
2026 BUDGET AND FINANCIAL PLAN



City of South St. Paul, Minnesota



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SOUTH ST PAUL CITY COUNCIL

Mayor	James Francis	January 1, 2029
Councilmember	Pamela Bakken	January 1, 2029
Councilmember	Lori Hansen	January 1, 2029
Councilmember	Joseph Kaliszewski	January 1, 2027
Councilmember	Todd Podgorski	January 1, 2029
Councilmember	Thomas Seaberg	January 1, 2027
Councilmember	Matthew Thompson	January 1, 2027

APPOINTED CITY OFFICIALS

City Administrator	Ryan Garcia
Finance Director	Clara Hilger
Park and Recreation Director	Shannon Young
City Attorney	LeVander, Gillen & Miller, P.A.
City Engineer	Kelsey Gelhar
Police Chief	Brian Wicke
City Clerk	Deanna Werner

**SPENDING AND TAXES
ALL TAX LEVY SUPPORTED FUNDS**

	Revised Budget 2024	Revised Budget 2025	Final Budget 2026	2025 TO 2026 CHANGE	
				\$	%
<u>TAXES</u>					
General Fund	\$13,320,065	\$13,576,420	\$14,692,435	\$1,116,015	
Doug Woog Arena	323,000	323,000	500,000	177,000	
Capital/Infrastructure Program	725,000	1,725,000	1,850,000	125,000	
Debt Service	1,475,444	1,475,528	1,487,701	12,173	
TOTAL	\$15,843,509	\$17,099,948	\$18,530,136	\$1,430,188	8.36%
<u>SPENDING</u>					
General Fund	\$21,225,186	\$21,863,221	\$23,205,932	\$1,342,711	6.14%
Doug Woog Arena	1,521,421	1,436,100	1,673,287	237,187	16.52%
Capital/Infrastructure Program	1,268,129	1,268,129	1,268,129	0	0.00%
Debt Service	1,475,444	1,475,528	1,487,701	12,173	0.82%
TOTAL	\$25,490,180	\$26,042,978	\$27,635,049	\$1,592,071	6.11%

Increased Taxes for:	
Operations	7.56%
Infrastructure Replacement	0.73%
Debt Service	0.07%
	<hr/>
	8.36%

**2026 BUDGET SUMMARY BY FUNCTION
ALL LEVY SUPPORTED FUNDS**

	2026					<i>Revised</i> 2025 Budget	2025 to 2026 Change	
	General	Doug Woog Arena	Capital Programs / Infrastructure	Debt	Total Budget			
REVENUES								
Property Tax Levy:	14,692,435	500,000	1,850,000	1,487,701	18,530,136	17,099,948	1,430,188	8.36%
Local Government Aid (LGA)	2,516,455	-	1,268,129	-	3,784,584	3,760,748	23,836	0.63%
Fees and Fines	2,225,900	-	-	-	2,225,900	2,175,595	50,305	2.31%
Intergovernmental	1,132,036	-	-	-	1,132,036	1,102,763	29,273	2.65%
Charges for Services	2,289,406	990,340	-	-	3,279,746	3,149,503	130,243	4.14%
Miscellaneous	159,700	30,000	-	-	189,700	142,821	46,879	32.82%
Transfers In	190,000	-	-	-	190,000	190,000	-	0.00%
TOTAL REVENUES	23,205,932	1,520,340	3,118,129	1,487,701	29,332,102	27,621,378	1,710,724	6.19%
APPROPRIATIONS								
General Government	3,492,700	-	-	-	3,492,700	3,260,818	231,882	7.11%
Public Safety	11,911,565	-	-	-	11,911,565	11,605,964	305,601	2.63%
Public Works	5,423,366	-	-	-	5,423,366	5,183,023	240,343	4.64%
Community Development	854,084	-	-	-	854,084	843,019	11,065	1.31%
Culture and Recreation	849,217	1,393,287	-	-	2,242,504	2,267,497	(24,993)	-1.10%
Contingency	675,000	-	-	-	675,000	139,000	536,000	385.61%
Debt Service (external)	-	-	-	1,487,701	1,487,701	1,475,528	12,173	0.83%
Capital Improvements	-	280,000	1,268,129	-	1,548,129	1,268,129	280,000	22.08%
TOTAL APPROPRIATIONS	23,205,932	1,673,287	1,268,129	1,487,701	27,635,049	26,042,978	1,592,071	6.11%

**2026 BUDGET SUMMARY BY CATEGORY
ALL LEVY SUPPORTED FUNDS**

	2026					<i>Revised</i> 2025 Budget	2025 to 2026 Change	
	General	Doug Woog Arena	Capital Programs / Infrastructure	Debt	Total Budget			
REVENUES								
Property Tax Levy:	14,692,435	500,000	1,850,000	1,487,701	18,530,136	17,099,948	1,430,188	8.36%
Local Government Aid (LGA)	2,516,455	-	1,268,129	-	3,784,584	3,760,748	23,836	0.63%
Fees and Fines	2,225,900	-	-	-	2,225,900	2,175,595	50,305	2.31%
Intergovernmental	1,132,036	-	-	-	1,132,036	1,102,763	29,273	2.65%
Charges for Services	2,289,406	990,340	-	-	3,279,746	3,149,503	130,243	4.14%
Miscellaneous	159,700	30,000	-	-	189,700	142,821	46,879	32.82%
Transfers In	190,000	-	-	-	190,000	190,000	-	0.00%
TOTAL REVENUES	23,205,932	1,520,340	3,118,129	1,487,701	29,332,102	27,621,378	1,710,724	6.19%
APPROPRIATIONS								
Personal Services	13,028,679	711,530	-	-	13,740,209	13,361,104	379,105	2.84%
Materials and Supplies	995,875	86,500	-	-	1,082,375	993,050	89,325	9.00%
Contractual Services	8,289,793	554,157	-	-	8,843,950	8,381,420	462,530	5.52%
Miscellaneous	87,085	6,100	-	-	93,185	90,247	2,938	3.26%
Capital Outlay	129,500	280,000	1,268,129	-	1,677,629	1,577,629	100,000	6.34%
Contingency	675,000	-	-	-	675,000	139,000	536,000	385.61%
Debt Service	-	35,000	-	1,487,701	1,522,701	1,500,528	22,173	1.48%
TOTAL APPROPRIATIONS	23,205,932	1,673,287	1,268,129	1,487,701	27,635,049	26,042,978	1,592,071	6.11%

GENERAL FUND SUMMARY OF REVENUE								
Description	2023 Actual	2024 Actual	2025		2026		Revised 2025 vs Final 2026	
			Original	Revised	Requested	Final	\$	%
			PROPERTY TAXES					
Property Taxes	12,687,172	13,389,420	13,576,420	13,576,420	15,267,074	14,692,435	1,116,015	8.22%
OTHER TAXES								
Tax Rate generated off TIF parcels	245,230	-	-	-	-	-	-	0.00%
FEES AND FINES								
Franchise Fees	1,546,225	1,346,855	1,525,000	1,525,000	1,509,000	1,509,000	(16,000)	-1.05%
Fines and Forfeits	132,500	155,527	138,000	138,000	141,000	141,000	3,000	2.17%
License and Permits - Business	130,101	163,265	132,445	132,445	163,550	163,550	31,105	23.49%
License and Permits - Non-business	448,487	369,611	380,150	380,150	412,350	412,350	32,200	8.47%
TOTAL FEES AND FINES	2,257,313	2,035,258	2,175,595	2,175,595	2,225,900	2,225,900	50,305	2.31%
INTERGOVERNMENTAL REVENUE								
Federal Grants and Aids	-	85,000	175,000	175,000	175,000	175,000	-	0.00%
State Grants and Aid (includes LGA)	2,338,396	3,307,356	3,199,917	3,199,917	3,227,809	3,227,809	27,892	0.87%
County Grants and Payments	85,265	80,910	79,500	79,500	79,500	79,500	-	0.00%
Local Grants and Payments	219,796	146,137	140,965	140,965	166,182	166,182	25,217	17.89%
TOTAL INTERGOVERNMENTAL	2,643,457	3,619,403	3,595,382	3,595,382	3,648,491	3,648,491	53,109	1.48%

GENERAL FUND SUMMARY OF REVENUE								
Description	2023 Actual	2024 Actual	2025		2026		Revised 2025 vs Final 2026	
			Original	Revised	Requested	Final	\$	%
			CHARGES FOR SERVICES					
Administration Charge	827,302	887,589	1,082,253	1,082,253	1,083,550	1,083,550	1,297	0.12%
Internal Service Charge	10,000	10,000	10,000	10,000	10,000	10,000	-	0.00%
PILOT (Payment in Lieu of tax)	49,013	59,276	49,000	49,000	55,000	55,000	6,000	12.24%
Engineering Project Fees	-	245,368	400,000	400,000	400,000	400,000	-	0.00%
Parks and Recreation	179,425	172,982	168,800	168,800	185,300	185,300	16,500	9.77%
Rents	50,000	50,000	50,000	50,000	50,000	50,000	-	0.00%
Planning & Code Enforcement	99,077	55,896	64,500	64,500	69,500	69,500	5,000	7.75%
Public Safety	2,475	2,082	1,100	1,100	2,000	2,000	900	81.82%
Public Works - Streets	2,882	150	3,000	3,000	3,000	3,000	-	0.00%
Antenna and Other Charges	182,847	273,734	160,000	160,000	200,000	200,000	40,000	25.00%
Barge Terminal & Mooring Fees	178,106	181,668	185,300	185,300	189,006	189,006	3,706	2.00%
Other	71,634	66,217	39,050	39,050	42,050	42,050	3,000	7.68%
TOTAL CHARGES FOR SERVICE	1,652,761	2,004,962	2,213,003	2,213,003	2,289,406	2,289,406	76,403	3.45%
MISCELLANEOUS								
Interest on Investments	216,206	225,427	100,000	100,000	150,000	150,000	50,000	50.00%
Year-end adjust to Fair Value	83,574	61,918	-	-	-	-	-	0.00%
Other Revenue	24,546	47,948	12,821	12,821	9,700	9,700	(3,121)	-24.34%
TOTAL MISCELLANEOUS	324,326	335,293	112,821	112,821	159,700	159,700	46,879	41.55%

GENERAL FUND SUMMARY OF REVENUE								
Description	2023 Actual	2024 Actual	2025		2026		Revised 2025 vs Final 2026	
			Original	Revised	Requested	Final	\$	%
			TRANSFERS IN					
Transfers in Storm Water Fee	40,000	40,000	40,000	40,000	40,000	40,000	-	0.00%
Transfers in Water/Sewer	100,000	100,000	100,000	100,000	100,000	100,000	-	0.00%
Transfers In Street Light Utility	20,000	20,000	20,000	20,000	20,000	20,000	-	0.00%
Transfer from HRA/EDA/Library	43,570	30,000	30,000	30,000	30,000	30,000	-	0.00%
TOTAL TRANSFERS IN	203,570	190,000	190,000	190,000	190,000	190,000	-	0.00%
TOTAL REVENUES	20,013,829	21,574,336	21,863,221	21,863,221	23,780,571	23,205,932	1,342,711	6.14%
Surplus/(Deficit)	1,401,582	705,396	-	-	-	-		
<u>DETAIL OF TAX LEVY</u>								
Current and Delinquent	9,682,154	10,446,860	10,400,315	10,400,315	12,214,494	11,639,855	1,239,540	
Fiscal Disparities	3,005,018	2,942,560	3,176,105	3,176,105	3,052,580	3,052,580	(123,525)	
General Fund Levy	12,687,172	13,389,420	13,576,420	13,576,420	15,267,074	14,692,435	1,116,015	8.22%

GENERAL FUND SUMMARY OF EXPENDITURES								
Description	2023 Actual	2024 Actual	2025		2026		Revised 2025 vs Final 2026	
			Original	Revised	Requested	Final	\$	%
			GENERAL GOVERNMENT					
Mayor and Council	173,657	165,918	185,884	185,884	195,816	195,816	9,932	5.34%
City Administration	570,617	621,047	595,113	595,113	681,031	670,209	75,096	12.62%
Human Resources	270,118	290,543	344,991	344,991	375,024	375,024	30,033	8.71%
City Attorney	321,590	807,687	299,000	321,000	344,000	344,000	23,000	7.17%
City Clerk	222,137	288,977	240,859	240,859	295,818	295,818	54,959	22.82%
Finance	481,786	514,732	540,049	540,049	542,856	541,790	1,741	0.32%
Information Technology	719,570	780,019	868,269	868,269	902,418	902,418	34,149	3.93%
Recycling	23,127	22,439	23,713	23,713	25,464	25,464	1,751	7.38%
Community Affairs	131,259	138,569	140,940	140,940	142,161	142,161	1,221	0.87%
TOTAL GENERAL GOVERNMENT	2,913,861	3,629,931	3,238,818	3,260,818	3,504,588	3,492,700	231,882	7.11%
PUBLIC SAFETY								
Police Protection	7,304,019	7,923,097	8,810,167	8,810,167	9,158,856	9,141,539	331,372	3.76%
Fire Department	566,148	2,772,182	2,795,797	2,795,797	3,075,035	2,770,026	279,238	9.99%
TOTAL PUBLIC SAFETY	7,870,167	10,695,279	11,605,964	11,605,964	12,233,891	11,911,565	610,610	5.26%
PUBLIC WORKS								
Engineering	688,795	738,233	775,304	775,304	770,853	643,068	(132,236)	-17.06%
Public Works (Streets)	2,019,835	2,353,223	2,462,186	2,551,274	2,859,004	2,859,004	307,730	12.06%
Buildings	307,945	431,756	407,167	407,167	439,721	439,721	32,554	8.00%
Parks Facilities and Maintenance	1,162,822	1,348,675	1,538,366	1,449,278	1,481,573	1,481,573	32,295	2.23%
TOTAL PUBLIC WORKS	4,179,397	4,871,887	5,183,023	5,183,023	5,551,151	5,423,366	240,343	4.64%

GENERAL FUND SUMMARY OF EXPENDITURES								
Description	2023 Actual	2024 Actual	2025		2026		Revised 2025 vs Final 2026	
			Original	Revised	Requested	Final	\$	%
			COMMUNITY DEVELOPMENT					
Development Services	575,193	629,422	650,683	650,683	691,041	635,997	(14,686)	-2.26%
Code Enforcement	149,185	176,941	192,336	192,336	228,413	218,087	25,751	13.39%
TOTAL COMMUNITY DEVELOPMENT	724,378	806,363	843,019	843,019	919,454	854,084	11,065	1.31%
PARKS AND RECREATION								
Parks Administration	285,654	311,396	330,460	330,460	361,676	361,676	31,216	9.45%
Splash Pool	86,821	116,553	99,149	99,149	107,876	107,876	8,727	8.80%
Northview Pool	93,139	139,290	116,547	116,547	117,049	-	(116,547)	-100.00%
Recreation Programs	251,842	298,241	285,241	285,241	309,886	379,665	94,424	33.10%
TOTAL PARKS AND RECREATION	717,456	865,480	831,397	831,397	896,487	849,217	17,820	2.14%
CONTINGENCY	-	-	161,000	139,000	675,000	675,000	536,000	385.61%
TRANSFERS OUT								
Transfer to Capital Project Funds	2,206,988	-	-	-	-	-	-	0.00%
Transfer to Central Garage	250,000	-	-	-	-	-	-	0.00%
Transfer excess fund balance	1,027,985	434,879	-	-	-	-	-	0.00%
TOTAL TRANSFERS OUT	3,484,973	434,879	-	-	-	-	-	0.00%
TOTAL EXPENDITURES	19,890,232	21,303,819	21,863,221	21,863,221	23,780,571	23,205,932	1,342,711	6.14%

FUNCTION: General Government	DEPT. & DIV: Mayor and Council	BUSINESS UNIT: 10110
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Activities and Responsibilities:

The Mayor and Council program is accountable for:

- the legislative and policy-making activities of the City's government, including regular City Council meetings on the 1st and 3rd Mondays and Council Worksession meetings on the 2nd and 4th Mondays of each month.
- the exercise of the Mayor and Council's duties and responsibilities as required by law, the City Charter and City Ordinances.
- the appointment of members to advisory boards and commissions.
- Policy and Governance of the Economic Development Authority & Housing and Redevelopment Authority.

Budget Highlights and Changes:

Significant Revisions - 2025 Original vs. 2025 Revisions

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Notable Expenditure Changes for 2026

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FUNCTION: General Government	DEPT. & DIV: Mayor and Council	BUSINESS UNIT: 10110
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Capital Outlay and Projects:

Notable Capital Project or Asset Acquisitions for 2026

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Staffing:

	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Mayor	1.000	1.000	1.000	1.000
Council Members	6.000	6.000	6.000	6.000
Total Staffing	<u>7.000</u>	<u>7.000</u>	<u>7.000</u>	<u>7.000</u>

MAYOR AND COUNCIL SUMMARY OF EXPENDITURES							
Description	2023 Actual	2024 Actual	2025 Original Budget	October 2025 Actual	2025 Revised Budget	2026 Requested Budget	2026 Final Budget
10110 - MAYOR AND COUNCIL EXPENDITURES							
PERSONNEL SERVICES							
6101 - FULL-TIME EMPLOYEES-REG	64,500	64,500	64,500	53,750	64,500	64,500	64,500
6120 - EMPLOYER CONTR FOR RETIREMENT	8,377	8,377	8,387	6,981	8,387	8,387	8,387
6150 - WORKERS COMPENSATION	84	87	80	57	80	80	80
PERSONNEL SERVICES	72,960	72,963	72,967	60,787	72,967	72,967	72,967
SUPPLIES							
6201 - OFFICE SUPPLIES	20	0	0	0	0	0	0
6210 - OPERATING SUPPLIES	0	0	0	286	0	0	0
6245 - CLOTHING ALLOWANCE	203	0	700	448	700	700	700
SUPPLIES	223	0	700	733	700	700	700
OTHER SERVICES AND CHARGES							
6331 - CONFERENCES, TRAINING, TRAVEL	5,689	9,105	11,500	5,025	11,500	11,500	11,500
6361 - INSURANCE	47,747	50,160	53,115	60,684	53,115	62,544	62,544
6365 - INS CLAIMS WITHIN DEDUCTIBLE	4,748	0	0	0	0	0	0
6388 - TECHNOLOGY EQUIP CHARGE	12,892	14,892	15,725	13,110	15,725	15,725	15,725
OTHER SERVICES AND CHARGES	71,076	74,157	80,340	78,819	80,340	89,769	89,769
MISCELLANEOUS							
6430 - MISCELLANEOUS	2,609	4,466	3,000	1,946	3,000	3,000	3,000
6471 - DUES & SUBSCRIPTIONS	26,789	14,333	28,877	28,248	28,877	29,380	29,380
MISCELLANEOUS	29,398	18,799	31,877	30,194	31,877	32,380	32,380
TOTAL EXPENDITURES	173,657	165,918	185,884	170,534	185,884	195,816	195,816
CHANGE 2025 REVISED TO 2026 FINAL PERCENT CHANGE 2025 REVISED TO 2026 FINAL							9,932 5.34%

FUNCTION: General Government	DEPT. & DIV: City Administration	BUSINESS UNIT: 10120
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Activities and Responsibilities:

The City Administration program is accountable for:

- providing general management for all City operations and intergovernmental relations
- advising the City Council on matters pertaining to or affecting the operation of City government
- supporting the City Administrator as the chief management and administrative officer of the City
- coordinating and monitoring response to citizen concerns
- ensuring that the laws, ordinances, resolutions, policies and programs of the City Council are enforced and implemented
- preparing the weekly Council agenda and informational packets and other communications to and from the City
- publishing the City's quarterly newsletter

Budget Highlights and Changes:

Significant Revisions - 2025 Original vs. 2025 Revisions

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Notable Expenditure Changes for 2026

- \$4500 - Social Media Archiving: The Minnesota Government Data Practices Act treats social media content as public record. Posts, edits, deletions, and comments all need to be readily accessible for compliance.
- NEW Regular Part-time (20 hrs) Communications Specialist Position

FUNCTION: General Government	DEPT. & DIV: City Administration	BUSINESS UNIT: 10120
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Capital Outlay and Projects:

Notable Capital Project or Asset Acquisitions for 2026

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Staffing:

	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
City Administrator	0.944	0.944	0.944	0.944
Asst City Administrator/HR Director	0.450	0.450	0.350	0.350
Communications Coordinator	1.000	1.000	1.000	1.000
HR Specialist/Admin Coord	0.750	0.750	0.500	0.300
Communications Specialist	-	-	-	0.500
Total Staffing	<u>3.144</u>	<u>3.144</u>	<u>2.794</u>	<u>3.094</u>

CITY ADMINISTRATION							
SUMMARY OF EXPENDITURES							
Description	2023 Actual	2024 Actual	2025 Original Budget	October 2025 Actual	2025 Revised Budget	2026 Requested Budget	2026 Final Budget
10120 - CITY ADMINISTRATION							
EXPENDITURES							
PERSONNEL SERVICES							
6101 - FULL-TIME EMPLOYEES-REG	363,843	394,125	362,907	312,777	362,907	390,597	381,288
6108 - ACCUMULATED VACATION/COMP LEAV	9,389	4,192	8,822	0	8,822	12,506	12,506
6112 - SERVICE RECOGNITION	1,000	3,938	0	9,250	0	9,653	9,653
6120 - EMPLOYER CONTR FOR RETIREMENT	53,941	57,521	53,788	46,180	53,788	59,262	57,851
6130 - EMPLOYER PAID INSURANCE	47,778	56,396	46,793	36,447	46,793	46,431	46,390
6135 - RETIREE PAID INSURANCE	0	12,217	12,218	9,919	12,218	11,904	11,904
6150 - WORKERS COMPENSATION	2,438	2,561	1,824	1,618	1,824	2,623	2,562
6170 - EMPLOYER CONTR TO HCSP	5,745	3,955	5,689	1,338	5,689	4,317	4,317
PERSONNEL SERVICES	484,134	534,906	492,041	417,529	492,041	537,293	526,471
SUPPLIES							
6201 - OFFICE SUPPLIES	2,718	1,803	2,750	956	2,750	2,250	2,250
6210 - OPERATING SUPPLIES	37	0	0	0	0	0	0
6230 - BOOKS, MATERIALS & PERIODICALS	0	0	0	318	0	0	0
6240 - MINOR EQUIPMENT AND FURNITURE	0	0	0	0	0	3,500	3,500
6245 - CLOTHING ALLOWANCE	142	0	300	0	300	450	450
SUPPLIES	2,897	1,803	3,050	1,274	3,050	6,200	6,200
OTHER SERVICES AND CHARGES							
6302 - PROFESSIONAL SERVICES	30,026	28,291	47,936	22,245	47,936	81,500	81,500
6331 - CONFERENCES, TRAINING, TRAVEL	1,007	1,694	4,000	3,625	4,000	7,000	7,000
6344 - NEWSLETTER/BROCHURE	45,317	35,148	40,000	33,443	40,000	42,000	42,000
6375 - OTHER CONTRACTED SERVICES	30	0	0	0	0	0	0
6388 - TECHNOLOGY EQUIP CHARGE	1,191	1,525	1,896	1,580	1,896	1,728	1,728
6390 - POSTAGE AND TELEPHONE	4,209	6,583	4,000	3,476	4,000	3,410	3,410
OTHER SERVICES AND CHARGES	81,780	73,241	97,832	64,369	97,832	135,638	135,638
MISCELLANEOUS							
6430 - MISCELLANEOUS	453	855	300	70	300	300	300
6471 - DUES & SUBSCRIPTIONS	1,353	1,605	1,890	1,306	1,890	1,600	1,600
MISCELLANEOUS	1,806	2,460	2,190	1,376	2,190	1,900	1,900

CITY ADMINISTRATION							
SUMMARY OF EXPENDITURES							
Description	2023 Actual	2024 Actual	2025 Original Budget	October 2025 Actual	2025 Revised Budget	2026 Requested Budget	2026 Final Budget
CAPITAL OUTLAY							
6572 - COMPUTER SOFTWARE	0	8,636	0	5,036	0	0	0
CAPITAL OUTLAY	0	8,636	0	5,036	0	0	0
TOTAL EXPENDITURES	570,617	621,047	595,113	489,583	595,113	681,031	670,209
CHANGE 2025 REVISED TO 2026 FINAL							75,096
PERCENT CHANGE 2025 REVISED TO 2026 FINAL							12.62%

FUNCTION: General Government	DEPT. & DIV: Human Resources	BUSINESS UNIT: 10125
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Activities and Responsibilities:

The Human Resources program is accountable for:

- Negotiation and administration of labor contracts
- Recruitment and retention of employees
- Classification and pay strategies
- Performance management
- Employee relations
- Coordinate selection and administration of employee benefits including insurances and wellness program
- Coordinate employee safety program and workplace environmental risk management
- Coordinate employee EAP and wellness programs
- Coordinate training and network opportunities for employees
- Legal compliance with State and Federal labor laws and reporting requirements
- Policy development

Budget Highlights and Changes:

Significant Revisions - 2025 Original vs. 2025 Revisions

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Notable Expenditure Changes for 2026

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FUNCTION: General Government	DEPT. & DIV: Human Resources	BUSINESS UNIT: 10125
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Capital Outlay and Projects:

Notable Capital Project or Asset Acquisitions for 2026

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Staffing:

	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Asst City Administrator/HR Director	0.500	0.500	0.600	0.600
Payroll Specialist	1.000	1.000	1.000	1.000
HR Specilist/Admin Coord	0.250	0.250	0.500	0.700
Total Staffing	<u>1.750</u>	<u>1.750</u>	<u>2.100</u>	<u>2.300</u>

HUMAN RESOURCES							
SUMMARY OF EXPENDITURES							
Description	2023 Actual	2024 Actual	2025 Original Budget	October 2025 Actual	2025 Revised Budget	2026 Requested Budget	2026 Final Budget
10125 - HUMAN RESOURCES							
EXPENDITURES							
PERSONNEL SERVICES							
6101 - FULL-TIME EMPLOYEES-REG	165,696	178,786	217,183	177,700	217,183	233,488	233,488
6102 - FULL-TIME EMPLOYEES-OVERTIME	518	0	0	0	0	0	0
6108 - ACCUMULATED VACATION/COMP LEAV	1,796	757	235	0	235	1,055	1,055
6112 - SERVICE RECOGNITION	1,000	0	0	0	0	0	0
6120 - EMPLOYER CONTR FOR RETIREMENT	25,170	26,884	32,928	26,775	32,928	35,459	35,459
6130 - EMPLOYER PAID INSURANCE	22,605	27,531	31,762	24,383	31,762	37,771	37,771
6150 - WORKERS COMPENSATION	1,074	1,162	1,066	741	1,066	1,526	1,526
6170 - EMPLOYER CONTR TO HCSP	3,645	2,887	3,251	1,519	3,251	3,837	3,837
PERSONNEL SERVICES	221,505	238,008	286,425	231,118	286,425	313,136	313,136
SUPPLIES							
6201 - OFFICE SUPPLIES	914	350	0	466	0	0	0
6240 - MINOR EQUIPMENT AND FURNITURE	99	0	0	0	0	0	0
6245 - CLOTHING ALLOWANCE	0	0	200	0	200	300	300
SUPPLIES	1,013	350	200	466	200	300	300
OTHER SERVICES AND CHARGES							
6302 - PROFESSIONAL SERVICES	11,486	12,869	11,150	8,642	11,150	11,500	11,500
6331 - CONFERENCES, TRAINING, TRAVEL	21,321	8,346	20,000	4,833	20,000	22,000	22,000
6341 - ADVERTISING	395	405	2,000	0	2,000	2,000	2,000
6375 - OTHER CONTRACTED SERVICES	12,054	27,790	22,056	7,486	22,056	22,170	22,170
6388 - TECHNOLOGY EQUIP CHARGE	737	858	960	800	960	1,248	1,248
6390 - POSTAGE AND TELEPHONE	686	731	675	768	675	1,170	1,170
OTHER SERVICES AND CHARGES	46,679	50,999	56,841	22,530	56,841	60,088	60,088
MISCELLANEOUS							
6430 - MISCELLANEOUS	492	436	1,025	40	1,025	1,000	1,000
6471 - DUES & SUBSCRIPTIONS	430	750	500	520	500	500	500
MISCELLANEOUS	922	1,186	1,525	560	1,525	1,500	1,500
TOTAL EXPENDITURES	270,118	290,543	344,991	254,674	344,991	375,024	375,024
CHANGE 2025 REVISED TO 2026 FINAL							30,033
PERCENT CHANGE 2025 REVISED TO 2026 FINAL							8.71%

FUNCTION: General Government	DEPT. & DIV: City Attorney	BUSINESS UNIT: 10130
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Activities and Responsibilities:

The City Attorney program provides for:

- Engagement of a chief legal advisor to the Mayor and City Council, and all offices, departments and agencies and of all city officers and employees in matters relating to their official powers and duties
- Representation for the City in all legal proceedings
- Special counsel for representation of the City in matters requiring special expertise (e.g. labor relations)
- Prosecution Services

Budget Highlights and Changes:

Significant Revisions - 2025 Original vs. 2025 Revisions

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Notable Expenditure Changes for 2026

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FUNCTION: General Government	DEPT. & DIV: City Attorney	BUSINESS UNIT: 10130
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Capital Outlay and Projects:

Notable Capital Project or Asset Acquisitions for 2026

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Staffing:

Contracted City Attorney

CITY ATTORNEY							
SUMMARY OF EXPENDITURES							
Description	2023 Actual	2024 Actual	2025 Original Budget	October 2025 Actual	2025 Revised Budget	2026 Requested Budget	2026 Final Budget
10130 - CITY ATTORNEY EXPENDITURES							
OTHER SERVICES AND CHARGES							
6302 - PROFESSIONAL SERVICES	136,666	89,167	80,000	59,617	100,000	110,000	110,000
6304 - PROFESSIONAL SVCS-CRIMINAL	166,924	169,027	201,000	182,323	201,000	210,000	210,000
6306 - PROFESSIONAL SVCS - RETAINER	18,000	18,000	18,000	14,750	20,000	24,000	24,000
6365 - INS CLAIMS WITHIN DEDUCTIBLE	0	408,484	0	20,946	0	0	0
6375 - OTHER CONTRACTED SERVICES	0	123,009	0	23,545	0	0	0
OTHER SERVICES AND CHARGES	321,590	807,687	299,000	301,182	321,000	344,000	344,000
TOTAL EXPENDITURES	321,590	807,687	299,000	301,182	321,000	344,000	344,000
CHANGE 2025 REVISED TO 2026 FINAL							23,000
PERCENT CHANGE 2025 REVISED TO 2026 FINAL							7.17%

FUNCTION: General Government	DEPT. & DIV: City Clerk	BUSINESS UNIT: 10140
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Activities and Responsibilities:

The City Clerk program is accountable for:

- Administering municipal elections and serve as filing officer
- Processing all data practices requests
- Support and service to administrator and other departments
- Acting as the recording secretary to the City Council
- Serving as staff liaison for Charter Commission
- Administer all business, liquor, animal and rental licenses
- Process Rental Inspections
- Administer Charitable Gambling Licensing
- Research, recommend and draft amendments to City licensing ordinances

Budget Highlights and Changes:

Significant Revisions - 2025 Original vs. 2025 Revisions

- All the major increases are related to 2026 being an election year. Outside of the August Primary and the November General, there are no significant revisions to the City Clerk Budget.

Notable Expenditure Changes for 2026

- 2026 is an election year, there will be additional costs for election judges and temp. employees for early voting at City Hall.

FUNCTION: General Government	DEPT. & DIV: City Clerk	BUSINESS UNIT: 10140
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Capital Outlay and Projects:

Notable Capital Project or Asset Acquisitions for 2026

- None

Staffing:

	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
City Clerk	1.000	1.000	1.000	1.000
Deputy City Clerk	1.000	-	-	-
Department Support Specialist	-	0.500	0.500	0.500
Total Staffing	<u>2.000</u>	<u>1.500</u>	<u>1.500</u>	<u>1.500</u>

CITY CLERK							
SUMMARY OF EXPENDITURES							
Description	2023 Actual	2024 Actual	2025 Original Budget	October 2025 Actual	2025 Revised Budget	2026 Requested Budget	2026 Final Budget
10140 - CITY CLERK							
EXPENDITURES							
PERSONNEL SERVICES							
6101 - FULL-TIME EMPLOYEES-REG	133,826	130,015	139,790	114,148	139,790	145,976	145,976
6102 - FULL-TIME EMPLOYEES-OVERTIME	0	0	3,000	0	3,000	3,000	3,000
6104 - TEMPORARY EMPLOYEES-REG	0	0	0	0	0	5,000	5,000
6108 - ACCUMULATED VACATION/COMP LEAV	889	966	0	0	0	0	0
6112 - SERVICE RECOGNITION	0	1,000	0	0	0	0	0
6120 - EMPLOYER CONTR FOR RETIREMENT	19,862	19,328	21,181	16,919	21,181	22,119	22,119
6130 - EMPLOYER PAID INSURANCE	26,595	32,614	30,969	24,385	30,969	32,033	32,033
6135 - RETIREE PAID INSURANCE	10,737	12,217	12,218	10,431	12,218	12,228	12,228
6150 - WORKERS COMPENSATION	1,122	1,208	686	611	686	950	950
6170 - EMPLOYER CONTR TO HCSP	2,980	3,028	2,440	1,086	2,440	2,661	2,661
PERSONNEL SERVICES	196,011	200,376	210,284	167,580	210,284	223,967	223,967
SUPPLIES							
6201 - OFFICE SUPPLIES	82	1,378	500	273	500	500	500
6210 - OPERATING SUPPLIES	739	2,710	1,000	231	1,000	3,000	3,000
6240 - MINOR EQUIPMENT AND FURNITURE	0	359	0	0	0	0	0
SUPPLIES	822	4,447	1,500	504	1,500	3,500	3,500
OTHER SERVICES AND CHARGES							
6302 - PROFESSIONAL SERVICES	5,891	5,972	6,000	6,186	6,000	11,036	11,036
6331 - CONFERENCES, TRAINING, TRAVEL	729	568	1,200	455	1,200	1,200	1,200
6341 - ADVERTISING	575	1,001	1,000	374	1,000	1,500	1,500
6342 - PRINTING AND BINDING	0	0	0	0	0	500	500
6371 - REPAIRS & MAINT CONTRACTUAL	1,724	24,657	2,000	0	2,000	2,000	2,000
6375 - OTHER CONTRACTED SERVICES	6,779	43,692	16,000	4,065	16,000	46,000	46,000
6381 - OTHER RENTALS	0	3,300	0	0	0	2,500	2,500
6388 - TECHNOLOGY EQUIP CHARGE	760	974	800	670	800	840	840
6390 - POSTAGE AND TELEPHONE	1,386	2,166	1,200	2,047	1,200	1,500	1,500
OTHER SERVICES AND CHARGES	17,843	82,330	28,200	13,796	28,200	67,076	67,076
MISCELLANEOUS							
6412 - CREDIT CARD/ACH/BANK FEE	1,503	835	675	525	675	675	675
6430 - MISCELLANEOUS	40	938	0	31	0	0	0
6471 - DUES & SUBSCRIPTIONS	170	50	200	336	200	600	600
MISCELLANEOUS	1,713	1,823	875	892	875	1,275	1,275

CITY CLERK							
SUMMARY OF EXPENDITURES							
Description	2023 Actual	2024 Actual	2025 Original Budget	October 2025 Actual	2025 Revised Budget	2026 Requested Budget	2026 Final Budget
CAPITAL OUTLAY							
6580 - OTHER EQUIPMENT	5,748	0	0	0	0	0	0
CAPITAL OUTLAY	5,748	0	0	0	0	0	0
TOTAL EXPENDITURES	222,137	288,977	240,859	182,771	240,859	295,818	295,818
CHANGE 2025 REVISED TO 2026 FINAL							54,959
PERCENT CHANGE 2025 REVISED TO 2026 FINAL							22.82%

FUNCTION:

General Government

DEPT. & DIV:

Finance

BUSINESS UNIT:

10150

Activities and Responsibilities:**The Finance program is accountable for:**

- Facilitating the development and administration of the City's annual budget.
- Developing and communicating the City's long-term financial plans, including the City's Capital Improvement Plan
- Preparing interim and annual financial reports
- Managing and safeguarding of the City's financial resources and assets
- Providing fiscal analysis and counsel in support of the Mayor, City Council, Administrator and Management Team
- Providing ongoing financial support services (investments, payroll, receivables, and disbursements)

Budget Highlights and Changes:**Significant Revisions - 2025 Original vs. 2025 Revisions**

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Notable Expenditure Changes for 2026

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FUNCTION: General Government	DEPT. & DIV: Finance	BUSINESS UNIT: 10150
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Capital Outlay and Projects:

Notable Capital Project or Asset Acquisitions for 2026

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Staffing:

	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Finance Director	0.800	0.800	0.800	0.800
Assistant Finance Director	0.800	0.800	0.800	0.800
Accounting Specialist - AP	0.800	0.800	0.800	0.800
Accounting Specialist - AR	-	0.313	0.313	0.250
Total Staffing	<u>2.400</u>	<u>2.713</u>	<u>2.713</u>	<u>2.650</u>

Currently 3 full-time staff positions, remainder of full-time staff time is charged directly to the Utility Administration Fund.
 Remainder of part-time position is also charged directly to Utility Administration Fund.

FINANCE							
SUMMARY OF EXPENDITURES							
Description	2023 Actual	2024 Actual	2025 Original Budget	October 2025 Actual	2025 Revised Budget	2026 Requested Budget	2026 Final Budget
10150 - FINANCE							
EXPENDITURES							
PERSONNEL SERVICES							
6101 - FULL-TIME EMPLOYEES-REG	253,412	291,762	301,425	240,482	301,425	303,367	302,449
6108 - ACCUMULATED VACATION/COMP LEAV	7,638	8,490	8,436	0	8,436	8,667	8,667
6112 - SERVICE RECOGNITION	7,258	500	0	0	0	0	0
6120 - EMPLOYER CONTR FOR RETIREMENT	39,418	43,544	46,318	36,406	46,318	46,628	46,490
6130 - EMPLOYER PAID INSURANCE	28,345	33,773	32,026	24,776	32,026	34,710	34,706
6140 - UNEMPLOYMENT COMP INS.	0	0	0	730	0	0	0
6150 - WORKERS COMPENSATION	1,703	1,788	1,521	1,236	1,521	2,030	2,024
6170 - EMPLOYER CONTR TO HCSP	9,205	5,997	6,281	1,739	6,281	6,632	6,632
PERSONNEL SERVICES	346,980	385,854	396,007	305,369	396,007	402,034	400,968
SUPPLIES							
6201 - OFFICE SUPPLIES	3,502	2,256	3,750	3,769	3,750	4,600	4,600
SUPPLIES	3,502	2,256	3,750	3,769	3,750	4,600	4,600
OTHER SERVICES AND CHARGES							
6302 - PROFESSIONAL SERVICES	22,449	12,379	12,000	18,841	12,000	13,000	13,000
6331 - CONFERENCES, TRAINING, TRAVEL	5,620	5,841	6,300	3,414	6,300	6,300	6,300
6341 - ADVERTISING	0	44	200	0	200	200	200
6371 - REPAIRS & MAINT CONTRACTUAL	2,306	2,254	2,400	1,717	2,400	2,400	2,400
6375 - OTHER CONTRACTED SERVICES	91,807	97,601	108,060	113,851	108,060	103,350	103,350
6388 - TECHNOLOGY EQUIP CHARGE	2,028	1,804	2,392	2,000	2,392	2,032	2,032
6390 - POSTAGE AND TELEPHONE	3,358	3,677	4,440	4,466	4,440	4,440	4,440
OTHER SERVICES AND CHARGES	127,567	123,601	135,792	144,288	135,792	131,722	131,722
MISCELLANEOUS							
6412 - CREDIT CARD/ACH/BANK FEE	0	47	0	198	0	0	0
6430 - MISCELLANEOUS	2,915	2,143	3,500	2,130	3,500	3,500	3,500
6471 - DUES & SUBSCRIPTIONS	822	832	1,000	745	1,000	1,000	1,000
MISCELLANEOUS	3,737	3,021	4,500	3,073	4,500	4,500	4,500
TOTAL EXPENDITURES	481,786	514,732	540,049	456,499	540,049	542,856	541,790
CHANGE 2025 REVISED TO 2026 FINAL							1,741
PERCENT CHANGE 2025 REVISED TO 2026 FINAL							0.32%

FUNCTION: General Government	DEPT. & DIV: Information Technology	BUSINESS UNIT: 10160
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Activities and Responsibilities:

The Information Technology program is accountable for:

- providing technical desktop and other technology support to City staff for computer hardware and software
- maintaining local server network systems for the City operations
- researching and recommending new or improved technologies for the City
- assisting in implementation of new technology for all city operations
- serving as primary representative for City membership in LOGIS
- serving as chief resource for input and advice to Mayor/City Council, City Administrator and Management Team for technology considerations

Budget Highlights and Changes:

Significant Revisions - 2025 Original vs. 2025 Revisions

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Notable Expenditure Changes for 2026

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FUNCTION: General Government	DEPT. & DIV: Information Technology	BUSINESS UNIT: 10160
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Capital Outlay and Projects:

Notable Capital Project or Asset Acquisitions for 2026

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Staffing:

	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Asst City Administrator/HR Director	0.050	0.050	0.050	0.050
IT Director	1.000	1.000	1.000	1.000
IT Specialist	1.000	1.000	1.000	1.000
Total Staffing	<u>2.050</u>	<u>2.050</u>	<u>2.050</u>	<u>2.050</u>

INFORMATION TECHNOLOGY SUMMARY OF EXPENDITURES							
Description	2023 Actual	2024 Actual	2025 Original Budget	October 2025 Actual	2025 Revised Budget	2026 Requested Budget	2026 Final Budget
10160 - INFORMATION TECHNOLOGY EXPENDITURES							
PERSONNEL SERVICES							
6101 - FULL-TIME EMPLOYEES-REG	215,323	229,595	235,352	192,563	235,352	235,352	235,352
6108 - ACCUMULATED VACATION/COMP LEAV	180	76	20	0	20	63	63
6112 - SERVICE RECOGNITION	1,500	0	0	0	0	0	0
6120 - EMPLOYER CONTR FOR RETIREMENT	32,211	34,327	35,662	28,799	35,662	35,665	35,665
6130 - EMPLOYER PAID INSURANCE	29,924	36,412	33,722	26,040	33,722	35,801	35,801
6150 - WORKERS COMPENSATION	1,459	1,509	1,155	940	1,155	1,532	1,532
6170 - EMPLOYER CONTR TO HCSP	8,444	4,852	5,762	1,483	5,762	5,300	5,300
PERSONNEL SERVICES	289,041	306,771	311,673	249,825	311,673	313,713	313,713
SUPPLIES							
6201 - OFFICE SUPPLIES	60	350	200	0	200	200	200
6210 - OPERATING SUPPLIES	2,966	2,889	3,600	2,558	3,600	4,000	4,000
6220 - REPAIR & MAINTENANCE SUPPLIES	1,183	1,773	4,000	201	4,000	5,000	5,000
6240 - MINOR EQUIPMENT AND FURNITURE	5,998	5,473	6,000	5,345	6,000	6,000	6,000
SUPPLIES	10,207	10,485	13,800	8,103	13,800	15,200	15,200
OTHER SERVICES AND CHARGES							
6302 - PROFESSIONAL SERVICES	23,829	21,043	50,000	13,582	50,000	40,000	40,000
6331 - CONFERENCES, TRAINING, TRAVEL	0	440	2,500	475	2,500	2,500	2,500
6375 - OTHER CONTRACTED SERVICES	302,876	338,051	376,000	354,274	376,000	406,710	406,710
6378 - COPIER MAINTENANCE AGREEMENT	6,003	6,503	7,500	3,948	7,500	7,500	7,500
6388 - TECHNOLOGY EQUIP CHARGE	85,770	94,770	104,946	87,460	104,946	114,945	114,945
6390 - POSTAGE AND TELEPHONE	1,845	1,955	1,850	1,427	1,850	1,850	1,850
OTHER SERVICES AND CHARGES	420,322	462,763	542,796	461,166	542,796	573,505	573,505
TOTAL EXPENDITURES	719,570	780,019	868,269	719,094	868,269	902,418	902,418
CHANGE 2025 REVISED TO 2026 FINAL PERCENT CHANGE 2025 REVISED TO 2026 FINAL							34,149 3.93%

FUNCTION: General Government	DEPT. & DIV: Recycling	BUSINESS UNIT: 10170
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Activities and Responsibilities:

The Recycling program is accountable for:

- Facilitating, developing and marketing the City-wide recycling program
- Community Events and Festival Recycling
- Complete Work Plan under Local Solid Waste Plan Grant Funding
- Conduct City Wide Clean Up Day
- Continue Joint Partnership with the City of West St. Paul, Mendota Heights and Sunfish Lake for Joint Recycling Coordinator
- Residential Outreach and Education of recycling

Budget Highlights and Changes:

Significant Revisions - 2025 Original vs. 2025 Revisions

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Notable Expenditure Changes for 2026

- Compost site was closed in 2025.

FUNCTION: General Government	DEPT. & DIV: Recycling	BUSINESS UNIT: 10170
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Capital Outlay and Projects:

Notable Capital Project or Asset Acquisitions for 2026

-

Staffing:

Contracted shared position with the City of West St. Paul/Sunfish Lake/Mendota Heights/Lillydale

RECYCLING PROGRAM							
SUMMARY OF EXPENDITURES							
Description	2023 Actual	2024 Actual	2025 Original Budget	October 2025 Actual	2025 Revised Budget	2026 Requested Budget	2026 Final Budget
10170 - RECYCLING PROGRAM							
EXPENDITURES							
PERSONNEL SERVICES							
6104 - TEMPORARY EMPLOYEES-REG	7,199	7,882	7,400	6,256	7,400	7,648	7,648
6120 - EMPLOYER CONTR FOR RETIREMENT	920	1,014	567	795	567	586	586
6130 - EMPLOYER PAID INSURANCE	0	0	0	0	0	68	68
6150 - WORKERS COMPENSATION	93	68	46	32	46	62	62
PERSONNEL SERVICES	8,212	8,964	8,013	7,084	8,013	8,364	8,364
SUPPLIES							
6201 - OFFICE SUPPLIES	41	0	100	138	100	100	100
6220 - REPAIR & MAINTENANCE SUPPLIES	0	0	0	68	0	0	0
SUPPLIES	41	0	100	206	100	100	100
OTHER SERVICES AND CHARGES							
6342 - PRINTING AND BINDING	400	0	0	0	0	0	0
6375 - OTHER CONTRACTED SERVICES	1,344	1,384	0	0	0	1,400	1,400
6379 - CONT SERV/REFUSE & SANITATION	743	446	600	260	600	600	600
6391 - CLEAN UP DAY	12,388	11,646	15,000	15,246	15,000	15,000	15,000
OTHER SERVICES AND CHARGES	14,874	13,475	15,600	15,506	15,600	17,000	17,000
TOTAL EXPENDITURES	23,127	22,439	23,713	22,796	23,713	25,464	25,464
CHANGE 2025 REVISED TO 2026 FINAL							1,751
PERCENT CHANGE 2025 REVISED TO 2026 FINAL							7.38%

FUNCTION: General Government	DEPT. & DIV: Community Affairs	BUSINESS UNIT: 10530
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Activities and Responsibilities:

The Community Affairs program is accountable for:

- Coordination of Volunteer Programs to engage residents, organizations, schools and businesses
- Staff person to assist the Mayor with Mayor's Youth Task Force and Pastors in Action, NIGH/SSP Prayer Breakfast Task Force, Border Battle Committee and SSP Memorial Day Committee.
- Coordination of Community Events (SSP Night to Unite, Great Halloween Get Together, SSP Farmers Market, All City Garage Sale, Tree Lighting River Clean-up).
- Continue linking with Community Organizations, Businesses and Schools to develop Community Ownership in South St. Paul
- Building relationships with community groups, organizations and the City of South St. Paul
- Solicitation of Grants/Donations for Community Activities
- Assist with city website and social media content.
- Facilitate and coordinate public housing activities and initiatives for residents

Budget Highlights and Changes:

Significant Revisions - 2025 Original vs. 2025 Revisions

- none

Notable Expenditure Changes for 2026

- None

FUNCTION: General Government	DEPT. & DIV: Community Affairs	BUSINESS UNIT: 10530
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Capital Outlay and Projects:

Notable Capital Project or Asset Acquisitions for 2026

- none

Staffing:

	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Community Affairs Liaison	1.000	1.000	1.000	1.000
Total Staffing	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>

COMMUNITY AFFAIRS							
SUMMARY EXPENDITURES							
Description	2023 Actual	2024 Actual	2025 Original Budget	October 2025 Actual	2025 Revised Budget	2026 Requested Budget	2026 Final Budget
10530 - COMMUNITY AFFAIRS							
EXPENDITURES							
PERSONNEL SERVICES							
6101 - FULL-TIME EMPLOYEES-REG	88,385	92,629	94,909	77,478	94,909	94,909	94,909
6108 - ACCUMULATED VACATION/COMP LEAV	2,380	2,469	2,556	0	2,556	2,556	2,556
6120 - EMPLOYER CONTR FOR RETIREMENT	13,523	14,172	14,576	11,697	14,576	14,576	14,576
6130 - EMPLOYER PAID INSURANCE	12,344	15,020	13,630	10,321	13,630	14,470	14,470
6150 - WORKERS COMPENSATION	602	615	478	389	478	634	634
6170 - EMPLOYER CONTR TO HCSP	4,838	3,044	3,091	723	3,091	3,091	3,091
PERSONNEL SERVICES	122,071	127,948	129,240	100,607	129,240	130,236	130,236
SUPPLIES							
6201 - OFFICE SUPPLIES	1,812	1,109	1,800	460	1,800	1,800	1,800
6210 - OPERATING SUPPLIES	5,023	6,206	6,500	3,494	6,500	6,500	6,500
6245 - CLOTHING ALLOWANCE	0	0	0	0	0	125	125
SUPPLIES	6,835	7,315	8,300	3,953	8,300	8,425	8,425
OTHER SERVICES AND CHARGES							
6331 - CONFERENCES, TRAINING, TRAVEL	0	0	300	0	300	300	300
6388 - TECHNOLOGY EQUIP CHARGE	454	454	600	500	600	600	600
6390 - POSTAGE AND TELEPHONE	1,345	1,416	1,400	982	1,400	1,400	1,400
OTHER SERVICES AND CHARGES	1,799	1,870	2,300	1,482	2,300	2,300	2,300
MISCELLANEOUS							
6412 - CREDIT CARD/ACH/BANK FEE	0	3	0	0	0	0	0
6471 - DUES & SUBSCRIPTIONS	553	1,434	1,100	1,057	1,100	1,200	1,200
MISCELLANEOUS	554	1,436	1,100	1,057	1,100	1,200	1,200
TOTAL EXPENDITURES	131,259	138,569	140,940	107,099	140,940	142,161	142,161
CHANGE 2025 REVISED TO 2026 FINAL							1,221
PERCENT CHANGE 2025 REVISED TO 2026 FINAL							0.87%

FUNCTION: Public Safety	DEPT. & DIV: Police Protection	BUSINESS UNIT: 10210
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Activities and Responsibilities:

The Police Protection program is accountable for:

- Preventing and controlling criminal behavior and creating security in the community
- Aiding, assisting and protecting citizens and their property
- Resolving conflict, protecting constitutional guarantees
- Promoting and expanding community oriented-problem solving policing
- Treating all individuals with dignity and respect, while holding ourselves to the values of integrity, professionalism and courtesy.
- Updating Department Policy and training to comply with the latest State and Federal mandates, court decisions and best practices for Law Enforcement.
- Continue learning and applying specialized police training that will enhance police response to criminal incident cases.
- Investigating and preparing criminal cases for prosecution holding individuals accountable for their actions
- Enforcing State criminal and traffic laws as well as City and County ordinances
- Conducting crime prevention presentations/participating in Neighborhood Watch Groups
- Continuing on-going planning for responding to Emergency Management incidents
- Community education and awareness
- Animal patrol and related service calls
- Contracting care, boarding and when necessary euthanizing of animals
- Conducting investigations involving animal bites and potentially dangerous dogs

Budget Highlights and Changes:

Significant Revisions - 2025 Original vs. 2025 Revisions

- Significant staffing turnover and labor market conditions prevented achievement of authorized staffing strength of 37 sworn officers

Notable Expenditure Changes for 2026

- Increase in Dakota 911 member fee
- Increase in fixed cost(s) for multiple contracted services

FUNCTION: Public Safety	DEPT. & DIV: Police Protection	BUSINESS UNIT: 10210
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Capital Outlay and Projects:

Notable Capital Project or Asset Acquisitions for 2026

- Year four of Axon BWC and Fleet technology

Staffing:

	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Police Chief	1.000	1.000	1.000	1.000
Commanders & Sergeants	8.000	8.000	8.000	8.000
Officers/Special Assignments	26.000	28.000	28.000	28.000
Community Service Officers	6.000	6.000	6.000	6.000
Office Manager	1.000	1.000	1.000	1.000
Department Support Specialist	3.000	3.000	3.000	3.000
Total Staffing	<u>45.000</u>	<u>47.000</u>	<u>47.000</u>	<u>47.000</u>

POLICE PROTECTION							
SUMMARY OF EXPENDITURES							
Description	2023 Actual	2024 Actual	2025 Original Budget	October 2025 Actual	2025 Revised Budget	2026 Requested Budget	2026 Final Budget
10210 - POLICE PROTECTION EXPENDITURES							
PERSONNEL SERVICES							
6101 - FULL-TIME EMPLOYEES-REG	3,560,648	3,880,933	4,595,570	3,368,357	4,535,570	4,638,405	4,632,495
6102 - FULL-TIME EMPLOYEES-OVERTIME	217,226	219,697	150,000	105,946	150,000	165,000	165,000
6108 - ACCUMULATED VACATION/COMP LEAV	222,018	233,733	221,059	11,160	221,059	206,264	199,388
6112 - SERVICE RECOGNITION	6,555	10,725	0	0	0	5,041	5,041
6120 - EMPLOYER CONTR FOR RETIREMENT	703,335	749,261	863,989	684,266	863,989	871,819	870,779
6130 - EMPLOYER PAID INSURANCE	459,487	541,267	603,525	426,260	603,525	680,945	682,728
6135 - RETIREE PAID INSURANCE	180,543	196,040	183,755	163,056	183,755	184,476	184,476
6150 - WORKERS COMPENSATION	307,205	349,283	277,554	248,315	277,554	375,739	375,029
6151 - WORKERS COMP DEDUCTIBLE	6,819	11,096	0	4,431	0	0	0
6170 - EMPLOYER CONTR TO HCSP	109,758	76,313	106,087	25,292	106,087	105,712	101,148
PERSONNEL SERVICES	5,773,593	6,268,349	7,001,539	5,037,083	6,941,539	7,233,401	7,216,084
SUPPLIES							
6201 - OFFICE SUPPLIES	5,802	5,898	6,500	2,981	6,500	6,500	6,500
6210 - OPERATING SUPPLIES	40,737	34,643	46,000	12,687	46,000	46,000	46,000
6220 - REPAIR & MAINTENANCE SUPPLIES	5,018	4,669	6,000	4,904	6,000	6,000	6,000
6240 - MINOR EQUIPMENT AND FURNITURE	1,535	1,585	4,000	1,544	4,000	3,000	3,000
6245 - CLOTHING ALLOWANCE	39,676	46,381	50,000	25,873	50,000	50,000	50,000
SUPPLIES	92,767	93,176	112,500	47,990	112,500	111,500	111,500
OTHER SERVICES AND CHARGES							
6302 - PROFESSIONAL SERVICES	30,180	44,779	35,000	15,863	35,000	43,200	43,200
6305 - DISPATCH SERVICES	534,182	541,252	573,079	423,906	573,079	613,045	613,045
6331 - CONFERENCES, TRAINING, TRAVEL	65,884	82,919	110,300	65,750	110,300	105,000	105,000
6341 - ADVERTISING	241	0	0	0	0	0	0
6361 - INSURANCE	83,478	84,366	89,208	113,517	89,208	114,201	114,201
6365 - INS CLAIMS WITHIN DEDUCTIBLE	0	500	3,500	2,500	3,500	3,500	3,500
6371 - REPAIRS & MAINT CONTRACTUAL	20,616	31,152	17,420	8,539	17,420	21,320	21,320
6375 - OTHER CONTRACTED SERVICES	133,427	193,188	241,031	230,801	241,031	262,858	262,858
6378 - COPIER MAINTENANCE AGREEMENT	939	750	1,600	603	1,600	1,500	1,500
6380 - CENTRAL GARAGE MAINT. CHARGE	243,658	263,151	272,361	226,970	272,361	291,904	291,904
6382 - CENTRAL GARAGE EQUIP. CHARGE	174,609	217,240	236,364	196,970	236,364	239,232	239,232
6385 - UTILITY SERVICE	1,516	822	700	518	700	500	500
6388 - TECHNOLOGY EQUIP CHARGE	17,699	22,179	23,855	19,880	23,855	24,335	24,335
6390 - POSTAGE AND TELEPHONE	30,441	34,030	35,000	24,977	35,000	36,600	36,600
OTHER SERVICES AND CHARGES	1,336,871	1,516,329	1,639,418	1,330,794	1,639,418	1,757,195	1,757,195

POLICE PROTECTION SUMMARY OF EXPENDITURES							
Description	2023 Actual	2024 Actual	2025 Original Budget	October 2025 Actual	2025 Revised Budget	2026 Requested Budget	2026 Final Budget
MISCELLANEOUS							
6412 - CREDIT CARD/ACH/BANK FEE	0	3	0	0	0	0	0
6430 - MISCELLANEOUS	62,547	11,775	18,000	15,812	18,000	18,000	18,000
6471 - DUES & SUBSCRIPTIONS	4,327	4,385	5,710	3,024	5,710	5,760	5,760
MISCELLANEOUS	66,874	16,163	23,710	18,836	23,710	23,760	23,760
CAPITAL OUTLAY							
6580 - OTHER EQUIPMENT	33,914	29,080	33,000	63,229	93,000	33,000	33,000
CAPITAL OUTLAY	33,914	29,080	33,000	63,229	93,000	33,000	33,000
TOTAL EXPENDITURES	7,304,019	7,923,097	8,810,167	6,497,932	8,810,167	9,158,856	9,141,539
CHANGE 2025 REVISED TO 2026 FINAL PERCENT CHANGE 2025 REVISED TO 2026 FINAL							331,372 3.76%

FUNCTION: Public Safety	DEPT. & DIV: Fire Department	BUSINESS UNIT: 10220
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Activities and Responsibilities:

The Fire Department program is accountable for:

- Providing fire protection services including fire suppression, emergency medical services, hazardous materials response, and specialized rescue.
- Providing fire prevention services including Fire Code inspection and enforcement, preconstruction building plan review, fire investigation to determine cause and origin, and public safety education.
- The Cities of South St. Paul and West St. Paul entered into a joint powers agreement to consolidate the City's respective fire departments, thereby creating a new entity known as the South Metro Fire Department (SMFD) as of January 1, 2008, the operational date. The SMFD is governed by a five-member board of directors that include two council members from each joint city, and one public member which is not an employee not a resident of either city. The activities of the SMFD will continue to be funded by each respective city, reflected in the professional service cost.
- The SMFD receives various revenues and has a separate EMS Taxing district levy. These revenues are not reflected in the City's budget directly, they are netted against expenditures to arrive at the Professional Service Charge.

Budget Highlights and Changes:

Significant Revisions - 2025 Original vs. 2025 Revisions

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Notable Expenditure Changes for 2026

- The professional service cost is programmed to decrease by 0.98% for 2026. SSP segregates the portion of cost related to debt issued into the debt service fund.
- The Central Garage Maintenance Charge reflects the cost to provide maintenance services for the Fire department equipment - this is an in-kind cost.

FUNCTION: Public Safety	DEPT. & DIV: Fire Department	BUSINESS UNIT: 10220
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Capital Outlay and Projects:

Notable Capital Project or Asset Acquisitions for 2026

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Staffing:

No City Staff are allocated to this department, South Metro Fire Department provides these services.

FIRE PROTECTION SUMMARY OF EXPENDITURES							
Description	2023 Actual	2024 Actual	2025 Original Budget	October 2025 Actual	2025 Revised Budget	2026 Requested Budget	2026 Final Budget
10220 - FIRE PROTECTION EXPENDITURES							
OTHER SERVICES AND CHARGES							
6302 - PROFESSIONAL SERVICES	535,813	2,739,420	2,761,888	2,761,888	2,761,888	3,039,935	2,734,926
6380 - CENTRAL GARAGE MAINT. CHARGE	30,335	32,762	33,909	28,260	33,909	35,100	35,100
OTHER SERVICES AND CHARGES	566,148	2,772,182	2,795,797	2,790,148	2,795,797	3,075,035	2,770,026
TOTAL EXPENDITURES	566,148	2,772,182	2,795,797	2,790,148	2,795,797	3,075,035	2,770,026
CHANGE 2025 REVISED TO 2026 FINAL							(25,771)
PERCENT CHANGE 2025 REVISED TO 2026 FINAL							(0.92)%

FUNCTION: Public Works	DEPT. & DIV: Engineering	BUSINESS UNIT: 10315
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Activities and Responsibilities:

The Engineering program is accountable for:

- managing, design, inspection and administration of all infrastructure projects and specific maintenance activities
- overseeing project budgets, estimate costs, and quantities of labor and materials
- developing and overseeing environmental projects for stormwater management and wetlands
- monitoring fill permits, NPDES permits, and permits for all activities within the right of way
- supporting economic development activities and projects
- processing all phases of assessment procedures
- managing all mapping and project as built information in GIS and AutoCAD
- plan review of private developments

Budget Highlights and Changes:

Significant Revisions - 2025 Original vs. 2025 Revisions

-

Notable Expenditure Changes for 2026

- Not filling open Department Support Specialist Position

FUNCTION: Public Works	DEPT. & DIV: Engineering	BUSINESS UNIT: 10315
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Capital Outlay and Projects:

Notable Capital Project or Asset Acquisitions for 2026

- The City's 2026-2030 CIP includes major infrastructure improvement projects for 2026 including the following:
 - Marie Avenue Reconstruction Project - 9th Avenue to 21st Avenue
 - Verderosa Extension Project
 - Lead Service Line Replacement Project
 - Sidewalk Removal and Replacement Project

Staffing:

	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
City Engineer	0.500	1.000	1.000	1.000
Assistant City Engineer	1.000	1.000	1.000	1.000
Engineering Project Coordinator	1.000	1.000	1.000	1.000
Engineering Technician	1.000	1.000	1.000	1.000
Department Support Specialist	-	0.500	0.250	-
Total Staffing	<u>3.500</u>	<u>4.500</u>	<u>4.250</u>	<u>4.000</u>

ENGINEERING							
SUMMARY OF EXPENDITURES							
Description	2023 Actual	2024 Actual	2025 Original Budget	October 2025 Actual	2025 Revised Budget	2026 Requested Budget	2026 Final Budget
10315 - ENGINEERING EXPENDITURES							
PERSONNEL SERVICES							
6101 - FULL-TIME EMPLOYEES-REG	365,102	460,172	488,964	337,087	488,964	482,058	327,271
6102 - FULL-TIME EMPLOYEES-OVERTIME	7,350	9,246	25,000	8,256	25,000	25,000	25,000
6108 - ACCUMULATED VACATION/COMP LEAV	2,916	1,189	0	16,905	0	547	568
6112 - SERVICE RECOGNITION	0	1,000	0	0	0	0	0
6120 - EMPLOYER CONTR FOR RETIREMENT	56,232	71,080	74,086	53,362	74,086	73,079	49,629
6130 - EMPLOYER PAID INSURANCE	45,989	65,600	60,491	39,708	60,491	64,774	44,624
6135 - RETIREE PAID INSURANCE	28,026	12,688	12,620	11,016	12,620	12,624	12,624
6150 - WORKERS COMPENSATION	3,170	4,014	2,967	1,128	2,967	3,911	2,657
6151 - WORKERS COMP DEDUCTIBLE	0	0	0	(1,001)	0	0	0
6170 - EMPLOYER CONTR TO HCSP	12,714	10,932	10,775	2,596	10,775	11,301	8,136
PERSONNEL SERVICES	521,498	635,921	674,903	469,057	674,903	673,294	470,509
SUPPLIES							
6201 - OFFICE SUPPLIES	436	1,389	2,500	352	2,500	2,000	2,000
6210 - OPERATING SUPPLIES	549	483	1,500	0	1,500	1,000	1,000
6240 - MINOR EQUIPMENT AND FURNITURE	0	0	1,000	0	1,000	1,000	1,000
6245 - CLOTHING ALLOWANCE	0	1,068	750	110	750	750	750
SUPPLIES	985	2,939	5,750	462	5,750	4,750	4,750
OTHER SERVICES AND CHARGES							
6302 - PROFESSIONAL SERVICES	40,922	56,204	40,000	19,447	40,000	40,000	115,000
6331 - CONFERENCES, TRAINING, TRAVEL	7,680	7,550	8,000	3,586	8,000	8,000	8,000
6341 - ADVERTISING	403	52	500	0	500	500	500
6371 - REPAIRS & MAINT CONTRACTUAL	80,189	5,123	4,500	35,320	4,500	4,500	4,500
6375 - OTHER CONTRACTED SERVICES	0	0	1,500	0	1,500	0	0
6378 - COPIER MAINTENANCE AGREEMENT	0	0	1,500	0	1,500	1,500	1,500
6380 - CENTRAL GARAGE MAINT. CHARGE	11,846	12,794	13,242	11,040	13,242	13,716	13,716
6382 - CENTRAL GARAGE EQUIP. CHARGE	16,336	5,460	12,204	10,170	12,204	11,388	11,388
6388 - TECHNOLOGY EQUIP CHARGE	3,307	3,641	4,705	3,930	4,705	4,705	4,705
6390 - POSTAGE AND TELEPHONE	4,189	6,706	5,000	3,954	5,000	5,000	5,000
OTHER SERVICES AND CHARGES	164,871	97,530	91,151	87,448	91,151	89,309	164,309
MISCELLANEOUS							
6412 - CREDIT CARD/ACH/BANK FEE	40	0	500	31	500	500	500
6471 - DUES & SUBSCRIPTIONS	400	843	1,500	100	1,500	1,500	1,500
MISCELLANEOUS	440	843	2,000	131	2,000	2,000	2,000

ENGINEERING							
SUMMARY OF EXPENDITURES							
Description	2023 Actual	2024 Actual	2025 Original Budget	October 2025 Actual	2025 Revised Budget	2026 Requested Budget	2026 Final Budget
CAPITAL OUTLAY							
6572 - COMPUTER SOFTWARE	1,000	1,000	1,500	20,288	1,500	1,500	1,500
CAPITAL OUTLAY	1,000	1,000	1,500	20,288	1,500	1,500	1,500
TOTAL EXPENDITURES	688,795	738,233	775,304	577,386	775,304	770,853	643,068
CHANGE 2025 REVISED TO 2026 FINAL							(132,236)
PERCENT CHANGE 2025 REVISED TO 2026 FINAL							(17.06)%

FUNCTION: Public Works	DEPT. & DIV: Public Works	BUSINESS UNIT: 10320
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Activities and Responsibilities:

The Public Works program is accountable for:

- Perform maintenance on all streets and alleys
- Maintenance of 112 miles of highways, streets & alleys including overlays, patching, sweeping, cracksealing, painting, sign repair
- Boulevard tree care, snow & ice plowing & removal
- Maintenance of certain street lights and all holiday decorations
- Maintenance and upkeep of Municipal Service Center and surrounding property
- Coordinate striping, pavement marking, sign maintenance and seal coating
- Coordinate with South St Paul Public Schools on a variety of functions

Budget Highlights and Changes:

Significant Revisions - 2025 Original vs. 2025 Revisions

-

Notable Expenditure Changes for 2026

- Increase in supplies for increased use of paver within the city.
- Loader Attachment-Plow/Wing
- Loader Grapple Bucket

FUNCTION: Public Works	DEPT. & DIV: Public Works	BUSINESS UNIT: 10320
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Capital Outlay and Projects:

Notable Capital Project or Asset Acquisitions for 2026

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Staffing:

	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Public Works Director	0.500	0.300	0.300	0.300
Public Works Superintendent	0.300	-	-	-
Streets Lead Worker	1.000	1.000	1.000	1.000
Maintenancer/Equipment Operator	6.000	6.000	6.000	6.000
Asst to the Public Works Director	0.300	0.300	0.300	0.300
Total Staffing	<u>8.100</u>	<u>7.600</u>	<u>7.600</u>	<u>7.600</u>

PUBLIC WORKS							
SUMMARY OF EXPENDITURES							
Description	2023 Actual	2024 Actual	2025 Original Budget	October 2025 Actual	2025 Revised Budget	2026 Requested Budget	2026 Final Budget
EXPENDITURES							
PERSONNEL SERVICES							
6101 FULL-TIME EMPLOYEES-REG	554,517	600,686	625,060	501,687	625,060	628,281	628,281
6102 FULL-TIME EMPLOYEES-OVERTIME	31,174	29,620	40,000	17,899	40,000	40,000	40,000
6104 TEMPORARY EMPLOYEES-REG	0	0	11,560	0	11,560	11,560	11,560
6108 ACCUMULATED VACATION/COMP LEAV	702	2,331	1,425	0	1,425	1,098	1,098
6112 SERVICE RECOGNITION	2,000	1,000	0	0	0	859	859
6120 EMPLOYER CONTR FOR RETIREMENT	88,140	94,566	94,819	78,439	94,819	95,346	95,346
6130 EMPLOYER PAID INSURANCE	110,746	138,668	129,346	100,528	129,346	134,917	134,917
6135 RETIREE PAID INSURANCE	3,425	0	0	0	0	0	0
6150 WORKERS COMPENSATION	46,487	48,894	34,810	29,959	34,810	46,425	46,425
6151 WORKERS COMP DEDUCTIBLE	0	394	0	176	0	0	0
6170 EMPLOYER CONTR TO HCSP	12,522	9,127	13,634	5,502	13,634	10,460	10,460
TOTAL PERSONNEL SERVICES	849,713	925,287	950,654	734,191	950,654	968,946	968,946
SUPPLIES							
6201 OFFICE SUPPLIES	444	579	500	622	500	500	500
6210 OPERATING SUPPLIES	4,670	4,086	5,000	3,821	5,000	5,500	5,500
6220 REPAIR & MAINTENANCE SUPPLIES	150,295	195,896	250,000	249,751	250,000	300,000	300,000
6221 SEAL COATING & TREE MAIN	118,926	208,904	140,000	155,583	140,000	160,000	160,000
6225 ROAD SALT	121,448	101,447	127,000	84,215	127,000	130,800	130,800
6225 1 ROAD SALT-INV ADJ	(21,527)	25,849	0	0	0	0	0
6240 MINOR EQUIPMENT AND FURNITURE	3,591	3,615	4,000	1,367	4,000	4,000	4,000
6245 CLOTHING ALLOWANCE	6,498	6,929	6,200	3,943	6,200	6,400	6,400
TOTAL SUPPLIES	384,345	547,307	532,700	499,303	532,700	607,200	607,200
OTHER SERVICES AND CHARGES							
6302 PROFESSIONAL SERVICES	13,877	5,345	0	5,047	0	0	0
6331 CONFERENCES, TRAINING, TRAVEL	1,136	5,024	2,000	670	2,000	2,500	2,500
6361 INSURANCE	22,429	24,720	26,130	26,504	26,130	27,035	27,035
6365 INS CLAIMS WITHIN DEDUCTIBLE	0	500	0	0	0	0	0
6371 REPAIRS & MAINT CONTRACTUAL	65,392	63,804	95,000	59,542	95,000	97,850	97,850
6378 COPIER MAINTENANCE AGREEMENT	487	596	500	555	500	500	500
6379 CONT SERV/REFUSE & SANITATION	16,728	16,276	20,600	20,984	20,600	21,200	21,200
6380 CENTRAL GARAGE MAINT. CHARGE	346,134	373,825	386,909	322,430	386,909	400,452	400,452
6382 CENTRAL GARAGE EQUIP. CHARGE	280,047	357,676	397,548	331,290	486,636	598,176	598,176
6385 UTILITY SERVICE	33,215	23,777	42,000	22,751	42,000	42,000	42,000
6388 TECHNOLOGY EQUIP CHARGE	1,476	1,476	1,720	1,440	1,720	1,480	1,480
6390 POSTAGE AND TELEPHONE	4,856	5,451	5,500	5,541	5,500	5,665	5,665
TOTAL OTHER SERVICES AND CHARGES	785,777	878,469	977,907	796,755	1,066,995	1,196,858	1,196,858

PUBLIC WORKS							
SUMMARY OF EXPENDITURES							
Description	2023 Actual	2024 Actual	2025 Original Budget	October 2025 Actual	2025 Revised Budget	2026 Requested Budget	2026 Final Budget
MISCELLANEOUS							
6471 DUES & SUBSCRIPTIONS	0	2,160	925	125	925	1,000	1,000
TOTAL MISCELLANEOUS	0	2,160	925	125	925	1,000	1,000
CAPITAL OUTLAY							
6580 OTHER EQUIPMENT	0	0	0	0	0	85,000	85,000
TOTAL CAPITAL OUTLAY	0	0	0	0	0	85,000	85,000
TOTAL EXPENDITURES	2,019,835	2,353,223	2,462,186	2,030,374	2,551,274	2,859,004	2,859,004
CHANGE 2025 REVISED TO 2026 FINAL							307,730
PERCENT CHANGE 2025 REVISED TO 2026 FINAL							12.06%

FUNCTION: Public Works	DEPT. & DIV: Buildings	BUSINESS UNIT: 10330
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Activities and Responsibilities:

The Buildings program is accountable for:

- Providing secure and a clean environment for City Hall, Police, and Fire Dept
- Heating and cooling the City Hall, Police, and Fire Dept
- Providing general repairs and maintenance to City Hall, Police, Fire Dept
- Maintaining the City Hall, Museum and Library grounds, including snow removal and lawn care

Budget Highlights and Changes:

Significant Revisions - 2025 Original vs. 2025 Revisions

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Notable Expenditure Changes for 2026

- Upgrade CH Elevator Button Board
- Old Library will have Temp Heat

FUNCTION: Public Works	DEPT. & DIV: Buildings	BUSINESS UNIT: 10330
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Capital Outlay and Projects:

Notable Capital Project or Asset Acquisitions for 2026

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Staffing:

	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Asst to the Public Works Director	0.200	0.200	0.200	0.200
Facilities Maintenance Lead Worker	-	0.300	0.300	0.300
Facilities Maintenance & Operations	1.000	-	-	-
General Facilities Maintenance	-	1.000	1.000	1.000
Total Staffing	<u><u>1.200</u></u>	<u><u>1.500</u></u>	<u><u>1.500</u></u>	<u><u>1.500</u></u>

BUILDINGS							
SUMMARY OF EXPENDITURES							
Description	2023 Actual	2024 Actual	2025 Original Budget	October 2025 Actual	2025 Revised Budget	2026 Requested Budget	2026 Final Budget
10330 - BUILDINGS							
EXPENDITURES							
PERSONNEL SERVICES							
6101 - FULL-TIME EMPLOYEES-REG	78,237	109,678	113,442	92,945	113,442	114,248	114,248
6102 - FULL-TIME EMPLOYEES-OVERTIME	1,487	456	1,500	455	1,500	1,500	1,500
6108 - ACCUMULATED VACATION/COMP LEAV	9,436	124	151	0	151	154	154
6112 - SERVICE RECOGNITION	6,300	0	0	0	0	573	573
6120 - EMPLOYER CONTR FOR RETIREMENT	12,014	16,700	17,203	14,072	17,203	17,368	17,368
6130 - EMPLOYER PAID INSURANCE	13,970	24,299	20,365	17,021	20,365	23,220	23,220
6135 - RETIREE PAID INSURANCE	9,396	12,688	12,620	11,016	12,620	12,624	12,624
6150 - WORKERS COMPENSATION	5,187	5,358	4,116	3,420	4,116	5,493	5,493
6170 - EMPLOYER CONTR TO HCSP	2,235	1,659	3,220	1,076	3,220	2,271	2,271
PERSONNEL SERVICES	138,261	170,961	172,617	140,005	172,617	177,451	177,451
SUPPLIES							
6210 - OPERATING SUPPLIES	7,232	8,070	7,800	6,770	7,800	8,800	8,800
6220 - REPAIR & MAINTENANCE SUPPLIES	14,425	17,424	16,000	9,815	16,000	17,000	17,000
6240 - MINOR EQUIPMENT AND FURNITURE	1,872	1,601	8,000	892	8,000	8,000	8,000
6245 - CLOTHING ALLOWANCE	990	974	800	406	800	800	800
SUPPLIES	24,518	28,068	32,600	17,882	32,600	34,600	34,600
OTHER SERVICES AND CHARGES							
6331 - CONFERENCES, TRAINING, TRAVEL	0	190	200	359	200	200	200
6361 - INSURANCE	14,014	19,626	22,367	23,394	22,367	23,582	23,582
6371 - REPAIRS & MAINT CONTRACTUAL	91,296	151,105	100,000	139,877	100,000	125,000	125,000
6378 - COPIER MAINTENANCE AGREEMENT	0	0	500	0	500	0	0
6379 - CONT SERV/REFUSE & SANITATION	3,046	5,435	3,600	2,812	3,600	3,800	3,800
6380 - CENTRAL GARAGE MAINT. CHARGE	0	5,000	5,175	4,320	5,175	5,364	5,364
6381 - OTHER RENTALS	2,100	2,100	2,100	2,100	2,100	2,100	2,100
6382 - CENTRAL GARAGE EQUIP. CHARGE	0	5,460	12,228	10,190	12,228	11,844	11,844
6385 - UTILITY SERVICE	29,810	38,427	50,000	27,747	50,000	50,000	50,000
6388 - TECHNOLOGY EQUIP CHARGE	521	521	680	570	680	680	680
6390 - POSTAGE AND TELEPHONE	4,378	4,863	4,600	3,882	4,600	4,600	4,600
OTHER SERVICES AND CHARGES	145,166	232,726	201,450	215,251	201,450	227,170	227,170

BUILDINGS							
SUMMARY OF EXPENDITURES							
Description	2023 Actual	2024 Actual	2025 Original Budget	October 2025 Actual	2025 Revised Budget	2026 Requested Budget	2026 Final Budget
MISCELLANEOUS							
6430 - MISCELLANEOUS	0	0	500	0	500	500	500
MISCELLANEOUS	0	0	500	0	500	500	500
TOTAL EXPENDITURES	307,945	431,756	407,167	373,139	407,167	439,721	439,721
CHANGE 2025 REVISED TO 2026 FINAL							32,554
PERCENT CHANGE 2025 REVISED TO 2026 FINAL							8.00%

FUNCTION: Public Works	DEPT. & DIV: Parks Facilities and Maintenance	BUSINESS UNIT: 10340
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Activities and Responsibilities:

The Parks Facilities and Maintenance program is accountable for:

- General maintenance of all city parks, recreational facilities, boat landing, Wakota Wall, Regional trail and Pools
- Holiday lighting (in cooperation with street dept.)
- Maintenance of outdoor skating/hockey rinks
- Tree and shrub trimming on boulevards, and City property
- Trash removal at parks and trail locations

Budget Highlights and Changes:

Significant Revisions - 2025 Original vs. 2025 Revisions

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Notable Expenditure Changes for 2026

- V-Plow for MT5

FUNCTION: Public Works	DEPT. & DIV: Parks Facilities and Maintenance	BUSINESS UNIT: 10340
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Capital Outlay and Projects:

Notable Capital Project or Asset Acquisitions for 2026

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Staffing:

	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Parks Lead Worker	1.000	1.000	1.000	1.000
Maintenance/Equipment Operator	6.000	5.625	5.625	5.625
Total Staffing	<u>7.000</u>	<u>6.625</u>	<u>6.625</u>	<u>6.625</u>

PARKS FACILITIES AND MTNCE							
SUMMARY OF EXPENDITURES							
Description	2023 Actual	2024 Actual	2025 Original Budget	October 2025 Actual	2025 Revised Budget	2026 Requested Budget	2026 Final Budget
10340 - PARKS FACILITIES AND MTNCE EXPENDITURES							
PERSONNEL SERVICES							
6101 - FULL-TIME EMPLOYEES-REG	429,145	499,748	521,204	427,438	521,204	524,698	524,698
6102 - FULL-TIME EMPLOYEES-OVERTIME	15,536	8,790	24,000	7,223	24,000	24,000	24,000
6104 - TEMPORARY EMPLOYEES-REG	47,391	52,756	62,560	54,682	62,560	62,560	62,560
6105 - TEMPORARY EMPLOYEES-OVERTIME	26	338	0	0	0	0	0
6108 - ACCUMULATED VACATION/COMP LEAV	1,789	3,082	1,702	0	1,702	2,470	2,470
6120 - EMPLOYER CONTR FOR RETIREMENT	71,228	81,485	79,102	70,284	79,102	79,690	79,690
6130 - EMPLOYER PAID INSURANCE	69,567	92,096	86,414	70,848	86,414	96,682	96,682
6150 - WORKERS COMPENSATION	38,668	39,900	26,355	25,926	26,355	35,430	35,430
6151 - WORKERS COMP DEDUCTIBLE	0	0	0	(647)	0	0	0
6170 - EMPLOYER CONTR TO HCSP	13,379	9,255	13,652	4,345	13,652	10,136	10,136
PERSONNEL SERVICES	686,729	787,448	814,989	660,098	814,989	835,666	835,666
SUPPLIES							
6220 - REPAIR & MAINTENANCE SUPPLIES	53,388	63,908	95,000	52,118	95,000	97,850	97,850
6221 - SEAL COATING & TREE MAIN	0	17,646	10,000	2,686	10,000	10,000	10,000
6240 - MINOR EQUIPMENT AND FURNITURE	8,679	12,865	15,000	4,887	15,000	15,000	15,000
6245 - CLOTHING ALLOWANCE	5,099	6,829	6,200	3,688	6,200	7,000	7,000
SUPPLIES	67,166	101,248	126,200	63,379	126,200	129,850	129,850
OTHER SERVICES AND CHARGES							
6331 - CONFERENCES, TRAINING, TRAVEL	1,306	2,273	1,600	1,605	1,600	1,800	1,800
6361 - INSURANCE	18,632	21,055	22,249	26,198	22,249	26,169	26,169
6371 - REPAIRS & MAINT CONTRACTUAL	108,006	108,488	120,000	119,061	120,000	133,600	133,600
6379 - CONT SERV/REFUSE & SANITATION	11,629	10,014	16,350	7,993	16,350	16,350	16,350
6380 - CENTRAL GARAGE MAINT. CHARGE	152,236	164,415	170,170	141,810	170,170	176,136	176,136
6381 - OTHER RENTALS	70	0	0	0	0	0	0
6382 - CENTRAL GARAGE EQUIP. CHARGE	83,427	99,404	206,688	172,240	117,600	120,732	120,732
6385 - UTILITY SERVICE	22,441	20,020	25,000	16,687	25,000	25,750	25,750
6388 - TECHNOLOGY EQUIP CHARGE	1,054	1,054	1,120	940	1,120	1,120	1,120
6390 - POSTAGE AND TELEPHONE	3,095	4,385	4,000	3,030	4,000	4,400	4,400
OTHER SERVICES AND CHARGES	401,895	431,109	567,177	489,565	478,089	506,057	506,057

PARKS FACILITIES AND MTNCE SUMMARY OF EXPENDITURES							
Description	2023 Actual	2024 Actual	2025 Original Budget	October 2025 Actual	2025 Revised Budget	2026 Requested Budget	2026 Final Budget
MISCELLANEOUS							
6430 - MISCELLANEOUS	0	740	0	0	0	0	0
MISCELLANEOUS	0	740	0	0	0	0	0
CAPITAL OUTLAY							
6580 - OTHER EQUIPMENT	7,031	28,129	30,000	23,260	30,000	10,000	10,000
CAPITAL OUTLAY	7,031	28,129	30,000	23,260	30,000	10,000	10,000
TOTAL EXPENDITURES	1,162,822	1,348,675	1,538,366	1,236,302	1,449,278	1,481,573	1,481,573
CHANGE 2025 REVISED TO 2026 FINAL							32,295
PERCENT CHANGE 2025 REVISED TO 2026 FINAL							2.23%

FUNCTION: Community Development	DEPT. & DIV: Development Services	BUSINESS UNIT: 10410
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Activities and Responsibilities:

The Development Services Program is Accountable for:

- Comprehensive land-use planning and zoning for the City
- Providing staff services to the Planning Commission
- Administering all aspects of the comprehensive plan and zoning ordinances
- Enforcing land use ordinances
- Reviewing, processing, and coordinating building permit applications and issue building permits
- Performing field inspections of building construction related to permit applications
- Researching and interpreting building codes
- Coordinating development review with Engineering and other City Departments for proposed development projects
- Providing counter service to residents and businesses who have questions about their property

Budget Highlights and Changes:

Significant Revisions - 2025 Original vs. 2025 Revisions

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Notable Expenditure Changes for 2026

- A new version of the State Building Code is coming out in 2026 and the Building Official needs a \$1,000 budget to purchase code books.
- Eliminate the \$60,000 budget for contracted backup building inspectors and eliminate the shared department support specialist.
 Create a new in-house position that would do inspections and code enforcement.
 This individual would be a trained building inspector and could provide skilled support to the Code Enforcement Officer and City Clerk when dealing with complaints about substandard building conditions at rental properties. There is currently a lack of skilled capacity to investigate these complaints.
 This individual would need to be provided with a car, workstation, cell phone, and ipad/hotspot. They would also need an allowance for professional organization dues and trainings.

FUNCTION: Community Development	DEPT. & DIV: Development Services	BUSINESS UNIT: 10410
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Capital Outlay and Projects:

Notable Capital Project or Asset Acquisitions for 2026

- Roughly \$40,000 would be needed to purchase a vehicle for the new in-house building inspector. This vehicle will be purchased from the Capital Programs Fund.

Staffing:

	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Planning Manager	1.000	1.000	1.000	1.000
Building Official	1.000	1.000	1.000	1.000
Associate Planner	0.500	0.500	0.500	0.500
Building Inspector	-	-	-	0.600
Department Support Specialist	0.600	0.600	0.600	0.600
Department Support Specialist	-	0.500	0.250	-
Total Staffing	<u>3.100</u>	<u>3.600</u>	<u>3.350</u>	<u>3.700</u>

DEVELOPMENT SERVICES							
SUMMARY OF EXPENDITURES							
Description	2023 Actual	2024 Actual	2025 Original Budget	October 2025 Actual	2025 Revised Budget	2026 Requested Budget	2026 Final Budget
10410 - DEVELOPMENT SERVICES							
EXPENDITURES							
PERSONNEL SERVICES							
6101 - FULL-TIME EMPLOYEES-REG	297,874	320,998	350,671	278,781	350,671	375,288	365,468
6102 - FULL-TIME EMPLOYEES-OVERTIME	0	0	1,200	0	1,200	0	0
6108 - ACCUMULATED VACATION/COMP LEAV	2,970	2,573	592	0	592	829	829
6112 - SERVICE RECOGNITION	3,000	2,000	3,813	3,821	3,813	0	0
6120 - EMPLOYER CONTR FOR RETIREMENT	44,704	48,050	53,470	41,928	53,470	56,925	55,437
6130 - EMPLOYER PAID INSURANCE	52,763	62,425	59,654	47,434	59,654	75,557	72,396
6150 - WORKERS COMPENSATION	2,069	2,452	1,873	1,594	1,873	2,709	2,629
6170 - EMPLOYER CONTR TO HCSP	6,113	7,824	5,343	2,245	5,343	8,287	7,792
PERSONNEL SERVICES	409,492	446,321	476,616	375,802	476,616	519,595	504,551
SUPPLIES							
6201 - OFFICE SUPPLIES	884	350	1,500	679	1,500	1,500	1,500
6210 - OPERATING SUPPLIES	103	0	1,000	0	1,000	1,000	1,000
6230 - BOOKS, MATERIALS & PERIODICALS	0	143	0	0	0	1,000	1,000
6245 - CLOTHING ALLOWANCE	0	239	0	210	0	400	400
SUPPLIES	987	732	2,500	889	2,500	3,900	3,900
OTHER SERVICES AND CHARGES							
6302 - PROFESSIONAL SERVICES	110,073	113,098	100,000	71,817	100,000	40,000	40,000
6331 - CONFERENCES, TRAINING, TRAVEL	1,516	2,647	3,200	1,744	3,200	4,300	4,300
6341 - ADVERTISING	768	640	1,250	306	1,250	1,250	1,250
6375 - OTHER CONTRACTED SERVICES	41,276	42,829	44,403	44,405	44,403	46,030	46,030
6378 - COPIER MAINTENANCE AGREEMENT	492	0	0	0	0	0	0
6380 - CENTRAL GARAGE MAINT. CHARGE	0	5,000	5,175	4,320	5,175	10,364	10,364
6382 - CENTRAL GARAGE EQUIP. CHARGE	0	6,036	5,376	4,480	5,376	11,724	11,724
6388 - TECHNOLOGY EQUIP CHARGE	621	2,063	1,408	1,180	1,408	1,528	1,528
6390 - POSTAGE AND TELEPHONE	2,748	2,382	3,000	1,886	3,000	4,000	4,000
OTHER SERVICES AND CHARGES	157,493	174,694	163,812	130,138	163,812	119,196	119,196
MISCELLANEOUS							
6412 - CREDIT CARD/ACH/BANK FEE	6,363	6,155	6,500	6,749	6,500	6,500	6,500
6430 - MISCELLANEOUS	0	0	0	0	0	0	0
6471 - DUES & SUBSCRIPTIONS	857	1,520	1,255	1,291	1,255	1,850	1,850
MISCELLANEOUS	7,220	7,675	7,755	8,040	7,755	8,350	8,350

DEVELOPMENT SERVICES							
SUMMARY OF EXPENDITURES							
Description	2023 Actual	2024 Actual	2025 Original Budget	October 2025 Actual	2025 Revised Budget	2026 Requested Budget	2026 Final Budget
CAPITAL OUTLAY							
6550 - MOTOR VEHICLES	0	0	0	0	0	40,000	0
CAPITAL OUTLAY	0	0	0	0	0	40,000	0
TOTAL EXPENDITURES	575,193	629,422	650,683	514,870	650,683	691,041	635,997
CHANGE 2025 REVISED TO 2026 FINAL							(14,686)
PERCENT CHANGE 2025 REVISED TO 2026 FINAL							(2.26)%

FUNCTION: Community Development	DEPT. & DIV: Code Enforcement	BUSINESS UNIT: 10420
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Activities and Responsibilities:

The Code Enforcement program is accountable for:

- Investigate complaints related to city and zoning code
- Notification to owners and business of violations and issuance of citations
- Address questions and concerns from residents regarding city ordinances
- Process on-line complaints
- Promotes public awareness on common code violations and property complaints

Budget Highlights and Changes:

Significant Revisions - 2025 Original vs. 2025 Revisions

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Notable Expenditure Changes for 2026

- The City has brought its odor enforcement program in-house and SEH's services are seldom needed. The \$5,000 odor consultant budget can be reduced to \$2,000.
- Create a new in-house building inspector position that would do inspections and code enforcement. This individual would be a trained building inspector who could assist the Code Enforcement and City Clerk in investigating complaints about substandard conditions at rental properties. This individual could also help expand the reach of the City's new proactive code enforcement program that Council created in 2025.

FUNCTION: Community Development	DEPT. & DIV: Code Enforcement	BUSINESS UNIT: 10420
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Capital Outlay and Projects:

Notable Capital Project or Asset Acquisitions for 2026

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Staffing:

	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Code Enforcement Officer	1.000	1.000	1.000	1.000
Building Inspector	-	-	-	0.400
Department Support Specialist	0.400	0.400	0.400	0.400
Total Staffing	<u>1.400</u>	<u>1.400</u>	<u>1.400</u>	<u>1.800</u>

CODE ENFORCEMENT							
SUMMARY OF EXPENDITURES							
Description	2023 Actual	2024 Actual	2025 Original Budget	October 2025 Actual	2025 Revised Budget	2026 Requested Budget	2026 Final Budget
10420 - CODE ENFORCEMENT EXPENDITURES							
PERSONNEL SERVICES							
6101 - FULL-TIME EMPLOYEES-REG	92,128	100,291	106,506	87,047	106,506	136,223	129,677
6102 - FULL-TIME EMPLOYEES-OVERTIME	0	0	1,200	0	1,200	0	0
6108 - ACCUMULATED VACATION/COMP LEAV	0	0	0	0	0	0	0
6120 - EMPLOYER CONTR FOR RETIREMENT	13,893	15,111	16,138	13,120	16,138	20,641	19,650
6130 - EMPLOYER PAID INSURANCE	8,112	22,963	21,452	16,663	21,452	31,064	28,958
6150 - WORKERS COMPENSATION	907	787	614	555	614	1,057	1,004
6170 - EMPLOYER CONTR TO HCSP	1,591	2,491	1,821	1,122	1,821	3,280	2,650
PERSONNEL SERVICES	116,631	141,644	147,731	118,507	147,731	192,265	181,939
SUPPLIES							
6201 - OFFICE SUPPLIES	774	634	1,000	246	1,000	1,000	1,000
6210 - OPERATING SUPPLIES	37	0	0	0	0	0	0
6245 - CLOTHING ALLOWANCE	200	132	150	0	150	150	150
SUPPLIES	1,011	766	1,150	246	1,150	1,150	1,150
OTHER SERVICES AND CHARGES							
6302 - PROFESSIONAL SERVICES	4,106	5,520	7,000	486	7,000	4,000	4,000
6331 - CONFERENCES, TRAINING, TRAVEL	38	151	500	54	500	500	500
6371 - REPAIRS & MAINT CONTRACTUAL	10,823	8,625	15,000	24,970	15,000	15,000	15,000
6375 - OTHER CONTRACTED SERVICES	2,892	3,274	3,275	3,302	3,275	3,300	3,300
6380 - CENTRAL GARAGE MAINT. CHARGE	5,158	5,571	5,766	4,810	5,766	5,976	5,976
6382 - CENTRAL GARAGE EQUIP. CHARGE	4,319	9,480	5,112	4,260	5,112	780	780
6388 - TECHNOLOGY EQUIP CHARGE	2,276	588	1,152	960	1,152	792	792
6390 - POSTAGE AND TELEPHONE	1,674	829	5,000	791	5,000	4,000	4,000
OTHER SERVICES AND CHARGES	31,285	34,038	42,805	39,633	42,805	34,348	34,348
MISCELLANEOUS							
6412 - CREDIT CARD/ACH/BANK FEE	258	493	500	46	500	500	500
6471 - DUES & SUBSCRIPTIONS	0	0	150	0	150	150	150
MISCELLANEOUS	258	493	650	46	650	650	650
TOTAL EXPENDITURES	149,185	176,941	192,336	158,433	192,336	228,413	218,087
CHANGE 2025 REVISED TO 2026 FINAL PERCENT CHANGE 2025 REVISED TO 2026 FINAL							25,751 13.39%

FUNCTION: Culture and Recreation	DEPT. & DIV: Park and Recreation Administration	BUSINESS UNIT: 10520
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Activities and Responsibilities:

The Park and Recreation Administration program is accountable for:

- Administer and direct the operation and programming of all city park land.
- Coordinate park and trail capital improvement projects.
- Plan, administer and evaluate all city-sponsored recreation programs and activities.
- Coordinate and schedule athletic fields, programs, activities, and other community events.
- Administer and direct the operation of the Splash Pool at Lorraine Park and Northview Pool facilities.
- Administer the admission of city park facilities including disc golf course and off-leash dog area.
- Coordinate rental of city park facilities including park shelters, Kaposia Park Pavilion, & Community Garden plots.

Budget Highlights and Changes:

Significant Revisions - 2025 Original vs. 2025 Revisions

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Notable Expenditure Changes for 2026

- An increase of approximately \$20,000 is proposed for the Recreation Specialist position. HR is currently reviewing the job description to ensure appropriate classification and compensation.

FUNCTION: Culture and Recreation	DEPT. & DIV: Park and Recreation Administration	BUSINESS UNIT: 10520
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Capital Outlay and Projects:

Notable Capital Project or Asset Acquisitions for 2026

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Staffing:

	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Park & Recreation Director	0.900	0.900	0.900	0.900
Recreation Supervisor	0.200	0.200	0.200	0.200
Recreation Specialist	0.200	0.200	0.200	0.200
Department Support Specialist	0.500	0.500	0.500	0.500
Total Staffing	<u>1.800</u>	<u>1.800</u>	<u>1.800</u>	<u>1.800</u>

PARKS ADMINISTRATION							
SUMMARY OF EXPENDITURES							
Description	2023 Actual	2024 Actual	2025 Original Budget	October 2025 Actual	2025 Revised Budget	2026 Requested Budget	2026 Final Budget
10520 - PARKS ADMINISTRATION EXPENDITURES							
PERSONNEL SERVICES							
6101 - FULL-TIME EMPLOYEES-REG	169,035	186,550	193,128	158,011	193,128	201,656	201,656
6102 - FULL-TIME EMPLOYEES-OVERTIME	159	1,271	0	0	0	20,000	20,000
6108 - ACCUMULATED VACATION/COMP LEAV	7,248	6,402	6,114	0	6,114	7,059	7,059
6112 - SERVICE RECOGNITION	5,977	1,000	0	0	0	0	0
6120 - EMPLOYER CONTR FOR RETIREMENT	26,531	27,705	29,733	23,620	29,733	31,097	31,097
6130 - EMPLOYER PAID INSURANCE	19,600	31,492	29,598	22,446	29,598	31,166	31,166
6140 - UNEMPLOYMENT COMP INS.	0	0	0	102	0	0	0
6150 - WORKERS COMPENSATION	1,278	1,261	979	854	979	1,358	1,358
6170 - EMPLOYER CONTR TO HCSP	2,567	2,216	3,354	1,304	3,354	2,956	2,956
PERSONNEL SERVICES	232,395	257,897	262,906	206,337	262,906	295,292	295,292
SUPPLIES							
6201 - OFFICE SUPPLIES	533	372	1,800	130	1,800	1,800	1,800
6210 - OPERATING SUPPLIES	2,226	3,098	1,500	3,022	1,500	2,500	2,500
6220 - REPAIR & MAINTENANCE SUPPLIES	0	151	0	0	0	0	0
6240 - MINOR EQUIPMENT AND FURNITURE	0	5,330	5,000	4,416	5,000	5,000	5,000
SUPPLIES	2,760	8,951	8,300	7,568	8,300	9,300	9,300
OTHER SERVICES AND CHARGES							
6331 - CONFERENCES, TRAINING, TRAVEL	1,414	123	5,550	59	5,550	5,550	5,550
6371 - REPAIRS & MAINT CONTRACTUAL	27,212	27,375	28,690	28,689	28,690	30,070	30,070
6375 - OTHER CONTRACTED SERVICES	511	633	0	665	0	0	0
6381 - OTHER RENTALS	13,652	12,501	16,000	12,267	16,000	13,000	13,000
6388 - TECHNOLOGY EQUIP CHARGE	2,868	3,096	3,344	2,790	3,344	1,664	1,664
6390 - POSTAGE AND TELEPHONE	1,369	1,381	1,770	1,153	1,770	1,400	1,400
OTHER SERVICES AND CHARGES	47,025	45,108	55,354	45,623	55,354	51,684	51,684
MISCELLANEOUS							
6412 - CREDIT CARD/ACH/BANK FEE	2,585	4,081	2,500	4,925	2,500	4,000	4,000
6471 - DUES & SUBSCRIPTIONS	890	360	1,400	1,285	1,400	1,400	1,400
MISCELLANEOUS	3,475	4,441	3,900	6,210	3,900	5,400	5,400
TOTAL EXPENDITURES	285,654	316,396	330,460	265,738	330,460	361,676	361,676
CHANGE 2025 REVISED TO 2026 FINAL PERCENT CHANGE 2025 REVISED TO 2026 FINAL							31,216 9.45%

FUNCTION: Culture and Recreation	DEPT. & DIV: Splash Pool	BUSINESS UNIT: 10527
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Activities and Responsibilities:

The Splash Pool program is accountable for:

- Providing a safe and accessible outdoor water play structure featuring a zero-depth entry.
- Providing certified and trained lifeguard and water safety staff to monitor the pool areas during operation.
- Concession sales and operation.
- Daily hours of operation (weather permitting): 12:30 -6:00 p.m. (plus 11:00-12:30 toddler swim).
- Available for private pool party rental.
- Providing clean and accessible locker rooms for changing, showering, and secure storage of belongings.

Budget Highlights and Changes:

Significant Revisions - 2025 Original vs. 2025 Revisions

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Notable Expenditure Changes for 2026

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FUNCTION: Culture and Recreation	DEPT. & DIV: Splash Pool	BUSINESS UNIT: 10527
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Capital Outlay and Projects:

Notable Capital Project or Asset Acquisitions for 2026

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Staffing:

	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Recreation Supervisor	0.100	0.100	0.100	0.100
Total Staffing	<u>0.100</u>	<u>0.100</u>	<u>0.100</u>	<u>0.100</u>

SPLASH POOL							
SUMMARY OF EXPENDITURES							
Description	2023 Actual	2024 Actual	2025 Original Budget	October 2025 Actual	2025 Revised Budget	2026 Requested Budget	2026 Final Budget
10527 - SPLASH POOL EXPENDITURES							
PERSONNEL SERVICES							
6101 - FULL-TIME EMPLOYEES-REG	10,171	9,393	9,949	8,133	9,949	10,376	10,376
6104 - TEMPORARY EMPLOYEES-REG	35,675	49,711	37,000	52,306	37,000	42,000	42,000
6105 - TEMPORARY EMPLOYEES-OVERTIME	0	14	0	8	0	0	0
6108 - ACCUMULATED VACATION/COMP LEAV	835	93	0	0	0	21	21
6120 - EMPLOYER CONTR FOR RETIREMENT	4,319	5,170	7,115	5,160	7,115	7,938	7,938
6130 - EMPLOYER PAID INSURANCE	1,633	2,454	2,322	1,910	2,322	2,786	2,786
6150 - WORKERS COMPENSATION	2,150	2,381	1,829	1,495	1,829	2,761	2,761
6170 - EMPLOYER CONTR TO HCSP	433	275	164	74	164	224	224
PERSONNEL SERVICES	55,216	69,492	58,379	69,085	58,379	66,106	66,106
SUPPLIES							
6210 - OPERATING SUPPLIES	2,218	3,143	2,500	2,877	2,500	3,000	3,000
6220 - REPAIR & MAINTENANCE SUPPLIES	9,501	24,965	10,000	5,347	10,000	10,000	10,000
6240 - MINOR EQUIPMENT AND FURNITURE	104	308	5,500	0	5,500	5,500	5,500
6250 - MERCHANDISE FOR RESALE	5,624	5,536	5,000	6,068	5,000	5,500	5,500
SUPPLIES	17,446	33,952	23,000	14,292	23,000	24,000	24,000
OTHER SERVICES AND CHARGES							
6331 - CONFERENCES, TRAINING, TRAVEL	629	816	1,000	363	1,000	1,000	1,000
6371 - REPAIRS & MAINT CONTRACTUAL	3,296	3,074	6,000	460	6,000	6,000	6,000
6385 - UTILITY SERVICE	10,136	9,125	10,000	9,917	10,000	10,000	10,000
6390 - POSTAGE AND TELEPHONE	97	95	100	71	100	100	100
OTHER SERVICES AND CHARGES	14,158	13,110	17,100	10,811	17,100	17,100	17,100
MISCELLANEOUS							
6471 - DUES & SUBSCRIPTIONS	0	0	670	0	670	670	670
MISCELLANEOUS	0	0	670	0	670	670	670
TOTAL EXPENDITURES	86,821	116,553	99,149	94,188	99,149	107,876	107,876
CHANGE 2025 REVISED TO 2026 FINAL PERCENT CHANGE 2025 REVISED TO 2026 FINAL							8,727 8.80%

FUNCTION: Culture and Recreation	DEPT. & DIV: Northview Pool	BUSINESS UNIT: 10528
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Activities and Responsibilities:

The Northview Pool program is accountable for:

- Providing an eleven week swim season: June - August (Daily hours of operation 1:00 - 7:00 p.m.).
- Providing a safe and accessible swimming environment in 1950s era box-type pool.
- Providing certified and trained lifeguard and water safety staff to monitor the pool areas during operation.
- Concession sales and operation.
- Hosting of special community events.
- Available for private pool party rental.
- Providing clean and accessible locker rooms for changing, showering, and secure storage of belongings.

Budget Highlights and Changes:

Significant Revisions - 2025 Original vs. 2025 Revisions

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Notable Expenditure Changes for 2026

- Northview Pool will be closed in 2026.

FUNCTION: Culture and Recreation	DEPT. & DIV: Northview Pool	BUSINESS UNIT: 10528
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Capital Outlay and Projects:

Notable Capital Project or Asset Acquisitions for 2026

- Construction of a new aquatics facility will begin in the spring of 2026 with anticipated opening in the summer of 2027. Funding is expected to come from a state grant and City funds, as needed.

Staffing:

	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Recreation Supervisor	0.100	0.100	0.100	-
Total Staffing	<u>0.100</u>	<u>0.100</u>	<u>0.100</u>	<u>-</u>

NORTHVIEW POOL							
SUMMARY OF EXPENDITURES							
Description	2023 Actual	2024 Actual	2025 Original Budget	October 2025 Actual	2025 Revised Budget	2026 Requested Budget	2026 Final Budget
10528 - NORTHVIEW POOL							
EXPENDITURES							
PERSONNEL SERVICES							
6101 - FULL-TIME EMPLOYEES-REG	10,171	9,393	9,949	8,133	9,949	10,376	0
6104 - TEMPORARY EMPLOYEES-REG	39,429	59,005	40,000	64,747	40,000	45,000	0
6105 - TEMPORARY EMPLOYEES-OVERTIME	0	235	0	111	0	0	0
6108 - ACCUMULATED VACATION/COMP LEAV	835	93	0	0	0	21	0
6120 - EMPLOYER CONTR FOR RETIREMENT	4,606	5,898	7,569	6,119	7,569	8,393	0
6130 - EMPLOYER PAID INSURANCE	1,633	2,454	2,322	1,910	2,322	2,812	0
6150 - WORKERS COMPENSATION	2,150	2,398	1,973	1,378	1,973	2,953	0
6170 - EMPLOYER CONTR TO HCSP	433	275	164	74	164	224	0
PERSONNEL SERVICES	59,257	79,752	61,977	82,471	61,977	69,779	0
SUPPLIES							
6210 - OPERATING SUPPLIES	1,986	3,355	2,500	3,603	2,500	3,500	0
6220 - REPAIR & MAINTENANCE SUPPLIES	9,101	8,369	10,000	8,360	10,000	10,000	0
6240 - MINOR EQUIPMENT AND FURNITURE	334	455	2,500	44	2,500	2,500	0
6250 - MERCHANDISE FOR RESALE	7,347	7,629	6,000	7,888	6,000	7,500	0
SUPPLIES	18,769	19,809	21,000	19,896	21,000	23,500	0
OTHER SERVICES AND CHARGES							
6331 - CONFERENCES, TRAINING, TRAVEL	556	626	1,000	598	1,000	1,000	0
6371 - REPAIRS & MAINT CONTRACTUAL	5,780	31,618	17,800	1,197	17,800	8,000	0
6375 - OTHER CONTRACTED SERVICES	0	0	5,000	0	5,000	5,000	0
6385 - UTILITY SERVICE	8,680	7,391	9,000	10,706	9,000	9,000	0
6390 - POSTAGE AND TELEPHONE	97	95	100	71	100	100	0
OTHER SERVICES AND CHARGES	15,113	39,729	32,900	12,570	32,900	23,100	0
MISCELLANEOUS							
6471 - DUES & SUBSCRIPTIONS	0	0	670	0	670	670	0
MISCELLANEOUS	0	0	670	0	670	670	0
TOTAL EXPENDITURES	93,139	139,290	116,547	114,937	116,547	117,049	0
CHANGE 2025 REVISED TO 2026 FINAL							(116,547)
PERCENT CHANGE 2025 REVISED TO 2026 FINAL							(100.00)%

FUNCTION: Culture and Recreation	DEPT. & DIV: Recreational Programs	BUSINESS UNIT: 10529
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Activities and Responsibilities:

The Recreational Programs program is accountable for:

- Providing recreational activities, fall, winter, spring and summer for youth, teens, and adults.
- Providing youth programs, special events, and field trips programming.
- Coordinate and promote the Summer Playhouse program.
- Administer the youth sport leagues of football and T-ball.
- Coordinate winter season outdoor rink and warming house operation at four locations.
- Coordinate the rental and use of athletic fields, picnic shelters, Kaposia Pavilion building, and Community Garden plots.
- Coordinating adult softball leagues.

Budget Highlights and Changes:

Significant Revisions - 2025 Original vs. 2025 Revisions

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Notable Expenditure Changes for 2026

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FUNCTION: Culture and Recreation	DEPT. & DIV: Recreational Programs	BUSINESS UNIT: 10529
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Capital Outlay and Projects:

Notable Capital Project or Asset Acquisitions for 2026

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Staffing:

	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Park & Recreation Director	0.100	0.100	0.100	0.100
Recreation Supervisor	0.600	0.600	0.600	0.700
Recreation Specialist	0.800	0.800	0.800	0.800
Total Staffing	<u>1.500</u>	<u>1.500</u>	<u>1.500</u>	<u>1.600</u>

RECREATIONAL PROGRAMS							
SUMMARY OF EXPENDITURES							
Description	2023 Actual	2024 Actual	2025 Original Budget	October 2025 Actual	2025 Revised Budget	2026 Requested Budget	2026 Final Budget
10529 - RECREATIONAL PROGRAMS EXPENDITURES							
PERSONNEL SERVICES							
6101 - FULL-TIME EMPLOYEES-REG	117,627	122,592	127,573	106,476	127,573	135,909	146,285
6102 - FULL-TIME EMPLOYEES-OVERTIME	141	0	0	0	0	0	0
6104 - TEMPORARY EMPLOYEES-REG	47,536	65,417	48,000	73,497	48,000	55,000	100,000
6108 - ACCUMULATED VACATION/COMP LEAV	5,625	1,251	680	0	680	904	925
6112 - SERVICE RECOGNITION	0	0	0	0	0	0	0
6120 - EMPLOYER CONTR FOR RETIREMENT	21,804	23,165	26,655	21,289	26,655	28,997	37,390
6130 - EMPLOYER PAID INSURANCE	20,027	28,139	26,145	20,779	26,145	27,857	30,669
6140 - UNEMPLOYMENT COMP INS.	158	351	0	0	0	0	0
6150 - WORKERS COMPENSATION	1,345	1,238	923	953	923	1,337	4,290
6170 - EMPLOYER CONTR TO HCSP	3,547	2,840	2,346	1,087	2,346	2,530	2,754
PERSONNEL SERVICES	217,809	244,994	232,322	224,081	232,322	252,534	322,313
SUPPLIES							
6201 - OFFICE SUPPLIES	0	147	0	13	0	0	0
6210 - OPERATING SUPPLIES	16,008	22,859	21,000	22,823	21,000	30,000	30,000
6220 - REPAIR & MAINTENANCE SUPPLIES	0	0	0	62	0	0	0
6245 - CLOTHING ALLOWANCE	0	0	450	0	450	600	600
6250 - MERCHANDISE FOR RESALE	0	0	0	(21)	0	0	0
SUPPLIES	16,008	23,006	21,450	22,878	21,450	30,600	30,600
OTHER SERVICES AND CHARGES							
6302 - PROFESSIONAL SERVICES	0	0	0	1,800	0	0	0
6331 - CONFERENCES, TRAINING, TRAVEL	0	952	0	662	0	0	0
6380 - CENTRAL GARAGE MAINT. CHARGE	10,045	10,849	11,229	9,360	11,229	11,628	11,628
6381 - OTHER RENTALS	2,870	1,512	2,800	1,505	2,800	2,800	2,800
6382 - CENTRAL GARAGE EQUIP. CHARGE	1,498	12,372	13,524	11,270	13,524	7,908	7,908
6388 - TECHNOLOGY EQUIP CHARGE	988	949	916	770	916	916	916
6390 - POSTAGE AND TELEPHONE	1,336	1,423	1,500	1,051	1,500	1,500	1,500
OTHER SERVICES AND CHARGES	16,738	28,057	29,969	26,419	29,969	24,752	24,752
MISCELLANEOUS							
6452 - TRIPS AND TOURS	1,288	2,182	1,500	1,234	1,500	2,000	2,000
MISCELLANEOUS	1,288	2,182	1,500	1,234	1,500	2,000	2,000
TOTAL EXPENDITURES	251,842	298,241	285,241	274,611	285,241	309,886	379,665
CHANGE 2025 REVISED TO 2026 FINAL PERCENT CHANGE 2025 REVISED TO 2026 FINAL							94,424 33.10%

DOUG WOOG ARENA							
SUMMARY OF REVENUES AND EXPENDITURES							
	2023 Actual	2024 Actual	2025		2026		Final 2025 vs 2026
			Original	Revised	Requested	Final	
Revenues							
Operational	1,459,964	1,353,784	1,289,500	1,289,500	1,520,340	1,520,340	230,840
Total	1,459,964	1,353,784	1,289,500	1,289,500	1,520,340	1,520,340	230,840
Expenditures							
Operational	1,258,344	1,284,672	1,226,100	1,226,100	1,358,287	1,358,287	132,187
Capital Outlay/Debt Service/Transfers	31,424	44,124	210,000	210,000	1,335,000	315,000	105,000
Total	1,289,768	1,328,796	1,436,100	1,436,100	2,693,287	1,673,287	237,187
Change in Fund Balance	170,196	24,988	(146,600)	(146,600)	(1,172,947)	(152,947)	
Cash and Investment Balance *	(617,725)	(581,886)	(728,486)	(728,486)	(1,901,433)	(881,433)	
* - estimated for 2025 and 2026							

FUNCTION: Culture and Recreation	DEPT. & DIV: Doug Woog Arena	BUSINESS UNIT: 20243
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Activities and Responsibilities:

The Doug Woog Arena program is accountable for:

- Providing operation and ice-time rentals for 2 sheets of ice, seven days a week.
- Providing concession sales to patrons of the facility.
- Host facility for Youth, High School and Independent hockey leagues and tournaments.
- Host for figure skating, learn to skate lessons, and open general skating.
- Facilitate community special events.
- Accounting for operational and capital expenditures.

Budget Highlights and Changes:

Significant Revisions - 2025 Original vs. 2025 Revisions

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Notable Expenditure Changes for 2026

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FUNCTION: Culture and Recreation	DEPT. & DIV: Doug Woog Arena	BUSINESS UNIT: 20243
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Capital Outlay and Projects:

Notable Capital Project or Asset Acquisitions for 2026

- Replace rooftop HVAC units CIP Projects 14-105 & 19-12

Staffing:

	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Facility & Operations Supervisor	1.000	1.000	1.000	1.000
Facility Maintenance Lead Worker	1.000	0.700	0.700	0.700
General Facility Maintenance	3.400	4.200	4.200	4.200
Total Staffing	<u>5.400</u>	<u>5.900</u>	<u>5.900</u>	<u>5.900</u>

DOUG WOOG ARENA							
SUMMARY OF REVENUE							
Description	2023 Actual	2024 Actual	2025 Original Budget	October 2025 Actual	2025 Revised Budget	2026 Requested Budget	2026 Final Budget
20243 - DOUG WOOG ARENA							
REVENUE							
TAXES							
4110 - CURRENT AD VALOREM TAX	323,000	323,000	323,000	161,500	323,000	500,000	500,000
TAXES	323,000	323,000	323,000	161,500	323,000	500,000	500,000
CHARGES FOR SERVICES							
DOUG WOOG ARENA							
4501 - ICE RENTALS-FALL & WINTER	641,684	523,973	550,000	287,969	550,000	550,000	550,000
4502 - ICE RENTALS-SUMMER	294,907	309,970	250,000	358,900	250,000	275,000	275,000
4503 - ICE RENTALS-OTHER (IDENTIFY)	0	4,296	0	0	0	0	0
4505 - PUBLIC SKATING	6,056	8,284	2,000	2,871	2,000	2,000	2,000
4506 - FIGURE SKATING	28,455	16,812	14,000	7,222	14,000	14,000	14,000
4508 - SKATE SHARPENING	1,438	1,244	1,000	652	1,000	1,000	1,000
4509 - ICE TRAINING SESSIONS	0	9,871	20,000	25,885	20,000	25,000	25,000
4510 - CONCESSION SALES	91,452	86,077	65,000	59,086	65,000	85,000	85,000
4511 - RENTAL-LEASE	30,000	30,000	30,000	18,660	30,000	32,340	32,340
4513 - SIGN RENTAL	6,023	2,000	0	5,642	0	0	0
4515 - VENDING - WOOG ARENA	5,315	5,172	4,000	3,099	4,000	4,000	4,000
4402 - RENT	2,557	2,442	500	22,463	500	2,000	2,000
DOUG WOOG ARENA	1,107,887	1,000,139	936,500	792,450	936,500	990,340	990,340
CHARGES FOR SERVICES	1,107,887	1,000,139	936,500	792,450	936,500	990,340	990,340
INTEREST							
4681 - UNREALIZED GAIN/LOSS ON INV	(6,441)	(5,270)	0	0	0	0	0
INTEREST	(6,441)	(5,270)	0	0	0	0	0
MISCELLANEOUS							
4672 - OTHER	4,773	4,232	0	1,315	0	0	0
4673 - CASH OVER/SHORT	(85)	220	0	278	0	0	0
4675 - INSURANCE DIVIDEND	830	811	0	0	0	0	0
4676 - WORKERS COMP INS DIVIDEND	0	652	0	0	0	0	0
4685 - CONTRIB-ARENA CAPITAL	30,000	30,000	30,000	30,000	30,000	30,000	30,000
MISCELLANEOUS	35,517	35,915	30,000	31,593	30,000	30,000	30,000
REVENUE	1,459,964	1,353,784	1,289,500	985,544	1,289,500	1,520,340	1,520,340

DOUG WOOG ARENA							
SUMMARY OF EXPENDITURES							
Description	2023 Actual	2024 Actual	2025 Original Budget	October 2025 Actual	2025 Revised Budget	2026 Requested Budget	2026 Final Budget
20243 - DOUG WOOG ARENA							
EXPENDITURES							
PERSONNEL SERVICES							
6101 - FULL-TIME EMPLOYEES-REG	376,849	375,241	444,054	328,487	444,054	453,278	453,278
6102 - FULL-TIME EMPLOYEES-OVERTIME	20,296	9,087	8,000	12,720	8,000	8,000	8,000
6104 - TEMPORARY EMPLOYEES-REG	69,288	71,553	40,000	52,257	40,000	65,000	65,000
6108 - ACCUMULATED VACATION/COMP LEAV	940	10,818	1,816	283	1,816	3,893	3,893
6112 - SERVICE RECOGNITION	2,000	0	0	0	0	3,268	3,268
6120 - EMPLOYER CONTR FOR RETIREMENT	65,903	64,512	67,424	57,240	67,424	69,230	69,230
6130 - EMPLOYER PAID INSURANCE	62,009	74,520	75,191	60,152	75,191	83,448	83,448
6150 - WORKERS COMPENSATION	16,534	18,111	12,445	12,266	12,445	17,010	17,010
6151 - WORKERS COMP DEDUCTIBLE	1,773	0	0	0	0	0	0
6170 - EMPLOYER CONTR TO HCSP	9,826	7,848	10,891	3,287	10,891	8,403	8,403
PERSONNEL SERVICES	625,420	631,690	659,821	526,691	659,821	711,530	711,530
SUPPLIES							
6201 - OFFICE SUPPLIES	698	747	500	35	500	500	500
6210 - OPERATING SUPPLIES	14,261	18,903	13,000	16,974	13,000	14,000	14,000
6220 - REPAIR & MAINTENANCE SUPPLIES	79,365	48,259	30,000	52,769	30,000	30,000	30,000
6240 - MINOR EQUIPMENT AND FURNITURE	8,673	7,243	2,500	3,495	2,500	3,500	3,500
6245 - CLOTHING ALLOWANCE	4,533	4,164	3,500	891	3,500	3,500	3,500
6250 - MERCHANDISE FOR RESALE	33,234	38,657	25,000	28,250	25,000	35,000	35,000
SUPPLIES	140,764	117,973	74,500	102,413	74,500	86,500	86,500
OTHER SERVICES AND CHARGES							
6302 - PROFESSIONAL SERVICES	6,008	3,040	5,000	2,949	5,000	5,000	5,000
6331 - CONFERENCES, TRAINING, TRAVEL	4,665	1,241	2,500	1,802	2,500	2,500	2,500
6341 - ADVERTISING	3,200	1,600	1,500	5,877	1,500	1,500	1,500
6361 - INSURANCE	25,072	28,206	29,792	31,393	29,792	31,883	31,883
6371 - REPAIRS & MAINT CONTRACTUAL	51,578	59,709	60,000	46,590	60,000	60,000	60,000
6373 - INTERNAL LABOR CHARGE	10,000	10,000	10,000	8,340	10,000	10,000	10,000
6374 - ADMINISTRATION SUPPORT FEE	69,001	84,976	110,388	91,990	110,388	115,936	115,936
6375 - OTHER CONTRACTED SERVICES	28,011	39,254	30,000	30,561	30,000	30,000	30,000
6378 - COPIER MAINTENANCE AGREEMENT	842	745	600	500	600	600	600
6379 - CONT SERV/REFUSE & SANITATION	5,007	5,511	4,800	3,260	4,800	5,000	5,000
6380 - CENTRAL GARAGE MAINT. CHARGE	258	279	289	250	289	300	300
6382 - CENTRAL GARAGE EQUIP. CHARGE	12,499	23,512	24,228	20,190	24,228	34,656	34,656
6385 - UTILITY SERVICE	263,994	264,925	200,000	185,824	200,000	250,000	250,000
6388 - TECHNOLOGY EQUIP CHARGE	3,166	3,196	3,982	3,320	3,982	3,982	3,982
6390 - POSTAGE AND TELEPHONE	2,851	2,869	2,800	2,318	2,800	2,800	2,800
OTHER SERVICES AND CHARGES	486,151	529,064	485,879	435,164	485,879	554,157	554,157

DOUG WOOG ARENA							
SUMMARY OF EXPENDITURES							
Description	2023 Actual	2024 Actual	2025 Original Budget	October 2025 Actual	2025 Revised Budget	2026 Requested Budget	2026 Final Budget
MISCELLANEOUS							
6412 - CREDIT CARD/ACH/BANK FEE	4,878	5,491	4,800	4,076	4,800	5,000	5,000
6471 - DUES & SUBSCRIPTIONS	1,131	455	1,100	710	1,100	1,100	1,100
MISCELLANEOUS	6,009	5,946	5,900	4,786	5,900	6,100	6,100
CAPITAL OUTLAY							
6520 - BUILDINGS AND STRUCTURE	0	171	185,000	226,381	185,000	1,300,000	280,000
6570 - OFFICE EQUIP & FURNISHINGS	350	0	0	0	0	0	0
6580 - OTHER EQUIPMENT	14,403	0	0	0	0	0	0
CAPITAL OUTLAY	14,753	171	185,000	226,381	185,000	1,300,000	280,000
DEBT SERVICE							
6612 - INTEREST EXPENSE	16,671	19,115	25,000	8,392	25,000	35,000	35,000
DEBT SERVICE	16,671	19,115	25,000	8,392	25,000	35,000	35,000
TRANSFERS							
6719 - TRANSFER TO CAPITAL PROJECT FU	0	24,837	0	0	0	0	0
TRANSFERS	0	24,837	0	0	0	0	0
TOTAL EXPENDITURES	1,289,768	1,328,796	1,436,100	1,303,828	1,436,100	2,693,287	1,673,287
CHANGE 2025 REVISED TO 2026 FINAL							237,187
PERCENT CHANGE 2025 REVISED TO 2026 FINAL							16.52%

FUNCTION: Debt	FUND/PROGRAM: Debt Service Funds/Debt Service	BUSINESS UNIT: 303XX
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SUMMARY OF REVENUES AND EXPENDITURES

Business Unit	DESCRIPTION	Final Levy Year	2023 Budget	2024 Budget	2025 Budget	2026 Proposed	2026 Final
	<u>REVENUES</u>						
	Property Taxes		1,472,290	1,475,444	1,475,528	1,487,701	1,487,701
	TOTAL REVENUES		1,472,290	1,475,444	1,475,528	1,487,701	1,487,701
	<u>EXPENDITURES</u>						
30318	GO Improvement & Refunding Bonds - 2012A	2026	271,839	278,952	278,322	277,713	277,713
30320	GO Park Referendum Bonds - 2014B	2034	490,639	492,608	492,555	492,188	492,188
30321	GO Park Referendum Bonds - 2015B	2035	220,671	217,626	219,070	220,382	220,382
30323	GO Bonds Series 2017B-equipment	2026	182,805	187,005	185,535	183,855	183,855
30323	GO Bonds Series 2017B-streets	2037	78,571	61,711	66,481	78,831	78,831
30324	GO Bonds 2019A - streets	2039	132,110	139,682	136,335	138,237	138,237
30324	GO Bonds 2019A - Fire equip	2028	95,655	97,860	97,230	96,495	96,495
	TOTAL EXPENDITURES		1,472,290	1,475,444	1,475,528	1,487,701	1,487,701

AIRPORT COMBINED FUNDS SUMMARY OF REVENUES AND EXPENDITURES							
Description	2023 Actual	2024 Actual	2025		2026		Change 2025 vs 2026
			Original	Revised	Requested	Final	
OPERATING FUND							
Revenues	1,641,569	1,550,036	1,443,681	1,443,681	1,552,874	1,552,874	109,193
Expenditures	1,544,080	1,744,952	1,850,067	1,850,067	1,866,640	1,906,640	56,573
Operating Surplus/(Deficit)	97,489	(194,916)	(406,386)	(406,386)	(313,766)	(353,766)	
Cash and Invest (Internal Loan)	102,289	21,812	(384,574)	(384,574)	(698,340)	(738,340)	
Cash deficit at 10/31/2025 is \$33,797							
CAPITAL FUND							
Revenues	209,532	1,942,687	1,875,000	1,875,000	1,600,000	1,600,000	(275,000)
Expenditures	861,171	2,738,190	1,890,000	1,890,000	1,620,000	1,620,000	(270,000)
Capital Surplus/(Deficit)	(651,639)	(795,503)	(15,000)	(15,000)	(20,000)	(20,000)	
Cash and Invest (Internal Loan)	(846,603)	(846,603)	(861,603)	(861,603)	(881,603)	(881,603)	
Cash deficit at 10/31/2025 is \$1,894,425							
COMBINED AIRPORT OPERATING & CAPITAL							
Revenues	1,851,101	3,492,723	3,318,681	3,318,681	3,152,874	3,152,874	(165,807)
Expenditures	2,405,251	4,483,142	3,740,067	3,740,067	3,486,640	3,526,640	(213,427)
Combined Surplus/(Deficit)	(554,150)	(990,419)	(421,386)	(421,386)	(333,766)	(373,766)	
Cash and Invest (Internal Loan)	(744,314)	(824,791)	(1,246,177)	(1,246,177)	(1,579,943)	(1,619,943)	
Combined Cash deficit at 10/31/2025 is \$1,928,222							

FUNCTION: Transportation	DEPT. & DIV: Airport Operating Fund	BUSINESS UNIT: 20245
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Activities and Responsibilities:**The Airport Operating Fund is accountable for:**

- Maintaining the buildings, grounds, and airfield in a safe, efficient manner
- Providing high quality aviation fuels, 24 hrs. a day, to the flying public
- Providing courteous and timely information to pilots, businesses and tenants using Fleming Field
- Overseeing city owned facilities occupied by tenants and businesses

Budget Highlights and Changes:**Significant Revisions - 2025 Original vs. 2025 Revisions**

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Notable Expenditure Changes for 2026

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FUNCTION: Transportation	DEPT. & DIV: Airport Operating Fund	BUSINESS UNIT: 20245
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Capital Outlay and Projects:

Notable Capital Project or Asset Acquisitions for 2026

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Staffing:

	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Airport Manager	1.000	1.000	1.000	1.000
Airport Operations Specialist	1.000	1.000	1.000	1.000
Airport Maintenance Worker	0.725	1.000	1.000	1.000
Building/Office Attendant	0.650	0.650	0.650	0.650
Total Staffing	<u>3.375</u>	<u>3.650</u>	<u>3.650</u>	<u>3.650</u>

AIRPORT							
SUMMARY OF REVENUE							
Description	2023 Actual	2024 Actual	2025 Original Budget	October 2025 Actual	2025 Revised Budget	2026 Requested Budget	2026 Final Budget
20245 - AIRPORT							
REVENUE							
INTERGOVERNMENTAL							
4302 - FEDERAL GRANTS - OTHER	59,000	0	0	0	0	0	0
4321 - AIRPORT OPERATIONS & MAINT	35,242	36,680	36,680	36,680	36,680	36,680	36,680
INTERGOVERNMENTAL	94,242	36,680	36,680	36,680	36,680	36,680	36,680
CHARGES FOR SERVICES							
AIRPORT							
4411 - PILOT	55,270	63,461	61,000	49,335	61,000	63,440	63,440
4402 - RENT	10,090	13,065	18,000	10,360	18,000	15,000	15,000
4581 - RENT OF HANGARS	171,819	205,366	241,885	158,730	241,885	218,000	218,000
4583 - AIRPORT FUEL RECEIPTS	881,803	822,552	700,000	559,563	700,000	825,000	825,000
4585 - LAND LEASE	272,160	274,475	254,616	244,695	254,616	262,254	262,254
4586 - TEE HANGAR RENTAL	102,786	111,622	117,800	75,697	117,800	117,800	117,800
4587 - AIRCRAFT PARKING FEES	6,435	5,790	8,000	10,350	8,000	8,000	8,000
4588 - AIRPORT RAMP FEES	10	120	200	220	200	200	200
4590 - AIRPORT GATE CARD	2,394	3,267	3,000	3,382	3,000	4,000	4,000
4591 - AIRPORT VENDING SALES	1,578	1,712	2,000	1,002	2,000	2,000	2,000
AIRPORT	1,504,344	1,501,429	1,406,501	1,113,333	1,406,501	1,515,694	1,515,694
CHARGES FOR SERVICES	1,504,344	1,501,429	1,406,501	1,113,333	1,406,501	1,515,694	1,515,694
INTEREST							
4671 - INTEREST EARNINGS	1,997	3,821	0	0	0	0	0
4681 - UNREALIZED GAIN/LOSS ON INV	762	1,024	0	0	0	0	0
INTEREST	2,759	4,845	0	0	0	0	0
MISCELLANEOUS							
4672 - OTHER	38,892	4,946	500	2,268	500	500	500
4673 - CASH OVER/SHORT	239	501	0	406	0	0	0
4675 - INSURANCE DIVIDEND	1,092	1,086	0	0	0	0	0
4676 - WORKERS COMP INS DIVIDEND	0	549	0	0	0	0	0
MISCELLANEOUS	40,224	7,082	500	2,674	500	500	500
REVENUE	1,641,569	1,550,036	1,443,681	1,152,687	1,443,681	1,552,874	1,552,874

AIRPORT							
SUMMARY OF EXPENDITURES							
Description	2023 Actual	2024 Actual	2025 Original Budget	October 2025 Actual	2025 Revised Budget	2026 Requested Budget	2026 Final Budget
20245 - AIRPORT EXPENDITURES							
PERSONNEL SERVICES							
6101 - FULL-TIME EMPLOYEES-REG	256,782	276,023	285,151	233,256	285,151	285,151	285,151
6102 - FULL-TIME EMPLOYEES-OVERTIME	1,249	2,012	3,000	2,490	3,000	3,000	3,000
6104 - TEMPORARY EMPLOYEES-REG	8,586	14,341	16,000	13,189	16,000	16,000	16,000
6108 - ACCUMULATED VACATION/COMP LEAV	472	113	344	0	344	156	156
6112 - SERVICE RECOGNITION	2,832	500	0	0	0	0	0
6120 - EMPLOYER CONTR FOR RETIREMENT	40,102	43,727	43,231	36,688	43,231	45,641	45,641
6130 - EMPLOYER PAID INSURANCE	37,685	51,038	47,029	36,101	47,029	48,609	48,609
6150 - WORKERS COMPENSATION	15,891	17,465	12,478	11,020	12,478	16,606	16,606
6151 - WORKERS COMP DEDUCTIBLE	2,500	0	0	0	0	0	0
6170 - EMPLOYER CONTR TO HCSP	2,777	3,414	3,657	2,172	3,657	3,702	3,702
PERSONNEL SERVICES	368,875	408,633	410,890	334,915	410,890	418,865	418,865
SUPPLIES							
6201 - OFFICE SUPPLIES	1,022	617	1,500	227	1,500	1,500	1,500
6210 - OPERATING SUPPLIES	2,017	1,415	1,500	1,317	1,500	1,500	1,500
6220 - REPAIR & MAINTENANCE SUPPLIES	44,688	26,649	45,000	24,560	45,000	45,000	45,000
6245 - CLOTHING ALLOWANCE	316	495	0	0	0	0	0
6250 - MERCHANDISE FOR RESALE	797,390	718,208	600,000	451,747	600,000	700,000	700,000
SUPPLIES	845,433	747,384	648,000	477,850	648,000	748,000	748,000
OTHER SERVICES AND CHARGES							
6302 - PROFESSIONAL SERVICES	14,386	17,697	16,450	9,276	16,450	18,000	18,000
6331 - CONFERENCES, TRAINING, TRAVEL	1,380	1,733	3,000	967	3,000	5,000	5,000
6341 - ADVERTISING	2,930	2,169	1,600	1,697	1,600	1,600	1,600
6361 - INSURANCE	33,096	37,765	39,881	43,353	39,881	44,355	44,355
6371 - REPAIRS & MAINT CONTRACTUAL	101,132	54,649	51,000	53,565	51,000	60,000	60,000
6374 - ADMINISTRATION SUPPORT FEE	94,249	116,283	141,505	117,930	141,505	139,984	139,984
6375 - OTHER CONTRACTED SERVICES	511	633	0	665	0	0	0
6378 - COPIER MAINTENANCE AGREEMENT	173	152	300	132	300	300	300
6379 - CONT SERV/REFUSE & SANITATION	1,330	1,044	1,500	870	1,500	1,500	1,500
6380 - CENTRAL GARAGE MAINT. CHARGE	37,321	40,307	41,718	34,770	41,718	43,188	43,188
6382 - CENTRAL GARAGE EQUIP. CHARGE	0	19,296	15,528	12,940	15,528	14,628	14,628
6385 - UTILITY SERVICE	19,208	17,364	25,000	14,853	25,000	20,000	20,000
6388 - TECHNOLOGY EQUIP CHARGE	1,708	1,828	2,520	2,100	2,520	2,520	2,520
6390 - POSTAGE AND TELEPHONE	7,294	5,775	7,000	4,673	7,000	7,000	7,000
OTHER SERVICES AND CHARGES	314,718	316,696	347,002	297,792	347,002	358,075	358,075

AIRPORT							
SUMMARY OF EXPENDITURES							
Description	2023 Actual	2024 Actual	2025 Original Budget	October 2025 Actual	2025 Revised Budget	2026 Requested Budget	2026 Final Budget
MISCELLANEOUS							
6412 - CREDIT CARD/ACH/BANK FEE	179	131	300	95	300	200	200
6430 - MISCELLANEOUS	0	0	0	1,392	0	0	0
6453 - REMITTANCE OF REV/OTHER	400	0	1,000	409	1,000	1,000	1,000
6471 - DUES & SUBSCRIPTIONS	206	356	1,000	648	1,000	500	500
MISCELLANEOUS	784	487	2,300	2,544	2,300	1,700	1,700
CAPITAL OUTLAY							
6520 - BUILDINGS AND STRUCTURE	0	0	0	164	0	40,000	40,000
6570 - OFFICE EQUIP & FURNISHINGS	14,269	1,318	10,000	0	10,000	10,000	10,000
CAPITAL OUTLAY	14,269	1,318	10,000	164	10,000	50,000	50,000
DEBT SERVICE							
6612 - INTEREST EXPENSE	0	0	0	706	0	0	0
DEBT SERVICE	0	0	0	706	0	0	0
TRANSFERS							
6719 - TRANSFER TO CAPITAL PROJECT FU	0	270,435	431,875	0	431,875	330,000	330,000
TRANSFERS	0	270,435	431,875	0	431,875	330,000	330,000
TOTAL EXPENDITURES	1,544,080	1,744,952	1,850,067	1,113,972	1,850,067	1,906,640	1,906,640
CHANGE 2025 REVISED TO 2026 FINAL							56,573
PERCENT CHANGE 2025 REVISED TO 2026 FINAL							3.06%

FUNCTION: Transportation	DEPT. & DIV: Airport Capital Fund	BUSINESS UNIT: 40404
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Activities and Responsibilities:

The Airport Capital Fund is accountable for:

- Significant and/or multi-year capital improvements for the Airport.

Budget Highlights and Changes:

Significant Revisions - 2025 Original vs. 2025 Revisions

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Notable Expenditure Changes for 2026

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FUNCTION: Transportation	DEPT. & DIV: Airport Capital Fund	BUSINESS UNIT: 40404
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Capital Outlay and Projects:

Notable Capital Project or Asset Acquisitions for 2026

- Fuel System Replacement

Staffing:

No staff time charged to this fund - only capital expenditures and grant funding.

AIRPORT CAPITAL FUND							
SUMMARY OF REVENUE							
Description	2023 Actual	2024 Actual	2025 Original Budget	October 2025 Actual	2025 Revised Budget	2026 Requested Budget	2026 Final Budget
40404 - AIRPORT CAPITAL FUND							
REVENUE							
INTERGOVERNMENTAL							
4302 - FEDERAL GRANTS - OTHER	190,874	1,663,857	451,250	195,348	451,250	780,000	780,000
4325 - STATE GRANTS AND AIDS	12,299	15,275	991,875	7,997	991,875	490,000	490,000
INTERGOVERNMENTAL	203,172	1,679,131	1,443,125	203,345	1,443,125	1,270,000	1,270,000
CHARGES FOR SERVICES							
AIRPORT							
4572 - USER IMPROVEMENT FEES	10,629	2,637	0	7,394	0	0	0
4592 - OTHER TRANSPORTATION	0	0	0	4,771	0	0	0
AIRPORT	10,629	2,637	0	12,165	0	0	0
CHARGES FOR SERVICES	10,629	2,637	0	12,165	0	0	0
SPECIAL ASSESSMENTS							
4657 - OTHER ASSESSMENTS	2,404	3,529	0	0	0	0	0
SPECIAL ASSESSMENTS	2,404	3,529	0	0	0	0	0
INTEREST							
4681 - UNREALIZED GAIN/LOSS ON INV	(6,672)	(13,045)	0	0	0	0	0
INTEREST	(6,672)	(13,045)	0	0	0	0	0
OTHER FINANCING SOURCES							
4920 - INTERFUND OPERATING TRANSFER	0	270,435	431,875	0	431,875	330,000	330,000
OTHER FINANCING SOURCES	0	270,435	431,875	0	431,875	330,000	330,000
REVENUE	209,532	1,942,687	1,875,000	215,510	1,875,000	1,600,000	1,600,000

AIRPORT CAPITAL FUND							
SUMMARY OF EXPENDITURES							
Description	2023 Actual	2024 Actual	2025 Original Budget	October 2025 Actual	2025 Revised Budget	2026 Requested Budget	2026 Final Budget
40404 - AIRPORT CAPITAL FUND							
EXPENDITURES							
OTHER SERVICES AND CHARGES							
6302 - PROFESSIONAL SERVICES	275,306	189,470	0	25,911	0	0	0
6341 - ADVERTISING	97	0	0	0	0	0	0
6371 - REPAIRS & MAINT CONTRACTUAL	420,534	2,269,210	1,400,000	178,578	1,400,000	1,600,000	1,600,000
OTHER SERVICES AND CHARGES	695,937	2,458,680	1,400,000	204,489	1,400,000	1,600,000	1,600,000
MISCELLANEOUS							
6430 - MISCELLANEOUS	0	0	0	7,922	0	0	0
MISCELLANEOUS	0	0	0	7,922	0	0	0
CAPITAL OUTLAY							
6510 - LAND	49,900	0	0	0	0	0	0
6520 - BUILDINGS AND STRUCTURE	66,747	227,011	125,000	40	125,000	0	0
6530 - IMPR OTHER THAN BUILDING	5,436	6,098	350,000	6,517	350,000	0	0
6560 - BUILDING FIXTURES AND IMPRS	25,660	0	0	0	0	0	0
CAPITAL OUTLAY	147,743	233,108	475,000	6,557	475,000	0	0
DEBT SERVICE							
6612 - INTEREST EXPENSE	17,491	46,401	15,000	19,501	15,000	20,000	20,000
DEBT SERVICE	17,491	46,401	15,000	19,501	15,000	20,000	20,000
TOTAL EXPENDITURES	861,171	2,738,190	1,890,000	238,468	1,890,000	1,620,000	1,620,000
CHANGE 2025 REVISED TO 2026 FINAL							(270,000)
PERCENT CHANGE 2025 REVISED TO 2026 FINAL							(14.29)%

**WATER AND SEWER FUND
SUMMARY OF REVENUES AND EXPENDITURES**

	2023 Actual	2024 Actual	2025		2026		Final 2025 vs 2026
			Original	Revised	Requested	Final	
UTILITY ADMINISTRATION							
Revenue (includes Interest & Misc Revenue)	235,448	834,808	745,946	745,946	778,496	778,496	32,550
Expense - Utility Administration	545,415	582,000	745,946	745,946	778,496	778,496	32,550
ADMINISTRATION INCOME (LOSS)	(309,967)	252,808	-	-	-	-	-
WATER UTILITY							
Revenue	3,128,944	3,722,758	12,616,225	12,616,225	4,735,394	4,735,394	(7,880,831)
Expense - Water Utility Operations	1,248,350	1,262,168	1,482,795	1,482,795	1,528,278	1,528,278	45,483
Expense - Water Treatment Plant	-	29,713	864,983	864,983	876,306	876,306	11,323
Expense - Depreciation/Capital Outlay	391,051	489,269	8,450,000	8,450,000	2,365,000	2,365,000	(6,085,000)
Transfers Out	500,390	360,407	432,673	432,673	447,423	447,423	14,750
Capital Contributions	(4,283,451)	-	-	-	-	-	-
WATER INCOME (LOSS)	5,272,604	1,581,201	1,385,774	1,385,774	(481,613)	(481,613)	(1,867,387)
SANITARY SEWER UTILITY							
Revenue	5,170,095	5,053,440	5,695,000	5,695,000	6,042,200	6,042,200	347,200
Expense - Sewer Utility Operations	3,938,525	4,370,245	4,415,999	4,415,999	4,517,139	4,517,139	101,140
Expense - Depreciation/Capital Outlay	92,172	120,547	115,000	115,000	1,910,000	1,910,000	1,795,000
Transfers Out	174,500	423,007	498,773	498,773	516,823	516,823	18,050
Capital Contributions	(1,403,287)	-	-	-	-	-	-
SANITARY SEWER INCOME (LOSS)	2,368,185	139,641	665,228	665,228	(901,762)	(901,762)	(1,566,990)
TOTAL INCOME (LOSS)	7,330,822	1,720,842	2,051,002	2,051,002	(1,383,375)	(1,383,375)	(3,434,377)
Year End Cash Balance	7,878,962	10,036,787	12,087,789	12,087,789	10,704,414	10,704,414	

FUNCTION: Utility	DEPT. & DIV: Water and Sewer - Utility Administration	BUSINESS UNIT: 50600
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Activities and Responsibilities:

The Utility Administration program is accountable for:

- billing all utility accounts on a quarterly and monthly basis
- receipting, reconciling and processing utility bill payments
- providing customer service to all Residential, Commercial and Industrial Customers
- maintaining customer accounts on the City's Billing system
- Certification of delinquent accounts to the County
- providing financial administration and analysis of the Utility Funds

Budget Highlights and Changes:

Significant Revisions - 2025 Original vs. 2025 Revisions

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Notable Expenditure Changes for 2026

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FUNCTION: Utility	DEPT. & DIV: Water and Sewer - Utility Administration	BUSINESS UNIT: 50600
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Capital Outlay and Projects:

Notable Capital Project or Asset Acquisitions for 2026

- Implementation of new utility billing software scheduled for late 2026 into 2027

Staffing:

	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Finance Director	0.200	0.200	0.200	0.200
Assistant Finance Director	0.200	0.200	0.200	0.200
Accounting Specialist - AP	0.200	0.200	0.200	0.200
Accounting Specialist - UB	1.000	1.000	1.000	1.000
Accounting Specialist - AR	-	0.313	0.313	0.250
Total Staffing	<u>1.600</u>	<u>1.913</u>	<u>1.913</u>	<u>1.850</u>

UTILITY ADMINISTRATION							
SUMMARY OF REVENUE							
Description	2023 Actual	2024 Actual	2025 Original Budget	October 2025 Actual	2025 Revised Budget	2026 Requested Budget	2026 Final Budget
50600 - UTILITY ADMINISTRATION							
REVENUE							
CHARGES FOR SERVICES							
UTILITIES							
4775 - CERTIFICATION CHARGE	20,675	20,525	21,000	21,025	21,000	21,250	21,250
UTILITIES	20,675	20,525	21,000	21,025	21,000	21,250	21,250
CHARGES FOR SERVICES	20,675	20,525	21,000	21,025	21,000	21,250	21,250
INTEREST							
4671 - INTEREST EARNINGS	155,663	243,096	75,000	116,913	75,000	75,000	75,000
4681 - UNREALIZED GAIN/LOSS ON INV	59,109	68,544	0	0	0	0	0
INTEREST	214,773	311,640	75,000	116,913	75,000	75,000	75,000
MISCELLANEOUS							
4676 - WORKERS COMP INS DIVIDEND	0	30	0	0	0	0	0
MISCELLANEOUS	0	30	0	0	0	0	0
OTHER FINANCING SOURCES							
4920 - INTERFUND OPERATING TRANSFER	0	502,614	649,946	0	649,946	682,246	682,246
OTHER FINANCING SOURCES	0	502,614	649,946	0	649,946	682,246	682,246
REVENUE	235,448	834,809	745,946	137,938	745,946	778,496	778,496

UTILITY ADMINISTRATION SUMMARY OF EXPENDITURES							
Description	2023 Actual	2024 Actual	2025 Original Budget	October 2025 Actual	2025 Revised Budget	2026 Requested Budget	2026 Final Budget
50600 - UTILITY ADMINISTRATION EXPENDITURES							
PERSONNEL SERVICES							
6101 - FULL-TIME EMPLOYEES-REG	123,736	139,313	152,978	118,617	152,978	156,894	156,894
6108 - ACCUMULATED VACATION/COMP LEAV	1,910	2,123	2,109	0	2,109	2,167	2,167
6120 - EMPLOYER CONTR FOR RETIREMENT	18,864	20,939	23,344	17,962	23,344	23,942	23,942
6130 - EMPLOYER PAID INSURANCE	7,324	16,400	20,833	16,779	20,833	22,948	22,948
6150 - WORKERS COMPENSATION	870	874	763	618	763	1,037	1,037
6170 - EMPLOYER CONTR TO HCSP	3,724	3,209	2,789	1,157	2,789	3,454	3,454
PERSONNEL SERVICES	156,427	182,857	202,816	155,133	202,816	210,442	210,442
SUPPLIES							
6201 - OFFICE SUPPLIES	739	933	750	523	750	1,000	1,000
SUPPLIES	739	933	750	523	750	1,000	1,000
OTHER SERVICES AND CHARGES							
6302 - PROFESSIONAL SERVICES	117,687	91,912	201,900	92,314	201,900	208,480	208,480
6331 - CONFERENCES, TRAINING, TRAVEL	86	0	100	0	100	100	100
6374 - ADMINISTRATION SUPPORT FEE	205,207	231,973	268,532	223,780	268,532	273,606	273,606
6375 - OTHER CONTRACTED SERVICES	25,885	27,848	28,000	21,448	28,000	32,000	32,000
6388 - TECHNOLOGY EQUIP CHARGE	708	935	1,248	1,040	1,248	1,008	1,008
6390 - POSTAGE AND TELEPHONE	2,716	2,305	2,800	2,179	2,800	2,860	2,860
OTHER SERVICES AND CHARGES	352,290	354,972	502,580	340,761	502,580	518,054	518,054
MISCELLANEOUS							
6412 - CREDIT CARD/ACH/BANK FEE	32,835	39,601	36,000	38,572	36,000	45,000	45,000
6430 - MISCELLANEOUS	3,124	3,637	3,800	3,925	3,800	4,000	4,000
MISCELLANEOUS	35,959	43,237	39,800	42,496	39,800	49,000	49,000
TOTAL EXPENDITURES	545,415	582,000	745,946	538,913	745,946	778,496	778,496
CHANGE 2025 REVISED TO 2026 FINAL PERCENT CHANGE 2025 REVISED TO 2026 FINAL							32,550 4.36%

FUNCTION:

Utility

DEPT. & DIV:

Water and Sewer - Water

BUSINESS UNIT:

50605

Activities and Responsibilities:**The Water Utility program is accountable for:**

- pumping, distribution of potable water to residential, commercial and Industrial customers
- the maintenance of the water supply system which includes: meters, watermains, pumps and wells
- improvements to the water supply system infrastructure
- the reading, installation, and maintenance of water meters

Budget Highlights and Changes:**Significant Revisions - 2025 Original vs. 2025 Revisions**

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Notable Expenditure Changes for 2026

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FUNCTION: Utility	DEPT. & DIV: Water and Sewer - Water	BUSINESS UNIT: 50605
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Capital Outlay and Projects:

Notable Capital Project or Asset Acquisitions for 2026

- Hydrant Replacement - \$125,000
- Marie Ave Reconstruction - \$1,200,000
- Verderosa Ext - \$750,000
- South St Reconstruction - \$180,000
- ERP Replacement - \$110,000

Revenue Increases

- The 2026 utility rates have an increase factored in which is based on the Utility Rate Study updated in 2023 by Ehlers and Associates.

Staffing:

	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Public Works Director	0.300	0.300	0.300	0.300
Utilities Lead	1.000	1.000	1.000	1.000
Utility Worker	1.000	1.000	1.000	1.000
Asst to the Public Works Director	0.200	0.200	0.200	0.200
Total Staffing	<u>2.500</u>	<u>2.500</u>	<u>2.500</u>	<u>2.500</u>

WATER UTILITY							
SUMMARY OF REVENUE							
Description	2023 Actual	2024 Actual	2025 Original Budget	October 2025 Actual	2025 Revised Budget	2026 Requested Budget	2026 Final Budget
50605 - WATER UTILITY							
REVENUE							
INTERGOVERNMENTAL							
4325 - STATE GRANTS AND AIDS	0	0	8,000,000	105,646	8,000,000	0	0
INTERGOVERNMENTAL	0	0	8,000,000	105,646	8,000,000	0	0
CHARGES FOR SERVICES							
UTILITIES							
4710 - SINGLE FAMILY RESIDENTIAL	1,226,274	1,741,954	2,120,000	1,308,920	2,120,000	2,172,400	2,172,400
4715 - MULTI-FAMILY	214,550	376,803	470,000	294,444	470,000	489,400	489,400
4720 - COMMERCIAL/INDUSTRIAL	615,410	693,760	900,000	563,631	900,000	918,000	918,000
4725 - HEAVY INDUSTRY	315,834	420,966	686,000	488,283	686,000	699,720	699,720
4750 - METER SERVICE CHARGE	573,791	300,248	291,000	187,879	291,000	296,649	296,649
4755 - MN WATER TEST FEE	66,561	66,750	68,000	43,114	68,000	68,000	68,000
4760 - PENALTY CHARGE	64,563	78,004	55,000	59,286	55,000	65,000	65,000
4765 - MISC CHARGES- UTILITIES	19,220	14,168	15,000	21,305	15,000	15,000	15,000
4770 - WATER METER & CONN PERMITS	15,775	5,250	10,000	1,605	10,000	10,000	10,000
4771 - HYDRANT RENT	0	1,546	0	0	0	0	0
UTILITIES	3,111,977	3,699,449	4,615,000	2,968,468	4,615,000	4,734,169	4,734,169
CHARGES FOR SERVICES	3,111,977	3,699,449	4,615,000	2,968,468	4,615,000	4,734,169	4,734,169
SPECIAL ASSESSMENTS							
4652 - PREPAYMENTS AT COUNTY	133	0	0	0	0	0	0
4656 - PENALTIES AND INTEREST	4,778	6,575	0	1,956	0	0	0
SPECIAL ASSESSMENTS	4,910	6,575	0	1,956	0	0	0
MISCELLANEOUS							
4672 - OTHER	9,372	13,998	0	5,017	0	0	0
4673 - CASH OVER/SHORT	121	(0)	0	2	0	0	0
4674 - BAD CHECK CHARGE	1,960	1,855	1,225	2,415	1,225	1,225	1,225
4675 - INSURANCE DIVIDEND	603	563	0	0	0	0	0
4676 - WORKERS COMP INS DIVIDEND	0	319	0	0	0	0	0
MISCELLANEOUS	12,057	16,734	1,225	7,435	1,225	1,225	1,225
REVENUE	3,128,944	3,722,759	12,616,225	3,083,505	12,616,225	4,735,394	4,735,394

WATER UTILITY							
SUMMARY EXPENDITURES							
Description	2023 Actual	2024 Actual	2025 Original Budget	October 2025 Actual	2025 Revised Budget	2026 Requested Budget	2026 Final Budget
50605 - WATER UTILITY EXPENDITURES							
PERSONNEL SERVICES							
6101 - FULL-TIME EMPLOYEES-REG	205,210	219,910	228,452	186,979	228,452	231,092	231,092
6102 - FULL-TIME EMPLOYEES-OVERTIME	35,535	33,487	35,000	29,719	35,000	35,000	35,000
6104 - TEMPORARY EMPLOYEES-REG	9,269	5,113	10,000	0	10,000	10,000	10,000
6105 - TEMPORARY EMPLOYEES-OVERTIME	36	0	0	0	0	0	0
6108 - ACCUMULATED VACATION/COMP LEAV	543	2,270	1,403	0	1,403	1,599	1,599
6112 - SERVICE RECOGNITION	0	0	0	0	0	573	573
6120 - EMPLOYER CONTR FOR RETIREMENT	37,174	38,759	34,726	32,619	34,726	35,182	35,182
6130 - EMPLOYER PAID INSURANCE	36,314	44,282	41,388	31,829	41,388	43,445	43,445
6135 - RETIREE PAID INSURANCE	2,284	0	0	0	0	0	0
6150 - WORKERS COMPENSATION	7,200	7,482	4,775	4,721	4,775	6,395	6,395
6151 - WORKERS COMP DEDUCTIBLE	675	0	0	0	0	0	0
6170 - EMPLOYER CONTR TO HCSP	6,611	4,522	4,726	1,810	4,726	4,746	4,746
PERSONNEL SERVICES	340,850	355,824	360,470	287,675	360,470	368,032	368,032
SUPPLIES							
6220 - REPAIR & MAINTENANCE SUPPLIES	125,893	150,166	125,000	67,265	125,000	128,750	128,750
6240 - MINOR EQUIPMENT AND FURNITURE	6,476	3,804	6,100	0	6,100	5,800	5,800
6245 - CLOTHING ALLOWANCE	1,500	1,861	1,500	714	1,500	1,800	1,800
SUPPLIES	133,868	155,831	132,600	67,979	132,600	136,350	136,350
OTHER SERVICES AND CHARGES							
6302 - PROFESSIONAL SERVICES	67,009	83,188	50,000	317,189	50,000	60,000	60,000
6331 - CONFERENCES, TRAINING, TRAVEL	2,114	1,322	2,000	1,332	2,000	2,000	2,000
6341 - ADVERTISING	113	0	0	323	0	0	0
6361 - INSURANCE	18,075	19,569	20,707	21,451	20,707	21,804	21,804
6371 - REPAIRS & MAINT CONTRACTUAL	147,024	212,693	150,000	145,297	150,000	160,000	160,000
6380 - CENTRAL GARAGE MAINT. CHARGE	30,276	32,698	33,842	28,210	33,842	35,028	35,028
6381 - OTHER RENTALS	25,000	25,000	25,000	20,840	25,000	25,000	25,000
6382 - CENTRAL GARAGE EQUIP. CHARGE	44,581	29,232	27,768	23,140	35,052	40,416	40,416
6385 - UTILITY SERVICE	302,027	189,888	300,000	181,355	300,000	300,000	300,000
6388 - TECHNOLOGY EQUIP CHARGE	923	925	980	820	980	1,040	1,040
6390 - POSTAGE AND TELEPHONE	7,773	9,400	8,000	7,169	8,000	9,000	9,000
6395 - PAYMENT TO STATE WATER	67,323	67,323	67,000	49,869	67,000	68,000	68,000
OTHER SERVICES AND CHARGES	712,238	671,238	685,297	796,994	692,581	722,288	722,288

WATER UTILITY							
SUMMARY EXPENDITURES							
Description	2023 Actual	2024 Actual	2025 Original Budget	October 2025 Actual	2025 Revised Budget	2026 Requested Budget	2026 Final Budget
MISCELLANEOUS							
6407 - OTHER CITY WATER/SEWER	10,555	8,759	9,500	9,801	9,500	10,000	10,000
6420 - DEPRECIATION	391,051	489,269	0	0	0	0	0
6453 - REMITTANCE OF REV/OTHER	8,031	9,381	9,250	7,633	9,250	9,500	9,500
6471 - DUES & SUBSCRIPTIONS	2,245	2,437	2,500	2,668	2,500	2,575	2,575
MISCELLANEOUS	411,882	509,845	21,250	20,101	21,250	22,075	22,075
CAPITAL OUTLAY							
6520 - BUILDINGS AND STRUCTURE	0	0	0	1,784,985	0	0	0
6530 - IMPR OTHER THAN BUILDING	0	0	8,450,000	0	8,450,000	2,365,000	2,365,000
6580 - OTHER EQUIPMENT	2,100	0	0	58,065	0	0	0
CAPITAL OUTLAY	2,100	0	8,450,000	1,843,050	8,450,000	2,365,000	2,365,000
DEBT SERVICE							
6601 - BOND PRINCIPAL	0	0	251,000	251,000	251,000	253,000	253,000
6611 - BOND INTEREST	37,905	57,435	31,428	17,677	31,428	25,783	25,783
6620 - FISCAL AGENTS FEES	557	1,263	750	288	750	750	750
DEBT SERVICE	38,462	58,698	283,178	268,965	283,178	279,533	279,533
TRANSFERS							
6710 - CAPITAL CONTRIBUTIONS	(4,283,451)	0	0	0	0	0	0
6719 - TRANSFER TO CAPITAL PROJECT FU	389,891	0	0	0	0	0	0
6720 - OPERATING TRANSFERS	110,500	360,407	432,673	99,370	432,673	447,423	447,423
TRANSFERS	(3,783,060)	360,407	432,673	99,370	432,673	447,423	447,423
TOTAL EXPENDITURES	(2,143,659)	2,111,844	10,365,468	3,384,134	10,372,752	4,340,701	4,340,701
CHANGE 2025 REVISED TO 2026 FINAL							(6,032,051)
PERCENT CHANGE 2025 REVISED TO 2026 FINAL							(58.15)%

FUNCTION: Utility	DEPT. & DIV: Water and Sewer - Water Treatment Plant	BUSINESS UNIT: 50607
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Activities and Responsibilities:

The Water Treatment Plant program is accountable for:

- the operation and maintenance of the water treatment plant at Well 3

Budget Highlights and Changes:

Significant Revisions - 2025 Original vs. 2025 Revisions

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Notable Expenditure Changes for 2026

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FUNCTION: Utility	DEPT. & DIV: Water and Sewer - Water Treatment Plant	BUSINESS UNIT: 50607
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Capital Outlay and Projects:

Notable Capital Project or Asset Acquisitions for 2026

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Staffing:

No staff time charged to this program.

WATER TREATMENT PLANT SUMMARY OF EXPENDITURES							
Description	2023 Actual	2024 Actual	2025 Original Budget	October 2025 Actual	2025 Revised Budget	2026 Requested Budget	2026 Final Budget
50607 - WATER TREATMENT PLANT EXPENDITURES							
SUPPLIES							
6210 - OPERATING SUPPLIES	0	0	10,000	0	10,000	10,000	10,000
6220 - REPAIR & MAINTENANCE SUPPLIES	0	0	70,000	17,280	70,000	70,000	70,000
SUPPLIES	0	0	80,000	17,280	80,000	80,000	80,000
OTHER SERVICES AND CHARGES							
6361 - INSURANCE	0	0	15,000	210	15,000	19,271	19,271
6371 - REPAIRS & MAINT CONTRACTUAL	0	0	90,000	2,680	90,000	90,000	90,000
6376 - METRO WASTE CONTROL COMMISSION	0	0	8,376	0	8,376	15,000	15,000
6385 - UTILITY SERVICE	0	0	30,000	0	30,000	30,000	30,000
OTHER SERVICES AND CHARGES	0	0	143,376	2,890	143,376	154,271	154,271
DEBT SERVICE							
6601 - BOND PRINCIPAL	0	0	416,000	416,000	416,000	426,000	426,000
6611 - BOND INTEREST	0	29,713	225,107	123,776	225,107	215,535	215,535
6620 - FISCAL AGENTS FEES	0	0	500	0	500	500	500
DEBT SERVICE	0	29,713	641,607	539,776	641,607	642,035	642,035
TOTAL EXPENDITURES	0	29,713	864,983	559,946	864,983	876,306	876,306
CHANGE 2025 REVISED TO 2026 FINAL PERCENT CHANGE 2025 REVISED TO 2026 FINAL							11,323 1.31%

FUNCTION:

Utility

DEPT. & DIV:

Water and Sewer - Sanitary Sewer

BUSINESS UNIT:

50606

Activities and Responsibilities:**The Sanitary Sewer Utility program is accountable for:**

- the operation and maintenance of sanitary sewer main lines and laterals
- the periodic cleaning and televising of sanitary sewer lines
- monitoring and maintenance of two sanitary sewer lift stations
- improvements to the sanitary sewer system infrastructure

Budget Highlights and Changes:**Significant Revisions - 2025 Original vs. 2025 Revisions**

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Notable Expenditure Changes for 2026

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FUNCTION: Utility	DEPT. & DIV: Water and Sewer - Sanitary Sewer	BUSINESS UNIT: 50606
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Capital Outlay and Projects:

Notable Capital Project or Asset Acquisitions for 2026

- Relining Sanitary Sewers - \$735,000
- Verderosa Ext - \$565,000
- Marie Ave Reconstruction - \$500,000
- South St Reconstruction - \$100,000

Revenue Increases

- The 2026 utility rates have an increase factored in which is based on the Utility Rate Study updated in 2023 by Ehlers and Associates.

Staffing:

	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Public Works Director	0.300	0.300	0.300	0.300
Utility Worker	2.000	2.000	2.000	2.000
Asst to the Public Works Director	0.200	0.200	0.200	0.200
Total Staffing	<u>2.500</u>	<u>2.500</u>	<u>2.500</u>	<u>2.500</u>

SEWER UTILITY							
SUMMARY OF REVENUE							
Description	2023 Actual	2024 Actual	2025 Original Budget	October 2025 Actual	2025 Revised Budget	2026 Requested Budget	2026 Final Budget
50606 - SEWER UTILITY							
REVENUE							
INTERGOVERNMENTAL							
4325 - STATE GRANTS AND AIDS	0	0	0	1,800	0	0	0
4377 - GRANTS & AIDS FM OTH LOC GOVT	111,106	0	0	0	0	0	0
INTERGOVERNMENTAL	111,106	0	0	1,800	0	0	0
CHARGES FOR SERVICES							
UTILITIES							
4710 - SINGLE FAMILY RESIDENTIAL	2,441,405	2,566,538	2,740,000	1,749,267	2,740,000	2,904,400	2,904,400
4715 - MULTI-FAMILY	499,361	607,779	700,000	441,196	700,000	742,000	742,000
4720 - COMMERCIAL/INDUSTRIAL	745,962	782,235	980,000	572,101	980,000	1,038,800	1,038,800
4725 - HEAVY INDUSTRY	899,625	985,658	1,200,000	864,046	1,200,000	1,272,000	1,272,000
4760 - PENALTY CHARGE	89,100	92,941	75,000	71,104	75,000	85,000	85,000
4785 - SAC CHARGES	382,882	17,395	0	0	0	0	0
UTILITIES	5,058,334	5,052,546	5,695,000	3,697,715	5,695,000	6,042,200	6,042,200
CHARGES FOR SERVICES	5,058,334	5,052,546	5,695,000	3,697,715	5,695,000	6,042,200	6,042,200
MISCELLANEOUS							
4675 - INSURANCE DIVIDEND	655	585	0	0	0	0	0
4676 - WORKERS COMP INS DIVIDEND	0	309	0	0	0	0	0
MISCELLANEOUS	655	894	0	0	0	0	0
REVENUE	5,170,095	5,053,440	5,695,000	3,699,515	5,695,000	6,042,200	6,042,200

SEWER UTILITY							
SUMMARY OF EXPENDITURES							
Description	2023 Actual	2024 Actual	2025 Original Budget	October 2025 Actual	2025 Revised Budget	2026 Requested Budget	2026 Final Budget
50606 - SEWER UTILITY EXPENDITURES							
PERSONNEL SERVICES							
6101 - FULL-TIME EMPLOYEES-REG	194,233	207,852	216,496	177,236	216,496	219,136	219,136
6102 - FULL-TIME EMPLOYEES-OVERTIME	1,749	2,301	15,000	0	15,000	15,000	15,000
6108 - ACCUMULATED VACATION/COMP LEAV	606	2,643	1,787	0	1,787	1,454	1,454
6112 - SERVICE RECOGNITION	0	0	0	0	0	573	573
6120 - EMPLOYER CONTR FOR RETIREMENT	29,741	31,681	32,943	26,713	32,943	33,359	33,359
6130 - EMPLOYER PAID INSURANCE	36,930	44,495	41,834	32,818	41,834	43,784	43,784
6135 - RETIREE PAID INSURANCE	13,702	12,688	12,620	11,016	12,620	2,104	2,104
6150 - WORKERS COMPENSATION	7,423	7,586	5,306	4,643	5,306	7,080	7,080
6170 - EMPLOYER CONTR TO HCSP	7,292	4,025	6,106	1,809	6,106	4,977	4,977
PERSONNEL SERVICES	291,676	313,272	332,092	254,234	332,092	327,467	327,467
SUPPLIES							
6220 - REPAIR & MAINTENANCE SUPPLIES	24,340	14,789	25,000	18,867	25,000	25,000	25,000
6240 - MINOR EQUIPMENT AND FURNITURE	3,616	2,184	2,500	0	2,500	2,500	2,500
6245 - CLOTHING ALLOWANCE	1,393	1,567	1,500	843	1,500	1,600	1,600
SUPPLIES	29,349	18,540	29,000	19,710	29,000	29,100	29,100
OTHER SERVICES AND CHARGES							
6302 - PROFESSIONAL SERVICES	7,549	6,287	10,000	7,044	10,000	10,000	10,000
6331 - CONFERENCES, TRAINING, TRAVEL	636	248	1,500	3,228	1,500	1,500	1,500
6361 - INSURANCE	19,480	20,325	21,459	21,396	21,459	22,182	22,182
6365 - INS CLAIMS WITHIN DEDUCTIBLE	0	0	0	275	0	0	0
6371 - REPAIRS & MAINT CONTRACTUAL	71,246	184,716	224,000	101,145	224,000	224,000	224,000
6376 - METRO WASTE CONTROL COMMISSION	3,359,866	3,674,634	3,657,144	3,352,382	3,657,144	3,752,777	3,752,777
6379 - CONT SERV/REFUSE & SANITATION	149	0	0	0	0	0	0
6380 - CENTRAL GARAGE MAINT. CHARGE	47,937	51,772	53,584	44,660	53,584	55,464	55,464
6381 - OTHER RENTALS	25,000	25,000	25,000	20,840	25,000	25,000	25,000
6382 - CENTRAL GARAGE EQUIP. CHARGE	57,427	27,660	34,740	28,950	43,284	41,484	41,484
6385 - UTILITY SERVICE	18,580	39,560	19,000	16,450	19,000	19,570	19,570
6388 - TECHNOLOGY EQUIP CHARGE	523	525	580	490	580	640	640
6390 - POSTAGE AND TELEPHONE	1,700	1,846	1,900	1,469	1,900	1,955	1,955
OTHER SERVICES AND CHARGES	3,610,093	4,032,573	4,048,907	3,598,330	4,057,451	4,154,572	4,154,572

SEWER UTILITY							
SUMMARY OF EXPENDITURES							
Description	2023 Actual	2024 Actual	2025 Original Budget	October 2025 Actual	2025 Revised Budget	2026 Requested Budget	2026 Final Budget
MISCELLANEOUS							
6407 - OTHER CITY WATER/SEWER	5,307	5,860	6,000	0	6,000	6,000	6,000
6420 - DEPRECIATION	92,172	120,547	0	0	0	0	0
6471 - DUES & SUBSCRIPTIONS	0	0	0	250	0	0	0
MISCELLANEOUS	97,479	126,407	6,000	250	6,000	6,000	6,000
CAPITAL OUTLAY							
6530 - IMPR OTHER THAN BUILDING	0	0	100,000	0	100,000	1,900,000	1,900,000
6580 - OTHER EQUIPMENT	2,100	0	15,000	0	15,000	10,000	10,000
CAPITAL OUTLAY	2,100	0	115,000	0	115,000	1,910,000	1,910,000
TRANSFERS							
6710 - CAPITAL CONTRIBUTIONS	(1,403,287)	0	0	0	0	0	0
6720 - OPERATING TRANSFERS	174,500	423,007	498,773	165,470	498,773	516,823	516,823
TRANSFERS	(1,228,787)	423,007	498,773	165,470	498,773	516,823	516,823
TOTAL EXPENDITURES	2,801,910	4,913,799	5,029,772	4,037,995	5,038,316	6,943,962	6,943,962
CHANGE 2025 REVISED TO 2026 FINAL							1,905,646
PERCENT CHANGE 2025 REVISED TO 2026 FINAL							37.82%

STORM WATER FUND SUMMARY OF REVENUES AND EXPENDITURES							
	2023 Actual	2024 Actual	2025		2026		Final 2025 vs 2026
			Original	Revised	Requested	Final	
Revenues	825,062	1,291,114	986,783	986,783	1,134,302	1,134,302	147,519
Expenditures							
Operational	762,262	673,495	306,372	306,372	314,163	314,163	7,791
Capital Outlay/debt/transfers	477,518	833,276	928,325	928,325	2,019,775	2,019,775	1,091,450
Total	1,239,780	1,506,771	1,234,697	1,234,697	2,333,938	2,333,938	1,099,241
Change in Fund Balance	(414,718)	(215,657)	(247,914)	(247,914)	(1,199,636)	(1,199,636)	(951,722)
Cash and Investment Balance	509,559	507,507	259,593	259,593	(940,043)	(940,043)	
<u>SUMMARY BY CATEGORY</u>							
OPERATIONAL ACTIVITY							
Revenues	762,262	673,495	306,372	306,372	314,163	(885,473)	(1,191,845)
Expenditures	762,262	673,495	306,372	306,372	314,163	314,163	7,791
Operating Surplus/Deficit	-	-	-	-	-	(1,199,636)	(1,199,636)
CAPITAL/DEBT ACTIVITY							
Revenues	62,800	617,619	680,411	680,411	820,139	2,019,775	1,339,364
Expenditures	477,518	833,276	928,325	928,325	2,019,775	2,019,775	1,091,450
Surplus/Deficit	(414,718)	(215,657)	(247,914)	(247,914)	(1,199,636)	-	247,914
Net Change in Fund Balance	(414,718)	(215,657)	(247,914)	(247,914)	(1,199,636)	(1,199,636)	(951,722)

FUNCTION:

Utility

DEPT. & DIV:

Storm Water

BUSINESS UNIT:

50610

Activities and Responsibilities:**The Storm Water program is accountable for:**

- the maintenance of City's storm water system including sewers, ponds, flood wall and levee systems
- street sweeping, catch basin cleaning and all other NPDES activities as prescribed by the City's MPCA storm water permit
- the review of development plans and storm sewer projects
- Participation in the Watershed Management Organization (WMO) - including annual dues payment

Budget Highlights and Changes:**Significant Revisions - 2025 Original vs. 2025 Revisions**

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Notable Expenditure Changes for 2026

-

FUNCTION: Utility	DEPT. & DIV: Storm Water	BUSINESS UNIT: 50610
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Capital Outlay and Projects:**Notable Capital Project or Asset Acquisitions for 2026**

- Marie Ave Reconstruction - \$925,000
- Verderosa Ext - \$740,000
- South St Reconstruction - \$175,000

Revenue Increases

- The 2026 utility rates have an increase factored in which is based on the Utility Rate Study updated in 2023 by Ehlers and Associates.

Staffing:

No staff time is charged to this fund.

STORM WATER UTILITY SUMMARY OF REVENUE							
Description	2023 Actual	2024 Actual	2025 Original Budget	October 2025 Actual	2025 Revised Budget	2026 Requested Budget	2026 Final Budget
50610 - STORM WATER UTILITY REVENUE							
INTERGOVERNMENTAL							
4318 - OTHER STATE GRANTS AND AIDS	0	245,310	0	0	0	0	0
4325 - STATE GRANTS AND AIDS	0	0	0	34,872	0	0	0
INTERGOVERNMENTAL	0	245,310	0	34,872	0	0	0
CHARGES FOR SERVICES							
UTILITIES							
4710 - SINGLE FAMILY RESIDENTIAL	429,455	501,579	561,625	362,420	561,625	645,869	645,869
4715 - MULTI-FAMILY	35,900	40,359	45,930	30,174	45,930	52,820	52,820
4720 - COMMERCIAL/INDUSTRIAL	112,684	134,001	151,177	106,613	151,177	173,854	173,854
4725 - HEAVY INDUSTRY	140,499	171,220	176,533	122,626	176,533	203,013	203,013
4730 - AIRPORT	8,932	10,405	11,640	6,546	11,640	13,386	13,386
4735 - CHURCH/PRIVATE SCHOOL	6,676	7,790	8,711	5,621	8,711	10,018	10,018
4745 - VACANT DEV LAND	14,248	16,594	11,167	10,379	11,167	12,842	12,842
4760 - PENALTY CHARGE	14,426	19,276	15,000	14,487	15,000	17,500	17,500
UTILITIES	762,819	901,224	981,783	658,868	981,783	1,129,302	1,129,302
CHARGES FOR SERVICES	762,819	901,224	981,783	658,868	981,783	1,129,302	1,129,302
INTEREST							
4671 - INTEREST EARNINGS	16,842	12,329	5,000	6,058	5,000	5,000	5,000
4681 - UNREALIZED GAIN/LOSS ON INV	6,372	3,440	0	0	0	0	0
INTEREST	23,214	15,768	5,000	6,058	5,000	5,000	5,000
MISCELLANEOUS							
4672 - OTHER	39,020	128,803	0	171,005	0	0	0
4675 - INSURANCE DIVIDEND	9	9	0	0	0	0	0
MISCELLANEOUS	39,029	128,812	0	171,005	0	0	0
REVENUE	825,062	1,291,114	986,783	870,803	986,783	1,134,302	1,134,302

STORM WATER UTILITY SUMMARY OF EXPENDITURES							
Description	2023 Actual	2024 Actual	2025 Original Budget	October 2025 Actual	2025 Revised Budget	2026 Requested Budget	2026 Final Budget
50610 - STORM WATER UTILITY EXPENDITURES							
SUPPLIES							
6220 - REPAIR & MAINTENANCE SUPPLIES	1,406	7,983	8,000	10,184	8,000	8,240	8,240
SUPPLIES	1,406	7,983	8,000	10,184	8,000	8,240	8,240
OTHER SERVICES AND CHARGES							
6302 - PROFESSIONAL SERVICES	35,229	16,560	35,000	52,340	35,000	35,000	35,000
6361 - INSURANCE	260	301	318	341	318	341	341
6371 - REPAIRS & MAINT CONTRACTUAL	108,754	140,380	110,000	71,653	110,000	113,300	113,300
6374 - ADMINISTRATION SUPPORT FEE	27,163	38,859	53,246	44,380	53,246	56,106	56,106
6380 - CENTRAL GARAGE MAINT. CHARGE	18,675	20,169	20,875	17,400	20,875	21,612	21,612
6382 - CENTRAL GARAGE EQUIP. CHARGE	43,566	30,372	36,576	30,480	36,576	35,784	35,784
6385 - UTILITY SERVICE	24,603	31,662	26,000	19,779	26,000	26,780	26,780
OTHER SERVICES AND CHARGES	258,251	278,303	282,015	236,373	282,015	288,923	288,923
MISCELLANEOUS							
6420 - DEPRECIATION	294,932	369,900	0	0	0	0	0
6471 - DUES & SUBSCRIPTIONS	16,357	17,308	16,357	19,905	16,357	17,000	17,000
MISCELLANEOUS	311,289	387,209	16,357	19,905	16,357	17,000	17,000
CAPITAL OUTLAY							
6530 - IMPR OTHER THAN BUILDING	171,716	747,386	750,000	139,463	750,000	1,840,000	1,840,000
CAPITAL OUTLAY	171,716	747,386	750,000	139,463	750,000	1,840,000	1,840,000
DEBT SERVICE							
6601 - BOND PRINCIPAL	0	0	95,000	95,000	95,000	95,000	95,000
6611 - BOND INTEREST	19,101	16,882	16,725	9,162	16,725	13,875	13,875
6620 - FISCAL AGENTS FEES	499	1,126	500	548	500	500	500
DEBT SERVICE	19,600	18,008	112,225	104,710	112,225	109,375	109,375
TRANSFERS							
6710 - CAPITAL CONTRIBUTIONS	(3,715,008)	0	0	0	0	0	0
6719 - TRANSFER TO CAPITAL PROJECT FU	410,218	1,182	0	0	0	0	0
6720 - OPERATING TRANSFERS	67,300	66,700	66,100	59,440	66,100	70,400	70,400
TRANSFERS	(3,237,490)	67,882	66,100	59,440	66,100	70,400	70,400
TOTAL EXPENDITURES	(2,475,228)	1,506,771	1,234,697	570,074	1,234,697	2,333,938	2,333,938
CHANGE 2025 REVISED TO 2026 FINAL PERCENT CHANGE 2025 REVISED TO 2026 FINAL							1,099,241 89.03%

**STREET LIGHT FUND
SUMMARY OF REVENUES AND EXPENDITURES**

	2023 Actual	2024 Actual	2025		2026		Final 2025 vs 2026
			Original	Revised	Requested	Final	
Revenues							
Operational	379,538	390,844	345,060	345,060	346,060	346,060	1,000
Capital Outlay	-	-	-	-	-	-	-
Total	379,538	390,844	345,060	345,060	346,060	346,060	1,000
Expenditures							
Operational	219,125	266,709	318,922	318,922	332,849	332,849	13,927
Capital Outlay/Debt Service/Transfers	20,000	20,000	20,000	20,000	20,000	20,000	-
Total	239,125	286,709	338,922	338,922	352,849	352,849	13,927
Change in Fund Balance	140,413	104,135	6,138	6,138	(6,789)	(6,789)	
Cash and Investment Balance	485,702	593,985	600,123	600,123	593,334	593,334	

FUNCTION: Utility	DEPT. & DIV: Street Light	BUSINESS UNIT: 50615
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Activities and Responsibilities:

The Street Light Utility program is accountable for:

- City owned light pole repairs
- Utility energy costs for all street lights
- Capital Acquisition and improvements of City owned street light poles

Budget Highlights and Changes:

Significant Revisions - 2025 Original vs. 2025 Revisions

-

Notable Expenditure Changes for 2026

-

FUNCTION: Utility	DEPT. & DIV: Street Light	BUSINESS UNIT: 50615
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Capital Outlay and Projects:

Notable Capital Project or Asset Acquisitions for 2026

-

Revenue Increases

- The 2026 street lights service fees have no increase proposed.

Staffing:

No staff time is charged to this fund.

STREET LIGHT UTILITY SUMMARY OF REVENUE							
Description	2023 Actual	2024 Actual	2025 Original Budget	October 2025 Actual	2025 Revised Budget	2026 Requested Budget	2026 Final Budget
50615 - STREET LIGHT UTILITY							
REVENUE							
CHARGES FOR SERVICES							
UTILITIES							
4710 - SINGLE FAMILY RESIDENTIAL	230,368	236,931	213,811	137,420	213,811	213,811	213,811
4715 - MULTI-FAMILY	40,528	37,989	35,983	24,496	35,983	35,983	35,983
4720 - COMMERCIAL/INDUSTRIAL	59,198	62,115	57,007	38,046	57,007	57,007	57,007
4725 - HEAVY INDUSTRY	2,063	2,153	1,923	1,430	1,923	1,923	1,923
4730 - AIRPORT	6,098	6,302	5,961	3,352	5,961	5,961	5,961
4735 - CHURCH/PRIVATE SCHOOL	2,571	2,657	2,187	1,555	2,187	2,187	2,187
4740 - DUPLEXES	14,790	15,334	13,688	9,189	13,688	13,688	13,688
4760 - PENALTY CHARGE	7,583	8,520	7,000	5,328	7,000	7,500	7,500
UTILITIES	363,198	372,002	337,560	220,816	337,560	338,060	338,060
CHARGES FOR SERVICES	363,198	372,002	337,560	220,816	337,560	338,060	338,060
INTEREST							
4671 - INTEREST EARNINGS	8,929	14,717	7,500	6,816	7,500	8,000	8,000
4681 - UNREALIZED GAIN/LOSS ON INV	3,381	4,125	0	0	0	0	0
INTEREST	12,310	18,842	7,500	6,816	7,500	8,000	8,000
MISCELLANEOUS							
4672 - OTHER	4,030	0	0	0	0	0	0
MISCELLANEOUS	4,030	0	0	0	0	0	0
REVENUE	379,538	390,844	345,060	227,633	345,060	346,060	346,060

STREET LIGHT UTILITY							
SUMMARY OF EXPENDITURES							
Description	2023 Actual	2024 Actual	2025 Original Budget	October 2025 Actual	2025 Revised Budget	2026 Requested Budget	2026 Final Budget
50615 - STREET LIGHT UTILITY							
EXPENDITURES							
SUPPLIES							
6220 - REPAIR & MAINTENANCE SUPPLIES	0	7,517	0	4,715	0	0	0
6240 - MINOR EQUIPMENT AND FURNITURE	0	39,900	40,000	0	40,000	50,000	50,000
SUPPLIES	0	47,417	40,000	4,715	40,000	50,000	50,000
OTHER SERVICES AND CHARGES							
6371 - REPAIRS & MAINT CONTRACTUAL	3,505	20,089	35,000	22,665	35,000	40,000	40,000
6374 - ADMINISTRATION SUPPORT FEE	17,952	21,501	23,922	19,940	23,922	22,849	22,849
6385 - UTILITY SERVICE	197,668	177,701	220,000	143,270	220,000	220,000	220,000
OTHER SERVICES AND CHARGES	219,125	219,291	278,922	185,875	278,922	282,849	282,849
TRANSFERS							
6720 - OPERATING TRANSFERS	20,000	20,000	20,000	16,670	20,000	20,000	20,000
TRANSFERS	20,000	20,000	20,000	16,670	20,000	20,000	20,000
TOTAL EXPENDITURES	239,125	286,709	338,922	207,259	338,922	352,849	352,849
CHANGE 2025 REVISED TO 2026 FINAL							13,927
PERCENT CHANGE 2025 REVISED TO 2026 FINAL							4.11%

**CENTRAL GARAGE FUND
SUMMARY OF REVENUES AND EXPENDITURES**

	2023 Actual	2024 Actual	2025		2026		Final 2025 vs 2026
			Original	Revised	Requested	Final	
Revenues							
Operational	1,001,114	1,078,462	1,054,244	1,054,244	1,106,320	1,106,320	52,076
Capital Outlay/Transfers	1,125,826	1,112,290	1,077,884	1,077,884	1,218,752	1,218,752	140,868
Total	2,126,940	2,190,752	2,132,128	2,132,128	2,325,072	2,325,072	192,944
Expenditures							
Operational	1,036,527	989,177	1,072,344	1,072,344	1,088,906	1,088,906	16,562
Depreciation/Capital Outlay/Transfers	468,167	513,285	830,000	830,000	221,500	221,500	(608,500)
Total	1,504,694	1,502,462	1,902,344	1,902,344	1,310,406	1,310,406	(591,938)
Change in Fund Balance	622,246	688,290	229,784	229,784	1,014,666	1,014,666	784,882
Cash and Investment Balance *	3,789,317	3,600,390	3,830,174	3,830,174	4,844,840	4,844,840	
* - estimated for 2025 and 2026							

FUNCTION:

Internal Service

DEPT. & DIV:

Central Garage

BUSINESS UNIT:

60703

Activities and Responsibilities:**The Central Garage program is accountable for:**

- Maintenance of all vehicles & equipment for Public Works, Engineering, Code Enforcement, Parks & Police
- Maintenance of all vehicles & equipment for South Metro Fire District (SMFD)
- Fuel Sales and maintenance expenditures
- Replacement of vehicles and equipment

Budget Highlights and Changes:**Significant Revisions - 2025 Original vs. 2025 Revisions**

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Notable Expenditure Changes for 2026

-

FUNCTION: Internal Service	DEPT. & DIV: Central Garage	BUSINESS UNIT: 60703
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Capital Outlay and Projects:

Notable Capital Project or Asset Acquisitions for 2026

- **Police - Replace**
 2021 Ford Police Interceptor Unit #2150 - Replace with 2025 Ford Police Interceptor
 2021 Ford Police Interceptor Unit #2159 - Replace with 2025 Ford Police Interceptor
 2016 Ford Police Interceptor Unit #2166 - Replace with 2025 Ford Police Interceptor
- **Public Works/Utility - Replace**
 Z950R JD Zero Trak Turf Mower Unit #ZR1-21 - Replace with 2026 JD Zero Trak Turf Mower
 Z950R JD Zero Trak Turf Mower Unit #ZR2-21 - Replace with 2026 JD Zero Trak Turf Mower

Staffing:

	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Public Works Director	0.100	0.100	0.100	0.100
Mechanic Lead	1.000	1.000	1.000	1.000
Mechanic	1.000	1.000	1.000	1.000
Asst to the Public Works Director	0.100	0.100	0.100	0.100
Total Staffing	<u>2.200</u>	<u>2.200</u>	<u>2.200</u>	<u>2.200</u>

CENTRAL GARAGE FUND							
SUMMARY OF REVENUE							
Description	2023 Actual	2024 Actual	2025 Original Budget	October 2025 Actual	2025 Revised Budget	2026 Requested Budget	2026 Final Budget
60703 - CENTRAL GARAGE FUND							
REVENUE							
INTEREST							
4671 - INTEREST EARNINGS	69,970	108,762	50,000	38,847	50,000	50,000	50,000
4681 - UNREALIZED GAIN/LOSS ON INV	26,488	30,021	0	0	0	0	0
INTEREST	96,458	138,783	50,000	38,847	50,000	50,000	50,000
MISCELLANEOUS							
4672 - OTHER	2,343	432	0	365	0	0	0
4675 - INSURANCE DIVIDEND	1,821	1,657	0	0	0	0	0
4676 - WORKERS COMP INS DIVIDEND	0	244	0	0	0	0	0
MISCELLANEOUS	4,164	2,333	0	365	0	0	0
OTHER CHARGES							
4801 - INTERNAL SERVICE - MUNICIPAL	1,652,188	1,861,792	2,082,128	1,735,180	2,082,128	2,275,072	2,275,072
OTHER CHARGES	1,652,188	1,861,792	2,082,128	1,735,180	2,082,128	2,275,072	2,275,072
OTHER FINANCING SOURCES							
4902 - INS PROCEEDS-FIXED ASSETS	63,071	57,537	0	90,269	0	0	0
4903 - SALE OF GENERAL FIXED ASSETS	70,584	143,979	0	55,705	0	0	0
4919 - GAIN ON DISP-CAP ASSETS	(9,525)	(13,672)	0	0	0	0	0
4920 - INTERFUND OPERATING TRANSFER	250,000	0	0	0	0	0	0
OTHER FINANCING SOURCES	374,130	187,844	0	145,973	0	0	0
REVENUE	2,126,940	2,190,752	2,132,128	1,920,365	2,132,128	2,325,072	2,325,072

CENTRAL GARAGE FUND							
SUMMARY OF EXPENDITURES							
Description	2023 Actual	2024 Actual	2025 Original Budget	October 2025 Actual	2025 Revised Budget	2026 Requested Budget	2026 Final Budget
60703 - CENTRAL GARAGE FUND							
EXPENDITURES							
PERSONNEL SERVICES							
6101 - FULL-TIME EMPLOYEES-REG	176,122	187,420	194,241	158,976	194,241	195,255	195,255
6102 - FULL-TIME EMPLOYEES-OVERTIME	500	64	4,500	385	4,500	4,500	4,500
6108 - ACCUMULATED VACATION/COMP LEAV	181	1,629	917	0	917	719	719
6112 - SERVICE RECOGNITION	0	0	0	0	0	286	286
6120 - EMPLOYER CONTR FOR RETIREMENT	26,747	28,374	29,504	23,946	29,504	29,665	29,665
6130 - EMPLOYER PAID INSURANCE	27,556	33,389	30,514	23,379	30,514	32,251	32,251
6135 - RETIREE PAID INSURANCE	1,142	0	0	0	0	0	0
6150 - WORKERS COMPENSATION	6,588	6,826	5,134	4,718	5,134	6,837	6,837
6151 - WORKERS COMP DEDUCTIBLE	0	659	0	69	0	0	0
6170 - EMPLOYER CONTR TO HCSP	6,111	4,436	5,364	1,594	5,364	4,517	4,517
PERSONNEL SERVICES	244,946	262,796	270,174	213,066	270,174	274,030	274,030
SUPPLIES							
6210 - OPERATING SUPPLIES	199,101	181,715	220,000	138,640	220,000	220,000	220,000
6220 - REPAIR & MAINTENANCE SUPPLIES	215,728	205,521	273,000	173,774	273,000	280,000	280,000
6240 - MINOR EQUIPMENT AND FURNITURE	2,829	4,236	4,500	2,500	4,500	4,600	4,600
6245 - CLOTHING ALLOWANCE	6,246	6,873	6,500	4,461	6,500	7,000	7,000
SUPPLIES	423,904	398,346	504,000	319,376	504,000	511,600	511,600
OTHER SERVICES AND CHARGES							
6302 - PROFESSIONAL SERVICES	8,264	7,341	6,500	6,702	6,500	6,500	6,500
6331 - CONFERENCES, TRAINING, TRAVEL	357	330	1,000	329	1,000	1,000	1,000
6361 - INSURANCE	54,303	57,622	60,832	62,004	60,832	63,990	63,990
6371 - REPAIRS & MAINT CONTRACTUAL	141,682	124,874	82,500	87,913	82,500	85,000	85,000
6374 - ADMINISTRATION SUPPORT FEE	108,556	121,928	143,818	119,850	143,818	143,266	143,266
6381 - OTHER RENTALS	36,000	0	0	0	0	0	0
6388 - TECHNOLOGY EQUIP CHARGE	1,309	1,310	1,520	1,270	1,520	1,520	1,520
6390 - POSTAGE AND TELEPHONE	1,980	2,092	2,000	1,538	2,000	2,000	2,000
OTHER SERVICES AND CHARGES	352,451	315,497	298,170	279,606	298,170	303,276	303,276
MISCELLANEOUS							
6420 - DEPRECIATION	510,661	541,358	0	0	0	0	0
MISCELLANEOUS	510,661	541,358	0	0	0	0	0

CENTRAL GARAGE FUND							
SUMMARY OF EXPENDITURES							
Description	2023 Actual	2024 Actual	2025 Original Budget	October 2025 Actual	2025 Revised Budget	2026 Requested Budget	2026 Final Budget
CAPITAL OUTLAY							
6550 - MOTOR VEHICLES	8,028	2,703	738,000	1,322,111	738,000	216,500	216,500
6580 - OTHER EQUIPMENT	7,198	9,835	92,000	82,589	92,000	5,000	5,000
CAPITAL OUTLAY	15,226	12,538	830,000	1,404,700	830,000	221,500	221,500
TRANSFERS							
6710 - CAPITAL CONTRIBUTIONS	(42,494)	(28,072)	0	0	0	0	0
TRANSFERS	(42,494)	(28,072)	0	0	0	0	0
TOTAL EXPENDITURES	1,504,694	1,502,462	1,902,344	2,216,748	1,902,344	1,310,406	1,310,406
CHANGE 2025 REVISED TO 2026 FINAL							(591,938)
PERCENT CHANGE 2025 REVISED TO 2026 FINAL							(31.12)%

ECONOMIC DEVELOPMENT GENERAL							
SUMMARY OF REVENUES AND EXPENDITURES							
	2023 Actual	2024 Actual	2025		2025		Final 2025 vs 2026
			Original	Revised	Requested	Final	
Revenues							
Operational	420,426	505,381	433,778	433,778	442,568	442,568	8,790
Total	420,426	505,381	433,778	433,778	442,568	442,568	8,790
Expenditures							
Operational	141,142	196,290	279,870	279,870	197,598	197,598	(82,272)
Capital Outlay/Debt Service/Transfers	80,000	191,262	153,908	153,908	244,970	244,970	91,062
Total	221,142	387,552	433,778	433,778	442,568	442,568	8,790
Change in Fund Balance	199,284	117,829	-	-	-	-	
Cash and Investment Balance	378,776	488,399	488,399	488,399	488,399	488,399	

FUNCTION: Community Development	DEPT. & DIV: Community Development - Economic Development	BUSINESS UNIT: 20280
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Activities and Responsibilities:

The Economic Development program is accountable for:

- Developing and implementing plans and strategies for advancing economic and community development.
- Assisting existing and prospective businesses and developers.
- Assisting existing businesses with expansion and reconstruction projects. Providing guidance to bring new development projects to fruition.
- Providing expertise regarding available public and private business financing resources, including state assistance, possible local initiatives and other funding sources.
- Administration of Tax Increment Financing (TIF) plans and Business and Development Loan Programs.
- Providing staff services to the EDA and City Council.
- Administration of portfolio of vacant properties located throughout the City and held for future resale and redevelopment, including managing property maintenance issues.

Budget Highlights and Changes:

Significant Revisions - 2025 Original vs. 2025 Revisions

-

Notable Expenditure Changes for 2026

-

Revenues

- Maximum EDA levy for 2026 is \$442,568

FUNCTION: Community Development	DEPT. & DIV: Community Development - Economic Development	BUSINESS UNIT: 20280
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Capital Outlay and Projects:

Notable Capital Project or Asset Acquisitions for 2026

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Staffing:

	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
City Administrator	0.057	0.057	0.057	0.057
Associate Planner	0.500	0.500	0.500	0.500
Department Support Specialist	0.100	0.100	0.100	0.100
Total Staffing	<u>0.657</u>	<u>0.657</u>	<u>0.657</u>	<u>0.657</u>

ECONOMIC DEVELOPMENT							
SUMMARY OF REVENUE							
Description	2023 Actual	2024 Actual	2025 Original Budget	October 2025 Actual	2025 Revised Budget	2026 Requested Budget	2026 Final Budget
20280 - ECON DEV GENERAL							
REVENUE							
TAXES							
4110 - CURRENT AD VALOREM TAX	284,748	339,982	433,778	183,701	433,778	442,568	442,568
4120 - DELINQUENT AD VALOREM TAX	3,002	5,849	0	5,006	0	0	0
4125 - PENALTIES & INT ON AD VAL TAX	(9)	(1)	0	(4)	0	0	0
4130 - MOBILE HOME TAX	45	38	0	0	0	0	0
4140 - FISCAL DISPARITIES	68,816	66,954	0	46,170	0	0	0
TAXES	356,602	412,822	433,778	234,873	433,778	442,568	442,568
INTEREST							
4671 - INTEREST EARNINGS	46,042	72,323	0	32,724	0	0	0
4681 - UNREALIZED GAIN/LOSS ON INV	17,282	20,192	0	0	0	0	0
INTEREST	63,325	92,515	0	32,724	0	0	0
MISCELLANEOUS							
4672 - OTHER	460	0	0	0	0	0	0
4675 - INSURANCE DIVIDEND	40	32	0	0	0	0	0
4676 - WORKERS COMP INS DIVIDEND		12	0	0	0	0	0
MISCELLANEOUS	500	44	0	0	0	0	0
REVENUE	420,426	505,381	433,778	267,597	433,778	442,568	442,568

ECONOMIC DEVELOPMENT							
SUMMARY OF EXPENDITURES							
Description	2023 Actual	2024 Actual	2025 Original Budget	October 2025 Actual	2025 Revised Budget	2026 Requested Budget	2026 Final Budget
20280 - ECON DEV GENERAL							
EXPENDITURES							
PERSONNEL SERVICES							
6101 - FULL-TIME EMPLOYEES-REG	51,664	56,621	58,285	48,571	58,285	59,030	59,030
6108 - ACCUMULATED VACATION/COMP LEAV	555	186	521	0	521	723	723
6112 - SERVICE RECOGNITION	0	0	0	0	0	578	578
6120 - EMPLOYER CONTR FOR RETIREMENT	7,742	8,428	8,762	7,237	8,762	8,950	8,950
6130 - EMPLOYER PAID INSURANCE	8,499	9,759	9,345	6,792	9,345	9,791	9,791
6150 - WORKERS COMPENSATION	351	371	449	236	449	389	389
6170 - EMPLOYER CONTR TO HCSP	1,654	1,420	1,361	436	1,361	1,346	1,346
PERSONNEL SERVICES	70,464	76,784	78,723	63,272	78,723	80,807	80,807
SUPPLIES							
6201 - OFFICE SUPPLIES	0	0	500	0	500	300	300
6230 - BOOKS, MATERIALS & PERIODICALS	0	0	200	0	200	200	200
SUPPLIES	0	0	700	0	700	500	500
OTHER SERVICES AND CHARGES							
6302 - PROFESSIONAL SERVICES	5,592	15,555	105,000	48,927	105,000	40,000	40,000
6331 - CONFERENCES, TRAINING, TRAVEL	1,031	675	2,500	2,141	2,500	2,000	2,000
6341 - ADVERTISING	87	429	0	0	0	0	0
6361 - INSURANCE	1,112	1,109	1,179	1,475	1,179	1,476	1,476
6365 - INS CLAIMS WITHIN DEDUCTIBLE	1,738	0	0	0	0	0	0
6374 - ADMINISTRATION SUPPORT FEE	23,978	24,757	24,278	20,240	24,278	20,445	20,445
6375 - OTHER CONTRACTED SERVICES	34,535	75,679	65,000	33,657	65,000	50,000	50,000
6378 - COPIER MAINTENANCE AGREEMENT	492	0	0	0	0	0	0
6388 - TECHNOLOGY EQUIP CHARGE	621	120	240	200	240	120	120
6390 - POSTAGE AND TELEPHONE	762	790	1,500	513	1,500	1,500	1,500
OTHER SERVICES AND CHARGES	69,948	119,114	199,697	107,153	199,697	115,541	115,541

ECONOMIC DEVELOPMENT SUMMARY OF EXPENDITURES							
Description	2023 Actual	2024 Actual	2025 Original Budget	October 2025 Actual	2025 Revised Budget	2026 Requested Budget	2026 Final Budget
MISCELLANEOUS							
6430 - MISCELLANEOUS	20	0	0	219	0	0	0
6471 - DUES & SUBSCRIPTIONS	710	392	750	0	750	750	750
MISCELLANEOUS	730	392	750	219	750	750	750
TRANSFERS							
6720 - OPERATING TRANSFERS	80,000	191,262	153,908	25,000	153,908	244,970	244,970
TRANSFERS	80,000	191,262	153,908	25,000	153,908	244,970	244,970
TOTAL EXPENDITURES	221,142	387,552	433,778	195,644	433,778	442,568	442,568
CHANGE 2025 REVISED TO 2026 FINAL							8,790
PERCENT CHANGE 2025 REVISED TO 2026 FINAL							2.03%

HOUSING GENERAL							
SUMMARY OF REVENUES AND EXPENDITURES							
	2023 Actual	2024 Actual	2025		2026		Final 2025 vs 2026
			Original	Revised	Requested	Final	
Revenues							
Operational	431,282	596,357	442,631	442,631	751,600	751,600	308,969
Transfer from NM & JC	670,835	765,420	784,333	784,333	850,056	850,056	65,723
Total	1,102,117	1,361,777	1,226,964	1,226,964	1,601,656	1,601,656	374,692
Expenditures							
Operational	93,486	106,877	122,179	122,179	444,037	444,037	321,858
NM/JC Administration	355,898	395,662	407,131	407,131	430,366	430,366	23,235
NM Operations	124,702	159,618	176,638	176,638	194,325	194,325	17,687
JC Operations	190,511	211,515	200,564	200,564	225,365	225,365	24,801
Capital Outlay/Debt Service/Transfers	625,522	325,175	320,452	320,452	307,563	307,563	(12,889)
Total	1,390,119	1,198,847	1,226,964	1,226,964	1,601,656	1,601,656	374,692
Change in Fund Balance	(288,002)	162,930	-	-	-	-	
Cash and Investment Balance	340,123	519,288	519,288	519,288	519,288	519,288	

FUNCTION: Community Development	DEPT. & DIV: Community Development - Housing Division	BUSINESS UNIT: 20260
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Activities and Responsibilities:

The Housing program is accountable for:

- Administration of the City's HUD Public Housing for Seniors program at the John Carroll and Nan McKay Public Highrises.
- Providing professional and technical support to contracted support service providers at the John Carroll and Nan McKay Public Highrise properties.
- Providing professional and technical support to homeowners that have utilized legacy CDBG-funded programs that remain within the purview of the City, and technical support to Dakota County CDA for programs that have been recently turned over to the CDA. Loan monitoring and administration.
- Administration and oversight of HUD and other grant programs that benefit and serve residential housing within the City.
- Identifying, researching, applying for, and administering grant programs that support a range of Community Development programs and initiatives.
- Administration and implementation of the Master Housing Assessment and Strategy, including program development and facilitation of residential redevelopment projects.

Budget Highlights and Changes:

Significant Revisions - 2025 Original vs. 2025 Revisions

-

Notable Expenditure Changes for 2026

-

Revenues

- Maximum HRA levy for 2026 is \$451,600
- Administrative charge to the public housing program is \$850,056; this revenue source comes from HUD and funds the program staff.

FUNCTION: Community Development	DEPT. & DIV: Community Development - Housing Division	BUSINESS UNIT: 20260
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Capital Outlay and Projects:

Notable Capital Project or Asset Acquisitions for 2026

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Staffing:

	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Housing Manager	1.000	1.000	1.000	1.000
HRA Property Manager	2.000	2.000	2.000	2.000
HRA Maintenance	2.000	2.000	2.000	2.000
HRA Caretaker	2.000	2.000	2.000	2.000
Department Support Specialist	0.900	0.900	0.900	0.900
Total Staffing	<u>7.900</u>	<u>7.900</u>	<u>7.900</u>	<u>7.900</u>

HOUSING GENERAL							
SUMMARY OF REVENUE							
Description	2023 Actual	2024 Actual	2025 Original Budget	October 2025 Actual	2025 Revised Budget	2026 Requested Budget	2026 Final Budget
20260 - HOUSING GENERAL							
REVENUE							
TAXES							
4110 - CURRENT AD VALOREM TAX	290,562	346,920	442,631	187,451	442,631	451,600	451,600
4120 - DELINQUENT AD VALOREM TAX	3,195	6,037	0	5,117	0	0	0
4125 - PENALTIES & INT ON AD VAL TAX	(9)	(1)	0	(4)	0	0	0
4130 - MOBILE HOME TAX	46	49	0	0	0	0	0
4140 - FISCAL DISPARITIES	70,263	68,321	0	47,112	0	0	0
TAXES	364,057	421,326	442,631	239,677	442,631	451,600	451,600
INTERGOVERNMENTAL							
4325 - STATE GRANTS AND AIDS	0	120,170	0	156,764	0	300,000	300,000
INTERGOVERNMENTAL	0	120,170	0	156,764	0	300,000	300,000
INTEREST							
4671 - INTEREST EARNINGS	48,398	40,019	0	16,762	0	0	0
4681 - UNREALIZED GAIN/LOSS ON INV	18,775	14,642	0	0	0	0	0
INTEREST	67,173	54,661	0	16,762	0	0	0
MISCELLANEOUS							
4672 - OTHER	0	5	0	0	0	0	0
4675 - INSURANCE DIVIDEND	52	57	0	0	0	0	0
4676 - WORKERS COMP INS DIVIDEND	0	138	0	0	0	0	0
MISCELLANEOUS	52	200	0	0	0	0	0
REVENUE	431,282	596,357	442,631	413,202	442,631	751,600	751,600

HOUSING GENERAL							
SUMMARY OF REVENUE							
Description	2023 Actual	2024 Actual	2025 Original Budget	October 2025 Actual	2025 Revised Budget	2026 Requested Budget	2026 Final Budget
20261 - HOUSING-ADMIN SAL&BENEFITS							
REVENUE							
CHARGES FOR SERVICES							
COMMUNITY DEVELOPMENT							
4493 - OTHER CHARGE FOR SERVICE - COM	355,286	394,382	407,131	330,724	407,131	430,366	430,366
COMMUNITY DEVELOPMENT	355,286	394,382	407,131	330,724	407,131	430,366	430,366
CHARGES FOR SERVICES	355,286	394,382	407,131	330,724	407,131	430,366	430,366
REVENUE	355,286	394,382	407,131	330,724	407,131	430,366	430,366
20267 - HOUSING-NM SAL&BENEFITS							
REVENUE							
CHARGES FOR SERVICES							
COMMUNITY DEVELOPMENT							
4493 - OTHER CHARGE FOR SERVICE - COM	124,580	159,618	176,638	119,236	176,638	194,325	194,325
COMMUNITY DEVELOPMENT	124,580	159,618	176,638	119,236	176,638	194,325	194,325
CHARGES FOR SERVICES	124,580	159,618	176,638	119,236	176,638	194,325	194,325
REVENUE	124,580	159,618	176,638	119,236	176,638	194,325	194,325
20268 - HOUSING-JC SAL&BENEFITS							
REVENUE							
CHARGES FOR SERVICES							
COMMUNITY DEVELOPMENT							
4493 - OTHER CHARGE FOR SERVICE - COM	190,969	211,420	200,564	182,977	200,564	225,365	225,365
COMMUNITY DEVELOPMENT	190,969	211,420	200,564	182,977	200,564	225,365	225,365
CHARGES FOR SERVICES	190,969	211,420	200,564	182,977	200,564	225,365	225,365
REVENUE	190,969	211,420	200,564	182,977	200,564	225,365	225,365

HOUSING GENERAL							
SUMMARY OF EXPENDITURES							
Description	2023 Actual	2024 Actual	2025 Original Budget	October 2025 Actual	2025 Revised Budget	2026 Requested Budget	2026 Final Budget
20260 - HOUSING GENERAL							
EXPENDITURES							
PERSONNEL SERVICES							
6101 - FULL-TIME EMPLOYEES-REG	38,622	39,341	40,660	33,933	40,660	42,770	42,770
6102 - FULL-TIME EMPLOYEES-OVERTIME	1,944	5,007	0	802	0	0	0
6108 - ACCUMULATED VACATION/COMP LEAV	442	363	394	0	394	283	283
6112 - SERVICE RECOGNITION	0	1,000	797	3,388	797	0	0
6120 - EMPLOYER CONTR FOR RETIREMENT	6,107	6,616	6,254	5,382	6,254	6,503	6,503
6130 - EMPLOYER PAID INSURANCE	8,536	8,049	7,679	6,020	7,679	8,051	8,051
6150 - WORKERS COMPENSATION	598	267	313	170	313	281	281
6170 - EMPLOYER CONTR TO HCSP	715	465	700	326	700	514	514
PERSONNEL SERVICES	56,962	61,107	56,797	50,019	56,797	58,402	58,402
SUPPLIES							
6201 - OFFICE SUPPLIES	2,362	1,845	2,000	1,124	2,000	2,000	2,000
6210 - OPERATING SUPPLIES	316	335	500	231	500	500	500
SUPPLIES	2,677	2,180	2,500	1,355	2,500	2,500	2,500
OTHER SERVICES AND CHARGES							
6302 - PROFESSIONAL SERVICES	4,730	13,629	5,000	9,017	5,000	7,500	7,500
6331 - CONFERENCES, TRAINING, TRAVEL	0	0	5,000	0	5,000	7,500	7,500
6361 - INSURANCE	1,596	1,972	2,106	2,765	2,106	2,730	2,730
6374 - ADMINISTRATION SUPPORT FEE	17,835	25,920	46,886	39,080	46,886	62,765	62,765
6375 - OTHER CONTRACTED SERVICES	0	0	0	120,170	0	300,000	300,000
6378 - COPIER MAINTENANCE AGREEMENT	492	0	0	0	0	0	0
6381 - OTHER RENTALS	37	0	0	0	0	0	0
6388 - TECHNOLOGY EQUIP CHARGE	4,728	1,508	1,640	1,370	1,640	1,640	1,640
6390 - POSTAGE AND TELEPHONE	409	561	1,750	838	1,750	1,000	1,000
OTHER SERVICES AND CHARGES	29,827	43,590	62,382	173,240	62,382	383,135	383,135
MISCELLANEOUS							
6430 - MISCELLANEOUS	4,020	0	0	0	0	0	0
6471 - DUES & SUBSCRIPTIONS	0	0	500	0	500	0	0
MISCELLANEOUS	4,020	0	500	0	500	0	0

HOUSING GENERAL							
SUMMARY OF EXPENDITURES							
Description	2023 Actual	2024 Actual	2025 Original Budget	October 2025 Actual	2025 Revised Budget	2026 Requested Budget	2026 Final Budget
TRANSFERS							
6720 - OPERATING TRANSFERS	625,522	325,175	320,452	0	320,452	307,563	307,563
TRANSFERS	625,522	325,175	320,452	0	320,452	307,563	307,563
TOTAL EXPENDITURES	719,009	432,052	442,631	224,615	442,631	751,600	751,600
CHANGE 2025 REVISED TO 2026 FINAL							308,969
PERCENT CHANGE 2025 REVISED TO 2026 FINAL							69.80%

HOUSING GENERAL							
SUMMARY OF EXPENDITURES							
Description	2023 Actual	2024 Actual	2025 Original Budget	October 2025 Actual	2025 Revised Budget	2026 Requested Budget	2026 Final Budget
20261 - HOUSING-ADMIN SAL&BENEFITS EXPENDITURES							
PERSONNEL SERVICES							
6101 - FULL-TIME EMPLOYEES-REG	260,464	284,547	295,278	247,564	295,278	315,489	315,489
6108 - ACCUMULATED VACATION/COMP LEAV	2,915	1,280	1,181	0	1,181	849	849
6112 - SERVICE RECOGNITION	0	0	2,389	0	2,389	0	0
6120 - EMPLOYER CONTR FOR RETIREMENT	39,185	42,364	45,015	36,857	45,015	47,865	47,865
6130 - EMPLOYER PAID INSURANCE	44,489	55,532	51,789	39,871	51,789	54,455	54,455
6150 - WORKERS COMPENSATION	1,666	1,836	2,571	1,118	2,571	2,347	2,347
6170 - EMPLOYER CONTR TO HCSP	5,339	6,507	5,308	2,497	5,308	5,761	5,761
PERSONNEL SERVICES	354,057	392,065	403,531	327,907	403,531	426,766	426,766
OTHER SERVICES AND CHARGES							
6388 - TECHNOLOGY EQUIP CHARGE	0	668	800	670	800	800	800
6390 - POSTAGE AND TELEPHONE	1,840	2,929	2,800	2,148	2,800	2,800	2,800
OTHER SERVICES AND CHARGES	1,840	3,597	3,600	2,818	3,600	3,600	3,600
TOTAL EXPENDITURES	355,898	395,662	407,131	330,724	407,131	430,366	430,366
CHANGE 2025 REVISED TO 2026 FINAL							23,235
PERCENT CHANGE 2025 REVISED TO 2026 FINAL							5.71%

HOUSING GENERAL							
SUMMARY OF EXPENDITURES							
Description	2023 Actual	2024 Actual	2025 Original Budget	October 2025 Actual	2025 Revised Budget	2026 Requested Budget	2026 Final Budget
20267 - HOUSING-NM SAL&BENEFITS EXPENDITURES							
PERSONNEL SERVICES							
6101 - FULL-TIME EMPLOYEES-REG	83,380	102,304	125,974	82,291	125,974	132,270	132,270
6102 - FULL-TIME EMPLOYEES-OVERTIME	7,418	9,363	0	4,369	0	8,500	8,500
6108 - ACCUMULATED VACATION/COMP LEAV	0	938	0	0	0	0	0
6120 - EMPLOYER CONTR FOR RETIREMENT	13,745	16,957	19,089	13,121	19,089	20,042	20,042
6130 - EMPLOYER PAID INSURANCE	16,755	24,739	25,649	16,201	25,649	26,826	26,826
6150 - WORKERS COMPENSATION	863	959	1,198	632	1,198	1,073	1,073
6170 - EMPLOYER CONTR TO HCSP	2,296	2,679	2,088	1,111	2,088	2,974	2,974
PERSONNEL SERVICES	124,457	157,938	173,998	117,724	173,998	191,685	191,685
SUPPLIES							
6245 - CLOTHING ALLOWANCE	0	0	600	0	600	600	600
SUPPLIES	0	0	600	0	600	600	600
OTHER SERVICES AND CHARGES							
6388 - TECHNOLOGY EQUIP CHARGE	0	1,002	1,200	1,000	1,200	1,200	1,200
6390 - POSTAGE AND TELEPHONE	245	678	840	512	840	840	840
OTHER SERVICES AND CHARGES	245	1,680	2,040	1,512	2,040	2,040	2,040
TOTAL EXPENDITURES	124,702	159,618	176,638	119,236	176,638	194,325	194,325
CHANGE 2025 REVISED TO 2026 FINAL							17,687
PERCENT CHANGE 2025 REVISED TO 2026 FINAL							10.01%

HOUSING GENERAL							
SUMMARY OF EXPENDITURES							
Description	2023 Actual	2024 Actual	2025 Original Budget	October 2025 Actual	2025 Revised Budget	2026 Requested Budget	2026 Final Budget
20268 - HOUSING-JC SAL&BENEFITS							
EXPENDITURES							
PERSONNEL SERVICES							
6101 - FULL-TIME EMPLOYEES-REG	110,819	125,214	131,746	111,152	131,746	134,791	134,791
6102 - FULL-TIME EMPLOYEES-OVERTIME	20,868	16,984	0	14,873	0	18,500	18,500
6108 - ACCUMULATED VACATION/COMP LEAV	0	95	0	0	0	0	0
6120 - EMPLOYER CONTR FOR RETIREMENT	18,816	20,289	19,963	17,950	19,963	20,425	20,425
6130 - EMPLOYER PAID INSURANCE	35,971	43,094	41,990	35,257	41,990	45,265	45,265
6150 - WORKERS COMPENSATION	869	985	1,252	646	1,252	1,093	1,093
6170 - EMPLOYER CONTR TO HCSP	2,679	2,965	2,973	1,448	2,973	2,651	2,651
PERSONNEL SERVICES	190,021	209,625	197,924	181,326	197,924	222,725	222,725
SUPPLIES							
6245 - CLOTHING ALLOWANCE	0	0	600	0	600	600	600
SUPPLIES	0	0	600	0	600	600	600
OTHER SERVICES AND CHARGES							
6388 - TECHNOLOGY EQUIP CHARGE	0	1,002	1,200	1,000	1,200	1,200	1,200
6390 - POSTAGE AND TELEPHONE	490	888	840	652	840	840	840
OTHER SERVICES AND CHARGES	490	1,890	2,040	1,652	2,040	2,040	2,040
TOTAL EXPENDITURES	190,511	211,515	200,564	182,977	200,564	225,365	225,365
CHANGE 2025 REVISED TO 2026 FINAL							24,801
PERCENT CHANGE 2025 REVISED TO 2026 FINAL							12.37%

 <p>City of South St. Paul ADMINISTRATIVE POLICIES AND PROCEDURES</p>	APP Department: Finance
	City Administrator Approval:
	City Council Approval: Issue Date: Revised 12-1-14 Date:
SUBJECT: POLICY NAME – LIQUIDITY-FUND BALANCE	

I. PURPOSE

The fund balance in the General Fund plays an essential role in the overall financial management of the City. The General Fund’s fund balance indicates the City’s overall financial condition and also helps illuminate the City’s financial management practices. The fund balance is essential to financing annual operations. A basic premise for the maintenance of the fund balance is that it should be capable of financing the City’s cash flow requirements for roughly the first half of the budget year. The subsequent receipt of property tax and other large revenue sources should then normally relieve this role for the fund balance. In addition, the presence of sufficient fund balance helps the City respond to unexpected expenditure spikes; provides a temporary escape hatch from precipitous State or Federal legislative action that can abruptly reduce budgeted aid payment revenue; provides revenue base stabilization; and can help maintain or improve the City’s bond rating.

II. DEFINITIONS

- The **General Fund** is the City’s basic operational fund and provides financial accounting for the basic municipal services typically relying on property tax revenues for primary funding. It encompasses many of the most common operational functions of City government including Public Safety, Public Works, Parks/Recreation, Community Development, City Engineer and other general Management/Budget activities.
- **Fund Equity** (Fund balance) is the measure of financial resources available in a governmental fund. Fund equity is divided into five classifications based primarily on constraints imposed upon the use of those resources. The classifications in order of constraint are: Nonspendable, Restricted, Committed, Assigned, and Unassigned.

III. POLICY

The General Fund shall enter a new budget year with an **unassigned** fund balance that is in the range of 35-50% of the new year’s budgeted expenditures, which should ensure sufficient cash flow funds for the first half of the operating year.

IV. PROCEDURE

The Finance Director shall monitor and analyze the General Fund on a monthly basis and shall provide status reports to the City Administrator and Mayor/Council on at least a quarterly basis. If concerns are identified with fund balance trends, the Finance Director shall notify the Administrator and Mayor/Council and formulate recommendations for addressing the concerns.

The calculation to determine the annual policy percentage is made at the close of each fiscal year by the Finance Director, under supervision of the City Administrator and Mayor/City Council. If the year-end fund balance exceeds the amount specified in this

Policy for the following year, the Mayor/City Council shall specifically consider retaining the excess in the fund balance before making a decision to allocate the monies to other uses. If the year-end balance falls short of the thresholds specified in this Policy, the Finance Director will develop and recommend a plan to replenish the fund balance level.

V. AUTHORITY FOR IMPLEMENTATION AND ENFORCEMENT

The Finance Director is responsible for the ongoing implementation and enforcement of this Policy, with general supervision by the City Administrator and Mayor/City Council. The Mayor/City Council is solely responsible for specifying committed or assigned fund balance and for allocating unassigned fund balance that exceeds the minimums established by this Policy.

 <p>City of South St. Paul</p> <p>ADMINISTRATIVE POLICIES AND PROCEDURES</p>	APP Finance	
	City Administrator Approval:	
	City Council Approval:	10-15-2012
	Issue Date:	10-15-2012
	Revised Date:	12-1-2014
SUBJECT: INVESTMENT POLICY		

I. Purpose

The purpose of this Investment Policy is to establish specific guidelines for the City of South St. Paul in the investment and deposit of public funds carried out by the Finance Director. This policy is designed to ensure the prudent management of public funds, the availability of operating and capital funds when needed and providing the highest investment return with maximum security and minimum risk.

II. Definitions

Public funds: “Public funds” means all general, special, permanent, trust, and other funds, regardless of source or purpose, held or administered by a government entity, unless otherwise restricted.

Liquidity: an asset's ability to be sold without causing a significant movement in the price and with minimum loss of value. Cash is considered a liquid asset.

III. Policy

The primary objectives in priority order of the City’s investment activities are:

- A. Safety of Principal**
Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure preservation of capital in the overall portfolio. The objective will be to mitigate credit risk by purchasing only highly rated securities with adequate collateral and interest rate risk by matching maturities to cash flow needs and holding securities to maturity.
- B. Liquidity**
The investment portfolio will remain sufficiently liquid to enable the City to meet all operating and capital requirements that might be reasonably anticipated. A portion of the portfolio may be placed in money market funds or local government investment pools which offer same-day liquidity. Generally, investments shall have “laddered” maturities so that money becomes available on a regular schedule to meet the City’s obligations.
- C. Yield**
The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account investment risk constraints and liquidity needs.

IV. Procedure

Investment Parameters

The City's investment portfolio shall be structured to achieve the three primary objectives (in rank order) of the policy: 1) safety of principal; 2) sufficient liquidity; 3) adequate yield. Investments should be purchased to match expected cash flow needs, minimizing the market risk associated with the early sale of the investments.

All City investments and deposits shall be those allowable by Minnesota Statutes Chapter 118A and amendments thereto. In accordance with MN Statutes 118A, collateralization will be required on all demand deposit accounts, including checking, savings, and money market accounts, and non-negotiable certificates of deposit in excess of federal deposit insurance.

State law defines the types of securities that a financial institution may pledge as collateral for public deposits. These securities include:

- United States Treasury Issues
- Issues of US Government Agencies and Instrumentalities
- Obligations of State and Local Governments
- Time Deposits (Certificates of Deposits fully insured by the federal deposit insurance company or federal agency).

Reporting and Review

- A. The Finance Director shall keep accurate records of all financial transactions and have available a list of current investments upon request. The quarterly financial reports will contain a listing of investments for City Council review. The annual financial reports, such as the Budget and Comprehensive Annual Financial Report (CAFR) will present investment earnings for the reporting year.
- B. Outside review of compliance with this investment policy is within the scope of the annual audit by an Independent C.P.A. firm which shall report discrepancies, if any, to the City Council in accordance with generally accepted auditing standards.
- C. Interest earned and market value adjustments on investments shall be allocated to various funds based on each fund's average monthly cash balance. Conversely, Interest expense may be charged to funds with negative cash and invest balances during the year.

Standards of Care

The prudent person standard shall be applied to the management of the portfolio. The standard states: "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the expected income to be derived."

Conflict of Interest

Any city official involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program or which could impair his/her ability to make impartial investment decisions. Employees shall disclose any material interests in financial institutions with which they conduct business. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with which business is conducted on behalf of the City.

Collateralization

In accordance with MN Statutes 118A, collateralization will be required on all demand deposit accounts, including checking, savings, and money market accounts, and non-negotiable certificates of deposit in excess of federal deposit insurance.

Authorized Financial Dealers and Institutions

The Finance Director will maintain a list of financial institutions authorized to provide investment services to the City. All broker/dealers are authorized on an annual basis by the City Council.

Safekeeping

Investments shall be kept at the broker/dealer in the City's name. Certificates will be held at the financial institution in the City's name. All securities should be a risk category one according to the Government Accounting Standard No. 3. The broker/dealer must provide asset protection of \$10,000,000 through the Securities Investor Protection Corporation (SIPC).

V. Authority For Implementation and Enforcement

The Finance Director is designated as the Investment Officer of the City and is responsible for investment management decisions and activities. The Finance Director shall carry out established written procedures and internal controls for the operation of the investment program consistent with this investment policy, with general supervision by the City Administrator and Mayor/City Council.

 <p>City of South St. Paul ADMINISTRATIVE POLICIES AND PROCEDURES</p>	APP Department: Finance
	City Administrator Approval:
	City Council Approval: Issue Date: 06-2009 Revised Date:
SUBJECT: POLICY NAME – RED FLAG POLICY	

I. PURPOSE

To establish an Identity Theft Prevention Program designed to help detect, prevent and mitigate identity theft in connection with the opening of a covered account or an existing covered account and to provide for continued administration of the Program in compliance with Part 681 of Title 16 of the Code of Regulations implementing Sections 114 and 315 of the Fair and Accurate Credit Transactions Act (FACTA) of 2003.

II. DEFINITIONS

Identity theft is fraud committed or attempted using the identifying information of another person without authority.

A covered account is defined as:

- 1) An account that a financial institution or creditor offers or maintains, primarily for personal, family, or household purposes that involves or is designed to permit multiple payments or transactions. Covered accounts include credit card accounts, mortgage loans, automobile loans, margin accounts, cell phone accounts, utility accounts, recreational credit account, checking accounts, and savings accounts; and
- 2) Any other account that the financial institution or creditor offers or maintains for which there is a reasonably foreseeable risk to customers or to the safety and soundness of the financial institution or creditor from identity theft, including, financial, operational, compliance, reputation, or litigation risks.

A Red Flag is a pattern, practice or specific activity that indicates the possible existence of identity theft.

Identifying information is defined as any name or number that may be used alone or with any other information to identify a specific person, including: name, address, telephone number, social security number, date of birth, government-issued driver’s license or identification number, alien registration number, government passport number, employer or taxpayer identification number, unique electronic identification number, computer’s Internet Protocol address, or routing code.

III. POLICY

The City of South St. Paul hereby establishes an Identity Theft Prevention Program to help detect, prevent and mitigate identity theft. The Program includes reasonable policies and procedures to wit:

- Identify and incorporate relevant Red Flags for covered accounts.
- Use Program Red Flags for the detection of inappropriate activities, patterns and practices.
- Respond appropriately to detected Red Flags to prevent and mitigate identity theft.
- Ensure periodic updating of the Program to reflect any changes in risk to the customers and to the safety and soundness of the creditor from identity theft.

- Incorporate appropriate existing policies and procedures that control reasonably foreseeable risks.

IDENTIFICATION OF RED FLAGS

Relevant Red Flags may arise from the following sources:

- Alerts, notifications, or other warnings received from consumer reporting agencies or service providers, such as fraud detection services.
- The presentation of suspicious documents.
- The presentation of suspicious personal identifying information.
- The unusual use of, or other suspicious activity related to, a covered account. Notice from customers, victims of identity theft, law enforcement authorities, or other persons regarding possible identity theft in connection with covered accounts.

The following risk factors should be considered when identifying relevant Red Flags:

- The types of covered accounts offered or maintained.
- The methods provided to open covered accounts.
- The methods provided to access covered accounts.
- Any previous experience with identity theft.

Other sources for the identification of relevant Red Flags include:

- Previous incidents of identity theft.
- Methods of identity theft that reflect changes in risk.
- Applicable supervisory guidance.

DETECTION OF RED FLAGS

The City of South St. Paul identifies the following Red Flags and will train the appropriate staff to recognize the presence of these Red Flags in the ordinary course of City business:

Suspicious Documents

- Identification document or card that appears to be forged, altered or unauthentic.
- Identification document or card with a photograph or physical description inconsistent with the person presenting the document.
- Identification document information that is inconsistent with the information provided by the person opening a new covered account, by the customer presenting the identification, or with existing customer information on file with the creditor (such as a signature card or recent check).
- Application for service that appears to have been altered or forged.

Suspicious Personal Identifying Information

- Identifying information that is inconsistent with other information provided by the customer, e.g. lack of correlation between social security number range and the date of birth.
- Identifying information that is inconsistent with external sources of information, e.g. an address that does not match a consumer report or a social security number that is listed in the Social Security Administration's Death Master File.
- Identifying information presented is associated with common types of fraudulent activity, such as use of fictitious billing address or phone number.
- Identifying information consistent with known fraudulent activity, e.g. an invalid phone number or fictitious billing address previously used in fraudulent activity.
- A social security number that is the same as one given by another customer.
- An address or phone number that is the same as that of another person.

- Failure to provide complete personal identifying information on an application even after a reminder (however, by law, social security numbers must not be required).
- Identifying information this is inconsistent with the information on file for the customer.

Suspicious Account Activity or Unusual Use of an Account

- Change of address for an account followed by a request to change the account holder's name
- Payments stop on a historically up-to-date account.
- Account usage that is inconsistent with prior usage (e.g., very high activity).
- Mail to the account holder is repeatedly returned as undeliverable
- Notice to the City that a customer is not receiving mail sent by the City.
- Notice to the City that an account has had unauthorized activity.
- Breach in the City's computer system security.
- Unauthorized access to or use of customer account information.

Alerts from Others

- Notification to the City from a customer, identity theft victim, law enforcement officer, or another person that the City has opened or is maintaining a fraudulent account for a person engaged in identity theft.

IV. PROCEDURE

PREVENTING AND MITIGATING IDENTITY THEFT

If City personnel detect any identified Red Flags, they should contact the City's Finance Director. The Finance Director will then select a course of action from the following possible steps, document the decision in writing, and act in a timely matter:

- 1) Monitor the covered account for evidence of identity theft.
- 2) Contact the customer.
- 3) Change any passwords, security codes, or other security devices that permit access to a covered account.
- 4) Reopen a covered account with a new account number
- 5) Not open a new covered account.
- 6) Close an existing covered account.
- 7) Notify law enforcement.
- 8) Determine that no response is warranted under the particular circumstances

V. AUTHORITY FOR IMPLEMENTATION AND ENFORCEMENT

PROGRAM UPDATES

The Finance Director, or designee, shall serve as the Program Administrator and will periodically review and update this Program to reflect any changes in risk to the customers or the City from identity theft. Factors to consider include:

- The City's experiences with identity theft.
- Changes in methods of identity theft.
- Changes in methods to detect, prevent, and mitigate identity theft.
- Changes in the types of accounts that the City offers or maintains.
- Changes in the business arrangements of the City, including mergers, acquisitions, alliances, joint ventures, and service provider arrangements.

If changes are warranted, the Program Administrator will present them to the City Council for a decision to accept, modify, or reject those changes.

ADMINISTRATION OF PROGRAM

- The Program Administrator shall be responsible for the development, implementation, oversight, and continued administration of the Program.
- The Program shall include staff training, as necessary, to effectively implement the Program.
- The Program shall include appropriate and effective oversight of service provider arrangements.

OVERSIGHT OF THE PROGRAM

Oversight of the Program shall include:

- Implementation of the Program.
- Review of staff reports regarding compliance.
- Approval of material program changes needed to address the changing risks of identity theft.

Reports shall be prepared as follows:

- Staff responsible for development, implementation, and administration of the Program shall at least annually report to the Program Administrator on City compliance with the Program.
- The report should also provide related information and analysis, such as:
 - 1) Analysis on the effectiveness of the policies and procedures in addressing the risk of identity theft.
 - 2) Service provider agreements.
 - 3) A summary of significant incidents involving identity theft and the City's response.
 - 4) Recommendations for material changes to the Program.

OVERSIGHT OF SERVICE PROVIDER ARRANGEMENTS

The City shall take steps to ensure that the activity of a service provider is conducted in accordance with reasonable policies and procedures designed to detect, prevent and mitigate the risk of identity theft whenever the organization engages a service provider to perform an activity in connection with one or more covered accounts.

 <p>City of South St. Paul</p> <p>ADMINISTRATIVE POLICIES AND PROCEDURES</p>	APP Department	
	City Administrator Approval:	
	City Council Approval:	10-15-2012
	Issue Date:	10-15-2012
	Revised Date:	12-1-2014
SUBJECT: DEBT MANAGEMENT POLICY		

I. PURPOSE

The purpose of this policy is to establish parameters and provide the general framework governing the issuance, management, continuing evaluation of and reporting on debt obligations issued by the City.

II. DEFINITIONS

General Obligation (G.O.) Bonds – Bonds that are direct obligation and pledge the full faith and credit of the City. G.O Debt Bonds are used to financed capital facilities and equipment that are essential to the continued maintenance or development of the City.

Taxable Market Value – As assessor’s estimate of what property would be worth if sold.

III. POLICY

The City faces a continuous and ongoing stream of infrastructure needs and requests from the citizens and business community. These demands require ongoing capital resources for the development and replacement of infrastructure which must be met with an orderly and balanced manner that allows the City to:

- Acquire capital resources at the lowest possible borrowing costs.
- Preserve debt capacity for future capital needs.
- Maintain the best possible credit standing.
- Administer its obligations in an efficient and cost effective manner.
- Improve coordination between the Capital Improvement Plan (CIP) and debt-financed projects.
- To provide for limits on debt to avoid potential pitfalls in servicing the debt.
- To inform citizens and stakeholders of debt management considerations

IV. PROCEDURE

Issuance and Provisions

1. The City will confine long-term borrowing to capital improvements or projects which cannot be financed from current revenues or cash balances. Recognizing that bond issuance costs add to the total interest costs of financing; bond financing should not be used if the aggregate cost of projects to be financed by the bond issue does not exceed \$1,000,000.
2. General obligation bond issues should be included in at least two Capital Improvement Plans proceeding the year of the bond sale. The first inclusion should contain a general description of the project, its timing and financial limits; subsequent inclusions should become increasingly specific.
3. The City will not borrow money to finance the general operations of the City.

4. 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 capital improvement.
5. The City will attempt to keep the average maturity of General Obligation Bonds at or below 20 years.
6. The total G.O. debt service tax-levy shall not exceed 15% of the General Fund expenditures, unless there is a voter approved bond referendum.
7. The City will utilize a financial consultant in determining the appropriate bond and financing structure for debt issuances.
8. The sale of the bonds will be done through a competitive and open process. However, the City reserves the right to choose to use a “negotiated sale” method, in the rare circumstances that it is deemed to be more advantageous to the City.
9. Coordination of capital needs with overlapping or other units of government should be undertaken to avoid periodic marketing conflicts as well as increase awareness of the impact of debt on proper tax-paying entities

Monitoring and Continuing Evaluation Provisions

1. The City will maintain good communications with bond rating agencies regarding its financial condition. Complete and full disclosure of all financial and economic operations will be met through the timely distribution of the annual audited financial report, debt offering statement, operating budget, capital improvement plan, the immediate transmission of information and details related to any material event.
2. Compliance with the terms, conditions, and covenants of all outstanding bond or lease transactions will be continually monitored and followed.
3. Bond refunding’s and other savings opportunities will be monitored by the Finance Department and the City’s financial advisor and action will be taken when determined financially advantageous. Net Present Value debt service savings of a minimum of three percent (3%) will be the target savings threshold.
4. Monitor trends of key financial, economic, and debt ratios such as:
 - a. Taxable market value per capita
 - b. Available General fund balance compared to annual General fund expenditures
 - c. Annual debt service for general obligation direct debt to total general expenditures.
 - d. Direct general obligation debt and obligations as a percentage taxable market value.
 - e. Overall general obligation debt and obligations per capita.
 - f. Debt Limit – The City of South St. shall not exceed the statutory debt limits as identified in MN Statute 475, which limits net debt to 3% of the estimated market value of taxable property in the City.

Reporting

1. On an annual basis, a Debt Management Report shall be prepared and presented to the City Council for review and discussion. This report will present a comparative analysis of the trends as noted in item #4 above.

V. AUTHORITY FOR IMPLEMENTATION AND ENFORCEMENT

The Finance Director of the City is designated as the person who is responsible for the implementation of the Debt Management procedures, with general supervision by the City Administrator and Mayor/City council

 <p>City of South St. Paul ADMINISTRATIVE POLICIES AND PROCEDURES</p>	APP Department	
	City Administrator Approval:	
	City Council Approval:	10-15-2012
	Issue Date:	10-15-2012
	Revised Date:	7-15-2019
SUBJECT: POST ISSUANCE DEBT COMPLIANCE POLICY		

I. PURPOSE

The Internal Revenue Service (IRS) is responsible for enforcing compliance with the Internal Revenue Code (the “Code”) and regulations promulgated thereunder (“Treasury Regulations”) governing certain obligations (for example: tax-exempt obligations, Build America Bonds, Recovery Zone Development Bonds and various “Tax Credit” Bonds). The IRS encourages issuers and beneficiaries of these obligations to adopt and implement a post-issuance debt compliance policy and procedures to safeguard against post-issuance violations.

The City Council (the “Council”) of the City of South St. Paul, Minnesota (the “City”) has chosen, by policy, to take steps to help ensure that all obligations will be in compliance with all applicable federal regulations. This policy may be amended, as necessary, in the future.

II. DEFINITIONS

Arbitrage is excess profit earned from the investment of tax-exempt bond proceeds in higher-yielding taxable securities.

SEC Rule - The Securities and Exchange Commission (SEC) is responsible for enforcing compliance with the SEC Rule 15c2-12 (the “Rule”). Governments or governmental entities issuing obligations generally have a requirement to meet specific continuing disclosure standards set forth in continuing disclosure agreements (“CDA”). Unless the issuer, obligated person, or a specific obligation is exempt from compliance with CDAs, these agreements are entered into at the time of obligation issuance to enable underwriter(s) to comply with the Rule. The Rule sets forth certain obligations of (i) underwriters to receive, review and disseminate official statements prepared by issuers of most primary offerings of municipal securities, (ii) underwriters to obtain CDAs from issuers and other obligated persons to provide material event disclosure and annual financial information on a continuing basis, and (iii) broker-dealers to have access to such continuing disclosure in order to make recommendations of municipal securities transactions in the secondary market. The SEC encourages issuers and beneficiaries adopt and implement a post-issuance debt compliance policy and procedures to safeguard against Rule violations.

III. POLICY

The City desires to monitor these types of debt obligations to ensure compliance with the IRS Code, Treasury Regulations and the SEC Rule. These City Obligations include bonds, notes, loans, lease purchase contracts, lines of credit, commercial paper or any other form of debt that is subject to compliance.

IV. PROCEDURE

The Finance Director shall assemble all relevant documentation, records and activities required to ensure post-issuance debt compliance as further detailed in corresponding procedures (the "Post-Issuance Debt Compliance Procedures"). At a minimum, the Post-Issuance Debt Compliance Procedures for each qualifying obligation will address the following:

1. General post-issuance compliance;
2. General Recordkeeping;
3. Arbitrage yield restriction and rebate recordkeeping;
4. Expenditure and Asset Documentation to be assembled and retained;
5. Miscellaneous documentation to be assembled and retained;
6. Additional undertakings or activities that support points 1 through 5 above;
7. Continuing disclosure obligations;
8. Compliance with Future Requirements

The Post-Issuance Debt Compliance Procedures shall be applied to each qualifying obligation and maintain a record of the results. Further, the Post-Issuance Debt Compliance Policy and Procedures shall be updated on a regular basis as needed.

The Finance Director or any other individuals responsible for assisting the Finance Director in maintaining records needed to ensure post-issuance debt compliance, are authorized to expend funds as needed to attend training or secure use of other educational resources for ensuring compliance such as consulting, publications, and compliance assistance.

Most of the provisions of this Post-Issuance Debt Compliance Policy are not applicable to taxable governmental obligations unless there is a reasonable possibility that the City may refund their taxable governmental obligation, in whole or in part, with the proceeds of a tax-exempt governmental obligation. If this refunding possibility exists, then the City shall treat the taxable governmental obligation as if such issue were an issue of tax-exempt governmental obligations and comply with the requirements of this Post-Issuance Debt Compliance Policy.

Private Activity Bonds

The City may issue tax-exempt obligations that are "private activity" bonds because either (1) the bonds finance a facility that is owned by the City but used by one or more qualified 501(c)(3) organizations, or (2) the bonds are so-called "conduit bonds", where the proceeds are loaned to a qualified 501(c)(3) organization or another private entity that finances activities eligible for tax-exempt financing under federal law (such as certain manufacturing projects and certain affordable housing projects). Prior to the issuance of either of these types of bonds, the Finance Director shall take steps necessary to ensure that such obligations will remain in compliance with the requirements of this Post-Issuance Debt Compliance Policy.

In a case where compliance activities are reasonably within the control of a private party (i.e., a 501(c)(3) organization or conduit borrower), the City may determine that all or some portion of compliance responsibilities described in this Post-Issuance Debt Compliance Policy shall be assigned to the relevant party. In the case of conduit bonds, the conduit borrower will be assigned all compliance responsibilities other than those required to be undertaken by the City under federal law. In a case where the Finance Director is concerned about the compliance ability of a private party, the City may require that a trustee or other independent third party be retained to assist with record keeping for the obligation and/or that the trustee or such third party be responsible for all or some portion of the compliance responsibilities.

The Finance Director is additionally authorized to seek the advice, as necessary, of bond counsel and/or its financial advisor to ensure the City is in compliance with this Post-Issuance Debt Compliance Policy.

V. AUTHORITY FOR IMPLEMENTATION AND ENFORCEMENT

The Finance Director of the City is designated as the City's agent who is responsible for post-issuance compliance of these obligations, with general supervision by the City Administrator and Mayor/City council.

 <p>City of South St. Paul ADMINISTRATIVE POLICIES AND PROCEDURES</p>	APP Department: Finance
	City Administrator Approval:
	City Council Approval: 11-21-11 Issue Date: 11-21-11 Revised 12-1-14 Date:
SUBJECT: CAPITAL IMPROVEMENT PLAN AND PROGRAM	

I. PURPOSE

The Capital Improvement Program (CIP) is a proposed multi-year plan that provides for the acquisition, construction, replacement and/or maintenance of the City’s public infrastructure and major capital assets. The terms Capital Improvement Program and Capital Improvement Plan should be regarded as interchangeable.

Proposed CIP expenditures are grouped in the plan by type – **infrastructure** (streets/utilities) improvements, **facilities/grounds** projects, and **major equipment purchases** (vehicles/rolling stock, technology, and other specialized items). Proposed funding sources are also identified for each expenditure. Execution of the program requires a careful balancing of needs, wants and available resources.

The CIP is manifested as a list of proposed capital expenditures, with funding sources, scheduled for the next fiscal year and the four years thereafter. With maturation of the CIP process, the planning horizon for major capital expenditures may grow to a ten-year projection.

The CIP process is undertaken because it provides:

- An effective way to anticipate, plan, budget, and coordinate operational and capital needs across city departmental boundaries.
- A rational method for allocating scarce resources by prioritization.
- A tangible and coherent program that can be more strategically aligned with available State, federal and other outside funding opportunities.
- Defined capital commitments that may better mobilize public and private support.
- Evidence of effective financial management that may enhance bond ratings.
- A tool that can be used by Staff for long-range analysis and planning.

II. DEFINITIONS

Capital Improvement – an expenditure of Public funds for the acquisition, construction, replacement and/or maintenance of the City’s infrastructure, facilities/grounds, and major equipment. A threshold of \$10,000 is used to define an expenditure as a capital expense appropriate for inclusion within the CIP.

III. POLICY

A 5-year CIP will be annually updated, reviewed and adopted by the City Council in conjunction with the City’s annual budget process. Council and Staff consideration shall be given to the following factors when developing the plan:

- Availability of funding sources
- Retaining \$500,000 for emergency resources in the Capital Programs Fund
- Projected need and urgency for repair or replacement
- Likely demand for the improvement

- Estimated cost
- Impact to City debt levels
- Relative benefits and avoided costs if funds used for alternative purposes
- Subsequent operating costs that will flow from the proposed improvement
- Alternatives for addressing the improvement need through collaboration or cost sharing with others

IV. PROCEDURE

The CIP is prepared and developed by City Staff with direction provided by the City Council. The plan will be annually updated, reviewed, adopted and published. Department managers are responsible for annually updating information and for suggesting new items for the CIP. The Finance Director will centrally manage CIP information and documents and with the City Administrator, will facilitate annual discussion and decision making by the City Council.

Program expenditures proposed for the first year of a multi-year CIP would be included in the annual budget for that year, together with the chosen funding source(s). City Council review and revision of the CIP will occur at an early stage of the annual budget process so that potential tax levy impacts can be evaluated in conjunction with the discussion of proposed operational levies for the next calendar year.

Inclusion of CIP items in an annual budget does not constitute authorization for the expenditure. During the course of the budget year, each item will be presented to the City Council for specific consideration and spending authorization.

V. AUTHORITY FOR IMPLEMENTATION AND ENFORCEMENT

Management team members are responsible for annually reviewing and updating relevant information about CIP items within their operational jurisdiction and for appropriately sharing it with the Finance Director, City Administrator and the Mayor/City Council. The Finance Director is responsible for coordinating the ongoing implementation and enforcement of this Policy, under general supervision by the City Administrator and Mayor/City Council.

 <p>City of South St. Paul ADMINISTRATIVE POLICIES AND PROCEDURES</p>	APP Department: Finance
	City Administrator Approval:
	City Council Approval: Issue Date: 04-21-2008 Revised Date:
SUBJECT: PUBLIC PURPOSE EXPENDITURE POLICY	

INTRODUCTION:

Over 99% of the expenditures of the City in any given year are clearly of a public purpose nature. These items include employee salaries, benefits, labor agreement type provisions such as uniform allowances and severance pay, purchase of city equipment and vehicles, contractual payments for public safety dispatch services, payment for treatment of sanitary sewer, electricity and natural gas bills, repairs, supplies and so forth. There are many existing City policies and procedures in place and working well which govern City expenses such as the Budget Administration Plan and the City Purchasing Policy.

However, it is recognized that there exists a degree of public interest in that small fraction of a percent of certain miscellaneous City expenditures which might be of benefit to employees or other individuals or groups of individuals. Although State statutes are clear that City expenditures must be for a “public purpose”, the definition of “public purpose” in the statutes is left open to local application. Accordingly, this policy has been approved by the City Council to provide guidelines which clarify the application of “public purpose” in the conduct of specific areas of City business which are not covered by existing policies. To the extent that there is an employee benefit under this policy not directly connected to a work assignment, it will be considered as part of the compensation package. While the final arbiter of these guidelines is the City Council which may change them at any time, the City Administrator is charged with their on-going, day-to-day administration and interpretation.

ARTICLE 1: Meals and Refreshments

- 1.1 *During Meal Periods.* Meals and refreshments are allowed for staff and volunteers during emergencies, special work assignments and at Council meetings, City Committee meetings (e. g. Park Board), Library Board meetings, staff training sessions, professional association meetings, community group meetings, business meetings on City property with non-employees, and multi-department staff meetings when such meetings are held so that participants are not able to have a normal lunch or dinner break.
- 1.2 *Outside of Meal Periods.* Refreshments (e. g. coffee, soda, tea) and light food (e. g. pretzels, cookies, doughnuts) are allowed for staff, volunteers and business visitors at training sessions and business meetings on City premises provided that the cost per person is only a nominal amount (e. g. \$1.00).
- 1.3 Meals and refreshments are allowed for volunteers and community events and for employees participating in volunteer and community events.
- 1.4 Meals and refreshments are allowed for events which are specifically detailed in the annual budget (e.g. annual appreciation dinner).

- 1.5 Reasonably priced restaurant meals are allowed for staff when meeting with non-city participants during a meal period to conduct City business. Payment for the meals of non-city participants is prohibited.
- 1.6 Alcoholic beverages will not be purchased with City Funds.

ARTICLE 2: Entertainment and Admission Expenses

- 2.1 Are allowed if included in and incidental to a seminar/conference registration fee.
- 2.2 Are allowed for events specifically detailed in the annual budget (e.g. annual appreciation dinner) or individually approved by Council.
- 2.3 Are allowed for employees who are participating as part of their work assignment such as recreation staff taking youngsters to the Minnesota Zoo.

ARTICLE 3: Equipment, Facilities, Supplies

- 3.1 City vehicles equipment, tools, buildings and facilities are to be used with reasonable care in the conduct of City business and activities.
- 3.2 Personal use of City vehicles, equipment, tools, buildings, facilities or tools is not allowed. This prohibition includes indoor and outdoor parking/storage and the use of buildings and equipment for the repair of private vehicles. An exception to the prohibition is the incidental use of office type equipment (e. g. telephones, computers) as long as the usage does not create any new expense.
- 3.3 If any employee uses city property, supplies or services which creates an expense or charge, the employee will reimburse the City as soon as possible.

ARTICLE 4: Miscellaneous Material Items

- 4.1 Are allowed for events specifically detailed in the annual budget (e. g. annual appreciation dinner, police reserve dinner, DARE t-shirts) or as specifically approved by Council.
- 4.2 Employee awards beyond nominal value will be limited to service awards with such awards not exceeding \$299. On occasion, certain items such as shirts with the City logo may be purchased for a group of employees.

ARTICLE 5: Telephone Use Policy

- 5.1 Employees are allowed the occasional, personal use of City telephones and faxes for local calls.
- 5.2 Employees are allowed to use city phones for long distance personal calls when necessary. In such event, the employee needs to document the date, time and phone number called and inform Engineering so the employee can reimburse the City when the telephone bill arrives.

- 5.3 If a cell phone is required by an employee's job, the City will provide a cell phone and a service contract for adequate minutes per month for the conduct of City business.
- 5.4 The payment for personal use of the cell phone will be in one of the following ways:
- a. If the employee pays the entire monthly bill for the cell phone, the phone may be used as needed for personal use.
 - b. If the city pays the monthly bill for the cell phone, the employee shall reimburse the City for all personal calls at the per minute rate of the contract (currently \$.10 to \$.13 per minute). If the monthly reimbursement is \$2.00 or less, it shall be disregarded. If it is in excess of \$2.00, it shall be paid in full.
 - c. Because firefighters use their assigned cell phones primarily for personal purposes, the city will furnish the cell phone unit but each firefighter will pay the monthly telephone service bill.
 - d. A cell phone is assigned to each police patrol vehicle. Because each cell phone is used only during duty shifts and by many different police officers every month, there will be no charge for occasional personal use unless special costs are involved such as long distance. Supervisors will monitor personal use of cell phones in vehicles to insure that the use is minimal.
- 5.5 Department Heads shall be responsible for insuring compliance with the telephone use policy.

ARTICLE 6: Other Expenses

- 6.1 Dues for professional associations and City membership in organizations such as the League of Minnesota Cities and the Chamber of Commerce are allowed in accordance with annual budgetary appropriations.
- 6.2 City employees may render services to community groups when such service is part of their normal work assignment (e.g. volunteer coordinator). Cash support of community groups, regardless of the source of funds, will require Council approval either as a detailed budgetary line item or by special Council action.
- 6.3 The City supports the United Way with an annual fundraising campaign for staff which includes a kick-off luncheon, the purchase of nominal items, and passing through occasional donations from the community targeted to the United Way campaign and staff contributors.

ARTICLE 7: Employee Recognition Programs

- 7.1 The hard work and service of the employees of the City of South St. Paul are recognized through a formal Employee Recognition Program. This formal Employee Recognition Program is considered to be "additional compensation" for work performed by employees, although it is entirely dependent on receiving yearly funding. No provision of this policy, or its administration, shall be subject to review under the grievance or arbitration provisions of any collective bargaining agreement.

As a part of the Employee Recognition Program, employees reaching ten years of service, and at five year intervals thereafter, will receive a plaque thanking them for their years of service to the City. The City Administrator or Mayor will present the

plaque to the employee at an annual Employee Recognition Event or at another opportunity for public acknowledgement, such as a Council meeting.

An annual Employee Recognition Event may be held at the City Council's annual discretion to recognize employees for long years of service and/or to acknowledge individual employees for special accomplishments or service to the community. A special Employee Recognition Event may also be held to recognize employees who retire from employment with the City after a long and meritorious service with the City. In conjunction with the retirement event, special tokens of appreciation may be presented to the celebrated employee, subject to the expenditure limits of Article 4 of this policy. At all Employee Recognition Events, light refreshments may be provided to all City Employees who attend the program.

Approved April 21, 2008 – City Council General Business Meeting

 <p>City of South St. Paul ADMINISTRATIVE POLICIES AND PROCEDURES</p>	APP Department: Finance	
	City Administrator Approval:	
	City Council Approval:	12-19-16
	Issue Date:	12-19-16
	Revised Date:	07-15-19
SUBJECT: PURCHASING POLICY		

I. PURPOSE

The intent of this policy and its supporting Procurement Procedures is to ensure that the procurement process complies with all applicable legal requirements and federal and state regulations; is fair to all participants; is as efficient as possible without eliminating needed controls; is understandable to all users; is administratively consistent with other City policies and procedures; and maximizes the use of disadvantaged business whenever possible. The City’s policy is to purchase goods and services at the most cost effective and competitive rates, yielding the desired service, turnaround and value for the dollar. This policy has the following objectives:

1. Ensure that all purchases comply with applicable laws, in particular the Uniform Municipal Contracting Law, Minnesota State Statute Section 471.345.
2. Comply with Minnesota Public Purpose Doctrine and City Policy on Public Purpose Expenditures.
3. Make the best possible use of tax dollars by purchasing goods and services economically.
4. Provide clear and consistent guidelines for the City staff to follow in making purchasing decisions.

For purchases made under federal or State grant funded programs, additional restrictions are identified within the uniform grant guidance regulations (2 CFR 200.318).

II. POLICY

To ensure that the goods and services required by the City are obtained using established procedures that comply with all legal requirements for public purpose expenditures while promoting fair and open competition to ensure public confidence in the procurement process, ensure fair and equitable treatment of vendors who transact business with the City, and provide safeguards for the maintenance of a procurement system of quality and integrity. The Minnesota Public Purpose Doctrine permits a governmental entity to expend public funds only when the primary purpose of the expenditure is public and the expenditure relates to the governmental purposes for which the entity was created. There must also be statutory authority allowing for the expenditure of such funds and there must be a benefit to the community. Proper documentation must be maintained by the City to establish that all expenditures serve a public purpose.

All federal grant expenditures will be in compliance with OMB 2CFR200 (Uniform Guidance). All federal grant expenditures must be reasonable, necessary, and adequately documented. All federal grant expenditures must be deemed to be allowable under specific grant agreements and in accordance with 2CFR200, subpart E.

The approved operating budget provides detail on goods and services that are expected in a given year. Any goods or services required that were not budgeted must be approved by the

City Administrator or the City Council, depending on the dollar amount of the purchase and the rationale behind the non-budgeted good or service.

The City of South St. Paul will use the following Methods of Procurement:

Micro Purchases

Procurements valued at less than \$25,000 (\$10,000 for federally funded) will be considered *Micro Purchases* and can be made on the open market without obtaining competitive quotations or proposals. City staff will ensure that the price is fair and reasonable. Procurements will not be split to avoid competition.

Small Purchases

Procurements valued between \$25,000 and \$175,000 will be considered *Small Purchases* and will be made after obtaining at least two (2) quotes or proposals from qualified sources, in accordance with City procurement procedures.

Major Purchases

Procurements valued at greater than \$175,000 will be considered *Major Purchases* and will be made by publicly soliciting bids or proposals in accordance with City procurement procedures and as required by Minnesota Statutes 471.345. Procurements will not be split to avoid this policy. For Federally funded projects, the value is higher than the State limit, so we have to follow the State limit of \$175,000 for federally funded purchases as well.

Joint Purchasing/Cooperative Purchasing Agreements

The City has the authority to enter into *Joint Purchasing or Cooperative Purchasing Agreements* with other governmental units as provided for in Minnesota Statutes. Procurements made through *Joint Purchasing or Cooperative Purchasing Agreements* will satisfy the City's competitive procurement requirements.

Contract Amendments

Contract amendments valued at greater than 25% of the original value of the contract will be considered separate procurements and the appropriate process above shall be utilized.

Noncompetitive Purchases

Noncompetitive Purchases can be made under the following circumstances:

- When the City Council has declared an emergency, in accordance with State Statute, City Policies and Procedures.
- When a sole source of the good or service exists and has been verified by City Administrator
- When the procurement is for goods or services not available competitively, such as utilities, subscriptions, professional dues and memberships, insurance, conference and seminar registration, permits and licenses, advertisements in publications, taxes, required federal, state and local fees and charges, etc.

Disadvantaged Businesses

The City will utilize businesses owned and controlled by socially and economically disadvantaged individuals in the procurement of goods and services, and the award of contracts when possible. The City will, in accordance with authority granted by federal regulations, state statute, and local laws and ordinances, act affirmatively to create a "level playing field" for women-owned, minority-owned and disadvantaged business enterprises to achieve the goal of equal opportunity.

Deviations

Approval to deviate from this policy must be documented and authorized by the City Administrator, or by other City staff as delegated by the City Administrator in accordance with City policies and procedures.

Prohibited Interest in Contracts

Minnesota State Statutes 471.87 and 471.88 prohibit the purchase of goods or services whenever a conflict of interest may exist. If any employee becomes involved in a possible conflict situation, the employee shall disclose the nature of the possible conflict to his or her supervisor and the City Administrator.

The City cannot enter into any contract or purchase order for goods or services in which an employee, elected official, officer or agent, or their immediate family members, has an indirect or direct personal financial interest or will personally benefit financially from the contract or purchase. In exceptional cases and if permitted by applicable law or regulation, this policy may be waived by the City Administrator for employees for good cause after consulting with the City Attorney. The City administrator shall promptly notify the employee in writing of the decision.

Substantial state and federal requirements exist pertaining to standards of conduct and conflict of interest. It is the intent of the City for all employees, officers, or agents to conduct all activities associated with procurements in compliance with the highest ethical standards, including the avoidance of any real or perceived conflict of interest. It is also the intent of the City to impose appropriate sanctions or disciplinary actions, including but not limited to termination and/or prosecution, for any employees or officers who violate any of these requirements.

III. PROCEDURE

By City Charter, the City Administrator is the Chief Purchasing Officer of the city and has delegated purchasing and budgetary control to each department. The department manager may designate other staff within their department to purchase goods and services in compliance with the annual budget. The City Council has delegated authority to staff to make usual and customary purchases as approved in the annual budget in compliance with all bidding requirements and the City's purchasing policy. Formal Council approval of budgeted, routine purchases is not necessary. Council approval is required on capital improvement projects of \$10,000 or greater, and transactions involving purchases over \$175,000. The Finance Director will report budget status to the City Council on a quarterly basis. Payment details for all goods and services will be listed on check registers and presented to the City Council for review.

The Uniform Municipal Contracting Law, Minnesota Statutes Section 471.345 outlines certain quotation/bid requirements based on the amount of the purchase. Purchases under \$25,000 may be made on the open market. Purchases from \$25,000 to \$175,000 may be made by obtaining 2 or more written quotations. Purchases over \$175,000 must follow the competitive bidding process. Usual and customary purchases must have sufficient funds available within the approved department budget.

Exceptions

Professional service contracts such as those provided by engineers, lawyers, architects, accountants and other services requiring technical, scientific, or other professional training, when competitive bidding is not required, shall be approved by the City Council based on the recommendation of the City Administrator. In certain cases, where professional services were specifically identified in the budget and it is an ongoing contract, the City Council does not need to approve each year's contract.

Minnesota State Statute 12.37 gives the City the ability to declare an emergency situation for a limited period of time. During such an emergency, the City is not required to use the typical mandated procedures for purchasing and contracting. Emergency purchases require approval by the City Administrator, Finance Director and when necessary because of the dollar amount, formal City Council action. An emergency purchase is defined as one where an immediate response is required to protect the health, welfare or safety of the public or public property.

Credit Card Use

The use of credit cards (purchasing cards) is an authorized payment method. These purchases must follow the purchasing policy and are a more efficient method of paying vendors than the check payment process. See the purchasing card policy for detailed procedures.

Ethics and Acceptance of Gifts

Employees shall not make any purchases for personal use utilizing City funds. Employees shall not be allowed to take advantage of special pricing offered to the City by vendors to make personal purchases. Employees may not take advantage of government discounts for non-city related purchases, including bidding on city auctions. The general rule to be applied is if a discount is not available to a member of the public, the employee should not take advantage of it. Gifts offered by vendors to staff responsible for making purchasing decisions may only be accepted if they are considered to be a trinket or memento costing \$5 or less.

IV. AUTHORITY FOR IMPLEMENTATION AND ENFORCEMENT

All employees are responsible for adhering to this policy when purchasing goods or services. Managers are responsible for monitoring performance within their areas of jurisdiction.

Responsibility for administering established Purchasing Policies and Procedures has been delegated to the Finance Director in conjunction with the City Administrator who is the Chief Purchasing Officer of the City.

 <p>City of South St. Paul ADMINISTRATIVE POLICIES AND PROCEDURES</p>	APP Department: Finance City Administrator Approval:
	City Council Approval: Issue Date: Revised Date:
SUBJECT: FEDERAL AWARDS ADMINISTRATION	

I. OVERVIEW

PURPOSE – This has been prepared to document the policies and procedures for the administration of federal awards of the City of South St. Paul (“City”). The Office of Management and Budget (OMB) Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance or UG) requires all recipients and sub-recipients of federal funds to establish and maintain internal controls designed to reasonably ensure compliance with Federal laws, regulations and program compliance requirements. Written policies and procedures are part of the necessary internal controls and are required as a precondition to receiving federal funds. These policies and procedures are intended to be sufficiently comprehensive to adequately meet such requirements. However, in no case are these policies and procedures intended to supersede or limit Federal or State laws or regulations, or the provisions of individual grant agreements.

HIERARCHY OF AUTHORITY – In the event that conflicting guidance on the administration of federal awards is available, the City has deemed federal guidance to be most authoritative, followed by other state or local agencies.

REVISIONS – Guidance provided by the Federal government through the OMB UG Compliance Supplement are expected to be updated each year. Such updates are considered by the City as they become available, and policies and procedures will be revised accordingly.

COMPLIANCE FAILURES – Compliance failures, whether noted internally by management or through the external audit process, will be addressed immediately by reviewing the reason for the failure with responsible personnel and devising an improved process to encourage compliance in the future.

II. GENERAL ACCOUNTING AND FINANCIAL MANAGEMENT

It is the policy of the City to comply with all statutory, regulatory, and contractual requirements in the conduct of, and accounting for, its financial operations. The official books of record for the City will be maintained subject to the following provisions:

1. The City will account for its operations in accordance with the Generally Accepted Accounting Principles (GAAP) applicable to local units of government.
2. The City will comply with the Super Circular issued by the Office of Management and Budget (OMB), Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR 200).

3. The City will comply with all contractual requirements detailed in its duly executed grant agreements with awarding agencies.
4. The City will contract annually with an independent CPA firm for the purposes of conducting the City's external financial audit. To the extent that the City has expended federal awards in excess of the applicable single audit limit (currently \$750,000), the City will have a single audit performed in accordance with OMB UG.
5. To ensure continuing compliance with all applicable accounting requirements, the City may, at its discretion, contract with a CPA firm to provide internal auditing and/or consulting services.
6. The Finance Director shall be responsible for the maintenance of all accounting and financial records (including journals, timesheets, bank statements, audit reports and similar documents). Such records shall be retained as required by contractual or regulatory requirements. The City has adopted the State's records retention schedule as its official guide for records storage, filing and destruction.
7. The City and employees are required to comply with the City's conflict of interest procedures and report any potential conflicts of interest to their managers. No employee, officer or agent may participate in the selection, award or administration of a contract supported by a federal award if he or she has a real or apparent conflict of interest. Such violations may result in appropriate discipline.
8. The City will request prior approval from Federal agencies or pass-through entities for program or budget changes.
9. The City has implemented the new federal purchasing procedures as follow: acquisitions for micro purchases (below \$25,000 or below \$2,000 for construction subject to the Davis Bacon Act) may be awarded without soliciting bids if the City considers the price to be reasonable. Procurements for small purchases (less than \$175,000 – Minn. Stat. §471.345) can be made after quotations are obtained from at least two qualified sources. Procurements for major purchases (over \$175,000 – Minn. Stat. §471.345) must be made by sealed bid and should be awarded to the lowest responsible (not necessarily the lowest) bidder. Procurements made by competitive proposal must have standards to evaluate the selected recipient. Procurements made by non-competitive proposals (to one vendor) may be used only if one of the following applies a) the item is available from a single source, b) an emergency exists c) the Federal agency expressly authorizes non-competitive proposals, or d) competition is seen as inadequate after solicitation to several vendors. Procurements will not be split to avoid this policy.
10. Other procurement procedures include: contractors who develop or draft specifications for bids are precluded from bidding on them. The City must maintain oversight so that contractors perform work as bid. Multiple provisions must be included in contracts (see Appendix II of grant procurement guidelines of super circular procedures). The City must verify at <http://www.sam.gov/> if the contract is \$25,000 or more to verify that the selected vendor is not on the suspended and debarred list for federal grants.
11. Procedures for inventory of federal capital purchases will be maintained by the Finance Department, with the help of the appropriate department head, and all items will be tracked annually. Refer to the section titled Equipment and Real Property Management for further procedures.
12. The Finance Director (or designee) or the City Administrator are required to certify expenditures.

III. PURCHASING AND PROCUREMENT

It is the policy of the City to ensure that all disbursements of City funds are properly reviewed and authorized, consistent with sound financial management principles, and made in compliance with all applicable federal, state and local laws. In order to meet these objectives, all disbursements of City funds shall be subject to the following provisions, to the extent that they do not conflict with or contradict with any specific federal, state or local law or council policies (the most specific or restrictive law, policy or procedure will be followed):

1. Substantial state and federal requirements exist pertaining to standards of conduct and conflict of interest. It is the intent of the City for all employees, officers or agents to conduct all activities associated with procurements in compliance with the highest ethical standards, including the avoidance of any real or perceived conflict of interest. It is also the intent of the City to impose appropriate sanctions or disciplinary actions for any employee or officer who violates any of these requirements.
2. The City avoids the acquisition of unnecessary or duplicative items. Additionally, the City considers consolidating or breaking out procurements to obtain a more economical purchase. And, where appropriate, the City makes an analysis of leases versus purchase alternatives, and other appropriate analyses to determine the most economical approach.
3. To foster greater economy and efficiency, the City enters into state and local intergovernmental agreements where appropriate for procurement or use of common or shared goods and services. This includes cooperative purchasing agreements where practical and beneficial. Depending on the purchase requested, the City may purchase it from a cooperative or inter-local agreement if the price is competitive and the goods or service are needed in a timely manner. The Finance Director and the City Administrator will make this determination.
4. The City awards contracts only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement. The City considers such matters as contractor integrity and business ethics, compliance with public policy, ability to complete the project on time and in accordance with specifications, record of past performance, and the contractor's financial and technical resources.
5. The City will award a contract to a contractor who has the appropriate experience, expertise, qualifications and any required certifications, necessary to perform the work. Contractors should also have the financial resources to sustain the project while the initial work is being completed and during each service period until they submit invoices for payment to the City as work is completed. Contractors should have the proper equipment or the capability to subcontract for the proper equipment necessary to complete the contracted work.
6. Debarment and Suspension: The City will not subcontract with or award subgrants to any person or company who is debarred or suspended from receiving federal funds. The Finance Director, or designee thereof, is required to check for excluded parties at the System for Award Management (SAM) website before any procurement transaction is paid with federal funds. This list is located at: <http://www.sam.gov/>.
7. All procurement transactions paid with federal funds are conducted in a manner providing full and open competition. In an environment of full and open competition, no proposer or bidder has a competitive advantage over another. All potential proposers and bidders must be provided the same information and have the same opportunity to submit a bid or proposal. Providing a competitive advantage to one or more potential proposers

or bidders over another can open the potential for disputes and lawsuits that can be costly and can significantly delay the completion of projects. In accordance with 2 CFR 200.322, preference is given for goods, products and materials produced in the United States.

8. In order to ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, invitations for bids, or requests for proposals (RFPs) are excluded from competing for such procurements. The City does not engage in the following situations that may restrict full and open competition, including but not limited to:
 - a. Placing unreasonable requirements on firms for them to qualify to do business.
 - b. Requiring unnecessary experience and excessive bonding.
 - c. Noncompetitive pricing practices between firms or between affiliated companies.
 - d. Noncompetitive contracts to consultants that are on retainer contracts.
 - e. Organizational conflicts of interest.
 - f. Specifying only a “brand name” product instead of allowing “an equal” product to be offered and describing the performance or other relevant requirements of the procurement.
 - g. Any arbitrary action in the procurement process.
 - h. The City conducts federal procurements in a manner that prohibits the use of statutorily or administratively imposed state or local geographical preferences in the evaluation of bids or proposals, except in those cases where applicable Federal statutes expressly mandate or encourage geographic preference.
9. All solicitations will incorporate a clear and accurate description of the technical requirements for the material, product, or service to be procured. Such description will not, in competitive procurements, contain features which unduly restrict competition. The description will include a statement of the qualitative nature of the material, product or service to be procured and, when necessary, will set forth those minimum essential characteristics and standards to which it must conform if it is to satisfy its intended use. Detailed product specifications will be avoided if possible.
10. The City will make independent estimates of the goods or services being procured before receiving bids or proposals to get an estimate of how much the goods and services are valued in the current market. To accomplish this, after bids and proposals are received, but before awarding a contract, the City conducts either a price analysis or a cost analysis, depending on the type of contract, in connection with every procurement with federal funds in excess of \$175,000.
11. The City takes all necessary affirmative steps to assure that minority businesses, women’s business enterprises, and labor surplus area firms are used when possible. To accomplish this, the City uses the following required affirmative steps:
 - a. Placing qualified small and minority businesses and women’s business enterprises on solicitation lists.
 - b. Assuring that small and minority business, and women’s business enterprises are solicited whenever they are potential sources.
 - c. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women’s business enterprises.
 - d. Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women’s business enterprises.

- e. Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce.
 - f. Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed above.
12. Federal methods provide for procurement by micro-purchase. Micro-purchase is a purchase of supplies or services using simplified acquisition procedures, the aggregate amount of which does not exceed \$25,000. The micro-purchase method is used in order to expedite the completion of its lowest-dollar small purchase transactions and minimize the associated administrative burden and cost.
13. Small purchase procedures may be used in those relatively simple and informal procurement methods for securing nonprofessional services, supplies, or other property that do not cost more than \$175,000.
14. Sealed bids (\$175,000, formal advertising, price is a major factor). Requirements for sealed bids:
- a. The invitation for bids will be publicly advertised and bids must be selected from an adequate number of known suppliers, providing them sufficient response time prior to the date set for opening the bids.
 - b. The invitation for bids, which will include any specifications and pertinent attachments, must define the items or services for the bidder to properly respond.
 - c. All bids will be publicly opened at the time and place prescribed in the invitation for bid.
 - d. A firm fixed price contract award will be made in writing to the lowest responsive and responsible bidder.
 - e. Any or all bids may be rejected if there is a sound documented reason.
 - f. Competitive proposal (> \$175,000, fixed price or cost reimbursement, request for proposal (RFP) with evaluation methods). Requirement for competitive proposal procedures:
 - 1. Requests for proposals must be publicized requests and identify all evaluation factors and their relative importance.
 - 2. Proposals must be solicited from an adequate number of qualified sources.
 - 3. The organization must have a written method for conducting technical evaluations of the proposals received and for selecting recipients.
 - 4. Contracts must be awarded to the responsible firm whose proposal is most advantageous to the program.
 - 5. The organization may only use qualification-based methods, whereby competitors' qualifications are evaluated, and the most qualified competitor is selected, in the procurement of architectural/engineering professional services.
15. Procurement by noncompetitive proposals is procurement through solicitation of a proposal from only one source and may be used when using federal funds only when one or more of the following circumstances apply:
- a. The item is available only from a single source. This must be documented.
 - b. The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation.
 - c. Any Federal awarding agency expressly authorizes noncompetitive proposals in response to a written request from the City.
 - d. After solicitation of several sources, competition is determined inadequate.

16. Time and materials type contract means a contract whose cost to the City is the sum of: the actual costs of materials, and direct labor hours charged at fixed hourly rates that reflect wages, general and administrative expenses and profit.
 - a. The City may use a time and materials type contract paid with federal funds in accordance with the above only (1) after a determination that no other contract is suitable; and (2) if the contract includes a ceiling price that the contractor exceeds at its own risk.
17. The City ensures that all prequalified lists of persons, firms, or products which are used in acquiring goods and services are current and include enough qualified sources to ensure maximum open and free competition. The City accomplishes this by conducting internet searches, including using vendor searches and by using other less technologically-advanced tools to locate and identify potential contractors. Federal guidelines are followed regarding the number of bids required.
18. The City requires that construction or facility improvement contracts, or subcontracts exceeding \$175,000, include a bid guarantee equivalent to 5 percent of the bid price from each bidder (such as bid bond or check), a performance bond on the part of the contractor for 100 percent of the contract price, and a payment bond on the part of the contractor for 100 percent of the contract price.

Note: The City's purchasing policy does not apply to procurement by contractors or subcontractors on projects, federally supported or otherwise.

IV. PAYROLL AND TIMEKEEPING

The following provisions apply to the payment of employees and recording of time and effort (as required) in accordance with OMB UG:

1. The payroll records must be supported by a system of internal control which provides reasonable assurance that the charges are accurate, allowable, and properly allocated including:
 - a. The total number of hours worked each day.
 - b. The use of any holiday, personal, vacation, sick or other approved time off with pay.
 - c. The total number of hours to be paid.
 - d. The allocation of those hours to each program or department for which work was performed, when necessary.
 - e. The dated signature or electronic signature of the employee and supervisor for each payroll period.
2. Be incorporated into the City's official records.
3. Reasonably reflect the total activity for which the employee is compensated.
4. Encompass federally-assisted and all other compensated activities by the City on an integrated basis but may use subsidiary records.
5. Support the distribution of the employee's salary or wages among specific activities if the employee works in more than one area.
6. Budget estimates are not an allowable form of allocation, but may be used in the interim if:
 - a. The system for establishing estimates provides reasonable approximations.
 - b. Significant work changes are entered into the system in a timely manner.
 - c. The City's internal controls include review of after-the-fact interim charges.

7. Salaried employees charged to a federal grant will document time and effort as outlined in paragraph 1 above. The time must also be supported by records indicating the total number of hours worked each day.

It is the responsibility of the employee being charged to a federal award(s) to clarify documentation requirements with the Assistant City Administrator/Human Resources Director or Finance Director and provide appropriate documentation to the Payroll Specialist as it becomes available. The employee should retain a copy of the documentation for his/her personal records. If an after-the-fact correction is necessary to an employee's timesheet due to errors in the allocation of time worked, such corrections must be submitted to the Assistant City Administrator/Human Resources Director and approved in writing by both the employee and his/her supervisor.

Certifications should never be signed prior to the end date of the payroll period being certified. Each certification should be provided to the Payroll Specialist when available. Employees should retain a copy of the certifications for his/her personal records.

V. GRANT ADMINISTRATION

The following policies and procedures will also be applied, to the extent that they do not conflict with or contradict any existing Council policies:

GRANT DEVELOPMENT, APPLICATION, AND APPROVAL

1. Legislative Approval – The point at which legislative approval is required is determined by the requirements of the grant program. If the grant must be submitted by “an individual authorized by the legislative body”, then City Council approval is required prior to submitting the application. If such legislative approval is not specifically required by the written terms of the grant, then the City Administrator or designee may, at his or her discretion, approve grant applications.
2. Matching Funds – Grants that require cash local matches must be coordinated through the Finance Department. At a minimum, funds must be identified within the existing budget to provide the match, or a budget amendment will be required. Depending on the nature of the grant, there may also be some policy implications that will bear discussion. For example, will the grant establish a level of service that cannot be sustained once the grant funds are depleted.

In all cases involving matching funds, the grant applicant should contact the Finance Department to determine the strategy for securing matching funds.

Refer to the section titled Matching, Level of Effort and Earmarking for additional information on compliance with the provisions of the OMB UG Compliance Supplement.

3. Grant Budgets – Most grants require the submission of an expenditure budget. The Finance Director will review this portion of the grant request prior to submission. Frequently, a technical review will discover inconsistencies in the calculations, cost centers that might have been overlooked, or identify reimbursable expenses of which program staff may not be aware – particularly in the area of indirect costs.

GRANT PROGRAM IMPLEMENTATION

1. Notification and Acceptance of an Award – Official notification of a grant award is typically sent by a funding agency to the Program Director and/or other official designated in the original grant proposal. However, the authorization to spend grant

funds is derived from the City Council through the approval of a grant budget. Such notification should also be directed to the Finance Department.

2. Establishment of Accounts – The department that obtained the grant will provide the Finance Director with information needed to establish revenue and expense accounts for the project, as well as a project code for tracking purposes. Ordinarily, this information will include a copy of a summary of the project and detail of the full project budget.
3. Purchasing Guidelines – All other City purchasing guidelines apply to the expenditure of grant funds. The use of grant funds does not exempt any purchase from normal purchasing requirements. All typical paperwork and bidding requirements as well as normal staff approvals apply. When in doubt, the Program Director should contact the Finance Director for further assistance.

FINANCIAL AND BUDGETARY COMPLIANCE

1. Monitoring Grant Funds – Departments may use some internal mechanism (such as a spreadsheet) to monitor grant revenues, expenditures and budgetary compliance, at the grant level. The Finance Director maintains all this information in financial software system as well; this is considered to be the City's official accounting system by the granting agencies. Program Directors are strongly encouraged to use financial software reports provided by the Finance Department for their grant tracking.

If any off-system accounting records are maintained, it is the responsibility of the Program Director to ensure that the program's internal records agree to the City's accounting system.

2. Fiscal Years – Occasionally, the fiscal year for the granting agency will not coincide with the City's fiscal year. This may require adjustments to the City's internal budget accounts and interim financial reports as well as special handling during fiscal year-end close. It is the responsibility of the Program Director to bring such discrepancies to the attention of the Finance Department at the time the grant accounts are established.
3. Grant Budgets – The terms of each specific grant will dictate whether any budget transfers between budgeted line items will be permitted. In no case will the Program Director be authorized to exceed the total budget authority provided by the grant.

If grant funds have not been totally expended by fiscal year-end, it is the responsibility of the Program Director to notify the Finance Director that budgeted funds need to be carried forward to the new fiscal year, and to confirm the amounts of such carryforwards. Carryforwards of grant funds will be subjected to maximum allowable amounts/percentages based on the grant award agreement and/or the OMB UG Compliance Supplement.

Capital Assets – The City is responsible for maintaining an inventory of assets purchased with grant funds. The City is accountable for them and must make them physically available for inspection during any audit. The City Council must approve of any sale of these assets. Customarily, the proceeds of the sale can only be used on the grant program that purchased them. (Refer to the specific regulations governing the original grant).

The Finance Director will coordinate this grant requirement. All transactions that involve the acquisition or disposal of grant funded capital assets must be immediately brought to the attention of the Finance Director. Refer to the City's capital assets procedures and the section of this document titled Equipment and Real Property Management for additional information.

RECORD KEEPING

1. Audit Workpapers – The City’s external auditors audit all grants at the end of each fiscal year. The Finance Department will prepare the required audit work papers. Program Directors may be asked to assist in this process, if necessary.
2. Record Keeping Requirements – Grant record keeping requirements may vary substantially from one granting agency to another. Consequently, a clear understanding of these grant requirements at the beginning of the grant process is vital. The Finance Department will maintain copies of all grant draw requests and approved grant agreements (including budgets). The Program Director should maintain all other records.

OTHER GUIDELINES

Specific information on policies and procedures related to compliance with the provisions of the OMB UG Compliance Supplement have been addressed later in this policy and should be considered along with the information in this section.

VI. YEAR-END CLOSING AND REPORTING

The following provisions will govern the year-end close-out process of the City for purposes of external financial reporting:

1. To the extent that the City is required to have a single audit completed in accordance with OMB UG, the Finance Department will accumulate the information necessary to prepare a Schedule of Expenditures of Federal Awards (“SEFA”) in accordance with federal and state requirements. This schedule will be characterized as follows:
 - a. The schedule will include all federal financial assistance, including grants, contracts, property, loans, loan guarantees, interest subsidies, cooperative agreements, insurance or direct appropriations. Amounts will be reported whether received directly from the Federal government or through a pass-through entity (in the event that the City is determined to be a subrecipient and not a vendor).
 - b. The schedule will be prepared on the same basis of accounting as the related financial statements.
 - c. Federal awards will be grouped based on the awarding federal agency. Each federal award with current expenditures will be listed along with its Assistance Listing Number, pass-through grantor name (if applicable) and award/pass-through grantor number (if applicable). Such information will agree to the award documentation.
 - d. If the Assistance Listing Number of a federal award cannot be reasonably determined, it shall be reported in the schedule using the two-digit prefix for the related federal agency, followed by “UNKNOWN”.
 - e. To the extent that amounts are passed through to sub-recipients, this information will be included on this schedule.
 - f. In addition to current year expenditures, the schedule will list approved award/grant amount, accrued/deferred revenue at the beginning of the year, current year cash received, current year actual expenditures, and accrued/deferred revenue at the end of the year. If expenditures were incurred relative to this award in the prior year(s), this amount should be disclosed as memorandum-only.
 - g. Any adjustments to prior year awards, expenditures, and balances (including transfers between grants) will be disclosed in the footnotes to the schedule.
 - h. Accrued/deferred revenue in the schedule shall agree to the amounts recorded as receivable/deferrals in the related financial statements.

- i. To the extent that a separate line item is included in the financial statements for federal revenue, this amount shall agree to expenditures in the schedule. Any reconciling items will be disclosed in the footnotes to the schedule.

VII. ADDITIONAL FEDERAL AWARDS COMPLIANCE REQUIREMENTS

A number of the federal awards received by the City are passed-through the State of Minnesota. Management will consider both the OMB UG Compliance Supplement and any applicable compliance requirements as set forth by the State of Minnesota.

VIII. GENERAL INFORMATION

Source of Information – Each year the Federal government (Office of Management and Budget) issues a comprehensive document on the compliance requirements each grant recipient is obligated to follow in general terms, along with program-specific guidance on various grant awards. There are 12 compliance requirements identified, each of which is considered individually in this document.

The following pages document the policies and procedures of the City related to compliance with such procedures, as applicable. In each year that the City is subject to a single audit, applicable compliance requirements are expected to be tested in detail by the City's independent auditors.

Objectives – The objectives of most compliance requirements are generic in nature. While the criteria for each program may vary, the main objective of the compliance requirement is relatively consistent across all programs. As such, the policies and procedures of the City have been based on the generic sense of the compliance requirement. For selected compliance requirements, this document addresses the specific regulations applicable to individual grants. This is not intended to imply that a program is not subject to such policies if it is not specifically mentioned here. It is the intention of the City that all federal awards are subject to the following policies and procedures.

Controls over Compliance – In addition to creating policies and procedures over compliance with provisions of federal awards, the City has implemented internal controls over such compliance, generally in the form of administrative oversight and/or independent review and approval. In order to document these control activities, all independent reviews must be signed/initialed and dated.

Documentation – The City will maintain adequate documentation to support both the compliance with applicable requirements as well as internal controls over such compliance. This documentation will be provided to the City's independent auditors and/or pass-through grantor agencies, as requested, during the single audit and program audits.

IX. ACTIVITIES ALLOWED/UN-ALLOWED AND ALLOWABLE COSTS/COST PRINCIPLES

Source of Governing Requirements – The requirements for activities allowed or unallowed are contained in program legislation, Federal awarding agency regulations, and the terms and conditions of the award. The requirements for allowable costs/cost principles are contained in 2 CFR 200 Subpart E, program legislation, Federal awarding agency regulations, and the terms and conditions of the award.

In order to ensure compliance with these requirements, the City has implemented the following policies and procedures:

1. All grant expenditures will follow 2 CFR 200 Subpart E, State law, city policy, and the provisions of the grant award agreement, which will also be considered in determining

allowability. Grant funds will only be used for expenditures that are considered reasonable and necessary for the administration of the program.

2. Grant expenditures will be approved by department heads/program managers initially through the purchasing process and again when the bill or invoice is received. This will be evidenced by approval via the City's accounting software. Accounts payable disbursements will not be processed for payment by the Finance Department until necessary approval has been obtained.
3. Payroll costs will be documented in accordance with 2 CFR 200 Subpart E as described in the section of this document titled Payroll and Timekeeping. An indirect cost rate will only be charged to the grant to the extent that it was specifically approved through the grant budget/agreement. When allowable, indirect costs will be charged based on the Cost Allocation Plan of the City.

X. CASH MANAGEMENT

Source of Governing Requirements – The requirements for cash management are contained in OMB UG 2 CFR 200.302 & 305, program legislation, Federal awarding agency regulations, and the terms and conditions of the award.

In order to ensure compliance with these requirements, the City has implemented the following policies and procedures:

1. Substantially all the City's grants are awarded on a reimbursement basis. As such, program costs will be expended and disbursed prior to requesting reimbursement from the grantor agency.
2. Cash draws will be initiated by the Program Director, or their designee, who will determine the appropriate draw amount. Documentation of how this amount was determined will be retained and signed/dated.
3. The physical draw of cash will be processed through the means prescribed in the grant agreement.
4. A copy of the cash draw paperwork will be filed along with the approved paperwork described above and retained for audit purposes.
5. When cash is received in advance, the City will work to minimize time lapse between transfer of funds and disbursement by the City.

XI. ELIGIBILITY

Source of Governing Requirements – The requirements for eligibility are contained in program legislation, Federal awarding agency regulations, and the terms and conditions of the award.

1. Federal grants will only benefit those individuals and/or groups of participants that are deemed to be eligible.

XII. EQUIPMENT AND REAL PROPERTY MANAGEMENT

Source of Governing Requirements – The requirements for equipment are contained in OMB UG 2 CFR 200.310-316, program legislation, Federal awarding agency regulations, and the terms and conditions of the award.

The following policies and procedures will also be applied, to the extent that they do not conflict with or contradict any existing Council policies:

1. All equipment will be used in the program for which it was acquired or, when appropriate and allowable, other federal programs.

2. When required, purchases of equipment will be pre-approved by the grantor or pass-through agency. The Program Director, or designee, will be responsible for ensuring that equipment purchases have been previously approved, if required, and will retain evidence of this approval.
3. Equipment records will be maintained, and an appropriate system shall be used to safeguard equipment. Equipment should be assigned to a program and physical location on the inventory. If such equipment is moved, it will be noted and adjusted in the City's capital assets records.
4. When equipment is no longer needed for a federal program, it may be retained or sold with the Federal agency having a right to a proportionate amount of the current fair market value. Proper sales procedures shall be used that provide for competition to the extent practicable and result in the highest possible return.

Procedures for Disposition of Equipment

1. The City will keep, sell or otherwise dispose of the equipment with no further obligation unless disposal requirements are specifically detailed in the grant.
2. A record of the date, reason and method of disposal or sale will be maintained with the equipment inventory.

Equipment purchased will be identified and kept in a capital asset listing. An equipment listing shall be maintained that includes the following:

- a. Asset number and description of the equipment
- b. Location of the equipment
- c. Depreciation method & years of expected life
- d. Acquisition date
- e. Cost of the equipment
- f. Equipment classification (land, building, equipment, etc.)
- g. Make, Model, & Serial number or other identification number
- h. Vendor and invoice number to purchase equipment
- i. Disposition data including date and sale price of the equipment

A physical inventory of the property will be conducted periodically, and the results will be reconciled with the capital asset listing. A control system will be developed to ensure adequate safeguards to prevent loss, damage, or theft of the property. Any loss, damage or theft will be investigated.

Maintenance procedures are in place to keep the equipment in good condition.

XIII. MATCHING, LEVEL OF EFFORT AND EARMARKING

Source of Governing Requirements – The requirements for matching are contained in OMB UG 2 CFR 200.306, program legislation, Federal awarding agency regulations, and the terms and conditions of the award. The requirements for level of effort and earmarking are contained in program legislation, Federal awarding agency regulations, and the terms and conditions of the award.

The City defines matching, level of effort, and earmarking consistent with the definitions of the OMB UG Compliance Supplement:

Matching or cost sharing includes requirements to provide contributions (usually nonfederal) or a specified amount or percentage to match federal awards. Matching may be in the form

of allowable costs incurred or in-kind contributions (including third-party in-kind contributions).

Level of effort includes requirements for (a) a specified level of service to be provided from period to period, (b) a specified level of expenditures from non-federal or federal sources for specified activities to be maintained from period to period, and (c) federal funds to supplement and not supplant non-federal funding of services.

Earmarking includes requirements that specify the minimum and/or maximum amount of percentage of the program's funding that must/may be used for specified activities, including funds provided to sub-recipients. Earmarking may also be specified in relation to the types of participants covered.

In order to ensure compliance with these requirements, the City has implemented the following policies and procedures:

1. Compliance with matching, level of effort and earmarking requirements will be the responsibility of the Program Director.
2. Adequate documentation will be maintained to support compliance with matching, level of effort, and earmarking requirements. Such information will be made available to the Finance department, auditors, and pass-through or grantor agencies, as requested.
3. Maintenance of effort for grants through the State Minnesota will be determined at the State level.

XIV. PERIOD OF PERFORMANCE

Source of Governing Requirements – The requirements for period of performance of federal funds are contained in OMB UG 2 CFR 200.308-309 & 344, program legislation, Federal awarding agency regulations, and the terms and conditions of the award.

In order to ensure compliance with these requirements, the City has implemented the following policies and procedures:

1. Costs will be charged to an award only if the obligation was incurred during the funding period (unless pre-approved by the Federal awarding agency or passthrough grantor agency).
2. All obligations will be liquidated not later than 120 days after the end of the funding period (or as specified by program legislation).
3. Compliance with period of performance requirements will initially be assigned to the individual approving the allowability of the expense/payment. This will be subject to review and approval by the Finance Department as part of the payment processing.

XV. PROCUREMENT, SUSPENSION AND DEBARMENT

Source of Governing Requirements – The requirements for procurement are contained in OMB UG and 2 CFR 180, program legislation, Federal awarding agency regulations and the terms and conditions of the award. The requirements for suspension and debarment are contained in OMB UG and 2 CFR 180, which implements Executive Orders 12549 and 12689, Debarment and Suspension; program legislation; Federal awarding agency regulations; and the terms and conditions of the award.

In order to ensure compliance with these requirements, the City has implemented the following policies and procedures:

1. Purchasing and procurement related to federal grants will be subject to the general policies and procedures of the City (described in the section of this policy titled Purchasing and Procurement).
2. Contract files will document the significant history of the procurement, including the rationale for the method of procurement, selection of the contract type, contractor selection or rejection and the basis of contract price.
3. The Program Director will be responsible for determining whether the City is entering into a transaction that may be subject to suspension or debarment procedures and executing appropriate oversight and control activities at that time. The Program Director, or designee thereof, is required to check for excluded parties at the System for Award Management (SAM) website: <http://www.sam.gov/>.

XVI. PROGRAM INCOME

Source of Governing Requirements – The requirements for program income are found in OMB UG 2 CFR 200.307, program legislation, Federal awarding agency regulations, and the terms and conditions of the award.

In order to ensure compliance with these requirements, the City has implemented the following policies and procedures:

1. Program income will include (but will not be limited to): income from fees for services performed, the use or rental of real or personal property acquired with grant funds, the sale of commodities or items fabricated under a grant agreement, and payments of principal and interest on loans made with grant funds. It will not include interest on grant funds unless otherwise provided in the Federal awarding agency regulations or terms and conditions of the award.
2. The City will allow program income to be used in one of three methods:
 - a. Deducted from outlays
 - b. Added to the project budget
 - c. Used to meet matching requirements

In the absence of specific guidance in the Federal awarding agency regulations or the terms and conditions of the award, program income shall be deducted from program outlays.

3. Program income, when applicable, will be accounted for as a revenue source in the same project code as the federal grant.

XVII. SUB-RECIPIENT MONITORING

The City will ensure that every subaward is clearly identified to the sub-recipient as a subaward and includes the following information at the time of the subaward and, if any of these data elements change, include the changes in subsequent subaward modification. Required information includes:

1. Federal Award Identification.
 - a. Sub-recipient name (which must match the name associated with its unique entity identifier);
 - b. Sub-recipient's unique entity identifier;
 - c. Federal Award Identification Number (FAIN);
 - d. Federal Award Date (see §200.39 federal award date) to the recipient by the federal agency;

- e. Subaward Period of Performance Start and End Date;
- f. Amount of Federal Funds Obligated by this action by the pass-through entity to the sub-recipient;
- g. Total Amount of Federal Funds Obligated to the sub-recipient by the passthrough entity including the current obligation;
- h. Total Amount of the federal award committed to the sub-recipient by the pass-through entity;
- i. Federal award project description, as required to be responsive to the Federal Funding Accountability and Transparency Act (FFATA);
- j. Name of federal awarding agency, pass-through entity, and contact information for awarding official of the pass-through entity;
- k. Assistance Listing Number and Name; the pass-through entity must identify the dollar amount made available under each federal award and the Assistance Listing Number at time of disbursement;
- l. Identification of whether the award is R&D; and
- m. Indirect cost rate for the federal award (including if the de minimis rate is charged per §200.414 Indirect (F&A) costs).

The City will perform a written risk assessment of each sub-recipient, evaluating their risk of noncompliance with Federal statutes, regulations, and the terms and conditions of the subaward for purposes of determining the appropriate sub-recipient monitoring described in 2 CFR 200.332.

The City will monitor the activities of the sub-recipient as necessary to ensure that the subaward is used for authorized purposes, in compliance with Federal statutes, regulations, and the terms and conditions of the subaward; and that subaward performance goals are achieved.

The City will verify that every sub-recipient is audited as required by OMB UG 2 CFR 200 Subpart F when it is expected that the sub-recipient's Federal awards expended during the respective fiscal year equaled or exceeded the threshold.

XVIII. SPECIAL TESTS AND PROVISIONS

In order to ensure compliance with these requirements, the City has implemented the following policies and procedures:

- 1. The Finance Director will be assigned the responsibility for identifying financial related compliance requirements for special tests and provisions, determining approved methods for compliance, and retaining any necessary documentation. Program-related compliance requirements will be the responsibility of the department administering the grant.

 <p>City of South St. Paul ADMINISTRATIVE POLICIES AND PROCEDURES</p>	APP Department: Finance
	City Administrator Approval:
	City Council Approval: 12-21-2015 Issue Date: Revised Date:
SUBJECT: EMPLOYEE TRAVEL POLICY	

I. PURPOSE

The City recognizes that its employees may at times receive value from traveling for workshops, conferences, training and other assignments (both in and out of the State). This policy sets forth the conditions under which travel will be reimbursed by the City.

It is the purpose of this policy to establish adequate internal controls to satisfy Internal Revenue Service (IRS) regulations, State laws, and to provide a framework to use as a guide to prescribe circumstances for which travel reimbursements or credit/purchasing card transactions will be authorized.

The City Council approved budget document provides specific detail on seminars, workshops, conferences and other training that is anticipated for the year, including estimated costs. Division Managers/Department Heads have the authority to approve travel for their staff within the confines of the budget. The City Administrator has the authority to approve travel for Division Managers/Department Heads.

II. DEFINITIONS

Purchasing/credit card – the City currently has credit cards for a few City staff. The City will be converting these to purchasing cards, which are similar to credit cards, but allow restricted uses to be placed on the card.

Detailed Receipts – for meals this means the actual detail of what was ordered, not just the total charge amount.

III. POLICY

The City will pay or reimburse all travel costs that are both reasonable and necessary. All persons conducting official City business are expected to show good judgment in the nature and amount of expenses incurred while conducting City business. Per Minnesota Statute, purchases of alcoholic beverages cannot be reimbursed. Travel must be by the most direct or normally traveled route unless approved in advance by the employee’s supervisor. Reimbursement will be limited to the cost of travel by a direct route or on an uninterrupted basis. The employee will be responsible for any additional costs exceeding the business purpose related expenses.

Transportation. Coach airplane passage is considered standard for travel out of the state, as air travel is usually more economical in time and money than other modes of transportation when making long trips. Airplane tickets must be purchased on a City purchasing/credit card. When traveling by automobile, reimbursement will be made at the mileage rate in effect at the date of travel and will be based on the most direct route from the point of departure to the point of destination. Car rental at the travel destination is rarely warranted and prior approval by the City Administrator is necessary. Cost of train, shuttle or taxi to get to and from the destination hotel is reimbursable, and the employee should use the most economical mode of transportation available.

Lodging. Hotel or motel accommodations should be appropriate to the purposes of the trip. Where multiple occupancy by other than City employees/officials occurs, only the actual cost of the single room rate (if different from the double room rate) may be claimed for reimbursement or charged on the City purchasing/credit card. Expenses that are not deemed reasonable and necessary will not be reimbursed. Some non-reimbursable examples are: movies in the hotel room, fees to use the hotel's health club, dry cleaning and personal items such as toothpaste, etc.

Meals and Incidental expenses. The per diem allowance is in accordance with published federal per diem rates per meal, which are updated annually. The meal limits can be combined for the full day, if eligible for all three meals. In the event that meals are included in any registration fee, that particular meal cannot be claimed for reimbursement, even if the employee chooses to have that meal elsewhere. On the day of departure from Minnesota the following flight times determine meal eligibility: leave after 10:00 AM, lunch and dinner only; leave after 12:00 PM, dinner only; leave after 6:00 PM no meals for that day. On the day of return to Minnesota: leave after 10:00 AM, breakfast only; leave after 12:00 PM, breakfast and lunch only; leave after 6:00 Pm, eligible for all three meals. If an employee requests reimbursement for more than the per diem allowances, all meal receipts must be submitted for the day. Expenses that are specifically excluded are alcoholic beverage and entertainment expenses and any expenses incurred for other persons. Incidental expenses include fees and tips given to porters, baggage carriers, bellhops, hotel maids. For 2016 the GSA midrange meals and incidental costs are: Breakfast \$13, Lunch \$15, Dinner \$26, Incidentals \$5. After 2016, if there are changes in the GSA midrange meal limits they will be reflected on the Travel Expense Form and will be part of the annual Mileage Rate Resolution.

III. PROCEDURE

Department heads/City Administrator shall approve travel of their staff to conferences, seminars, workshops, and other training prior to incurring expenses. This prior authorization can be done via email/other notification. Travel should be arranged in advance to obtain airfare at a reasonable cost. Airfare, event registration and lodging needs to be booked using a city purchasing/credit card.

IV. PROCEDURE (CONTINUED)

Employees must save all detailed receipts and if assigned a purchasing/credit card it should be used for all meals and incidentals whenever possible. Alcoholic beverages cannot be charged to the city card

Upon return, employee will fill out an expense reimbursement form for any meals and incidental expenses requiring reimbursement. If all expenses were incurred using the city purchasing/credit card, then a claim form will be prepared and all receipts must be attached to the form. Expense forms and purchasing/credit card claim forms must be reviewed and approved by the department head or City Administrator.

Falsification of travel documents/expense reporting, resulting in overpayment of the City's assets, may be cause for disciplinary action. It is the employee's responsibility to: maintain accurate records; make a conscious effort to minimize expenses while maintaining an adequate level of comfort and convenience; request reimbursement in an accurate and timely manner.

While this policy aims to address the usual aspects of costs that may be incurred when traveling on City business, there may be an unforeseen expense or circumstance that requires deviation from the policy. In such an event, the Finance Director will review the situation and determine the appropriate resolution.

V. AUTHORITY FOR IMPLEMENTATION AND ENFORCEMENT

The City Administrator and the Mayor/City Council are responsible for setting the policy and enforcing the policy. The Finance Director is responsible for coordinating the ongoing implementation and enforcement of this Policy, under general supervision by the City Administrator and Mayor/City Council.

 <p>City of South St. Paul ADMINISTRATIVE POLICIES AND PROCEDURES</p>	APP Department: Finance
	City Administrator Approval:
	City Council Approval: 12-7-15 Issue Date: Revised Date:
SUBJECT: ELECTED OFFICIAL OUT-OF-STATE TRAVEL POLICY	

I. PURPOSE

The City of South St. Paul recognizes that its elected official may at times receive value from traveling out of the state for workshops, conferences, events and other assignments. This policy sets forth the conditions under which out-of-state travel expenses will be reimbursed by the City. The City Council approved budget provides specific detail on any anticipated out of state conferences, training and workshops.

II. POLICY

The event, workshop, conference or assignment must be approved in advance by the City Council at an open meeting and must include an estimate of the cost of the travel. In evaluating the out-of-state travel request, the Council will consider the following:

- Whether the elected official will be receiving training on issues relevant to the city or to his or her role as the Mayor or as a council member;
- Whether the elected official will be meeting and networking with other elected officials from around the country to exchange ideas on topics of relevance to the City or on the official roles of local elected officials.
- Whether the elected official will be viewing a city facility or function that is similar in nature to one that is currently operating at, or under consideration by the City where the purpose for the trip is to study the facility or function to bring back ideas for the consideration of the full council.
- Whether the elected official has been specifically assigned by the Council to testify on behalf of the city at the United States Congress or to otherwise meet with federal officials on behalf of the city.
- Whether the city has sufficient funding available in the budget to pay the cost of the trip.

No reimbursements will be made for attendance at events sponsored by or affiliated with political parties.

The Assistant City Administrator will make payments in advance for airfare, lodging and registration on the city purchasing/credit card on behalf of the elected officials. The City will reimburse for travel expenses using the same procedures, limitations and guidelines outlined in the Employee Travel Policy. There are two differences from the employee travel policy. The first is that elected officials can request an advance to cover their meals and incidental costs. The second difference is that elected officials should turn in all detailed receipts for documenting the costs they incurred while traveling.

OTHER PROVISIONS THE CITY MAY WANT TO CONSIDER:

- Limitations on the number of council members who can attend the same event;
- Limitations on paying for council members who have announced their intention to resign, not to seek reelection, or who have been defeated in an election (however, there may be some benefit to the city in having newly elected officials who have not yet taken office attend training beforehand);
- Requirements for council members to give oral or written reports on the results of the trip at the next Council meeting;
- Requirements for the council members to turn over materials received to the city;
- The ability for the city to make exceptions to the policy;
- The requirement for all frequent flyer miles to accrue to the city;
- Requirements to use the most cost-efficient mode of travel available taking into consideration reasonable time constraints; or
- The requirement to use a city car when available;

III. AUTHORITY FOR IMPLEMENTATION AND ENFORCEMENT

State Statutes require that all Cities have an Elected Official Out-of-State Travel Policy. The City Administrator and the Mayor/City Council are responsible for setting the policy and enforcing the policy. The Finance Director is responsible for coordinating the ongoing implementation and enforcement of this Policy, under general supervision by the City Administrator and Mayor/City Council.

 <p>City of South St. Paul ADMINISTRATIVE POLICIES AND PROCEDURES</p>	APP Department: Finance	
	City Administrator Approval:	
	City Council Approval:	12-5-16
SUBJECT: AIRPORT REVENUE AND ALLOWABLE USE OF AIRPORT REVENUES		

I. PURPOSE

The purpose of this policy is to ensure compliance with the requirements of the federal regulations and the terms and conditions of the federal award from the Federal Aviation Administration (FAA). The Airport Improvement Program Grant and 49 USC 47107(b) requires the City to make certain assurances in regards to airport revenues and has established the general requirements for the use of airport revenue.

II. DEFINITIONS

Airport Revenue – All fees, charges, rents or other payments received by or accruing to the sponsor which are generated at the Airport.
Grant Funds – All funds received from the FAA and MNDOT for maintenance, equipment or capital improvements at the Airport.

III. POLICY

All revenue generated at the Airport will be recorded in the Airport Operating Fund, with the exception of PILT which is split between the Airport and the City General Fund based on tax rates. This exception was approved by FAA. All Grant dollars for maintenance will be recorded in the operating fund. Grant dollars received for capital improvements at the Airport will be recorded in the Airport Capital Fund. Revenues generated at the airport include lease revenues, tie down fees, gate and ramp fees, fuel sales, and other miscellaneous charges. The city will maintain a fee and rental structure for the facilities and services at the airport which will make the airport as self-sustaining as possible under the circumstances existing at the airport taking into account such factors as the volume of traffic and economy of collection.

Airport revenue may be used for the capital and operating costs of the airport. Operating costs for the airport include both direct and indirect costs. Such costs may include reimbursements to the City for the costs of services actually received and documented. The airport may repay internal loans from the City, including principal and interest. The City allocates interest to all funds based on average cash balances and at the portfolio rate of interest. A portion of general costs of government will be allocated through the Administrative Support Charge. The calculation of this cost allocation must be consistently and equitably applied to all cost centers of the City, including the Airport, and all costs included in the allocation must be eligible for expenditure of Airport revenue under section 47107(b).

The City will adhere to the specific allowable costs identified in 2CFR200, subpart E and in the FAA Airport Compliance Manual which incorporates the federal guidelines for the use of all airport revenues.

IV. PROCEDURE

The City has established two funds for all Airport activity – one operating fund and one capital fund. All revenues will be coded to one of these funds, depending on the use of those dollars. All hangar leases and lease changes will go to the council for approval.

Finance will bill all leases and record all fuel purchases. Analytic procedures will be applied by the Finance Director throughout the year to ensure all revenues generated at the Airport are recorded into the Airport funds.

Expenditures of Airport revenues will adhere to the Council approved budget and to federal requirements. Grant specific improvement projects will be budgeted through the annual Capital Improvement plan. The approval of individual capital improvements are required to go back to the Council for approval and will only occur if the grant funding is authorized by FAA and/or MNDOT.

See Airport Revenue and Allowable Uses section in the Procedures Manual for more detailed processes.

V. AUTHORITY FOR IMPLEMENTATION AND ENFORCEMENT

The Finance Director of the City is designated as the person who is responsible for the implementation of the Airport Revenue and Allowable Use of Airport Revenues procedures, with general supervision by the City Administrator and Mayor/City council.