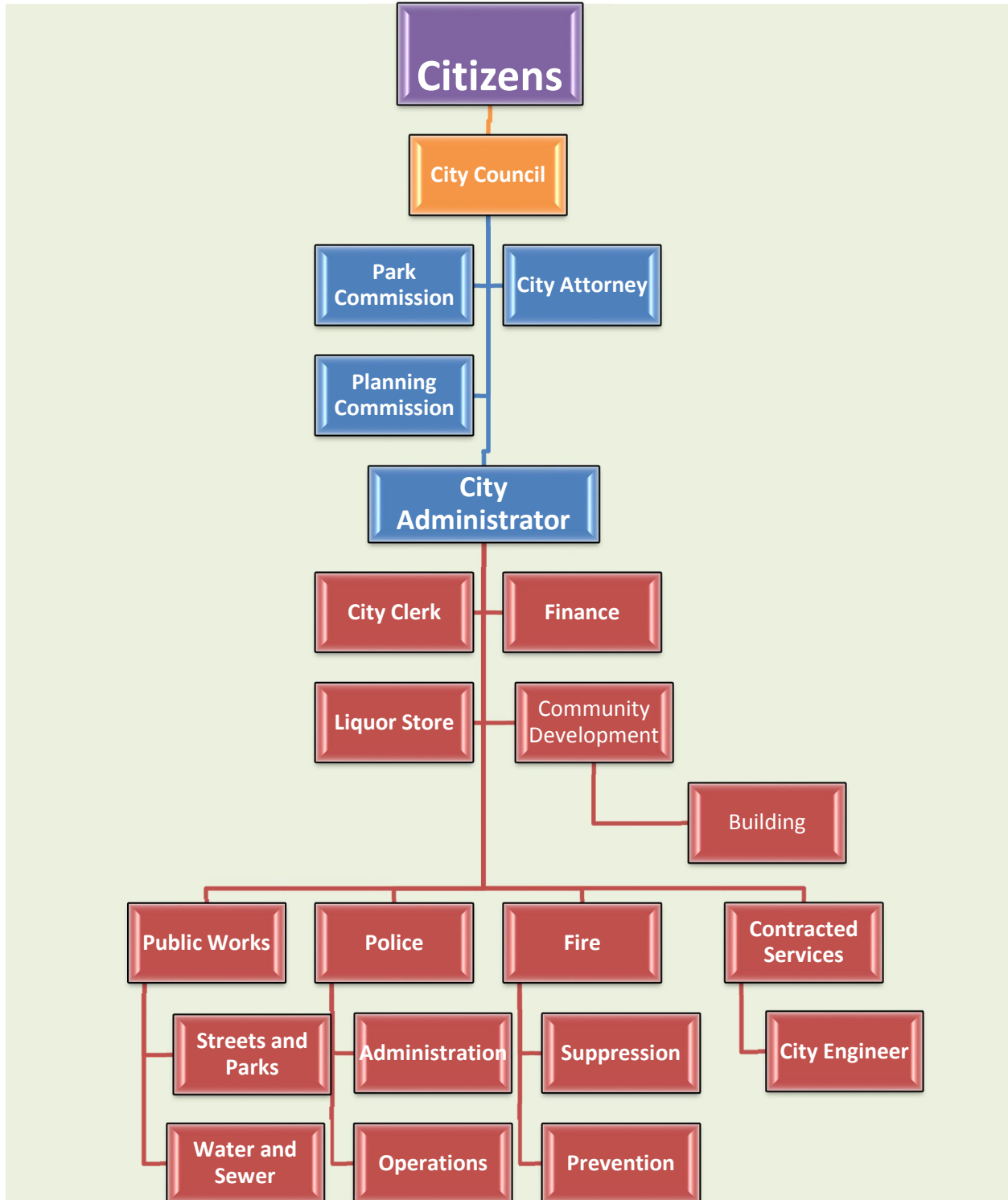
Expenditures from these funds are used for operation and maintenance, debt service, capital improvements, and infrastructure replacement relating specifically to the operation of water and sewer services. Major activity relating to these funds include:

- A Water Treatment Plant was constructed in 2008 with low interest financing provided through the MN Public Facilities Authority.
- 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.

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%.

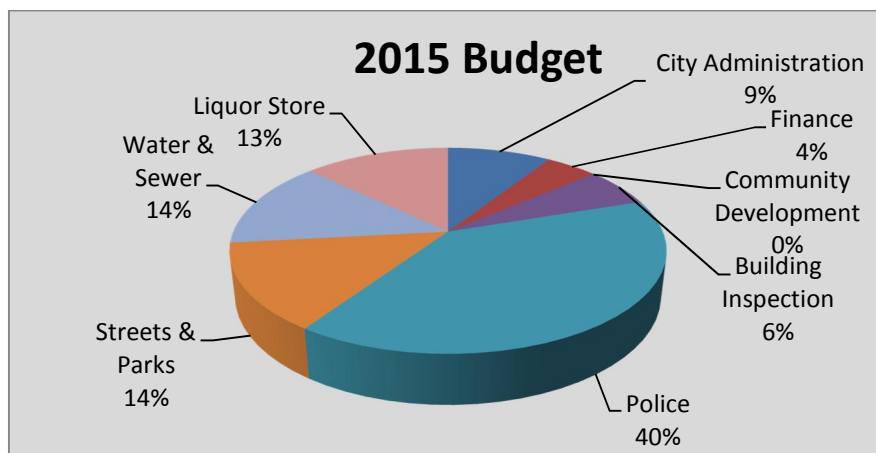
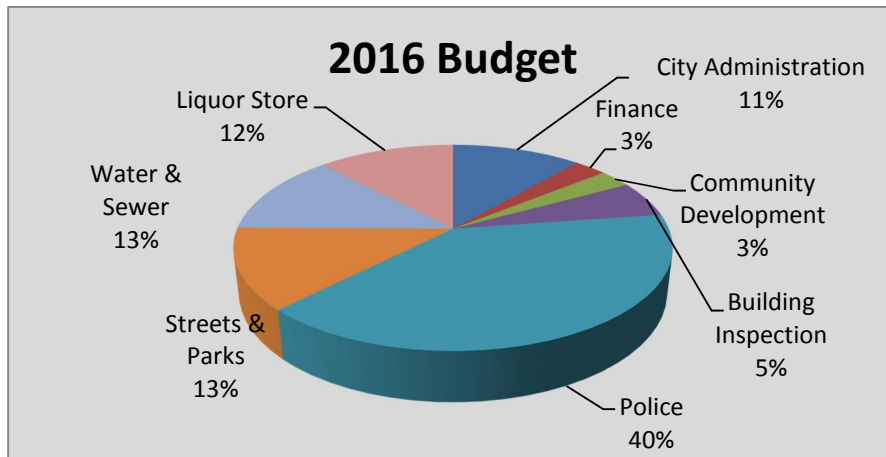
ORGANIZATIONAL CHART



**CITY OF ST. FRANCIS, MINNESOTA
SUMMARY OF PERSONNEL
NUMBER OF BUDGETED REGULAR EMPLOYEES**

	2015		2016	
	FULL TIME	PART TIME	FULL TIME	PART TIME
City Administration	3.00	0.00	4.00	0.00
Finance	1.00	0.50	1.00	0.00
Community Development	0.00	0.00	1.00	0.00
Building Inspection	2.00	0.00	2.00	0.00
Police	13.00	0.00	14.00	0.00
Streets & Parks	4.50	0.00	4.50	0.00
Water & Sewer	4.50	0.00	4.50	0.00
Liquor Store	2.00	2.25	2.00	2.25
TOTALS	30.00	2.75	33.00	2.25

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 2014-2016

<u>CODE</u>		<u>2014</u>	<u>2015</u>	<u>2016</u>
	<u>CITY ADMINISTRATION</u>			
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	2.00
	City Administration Department Total	<u>3.00</u>	<u>3.00</u>	<u>4.00</u>
	<u>FINANCE</u>			
101-41500	Finance Director	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>
	<u>COMMUNITY DEVELOPMENT</u>			
101-41910	Community Development Director	<u>0.00</u>	<u>0.00</u>	<u>1.00</u>
	<u>BUILDING INSPECTIONS</u>			
101-42400	Building Inspector	<u>1.00</u>	<u>2.00</u>	<u>2.00</u>
	<u>POLICE DEPARTMENT</u>			
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	2.00
	Sergeant	1.00	1.00	2.00
	Investigator	1.00	1.00	1.00
	Police Officer	7.00	8.00	7.00
	Police Department Total	<u>12.00</u>	<u>13.00</u>	<u>14.00</u>
	<u>STREETS & PARKS</u>			
101-43100	Highways, Streets & Roads			
	Public Works Director	0.25	0.25	0.25
	Streets/Parks Supervisor	0.00	0.50	0.50
	Streets & Parks Worker	1.70	1.70	1.70
101-45200	Parks			
	Public Works Director	0.25	0.25	0.25
	Streets/Parks Supervisor	0.00	0.50	0.50
	Streets & Parks Worker	0.90	0.90	0.90
101-43210	Recycling			
	Public Works Director	0.00	0.00	0.00
	Streets & Parks Worker	0.40	0.40	0.40
	Streets & Parks Department Total	<u>3.50</u>	<u>4.50</u>	<u>4.50</u>
	<u>WATER & SEWER</u>			
601-49440	Water Operations:			
	Public Works Director	0.25	0.25	0.25
	Water/Wastewater Supervisor	0.00	0.50	0.50
	Water/Wastewater Operator	1.50	1.50	1.50
602-49440	Sanitary Sewer Operations:			
	Public Works Director	0.25	0.25	0.25
	Water/Wastewater Supervisor	0.00	0.50	0.50
	Water/Wastewater Operator	1.50	1.50	1.50
	Public Works Department Total	<u>3.50</u>	<u>4.50</u>	<u>4.50</u>
	<u>MUNICIPAL LIQUOR STORE</u>			
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>
	TOTAL	<u>26.00</u>	<u>30.00</u>	<u>33.00</u>



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

City of St. Francis

Minnesota

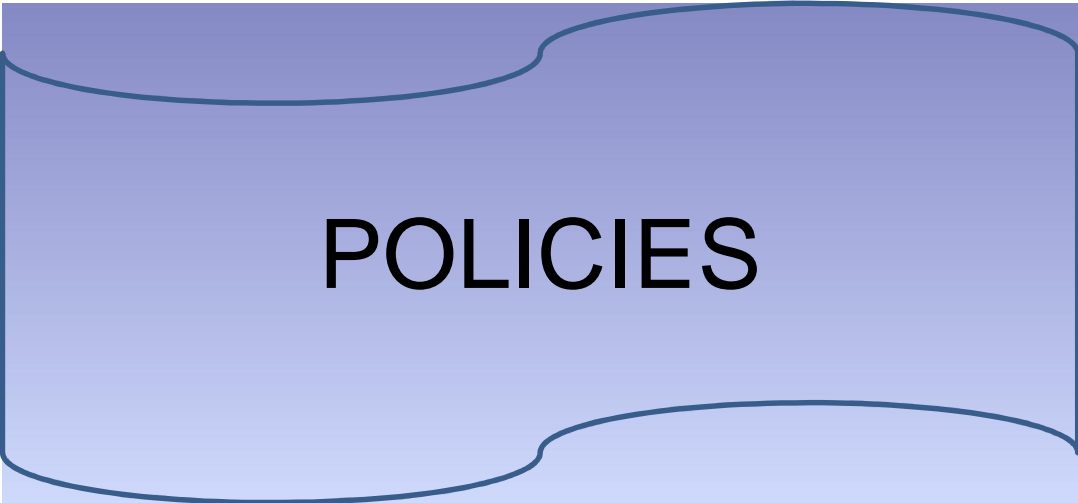
For the Fiscal Year Beginning

January 1, 2015

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, 2015. 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.



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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:

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. 30 th	* At a Council meeting, the public hearing date on the proposed budget and proposed tax levy are approved by the Council.
By Sept 30 th	* 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.

FINANCIAL POLICIES

Balancing the Budget

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

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

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

Long-Range Planning and Fund Balance

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

Maintaining an adequate fund balance is essential. The City shall establish a reserve general fund balance in order to accommodate unexpected operational changes, legislative impacts or other economic events affecting the City's operations that could not have been reasonably anticipated. The goal is to establish an unreserved fund balance in the General Fund that is equivalent to forty percent (40%) of General Fund

revenues. Fund balance is defined as the difference between assets and liabilities reported in a governmental fund. This unreserved fund balance will be used to meet cash flow needs until the first property tax and state aid payments are received at mid-year and to provide for unanticipated expenditures, revenue shortfalls, and emergency situations which may occur.

Capital Improvement

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

Capital Asset Inventory

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

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

Revenue Policies

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

Revenue Diversification

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

Fees and Charges

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

Use of One-time Revenues

Non-recurring revenue or one-time revenues are sources of revenue the City cannot anticipate receiving on a continuing basis. It is important to seek out and receive this non-recurring revenue because these revenues have value different 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.

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.

- 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, Storm Sewer and Liquor) in the Operating Budget. Under this basis, revenues are recognized in the accounting period that they are earned and measurable; expenses are recognized in the accounting period that they are incurred, if measurable. The basis of budgeting is the same as the basis of accounting.

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.

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.
- **Ivywood & 230th** – accounts for financial resources used to finance a future street reconstruction project.

DEBT SERVICE FUNDS

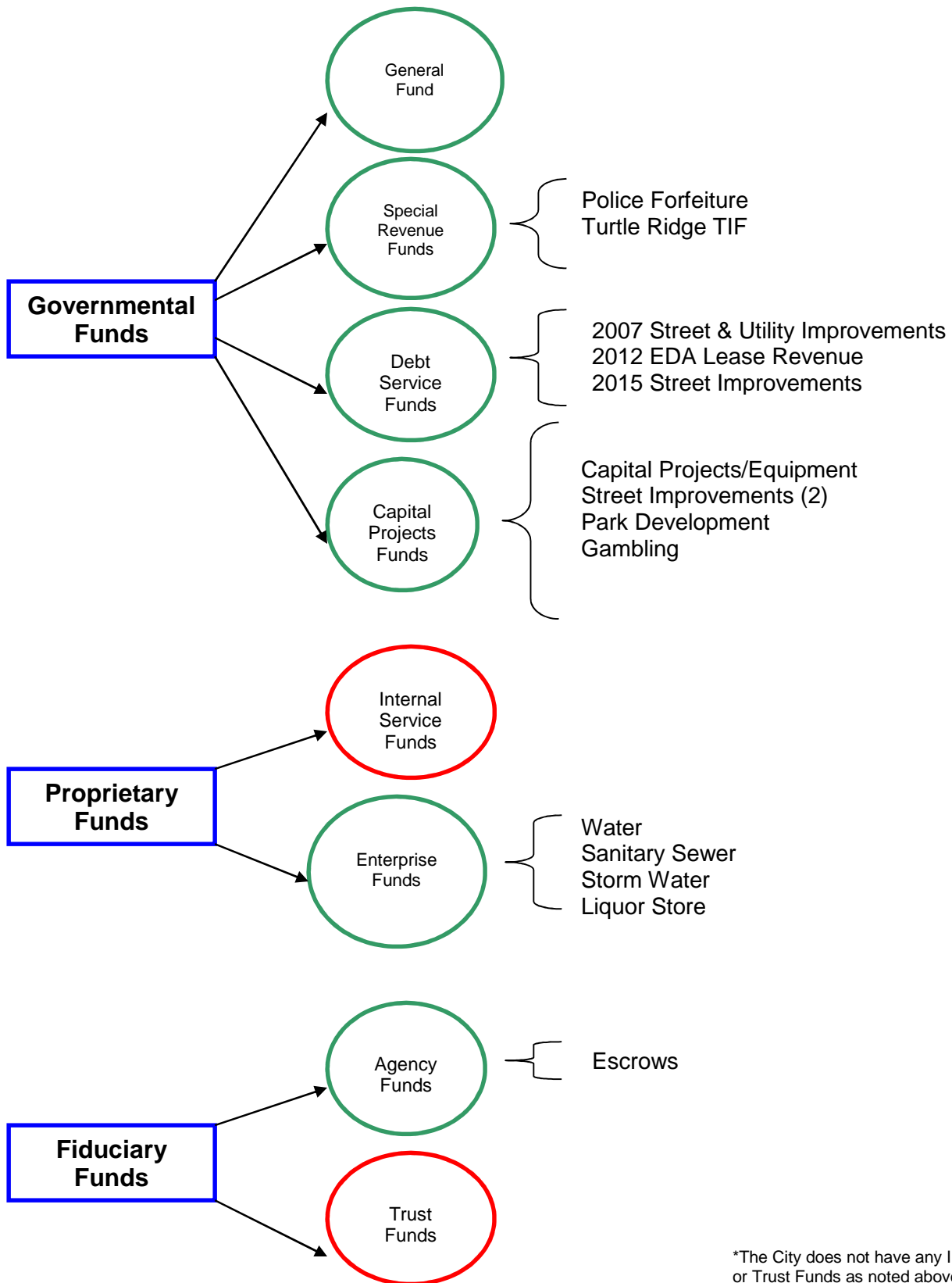
Debt service funds account for the accumulation of resources for, and the payment of, general and special assessment long-term debt principal, interest and fiscal agents' fees. Enterprise fund debt is accounted for in the individual enterprise fund.

ENTERPRISE FUNDS

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

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

FUND STRUCTURE



*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
<u>General Fund</u>	X	X	X	X	X	X	
<u>Special Revenue Funds</u>							
Police Forfeiture		X					
Tax Increment Financing	X						
<u>Debt Service Funds</u>							
2007 Street & Utility Improvements	X						
2012 EDA Lease Revenue Bonds	X						
2015 Street Improvements	X						
<u>Capital Projects Funds</u>							
Capital Projects		X	X	X			
Street Improvements			X				
Park Development				X			
Gambling		X					
<u>Proprietary Funds</u>							
Water			X				
Sewer			X				
Storm Water			X				
Liquor							X



BUDGET SUMMARY

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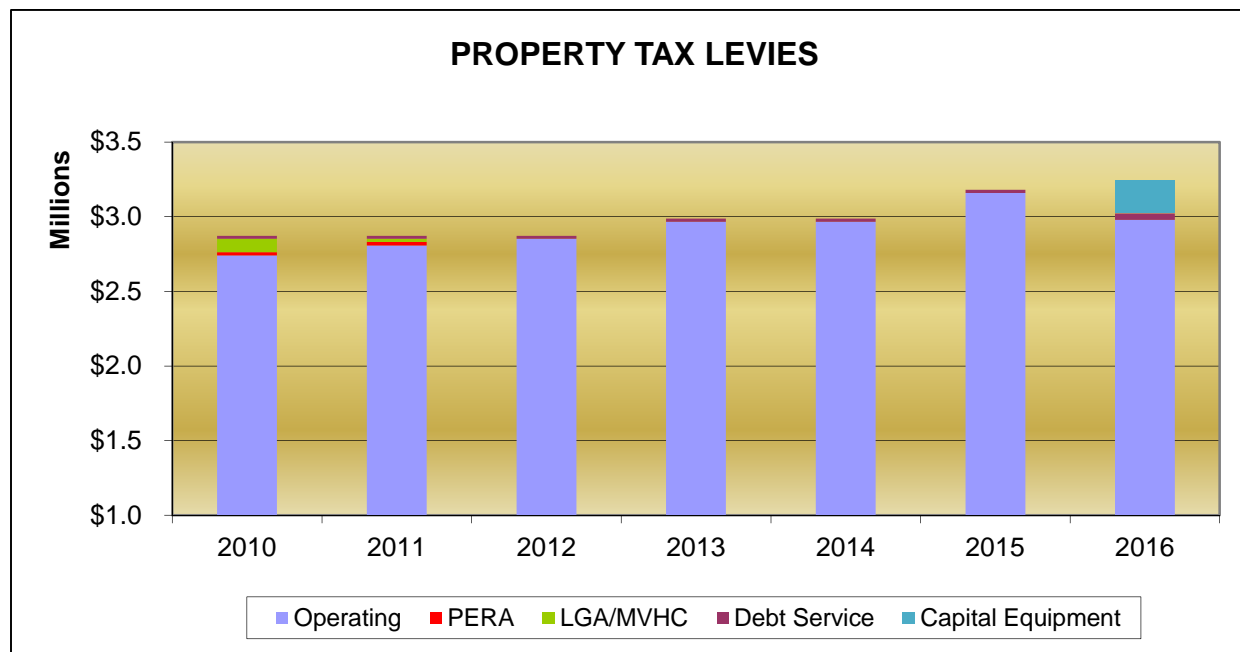
REVENUE SOURCES

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 - \$3,190,870 (31.7%)

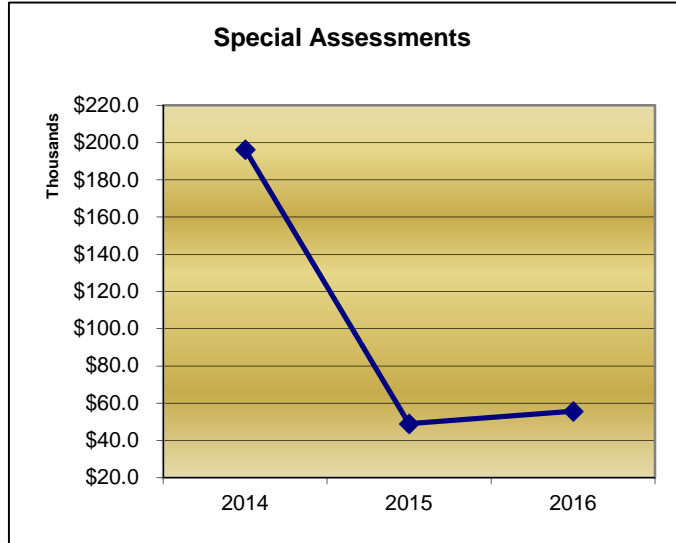
Tax revenues consist of property taxes (current and delinquent), tax increments and penalties and interest. This revenue source is primarily used in the General Fund and is set at a level to raise adequate revenue for the operating budget when combined with other expected revenues. The final level of expected revenue should be sufficient to conduct City business in accordance with Council policy and directives and result in a projected year-end fund balance to cover possible emergencies and contingencies. The Minnesota State Legislature eliminated the Market Value Credit Program in 2012 and replaced it with the Market Value Exclusion Program which continues in 2016.

The City relies on property taxes for 69% of the total General Fund revenues, supporting such functions as public safety, public works, and general government. There was a 2.0 percent increase in the levy for 2016.



Special Assessments - \$55,700 (0.6%)

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.

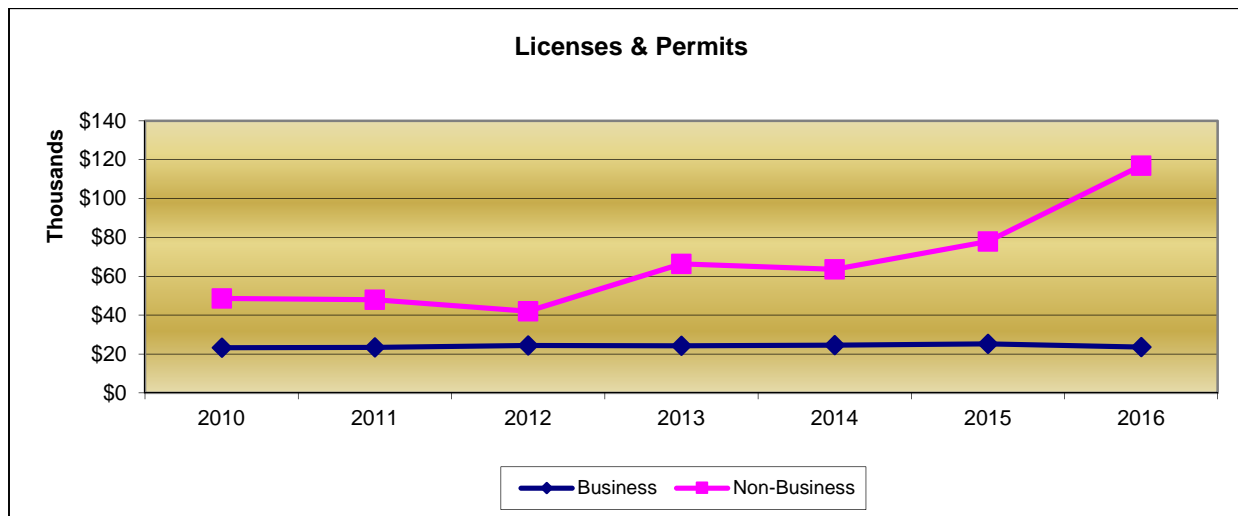


Special assessment collections for 2016 will be about the same as the 2015 budget based on an analysis of new rolls, scheduled installments and historical collection rates. In 2014, the city collected prepaid assessments on a 3 year special assessment.

Licenses and Permits - \$140,610 (1.4%)

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.

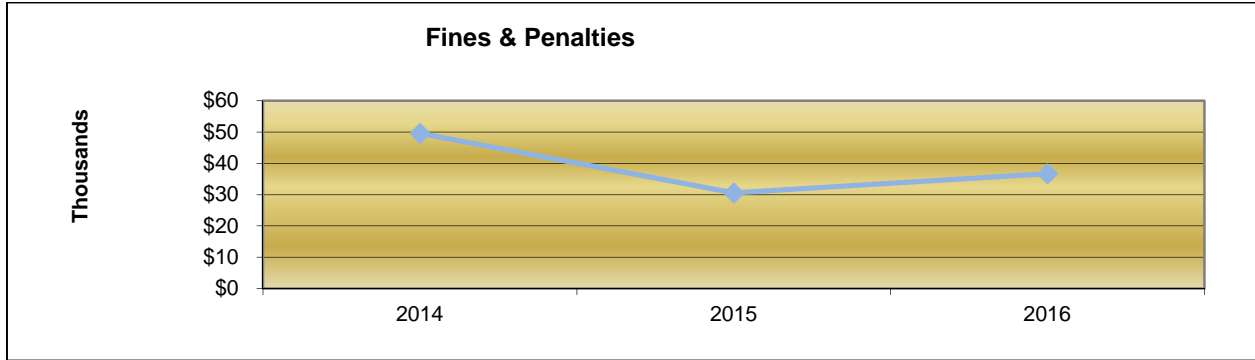
These fees are normally charged as a means of recovering the cost of regulation in the interest of the overall community. Business license fees are required to be paid annually in order to operate a business within the City. Liquor license fees account for most of the revenue in this category. Non-business 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 - \$36,700 (0.4%)

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.

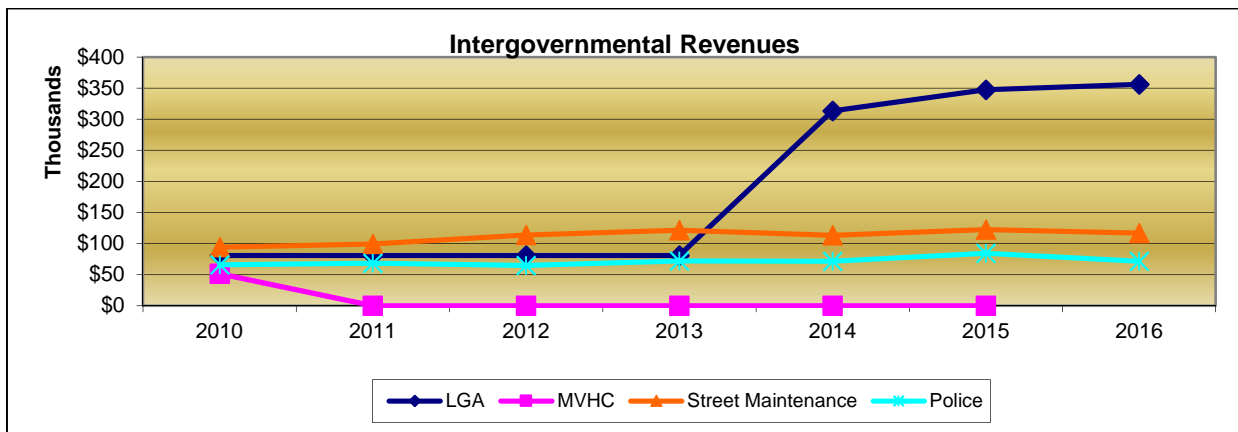
The fluctuations in this category are mainly caused by drug forfeiture proceeds. The revenue from drug forfeitures is dependent on crime in the city. We do not budget for drug forfeiture revenue as it is very unpredictable.



Intergovernmental - \$597,643 (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 \$356,255 in 2016. 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.



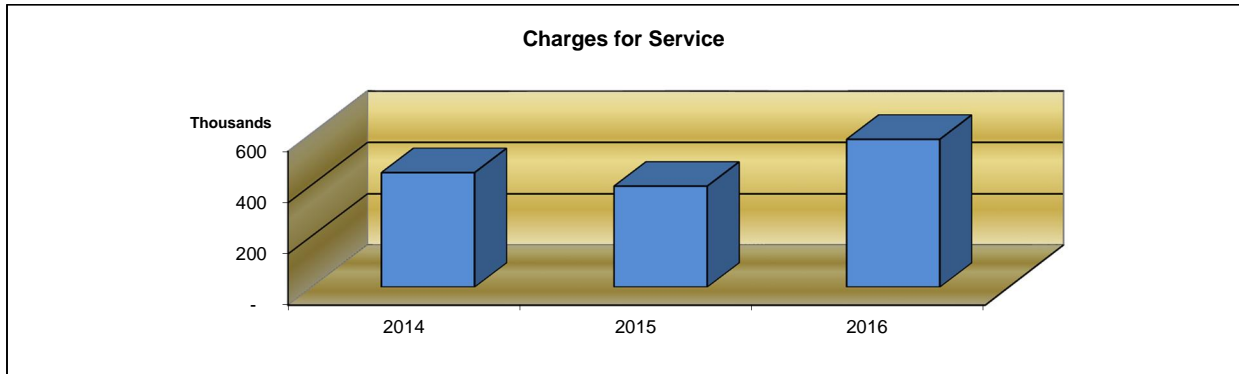
Charges for Services - \$576,765 (5.7%)

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 2014-2015 school year, the contract was increased to 2 officers. The revenue under this contract has been as follows:

2012	\$103,650
2013	\$60,463
2014	\$60,888
2015	\$126,446
2016 Budget	\$124,700

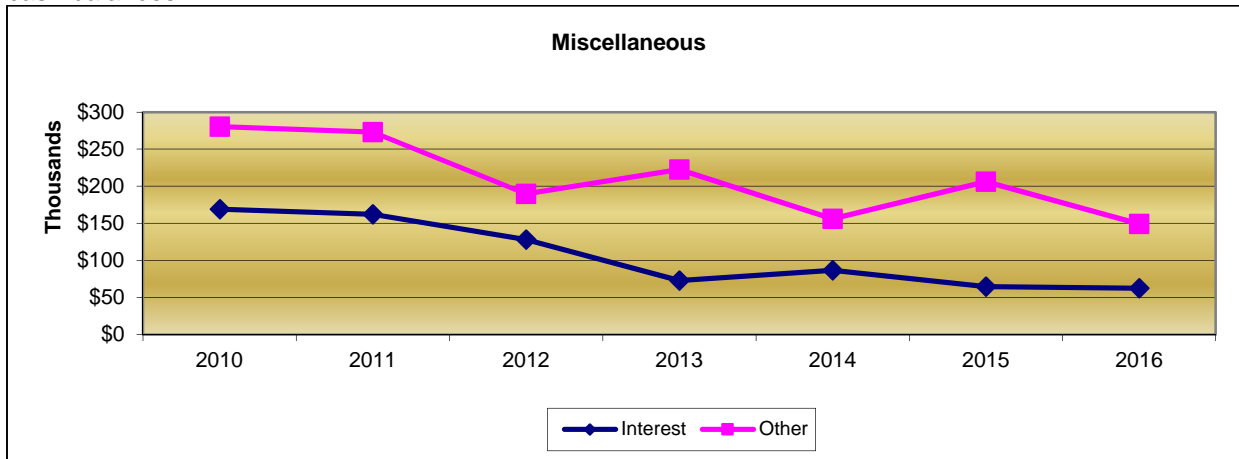
In 2012, the city also entered into a contract with a neighboring city to provide building inspection services. This is budgeted in 2016 to bring in \$65,000.



Miscellaneous - \$211,835 (2.1%)

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.



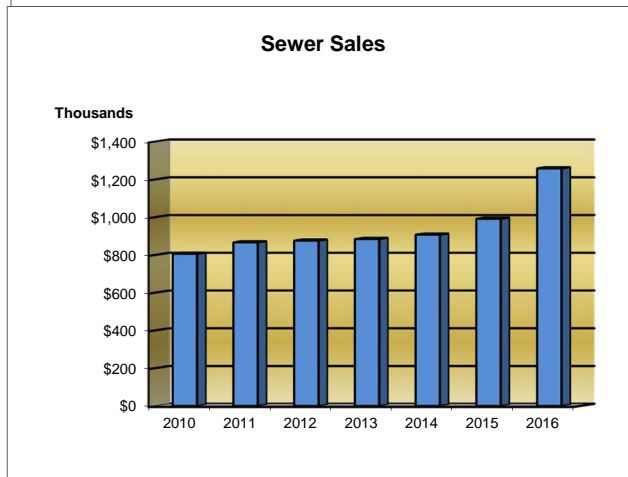
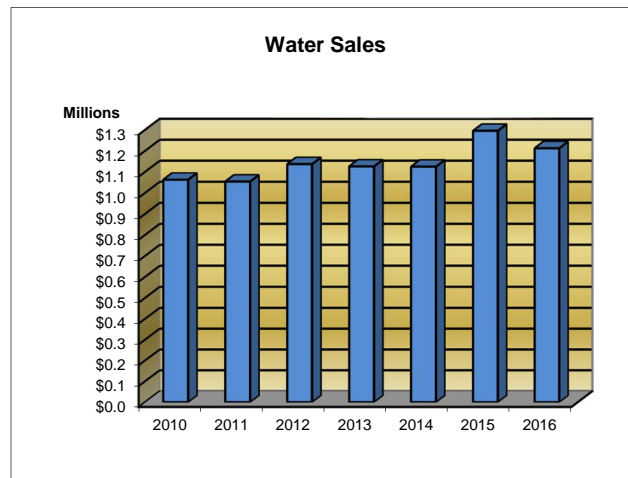
Sales - Water, Sewer, Liquor - \$4,543,500 (45.1%)

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.

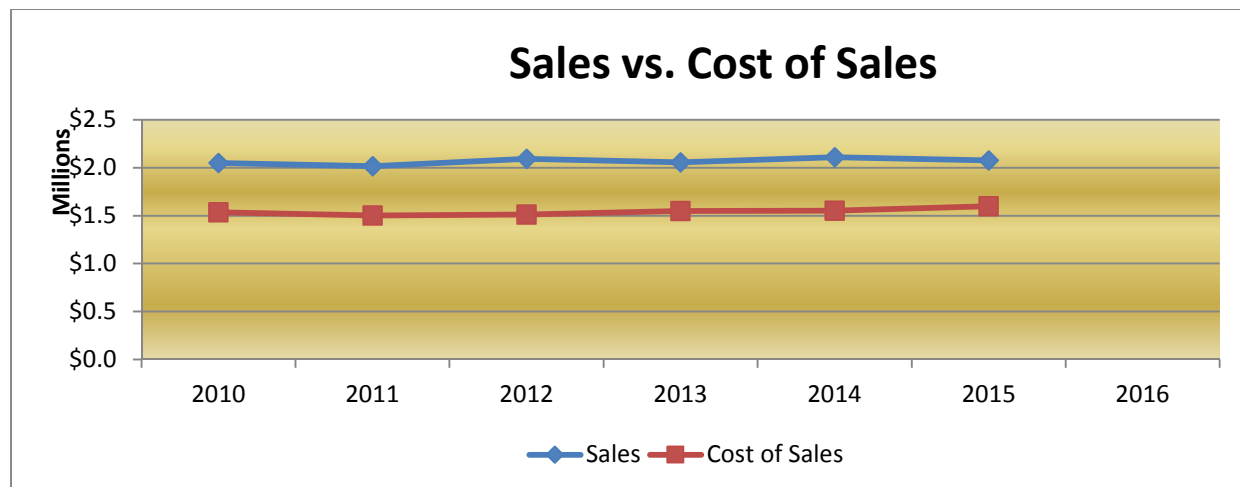
The history for the monthly water and sewer bill on a residential household that uses 6,000 gallons per month would be:

	<u>Water</u>	<u>Sewer</u>
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
2015	\$39.78	\$41.90
2016	\$47.63	\$58.66



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

Percent of Sales	2013		2014		2015		2016	
Liquor	686,979	32.7%	712,475	33.9%	720,238	34.3%	700,000	33.3%
Beer	1,082,628	51.5%	1,100,411	52.4%	1,132,249	53.9%	1,100,000	52.3%
Wine	197,266	9.4%	199,564	9.5%	204,413	9.7%	200,000	9.5%
Miscellaneous	50,405	2.4%	55,101	2.6%	42,435	2.0%	42,000	2.0%
Tobacco	40,705	1.9%	41,931	2.0%	57,714	2.7%	59,500	2.8%
Total Sales	2,057,983		2,109,482		2,157,049		2,101,500	



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%)

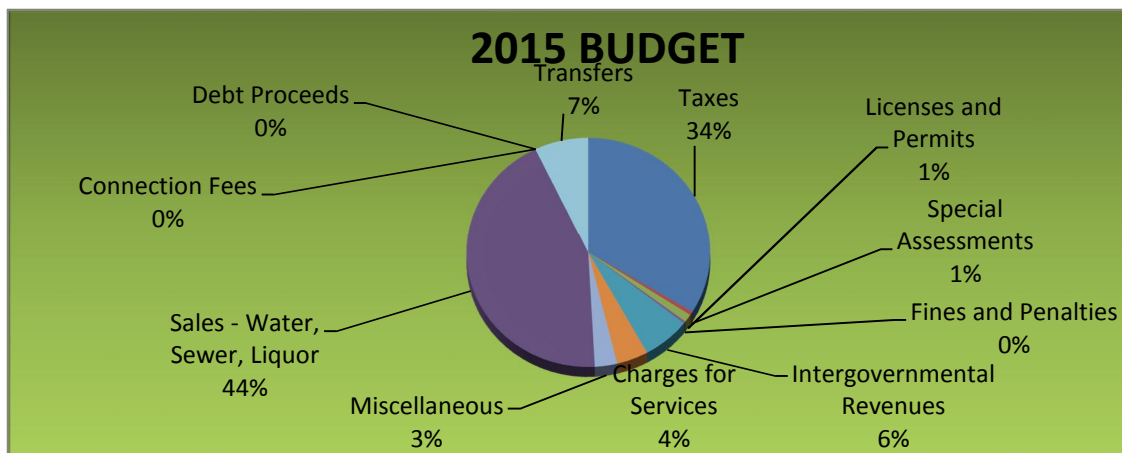
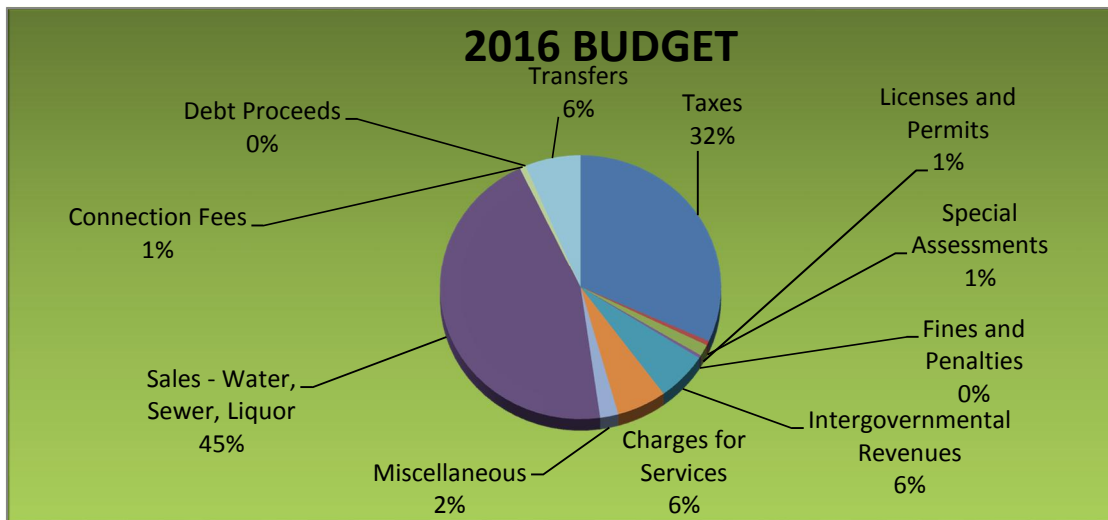
This Other Financing Source represents the funds received when issuing debt to pay for infrastructure or other capital items. None are projected for 2014.

Transfers and Contributions of Assets - \$644,880 (6.4%)

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.

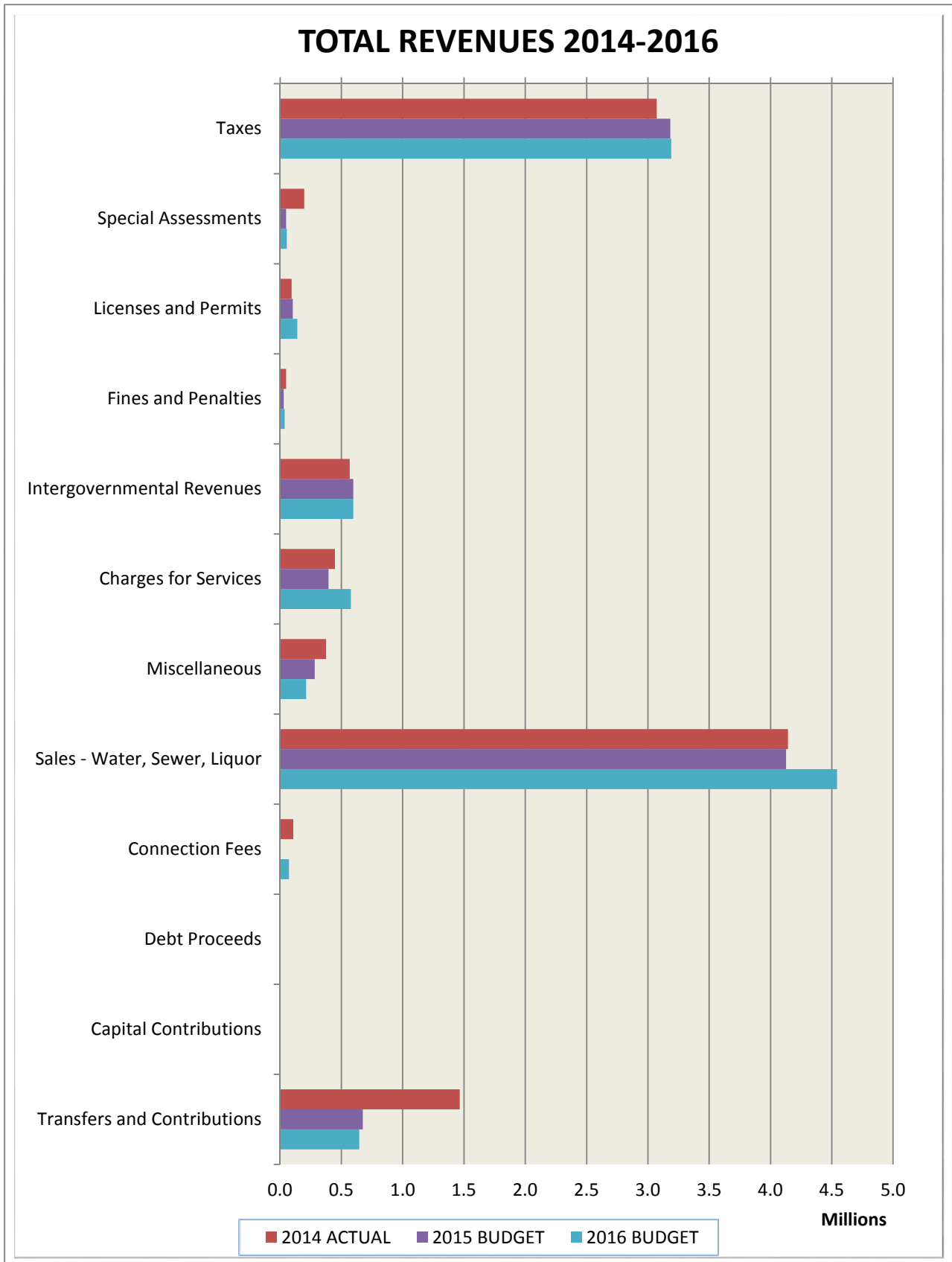
CITY OF ST. FRANCIS, MINNESOTA
ALL FUNDS
 REVENUE SOURCES AS A PERCENT OF TOTAL

<u>Total by Source</u>	2015 BUDGET	PERCENT OF TOTAL	2016 BUDGET	PERCENT OF TOTAL
Taxes	3,182,600	33.7%	3,190,870	31.7%
Special Assessments	49,000	0.5%	55,700	0.6%
Licenses and Permits	103,271	1.1%	140,610	1.4%
Fines and Penalties	30,551	0.3%	36,700	0.4%
Intergovernmental Revenues	597,434	6.3%	597,643	5.9%
Charges for Services	394,511	4.2%	576,765	5.7%
Miscellaneous	281,406	3.0%	211,835	2.1%
Sales - Water, Sewer, Liquor	4,126,500	43.7%	4,543,500	45.1%
Connection Fees	-	0.0%	72,000	0.7%
Debt Proceeds	-	0.0%	-	0.0%
Transfers	674,880	7.1%	644,880	6.4%
Totals	\$9,440,153	100.0%	\$10,070,503	100.0%



CITY OF ST. FRANCIS, MINNESOTA
ALL FUNDS
 REVENUE SUMMARY

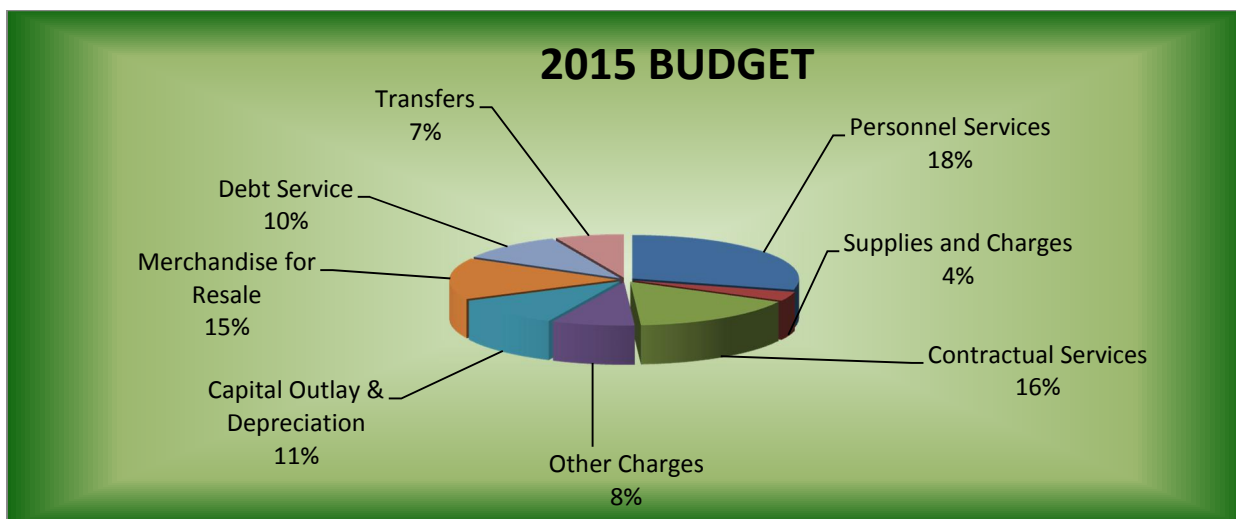
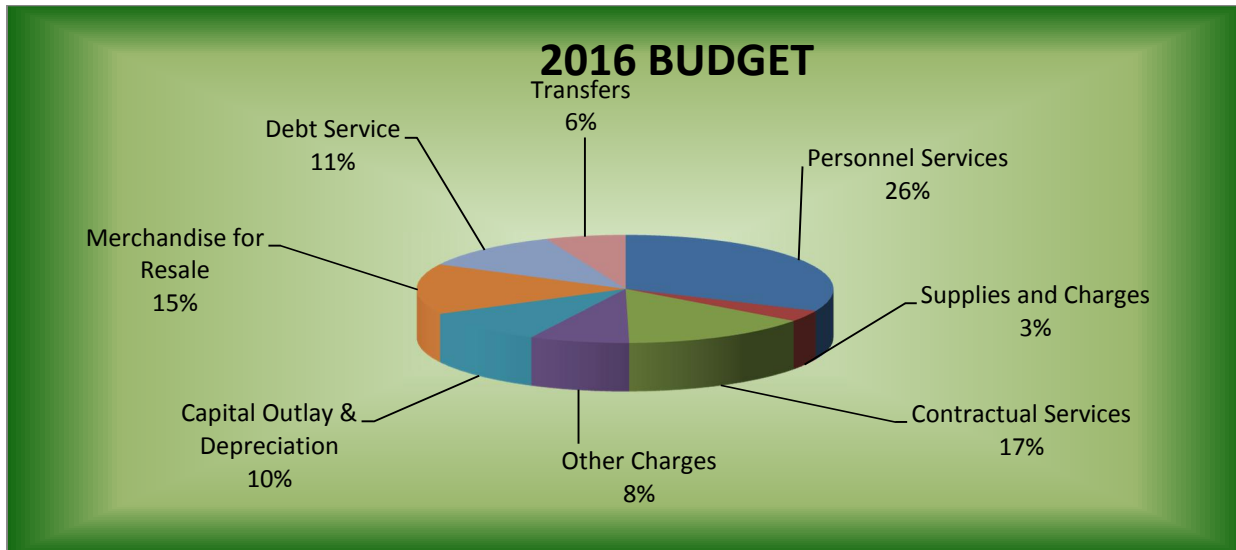
<u>Total by Source</u>	2014 ACTUAL	2015 BUDGET	2016 BUDGET	% CHANGE
Taxes	\$3,072,879	\$3,182,600	\$3,190,870	0.3%
Special Assessments	196,257	49,000	55,700	13.7%
Licenses and Permits	94,205	103,271	140,610	36.2%
Fines and Penalties	49,635	30,551	36,700	20.1%
Intergovernmental Revenues	567,935	597,434	597,643	0.0%
Charges for Services	447,230	394,511	576,765	46.2%
Miscellaneous	376,529	281,406	211,835	-24.7%
Sales - Water, Sewer, Liquor	4,142,274	4,126,500	4,543,500	10.1%
Connection Fees	108,000	-	72,000	N/A
Debt Proceeds	-	-	-	N/A
Capital Contributions	-	-	-	N/A
Transfers and Contributions	1,465,036	674,880	644,880	-4.4%
Totals	\$ 10,519,980	\$ 9,440,153	\$ 10,070,503	6.7%
<u>Total By Fund</u>				
Operating Budget:				
General Fund	\$ 4,430,411	\$ 4,482,723	\$ 4,336,343	-3.3%
Park Improvements	44,892	2,500	2,500	0.0%
Police Forfeiture Fund	32,091	-	-	N/A
Gambling Fund	13,688	11,000	11,000	0.0%
Turtle Ridge TIF Fund	14,443	14,650	14,650	0.0%
Water Fund	1,216,081	1,220,000	1,233,000	1.1%
Sanitary Sewer Fund	1,015,990	926,000	1,314,000	41.9%
Storm Water Fund	-	-	178,560	N/A
Municipal Liquor Fund	2,120,175	2,088,500	2,111,900	1.1%
Total Operating Budget	\$ 8,887,771	\$ 8,745,373	\$ 9,201,953	5.2%
Capital Improvements Budget:				
Capital Equipment	\$ 2,441	\$ 3,000	\$ 203,000	6666.7%
Fire Truck Replacement	54,010	53,000	-	-100.0%
Creekview Estates	15,317	13,000	13,000	0.0%
Rivers Edge Trunk Utility	516,320	-	-	N/A
Rum River Bluffs	137,053	-	-	N/A
Watermain Looping	287,151	-	-	N/A
Aztec	-	-	-	N/A
Ivywood Street & 230th Lane	21,707	12,000	10,700	-10.8%
Total Capital Budget	\$ 1,033,999	\$ 81,000	\$ 226,700	179.9%
Debt Service Budget:				
Debt Service Fund-2007	\$ 88,858	\$ 85,780	\$ 81,080	-5.5%
Debt Service Fund-2015	\$ -	\$ -	\$ 32,770	N/A
EDA Lease Revenue Bonds	509,352	528,000	528,000	0.0%
	\$ 598,210	\$ 613,780	\$ 641,850	4.6%
Totals	\$ 10,519,980	\$ 9,440,153	\$ 10,070,503	6.7%



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

	2015 BUDGET	PERCENT OF TOTAL	2016 BUDGET	PERCENT OF TOTAL
Personnel Services	\$2,965,693	29.2%	\$3,284,838	31.7%
Supplies and Charges	\$352,496	3.5%	\$350,583	3.4%
Contractual Services	\$1,661,720	16.3%	\$1,518,110	14.6%
Other Charges	\$807,719	7.9%	\$797,950	7.7%
Capital Outlay & Depreciation	\$1,095,321	10.8%	\$1,028,650	9.9%
Merchandise for Resale	\$1,568,000	15.4%	\$1,568,000	15.1%
Debt Service	\$1,039,436	10.2%	\$1,170,280	11.3%
Transfers	\$674,880	6.6%	\$644,880	6.2%
Totals	\$10,165,265	100.0%	\$10,363,291	100.0%

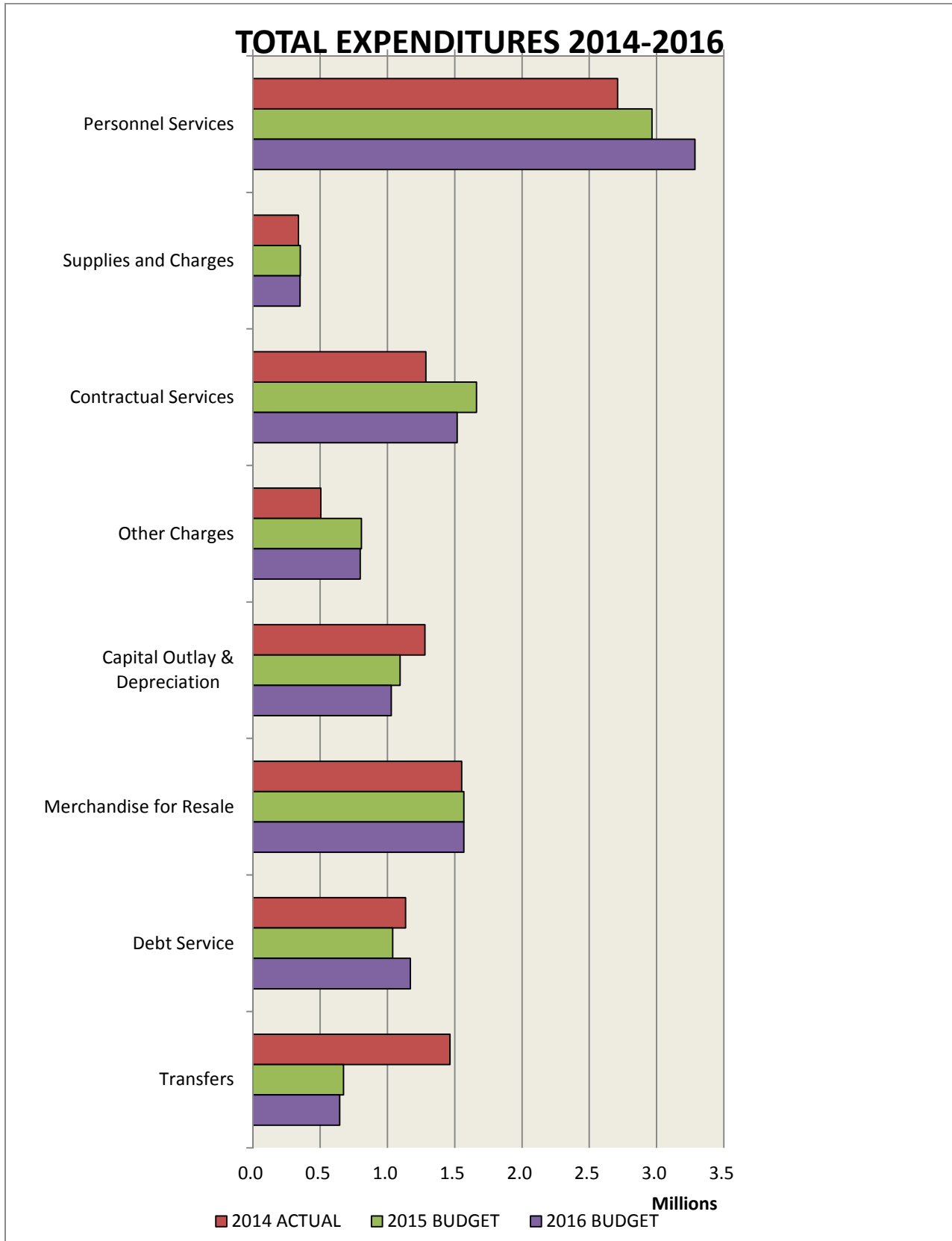


CITY OF ST. FRANCIS, MINNESOTA

ALL FUNDS

EXPENDITURE SUMMARY

	2014	2015	2016	%
	ACTUAL	BUDGET	BUDGET	CHANGE
Total By Classification				
Personnel Services	\$ 2,709,433	\$ 2,965,693	\$ 3,284,838	10.8%
Supplies and Charges	339,078	352,496	350,583	-0.5%
Contractual Services	1,286,078	1,661,720	1,518,110	-8.6%
Other Charges	506,108	807,719	797,950	-1.2%
Capital Outlay & Depreciation	1,278,998	1,095,321	1,028,650	-6.1%
Merchandise for Resale	1,551,662	1,568,000	1,568,000	0.0%
Debt Service	1,135,014	1,039,436	1,170,280	12.6%
Transfers	1,465,036	674,880	644,880	-4.4%
Totals	\$ 10,271,407	\$ 10,165,265	\$ 10,363,291	1.9%
Total By Fund				
Operating Budget:				
General Fund	\$ 4,090,520	\$ 4,482,723	\$ 4,336,343	-3.3%
Park Improvements	43,968	-	-	N/A
Police Forfeiture	8,914	33,296	37,783	13.5%
Turtle Ridge TIF Fund	13,380	13,600	13,600	0.0%
Water Fund	2,026,083	1,345,067	1,305,171	-3.0%
Sanitary Sewer Fund	1,045,158	1,293,180	1,473,601	14.0%
Storm Sewer Fund	-	-	109,500	N/A
Municipal Liquor Fund	2,015,117	2,081,700	2,088,100	0.3%
Total Operating Budget	\$ 9,243,140	\$ 9,249,566	\$ 9,364,098	1.2%
Capital Improvements Budget:				
Capital Equipment	\$ 21,062	\$ -	\$ 342,650	N/A
Fire Truck	-	266,021	-	-100.0%
Aztec Street	253,281	-	-	N/A
Creekview Estates	51	-	-	N/A
Rum River Bluffs	89,600	-	-	N/A
Ivywood Street & 230th Lane	67	-	-	N/A
Trunk Utilities Rivers Edge	-	-	-	N/A
Total Capital Budget	\$ 364,061	\$ 266,021	\$ 342,650	28.8%
Debt Service Budget:				
Debt Service Fund-2007	\$ 115,223	\$ 99,683	\$ 101,783	2.1%
Debt Service Fund-2015	-	-	4,650	N/A
EDA Lease Revenue bonds	548,983	549,995	550,110	0.0%
Total Debt Service	\$ 664,206	\$ 649,678	\$ 656,543	1.1%
Totals	\$ 10,271,407	\$ 10,165,265	\$ 10,363,291	1.9%



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

<u>Total By Fund</u>	BALANCE 01-01-16	REVENUES	NET OTHER INCREASES (DECREASES)	EXPENDITURES	BALANCE 12-31-16
Operating Budget:					
General	\$ 2,515,733	\$ 4,276,343	\$ (300,000)	\$ 3,976,343	\$ 2,515,733
Police Forfeiture	37,783	-	-	37,783	-
Turtle Ridge TIF	21,194	14,650	-	13,600	22,244
Water	4,847,052	1,233,000	(111,080)	1,194,091	4,774,881
Sanitary Sewer	7,375,947	1,314,000	(113,800)	1,359,801	7,216,346
Storm Sewer	-	178,560	-	109,500	69,060
Municipal Liquor	2,098,422	2,111,900	(60,000)	2,028,100	2,122,222
Total Operating Budget	16,896,131	9,128,453	(584,880)	8,719,218	16,720,486
Capital Improvements Budget:					
Capital Projects/Equipment	791,915	183,000	20,000	342,650	652,265
Creekview Estates	(56,580)	13,000	-	-	(43,580)
Gambling Fund	40,374	11,000	-	-	51,374
Ivywood St & 230th Lane	(62,652)	10,700	-	-	(51,952)
Park Improvements	70,347	2,500	-	-	72,847
Total Capital Budget	783,404	220,200	20,000	342,650	680,954
Debt Service Budget:					
Debt Service-2007	636,197	41,200	39,880	101,783	615,494
Debt Service-2015	-	32,770	-	4,650	28,120
EDA Lease Revenue Bonds	589,998	3,000	525,000	550,110	567,888
Total Debt Service Budget	\$ 1,226,195	\$ 76,970	\$ 564,880	\$ 656,543	\$ 1,211,502
Grand Total	\$ 18,905,730	\$ 9,425,623	\$ -	\$ 9,718,411	\$ 18,612,942

Notes on Changes over 10%:

Police Forfeiture-The city anticipates the use of these funds for police equipment
 Creekview Estates-Special assessment receipts will pay off this fund.
 Capital Projects/Equipments-Amounts are accumulated for the purchase of equipment.
 Gambling Fund-Funds are being accumulated for future fire capital expenditures.
 Ivywood and 230th Lane- Special assessment receipts will pay off this fund.



GENERAL FUND

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

	2014 ACTUAL	2015 BUDGET	2015 ESTIMATE	2016 BUDGET
Revenues:				
Property Taxes	\$3,037,312	\$3,147,200	\$3,047,200	\$2,955,000
Licenses and permits	142,505	103,271	109,750	140,610
Fines and forfeits	49,635	30,551	25,000	36,700
Intergovernmental	567,935	597,434	604,800	597,643
Charges for services	365,353	393,511	407,300	397,205
Miscellaneous	200,987	150,756	178,500	149,185
Total revenues	<u>4,363,726</u>	<u>4,422,723</u>	<u>4,372,550</u>	<u>4,276,343</u>
Expenditures:				
General Government	848,383	781,350	752,966	815,445
Public Safety	1,713,482	1,842,832	1,807,835	1,835,338
Public Works	588,356	809,120	521,034	692,830
Culture and Recreation	307,776	367,020	360,574	302,630
Community Development	226,366	257,082	303,257	324,000
Miscellaneous	16,157	15,319	2,508	6,100
Total expenditures	<u>3,700,520</u>	<u>4,072,723</u>	<u>3,748,174</u>	<u>3,976,343</u>
Excess (deficit) of revenues over expenditures	663,206	350,000	624,376	300,000
Other financing sources (uses):				
Operating transfers in (out):				
Municipal Liquor Operations	66,685	60,000	60,000	60,000
Capital Projects Fund	-	-	(347,700)	-
Fire Truck Replacement Fund	(50,000)	(50,000)	(50,000)	-
Debt Service	(340,000)	(360,000)	(360,000)	(360,000)
Total other financing sources (uses)	<u>(323,315)</u>	<u>(350,000)</u>	<u>(697,700)</u>	<u>(300,000)</u>
Net change in fund balance	339,891	0	(73,324)	0
Fund balance - January 1	<u>2,249,166</u>	<u>2,374,606</u>	<u>2,589,057</u>	<u>2,515,733</u>
Fund balance - December 31	<u>\$2,589,057</u>	<u>\$2,374,606</u>	<u>\$2,515,733</u>	<u>\$2,515,733</u>
Fund balance/revenues	59.3%	53.7%	57.5%	58.8%
Fund balance/expenditures	70.0%	58.3%	67.1%	63.3%
Fund balance/# of mths of expenditures	8.4	7.0	8.1	7.6

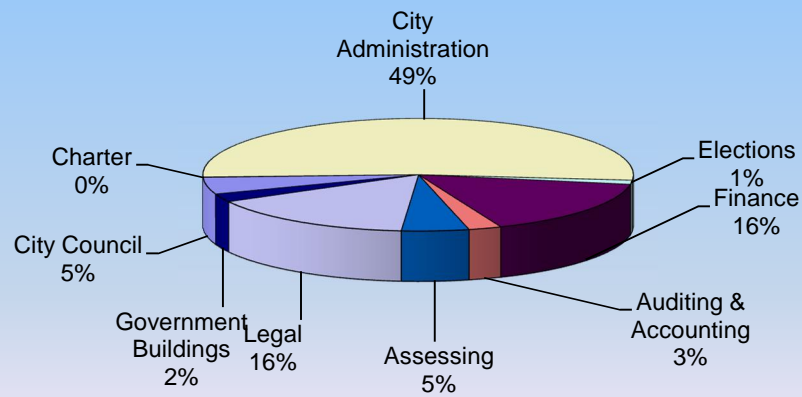
CITY OF ST. FRANCIS, MINNESOTA
GENERAL FUND
STATEMENT OF REVENUES

	2014 ACTUAL	2015 BUDGET	2015 ESTIMATE	2016 BUDGET
<u>Taxes</u>				
Current	\$2,968,191	\$3,112,000	\$3,036,565	\$2,932,000
Delinquent	57,945	30,000	10,000	20,000
Penalties & interest	11,175	5,200	635	3,000
Total Taxes	3,037,312	3,147,200	3,047,200	2,955,000
<u>Licenses and Permits</u>				
<u>Business:</u>				
Liquor	20,050	21,650	20,050	20,050
Amusements	390	523	390	490
Cigarette, Refuse, etc.	2,525	3,133	2,525	3,075
<u>Non-business:</u>				
Building	53,047	65,148	65,070	87,000
Plumbing	3,709	1,652	7,554	2,255
Mechanical	6,281	5,352	8,348	6,690
Fireplace	380	48	48	160
Septic	3,350	1,420	1,420	1,880
Animal Licenses	880	849	849	960
Misc Permits	3,433	1,885	1,885	2,930
Rental Licensing	48,300	1,500	1,500	15,000
Surcharge - Permits	160	111	111	120
Total Licenses and Permits	142,505	103,271	109,750	140,610
<u>Fines and Penalties</u>				
Court fines	47,500	30,551	25,000	36,700
Administrative fines	1,875	-	-	-
Animal impound fees	260	-	-	-
Total Fines and Penalties	49,635	30,551	25,000	36,700
<u>Intergovernmental Revenue</u>				
PERA rate increase	1,971	1,971	1,971	1,971
Local government aid	313,466	347,348	347,348	356,255
Homestead credit	3,008	-	-	-
Manufactured home homestead credit	-	-	-	-
Police grants	14,445	18,400	5,360	12,000
Street maintenance aid	117,778	117,000	122,855	117,000
Fire aid	33,750	40,331	37,251	38,700
Police aid	71,717	72,384	84,408	71,717
DNR state aid	-	-	-	-
Other Fire grants/aid	11,800	-	5,607	-
Other Grants	-	-	-	-
Local government grants and aid	-	-	-	-
Total Intergovernmental	567,935	597,434	604,800	597,643

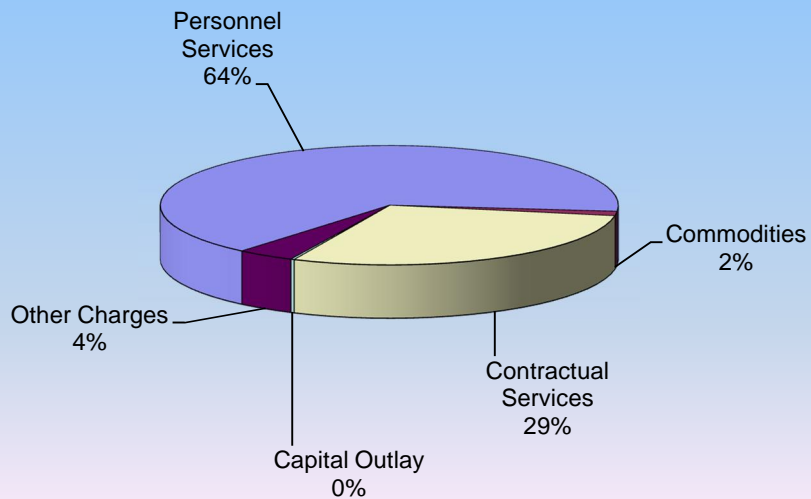
	2014 ACTUAL	2015 BUDGET	2015 ESTIMATE	2016 BUDGET
<u>Charges for Service</u>				
<u>General Government:</u>				
Maps, fax, copies, notary fees	215	73	22	75
Assessment search fees	100	170	140	150
Refuse collection charges	2,172	4,270	4,270	3,430
Administrative charges	150,381	161,000	161,000	169,050
<u>Public Safety:</u>				
ISD #15 contract	102,697	124,700	124,995	124,700
Accident reports	494	293	336	350
Special event pay	4,123	4,641	505	4,400
Lock out fees	1,050	1,206	1,206	1,100
Fire Department charges	50	500	500	-
<u>Public Works:</u>				
WCA Block Grant	442	750	750	750
Highways and street charges	-	-	-	-
<u>Community Development:</u>				
Inspection contract	73,231	65,000	77,926	65,000
Zoning and subdivision fees	6,005	5,558	10,300	6,200
Plan check fees	24,393	25,350	25,350	22,000
Economic development	-	-	-	-
Total Charges for Service	365,353	393,511	407,300	397,205
<u>Miscellaneous Revenue</u>				
Rentals, leases	45,257	46,440	52,616	50,820
Landfill abatement	47,643	21,837	38,464	35,000
Miscellaneous revenues	30,006	17,224	12,766	20,500
Interest on investments	16,694	12,000	12,000	14,700
Community Center rental	474	265	265	265
Donations & contributions	-	-	-	-
Pioneer Day Revenues	-	-	-	-
Cable TV revenues	30,392	24,990	29,015	27,900
Sale of property	30,521	28,000	33,375	-
Total Miscellaneous	200,987	150,756	178,500	149,185
TOTAL REVENUES	4,363,726	4,422,723	4,372,550	4,276,343

GENERAL GOVERNMENT 2016 BUDGET

Total By Program



Total By Classification



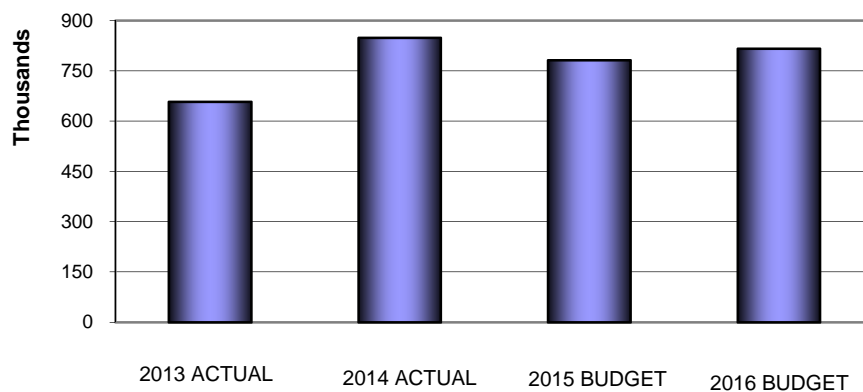
**CITY OF ST. FRANCIS, MINNESOTA
GENERAL GOVERNMENT SUMMARY
EXPENDITURE ANALYSIS**

Total By Program	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	% Change
City Council	\$29,668	\$36,037	\$49,270	\$39,050	-20.7%
Charter	364	32	1,510	910	-39.7%
City Administration	302,334	474,866	378,200	425,865	12.6%
Elections	1,155	5,918	2,090	9,520	355.5%
Finance	114,178	118,362	138,700	131,000	-5.6%
Auditing & Accounting	19,070	19,552	19,800	20,000	1.0%
Assessing	39,451	39,453	42,000	41,000	-2.4%
Legal	133,451	130,990	125,530	128,600	2.4%
Government Buildings	18,122	23,173	24,250	19,500	-19.6%
	657,793	848,383	815,445	815,445	4.4%

Total By Classification	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	% Change
Personnel Services	388,698	559,310	478,740	534,375	11.6%
Commodities	6,877	8,350	12,150	9,700	-20.2%
Contractual Services	230,102	241,530	234,260	236,420	0.9%
Capital Outlay	3,164	5,082	8,000	2,000	-75.0%
Other Charges	28,952	34,111	48,200	32,950	-31.6%
	657,793	848,383	815,445	815,445	4.4%

Staffing	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET
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.

Objectives

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

Performance Measures

	2013 Actual	2014 Actual	2015 Actual	2016 Projected
Council meetings	24	24	24	24
Special meetings	1	2	1	0
Special workshops	2	4	2	5
Town Hall meetings	0	0	0	1

Staffing

- Council consists of a Mayor and four Council Members.

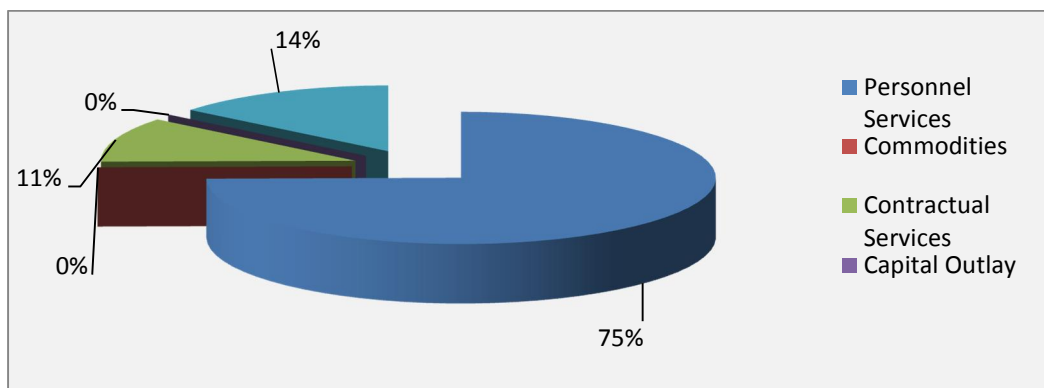
Program Expenditure Highlights

- Other charges was decrease due to the contract with the social media consultant being cancelled.

Program Expenditures

	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	% CHANGE
Personnel Services	\$ 22,703	\$ 22,811	\$ 28,720	\$ 29,200	1.7%
Commodities	-	-	-	-	N/A
Contractual Services	3,055	3,018	3,350	4,300	28.4%
Capital Outlay	-	-	-	-	N/A
Other Charges	3,910	10,208	17,200	5,550	-67.7%
Total	\$ 29,668	\$ 36,037	\$ 49,270	\$ 39,050	-20.7%

Program Expenditures by Classification



Department: General Government **Fund: 101**
Program: Charter Commission **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.

Objectives

- Bring forward charter amendments as needed.

Performance Measures

	2013 Actual	2014 Actual	2015 Actual	2016 Projected
Meetings	1	2	1	1

Staffing

Full-Time Equivalent positions N/A N/A N/A N/A N/A

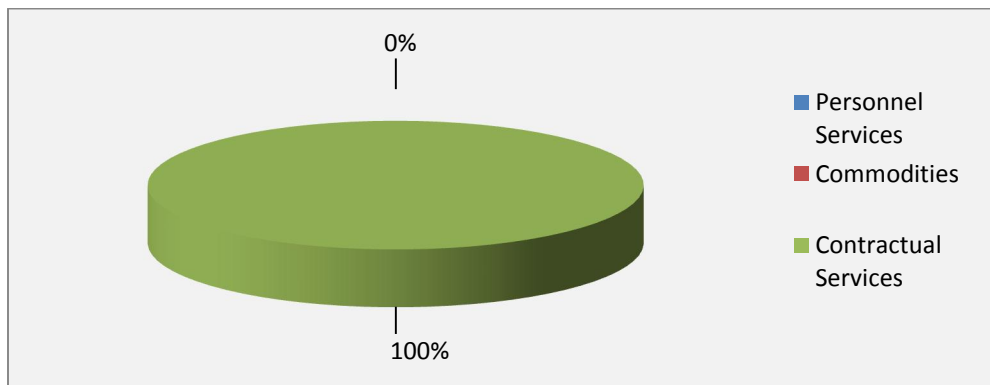
Program Expenditure Highlights

- No changes budgeted.

Program Expenditures

	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	% CHANGE
Personnel Services	\$ -	\$ -	\$ -	\$ -	N/A
Commodities	-	-	-	-	N/A
Contractual Services	364	32	1,510	910	-39.7%
Capital Outlay	-	-	-	-	N/A
Other Charges	-	-	-	-	N/A
Total	\$ 364	\$ 32	\$ 1,510	\$ 910	-39.7%

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.

Objectives

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

Performance Measures

	2013 Actual	2014 Actual	2015 Actual	2016 Projected
Staff meetings held	52	51	50	52
Number of resolutions	44	46	69	40
Number of ordinances	10	10	13	12
Licenses issued	29	37	30	30

Staffing

	2013 Actual	2014 Actual	2015 Actual	2016 Projected
Full-Time Equivalent positions	3.50	3.50	3.00	4.00

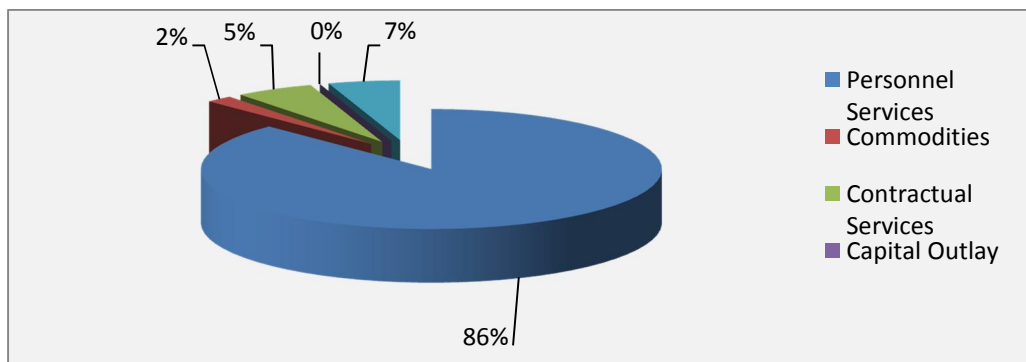
Program Expenditure Highlights

- There was an additional office support staff added to the 2015 budget.

Program Expenditures

	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	% CHANGE
Personnel Services	\$ 256,715	\$ 417,750	\$ 319,500	\$ 372,825	16.7%
Commodities	6,236	7,116	9,300	8,000	-14.0%
Contractual Services	17,530	27,497	21,200	23,540	11.0%
Capital Outlay	-	3,425	3,000	-	-100.0%
Other Charges	21,853	19,078	25,200	21,500	-14.7%
Total	\$ 302,334	\$ 474,866	\$ 378,200	\$ 425,865	12.6%

Program Expenditures by Classification



Department: General Government
Program: Elections

Fund: 101
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.

Objectives

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

Performance Measures

	2013 Actual	2014 Actual	2015 Actual	2016 Projected
Number of registered voters	N/A	4,011	N/A	4,500
Number of votes cast	N/A	2,060	N/A	3,700
Number of precincts	N/A	3	N/A	3
Number of voting locations	N/A	2	N/A	2

Staffing

Full-Time Equivalent positions

Election judges are temporary for during elections only

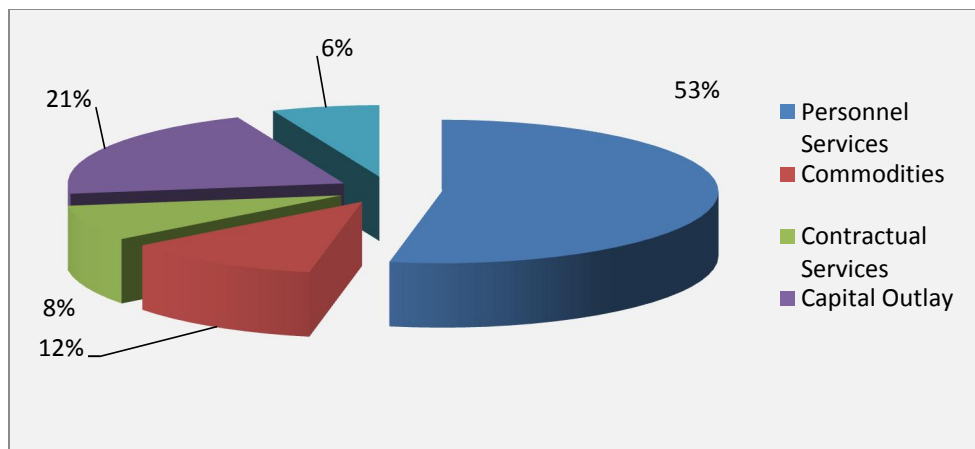
Program Expenditure Highlights

- Elections are normally held on even numbered years. This is a non-election year.

Program Expenditures

	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	% CHANGE
Personnel Services	\$ 6	\$ 3,439	\$ 20	\$ 5,050	25150.0%
Commodities	-	634	-	1,100	N/A
Contractual Services	99	318	70	770	1000.0%
Capital Outlay	1,050	1,125	2,000	2,000	0.0%
Other Charges	-	402	-	600	N/A
Total	\$ 1,155	\$ 5,918	\$ 2,090	\$ 9,520	355.5%

Program Expenditures by Classification



Department: General Government
Program: Finance

Fund: 101
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.

Objectives

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

Performance Measures

	2013 Actual	2014 Actual	2015 Actual	2016 Projected
Bond Rating	A+	A+	AA-	AA-
Number of receipts processed	1,368	1,314	1,090	950
Number of invoices paid	3,086	3,048	3,010	3,100

Staffing

	2013 Actual	2014 Actual	2015 Actual	2016 Projected
Full-Time Equivalent positions	1.50	1.50	1.50	1.00

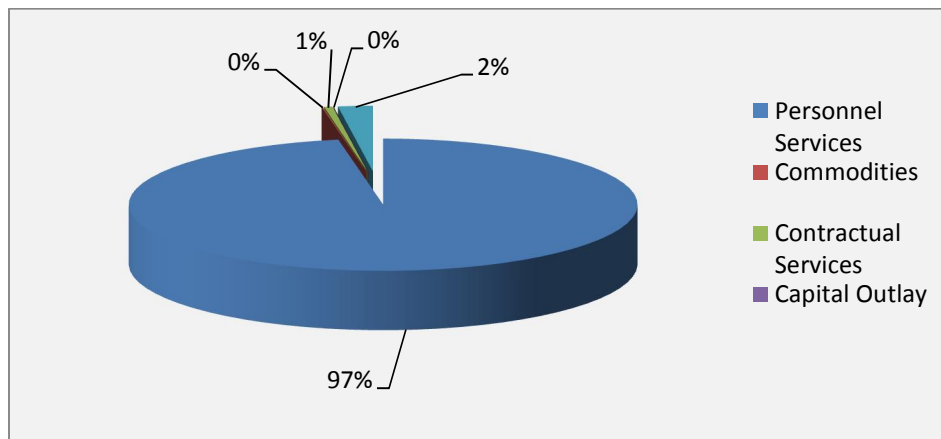
Program Expenditure Highlights

- Finance department is utilizing office support staff for help.

Program Expenditures

	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	% CHANGE
Personnel Services	\$ 109,274	\$ 115,310	\$ 130,500	\$ 127,300	-2.5%
Commodities	327	31	800	100	-87.5%
Contractual Services	570	617	700	700	0.0%
Capital Outlay	2,114	532	3,000	-	-100.0%
Other Charges	1,893	1,872	3,700	2,900	-21.6%
Total	\$ 114,178	\$ 118,362	\$ 138,700	\$ 131,000	-5.6%

Program Expenditures by Classification



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.

Objectives

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

Performance Measures

	2013 Actual	2014 Actual	2015 Actual	2016 Projected
GFOA Award	Yes	Yes	To be submitted	To be submitted

Staffing

	2013 Actual	2014 Actual	2015 Actual	2016 Projected
Full-Time Equivalent positions	N/A	N/A	N/A	N/A

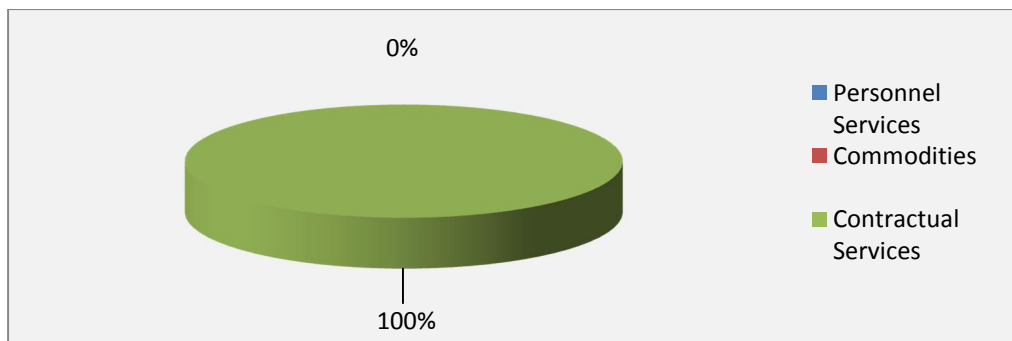
Program Expenditure Highlights

Audit costs are expected to stay relatively the same.

Program Expenditures

	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	% CHANGE
Personnel Services	\$ -	\$ -	\$ -	\$ -	N/A
Commodities	-	-	-	-	N/A
Contractual Services	19,070	19,552	19,800	20,000	1.0%
Capital Outlay	-	-	-	-	N/A
Other Charges	-	-	-	-	N/A
Total	\$ 19,070	\$ 19,552	\$ 19,800	\$ 20,000	1.0%

Program Expenditures by Classification



Department: General Government **Fund:** 101
Program: Assessing **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.

Objectives

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

Performance Measures

	2013 Actual	2014 Actual	2015 Actual	2016 Projected
N/A	N/A	N/A	N/A	N/A

Staffing

	2012 Actual	2013 Actual	2014 Actual	2015 Projected
Full-Time Equivalent positions	N/A	N/A	N/A	N/A

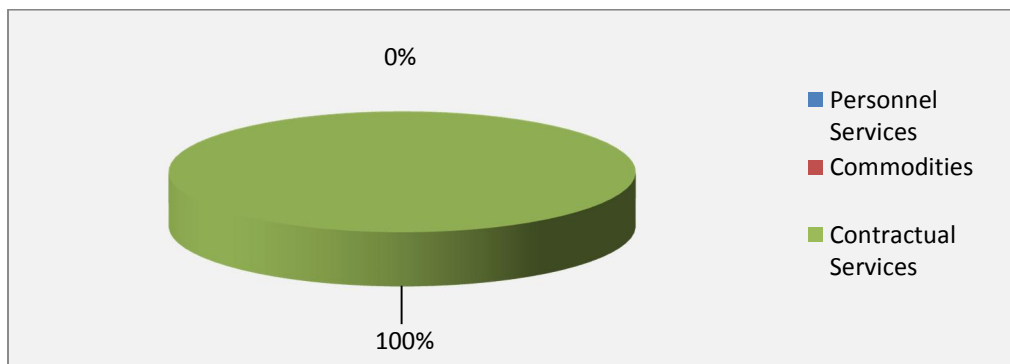
Program Expenditure Highlights

The costs for this program remain fairly flat.

Program Expenditures

	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	% CHANGE
Personnel Services	\$ -	\$ -	\$ -	\$ -	N/A
Commodities	-	-	-	-	N/A
Contractual Services	39,451	39,453	42,000	41,000	-2.4%
Capital Outlay	-	-	-	-	N/A
Other Charges	-	-	-	-	N/A
Total	\$ 39,451	\$ 39,453	\$ 42,000	\$ 41,000	-2.4%

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.

Objectives

- Continue to realize savings by contracting for legal services.

Performance Measures

	2013 Actual	2014 Actual	2015 Actual	2016 Projected
N/A	N/A	N/A	N/A	N/A

Staffing

	2013 Actual	2014 Actual	2015 Actual	2016 Projected
Full-Time Equivalent positions	N/A	N/A	N/A	N/A

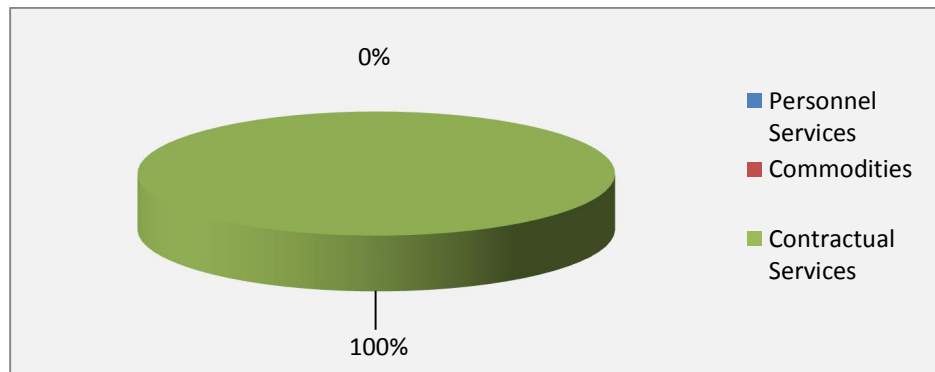
Program Expenditure Highlights

- The Legal fees have seen a slight increase in the past couple of years.

Program Expenditures

	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	% CHANGE
Personnel Services	\$ -	\$ -	\$ -	\$ -	N/A
Commodities	-	-	-	-	N/A
Contractual Services	133,451	130,990	125,530	128,600	2.4%
Capital Outlay	-	-	-	-	N/A
Other Charges	-	-	-	-	N/A
Total	\$ 133,451	\$ 130,990	\$ 125,530	\$ 128,600	2.4%

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.

Objectives

- Continue to keep city hall clean for residents and employees.
- Maintain building to minimize repair costs.

Performance Measures

	2013 Actual	2014 Actual	2015 Actual	2016 Projected
Weeks cleaned	52	52	52	52

Staffing

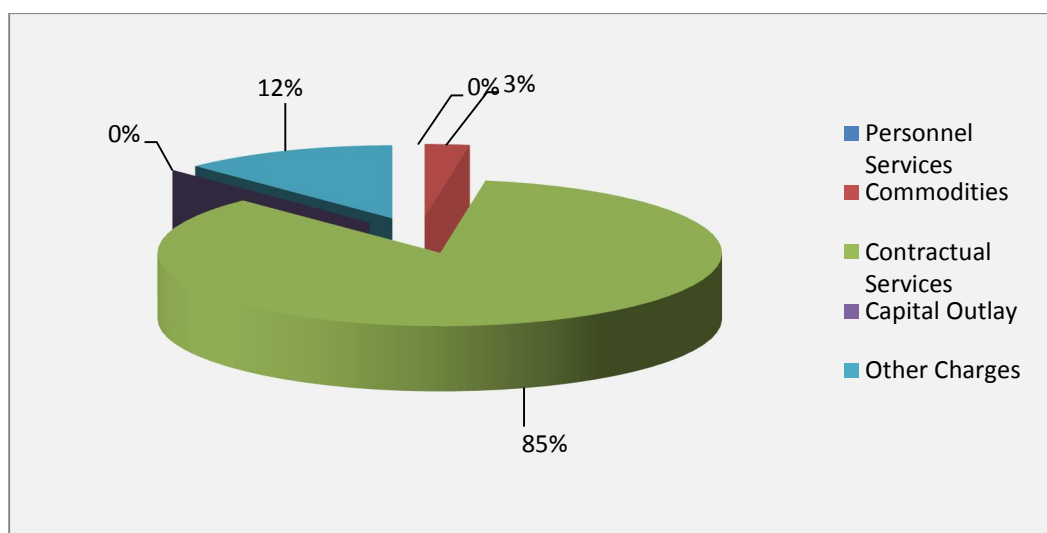
	2013 Actual	2014 Actual	2015 Actual	2016 Projected
Full-Time Equivalent positions	N/A-Contract with Kim's Kleaning			

Program Expenditure Highlights

- No increases forecasted.

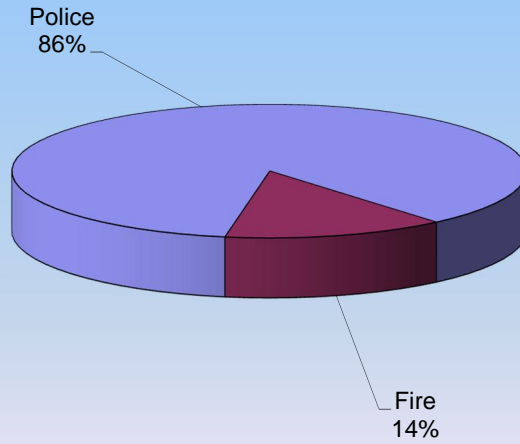
Program Expenditures

	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	% CHANGE
Personnel Services	\$ -	\$ -	\$ -	\$ -	N/A
Commodities	314	569	2,050	500	-75.6%
Contractual Services	16,512	20,053	20,100	16,600	-17.4%
Capital Outlay	-	-	-	-	N/A
Other Charges	1,296	2,551	2,100	2,400	14.3%
Total	\$ 18,122	\$ 23,173	\$ 24,250	\$ 19,500	-19.6%

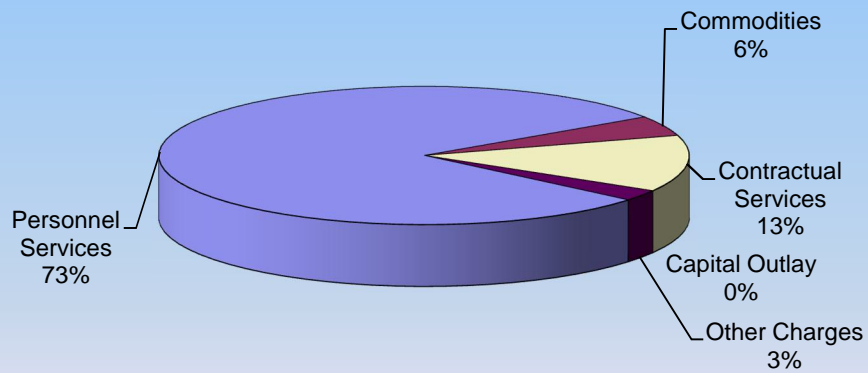
Program Expenditures by Classification

PUBLIC SAFETY 2016 BUDGET

Total By Program



Total By Classification



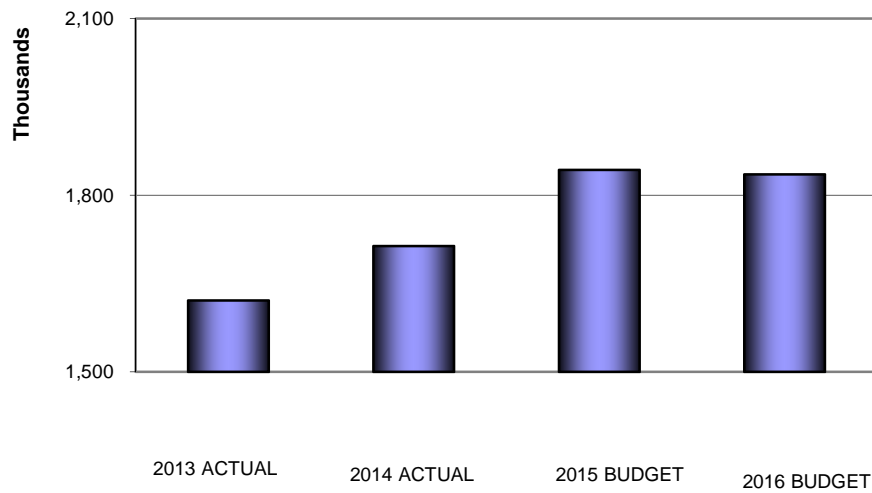
**CITY OF ST. FRANCIS, MINNESOTA
PUBLIC SAFETY SUMMARY**

Total By Program	2012 ACTUAL	2013 ACTUAL	2014 BUDGET	2015 BUDGET	% Change
Police	\$1,332,870	\$1,421,738	\$1,570,040	\$1,579,600	0.6%
Fire	288,251	291,744	272,792	255,738	-6.3%
Totals	1,621,121	1,713,482	1,842,832	1,835,338	-0.4%

Total By Classification	2012 ACTUAL	2013 ACTUAL	2014 BUDGET	2015 BUDGET	% Change
Personnel Services	1,224,250	1,259,590	1,385,831	1,458,588	5.3%
Commodities	63,595	69,184	90,100	86,800	-3.7%
Contractual Services	181,520	183,113	216,060	242,500	12.2%
Capital Outlay	95,557	165,723	100,441	0	-100.0%
Other Charges	56,199	35,872	50,400	47,450	-5.9%
Totals	1,621,121	1,713,482	1,842,832	1,835,338	-0.4%

Staffing	2012 ACTUAL	2013 ACTUAL	2014 BUDGET	2015 BUDGET
Full-time equivalents	12.00	12.00	13.00	14.00

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.

Objectives

- Enhance response to and resolution of community crime and traffic safety concerns
- Reduce illegal drug and associated criminal activity in the city.
- Identify, mentor and train future police department leaders.
- Continue to train officers on the use of the new Public Safety Data System.

Performance Measures

	2013 Actual	2014 Actual	2015 Actual	2016 Projected
Citations issued	640	698	432	1,100
Chargeable offenses (Parts 1 & 2)	700	780	602	1,200
Misc. offenses (Parts 3 & 4)	4,290	4,372	4,309	4,600
Total calls for service	4,990	5,152	4,911	6,500

Staffing

	2013 Actual	2014 Actual	2015 Actual	2016 Projected
Full-Time Equivalent positions	12	12	13	14

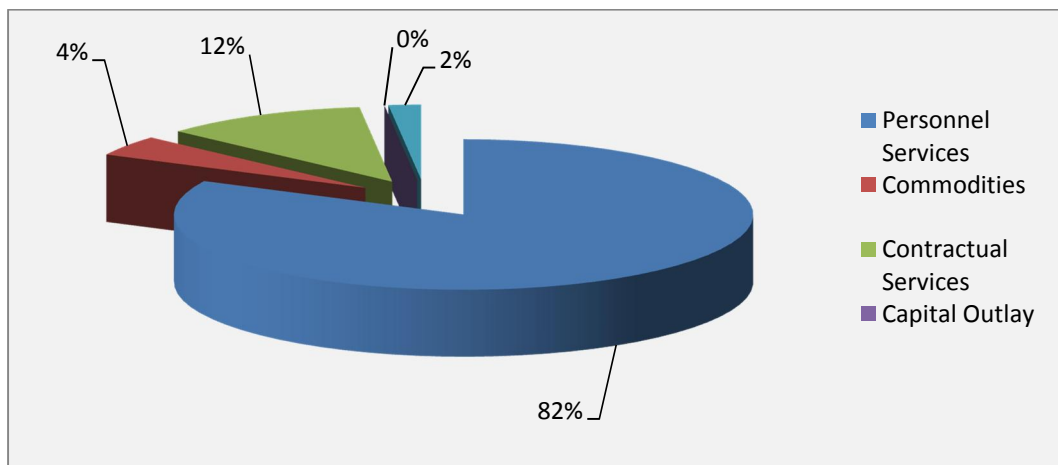
Program Expenditure Highlights

- Capital outlay is being budgeted in the Capital Improvement Fund.

Program Expenditures

	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	% CHANGE
Personnel Services	\$ 1,078,827	\$1,137,609	\$1,244,700	\$ 1,300,250	4.5%
Commodities	51,104	53,553	71,600	69,300	-3.2%
Contractual Services	99,676	120,246	155,440	181,400	16.7%
Capital Outlay	62,435	94,696	69,000	-	-100.0%
Other Charges	40,828	15,634	29,300	28,650	-2.2%
Total	\$ 1,332,870	\$1,421,738	\$1,570,040	\$ 1,579,600	0.6%

Program Expenditures by Classification



Department: Public Safety
Program: Fire
Fund: 101
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.

Objectives

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

Program Measures

	2013 Actual	2014 Actual	2015 Actual	2016 Projected
Total calls	368	328	254	400
Emergency medical responses	287	218	147	300

Staffing

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

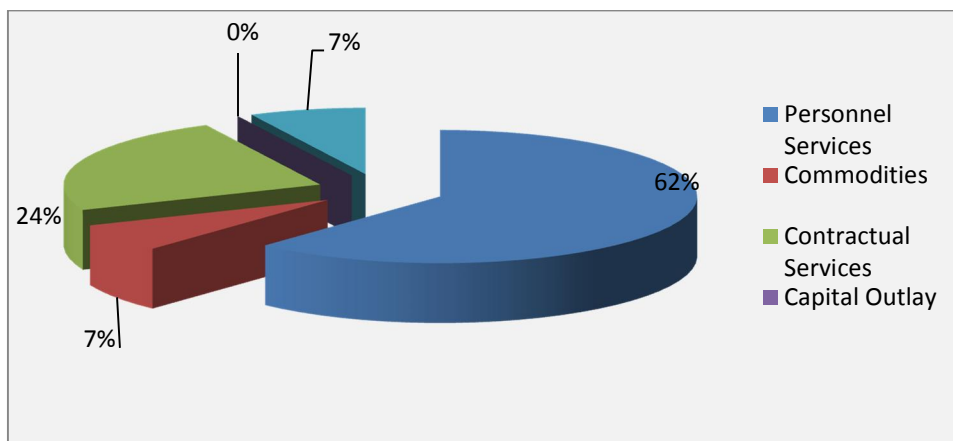
Program Expenditure Highlights

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

Program Expenditures

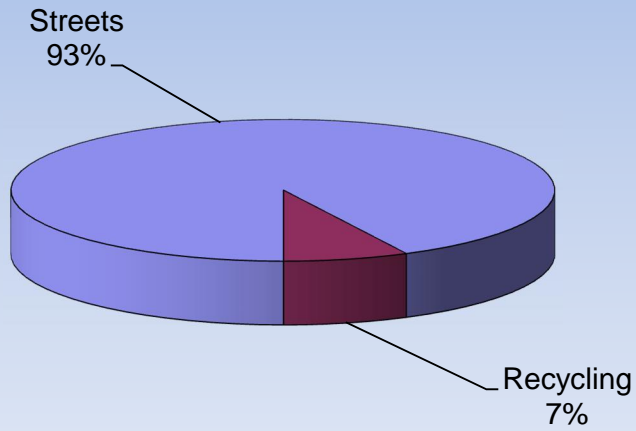
	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	% CHANGE
Personnel Services	\$ 145,423	\$ 121,981	\$ 141,131	\$ 158,338	12.2%
Commodities	12,491	15,631	18,500	17,500	-5.4%
Contractual Services	81,844	62,867	60,620	61,100	0.8%
Capital Outlay	33,122	71,027	31,441	-	-100.0%
Other Charges	15,371	20,238	21,100	18,800	-10.9%
Total	\$ 288,251	\$ 291,744	\$ 272,792	\$ 255,738	-6.3%

Program Expenditures by Classification

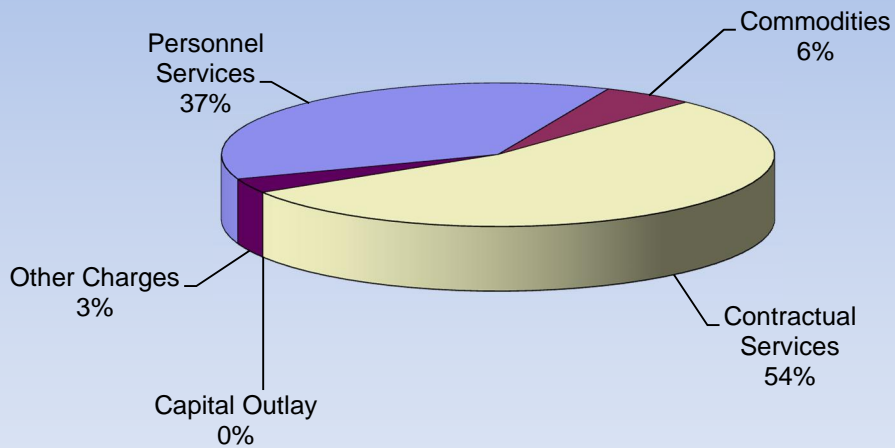


PUBLIC WORKS 2016 BUDGET

Total By Program



Total By Classification



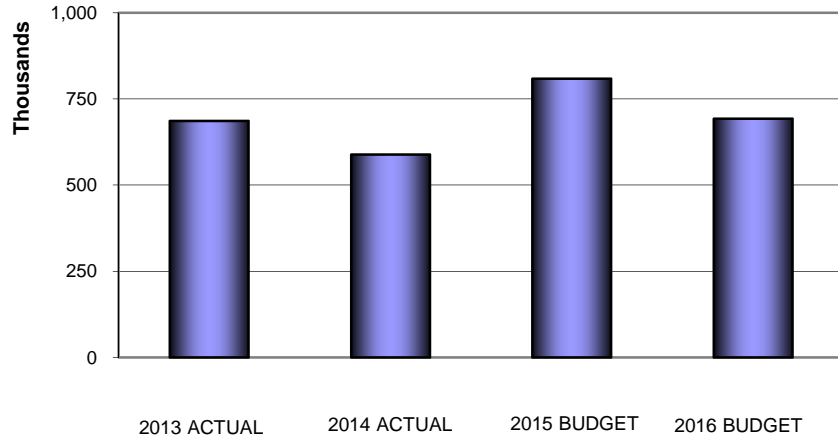
**CITY OF ST. FRANCIS, MINNESOTA
PUBLIC WORKS SUMMARY
EXPENDITURE ANALYSIS**

Total By Program	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	% Change
Streets	\$655,755	\$549,963	\$757,610	\$641,360	-15.3%
Recycling	30,452	38,393	51,510	51,470	-0.1%
Totals	686,207	588,356	809,120	692,830	-14.4%
Total By Classification					
Personnel Services	192,618	198,588	263,370	256,980	-2.4%
Commodities	26,378	26,166	37,400	37,400	0.0%
Contractual Services	450,163	336,450	483,350	375,550	-22.3%
Capital Outlay	0	8,546	0	0	N/A
Other Charges	17,048	18,606	25,000	22,900	-8.4%
Totals	686,207	588,356	809,120	692,830	-14.4%

Staffing

Full-time equivalents	2013	2014	2015	2016
Full-time equivalents	2.95	2.65	2.65	3.25

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.

Objectives

- Develop a proactive plan for construction, reconstruction and maintenance of all city streets
- Follow the maintenance schedule for asphalt roads and gravel roads.
- Plan for capital equipment purchases to maximize equipment life span

Performance Measures

	2013 Actual	2014 Actual	2015 Actual	2016 Projected
Asphalt street miles maintained	36	36	36	36
Gravel road miles maintained	11	11	11	11
Street sweeping hours	73	76	94	60
Gravel usage (tons)	872	199	62	700
Sand/salt usage (tons)	189	357	210	180

Staffing

	2013 Actual	2014 Actual	2015 Actual	2016 Projected
Full-Time Equivalent positions	2.55	2.55	2.55	2.85

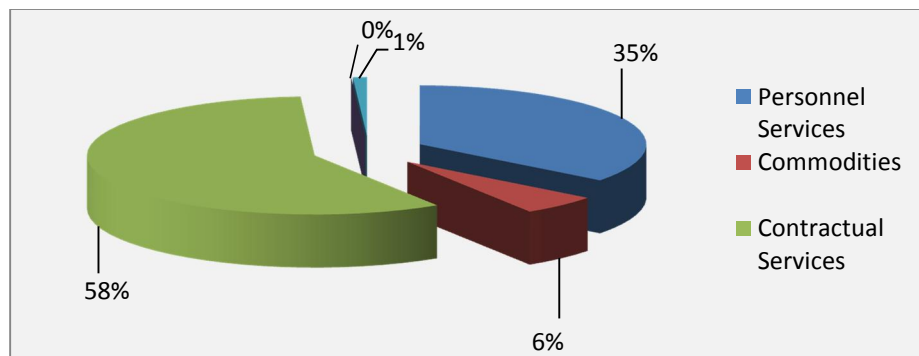
Program Expenditure Highlights

- Street Sweeping and other costs associated with storm water has been moved to the Storm Water Fund.

Program Expenditures

	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	% CHANGE
Personnel Services	\$ 176,148	\$ 178,591	\$ 235,760	\$ 227,410	-3.5%
Commodities	25,626	25,042	35,500	35,400	-0.3%
Contractual Services	448,946	335,294	479,850	372,150	-22.4%
Capital Outlay	-	8,546	-	-	N/A
Other Charges	5,035	2,490	6,500	6,400	-1.5%
Total	\$ 655,755	\$ 549,963	\$ 757,610	\$ 641,360	-15.3%

Program Expenditures by Classification



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.

Objectives

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

Performance Measures

	2013 Actual	2014 Actual	2015 Actual	2016 Projected
Recycling days	2	2	1	1
Recycling collection tonnage	553	572	621	600

Staffing

	2013 Actual	2014 Actual	2015 Actual	2016 Projected
Full-Time Equivalent positions	0.40	0.10	0.10	0.40

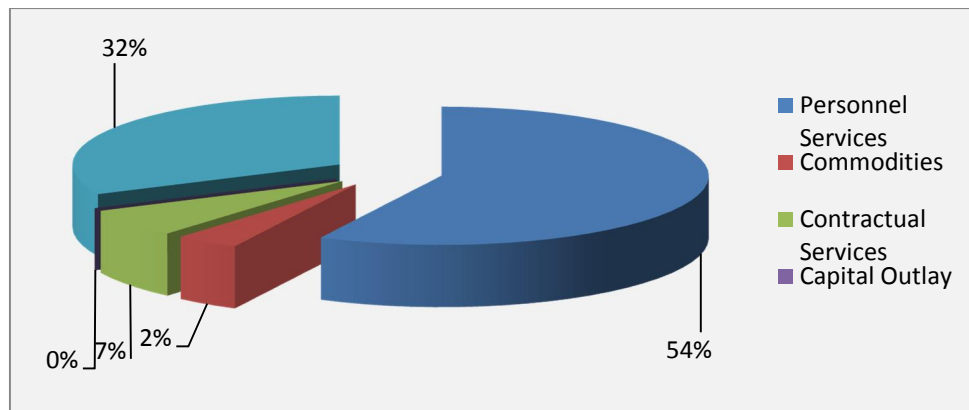
Program Expenditure Highlights

- Other charges reflects the costs of recycling days.

Program Expenditures

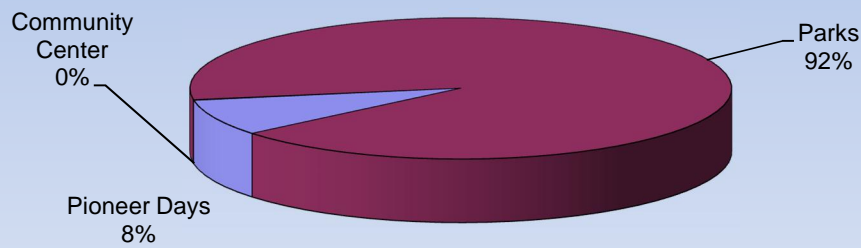
	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	% CHANGE
Personnel Services	\$ 16,470	\$ 19,997	\$ 27,610	\$ 29,570	7.1%
Commodities	752	1,124	1,900	2,000	5.3%
Contractual Services	1,217	1,156	3,500	3,400	-2.9%
Capital Outlay	-	-	-	-	N/A
Other Charges	12,013	16,116	18,500	16,500	-10.8%
Total	\$ 30,452	\$ 38,393	\$ 51,510	\$ 51,470	-0.1%

Program Expenditures by Classification

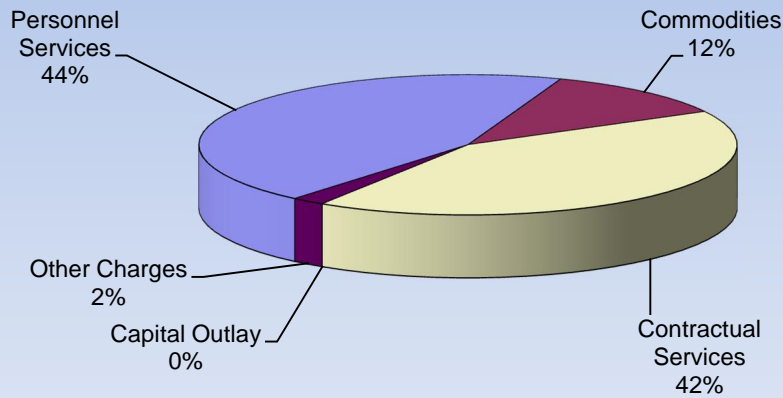


CULTURE & RECREATION 2016 BUDGET

Total By Program



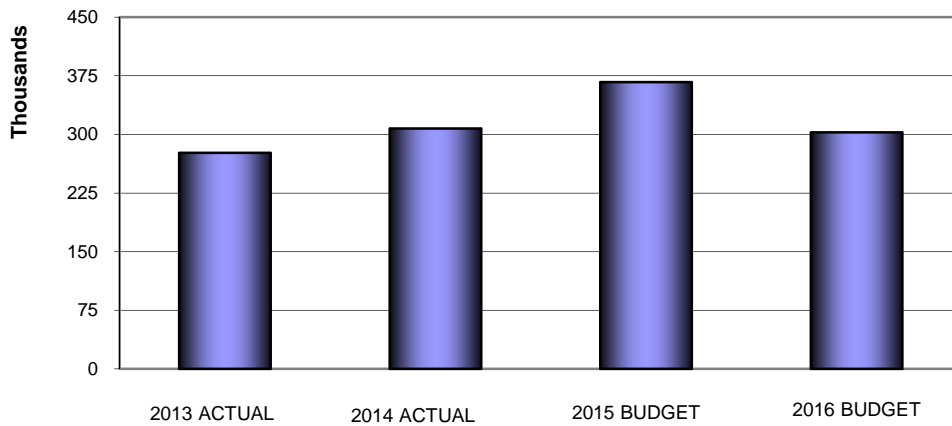
Total By Classification



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

Total By Program	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	% Change
Community Center	\$668	\$1,082	\$550	\$520	-5.5%
Parks	258,602	279,354	341,220	277,110	-18.8%
Pioneer Days	17,157	27,340	25,250	25,000	-1.0%
Totals	276,427	307,776	367,020	302,630	-17.5%
Total By Classification					
Personnel Services	106,973	104,414	135,920	134,660	-0.9%
Commodities	20,415	31,833	37,250	34,900	-6.3%
Contractual Services	113,336	120,382	133,950	126,970	-5.2%
Capital Outlay	28,889	48,727	52,900	0	-100.0%
Other Charges	6,814	2,420	7,000	6,100	-12.9%
Totals	276,427	307,776	367,020	302,630	-17.5%
Staffing					
Full-time equivalents	1.35	1.35	0.70	1.50	

Expenditures



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

Program Description

Provides for the operation and maintenance of the Community Center at 23340 Cree Street NW.

Objectives

- Continue to provide a clean and safe environment for residents to use for gatherings

Performance Measures

	2013 Actual	2014 Actual	2015 Actual	2016 Projected
Number of uses	201	180	192	250

Staffing

	2013 Actual	2014 Actual	2015 Actual	2016 Projected
Full-Time Equivalent positions	N/A	N/A	N/A	N/A

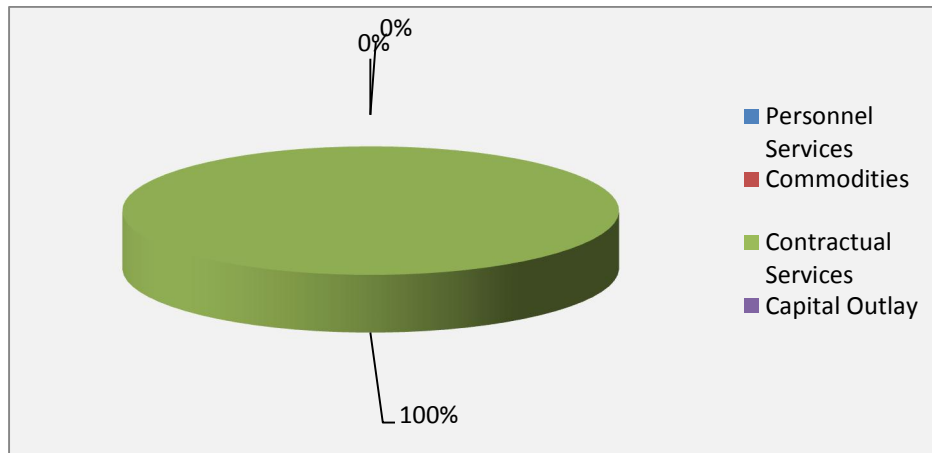
Program Expenditure Highlights

- Most costs are shown in the government buildings department.

Program Expenditures

	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	% CHANGE
Personnel Services	\$ -	\$ -	\$ -	\$ -	N/A
Commodities	-	-	500	-	-100.0%
Contractual Services	668	1,082	50	520	940.0%
Capital Outlay	-	-	-	-	N/A
Other Charges	-	-	-	-	N/A
Total	\$ 668	\$ 1,082	\$ 550	\$ 520	-5.5%

Program Expenditures by Classification



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.

Objectives

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

Performance Measures

	2013 Actual	2014 Actual	2015 Actual	2016 Projected
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

Staffing

	2013 Actual	2014 Actual	2015 Actual	2016 Projected
Full-Time Equivalent positions	1.35	1.35	1.35	1.50

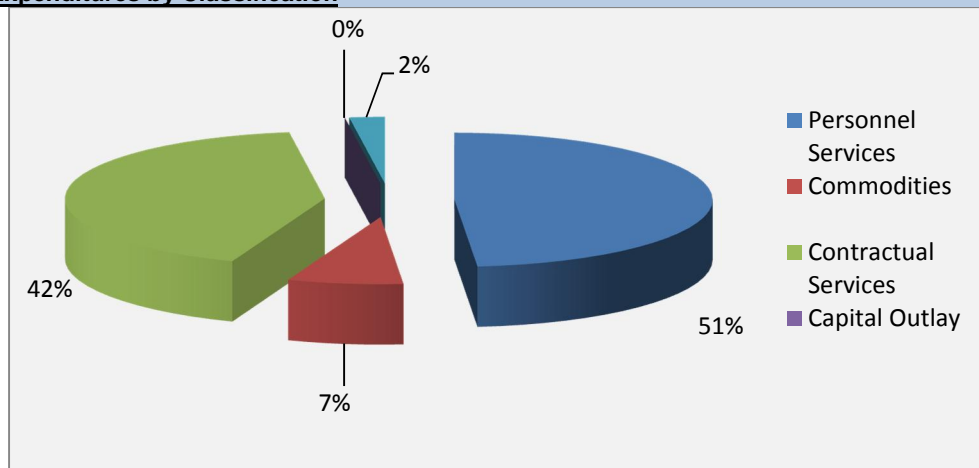
Program Expenditure Highlights

- The 2015 Budget adds one full-time streets parks worker.

Program Expenditures

	2012 ACTUAL	2013 ACTUAL	2014 BUDGET	2015 BUDGET	% CHANGE
Personnel Services	\$ 132,960	\$ 106,973	\$ 122,800	\$ 135,920	10.7%
Commodities	13,179	15,925	15,900	21,750	36.8%
Contractual Services	93,984	101,312	107,700	123,650	14.8%
Capital Outlay	80,818	28,889	52,400	52,900	1.0%
Other Charges	3,765	5,503	6,300	7,000	11.1%
Total	\$ 324,706	\$ 258,602	\$ 305,100	\$ 341,220	11.8%

Program Expenditures by Classification



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Department: Culture & Recreation **Fund:** 101
Program: Pioneer Days **Cost Center:** 45230

Program Description

Provides for the City's annual celebration in June.

Objectives

- Promote the city to residents and visitors with a weekend celebrating St. Francis Pioneer Days.

Performance Measures

	2013 Actual	2014 Actual	2015 Actual	2016 Projected
Fireworks Display	Yes	Yes	Yes	Yes

Staffing

	2013 Actual	2014 Actual	2015 Actual	2016 Projected
Full-Time Equivalent positions	N/A	N/A	N/A	N/A

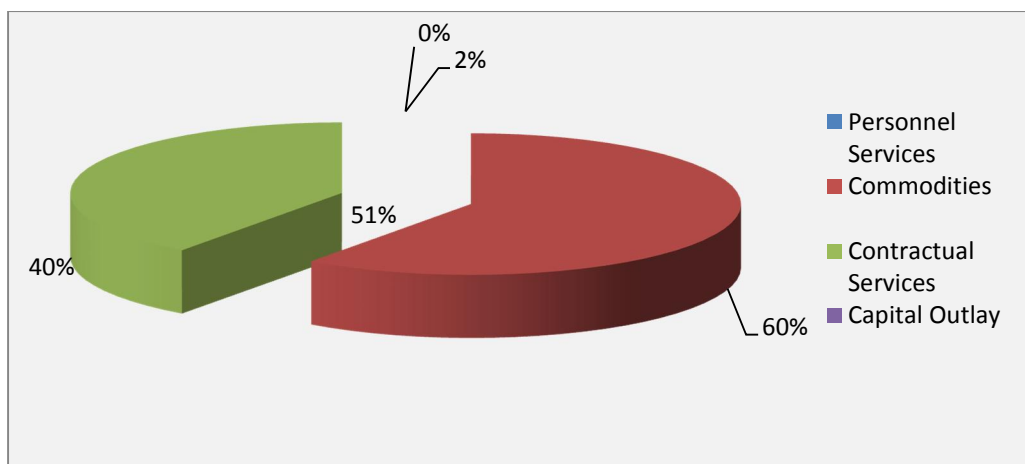
Program Expenditure Highlights

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

Program Expenditures

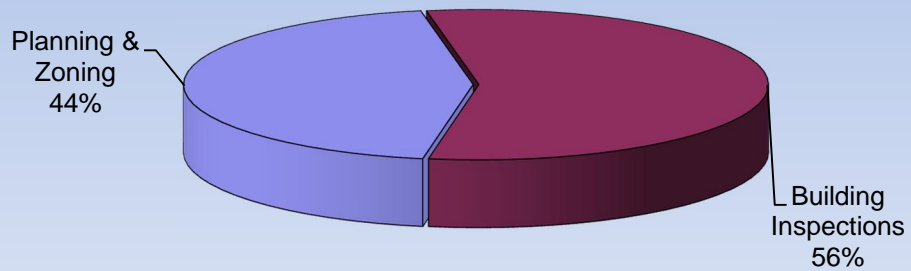
	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	% CHANGE
Personnel Services					
Commodities	\$ -	\$ -	\$ -	\$ -	N/A
Contractual Services	4,490	16,462	15,000	15,000	0.0%
Capital Outlay	11,356	10,878	10,250	10,000	-2.4%
Other Charges	-	-	-	-	N/A
Total	1,311	-	-	-	N/A

Program Expenditures by Classification

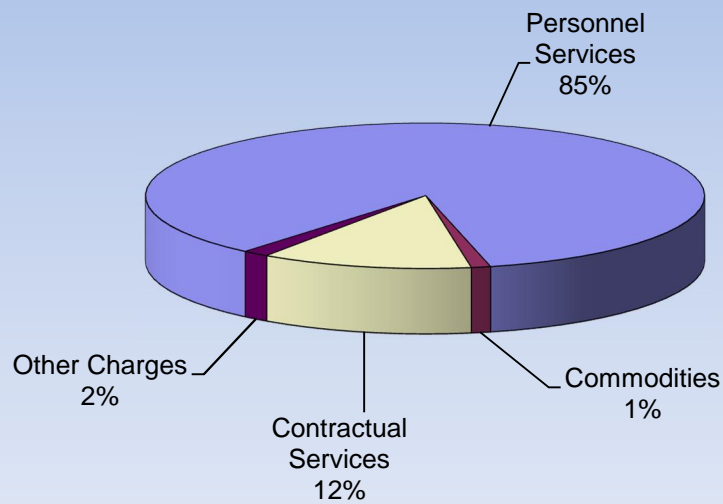


COMMUNITY DEVELOPMENT 2016 BUDGET

Total By Program



Total By Classification



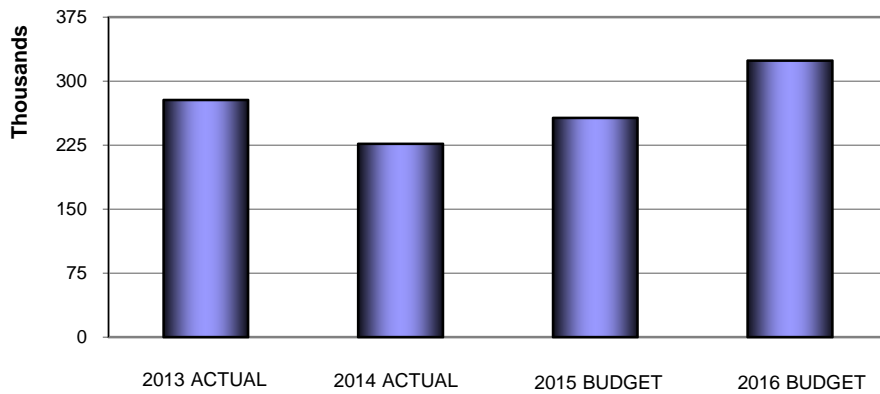
CITY OF ST. FRANCIS, MINNESOTA
COMMUNITY DEVELOPMENT SUMMARY
 EXPENDITURE ANALYSIS

Total By Program	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	% CHANGE
Planning & Zoning	\$156,280	\$90,794	\$94,650	\$143,600	51.7%
Building Inspections	121,557	135,572	162,432	180,400	11.1%
Totals	277,837	226,366	257,082	324,000	26.0%

Total By Classification	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	% CHANGE
Personnel Services	94,925	121,452	151,732	276,000	81.9%
Commodities	3,962	5,496	3,400	3,600	5.9%
Contractual Services	149,718	96,462	96,000	39,450	-58.9%
Capital Outlay	26,470	0	0	0	N/A
Other Charges	2,762	2,956	5,950	4,950	-16.8%
Totals	277,837	226,366	257,082	324,000	26.0%

Staffing	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET
Full-time equivalents	0.00	0.00	1.00	3.00

Expenditures



Department: General Government **Fund:** 101
Program: Planning and Zoning **Cost Center:** 41910

Program Description

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

Objectives

- Provide long range development plans for the city
- Bring forward and zoning and subdivision changes
- Continue to review development proposals

Performance Measures

	2013 Actual	2014 Actual	2015 Actual	2016 Projected
Special use permits	0	2	2	3
Ordinance amendments	7	7	4	2
Rezoning	1	1	0	1
Comp Plan amendments	2	0	0	0
Subdivisions processed	3	5	1	0
Concept plan review	0	0	1	0
Site plan review	0	2	2	1
Variations	1	1	0	0

Staffing

	2013 Actual	2014 Actual	2015 Actual	2016 Projected
Full-Time Equivalent positions	-	-	-	1.00

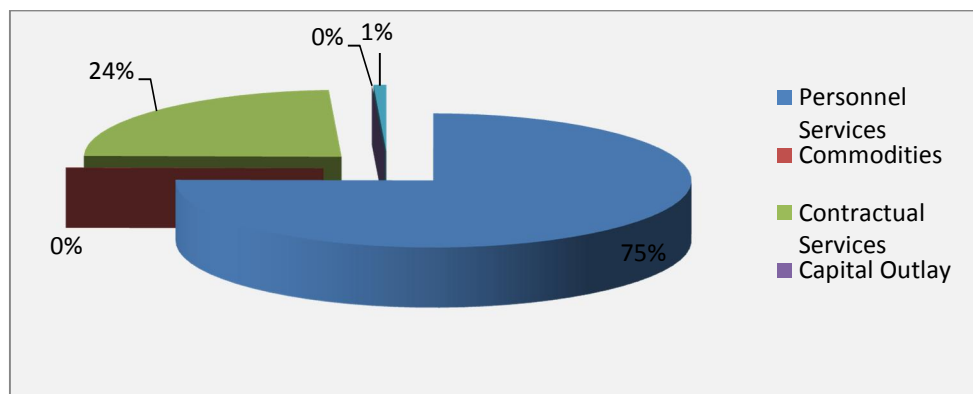
Program Expenditure Highlights

- The city hired a full-time Community Development Director at the end of 2015.

Program Expenditures

	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	% CHANGE
Personnel Services	\$ 6,976	\$ 1,059	\$ 1,000	\$ 107,900	10690.0%
Commodities	-	-	100	100	0.0%
Contractual Services	148,829	89,597	91,900	34,450	-62.5%
Capital Outlay	-	-	-	-	N/A
Other Charges	475	138	1,650	1,150	-30.3%
Total	\$ 156,280	\$ 90,794	\$ 94,650	\$ 143,600	51.7%

Program Expenditures by Classification



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.

Objectives

- Continue with the implementation of the rental licensing program.
- Continue implementation of the building codes.
- Continue public relations contact to improve city's public perception image.

Performance Measures

	2013 Actual	2014 Actual	2015 Actual	2016 Projected
Single family	7	12	26	10
Townhomes/Manufactured homes	0	0	0	0
Commercial/Industrial	0	1	2	1
Miscellaneous building permits	421	290	305	400

Staffing

	2013 Actual	2014 Actual	2015 Actual	2016 Projected
Full-Time Equivalent positions	0.50	1.00	2.00	2.00

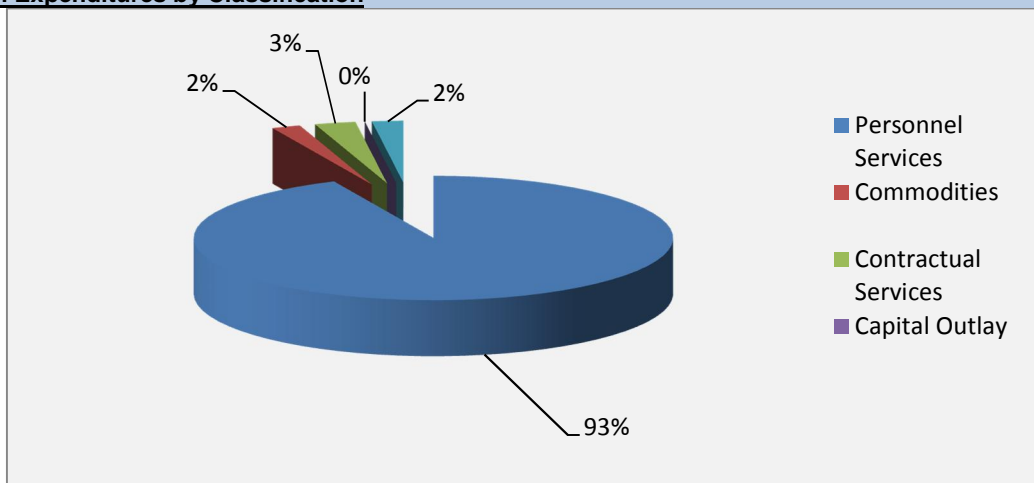
Program Expenditure Highlights

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

Program Expenditures

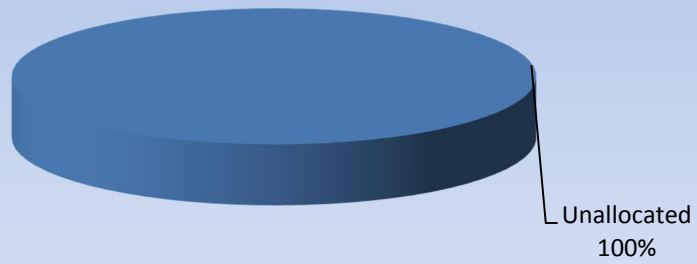
	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	% CHANGE
Personnel Services	\$ 87,949	\$ 120,393	\$ 150,732	\$ 168,100	11.5%
Commodities	3,962	5,496	3,300	3,500	6.1%
Contractual Services	889	6,865	4,100	5,000	22.0%
Capital Outlay	26,470	-	-	-	N/A
Other Charges	2,287	2,818	4,300	3,800	-11.6%
Total	\$ 121,557	\$ 135,572	\$ 162,432	\$ 180,400	11.1%

Program Expenditures by Classification

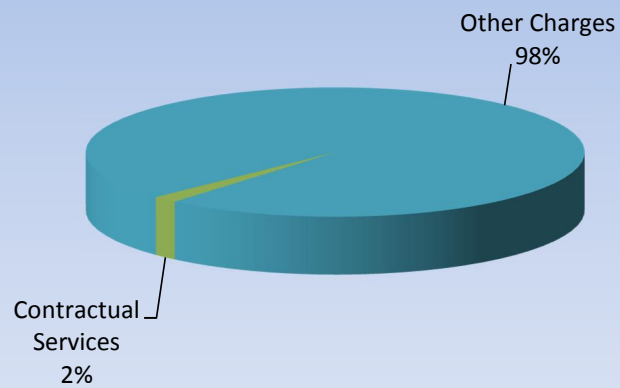


MISCELLANEOUS 2016 BUDGET

Total By Program



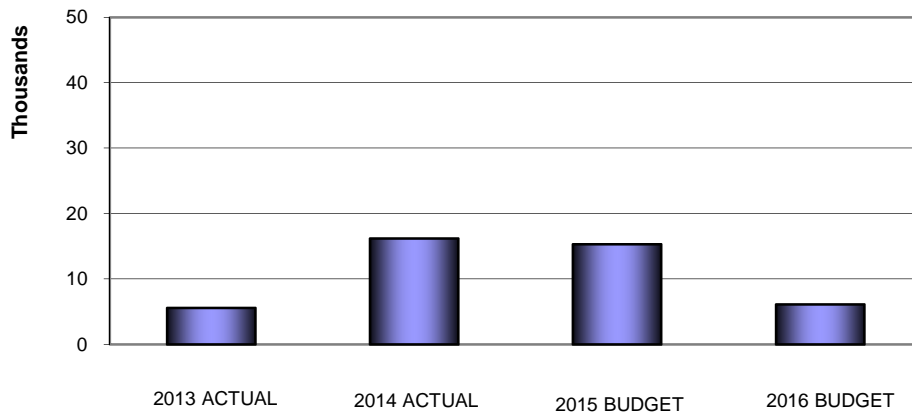
Total By Classification



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

Total By Program	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	% CHANGE
Unallocated	\$5,571	\$16,157	\$15,319	\$6,100	-60.2%
Totals	5,571	16,157	15,319	6,100	-60.2%
Total By Classification					
Personnel Services	0	0	0	0	N/A
Commodities	0	0	0	0	N/A
Contractual Services	32	33	100	100	0.0%
Capital Outlay	0	0	0	0	N/A
Other Charges	5,539	16,124	15,219	6,000	-60.6%
Totals	5,571	16,157	15,319	6,100	-60.2%
Staffing					
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.

Objectives

- None at this time

Performance Measures

	2013 Actual	2014 Actual	2015 Actual	2016 Projected
None	N/A	N/A	N/A	N/A

Staffing

	2013 Actual	2014 Actual	2015 Actual	2016 Projected
Full-Time Equivalent positions	N/A	N/A	N/A	N/A

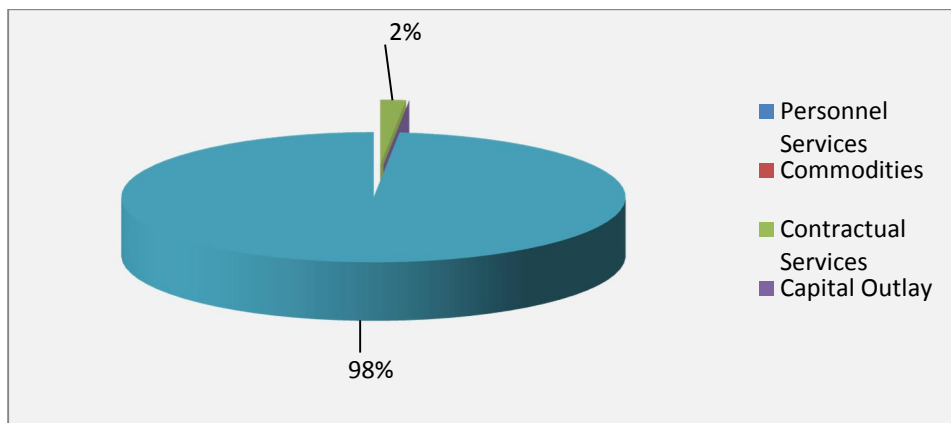
Program Expenditure Highlights

- The costs for this program are anticipated to remain stable.

Program Expenditures

	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	% CHANGE
Personnel Services	\$ -	\$ -	\$ -	\$ -	N/A
Commodities	-	-	-	-	N/A
Contractual Services	32	33	100	100	0.0%
Capital Outlay	-	-	-	-	N/A
Other Charges	5,539	16,124	15,219	6,000	-60.6%
Total	\$ 5,571	\$ 16,157	\$ 15,319	\$ 6,100	-60.2%

Program Expenditures by Classification





**SPECIAL REVENUE
FUNDS**

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

	2014 ACTUAL	2015 BUDGET	2015 ESTIMATE	2016 BUDGET
<u>Fines and Forfeits:</u>				
Confiscated property	\$ 32,091	\$ -	\$ 9,751	\$ -
<u>Miscellaneous:</u>				
Miscellaneous	-	-	269	-
Total revenues	32,091	-	10,020	-
<u>Expenditures:</u>				
Commodities	-	33,296	458	37,783
Contractual services	8,914	-	773	-
Other charges	-	-	1,197	-
Total expenditures	8,914	33,296	2,428	37,783
Excess (deficit) of revenues over expenditures	23,177	(33,296)	7,592	(37,783)
Fund balance - January 1	7,014	33,296	30,191	37,783
Fund balance - December 31	\$ 30,191	\$ -	\$ 37,783	\$ -

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

	2014 ACTUAL	2015 BUDGET	2015 ESTIMATE	2016 BUDGET
<u>Revenues:</u>				
Tax increments	\$ 32,091	\$ -	\$ 9,751	\$ -
Investment earnings				
Total revenues	-	-	269	-
<u>Expenditures:</u>				
Miscellaneous	32,091	-	10,020	-
Interest payments				
Total expenditures	8,914	33,296	458	37,783
Excess (deficit) of revenues over expenditures	-	-	1,197	-
Fund balance - January 1	8,914	33,296	2,428	37,783
Fund balance - December 31	23,177	(33,296)	7,592	(37,783)

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.

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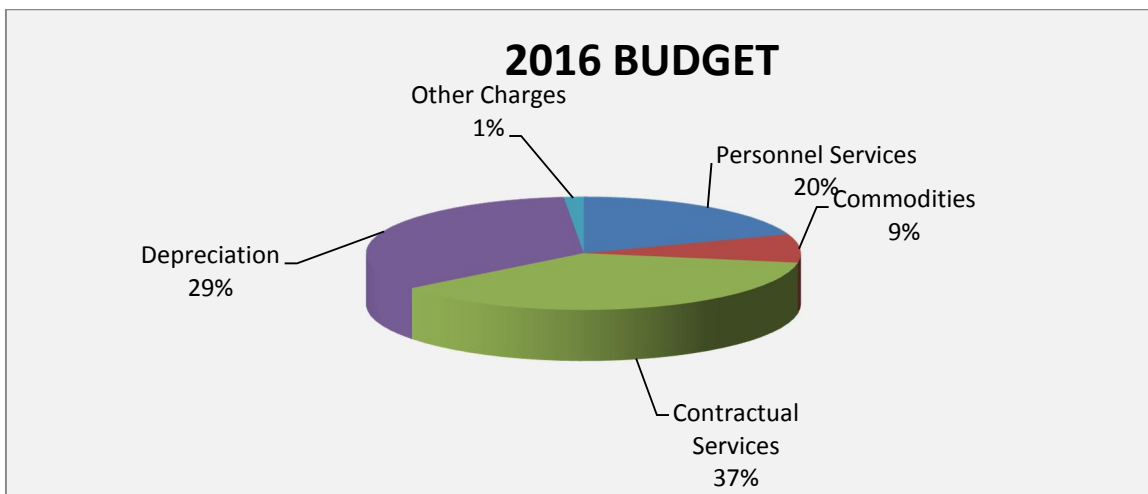
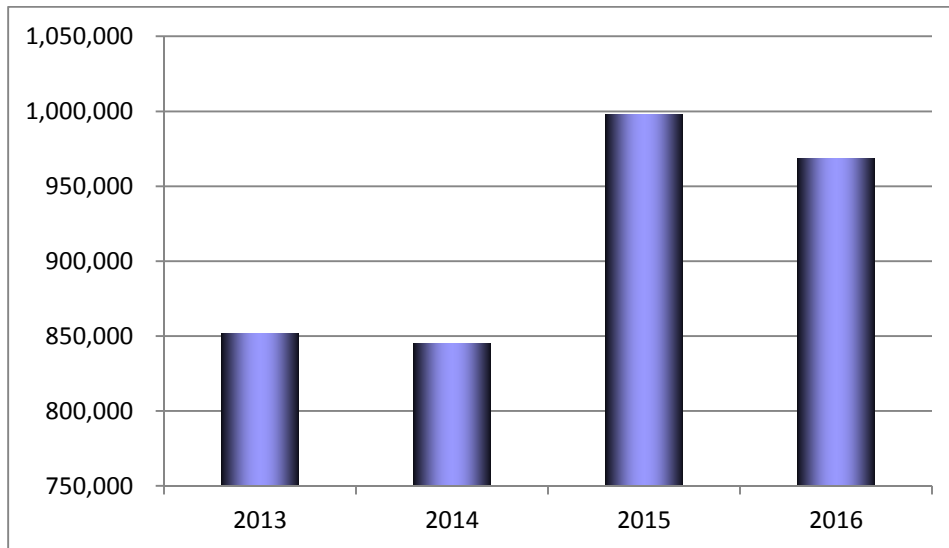
ENTERPRISE FUNDS

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

Total By Classification	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	% CHANGE
Personnel Services	128,160	123,656	150,550	189,396	25.8%
Commodities	89,553	50,709	78,700	78,800	0.1%
Contractual Services	296,668	336,120	416,350	355,790	-14.5%
Depreciation	326,318	325,799	330,000	330,000	0.0%
Other Charges	11,308	8,679	22,700	14,350	-36.8%
Totals	852,007	844,963	998,300	968,336	-3.0%

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

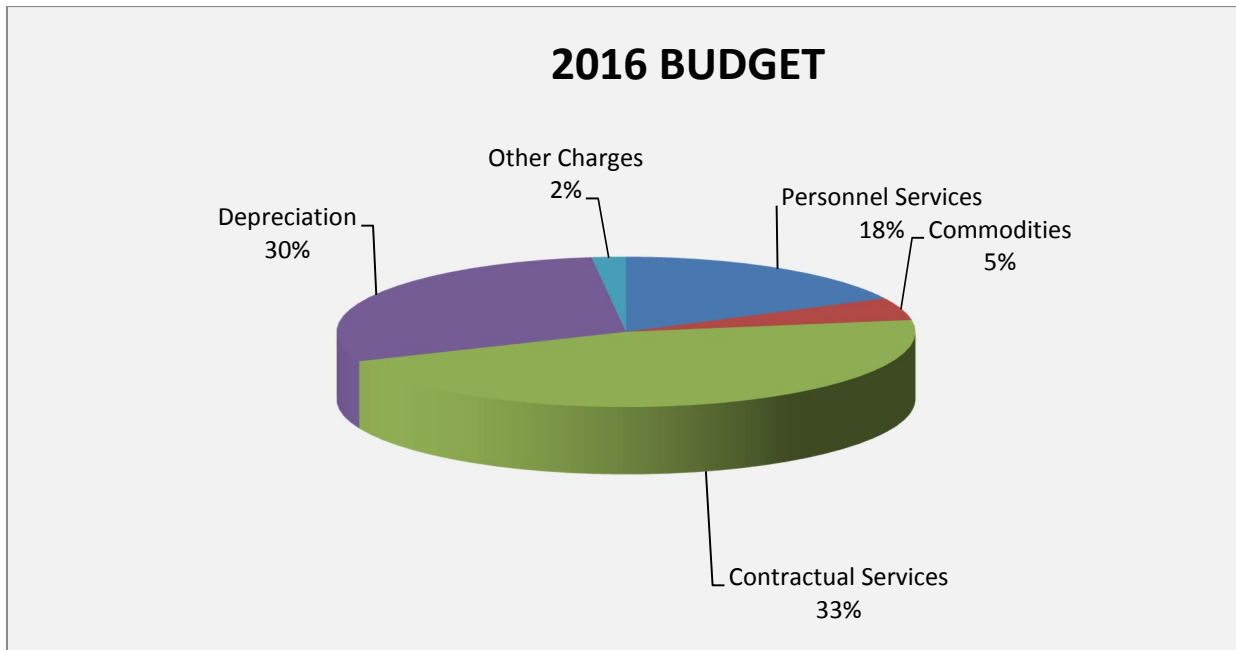
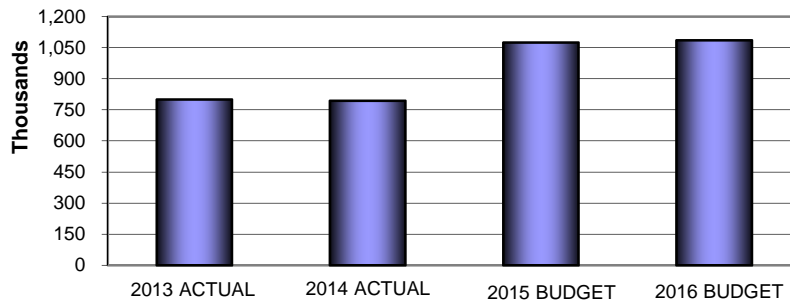
	2014 ACTUAL	2015 BUDGET	2015 ESTIMATE	2016 BUDGET
<u>Operating revenues:</u>				
Water sales	\$ 1,100,996	\$ 1,170,000	\$ 1,125,000	\$ 1,183,000
Water penalty	24,559	30,000	23,500	
Total revenues	1,125,555	1,200,000	1,148,500	1,183,000
<u>Operating expenses:</u>				
Personnel services	123,656	150,550	157,332	189,396
Supplies	144,756	78,700	45,962	78,800
Professional services	102,548	205,200	185,896	159,340
Communications	4,496	5,000	5,715	5,000
Insurance	16,620	16,900	19,159	17,500
Utilities	84,414	93,500	92,507	93,500
Repairs and maintenance	34,309	95,750	56,030	80,450
Depreciation	325,799	330,000	330,000	330,000
Other	8,370	22,700	9,003	14,350
Total expenses	844,968	998,300	901,604	968,336
Operating income (loss)	280,587	201,700	246,896	214,664
<u>Nonoperating revenues (expenses):</u>				
Investment earnings	36,749	20,000	17,800	20,000
Miscellaneous grants	-	-	-	-
Connection Fees	45,000	-	69,240	30,000
Interest expense	(276,564)	(245,687)	(245,732)	(225,755)
Special assessments	-	-	-	-
Miscellaneous revenues	8,777	-	-	-
Total nonoperating revenues (expenses)	(186,038)	(225,687)	(158,692)	(175,755)
Net income (loss) before contributions and transfers	94,549	(23,987)	88,204	38,909
<u>Transfers in (out):</u>				
Debt Service Fund	(18,580)	(18,580)	(18,580)	(18,580)
EDA Lease Revenue Bonds	-	-	-	(10,000)
Capital contributions	(82,500)	(82,500)	(82,500)	(82,500)
	(803,471)	-	-	-
Change in net position	-	-	-	-
Net position- January 1	(810,002)	(125,067)	(12,876)	(72,171)
Net position- December 31	5,669,930	5,609,862	4,859,928	4,847,052

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

Total By Classification	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	% CHANGE
Personnel Services	126,636	119,527	150,450	191,339	27.2%
Commodities	50,332	36,568	51,700	52,600	1.7%
Contractual Services	289,360	304,815	524,050	500,730	-4.4%
Depreciation	317,030	317,423	320,000	320,000	0.0%
Other Charges	16,026	15,283	28,750	20,750	-27.8%
Totals	799,384	793,616	1,074,950	1,085,419	1.0%

Staffing

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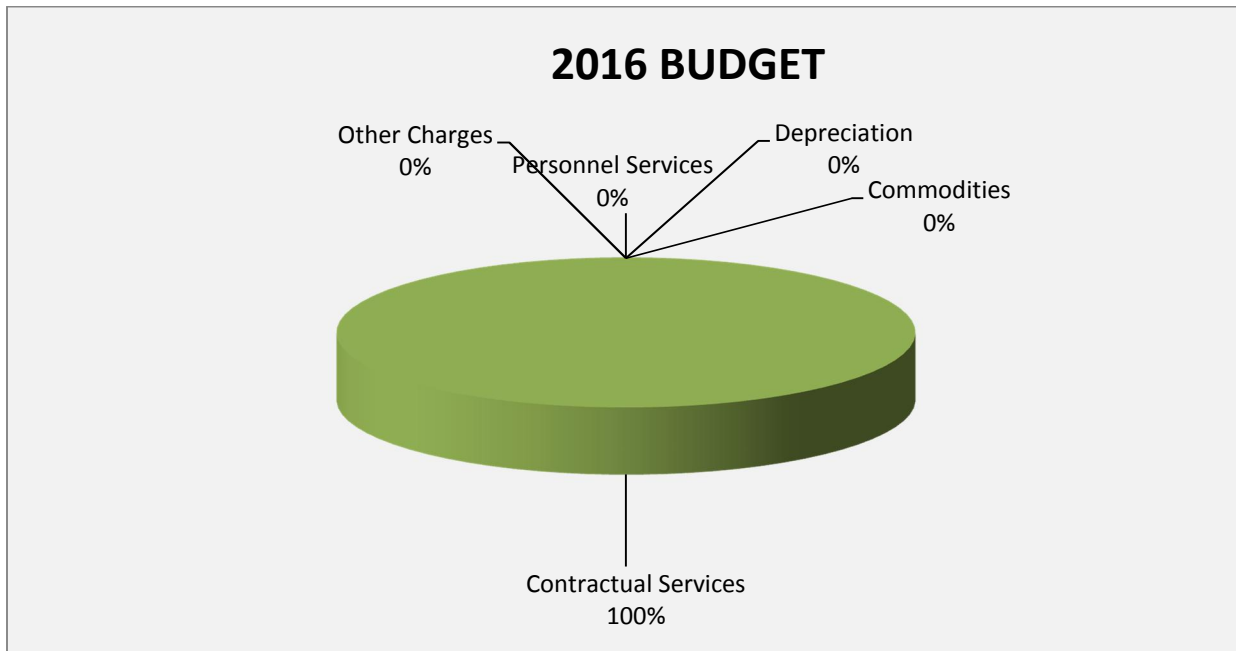
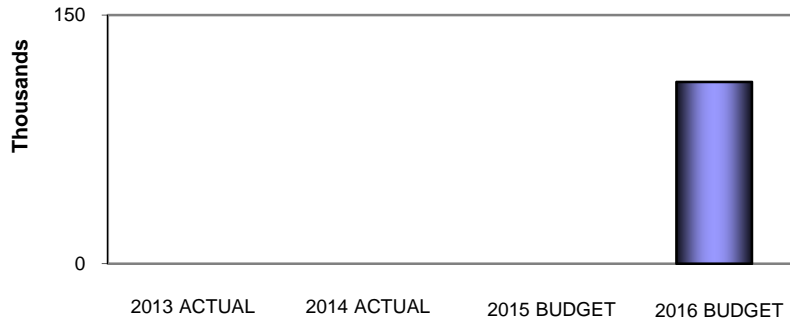
CITY OF ST. FRANCIS, MINNESOTA
SANITARY SEWER FUND (602)
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS

	2014 ACTUAL	2015 BUDGET	2015 ESTIMATE	2016 BUDGET
<u>Operating revenues:</u>				
Sewer sales	\$ 883,927	\$ 880,000	\$ 906,000	\$ 1,236,000
Sewer penalty	23,310	23,000	22,300	23,000
Total revenues	907,237	903,000	928,300	1,259,000
<u>Operating expenses:</u>				
Personnel services	119,527	150,450	148,551	191,339
Supplies	36,568	51,700	29,645	52,600
Professional services	120,442	196,200	168,546	201,280
Communications	2,215	2,500	3,515	2,500
Insurance	12,077	10,600	15,154	12,200
Utilities	108,688	115,000	105,136	115,000
Repairs and maintenance	61,393	199,750	55,977	169,750
Depreciation	317,423	320,000	320,000	320,000
Other	15,283	28,750	15,014	20,750
Total expenses	793,616	1,074,950	861,538	1,085,419
Operating income (loss)	113,621	(171,950)	66,762	173,581
<u>Nonoperating revenues (expenses):</u>				
Investment earnings	22,339	20,000	4,200	10,000
Connection charges	63,000	-	63,336	42,000
Interest Expense	(147,742)	(114,430)	(115,024)	(274,382)
Special assessments	-	-	-	-
Miscellaneous revenues	23,414	3,000	-	3,000
Total nonoperating revenues (expenses)	(38,989)	(91,430)	(47,488)	(219,382)
Net income (loss) before contributions and transfers	74,632	(263,380)	19,274	(45,801)
<u>Transfers in (out):</u>				
Debt Service Fund	(21,300)	(21,300)	(21,300)	(21,300)
Capital Equipment	-	-	-	(10,000)
EDA Lease Revenue Bonds	-	-	-	(10,000)
Capital contributions	(82,500)	(82,500)	(82,500)	(82,500)
	-	-	-	-
Change in net position	(29,168)	(367,180)	(84,526)	(159,601)
Net position - January 1	7,489,641	7,240,618	7,460,473	7,375,947
Net position - December 31	\$ 7,460,473	\$ 6,873,438	\$ 7,375,947	\$ 7,216,346

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

Total By Classification	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	% CHANGE
Personnel Services	0	0	0	0	N/A
Commodities	0	0	0	0	N/A
Contractual Services	0	0	0	109,500	N/A
Depreciation	0	0	0	0	N/A
Other Charges	0	0	0	0	N/A
Totals	0	0	0	109,500	N/A

Staffing					
Full-time equivalents	0.00	0.00	0.00	0.00	



CITY OF ST. FRANCIS, MINNESOTA
STORM WATER FUND (603)
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS

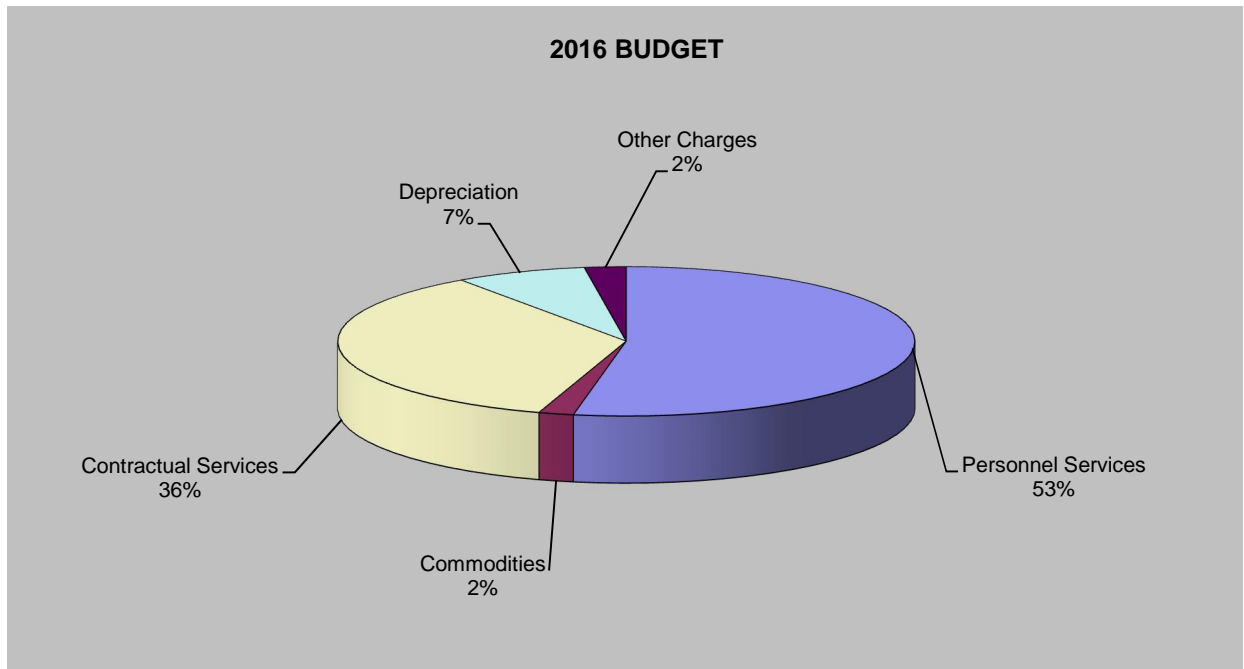
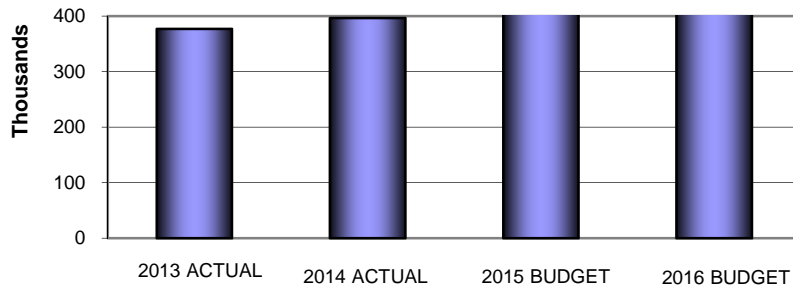
	2014 ACTUAL	2015 BUDGET	2015 ESTIMATE	2016 BUDGET
<u>Operating revenues:</u>				
Storm Water Fee	\$ -	\$ -	\$ -	\$ 178,560
Total revenues	-	-	-	178,560
<u>Operating expenses:</u>				
Personnel services	-	-	-	-
Supplies	-	-	-	-
Professional services	-	-	-	30,000
Communications	-	-	-	-
Insurance	-	-	-	-
Utilities	-	-	-	-
Repairs and maintenance	-	-	-	79,500
Depreciation	-	-	-	-
Other	-	-	-	-
Total expenses	-	-	-	109,500
Operating income (loss)	-	-	-	69,060
<u>Nonoperating revenues (expenses):</u>				
Investment earnings	-	-	-	-
Connection charges	-	-	-	-
Interest Expense	-	-	-	-
Special assessments	-	-	-	-
Miscellaneous revenues	-	-	-	-
Total nonoperating revenues (expenses)	-	-	-	-
Net income (loss) before contributions and transfers	-	-	-	69,060
<u>Transfers in (out):</u>				
Debt Service Fund	-	-	-	-
Capital Equipment	-	-	-	-
EDA Lease Revenue Bonds	-	-	-	-
Capital contributions	-	-	-	-
Change in net position	-	-	-	69,060
Net position - January 1	-	-	-	-
Net position - December 31	\$ -	\$ -	\$ -	\$ 69,060

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

Total By Classification	2013 ACTUAL	2014 ACTUAL	2015 BUDGET	2016 BUDGET	% CHANGE
Personnel Services	211,003	222,899	249,100	243,500	-2.2%
Commodities	4,978	7,811	8,500	9,000	5.9%
Contractual Services	121,838	126,664	151,400	162,900	7.6%
Depreciation	32,792	32,791	34,000	34,000	0.0%
Other Charges	6,551	6,605	10,700	10,700	0.0%
Totals	377,162	396,770	453,700	460,100	1.4%

Staffing

Full-time equivalents	4.25	4.25	4.25	4.25
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CITY OF ST. FRANCIS, MINNESOTA
MUNICIPAL LIQUOR OPERATIONS FUND (609)
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS

	2014 ACTUAL	2015 BUDGET	2015 ESTIMATE	2016 BUDGET
<u>Operating revenues:</u>				
Liquor sales	\$ 712,475	\$ 680,000	\$ 704,100	\$ 700,000
Beer sales	1,100,411	1,100,000	1,155,000	1,100,000
Wine sales	199,564	200,000	186,000	200,000
Miscellaneous merchandise	36,549	42,000	42,000	42,000
N/A beer	5,382	4,500	5,300	4,500
Tobacco products	55,101	50,000	54,000	55,000
Total revenues	2,109,482	2,076,500	2,146,400	2,101,500
<u>Cost of sales:</u>				
	(1,551,662)	(1,568,000)	(1,560,000)	(1,568,000)
Gross profit	557,820	508,500	586,400	533,500
<u>Operating expenses:</u>				
Personnel services	222,899	249,100	239,900	243,500
Supplies	7,811	8,500	14,707	9,000
Professional services	85,116	96,600	93,358	106,500
Communications	2,293	2,500	4,237	2,500
Insurance	16,477	13,500	16,500	17,000
Utilities	18,276	22,600	17,671	21,900
Repairs and maintenance	4,502	16,200	5,167	15,000
Depreciation	32,791	34,000	34,000	34,000
Other	6,605	10,700	7,057	10,700
Total expenses	396,770	453,700	432,597	460,100
Operating income (loss)	161,050	54,800	153,803	73,400
<u>Other revenues (expenses):</u>				
Investment earnings				
Miscellaneous revenues	10,325	12,000	12,327	10,000
Total other revenues (expenses)	368	-	166	400
	10,693	12,000	12,493	10,400
Net income (loss) before contributions and transfers				
Transfers in (out):	171,743	66,800	166,296	83,800
General Fund				
Change in net position	(66,685)	(60,000)	(60,000)	(60,000)
Net position - January 1	105,058	6,800	106,296	23,800
Net position - December 31	1,887,068	1,887,278	1,992,126	2,098,422

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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 2016-2020 CIP was adopted by the Council on July 20, 2015. The following provides a summary of projects included in the City's Capital Improvement Plan along with project year. Overall the 2016 budget provided for in the Capital Improvement plan is \$45,129,578. The following shows a breakdown by year.

CATEGORY	TOTAL	PRIOR YEARS	ALLOCATION OF COSTS BY YEAR				
			2016	2017	2018	2019	2020
BUILDINGS	\$ 2,269,948	\$ -	\$ 411,948	\$ 738,000	\$ 360,000	\$ 380,000	\$ 380,000
EQUIPMENT	\$ 2,195,400	\$ -	\$ 463,692	\$ 636,782	\$ 504,802	\$ 438,352	\$ 151,772
LAND	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
PARKS	\$ 539,500	\$ -	\$ 290,000	\$ 20,000	\$ 173,500	\$ 26,000	\$ 30,000
STREETS	\$ 16,986,000	\$ -	\$ 5,442,000	\$ 5,031,000	\$ 3,111,500	\$ -	\$ 3,401,500
UTILITIES	\$ 22,422,730	\$ -	\$ 18,000,000	\$ -	\$ 405,730	\$ 4,017,000	\$ -
VEHICLES	\$ 716,000	\$ -	\$ 141,000	\$ 145,000	\$ 165,000	\$ 85,000	\$ 180,000
TOTALS	\$ 45,129,578	\$ -	\$ 24,748,640	\$ 6,570,782	\$ 4,720,532	\$ 4,946,352	\$ 4,143,272

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

Use of Funds:	Life	Year	Previous years	2016	2017	2018	2019	2020
Administration								
City Hall	on-going			5,000	5,000	5,000	5,000	5,000
Computers	on-going			3,000	3,000	3,000	3,000	3,000
Inspections								
2014 Ford Escape	10	2024						
2007 Ford Crown Vic	10	2017			25,000			
Computers	on-going			400	400	400	400	400
Fire								
Radio replacement	on-going			16,250	16,250	16,250	16,250	4,000
Turnout Gear (5 sets a year)	on-going			10,000	10,000	10,000	10,000	10,000
SCBA Packs & Bottles (25)	15	2029						
2006 Polaris Ranger	15	2021						
Trailer for Ranger (Not scheduled for replacement)								
2000 Spartan Engine	20	2030						
1998 Chevrolet Tanker	25	2025						
2015 Tanker/Engine	20	2035						
1990 Chevrolet Kodiak Tanker (move to PW)								
2002 Ford Pickup (Duty Officer)	10	2025						
2002 Ford Pickup (Rescue)	10	2020						40,000
2008 Ford Grass Rig	10	2025						
2008 Roadmaster Emergency Trailer (For Sale no replacement)								
1993 Spartan Gladiator Engine	25	2021	200,000	50,000	50,000	50,000	50,000	50,000
Police								
2007 Dodge Caliber (Forfeited Vehicle)								
2011 Chevrolet Tahoe	10	2021						
2012 Dodge Charger	4	2016		35,000				35,000
2013 Dodge Charger	4	2017			35,000			
2013 Dodge Charger	4	2017			30,000			
2014 Dodge Charger	4	2018				35,000		
2014 Dodge Charger (Chiefs)	10	2024						
2015 Dodge Charger	4	2019					30,000	
2015 Dodge Charger	4	2019					35,000	
Police Radios	on-going		4,000	15,000	20,000	20,000	10,000	5,000
Computers	on-going			3,000	3,000	3,000	3,000	3,000
UTV		2025						
Camera System								
Weapons								
Parks								
2008 Belos Trans Giant	Not Replace							
-Replacement -2 separate use smaller machines-exp toro mower or toolcat	see below							
Batwing Toro Mower	15	2023						
Toolcat	15	2023						
2015 Mower deck for Belos	8	2023						
2009 Kubota Zero Turn Mower	5	2019					20,100	
2014 Hustler Zero Turn Mower	10	2024						
2006 John Deere Tractor (Replace with Toolcat) & attachments	Not Replace							
	see below							
Tool Cat (Replacement for 2006 JD Tractor)	15	2018		10,000	20,000	20,000		
2008 Kubota Tractor	20	2028						
Benches, trash bins and picnic tables	on-going			2,000	2,000	2,000	2,000	2,000
Public Works								
Computers	on-going			1,000	1,000	1,000	1,000	1,000
2014 Dodge Ram	10	2024						
2012 Ford Pickup	10	2022						
2012 Ford Sign Truck	15	2027						
2011 Dodge Pickup	10	2021						

Use of Funds:	Life	Year	Previous years	2016	2017	2018	2019	2020
2009 Dodge 1 ton Dump	15	2024						
2002 Chevrolet Pickup	10	2016		40,000				
2007 Dodge Crane Truck	15	2022						
2011 Ford Escape	10	2021						
2008 International Dump Truck (Refurb in 2019)	10	2028			50,000	50,000	50,000	
2005 International Dump Truck	20	2035		200,000				
Bobcat (Annual Buyback) (Net)	annual			3,000	3,000	3,000	3,000	3,000
2013 Mowing Trailer	15	2028						
2011 Trenchbox Trailer	20	2031						
2000 Heavy Equipment Trailer (new in 2015)	15	2030						
2002 CAT Motorgrader	30	2032						
2012 CAT Loader	20	2032						
Loader (NEW) Somewhere in 2020-2025	20	2020						
ToolCat (1500 hours)		2018				47,700		
Miscellaneous Equipment and attachments				5,000	5,000	5,000	5,000	5,000
-Boss Power V XT V-plow	5	2018						
-Blizzard 8100 plow	5	2016						
-Bobcat Snowblower attachment								
-Erskine Snowblower attachment								
-2008 Diamond Shouldering Disc								
-Cat Fork Lift								
-2012 Ball Field Groomer								
-2010 Packer/Roller for Motorgrader								
-2010 Bobcat Angle Broom Attachment								
-2003 Bobcat Pickup Broom Attachment								
-2008 Berti Ditch Mower (TAP/200)								
-Sweepster Broom Loader attachment (X23616)								
1993 Portable Genset (Water & Sewer)		2018		20,000	20,000	20,000		
Total			204,000	418,650	298,650	291,350	243,750	166,400

Sources of Funds:								
Transfer from Water				10,000	10,000	10,000	10,000	10,000
Transfer from Sewer				10,000	10,000	10,000	10,000	10,000
General Property Tax				180,000	190,000	200,000	220,000	230,000
Total				200,000	210,000	220,000	240,000	250,000

Cash Balance	\$	793,969	\$ 575,319	\$486,669	\$ 415,319	\$ 411,569	\$ 495,169
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Park Fund	2015	2016	2017	2018	2019	2020
Use of Funds:						
Hockey Rink Improvements		77,500			135,000	
Sealcoating for Bituminous Trails						
Deer Creek Park Trail Study						206,000
Hidden Ponds Irrigation and Shelter						
Replace Building at Community Park						
Highland Woods Park Improvements						
Rum River Woods Improvements						
Durigan Locher & Seeyle Brook						
Splash park study						
Disc golf study						
Park Equipment		20,000	20,000	20,000	20,000	20,000
Total		97,500	20,000	20,000	155,000	226,000

Sources of Funds						
General Tax Levy		-	25,000	25,000	40,000	40,000
Donations		-	-	-	-	186,000
Liquor Store Transfer		20,000	20,000	20,000	20,000	20,000
Total		20,000	45,000	45,000	60,000	246,000

Year End Cash Balance	102,500	25,000	50,000	75,000	(20,000)	-
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Use of Funds:	Life	Year	Previous	2016	2017	2018	2019	2020
			years	2016	2017	2018	2019	2020
Liquor Fund			PRIOR					
Cooler Doors/LED Lighting			\$ -	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
GRAND TOTAL			\$ -	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000

Sources of Funds:	2016	2017	2018	2019	2020
Liquor Fund	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000

Streets	Funding	2016	2017	2018	2019	2020
Use of Funds:						
Bridge Street Improvements	Urban	State Aid	550,000			
Arrowhead Street Mill and Overlay	Urban	GO Bonds	270,000			
Poppy Street Reconstruction	Urban	GO Bonds	535,000			
Butterfield Drive Reconstruction	Urban	GO Bonds		600,000		
245th & Kings Hwy Realignment / Ditch Work	Rural	GO Bonds		1,045,000		
Tamarack Street	Rural	GO Bonds		897,000		
241st Avenue	Rural	GO Bonds				1,727,000
Rum River Woods Addition Reconstruction	Urban	GO Bonds				
Other		General Tax				
Total			1,355,000	600,000	1,942,000	-
						1,727,000

Water	2016	2017	2018	2019	2020
Use of Funds:					
Bridge Street Improvements	Water	GO Revenue	25,000		
Poppy Street Reconstruction	Water	GO Revenue	200,000		
Household water meter change out	Water	GO Revenue	250,000		
Monitoring well	Water	GO Revenue	80,000		
Well #5	Water	GO Revenue		405,730	
Trunk Hwy 47 Water/Sewer Extension	Water	GO Revenue		750,000	
241st Avenue	Water	GO Revenue			600,000
Vac/Jetter Truck	Water	GO Revenue			
Rum River Woods Addition Reconstruction	Water	GO Revenue			
Other	Water	Water Fund			
Total			555,000	-	405,730
				750,000	600,000

Sewer	2016	2017	2018	2019	2020
Use of Funds:					
Bridge Street Improvements	Sewer	GO Revenue	1,000,000	-	-
Trunk Hwy 47 Water/Sewer Extension	Sewer	GO Revenue		2,250,000	
241st Avenue	Sewer	GO Revenue		-	900,000
Vac/Jetter Truck	Sewer	GO Revenue			
Rum River Woods Addition Reconstruction	Sewer	GO Revenue			
Other	Sewer	Sewer Fund			110,000
Total			1,000,000	-	-
				2,250,000	1,010,000

Storm Sewer	2016	2017	2018	2019	2020
Use of Funds:					
Poppy Street Reconstruction	Urban	Storm Water	65,000		

Use of Funds:	Life	Year	Previous years	2016	2017	2018	2019	2020
Butterfield Drive Reconstruction	Urban		Storm		20,000			
241st Avenue	Water		Storm					273,000
Rum River Woods Addition Reconstruction	Water		Storm					
Annual reconstruction (includes gravel)			Water					52,642
Annual gravel road paving (1 mile/year)			Storm					48,800
Total				65,000	20,000	-	-	374,442
Total All				2,975,000	620,000	2,347,730	3,000,000	3,711,442
Project Total				2016	2017	2018	2019	2020
Bridge Street Improvements				1,575,000				
Arrowhead Street Mill and Overlay				270,000				
Poppy Street Reconstruction				800,000				
Household water meter change out				250,000				
Monitoring well				80,000				
Butterfield Drive Reconstruction					620,000			
245th & Kings Hwy Realignment / Ditch Work						1,045,000		
Tamarack Street						897,000		
Well #5						405,730		
Trunk Hwy 47 Water/Sewer Extension							3,000,000	
241st Avenue								3,500,000
Vac/Jetter Truck								
Rum River Woods Addition Reconstruction								
Other								211,442
Total All				2,975,000	620,000	2,347,730	3,000,000	3,711,442
Sources of Funds:								
General Tax Levy				-	-	-	-	-
State Aid				550,000	-	-	-	-
GO Bonds				805,000	600,000	1,942,000	-	1,727,000
GO Revenue Bonds				1,555,000	-	405,730	3,000,000	1,500,000
Water Fund				-	-	-	-	-
Sewer Fund				-	-	-	-	110,000
Storm Water Fund				65,000	20,000	-	-	374,442
Total Sources				2,975,000	620,000	2,347,730	3,000,000	3,711,442

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 for a copy of the complete plan as adopted.

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

	2014 ACTUAL	2015 BUDGET	2015 ESTIMATE	2016 BUDGET
<u>Miscellaneous Revenue:</u>				
Investment earnings	\$ -	\$ -	\$ -	\$ 180,000
Miscellaneous	\$ 6,451	\$ 6,000	\$ 3,000	\$ 3,000
	-	-	-	-
Total revenues	6,451	6,000	3,000	183,000
<u>Expenditures:</u>				
<u>Capital Outlay</u>				
General Government				
Public Safety	3,097	-	-	8,000
Public Works	-	266,021	379,651	83,250
Culture & Recreation	-	-	-	400
	17,965	-	-	249,000
Total expenditures	-	-	-	2,000
Excess (deficit) of revenues over expenditures	21,062	266,021	379,651	342,650
Other financing sources (uses):	(14,611)	(260,021)	(376,651)	(159,650)
Transfers in (out):				
Bond Proceeds				
Fire Truck Replacement Fund				
Transfer Out	-	-	-	-
	50,000	50,000	397,700	-
Net increase (decrease) in fund balance	-	-	-	10,000
	-	-	-	10,000
Fund balance - January 1	-	-	-	-
Fund balance - December 31	35,389	(210,021)	21,049	(139,650)

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

	2014 ACTUAL	2015 BUDGET	2015 ESTIMATE	2016 BUDGET
<u>Revenues:</u>				
Special Assessments	\$ 15,317	\$ 13,000	\$ 16,000	\$ 13,000
Total revenues	<u>15,317</u>	<u>13,000</u>	<u>16,000</u>	<u>13,000</u>
<u>Expenditures:</u>				
Miscellaneous	51	-	61	-
Engineering	-	-	-	-
Interest expense	-	-	-	-
Total expenditures	<u>51</u>	<u>-</u>	<u>61</u>	<u>-</u>
Excess (deficit) of revenues over expenditures	15,266	13,000	15,939	13,000
Fund balance - January 1	<u>(87,785)</u>	<u>(74,836)</u>	<u>(72,519)</u>	<u>(56,580)</u>
Fund balance - December 31	<u>\$ (72,519)</u>	<u>\$ (61,836)</u>	<u>\$ (56,580)</u>	<u>\$ (43,580)</u>

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
GAMBLING FUND (210)
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

	2014 ACTUAL	2015 BUDGET	2015 ESTIMATE	2016 BUDGET
<u>Miscellaneous:</u>				
Miscellaneous	\$ 13,507	\$ 11,000	\$ 11,000	\$ 11,000
Investment earnings	181	-	200	-
Total revenues	13,688	11,000	11,200	11,000
<u>Expenditures:</u>				
Commodities	-	-	-	-
Contractual services	-	-	-	-
Other charges	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficit) of revenues over expenditures	13,688	11,000	11,200	11,000
Fund balance - January 1	15,486	26,486	29,174	40,374
Fund balance - December 31	<u>\$ 29,174</u>	<u>\$ 37,486</u>	<u>\$ 40,374</u>	<u>\$ 51,374</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

	2014 ACTUAL	2015 BUDGET	2015 ESTIMATE	2016 BUDGET
<u>Revenues:</u>				
Special Assessments	\$ 21,707	\$ 12,000	\$ 16,000	\$ 10,700
Total revenues	21,707	12,000	16,000	10,700
<u>Expenditures:</u>				
Miscellaneous	67	-	80	-
Engineering	-	-	-	-
Construction	-	-	-	-
Interest expense	-	-	-	-
Total expenditures	67	-	80	-
Excess (deficit) of revenues over expenditures	21,640	12,000	15,920	10,700
<u>Other financing sources (uses):</u>				
Transfers in (out):				
Water Fund	-	-	-	-
Sewer Fund	-	-	-	-
General Fund	-	-	-	-
Net increase (decrease) in fund balance	21,640	12,000	15,920	10,700
Fund balance - January 1	(100,212)	(84,279)	(78,572)	(62,652)
Fund balance - December 31	\$ (78,572)	\$ (72,279)	\$ (62,652)	\$ (51,952)

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
PARK DEVELOPMENT FUND (225)
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

	2014 ACTUAL	2015 BUDGET	2015 ESTIMATE	2016 BUDGET
<u>Miscellaneous Revenue:</u>				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Charges for Services	1,485	1,000	1,175	1,000
Park dedication fees	-	-	7,500	-
Investment earnings	1,546	1,000	1,143	1,000
Miscellaneous	41,861	500	445	500
Total revenues	44,892	2,500	10,263	2,500
<u>Expenditures:</u>				
Park development projects	43,968	-	112,255	-
Total expenditures	43,968	-	112,255	-
Excess (deficit) of revenues over expenditures	924	2,500	(101,992)	2,500
Other financing sources (uses):				
Transfers in (out):				
General Fund	-	-	-	-
Net increase (decrease) in fund balance	924	2,500	(101,992)	2,500
Fund balance - January 1	171,415	137,208	172,339	70,347
Fund balance - December 31	\$ 172,339	\$ 139,708	\$ 70,347	\$ 72,847

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.

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**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.

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.

	2015
Estimated market value of taxable property	\$447,886,700
Debt limit (3% of market value)	\$13,436,601
Total debt applicable to debt limit	\$7,550,000
Legal debt margin	\$5,886,601

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

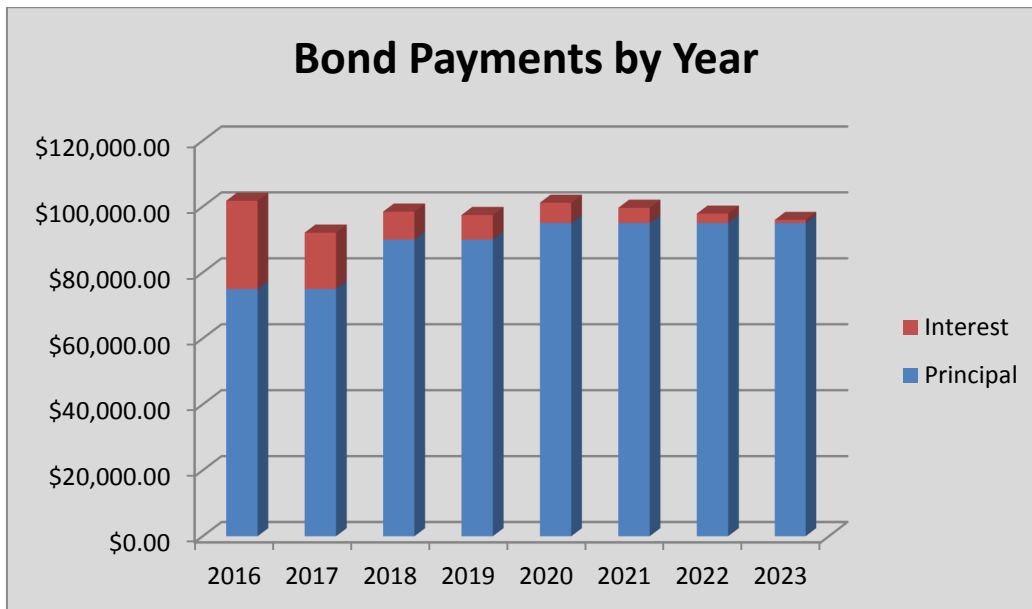
CITY OF ST. FRANCIS, MINNESOTA
DEBT SERVICE BUDGET (311)
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

	2014 ACTUAL	2015 BUDGET	2015 ESTIMATE	2016 BUDGET
Revenues:				
Property taxes	\$ 21,307	\$ 20,900	\$ 20,900	\$ 20,900
Special assessments	22,180	24,000	20,000	20,000
Investment earnings	5,491	1,000	300	300
Total revenues	48,978	45,900	41,200	41,200
Expenditures:				
<u>Debt Service:</u>				
Principal:				
Regular	70,000	70,000	70,000	75,000
Interest	45,223	29,683	29,683	26,783
Paying agent fees	-	-	-	-
Total expenditures	115,223	99,683	99,683	101,783
Excess (deficit) of revenues over expenditures	(66,245)	(53,783)	(58,483)	(60,583)
Other financing sources (uses):				
Bond proceeds (net)	-	-	-	-
Transfers in (out):				
Water Fund	18,580	18,580	18,580	18,580
Sanitary Sewer Fund	21,300	21,300	21,300	21,300
Net increase (decrease) in fund balance	(26,365)	(13,903)	(18,603)	(20,703)
Fund balance - January 1	681,165	663,812	654,800	636,197
Fund balance - December 31	\$ 654,800	\$ 649,909	\$ 636,197	\$ 615,494

An advanced crossover refunding bond was issued in 2013 to refinance this issue. This bond will be called in 2017.

The following tables depict the City's debt service payments by year for 2007 General Obligation Debt payable from Special Assessments.

Year	Principal	Interest	Total
2016	75,000.00	26,782.50	101,783
2017	75,000.00	17,097.00	92,097
2018	90,000.00	8,462.00	98,462
2019	90,000.00	7,450.00	97,450
2020	95,000.00	6,175.00	101,175
2021	95,000.00	4,631.00	99,631
2022	95,000.00	2,850.00	97,850
2023	95,000.00	950.00	95,950
Total	\$710,000	\$74,398	\$784,398

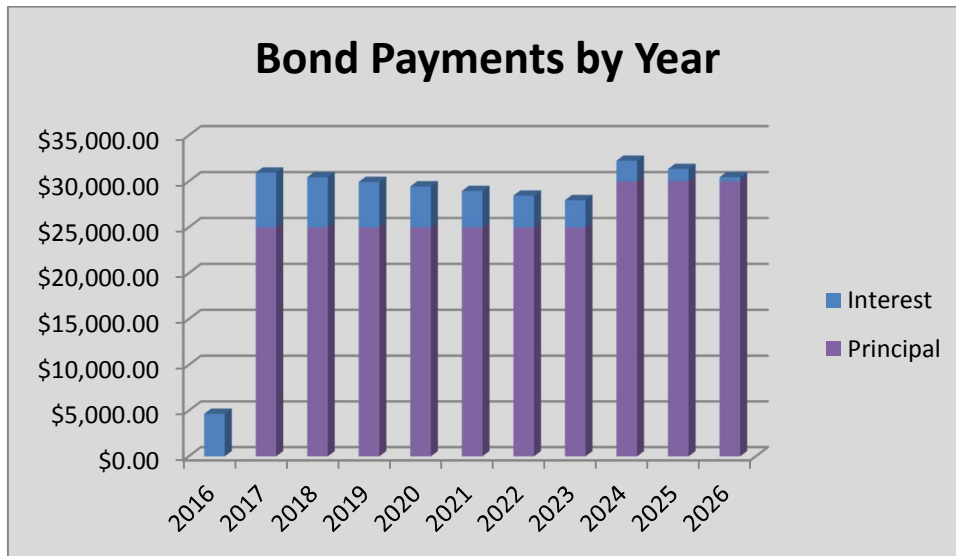


CITY OF ST. FRANCIS, MINNESOTA
DEBT SERVICE BUDGET (2015 DEBT)
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

	2014 ACTUAL	2015 BUDGET	2015 ESTIMATE	2016 BUDGET
Revenues:				
Property taxes	\$ -	\$ -	\$ -	\$ 20,470
Special assessments	-	-	-	12,000
Investment earnings	-	-	-	300
Total revenues	-	-	-	32,770
Expenditures:				
<u>Debt Service:</u>				
Principal:				
Regular	-	-	-	-
Interest	-	-	-	4,650
Paying agent fees	-	-	-	-
Total expenditures	-	-	-	4,650
Excess (deficit) of revenues over expenditures	-	-	-	28,120
Other financing sources (uses):				
Bond proceeds (net)	-	-	-	-
Transfers in (out):				
Water Fund	-	-	-	-
Sanitary Sewer Fund	-	-	-	-
Net increase (decrease) in fund balance	-	-	-	28,120
Fund balance - January 1	-	-	-	-
Fund balance - December 31	\$ -	\$ -	\$ -	\$ 28,120

The following tables depict the City's debt service payments by year for 2015 General Obligation Debt payable from Special Assessments.

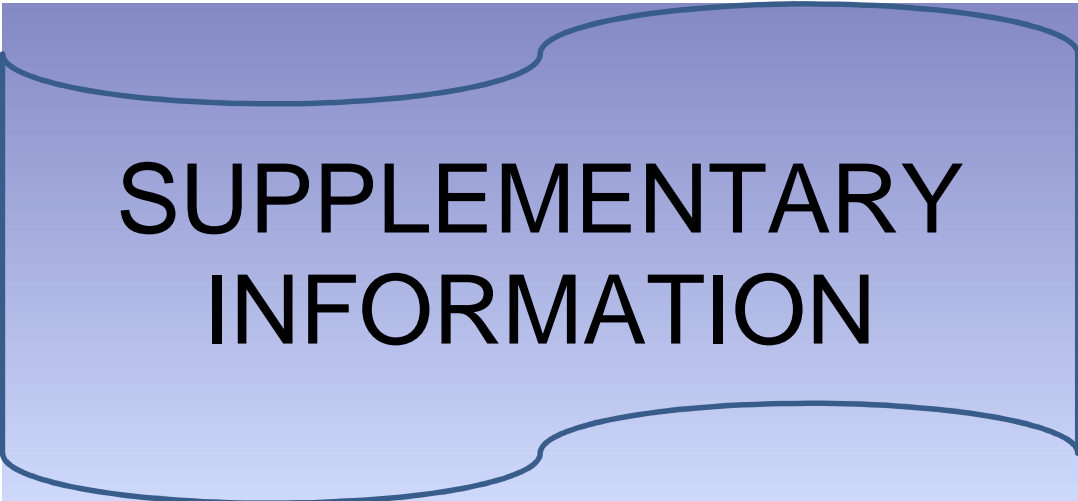
Year	Principal	Interest	Total
2016	-	4,650.00	4,650.00
2017	25,000.00	5,950.00	30,950.00
2018	25,000.00	5,450.00	30,450.00
2019	25,000.00	4,950.00	29,950.00
2020	25,000.00	4,450.00	29,450.00
2021	25,000.00	3,950.00	28,950.00
2022	25,000.00	3,450.00	28,450.00
2023	25,000.00	2,950.00	27,950.00
2024	30,000.00	2,250.00	32,250.00
2025	30,000.00	1,350.00	31,350.00
2026	30,000.00	450.00	30,450.00
Total	\$265,000	\$39,850	\$304,850



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

	2014 ACTUAL	2015 BUDGET	2015 ESTIMATE	2016 BUDGET
Revenues:				
Investment earnings	\$ 4,352	\$ 3,000	\$ 2,400	\$ 3,000
Total revenues	4,352	3,000	2,400	3,000
Expenditures:				
<u>Debt Service:</u>				
Principal:				
Regular	225,000	230,000	230,000	235,000
Interest	323,983	318,395	318,395	313,510
Paying agent fees	-	1,600	1,600	1,600
Total expenditures	548,983	549,995	549,995	550,110
Excess (deficit) of revenues over expenditures	(544,631)	(546,995)	(547,595)	(547,110)
Other financing sources (uses):				
Transfers in (out):				
General Fund	340,000	360,000	360,000	360,000
Water Fund	82,500	82,500	82,500	82,500
Sanitary Sewer Fund	82,500	82,500	82,500	82,500
Net increase (decrease) in fund balance	(39,631)	(21,995)	(22,595)	(22,110)
Fund balance - January 1	652,224	592,145	612,593	589,998
Fund balance - December 31	\$ 612,593	\$ 570,150	\$ 589,998	\$ 567,888

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
		#		#		#	
Population	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
Households	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
Persons Per Household	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
Employment	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**

Characteristics	St. Francis In 1990	St. Francis In 2000	St. Francis In 2010	Metro Area In 1990	Metro Area In 2000	Metro Area In 2010
Number of Persons	2,538	4,910	7,218	2,288,721	2,642,062	2,849,567
Persons by Gender						
Female	49%	50%	51%	51%	51%	51%
Male	51%	50%	49%	49%	49%	49%
Number of Families	656	1,301	1,301	583,900	658,159	707,496
Number of Households	760	1,638	2,520	1,021,456	1,117,749	1,362,000
Persons per Household	3.34	3.00	2.86	2.61	2.59	2.55
Number of Housing Units	800	1,689	2,667	922,224	1,047,240	1,117,749
Number of Persons By Age						
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%
Persons by Race						
White	97%	95%	95%	91%	83%	76%
Non-white	3%	5%	5%	9%	17%	24%
Households by Type						
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**

Characteristics	St. Francis In 1990	St. Francis In 2000	St. Francis In 2010	Metro Area In 1990	Metro Area In 2000	Metro Area In 2010
Children By Age						
Under 5 Years Old	28%	28%	26%	31%	31%	27%
5 to 19 Years Old	72%	72%	74%	69%	69%	73%
Household Incomes						
Median	\$32,474	\$51,982	\$67,480	\$36,565	\$ 54,304	\$65,181
Highest Level of Education						
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%

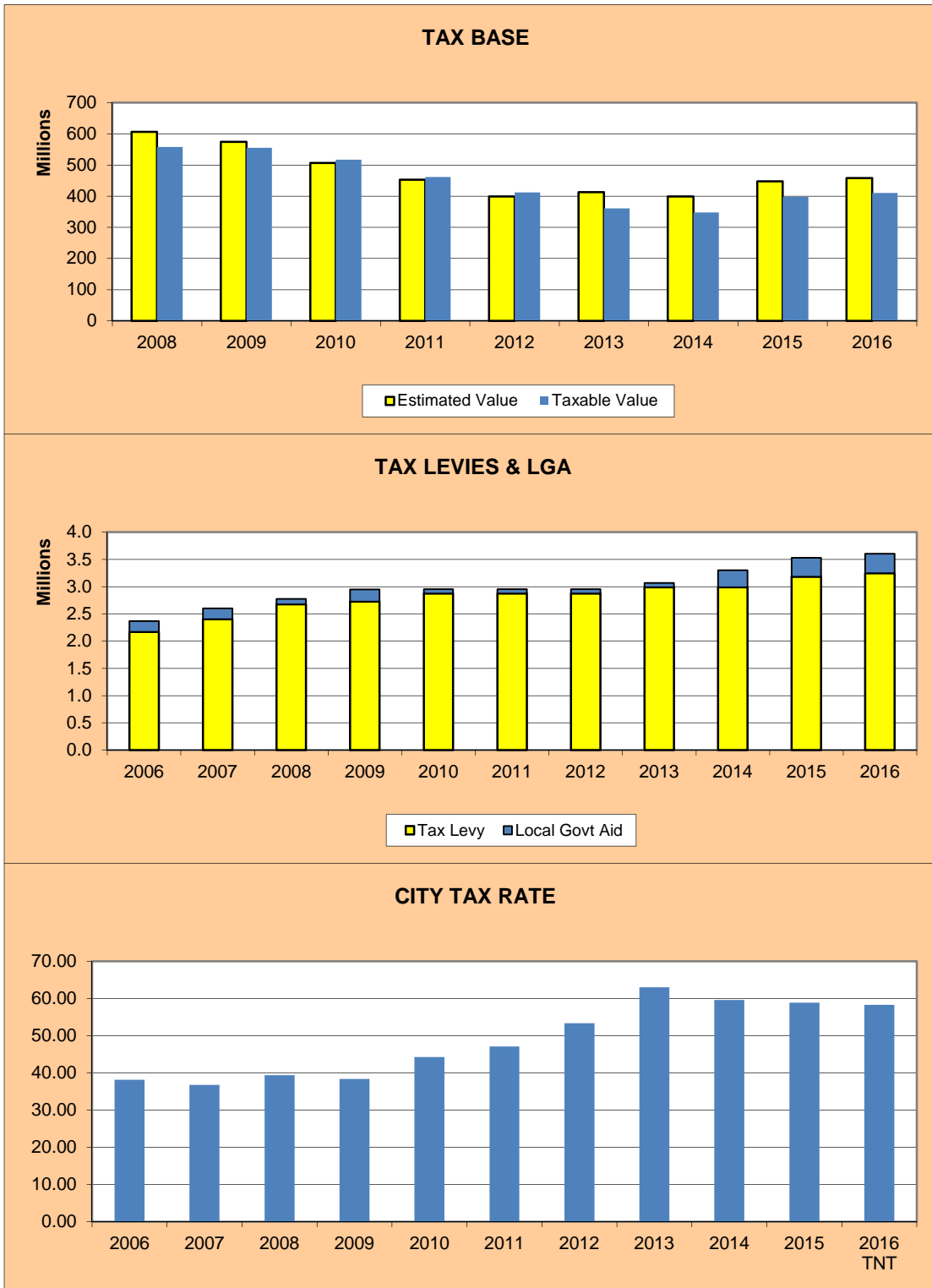
CITY OF ST. FRANCIS, MINNESOTA
Miscellaneous Statistical Facts
December 31, 2014

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
Total				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				11
Recreation:				
Parks (developed)				83 acres
Number of parks and playgrounds				14
Employees:				
Full time (including police protection)				27
Part time and temporary (including fire protection)				24
Council members				5
	Local	State	National	
Elections:				
Date of last elections	Nov 4, 2014	Nov 4, 2014	Nov 4, 2014	
Number of registered voters	4,011	4,011	4,011	
Number of votes cast	2,060	2,060	2,060	
Percent of registered voters voting	51%	51%	51%	

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

Taxpayer		2014/2015		
		Taxable Market Value	Net Tax Capacity	Percent of Total Tax Capacity
Alliant Techsystems	Ammunition manufacturer	11,104,500	162,142	3.78%
ALS Properties Woodhaven LLC	Mobile Home Park	8,353,500	104,420	2.43%
St. Francis Realty LLC	Shopping Center	4,217,400	83,107	1.94%
King Exchange LLC	Shopping Center	2,858,400	55,668	1.30%
Minnegasco Inc.	Utility	2,779,900	55,598	1.29%
Connexus Energy	Utility	2,620,800	52,416	1.22%
Northern Capital Investments	Residential	2,275,700	28,447	.66%
Village Bank	Commercial	1,171,900	22,589	.53%
Individual Family LP	Commercial	1,062,500	20,500	.48%
Abbey Field LTD Partnership	Apartment	2,350,700	17,630	.41%
			\$602,517	14.03%

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
2014	398,810,600	347,731,217
2015	447,317,400	398,645,565
2016	458,334,000	410,080,611

TAX LEVIES

Year Payable	Tax Levy	Local Govt Aid	Total Levy + LGA
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
2015	3,180,953	347,348	3,528,301
2016	3,244,573	356,255	3,600,828

TAX RATES

Year Payable	City Rate	Overlapping Rates*			Special Districts
		Anoka County	ISD #15	ISD #728	
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	44.411	33.707	50.058	3.317
2014	59.629	43.239	33.635	51.286	3.286
2015	58.909	38.123	29.449	42.483	2.856
2016 TNT	58.345	38.843	29.304	39.233	2.618

*-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).

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

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.

TRANSFER: Transfers of assets between funds.

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