City of North St. Paul
City Council
Workshop Meeting Agenda

March 4, 2025
5:15 PM

The City Council Workshop Meeting will be conducted on **March 4, 2025** at 5:15 p.m. in the Council Chambers at City Hall, located at 2400 Margaret St., North St. Paul.

You can watch the meeting on our YouTube channel here: **tinyurl.com/NSPYouTube**

I. Call to Order

II. Roll Call

Council Member McKenzie
Council Member Schweer
Council Member Woods
Council Member Nordby
Mayor Monge

III. Adopt Agenda

IV. Topic(s)

A. Finance - various topics

V. Other Business

VI. Adjournment

The next regularly scheduled City Council Workshop meeting is March 18, 2025.

NORTH ST. PAUL
extraordinary.

Agenda Information Memorandum

To	Date
Honorable Mayor Monge and City Council	March 4, 2025

Agenda Placement # IV.A

Topic(s)

Subject

Finance - various topics

Background/Facts

The Finance Department will cover a number of topics:

- Tax Increment Financing
- 2024 Budgets (General Fund & Enterprise Funds)
- 2026 Budget Process Discussion
- Finance Department Update

Recommended Action

Attachments

1. TIF Basics 3.4.25
2. General Fund Budget Workbook 2024 - 12.31.24
3. Enterprise Fund Budget Workbook 2024 - 12.31.24
4. 2026 Budget Process Discussion 3.4.25
5. Finance Dept Update 3.4.25

Respectfully submitted,
Daniel Winek, Finance Director

TAX INCREMENT FINANCING

March 4, 2025

City of North St. Paul

Purpose

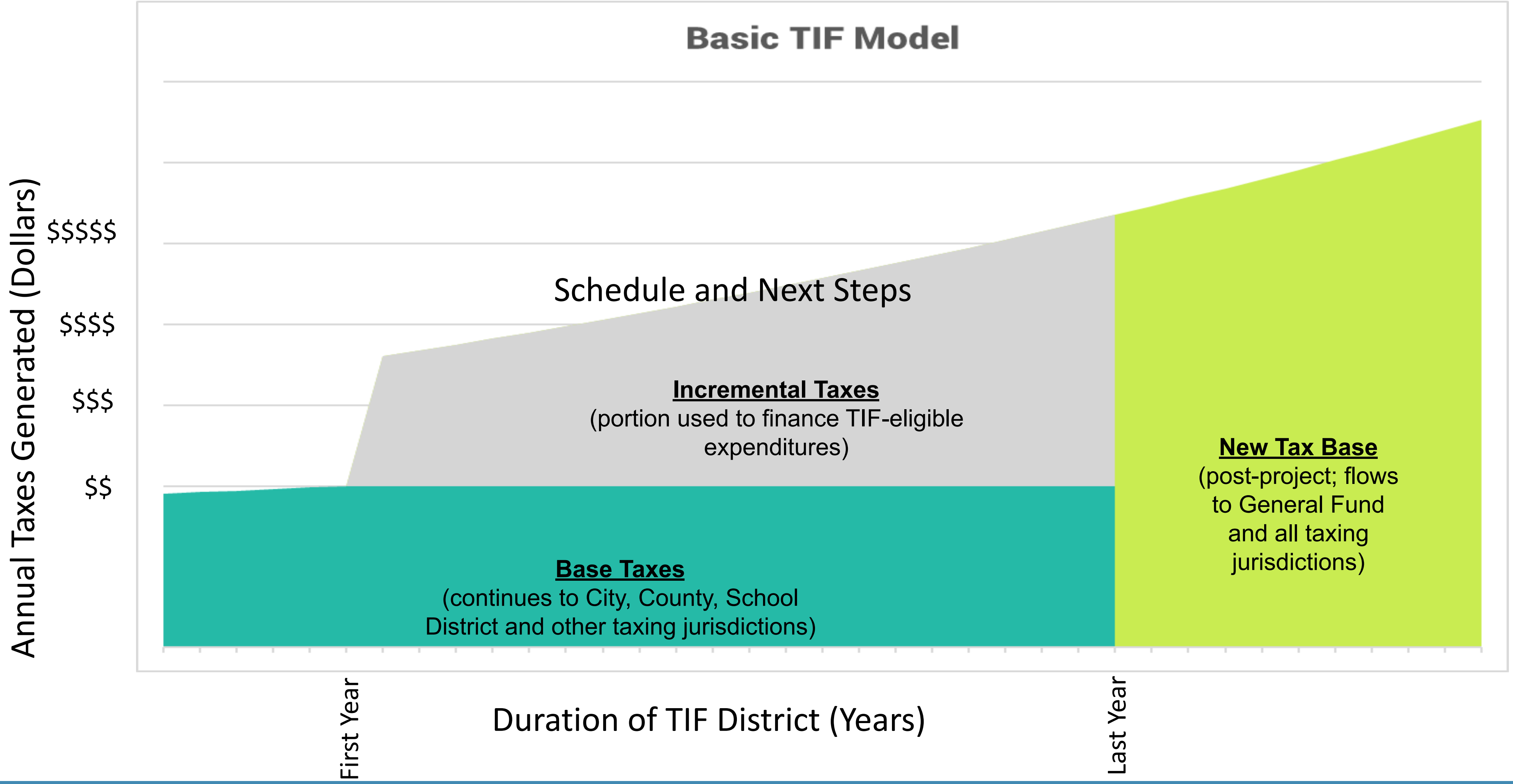
- Overview of tax increment financing (TIF)
- How a TIF District is created
- What drives the need for public financing?
- Types of TIF Districts
- TIF – Eligible Costs
- TIF – Common methods for Financing Options
- North St. Paul TIF Districts & Expiration Dates
- North St. Paul TIF Districts – 2023 Disclosure
- Pooling of TIF 4-2, 4-4, & 4-6
- General Pooling Authority
- Develop TIF Policy
- Questions and Discussion

Tax Increment Financing (TIF) - Overview

- **What: Financing tool established by the State Legislature authorizing the City to utilize additional property taxes paid as a result of a development to finance a portion of development costs.**

- **How: When a TIF district is created, the tax capacity of the property in the district prior to new development is certified as the "original tax capacity". The pre-development values in the district establish a baseline upon which tax rates are applied and collected over the duration of the district; taxing jurisdictions continue to receive taxes based on the original value of the property. As the property in the district increases in value above the original tax capacity due to improvements, the resulting increase in taxes, or increment, is captured to pay for eligible costs within that district.**

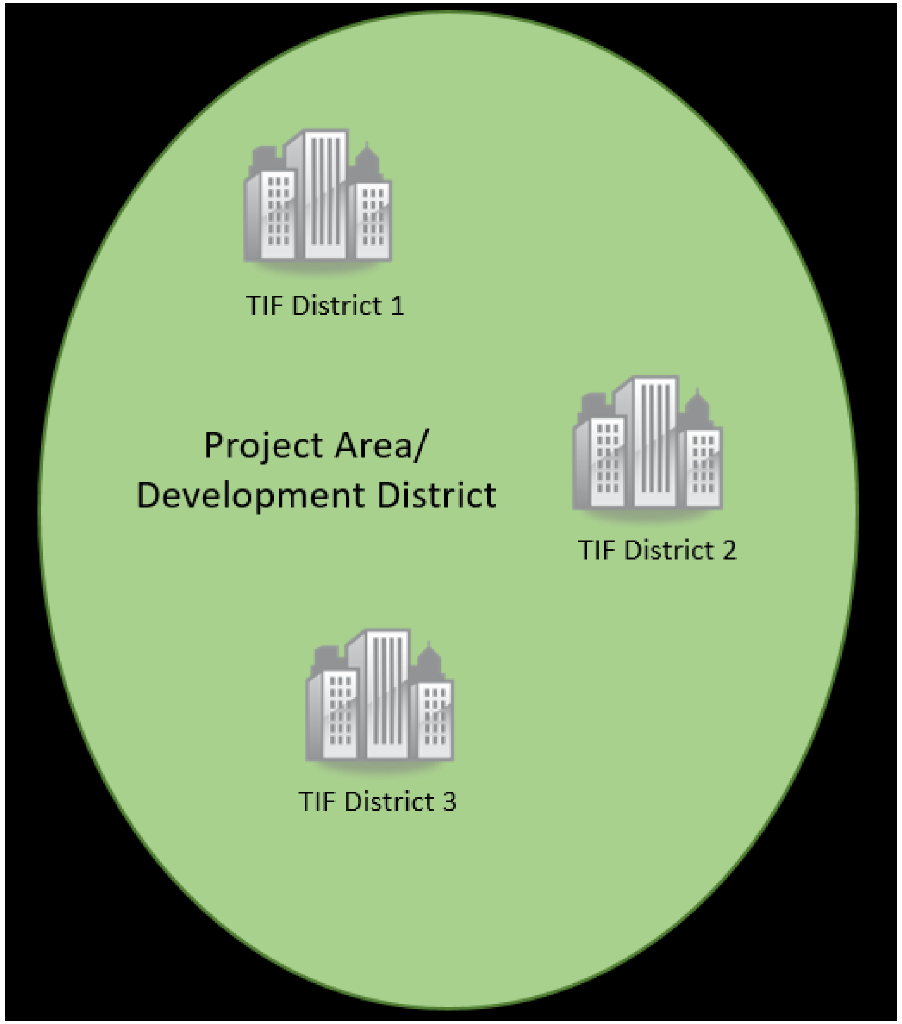
Tax Increment Financing (TIF) - Overview



How a TIF District is created

- Project Area (Development District)
  - Where portion of TIF dollars can be spent, with limitations

- TIF District (Specific Project)
  - TIF Plan
    - Budget
    - Geographic boundaries
    - Purpose
  - Public Hearing
  - Certification



What drives the need for public financing?

- **Extraordinary redevelopment costs**
- **Extraordinary affordable housing costs**
- **Hold out property owner, land price too high**
- **Development needs more than it can pay for**
- **“Oversizing” of utility and infrastructure for future growth**
- **Developer wants less risk/more return than typical market conditions dictate**
- **Market competition**

Types of TIF Districts

Determines Timeframe, Uses of TIF and Ongoing Requirements

- **Economic Development: Project or portion of project results in increased employment, preservation or enhancement of tax base, discourages business from moving operations elsewhere, 8-year maximum term.**

- **Housing: Development of low and moderate-income housing, 25-year maximum term.**

- **Redevelopment: Redevelopment and improvement of blighted areas (70% of area in district occupied by buildings, more than 50% of building must be structurally substandard); can be used for a variety of projects)e.g. housing, mixed-used, manufacturing, parking structures); 25-year maximum term.**

- **Renewal/Renovation: Must meet blight test (70% of area in district occupied by buildings, streets, utilities or other improvements; 20% of buildings must be structurally substandard; 30% of other buildings must have conditions that require clearance or substantial renovation, 15-year maximum term.**

- **Soils Condition: Site contains pollution and cost of cleanup exceeds lesser of $2/sq. ft. or the fair market value of the land; can be sued for acquisition and environmental cleanup; 20-year maximum term.**

TIF - Eligible Costs

- **Public Improvements (project related – streets, sidewalls, sewers, water)**
- **Land Acquisition**
- **Soil Correction-Site Grading**
- **Site Preparation/Demolition**
- **Relocation**
- **Cost of Qualifying Housing**
- **Financing Fees/Capitalized Interest**
- **Administrative Costs**

TIF – Common methods for Financing Options

- **Upfront**
  - **G.O. Tax Increment Bonds**
    - **Can be issued without a referendum if tax increment contributes at least 20% of debt service costs**
  - **Interfund Loan**
  - **Risk mitigation factors**
- **Pay-as-you-go (PayGO) Notes**
  - **Project financed upfront by developer**
  - **Developer pays annual property taxes**
  - **Developer is reimbursed over time, to the extent increment is available**

North St. Paul TIF Districts & Expiration Dates

• 4-2 Penn Place	12/31/2029
• 4-4 Charles Street	12/31/2032
• 4-5 Reflex (Decertified in 2022)	12/31/2037
• 4-6 Senior Housing	12/31/2041
• 4-7 (M&I Homes) Anchor Block South	12/31/2041
• 4-8 (Uptown Commons) 7th & Margaret Street	12/31/2047
• 4-10 Anchor Block North Housing	12/31/2048
• 4-11 Anchor Block North Commercial	12/31/2042
• 4-12 Lillie Building Redevelopment	12/31/2051

North St. Paul TIF Districts – 2023 Disclosure

City of North St Paul, Minnesota

Annual Disclosure of Tax Increment Districts for the Year Ended December 31, 2023

TIF District Name:	TIF 4-2 (Penn Place)	TIF 4-4 (Charles Street)	TIF 4-5 (Reflex 7th Avenue E)	TIF 4-6 (Helen Street Senior Housing)	TIF 4-7 Anchor Block South Housing	TIF 4-8 North Saint Paul Apartments	TIF 4-10 Anchor Block North Housing	TIF 4-11 Anchor Block South Soils
Current net tax capacity	$159,490	$218,140	$0	$247,408	$359,176	$261,593	$250,650	$315,120
Original net tax capacity	$24,097	$71,620	$0	$8,544	$31,383	$23,716	$15,973	$40,502
Captured net tax capacity	$135,393	$146,520	$0	$238,864	$327,793	$237,877	$234,677	$274,618
Principal and interest payments due in 2024	$83,931	$50,225	$0	$258,417	$372,532	$343,885	$298,531	$216,000
Tax increment received in 2023	$153,208	$143,796	-$28	$203,677	$418,316	$295,998	$296,345	$221,112
Tax increment expended in 2023	$75,968	$73,991	$48,426	$191,812	$284,143	$209,314	$187,827	$52,884
Month and year of first tax increment receipt	7/2004	7/2007	7/2012	7/2016	7/2021	7/2023	7/2023	7/2022
Date of required decertification	12/31/2029	12/31/2032	12/31/2023	12/31/2041	12/31/2041	12/31/2047	12/31/2047	12/31/2042
The total increased property taxes to be paid outside the district if fiscal disparities option A applies *	$0	$24,009	$0	$0	$0	$0	$0	$0

* The fiscal disparities property tax law provides that the growth in commercial-industrial property tax values is shared throughout the area. In a tax increment financing district, this value sharing can result in a decrease in tax increment financing district revenue or a tax increase for other properties in the municipality depending on whether the tax increment financing district contributes its share of growth. Amounts displayed here indicate that the district did not contribute its growth in commercial-industrial property tax values and represent the resulting increase in taxes on other properties in the City for taxes payable in 2023.

Pooling of TIF 4-2, 4-4, & 4-6

- **On December 20, 2022 City Council approved the pooling of unobligated tax increment revenues in TIF 4-2, 4-4, 4-6.**
- **Funds must be must be expended by December 31, 2025. Any unused TIF dollars must be returned to the applicable TIF district, or returned to County if district decertified.**
- **Purposes of the pooled funds:**
  - **To provide improvements, loans, interest rate subsidies, or assistance in any form to the private development consisting of the construction or substantial rehabilitation of buildings and ancillary facilities if the following conditions exist:**
    - **It will create or retain jobs in the state, including construction jobs;**
    - **Construction of the project and spending of the funds commences before December 31, 2025, and**
    - **The construction would not have commenced before that date without the assistance.**
- **To make an equity or similar investment in a corporation, partnership, or limited liability company that the City determines is necessary to make construction of a development that meets the requirements of the law financially feasible.**

General Pooling Authority – Portion of TIF Dollars Spent within Project Area – subject to limitations below

CRD date	Pooling Limit (% of increment)
After July 1, 1982 to Apr. 30, 1990	No limits imposed
After Apr. 30, 1990 to June 30, 1995	25% for all types of districts
After June 30, 1995	25% for redevelopment districts 20% for other types of districts

Pooled funds need to be spent on items in the "TIF – Eligible Costs" section and in an approved TIF District. Planned uses should be confirmed with the City's TIF consultant.

Develop TIF Policy

A TIF Policy:

- **Assists staff in achieving the City Council's vision and goals for the City**
- **Establishes the City's position related to use of TIF for development**
- **Assists staff in conversations with developers on redevelopment projects**
- **Helps to ensure TIF assistance is used in a consistent and equitable manner**
- **Should be flexible to allow the City to evaluate projects on merit**

Questions and Discussion

Questions and Discussion

UNAUDITED

CITY OF NORTH ST. PAUL, MINNESOTA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE PERIOD ENDED DECEMBER 31, 2024

	2024 Adopted Budget	12/31/2024 Actual	Variance from 2024 Actual to Budget Positive (Negative)		Projected Outstanding	12/31/2024 Projected & % to Budget		Projected Variance for 2024 Positive (Negative)	
REVENUES									
Taxes	6,016,632	5,965,791	(50,841)	-1%	-	5,965,791	99%	(50,841)	-1%
Special Assessments	-	1,456	1,456	0%	-	1,456	0%	1,456	0%
Licenses	81,400	75,500	(5,900)	-7%	-	75,500	93%	(5,900)	-7%
Permits	641,440	416,511	(224,929)	-35%	-	416,511	65%	(224,929)	-35%
Court Fines	30,000	16,990	(13,010)	-43%	-	16,990	57%	(13,010)	-43%
Intergovernmental	2,161,872	2,322,743	160,871	7%	-	2,322,743	107%	160,871	7%
Charges for Services	47,500	47,587	87	0%	-	47,587	100%	87	0%
Other Revenues	200,971	444,962	243,991	121%	-	444,962	221%	243,991	121%
Transfers	965,553	972,585	7,032	1%	-	972,585	101%	7,032	1%
TOTAL REVENUES	10,145,368	10,264,125	118,757	1%	-	10,264,125	101%	118,757	1%
EXPENDITURES									
City Council	124,879	111,944	12,935	10%	-	111,944	90%	12,935	10%
Administration	713,039	604,558	108,481	15%	-	604,558	85%	108,481	15%
Elections	45,000	36,587	8,413	19%	-	36,587	81%	8,413	19%
Finance	454,111	382,302	71,809	16%	-	382,302	84%	71,809	16%
Community Development	315,884	292,233	23,651	7%	-	292,233	93%	23,651	7%
Police	4,205,709	3,967,331	238,378	6%	-	3,967,331	94%	238,378	6%
Fire & Code Enforcement	1,409,159	1,384,555	24,604	2%	-	1,384,555	98%	24,604	2%
Building Inspections	645,553	413,420	232,133	36%	-	413,420	64%	232,133	36%
Street Maintenance	1,207,001	1,104,399	102,602	9%	-	1,104,399	91%	102,602	9%
Urban Forestry	486,226	476,047	10,179	2%	-	476,047	98%	10,179	2%
Park Maintenance	497,843	438,992	58,851	12%	-	438,992	88%	58,851	12%
Recreation	40,964	20,581	20,383	50%	-	20,581	50%	20,383	50%
TOTAL EXPENDITURES	10,145,368	9,232,949	912,419	9%	-	9,232,949	91%	912,419	9%
CHANGE IN FUND BALANCE	-	1,031,176	1,031,176			1,031,176		**1,031,176**	

UNAUDITED

CITY OF NORTH ST. PAUL, MINNESOTA
GENERAL FUND
STATEMENT OF EXPENDITURES
FOR THE PERIOD ENDED DECEMBER 31, 2024

	2024 Adopted Budget	12/31/2024 Actual	Variance from 2024 Actual to Budget Positive (Negative)		Projected Outstanding	12/31/2024 Projected	Projected Variance for 2024 Positive (Negative)	
CITY COUNCIL - 11								
Total Personnel Services	$34,343	$32,400	$1,943	6%	$0	$32,400	$1,943	6%
Total Supplies	350	127	$223	64%	-	$127	$223	64%
Total Contractual Services	90,186	79,417	$10,769	12%	-	$79,417	$10,769	12%
Total Capital	-	-	$0	0%	-	$0	$0	0%
Total Transfers	-	-	$0	0%	-	$0	$0	0%
TOTAL CITY COUNCIL	124,879	111,944	12,935	10%	-	111,944	12,935	10%
ADMINISTRATION - 12								
Total Personnel Services	276,399	272,126	$4,273	2%	$0	$272,126	$4,273	2%
Total Supplies	1,250	727	$523	42%	-	$727	$523	42%
Total Contractual Services	280,925	176,578	$104,347	37%	-	$176,578	$104,347	37%
Total Capital	-	662	($662)	0%	-	$662	($662)	0%
Total Transfers	154,465	154,465	$0	0%	-	$154,465	$0	0%
TOTAL ADMINISTRATION	713,039	604,558	108,481	15%	-	604,558	$108,481	15%
ELECTIONS - 14								
Total Personnel Services	-	-	$0	0%	$0	$0	$0	0%
Total Supplies	-	-	$0	0%	-	$0	$0	0%
Total Contractual Services	45,000	36,587	$8,413	19%	-	$36,587	$8,413	19%
Total Capital	-	-	$0	0%	-	$0	$0	0%
Total Transfers	-	-	$0	0%	-	$0	$0	0%
TOTAL ELECTIONS	45,000	36,587	8,413	19%	-	36,587	$8,413	19%
FINANCE - 16								
Total Personnel Services	390,443	316,517	$73,926	19%	$0	$316,517	$73,926	19%
Total Supplies	2,000	1,491	$509	25%	-	$1,491	$509	25%
Total Contractual Services	61,668	59,605	$2,063	3%	-	$59,605	$2,063	3%
Total Capital	-	4,689	($4,689)	0%	-	$4,689	($4,689)	0%
Total Transfers	-	-	$0	0%	-	$0	$0	0%
TOTAL FINANCE	454,111	382,302	71,809	16%	-	382,302	$71,809	16%
COMMUNITY DEVELOPMENT - 19								
Total Personnel Services	230,675	212,267	$18,408	8%	$0	$212,267	$18,408	8%
Total Supplies	4,000	1,700	$2,300	58%	-	$1,700	$2,300	58%
Total Contractual Services	81,209	75,584	$5,625	7%	-	$75,584	$5,625	7%
Total Capital	-	2,682	($2,682)	0%	-	$2,682	($2,682)	0%
Total Transfers	-	-	$0	0%	-	$0	$0	0%
TOTAL COMMUNITY DEVELOPMENT	315,884	292,233	23,651	7%	-	292,233	$23,651	7%
POLICE - 21								
Total Personnel Services	3,406,647	3,161,119	$245,528	7%	$0	$3,161,119	$245,528	7%
Total Supplies	127,000	134,210	($7,210)	-6%	-	$134,210	($7,210)	-6%
Total Contractual Services	659,062	670,184	($11,122)	-2%	-	$670,184	($11,122)	-2%
Total Capital	13,000	1,818	$11,182	86%	-	$1,818	$11,182	86%
Total Transfers	-	-	$0	0%	-	$0	$0	0%
TOTAL POLICE	4,205,709	3,967,331	238,378	6%	-	3,967,331	$238,378	6%
FIRE & CODE ENFORCEMENT - 26								
Total Personnel Services	831,556	822,213	$9,343	1%	$0	$822,213	$9,343	1%
Total Supplies	64,600	64,478	$122	0%	-	$64,478	$122	0%
Total Contractual Services	422,003	406,864	$15,139	4%	-	$406,864	$15,139	4%
Total Capital	-	-	$0	0%	-	$0	$0	0%
Total Transfers	91,000	91,000	$0	0%	-	$91,000	$0	0%
TOTAL FIRE & CODE ENFORCEMENT	1,409,159	1,384,555	24,604	2%	-	1,384,555	$24,604	2%

(continued)

UNAUDITED

CITY OF NORTH ST. PAUL, MINNESOTA
GENERAL FUND
STATEMENT OF EXPENDITURES
FOR THE PERIOD ENDED DECEMBER 31, 2024

	2024 Adopted Budget	12/31/2024 Actual	Variance from 2024 Actual to Budget Positive (Negative)		Projected Outstanding	12/31/2024 Projected	Projected Variance for 2024 Positive (Negative)	
BUILDING INSPECTIONS -28								
Total Personnel Services	-	-	$0	0%	$0	$0	$0	0%
Total Supplies	-	-	$0	0%	-	$0	$0	0%
Total Contractual Services	645,553	413,420	$232,133	36%	-	$413,420	$232,133	36%
Total Capital	-	-	$0	0%	-	$0	$0	0%
Total Transfers	-	-	$0	0%	-	$0	$0	0%
TOTAL BUILDING INSPECTIONS	645,553	413,420	232,133	36%	-	413,420	$232,133	36%
STREET MAINTENANCE - 31								
Total Personnel Services	609,566	576,447	$33,119	5%	$0	$576,447	$33,119	5%
Total Supplies	193,660	140,740	$52,920	27%	-	$140,740	$52,920	27%
Total Contractual Services	403,775	385,729	$18,046	4%	-	$385,729	$18,046	4%
Total Capital	-	1,483	($1,483)	0%	-	$1,483	($1,483)	0%
Total Transfers	-	-	$0	0%	-	$0	$0	0%
TOTAL STREET MAINTENANCE	1,207,001	1,104,399	102,602	9%	-	1,104,399	$102,602	9%
URBAN FORESTRY - 36								
Total Personnel Services	125,769	118,837	$6,932	6%	$0	$118,837	$6,932	6%
Total Supplies	19,720	16,892	$2,828	14%	-	$16,892	$2,828	14%
Total Contractual Services	45,268	32,298	$12,970	29%	-	$32,298	$12,970	29%
Total Capital	295,469	308,020	($12,551)	-4%	-	$308,020	($12,551)	-4%
Total Transfers	-	-	$0	0%	-	$0	$0	0%
TOTAL URBAN FORESTRY	486,226	476,047	10,179	2%	-	476,047	$10,179	2%
PARK MAINTENANCE - 40								
Total Personnel Services	274,344	241,028	$33,316	12%	$0	$241,028	$33,316	12%
Total Supplies	82,450	64,796	$17,654	21%	-	$64,796	$17,654	21%
Total Contractual Services	126,049	120,268	$5,781	5%	-	$120,268	$5,781	5%
Total Capital	15,000	12,900	$2,100	14%	-	$12,900	$2,100	14%
Total Transfers	-	-	$0	0%	-	$0	$0	0%
TOTAL PARK MAINTENANCE	497,843	438,992	58,851	12%	-	438,992	$58,851	12%
RECREATION - 41								
Total Personnel Services	8,395	7,723	$672	8%	$0	$7,723	$672	8%
Total Supplies	5,130	822	$4,308	84%	-	$822	$4,308	84%
Total Contractual Services	27,439	12,036	$15,403	56%	-	$12,036	$15,403	56%
Total Capital	-	-	$0	0%	-	$0	$0	0%
Total Transfers	-	-	$0	0%	-	$0	$0	0%
TOTAL RECREATION	40,964	20,581	20,383	50%	-	20,581	$20,383	50%
TOTAL EXPENDITURES	10,145,368	9,232,949	912,419	9%	-	9,232,949	$912,419	9%

UNAUDITED

BUDGET YEAR: 2024
FUND: GENERAL FUND (001)
REVENUE

GENERAL LEDGER CODE	GENERAL LEDGER DESCRIPTION	2024 Adopted Budget	12/31/2024 Actual	Variance from 2024 Actual to Budget Positive (Negative)	
001-3011	CURRENT PROPERTY TAX	5,429,751	5,395,920	(33,831)	-1%
001-3012	DELINQUENT PROPERTY TAX	(25,000)	24,190	49,190	-197%
001-3013	PENALTY & INTEREST	-	1,407	1,407	0%
001-3016	TAX INCR. EXCESS	43,254	52,387	9,133	21%
001-3019	ELECTRIC FRANCHISE	288,000	286,622	(1,378)	0%
001-3020	GAS FRANCHISE	168,000	110,962	(57,038)	-34%
001-3030	CABLE FRANCHISE	112,000	93,762	(18,238)	-16%
001-3032	COUNTY GRAVEL TAX	627	541	(86)	-14%
TOTAL TAXES		**6,016,632**	**5,965,791**	**(50,841)**	**-1%**
001-3110	S/A PREPAID TO COUNTY	-	-	-	0%
001-3111	S/A CURRENT	-	1,444	1,444	0%
001-3112	S/A DELINQUENT	-	-	-	0%
001-3113	S/A INTEREST	-	12	12	0%
001-3114	SPECIAL ASSESSMENT PENALTIES	-	-	-	0%
001-3120	S/A PREPAID TO CITY	-	-	-	0%
TOTAL SPECIAL ASSESSMENT TAXES		**-**	**1,456**	**1,456**	**0%**
001-3201	LIQUOR LICENSE	42,000	52,675	10,675	25%
001-3203	CIGARETTE LICENSE	2,400	3,050	650	27%
001-3206	PAWN SHOP LICENSE	3,500	-	(3,500)	-100%
001-3207	CONTRACTOR LICENSE	10,000	10,760	760	8%
001-3208	GARBAGE LICENSE	3,500	2,640	(860)	-25%
001-3290	MISC LICENSE	20,000	6,375	(13,625)	-68%
TOTAL LICENSES		**81,400**	**75,500**	**(5,900)**	**-7%**
001-3301	BUILDING PERMIT	496,440	263,262	(233,178)	-47%
001-3302	ELECTRIC INSPECTION	27,500	22,885	(4,615)	-17%
001-3303	HEATING/AIR COND PERMIT	49,500	37,548	(11,952)	-24%
001-3304	PLUMBING PERMIT	27,500	25,241	(2,259)	-8%
001-3306	ANIMAL LICENSE	-	375	375	0%
001-3308	RENTAL FEE/INSPECTION	30,000	44,218	14,218	47%
001-3310	RIGHT OF WAY PERMIT	4,000	10,116	6,116	153%
001-3390	MISC PERMITS	6,500	12,866	6,366	98%
TOTAL PERMITS		**641,440**	**416,511**	**(224,929)**	**-35%**
001-3401	COURT FINES	30,000	16,990	(13,010)	
TOTAL COURT FINES		**30,000**	**16,990**	**(13,010)**	**-43%**
001-3508	FEDERAL GRANTS-FEMA	-	-	-	0%
001-3509	FEDERAL GRANTS-C19 RELIEF	-	-	-	0%
001-3522	STATE GRANTS	207,909	344,279	136,370	66%
001-3523	STATE LGA	1,466,430	1,466,430	-	0%
001-3527	FIRE AID	76,900	98,256	21,356	28%
001-3534	COUNTY FIRE TRAINING REIMB.	5,500	6,544	1,044	19%
001-3536	LIASON OFFICER	110,036	123,716	13,680	12%
001-3537	POLICE AID	163,602	218,605	55,003	34%
001-3538	PERA AID	-	-	-	0%
001-3541	OTHER GRANTS	116,495	49,708	(66,787)	-57%
001-3543	ISD 622 COMMUNITY SCHOOL	-	-	-	0%
001-3544	PD TRAINING REIMB.	15,000	15,205	205	1%
TOTAL INTERGOVERNMENTAL		**2,161,872**	**2,322,743**	**160,871**	**7%**
001-3605	PD COMMUNITY SERVICES	-	-	-	0%
001-3615	ADMINISTRATION CHARGES	35,000	24,056	(10,944)	-31%
001-3615-001-00	ANNUAL NORTH ST PAUL HOME/GARD	-	-	-	0%
001-3616	SEARCHES	5,000	2,905	(2,095)	-42%
001-3617	OVER/UNDER MISC REVENUE	-	-	-	0%
001-3623	ABATEMENTS	-	240	240	0%
001-3624	SIDEWALK SNOW REMOVAL	-	-	-	0%
001-3643	RECREATION - OUTSIDE PROGRAMS	7,500	-	(7,500)	-100%
001-3646	COMM CTR - RENTAL	-	11,736	11,736	0%
001-3650	PAWN SHOP TRANSACTION FEES	-	8,650	8,650	0%
TOTAL CHARGES FOR SERVICES		**47,500**	**47,587**	**87**	**0%**
001-3800	MARKET VALUE ADJUSTMENT	-	61,380	61,380	0%
001-3801	INVESTMENT INCOME	29,971	138,539	108,568	362%
001-3803	DONATIONS - COURTESY BENCHES	-	-	-	0%
001-3804	SALE OF GOODS & PROPERTY	-	-	-	0%
001-3807	DONATIONS - PD	-	500	500	0%
001-3809	CHARGES FOR SERVICES	-	60	60	0%
001-3810	COUNTY/CITY RECYCLING	-	-	-	0%
001-3813	ANTENNA INCOME	161,000	79,187	(81,813)	-51%
001-3818	INTEREST INCOME	-	73,431	73,431	0%
001-3854	PENALTY	-	-	-	0%
001-3865	REFUNDS & REIMBURSEMENTS	5,000	86,652	81,652	1633%
001-3895	NSF CHECK FEE	-	-	-	0%
001-3899	MISCELLEANEOUS REVENUE (NT)	5,000	5,213	213	4%
001-3900	TAXABLE MISC. REVENUE	-	-	-	0%
TOTAL OTHER CHARGES		**200,971**	**444,962**	**243,991**	**121%**
001-3992	TRANSFER FROM OTHER FUNDS	965,553	972,585	7,032	1%
TOTAL TRANSFERS		**965,553**	**972,585**	**7,032**	**1%**
TOTAL REVENUES		**10,145,368**	**10,264,125**	**118,757**	**1%**

UNAUDITED

CITY OF NORTH ST. PAUL, MINNESOTA
WATER FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE PERIOD ENDED DECEMBER 31, 2024

	2024 Adopted Budget	12/31/2024 Actual	Variance from 2024 Actual to Budget Positive (Negative)		Projected Outstanding	12/31/2024 Projected & % to Budget		Projected Variance for 2024 Positive (Negative)	
REVENUES									
Special Assessments	-	7	7	0%	-	7	0%	7	0%
Intergovernmental	6,000	19,512	13,512	225%	-	19,512	325%	13,512	225%
Charges for Services	2,166,840	1,911,771	(255,069)	-12%	-	1,911,771	88%	(255,069)	-12%
Other Revenues	21,900	278,544	256,644	1172%	-	278,544	1272%	256,644	1172%
Transfers	17,918	17,918	-	0%	-	17,918	100%	-	0%
		-							
TOTAL REVENUES	2,212,658	2,227,752	15,094	1%	-	2,227,752	101%	15,094	1%
EXPENDITURES									
Personnel Services	333,617	331,931	1,686	1%	-	331,931	99%	1,686	1%
Supplies	144,730	110,165	34,565	24%	-	110,165	76%	34,565	24%
Contractual Services	543,155	485,270	57,885	11%	-	485,270	89%	57,885	11%
Capital	142,350	205,817	(63,467)	-45%	-	205,817	145%	(63,467)	-45%
Transfers	205,000	205,000	-	0%	-	205,000	100%	-	0%
Debt Issuance & Interest	161,343	151,707	9,636	6%	-	151,707	94%	9,636	6%
TOTAL EXPENDITURES	1,530,195	1,489,890	40,305	3%	-	1,489,890	97%	40,305	3%
CHANGE IN FUND BALANCE	682,463	737,862	55,399			737,862		**55,399**	

UNAUDITED

CITY OF NORTH ST. PAUL, MINNESOTA
WASTE WATER FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE PERIOD ENDED DECEMBER 31, 2024

	2024 Adopted Budget	12/31/2024 Actual	Variance from 2024 Actual to Budget Positive (Negative)		Projected Outstanding	12/31/2024 Projected & % to Budget		Projected Variance for 2024 Positive (Negative)	
REVENUES									
Special Assessments	-	10	10	0%	-	10	0%	10	0%
Intergovernmental	-	25,525	25,525	0%	-	25,525	0%	25,525	0%
Charges for Services	2,603,547	2,647,572	44,025	2%	-	2,647,572	102%	44,025	2%
Other Revenues	12,500	285,638	273,138	2185%	-	285,638	2285%	273,138	2185%
Transfers	19,454	19,454	-	0%	-	19,454	100%	-	0%
		-							
TOTAL REVENUES	2,635,501	2,978,199	342,698	13%	-	2,978,199	113%	342,698	13%
EXPENDITURES									
Personnel Services	278,038	291,682	(13,644)	-5%	-	291,682	105%	(13,644)	-5%
Supplies	41,290	37,022	4,268	10%	-	37,022	90%	4,268	10%
Contractual Services	1,331,027	1,342,687	(11,660)	-1%	-	1,342,687	101%	(11,660)	-1%
Capital	666,653	734,220	(67,567)	-10%	-	734,220	110%	(67,567)	-10%
Transfers	145,000	145,000	-	0%	-	145,000	100%	-	0%
Debt Issuance & Interest	131,923	122,236	9,687	7%	-	122,236	93%	9,687	7%
TOTAL EXPENDITURES	2,593,931	2,672,847	(78,916)	-3%	-	2,672,847	103%	(78,916)	-3%
CHANGE IN FUND BALANCE	41,570	305,352	263,782			305,352		**263,782**	

UNAUDITED

CITY OF NORTH ST. PAUL, MINNESOTA
ELECTRIC FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE PERIOD ENDED DECEMBER 31, 2024

	2024 Adopted Budget	12/31/2024 Actual	Variance from 2024 Actual to Budget Positive (Negative)		Projected Outstanding	12/31/2024 Projected & % to Budget		Projected Variance for 2024 Positive (Negative)	
REVENUES									
Special Assessments	-	-	-	0%	-	-	0%	-	0%
Intergovernmental	7,200	48,529	41,329	574%	-	48,529	674%	41,329	574%
Charges for Services	11,595,804	10,875,935	(719,869)	-6%	-	10,875,935	94%	(719,869)	-6%
Other Revenues	232,500	958,084	725,584	312%	-	958,084	412%	725,584	312%
Transfers	-	-	-	0%	-	-	0%	-	0%
		-							
TOTAL REVENUES	11,835,504	11,882,548	47,044	0%	-	11,882,548	100%	47,044	0%
EXPENDITURES									
Personnel Services	1,973,973	1,943,982	29,991	2%	-	1,943,982	98%	29,991	2%
Supplies	580,500	526,577	53,923	9%	-	526,577	91%	53,923	9%
Contractual Services	8,257,029	7,294,554	962,475	12%	-	7,294,554	88%	962,475	12%
Capital	714,900	952,402	(237,502)	-33%	-	952,402	133%	(237,502)	-33%
Transfers	1,400,000	1,400,000	-	0%	-	1,400,000	100%	-	0%
Debt Issuance & Interest	15,250	55,728	(40,478)	-265%	-	55,728	365%	(40,478)	-265%
TOTAL EXPENDITURES	12,941,652	12,173,243	768,409	6%	-	12,173,243	94%	768,409	6%
CHANGE IN FUND BALANCE	(1,106,148)	(290,695)	815,453			(290,695)		**815,453**	

UNAUDITED

CITY OF NORTH ST. PAUL, MINNESOTA
SURFACE WATER FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE PERIOD ENDED DECEMBER 31, 2024

	2024 Adopted Budget	12/31/2024 Actual	Variance from 2024 Actual to Budget Positive (Negative)		Projected Outstanding	12/31/2024 Projected & % to Budget		Projected Variance for 2024 Positive (Negative)	
REVENUES									
Special Assessments	-	3	3	0%	-	3	0%	3	0%
Intergovernmental	-	-	-	0%	-	-	0%	-	0%
Charges for Services	993,720	998,828	5,108	1%	-	998,828	101%	5,108	1%
Other Revenues	2,500	170,647	168,147	6726%	-	170,647	6826%	168,147	6726%
Transfers	13,336	13,337	1	0%	-	13,337	100%	1	0%
		-							
TOTAL REVENUES	1,009,556	1,182,815	173,259	17%	-	1,182,815	117%	173,259	17%
EXPENDITURES									
Personnel Services	256,681	270,800	(14,119)	-6%	-	270,800	106%	(14,119)	-6%
Supplies	23,135	23,833	(698)	-3%	-	23,833	103%	(698)	-3%
Contractual Services	208,426	155,373	53,053	25%	-	155,373	75%	53,053	25%
Capital	256,833	65,619	191,214	74%	-	65,619	26%	191,214	74%
Transfers	80,000	80,000	-	0%	-	80,000	100%	-	0%
Debt Issuance & Interest	124,711	117,175	7,536	6%	-	117,175	94%	7,536	6%
TOTAL EXPENDITURES	949,786	712,800	236,986	25%	-	712,800	75%	236,986	25%
CHANGE IN FUND BALANCE	59,770	470,015	410,245			470,015		**410,245**	

UNAUDITED

CITY OF NORTH ST. PAUL, MINNESOTA
SOLID WASTE FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE PERIOD ENDED DECEMBER 31, 2024

	2024 Adopted Budget	12/31/2024 Actual	Variance from 2024 Actual to Budget Positive (Negative)		Projected Outstanding	12/31/2024 Projected & % to Budget		Projected Variance for 2024 Positive (Negative)	
REVENUES									
Special Assessments	-	8	8	0%	-	8	0%	8	0%
Intergovernmental	30,500	36,827	6,327	21%	-	36,827	121%	6,327	21%
Charges for Services	1,005,650	1,024,909	19,259	2%	-	1,024,909	102%	19,259	2%
Other Revenues	6,700	43,434	36,734	548%	-	43,434	648%	36,734	548%
Transfers	1,254	1,254	-	0%	-	1,254	100%	-	0%
		-							
TOTAL REVENUES	1,044,104	1,106,432	62,328	6%	-	1,106,432	106%	62,328	6%
EXPENDITURES									
Personnel Services	56,059	56,388	(329)	-1%	-	56,388	101%	(329)	-1%
Supplies	25,000	12,210	12,790	51%	-	12,210	49%	12,790	51%
Contractual Services	1,003,913	1,079,583	(75,670)	-8%	-	1,079,583	108%	(75,670)	-8%
Capital	-	4,845	(4,845)	0%	-	4,845	0%	(4,845)	0%
Transfers	60,000	60,000	-	0%	-	60,000	100%	-	0%
Debt Issuance & Interest	2,292	1,298	994	43%	-	1,298	57%	994	43%
TOTAL EXPENDITURES	1,147,264	1,214,324	(67,060)	-6%	-	1,214,324	106%	(67,060)	-6%
CHANGE IN FUND BALANCE	(103,160)	(107,892)	(4,732)			(107,892)		**(4,732)**	

UNAUDITED

CITY OF NORTH ST. PAUL, MINNESOTA
FIBER OPTIC FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE PERIOD ENDED DECEMBER 31, 2024

	2024 Adopted Budget	12/31/2024 Actual	Variance from 2024 Actual to Budget Positive (Negative)		Projected Outstanding	12/31/2024 Projected & % to Budget		Projected Variance for 2024 Positive (Negative)	
REVENUES									
Special Assessments	-	-	-	0%	-	-	0%	-	0%
Intergovernmental	-	-	-	0%	-	-	0%	-	0%
Charges for Services	216,577	214,175	(2,402)	-1%	-	214,175	99%	(2,402)	-1%
Other Revenues	-	249	249	0%	-	249	0%	249	0%
Transfers	-	-	-	0%	-	-	0%	-	0%
		-							
TOTAL REVENUES	216,577	214,424	(2,153)	-1%	-	214,424	99%	(2,153)	-1%
EXPENDITURES									
Personnel Services	-	-	-	0%	-	-	0%	-	0%
Supplies	-	-	-	0%	-	-	0%	-	0%
Contractual Services	106,000	107,748	(1,748)	-2%	-	107,748	102%	(1,748)	-2%
Capital	-	-	-	0%	-	-	0%	-	0%
Transfers	-	-	-	0%	-	-	0%	-	0%
Debt Issuance & Interest	-	-	-	0%	-	-	0%	-	0%
TOTAL EXPENDITURES	106,000	107,748	(1,748)	-2%	-	107,748	102%	(1,748)	-2%
CHANGE IN FUND BALANCE	110,577	106,676	(3,901)			106,676		**(3,901)**	

2026 BUDGET PROCESS DISCUSSION

March 4, 2025

City of North St. Paul

Purpose

- Provide City Council with a budget schedule for review and comment.

- Provide an opportunity for the City Council to discuss and direct staff on how they want the budget process to be carried out.

Proposed 2026 Budget Calendar

	March 17 - April 19, 2025	Department Heads prepare and submit 10 year CIP requests.
	April 1 - April 26, 2025	Department Heads prepare and submit Department budget requests.
	April 29 - May 10, 2025	City Manager and Finance Director review Department Budgets and Confer with Departments.
*	May 20, 2025	City Council Work Session to discuss 2026 Operating Budget parameters.
*	June 3, 2025	City Manager Budget Presented to City Council
*	June 17 & July 1, 2025	General Fund Department's Budget Discussions with City Council
*	July 15, 2025	CIP Presentation and Discussion with City Council
*	August 5 & 19, 2025	Enterprise Funds Presented to City Council
*	September 2, 2025	Internal Service and Other Budgets Presented to City Council
*	September 16, 2025	Council Certifies date for public (TNT) hearing and maximum levy.
	September 30, 2025	Finance Director submits preliminary 2025 Property Tax Levy to County for certification.
	October through November	City Council Work Sessions as needed.
*	November 4, 2025	Fee Schedule Presentation and Discussion.
*	November 18, 2025	Fee Schedule Approval by City Council.
	Mid-November	Truth in Taxation Notices and Public Hearings Schedule distributed by County.
*	December 2, 2025	Public Hearing for Budget and Levy consideration.
*	December 16, 2025	Continuation Hearing, Approval of Budget, CIP and Certification of Property Tax Levy For submission to County.
	Late December	Finance Director Submits final Levy to County and prepares Final Budget Document.
*	City Council Meetings	

2026 BUDGET DIRECTION & DISCUSSION

2026 Budget Direction & Discussion

- Do you like this schedule?
- Do you want to meet these many times?
- Do you want each department head to present?
- Is there a format you want the department heads to use with their presentation?
- What information do you want?

FINANCE DEPARTMENT UPDATE

May 2, 2023

City of North St. Paul

THANK YOU FOR YOUR LEADERSHIP!

- **John Monge, Mayor**
- **Dave Mckenzie, Council Member**
- **Jason Nordby, Council Member**
- **Cassidy Schweer, Council Member**
- **Troy Woods, Council Member**

- **Brian Frandle, City Manager**

YOUR FINANCE STAFF

- **Barb Huelsman, Utility Billing Coordinator**
- **Taylor Lillie, Senior Account Technician**
- **Melissa Alicea, Accounting Technician**
- **Jackie Lutmer, Finance Coordinator**
- **Angie Muellner, Accounting Technician**
- **Dan Winek, Finance Director**

WHAT WE DO

- Accounts Payable
- Accounts Receivable
- Budgeting
- Capital Assets
- Cash Management
- Debt Administration
- Financial Analysis
- Financial Reporting
- Investments
- Payroll
- Procurement
- Special Assessments and Property Taxes
- Tax Increment Financing
- Utility Billing and Customer Service

WHAT WE ARE WORKING ON

- **Payroll Conversion**
- **Purchase Order Implementation**
- **Security**
- **Staff Redundancy**
- **Succession Planning**

Utility Billing and Customer Service

- **Customer Service Provided via Phone, E-mail, and In Person**
  - Consumption questions
  - High bill complaints
  - Explanation of all services provided and billed to customer
  - Assist customer with payment options
  - Serve as the Help Desk for on-line payment issues
  - Explanation of services provided and pricing of garbage related fees
  - Resolve garbage collection issues
  - Missed garbage pick up
  - Delayed garbage pickup
  - Garbage driver issues
  - Schedule Bulk Pick Ups

- **Customer Service – Phones**
  - 1,105 Phone Calls Monthly to the Utility Billing Line regarding questions & assistance for utility bills
  - 112 Phone Calls Monthly to the Garbage line regarding scheduling and collection issues

Utility Billing and Customer Service

- **Utility Billing Stats**
  - **Average Bills Per Month - 7,365**
  - **Average Monthly Revenue - $1,631,836 ($19,600,000)**

- **Utility Billing Duties**
  - Ensure the accuracy of all bills, meter readings, calculation of rates, accounts are correctly set up
  - Transfer bills to outside vendor for printing, again proofing for accuracy during the transfer
  - Set rates in accordance with the fee schedule set by the City Council
  - Calculate the power adjustment rate in accordance with the monthly MMPA bill
  - Set yearly interest rate on utility deposits, refund accumulated interest yearly
  - Invoice billing related items and submit to Accounts Payable for processing
    - City of Maplewood for the utility billing we provide to their residents
    - City of Oakdale for Franchise Fee
    - State of MN for Water Connection Fee
    - Tennis Sanitation for the garbage collection service they provide
    - Impact – for printing and mailing of our utility bill
    - MMPA – for monthly power invoice

Utility Billing and Customer Service

- **Utility Billing Payment Stats for 2023**
  - WEB – 29,247
  - IVR – 5,981
  - Text to Pay - 289
  - VANCO – 5,309
  - MAIL – 12,114
  - DROP BOX – 7,572
  - COUNTER – 4,541
  - BANK DRAFT – 14,268
  - eheat WIRE - 989

- **Utility Billing Payment Stats for 2024**
  - WEB – 22,556
  - IVR – 4,173
  - Text to Pay – 1,294
  - VANCO – 5,799
  - MAIL – 11,669
  - DROP BOX – 9,100
  - COUNTER – 5,766
  - BANK DRAFT – 21,708
  - eheat WIRE - 684

Utility Billing and Customer Service

- Collection of Unpaid Bills
  - Process penalties for all unpaid balances on utility accounts.
  - Average of 1,353 in 2023 and 1,290 in 2024 accts per month
  - Process, print and mail an average of 457 Disconnection Notices per month
  - Run 2 rounds of reminder phones calls using a Notify process in the software
  - Average of 253 customers receive reminder calls
  - Assist customers navigating the different energy assistance programs available
  - Assist Energy Assistance providers to help qualify customers for assistance
  - Assist an average of 177 customers in making arrangements/payment plans monthly
  - Assist customers who have electric disconnected due to nonpayment (This is an average of 58 customers per month)
  - Assist on payment options
  - Assist customers in contacting available Energy Assistance providers
  - Communicate with electric personnel and after hours staff regarding disconnected accounts

Utility Billing and Customer Service

- **Move In/Out Account Transfers**
  - **Average of 188 accounts per month**
  - **<u>Assist customer who are moving out of homes, apartments, businesses:</u>**
    - **Ensure move out customer account accuracy**
    - **Date of move out**
    - **Forwarding address of customer moving out**
    - **Process refunds for final bills that have a credit balance due to overpayments & deposit refunds (Average 25 per month)**
  - **<u>Assist customers who are moving into homes, apartments, businesses:</u>**
    - **Ensure new account accuracy**
    - **Date of move in**
    - **Names, phone numbers, email addresses**
    - **Calculate deposit amounts required for businesses and rentals**
    - **Garbage sizes and services requested for residential garbage addresses**

Utility Billing and Customer Service

- Rebates – Average 179 per Year
  - Educate customers on conservation rebate programs offered for our electric and water utility
  - Ensure products qualify for conservation rebates
  - Process rebates using software for an account credit
  - Process rebates by submitting an invoice to Accounts Payable for rebate check, when applicable
  - Report monthly to MMPA for electric rebates (about 100 per year)
  - Report quarterly to the Metropolitan Council for water rebates (about 50 per year)

- Clean Energy – 366 participants with 3,815,694 kWh of electric demanded for 2024
  - Educate customers on the Clean Energy Program
  - Assist customers on signing up for the Clean Energy Program
  - Report monthly to MMPA with number of participants and their consumption

Utility Billing and Customer Service

- **Solar Power – Currently 22 customers participating in solar generation (increase of 13 since 2022)**
  - **After usage, participants added 17,019 kWh to our electric supply with their solar generation**
  - **Assist and educate customers with procedures for solar power participation**
  - **Assist and educate solar providers with procedures for solar power participation**
  - **Ensure accuracy of billing for solar participants**
  - **Set up account to credit participants with solar generation**
  - **Track usage and production of electric from solar generation**
  - **Process rebates due to new customers upon joining the solar program**

Utility Billing and Customer Service

- **Other**
  - **Delinquent Utilities – Special Assessment Process**
  - **City Cash Collections**
  - **Distribute Conservation Kits**

Questions and Discussion

Questions and Discussion