



Minnesota



# 2023 PROPOSED BUDGET



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# INTRODUCTION

## Letter of Transmittal

In compliance with state statutes, we are pleased to present the 2023 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 2023 Budget, in the amount of \$13,011,500 includes all the funds for the City of St. Francis and reflects a -.8% decrease 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 2023 budget reflects the City's commitment to live within its means and ensure that tax dollars are wisely managed and expended in as prudent a manner 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 and goals can be found below.

Below is a description of strategic goals, action plans/strategies for accomplishing these goals, priorities for the coming year, actions taken to address these priorities, and a description of the long range financial plans and assumptions used. These goals/priorities and financial plans were developed through a series of meetings with the City Council and various work sessions over a number of years:

- 1) Provide high quality services to residents in a cost-effective manner. The 2023 Budget provides an increased service level at nearly the same cost to the tax base of St. Francis as the 2022 Budget. The city was able to make administration and city services more available electronically. This includes but is not limited to promoting electronic payments; processing documents electronically which is more efficient and cost effective; holding virtual meetings which provides greater opportunity for attendance; and enhancing community outreach electronically via platforms such as the website and electronic permitting.
- 2) Provide residents in St. Francis with high quality public safety services. The 2023 Budget provides for an enhanced level of public safety. The fire chief continues an expanded role through the City's partnership for Fire

Management Services with the City of Nowthen. The expanded Fire relationship with the City of Nowthen has created a more regional and expanded view of the Fire services in northern Anoka County. The city has also begun conversations with the City of Bethel on fire department support. The department continues to expand policies to enhance the roles of the fire department for additional EMS responses. The City of St. Francis is committed to filling policing vacancies and ensuring Officers and staff continue education and enhanced training opportunities. Public engagement continues to be a high priority with residents of the city and participating in the local school district.

- 3) Manage responsible growth and promote the enhancement of commercial services to residents. The 2023 Budget continues the city's commitment to responsible growth and managing the city's growth to reinvest in commercial areas within the city. Through the St. Francis Forward (re)Development Plan the City has identified both the Bridget Street Corridor and Highway 47 as strategic areas for reinvestment. The City contributes to a Building Capital Improvement Fund to build up funds for a new City Hall/Fire Station located on Bridge Street. This will enhance the usability of the area and provide for more concentration of people within that business district. Within the two strategic areas we strive to complete smart growth through safe access, job creation and retail and commercial choices. The city has also committed to increasing the residential growth in the area. The city, through the Community Development Department of the city – has promoted and facilitated several residential developments that continue to grow the population of the City of St. Francis. These include Rivers Edge, Bluffs of Rum River and Turtles development along with a senior living facility along Highway 47.
- 4) Continue to review and analyze water/sewer rates within the city. The City's commitment to growth, has a direct impact on the water/sewer rates by increasing the number of users, rates can effectively be reduced through WAC/SAC and additional monthly billings. The city continues to promote residential and commercial growth which has a direct impact on the rate users. The comprehensive water meter replacement in 2021 allowed for the city to more accurately bill and track water usage per property. The city is also exploring partnerships with neighboring cities to have some of their developments connect to our city water and sewer system.
- 5) Provide residents with high levels of public park space and recreational activities. The city has obtained and planned for a matching grant from the DNR to install a nearly \$480,000 park improvement in the in the Rivers Edge Development. This will help enhance the city's park system as well as provide recreational opportunities such as basketball and trails for the residents of St. Francis. This Park was constructed in 2022. The city also

completed a comprehensive park system plan in 2022 guiding projects and opportunities for the 2023 budget and future funding.

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

A) Capital Purchasing Software – the city uses capital purchasing software to plan for and track upcoming capital acquisitions. The forecasted purchases include a nominal price adjustment for annual anticipated increases in pricing. The city contributes to the capital fund annually and reviews the contributions annually to determine an adequate level of contributions.

B) The City has a robust road inventory and assessment program that analyzes the street conditions every year to plan out 5 years for road improvements. This provides the city with long term planning for road projects and an annual nominal price adjustment is included in the estimates.

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

D) The city has analyzed the cost of replacement and improvement to the City's building assets. The City has taken active steps to set aside portions of the property tax levy every year to ensure adequate funding for these city assets.

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

Below are some additional descriptions and highlights of the 2023 Budget:

Development and Redevelopment: The city has adopted a comprehensive Development/Redevelopment plan for the two primary commercial corridors in the City. The St. Francis Forward Plan strategically analyzes the land use options and implementation for development/redevelopment in the Highway 47 and Bridge Street commercial corridors. The plan 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) 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 have allowed for more citizen engagement and easier searching for residents who are seeking information.

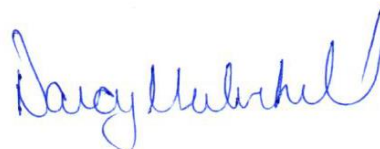
Public Safety: The 2023 budget also illustrates the City's commitment to addressing Public Safety. The 2023 Budget has significant investments in the Police and Fire operations. These departments continue to see support for their operations to ensure the City of St. Francis is a safe community.

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,



Kate Thunstrom  
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 sawmill. The town was formally established as St. Francis in 1857. The Post Office was the first commercial building constructed in 1866, and in that year the Creamery Association was also built. Two other buildings were constructed during this period and still exist today: the Rum River Inn and the H.G. Leathers House. Both buildings are also listed on the National Register of Historic Places.

The community was an active center for milling lumber and flour in its early days. In the late 1880s, the population of St. Francis was almost 500, and the population 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 7,652. 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 2022

CITY COUNCIL

STEVE FELDMAN, MAYOR  
 Term Expires 12-31-2024

JOSEPH MUEHLBAUER, COUNCILMEMBER  
 Term Expires 12-31-2024

ROBERT BAUER, COUNCILMEMBER  
 Term Expires 12-31-2024

KEVIN ROBINSON, COUNCILMEMBER  
 Term Expires 12-31-2026

SARAH UDVIG, COUNCILMEMBER  
 Term Expires 12-31-2026

CITY MANAGERIAL STAFF

Employee	Position	Date Appointed
Kate Thunstrum	City Administrator	May 30, 2022
Jenni Wida	Deputy Administrator/City Clerk	August 18, 2021
Darcy Mulvihill	Finance Director	June 28, 2010
Todd Schwieger	Police Chief	December 5, 2016
Dave Schmidt	Fire Chief	July 11, 2017
Paul Carpenter	Dep Admin/Public Works Director	May 31, 2022
Colette Baumgardner	Community Development Director	July 18, 2022
John Schmidt	Liquor Store Manager	November 12, 2007

## BUDGET OVERVIEW

### Challenges for the 2023 Budget

Challenges that frame the development of the 2023 Budget include:

Levy – For the 2023 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 dropped the tax levy rate from 51.146 in 2022 to an estimated rate of 44.657% in 2023. The levy for 2023 is \$5,107,690. This was an increase of \$438,100.

State aid –Local Government Aid was increased by \$23,008 for a total of \$547,184 in 2023.

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 are/were negotiated for 2023. Non-union personnel were given 3.0% for 2023.

### Revenues up by 8.0%

The 2023 budget anticipates revenues in the amount of \$14,051,380, an increase of \$1,043,665 (8.0%) from 2022. The increase is mainly due to the increase in the 2023 levy and an increase in the use of ARP funds. 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	2022	2023	\$ Change	% Change
General	4,876,320	5,113,975	237,655	4.87%
Special Revenue	0	0	-	#DIV/0!
Debt	599,830	560,070	(39,760)	-6.63%
Capital	1,265,647	1,765,297	499,650	39.48%
Enterprise	6,265,918	6,612,038	346,120	5.52%
TOTAL	13,007,715	14,051,380	1,043,665	8.02%

### Expenditures down -.82%

Expenditures in the 2023 Budget are down -.82% or (\$106,961) than 2022. This is a combination of a decrease in the capital expenditures.

#### Expenditure Comparison

Fund	2022	2023	\$ Change	% Change
General	4,876,320	5,113,975	237,655	4.87%
Special Revenue	12,058	7,416	(4,642)	-38.50%
Debt	591,507	590,432	(1,075)	-0.18%
Capital	1,274,438	932,094	(342,344)	-26.86%
Enterprise	6,364,138	6,367,583	3,445	0.05%
TOTAL	13,118,461	13,011,500	(106,961)	-0.82%

**Tax levy  
increased for  
2023**

The City's tax levy for 2023 is \$5,107,690 which is an increase of \$438,100 over the 2022 levy. The median home value in the City of St. Francis increased from \$259,200 in 2022 to \$295,500 in 2023. A median home will pay an estimated \$1,272/year for 2023 city taxes.

The following table summarizes the estimated tax impact on homestead residential homes, based on the 2023 tax levy. This assumes no change in property valuation from year to year.

<b>Estimated Market Value</b>	<b>2022 City Taxes</b>	<b>2023 City Taxes</b>	<b>Difference</b>
250,000	\$ 1,203.48	\$ 1,050.79	\$(152.69)
270,000	\$ 1,314.98	\$ 1,148.14	\$(166.84)
290,000	\$ 1,426.48	\$ 1,245.49	\$(180.99)
310,000	\$ 1,537.97	\$ 1,342.84	\$(195.13)
330,000	\$ 1,649.47	\$ 1,440.20	\$(209.27)
350,000	\$ 1,760.97	\$ 1,537.55	\$(223.42)
370,000	\$ 1,872.47	\$ 1,634.90	\$(237.57)
390,000	\$ 1,983.97	\$ 1,732.26	\$(251.71)

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 2022 are the basis for the taxes payable in 2023. 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 2020 Class Rate	Payable 2021 Class Rate	Payable 2022 Class Rate
<b>Homestead</b>			
0 to \$500,000	1.00%	1.00%	1.00%
Over \$500,000	1.25%	1.25%	1.25%
<b>Non-Homestead (Single Family)</b>			
0 to \$500,000	1.00%	1.00%	1.00%
Over \$500,000	1.25%	1.25%	1.25%
<b>Apartments</b>			
Regular	1.25%	1.25%	1.25%
Low Income	0.75%	0.75%	0.75%
<b>Commercial/Industrial</b>			
0 to \$150,000	1.50%	1.50%	1.50%
Over \$150,000	2.00%	2.00%	2.00%

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

	2021	2022	2023
Estimated Market Value	692,428,500	761,123,400	Not Available
Taxable Market Value	643,241,741	714,073,707	Not available
Tax Capacity	6,824,801	7,519,595	7,562,060

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:

2019	53.176%
2020	50.543%
2021	50.589%
2022	51.146%
2023	44.657%

Using the prior example of a single family home with an estimated market value of \$200,000, the approximate city tax for 2023 would be:

$$\$1,808 \times 44.657\% = \$807.40$$

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.

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**Staffing**

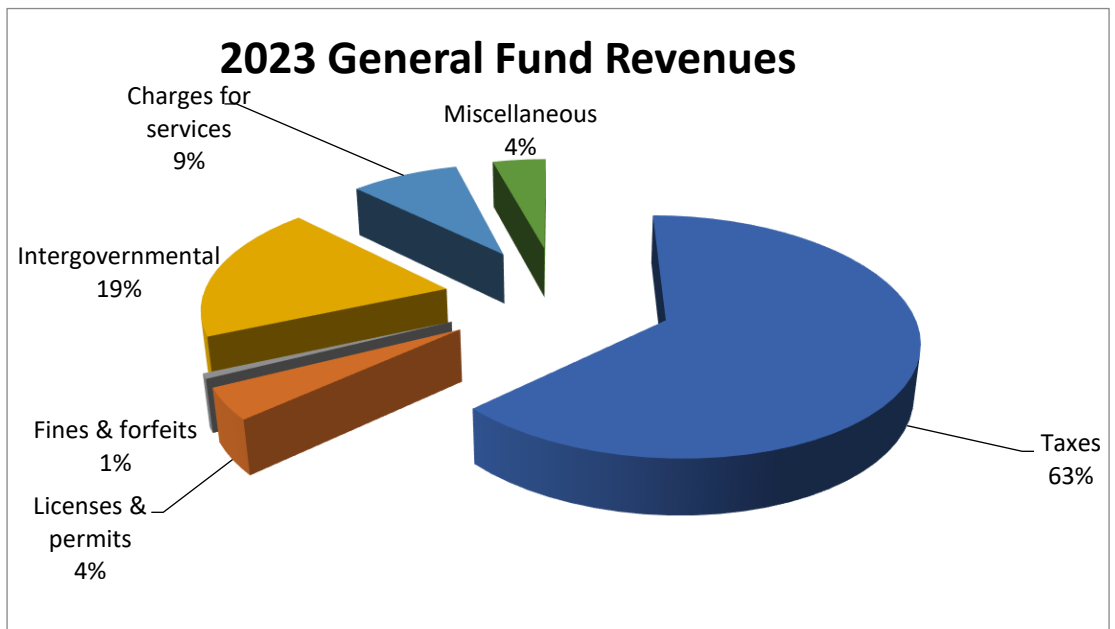
The number of full-time positions stayed the same at 36 for the 2023 budget year.



**General Fund Revenues (net of transfers) up 3.73%**

The 3.73% increase in General Fund revenues (net of transfers) amounts to \$173,250 more in revenues than 2021. Taxes budgeted for the General Fund are \$86,035 more in 2022. Taxes represent 67% of the revenues for the General Fund.

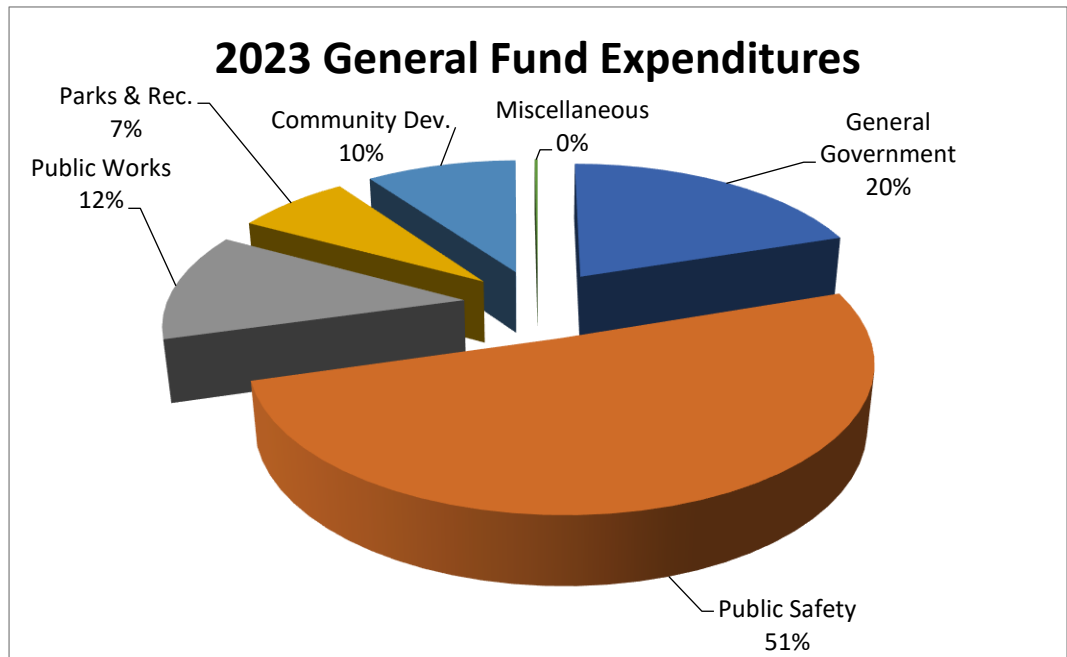
	2022	2023	\$ Change	% Change
Taxes	3,222,764	3,197,630	(25,134)	-0.78%
Licenses & permits	268,620	218,430	(50,190)	-18.68%
Fines & forfeits	23,500	36,340	12,840	54.64%
Intergovernmental	650,016	963,134	313,118	48.17%
Charges for services	424,050	427,781	3,731	0.88%
Miscellaneous	227,370	210,660	(16,710)	-7.35%
<b>TOTAL</b>	<b>4,816,320</b>	<b>5,053,975</b>	<b>237,655</b>	<b>4.93%</b>



**General Fund Expenditures (net of transfers) up 4.87%**

The 2023 Budget includes recommended expenditures (net of transfers) that are 4.87% higher than the 2022 Budget. This is an increase of \$237,655 over the previous year with the largest increases being recognized in the Public Safety budget within personnel costs.

	2022	2023	\$ Change	% Change
General Government	1,022,120	1,017,900	(4,220)	-0.41%
Public Safety	2,399,550	2,591,500	191,950	8.00%
Public Works	608,350	630,350	22,000	3.62%
Parks & Rec.	361,100	371,550	10,450	2.89%
Community Dev.	477,650	492,825	15,175	3.18%
Miscellaneous	7,550	9,850	2,300	30.46%
<b>TOTAL</b>	<b>4,876,320</b>	<b>5,113,975</b>	<b>237,655</b>	<b>4.87%</b>



**General Fund Fund Balance will be 65.1% of Budget**

The State Auditor recommends that cities maintain unreserved fund balances in their general fund of approximately 35 to 50 percent of fund operating revenues or no less than five months of operating expenditures. The 2023 budget projects a fund balance of 65.1% of fund operating revenues and 7.7 months of operating expenditures. This should provide a sufficient balance to cover cash flow needs and unexpected expenditures.

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**Debt Service Funds**

The City has 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 on December 31, 2022 is calculated at \$27,065,000

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**Capital Improvements**

The 2023 Budget implements the first year of the 2023-2027 Capital Improvement Plan (CIP) adopted by the City Council on July 18, 2022. 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.

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**Utility rates**

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

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

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>11/1/15</u>	<u>12/1/16</u>	<u>2018</u>	<u>2023</u>
<b>Water</b>							
Base	11.75	13.75	13.75	16.50	19.80	14.55	15.28
Usage	Tiered	Tiered	Tiered	Tiered	Tiered	Tiered	Tiered
MN Test Fee	.53	.53	.53	.53	.53	.81	.81
<b>Sewer</b>							
Base	12.25	12.50	12.50	17.50	24.50	20.82	21.24
Usage	4.55	4.90	4.90	6.86	9.60	8.16	8.32

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	\$4.73
15,000 – 29,999	\$4.96
30,000 – 44,999	\$5.72
>= 45,000	\$6.84

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 Wastewater Treatment Plant.

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**Water and Sewer Funds**

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

Staff continues to monitor utility revenues to ensure financial stability.

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

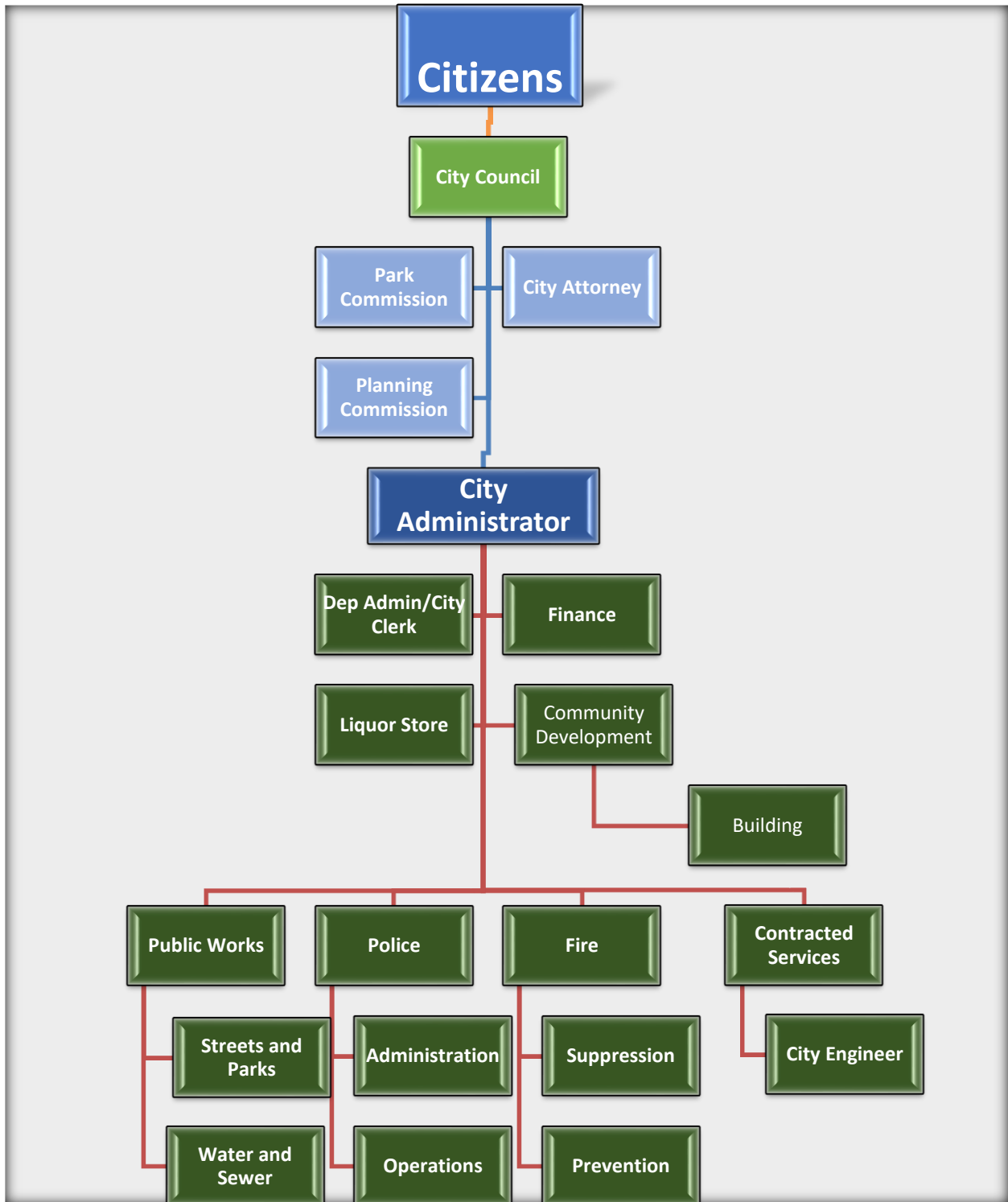
- A Water Treatment Plant was constructed in 2008 with low interest financing provided through the MN Public Facilities Authority.
- A Waster Water Treatment Plant was constructed in 2016 with low interest financing provided through the MN Public Facilities Authority
- A second river crossing vital for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

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**Liquor**

The St. Francis Municipal Bottle Shop was established in 1964 and has been a key partner in the operation of the City. Records show that over \$500,000 of store proceeds have been used to support City purchases and various recreational activities within the City. The Bottle Shop has been a proud sponsor of the Pioneer Days fireworks display since 1999 and has also assisted with the financing of the Fire Department building expansion, Woodbury Park gazebo, Fire Department tanker, and various public safety equipment, just to name a few. Gross sales topped \$2 million for the first time in 2008 with gross profit at 25%. During 2021, the Liquor Store was remodeled. This added space for sales, storage and employees.

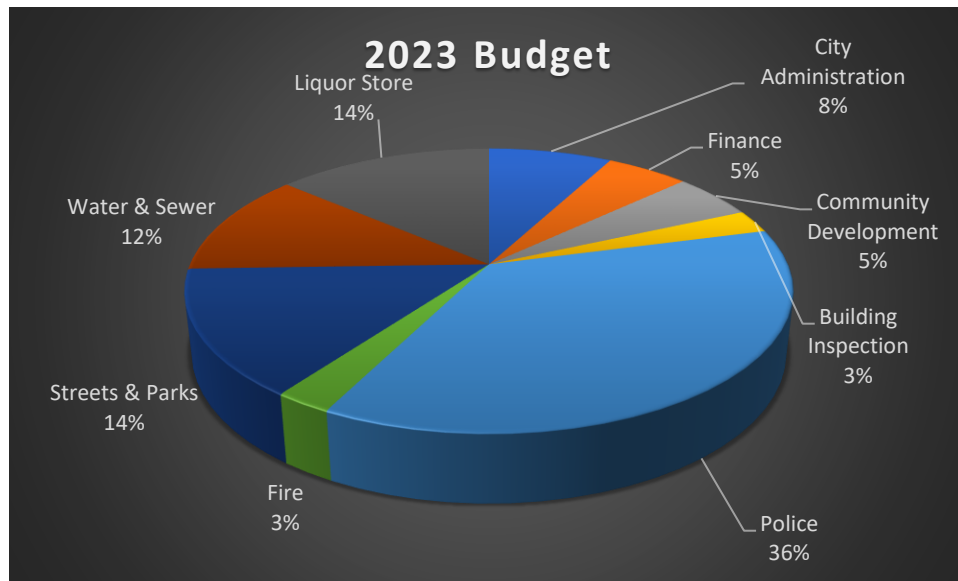
# CITY OF ST. FRANCIS ORGANIZATIONAL CHART



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

	2022		2023	
	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	1.00	0.00	1.00	0.00
Police	14.00	0.00	14.00	0.00
Fire	1.00	0.00	1.00	0.00
Streets & Parks	5.50	0.00	5.50	0.00
Water & Sewer	4.50	0.00	4.50	0.00
Liquor Store	2.00	2.25	3.00	2.25
<b>TOTALS</b>	<b>36.00</b>	<b>2.25</b>	<b>36.00</b>	<b>2.25</b>

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



CITY OF ST. FRANCIS, MINNESOTA  
**LISTING OF PERSONNEL POSITIONS**  
 BUDGETED FULL-TIME REGULAR EMPLOYEES 2021-2023

	<u>2021</u>	<u>2022</u>	<u>2023</u>
<b><u>CITY ADMINISTRATION</u></b>			
City Administrator	1.00	1.00	1.00
Deputy Administrator/City Clerk	1.00	1.00	1.00
Receptionist/Office Support	1.00	1.00	1.00
City Administration Department Total	<u>3.00</u>	<u>3.00</u>	<u>3.00</u>
<b><u>FINANCE</u></b>			
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>
<b><u>COMMUNITY DEVELOPMENT</u></b>			
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>
<b><u>BUILDING INSPECTIONS</u></b>			
Building Inspector	1.00	1.00	1.00
<b><u>POLICE DEPARTMENT</u></b>			
Police Chief	1.00	1.00	1.00
Administrative Assistant	1.00	1.00	1.00
Police Records Clerk	1.00	1.00	1.00
Sergeant	2.00	2.00	2.00
Investigator	1.00	1.00	1.00
Police Officer	8.00	8.00	8.00
Police Department Total	<u>15.00</u>	<u>15.00</u>	<u>15.00</u>
<b><u>FIRE DEPARTMENT</u></b>			
Fire Chief	1.00	1.00	1.00
<b><u>STREETS &amp; PARKS</u></b>			
Highways, Streets & Roads			
Deputy Administrator/Public Works Director	0.25	0.25	0.25
Administrative Assistant	1.00	1.00	1.00
Streets/Parks Supervisor	0.50	0.50	0.50
Streets & Parks Worker	1.60	1.60	1.60
Parks			
Deputy Administrator/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			
Deputy Administrator/Public Works Director	0.00	0.00	0.00
Streets & Parks Worker	0.40	0.40	0.40
Streets & Parks Department Total	<u>5.50</u>	<u>5.50</u>	<u>5.50</u>
<b><u>WATER &amp; SEWER</u></b>			
Water Operations:			
Deputy Administrator/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:			
Deputy Administrator/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>
<b><u>MUNICIPAL LIQUOR STORE</u></b>			
Liquor Store Manager	1.00	1.00	1.00
Liquor Store Asst. Manager	1.00	1.00	1.00
Liquor Clerk-Fulltime	0.00	1.00	1.00
Municipal Liquor Store Total	<u>2.00</u>	<u>3.00</u>	<u>3.00</u>
<b>TOTAL</b>	<u>35.00</u>	<u>36.00</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 01, 2022**

*Christopher P. Morill*

Executive Director



# POLICIES

## BUDGET PROCESS

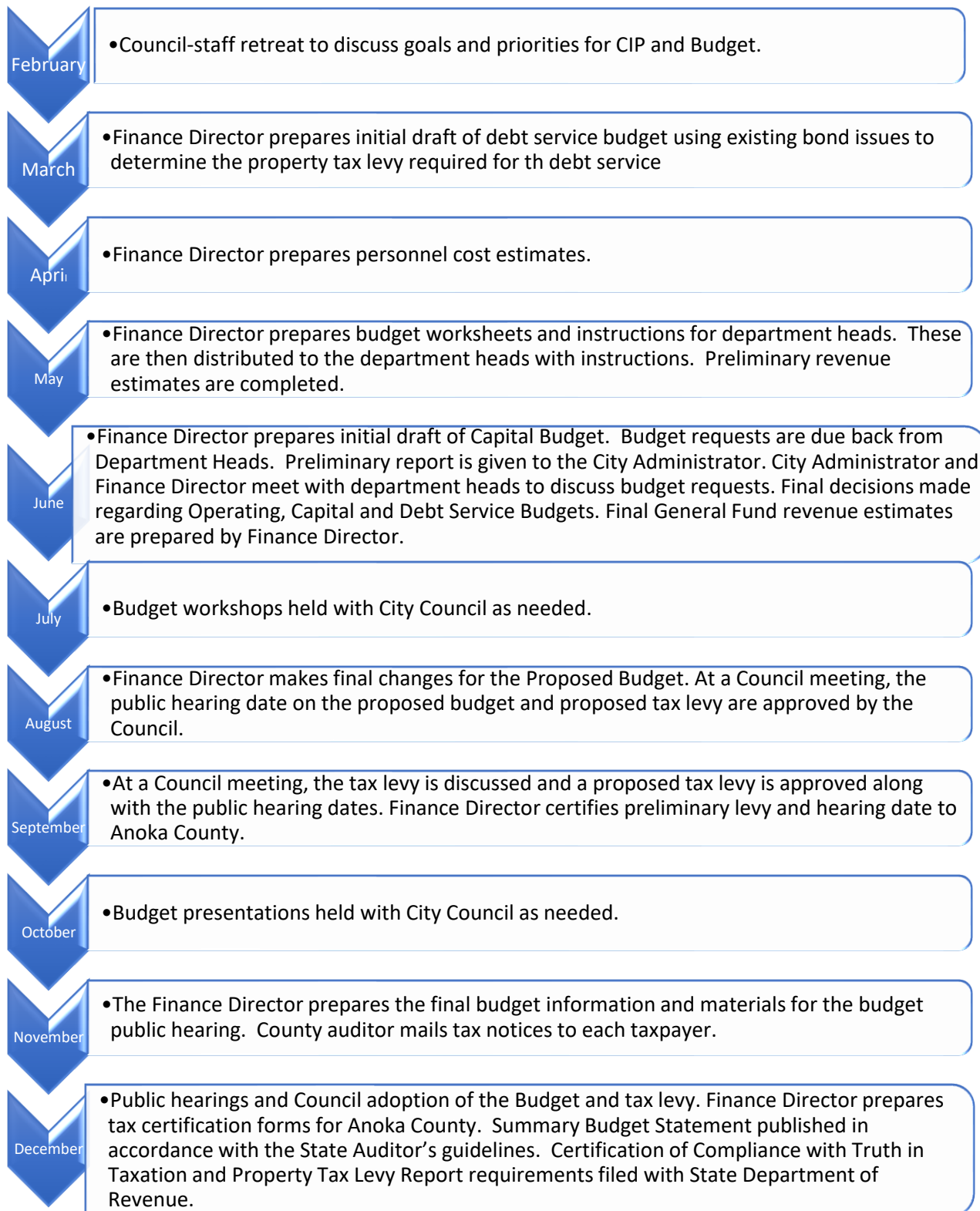
One of the most important activities undertaken each year by the City is the budget process. The quality of decisions made in the budget process conveys the City's long-range plans and policies for current and future services and programs. The budget is a financial, planning, and policy document which 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:



# 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 & 230<sup>th</sup>** – 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

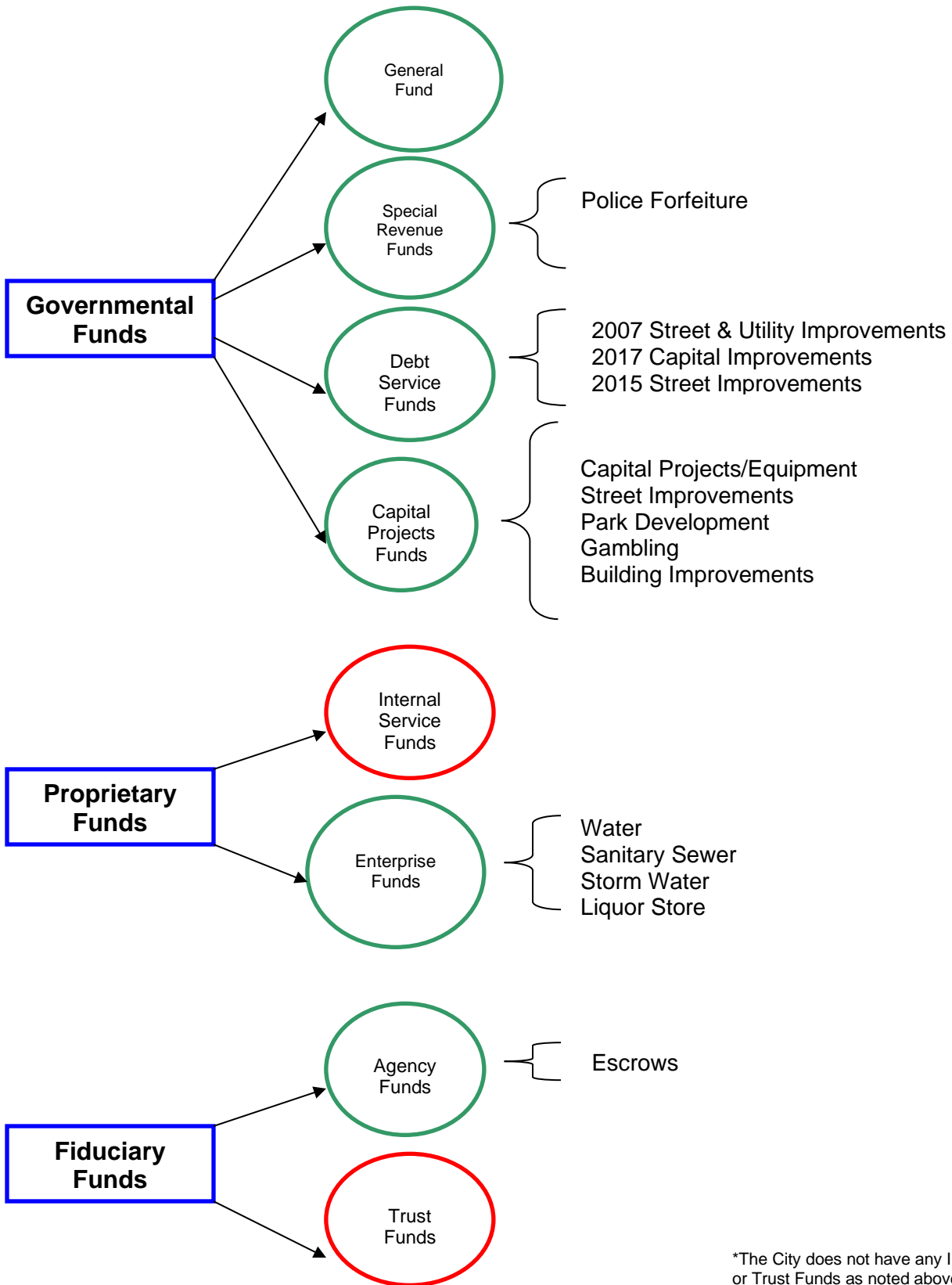
Debt service funds account for the accumulation of resources for, and the payment of, general and special assessment long-term debt principal, interest and fiscal agents' fees. Enterprise fund debt is accounted for in the individual enterprise fund.

## 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
<b><u>General Fund</u></b>	X	X	X	X	X	X	
<b><u>Special Revenue Funds</u></b>							
Police Forfeiture		X					
<b><u>Debt Service Funds</u></b>							
2013 Street & Utility Improvements	X						
2017 GO Capital Improvements	X						
2015 Street Improvements	X						
<b><u>Capital Projects Funds</u></b>							
Capital Projects		X	X	X			
Street Improvements			X				
Park Development				X			
Building Improvements	X						
Gambling		X					
<b><u>Proprietary Funds</u></b>							
Water			X				
Sewer			X				
Storm Water			X				
Liquor							X

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# BUDGET SUMMARY

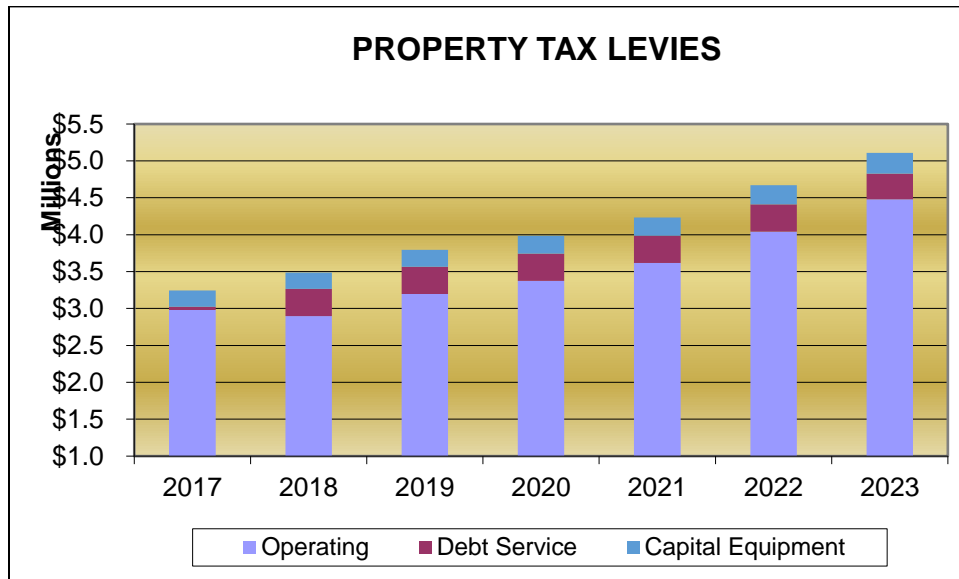
## REVENUE SOURCES

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 - \$5,055,320 (36%)**

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 2021.

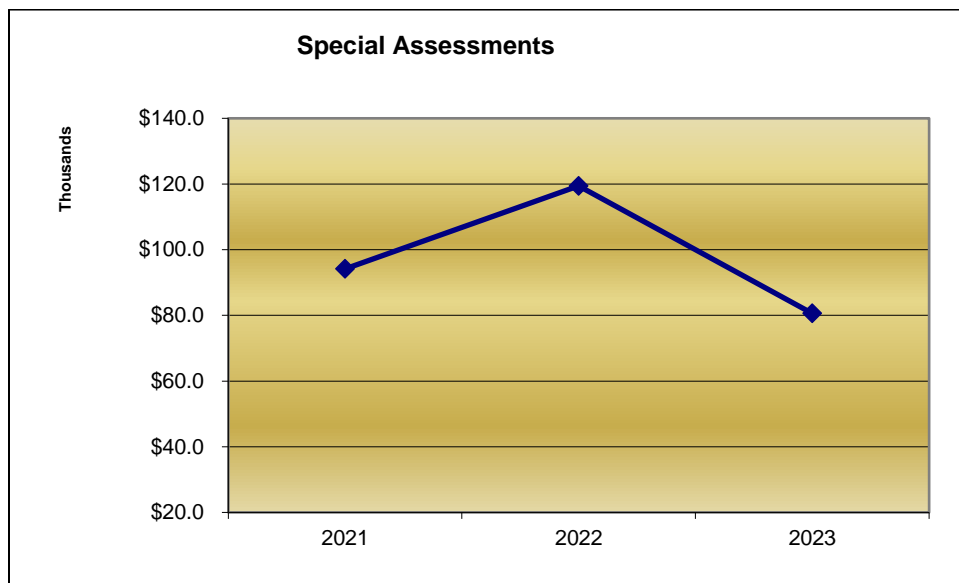
The City relies on property taxes for 63% of the total General Fund revenues, supporting such functions as public safety, public works, and general government.



**Special Assessments - \$80,580, (.6%)**

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

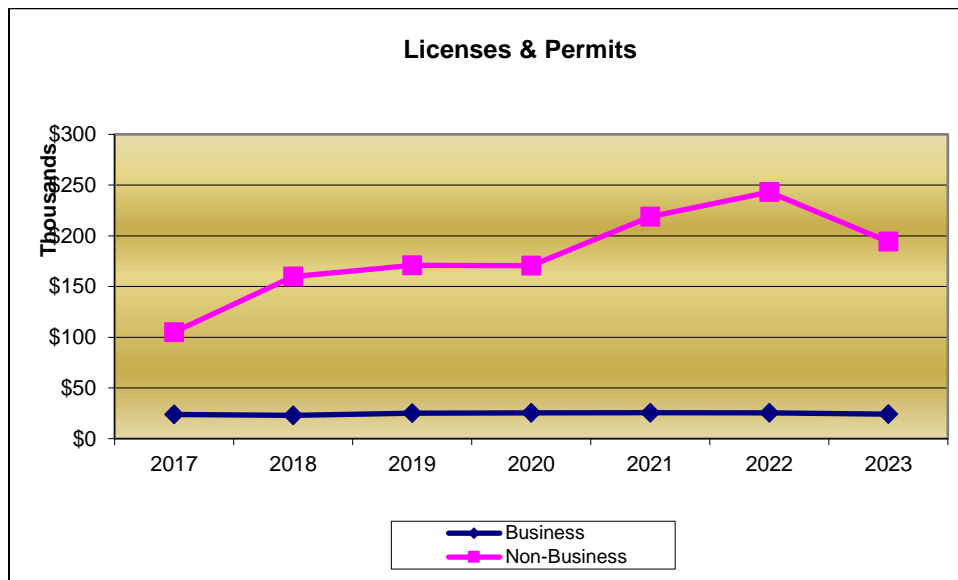
Special assessment collections for 2023 will be drop as some assessments have been paid off in 2022.



**Licenses and Permits - \$218,430 (1.6%)**

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

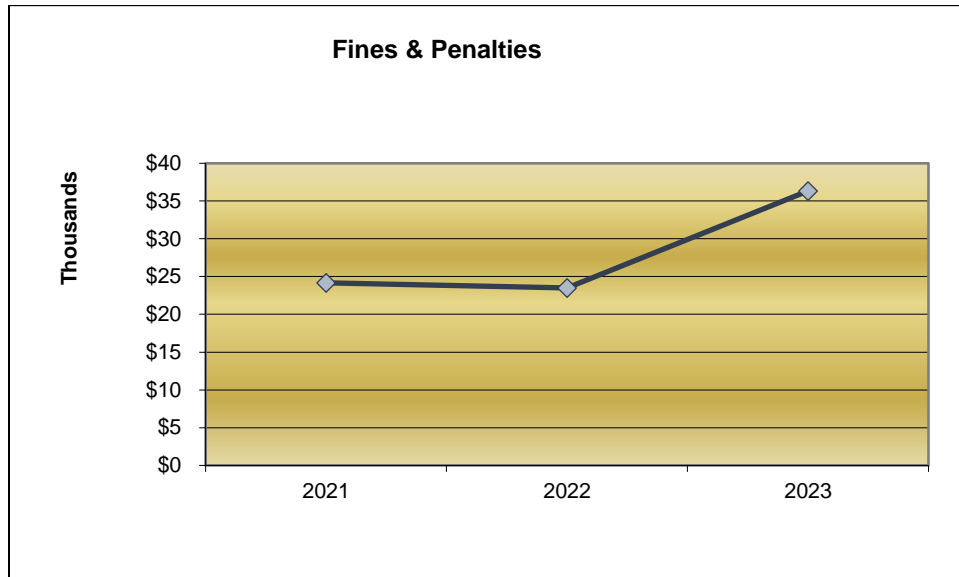
These fees are normally charged as a means of recovering the cost of regulation in the interest of the overall community. Business license fees are required to be paid annually in order to operate a business within the City. Liquor license fees account for most of the revenue in this category. Non-business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





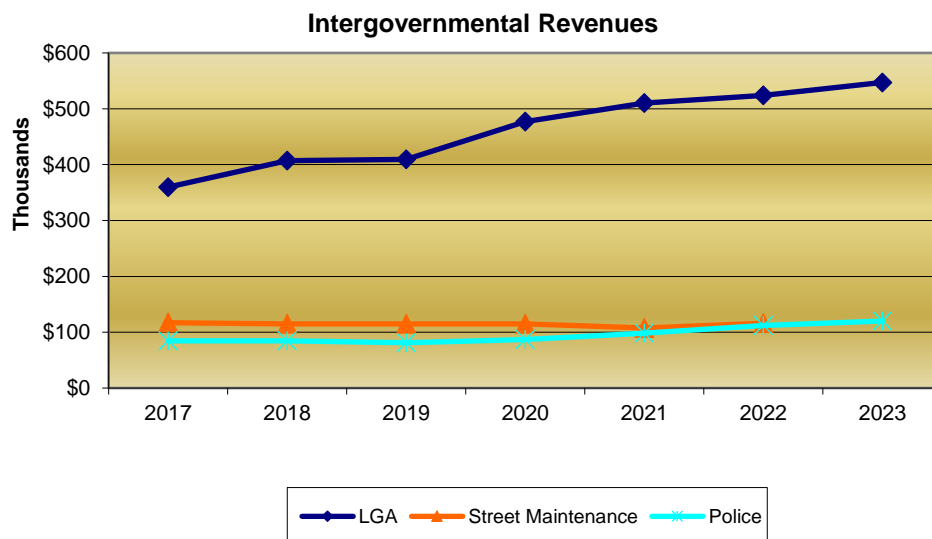
**Fines and Penalties - \$36,340 (.3%)**

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



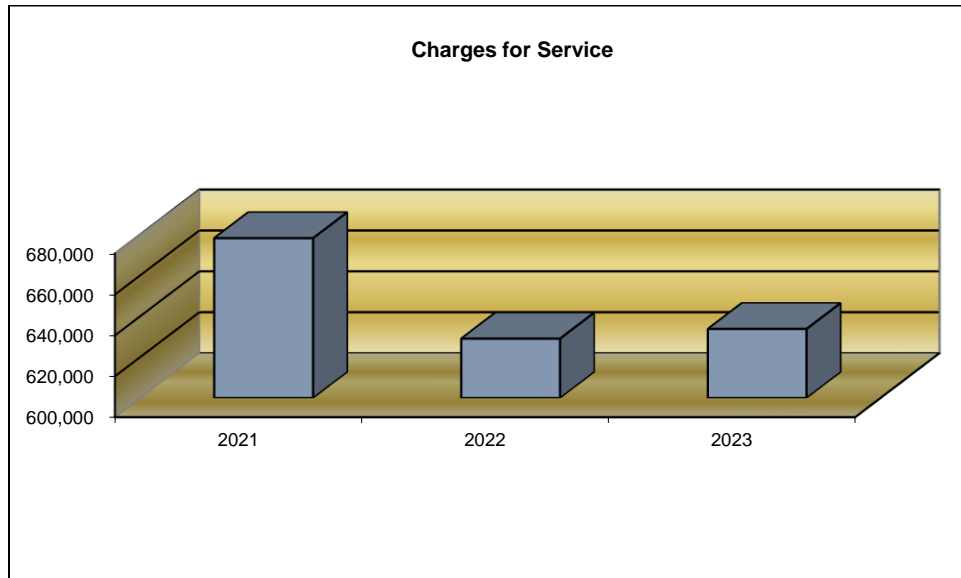
**Intergovernmental - \$1,079,231 (7.7%)**

This represents monies from other governments in the form of grants, entitlements, and shared revenues. The city is going to receive \$547,187 in Local Government Aid in 2023. Other items represented in this revenue source are Police and Fire State Aid, Community Development Block Grants and State Street Aid. This also accounts for the use of the ARP Funds from the Federal Government.



**Charges for Services - \$633,781 (4.5%)**

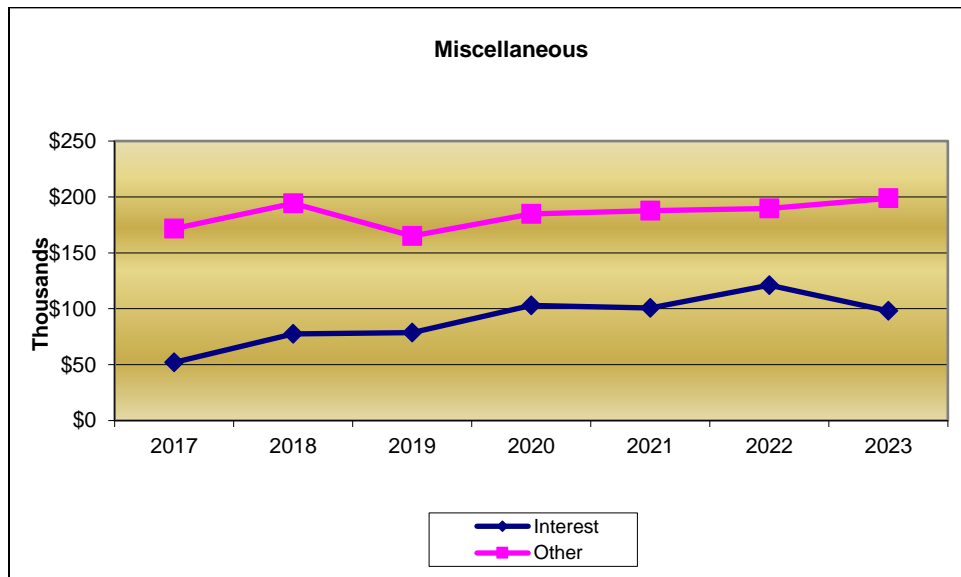
Charges for services comes from a variety of sources such as fire contracts with a neighboring city, plan reviews, recycling revenue, special event fees, and administrative charges between funds.



**Miscellaneous - \$296,760 (2.1%)**

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

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

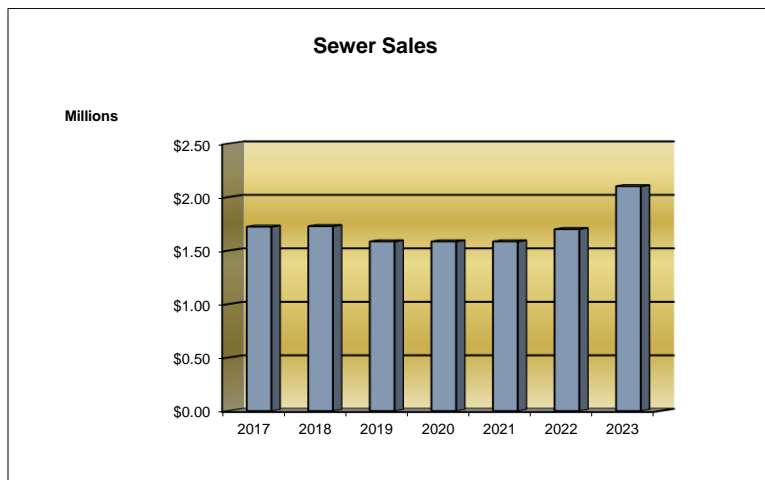
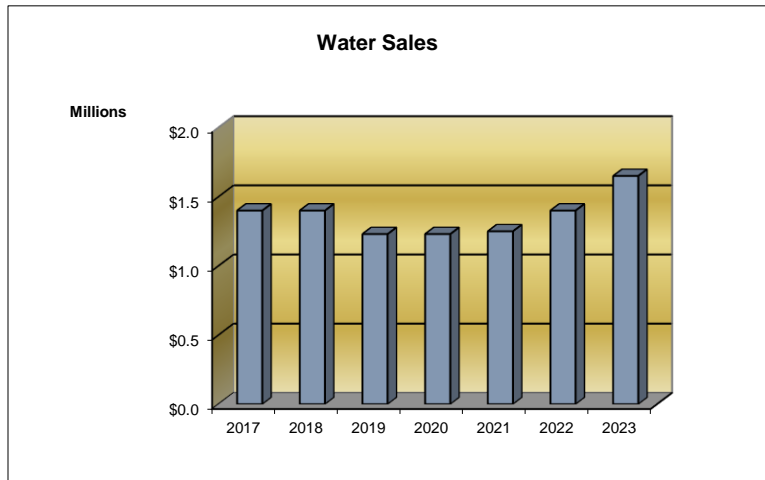


**Sales - Water, Sewer, Liquor - \$5,800,000 (44.6%)**

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:

Year	Water	Sewer	Total
2015	\$39.78	\$41.90	\$81.68
2016	\$47.63	\$58.66	\$106.29
2017	\$57.05	\$82.10	\$139.15
2018	\$57.05	\$82.10	\$139.15
2019	\$42.08	\$69.78	\$111.86
2020	\$42.08	\$69.78	\$111.86
2021	\$42.08	\$69.78	\$111.86
2022	\$42.08	\$69.78	\$111.86
2023	\$44.47	\$71.16	\$115.63



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

Percent of Sales	2021		2022		2023	
<b>Liquor</b>	876,982	35.1%	1,061,870	36.2%	883,700	34.6%
<b>Beer</b>	1,319,036	52.7%	1,501,830	51.2%	1,351,900	52.9%
<b>Wine</b>	195,307	7.8%	229,184	7.8%	208,800	8.2%
<b>Tobacco</b>	64,976	2.6%	75,849	2.6%	70,200	2.7%
<b>Misc</b>	45,359	1.8%	67,280	2.3%	42,400	1.7%
<b>Total Sales</b>	2,501,660		2,936,013		2,557,000	

**Connection Fees - \$0**

Water and sewer connection charges are due when new hookups are added to the City's system from either new construction or additions to current property. The fee per connection is set by the City. This category also contains payments from developers for their portion of infrastructure costs when putting in a new development.

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

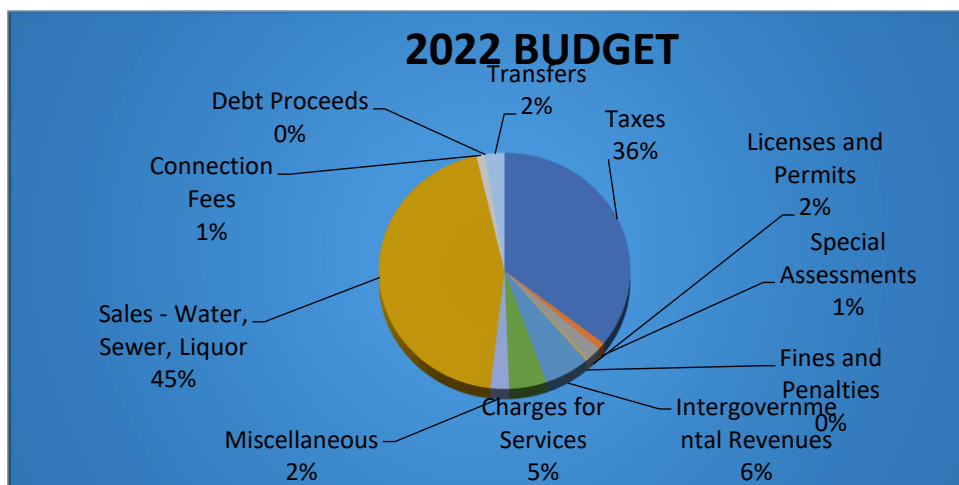
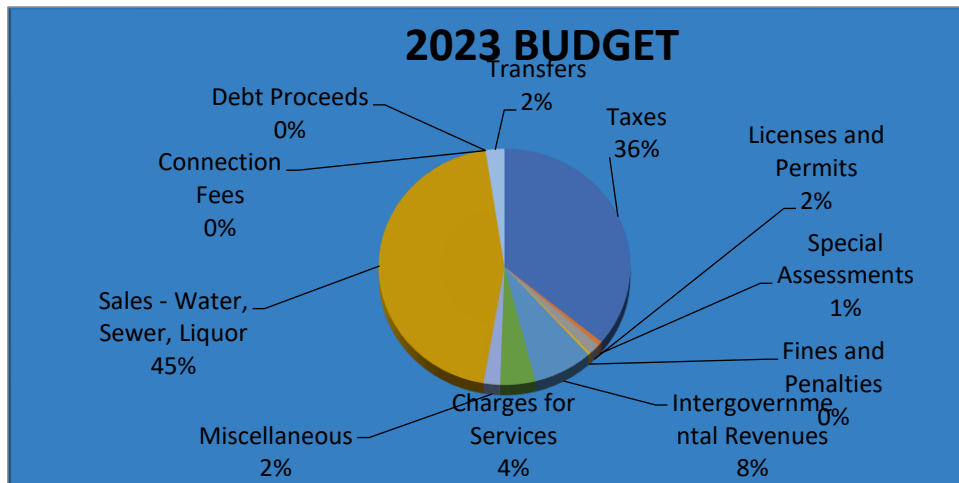
This Other Financing Source represents the funds received when issuing debt to pay for infrastructure or other capital items. None are budgeted in 2023.

**Transfers and Contributions of Assets - \$341,938 (2.4%)**

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

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

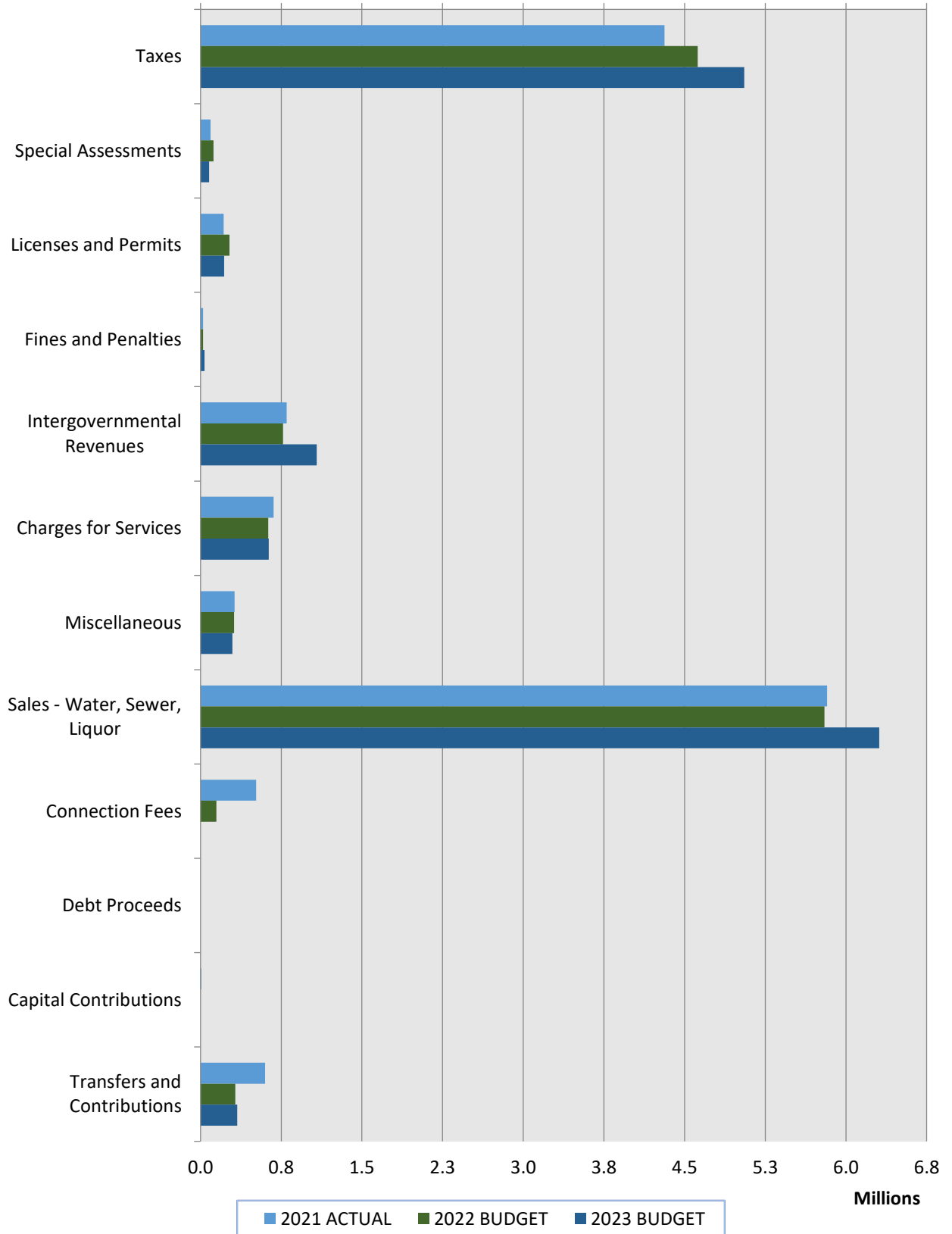
	2022	PERCENT	2023	PERCENT
<u>Total by Source</u>	BUDGET	OF TOTAL	BUDGET	OF TOTAL
Taxes	\$4,621,354	35.5%	5,055,320	36.0%
Special Assessments	\$119,420	0.9%	80,580	0.6%
Licenses and permits	\$268,620	2.1%	218,430	1.6%
Fines and Penalties	\$23,500	0.2%	36,340	0.3%
Intergovernmental Revenues	\$766,113	5.9%	1,079,231	7.7%
Charges for Services	\$629,050	4.8%	633,781	4.5%
Miscellaneous	\$310,840	2.4%	296,760	2.1%
Sales - Water, Sewer, Liquor	\$5,800,000	44.6%	6,309,000	44.9%
Connection Fees	\$146,880	1.1%	-	0.0%
Debt Proceeds	\$0	0.0%	-	0.0%
Transfers	\$321,938	2.5%	341,938	2.4%
<b>Totals</b>	<b>\$13,007,715</b>	<b>100.0%</b>	<b>\$14,051,380</b>	<b>100.0%</b>



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

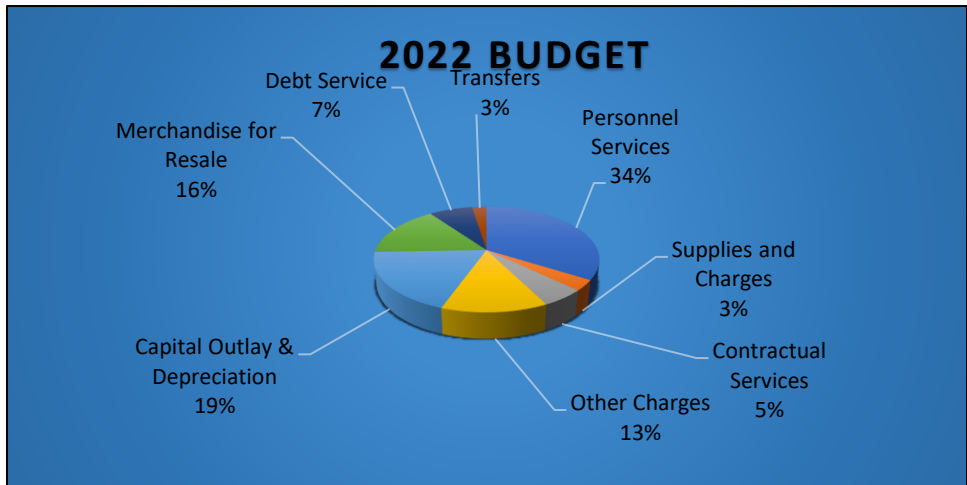
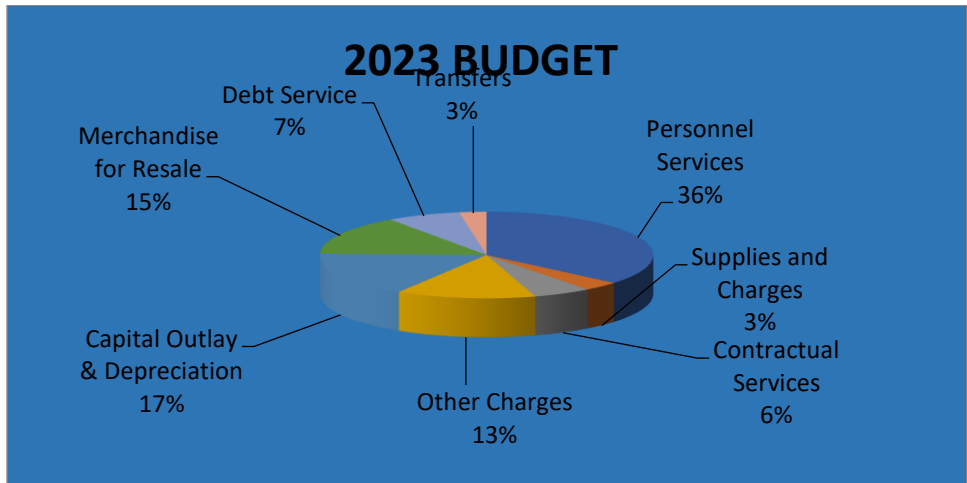
<u>Total by Source</u>	2021 ACTUAL	2022 BUDGET	2023 BUDGET	% CHANGE
Taxes	\$4,314,303	\$4,621,354	\$5,055,320	9.4%
Special Assessments	94,198	119,420	80,580	-32.5%
Licenses and Permits	215,030	268,620	218,430	-18.7%
Fines and Penalties	24,163	23,500	36,340	54.6%
Intergovernmental Revenues	801,387	766,113	1,079,231	40.9%
Charges for Services	678,202	629,050	633,781	0.8%
Miscellaneous	316,026	310,840	296,760	-4.5%
Sales - Water, Sewer, Liquor	5,825,191	5,800,000	6,309,000	8.8%
Connection Fees	517,503	146,880	-	-100.0%
Debt Proceeds	-	-	-	N/A
Capital Contributions	7,026	-	-	N/A
Transfers and Contributions	599,956	321,938	341,938	6.2%
<b>Totals</b>	<b>\$ 13,392,985</b>	<b>\$ 13,007,715</b>	<b>\$ 14,051,380</b>	<b>8.0%</b>
<u>Total By Fund</u>				
Operating Budget:				
General Fund	\$ 4,735,954	\$ 4,876,320	\$ 5,113,975	4.9%
Police Forfeiture Fund	8,210	-	-	N/A
EDA Fund	(606)	-	-	N/A
Water Fund	1,878,065	1,555,838	1,744,638	12.1%
Sanitary Sewer Fund	2,201,611	1,808,680	2,125,000	17.5%
Storm Water Fund	188,722	187,000	175,000	-6.4%
Municipal Liquor Fund	2,491,272	2,714,400	2,567,400	-5.4%
<b>Total Operating Budget</b>	<b>\$ 11,503,228</b>	<b>\$ 11,142,238</b>	<b>\$ 11,726,013</b>	<b>5.2%</b>
Capital Improvements Budget:				
Park Improvements	\$ 342,983	\$ 1,700	\$ 1,700	0.0%
Gambling Fund	-	40,850	40,500	-0.9%
Capital Equipment	267,846	287,000	327,000	13.9%
Building Fund	246,579	471,000	871,000	84.9%
Street Fund	423,439	465,097	525,097	12.9%
<b>Total Capital Budget</b>	<b>\$ 1,280,847</b>	<b>\$ 1,265,647</b>	<b>\$ 1,765,297</b>	<b>39.5%</b>
Debt Service Budget:				
Debt Service Fund-2007	\$ 85,326	\$ 76,800	\$ 39,880	-48.1%
Debt Service Fund-2015	29,129	30,810	27,970	-9.2%
EDA Lease Revenue Bonds	494,455	492,220	492,220	0.0%
<b>Total Debt Service Budget</b>	<b>\$ 608,910</b>	<b>\$ 599,830</b>	<b>\$ 560,070</b>	<b>-6.6%</b>
 <b>Totals</b>	 <b>\$ 13,392,985</b>	 <b>\$ 13,007,715</b>	 <b>\$ 14,051,380</b>	 <b>8.0%</b>

## TOTAL REVENUES 2021-2023



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

<u>Total by Classification</u>	2022 BUDGET	PERCENT OF TOTAL	2023 BUDGET	PERCENT OF TOTAL
<b>Personnel Services</b>	\$4,452,330	33.9%	\$4,706,060	36.2%
<b>Supplies and Charges</b>	\$423,783	3.2%	\$452,541	3.5%
<b>Contractual Services</b>	\$703,300	5.4%	\$731,400	5.6%
<b>Other Charges</b>	\$1,700,215	13.0%	\$1,757,240	13.5%
<b>Capital Outlay &amp; Depreciation</b>	\$2,481,438	18.9%	\$2,162,094	16.6%
<b>Merchandise for Resale</b>	\$2,066,000	15.7%	\$1,928,900	14.8%
<b>Debt Service</b>	\$969,457	7.4%	\$931,327	7.2%
<b>Transfers</b>	\$321,938	2.5%	\$341,938	2.6%
<b>Totals</b>	<b>\$13,118,461</b>	<b>100.0%</b>	<b>\$13,011,500</b>	<b>100.0%</b>

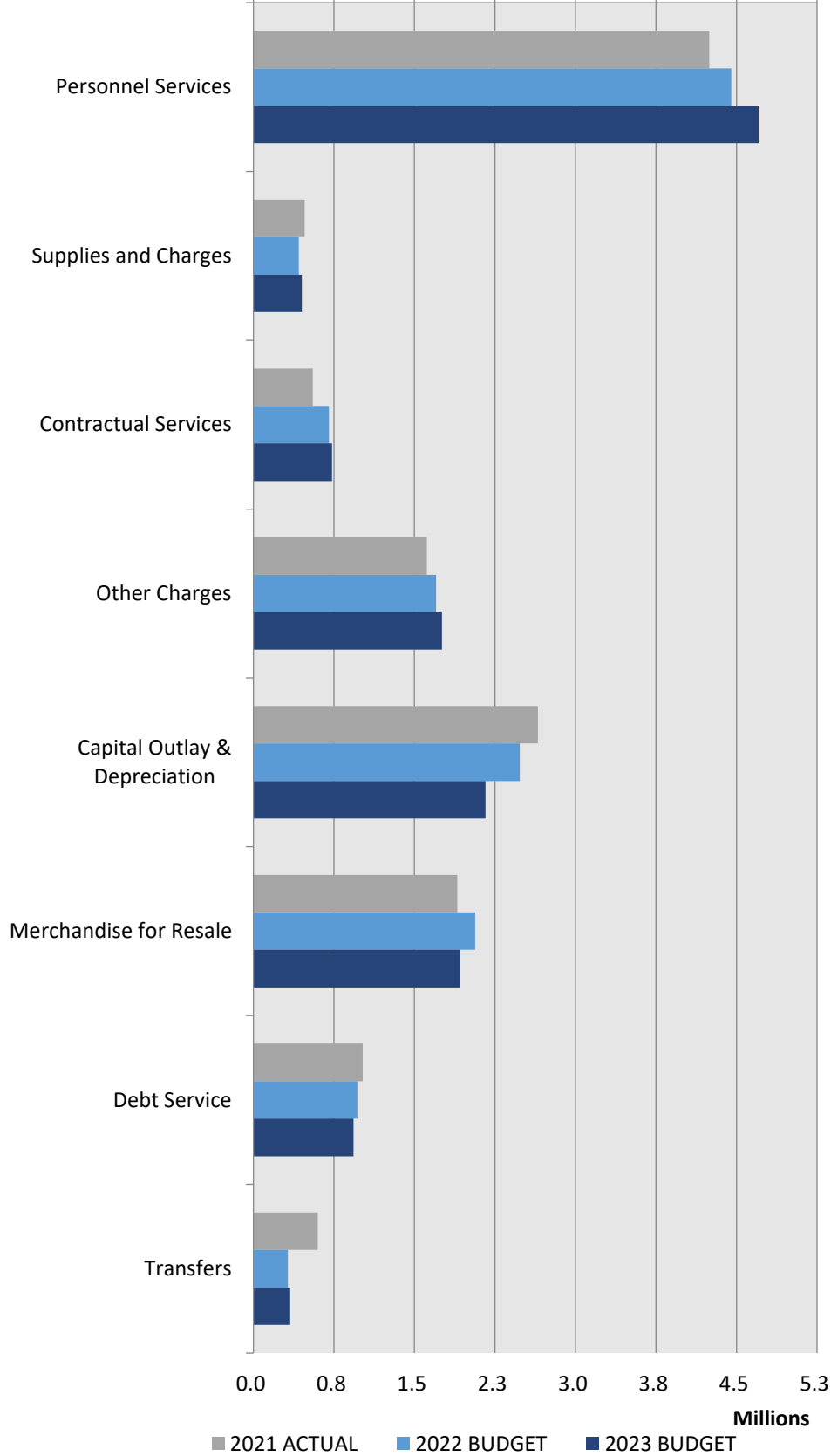




CITY OF ST. FRANCIS, MINNESOTA  
**ALL FUNDS**  
EXPENDITURE SUMMARY

	2021 ACTUAL	2022 BUDGET	2023 BUDGET	% CHANGE
<b><u>Total By Classification</u></b>				
Personnel Services	\$ 4,246,828	\$ 4,452,330	\$ 4,706,060	5.7%
Supplies and Charges	477,219	423,783	452,541	6.8%
Contractual Services	553,522	703,300	731,400	4.0%
Other Charges	1,616,920	1,700,215	1,757,240	3.4%
Capital Outlay & Depreciation	2,649,086	2,481,438	2,162,094	-12.9%
Merchandise for Resale	1,899,043	2,066,000	1,928,900	-6.6%
Debt Service	1,018,447	969,457	931,327	-3.9%
Transfers	599,956	321,938	341,938	6.2%
<b>Totals</b>	<b>\$ 13,061,021</b>	<b>\$ 13,118,461</b>	<b>\$ 13,011,500</b>	<b>-0.8%</b>
<b><u>Total By Fund</u></b>				
<b>Operating Budget:</b>				
General Fund	\$ 5,020,332	\$ 4,876,320	\$ 5,113,975	4.9%
Park Improvements	245,207	-	-	N/A
Police Forfeiture	23,898	12,058	7,416	-38.5%
EDA	28,050	-	-	N/A
Water Fund	1,314,474	1,344,180	1,358,080	1.0%
Sanitary Sewer Fund	2,051,195	2,151,008	2,206,053	2.6%
Storm Sewer Fund	64,812	138,500	138,500	0.0%
Municipal Liquor Fund	2,499,164	2,730,450	2,664,950	-2.4%
<b>Total Operating Budget</b>	<b>\$ 11,247,132</b>	<b>\$ 11,252,516</b>	<b>\$ 11,488,974</b>	<b>2.1%</b>
<b>Capital Improvements Budget:</b>				
Capital Equipment	\$ 717,253	\$ 514,472	738,094	43.5%
Building Fund	\$ 16,072	\$ -	-	N/A
Street Fund	\$ 487,674	\$ 759,966	194,000	-74.5%
Gambling	\$ -	\$ -	-	N/A
<b>Total Capital Budget</b>	<b>\$ 1,220,999</b>	<b>\$ 1,274,438</b>	<b>932,094</b>	<b>-26.9%</b>
<b>Debt Service Budget:</b>				
Debt Service Fund-2007	\$ 100,359	\$ 98,325	\$ 96,900	-1.4%
Debt Service Fund-2015	29,425.0	28,925	28,425	-1.7%
EDA Lease Revenue bonds	463,106	464,257	465,107	0.2%
<b>Total Debt Service</b>	<b>\$ 592,890</b>	<b>\$ 591,507</b>	<b>\$ 590,432</b>	<b>-0.2%</b>
<b>Totals</b>	<b>\$ 13,061,021</b>	<b>\$ 13,118,461</b>	<b>\$ 13,011,500</b>	<b>-0.8%</b>

## TOTAL EXPENDITURES 2021-2023



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

<u>Total By Fund</u>	BALANCE 1/1/2023	REVENUES	NET OTHER INCREASES (DECREASES)	EXPENDITURES	BALANCE 12/31/2023
<b>Operating Budget:</b>					
General	3,222,247	5,053,975	60,000	5,113,975	\$ 3,222,247
Police Forfeiture	7,416	-	-	7,416	-
EDA	41,946	-	-	-	41,946
Water	8,150,983	1,707,580	(84,022)	1,237,000	8,537,541
Sanitary Sewer	17,167,834	2,125,000	(160,858)	2,045,195	17,086,781
Storm Sewer	1,191,861	175,000	-	138,500	1,228,361
Municipal Liquor	2,138,619	2,567,400	(60,000)	2,604,950	2,041,069
<b>Total Operating Budget</b>	<b>31,920,906</b>	<b>11,628,955</b>	<b>(244,880)</b>	<b>11,147,036</b>	<b>32,157,945</b>
<b>Capital Improvements Budget:</b>					
Capital Projects/Equipment	742,574	287,000	40,000	738,094	331,480
Building	778,066	871,000	-	-	1,649,066
Street	640,857	525,097	-	194,000	971,954
Gambling Fund	173,703	40,500	-	-	214,203
Park Improvements	447,217	1,700	-	-	448,917
<b>Total Capital Budget</b>	<b>2,782,417</b>	<b>1,725,297</b>	<b>40,000</b>	<b>932,094</b>	<b>3,615,620</b>
<b>Debt Service Budget:</b>					
Debt Service-2013	(17,200)	-	39,880	96,900	(74,220)
Debt Service-2015	87,284	27,970	-	28,425	86,829
Debt Service-2017	104,485	327,220	165,000	465,107	131,598
<b>Total Debt Service Budget</b>	<b>\$ 174,569</b>	<b>\$ 355,190</b>	<b>\$ 204,880</b>	<b>\$ 590,432</b>	<b>\$ 144,207</b>

Notes on Changes over 10%:

Police Forfeiture-The city anticipates the use of these funds for police equipment  
 Capital Projects/Equipment-Amounts are accumulated for the purchase of equipment.  
 Gambling Fund-Funds are being accumulated for future fire capital expenditures.  
 Storm Sewer-In the process of building up for future projects.

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# GENERAL FUND

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

	2021 ACTUAL	2022 BUDGET	2022 ESTIMATE	2023 BUDGET
<u>Revenues:</u>				
Property Taxes	\$3,206,913	\$3,222,764	\$3,323,054	\$3,197,630
Licenses and permits	215,030	268,620	212,051	218,430
Fines and forfeits	24,163	23,500	24,345	36,340
Intergovernmental	656,392	650,016	679,801	963,134
Charges for services	433,565	424,050	403,613	427,781
Miscellaneous	132,865	227,370	191,671	210,660
Total revenues	<u>4,668,928</u>	<u>4,816,320</u>	<u>4,834,535</u>	<u>5,053,975</u>
<u>Expenditures:</u>				
General Government	974,756	1,022,120	1,038,929	1,017,900
Public Safety	2,377,975	2,399,550	2,349,233	2,591,500
Public Works	575,458	608,350	622,727	630,350
Culture and Recreation	297,504	361,100	329,665	371,550
Community Development	507,920	477,650	412,899	492,825
Miscellaneous	8,701	7,550	71,232	9,850
Total expenditures	<u>4,742,314</u>	<u>4,876,320</u>	<u>4,824,685</u>	<u>5,113,975</u>
Excess (deficit) of revenues over expenditures	(73,386)	(60,000)	9,850	(60,000)
<u>Other financing sources (uses):</u>				
Operating transfers in (out):				
Municipal Liquor Operations	60,000	60,000	60,000	60,000
Sale of Assets	7,026	-	-	-
Transfers out	(278,018)	-	-	-
Total other financing sources (uses)	<u>(210,992)</u>	<u>60,000</u>	<u>60,000</u>	<u>60,000</u>
Net change in fund balance	(284,378)	0	69,850	0
Fund balance - January 1	<u>3,506,625</u>	<u>3,222,247</u>	<u>3,222,247</u>	<u>3,292,097</u>
Fund balance - December 31	<u>\$3,222,247</u>	<u>\$3,222,247</u>	<u>\$3,292,097</u>	<u>\$3,292,097</u>
Fund balance/revenues	69.0%	66.9%	68.1%	65.1%
Fund balance/expenditures	67.9%	66.1%	68.2%	64.4%
Fund balance/# of months of expenditures	8.2	7.9	8.2	7.7

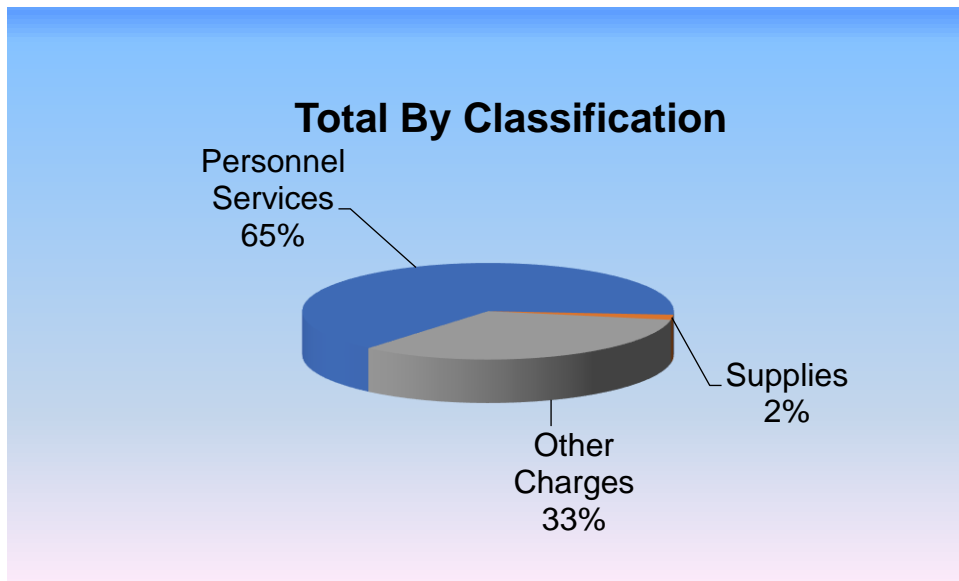
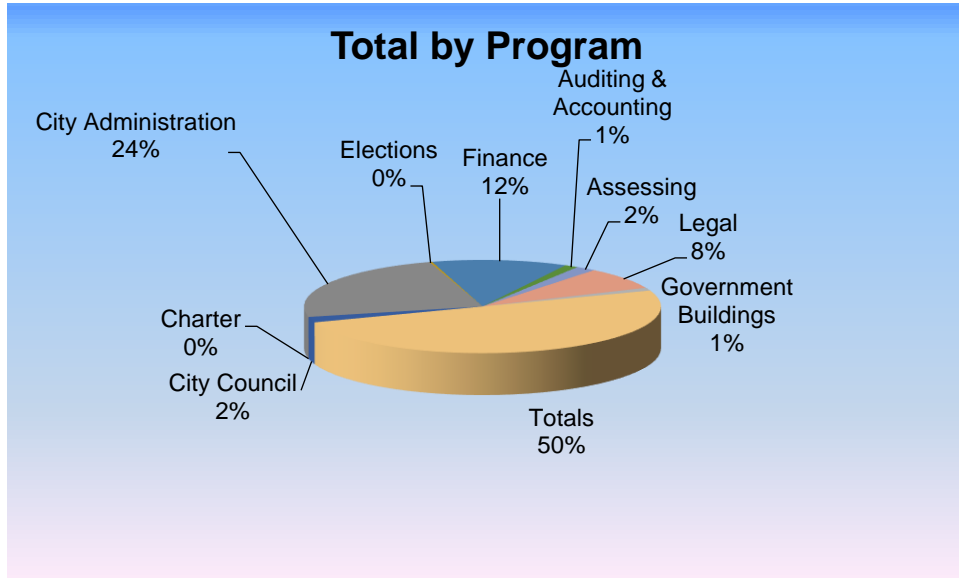
CITY OF ST. FRANCIS, MINNESOTA  
GENERAL FUND  
STATEMENT OF REVENUES

	2021 ACTUAL	2022 BUDGET	2022 ESTIMATE	2023 BUDGET
<b><u>Taxes</u></b>				
Current	3,135,620	3,207,764	3,313,631	3,182,630
Delinquent	36,098	14,000	8,393	14,000
Penalties & interest	5,724	1,000	1,030	1,000
<b>Total Taxes</b>	<b>3,177,442</b>	<b>3,222,764</b>	<b>3,323,054</b>	<b>3,197,630</b>
<b><u>Licenses and Permits</u></b>				
<b><u>Business:</u></b>				
Liquor	21,850	21,800	18,275	20,470
Amusements	255	570	195	450
Cigarette, Refuse, etc.	3,435	3,160	3,550	3,200
<b><u>Non-business:</u></b>				
Building	142,727	200,000	146,773	144,470
Plumbing	8,608	8,680	8,646	9,240
Mechanical	17,384	16,170	16,650	18,540
Fireplace	1,560	1,380	720	1,420
Septic	5,410	6,630	5,170	6,590
Engineering Fees	6,160	4,000	4,620	7,190
Animal Licenses	565	560	350	530
Misc Permits	6,814	5,240	6,895	5,900
Surcharge - Permits	258	430	207	430
<b>Total Licenses and Permits</b>	<b>215,026</b>	<b>268,620</b>	<b>212,051</b>	<b>218,430</b>
<b><u>Fines and Penalties</u></b>				
Court fines	32,820	21,500	21,445	28,090
Administrative fines	(8,657)	2,000	2,900	8,250
<b>Total Fines and Penalties</b>	<b>24,163</b>	<b>23,500</b>	<b>24,345</b>	<b>36,340</b>
<b><u>Intergovernmental Revenue</u></b>				
PERA rate increase	-	-	-	-
Local government aid	510,060	524,176	524,176	547,184
Homestead credit	4,622	-	5,800	-
Police aid	106,481	111,840	114,354	119,990
Police Training Aid	19,726	14,000	19,371	20,960
Other Fire grants/aid	12,087	-	13,100	-
Other Grants	-	-	-	275,000
Local government grants and aid	3,416	-	3,000	-
<b>Total Intergovernmental</b>	<b>656,392</b>	<b>650,016</b>	<b>679,801</b>	<b>963,134</b>
<b><u>Charges for Service</u></b>				
<b><u>General Government:</u></b>				
Maps, fax, copies, notary fees	72	10	74	30
Refuse collection charges	2,196	2,180	2,521	2,050
Administrative charges	212,940	225,000	225,000	231,750
<b><u>Public Safety:</u></b>				
ISD #15 contract	42,836	-	-	-
Nowthen Fire Contract	75,069	77,300	77,322	79,641
Accident reports	889	870	661	950
Special event pay	1,686	-	2,146	970
Fire Department charges	50	-	3,180	30

	2021 ACTUAL	2022 BUDGET	2022 ESTIMATE	2023 BUDGET
<b><u>Public Works:</u></b>				
WCA Block Grant	206	250	716	250
<b><u>Community Development:</u></b>				
Zoning and subdivision fees	24,183	18,440	28,591	20,020
Rental Licensing	5,225	5,000	6,530	5,740
Plan check fees	68,213	95,000	56,872	86,350
<b>Total Charges for Service</b>	<b>433,565</b>	<b>424,050</b>	<b>403,613</b>	<b>427,781</b>
<b><u>Miscellaneous Revenue</u></b>				
Rentals, leases	60,162	59,870	60,909	60,560
Score	38,636	30,000	26,066	34,860
Miscellaneous revenues	58,471	60,000	34,858	57,520
Interest on investments	(25,229)	45,000	36,227	26,300
Community Center rental	425	500	1,350	760
Donations & contributions	400	-	4,764	-
Cable TV revenues	29,471	32,000	27,497	30,660
Sale of property	7,026	-	-	-
<b>Total Miscellaneous</b>	<b>169,362</b>	<b>227,370</b>	<b>191,671</b>	<b>210,660</b>
<b>TOTAL REVENUES</b>	<b>4,675,950</b>	<b>4,816,320</b>	<b>4,834,535</b>	<b>5,053,975</b>



# GENERAL GOVERNMENT 2023 BUDGET



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

Total By Program	2020 ACTUAL	2021 ACTUAL	2022 BUDGET	2023 BUDGET	% Change
City Council	\$35,331	\$37,869	\$40,090	\$39,390	-1.7%
Charter	30	28	110	110	0.0%
City Administration	429,511	467,681	481,800	485,100	0.7%
Elections	9,346	1,415	13,370	3,900	-70.8%
Finance	243,866	233,782	261,550	250,700	-4.1%
Auditing & Accounting	19,784	25,484	19,000	25,000	31.6%
Assessing	33,794	35,422	35,000	37,000	5.7%
Legal	157,033	147,882	151,100	156,100	3.3%
Government Buildings	15,817	25,193	20,100	20,600	2.5%
<b>Totals</b>	<b>944,512</b>	<b>974,756</b>	<b>1,022,120</b>	<b>1,017,900</b>	<b>-0.4%</b>

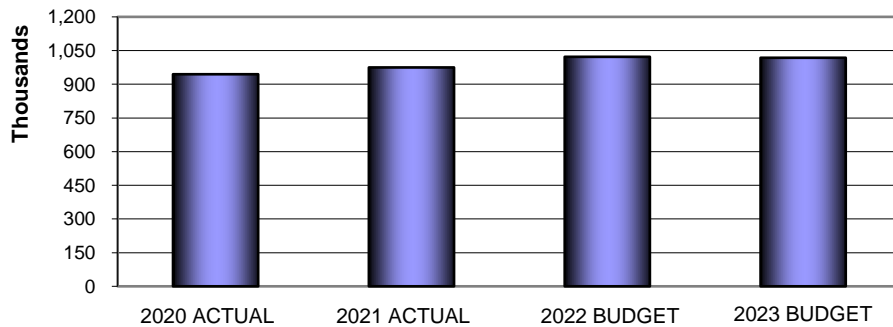
  

Total By Classification	2020 ACTUAL	2021 ACTUAL	2022 BUDGET	2023 BUDGET	% Change
Personnel Services	631,464	635,039	690,130	662,210	-4.0%
Supplies	14,476	17,694	17,000	17,150	0.9%
Other Charges	298,572	322,023	314,990	338,540	7.5%
<b>Totals</b>	<b>944,512</b>	<b>974,756</b>	<b>1,022,120</b>	<b>1,017,900</b>	<b>-0.4%</b>

Staffing	2020 ACTUAL	2021 ACTUAL	2022 BUDGET	2023 BUDGET
Full-time equivalents	5.00	5.00	5.00	5.00

Expenditures



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**

	2020 Actual	2021 Actual	2022 Actual	2023 Projected
Council meetings	24	24	24	24
Special meetings	1	0	1	0
Special workshops	9	11	10	6

**Staffing**

- Council consists of a Mayor and four Council Members.

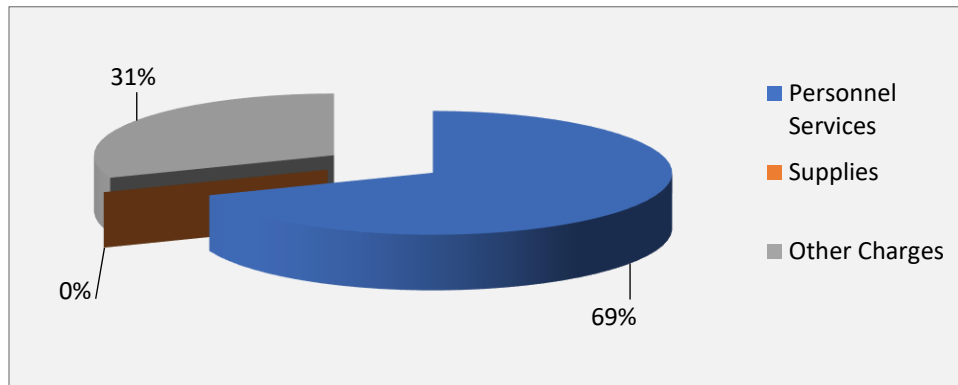
**Program Expenditure Highlights**

- No changes expected.

**Program Expenditures**

	2019 ACTUAL	2020 ACTUAL	2021 BUDGET	2022 BUDGET	% CHANGE
Personnel Services	\$ 27,070	\$ 27,070	\$ 27,210	\$ 27,210	0.0%
Supplies	-	-	-	-	N/A
Other Charges	8,261	10,799	12,880	12,180	-5.4%
<b>Total</b>	<b>\$ 35,331</b>	<b>\$ 37,869</b>	<b>\$ 40,090</b>	<b>\$ 39,390</b>	<b>-1.7%</b>

**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**

	2020 Actual	2021 Actual	2022 Actual	2023 Projected
Meetings	1	1	1	1

**Staffing**

	2020 Actual	2021 Actual	2022 Actual	2023 Projected
Full-Time Equivalent positions	N/A	N/A	N/A	N/A

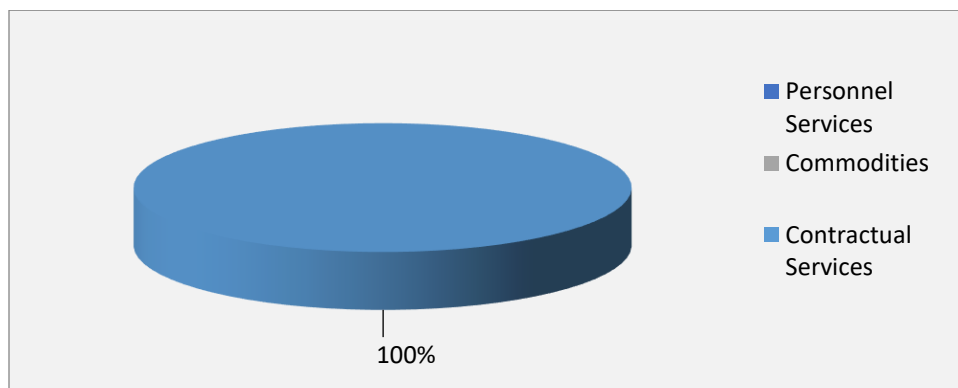
**Program Expenditure Highlights**

- No changes budgeted.

**Program Expenditures**

	2020 ACTUAL	2021 ACTUAL	2022 BUDGET	2023 BUDGET	% CHANGE
Personnel Services	\$ -	\$ -	\$ -	\$ -	N/A
Supplies	-	-	-	-	N/A
Other Charges	30	28	110	110	0.0%
<b>Total</b>	<b>\$ 30</b>	<b>\$ 28</b>	<b>\$ 110</b>	<b>\$ 110</b>	<b>0.0%</b>

**Program Expenditures by Classification**



**Department:** General Government  
**Program:** City Administration

**Fund:** 101  
**Cost Center:** 41400

**Program Description**

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

**Objectives**

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

**Performance Measures**

	2020 Actual	2021 Actual	2022 Actual	2023 Projected
Staff meetings held	52	52	50	52
Number of resolutions	52	64	71	50
Number of ordinances	11	19	16	20
Licenses issued	27	24	25	25

**Staffing**

	2020 Actual	2021 Actual	2022 Actual	2023 Projected
Full-Time Equivalent positions	4.00	3.00	3.00	3.00

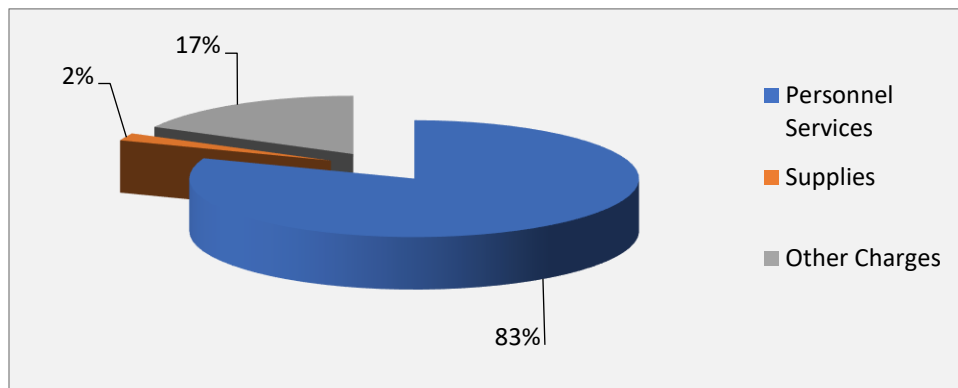
**Program Expenditure Highlights**

- No budget changes.

**Program Expenditures**

	2020 ACTUAL	2021 ACTUAL	2022 BUDGET	2023 BUDGET	% CHANGE
Personnel Services	\$ 360,603	\$ 381,204	\$ 400,800	\$ 391,300	-2.4%
Supplies	9,159	11,213	10,100	10,000	-1.0%
Other Charges	59,749	75,264	70,900	83,800	18.2%
<b>Total</b>	<b>\$ 429,511</b>	<b>\$ 467,681</b>	<b>\$ 481,800</b>	<b>\$ 485,100</b>	<b>0.7%</b>

**Program Expenditures by Classification**





**Department:** General Government  
**Program:** Finance

**Fund:** 101  
**Cost Center:** 41500

**Program Description**

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

**Objectives**

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

**Performance Measures**

	2020 Actual	2021 Actual	2022 Actual	2023 Projected
Bond Rating	AA-	AA-	AA-	AA-
GFOA Financial Award	Yes	Submitted	To be Submitted	To be Submitted
GFOA Budget Award	Yes	Yes	Yes	To be Submitted

**Staffing**

	2020 Actual	2021 Actual	2022 Actual	2023 Projected
Full-Time Equivalent positions	2.00	2.00	2.00	2.00

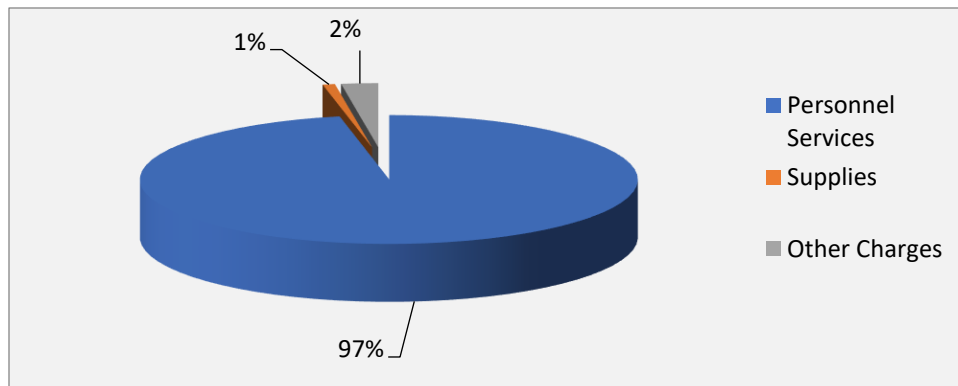
**Program Expenditure Highlights**

- Finance department is utilizing office support staff for help.

**Program Expenditures**

	2020 ACTUAL	2021 ACTUAL	2022 BUDGET	2023 BUDGET	% CHANGE
Personnel Services	\$ 237,780	\$ 226,757	\$ 255,100	\$ 242,700	-4.9%
Supplies	1,999	2,234	1,300	2,000	53.8%
Other Charges	4,087	4,791	5,150	6,000	16.5%
<b>Total</b>	<b>\$ 243,866</b>	<b>\$ 233,782</b>	<b>\$ 261,550</b>	<b>\$ 250,700</b>	<b>-4.1%</b>

**Program Expenditures by Classification**



Department: **General Government**  
 Program: **Auditing and Accounting**

Fund: **101**  
 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**

	2020 Actual	2021 Actual	2022 Actual	2023 Projected
GFOA Award	Yes	Yes	Submitted	To be submitted

**Staffing**

	2020 Actual	2021 Actual	2022 Actual	2023 Projected
Full-Time Equivalent positions	N/A	N/A	N/A	N/A

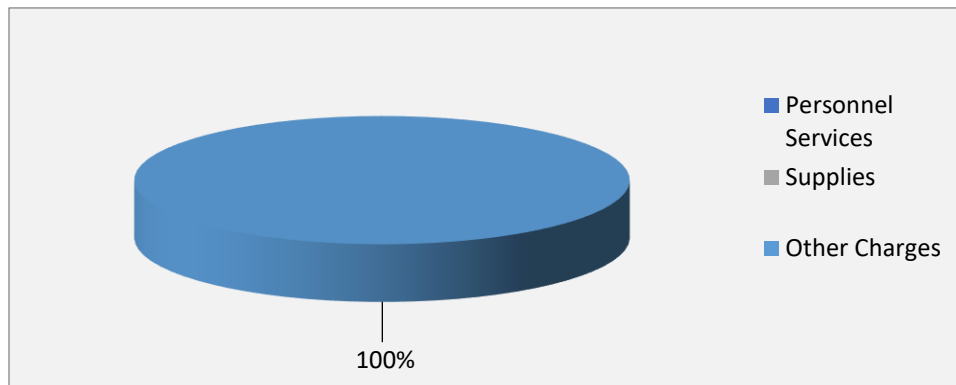
**Program Expenditure Highlights**

Audit costs are expected to stay relatively the same.

**Program Expenditures**

	2020 ACTUAL	2021 ACTUAL	2022 BUDGET	2023 BUDGET	% CHANGE
Personnel Services	\$ -	\$ -	\$ -	\$ -	N/A
Supplies	-	-	-	-	N/A
Other Charges	19,784	25,484	19,000	25,000	31.6%
<b>Total</b>	<b>\$ 19,784</b>	<b>\$ 25,484</b>	<b>\$ 19,000</b>	<b>\$ 25,000</b>	<b>31.6%</b>

**Program Expenditures by Classification**





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

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

**Program Description**

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

**Objectives**

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

**Performance Measures**

	2020 Actual	2021 Actual	2022 Actual	2023 Projected
N/A	N/A	N/A	N/A	N/A

**Staffing**

	2020 Actual	2021 Actual	2022 Actual	2023 Projected
Full-Time Equivalent positions	N/A	N/A	N/A	N/A

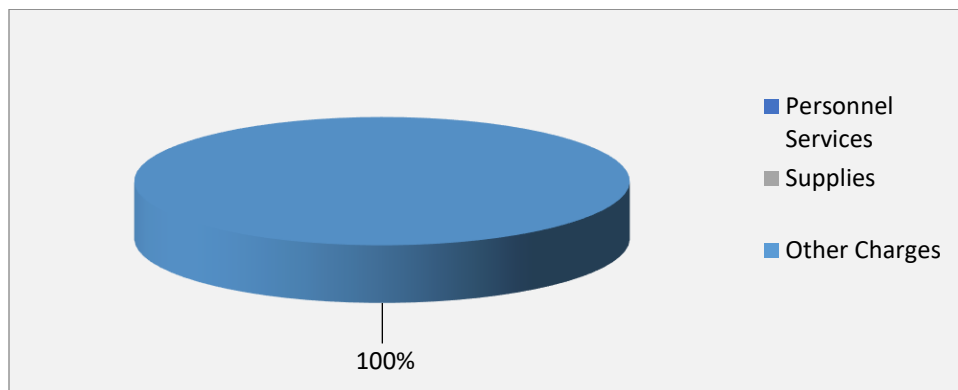
**Program Expenditure Highlights**

The costs for this program remain fairly flat.

**Program Expenditures**

	2020 ACTUAL	2021 ACTUAL	2022 BUDGET	2023 BUDGET	% CHANGE
Personnel Services	\$ -	\$ -	\$ -	\$ -	N/A
Supplies	-	-	-	-	N/A
Other Charges	33,794	35,422	35,000	37,000	5.7%
<b>Total</b>	<b>\$ 33,794</b>	<b>\$ 35,422</b>	<b>\$ 35,000</b>	<b>\$ 37,000</b>	<b>5.7%</b>

**Program Expenditures by Classification**



Department: **General Government**  
 Program: **Legal**

Fund: **101**  
 Cost Center: **41600**

**Program Description**

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

**Objectives**

- Continue to realize savings by contracting for legal services.

**Performance Measures**

	2020 Actual	2021 Actual	2022 Actual	2023 Projected
N/A	N/A	N/A	N/A	N/A

**Staffing**

	2020 Actual	2021 Actual	2022 Actual	2023 Projected
Full-Time Equivalent positions	N/A	N/A	N/A	N/A

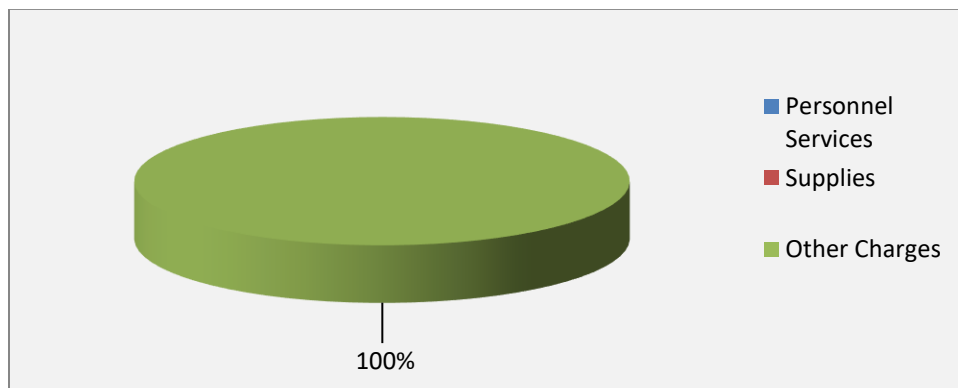
**Program Expenditure Highlights**

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

**Program Expenditures**

	2020 ACTUAL	2021 ACTUAL	2022 BUDGET	2023 BUDGET	% CHANGE
Personnel Services	\$ -	\$ -	\$ -	\$ -	N/A
Supplies	-	-	-	-	N/A
Other Charges	157,033	147,882	151,100	156,100	3.3%
<b>Total</b>	<b>\$ 157,033</b>	<b>\$ 147,882</b>	<b>\$ 151,100</b>	<b>\$ 156,100</b>	<b>3.3%</b>

**Program Expenditures by Classification**



Department: **General Government**  
 Program: **Government Buildings**

Fund: **101**  
 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**

	2020 Actual	2021 Actual	2022 Actual	2023 Projected
Weeks cleaned	32	26	52	52

**Staffing**

	2020 Actual	2021 Actual	2022 Actual	2023 Projected
Full-Time Equivalent positions	N/A-Contract with Kim's Kleaning			

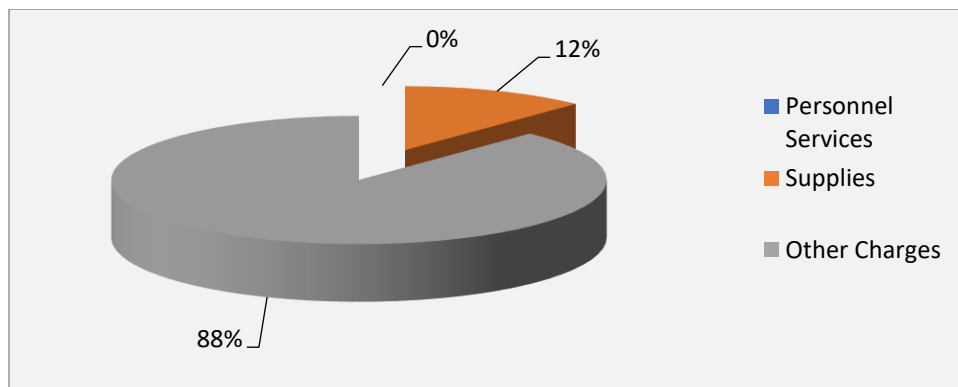
**Program Expenditure Highlights**

- No increases forecasted.

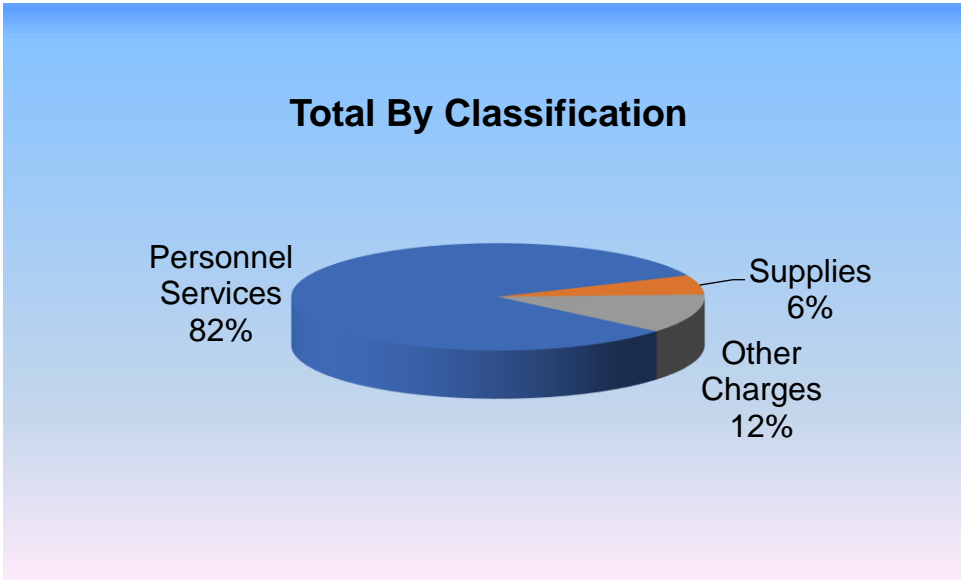
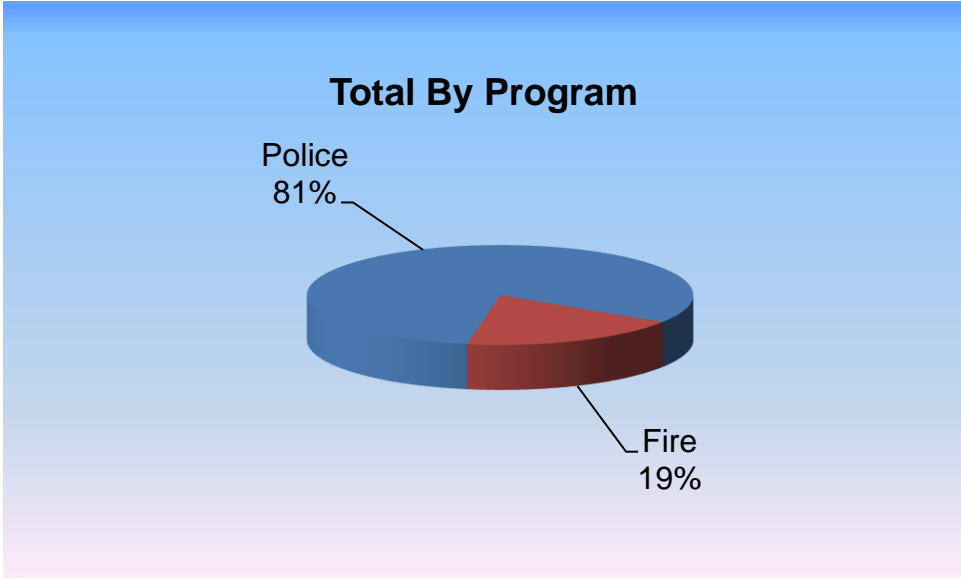
**Program Expenditures**

	2020 ACTUAL	2021 ACTUAL	2022 BUDGET	2023 BUDGET	% CHANGE
Personnel Services	\$ -	\$ -	\$ -	\$ -	N/A
Supplies	1,706	2,910	2,100	2,500	19.0%
Other Charges	14,111	22,283	18,000	18,100	0.6%
<b>Total</b>	<b>\$ 15,817</b>	<b>\$ 25,193</b>	<b>\$ 20,100</b>	<b>\$ 20,600</b>	<b>2.5%</b>

**Program Expenditures by Classification**



# PUBLIC SAFETY 2023 BUDGET



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

Total By Program	2020 ACTUAL	2021 ACTUAL	2022 ACTUAL	2023 BUDGET	% BUDGET
Police	\$2,257,916	\$1,951,898	\$2,001,900	\$2,107,700	5.3%
Fire	373,870	426,077	397,650	483,800	21.7%
<b>Totals</b>	<b>2,631,786</b>	<b>2,377,975</b>	<b>2,399,550</b>	<b>2,591,500</b>	<b>8.0%</b>

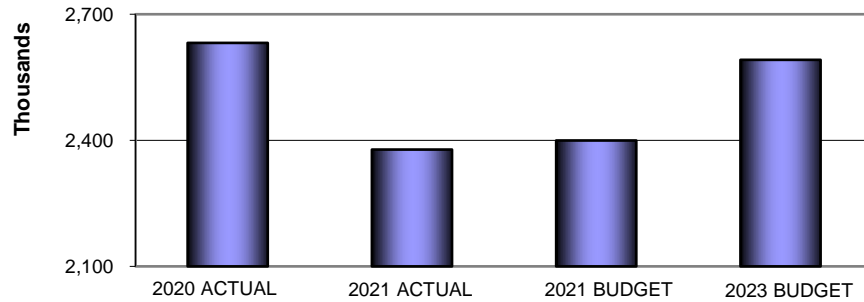
  

Total By Classification	2020 ACTUAL	2021 ACTUAL	2022 ACTUAL	2023 BUDGET	% BUDGET
Personnel Services	1,797,190	1,935,018	1,972,200	2,134,200	8.2%
Supplies	134,897	160,011	132,550	151,050	14.0%
Other Charges	699,699	282,946	294,800	306,250	3.9%
<b>Totals</b>	<b>2,631,786</b>	<b>2,377,975</b>	<b>2,399,550</b>	<b>2,591,500</b>	<b>8.0%</b>

Staffing	2020 ACTUAL	2021 ACTUAL	2022 ACTUAL	2023 BUDGET
Full-time equivalents	15.00	15.00	15.00	15.00

**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**

	2020 Actual	2021 Actual	2022 Actual	2023 Projected
Citations issued	631	659	394	500
Chargeable offenses (Parts 1 & 2)	734	811	447	700
Misc. offenses (Parts 3 & 4)	4,052	3,934	4,269	4,600
Total Incident Crime Reports	6,246	6,521	6,427	6,500

**Staffing**

	2020 Actual	2021 Actual	2022 Actual	2023 Projected
Full-Time Equivalent positions	14	14	14	15

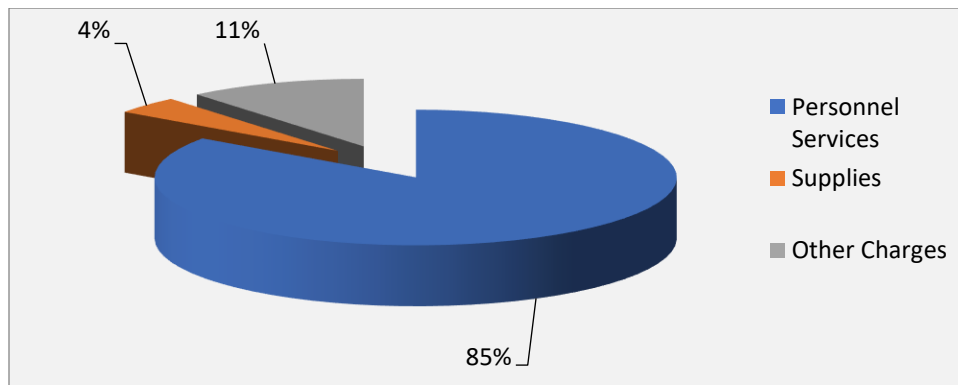
**Program Expenditure Highlights**

Added one police officer in 2019.

**Program Expenditures**

	2020 ACTUAL	2021 ACTUAL	2022 BUDGET	2023 BUDGET	% CHANGE
Personnel Services	\$ 1,544,618	\$1,650,813	\$1,697,000	\$ 1,791,500	5.6%
Supplies	83,508	89,505	83,800	86,800	3.6%
Other Charges	629,790	211,580	221,100	229,400	3.8%
<b>Total</b>	<b>\$ 2,257,916</b>	<b>\$1,951,898</b>	<b>\$2,001,900</b>	<b>\$ 2,107,700</b>	<b>5.3%</b>

**Program Expenditures by Classification**



Department: **Public Safety**  
 Program: **Fire**

Fund: **101**  
 Cost Center: **42210**

**Program Description**

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

**Objectives**

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

**Program Measures**

	2020 Actual	2021 Actual	2022 Actual	2023 Projected
Total calls	541	727	730	600

**Staffing**

	2020 Actual	2021 Actual	2022 Actual	2023 Projected
Full-Time Equivalent positions	0	1	1	1

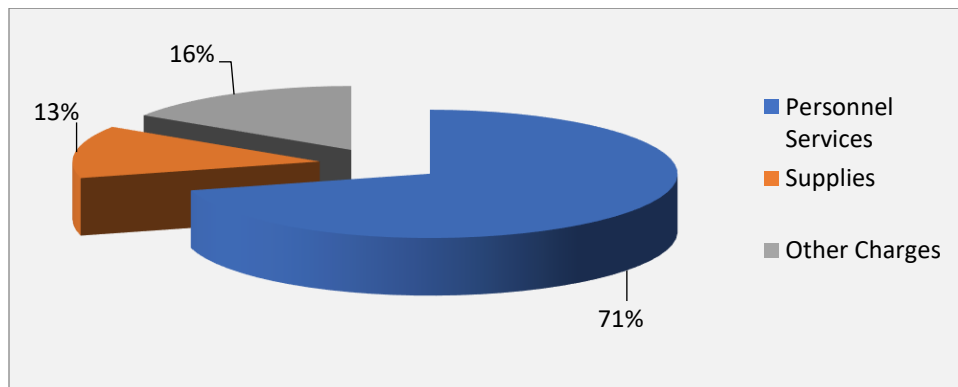
**Program Expenditure Highlights**

- 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**

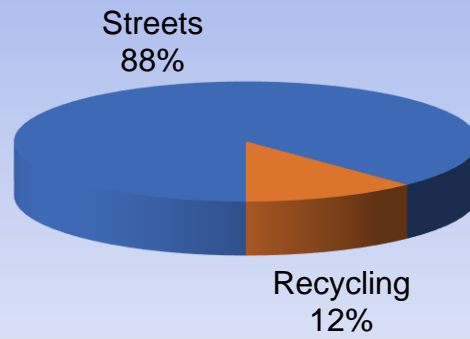
	2020 ACTUAL	2021 ACTUAL	2022 BUDGET	2023 BUDGET	% CHANGE
Personnel Services	\$ 252,572	\$ 284,205	\$ 275,200	\$ 342,700	24.5%
Supplies	51,389	70,506	48,750	64,250	31.8%
Other Charges	69,909	71,366	73,700	76,850	4.3%
<b>Total</b>	<b>\$ 373,870</b>	<b>\$ 426,077</b>	<b>\$ 397,650</b>	<b>\$ 483,800</b>	<b>21.7%</b>

**Program Expenditures by Classification**

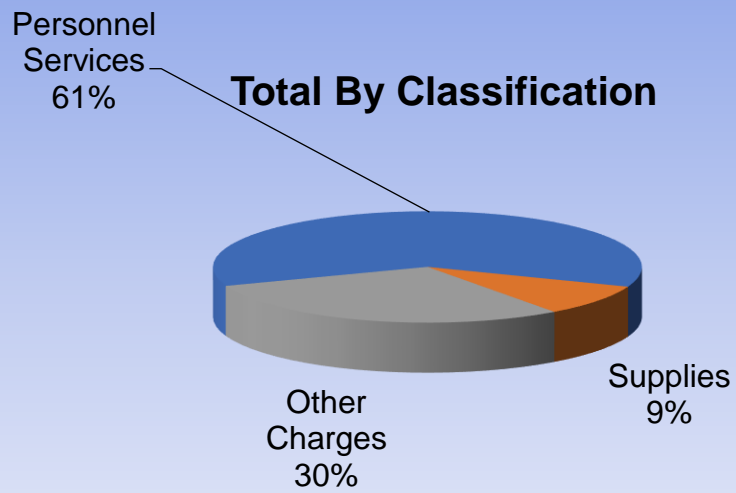


# PUBLIC WORKS 2023 BUDGET

## Total By Program



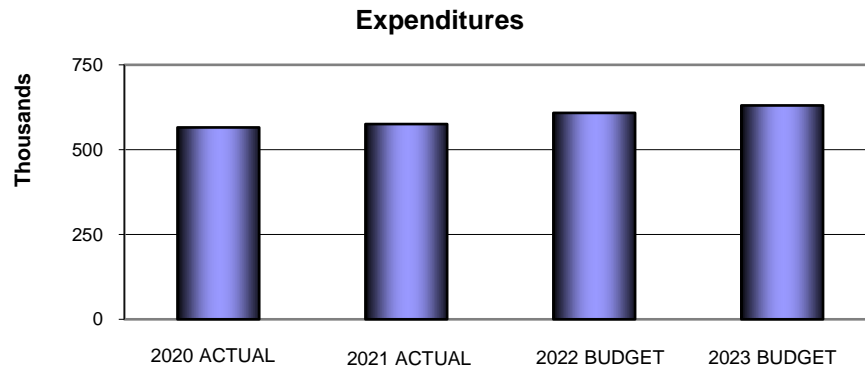
## Total By Classification





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

Total By Program	2020 ACTUAL	2021 ACTUAL	2022 BUDGET	2023 BUDGET	% Change
Streets	\$503,088	\$507,343	\$534,150	\$552,000	3.3%
Recycling	62,387	68,115	74,200	78,350	5.6%
	565,475	575,458	608,350	630,350	3.6%
<b>Total By Classification</b>					
Personnel Services	321,445	361,645	365,600	386,750	5.8%
Supplies	45,909	49,094	55,200	57,600	4.3%
Other Charges	198,121	164,719	187,550	186,000	-0.8%
	565,475	575,458	608,350	630,350	3.6%
<b>Staffing</b>					
Full-time equivalents	3.75	3.75	3.75	3.75	



**Department:**  
**Program:**

**Public Works**  
**Streets**

**Fund:**  
**Cost Center:**

**101**  
**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**

	2020 Actual	2021 Actual	2022 Actual	2023 Projected
Asphalt street miles maintained	38	37	38	38
Gravel road miles maintained	171	150	143	140
Sand/salt usage (tons)	277	413	654	300

**Staffing**

	2020 Actual	2021 Actual	2022 Actual	2023 Projected
Full-Time Equivalent positions	3.35	3.35	3.35	3.35

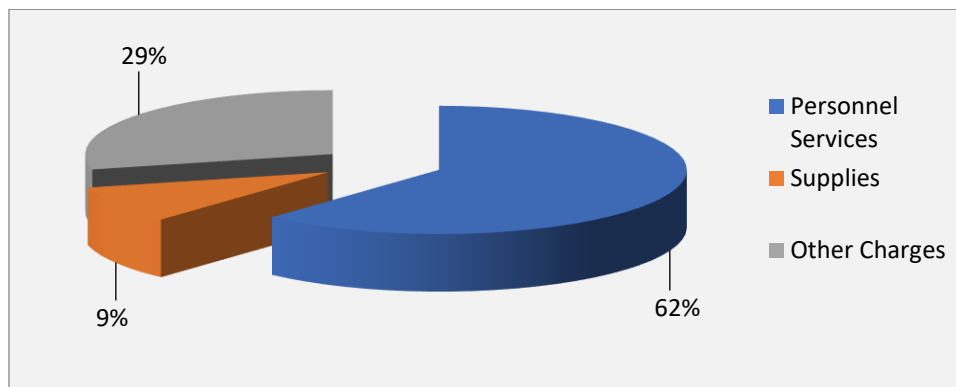
**Program Expenditure Highlights**

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

**Program Expenditures**

	2020 ACTUAL	2021 ACTUAL	2022 BUDGET	2023 BUDGET	% CHANGE
Personnel Services	\$ 284,322	\$ 319,829	\$ 322,100	\$ 341,000	5.9%
Supplies	41,161	45,933	49,750	51,750	4.0%
Other Charges	177,605	141,581	162,300	159,250	-1.9%
<b>Total</b>	<b>\$ 503,088</b>	<b>\$ 507,343</b>	<b>\$ 534,150</b>	<b>\$ 552,000</b>	<b>3.3%</b>

**Program Expenditures by Classification**



Department: **Public Works**  
 Program: **Recycling**

Fund: **101**  
 Cost Center: **43210**

**Program Description**

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

**Objectives**

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

**Performance Measures**

	2020 Actual	2021 Actual	2022 Actual	2023 Projected
Recycling days	4	5	4	1
Recycling collection tonnage	761	857	951	600

**Staffing**

	2020 Actual	2021 Actual	2022 Actual	2023 Projected
Full-Time Equivalent positions	0.40	0.40	0.40	0.40

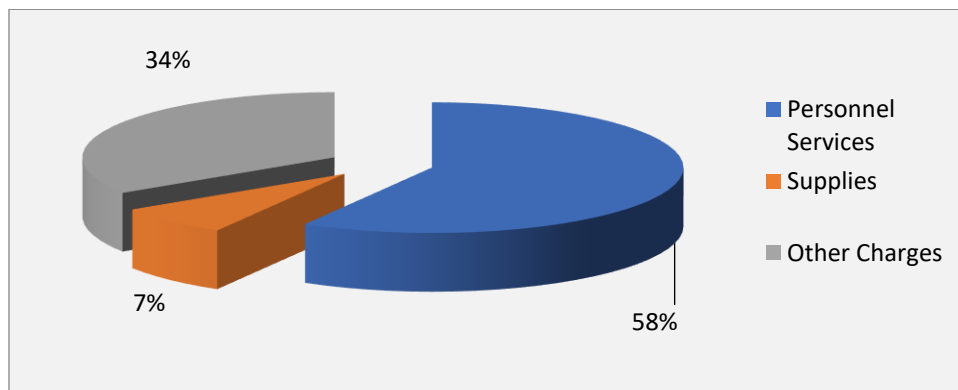
**Program Expenditure Highlights**

- Other charges line reflects the costs of recycling days.

**Program Expenditures**

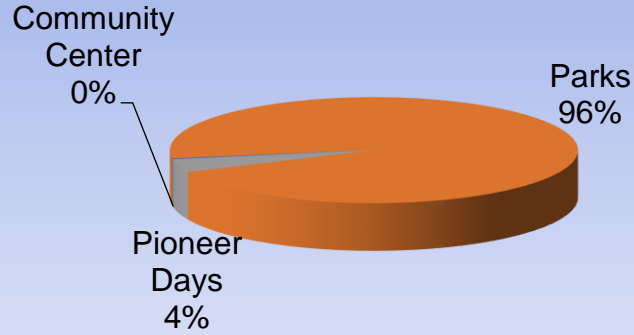
	2020 ACTUAL	2021 ACTUAL	2022 BUDGET	2023 BUDGET	% CHANGE
Personnel Services	\$ 37,123	\$ 41,816	\$ 43,500	\$ 45,750	5.2%
Supplies	4,748	3,161	5,450	5,850	7.3%
Other Charges	20,516	23,138	25,250	26,750	5.9%
<b>Total</b>	<b>\$ 62,387</b>	<b>\$ 68,115</b>	<b>\$ 74,200</b>	<b>\$ 78,350</b>	<b>5.6%</b>

**Program Expenditures by Classification**

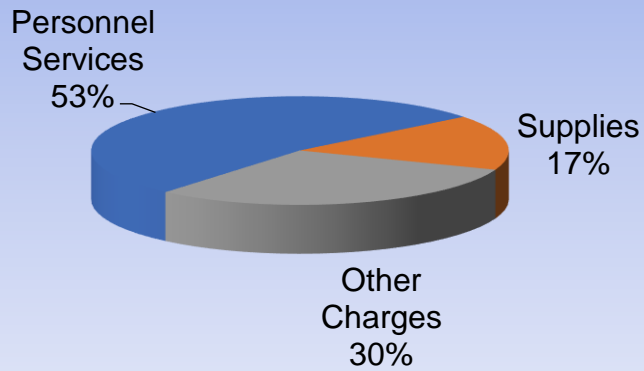


# CULTURE & RECREATION 2023 BUDGET

## Total By Program



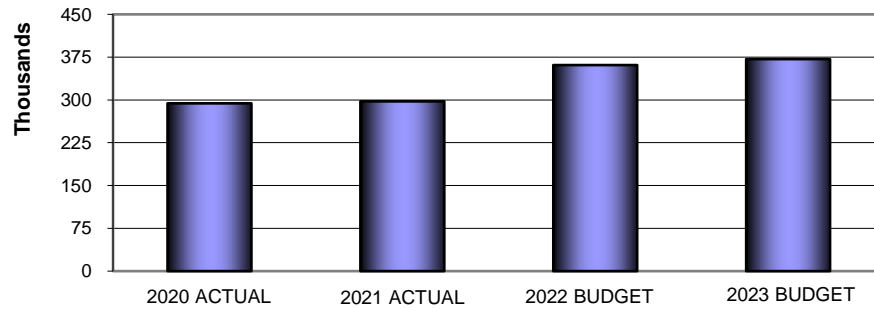
## Total By Classification



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

Total By Program	2020 ACTUAL	2021 ACTUAL	2022 ACTUAL	2023 BUDGET	% BUDGET
Community Center	\$149	\$981	\$1,350	\$1,050	-22.2%
Parks	283,885	296,523	339,750	355,500	4.6%
Pioneer Days	10,000	0	20,000	15,000	-25.0%
<b>Totals</b>	<b>294,034</b>	<b>297,504</b>	<b>361,100</b>	<b>371,550</b>	<b>2.9%</b>
<b>Total By Classification</b>					
Personnel Services	154,449	176,222	184,000	197,800	7.5%
Supplies	39,232	32,837	68,250	61,000	-10.6%
Other Charges	100,353	88,445	108,850	112,750	3.6%
<b>Totals</b>	<b>294,034</b>	<b>297,504</b>	<b>361,100</b>	<b>371,550</b>	<b>2.9%</b>
<b>Staffing</b>					
Full-time equivalents	1.75	1.75	1.75	1.75	

### Expenditures



Department: Culture & Recreation  
 Program: Community Center

Fund: 101  
 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**

	2020 Actual	2021 Actual	2022 Actual	2023 Projected
Number of uses	121	139	210	275

**Staffing**

	2020 Actual	2021 Actual	2022 Actual	2023 Projected
Full-Time Equivalent positions	N/A	N/A	N/A	N/A

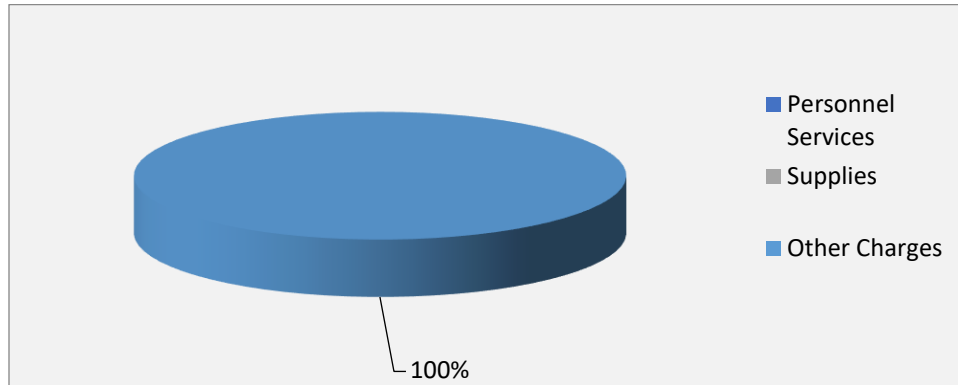
**Program Expenditure Highlights**

- Most costs are shown in the government buildings department.

**Program Expenditures**

	2020 ACTUAL	2021 ACTUAL	2022 BUDGET	2023 BUDGET	% CHANGE
Personnel Services	\$ -	\$ -	\$ -	\$ -	N/A
Supplies	-	-	-	-	N/A
Other Charges	149	981	1,350	1,050	-22.2%
<b>Total</b>	<b>\$ 149</b>	<b>\$ 981</b>	<b>\$ 1,350</b>	<b>\$ 1,050</b>	<b>-22.2%</b>

**Program Expenditures by Classification**



Department: Culture & Recreation  
 Program: Parks

Fund: 101  
 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**

	2020 Actual	2021 Actual	2022 Actual	2023 Projected
Number of parks maintained	9	9	10	10
Total acreage mowed	1,120	1,186	1,273	1,100
Ballfields maintained	2	2	2	2
Number of playgrounds	7	7	8	8
Miles of trail maintained	13	13	13	13

**Staffing**

	2020 Actual	2021 Actual	2022 Actual	2023 Projected
Full-Time Equivalent positions	1.75	1.75	1.75	1.75

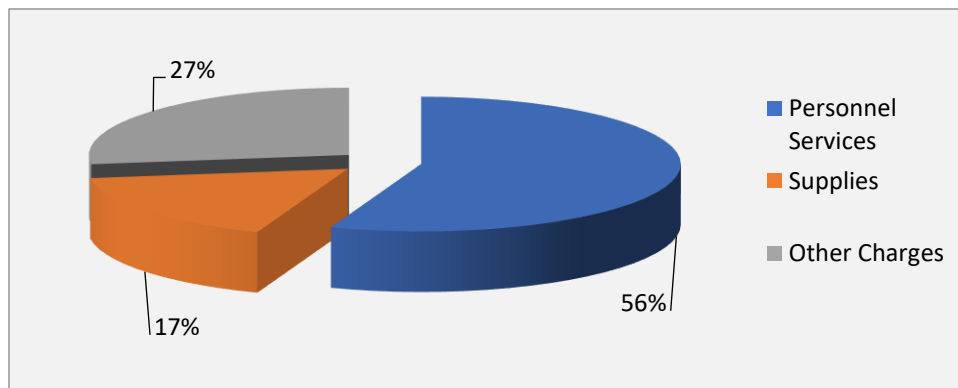
**Program Expenditure Highlights**

- 

**Program Expenditures**

	2020 ACTUAL	2021 ACTUAL	2022 BUDGET	2023 BUDGET	% CHANGE
Personnel Services	\$ 154,449	\$ 176,222	\$ 184,000	\$ 197,800	7.5%
Supplies	39,232	32,837	58,250	61,000	4.7%
Other Charges	90,204	87,464	97,500	96,700	-0.8%
<b>Total</b>	<b>\$ 283,885</b>	<b>\$ 296,523</b>	<b>\$ 339,750</b>	<b>\$ 355,500</b>	<b>4.6%</b>

**Program Expenditures by Classification**



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Department: Culture & Recreation  
 Program: Pioneer Days

Fund: 101  
 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**

	2020 Actual	2021 Actual	2022 Actual	2023 Projected
Fireworks Display	No-Covid	No-Covid	Yes	Yes

**Staffing**

	2020 Actual	2021 Actual	2022 Actual	2023 Projected
Full-Time Equivalent positions	N/A	N/A	N/A	N/A

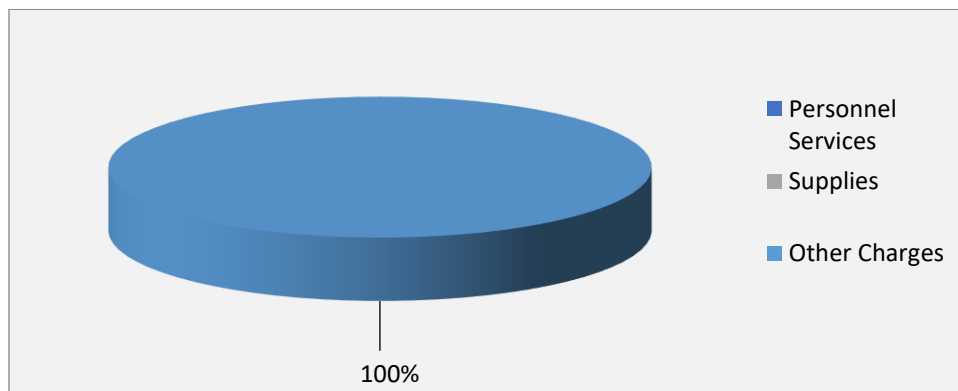
**Program Expenditure Highlights**

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

**Program Expenditures**

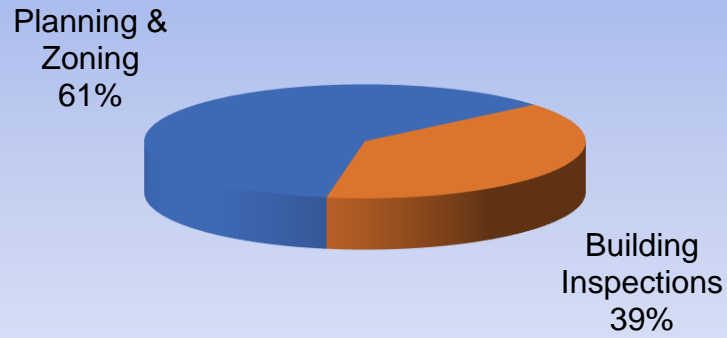
	2020 ACTUAL	2021 ACTUAL	2022 BUDGET	2023 BUDGET	% CHANGE
Personnel Services	\$ -	\$ -	\$ -	\$ -	N/A
Supplies	-	-	10,000	-	-100.0%
Other Charges	10,000	-	10,000	15,000	50.0%
Total	\$ 10,000	\$ -	\$ 20,000	\$ 15,000	-25.0%

**Program Expenditures by Classification**

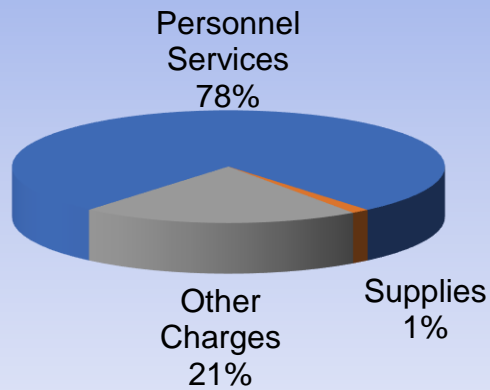


# COMMUNITY DEVELOPMENT 2023 BUDGET

## Total By Program



## Total By Classification



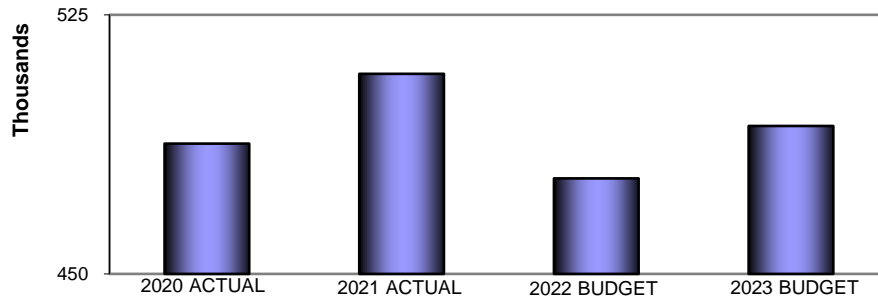
CITY OF ST. FRANCIS, MINNESOTA  
**COMMUNITY DEVELOPMENT SUMMARY**  
 EXPENDITURE ANALYSIS

Total By Program	2020 ACTUAL	2021 ACTUAL	2022 BUDGET	2023 BUDGET	% CHANGE
Planning & Zoning	\$321,800	\$354,204	\$309,025	\$301,225	-2.5%
Building Inspections	165,920	153,716	168,625	191,600	13.6%
<b>Totals</b>	<b>487,720</b>	<b>507,920</b>	<b>477,650</b>	<b>492,825</b>	<b>3.2%</b>

Total By Classification	2020 ACTUAL	2021 ACTUAL	2022 BUDGET	2023 BUDGET	% CHANGE
Personnel Services	337,722	351,832	366,900	383,400	4.5%
Supplies	3,933	3,238	7,325	6,625	-9.6%
Other Charges	146,065	152,850	103,425	102,800	-0.6%
<b>Totals</b>	<b>487,720</b>	<b>507,920</b>	<b>477,650</b>	<b>492,825</b>	<b>3.2%</b>

Staffing	2020 ACTUAL	2021 ACTUAL	2022 BUDGET	2023 BUDGET
Full-time equivalents	1.00	3.00	3.00	3.00

**Expenditures**



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

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

**Program Description**

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

**Objectives**

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

**Performance Measures**

	2020 Actual	2021 Actual	2022 Actual	2023 Projected
Special use permits	1	1	4	3
Rezoning	1	1	4	1
Comp Plan amendments	0	1	3	0
Subdivisions processed	1	1	9	0
Variances	0	1	1	0

**Staffing**

	2020 Actual	2021 Actual	2022 Actual	2023 Projected
Full-Time Equivalent positions	2.00	2.00	2.00	2.00

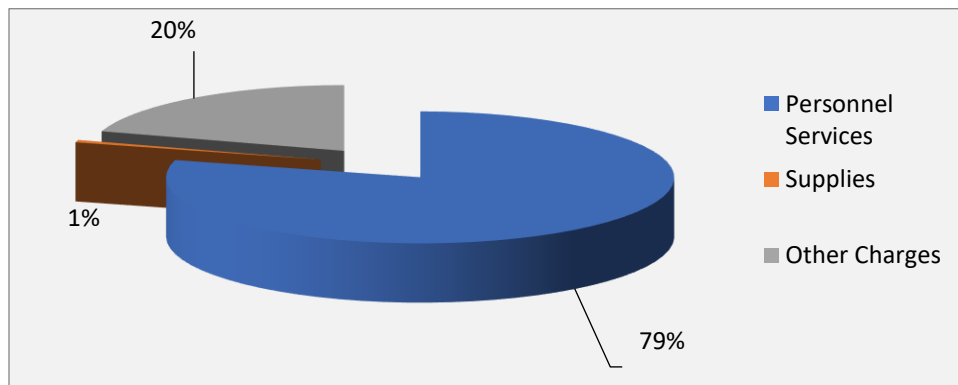
**Program Expenditure Highlights**

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

**Program Expenditures**

	2020 ACTUAL	2021 ACTUAL	2022 BUDGET	2023 BUDGET	% CHANGE
Personnel Services	\$ 220,353	\$ 230,489	\$ 241,200	\$ 238,600	-1.1%
Supplies	943	1,104	1,525	1,825	19.7%
Other Charges	100,504	122,611	66,300	60,800	-8.3%
<b>Total</b>	<b>\$ 321,800</b>	<b>\$ 354,204</b>	<b>\$ 309,025</b>	<b>\$ 301,225</b>	<b>-2.5%</b>

**Program Expenditures by Classification**



Department:  
Program:

General Government  
Building Inspections

Fund: 101  
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**

	2020 Actual	2021 Actual	2022 Actual	2023 Projected
Single family	57	43	31	10
Commercial/Industrial	0	0	0	1
Miscellaneous building permits	583	522	848	400

**Staffing**

	2019 Actual	2020 Actual	2021 Actual	2022 Projected
Full-Time Equivalent positions	1.00	1.00	1.00	1.00

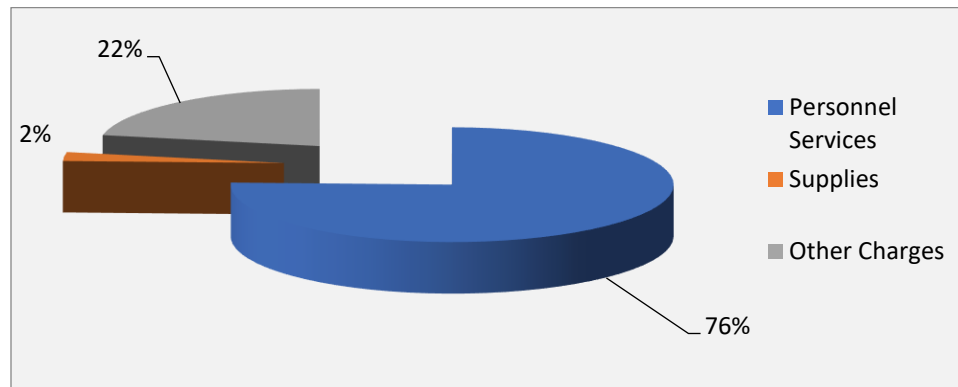
**Program Expenditure Highlights**

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

**Program Expenditures**

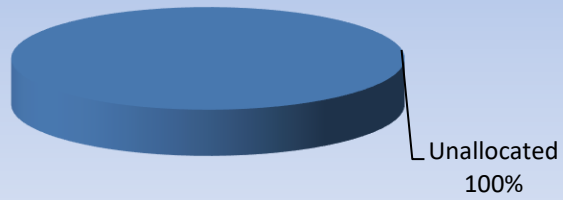
	2020 ACTUAL	2021 ACTUAL	2022 BUDGET	2023 BUDGET	% CHANGE
Personnel Services	\$ 117,369	\$ 121,343	\$ 125,700	\$ 144,800	15.2%
Supplies	2,990	2,134	5,800	4,800	-17.2%
Other Charges	45,561	30,239	37,125	42,000	13.1%
<b>Total</b>	<b>\$ 165,920</b>	<b>\$ 153,716</b>	<b>\$ 168,625</b>	<b>\$ 191,600</b>	<b>13.6%</b>

**Program Expenditures by Classification**

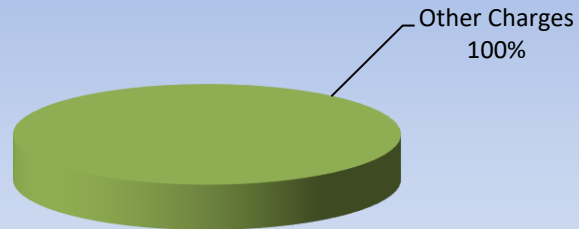


# MISCELLANEOUS 2023 BUDGET

## Total By Program



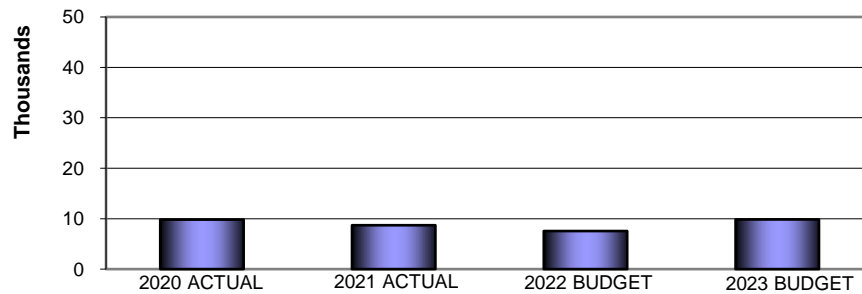
## Total By Classification



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

Total By Program	2020 ACTUAL	2021 ACTUAL	2022 BUDGET	2023 BUDGET	% CHANGE
Unallocated	\$9,819	\$8,701	\$7,550	\$9,850	30.5%
<b>Totals</b>	<b>9,819</b>	<b>8,701</b>	<b>7,550</b>	<b>9,850</b>	<b>30.5%</b>
<b>Total By Classification</b>					
Personnel Services	0	0	0	0	N/A
Supplies	0	0	0	0	N/A
Other Charges	9,819	8,701	7,550	9,850	30.5%
<b>Totals</b>	<b>9,819</b>	<b>8,701</b>	<b>7,550</b>	<b>9,850</b>	<b>30.5%</b>
<b>Staffing</b>					
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**

	2020 Actual	2021 Actual	2022 Actual	2023 Projected
None	N/A	N/A	N/A	N/A

**Staffing**

	2020 Actual	2021 Actual	2022 Actual	2023 Projected
Full-Time Equivalent positions	N/A	N/A	N/A	N/A

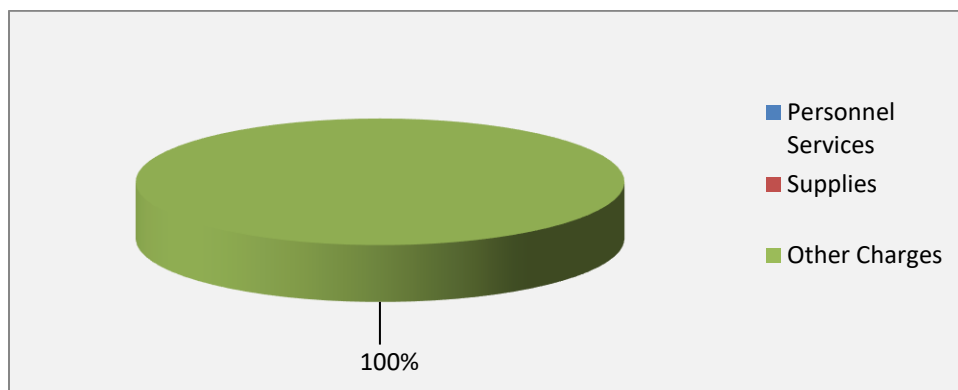
**Program Expenditure Highlights**

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

**Program Expenditures**

	2020 ACTUAL	2021 ACTUAL	2022 BUDGET	2023 BUDGET	% CHANGE
Personnel Services	\$ -	\$ -	\$ -	\$ -	N/A
Supplies	-	-	-	-	N/A
Other Charges	9,819	8,701	7,550	9,850	30.5%
<b>Total</b>	<b>\$ 9,819</b>	<b>\$ 8,701</b>	<b>\$ 7,550</b>	<b>\$ 9,850</b>	<b>30.5%</b>

**Program Expenditures by Classification**





# **SPECIAL REVENUE FUNDS**

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

	2021 ACTUAL	2022 BUDGET	2022 ESTIMATE	2023 BUDGET
<u>Fines and Forfeits:</u>				
Confiscated property	\$ -	\$ -	\$ -	\$ -
<u>Miscellaneous:</u>				
Miscellaneous	8,210	-	9,872	-
 Total revenues	 8,210	 -	 9,872	 -
<u>Expenditures:</u>				
Commodities	23,898	12,058	3,731	7,416
Contractual services				
Other charges				
 Total expenditures	 23,898	 12,058	 3,731	 7,416
Excess (deficit) of revenues over expenditures	(15,688)	(12,058)	6,141	(7,416)
Fund balance - January 1	16,963	1,275	1,275	7,416
Fund balance - December 31	\$ 1,275	\$ (10,783)	\$ 7,416	\$ -

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

CITY OF ST. FRANCIS, MINNESOTA  
**EDA FUND (240)**  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

	2021 ACTUAL	2022 BUDGET	2022 ESTIMATE	2023 BUDGET
<u>Miscellaneous Revenue:</u>				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	-
Park dedication fees	-	-	-	-
Investment earnings	(606)	-	-	-
Miscellaneous	-	-	-	-
Total revenues	(606)	-	-	-
<u>Expenditures:</u>				
EDA Expenditures	28,050	-	-	-
Total expenditures	28,050	-	-	-
Excess (deficit) of revenues over expenditures	(28,656)	-	-	-
Other financing sources (uses):				
Land Sales	-	-	-	-
Net increase (decrease) in fund balance	(28,656)	-	-	-
Fund balance - January 1	70,602	41,946	41,946	41,946
Fund balance - December 31	\$ 41,946	\$ 41,946	\$ 41,946	\$ 41,946

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.

# **ENTERPRISE FUNDS**

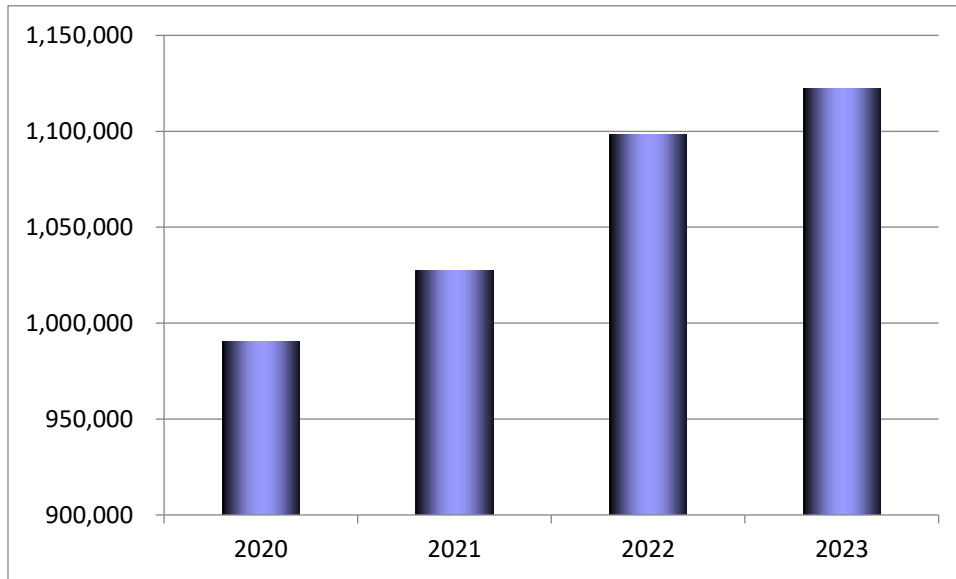
CITY OF ST. FRANCIS, MINNESOTA  
**WATER FUND SUMMARY**  
 EXPENSE ANALYSIS

Total By Classification	2020 ACTUAL	2021 ACTUAL	2022 BUDGET	2023 BUDGET	% CHANGE
Personnel Services	208,749	244,666	264,400	278,450	5.3%
Commodities	86,437	90,984	62,900	65,900	4.8%
Contractual Services	317,788	312,969	386,450	395,700	2.4%
Depreciation	348,422	348,682	350,000	350,000	0.0%
Other Charges	29,147	30,087	34,380	32,150	-6.5%
<b>Totals</b>	<b>990,543</b>	<b>1,027,388</b>	<b>1,098,130</b>	<b>1,122,200</b>	<b>2.2%</b>

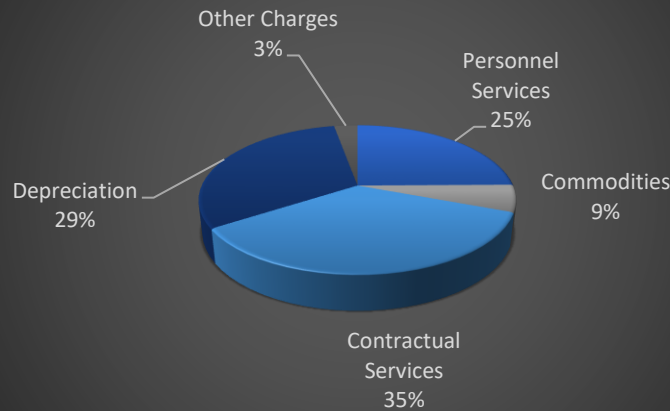
**Staffing**

Full-time equivalents	2.25	2.25	2.25	2.25
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Expenditures



**2023 BUDGET**



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

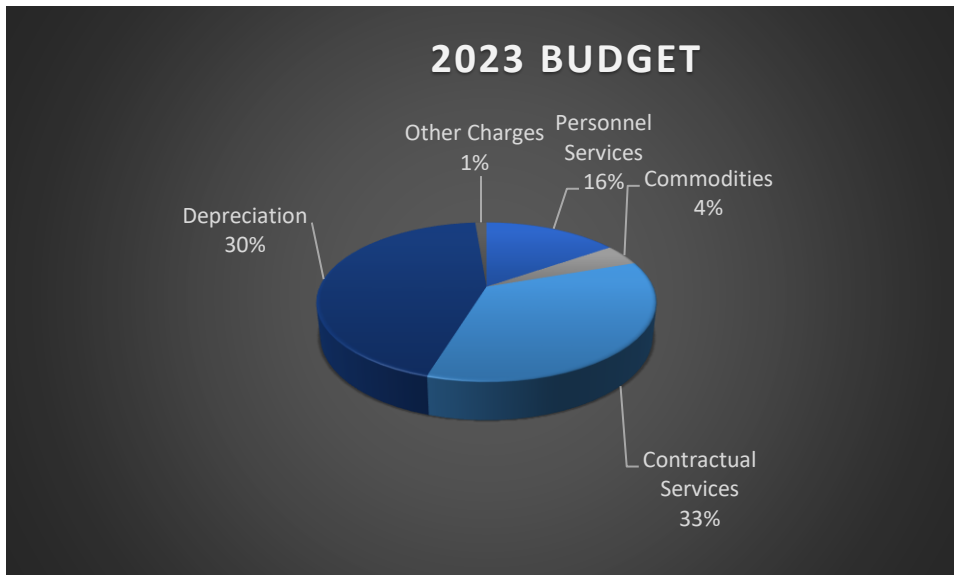
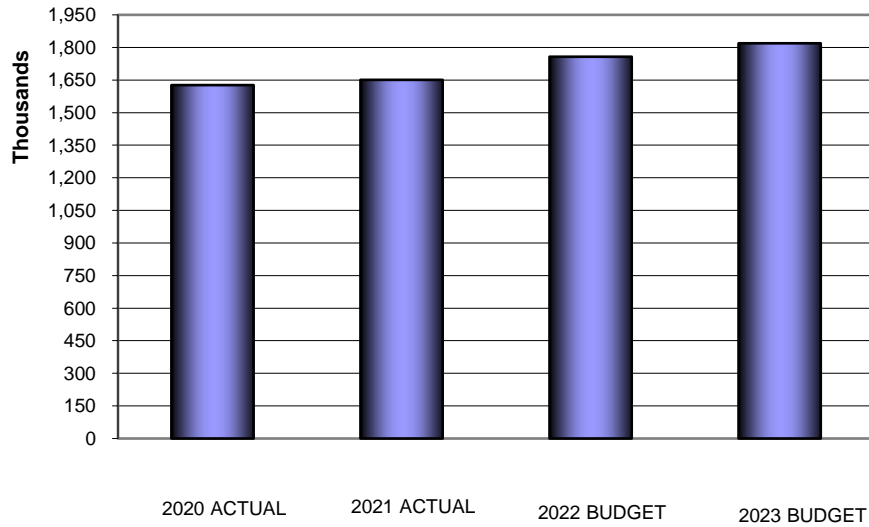
	2021 ACTUAL	2022 BUDGET	2022 ESTIMATE	2023 BUDGET
<b><u>Operating revenues:</u></b>				
Water sales	\$ 1,487,888	\$ 1,400,000	\$ 1,477,086	\$ 1,650,000
Water penalty	-	-	-	
<b>Total revenues</b>	<b>1,487,888</b>	<b>1,400,000</b>	<b>1,477,086</b>	<b>1,650,000</b>
<b><u>Operating expenses:</u></b>				
Personnel services	244,666	264,400	246,036	278,450
Supplies	90,984	62,900	67,771	65,900
Professional services	122,249	171,000	166,146	174,950
Communications	5,305	6,000	5,717	5,500
Insurance	24,288	19,000	19,373	19,000
Utilities	92,740	95,500	103,528	101,500
Repairs and maintenance	68,387	94,950	81,365	94,750
Depreciation	348,682	350,000	350,000	350,000
Other	30,087	34,350	41,064	32,150
<b>Total expenses</b>	<b>1,027,388</b>	<b>1,098,100</b>	<b>1,081,000</b>	<b>1,122,200</b>
<b>Operating income (loss)</b>	<b>460,500</b>	<b>301,900</b>	<b>396,086</b>	<b>527,800</b>
<b><u>Nonoperating revenues (expenses):</u></b>				
Investment earnings	(10,790)	20,000	62,793	20,000
Connection Fees	260,231	61,200	85,338	-
Interest expense	(176,006)	(135,000)	(124,321)	(114,800)
Special assessments	10,026	34,580	138,507	34,580
Miscellaneous revenues	93,652	3,000	12,828	3,000
<b>Total nonoperating revenues (expenses)</b>	<b>177,113</b>	<b>(16,220)</b>	<b>175,145</b>	<b>(57,220)</b>
<b>Net income (loss) before contributions and transfers</b>	<b>637,613</b>	<b>285,680</b>	<b>571,231</b>	<b>470,580</b>
<b><u>Transfers in (out):</u></b>				
Sewer Fund	37,058	37,058	37,058	37,058
Debt Service Fund	(18,580)	(18,580)	(18,580)	(18,580)
Capital Equipment	(10,000)	(10,000)	(10,000)	(20,000)
EDA Lease Revenue Bonds	(82,500)	(82,500)	(82,500)	(82,500)
Street Fund	-	-	-	-
Capital contributions	-	-	-	-
<b>Change in net position</b>	<b>563,591</b>	<b>211,658</b>	<b>497,209</b>	<b>386,558</b>
<b>Net position- January 1</b>	<b>7,375,734</b>	<b>7,939,325</b>	<b>7,939,325</b>	<b>8,436,534</b>
<b>Net position- December 31</b>	<b>\$ 7,939,325</b>	<b>\$ 8,150,983</b>	<b>\$ 8,436,534</b>	<b>\$ 8,823,092</b>

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

Total By Classification	2020 ACTUAL	2021 ACTUAL	2022 BUDGET	2023 BUDGET	% CHANGE
Personnel Services	211,942	245,537	265,400	279,450	5.3%
Commodities	63,669	79,849	60,000	78,600	31.0%
Contractual Services	540,214	516,227	607,700	637,650	4.9%
Depreciation	796,263	794,796	800,000	800,000	0.0%
Other Charges	14,551	14,377	24,100	23,400	-2.9%
<b>Totals</b>	<b>1,626,639</b>	<b>1,650,786</b>	<b>1,757,200</b>	<b>1,819,100</b>	<b>3.5%</b>

**Staffing**

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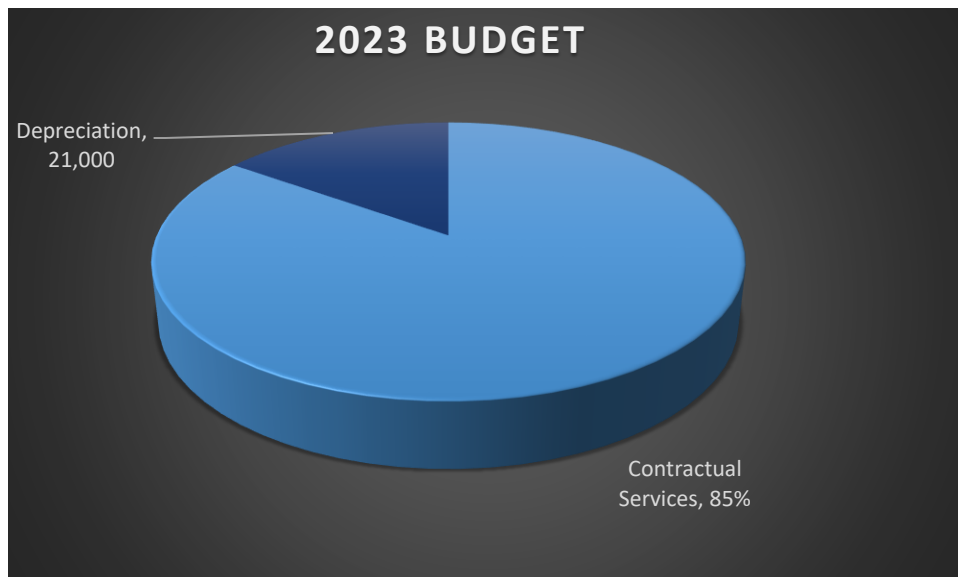
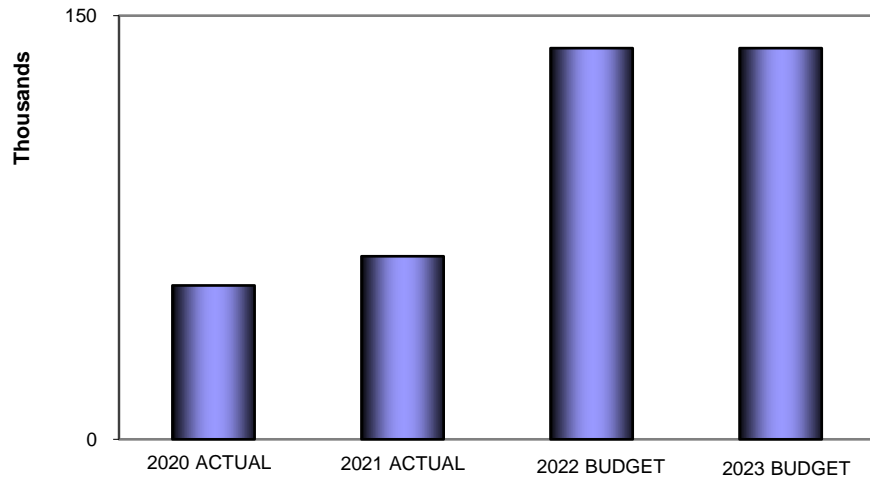
CITY OF ST. FRANCIS, MINNESOTA  
**SANITARY SEWER FUND (602)**  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS

	2021 ACTUAL	2022 BUDGET	2022 ESTIMATE	2023 BUDGET
<b>Operating revenues:</b>				
Sewer sales	\$ 1,835,511	\$ 1,700,000	\$ 1,895,629	\$ 2,102,000
<b>Total revenues</b>	<b>1,835,511</b>	<b>1,700,000</b>	<b>1,895,629</b>	<b>2,102,000</b>
<b>Operating expenses:</b>				
Personnel services	245,537	265,400	251,340	279,450
Supplies	79,849	60,000	104,871	78,600
Professional services	221,039	313,800	266,847	326,750
Communications	3,414	4,000	3,858	4,000
Insurance	34,920	30,000	29,443	30,000
Utilities	146,991	146,000	161,509	153,500
Repairs and maintenance	109,863	113,900	91,124	123,400
Depreciation	794,796	800,000	800,000	800,000
Other	14,377	24,100	16,790	23,400
<b>Total expenses</b>	<b>1,650,786</b>	<b>1,757,200</b>	<b>1,725,782</b>	<b>1,819,100</b>
<b>Operating income (loss)</b>	<b>184,725</b>	<b>(57,200)</b>	<b>169,847</b>	<b>282,900</b>
<b>Nonoperating revenues (expenses):</b>				
Investment earnings	(14,303)	20,000	74,322	20,000
Connection charges	257,272	85,680	119,508	-
Special Assessments	1,022	-	178	-
Interest Expense	(249,551)	(242,950)	(231,671)	(226,095)
Miscellaneous revenues	122,109	3,000	30,060	3,000
<b>Total nonoperating revenues (expenses)</b>	<b>116,549</b>	<b>(134,270)</b>	<b>(7,603)</b>	<b>(203,095)</b>
<b>Net income (loss) before contributions and transfers</b>	<b>301,274</b>	<b>(191,470)</b>	<b>162,244</b>	<b>79,805</b>
<b>Transfers in (out):</b>				
Debt Service Fund	(21,300)	(21,300)	(21,300)	(21,300)
Capital Equipment	(10,000)	(10,000)	(10,000)	(20,000)
Water Fund	(37,058)	(37,058)	(37,058)	(37,058)
EDA Lease Revenue Bonds	(82,500)	(82,500)	(82,500)	(82,500)
<b>Change in net position</b>	<b>150,416</b>	<b>(342,328)</b>	<b>11,386</b>	<b>(81,053)</b>
<b>Net position - January 1</b>	<b>17,359,746</b>	<b>17,510,162</b>	<b>17,510,162</b>	<b>17,521,548</b>
<b>Net position - December 31</b>	<b>\$ 17,510,162</b>	<b>\$ 17,167,834</b>	<b>\$ 17,521,548</b>	<b>\$ 17,440,495</b>

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

Total By Classification	2020 ACTUAL	2021 ACTUAL	2022 BUDGET	2023 BUDGET	% CHANGE
Personnel Services	-	-	-	-	N/A
Commodities	-	-	-	-	N/A
Contractual Services	34,269	44,605	117,500	117,500	0.0%
Depreciation	20,207	20,207	21,000	21,000	0.0%
Other Charges	-	-	-	-	N/A
<b>Totals</b>	<b>54,476</b>	<b>64,812</b>	<b>138,500</b>	<b>138,500</b>	<b>0.0%</b>

Staffing					
Full-time equivalents	0.00	0.00	0.00	0.00	



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

	2021 ACTUAL	2022 BUDGET	2022 ESTIMATE	2023 BUDGET
<b><u>Operating revenues:</u></b>				
Storm Water Fee	\$ 178,695	\$ 165,000	\$ 174,240	\$ 165,000
<b>Total revenues</b>	<b>178,695</b>	<b>165,000</b>	<b>174,240</b>	<b>165,000</b>
<b><u>Operating expenses:</u></b>				
Personnel services	-	-	-	-
Supplies	-	-	-	-
Professional services	44,605	72,500	42,328	77,500
Communications	-	-	-	-
Insurance	-	-	-	-
Utilities	-	-	-	-
Repairs and maintenance	-	45,000	6,626	40,000
Depreciation	20,207	21,000	21,000	21,000
Other	-	-	-	-
<b>Total expenses</b>	<b>64,812</b>	<b>138,500</b>	<b>69,954</b>	<b>138,500</b>
<b>Operating income (loss)</b>	<b>113,883</b>	<b>26,500</b>	<b>104,286</b>	<b>26,500</b>
<b>Nonoperating revenues (expenses):</b>				
Investment earnings	1,074	2,000	9,809	2,000
Connection charges	-	-	-	-
Interest Expense	-	-	-	-
Special assessments	7,639	20,000	11,952	8,000
Miscellaneous revenues	1,314	-	90	-
<b>Total nonoperating revenues (expenses)</b>	<b>10,027</b>	<b>22,000</b>	<b>21,851</b>	<b>10,000</b>
<b>Net income (loss) before contributions and transfers</b>	<b>123,910</b>	<b>48,500</b>	<b>126,137</b>	<b>36,500</b>
<b>Transfers in (out):</b>				
Debt Service Fund	-	-	-	-
Capital Equipment	-	-	-	-
EDA Lease Revenue Bonds	-	-	-	-
Capital contributions	-	-	-	-
<b>Change in net position</b>	<b>123,910</b>	<b>48,500</b>	<b>126,137</b>	<b>36,500</b>
<b>Net position - January 1</b>	<b>1,019,451</b>	<b>1,143,361</b>	<b>1,143,361</b>	<b>1,269,498</b>
<b>Net position - December 31</b>	<b>\$ 1,143,361</b>	<b>\$ 1,191,861</b>	<b>\$ 1,269,498</b>	<b>\$ 1,305,998</b>

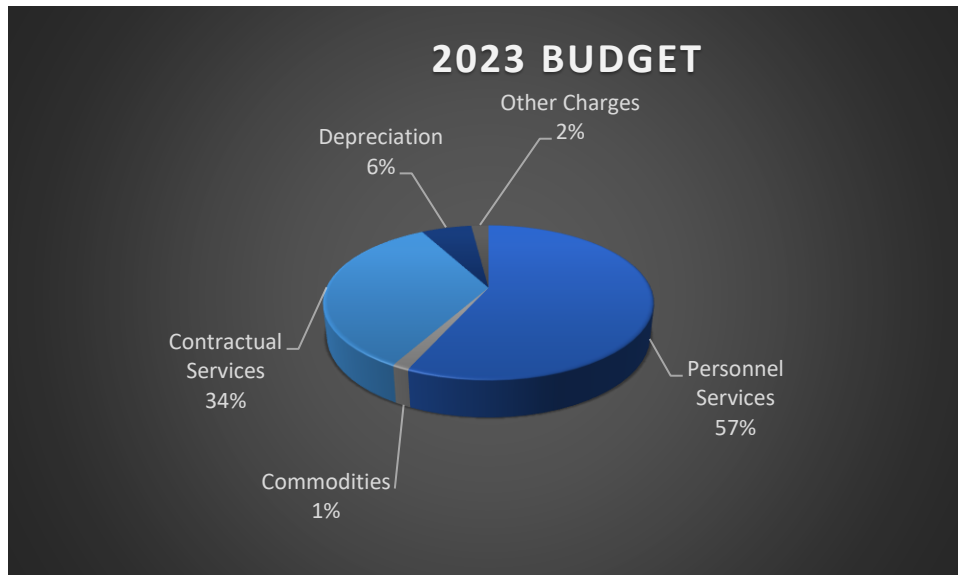
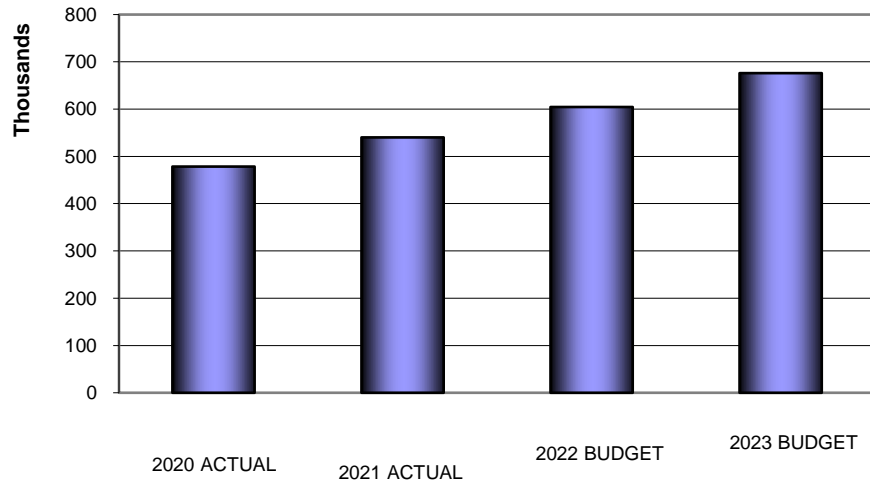
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CITY OF ST. FRANCIS, MINNESOTA  
**LIQUOR STORE FUND SUMMARY**  
 EXPENSE ANALYSIS

Total By Classification	2020 ACTUAL	2021 ACTUAL	2022 BUDGET	2023 BUDGET	% CHANGE
Personnel Services	257,952	296,863	343,700	383,800	11.7%
Commodities	5,426	19,614	8,500	9,700	14.1%
Contractual Services	180,698	195,752	205,500	228,850	11.4%
Depreciation	22,957	19,195	36,000	40,000	11.1%
Other Charges	11,404	8,697	10,750	13,700	27.4%
<b>Totals</b>	<b>478,437</b>	<b>540,121</b>	<b>604,450</b>	<b>676,050</b>	<b>11.8%</b>

**Staffing**

Full-time equivalents	4.25	4.25	5.25	5.25
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CITY OF ST. FRANCIS, MINNESOTA  
**MUNICIPAL LIQUOR OPERATIONS FUND (609)**  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS

	2021 ACTUAL	2022 BUDGET	2022 ESTIMATE	2023 BUDGET
<b><u>Operating revenues:</u></b>				
Liquor sales	\$ 2,501,792	\$ 2,700,000	2,937,078	\$ 2,557,000
<b><u>Cost of sales:</u></b>	(1,899,043)	(2,066,000)	(2,211,211)	(1,928,900)
<b>Gross profit</b>	<b>602,749</b>	<b>634,000</b>	<b>725,867</b>	<b>628,100</b>
<b><u>Operating expenses:</u></b>				
Personnel services	296,863	343,700	355,033	383,800
Supplies	19,614	8,500	7,466	9,700
Professional services	137,579	146,000	184,322	151,450
Communications	2,331	4,000	1,709	4,000
Insurance	26,196	31,000	22,176	28,000
Utilities	15,050	18,100	18,386	22,400
Repairs and maintenance	14,596	6,400	38,945	23,000
Depreciation	19,195	36,000	36,000	40,000
Other	8,697	10,750	11,413	13,700
<b>Total expenses</b>	<b>540,121</b>	<b>604,450</b>	<b>675,450</b>	<b>676,050</b>
<b>Operating income (loss)</b>	<b>62,628</b>	<b>29,550</b>	<b>50,417</b>	<b>(47,950)</b>
<b><u>Other revenues (expenses):</u></b>				
Investment earnings	(10,873)	14,000	21,814	10,000
Miscellaneous revenues	353	400	2,058	400
<b>Total other revenues (expenses)</b>	<b>(10,520)</b>	<b>14,400</b>	<b>23,872</b>	<b>10,400</b>
<b>Net income (loss) before contributions and transfers</b>	<b>52,108</b>	<b>43,950</b>	<b>74,289</b>	<b>(37,550)</b>
<b>Transfers in (out):</b>				
General Fund	(60,000)	(60,000)	(60,000)	(60,000)
<b>Change in net position</b>	<b>(7,892)</b>	<b>(16,050)</b>	<b>14,289</b>	<b>(97,550)</b>
<b>Net position - January 1</b>	<b>2,162,561</b>	<b>2,154,669</b>	<b>2,154,669</b>	<b>2,168,958</b>
<b>Net position - December 31</b>	<b>\$ 2,154,669</b>	<b>\$ 2,138,619</b>	<b>\$ 2,168,958</b>	<b>\$ 2,071,408</b>

# **CAPITAL OUTLAY FUNDS**

## **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 2021-2025 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.

	2023	2024	2025	2026	2027
<b>Use of Funds:</b>					
<b>Administration</b>					
Computers	6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000
City Technology Equipment	10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
<b>Inspections</b>					
Vehicle	30,000				
<b>Police</b>					
Vehicles	70,000	35,000	95,000	35,000	135,000
Police Radios	5,000	5,000	10,000	5,000	21,000
Firearms	1,000	1,000	1,000	1,000	1,000
UTV	-	5,000	5,000	5,000	5,000
Squad Computers	4,400	2,200	4,400	2,200	11,000
Office Computers	5,500	6,000	-	4,100	3,800
Rifle Sights	500	500	500	500	500
Squad Cameras	12,500	12,500	9,000	9,000	9,000
Body Cameras	6,000	6,000	6,000	9,500	7,000
Cameras for Buildings	-	-	-	-	-
<b>Fire</b>					
Radio replacement	4,000	4,000	4,000	4,000	4,000
Turnout Gear (5 sets a year)	10,000	10,000	10,000	10,000	15,000
<b>Fire Apparatus</b>					
2000 Spartan					
1998 Tanker	50,000	100,000	100,000	100,000	100,000
2015 Tanker/Engine					
<b>Vehicles</b>					
-Grass Rig				60,000	15,000
-Rescue		50,000	60,000		
-Duty Officer					
-Assistant Chief					
-Chiefs Car					65,000
<b>SCBA</b>					
Extraction Equipment (2)	30,000				
Thermal Imagers (2)		10,000			
Gas Fans (2)			5,000		
CPR Device	20,000				
Fire Hose Replacement		10,000			
Miscellaneous Batteries	1,000	1,000	1,000	1,000	1,000
<b>Public Works</b>					
Pickup Trucks	-	45,000	-	-	45,000
Sign Truck	-	-	-	-	110,000
One Ton Dump Truck	-	85,000	-	-	-
Bobcat ToolCat	40,000	40,000	30,000		
Miscellaneous Equipment and attachments	29,000		5,000	8,000	4,000
Batwing Mower	65,000				
Zero Turn Mower	15,000	15,500	28,000	-	-
2008 Kubota Tractor					
Computers	3,000	3,000	3,000	3,000	3,000
<b>Total</b>	<b>417,900</b>	<b>462,700</b>	<b>392,900</b>	<b>\$ 273,300</b>	<b>\$ 571,300</b>

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

Please see the city's website at [www.stfrancismn.org](http://www.stfrancismn.org) for a copy of the complete plan as adopted.

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

	2021 ACTUAL	2022 BUDGET	2022 ESTIMATE	2023 BUDGET
<u>Miscellaneous Revenue:</u>				
Property Taxes	\$ 250,000	\$ 260,000	\$ 260,000	\$ 280,000
Investment earnings	(8,154)	7,000	16,629	7,000
Miscellaneous	6,000	-	13,133	-
	<hr/>			
Total revenues	247,846	267,000	289,762	287,000
	<hr/>			
<u>Expenditures:</u>				
<u>Capital Outlay</u>				
General Government	13,449	61,482	4,168	73,314
Public Safety	643,614	288,116	103,993	388,196
Community Development	-	-	-	30,000
Public Works	60,190	164,874	75,091	246,584
Culture & Recreation	-	-	-	-
	<hr/>			
Total expenditures	717,253	514,472	183,252	738,094
	<hr/>			
Excess (deficit) of revenues over expenditures	(469,407)	(247,472)	106,510	(451,094)
Other financing sources (uses):				
Transfers in (out):				
General Fund	-			
Water Fund	10,000	10,000	10,000	20,000
Sewer Fund	10,000	10,000	10,000	20,000
Liquor Fund	-	-	-	-
Sale of Capital Assets	-	-	-	-
Transfer Out	-	-	-	-
	<hr/>			
Net increase (decrease) in fund balance	(449,407)	(227,472)	126,510	(411,094)
Fund balance - January 1	1,079,451	630,044	630,044	756,554
	<hr/>			
Fund balance - December 31	\$ 630,044	\$ 402,572	\$ 756,554	\$ 345,460
	<hr/>			

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

	2021 ACTUAL	2022 BUDGET	2022 ESTIMATE	2023 BUDGET
<u>Miscellaneous:</u>				
Miscellaneous	\$ 47,340	\$ 40,000	\$ 35,573	\$ 40,000
Investment earnings	(150)	850	3,428	500
Total revenues	47,190	40,850	39,001	40,500
 <u>Expenditures:</u>				
Commodities	-	-	-	-
Contractual services	-	-	-	-
Other charges	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficit) of revenues over expenditures	47,190	40,850	39,001	40,500
Fund balance - January 1	85,663	132,853	132,853	171,854
Fund balance - December 31	\$ 132,853	\$173,703	\$ 171,854	\$212,354

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

	2021 ACTUAL	2022 BUDGET	2022 ESTIMATE	2023 BUDGET
<u>Miscellaneous Revenue:</u>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for Services	65,942	1,000	1,230	1,000
Park dedication fees	-	-	1,300	-
Investment earnings	(1,127)	700	3,303	700
Miscellaneous	150	-	-	-
Total revenues	64,965	1,700	5,833	1,700
 <u>Expenditures:</u>				
Park development projects	245,207	-	542,630	-
Total expenditures	245,207	-	542,630	-
Excess (deficit) of revenues over expenditures	(180,242)	1,700	(536,797)	1,700
Other financing sources (uses):				
Transfers in (out):				
General Fund	278,018	-	-	-
Net increase (decrease) in fund balance	97,776	1,700	(536,797)	1,700
Fund balance - January 1	347,741	445,517	445,517	(91,280)
Fund balance - December 31	\$ 445,517	\$ 447,217	\$ (91,280)	\$ (89,580)

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.

In 2022, Siwek Park was constructed with the help of grant funds.

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

	2021 ACTUAL	2022 BUDGET	2022 ESTIMATE	2023 BUDGET
<u>Miscellaneous Revenue:</u>				
Property Taxes	\$ 246,000	\$ 470,000	\$ 470,000	\$ 870,000
Investment earnings	579	1,000	11,077	1,000
Miscellaneous	-	-	-	-
<b>Total revenues</b>	<b>246,579</b>	<b>471,000</b>	<b>481,077</b>	<b>871,000</b>
<u>Expenditures:</u>				
<u>Capital Outlay</u>				
General Government	-	-	-	-
Public Safety	-	-	37,262	-
Community Development	-	-	-	-
Public Works	16,072	-	-	-
Culture & Recreation	-	-	-	-
<b>Total expenditures</b>	<b>16,072</b>	<b>-</b>	<b>37,262</b>	<b>-</b>
Excess (deficit) of revenues over expenditures	230,507	471,000	443,815	871,000
Other financing sources (uses):				
Transfers in (out):				
General Fund	-	-	-	-
Transfer Out	-	-	-	-
<b>Net increase (decrease) in fund balance</b>	<b>230,507</b>	<b>471,000</b>	<b>443,815</b>	<b>871,000</b>
Fund balance - January 1	76,559	307,066	307,066	750,881
Fund balance - December 31	<b>\$ 307,066</b>	<b>\$ 778,066</b>	<b>\$ 750,881</b>	<b>\$ 1,621,881</b>

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

	2021 ACTUAL	2022 BUDGET	2022 ESTIMATE	2023 BUDGET
<u>Miscellaneous Revenue:</u>				
Property Taxes	\$ 240,000	\$ 300,000	\$ 300,000	\$ 360,000
Intergovernmental	144,995	116,097	993,724	116,097
Special Assessments	44,638	39,000	33,222	39,000
Investment earnings	(6,194)	10,000	15,912	10,000
Miscellaneous		-	6	-
<b>Total revenues</b>	<b>423,439</b>	<b>465,097</b>	<b>1,342,864</b>	<b>525,097</b>
<u>Expenditures:</u>				
<u>Capital Outlay</u>				
Public Works	487,674	759,966	2,074,213	194,000
<b>Total expenditures</b>	<b>487,674</b>	<b>759,966</b>	<b>2,074,213</b>	<b>194,000</b>
Excess (deficit) of revenues over expenditures	(64,235)	(294,869)	(731,349)	331,097
<u>Other financing sources (uses):</u>				
<u>Transfers in (out):</u>				
General Fund	-	-	-	-
Water Fund	-	-	-	-
Sewer Fund	-	-	-	-
Transfer Out	-	-	-	-
<b>Net increase (decrease) in fund balance</b>	<b>(64,235)</b>	<b>(294,869)</b>	<b>(731,349)</b>	<b>331,097</b>
Fund balance - January 1	999,961	935,726	935,726	204,377
Fund balance - December 31	<u>\$ 935,726</u>	<u>\$ 640,857</u>	<u>\$ 204,377</u>	<u>\$ 535,474</u>

Accounts for funds set aside for future street improvements.

# **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.

2022	
Estimated market value of taxable property	\$693,412,000
Debt limit (3% of market value)	\$20,802,360
Total bonds outstanding excluding enterprise debt	(\$5,555,000)
Total long-term debt being paid by annual appropriations	(\$536,327)
Total debt applicable to debt limit	\$(6,091,327)
Unused Debt Margin	\$17,427,244

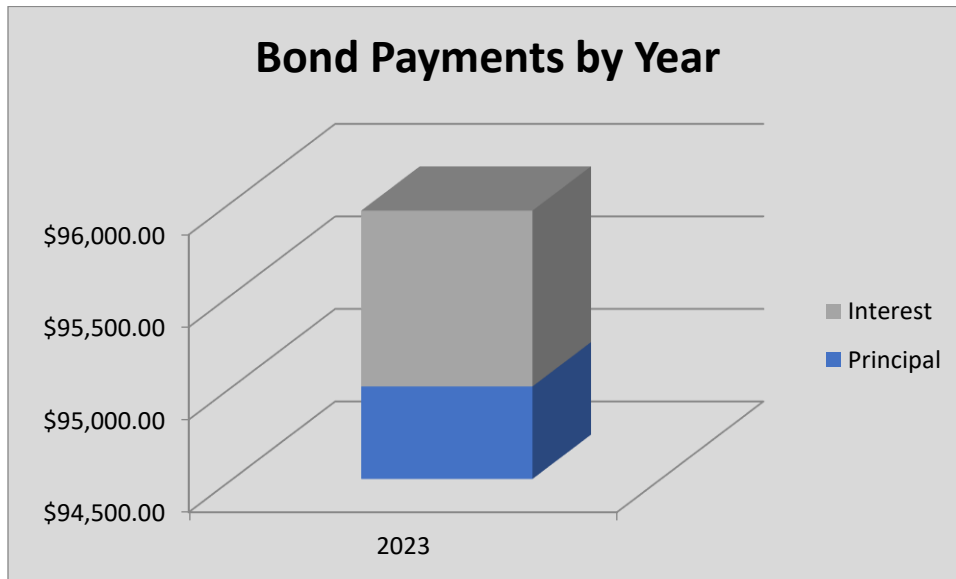
All bonds issued by the city's enterprise funds are reported in the individual budgets.

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

	2021 ACTUAL	2022 BUDGET	2022 ESTIMATE	2023 BUDGET
<b>Revenues:</b>				
Property taxes	\$ 21,157	\$ 20,900	\$ 20,900	\$ -
Special assessments	22,026	16,000	16,000	-
Investment earnings	(273)	20	20	-
Miscellaneous	2,536	-	-	-
<b>Total revenues</b>	<b>45,446</b>	<b>36,920</b>	<b>36,920</b>	<b>-</b>
<b>Expenditures:</b>				
<u>Debt Service:</u>				
Principal:	95,000	95,000	95,000	95,000
Interest and other charges	5,359	3,325	3,325	1,900
<b>Total expenditures</b>	<b>100,359</b>	<b>98,325</b>	<b>98,325</b>	<b>96,900</b>
Excess (deficit) of revenues over expenditures	(54,913)	(61,405)	(61,405)	(96,900)
<b>Other financing sources (uses):</b>				
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	(15,033)	(21,525)	(21,525)	(57,020)
Fund balance - January 1	40,883	25,850	4,325	(17,200)
Fund balance - December 31	<u>\$ 25,850</u>	<u>\$ 4,325</u>	<u>\$ (17,200)</u>	<u>\$ (74,220)</u>

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
2023	95,000.00	950.00	95,950
<b>Total</b>	<b>\$95,000</b>	<b>\$950</b>	<b>\$95,950</b>

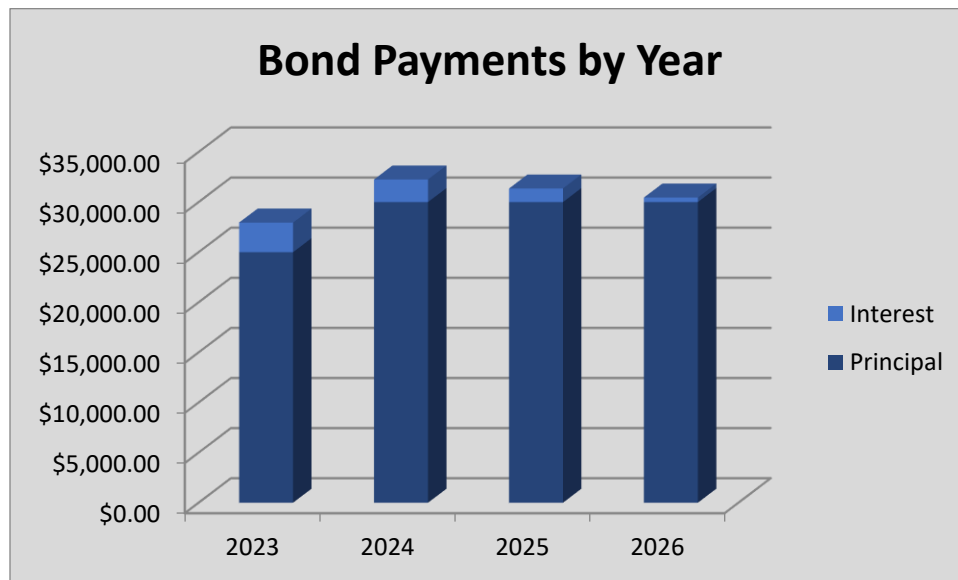


CITY OF ST. FRANCIS, MINNESOTA  
**DEBT SERVICE BUDGET (327)**  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

	2021 ACTUAL	2022 BUDGET	2022 ESTIMATE	2023 BUDGET
<b>Revenues:</b>				
Property taxes	\$ 20,778	\$ 20,470	\$ 20,470	\$ 20,470
Special assessments	8,847	9,840	9,840	7,000
Investment earnings	(496)	500	500	500
<b>Total revenues</b>	<b>29,129</b>	<b>30,810</b>	<b>30,810</b>	<b>27,970</b>
<b>Expenditures:</b>				
Principal	25,000	25,000	25,000	25,000
Interest and other charges	4,425	3,925	3,925	3,425
<b>Total expenditures</b>	<b>29,425</b>	<b>28,925</b>	<b>28,925</b>	<b>28,425</b>
Excess (deficit) of revenues over expenditures	(296)	1,885	1,885	(455)
<b>Other financing sources (uses):</b>				
Transfers in (out):	-	-	-	-
Net increase (decrease) in fund balance	(296)	1,885	1,885	(455)
Fund balance - January 1	85,695	85,399	85,399	87,284
Fund balance - December 31	<b>\$ 85,399</b>	<b>\$ 87,284</b>	<b>\$ 87,284</b>	<b>\$ 86,829</b>

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
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
<b>Total</b>	<b>\$115,000</b>	<b>\$7,000</b>	<b>\$122,000</b>



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

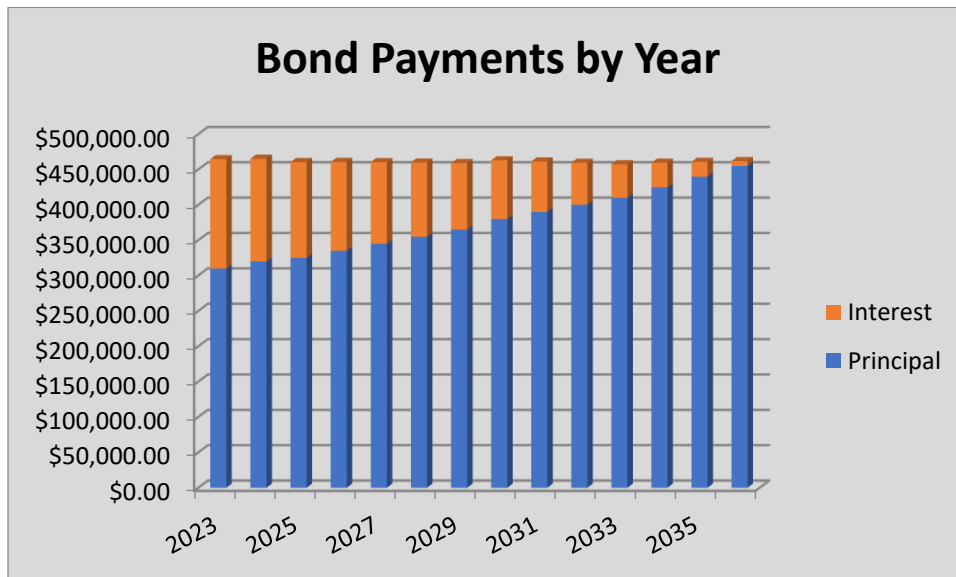
	2021 ACTUAL	2022 BUDGET	2022 ESTIMATE	2023 BUDGET
Revenues:				
Property Taxes	\$ 329,455	\$ 327,220	\$ 327,220	\$ 327,220
Investment earnings	-	-	-	
<b>Total revenues</b>	<b>329,455</b>	<b>327,220</b>	<b>327,220</b>	<b>327,220</b>
Expenditures:				
Principal	290,000	300,000	300,000	310,000
Interest and other fees	173,106	164,257	164,257	155,107
<b>Total expenditures</b>	<b>463,106</b>	<b>464,257</b>	<b>464,257</b>	<b>465,107</b>
Excess (deficit) of revenues over expenditures	(133,651)	(137,037)	(137,037)	(137,887)
Other financing sources (uses):				
Transfers in (out):				
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	31,349	27,963	27,963	27,113
Fund balance - January 1	45,173	76,522	76,522	104,485
Fund balance - December 31	\$ 76,522	\$ 104,485	\$ 104,485	\$ 131,598

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

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

Year	Principal	Interest	Total
2023	310,000.00	154,631.26	464,631.26
2024	320,000.00	145,181.26	465,181.26
2025	325,000.00	135,506.26	460,506.26
2026	335,000.00	125,606.26	460,606.26
2027	345,000.00	115,406.26	460,406.26
2028	355,000.00	104,906.26	459,906.26
2029	365,000.00	94,106.26	459,106.26
2030	380,000.00	82,931.26	462,931.26
2031	390,000.00	71,381.26	461,381.26
2032	400,000.00	59,531.26	459,531.26
2033	410,000.00	47,381.26	457,381.26
2034	425,000.00	34,590.63	459,590.63
2035	440,000.00	20,800.00	460,800.00
2036	455,000.00	6,825.00	461,825.00
<b>Total</b>	<b>5,255,000.00</b>	<b>1,198,784.49</b>	<b>6,453,784.49</b>



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# SUPPLEMENTARY INFORMATION

City of St. Francis  
Demographics

	U.S. Census		2020-2010
	2010	2020	Percent Change
Population	7,218	8,142	12.80%
Households	2,520	2,877	14.17%
Household Size	2.86	2.83	-1.20%

**Population by Age (2019 American Community Survey)**

	Person	Percent
Under 5	801	10.5%
5 to 9	617	8.1%
10 to 14	514	6.7%
15 to 19	527	6.9%
20 to 24	459	6.0%
25 to 29	542	7.1%
30 to 34	543	7.1%
35 to 39	663	8.7%
40 to 44	371	4.8%
45 to 49	566	7.4%
50 to 54	613	8.0%
55 to 59	516	6.7%
60 to 64	242	3.2%
65 to 69	218	2.8%
70 to 74	180	2.4%
75 to 79	163	2.1%
80 to 84	52	0.7%
Over 85	65	0.8%
<b>Total Population</b>	<b>7,652</b>	<b>100.0%</b>

Total Female Population	3,785
Total Male Population	3,867

	City of St. Francis	Anoka County	State of Minnesota
<b>Income Statistics</b>			
2019 per capita income	\$ 30,659	\$ 36,978	\$ 37,625
2019 median household income	\$ 85,219	\$ 82,175	\$ 71,306
2019 median gross rent	\$ 1,084	\$ 1,118	\$ 977
2019 median value owner occupied housing	\$ 214,500	\$ 232,400	\$223,900

Source: Metropolitan Council

CITY OF ST. FRANCIS  
Principal Taxpayers

		2021	
Taxpayer		Net Tax Capacity	Percent of Total Tax Capacity
Northrop Grumman Systems	Ammunition manufacturer	213,006	3.12%
ALS Properties Woodhaven LLC	Mobile Home Park	106,787	1.56%
St. Francis Realty LLC	Shopping Center	87,522	1.28%
Minnegasco Inc.	Utility	84,956	1.24%
King Exchange LLC	Shopping Center	78,490	1.15%
Northern Capital Investments	Apartment	55,063	0.81%
Kwik Trip	Gas Station/Convenience	39,434	0.58%
Weaver Brothers	Apartment	30,973	0.45%
Village Bank	Commercial	29,813	0.44%
Abbey Field	Apartment	27,098	0.40%
		753,142	11.03%

Source: Anoka County

## 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

ACFR	Annual Comprehensive 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