



City of
St. Francis
Minnesota



2020 ADOPTED BUDGET

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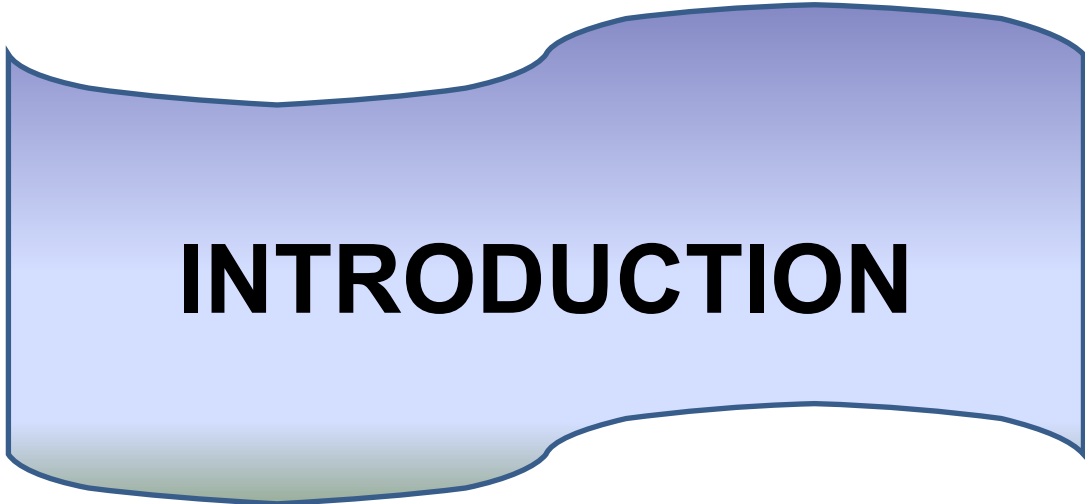
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INTRODUCTION

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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 2020 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 2020 Budget, in the amount of \$12,143,547 includes all of the funds for the City of St. Francis and reflects a 9.1% 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 2020 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.

City Council has been committed to strategically planning for the city's future while providing efficient and responsive services in the present. Highlights of recent City Council initiatives can be found below:

Capital Planning: The City has recently adopted a comprehensive Capital Improvement Plan that incorporates all aspects Capital expenditures. This plan includes all capital items in the areas of streets, water, wastewater, stormwater, equipment, parks, and buildings. This updated capital plan also outlines clear financial strategies and methods for smooth implementation and financial planning for the future.

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

Building Activity: The City has had a major increase in new residential home permitting over the last few years. The increased building activity has required the City to focus on proper infrastructure and workload management. This focus has allowed the City to properly accommodate the high level of development within the City.

Utility services: The City has also been closely examining the Municipal Urban Service Area (MUSA) in order to properly stage growth within the community. The City is working to complete the comprehensive planning process with clearly identified MUSA expansion.

Technological Upgrades: The increased building activity has also substantially increased the workload of processing city business. Staffing coupled with technological upgrades, has allowed the City to process this increased activity and accommodate the needs of and additional stresses development brings to city services. In addition to processing city business, upgrades to the city's website has allowed for more citizen engagement and easier searching for residents who are seeking information.

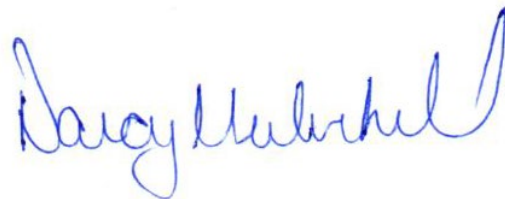
Public Safety: The 2020 budget also illustrates the City's commitment to addressing Public Safety. The 2020 Budget has significant investments in the Police and Fire operations. These departments continue to see support for their operations in order to ensure the City of St. Francis is a safe community.

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 City Council will continue to review, discuss and analyze how to best utilize the limited tax dollars to ensure quality services are provided while continuing to plan for future growth and stress on city services. The City will also continue to review and analyze economic forces and intergovernmental funds to ensure the City of St. Francis continues to be fiscally responsible while providing top level services to their residents.

Respectfully submitted,



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 2019

CITY COUNCIL

STEVE FELDMAN, MAYOR
Term Expires 12-31-2020

JOSEPH MUEHLBAUER, COUNCILMEMBER
Term Expires 12-31-2020

ROBERT BAUER, COUNCILMEMBER
Term Expires 12-31-2020

KEVIN ROBINSON, COUNCILMEMBER
Term Expires 12-31-2022

SARAH UDVIG, COUNCILMEMBER
Term Expires 12-31-2022

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
Todd Schwieger	Police Chief	December 5, 2016
Dave Schmidt	Fire Chief	July 11, 2017
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 2020 Budget

Challenges that frame the development of the 2020 Budget include:

Levy – For the 2020 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. With the building growth that the city has experienced, the city council kept the tax levy rate approximately the same as 2019. The rate as proposed was 50.416%. This generated a total levy of \$3,984,590. This was an increase of \$191,000.

State aid –Local Government Aid was increased by \$66,983 for a total of \$476,879 in 2020.

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 2017. A 3.0% COLA increase was given to the two unions and non-union personnel was given 3% for 2020.

Revenues (net of transfers and debt proceeds) up by .68%

The 2020 budget anticipates revenues (net of transfers and debt proceeds) in the amount of \$10,911,929, an increase of \$74,231 (.68%) from 2019. The increase is mainly due to the increase in the 2020 levy and a decrease in the water/sewer revenues. 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	2019 Budget	2020 Budget	\$ Change	% Change
General	4,255,920	4,494,459	\$238,539	5.60%
Special Revenue	0	0	\$0	#DIV/0!
Debt	393,790	393,790	\$0	0.00%
Capital	574,500	645,200	\$70,700	12.31%
Enterprise	5,613,488	5,378,480	(\$235,008)	-4.19%
TOTAL	10,837,698	\$10,911,929	\$74,231	0.68%

Expenditures (net of transfers and refunded debt service) up 9.05%

Expenditures (net of transfers and refunded debt service) in the 2020 Budget are up 9.05% or \$980,660 more than 2019. This is due mainly to the increase in the depreciation in the Sewer Fund.

Expenditure Comparison

Fund	2019 Budget	2020 Budget	\$ Change	% Change
General	4,315,920	4,554,459	\$238,539	5.53%
Special Revenue	10,208	13,750	\$3,542	34.70%
Debt	593,407	598,507	\$5,100	0.86%
Capital	1,081,429	1,091,014	\$9,585	0.89%
Enterprise	4,839,985	5,563,879	\$723,894	14.96%
TOTAL	\$10,840,949	\$11,821,609	\$980,660	9.05%

**Tax levy
increased for
2020**

The City's tax levy for 2020 is \$3,984,590 which is an increase of \$191,000 over the 2019 levy. The median home value in the City of St. Francis increased from \$174,200 in 2019 to \$192,900 in 2020. A median home will pay an estimated \$917/year for 2020 city taxes.

The following table summarizes the estimated tax impact on homestead residential homes, based on the 2020 tax levy. This assumes no change in property valuation from year to year.

Estimated Market Value	2020 City Taxes	2019 City Taxes	Difference
150,000	\$ 664.31	\$ 669.59	\$ (5.28)
160,000	\$ 721.64	\$ 727.38	\$ (5.74)
170,000	\$ 778.98	\$ 785.17	\$ (6.19)
180,000	\$ 836.31	\$ 842.95	\$ (6.64)
192,900	\$ 909.95	\$ 917.18	\$ (7.23)
200,000	\$ 950.97	\$ 958.53	\$ (7.56)
210,000	\$ 1,008.30	\$ 1,016.32	\$ (8.02)
220,000	\$ 1,065.64	\$ 1,074.10	\$ (8.46)

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 2018 are the basis for the taxes payable in 2019. 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. The 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 2018 Class Rate	Payable 2019 Class Rate	Payable 2020 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:

	2018	2019	2020
Estimated Market Value	532,976,800	590,882,900	645,106,900
Taxable Market Value	485,820,180	542,147,539	597,834,980
Tax Capacity	5,208,277	5,770,363	6,631,650

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:

2016	58.345%
2017	54.195%
2018	53.996%
2019	53.176%
Preliminary 2020	50.416%

Using the prior example of a single family home with an estimated market value of \$200,000, the approximate city tax for 2019 would be:

$$\$1,808 \times 53.016\% = \$958.53$$

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.

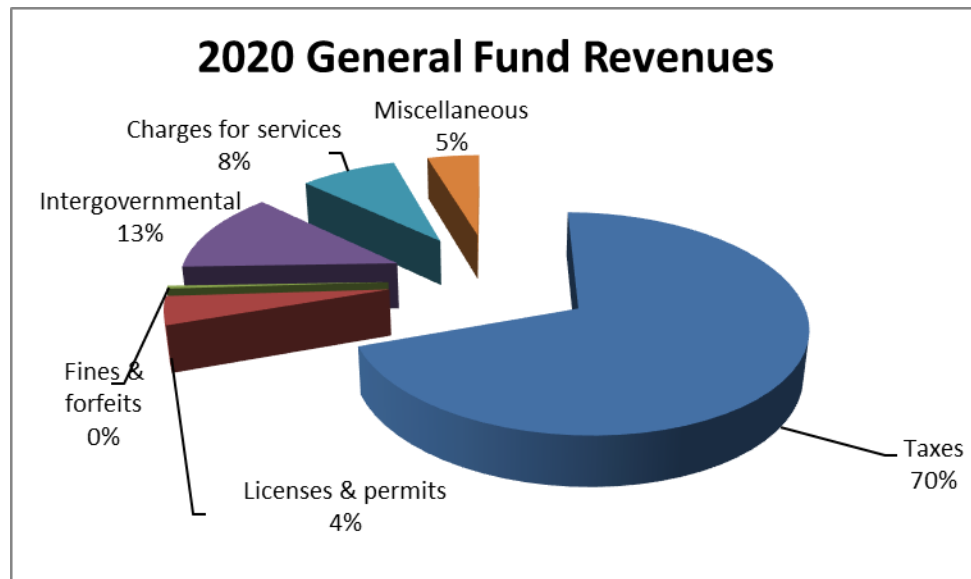
Staffing

The number of full-time equivalent positions increased to 36 for the 2020 budget year.

General Fund Revenues (net of transfers) up 5.60%

The 5.60% increase in General Fund revenues (net of transfers) amounts to \$238,539 more in revenues than 2019. Taxes budgeted for the General Fund are \$164,977 more in 2020. Taxes represent 70% of the revenues for the General Fund.

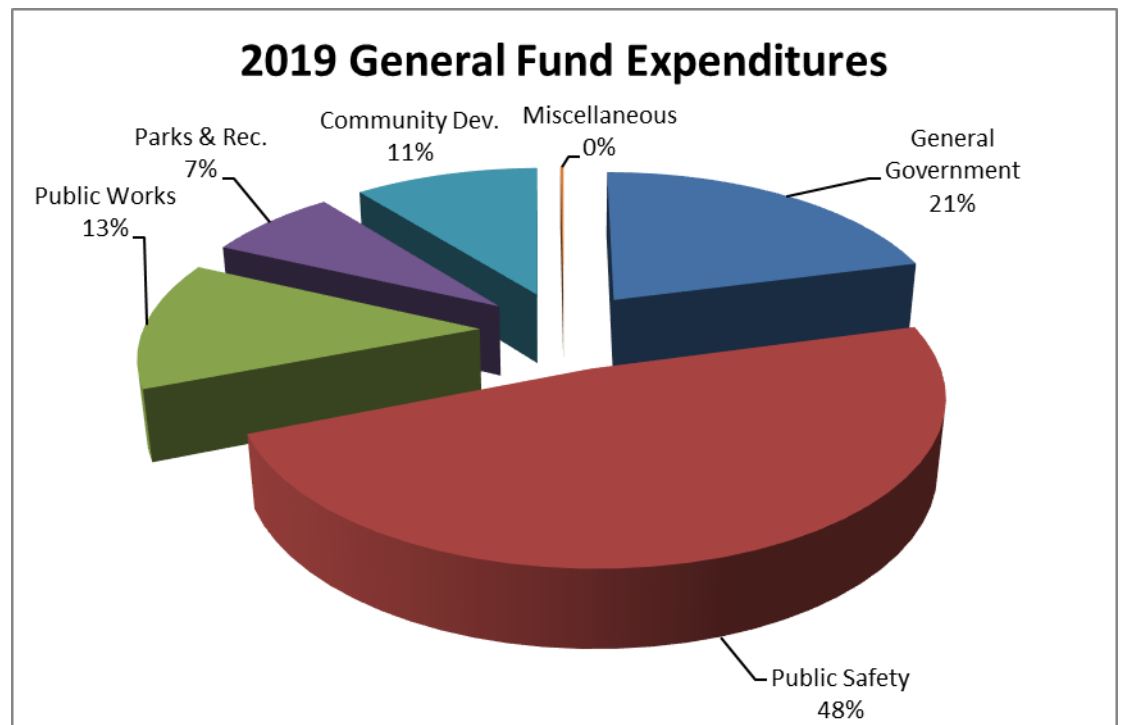
	2019	2020	\$ Change	% Change
Taxes	2,965,023	3,130,000	164,977	5.56%
Licenses & permits	195,940	195,780	(160)	-0.08%
Fines & forfeits	20,520	20,300	(220)	-1.07%
Intergovernmental	492,737	565,850	73,113	14.84%
Charges for services	415,010	378,359	(36,651)	-8.83%
Miscellaneous	166,690	204,170	37,480	22.48%
TOTAL	4,255,920	4,494,459	238,539	5.60%



General Fund Expenditures (net of transfers) up 5.53%

The 2020 Budget includes recommended expenditures (net of transfers) that are 5.53% higher than the 2019 Budget. This is an increase of \$238,539 over the previous year with the largest increase being recognized in the Public Safety budget.

	2019	2019	\$ Change	% Change
General Government	900,080	953,140	53,060	5.90%
Public Safety	2,079,450	2,203,550	124,100	5.97%
Public Works	557,150	571,550	14,400	2.58%
Parks & Rec.	321,070	339,370	18,300	5.70%
Community Dev.	450,570	479,125	28,555	6.34%
Miscellaneous	7,600	7,724	124	1.63%
TOTAL	4,315,920	4,554,459	238,539	5.53%



General Fund Balance will be 69.4% 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 2020 budget projects a fund balance of 69.4% of fund operating revenues and 8.2 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 2013 bonds that refunded the 2007 bonds for 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 2017 GO Capital Improvement Bonds. This bond is being repaid through property taxes and transfers.

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

Outstanding debt at December 31, 2019 is calculated at \$32,136,000.

Capital Improvements

The 2020 Budget implements the first year of the 2020-2024 Capital Improvement Plan (CIP) adopted by the City Council on August 5, 2019. 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 was effective with the bills due 01/01/2017. Rates were lowered in 2018.

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

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>11/1/15</u>	<u>12/1/16</u>	<u>2018</u>
Water							
Base	11.75	11.75	13.75	13.75	16.50	19.80	14.55
Usage	Tiered	Tiered	Tiered	Tiered	Tiered	Tiered	Tiered
MN Test Fee	.53	.53	.53	.53	.53	.53	.53
Sewer							
Base	12.25	12.25	12.50	12.50	17.50	24.50	20.82
Usage	4.55	4.55	4.90	4.90	6.86	9.60	8.16

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

<u>Gallons per Equivalent Connection</u>	<u>Fee per 1,000 gallons</u>
0 – 14,999	\$4.50
15,000 – 29,999	\$4.72
30,000 – 44,999	\$5.45
>= 45,000	\$6.51

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.

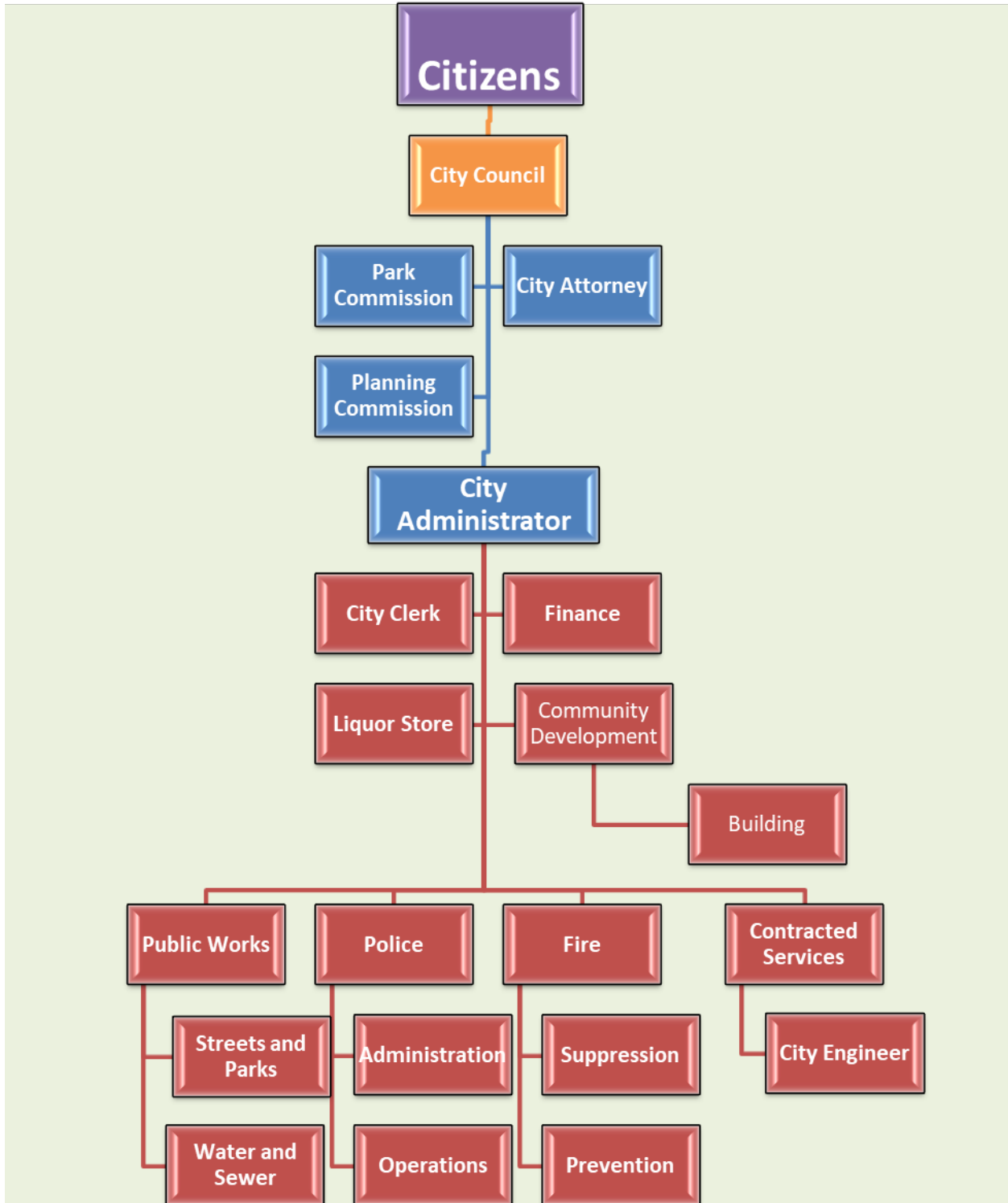
Expenditures from these funds are used for operation and maintenance, debt service, capital improvements, and infrastructure replacement relating specifically to the operation of water and sewer services. Major activity relating to these funds include:

- 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%.

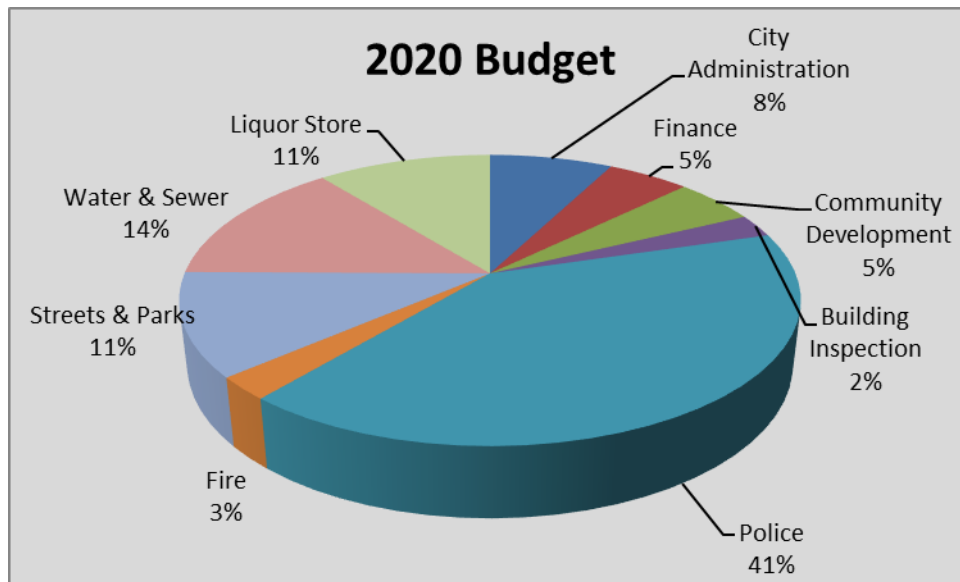
ORGANIZATIONAL CHART



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

	2018		2019	
	FULL TIME	PART TIME	FULL TIME	PART TIME
City Administration	3.00	0.00	3.00	0.00
Finance	2.00	0.00	2.00	0.00
Community Development	2.00	0.00	2.00	0.00
Building Inspection	2.00	0.00	2.00	0.00
Police	14.00	0.00	15.00	0.00
Streets & Parks	4.50	0.00	4.50	0.00
Water & Sewer	5.50	0.00	5.50	0.00
Liquor Store	2.00	2.25	2.00	2.25
TOTALS	35.00	2.25	36.00	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 2018-2020			
	2018	2019	2020
<u>CITY ADMINISTRATION</u>			
City Administrator	1.00	1.00	1.00
City Clerk	1.00	1.00	1.00
Receptionist/Office Support	1.00	1.00	1.00
City Administration Department Total	<u>3.00</u>	<u>3.00</u>	<u>3.00</u>
<u>FINANCE</u>			
Finance Director	1.00	1.00	1.00
Accounts Payable/Deputy City Clerk	1.00	1.00	1.00
Finance Department Totals	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>
<u>COMMUNITY DEVELOPMENT</u>			
Community Development Director	1.00	1.00	1.00
Assistant Community Development Director	1.00	1.00	1.00
Community Development Totals	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>
<u>BUILDING INSPECTIONS</u>			
Building Inspector	1.00	1.00	1.00
<u>POLICE DEPARTMENT</u>			
Police Chief	1.00	1.00	1.00
Administrative Assistant	1.00	1.00	1.00
Police Records Clerk	2.00	2.00	2.00
Sergeant	2.00	2.00	2.00
Investigator	1.00	1.00	1.00
Police Officer	8.00	9.00	9.00
Police Department Total	<u>15.00</u>	<u>16.00</u>	<u>16.00</u>
<u>FIRE DEPARTMENT</u>			
Fire Chief	0.00	0.00	1.00
<u>STREETS & PARKS</u>			
Highways, Streets & Roads			
Public Works Director	0.25	0.25	0.25
Streets/Parks Supervisor	0.50	0.50	0.50
Streets & Parks Worker	1.60	1.60	1.60
Parks			
Public Works Director	0.25	0.25	0.25
Streets/Parks Supervisor	0.50	0.50	0.50
Streets & Parks Worker	1.00	1.00	1.00
Recycling			
Public Works Director	0.00	0.00	0.00
Streets & Parks Worker	0.40	0.40	0.40
Streets & Parks Department Total	<u>4.50</u>	<u>4.50</u>	<u>4.50</u>
<u>WATER & SEWER</u>			
Water Operations:			
Public Works Director	0.25	0.25	0.25
Water/Wastewater Supervisor	0.50	0.50	0.50
Water/Wastewater Operator	1.50	1.50	1.50
Sanitary Sewer Operations:			
Public Works Director	0.25	0.25	0.25
Water/Wastewater Supervisor	0.50	0.50	0.50
Water/Wastewater Operator	1.50	1.50	1.50
Public Works Department Total	<u>4.50</u>	<u>4.50</u>	<u>4.50</u>
<u>MUNICIPAL LIQUOR STORE</u>			
Liquor Store Manager	1.00	1.00	1.00
Liquor Store Asst. Manager	1.00	1.00	1.00
Municipal Liquor Store Total	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>
TOTAL	<u>34.00</u>	<u>35.00</u>	<u>36.00</u>



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of St. Francis
Minnesota**

For the Fiscal Year Beginning

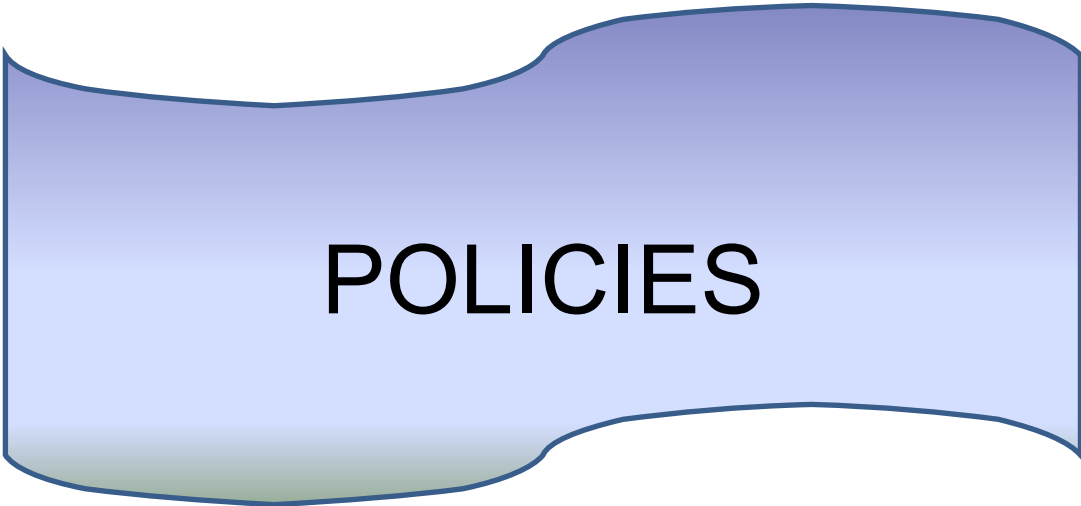
January 1, 2019

Christopher P. Morill

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, 2019. 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.

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 the 2015 street reconstruction project.
- **Building Improvement**—accounts for financial resources to finance future building improvements
- **Street Improvements**-- accounts for financial resources to finance future street improvements

DEBT SERVICE FUNDS

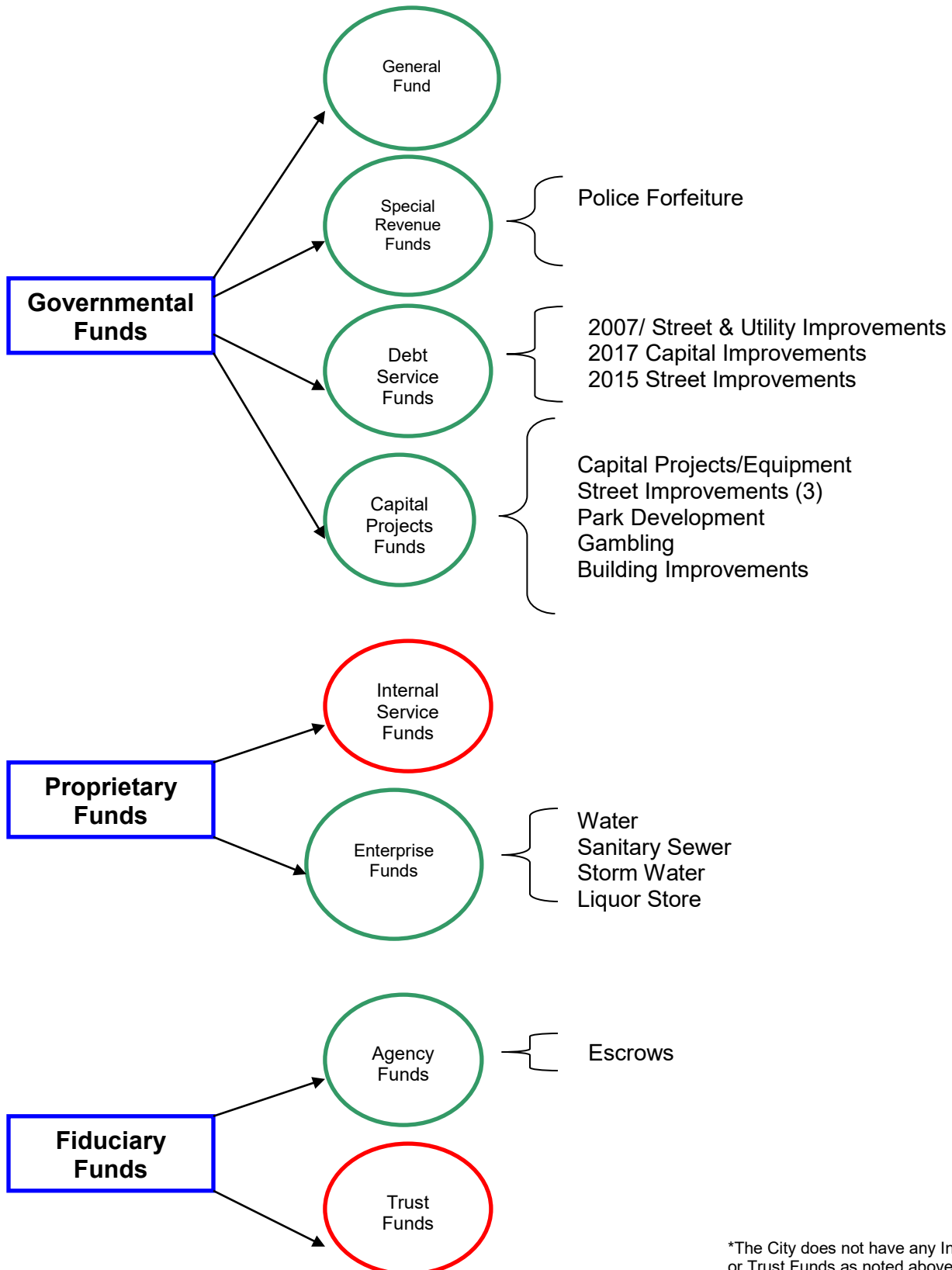
Debt service funds account for the accumulation of resources for, and the payment of, general and special assessment long-term debt principal, interest and fiscal agents' fees. Enterprise fund debt is accounted for in the individual enterprise fund.

ENTERPRISE FUNDS

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

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

FUND STRUCTURE



*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					
<u>Debt Service Funds</u>							
2013 Street & Utility Improvements	X						
2017 GO Capital Improvements	X						
2015 Street Improvements	X						
<u>Capital Projects Funds</u>							
Capital Projects Street Improvements		X	X	X			
Park Development Building Improvements	X			X			
Gambling		X					
<u>Proprietary Funds</u>							
Water			X				
Sewer			X				
Storm Water			X				
Liquor							X



BUDGET SUMMARY

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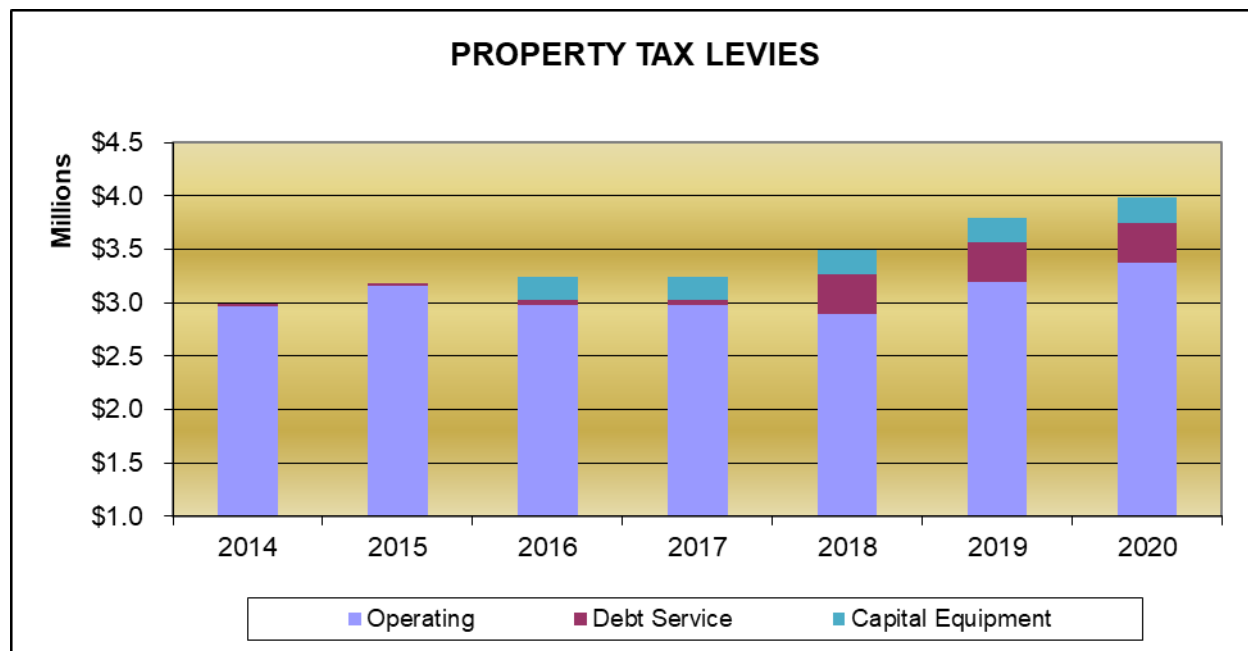
REVENUE SOURCES

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 - \$3,978,590 (35.4%)

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 2020.

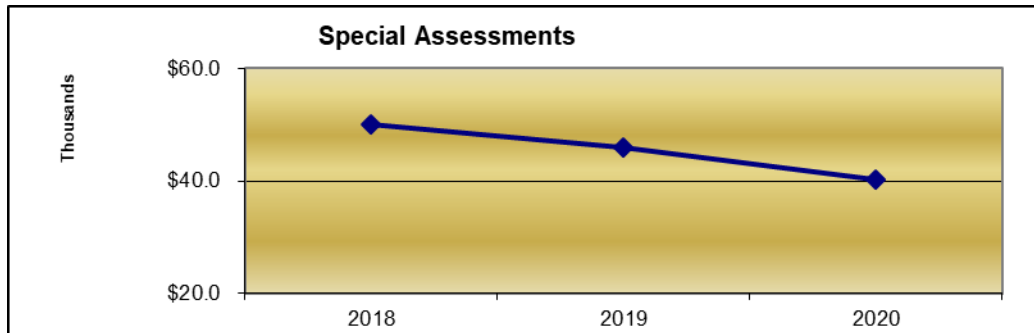
The City relies on property taxes for 70% of the total General Fund revenues, supporting such functions as public safety, public works, and general government.



Special Assessments - \$40,200 (.4%)

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.

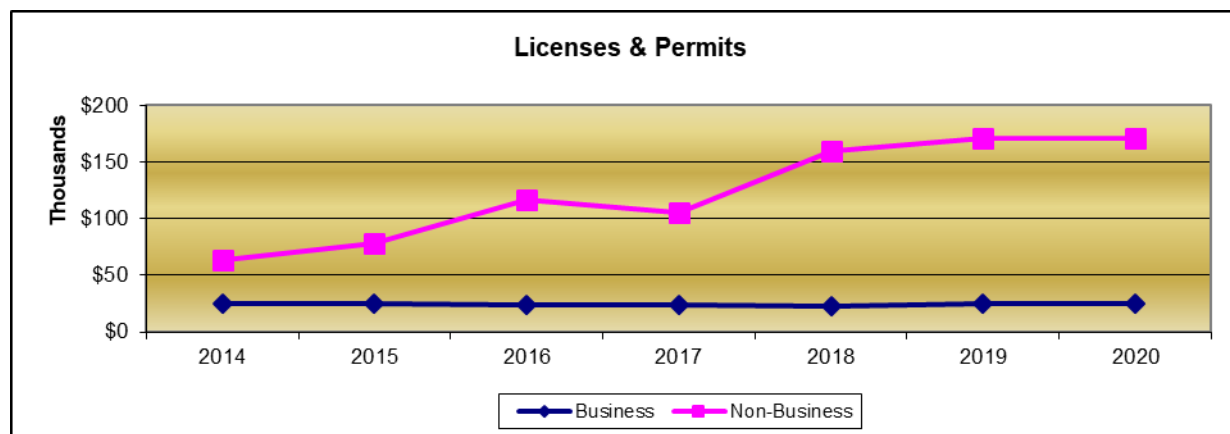
Special assessment collections for 2020 will be about the same as the 2019 budget based on an analysis of new rolls, scheduled installments and historical collection rates



Licenses and Permits - \$195,780 (1.7%)

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.

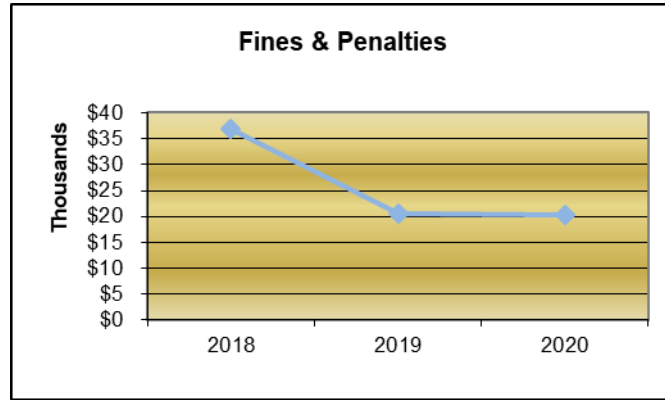
These fees are normally charged as a means of recovering the cost of regulation in the interest of the overall community. Business license fees are required to be paid annually in order to operate a business within the City. Liquor license fees account for most of the revenue in this category. Non-business 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 - \$20,300 (0.2%)

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.

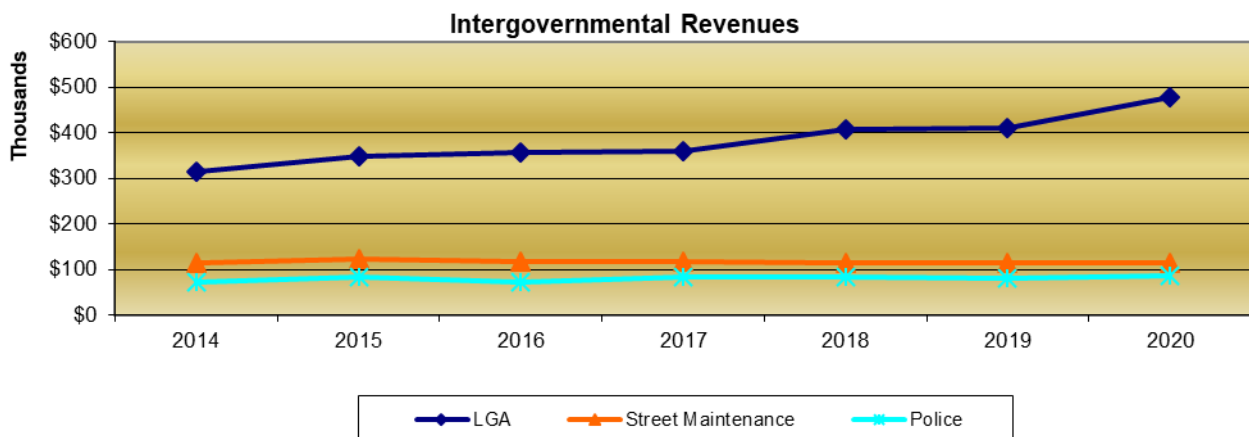
The fluctuations in this category are mainly caused by drug forfeiture proceeds. The revenue from drug forfeitures is dependent on crime in the city. We do not budget for drug forfeiture revenue as it is very unpredictable.



Intergovernmental - \$680,850 (6.1%)

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 \$476,879 in 2020. 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 street maintenance aid and state police aid.

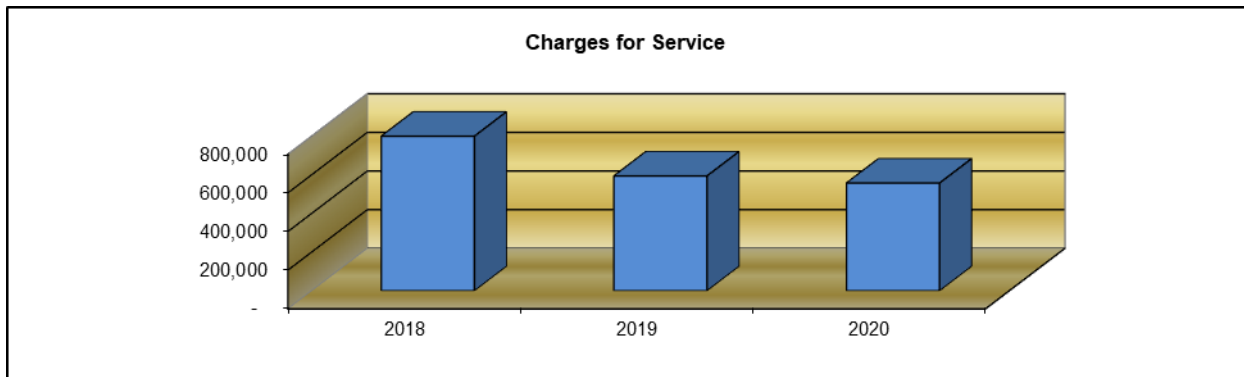


Charges for Services - \$557,359 (5.0%)

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 School district contracts with the city to provide 1 liason officers during the school year 2019-2020. This dropped from 2 in 2018-2019 school year. During 2013 & 2014 they only contracted for 1. The revenue under this contract has been as follows:

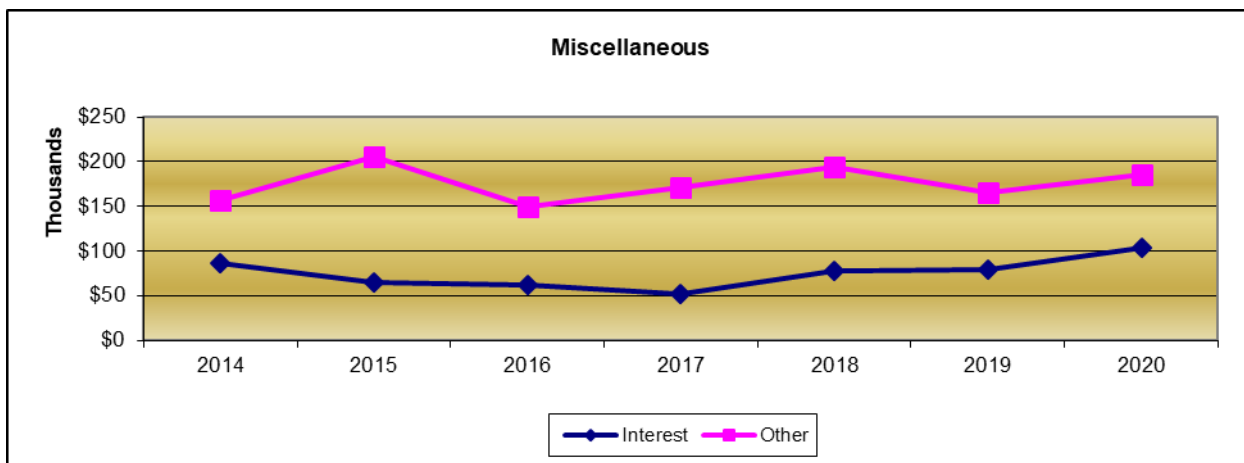
2016	\$124,700
2017	\$132,900
2018	\$132,900
2019	\$113,143
2020	\$72,249



Miscellaneous - \$287,770 (2.6%)

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.



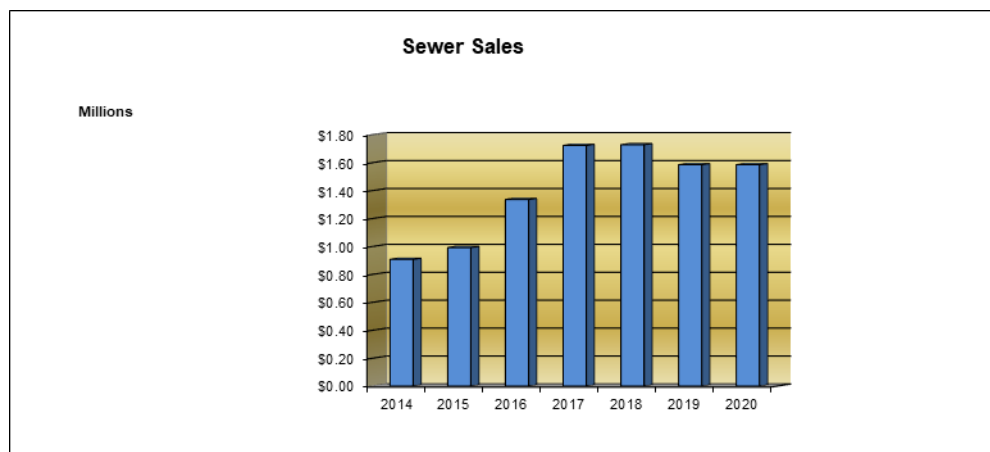
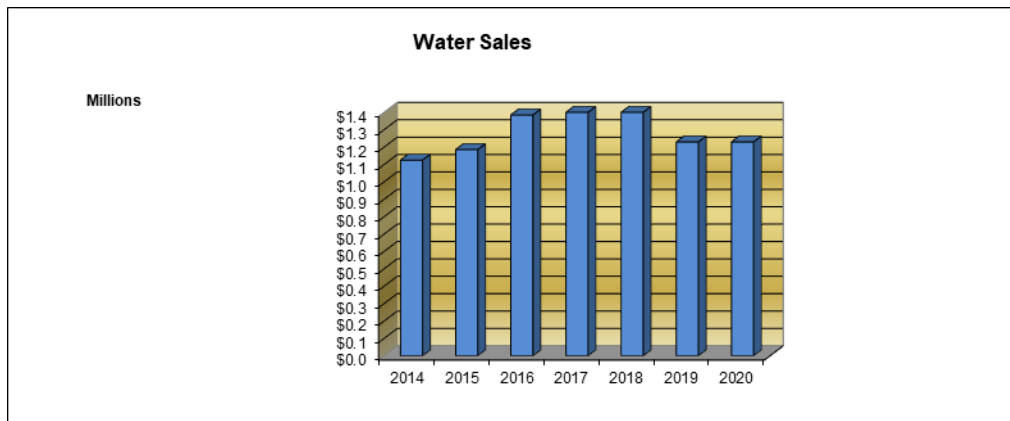
Sales - Water, Sewer, Liquor - \$5,004,200 (45.0%)

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>
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
2017	\$57.05	\$82.10
2018	\$57.05	\$82.10
2019	\$42.08	\$69.78
2020	\$42.08	\$69.78



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

Percent of Sales	2018		2019		2020	
Liquor	767,299	31.6%	823,854	37.6%	730,000	33.3%
Beer	1,219,107	50.2%	1,279,339	58.4%	1,160,000	53.0%
Wine	205,937	8.5%	197,617	9.0%	188,000	8.6%
Tobacco	67,549	2.8%	70,023	3.2%	62,000	2.8%
Misc	45,501	1.9%	57,739	2.6%	49,200	2.2%
Total Sales	2,305,393		2,428,572		2,189,200	

Connection Fees - \$146,880 (1.3%)

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.

Debt Proceeds - \$0 (0.0%)

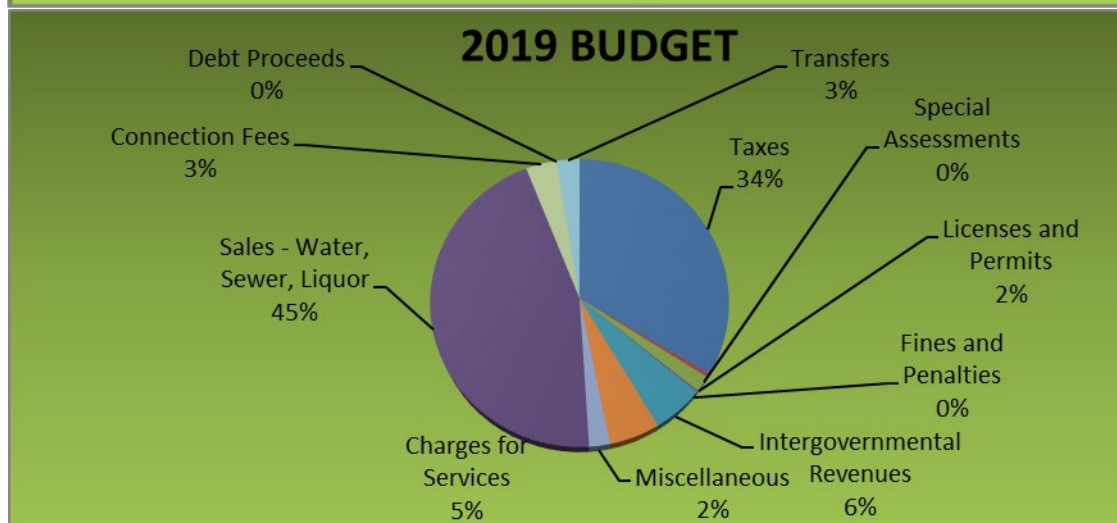
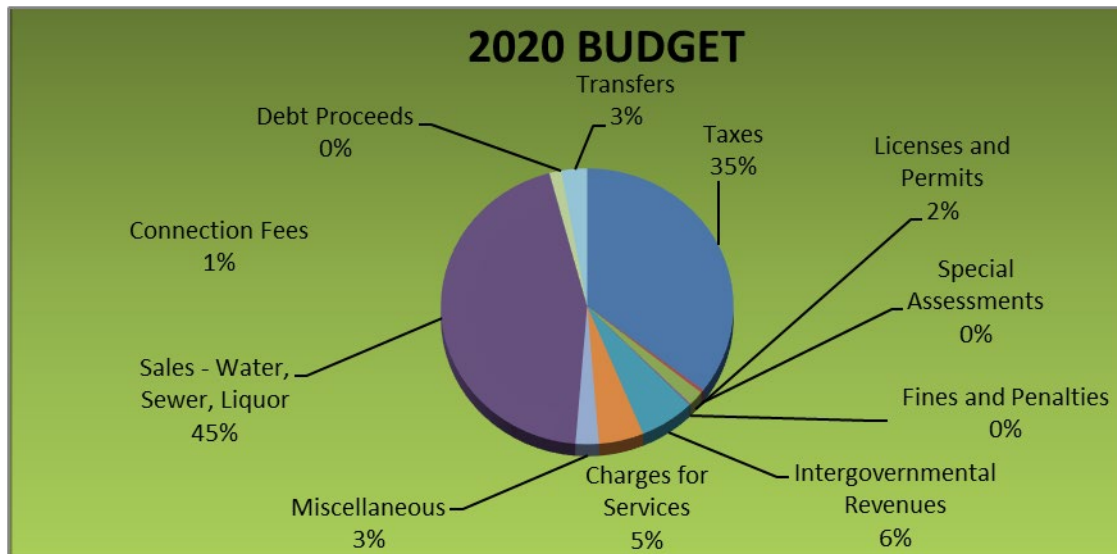
This Other Financing Source represents the funds received when issuing debt to pay for infrastructure or other capital items. None are projected for 2020.

Transfers and Contributions of Assets - \$321,938 (2.9%)

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.

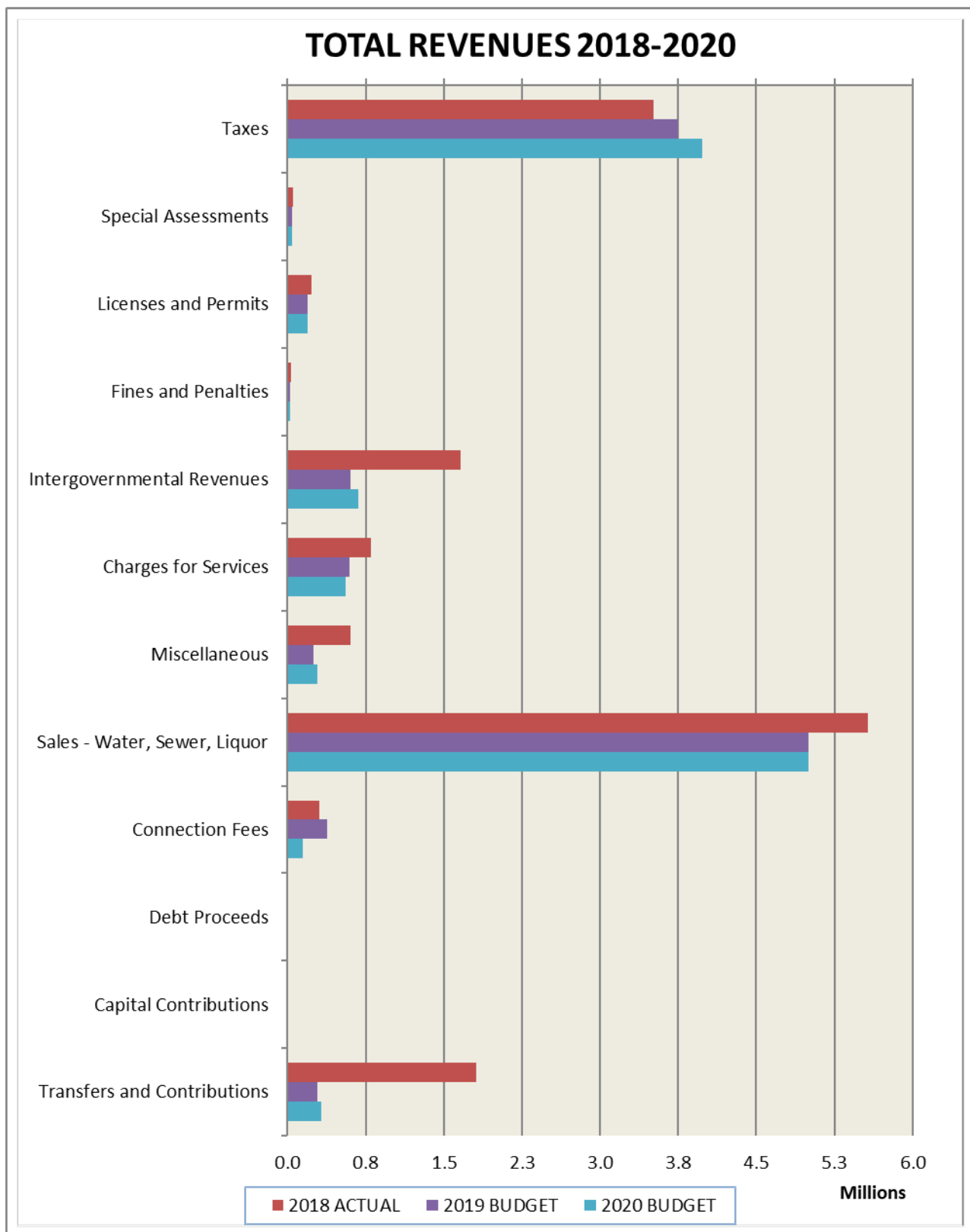
**CITY OF ST. FRANCIS, MINNESOTA
ALL FUNDS
REVENUE SOURCES AS A PERCENT OF TOTAL**

<u>Total by Source</u>	<u>2019 BUDGET</u>	<u>PERCENT OF TOTAL</u>	<u>2020 BUDGET</u>	<u>PERCENT OF TOTAL</u>
Taxes	\$3,743,613	33.7%	3,978,590	35.4%
Special Assessments	\$46,000	0.4%	40,200	0.4%
Licenses and Permits	\$195,940	1.8%	195,780	1.7%
Fines and Penalties	\$20,520	0.2%	20,300	0.2%
Intergovernmental Revenues	\$607,737	5.5%	680,850	6.1%
Charges for Services	\$594,010	5.3%	557,359	5.0%
Miscellaneous	\$243,790	2.2%	287,770	2.6%
Sales - Water, Sewer, Liquor	\$5,004,200	45.0%	5,004,200	44.5%
Connection Fees	\$381,888	3.4%	146,880	1.3%
Debt Proceeds	\$0	0.0%	-	0.0%
Transfers	\$284,880	2.6%	321,938	2.9%
Totals	\$11,122,578	100.0%	\$11,233,867	100.0%



CITY OF ST. FRANCIS, MINNESOTA
ALL FUNDS
 REVENUE SUMMARY

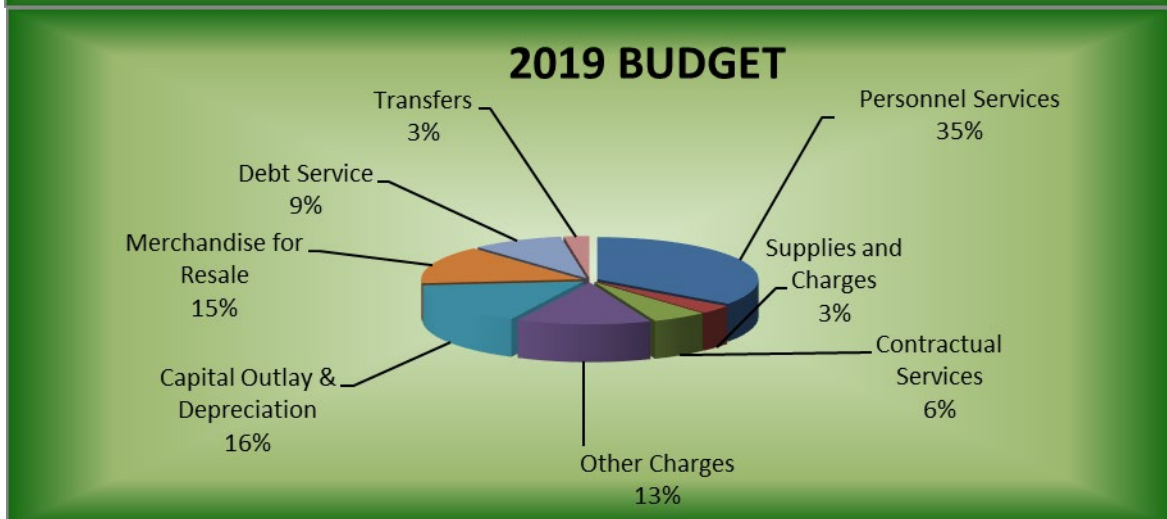
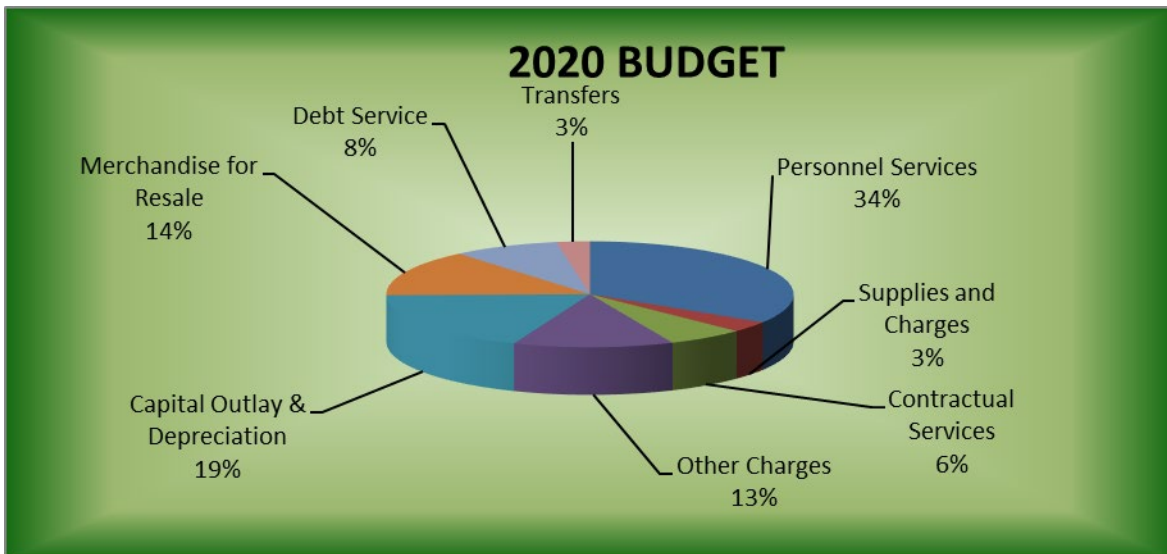
<u>Total by Source</u>	2018 ACTUAL	2019 BUDGET	2020 BUDGET	% CHANGE
Taxes	\$3,511,347	\$3,743,613	\$3,978,590	6.3%
Special Assessments	50,154	46,000	40,200	-12.6%
Licenses and Permits	228,153	195,940	195,780	-0.1%
Fines and Penalties	36,854	20,520	20,300	-1.1%
Intergovernmental Revenues	1,659,663	607,737	680,850	12.0%
Charges for Services	799,883	594,010	557,359	-6.2%
Miscellaneous	604,342	243,790	287,770	18.0%
Sales - Water, Sewer, Liquor	5,568,085	5,004,200	5,004,200	0.0%
Connection Fees	302,748	381,888	146,880	-61.5%
Debt Proceeds	-	-	-	N/A
Capital Contributions	-	-	-	N/A
Transfers and Contributions	1,810,971	284,880	321,938	13.0%
Totals	\$ 14,572,200	\$ 11,122,578	\$ 11,233,867	1.0%
<u>Total By Fund</u>				
Operating Budget:				
General Fund	\$ 4,687,360	\$ 4,315,920	\$ 4,554,459	5.5%
Police Forfeiture Fund	219	-	-	N/A
EDA Fund	1,416	-	-	N/A
Water Fund	1,770,966	1,412,120	1,351,258	-4.3%
Sanitary Sewer Fund	2,616,495	1,830,768	1,693,680	-7.5%
Storm Water Fund	181,505	167,000	167,000	0.0%
Municipal Liquor Fund	2,340,440	2,203,600	2,203,600	0.0%
Total Operating Budget	\$ 11,598,401	\$ 9,929,408	\$ 9,969,997	0.4%
Capital Improvements Budget:				
Park Improvements	\$ 163,553	\$ 2,200	\$ 1,700	-22.7%
Gambling Fund	20,549	13,800	13,800	0.0%
Capital Equipment	350,967	258,000	275,000	6.6%
Building Fund	60,125	60,000	60,000	0.0%
Street Fund	1,720,330	238,500	298,500	25.2%
Creekview Estates	13,571	12,000	12,000	0.0%
Ivywood Street & 230th Lane	9,616	10,000	4,200	-58.0%
Total Capital Budget	\$ 2,338,711	\$ 594,500	\$ 665,200	11.9%
Debt Service Budget:				
Debt Service Fund-2007	\$ 78,886	\$ 76,880	\$ 76,880	0.0%
Debt Service Fund-2015	64,055	28,570	28,570	0.0%
EDA Lease Revenue Bonds	492,147	493,220	493,220	0.0%
Total Debt Service Budget	\$ 635,088	\$ 598,670	\$ 598,670	0.0%
Totals	\$ 14,572,200	\$ 11,122,578	\$ 11,233,867	1.0%



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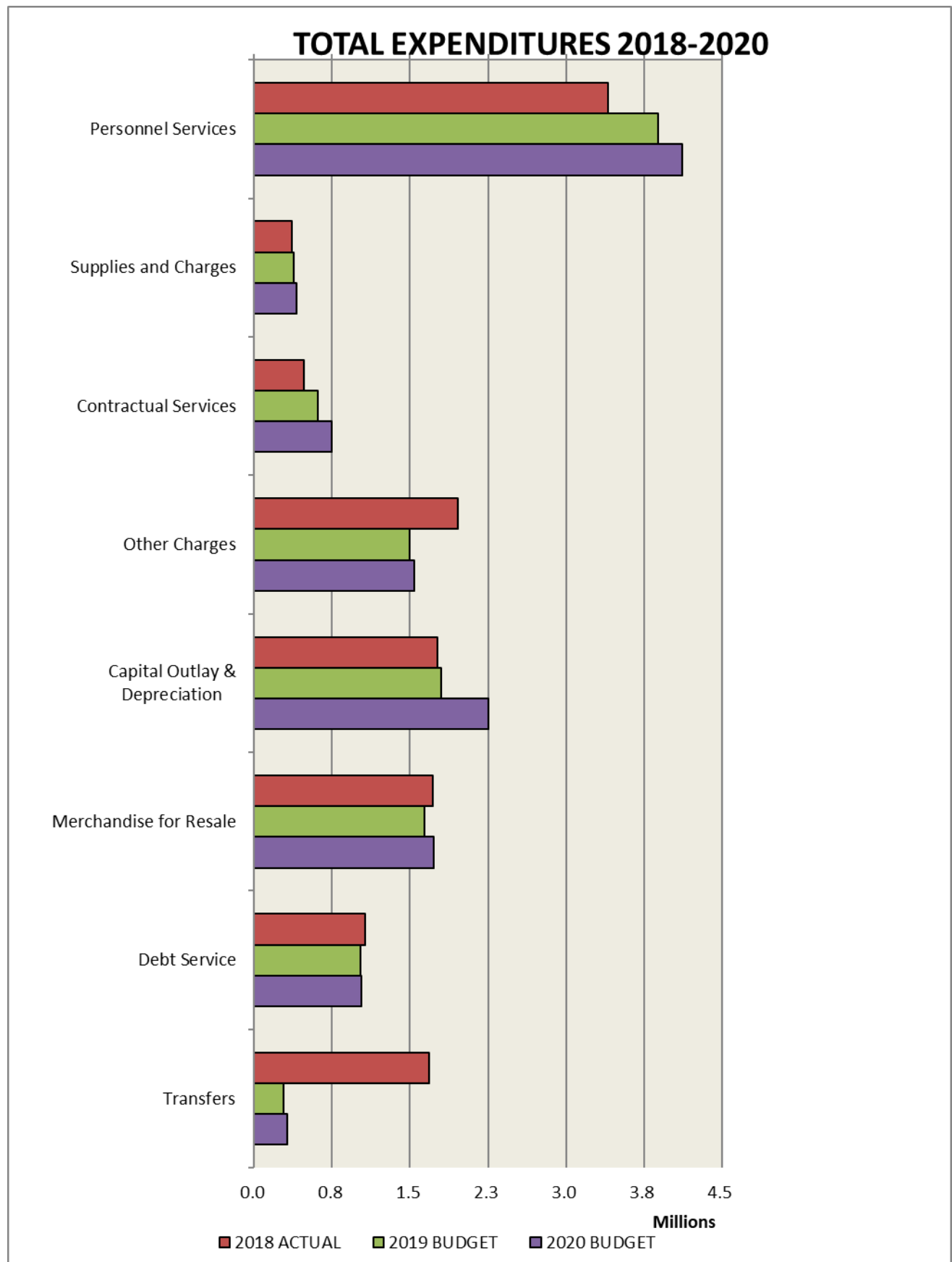
CITY OF ST. FRANCIS, MINNESOTA
ALL FUNDS
 EXPENDITURE CLASSIFICATIONS AS A PERCENT OF TOTAL

<u>Total by Classification</u>	<u>2019 BUDGET</u>	<u>PERCENT OF TOTAL</u>	<u>2020 BUDGET</u>	<u>PERCENT OF TOTAL</u>
Personnel Services	\$3,886,290	34.9%	\$4,116,800	33.9%
Supplies and Charges	\$377,258	3.4%	\$405,525	3.3%
Contractual Services	\$616,500	5.5%	\$744,350	6.1%
Other Charges	\$1,499,930	13.5%	\$1,543,484	12.7%
Capital Outlay & Depreciation	\$1,796,429	16.1%	\$2,257,014	18.6%
Merchandise for Resale	\$1,637,000	14.7%	\$1,724,500	14.2%
Debt Service	\$1,027,542	9.2%	\$1,029,936	8.5%
Transfers	\$284,880	2.6%	\$321,938	2.7%
Totals	\$11,125,829	100.0%	\$12,143,547	100.0%



CITY OF ST. FRANCIS, MINNESOTA
ALL FUNDS
 EXPENDITURE SUMMARY

	2018	2019	2020	%
	ACTUAL	BUDGET	BUDGET	CHANGE
<u>Total By Classification</u>				
Personnel Services	\$ 3,400,556	\$ 3,886,290	\$ 4,116,800	5.9%
Supplies and Charges	359,119	377,258	405,525	7.5%
Contractual Services	480,967	616,500	744,350	20.7%
Other Charges	1,955,311	1,499,930	1,543,484	2.9%
Capital Outlay & Depreciation	1,760,318	1,796,429	2,257,014	25.6%
Merchandise for Resale	1,715,523	1,637,000	1,724,500	5.3%
Debt Service	1,071,803	1,027,542	1,029,936	0.2%
Transfers	1,684,880	284,880	321,938	13.0%
Totals	\$ 12,428,477	\$ 11,125,829	\$ 12,143,547	9.1%
<u>Total By Fund</u>				
Operating Budget:				
General Fund	\$ 5,797,141	\$ 4,315,920	\$ 4,554,459	5.5%
Park Improvements	7,165	-	-	N/A
Police Forfeiture	30	10,208	13,750	34.7%
Water Fund	1,187,368	1,261,226	1,312,730	4.1%
Sanitary Sewer Fund	1,970,064	1,545,389	2,120,037	37.2%
Storm Sewer Fund	29,538	140,000	140,000	0.0%
Municipal Liquor Fund	2,224,820	2,178,250	2,313,050	6.2%
Total Operating Budget	\$ 11,216,126	\$ 9,450,993	\$ 10,454,026	10.6%
Capital Improvements Budget:				
Capital Equipment	\$ 306,643	\$ 899,199	\$ 764,634	-15.0%
Building Fund	\$ 57,032	\$ -	\$ -	N/A
Street Fund	\$ 225,023	\$ 182,230	\$ 326,380	79.1%
Gambling	\$ -	\$ -	\$ -	N/A
Creekview Estates	43	-	-	N/A
Ivywood Street & 230th Lane	60	-	-	N/A
Total Capital Budget	\$ 588,801	\$ 1,081,429	\$ 1,091,014	0.9%
Debt Service Budget:				
Debt Service Fund-2007	\$ 98,989	\$ 97,900	\$ 101,750	3.9%
Debt Service Fund-2015	30,900.0	30,400	30,025	-1.2%
EDA Lease Revenue bonds	493,661	465,107	466,732	0.3%
Total Debt Service	\$ 623,550	\$ 593,407	\$ 598,507	0.9%
Totals	\$ 12,428,477	\$ 11,125,829	\$ 12,143,547	9.1%



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

<u>Total By Fund</u>	BALANCE 01-01-20	REVENUES	NET OTHER INCREASES (DECREASES)	EXPENDITURES	BALANCE 12-31-20
Operating Budget:					
General	\$ 3,119,568	\$ 4,494,459	\$ 60,000	\$ 4,554,459	\$ 3,119,568
Police Forfeiture	13,326	-	-	13,750	(424)
EDA	243,303	-	-	-	243,303
Water	7,222,983	1,314,200	(74,022)	1,201,650	7,261,511
Sanitary Sewer	17,117,689	1,693,680	(150,858)	1,969,179	16,691,332
Storm Sewer	93,715	167,000	-	140,000	120,715
Municipal Liquor	1,920,230	2,203,600	(60,000)	2,253,000	1,810,830
Total Operating Budget	29,730,814	9,872,939	(224,880)	10,132,038	29,246,835
Capital Improvements Budget:					
Capital					
Projects/Equipment	947,858	255,000	20,000	764,634	458,224
Building	30,351	60,000	-	-	90,351
Street	1,035,895	298,500	-	326,380	1,008,015
Creekview Estates	5,991	12,000	-	-	17,991
Gambling Fund	80,209	13,800	-	-	94,009
Ivywood St & 230th Lane	(9,853)	4,200	-	-	(5,653)
Park Improvements	307,094	1,700	-	-	308,794
Total Capital Budget	2,397,545	645,200	20,000	1,091,014	1,971,731
Debt Service Budget:					
Debt Service-2013	49,437	37,000	39,880	101,750	24,567
Debt Service-2015	83,570	28,570	-	30,025	82,115
Debt Service-2017	16,765	328,220	165,000	466,732	43,253
Total Debt Service Budget	\$ 149,772	\$ 393,790	\$ 204,880	\$ 598,507	\$ 149,935
Grand Total	\$ 32,278,131	\$ 10,911,929	\$ -	\$ 11,821,559	\$ 31,368,501

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.
 Storm Sewer-In the process of building up for future projects.



GENERAL FUND

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

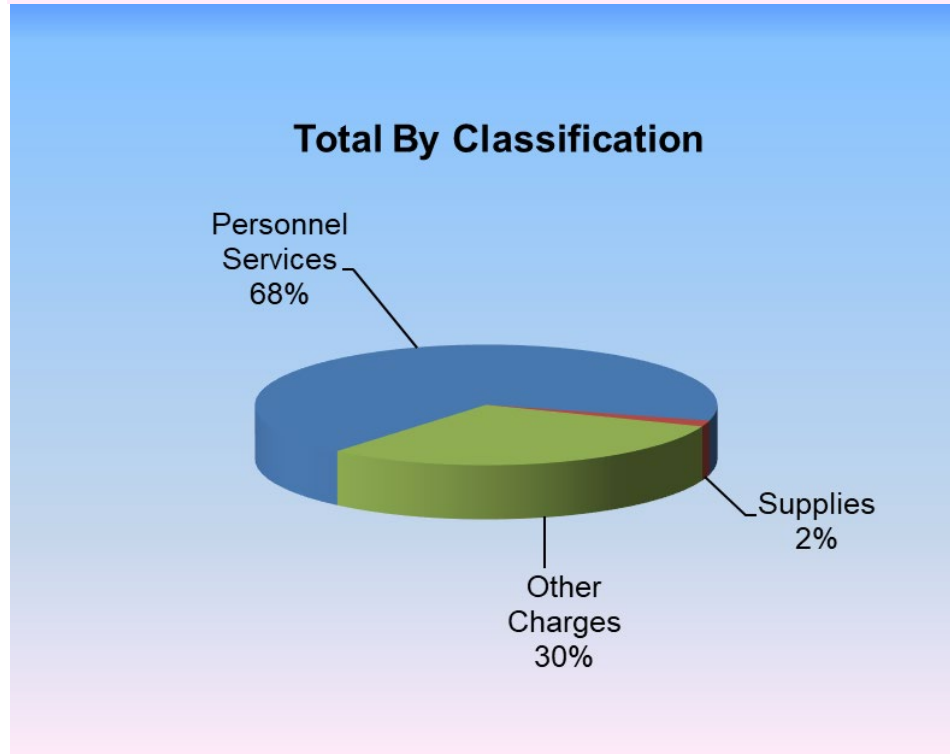
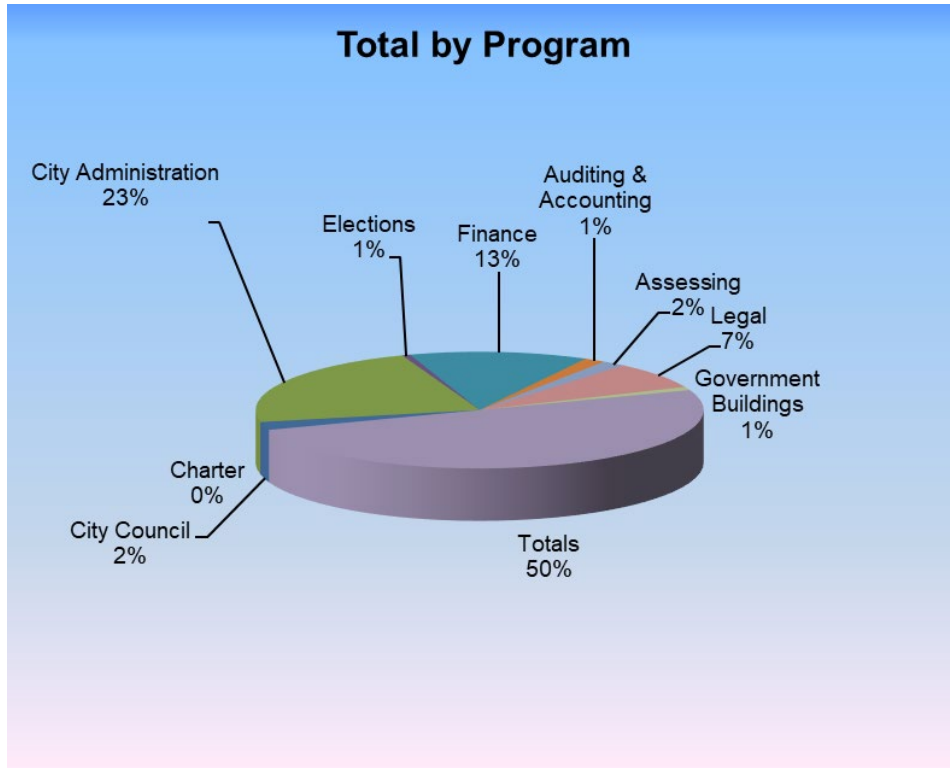
	2018 ACTUAL	2019 BUDGET	2019 ESTIMATE	2020 BUDGET
Revenues:				
Property Taxes	\$2,799,372	\$2,965,023	\$2,996,879	\$3,130,000
Licenses and permits	228,153	190,740	450,529	195,780
Fines and forfeits	36,854	20,520	36,841	20,300
Intergovernmental	876,049	492,737	568,687	565,850
Charges for services	442,866	420,210	549,332	378,359
Miscellaneous	244,066	166,690	217,989	204,170
Total revenues	<u>4,627,360</u>	<u>4,255,920</u>	<u>4,820,257</u>	<u>4,494,459</u>
Expenditures:				
General Government	876,841	900,080	921,089	953,140
Public Safety	1,793,571	2,079,450	2,031,575	2,203,550
Public Works	695,242	557,150	560,614	571,550
Culture and Recreation	298,288	321,070	315,263	339,370
Community Development	726,746	450,570	892,139	479,125
Miscellaneous	6,453	7,600	39,241	7,724
Total expenditures	<u>4,397,141</u>	<u>4,315,920</u>	<u>4,759,921</u>	<u>4,554,459</u>
Excess (deficit) of revenues over expenditures	230,219	(60,000)	60,336	(60,000)
Other financing sources (uses):				
Operating transfers in (out):	(1,400,000)	-	-	-
Municipal Liquor Operations	60,000	60,000	285,000	60,000
Total other financing sources (uses)	<u>(1,340,000)</u>	<u>60,000</u>	<u>285,000</u>	<u>60,000</u>
Net change in fund balance	(1,109,781)	0	345,336	0
Fund balance - January 1	<u>3,884,013</u>	<u>2,484,013</u>	<u>2,774,232</u>	<u>3,119,568</u>
Fund balance - December 31	<u>\$2,774,232</u>	<u>\$2,484,013</u>	<u>\$3,119,568</u>	<u>\$3,119,568</u>
Fund balance/revenues	60.0%	58.4%	64.7%	69.4%
Fund balance/expenditures	63.1%	57.6%	65.5%	68.5%
Fund balance/# of mths of expenditures	7.6	6.9	7.9	8.2

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

	2018 ACTUAL	2019 BUDGET	2019 ESTIMATE	2020 BUDGET
<u>Taxes</u>				
Current	2,778,789	\$2,950,023	\$2,973,731	\$3,115,000
Delinquent	19,160	14,000	20,805	14,000
Penalties & interest	1,423	1,000	2,343	1,000
Total Taxes	2,799,372	2,965,023	2,996,879	3,130,000
<u>Licenses and Permits</u>				
<u>Business:</u>				
Liquor	21,100	21,800	23,001	21,800
Amusements	640	510	585	530
Cigarette, Refuse, etc.	3,300	2,840	3,125	2,930
<u>Non-business:</u>				
Building	167,181	135,000	376,034	139,000
Plumbing	6,947	7,870	8,385	7,420
Mechanical	10,278	11,770	19,711	12,180
Fireplace	1,425	630	790	1,010
Septic	5,525	5,130	6,300	5,740
Engineering Fees	6,006	-	6,468	-
Animal Licenses	655	870	606	850
Misc Permits	4,836	4,080	4,865	4,030
Surcharge - Permits	260	240	659	290
Total Licenses and Permits	228,153	190,740	450,529	195,780
<u>Fines and Penalties</u>				
Court fines	22,079	20,520	34,741	20,300
Administrative fines	14,775	-	2,100	-
Total Fines and Penalties	36,854	20,520	36,841	20,300
<u>Intergovernmental Revenue</u>				
PERA rate increase	1,971	1,971	1,971	1,971
Local government aid	406,858	409,596	409,581	476,879
Homestead credit	3,047	-	4,533	-
Street maintenance aid	124,284	-	-	-
Police aid	87,001	81,170	98,465	87,000
Other Fire grants/aid	3,779	-	28,525	-
Other Grants	14,161	-	20,661	-
Local government grants and aid	234,948	-	4,951	-
Total Intergovernmental	876,049	492,737	568,687	565,850
<u>Charges for Service</u>				
<u>General Government:</u>				
Maps, fax, copies, notary fees	40	60	34	60
Refuse collection charges	2,612	3,390	2,878	3,030
Administrative charges	185,500	194,700	194,700	202,800
<u>Public Safety:</u>				
ISD #15 contract	137,953	140,360	113,143	72,249
Accident reports	632	360	1,307	450
Special event pay	1,733	2,760	1,228	2,250
Lock out fees	250	660	75	460
Fire Department charges	100	-	50	-

	2018 ACTUAL	2019 BUDGET	2019 ESTIMATE	2020 BUDGET
<u>Public Works:</u>				
WCA Block Grant	472	750	-	750
<u>Community Development:</u>				
Zoning and subdivision fees	19,445	12,400	15,872	15,190
Rental Licensing	6,936	5,200	5,090	5,000
Plan check fees	87,193	59,570	214,955	76,120
Total Charges for Service	442,866	420,210	549,332	378,359
<u>Miscellaneous Revenue</u>				
Rentals, leases	53,645	52,950	53,503	54,060
Landfill abatement	38,725	37,000	36,283	42,445
Miscellaneous revenues	68,746	32,740	49,615	46,150
Interest on investments	42,515	10,000	45,839	27,170
Community Center rental	895	1,160	1,245	895
Donations & contributions	4,710	-	2,400	-
Cable TV revenues	33,575	32,840	29,104	33,450
Sale of property	1,250	-	-	-
Total Miscellaneous	244,061	166,690	217,989	204,170
TOTAL REVENUES	4,627,355	4,255,920	4,820,257	4,494,459

GENERAL GOVERNMENT 2020 BUDGET

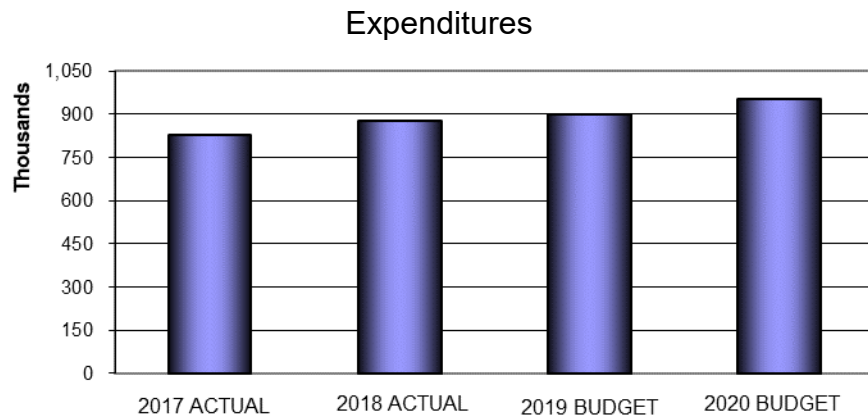


CITY OF ST. FRANCIS, MINNESOTA
GENERAL GOVERNMENT SUMMARY
 EXPENDITURE ANALYSIS

Total By Program	2017 ACTUAL	2018 ACTUAL	2019 BUDGET	2020 BUDGET	% Change
City Council	\$47,721	\$41,828	\$44,000	\$42,310	-3.8%
Charter	2,078	155	410	410	0.0%
City Administration	415,350	376,248	414,450	432,200	4.3%
Elections	1,715	6,816	1,770	11,370	542.4%
Finance	135,982	210,353	222,900	246,150	10.4%
Auditing & Accounting	27,672	19,468	28,000	29,000	3.6%
Assessing	40,515	32,445	32,500	32,500	0.0%
Legal	135,590	171,070	135,850	141,100	3.9%
Government Buildings	19,204	18,458	20,200	18,100	-10.4%
Totals	825,827	876,841	900,080	953,140	5.9%

Total By Classification	2017 ACTUAL	2018 ACTUAL	2019 BUDGET	2020 BUDGET	% Change
Personnel Services	519,105	563,002	605,370	649,300	7.3%
Supplies	10,139	9,819	12,900	15,300	18.6%
Other Charges	296,583	304,020	281,810	288,540	2.4%
Totals	825,827	876,841	900,080	953,140	5.9%

Staffing	2017 ACTUAL	2018 ACTUAL	2019 BUDGET	2020 BUDGET
Full-time equivalents	5.00	5.00	5.00	5.00



Department: General Government
Program: City Council

Fund: 101
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

	2017 Actual	2018 Actual	2019 Actual	2020 Projected
Council meetings	22	24	24	24
Special meetings	1	2	1	0
Special workshops	5	12	10	5

Staffing

- Council consists of a Mayor and four Council Members.

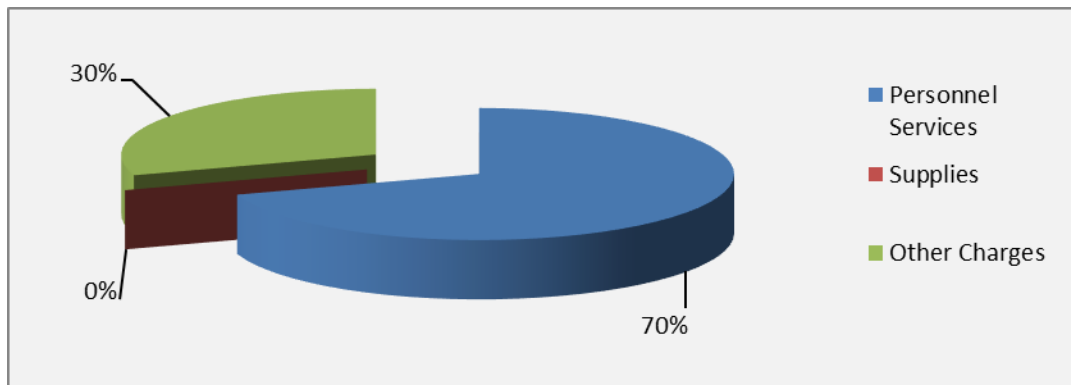
Program Expenditure Highlights

- No changes expected.

Program Expenditures

	2017 ACTUAL	2018 ACTUAL	2019 BUDGET	2020 BUDGET	% CHANGE
Personnel Services	\$ 28,328	\$ 28,382	\$ 29,100	\$ 29,580	1.6%
Supplies	-	-	-	-	N/A
Other Charges	19,393	13,446	14,900	12,730	-14.6%
Total	\$ 47,721	\$ 41,828	\$ 44,000	\$ 42,310	-3.8%

Program Expenditures by Classification



Department: General Government
Program: Charter Commission

Fund: 101
Cost Center: 41120

Program Description

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

Objectives

- Bring forward charter amendments as needed.

Performance Measures

	2017 Actual	2018 Actual	2019 Actual	2020 Projected
Meetings	1	1	1	1

Staffing

Full-Time Equivalent positions	N/A	N/A	N/A	N/A	N/A
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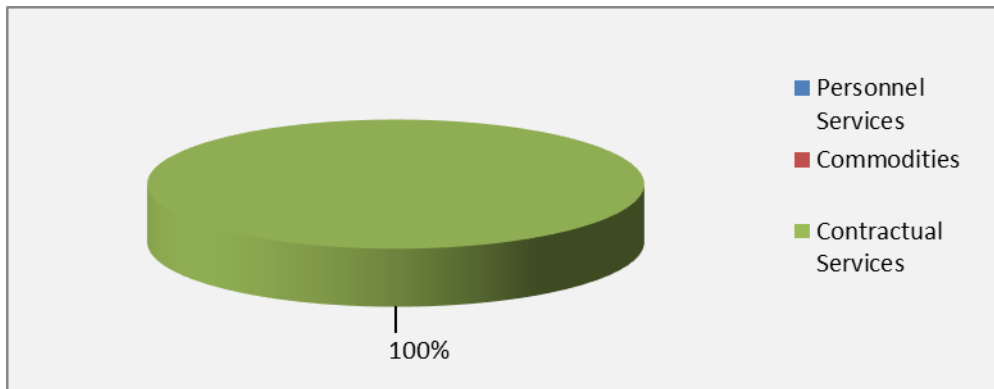
Program Expenditure Highlights

- No changes budgeted.

Program Expenditures

	2017 ACTUAL	2018 ACTUAL	2019 BUDGET	2020 BUDGET	% CHANGE
Personnel Services	\$ -	\$ -	\$ -	\$ -	N/A
Supplies	-	-	-	-	N/A
Other Charges	2,078	155	410	410	0.0%
Total	\$ 2,078	\$ 155	\$ 410	\$ 410	0.0%

Program Expenditures by Classification



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

Program Description

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

Objectives

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

Performance Measures

	2017 Actual	2018 Actual	2019 Actual	2020 Projected
Bond Rating	AA-	AA-	AA-	AA-
Number of receipts processed	1,368	1,501	1,731	1,500
Number of invoices paid	3,080	3,354	3,081	3,500

Staffing

	2017 Actual	2018 Actual	2019 Actual	2020 Projected
Full-Time Equivalent positions	1.00	2.00	2.00	2.00

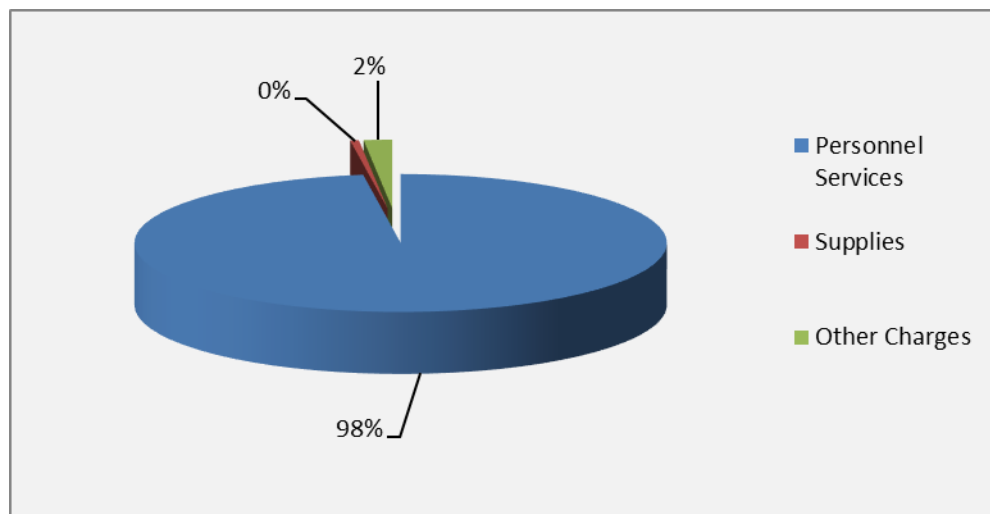
Program Expenditure Highlights

- Finance department is utilizing office support staff for help.

Program Expenditures

	2017 ACTUAL	2018 ACTUAL	2019 BUDGET	2020 BUDGET	% CHANGE
Personnel Services	\$ 132,840	\$ 206,438	\$ 218,150	\$ 240,600	10.3%
Supplies	250	347	1,200	1,300	8.3%
Other Charges	2,892	3,568	3,550	4,250	19.7%
Total	\$ 135,982	\$ 210,353	\$ 222,900	\$ 246,150	10.4%

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

	2017 Actual	2018 Actual	2019 Actual	2020 Projected
GFOA Award	Yes	Yes	Submitted	To be submitted

Staffing

	2016 Actual	2017 Actual	2018 Actual	2019 Projected
Full-Time Equivalent positions	N/A	N/A	N/A	N/A

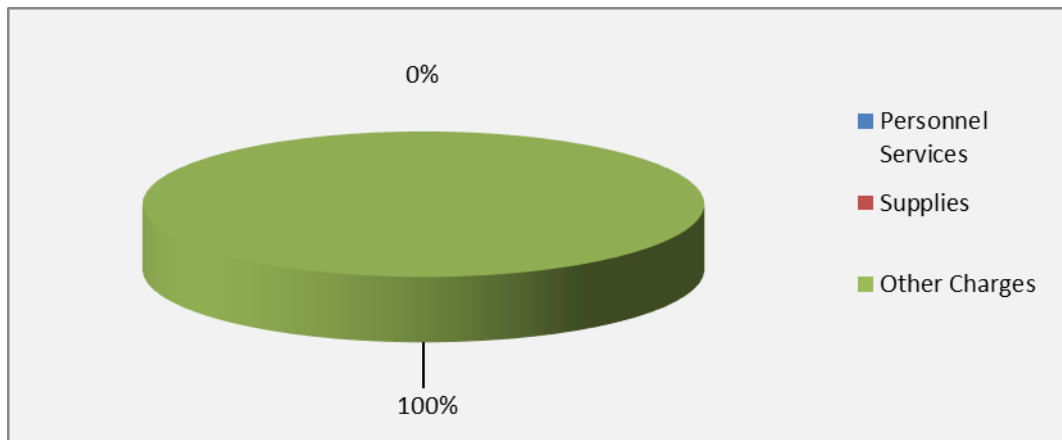
Program Expenditure Highlights

Audit costs are expected to stay relatively the same.

Program Expenditures

	2017 ACTUAL	2018 ACTUAL	2019 BUDGET	2020 BUDGET	% CHANGE
Personnel Services	\$ -	\$ -	\$ -	\$ -	N/A
Supplies	-	-	-	-	N/A
Other Charges	27,672	19,468	28,000	29,000	3.6%
Total	\$ 27,672	\$ 19,468	\$ 28,000	\$ 29,000	3.6%

Program Expenditures by Classification



Department: General Government
Program: Assessing

Fund: 101
Cost Center: 41550

Program Description

Assessing is responsible for classifying, valuing and equalizing all taxable and exempt property within City limits. The City contracts with Erik Skogquist and Mary Wells for this service.

Objectives

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

Performance Measures

	2017 Actual	2018 Actual	2019 Actual	2020 Projected
N/A	N/A	N/A	N/A	N/A

Staffing

	2016 Actual	2017 Actual	2018 Actual	2019 Projected
Full-Time Equivalent positions	N/A	N/A	N/A	N/A

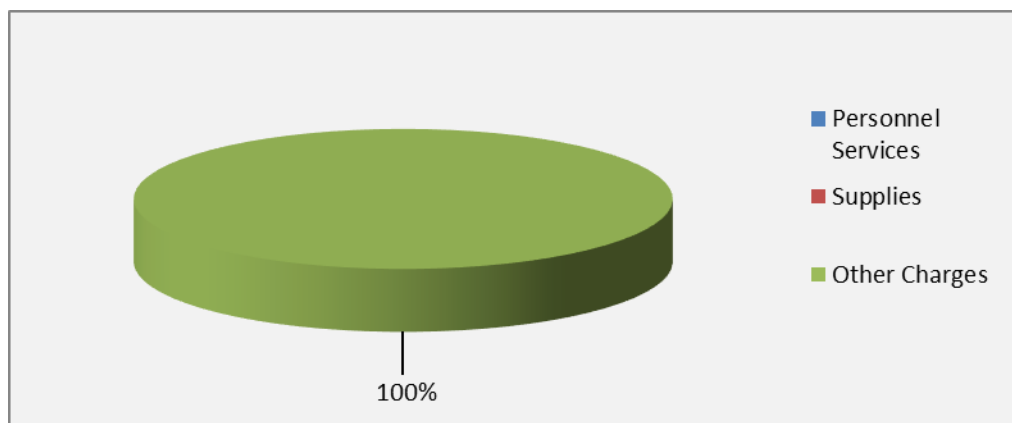
Program Expenditure Highlights

The costs for this program remain fairly flat.

Program Expenditures

	2017 ACTUAL	2018 ACTUAL	2019 BUDGET	2020 BUDGET	% CHANGE
Personnel Services	\$ -	\$ -	\$ -	\$ -	N/A
Supplies	-	-	-	-	N/A
Other Charges	40,515	32,445	32,500	32,500	0.0%
Total	\$ 40,515	\$ 32,445	\$ 32,500	\$ 32,500	0.0%

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

	2017 Actual	2018 Actual	2019 Actual	2020 Projected
N/A	N/A	N/A	N/A	N/A

Staffing

	2016 Actual	2017 Actual	2018 Actual	2019 Projected
Full-Time Equivalent positions	N/A	N/A	N/A	N/A

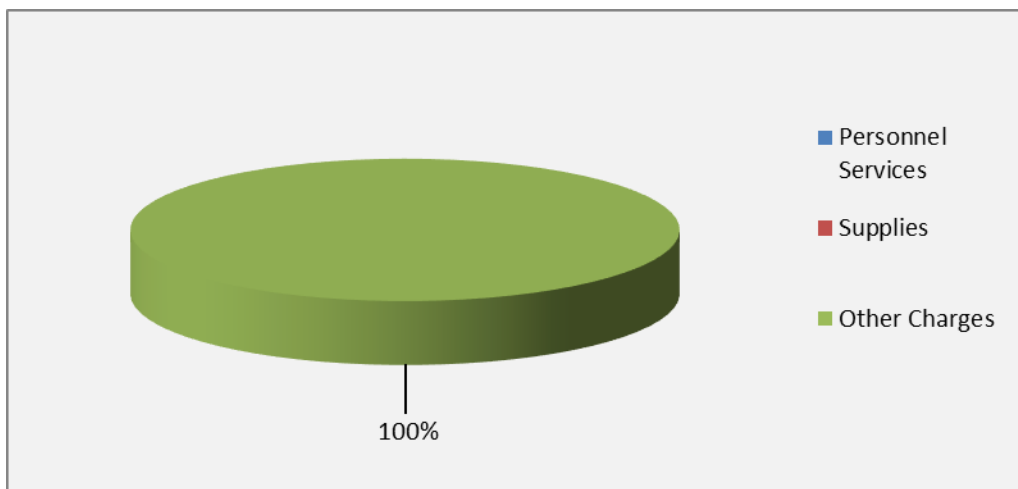
Program Expenditure Highlights

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

Program Expenditures

	2017 ACTUAL	2018 ACTUAL	2019 BUDGET	2020 BUDGET	% CHANGE
Personnel Services	\$ -	\$ -	\$ -	\$ -	N/A
Supplies	-	-	-	-	N/A
Other Charges	135,590	171,070	135,850	141,100	3.9%
Total	\$ 135,590	\$ 171,070	\$ 135,850	\$ 141,100	3.9%

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

	2017 Actual	2018 Actual	2019 Actual	2020 Projected
Weeks cleaned	52	52	52	52

Staffing

	2017 Actual	2018 Actual	2019 Actual	2020 Projected
Full-Time Equivalent positions	N/A-Contract with Kim's Kleaning			

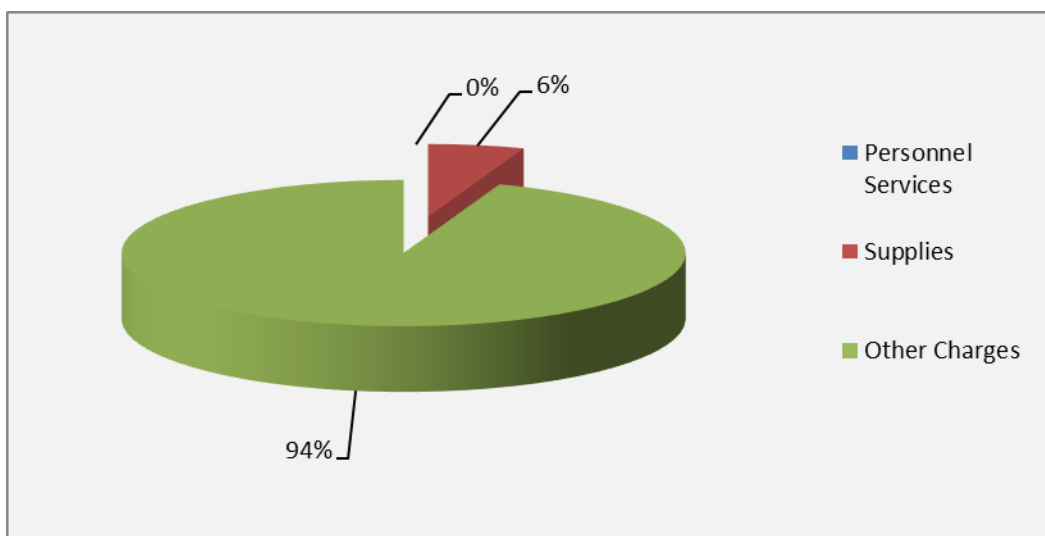
Program Expenditure Highlights

- No increases forecasted.

Program Expenditures

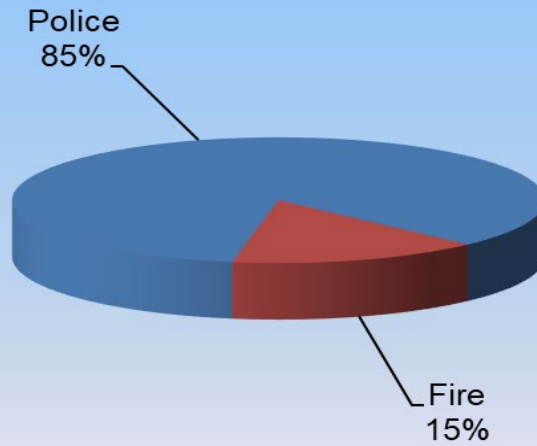
	2017 ACTUAL	2018 ACTUAL	2019 BUDGET	2020 BUDGET	% CHANGE
Personnel Services	\$ -	\$ -	\$ -	\$ -	N/A
Supplies	953	568	1,000	1,000	0.0%
Other Charges	18,251	17,890	19,200	17,100	-10.9%
Total	\$ 19,204	\$ 18,458	\$ 20,200	\$ 18,100	-10.4%

Program Expenditures by Classification

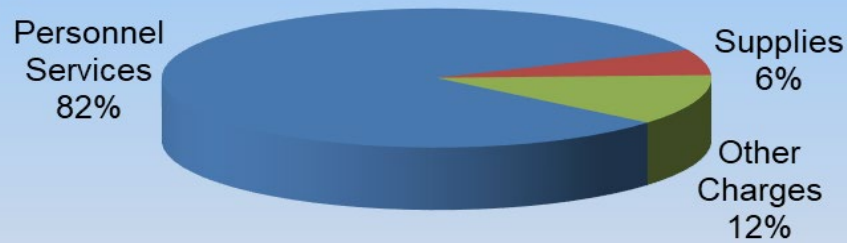


PUBLIC SAFETY 2020 BUDGET

Total By Program



Total By Classification



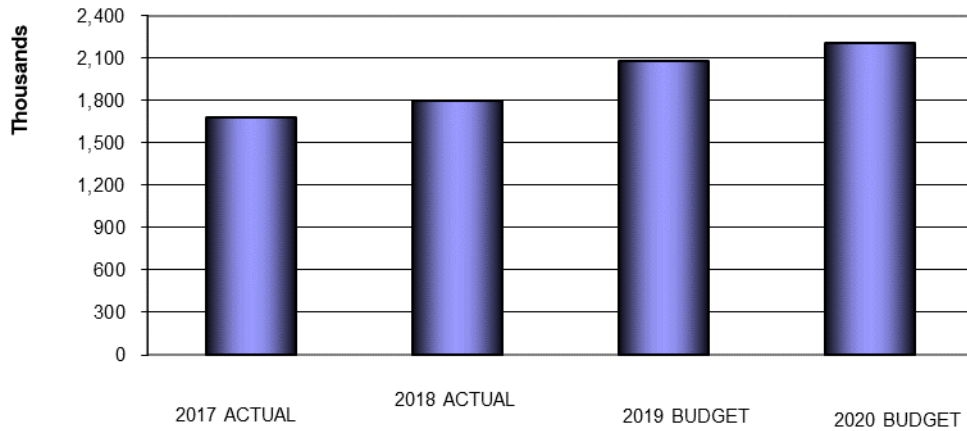
**CITY OF ST. FRANCIS, MINNESOTA
PUBLIC SAFETY SUMMARY**

Total By Program	2017 ACTUAL	2018 ACTUAL	2019 ACTUAL	2020 BUDGET	% BUDGET
Police	\$1,447,940	\$1,506,905	\$1,797,300	\$1,866,200	3.8%
Fire	232,214	286,666	282,150	337,350	19.6%
Totals	1,680,154	1,793,571	2,079,450	2,203,550	6.0%

Total By Classification	2017 ACTUAL	2018 ACTUAL	2019 ACTUAL	2020 BUDGET	% BUDGET
Personnel Services	1,326,839	1,404,706	1,705,500	1,813,000	6.3%
Supplies	130,691	117,375	132,550	131,800	-0.6%
Other Charges	222,624	271,490	241,400	258,750	7.2%
Totals	1,680,154	1,793,571	2,079,450	2,203,550	6.0%

Staffing	2017 ACTUAL	2018 ACTUAL	2019 ACTUAL	2020 BUDGET
Full-time equivalents	15.00	15.00	16.00	16.00

Expenditures



Department: Public Safety
Program: Police
Fund: 101
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

	2017 Actual	2018 Actual	2019 Actual	2020 Projected
Citations issued	335	325	704	500
Chargeable offenses (Parts 1 & 2)	522	813	828	700
Misc. offenses (Parts 3 & 4)	3,912	3,663	3,962	4,600
Total calls for service	4,434	4,476	4,790	6,500

Staffing

	2017 Actual	2018 Actual	2019 Actual	2020 Projected
Full-Time Equivalent positions	15	15	16	16

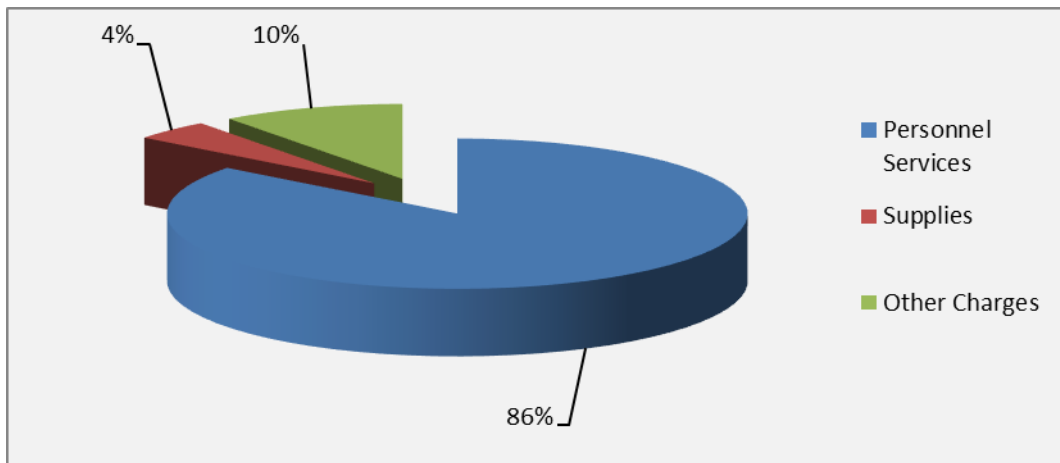
Program Expenditure Highlights

Added one police officer in 2019.

Program Expenditures

	2017 ACTUAL	2018 ACTUAL	2019 BUDGET	2020 BUDGET	% CHANGE
Personnel Services	\$ 1,207,973	\$1,263,155	\$1,536,300	\$ 1,594,000	3.8%
Supplies	78,857	79,774	82,800	81,800	-1.2%
Other Charges	161,110	163,976	178,200	190,400	6.8%
Total	\$ 1,447,940	\$1,506,905	\$1,797,300	\$ 1,866,200	3.8%

Program Expenditures by Classification



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

Program Description

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

Objectives

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

Program Measures

	2017 Actual	2018 Actual	2019 Actual	2020 Projected
Total calls	251	323	377	400

Staffing

	2017 Actual	2018 Actual	2019 Actual	2020 Projected
Full-Time Equivalent positions	0	0	0	1

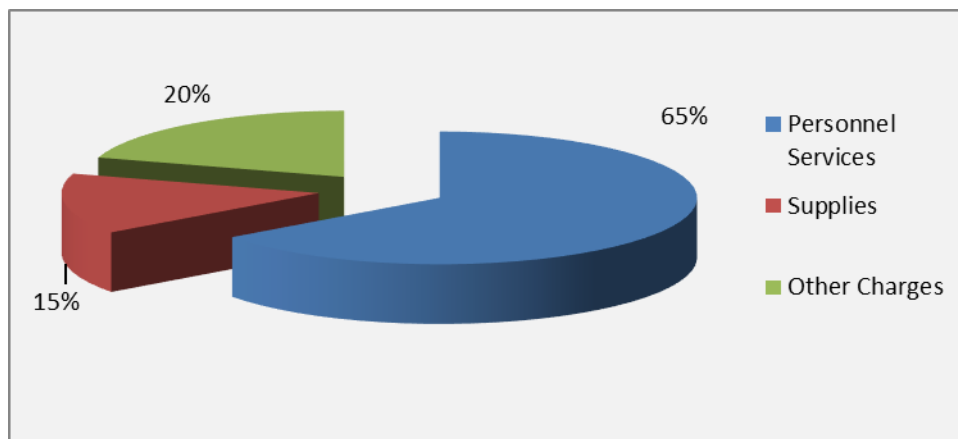
Program Expenditure Highlights

- Personnel Services are tied to the number of calls the volunteer firefighters respond to.
- 2020 Fire Chief went from Part time to Full Time.

Program Expenditures

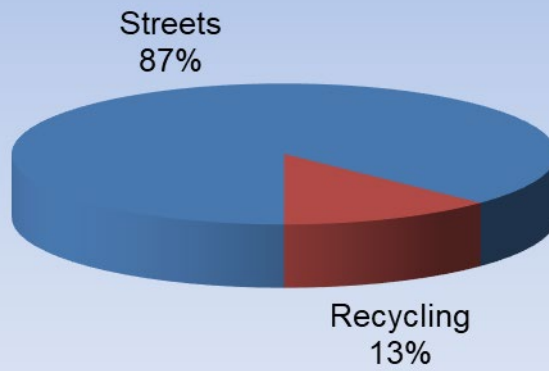
	2017 ACTUAL	2018 ACTUAL	2019 BUDGET	2020 BUDGET	% CHANGE
Personnel Services	\$ 118,866	\$ 141,551	\$ 169,200	\$ 219,000	29.4%
Supplies	51,834	37,601	49,750	50,000	0.5%
Other Charges	61,514	107,514	63,200	68,350	8.1%
Total	\$ 232,214	\$ 286,666	\$ 282,150	\$ 337,350	19.6%

Program Expenditures by Classification

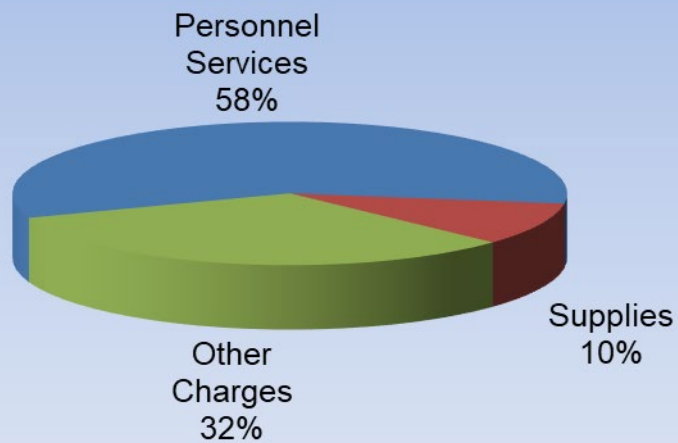


PUBLIC WORKS 2020 BUDGET

Total By Program



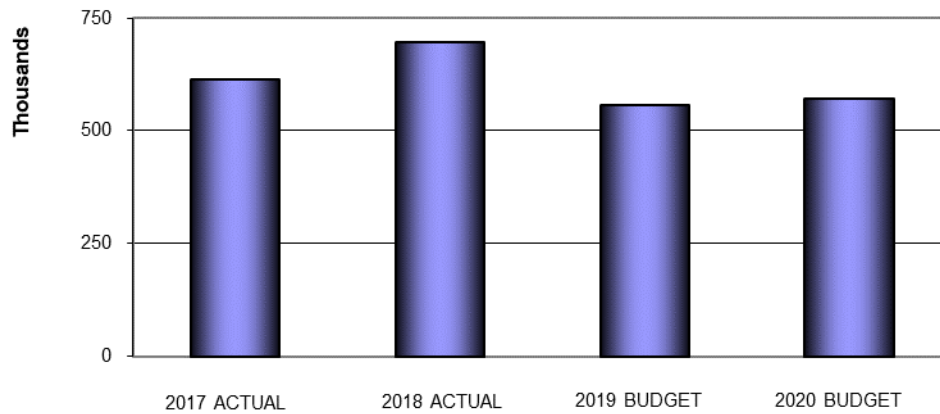
Total By Classification



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

Total By Program	2017 ACTUAL	2018 ACTUAL	2019 BUDGET	2020 BUDGET	% Change
Streets	\$555,784	\$629,466	\$489,050	\$498,450	1.9%
Recycling	57,758	65,776	68,100	73,100	7.3%
	613,542	695,242	557,150	571,550	2.6%
Total By Classification					
Personnel Services	273,531	306,361	321,700	330,600	2.8%
Supplies	38,643	50,681	48,350	55,300	14.4%
Other Charges	301,368	338,200	187,100	185,650	-0.8%
	613,542	695,242	557,150	571,550	2.6%
Staffing					
Full-time equivalents	2.75	2.75	2.75	2.75	

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

	2017 Actual	2018 Actual	2019 Actual	2020 Projected
Asphalt street miles maintained	36	36	36	36
Gravel road miles maintained	11	11	11	11
Sand/salt usage (tons)	366	441	350	180

Staffing

	2017 Actual	2018 Actual	2019 Actual	2020 Projected
Full-Time Equivalent positions	2.35	2.35	2.35	2.35

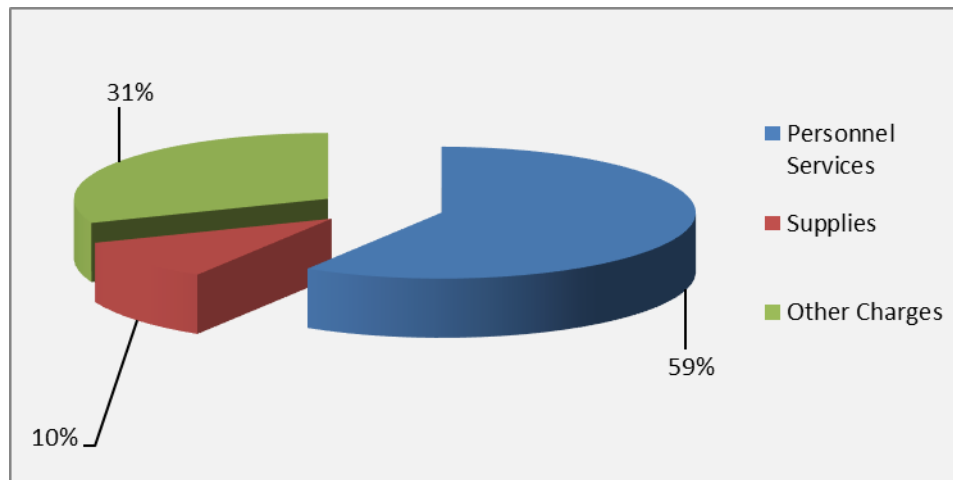
Program Expenditure Highlights

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

Program Expenditures

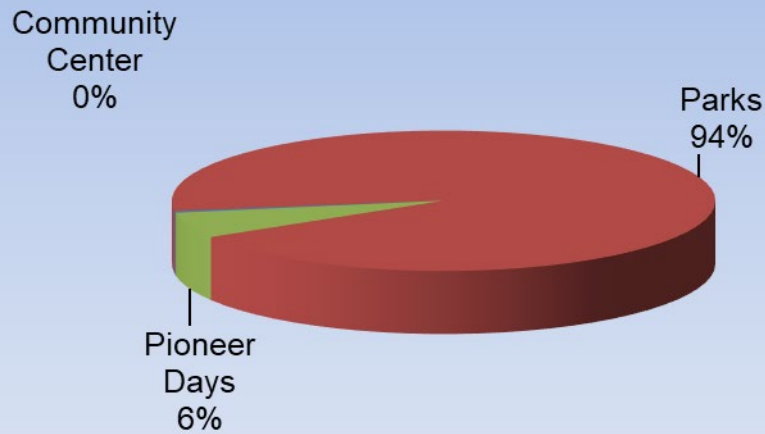
	2017 ACTUAL	2018 ACTUAL	2019 BUDGET	2020 BUDGET	% CHANGE
Personnel Services	\$ 240,655	\$ 272,187	\$ 284,000	\$ 293,300	3.3%
Supplies	36,962	47,286	45,250	50,750	12.2%
Other Charges	278,167	309,993	159,800	154,400	-3.4%
Total	\$ 555,784	\$ 629,466	\$ 489,050	\$ 498,450	1.9%

Program Expenditures by Classification

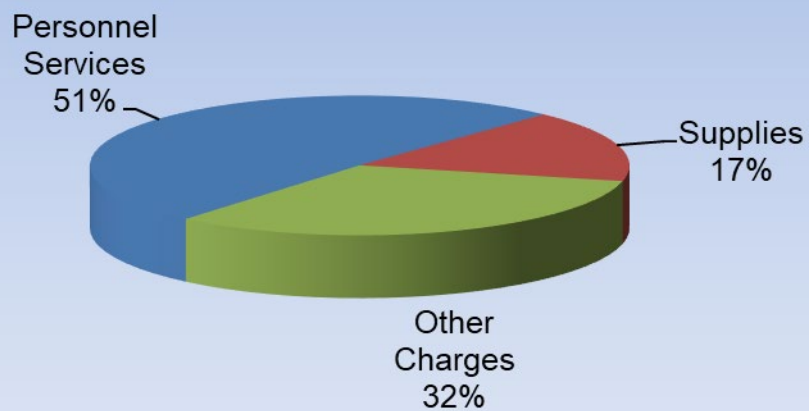


CULTURE & RECREATION 2020 BUDGET

Total By Program



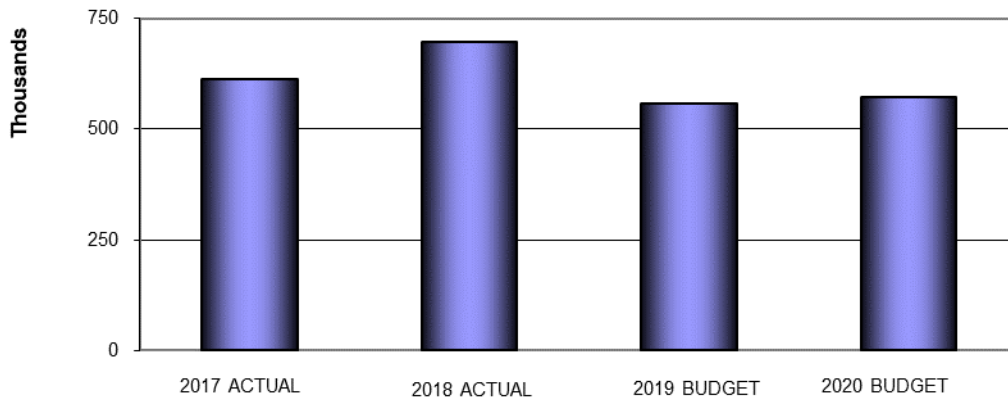
Total By Classification



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

Total By Program	2017 ACTUAL	2018 ACTUAL	2019 BUDGET	2020 BUDGET	% Change
Streets	\$555,784	\$629,466	\$489,050	\$498,450	1.9%
Recycling	57,758	65,776	68,100	73,100	7.3%
	613,542	695,242	557,150	571,550	2.6%
Total By Classification					
Personnel Services	273,531	306,361	321,700	330,600	2.8%
Supplies	38,643	50,681	48,350	55,300	14.4%
Other Charges	301,368	338,200	187,100	185,650	-0.8%
	613,542	695,242	557,150	571,550	2.6%
Staffing					
Full-time equivalents	2.75	2.75	2.75	2.75	

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

	2017 Actual	2018 Actual	2019 Actual	2020 Projected
Number of uses	276	277	256	275

Staffing

	2017 Actual	2018 Actual	2019 Actual	2020 Projected
Full-Time Equivalent positions	N/A	N/A	N/A	N/A

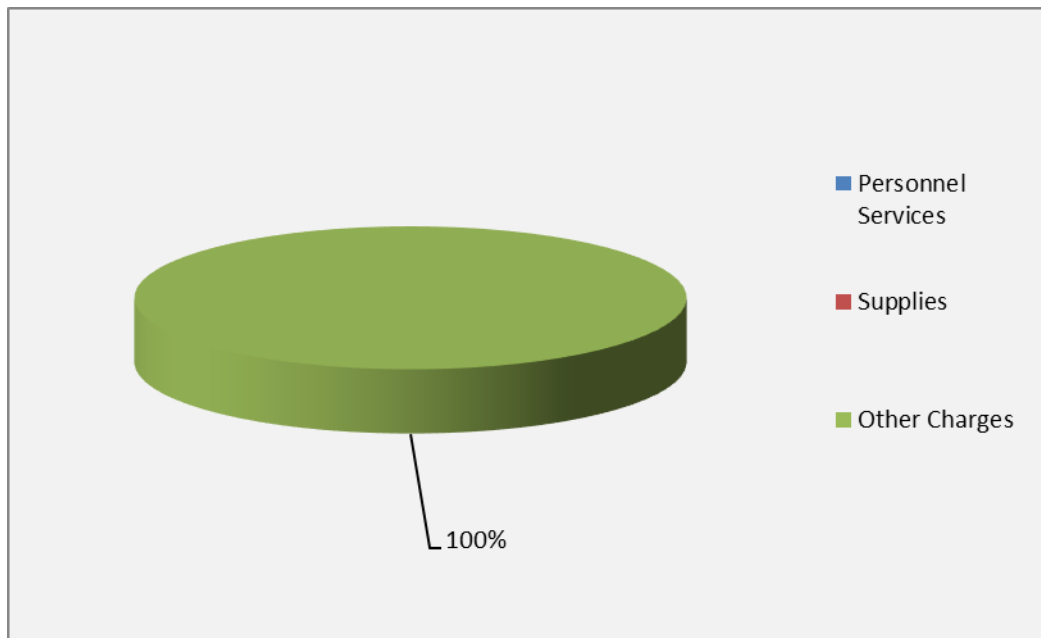
Program Expenditure Highlights

- Most costs are shown in the government buildings department.

Program Expenditures

	2017 ACTUAL	2018 ACTUAL	2019 BUDGET	2020 BUDGET	% CHANGE
Personnel Services	\$ -	\$ -	\$ -	\$ -	N/A
Supplies	-	-	-	-	N/A
Other Charges	1,089	1,193	1,320	1,320	0.0%
Total	\$ 1,089	\$ 1,193	\$ 1,320	\$ 1,320	0.0%

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

	2017 Actual	2018 Actual	2019 Actual	2020 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

	2017 Actual	2018 Actual	2019 Actual	2020 Projected
Full-Time Equivalent positions	1.75	1.75	1.75	1.75

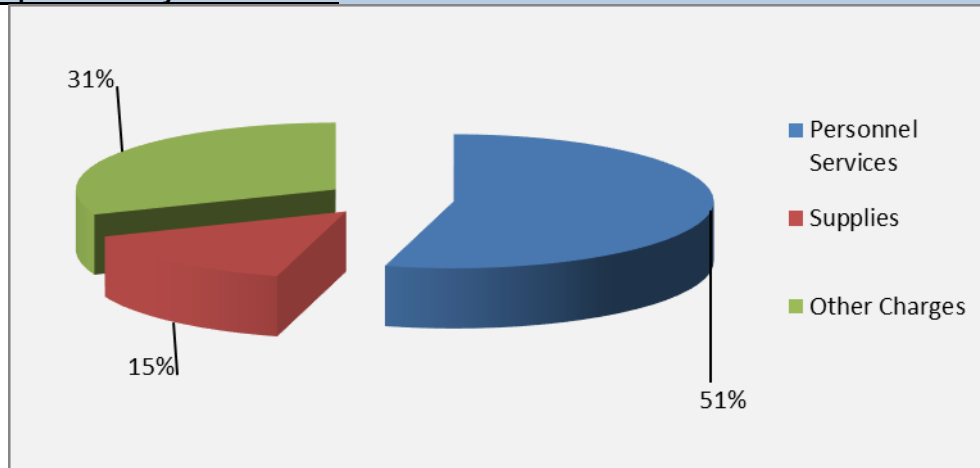
Program Expenditure Highlights

-

Program Expenditures

	2017 ACTUAL	2018 ACTUAL	2019 BUDGET	2020 BUDGET	% CHANGE
Personnel Services	\$ 147,701	\$ 158,624	\$ 166,800	\$ 172,600	3.5%
Supplies	26,036	40,635	41,950	46,550	11.0%
Other Charges	79,865	78,951	91,000	98,900	8.7%
Total	\$ 253,602	\$ 278,210	\$ 299,750	\$ 318,050	6.1%

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

	2017 Actual	2018 Actual	2019 Actual	2020 Projected
Fireworks Display	Yes	Yes	Yes	Yes

Staffing

	2017 Actual	2018 Actual	2019 Actual	2020 Projected
Full-Time Equivalent positions	N/A	N/A	N/A	N/A

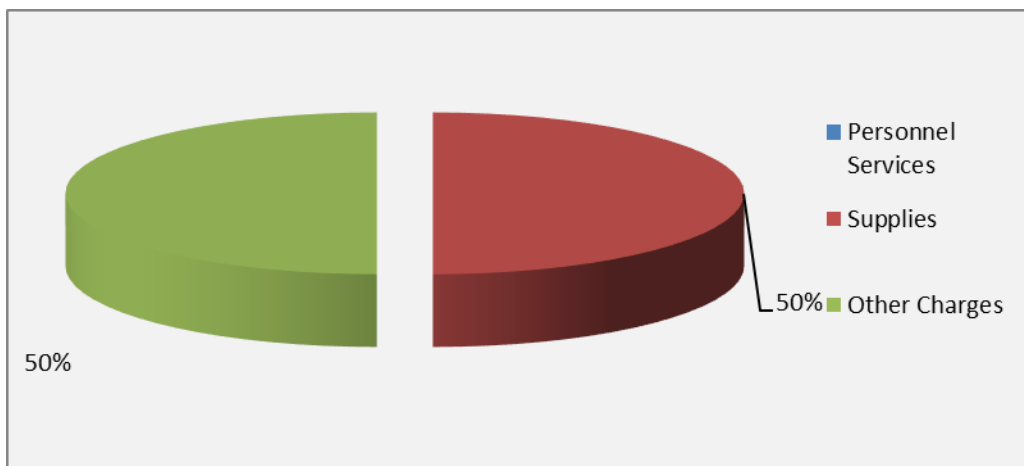
Program Expenditure Highlights

- The Pioneer Days celebration will be run by the Chamber of Commerce with the city contributing \$10,000.00 to them.

Program Expenditures

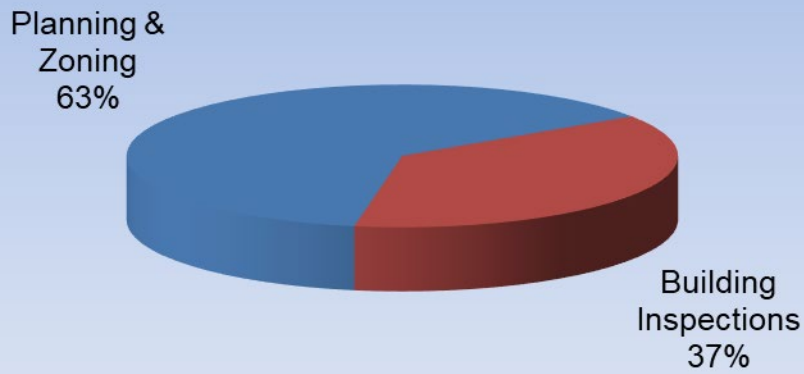
	2017 ACTUAL	2018 ACTUAL	2019 BUDGET	2020 BUDGET	% CHANGE
Personnel Services	\$ -	\$ -	\$ -	\$ -	N/A
Supplies	9,654	16,902	10,000	10,000	0.0%
Other Charges	13,183	1,983	10,000	10,000	0.0%
Total	\$ 22,837	\$ 18,885	\$ 20,000	\$ 20,000	0.0%

Program Expenditures by Classification

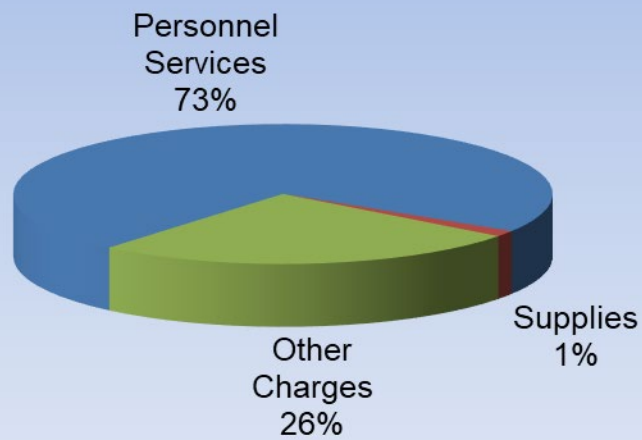


COMMUNITY DEVELOPMENT 2020 BUDGET

Total By Program



Total By Classification



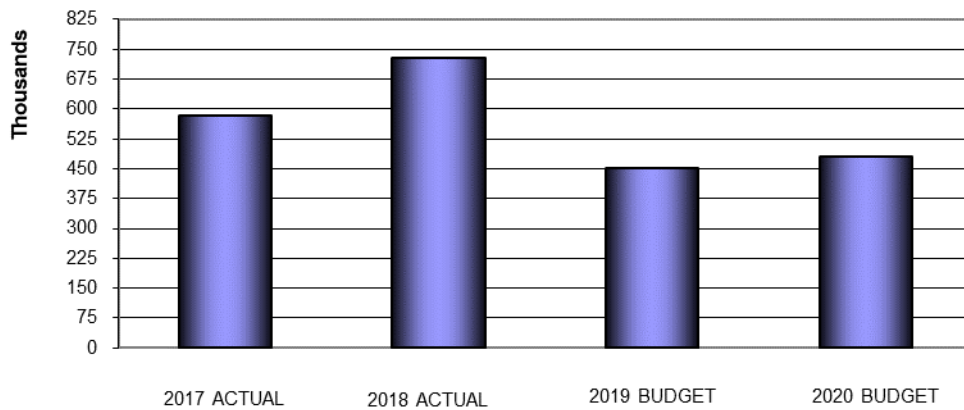
CITY OF ST. FRANCIS, MINNESOTA
COMMUNITY DEVELOPMENT SUMMARY
 EXPENDITURE ANALYSIS

Total By Program	2017 ACTUAL	2018 ACTUAL	2019 BUDGET	2020 BUDGET	% CHANGE
Planning & Zoning	\$418,946	\$572,913	\$281,270	\$301,225	7.1%
Building Inspections	164,433	153,833	169,300	177,900	5.1%
Totals	583,379	726,746	450,570	479,125	6.3%

Total By Classification	2017 ACTUAL	2018 ACTUAL	2019 BUDGET	2020 BUDGET	% CHANGE
Personnel Services	228,466	303,092	336,870	348,900	3.6%
Supplies	5,133	4,582	6,300	6,625	5.2%
Other Charges	349,780	419,072	107,400	123,600	15.1%
Totals	583,379	726,746	450,570	479,125	6.3%

Staffing	2017 ACTUAL	2018 ACTUAL	2019 BUDGET	2020 BUDGET
Full-time equivalents	3.00	3.00	3.00	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

	2017 Actual	2018 Actual	2019 Actual	2020 Projected
Special use permits	4	4	1	3
Ordinance amendments	2	2	9	2
Rezoning	0	1	0	1
Comp Plan amendments	0	0	0	0
Subdivisions processed	0	1	2	0
Variances	0	2	1	0

Staffing

	2017 Actual	2018 Actual	2019 Actual	2020 Projected
Full-Time Equivalent positions	1.00	2.00	2.00	2.00

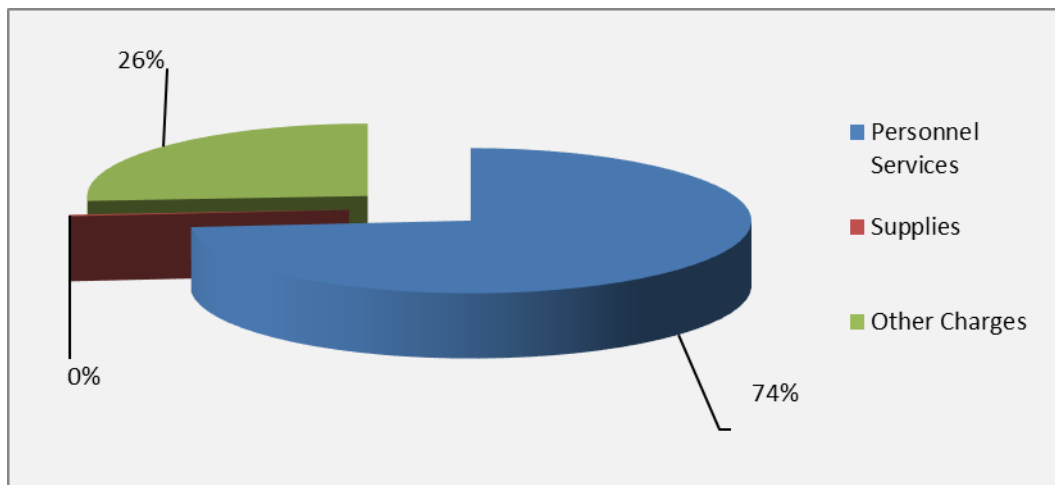
Program Expenditure Highlights

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

Program Expenditures

	2017 ACTUAL	2018 ACTUAL	2019 BUDGET	2020 BUDGET	% CHANGE
Personnel Services	\$ 115,084	\$ 197,221	\$ 213,870	\$ 221,600	3.6%
Supplies	651	1,471	1,000	1,025	2.5%
Other Charges	303,211	374,221	66,400	78,600	18.4%
Total	\$ 418,946	\$ 572,913	\$ 281,270	\$ 301,225	7.1%

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

	2017 Actual	2018 Actual	2019 Actual	2020 Projected
Single family	66	41	57	10
Townhomes/Manufactured homes	0	0	14	0
Commercial/Industrial	0	0	1	1
Miscellaneous building permits	308	446	549	400

Staffing

	2017 Actual	2018 Actual	2019 Actual	2020 Projected
Full-Time Equivalent positions	2.00	1.00	1.00	1.00

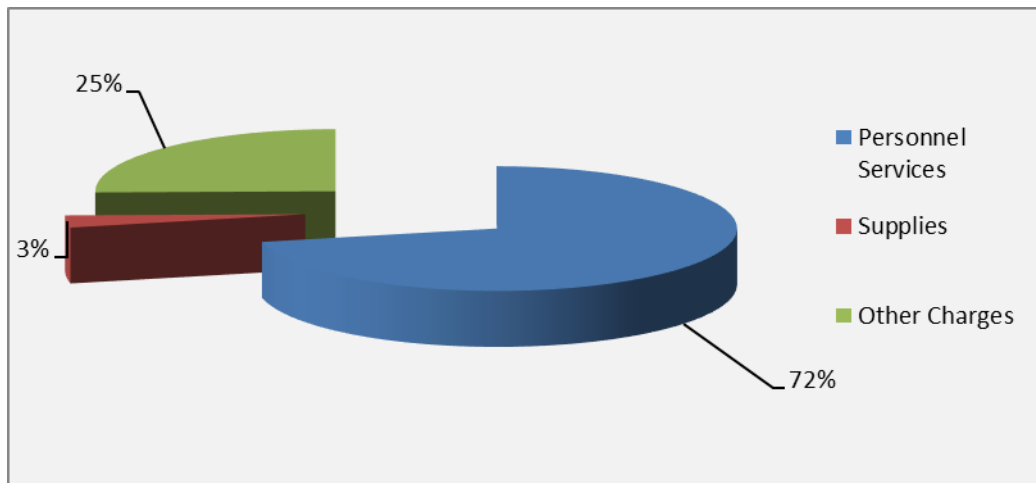
Program Expenditure Highlights

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

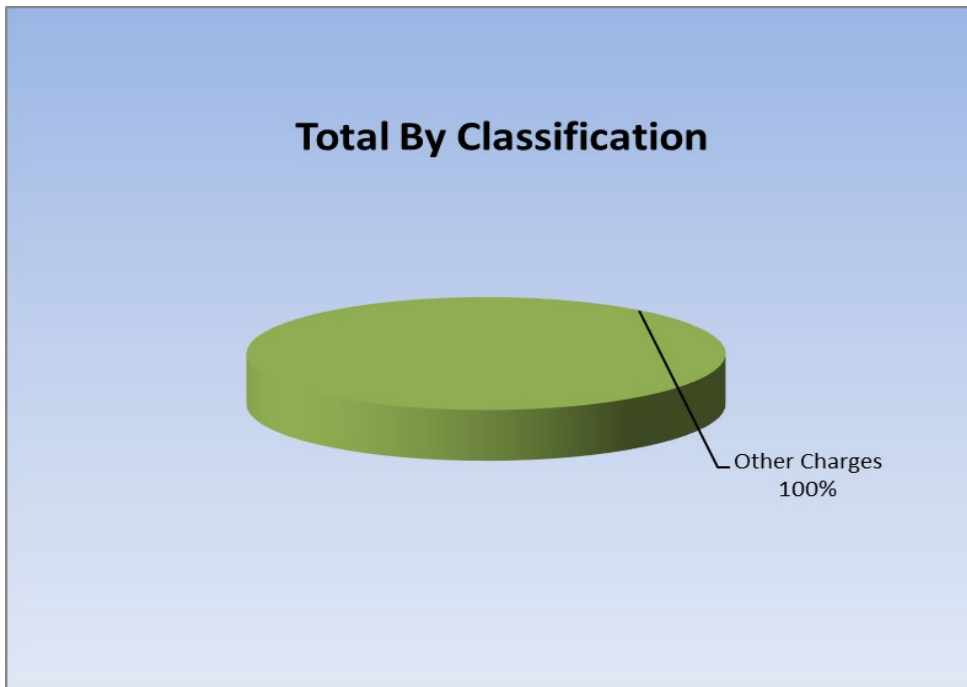
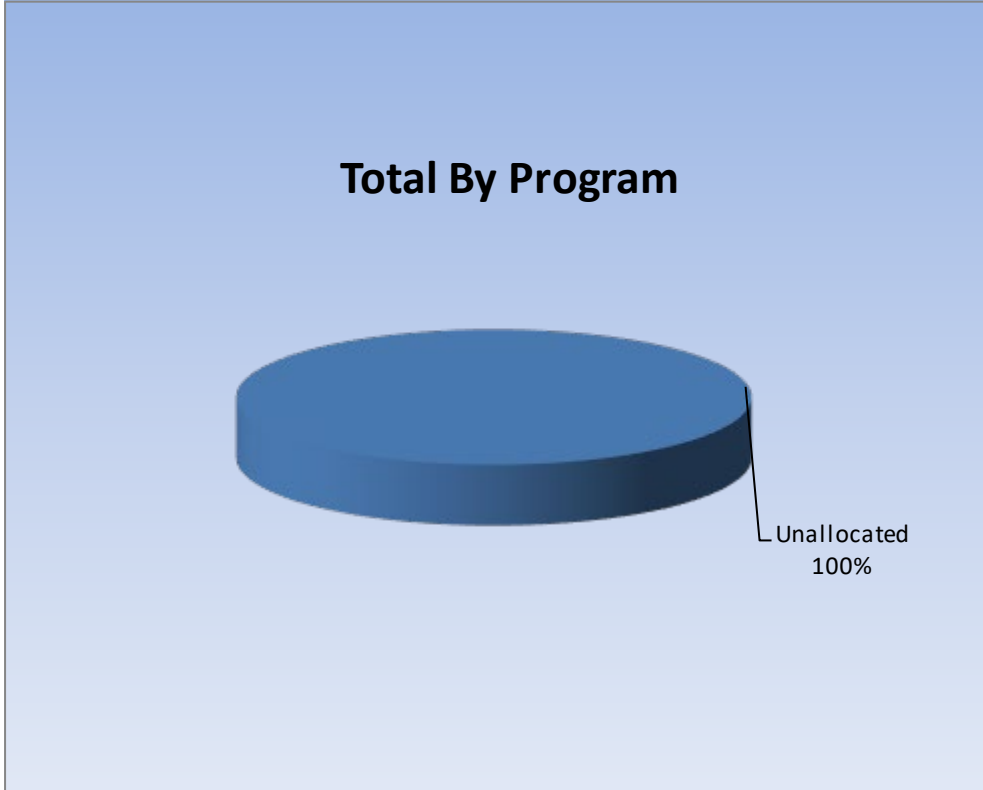
Program Expenditures

	2017 ACTUAL	2018 ACTUAL	2019 BUDGET	2020 BUDGET	% CHANGE
Personnel Services	\$ 113,382	\$ 105,871	\$ 123,000	\$ 127,300	3.5%
Supplies	4,482	3,111	5,300	5,600	5.7%
Other Charges	46,569	44,851	41,000	45,000	9.8%
Total	\$ 164,433	\$ 153,833	\$ 169,300	\$ 177,900	5.1%

Program Expenditures by Classification



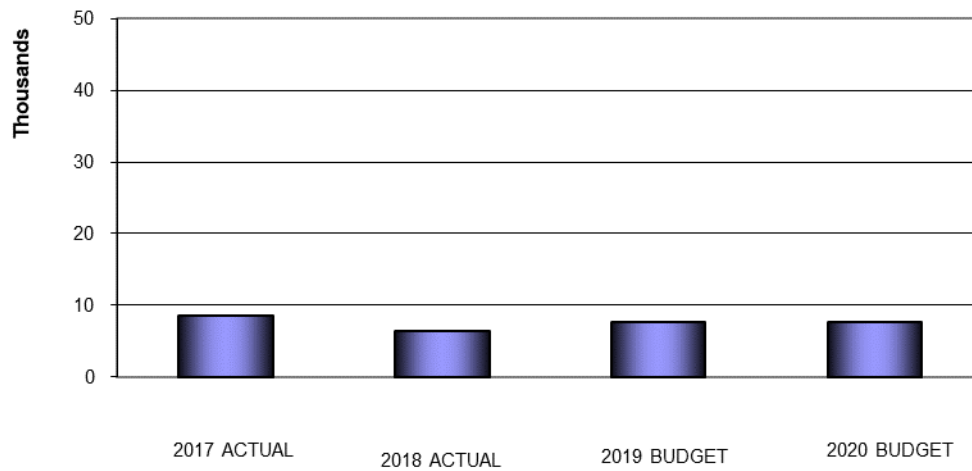
MISCELLANEOUS 2020 BUDGET



CITY OF ST. FRANCIS, MINNESOTA
MISCELLANEOUS SUMMARY
 EXPENDITURE ANALYSIS

Total By Program	2017 ACTUAL	2018 ACTUAL	2019 BUDGET	2020 BUDGET	% CHANGE
Unallocated	\$8,467	\$6,452	\$7,600	\$7,724	1.6%
Totals	8,467	6,452	7,600	7,724	1.6%
Total By Classification					
Personnel Services	0	0	0	0	N/A
Supplies	0	0	0	0	N/A
Other Charges	8,467	6,452	7,600	7,724	1.6%
Totals	8,467	6,452	7,600	7,724	1.6%
Staffing					
Full-time equivalents	0.00	0.00	0.00	0.00	

Expenditures



Department: Miscellaneous
Program: Unallocated
Fund: 101
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

	2017 Actual	2018 Actual	2019 Actual	2020 Projected
None	N/A	N/A	N/A	N/A

Staffing

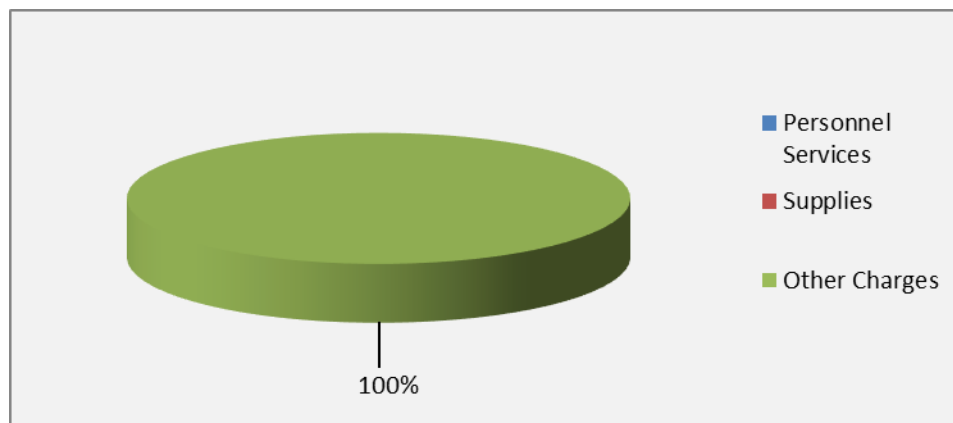
	2017 Actual	2018 Actual	2019 Actual	2020 Projected
Full-Time Equivalent positions	N/A	N/A	N/A	N/A

Program Expenditure Highlights

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

Program Expenditures

	2017 ACTUAL	2018 ACTUAL	2019 BUDGET	2020 BUDGET	% CHANGE
Personnel Services	\$ -	\$ -	\$ -	\$ -	N/A
Supplies	-	-	-	-	N/A
Other Charges	8,467	6,452	7,600	7,724	1.6%
Total	\$ 8,467	\$ 6,452	\$ 7,600	\$ 7,724	1.6%

Program Expenditures by Classification

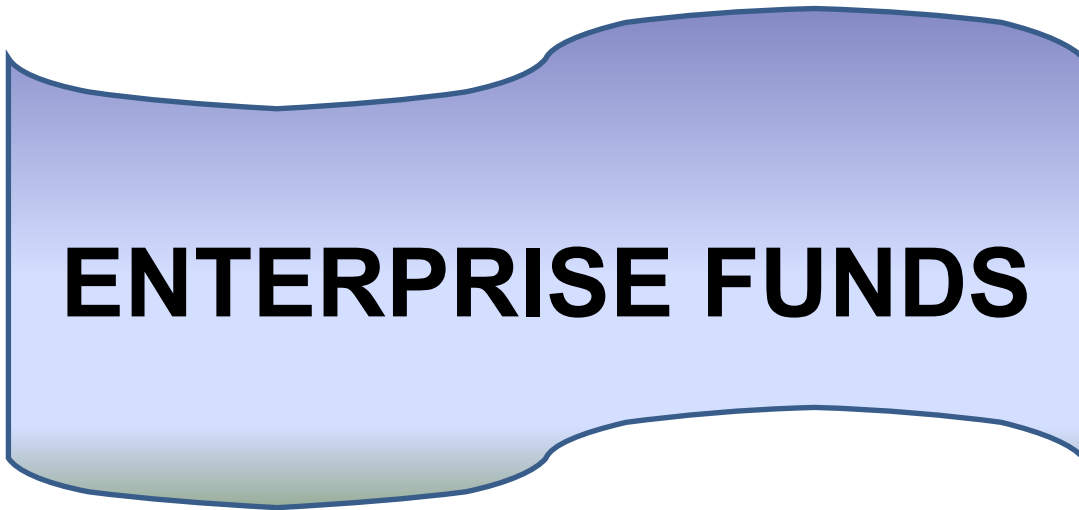


**SPECIAL REVENUE
FUNDS**

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

	2018 ACTUAL	2019 BUDGET	2019 ESTIMATE	2020 BUDGET
<u>Fines and Forfeits:</u>				
Confiscated property	\$ -	\$ -	\$ 3,472	\$ -
<u>Miscellaneous:</u>				
Miscellaneous	219	-	-	-
Total revenues	219	-	3,472	-
<u>Expenditures:</u>				
Commodities	30	10,208	454	13,750
Contractual services	-			
Other charges	-			
Total expenditures	30	10,208	454	13,750
Excess (deficit) of revenues over expenditures	189	(10,208)	3,018	(13,750)
Fund balance - January 1	10,119	10,208	10,308	13,326
Fund balance - December 31	\$ 10,308	\$ -	\$ 13,326	\$ (424)

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.



ENTERPRISE FUNDS

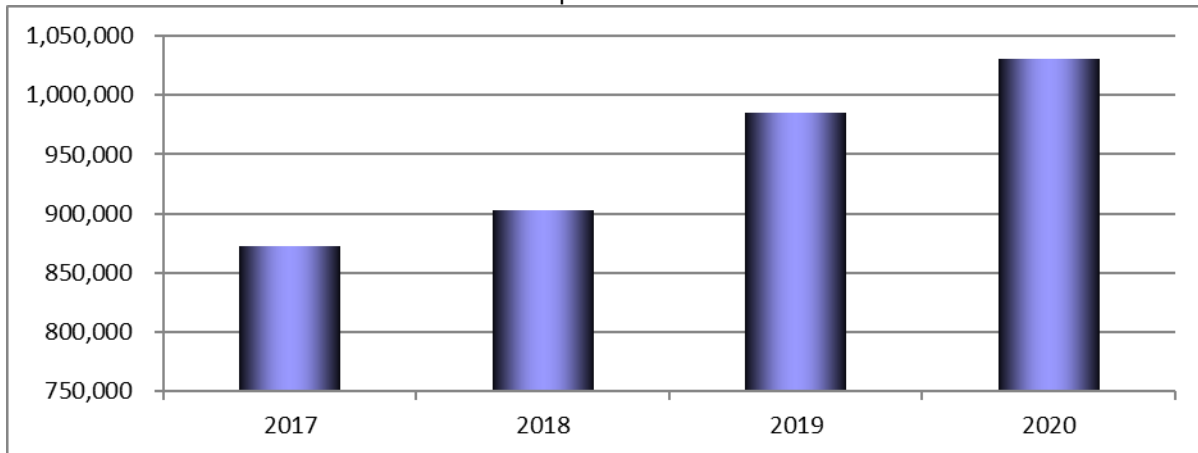
**CITY OF ST. FRANCIS, MINNESOTA
WATER FUND SUMMARY
EXPENSE ANALYSIS**

Total By Classification	2017 ACTUAL	2018 ACTUAL	2019 BUDGET	2020 BUDGET	% CHANGE
Personnel Services	211,799	211,470	238,550	249,700	4.7%
Commodities	37,977	38,035	50,800	61,000	20.1%
Contractual Services	282,105	313,459	351,750	374,850	6.6%
Depreciation	325,127	329,595	330,000	330,000	0.0%
Other Charges	15,479	10,654	14,350	14,950	4.2%
Totals	872,487	903,213	985,450	1,030,500	4.6%

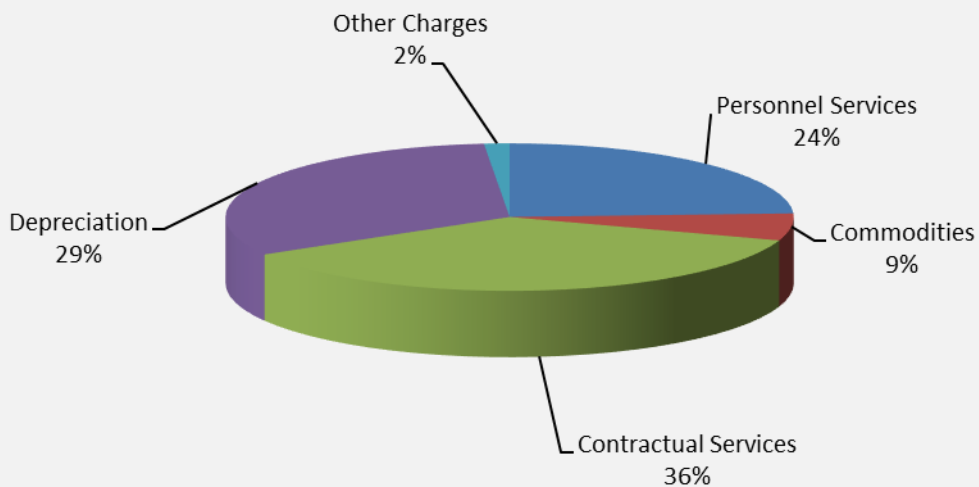
Staffing

Full-time equivalents	2.25	2.25	2.25	2.25
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Expenditures



2020 BUDGET



CITY OF ST. FRANCIS, MINNESOTA
WATER FUND (601)
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS

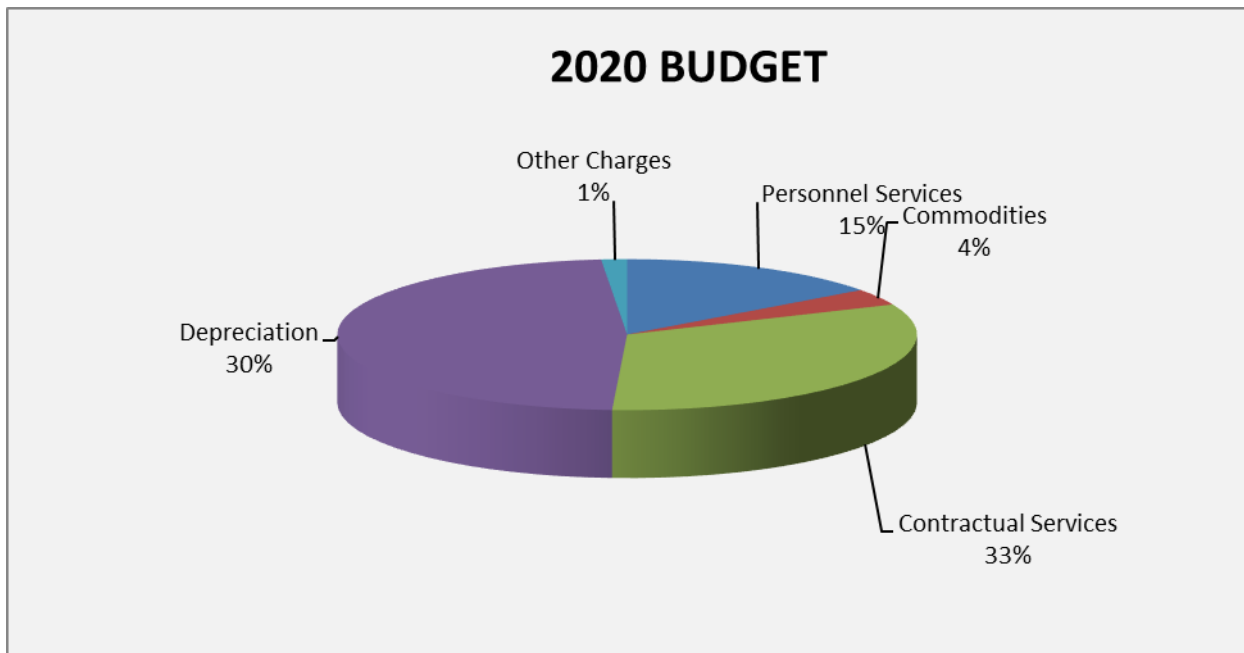
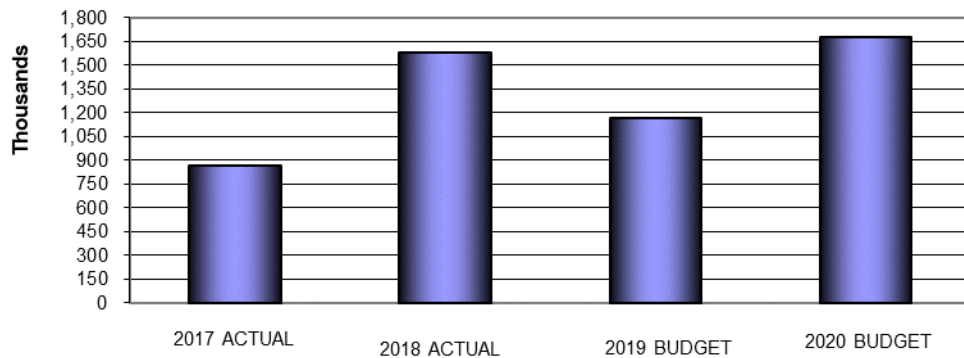
	2018 ACTUAL	2019 BUDGET	2019 ESTIMATE	2020 BUDGET
Operating revenues:				
Water sales	\$ 1,544,164	\$ 1,230,000	\$ 1,212,949	\$ 1,230,000
Water penalty	-	-	27,644	-
Total revenues	1,544,164	1,230,000	1,240,593	1,230,000
Operating expenses:				
Personnel services	205,792	238,550	226,610	249,700
Supplies	73,450	50,800	35,910	61,000
Professional services	108,257	157,800	143,428	166,300
Communications	7,399	7,000	6,304	7,800
Insurance	21,263	15,000	16,888	16,000
Utilities	87,211	92,500	86,186	105,000
Repairs and maintenance	56,883	79,450	84,914	79,750
Depreciation	329,595	330,000	330,000	330,000
Other	13,363	14,350	16,086	14,950
Total expenses	903,213	985,450	946,326	1,030,500
Operating income (loss)	640,951	244,550	294,267	199,500
Nonoperating revenues (expenses):				
Investment earnings	45,991	20,000	62,226	20,000
Miscellaneous grants	-	-	-	-
Connection Fees	128,520	159,120	264,929	61,200
Interest expense	(173,075)	(164,696)	(164,445)	(171,150)
Special assessments	-	-	-	-
Miscellaneous revenues	52,291	3,000	623	3,000
Total nonoperating revenues (expenses)	53,727	17,424	163,333	(86,950)
Net income (loss) before contributions and transfers	694,678	261,974	457,600	112,550
Transfers in (out):				
Sewer Fund	-	-	-	37,058
Debt Service Fund	(18,580)	(18,580)	(18,580)	(18,580)
Capital Equipment	(10,000)	(10,000)	(10,000)	(10,000)
EDA Lease Revenue Bonds	(82,500)	(82,500)	(82,500)	(82,500)
Capital contributions	-	-	-	-
Change in net position	583,598	150,894	346,520	38,528
Net position- January 1	6,292,865	6,571,525	6,876,463	7,222,983
Net position- December 31	\$ 6,876,463	\$ 6,722,419	\$ 7,222,983	\$ 7,261,511

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

Total By Classification	2017 ACTUAL	2018 ACTUAL	2019 BUDGET	2020 BUDGET	% CHANGE
Personnel Services	158,898	211,738	239,400	250,700	4.7%
Commodities	24,440	56,445	58,000	59,000	1.7%
Contractual Services	339,471	498,422	491,250	542,050	10.3%
Depreciation	326,298	799,571	350,000	800,000	128.6%
Other Charges	14,091	14,910	23,500	24,100	2.6%
Totals	863,198	1,581,086	1,162,150	1,675,850	44.2%

Staffing

Full-time equivalents	2.25	2.25	2.25	2.25
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CITY OF ST. FRANCIS, MINNESOTA
SANITARY SEWER FUND (602)
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS

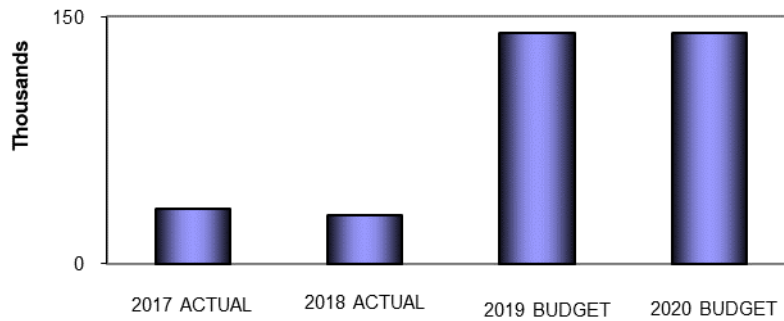
	2018 ACTUAL	2019 BUDGET	2019 ESTIMATE	2020 BUDGET
<u>Operating revenues:</u>				
Sewer sales	\$ 1,710,372	\$ 1,585,000	\$ 1,562,545	\$ 1,585,000
Total revenues	1,710,372	1,585,000	1,562,545	1,585,000
<u>Operating expenses:</u>				
Personnel services	211,738	239,400	230,137	250,700
Supplies	56,445	58,000	57,366	59,000
Professional services	229,035	266,000	195,826	311,850
Communications	3,874	4,000	3,608	4,500
Insurance	34,964	30,000	24,390	30,000
Utilities	137,981	127,500	135,408	140,000
Repairs and maintenance	92,568	63,750	55,315	88,750
Depreciation	799,571	350,000	799,000	800,000
Other	14,910	23,500	20,077	24,100
Total expenses	1,581,086	1,162,150	1,521,127	1,708,900
Operating income (loss)	129,286	422,850	41,418	(123,900)
<u>Nonoperating revenues (expenses):</u>				
Investment earnings	37,342	20,000	56,798	20,000
Connection charges	174,228	222,768	411,770	85,680
Interest Expense	(275,178)	(269,439)	(269,939)	(260,279)
Miscellaneous revenues	72,798	3,000	14,873	3,000
Total nonoperating revenues (expenses)	9,190	(23,671)	213,502	(151,599)
Net income (loss) before contributions and transfers	138,476	399,179	254,920	(275,499)
<u>Transfers in (out):</u>				
Debt Service Fund	(21,300)	(21,300)	(21,300)	(21,300)
Capital Equipment	(10,000)	(10,000)	(10,000)	(10,000)
Water Fund	-	-	-	(37,058)
EDA Lease Revenue Bonds	(82,500)	(82,500)	(82,500)	(82,500)
Grant	621,755	-	-	-
Change in net position	646,431	285,379	141,120	(426,357)
Net position - January 1	16,330,138	16,630,698	16,976,569	17,117,689
Net position - December 31	\$ 16,976,569	\$ 16,916,077	\$ 17,117,689	\$ 16,691,332

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

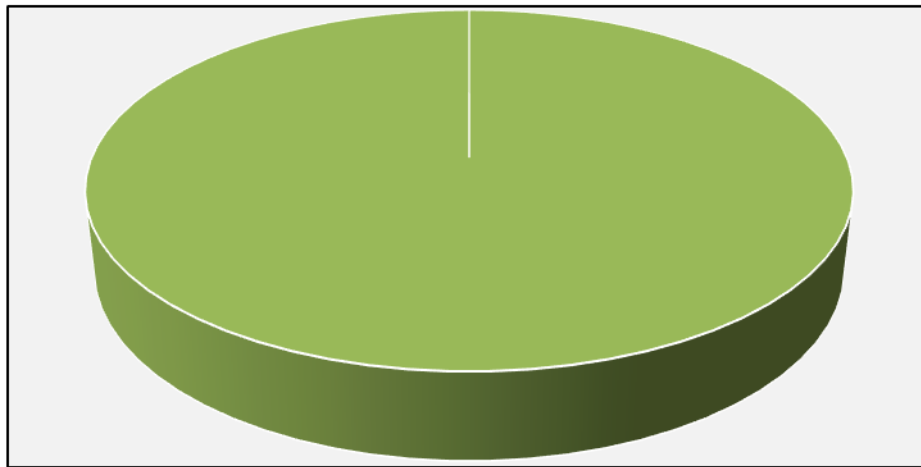
Total By Classification	2017 ACTUAL	2018 ACTUAL	2019 BUDGET	2020 BUDGET	% CHANGE
Personnel Services	-	-	-	-	N/A
Commodities	-	-	-	-	N/A
Contractual Services	33,434	29,538	140,000	140,000	0.0%
Depreciation	-	-	-	-	N/A
Other Charges	-	-	-	-	N/A
Totals	33,434	29,538	140,000	140,000	0.0%

Staffing

Full-time equivalents	0.00	0.00	0.00	0.00
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2019 BUDGET



Contractual Services,
100%

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

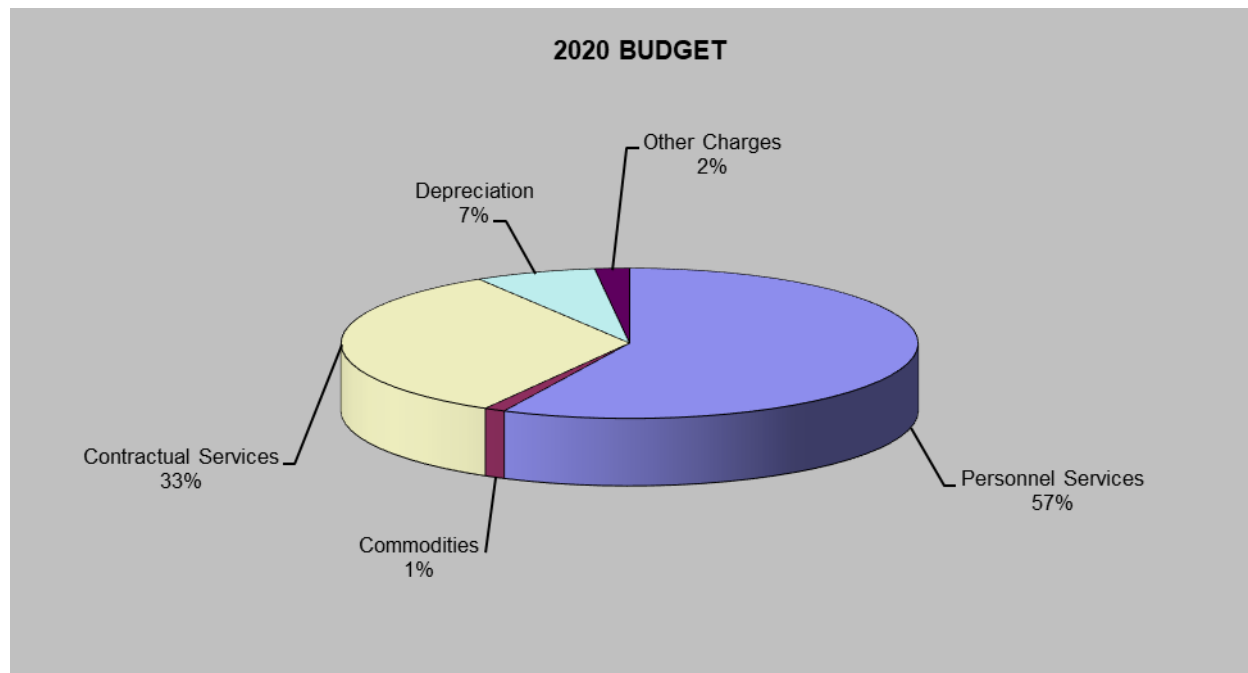
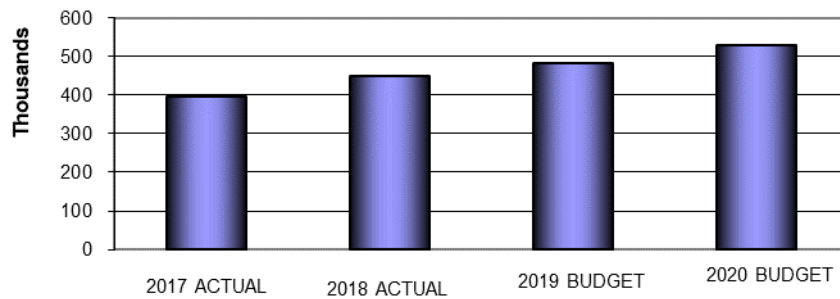
	2018 ACTUAL	2019 BUDGET	2019 ESTIMATE	2020 BUDGET
<u>Operating revenues:</u>				
Storm Water Fee	\$ 176,850	\$ 165,000	\$ 214,946	\$ 165,000
Total revenues	176,850	165,000	214,946	165,000
<u>Operating expenses:</u>				
Personnel services	-	-	-	-
Supplies	-	-	-	-
Professional services	29,538	-	-	80,000
Communications	-	-	-	-
Insurance	-	-	-	-
Utilities	-	-	-	-
Repairs and maintenance	-	140,000	541,860	60,000
Depreciation	-	-	-	-
Other	-	-	-	-
Total expenses	29,538	140,000	541,860	140,000
Operating income (loss)	147,312	25,000	(326,914)	25,000
<u>Nonoperating revenues (expenses):</u>				
Investment earnings	4,655	2,000	6,698	2,000
Connection charges	-	-	-	-
Interest Expense	-	-	-	-
Special assessments	-	-	-	-
Miscellaneous revenues	-	-	722	-
Total nonoperating revenues (expenses)	4,655	2,000	7,420	2,000
Net income (loss) before contributions and transfers	151,967	27,000	(319,494)	27,000
<u>Transfers in (out):</u>				
Debt Service Fund	-	-	-	-
Capital Equipment	-	-	-	-
EDA Lease Revenue Bonds	-	-	-	-
Capital contributions	-	-	-	-
Change in net position	151,967	27,000	(319,494)	27,000
Net position - January 1	261,242	415,108	413,209	93,715
Net position - December 31	\$ 413,209	\$ 442,108	\$ 93,715	\$ 120,715

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

Total By Classification	2017 ACTUAL	2018 ACTUAL	2019 BUDGET	2020 BUDGET	% CHANGE
Personnel Services	216,770	247,241	272,100	302,000	11.0%
Commodities	4,491	4,120	6,200	6,200	0.0%
Contractual Services	133,482	155,704	157,750	174,100	10.4%
Depreciation	33,859	35,289	35,000	36,000	2.9%
Other Charges	7,658	6,953	10,200	10,250	0.5%
Totals	396,260	449,307	481,250	528,550	9.8%

Staffing

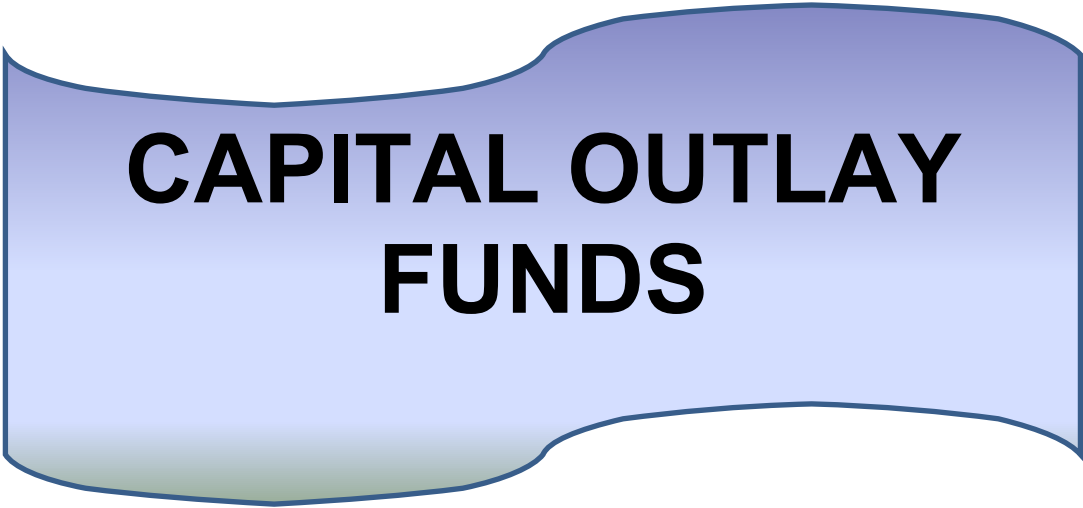
Full-time equivalents	4.25	4.25	4.25	4.25
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CITY OF ST. FRANCIS, MINNESOTA
MUNICIPAL LIQUOR OPERATIONS FUND (609)
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS

	2018 ACTUAL	2019 BUDGET	2019 ESTIMATE	2020 BUDGET
<u>Operating revenues:</u>				
Liquor sales	\$ 2,313,549	\$ 2,189,200	\$ 2,428,620	\$ 2,189,200
<u>Cost of sales:</u>	(1,715,523)	(1,637,000)	(1,825,274)	(1,724,500)
Gross profit	598,026	552,200	603,346	464,700
<u>Operating expenses:</u>				
Personnel services	247,241	272,100	275,639	302,000
Supplies	4,120	6,200	8,217	6,200
Professional services	114,137	112,700	117,450	126,200
Communications	4,436	4,500	4,303	4,800
Insurance	14,399	21,200	21,846	21,200
Utilities	16,942	13,000	16,641	15,400
Repairs and maintenance	5,780	6,350	8,907	6,500
Depreciation	35,289	35,000	35,000	36,000
Other	6,953	10,200	6,013	10,250
Total expenses	449,297	481,250	494,016	528,550
Operating income (loss)	148,729	70,950	109,330	(63,850)
<u>Other revenues (expenses):</u>				
Investment earnings	25,446	14,000	33,904	14,000
Miscellaneous revenues	1,445	400	137	400
Total other revenues (expenses)	26,891	14,400	34,041	14,400
Net income (loss) before contributions and transfers	175,620	85,350	143,371	(49,450)
Transfers in (out):				
General Fund	(60,000)	(60,000)	(285,000)	(60,000)
Change in net position	115,620	25,350	(141,629)	(109,450)
Net position - January 1	1,946,239	1,931,723	2,061,859	1,920,230
Net position - December 31	\$ 2,061,859	\$ 1,957,073	\$ 1,920,230	\$ 1,810,780

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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 2020-2024 CIP was adopted by the Council on August 5, 2019. Please see the next page for the summary of projects.

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

Use of Funds:	Previous years*	2020	2021	2022	2023	2024
Administration						
Computers	17,035	6,000	6,000	6,000	6,000	\$ 6,000
City Technology Equipment	17,407	10,000	10,000	10,000	10,000	\$ 10,000
Inspections						
Vehicle					30,000	
Fire						
Radio replacement	33,011	16,250	16,250	16,250	4,000	4,000
Turnout Gear (5 sets a year)	15,052	10,000	10,000	10,000	10,000	10,000
Fire Apparatus						
2000 Spartan	400,000	50,000	50,000	50,000		
1998 Tanker					50,000	100,000
2015 Tanker/Engine						
Vehicles						
Grass Rig						
Rescue		40,000				50,000
Duty Officer (Charger from Chief)			5,000			
Chiefs Car (Grab Tahoe from Police)						5,000
SCBA						
Extraction Equipment (2)					20,000	
Thermal Imagers (2)						10,000
Gas Fans (2)		3,000				
CPR Device					17,500	
Fire Hose Replacement						10,000
Police						
Vehicles	96,621	35,000	65,000	35,000	70,000	35,000
Police Radios	17,469	10,000	10,000	10,000	5,000	5,000
Firearms	7,500	3,500	3,500	1,000	1,000	1,000
UTV						5,000
Squad Computers	6,000	2,200	4,400	2,500	4,400	2,200
Office Computers	12,264	-	1,100	3,800	5,500	6,000
Rifle Sights	500	500	500	500	500	500
Squad Cameras	7,000	3,500	7,500	7,500	12,500	12,500
Body Cameras	20,000	10,000	6,000	6,000	6,000	6,000
Public Works						
Pickup Trucks			68,000	42,000		45,000
Sign Truck						
One Ton Dump Truck						65,000
Crane Truck				95,000		
Dump Trucks	198,761					
Trailer replacements						
Motorgrader			35,000			
Loader						
1990 Chevrolet Kodiak Tanker (Refurbish)		15,000				
Bobcat ToolCat	6,984				50,000	50,000
Miscellaneous Equipment and attachments	25,403			8,000	29,000	
Batwing Mower					65,000	
Zero Turn Mower	20,100					19,500
2008 Kubota Tractor						
Computers	2,391	3,000	3,000	3,000	3,000	\$ 3,000
Total	903,498	217,950	301,250	306,550	399,400	460,700

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.

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

	2018 ACTUAL	2019 BUDGET	2019 ESTIMATE	2020 BUDGET
<u>Miscellaneous Revenue:</u>				
Property Taxes	\$ 223,150	\$ 230,000	\$ 230,000	\$ 240,000
State Aid	-	-	-	-
Investment earnings	14,873	8,000	18,687	15,000
Miscellaneous	88,360	-	32,483	-
Total revenues	326,383	238,000	281,170	255,000
<u>Expenditures:</u>				
<u>Capital Outlay</u>				
General Government	565	34,442	7,167	46,356
Public Safety	105,900	615,417	187,285	657,314
Community Development	-	30,000	-	-
Public Works	200,178	219,340	264,584	60,964
Culture & Recreation	-	-	-	-
Total expenditures	306,643	899,199	459,036	764,634
Excess (deficit) of revenues over expenditures	19,740	(661,199)	(177,866)	(509,634)
<u>Other financing sources (uses):</u>				
<u>Transfers in (out):</u>				
General Fund	-	-	-	-
Water Fund	10,000	10,000	10,000	10,000
Sewer Fund	10,000	10,000	10,000	10,000
Liquor Fund	-	-	-	-
Sale of Capital Assets	4,584	-	-	-
Transfer Out	-	-	-	-
Net increase (decrease) in fund balance	44,324	(641,199)	(157,866)	(489,634)
Fund balance - January 1	1,061,400	1,014,516	1,105,724	947,858
Fund balance - December 31	\$ 1,105,724	\$ 373,317	\$ 947,858	\$ 458,224

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

	2018 ACTUAL	2019 BUDGET	2019 ESTIMATE	2020 BUDGET
<u>Revenues:</u>				
Special Assessments	\$ 13,571	\$ 12,000	\$ 17,898	\$ 12,000
Total revenues	13,571	12,000	17,898	12,000
<u>Expenditures:</u>				
Miscellaneous	43	-	44	-
Engineering	-	-	-	-
Interest expense	-	-	-	-
Total expenditures	43	-	44	-
Excess (deficit) of revenues over expenditures	13,528	12,000	17,854	12,000
Fund balance - January 1	(25,391)	(13,434)	(11,863)	5,991
Fund balance - December 31	\$ (11,863)	\$ (1,434)	\$ 5,991	\$ 17,991

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

	2018 ACTUAL	2019 BUDGET	2019 ESTIMATE	2020 BUDGET
<u>Miscellaneous:</u>				
Miscellaneous	\$ 19,588	\$ 13,000	\$ 16,843	\$ 13,000
Investment earnings	961	800	1,339	800
Total revenues	20,549	13,800	18,182	13,800
<u>Expenditures:</u>				
Commodities	-	-	20,284	-
Contractual services	-	-	-	-
Other charges	-	-	-	-
Total expenditures	-	-	20,284	-
Excess (deficit) of revenues over expenditures	20,549	13,800	(2,102)	13,800
Fund balance - January 1	61,762	75,562	82,311	80,209
Fund balance - December 31	\$ 82,311	\$ 89,362	\$ 80,209	\$ 94,009

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

	2018 ACTUAL	2019 BUDGET	2019 ESTIMATE	2020 BUDGET
<u>Revenues:</u>				
Special Assessments	\$ 9,605	\$ 10,000	\$ 15,146	\$ 4,200
	11			
Total revenues	9,616	10,000	15,146	4,200
<u>Expenditures:</u>				
Miscellaneous	60	-	53	-
Engineering	-	-	-	-
Construction	-	-	-	-
Interest expense	-	-	-	-
Total expenditures	60	-	53	-
Excess (deficit) of revenues over expenditures	9,556	10,000	15,093	4,200
<u>Other financing sources (uses):</u>				
Transfers in (out):				
Water Fund	-	-	-	-
Sewer Fund	-	-	-	-
General Fund	-	-	-	-
Net increase (decrease) in fund balance	9,556	10,000	15,093	4,200
Fund balance - January 1	(34,502)	(24,554)	(24,946)	(9,853)
Fund balance - December 31	\$ (24,946)	\$ (14,554)	\$ (9,853)	\$ (5,653)

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

	2018 ACTUAL	2019 BUDGET	2019 ESTIMATE	2020 BUDGET
<u>Miscellaneous Revenue:</u>				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Charges for Services	160,579	1,000	625	1,000
Park dedication fees	-	-	-	-
Investment earnings	2,304	700	5,620	700
Miscellaneous	670	500	-	-
Total revenues	163,553	2,200	6,245	1,700
<u>Expenditures:</u>				
Park development projects	7,165	-	-	-
Total expenditures	7,165	-	-	-
Excess (deficit) of revenues over expenditures	156,388	2,200	6,245	1,700
Other financing sources (uses):				
Transfers in (out):				
General Fund	-	-	-	-
Net increase (decrease) in fund balance	156,388	2,200	6,245	1,700
Fund balance - January 1	144,461	139,822	300,849	307,094
Fund balance - December 31	\$ 300,849	\$ 142,022	\$ 307,094	\$ 308,794

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

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

CITY OF ST. FRANCIS, MINNESOTA
BUILDING IMPROVEMENT FUND (404)
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

	2018 ACTUAL	2019 BUDGET	2019 ESTIMATE	2020 BUDGET
<u>Miscellaneous Revenue:</u>				
Property Taxes	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000
Investment earnings	125	-	68	-
Miscellaneous	-	-	-	-
Total revenues	60,125	60,000	60,068	60,000
<u>Expenditures:</u>				
<u>Capital Outlay</u>				
General Government	-	-	5,810	-
Public Safety	-	-	-	-
Community Development	-	-	-	-
Public Works	57,032	-	27,000	-
Culture & Recreation	-	-	-	-
Total expenditures	57,032	-	32,810	-
Excess (deficit) of revenues over expenditures	3,093	60,000	27,258	60,000
<u>Other financing sources (uses):</u>				
<u>Transfers in (out):</u>				
General Fund	-	-	-	-
Transfer Out	-	-	-	-
Net increase (decrease) in fund balance	3,093	60,000	27,258	60,000
Fund balance - January 1	-	40	3,093	30,351
Fund balance - December 31	\$ 3,093	\$ 60,040	\$ 30,351	\$ 90,351

Accounts for funds set aside for future building improvements.

CITY OF ST. FRANCIS, MINNESOTA
STREET IMPROVEMENT FUND (405)
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

	2018 ACTUAL	2019 BUDGET	2019 ESTIMATE	2020 BUDGET
<u>Miscellaneous Revenue:</u>				
Property Taxes	\$ 60,000	\$ 120,000	\$ 120,000	\$ 180,000
State Aid				
Municipal Construction		-	157,924	-
Municipal Maintenance	113,871	115,000	120,883	115,000
Special Assessments	47,988			
Investment earnings	6,031	2,000	28,284	2,000
Miscellaneous	11	1,500	-	1,500
Total revenues	227,901	238,500	427,091	298,500
<u>Expenditures:</u>				
<u>Capital Outlay</u>				
Public Works	225,023	182,230	648,530	326,380
Total expenditures	225,023	182,230	648,530	326,380
Excess (deficit) of revenues over expenditures	2,878	56,270	(221,439)	(27,880)
Other financing sources (uses):				
Transfers in (out):				
General Fund	1,492,429	-	-	-
Water Fund	-	-	-	-
Sewer Fund	-	-	-	-
Transfer Out	-	-	-	-
Net increase (decrease) in fund balance	1,495,307	56,270	(221,439)	(27,880)
Fund balance - January 1	(237,973)	1,462,429	1,257,334	1,035,895
Fund balance - December 31	\$ 1,257,334	\$ 1,518,699	\$ 1,035,895	\$ 1,008,015

Accounts for funds set aside for future street improvements.

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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 2017 GO Capital Improvement Bonds. The difference between the statutory debt limit and the bonds outstanding that are covered by the debt limit is referred to as the legal debt margin. See the following table for the amounts.

	2019
Estimated market value of taxable property	\$589,133,800
Debt limit (3% of market value)	\$17,674,014
Total bonds outstanding excluding enterprise debt	\$6,130,000
Total debt applicable to debt limit	\$ 6,130,000
Legal debt margin	\$11,544,014

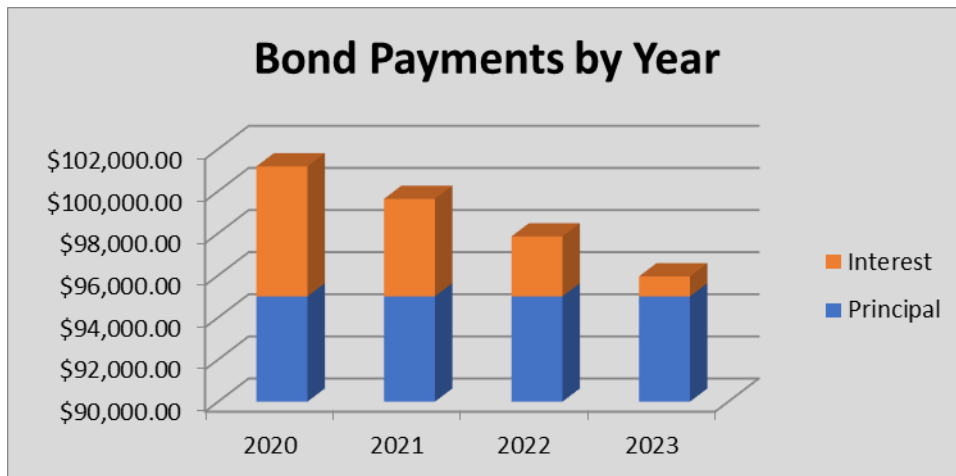
All bonds issued by the city's enterprise funds are reported in the individual budgets.

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

	2017 ACTUAL	2018 BUDGET	2018 ESTIMATE	2019 BUDGET
Revenues:				
Property taxes	\$ 21,023	\$ 20,900	\$ 24,096	\$ 20,900
Special assessments	17,759	16,000	33,430	16,000
Investment earnings	224	100	177	100
Total revenues	39,006	37,000	57,703	37,000
Expenditures:				
Debt Service:				
Principal:				
Regular	90,000	90,000	90,000	95,000
Interest	8,989	7,450	7,450	6,175
Paying agent fees	-	450	550	575
Total expenditures	98,989	97,900	98,000	101,750
Excess (deficit) of revenues over expenditures	(59,983)	(60,900)	(40,297)	(64,750)
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	(20,103)	(21,020)	(417)	(24,870)
Fund balance - January 1	69,957	48,074	49,854	49,437
Fund balance - December 31	\$ 49,854	\$ 27,054	\$ 49,437	\$ 24,567

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
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	\$380,000	\$14,606	\$394,606

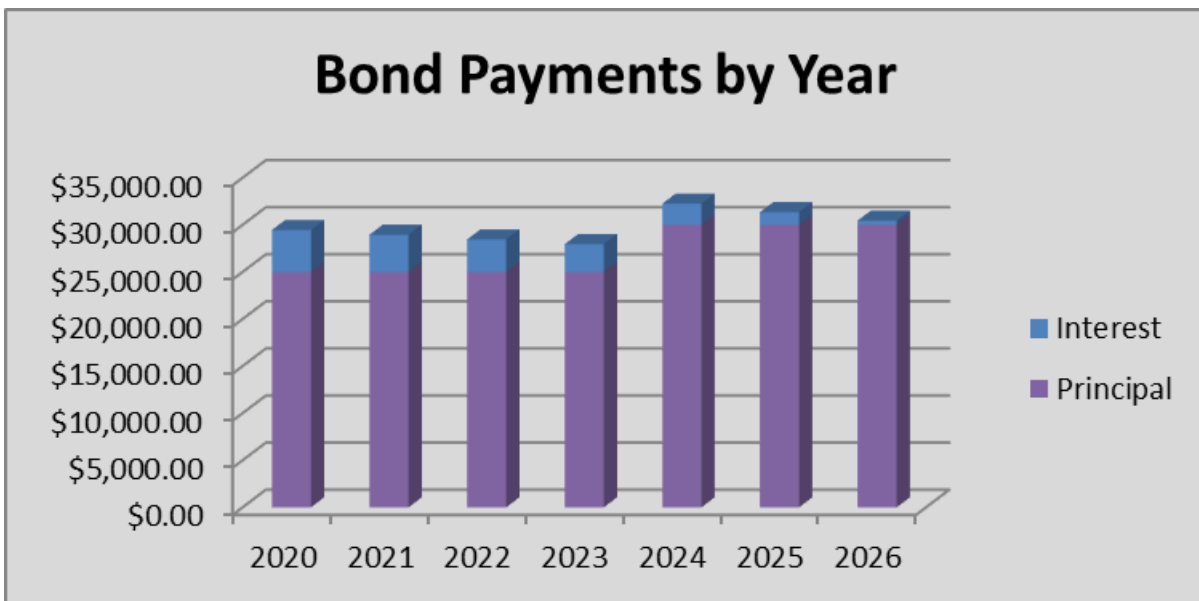


CITY OF ST. FRANCIS, MINNESOTA
DEBT SERVICE BUDGET (327)
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

	2018 ACTUAL	2019 BUDGET	2019 ESTIMATE	2020 BUDGET
Revenues:				
Property taxes	\$ 20,655	\$ 20,470	\$ 20,498	\$ 20,470
Special assessments	9,219	8,000	9,979	8,000
Investment earnings	519	100	1,165	100
Total revenues	30,393	28,570	31,642	28,570
Expenditures:				
<u>Debt Service:</u>				
Principal:				
Regular	25,000	25,000	25,000	25,000
Interest	5,900	4,950	4,950	4,450
Paying agent fees	-	450	555	575
Total expenditures	30,900	30,400	30,505	30,025
Excess (deficit) of revenues over expenditures	(507)	(1,830)	1,137	(1,455)
Other financing sources (uses):				
Transfers in (out):				
Street Construction	33,662	-	-	-
Net increase (decrease) in fund balance	33,155	(1,830)	1,137	(1,455)
Fund balance - January 1	49,278	47,148	82,433	83,570
Fund balance - December 31	\$ 82,433	\$ 45,318	\$ 83,570	\$ 82,115

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
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	\$190,000	\$18,850	\$208,850



CITY OF ST. FRANCIS, MINNESOTA
2017 GO CAPITAL IMPROVEMENT BONDS
 STATE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

	2018 ACTUAL	2019 BUDGET	2019 ESTIMATE	2020 BUDGET
Revenues:				
Property Taxes	\$ 327,147	\$ 327,220	\$ 324,544	\$ 327,220
Investment earnings	-	1,000	-	1,000
Total revenues	327,147	328,220	324,544	328,220
Expenditures:				
<u>Debt Service:</u>				
Principal:				
Regular	300,000	275,000	275,000	285,000
Interest	193,661	189,657	189,657	181,257
Paying agent fees	-	450	475	475
Total expenditures	493,661	465,107	465,132	466,732
Excess (deficit) of revenues over expenditures	(166,514)	(136,887)	(140,588)	(138,512)
Other financing sources (uses):				
Transfers in (out):				
Bond proceeds (net)	-	-	-	-
General Fund	-	-	-	-
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	(1,514)	28,113	24,412	26,488
Fund balance - January 1	(6,133)	(7,575)	(7,647)	16,765
Fund balance - December 31	\$ (7,647)	\$ 20,538	\$ 16,765	\$ 43,253

This bond refunded the 2012 Lease Revenue Bonds which was used to fund the building of the Police/Public Works Building.



**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
Principal Taxpayers
December 31, 2019

Taxpayer	2018		
	Net Tax Capacity	Rank	Percent of Total Net Tax Capacity
Alliant Techsystems	\$ 179,298	1	3.27 %
St. Francis Realty LLC	93,195	2	1.70
ALS Properties Woodhaven LLC	90,499	3	1.65
King Exchange LLC	73,124	4	1.33
Connexus Energy	63,052	5	1.15
Minnegasco Inc.	59,286	6	1.08
Northern Capital Investments	45,269	7	0.82
Village Bank	25,964	8	0.47
Jensen Family LP	24,941	9	0.39
Abbey Field LTD Partnership	21,132	10	0.45
Central Bank			
Kerry Street LLC			
Total	<u>\$ 675,760</u>		<u>12.31 %</u>

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
MUSA	Municipal Urban Service Area
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