2026 Adopted
2027-2030 Concept
Budget
and
2026 Levy

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CITY OF
Big Lake
LIVE BIG!

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BUDGET MESSAGE

Overview of the City's budget priorities, financial direction, and strategic initiatives

Honorable Mayor and Council Members:

The 2026 Budget reflects the City of Big Lake's continued commitment to fiscal responsibility, service delivery, and long-term sustainability. This budget balances current service needs with strategic investments that support future growth and infrastructure.

The budget was developed through a collaborative process and adopted by the City Council in December 2025. It reflects the City's priorities, policies, and operational goals for the upcoming year.

City Initiatives

The City continues to focus on long-term planning and community investment through the following initiatives:

- Downtown redevelopment and future City Hall planning
- Wastewater treatment facility expansion (2026–2028)
- Employee training and wellness initiatives
- Ongoing updates to the City's strategic plans

These efforts position Big Lake to support continued growth while maintaining high-quality services.

Highlights of the Past Year

The City experienced continued growth and progress during the past year:

- Continued recognition as one of the safest cities in Minnesota
- Ongoing residential and commercial development activity
- Completion of street improvement projects supporting long-term infrastructure maintenance
- Advancement of planning efforts for a future public safety facility
- Receipt of both the GFOA Distinguished Budget Award and Certificate of Achievement for Excellence in Financial Reporting

These accomplishments reflect the City's strong financial position and commitment to community investment.

Budget Overview

The 2026 budget maintains a balanced approach to funding essential services while addressing capital needs and long-term financial obligations. The City continues to rely on a diversified revenue structure, supporting operations through a combination of property taxes, service fees, intergovernmental revenues, and enterprise activity.

The City also continues its long-standing practice of supporting operations through enterprise fund contributions, which helps reduce reliance on property taxes and maintain service levels.

General Fund Priorities

The General Fund supports the City's core services, including public safety, public works, administration, and community development. The 2026 Budget reflects the following priorities:

Personnel and Staffing

- Addition of a part-time Community Service Officer to support park operations
- Restructuring of planning functions to enhance service delivery and economic development support
- Continued investment in employee compensation, training, and wellness

Operations and Services

- Increased investment in technology, training, and operational efficiencies
- Ongoing maintenance and repair of infrastructure and facilities
- Adjustments to reflect inflationary impacts on fuel, utilities, and materials

Long-Term Planning

- Continued transfers to capital and equipment replacement funds
- Investment in street maintenance, parks, and infrastructure
- Support for future capital and operational needs

These priorities reflect the City's commitment to maintaining service levels while planning for future demands.

General Fund Transfers

The 2026 budget continues the City's practice of funding long-term capital and operational needs through strategic transfers from the General Fund. These transfers support infrastructure, equipment replacement, and debt management, reducing future levy impacts.

Planned transfers include:

- Capital Improvement Fund – supports infrastructure and long-term projects
- Equipment Replacement Fund – funds vehicles, equipment, and technology
- Street Maintenance Fund – supports ongoing street preservation efforts
- Debt Service Funds – offsets debt levy requirements
- Other designated funds supporting long-term financial stability

Capital Planning

The City continues to implement its Capital Improvement Plan (CIP), which guides infrastructure investment and equipment replacement. The 2026–2030 CIP supports:

- Infrastructure maintenance and replacement
- Utility system improvements
- Park and trail enhancements
- Strategic investments to reduce future levy impacts

Projects are funded through a combination of Local Government Aid (LGA), fund transfers, and other available resources, ensuring a balanced and sustainable approach to capital planning.

Enterprise Fund Operations

The City's enterprise funds—water, sewer, stormwater, and liquor—are managed to ensure long-term financial sustainability. Utility operations continue to support system maintenance and future infrastructure needs, while the municipal liquor operation provides an ongoing revenue source that benefits the broader community.

Financial Outlook

The City continues to maintain a strong financial position through conservative budgeting, diversified revenues, and disciplined financial policies. Long-term planning remains a key focus, with multi-year projections guiding decision-making and ensuring sustainability.

The City remains well-positioned to respond to economic changes, support continued growth, and maintain high-quality services for residents and businesses.

Conclusion

The 2026 Budget reflects a responsible and forward-looking approach to managing City resources. By prioritizing public safety, infrastructure, and financial stability, the City of Big Lake continues to position itself for long-term success.

We appreciate the City Council's leadership and the continued support of the community.

Respectfully Submitted,

Deb Wegeleben
City Finance Director

Hanna Klimmek
City Administrator

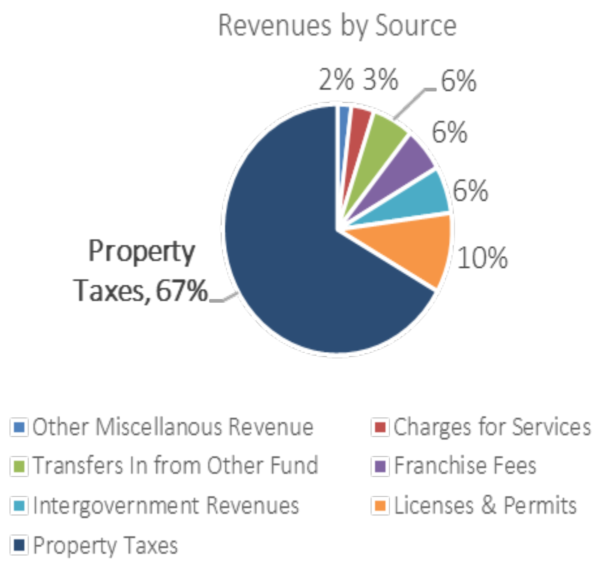
Building a stronger Big Lake together.
LIVE BIG!

Budget in a Glance

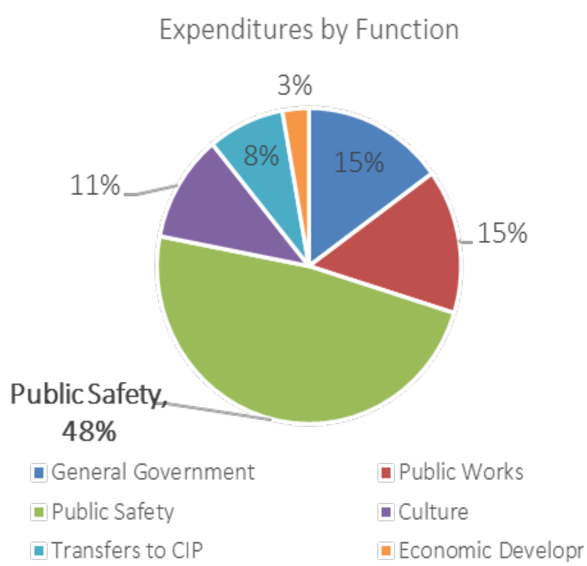
2026 Budget Snapshot

- General Fund Budget: $7,791,754 (+5.77%)
- Total Levy: $6,311,459 (+7.22%)
- Property Taxes: **67%** of revenues
- Liquor Transfer: $450,000
- Public Safety: **48%** of expenditures
- Cost of Services: **$1.63** per day

Where the money comes from:



What the money pays for:



The projected cost per day to provide City Services, based on current population of 13,084 is $1.63; based on current households of 4,448, the cost is $4.80 per day for each household.

The 2026 budget reflects a balanced forward-looking approach, prioritizing public safety, infrastructure, and long-term financial stability while minimizing impacts on taxpayers.

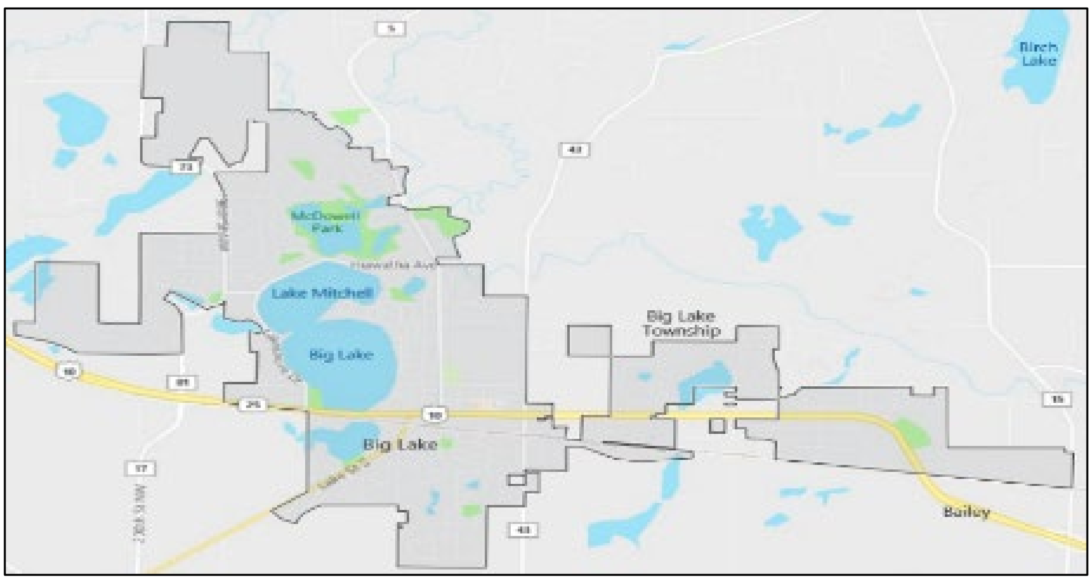
Community Profile

The City of Big Lake is a growing community located northwest of the Minneapolis–Saint Paul metropolitan area. With direct access via Interstate 94 and Highway 10, Big Lake provides convenient regional connectivity while maintaining the character of a "beyond the suburbs" community. Incorporated in 1898, the City spans 7.85 square miles.

Big Lake operates under a Plan A Statutory City form of government, with policy direction provided by a Mayor and four Council Members. The City Administrator oversees daily operations and service delivery. The City employs 52 full-time, 20 part-time, and 7 seasonal employees.

The City's population is approximately 13,056, with a median age of 32, reflecting the strong presence of young families. Big Lake prioritizes a high quality of life through continued investment in parks, community events, technology, and transparent governance. The City also maintains a strong partnership with the Big Lake School District, supporting long-term community and workforce development.

Residents and visitors benefit from over 215 acres of parkland, 20 miles of trails, and access to recreational amenities including Lakeside Park, a public beach, and community events such as the Farmers Market and Music in the Park. These amenities contribute to Big Lake's identity as an engaged and active community.



Economic and Tax Base

Big Lake's tax base remains strong and continues to grow. Total taxable market value has increased from $727 million in 2010 to approximately $1.425 billion in 2026, reflecting sustained long-term growth. The tax base is primarily residential, with continued expansion in commercial and industrial development.

The City has made strategic investments in infrastructure, positioning Big Lake for future development. Shovel-ready sites, supported by utilities, transportation access, and high-speed broadband, reduce risk for developers and support continued economic growth.

The City maintains a strong "AA" bond rating from Standard & Poor's, reflecting strong reserves, steady economic growth, and sound financial management practices.

Core Services and Infrastructure

The City provides a full range of municipal services, including police, fire (via joint powers), public works, parks, planning and zoning, and administrative services.

Public safety remains a top priority. The City continues to rank among the safest communities in Minnesota for cities under 20,000 population, reflecting a strong commitment to community safety and service delivery.

The City maintains and operates water and wastewater utilities serving over 4,200 customers. Ongoing infrastructure investments, including a planned wastewater treatment facility expansion, support future growth and development.

Community Assets

Big Lake's park system, trail network, and recreational amenities enhance quality of life and support community engagement. The City's natural resources and community programming contribute to a strong sense of place and resident satisfaction.

The Big Lake School District serves approximately 3,100 students and provides strong academic and workforce-focused programming, contributing to a skilled and growing workforce.

Municipal Liquor Operation

The City operates a municipal liquor store that generates revenue to support City services. Profits are reinvested into the community through an annual transfer to the General Fund, helping reduce reliance on property taxes and support ongoing operations and capital needs.

City Officials

Name	Term Expiration
Mayor Paul Knier	12/31/2028
Councilmember Ken Geroux	12/31/2028
Councilmember Ken Halverson	12/31/2026
Councilmember Kim Noding	12/31/2026
Councilmember Paul Seefeld	12/31/2028

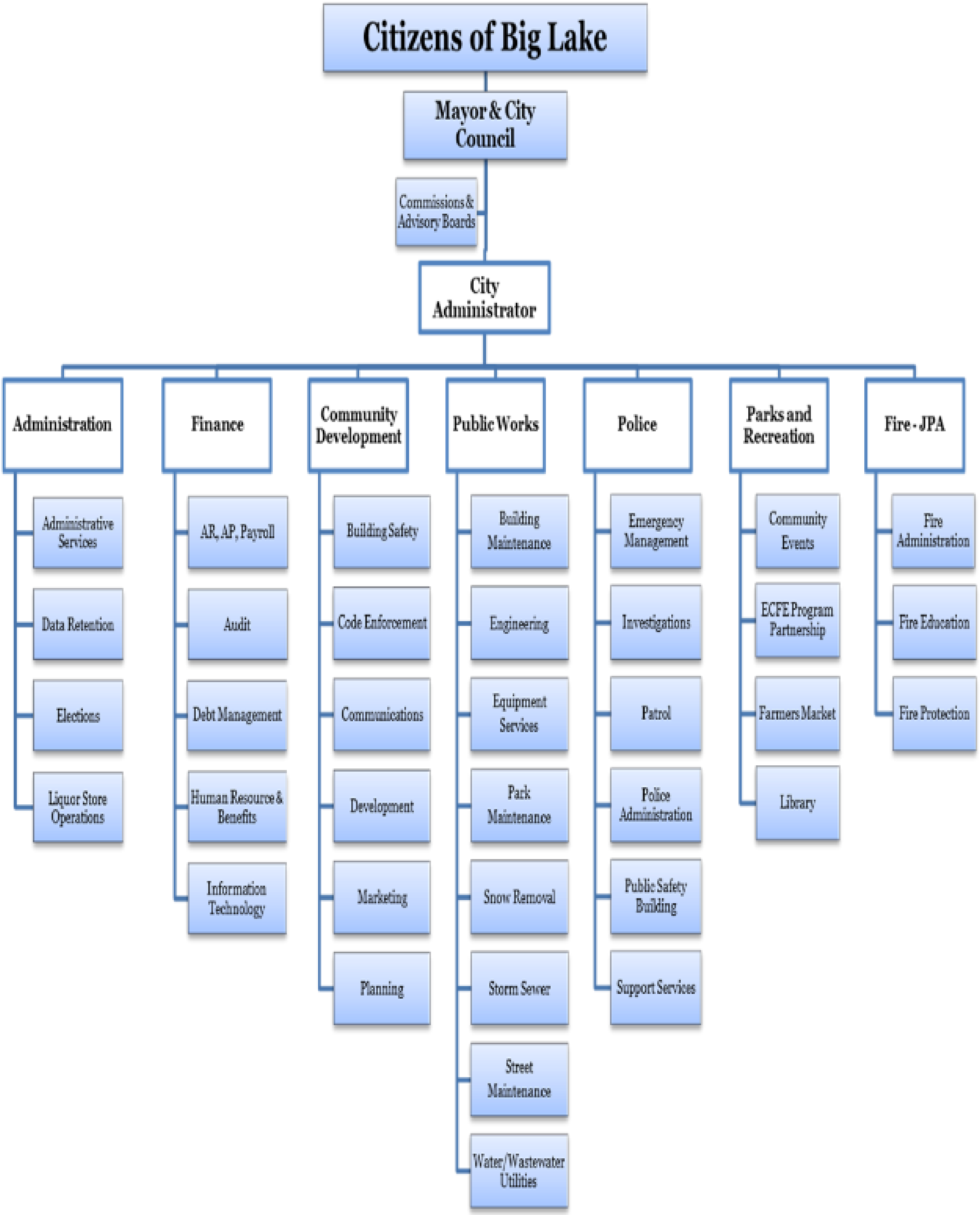
City Management

Name	Position
Hanna Klimmek	City Administrator
Gina Wolbeck	City Clerk
Deb Wegeleben	Finance Director
Marie Popp	Community Development Director
Sam Olson	Chief of Police
Seth Hansen	Fire Chief – Paid on Call
Layne Otteson	City Engineer
Dan Childs	Water/Wastewater Superintendent
Norm Michels	Street/Parks/Fleet Superintendent
Greg Zurbey	Liquor Store Manager

Professional Services

Position	Name
City Attorney	Campbell Knutson, P.A.
Financial Advisor	Northland Securities, Inc.
Information Technically Services	Marco Technology

City Organizational Chart – by Services



This organizational structure supports clear accountability and supports efficient, coordinated delivery of services across all City operations.

City of Big Lake Vision, Mission Statement and Objectives

Community Slogan

Live Big!

Vision Statement

Big Lake is a vibrant, active, and safe community that focuses on excellence in service while promoting balanced growth through responsible leadership

Core Strategies and Strategic Objectives

The City of Big Lake is committed to leading and guiding the City towards the following long-term Core Strategies and Strategic Objectives:

1. **Fiscally Responsible**
   a. Look at every expenditure with a critical eye.
   b. Strategic decisions are performed in the most cost-effective manner.
   c. Stick to basic core government responsibilities.
   d. Logical, transparent, prudent decisions are not based on emotion.
   e. Short-term decisions that support long-term planning.

2. **Safe, Welcoming Community**
   a. Support Public Safety personnel wellness.
   b. Provide opportunities for training and professional development.
   c. Retain and attract public safety personnel.
   d. Positive engagement – community outreach.
   e. Prioritize the equipment needed to serve to the best of our ability.

3. **Engaged, Community-Centric**
   a. Promote engagement opportunities for members of the community.
   b. Promote and encourage volunteerism.
   c. Provide opportunities for philanthropic actions and donations.
   d. Encourage connections with local organizations.
   e. Promote block parties and neighborhood gatherings.

4. Vibrant, Natural, and Variety of Amenities

a. Maintain and improve the quality of parks, lakes, and trails.
b. Develop new uses and activities using parks and trails.
c. Promote and encourage community organizations and activities.
d. Promote beautification efforts and public art to complement natural resources.
e. Develop more year-round activities.

5. Balanced Growth, Thriving Economy

a. Continued support of existing businesses and their needs while seeking new business development.
b. Well-balanced commercial, industrial, and residential development.
c. Thoughtful zoning to meet desire for balanced growth.
d. Be proactive and flexible in community planning.

6. Responsible Leadership

a. Expect excellence and act with integrity.
b. Base decisions on policy.
c. Be prepared, work as a team, disagree well, be flexible, and lead by example.
d. Empower others and be accountable.
e. Communicate often and be transparent.
f. Cast a BIG vision and continue to champion progress.

CITY OF Big Lake
LIVE BIG!

2026 Staff Mission

THE EXPECTATION IS TO LEAD WITH EXCELLENCE:

(ALL CITY OF BIG LAKE EMPLOYEES ARE LEADERS)

1. **FOCUS ON WELL-BEING.**
   - Take care of yourself.
   - Check-in with team members and colleagues.

2. **MODEL KINDNESS, RESPECT, GENEROSITY, GRACE, AND UNDERSTANDING.**

3. **BUILD POSITIVE NORMS.**
   - Pro-actively recognize the “positive” in challenging situations.
   - Be pro-actively helpful to others – We. Are. A. Team!

4. **CLARITY IS KINDNESS.**
   - Communicate – Be direct.
   - Involve all who are affected.
   - Provide CLEAR expectations/requests/direction/information.

5. **HOLD YOURSELF AND YOUR TEAMMATES ACCOUNTABLE.**

6. **MAKE SPACE FOR CANDID CONVERSATION.**
   - Take the time to engage in real conversations with each other; the intention is to build relationships and understand one another

Strategic Goals, Process & Action Plans

Strategic Planning Overview

The City of Big Lake maintains a structured strategic planning process to guide decision making, resource allocation, and long-term priorities. The Strategic Plan aligns the City Council's vision with operational actions carried out by staff.

The City's strategic planning framework was initially developed in 2017 and included a comprehensive action plan with defined steps and tasks. This framework continues to be refined annually to ensure alignment with evolving community needs and Council priorities.

2024-2026 Strategic Plan

In early 2024, the City updated its Strategic Plan for 2024–2026 through a collaborative planning session involving the City Council and management team. This process reaffirmed the City's vision, mission, and strategic priorities.

The Strategic Plan serves as a foundation for:

- Annual budget development
- Capital planning
- Department work plans
- Organizational decision-making

Strategic Planning Process

The City utilizes a structured and repeatable planning process to ensure consistency and accountability. During the 2024 Planning session, participants:

- Evaluated strengths, weaknesses, opportunities, and challenges
- Identified priority areas for improvement and growth
- Established consensus on service delivery expectations and organizational direction

Pre-session input was gathered from participants to define long-term community expectations, which informed discussion and final outcomes.

Framework for Implementation

The City's strategic framework is built on three key levels:

1. Long-Term Vision
   Establishes the desired future direction of the community and organization
2. Organizational Values & Expectations
   Defines how the City operates and delivers services
3. Short-Term Goals & Action Plans
   Translates strategic priorities into measurable and actionable steps

Vision and Strategic Direction

A key outcome of the planning process was the development of a long-term vision that defines the desired future state of the City and organization.

The vision framework includes:

- **Vision Statement** – Defines long-term aspirations
- **Core Strategies** – Establish guiding principles and priorities
- **Strategic Objectives** – Identify measurable outcomes to support implementation

These elements provide a clear roadmap for policy decisions, program development, and daily operations.

Action Planning and Implementation

Strategic priorities are implemented through annual action plans developed by staff. These plans:

- Align with City Council goals
- Identify specific projects and initiatives
- Establish timelines and accountability
- Integrate with the annual budget and Capital Improvement Plan

Progress is reviewed regularly to ensure alignment with strategic objectives and to adjust for changing conditions.

2026 Strategic Focus and Updates

In 2026, the City will continue to advance key strategic initiatives while preparing for long-term organizational needs.

Key focus areas include:

- Long-Term Staffing Needs
  Development of a 10-year staffing strategy, including workforce needs, succession planning, and leadership transition processes.
- Public Safety Facility Construction
  Initiation of construction for the new Public Safety Facility, which will house City Hall and the Police Department. This investment supports future growth, operational efficiency, and long-term service delivery needs.
- Ongoing Strategic Plan Review
  The Strategic Plan will be reviewed and updated as needed to ensure continued alignment with community priorities and financial sustainability.

The Strategic Plan directly guides the City's annual budget, Capital Improvement Plan, and departmental work plans. Resources are allocated to support identified priorities, ensuring that financial decisions align with long-term goals. Progress toward strategic objectives is monitored throughout the year, and adjustments are made as needed to maintain alignment with the City Council's vision and community expectations.

GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

City of Big Lake
Minnesota

For the Fiscal Year Beginning

January 01, 2025

Christopher P. Morrill
Executive Director

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FINANCIAL SECTION

Overview of revenues, expenditures, and financial planning

The City of Big Lake Finance Department is responsible for maintaining the City's financial systems, ensuring compliance with budgetary controls, and implementing financial policies established by the City Council. This following section provides an overview of the City's financial management practices, policies, and reporting framework.

Financial Management Plan

The City's Financial Management Plan is a financial policy document that establishes principles to guide staff and City Council to make consistent and informed financial decisions. The plan is reviewed annually and adopted by the City Council. It addresses policies in the following areas:

- Accounting, auditing, and financial reporting
- Cash/Investments
- Capital Improvement
- Debt Management
- Budget and financial control
- Fixed Assets
- Fund Balance
- Operating Budget
- Purchasing
- Revenue Management
- Risk Management
- EDA policies

Basis of Accounting

The City's accounting system provides a complete, self-balancing set of accounts for each fund. This structure allows the City to track revenues, expenditures, assets, and liabilities separately for each fund.

Governmental funds are maintained using the modified accrual basis of accounting. Under this method, revenues are recognized when they are both measurable and available to finance expenditure within the current fiscal period. Expenditures are generally recognized when the related liability is incurred. However, certain items such as debt service payments and some accrued liabilities are recorded as expenditure only when payment is due, since they are then liquidated using current financial resources.

The budgetary basis of accounting for governmental funds is consistent with the basis used to prepare the City's financial statements at the fund statement level in the City's Annual Comprehensive Financial Report (ACFR).

Proprietary funds, such as enterprise funds, use the full accrual basis of accounting. Under this method, revenues are recognized when they are earned, and expenses are recorded when a liability is incurred, regardless of when cash is received or paid.

For budget purposes, proprietary funds generally follow the accrual basis of accounting. However, capital assets and debt payments are budgeted using a modified accrual approach within each financial plan. Depreciation expense is included in the financial plan, while principal debt payments are identified separately at the bottom of the plan rather than recorded as an operating expense.

Fund Balance Policy and Budgetary Control

The City will strive to maintain an unassigned General Fund balance of not less than 42% of the following year's General Fund expenditure. Maintaining this level of fund balance provides financial stability and ensures the City has adequate resources to address unexpected needs, revenue fluctuations, or economic downturns.

If the General Fund balance exceeds the established target, the excess may be transferred at year-end to the Capital Improvement Funds to support infrastructure projects, equipment replacement, or building improvements.

The City Council delegates the authority to assign fund balance, as necessary for prudent fiscal management, to the City Administrator and Finance Director. These assignments help ensure financial flexibility while maintaining responsible oversight of City resources.

The City will also regularly review and update the fund balance, reserve, and working capital levels in all other operating funds. Adequacy of these balances will be evaluated using established guidelines and criteria in conjunction with the annual budget process.

Assigned fund balance may be used as a funding source in the annual budget process to help maintain a balanced budget. Within the General Fund budget, projected revenues—including assigned fund balance—will equal projected expenditures for the fiscal year.

The City will budget to maintain fund balances at adequate levels to ensure sufficient resources are available for both planned and unforeseen expenditures. Each operating fund will maintain an unassigned cash flow balance to support operations until current revenues are received.

Because property taxes are collected semi-annually, operating funds that rely on property tax revenues should maintain sufficient year-end cash flow reserves to support approximately six months of operations.

The City will maintain a budgetary control system to ensure adherence to the adopted budget and will prepare regular financial reports comparing actual revenues and expenditures to budgeted amounts.

Financial Reporting and Audit

The City operates on a calendar fiscal year and reports its year-end financial position in an Annual Comprehensive Financial Report (ACFR). The ACFR is prepared by City finance staff with assistance from BerganKDV.

Completed copies of the ACFR and financial statements are made available to the public upon completion, typically in June, and a summary of the results is published in the City's official newspaper.

Following preparation, the City's financial statements are audited by the independent auditing firm BerganKDV to ensure the financial statements are accurate and in compliance with applicable federal and state laws and regulations.

Budgetary Controls

A budgetary system of accounts is maintained for all funds with adopted budgets. Budget control is monitored through the monthly review of actual expenditure compared to budgeted amounts to ensure spending remains within authorized limits.

Budgetary activity is reviewed regularly to confirm that total expenditure remains within the approved budget allocations. In recent years, the City has maintained strong budget compliance, with actual expenditures typically remaining within approximately 98% of the adopted budget.

The legal level of budgetary control is established at the department level within the General Fund and at fund level for all other funds. This structure provides operational flexibility at the department level while maintaining overall fiscal accountability across the organization.

A budget amendment process is in place to address unplanned expenditures or revenue changes that may arise during the year. All budget amendments are presented to the City Council for review and approval throughout the fiscal year, at the direction of the Finance Director.

Internal Accounting Controls

In developing and maintaining the City's accounting system, careful consideration is given to the adequacy of internal accounting controls. These controls are designed to provide reasonable, but not absolute, assurance that City assets are safeguarded against loss from unauthorized use or disposition and that financial records are reliable for the preparation of financial statements and the maintenance of accountability for assets.

The concept of reasonable assurance recognizes that the cost of implementing a control should not exceed the benefits expected to be derived from it. Evaluating these costs and benefits requires management to apply professional judgment and estimates when determining appropriate control measures.

All internal control evaluations are conducted within this framework. The Finance Department believes the City's internal accounting control adequately safeguards City assets and provides reasonable assurance that financial transactions are properly recorded and reported.

Investment Policy

The City's investment portfolio is managed to invest public funds in a manner that emphasizes safety, liquidity, and yield, while remaining in full compliance with all federal, state, and local regulations governing the investment of public funds.

Investments purchased by the City are generally intended to be held until maturity. This approach helps protect principal and provides predictable returns.

The City selects investments that align with its operational cash flow needs, short-term obligations, and longer-term reserve requirements, ensuring that sufficient liquidity is available while maximizing returns within acceptable risk levels

Risk Management

The City maintains a risk management policy designed to protect the financial stability of the City, safeguard public assets, and promote employee safety while minimizing overall operational costs.

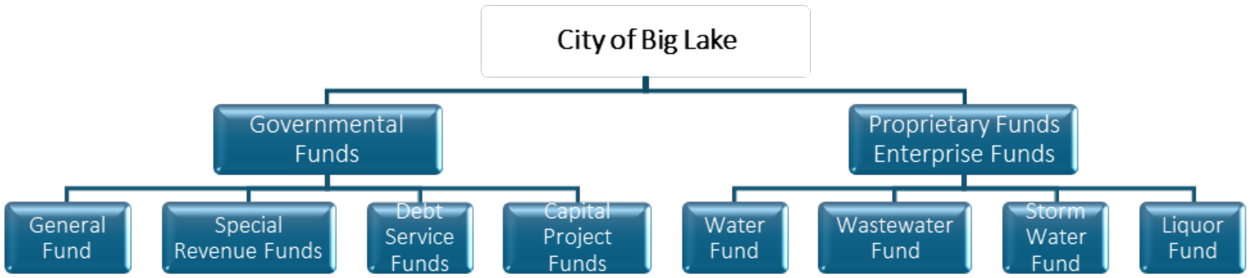
To help prevent and reduce risk, the City maintains an active employee safety committee. The committee consists of staff members from various departments who periodically provide safety training and risk-prevention training within City operations.

The City maintains insurance coverage through the League of Minnesota Cities Insurance Trust to protect City property and assets against potential loss. The City's blanket insurance policy includes coverage for buildings, personal property, contractors and miscellaneous equipment, crime, employee performance bonds, automobiles, municipal liquor liability, data security breaches, and general liability.

The City's general liability coverage is maintained at Minnesota tort limits of $1,500,000 per occurrence. The policy includes $2,500 deductible for equipment and automobiles and a $5,000 deductible for all other property claims.

The City's workers' compensation coverage is also provided through the League of Minnesota Cities Insurance Trust and includes a $250 deductible per occurrence.

Fund Structure and Financial Overview



Governmental funds support core City services and are primarily funded through taxes, and intergovernmental revenues, while proprietary funds operate as self-supporting activities funded through user fees.

Major Funds Overview

The City reports the following funds as major funds based on their relative size and significance in accordance with generally accepted accounting principles:

- **General Fund –** Governmental Fund
- **GO Improvement Bond 2022A Fund** - Debt Service Fund
- **Capital Project/Street Improvement Fund** - Capital Fund
- **Infrastructure Improvement Fund** – Capital Fund
- **Equipment/Building Replacement Fund** - Capital Fund

In addition, the City reports on the following proprietary funds:

- **Water Fund** - Enterprise Fund
- **Wastewater Fund** - Enterprise Fund
- **Storm Water Fund** - Enterprise Fund
- **Liquor Fund** - Enterprise Fund

These funds represent the primary financial activities of the City and are presented individually within this budget document.

General Fund

The General Fund accounts for all financial resources not required to be reported in another fund and serves as the City's primary operating fund. It supports core governmental services and has the most diverse revenue sources, including property taxes, licenses and permits, intergovernmental revenues, charges for services and investment earnings. The General Fund is always reported as a major fund.

The General Fund supports the City's core services, with public safety representing the largest share of expenditures at approximately 48%, followed by public works and general government. This allocation reflects the City's commitment to maintaining essential services while supporting infrastructure and community needs.

The General Fund plays a critical role in delivering essential services while supporting long-term financial stability.

Special Revenue Funds

Special Revenue Funds account for revenues that are legally restricted or committed to specific programs or activities. These funds ensure resources are used only for their intended purpose.

The City maintains several Special Revenue Funds, including:

- Economic Development Authority (EDA) Fund
- Farmers Market Fund
- Music in the Park Fund
- Veterans and Memorials Fund
- Minnesota Investment Fund (MIF)
- Statewide Affordable Housing Fund

Budgets are formally adopted for selected funds, including the EDA, Farmers Market, and Music in the Park Funds. Other funds operate based on restricted revenue sources and program requirements.

Enterprise Funds

Enterprise Funds account for business-type activities where costs are primarily recovered through user fees.

These funds use the accrual basis of accounting, recognizing revenues when earned and expenses when incurred.

The City maintains the following Enterprise Funds:

- **Water and Wastewater Fund** – Supports water supply and wastewater operations, including maintenance and capital improvements.
- **Storm Water Fund** – Supports stormwater management, system maintenance, and regulatory compliance.
- **Liquor Fund** – Accounts for the municipal liquor store. Profits are transferred to the General Fund and Capital Improvement Funds to support City operations and infrastructure.

Capital Project Funds

Capital Project Funds account for resources used for the acquisition, construction, and improvement of capital assets, excluding enterprise-related projects.

These funds were incorporated into the annual budget in 2016 to support long-term planning and financial transparency. Primary funding sources include Local Government Aid (LGA), State Aid, grants, and transfers from other funds.

Key funds include:

- Parks Development Fund
- Equipment, Vehicle & Building Fund
- Infrastructure Improvement Fund
- Capital Projects/Street Improvement Fund

Debt Service Funds
Debt Service Funds account for resources used to pay principal and interest on long-term debt.

The City maintains separate funds for each bond issue to ensure accountability and compliance. These funds use the modified accrual basis of accounting, recognizing revenues when available and expenditures when debt payments are due.

Revenue Sources
- **Property Taxes** – The largest revenue source, supporting general operations, debt service, and EDA activities.
- **Licenses and Permits** – Fees collected to recover the cost of regulatory services.
- **Intergovernmental Revenues** – Federal, state, county aids and grants supporting operations and capital projects.
- **Charges for Services** – User fees, including utility charges within enterprise funds.
- **Fines and Forfeitures** – Revenues from ordinance violations.
- **Franchise Fees** – Payments from utility providers for use of City rights-of-way.
- **Donations and Contributions** – Restricted funds for specific programs or projects.
- **Transfers In** – Interfund transfers
- **Other Revenues** – Investment earnings and miscellaneous sources.

Expenditure Categories
- **Personnel** – Salaries, benefits, and employer contributions to FICA, Medicare, PERA, and workers' compensation.
- **Retirement Costs** – Contributions to PERA in accordance with Minnesota Statutes.
- **Professional Services** – External services including engineering, legal, audit, and consulting.
- **Operations** – Day-to-day costs such as supplies, utilities, maintenance, and services.
- **Capital Improvements** – Assets exceeding $5,000 with a useful life greater than one year, including infrastructure and major equipment.

Fund Balance
Fund balance is classified in accordance with generally accepted accounting principles:
- **Nonspendable** - Amounts that cannot be spent because they are not in spendable form or are legally or contractually required to be maintained intact.
- **Restricted** - Amounts constrained to specific purposes by external parties, constitutional provisions, or enabling legislation.
- **Committed** - Amounts formally set aside by City Council for specific purposes through resolution.
- **Assigned** - Amounts intended for specific purposes but not formally committed by the City Council.
- **Unassigned** – The remaining fund balance available for general operations.

Fund balance may be used to:
- Manage cash flow and seasonal revenue fluctuations
- Provide a reserve for emergencies and unforeseen expenditures
- Support one-time capital needs or strategic initiatives

The City evaluates fund balance levels annually as part of the budget process to ensure alignment with financial policies and long-term sustainability.

These policies support the City's strong financial position and long-term sustainability.

Governmental and Business-Type Activities

The City provides a full range of governmental services supported by the General Fund, including administration, public safety, public works, parks, and community services. Business-type activities are accounted for in the Enterprise Funds and include water, sewer, stormwater, and liquor operations.

Budget Process and Calendar

The City of Big Lake's budget process is an ongoing, year-round activity guided by sound financial management principles. These principles include establishing goals, developing strategies to achieve those goals, adopting a budget aligned with those strategies, and evaluating performance to make necessary adjustments.

The process is grounded in the City's Financial Management Plan and strategic planning efforts, which define priorities for the City Council, staff and community.

The City has legally adopted budgets for the General Fund and the Economic Development Authority Fund. While not legally required, the City also adopts budgets for other funds, including special revenue, debt service, capital project and enterprise funds, to support a comprehensive, entity-wide financial approach. All funds are included in the Annual Comprehensive Financial Report (ACFR) and Long-Term Financial Plan.

This process ensures alignment between City's strategic priorities, financial policies, and resource allocation.

Balanced Budget

The City's policy is to adopt a balanced budget for the General Fund, where total revenues and other financing sources equal total expenditures and other financing uses.

For other funds, the City ensures sufficient resources are available to maintain positive cash flow and support ongoing operations. The City also maintains a target General Fund balance of 42% to 50% of the following year's budget to provide financial stability and flexibility.

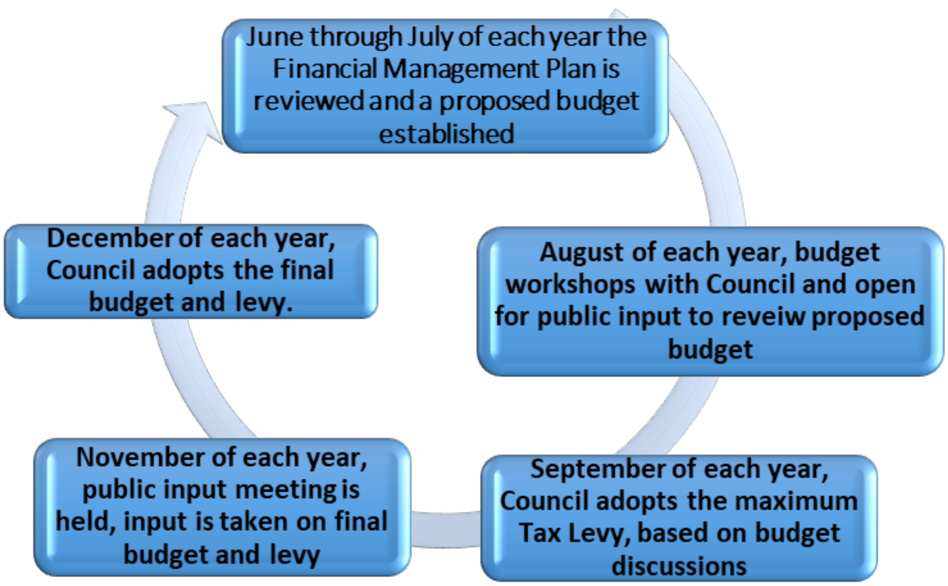
Annual Budget Calendar

The budget process begins each spring using a collaborative, "bottom-up" approach and incorporates both annual and multi-year planning:

- June – Budget worksheets and projections are distributed to departments.
- July – Finance Director and City Administrator meet with departments to review requests.

- **August** – City Council conducts public budget workshop to review departmental budgets, revenue projections, and levy impacts.
- **September** –City Council adopts a preliminary tax levy and establishing the maximum allowable levy.
- **November** – Public meeting is held to review the proposed budget and receive input.
- **December** – Final budget and tax levy are adopted and certified.

In addition to adopting the annual budget, the City Council also reviews and approves concept budgets for the following four years to support long-term financial planning. The City's financial policies further provide for the development of a two-year budget framework, allowing the subsequent year's budget to build upon an established foundation and enabling greater focus on long-term planning and financial sustainability.



Budget Amendments and Monitoring

The Finance Director monitors the budget throughout the year and provides regular financial reports comparing actual results to budgeted amounts.

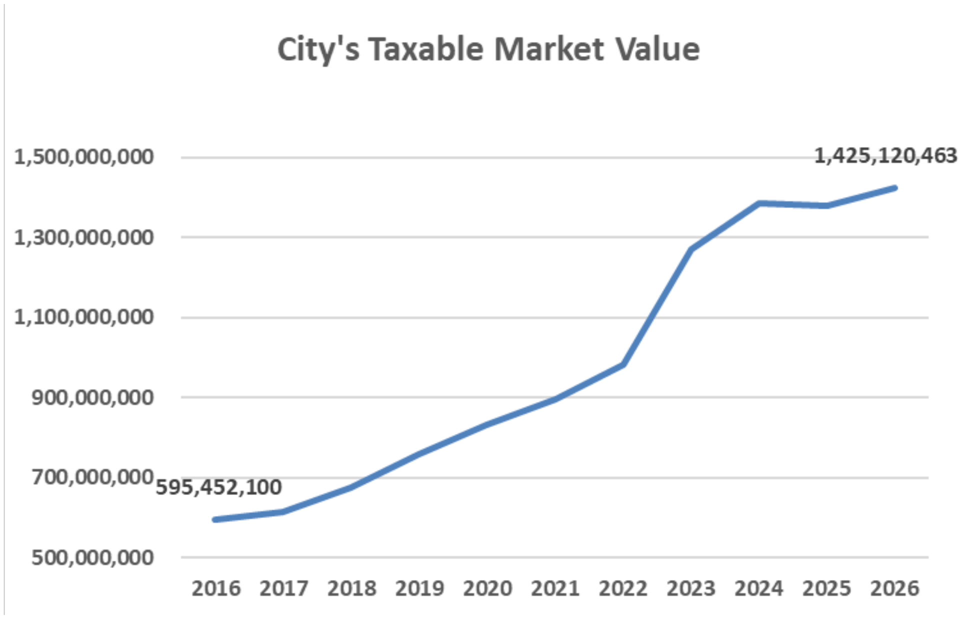
Budget amendments may be required when:
- Revenues exceed expectations and support additional expenditures
- Transfers of spending authority are needed
- Unanticipated expenditures arise

All amendments impacting total expenditures require City Council approval.

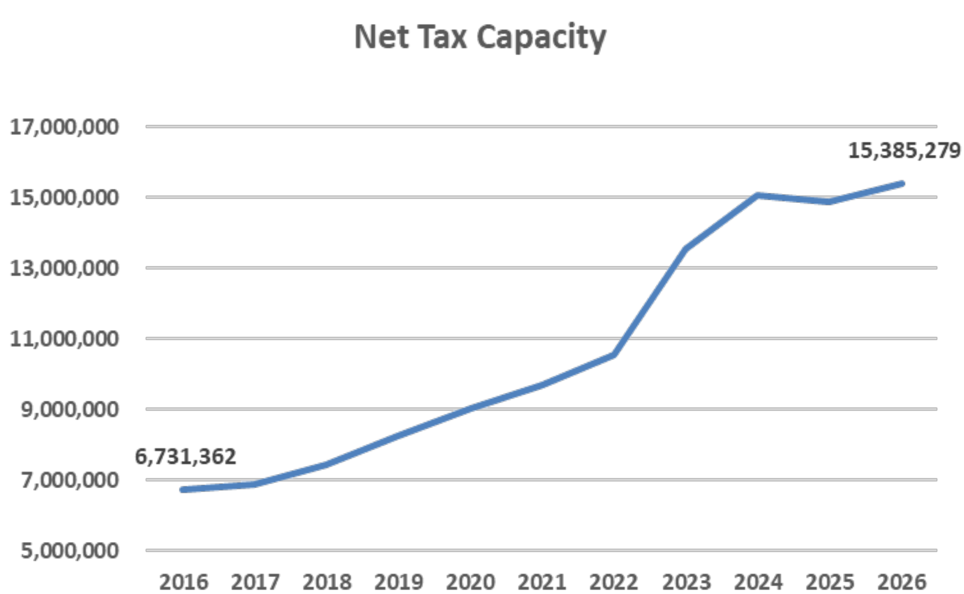
Financial Planning, Tax Base, and Budget Overview

Tax Base and Valuation

The City of Big Lake's tax base remains strong and continues to support long-term financial stability. For taxes payable in 2026, the City's taxable market value totaled approximately $1.425 billion, representing an increase of 3% from the prior year. Despite short-term fluctuation last year, taxable market value has increased approximately 142% since 2015, reflecting sustained long-term growth.



Net tax capacity, which is used to calculate the City's tax rate, totaled approximately $15.38 million in 2026. While market value and tax capacity may fluctuate due to classification rates and homestead exclusions, overall trends indicate continued growth and stability in the City's tax base.



How are property taxes calculated?

- It is the county assessor that estimates the market value of your property. This estimated market value represents what your property would sell for on the open market.
- Assessors review the sales from October 1 to September 30 and adjust the prices for market trends to estimate the value of your property
- The state also dictates that all market values must be between 90-105% of the actual property sales during the same time frame.

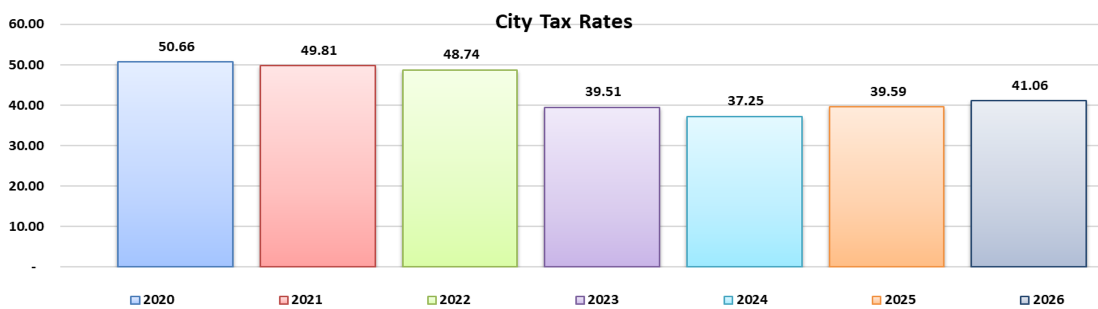
While the estimated market value shows what your property would likely sell on the open market, the **taxable market value** is used to determine the taxes levied against the property.

Parcel market value * class rate = parcel tax capacity

Parcel tax capacity * City Tax Rate = amount of taxes levied against the property

Property Tax Framework

The City does not directly set the tax rate. Instead, the tax rate is a function of the total levy divided by the City's net tax capacity. The City's tax rate for 2026 is estimated at 41.06%.



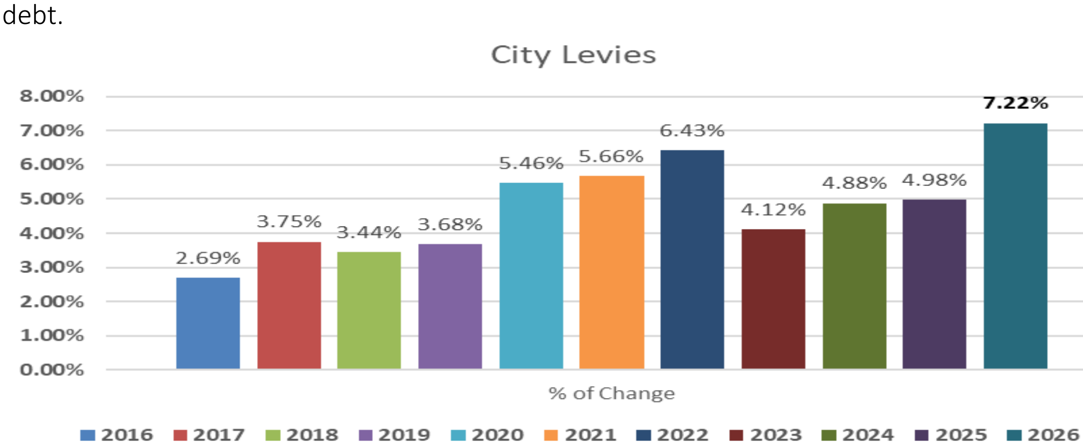
The property tax levy is determined through the budget process by identifying total expenditures required to provide City services and subtracting all other revenue sources. The remaining amount represents the levy necessary to balance the budget.

The City levies for:

- General Fund operations
- Debt service obligations
- Property tax abatement
- Economic Development Authority (EDA) activities

To ensure conservative financial management, the City budgets for a collection rate of approximately 97–98%, consistent with historical performance.

The changes in the levy over the years represents the increase in the cost to provide City services as well as new debt.



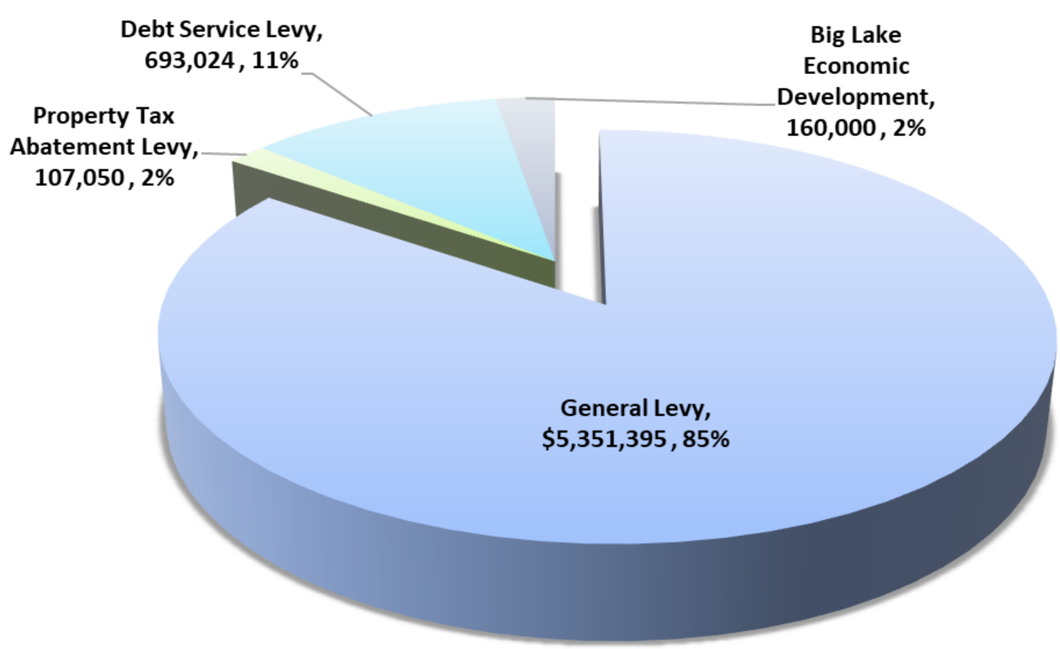
2026 Property Tax Levy

For 2026, the City adopted a total property tax levy of $6,311,459, representing an increase of 7.22% over the prior year.

Component of Tax Levy	2025	**2026**	$ Change	% Change
General Levy	$ 5,042,704	**$ 5,351,395**	$ 308,691	6.12%
Property Tax Abatement Levy	92,050	**107,050**	15,000	16.30%
Debt Service Levy	621,604	**693,024**	71,420	11.49%
Big Lake Economic Development	130,000	**160,000**	30,000	23.08%
	$ 5,886,358	**$ 6,311,469**	$ 425,111	7.22%

The levy allocation is as follows:

- General Fund: $5,351,395 (85%)
- Debt Service: $693,024 (11%)
- Abatement Levy: $107,050 (2%)
- EDA Levy: $160,000 (2%)



This levy supports ongoing operations, infrastructure investment, and long-term financial commitments while maintaining a moderate impact on taxpayers.

Impact on Taxpayers

For an average residential property valued at approximately $375,000, the City's portion of property taxes is estimated to increase by approximately $53 annually, or $4.43 per month.

The City's tax rate remains below comparable cities in the region, reflecting a commitment to efficient service delivery and responsible financial management.

City	City Tax Rate	Homestead Property Tax	City Portion Property Tax
Becker	48.928	$ 5,174	$ 1,906
Big Lake	**38.718**	**$ 4,886**	**$ 1,508**
Elk River	39.524	$ 5,159	$ 1,539
Princeton	56.535	$ 4,918	$ 2,202
Zimmerman	38.244	$ 5,049	$ 1,539
St Cloud	53.973	$ 5,115	$ 2,102
Buffalo	51.965	$ 4,968	$ 2,024
Monticello	37.701	$ 4,124	$ 1,468
Clearwater	55.526	$ 5,067	$ 2,162
Average	46.79044	$ 4,940	$ 1,828

Estimated Local Property Tax Rates

Tax Rates	2025 LEVY	2026 LEVY	% CHANGE	
City of Big Lake	39.592%	41.061%	1.47%	
Sherburne County	38.251%	39.121%	0.87%	
School District Voter Approved	27.935%	30.052%	2.12%	
Total Local Tax Rate (NTC)	105.778%	110.234%	4.46%	
School District Other local levies (Market)	0.19151%	0.18378%	-0.008%	(for specific projects)

Where do your tax dollars go?

Property tax distributions among jurisdictions remain consistent year or year:

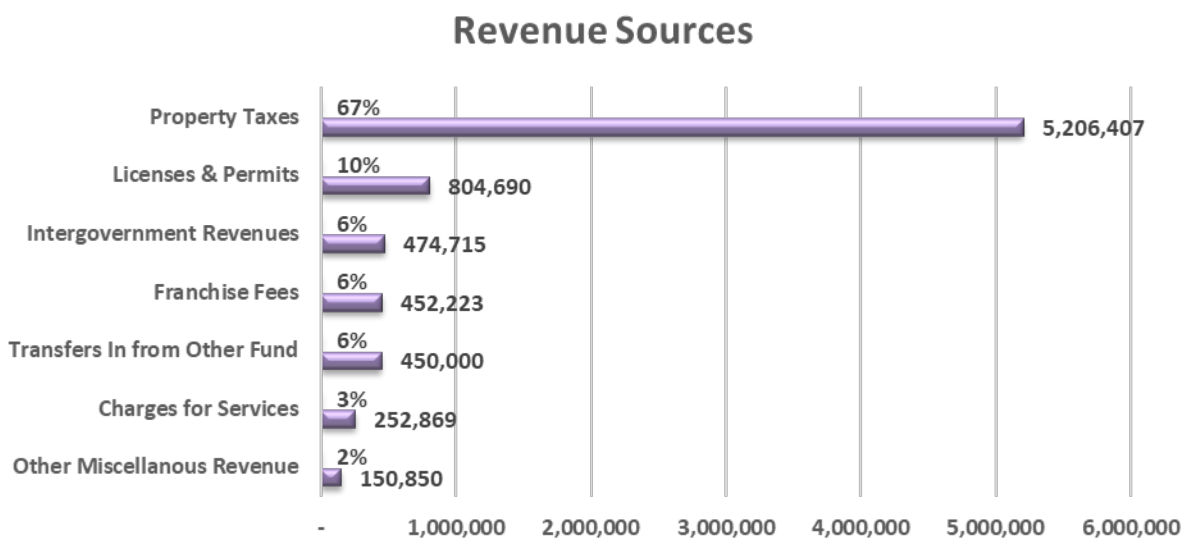
- 30% to Sherburne County
- 32% to the City of Big Lake
- 38% to the School District

This distribution reflects the shared responsibility among local governments to provide essential services to the community.

Revenue Structure

While property taxes represent a primary funding source, the City maintains a diversified revenue structure that includes:

- Intergovernmental revenues (state and federal aid)
- Licenses and permits
- Charges for services
- Franchise fees
- Investment earnings
- Annual transfer from the municipal liquor store



The City budgets a $450,000 annual transfer from the Liquor Fund to the General Fund, which helps reduce reliance on property taxes.

Long-Term Financial Planning

Multi-Year Financial Planning

The City utilizes a five-year financial planning model for all major funds. These projections provide insight into current financial conditions, the impact of past decisions, and future funding needs.

The 2026 budget represents the City's tenth multi-year budget cycle and includes projections through 2030.

General Fund Planning Assumptions

The five-year plan incorporates the following key assumptions:

- **Wages:** Approximately 6% annual increase (step and market adjustments)
- **Health Insurance:** Approximately 10% annual increase
- **Operations:** Approximately 3% annual increase
- **Growth:** Approximately 15 new housing permits annually

These assumptions provide a realistic framework for long-term financial sustainability.

Debt and Capital Planning

The City integrates long-term debt planning with its Capital Improvement Plan (CIP). CIP identifies future infrastructure and equipment needs and is updated annually.

Capital projects are funded through a combination of:

- Local Government Aid (LGA)
- State Aid
- Transfers from other funds
- Debt financing when necessary

The City maintains flexibility in capital planning to adjust for economic conditions, funding availability, and operational priorities.

Enterprise Fund Planning

The City's enterprise funds (water, sewer, stormwater, and liquor) are managed to ensure financial self-sufficiency.

Future planning includes:

- Infrastructure maintenance and expansion
- Utility rate adjustments to support operations and capital needs
- Preparation for future wastewater treatment plant expansion

Financial Strategy and Outlook

The City's financial strategy emphasizes:

- Conservative revenue projections
- Strong fund balance levels
- Diversified revenue sources
- Long-term capital and operational planning

The City Council evaluates both current and future financial impacts when making budget decisions. This forward-looking approach ensures that today's decisions support long-term sustainability.

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SUMMARY BUDGET

Overview and analysis of revenues, expenditures, and financial position

Summary of Revenues, Expenditures, and Fund Balance

STATEMENT OF REVENUES AND EXPENDITURES -
SUMMARY BUDGET ALL FUNDS - CITY OF BIG LAKE

	Actual			Budget		2025-2026	
	2022	2023	2024	2025	2026	$ Change	% Change
REVENUE & OTHER USES							
General Fund							
Taxes	$ 3,585,720	$ 4,121,504	$ 4,467,046	$ 4,887,540	$ 5,205,407	$ 317,867	6.50%
Special assessments	5,040	834	1,656	1,000	1,000	-	
Licenses and permits	798,583	723,587	645,801	713,445	804,690	91,245	12.79%
Intergovernmental revenues	506,759	591,371	690,357	497,579	474,715	(22,864)	-4.60%
Franchise Fees	454,572	461,496	471,667	451,263	452,223	960	0.21%
Charges for services	307,555	284,446	279,690	248,078	252,869	4,791	1.93%
Fines and forfeitures	33,032	42,097	44,786	49,250	51,250	2,000	4.06%
Interest earnings	(576,434)	445,332	606,124	64,534	95,500	30,966	47.98%
Contributions/Donations	37,555	27,270	11,870	1,500	1,500	-	
Miscellaneous revenue	37,134	97,366	49,885	2,500	2,600	100	4.00%
Transfer In from Other Funds	506,842	450,000	450,000	450,000	450,000	-	
Total General Fund	$ 5,696,358	$ 7,245,303	$ 7,718,882	$ 7,366,689	$ 7,791,754	$ 425,064	5.77%
Capital Funds							
Taxes & Tax Increment	$ 230,558	$ 217,339	$ 94,000	$ 216,000	$ 106,000	$ (110,000)	-50.93%
Special assessments	17,322	16,240	15,946	15,946	15,946	-	
Intergovernmental revenues	874,502	1,428,244	877,751	607,500	627,591	20,091	3.31%
Franchise Fees	31,788	27,676	-	270,000	450,000	180,000	66.67%
Charges for services	202,492	189,204	-	-		-	
Interest earnings	78,088	242,480	4,500	4,500	4,500	-	
Contributions/Donations	10,920	-	-	-	-	-	
Miscellaneous revenue	1,847	1,847	-	-	-	-	
Issuance of Debt	5,359,111	60,317	-	-	-	-	
Sales of Capital Assets	78,271	58,751	17,000	-	-	-	
Transfer In from Other Funds	669,297	842,429	155,611	148,611	224,011	75,400	50.74%
Total Capital Funds	$ 7,554,196	$ 3,084,527	$ 1,164,808	$ 1,262,557	$ 1,428,048	$ 165,491	13.11%
Special Revenue Funds							
Taxes	$ 129,100	$ 129,860	$ 129,100	$ 129,100	$ 158,800	$ 29,700	23.01%
Licenses and permits	2,200	4,930	2,200	2,500	5,000	2,500	100.00%
Intergovernmental revenues	614,401	248,688	1,000	1,000	1,000	-	
Charges for services	10	17,000	10	10	10	-	
Fines and forfeitures	-	54,979	-	-		-	
Interest earnings	1,000	21,824	2,836	2,700	2,800	100	3.70%
Contributions/Donations	38,300	86,312	36,000	31,500	31,500	-	
Miscellaneous revenue	1,200	52	25,001	1,200	1,200	-	
Transfer In from Other Funds	-	-	5,000	10,000	10,000	-	
Total Special Revenue Funds	$ 786,211	$ 563,645	$ 201,147	$ 178,010	$ 210,310	$ 32,300	18.15%
Debit Service Funds							
Taxes	$ 1,144,326	$ 873,302	$ 877,276	$ 621,605	$ 693,023	$ 71,418	11.49%
Special assessments	197,094	159,347	515,328	514,163	443,623	(70,540)	-13.72%
Intergovernmental revenues	323,242	197,518	198,340	201,923	201,363	(560)	-0.28%
Interest earnings	54,718	21,359	2,108	1,646	1,779	133	6.31%
Issuance of Debt & Premium	270,693		-	-	-	-	
Transfer In from Other Funds	836,937	189,986	42,000	42,000	42,000	-	
Total Debt Service Funds	$ 2,827,010	$ 1,441,512	$ 1,635,052	$ 1,381,337	$ 1,381,788	$ 451	0.03%
Enterpise Funds							
Charges for services	$ 5,435,612	$ 5,870,340	$ 5,668,165	$ 6,010,881	$ 6,179,204	$ 168,323	2.80%
Interest earnings	163,529	354,446	32,110	113,500	121,400	81,390	253.47%
Trunk and Access Charges	1,162,644	747,605	222,750	-	-	(222,750)	-100.00%
Miscellaneous revenue	39,383	67,225	2,525	2,525	2,000	-	
Capital Contribution	-	-	-	-	-	-	
Transfer In from Other Funds	19,000			-	-	-	
Sales	5,623,585	5,445,462	5,459,428	5,472,139	5,406,725	12,711	0.23%
Total Enterprise Funds	$ 12,443,753	$12,485,078	$11,384,978	5,459,428	5,459,428	$ 39,674	0.73%
TOTAL REVENUES & OTHER SOURCES:	$ 29,307,528	$24,820,065	$22,104,867	$15,648,021	$16,271,328	$ (4,487,463)	-28.68%

Summary of Revenues, Expenditures and Fund Balance – (continued)

STATEMENT OF REVENUES AND EXPENDITURES -
SUMMARY BUDGET ALL FUNDS - CITY OF BIG LAKE

	Actual			Budget		2025-2026	
	2022	2023	2024	2025	2026	$ Change	% Change
EXPENDITURES & OTHER USES							
General Fund							
Personnel Services	$ 3,557,959	$ 3,801,866	$ 4,319,889	$ 4,761,878	$ 4,978,375	$ 216,497	4.55%
Professional Services	244,220	181,726	169,295	180,768	244,440	63,672	35.22%
Operational	1,725,609	1,844,458	1,834,080	1,963,182	1,934,928	(28,254)	-1.44%
Debt Service Payments	7,831	15,444	-	-	-	-	
Capital Outlay	-	-	-	-	-	-	
Transfers Out	650,041	804,823	455,611	460,861	634,011	173,150	37.57%
Total General Fund	$ 6,185,660	$ 6,648,317	$ 6,778,875	$ 7,366,689	$ 7,791,754	$ 425,065	5.77%
Capital Funds							
Operational	$ 84,879	$ 127,500	$ 43,000	$ 48,500	$ 14,900	$ (33,600)	-69.28%
Debt Service Payments	23,073	22,996	22,915	22,996	18,873	(4,123)	-17.93%
Capital Outlay	6,488,496	1,680,000	1,695,500	1,933,361	2,662,511	729,150	37.71%
Transfers Out	778,382	82,000	332,000	250,000	235,000	(15,000)	-6.00%
Total Capital Funds	$ 7,374,830	$ 1,912,496	$ 2,093,415	$ 2,254,857	$ 2,931,284	$ 676,427	30.00%
Special Revenue Funds							
Personnel Services	$ 80,990	$ 48,861	$ 51,189	$ 54,651	$ 57,202	$ 2,551	4.67%
Professional Services	6,000	5,000	11,100	11,900	12,450	550	4.62%
Operational	39,340	90,270	122,637	109,643	75,238	(34,405)	-31.38%
Debt Service Payments	-	-	-	-	-	-	
Capital Outlay	-	-	-	-	-	-	
Transfers Out	46,362	1,272,208	50,000	50,000	50,000	-	
Total Special Revenue Funds	$ 172,692	$ 1,416,339	$ 234,926	$ 226,194	$ 194,890	$ (31,304)	-13.84%
Debit Service Funds							
Debt Service Payments	$ 2,091,357	$ 2,238,533	$ 2,381,250	$ 1,999,192	$ 1,943,352	$ (55,840)	-2.79%
Transfers Out	56,842	40,116	38,963	35,070	36,733	1,663	4.74%
Total Debt Service Funds	$ 2,148,199	$ 2,278,649	$ 2,420,213	$ 2,034,262	$ 1,980,085	$ (54,177)	-2.66%
Enterpise Funds							
Personnel Services	$ 2,192,266	$ 2,437,127	$ 2,532,135	$ 2,861,080	$ 2,987,424	$ 126,344	4.42%
Professional Services	108,975	111,281	120,600	122,350	174,960	52,610	43.00%
Operational /Depreciation	4,016,835	1,639,784	4,622,303	4,397,666	4,417,980	20,314	0.46%
Cost of Goods Sold	3,627,184	4,012,917	4,001,261	4,126,071	4,065,413	(60,658)	-1.47%
Debt Service Payments	205,118	245,612	272,076	161,916	131,546	(30,370)	-18.76%
Transfers Out	968,032	588,063	2,238,000	1,183,000	1,064,000	(119,000)	-10.06%
Total Enterprise Funds	$ 11,118,410	$ 9,034,784	$13,786,375	$12,852,083	$12,841,323	$ (10,760)	-0.08%
TOTAL EXPENDITURE/EXPENSES & OTHER SOURCES:	$ 26,999,791	$21,290,585	$25,313,804	$24,734,085	$25,739,336	$ 1,005,251	4.06%
CHANGE IN Fund Balance	$ 2,307,737	$ 3,529,480	$ (3,208,937)	$ (9,086,064)	$ (9,468,008)	$ (5,492,714)	60.45%
Fund Balance January 1	$ 50,607,077	$52,914,814	$56,444,294	$53,235,357	$44,149,293		
Fund Balance December 31	52,914,814	56,444,294	53,235,357	44,149,293	34,681,285		

The above table summarizes project changes in fund balance across all funds for the budget year.

General Fund Operations Budget Summary

STATEMENT OF REVENUES AND EXPENDITURES -
2026 SUMMARY BUDGET - GENERAL FUND

	2024 Actual	2025 Budget	2026 Proposed Budget	2025 - 2026 $ Change	2025 - 2026 % Change
REVENUE					
Taxes	$ 4,467,046	$ 4,887,540	$ 5,205,407	$ 317,867	6.50%
Special assessments	1,656	1,000	1,000	-	0.00%
Licenses and permits	645,801	713,445	804,690	91,245	12.79%
Intergovernmental revenues	690,357	497,579	474,715	(22,864)	-4.60%
Franchise Fees	471,667	451,263	452,223	960	0.21%
Charges for services	279,690	248,078	252,869	4,791	1.93%
Fines and forfeitures	44,786	49,250	51,250	2,000	4.06%
Interest earnings	606,124	64,534	95,500	30,966	47.98%
Contributions/Donations	11,870	1,500	1,500	-	0.00%
Miscellaneous revenue	49,885	2,500	2,600	100	4.00%
Transfer In from Other Funds	450,000	450,000	450,000	-	0.00%
Total Current year revenues	7,718,882	7,366,689	7,791,754	425,065	5.77%
Designed/Unreserve Fund Balance	3,566	-	-	-	
TOTAL GENERAL FUND REVENUES BUDGET	$ 7,722,448	$ 7,366,689	$ 7,791,754	$ 425,065	5.77%

	2024 Actual	2025 Budget	2026 Proposed Budget	2025 - 2026 $ Change	2025 - 2026 % Change
EXPENDITURES					
Mayor/Council	$ 34,340	$ 33,681	$ 34,284	$ 603	1.79%
Planning and Zoning	214,460	238,666	196,704	(41,962)	-17.58%
Elections	29,613	2,000	33,100	31,100	1555.00%
Administration and Finance	595,422	588,655	608,420	19,765	3.36%
IT - Computer/Software/Maintenance	135,327	160,539	297,576	137,037	85.36%
BLCSC	83,117	73,661	72,496	(1,165)	-1.58%
Economic Development	181,796	183,411	219,677	36,266	19.77%
Building Inspection	214,167	223,104	229,354	6,250	2.80%
Engineering	102,943	137,914	143,303	5,389	3.91%
Fleet Maintenance	237,881	232,182	245,962	13,780	5.93%
Streets	610,875	765,234	762,756	(2,477)	-0.32%
Parks	571,100	692,430	671,004	(21,426)	-3.09%
Police	2,697,339	3,104,124	3,292,790	188,666	6.08%
Fire	401,149	348,918	236,013	(112,905)	-32.36%
Community - Recreation	114,724	121,309	114,303	(7,006)	-5.78%
Transfers out	1,010,822	460,861	634,011	173,150	37.57%
TOTAL GENERAL FUND EXPENDITURES	7,235,075	7,366,689	7,791,754	425,065	5.77%
NET REVENUE OVER (UNDER) EXPENSE	$ 487,373	$ 0	$ 0	$ (0)	
Unassigned Fund Balance - Projected	$ 4,644,218	$ 4,744,218	$ 4,744,219		
Percentage of Expenditures:					
Unassigned Fund Balance - between 42% - 50%	63.04%	60.89%	60.89%		

The General Fund maintains fund balance within the City's policy target of 42% to 50% of the next year's annual expenditures, supporting financial stability and flexibility.

Special Revenues Budget Summary

Special Revenue Fund - Economic Development Authority - Levy $160,000

Revenue Budget	2022 Actual	2023 Actual	2024 Actual	2025 Final Budget	2026 Budget	2025-2026 $ Change	2025-2026 % Change
Property Taxes	$ 129,966	$ 129,860	$ 129,824	$ 129,100	$ 158,800	$ 29,700	23.01%
Lease/Rental	-	15,733	21,165	-	-	-	
Lease Interest	-	1,267	2,835	-	-	-	
Transfer In	600,000	-	-	-	-		
Interest Earned	6,154	15,879	12,398	2,500	2,500	-	0.00%
Total - Revenues:	**$ 736,120**	**$ 162,739**	**$ 166,222**	**$ 131,600**	**$ 161,300**	**$ 29,700**	22.57%
Expenditure Budget							
Employee Services (Personnel)	$ 32,475	$ 41,440	$ 38,985	$ 44,719	$ 46,936	$ 2,217	4.96%
Contractual Services	6,650	44,582	40,828	11,900	12,450	550	4.62%
Commodities & Services	3,444	49,411	25,226	19,323	23,168	3,845	19.90%
Marketing	-	3,750	-	50,000	10,000	(40,000)	-80.00%
Transfer Out	46,362	46,362	50,000	50,000	50,000	-	0.00%
Total - Expenditures	**$ 88,931**	**$ 185,545**	**$ 155,039**	**$ 175,942**	**$ 142,554**	**$ (33,388)**	-18.98%
	-		-	-		-	
Excess Revenues/(deficit)	**$ 647,189**	**$ (22,806)**	**$ 11,183**	**$ (44,342)**	**$ 18,746**		

Budget Year	2024	2025	2026	2027	2028	2029	2030
Projected Cash Flow Change	$ 459,011	$ 263,820	$ 219,478	$ 238,224	$ 302,976	$ 364,742	$ 462,942
Projected Excess Revenue/(deficit)	11,183	(44,342)	18,746	64,752	61,766	98,200	94,839
Change in Assets/Current Liabilitie	(206,374)	-	-	-	-	-	-
Projected Ending Cash	$ 263,820	$ 219,478	$ 238,224	$ 302,976	$ 364,742	$ 462,942	$ 557,780

Special Revenue Fund - Farmers Market - need to look for grants

Revenue Budget	2022 Actual	2023 Actual	2024 Actual	2025 Final Budget	2026 Budget	2025-2026 $ Change	2025-2026 % Change
Intergovernmental	$ 580	$ 1,000	$ 796	$ 1,000	$ 1,000	$ -	0.00%
Vendor Licenses	3,210	2,000	3,950	2,000	4,000	2,000	100.00%
Vendor Licenses - Winter	670	200	2,920	500	1,000	500	100.00%
Donations from Organization	9,350	9,500	10,000	9,500	9,500	-	0.00%
Farmers Market Bages	24	10	40	10	10	-	0.00%
Interest Earned	315	100	1,132	100	100	-	0.00%
Other Grant Proceeds	2,201	1,200	3,069	1,200	1,200	-	0.00%
Total - Revenues:	**$ 16,350**	**$ 14,010**	**$ 21,907**	**$ 14,310**	**$ 16,810**	**$ 2,500**	17.47%
Expenditure Budget							
Personnel	$ 4,480	$ 4,387	$ 4,702	$ 4,966	$ 5,133	$ 167	3.36%
Operations	11,048	8,595	14,888	13,420	14,609	1,189	8.86%
Total - Expenditures	**$ 15,528**	**$ 12,982**	**$ 19,590**	**$ 18,386**	**$ 19,742**	**$ 1,356**	7.38%
Excess Revenues/(deficit)	**$ 822**	**$ 1,028**	**$ 2,317**	**$ (4,076)**	**$ (2,932)**		

Budget Year	2024	2025	2026	2027	2028	2029	2030
Projected Cash Flow Change	$ 26,846	$ 29,163	$ 25,087	$ 22,155	$ 18,889	$ 15,281	$ 11,311
Projected Excess Revenue/(deficit)	2,317	(4,076)	(2,932)	(3,266)	(3,607)	(3,971)	(4,358)
Projected Ending Cash	$ 29,163	$ 25,087	$ 22,155	$ 18,889	$ 15,281	$ 11,311	$ 6,953

Special Revenue Fund - Music in the Park - need to look for grants

Revenue Budget	2022 Actual	2023 Actual	2024 Actual	2025 Final Budget	2026 Budget	2025-2026 $ Change	2025-2026 % Change
Transfer In Revenue - Admin	$ -	$ 5,000	$ 5,000	$ 10,000	$ 10,000	$ -	0.00%
Donations from Organization	28,500	25,000	22,000	22,000	22,000	-	0.00%
Interest Earned	272	100	489	100	200	100	100.00%
Total - Revenues:	**$ 28,772**	**$ 30,100**	**$ 27,489**	**$ 32,100**	**$ 32,200**	**$ 100**	0.31%
Expenditure Budget							
Personnel	$ 4,049	$ 4,387	$ 4,702	$ 4,966	$ 5,133	$ 167	3.36%
Operations	29,973	31,854	29,898	26,900	27,461	561	2.09%
Total - Expenditures	**$ 34,022**	**$ 36,241**	**$ 34,600**	**$ 31,866**	**$ 32,594**	**$ 728**	2.28%
Excess Revenues/(deficit)	**$ (5,250)**	**$ (6,141)**	**$ (7,111)**	**$ 234**	**$ (394)**		

Budget Year	2024	2025	2026	2027	2028	2029	2030
Projected Cash Flow Change	$ 8,057	$ 946	$ 1,180	$ 786	$ 53	$ (1,021)	$ (2,459)
Projected Excess Revenue/(deficit)	(7,111)	234	(394)	(733)	(1,074)	(1,438)	(1,825)
Projected Ending Cash	$ 946	$ 1,180	$ 786	$ 53	$ (1,021)	$ (2,459)	$ (4,284)

Debt Service Budget Summary

Description	2020 Budget	2021 Budget	2022 Adopted Budget	2023 Budget	2024 Budget	2025 Budget	2026 Budget	2027 Concept Budget	2028-2034 Concept Budget
REVENUES									
Property Taxes	$ 1,144,242	$ 1,174,620	$ 1,359,098	$ 1,086,357	$ 877,276	$ 621,605	$ 693,023	$ 1,017,777	$ 4,365,784
Tax Increment	42,000	42,000	42,000	42,000	42,000	42,000	42,000	42,000	84,000
Special Assessments	219,671	198,309	355,059	326,462	515,328	514,163	443,623	531,752	2,064,649
State Aid	151,913	151,669	151,391	152,242	152,913	152,531	153,114	152,646	305,732
Intergovernemntal	43,659	47,984	47,206	46,357	45,427	49,392	48,249	48,249	50,686
Investment Interest	9,361	1,967	3,187	2,773	2,108	1,646	1,779	1,779	3,095
Total Revenues	1,610,846	1,616,549	1,957,941	1,656,191	1,635,052	1,381,337	1,381,788	1,794,203	6,873,946
EXPENDITURES									
Debt Principal Payments	2,189,063	1,821,063	1,638,063	1,755,000	2,028,000	1,657,796	1,688,000	1,405,000	6,958,000
Debt Interst Payments	296,610	248,226	291,636	483,533	353,250	303,483	255,352	208,850	475,566
Other (Interfund Loans & Escrow payments)	43,863	41,968	41,641	40,116	38,963	37,913	36,733	36,733	136,135
Total Expenditures	2,529,536	2,111,257	1,971,340	2,278,649	2,420,213	1,999,192	1,980,085	1,650,583	7,569,701
OTHER USES									
Transfers In	**287,239**	**289,213**	**113,063**	**113,063**	**209,235**	**165,000**	**150,000**		**-**
Transfers Out	(50,927)	(5,944)	(38,220)	(74,084)	(36,120)	(35,070)	(34,020)	(37,016)	(529,675)
Total Other Uses	236,312	283,269	74,843	38,979	173,115	129,930	115,980	(37,016)	(529,675)
Net Change	$ (682,378)	$ (211,439)	$ 61,444	$ (583,479)	$ (612,046)	$ (487,925)	$ (482,317)	$ 106,604	$ (1,225,430)
Fund Equity, Beginning	3,587,515	2,905,137	2,693,698	2,755,142	2,171,663	1,559,617	1,071,692	589,375	695,979
Fund Equity, Ending	$ 2,905,137	$ 2,693,698	$ 2,755,142	$ 2,171,663	$ 1,559,617	$ 1,071,692	$ 589,375	$ 695,979	$ (529,451)

Bond Rating

S&P Global Ratings raised its rating on Big Lake, Minn.'s general obligation (GO) debt to 'AA' from 'AA-' in 2018 and it was reaffirmed at the AA rating with the current debt issues of the 2026A Lease Revenue Bonds. S&P Global reaffirmed that the outlook on all ratings is stable. Their rationale for reaffirming the City's bond rating of an AA was as follows:

Credit Highlights – Big Lake's credit quality is highlighted by a healthy financial profile, with a robust reserve position that S&P expects will remain strong even though the city will draw down reserves to make half of the lease rental payments due in 2027 and 2028 on the 2026A bonds. Given the city's absence of future GO debt plans, robust financial profile, and well-embedded financial management practices, S&P expects the rating will remain stable over the two-year outlook horizon.

The rating reflects S&P's view of the city's:

- Steadily developing local economy, with a count population projected to increase 8% over the next 10 years.
- A track record of operating surpluses supported by practical budget assumptions, with unlimited statutory taxing flexibility supporting modest year-over-ear levy growth.
- Robust available reserves, consisting of the available general fund balance and the cash balance in the municipal liquor store fund, which is considered available for general operations, if needed.
- Proactive financial management through robust policies and practices.
- Debt levels will increase with the issuance of the 2026A bonds but given the city's plan to use a portion of its healthy general fund balance to cover half of the lease payments in 2027 and 2028, S&P does not expect operations to be materially pressured in the coming years.

Enterprise Funds – Water Operating Budget Summary

Revenue Budget	2025 Budget	2026 Budget	2025-2026 $ Change	2025-2026 % Change
Utilities Revenues	$ 2,228,003	$ 2,217,562	$ (10,441)	-0.47%
Other Revenues	11,000	21,000	10,000	90.91%
Total Revenues	**$ 2,239,003**	**$ 2,238,562**	**$ (441)**	**-0.02%**
	-	-		
Expense Budget				
Personnel	$ 906,562	$ 946,218	$ 39,656	4.37%
Professional Services	63,750	108,360	44,610	69.98%
Operations	732,881	605,503	(127,378)	-17.38%
Capital/Transfers	568,000	258,000	(310,000)	-54.58%
Debt	10,001	7,680	(2,321)	-23.21%
Depreciation	954,005	954,005	-	0.00%
Total Expenses	**$ 3,235,199**	**$ 2,879,766**	**$ (355,433)**	**-10.99%**
	-	-		
Net Income/(Loss) with Depreciation	**$ (996,196)**	**$ (641,204)**		
Net Income/(Loss) without Depreciation	**$ (42,191)**	**$ 312,801**		
Projected Ending Cash	**$ 337,775**	**$ 557,487**		

**projected cash balance is after principal debt payments are made

Enterprise Funds – Wastewater Operating Budget Summary

Revenue Budget	2025 Budget	2026 Budget	2025-2026 $ Change	2025-2026 % Change
Utilities Revenues	$ 3,508,025	$ 3,682,814	$ 174,789	4.98%
Other Revenues	11,000	51,000	40,000	363.64%
Total Revenues	**$ 3,519,025**	**$ 3,733,814**	**$ 214,789**	**6.10%**
	-	-		
Expense Budget				
Personnel	$ 910,195	$ 948,585	$ 38,390	4.22%
Professional Services	47,500	53,500	6,000	12.63%
Operations	709,217	857,166	147,949	20.86%
Capital/Transfers	100,000	286,000	186,000	186.00%
Debt	151,915	123,866	(28,049)	-18.46%
Depreciation	1,435,595	1,435,595	-	0.00%
Total Expenses	**$ 3,354,422**	**$ 3,704,712**	**$ 350,290**	**10.44%**
		-		
Net Income/(Loss) with Depreciation	**$ 164,603**	**$ 29,102**		
Net Income/(Loss) without Depreciation	**$ 1,600,198**	**$ 1,464,697**		
Projected Ending Cash	**$ 2,442,102**	**$ 3,652,307**		

**projected cash balance is after principal debt payments are made

Enterprise Funds – Storm Water Operating Budget Summary

Revenue Budget	2025 Budget	2026 Budget	2025-2026 $ Change	2025-2026 % Change
Utilities Revenues	$ 274,853	$ 278,828	$ 3,975	1.45%
Other Revenues	9,000	9,000	-	0.00%
Total Revenues	**$ 283,853**	**$ 287,828**	**$ 3,975**	**1.40%**
	-	-		
Expense Budget				
Personnel	$ 160,569	$ 165,176	$ 4,607	2.87%
Professional Services	3,000	3,000	-	0.00%
Operations	30,348	28,600	(1,749)	-5.76%
Capital/Transfers	30,000	35,000	5,000	16.67%
Depreciation	181,700	181,700	-	0.00%
Total Expenses	**$ 405,617**	**$ 413,476**	**$ 7,858**	**1.94%**
		-		
Net Income/(Loss) with Depreciation	**$ (121,764)**	**$ (125,648)**		
Net Income/(Loss) without Depreciation	**$ 59,936**	**$ 56,052**		
Projected Ending Cash	**$ 409,874**	**$ 465,927**		

Enterprise Funds – Liquor Store Operating Budget Summary

	2025 Budget	2026 Budget	2025-2026 $ Change	2025-2026 % Change
Sales				
Gross Sales	$ 5,501,354	$ 5,436,232	$ (65,122)	-1.18%
Less Loyalty Program	(29,215)	(29,507)	(292)	1.00%
Cost of Goods Sold	4,126,071	4,065,413	(60,658)	-1.47%
Gross Profit	**$ 1,346,068**	**$ 1,341,312**	**$ (4,756)**	**-0.35%**
Gross Profit %	**25%**	**25%**		
Revenue Budget				
Gross Sales	$ 5,472,139	$ 5,406,725	$ (65,414)	-1.20%
Other Revenues	35,400	40,400	5,000	14.12%
Total Revenues	**$ 5,507,539**	**$ 5,447,125**	**$ (60,414)**	**-1.10%**
	-	-	-	
Expense Budget				
Personnel	$ 889,218	$ 927,445	$ 38,227	4.30%
Professional Services	8,100	10,100	2,000	24.69%
Operations	280,730	280,253	(476)	-0.17%
Cost of Goods Sold	4,126,071	4,065,413	(60,658)	-1.47%
Capital/Transfers	485,000	485,000	-	0.00%
Depreciation	73,190	75,158	1,968	2.69%
Total Expenses	**$ 5,862,309**	**$ 5,843,369**	**$ (18,940)**	**-0.32%**
		-		
Net Income/(Loss) with Depreciation and Transfer	**$ (354,771)**	**$ (396,245)**		
Projected Ending Cash	**$ 1,180,199**	**$ 859,113**		
Net profit before transfer to General Fund	**$ 53,755**			
Net profit % before transfer	**1%**			
Labor Cost % to Sales	**17%**			
Projected Cash balance as % to Budget	**15%**			

Citywide Budget Overview

The 2026 budget reflects a balanced and sustainable financial plan aligned with the City Council's priorities. The City continues to focus on maintaining core services, investing in infrastructure, and supporting long-term financial stability.

The budget was developed with a conservative approach, emphasizing realistic revenue projections and disciplined expenditure planning to ensure ongoing financial strength.

Revenue Overview

General Fund Overview

The City utilizes a diversified revenue structure to support operations, with property taxes serving as the primary funding source. Additional revenues include intergovernmental aid, service charges, franchise fees, licenses and permits, and transfers from enterprise operations.

The municipal liquor operation continues to provide a significant annual transfer to the General Fund, supporting services and helping reduce reliance on property taxes.

Property Taxes (Taxes/Special Assessment)

The general fund property tax is the primary source of general fund revenues, and it is the largest tax collected by the City for any fund. The City will only receive taxes for the amount that is levied each year, plus penalties and interest from payments of delinquent property taxes.

Franchise Fees

The fee is collected by gas and electric companies and remitted to the City to support the maintenance of street improvement and public rights-of-way. These funds are transferred to CIP Fund 196 on a yearly basis. Residential accounts are charged **$4.00 per month**, while commercial accounts are charged **$8.00 per month**.

Licenses and Permits

This category includes **building permits, liquor licenses,** and other licenses. The City takes a **conservative approach** when budgeting for these revenues, basing the yearly estimate on **prior years' activity** and any **known development** projects at the time.

Intergovernmental

These funds consist of **grants, programs, and formula-driven aid** from state and federal governments, supporting **roads, emergency response,** and other services. The City takes a **conservative approach** when estimating the annual amount received for state aid, basing the budget on **prior years' trends**.

Charges for Services

These are user fees imposed to generate the necessary funding for operating City facilities, specifically from those who utilize them. This category includes the **street light fee** charged on every water bill, as well as the **fleet maintenance services** provided to the Fire Department. Like other revenue sources, the City takes a **conservative approach** when budgeting for charges for services.

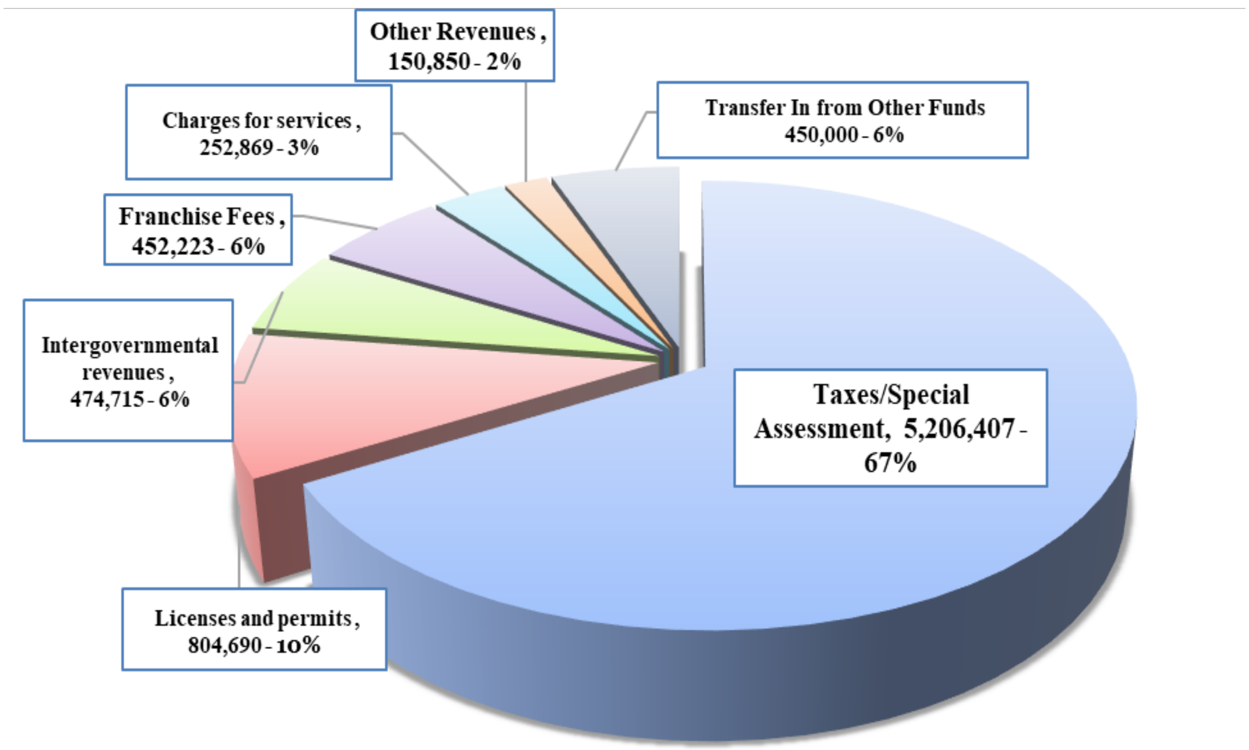
Transfers from other Funds

These funds represent the **yearly transfer from the Liquor Store**, which allocates its profits back into the community. This annual contribution helps support various City initiatives and services, reinvesting the store's earnings for the benefit of residents.

Other Revenues

The City's revenues include **investment earnings**, which are subject to a **fair market value (FMV) adjustment** at year-end. Each year, the City compares the market value of its investments to the book value. If the market value is higher, the adjustment increases the total revenue earned for that year. In previous years, these FMV adjustments have enabled the City to make **substantial year-end transfers** to capital funds for future projects. These transfers have funded **road projects, trails, and land acquisitions** that would not have been feasible without a significant increase to the general levy.

The 2026 total General Fund Revenues budget is $7,791,754, reflecting an increase of $425,065 over the 2025 budget. Property taxes continue to be the largest revenue source for the City, comprising 67% of the total revenue. The transfer from the municipal liquor store, Lake Liquor, accounts for 6% of the City's revenue. Without the continued growth and profitability of Lake Liquor, the City would not be able to make this transfer, which would require either an increase in the property tax levy or a reduction in City services. Other revenue sources include franchise fees, licenses and permits, intergovernmental sources, charges for services, fines and forfeits, donations, and investment income. These combined revenues support the City's ability to provide services while maintaining financial stability.



Property Tax and Levy

The 2026 property tax levy reflects the City's need to support service delivery, fund capital improvements, and meet long-term financial obligations. The increase is driven by inflationary pressures, personnel costs, and continued investment in infrastructure and public safety.

The City remains committed to balancing service needs with taxpayer impact while maintaining financial stability.

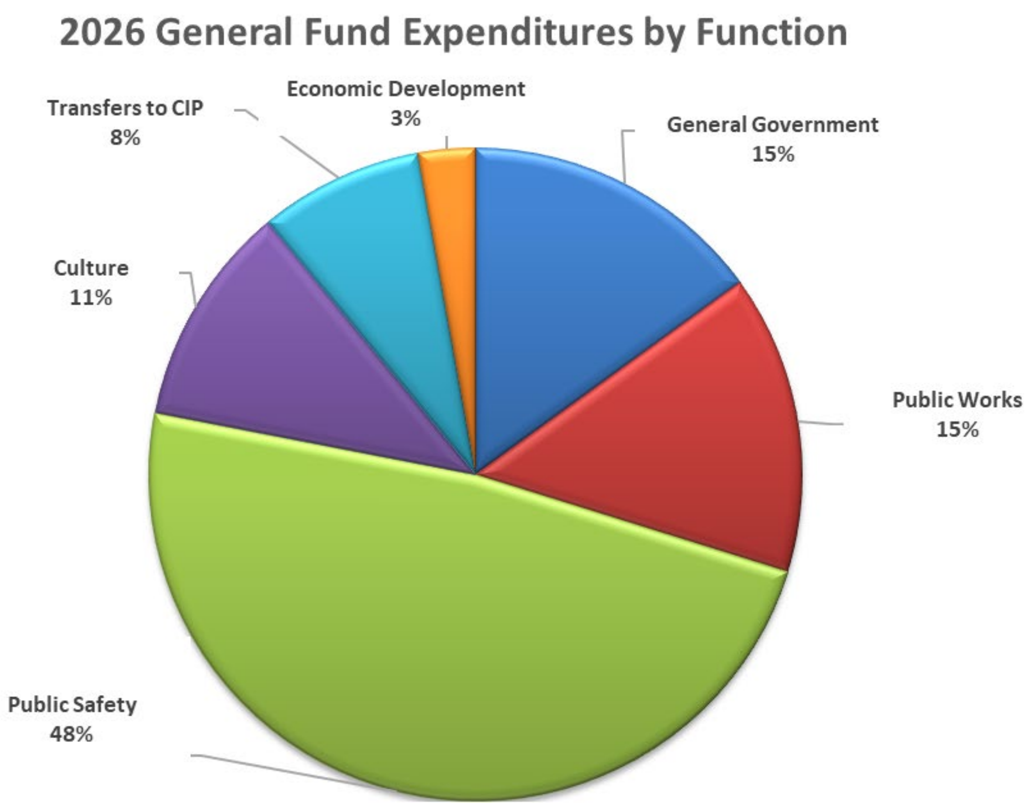
Expenditure Overview

City expenditures are primarily driven by personnel and operational costs are necessary to deliver services to residents and businesses.

- **Employee Services (Personnel Costs):** Represent the largest portion of the budget and include wages, benefits, and retirement contributions required to support City operations.
- **Contractual Services (Professional Services):** Professional services provided by outside vendors, including engineering, legal, audit, and consulting.
- **Commodities & Supplies (Operations):** Include costs associated with maintaining facilities, equipment, utilities, and service delivery.
- **Transfers:** Support long-term capital planning, infrastructure maintenance, and equipment replacement.

Employee services represent approximately **65%** of General Fund expenditures.

This balanced allocation ensures the continued delivery of essential services while planning for future needs.



Department Breakdown by Function:

General Government:
- Mayor/Council
- Planning
- Elections
- Administration/Finance
- IT – Computer Services

Public Safety:

- Police
- Fire
- Building Division

Public Works (Streets and Highways):

- Engineering
- Fleet
- Streets

Culture and Recreation:

- Parks
- Big Lake Community Senior Center (BLCSC)
- Recreation – Community Events

Economic (Community) Development:

- Economic Development – General Fund

General Fund Financial Condition

The General Fund remains structurally balanced, with revenues aligned to expenditures. The City maintains a strong unassigned fund balance that exceeds established financial policy targets, providing flexibility and stability for future planning.

This strong financial position allows the City to respond to changing economic conditions while continuing to invest in community priorities.

Special Revenue Funds Overview

Special Revenue Funds are used to account for resources that are restricted or committed to specific purposes. These funds support targeted activities such as capital improvements, infrastructure maintenance, and other designated programs.

Revenues are primarily derived from dedicated sources, including grants, program revenues, and specific levies, and are expected to remain relatively stable based on program activity and funding availability.

These funds provide transparency and ensure that dedicated revenues are used in accordance with their intended purpose.

The Economic Development Authority (EDA) long-term financial plan includes projected increases to the EDA levy in 2027 and 2029 to support ongoing economic development initiatives, redevelopment efforts, and long-term community investments.

Debt Service Funds Overview

Debt Service Funds are used to account for the accumulation of resources for the payment of principal and interest on the City's long-term debt.

The City maintains structured repayment schedules and utilizes a combination of property taxes, special assessments, and other funding sources to meet its debt obligations. Debt service requirements are projected based on existing obligations and planned capital investments, including the future issuance of debt for major projects, such as the Public Safety Facility.

Enterprise Fund Overview

The City's enterprise funds, including water, wastewater, stormwater, and liquor, are operated to ensure long-term financial sustainability. These funds are supported primarily through user fees and are structured to recover the cost of operations, maintenance, and capital improvements.

Enterprise funds are managed to maintain adequate operating reserves and ensure long-term system sustainability.

Financial planning assumptions for enterprise funds include:

- Modest annual rate adjustments to support operations and capital needs
- Ongoing infrastructure maintenance and replacement
- Long-term planning for system expansion, including future wastewater treatment facility improvements

The Wastewater Fund is projected to experience rate increases over the next five years to support the planned expansion of the wastewater treatment facility and accommodate future growth.

Sales for the municipal liquor operation are projected to remain relatively flat over the long-term planning period.

Utility operations support system reliability and future infrastructure needs, while the municipal liquor operation provides an ongoing revenue source that benefits the broader community and supports General Fund operations.

Transfers and Capital Planning

The City utilizes strategic transfers to fund capital improvements and long-term infrastructure needs. These transfers support street maintenance, equipment replacement, parks and trail improvements, and other capital investments.

Funding sources include franchise fees, Local Government Aid, and transfers from operating funds. These transfers are expected to continue throughout the planning period and are adjusted as needed based on financial conditions and capital priorities.

This approach reduces reliance on debt and helps stabilize the property tax levy over time.

Economic Outlook

Big Lake continues to experience steady growth in both population and taxable market value. While inflationary pressures continue to impact operating costs, the City remains well-positioned due to strong financial management and a stable revenue base.

Ongoing development, infrastructure investment, and long-term planning efforts support the City's continued financial sustainability.

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FIVE YEAR FINANCIAL PLAN

Long-term projections, assumptions, and financial outlook

City of Big Lake Levy Long-Term Planning

The City's long-term financial plan incorporates key assumptions and strategies to support sustainable operations and infrastructure investment. Tax capacity is projected to grow modestly, with conservative estimates applied throughout the planning period.

The City continues to prioritize investment in capital infrastructure through the strategic use of franchise fees, Local Government Aid, and transfers to Capital Improvement Funds. These funding strategies support ongoing street, park, and facility improvements while reducing reliance on future debt.

The plan reflects changes in debt service, including the reallocation of expiring debt levies to support future capital needs. Additional considerations include potential changes in franchise fee revenues, staffing needs, and long-term facility planning.

The plan also incorporates future capital needs, including the construction of the new Public Safety Facility, which will be financed through a lease revenue bond. This project will increase future debt service obligations and will impact property tax levies over the planning period.

Overall, the property tax levy is projected to increase at a moderate and sustainable rate over the planning period, consistent with service demands, infrastructure needs, and community growth.

The Five-Year Financial Plan is based on the following key assumptions:

- **Wages: Approximately** 6% annual increase (step and market adjustments)
- **Health Insurance**: Approximately 10% annual increase
- **Operations:** Approximately 3% annual increase
- **Growth:** Approximately 15 new housing permits annually
- **Revenues:** Conservative projections based on historical trends and known changes
- **State Aid (LGA):** Assumes stable to modest decline over the planning period

These assumptions provide a framework for maintaining financial stability while planning for future growth and service demands.

Levy projections include the impact of the new Public Safety Facility, which will serve as the future home of City Hall and the Police Department. The increase in the levy will support repayment of the 2026 lease revenue bond.

The Big Lake Economic Development Authority (BLEDA) long-term plan includes increases in the special property tax levy of $50,000 in 2027 and $40,000 in 2029 to support economic development initiatives consistent with its mission and goals.

The Farmers Market and Music in the Park programs will require additional funding sources if donation levels remain flat. Staff will continue to pursue grants and alternative funding opportunities to maintain current service levels.

Enterprise Funds will continue to monitor and adjust clear user charges as needed to maintain positive cash flow, support operations, and plan for future capital needs.

The following projections include funds for which the City Council formally adopts budgets and represent the primary operating and financial activities of the City.

Long Term Planning

One of the strengths of the City Council's budgeting process is its commitment to long-term financial planning. The Council not only reviews the upcoming year's budget but also evaluates future projections to understand the broader financial impacts of today's decisions. This forward-looking approach ensures the City's financial sustainability and allows the Council to remain focused on policy-level priorities—the "big picture"—while staff carry out those goals effectively with the resources provided.

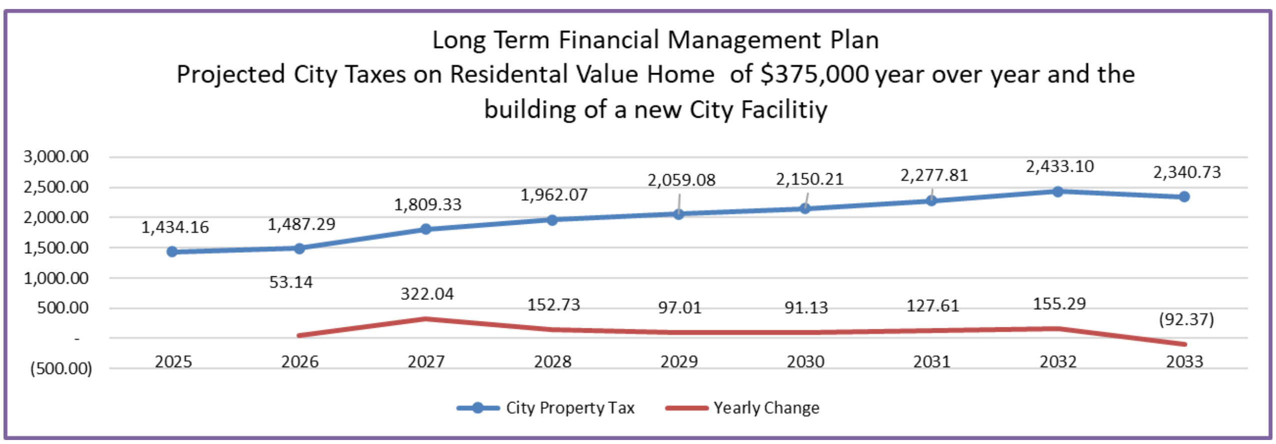
All staff recommendations presented to the Council are tied directly to the Strategic Plan, which guides day-to-day operations as well as future planning. In support of this approach, Five-Year Plans are prepared for each City fund. These plans highlight current fund conditions, the impacts of prior actions, and projections for future performance, helping the Council identify where policy adjustments may be needed.

Projected Impact

A levy projection through 2030 shows the General Fund levy rising at an average rate of 10% per year. This projection reflects the City's ongoing operational pressures, long-term capital needs, and policy decisions already in motion.

The long-term framework also anticipates the potential relocation of City Hall. That project would likely require future adjustments to the debt levy. Because planning is still in early stages and key variables remain unknown, only conservative placeholder assumptions are built into the current outlook. No speculative debt or operating impacts have been added.

To manage the early years of the proposed Public Safety Facility financing, the plan assumes the City will use a portion of CIP funds or unassigned fund balance in 2027 and 2028 to soften the initial impact of the new debt service. This keeps the levy stable during the build-out and avoids front-loading sharp increases before the facility is operational.



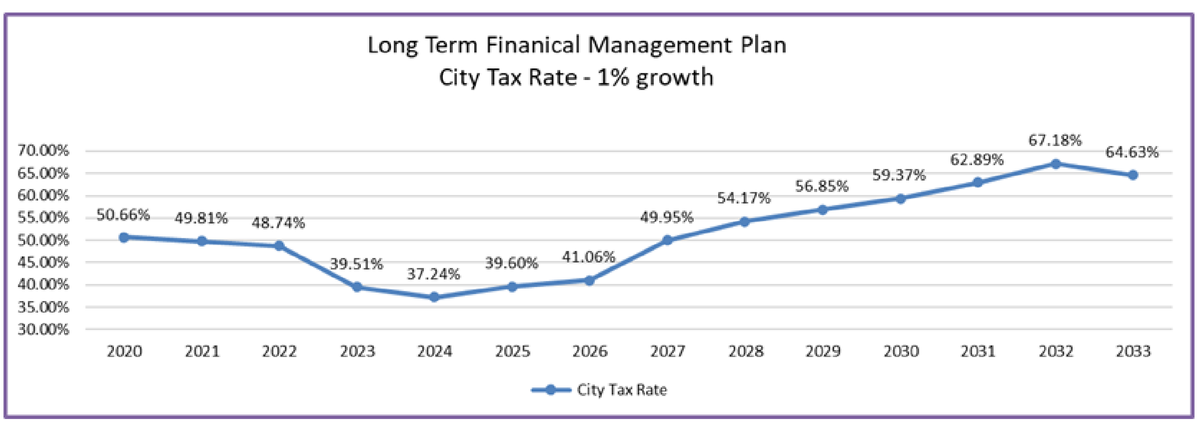
City Levy

2026 Levy Amounts, with concept years 2027-2030

Inflation at 2.70%

2026 as debt is paid off increase general levy same amount as prior year debt levy for increase transfer to the CIP maint funds 195-196

	2025 Final	2026 Proposed	Inc/(Dec)	2026 % Change	2027 Concept	Inc/(Dec)	2027 %
General Levy: - pays for city services	$ 4,672,703	$ 4,801,395	$ 128,692		$ 5,086,675	$ 285,280	
Capital Transfers	370,000	550,000	180,000		450,000	(100,000)	
Total General Levy	$ 5,042,703	**$ 5,351,395**	**$ 308,692**	**6.12%**	**$ 5,536,675**	**$ 185,280**	**3.46%**
Special Levy - Pays yearly Debt Payments/Abatements (not subject to levy limits)							
Abatement Property Tax Levy							
Abatement Levy- Lupulin - 65-564-0004	7,050	7,050	-	0.00%	7,050	-	0.00%
Abatement Levy - Carlson Group - 65-608-0110	85,000	100,000	15,000	17.65%	100,000	-	0.00%
Abatement/TIF Debt Levy							
2016A GO Taxable Refunding Bonds TIF 1-3 & 1-4 (IFL) - IFL COULI	147,665	154,399	6,734	4.56%	160,733	6,334	4.10%
City Bonds broken down by type of bonds and year issued			-			-	
Debt Levy - Pays yearly Debt Payments			-			-	
2015A GO Refunding Bonds	69,309	67,610	(1,699)	-2.45%	71,003	3,393	5.02%
2016B GO Capital Improvement Plan Bonds	56,870	60,880	4,010	7.05%	59,581	(1,299)	-2.13%
2016C GO Crossover Refunding (2010A)	347,760	-	(347,760)	-100.00%	-	-	
2018A GO Improvement Bonds	-	-	-		180,000	180,000	
2021A GO Improvement Bonds	210,600	211,650	1,050	0.50%	212,385	735	0.35%
2021A GO Improvement Bonds Transfer-fund 196 debt payment	(210,600)	(115,000)	95,600	-45.39%		115,000	-100.00%
2022A GO Improvement Bonds -(2023-2027)	261,805	338,485	76,680	29.29%	334,075	(4,410)	-1.30%
2022A GO Improvement Bonds Transfer-bond premium	(261,805)	(25,000)	236,805	-90.45%		25,000	-100.00%
2026A Lease Revenue Bonds - Public Safety Facility - EDA					1,572,312	1,572,312	
Transfer from CIP/LGA for debt service					(700,000)	(700,000)	
			-			-	
EDA Levy - pays for BLEDA activities	130,000	160,000	30,000	23.08%	210,000	50,000	31.25%
Total Abatement, Debt & EDA Levy:	$ 843,654	$ 960,074	$ 116,420	13.80%	$ 2,207,139	$ 1,247,065	129.89%
Total Levy: - total funds needed by tax payers	$ 5,886,357	**$ 6,311,469**	**$ 425,112**	**7.22%**	**$ 7,743,814**	**$ 1,432,345**	**22.69%**
			-			-	
(General Levy & Debt Levy) less EDA	**5,756,357**	**6,151,469**			**7,533,814**		
(inc/(dec) plus % of total) **Debt Levy**	**621,604**	**693,024**	**71,420**		**1,890,089**	**1,197,065**	
Abatement Levy	**92,050**	**107,050**			**107,050**		
	2025 Final	2026Proposed			2027 Concept		
(total levy / NTC = Tax Rate) CITY TAX RATE	**39.60%**	**41.06%**	**1.47%**		**49.83%**	**8.77%**	
Total of all parcels **NET TAX CAPACITY** (NTC)	14,881,185	15,385,279	504,094		15,539,132	153,853	
% change in net tax capacity	-1.24%	3.39%			101%		



City Levy – Continued

2026 Levy Amounts, with concept years 2027-2030
Inflation at 2.70%
2026 as debt is paid off increase general levy same amount as prior year debt levy for increase transfer to the CIP maint funds 195-196

	2028 Concept	Inc/(Dec)	2028 %	2029 Concept	Inc/(Dec)	2029 % Change	2030 Concept	Inc/(Dec)	2030 %
General Levy: - pays for city services	$ 5,381,907	$ 295,232		$ 5,719,848	$ 337,941		$ 6,010,296	$ 290,448	
Capital Transfers	500,000	50,000		500,000	-		700,000	200,000	
Total General Levy	**$ 5,881,907**	**$ 345,232**	**6.24%**	**$ 6,219,848**	**$ 337,941**	**5.75%**	**$ 6,710,296**	**$ 490,448**	**7.89%**
Special Levy - Pays yearly Debt Payments/Abatements (not subject to levy limits)									
Abatement Property Tax Levy									
Abatement Levy- Lupulin - 65-564-0004	7,050	-	0.00%	7,050	-	0.00%	7,050	-	0.00%
Abatement Levy - Carlson Group - 65-608-0110	100,000	-	0.00%	100,000	-	0.00%	100,000	-	0.00%
Abatement/TIF Debt Levy									
2016A GO Taxable Refunding Bonds TIF 1-3 & 1-4 (IFL) - IFL COULI	150,968	(9,765)	-6.08%	89,463	(61,505)	-40.74%	95,965	6,502	7.27%
City Bonds broken down by type of bonds and year issued		-			-			-	
Debt Levy - Pays yearly Debt Payments		-			-			-	
2015A GO Refunding Bonds	85,050	14,047	19.78%	-	(85,050)	-100.00%	-	-	
2016B GO Capital Improvement Plan Bonds	53,091	(6,490)	-10.89%	-	(53,091)	-100.00%	-	-	
2016C GO Crossover Refunding (2010A)	-	-		-	-		-	-	
2018A GO Improvement Bonds	180,000	-	0.00%	200,000	20,000	11.11%	200,000	-	0.00%
2021A GO Improvement Bonds	212,805	420	0.20%	212,910	105	0.05%	214,412	1,502	0.71%
2021A GO Improvement Bonds Transfer-fund 196 debt payment		-			-			-	
2022A GO Improvement Bonds -(2023-2027)	334,285	210	0.06%	338,905	4,620	1.38%	337,225	(1,680)	-0.50%
2022A GO Improvement Bonds Transfer-bond premium		-			-			-	
2026A Lease Revenue Bonds - Public Safety Facility - EDA	1,573,566	1,254	0.08%	1,574,641	1,075	0.07%	1,571,281	(3,360)	-0.21%
Transfer from CIP/LGA for debt service	(300,000)	400,000	-57.14%		300,000	-100.00%		-	
		-			-			-	
EDA Levy - pays for BLEDA activities	210,000	-	0.00%	250,000	40,000	19.05%	250,000	-	0.00%
Total Abatement, Debt & EDA Levy:	$ 2,606,815	$ 399,676	18.11%	$ 2,772,969	$ 166,154	6.37%	$ 2,775,933	$ 2,964	0.11%
Total Levy: - total funds needed by tax payers	**$ 8,488,722**	**$ 744,908**	**9.62%**	**$ 8,992,817**	**$ 504,095**	**5.94%**	**$ 9,486,229**	**$ 493,412**	**5.49%**
		-			0			(0)	
(General Levy & Debt Levy) less EDA	**8,278,722**			**8,742,817**			**9,236,229**		
(inc/(dec) plus % of total) **Debt Levy**	**2,289,765**			**2,415,919**			**2,418,883**		
Abatement Levy	**107,050**			**107,050**			**107,050**		
	2028 Concept			2029 Concept			2030 Concept		
(total levy / NTC = Tax Rate) CITY TAX RATE	**54.09%**	**4.25%**		**56.73%**	**2.64%**		**59.25%**	**2.52%**	
Total of all parcels **NET TAX CAPACITY** (NTC)	15,694,523	155,391		15,851,468	156,945		16,009,983	158,515	
% change in net tax capacity	101%			101%			101%		

General Fund Five-Year Financial Plan

STATEMENT OF REVENUES AND EXPENDITURES -
SUMMARY BUDGET - GENERAL FUND
FIVE-YEAR FINANCIAL PLAN

	Actual			Budget					
	2022	2023	2024	2025	2026	2027	2028	2029	2030
REVENUE									
Taxes	$ 3,585,720	$ 4,121,504	$ 4,467,046	$ 4,887,540	$ 5,205,407	$ 5,401,566	$ 5,740,583	$ 6,083,252	$ 6,572,470
Special assessments	5,040	834	1,656	1,000	1,000	1,000	1,000	1,000	1,000
Licenses and permits	798,583	723,587	645,801	713,445	804,690	895,738	987,786	1,078,834	1,169,882
Intergovernmental revenues	506,759	591,371	690,357	497,579	474,715	484,886	486,968	489,079	491,222
Franchise Fees	454,572	461,496	471,667	451,263	452,223	453,183	454,143	455,103	456,063
Charges for services	307,555	284,446	279,690	248,078	252,869	255,364	257,933	260,458	263,057
Fines and forfeitures	33,032	42,097	44,786	49,250	51,250	53,250	55,250	57,250	59,250
Interest earnings	(576,434)	445,332	606,124	64,534	95,500	95,000	95,000	95,000	95,000
Contributions/Donations	37,555	27,270	11,870	1,500	1,500	1,500	1,500	1,500	1,500
Miscellaneous revenue	37,134	97,366	49,885	2,500	2,600	2,600	2,600	2,600	2,600
Transfer In from Other Funds	506,842	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000
Total Current year revenues	5,696,358	7,245,303	7,718,882	7,366,689	7,791,754	8,094,087	8,532,764	8,974,076	9,562,044
Prior year Donations - Designed Fund Balance	8,920	9,546	3,566	-	-	-	-	-	-
TOTAL GENERAL FUND REVENUES BUDGET	$ 5,705,278	$ 7,254,849	$ 7,722,448	$ 7,366,689	$ 7,791,754	$ 8,094,087	$ 8,532,764	$ 8,974,076	$ 9,562,044
EXPENDITURES									
Mayor/Council	$ 38,180	$ 32,811	$ 34,340	$ 33,681	$ 34,284	$ 34,372	$ 34,458	$ 34,546	$ 34,640
Planning and Zoning	180,783	203,895	214,460	238,666	196,704	207,347	217,347	227,946	239,195
Elections	17,238	305	29,613	2,000	33,100	2,000	37,600	2,000	34,100
Administration and Finance	592,785	561,603	595,422	588,655	608,420	634,617	665,710	691,405	722,331
IT - Computer/Software/Maintenance	152,517	139,175	135,327	160,539	297,576	310,332	328,568	335,251	336,260
BLCSC	57,382	129,120	83,117	73,661	72,496	77,338	80,086	83,001	86,093
EDA	59,881	153,112	181,796	183,411	219,677	231,867	244,519	257,931	272,166
Building Inspection	255,590	229,553	214,167	223,104	229,354	236,385	242,969	249,885	257,162
Engineering	89,521	90,537	102,943	137,914	143,303	151,153	159,111	167,543	176,487
Streets	573,878	612,279	610,875	765,234	762,756	805,094	847,088	892,038	940,191
Fleet Maintenance	167,523	249,677	237,881	232,182	245,962	256,140	267,495	279,499	292,204
Parks	598,170	623,760	571,100	692,430	671,004	704,005	736,776	777,703	814,955
Police	2,305,770	2,333,170	2,697,339	3,104,124	3,292,790	3,497,131	3,691,985	3,915,950	4,135,054
Fire	324,918	364,614	401,149	348,918	236,013	235,937	264,669	272,766	281,481
Community - Recreation	103,650	106,192	114,724	121,309	114,303	120,356	126,232	132,462	139,074
Transfers out	657,872	820,267	1,010,822	460,861	634,011	590,011	588,150	654,150	800,650
TOTAL GENERAL FUND EXPENDITURES	$ 6,175,658	$ 6,650,070	$ 7,235,075	$ 7,366,689	$ 7,791,754	$ 8,094,087	$ 8,532,763	$ 8,974,076	$ 9,562,044
	-	-	-	-	-	-	-	-	-
NET REVENUE OVER (UNDER) EXPENSE	$ (470,380)	$ 604,779	$ 487,373	$ 0	$ 0	$ 0	$ 0	$ (0)	$ 0
Unassigned Fund Balance - Projected	$ 3,596,606	$ 4,156,845	$ 4,644,218	$ 4,644,218	$ 4,644,219	$ 4,644,219	$ 4,644,219	$ 4,644,219	$ 4,644,219
Percentage of Expenditures:									
Unassigned Fund Balance must remain between 42% and 50%	54.08%	57.45%	63.04%	59.60%	57.38%	54.43%	51.75%	48.57%	48.57%

General Fund Five-Year Financial Plan Expenditure Budget

Summary by Category

Summary by Category

Category of Expenditures:	2024 Actual	2025 Budget	2026 Proposed Budget	2025-2026 $ Change	2025-2026 % Change	2027 Concept Budget	2028 Concept Budget	2029 Concept Budget	2030 Concept Budget
Personnel	$ 4,094,479	$ 4,761,878	$ 4,953,375	$ 191,497	4.02%	$ 5,255,303	$ 5,567,609	$ 5,899,385	$ 6,252,284
Elections	21,225	-	25,000	25,000	100.00%	-	27,000	-	25,000
Professional Services	204,674	180,768	244,440	63,672	35.22%	250,447	257,578	263,396	271,114
Operations	1,716,006	1,841,182	1,925,928	84,746	4.60%	1,989,325	2,083,427	2,148,146	2,203,996
Marketing	7,588	8,000	8,000	-	0.00%	8,000	8,000	8,000	8,000
Animal Control	1,940	1,000	1,000	-	0.00%	1,000	1,000	1,000	1,000
Pass Through Expenditures	176,584	113,000	-	(113,000)	-100.00%	-	-	-	-
Transfers to other Funds	1,010,822	460,861	634,011	173,150	37.57%	590,011	588,150	654,150	800,650
Total - Budget	**$ 7,235,075**	**$7,366,689**	**$7,791,754**	**$425,065**	5.77%	**$8,094,087**	**$8,532,763**	**$ 8,974,076**	**$ 9,562,044**
	-	-	-			-	-	-	-
% of budget	2023	2025	**2026**			2027	2028	2029	2030
Personnel	65.04%	64.64%	63.57%			64.93%	65.25%	65.74%	65.39%
Personnel - Elections	0.34%	0.00%	0.32%			0.00%	0.32%	0.00%	0.26%
Professional Services	3.25%	2.45%	3.14%			3.09%	3.02%	2.94%	2.84%
Operations	27.26%	24.99%	24.72%			24.58%	24.42%	23.94%	23.05%
Marketing	0.12%	0.11%	0.10%			0.10%	0.09%	0.09%	0.08%
Animal Control	0.03%	0.01%	0.01%			0.01%	0.01%	0.01%	0.01%
Pass Through Expenditures	2.80%	1.53%	0.00%			0.00%	0.00%	0.00%	0.00%
Interfund/Lease payment	0.03%	0.00%	0.00%			0.00%	0.00%	0.00%	0.00%
Transfers to other Funds	16.06%	6.26%	8.14%			7.29%	6.89%	7.29%	8.37%
	114.92%	100.00%	100.00%			100.00%	100.00%	100.00%	100.00%

Summary by Service

Service	2024 Actual	2025 Budget	2026 Proposed Budget	2025-2026 $ Change	2025-2026 % Change	2027 Concept Budget	2028 Concept Budget	2029 Concept Budget	2030 Concept Budget
General Government									
Mayor/Council	$ 34,340	$ 33,681	$ 34,284	603	1.79%	$ 34,372	$ 34,458	$ 34,546	$ 34,640
Planning	214,460	238,666	196,704	(41,962)	-17.58%	207,347	217,347	227,946	239,195
Elections	29,613	8,000	33,100	25,100	313.75%	8,000	37,600	8,000	34,100
Administration/Finance	1,445,633	883,655	1,083,420	199,765	22.61%	1,109,617	1,190,710	1,216,405	1,447,331
IT - Computer/Software/Maintenance	154,327	170,539	307,576	137,037	80.36%	320,332	338,568	345,251	355,260
Total General Government	1,878,373	1,334,541	1,655,085	320,543	24.02%	1,679,668	1,818,683	1,832,149	2,110,526
Public Safety									
Police	2,709,950	3,116,735	3,305,401	188,666	6.05%	3,509,742	3,691,985	3,975,950	4,135,054
Fire	401,149	352,168	238,413	(113,755)	-32.30%	238,337	267,069	275,166	287,381
Building	214,167	223,104	229,354	6,250	2.80%	236,385	242,969	249,885	257,162
Total Public Safety	3,325,266	3,692,007	3,773,168	81,161	2.20%	3,984,464	4,202,023	4,501,001	4,679,597
Streets & Highways									
Engineering	102,943	137,914	143,303	5,389	3.91%	151,153	159,111	167,543	176,487
Fleet Maintenance	237,881	232,182	245,962	13,780	5.93%	256,140	267,495	279,499	292,204
Streets	615,875	770,234	767,756	(2,477)	-0.32%	810,094	852,088	897,038	945,191
Total Streets & Highways	956,699	1,140,330	1,157,021	16,692	1.46%	1,217,388	1,278,694	1,344,080	1,413,882
Culture & Recreation									
Parks	690,100	811,430	790,004	(21,426)	-2.64%	773,005	772,526	813,453	850,705
BLCSC	83,117	73,661	72,496	(1,165)	-1.58%	77,338	80,086	83,001	86,093
Community - Recreation (other)	119,724	131,309	124,303	(7,006)	-5.34%	130,356	136,232	142,462	149,074
Total Culture & Recreation	892,941	1,016,400	986,803	(29,597)	-2.91%	980,699	988,844	1,038,915	1,085,873
Community Development	181,796	183,411	219,677	36,266	19.77%	231,867	244,519	257,931	272,166
Total General Fund Expenditures	**$ 7,235,075**	**$ 7,366,689**	**$7,791,754**	**425,065**	**5.77%**	**$8,094,087**	**$8,532,763**	**$8,974,076**	**$9,562,044**

Special Revenue Funds Long Term Planning

Summary Budget – Economic Development Authority Fund

Revenue Budget

Account Number	Description	2024 Actual	Levy $130K 2025 Final Budget	Levy $160K 2026 Budget	2025-2026 $ Change	2025-2026 % Change	Levy $210K 2027 Concept Budget	Levy $210K 2028 Concept Budget	Levy $250K 2029 Concept Budget	Levy $250K 2030 Concept Budget
2026 LEVY AMOUNT - $160,000										
275-000-3101	RE & PP Taxes-Current	$ 129,171	$ 128,700	$ 158,400	$ 29,700	23.08%	$ 207,900	$ 207,900	$ 247,500	$ 247,500
275-000-3102	RE & PP Taxes-Delinquent	653	400	400	-		400	400	400	400
275-000-3999	Interest Earned	12,398	2,500	2,500	-		2,500	2,500	2,500	2,500
	Total Revenues	**$166,222**	**$ 131,600**	**$ 161,300**	**$ 29,700**	22.57%	**$210,800**	**$210,800**	**$250,400**	**$250,400**
					-					
	Projected Cash Flow Change	**2024**	**2025**	**2026**			**2027**	**2028**	**2029**	**2030**
	Beginning Cash Balance	$ 402,637	$ 263,820	$ 219,478			$ 238,224	$ 302,976	$ 364,742	$ 462,942
	Projected Excess Revenue	11,183	(44,342)	18,746			64,752	61,766	98,200	94,839
	Projected Ending Cash	**$263,820**	**$ 219,478**	**$ 238,224**			**$302,976**	**$364,742**	**$462,942**	**$557,780**

Expenditure Budget

Account Number	Description	2024 Actual	2025 Final Budget	2026 Budget	2025-2026 $ Change	2025-2026 % Change	2027 Concept Budget	2028 Concept Budget	2029 Concept Budget	2030 Concept Budget
275-000-00-05-4002	Wages	$ 30,183	$ 33,994	$ 36,069	$ 2,075	6.10%	$ 38,233	$ 40,527	$ 42,959	$ 45,536
275-000-00-05-4008	Insurance Benefits (er)	4,441	5,174	4,991	(183)	-3.54%	5,290	5,608	5,944	6,301
275-000-00-05-4009	HSA Accounts	-	250	250	-		750	750	750	750
275-000-00-05-4010	F.I.C.A./Medicare (er)	2,227	2,601	2,760	159	6.11%	2,925	3,100	3,286	3,484
275-000-00-05-4012	P.E.R.A. (er)	2,130	2,550	2,706	156	6.12%	3,059	3,242	3,437	3,643
275-000-00-05-4021	PFMLA	-	150	160	10	6.67%	173	189	207	230
275-000-00-20-4140	Audit	1,214	650	1,200	550	84.62%	1,200	1,200	1,200	1,200
275-000-00-20-4150	Engineering	32,730	250	250	-		250	250	250	250
275-000-00-20-4170	Legal	1,995	6,000	6,000	-		6,000	6,000	6,000	6,000
275-000-00-20-4180	Other Consultants	4,889	5,000	5,000	-		5,000	5,000	5,000	5,000
275-000-00-25-4120	Real Estate Taxes	1,874	2,758	2,758	-		2,758	2,758	2,758	2,758
275-000-00-25-4134	Website	250	250	250	-		250	250	250	250
275-000-00-25-4209	Recording Fees	1,061	150	500	350	233.33%	500	500	500	500
275-000-00-25-4212	Other Operations Expenses	21	50	50	-		50	50	50	50
275-000-00-25-4215	Uniforms/Clothing	26	100	100	-		100	100	100	100
275-000-00-25-4217	Cleaning Services	1,614	-	1,700	1,700	100.0%	1,700	1,700	1,700	1,700
275-000-00-25-4220	Advertising	1,060	2,000	2,000	-		2,000	2,000	2,000	2,000
275-000-00-25-4235	Postage	-	25	25	-		25	25	25	25
275-000-00-25-4238	Training - Edam Conference	370	1,250	1,250	-		1,250	1,250	1,250	1,250
275-000-00-25-4238	Training - Brownfield	-	250	250	-		250	250	250	250
275-000-00-25-4240	Travel/Mileage	56	150	150	-		150	150	150	150
275-000-00-25-4243	Meals	57	100	100	-		100	100	100	100
275-000-00-25-4250	Liability Insurance	800	1,000	3,195	2,195	219.47%	3,195	3,195	3,195	3,195
275-000-00-25-4257	Contractors Hired	-	500	100	(400)	-80.00%	100	100	100	100
275-000-00-25-4540	Repair/Maintenance Building - held	101	1,500	1,500	-		1,500	1,500	1,500	1,500
275-000-00-25-4570	Electricity	5,382	3,600	3,600			3,600	3,600	3,600	3,600
275-000-00-25-4580	Natural Gas	2,243	3,240	3,240			3,240	3,240	3,240	3,240
275-000-00-25-4590	Water/Sewer Utilities	6,425	2,400	2,400			2,400	2,400	2,400	2,400
275-000-00-26-4222	Marketing - Communications	-	50,000	10,000	(40,000)	-80.00%	10,000	10,000	10,000	10,000
275-000-00-71-4612	Transfer to FUND 141 - Specials	50,000	50,000	50,000	-		50,000	50,000	50,000	50,000
	Total Expenditures	**$155,039**	**$ 175,942**	**$ 142,554**	**$ (33,388)**	-18.98%	**$146,048**	**$149,034**	**$152,200**	**$155,561**
	Excess Revenues/(deficit)	11,183	(44,342)	18,746	-		64,752	61,766	98,200	94,839

Summary Budget - Famers Market Fund

REVENUES

Account Number	Description	2023 Actual	2024 Actual	2025 Final Budget	2026 Budget	2027 Concept Budget	2028 Concept Budget	2029 Concept Budget	2030 Concept Budget
280-000-3160	Inter-govt Revenue	$ 840	$ 796	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000	$ 1,000
280-000-3163	SHIP Grant	1,367	-	-	-	-	-	-	-
280-000-3200	Vendor Licenses	4,200	3,950	2,000	4,000	4,000	4,000	4,000	4,000
280-000-3203	Vendor Licenses - Winter	730	2,920	500	1,000	1,000	1,000	1,000	1,000
280-000-3230	Donations from Organization	13,500	10,000	9,500	9,500	9,500	9,500	9,500	9,500
280-000-3357	Farmers Market Bages	52	40	10	10	10	10	10	10
280-000-3999	Interest Earned	970	1,132	100	100	100	100	100	100
280-000-4200	Other Grant Proceeds	1,740	2,069	200	200	200	200	200	200
280-000-4204	Other Grant Proceeds - Private (	-	1,000	1,000	1,000	1,000	1,000	1,000	1,000
	Total Revenues	**$ 23,399**	**$ 21,907**	**$ 14,310**	**$ 16,810**	**$ 16,810**	**$ 16,810**	**$ 16,810**	**$ 16,810**

EXPENDITURES

Account Number	Description	2023 Actual	2024 Actual	2025 Final Budget	2026 Budget	2027 Concept Budget	2028 Concept Budget	2029 Concept Budget	2030 Concept Budget
280-000-00-05-4002	Wages	$ 3,474	$ 3,718	$ 3,911	$ 4,029	$ 4,271	$ 4,527	$ 4,799	$ 5,087
280-000-00-05-4008	Insurance Benefits (er)	295	336	348	397	437	480	528	581
280-000-00-05-4009	HSA Accounts	75	75	75	75	75	75	75	75
280-000-00-05-4010	F.I.C.A./Medicare (er)	262	275	300	309	327	346	367	389
280-000-00-05-4012	P.E.R.A. (er)	261	278	294	303	342	362	384	407
280-000-00-05-4021	PFMLA	-	-	18	20	21	22	24	25
280-000-00-05-4016	W/C Insurance	20	20	20	-	-	-	-	-
280-000-00-25-4110	Bank Charges	693	578	700	700	700	700	700	700
280-000-00-25-4210	Operating Supplies	368	1,250	500	1,000	1,000	1,000	1,000	1,000
280-000-00-25-4212	Other Operations Expenses	6,405	6,865	6,500	6,500	6,500	6,500	6,500	6,500
280-000-00-25-4220	Advertising	700	1,112	700	700	700	700	700	700
280-000-00-25-4230	Telephone/Internet	-	400	-	480	480	480	480	480
280-000-00-25-4238	Training/Schools	-	-	50	50	50	50	50	50
280-000-00-25-4257	Contractors Hired	4,100	3,929	4,300	4,300	4,300	4,300	4,300	4,300
280-000-00-25-4260	Subscriptions/Dues	670	754	670	879	874	874	874	874
	Total Expenditures	**$ 17,323**	**$ 19,590**	**$ 18,386**	**$ 19,742**	**$ 20,076**	**$ 20,417**	**$ 20,781**	**$ 21,168**

	2023	2024	2025	2026	2027	2028	2029	2030
EXCESS REVENUES OVER EXPENDITURES	**$ 6,076**	**$ 2,317**	**$ (4,076)**	**$ (2,932)**	**$ (3,266)**	**$ (3,607)**	**$ (3,971)**	**$ (4,358)**

Projected Cash Flow Change	**2023**	**2024**	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**
Beginning Cash Balance	$ 20,915	$ 27,353	$ 29,670	$ 25,594	$ 22,662	$ 19,396	$ 15,788	$ 11,818
Projected Excess Revenue	6,076	2,317	(4,076)	(2,932)	(3,266)	(3,607)	(3,971)	(4,358)
Projected Ending Cash	**$ 26,991**	**$ 29,670**	**$ 25,594**	**$ 22,662**	**$ 19,396**	**$ 15,788**	**$ 11,818**	**$ 7,460**

Summary Budget - Music in the Park Fund

REVENUES

Account Number	Description	2023 Actual	2024 Actual	2025 Final Budget	2026 Budget	2027 Concept Budget	2028 Concept Budget	2029 Concept Budget	2030 Concept Budget
282-000-3155	Transfer In Revenue - Admin	$ -	$ 5,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000
282-000-3230	Donations from Organization	29,500	22,000	22,000	22,000	22,000	22,000	22,000	22,000
282-000-3999	Interest Earned	676	489	100	200	200	200	200	200
	Total Revenues	**$ 30,176**	**$ 27,489**	**$ 32,100**	**$ 32,200**	**$ 32,200**	**$ 32,200**	**$ 32,200**	**$ 32,200**

EXPENDITURES

Account Number	Description	2023 Actual	2024 Actual	2025 Final Budget	2026 Budget	2027 Concept Budget	2028 Concept Budget	2029 Concept Budget	2030 Concept Budget
282-000-00-05-4002	Wages	$ 3,474	$ 3,718	$ 3,911	$ 4,029	$ 4,271	$ 4,527	$ 4,799	$ 5,087
282-000-00-05-4008	Insurance Benefits (er)	295	336	348	397	437	480	528	581
282-000-00-05-4009	HSA Accounts	75	75	75	75	75	75	75	75
282-000-00-05-4010	F.I.C.A./Medicare (er)	262	275	300	309	327	346	367	389
282-000-00-05-4012	P.E.R.A. (er)	261	278	294	303	342	362	384	407
282-000-00-05-4021	PFMLA	-	-	18	20	21	22	24	25
282-000-00-05-4016	W/C Insurance	20	20	20	-	-	-	-	-
282-000-00-25-4210	Operating Supplies	27	-	-	-	-	-	-	-
282-000-00-25-4212	Other Operations Expenses	137	94	100	100	100	100	100	100
282-000-00-25-4220	Advertising	150	159	150	200	200	200	200	200
282-000-00-25-4255	Rent/Lease	6,000	5,400	6,000	6,000	6,000	6,000	6,000	6,000
282-000-00-25-4257	Contractors Hired	25,540	23,471	20,000	20,000	20,000	20,000	20,000	20,000
282-000-00-25-4257	Contractors Hired - Mosquito Spraying		774	650	1,161	1,161	1,161	1,161	1,161
	Total Expenditures	**$ 36,241**	**$ 34,600**	**$ 31,866**	**$ 32,594**	**$ 32,933**	**$ 33,274**	**$ 33,638**	**$ 34,025**

	2023	2024	2025	2026	2027	2028	2029	2030
EXCESS REVENUES OVER EXPENDITURES	**$ (6,065)**	**$ (7,111)**	**$ 234**	**$ (394)**	**$ (733)**	**$ (1,074)**	**$ (1,438)**	**$ (1,825)**

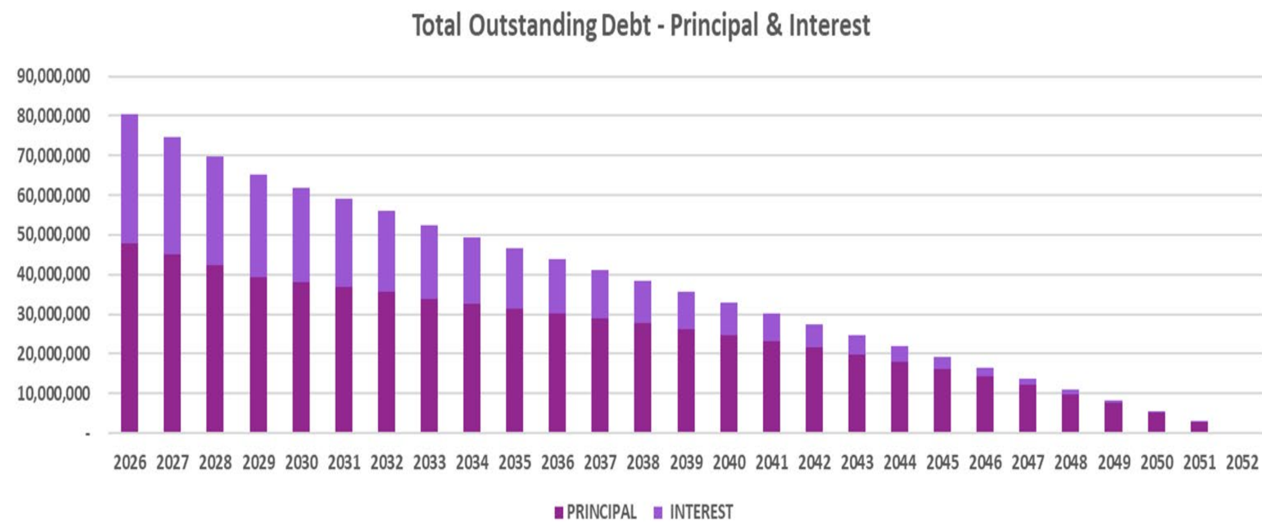
Projected Cash Flow Change	2023	2024	2025	2026	2027	2028	2029	2030
Beginning Cash Balance	$ 14,122	$ 7,940	$ 829	$ 1,063	$ 669	$ (64)	$ (1,138)	$ (2,576)
Projected Excess Revenue	(6,065)	(7,111)	234	(394)	(733)	(1,074)	(1,438)	(1,825)
Projected Ending Cash	**$ 8,057**	**$ 829**	**$ 1,063**	**$ 669**	**$ (64)**	**$ (1,138)**	**$ (2,576)**	**$ (4,401)**

The Music in the Park Fund will require additional funding sources if donation levels remain flat. Staff is actively pursuing grants and alternative funding opportunities to sustain the program and maintain current service levels without increasing reliance on the General Fund.

General Obligation Debt Funds

TOTAL DEBT PAYMENT OUTSTANDING

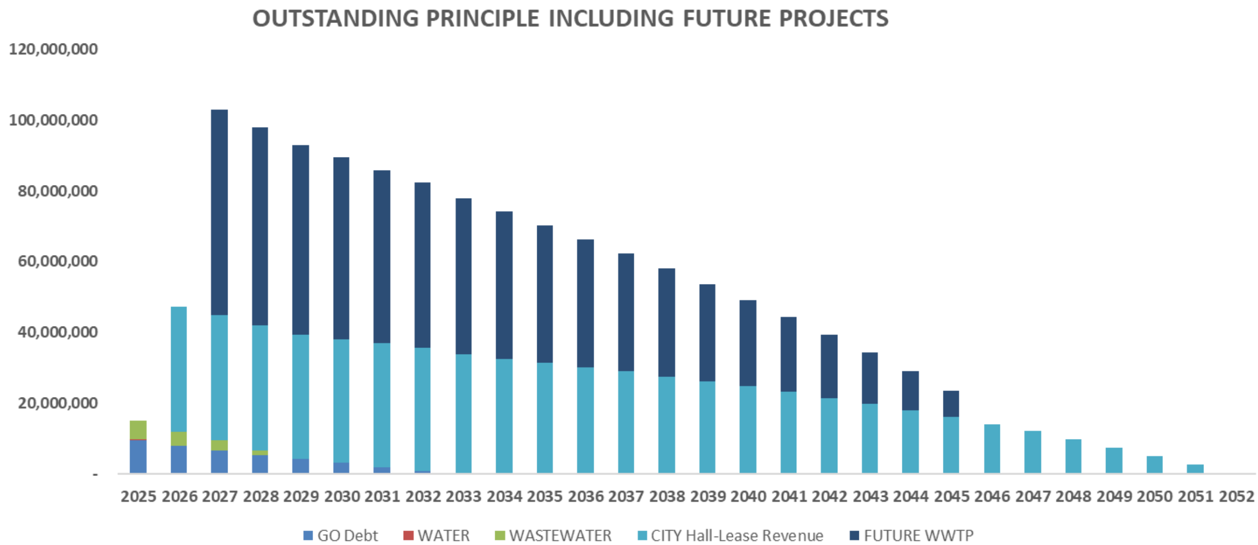
Fund	Series	PROJECT	2026	2027	2028	2029	2030	2031-2052	Total O/S
401	2009 MPFA Loan Wastewater E:	Wastewater Expansion	981,270	980,737	980,698	981,126	-	-	3,923,831
211	2010 PFA Loan	10/25 Intersection	153,114	152,646	153,144	152,590	-	-	611,494
222	2015A GO Refunding Bonds	Street Projects	523,988	522,163	549,413	471,394	-	-	2,066,958
223	2016A Taxable G.O. Refunding E	TIF 1-3 & TIF 1-4 Industrial Park	199,200	198,998	198,370	89,108	91,395	-	777,071
224	2016B G.O. CIP BOND	790 Minnesota Ave	57,981	56,744	50,563	-	-	-	165,288
226	2016C GO Refunding Bond	Street Projects	333,300	-				-	333,300
227	2018A GO Improvement Bonds	2018 Streets Projects	195,300	195,725	196,000	196,125	196,015	778,292	1,757,457
228	2021A GO Improvement Bonds	2021 Street Projects	345,150	346,000	346,550	346,800	350,065	698,452	2,433,017
229	2022A GO Improvement Bonds	2022 Street Projects	584,600	585,800	581,300	581,100	585,000	1,761,700	4,679,500
230	2026A Lease Revenue Bonds	Public Safety Facilty - BLEDA	-	2,565,050	1,871,375	1,871,000	1,870,375	58,724,250	66,902,050
	SUBTOTAL DEBT PAYMENTS		$3,373,903	$5,603,863	$4,927,413	$4,689,243	$3,092,850	$61,962,694	$ 83,649,966
	PORTION PAID BY ENTERPRISE FUNDS								
401	2009 MPFA Loan Wastewater E	Wastewater Expansion	981,270	980,737	-	-	-	-	1,962,007
301	2015A GO Refunding Bonds	CR43 Interceptor/Well 7,Tower #4	109,449	107,512	49,793	49,688	-	-	316,442
401	2015A GO Refunding Bonds	CR 8/Utility Expansion	339,833	336,713	418,620	421,706	-	-	1,516,872
	SUBTOTAL ENTERPRISE FUNDS		$1,430,552	$1,424,962	$ 468,413	$ 471,394	$ -	$ -	$ 3,795,321
TOTAL PAID BY DEBT SERVICE FUND (LEVY/ASSESSMENTS/TRANSFERS)			$1,943,351	$4,178,901	$4,459,000	$4,217,849	$3,092,850	$61,962,694	$ 79,854,645



2026 Debt Service Breakdown

Issue	Principal	Final Payment	Interest	Total Outstanding	Fund
2009 PFA – WWTP Expansion - Final 2029	3,698,000	8/20/2029	225,830	3,923,830	401
2010 PFA – Intersection 10/25 - Final 2029	586,000	8/20/2029	25,493	611,493	211
2015A - Refunding(Fire Hall, Industrial Park, Public Works Facility, Street Project) - Final 2029	1,965,000	2/1/2029	101,956	2,066,956	222/301/401
2016A- Refunding (Industrial Park Expansion) - Final 2030	730,000	2/1/2030	47,070	777,070	223
2016B Police/Library - Final 2028	160,000	2/1/2028	5,288	165,288	224
2016C Street Projects - Final 2026	330,000	2/1/2026	3,300	333,300	226
2018A Street Projects - Final 2034	1,380,000	2/1/2034	227,455	1,607,455	227
2021A Street Projects - Final 2032	1,990,000	2/1/2032	143,018	2,133,018	228
2022A Street Projects - Final 2033	3,740,000	2/1/2033	479,500	4,219,500	229
2026A Public Safety/City Hall Building - Final 2052	35,380,000	2/1/2052	31,522,050	66,902,050	230
Total outstanding Debt	$49,959,000		$ 32,780,960	$ 82,739,960	

The graph below illustrates **potential future projects** that could be funded by debt, with the proposed projects highlighted in **light and dark blue.** These projects include the **Wastewater Treatment Plant expansion** and the **relocation of City Hall**. It's important to note that the Wastewater Treatment Plant is not a guaranteed debt obligation but is included for **future financial planning** purposes.



Debt Statutory Limits

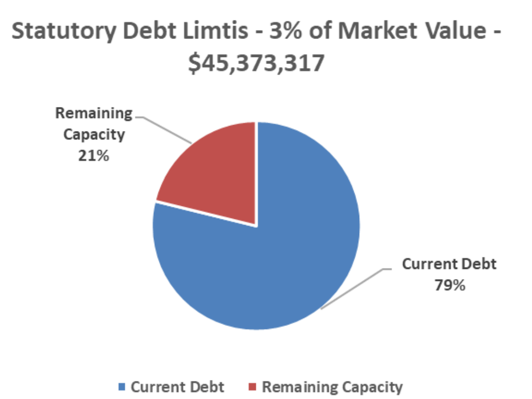
Under Minnesota Statutes, the City's outstanding general obligation debt supported by property taxes is limited to **3% of estimated taxable market value**.

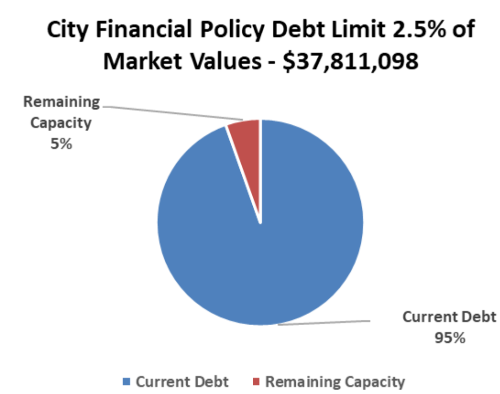
Based on current valuations, the City's statutory debt limit is approximately **$45 million**, while the City has established an internal policy limit of approximately **$37 million** (2.5% of taxable market value) to maintain additional financial flexibility.

With the issuance of the 2026 lease revenue bonds, the City's total outstanding debt is projected to be approximately **$35 million**, remaining below both the statutory and internal limits.

While the City could issue approximately **$9 million** in additional debt under the State statutory limit, its internal policy provides capacity for approximately **$2 million** in additional debt. This conservative approach supports long-term financial stability and preserves capacity for future capital needs.

The City monitors debt capacity annually as part of its long-term financial planning process to ensure compliance and maintain prudent debt levels.





Enterprise Funds

Utility Rates

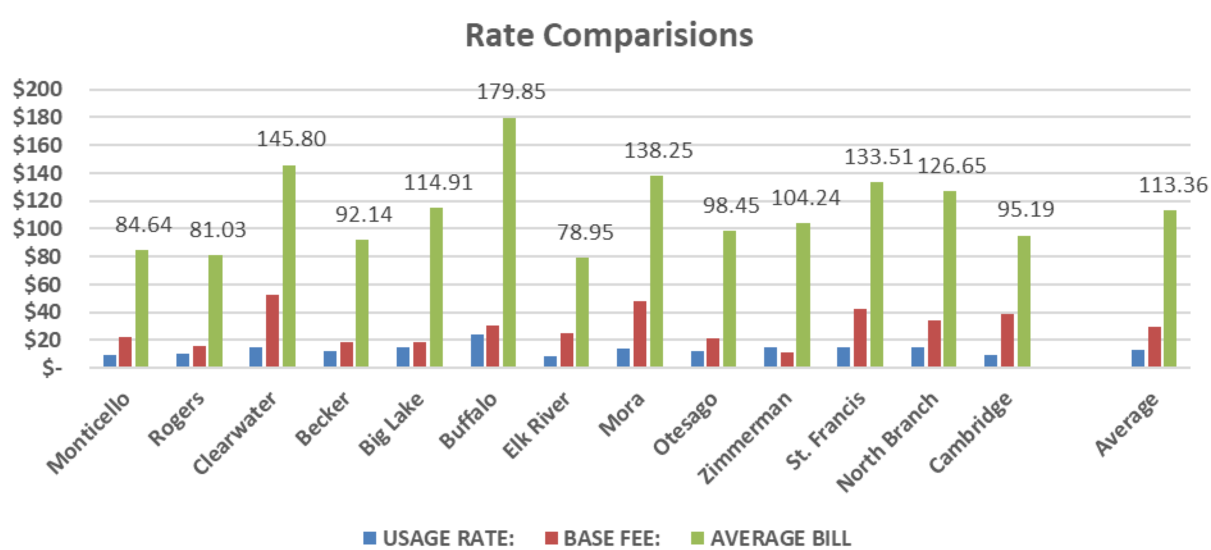
WATER USAGE RATES - RESIDENTIAL, MULTI-FAMILY, IRRIGATION												
YEAR	Adopted						Budget	Projected				
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Rate Tier 1 (per 1,000)	4.17	4.30	4.30	4.30	4.30	4.09	3.89	3.89	3.89	3.89	3.89	3.89
Annual % Increase	6%	3%	0%	0%	0%	-5%	-5%	0%	0%	0%	0%	0%

WATER USAGE RATES - COMMERCIAL												
YEAR	Adopted						Budget	Projected				
	2020	2021	2022	2023	2024	2025	2025	2027	2028	2029	2030	2031
Rate Tier 1 (per 1,000)	2.57	2.65	2.65	2.65	2.65	2.52	2.39	2.38	2.38	2.38	2.38	2.38
Annual % Increase	6%	3%	0%	0%	0%	-5%	-5%	0%	0%	0%	0%	0%

SEWER USAGE- RESIDENTIAL, MULTI-FAMILY, COMMERCIAL												
YEAR	Adopted						Budget	Projected				
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Rate Tier 1 (per 1,000)	8.90	8.99	8.99	9.17	9.17	9.90	10.89	12.53	14.40	16.57	18.22	18.22
Annual % Increase	5%	1%	0%	2%	0%	8%	10%	15%	15%	15%	10%	0%

WATER USAGE RATES - MUNICIPAL - GENERAL FUND												
YEAR	Adopted						Budget	Projected				
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Rate (per 1,000)	7.83	9.40	10.34	10.86	11.40	11.97	12.57	13.2	13.86	14.55	15.28	16.04
Annual % Increase	35%	20%	10%	5%	5%	5%	5%	5%	5%	5%	5%	5%

SEWER USAGE RATES - MUNICIPAL - GENERAL FUND												
YEAR	Adopted						Budget	Projected				
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Rate (per 1,000)	11.63	11.63	11.63	11.63	11.63	11.63	11.63	11.63	11.63	11.63	11.63	11.63
Annual % Increase	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%



Big Lake's utility rates are generally in the **middle range** when compared to neighboring and market cities. This positioning is influenced by several factors, including the **mandated upgrades** to the **wastewater treatment facility** and the **upcoming expansion** required to meet both current and future demands. Additionally, Big Lake's practice of charging both **direct and indirect costs** to the utility funds is not a common approach among

Five Year Summary Plans – Water Funds

Big Lake is in the Mississippi River -St. Cloud Watershed. Rivers and creeks in the watershed drain surface water to the Mississippi River. Thus, land use, including farming and urban development, affects the water quality in all of the streams, lakes, and wetlands of the watershed.

Watershed quality is important because water from the lakes, rivers, and streams (in addition to rainwater) is what populates the aquifers and supplies groundwater to the City.
Big Lake is spilt between two groundwater provinces (according to the Department of Natural Resources): the metro province and the central province. The geologic formation affects water quality in all cities and is thus important information.

- Metro province: Sand aquifers in generally thick (greater than 100 feet) sandy and clayey glacial drift overlying Precambrian sandstone and Paleozoic sandstone, limestone, and dolostone aquifers
- Central province: Sand aquifers in generally thick (greater than 100 feet) sandy and clayey glacial drift overlying Precambrian and Cretaceous bedrock. Fractured and weathered Precambrian bedrock is used locally as a water source

Water Treatment

The raw water in the City of Big Lake contains radionuclides above the maximum contaminant level as set forth by the Minnesota Department of Health and the U.S. Environmental Protection Agency and required treatment to meet these regulations. In addition, the raw water supply has higher concentrations of iron and manganese. It was determined that an iron and manganese removal plant should be constructed, and the radionuclides would be filtered out with the oxidized manganese, thereby meeting the necessary treatment standards

Actual			Budget				Concept Budget			
Revenue Budget	**2023**	**2024**	**2025 Budget**	**2026 Proposed Budget**	**$ Change**	**% Change**	**2027 Concept Budget**	**2028 Concept Budget**	**2029 Concept Budget**	**2030 Concept Budget**
Utilities Revenues - Water	$ 2,773,000	$ 2,297,472	$ 2,228,003	$ 2,217,562	$ (10,441)	-0.47%	$ 2,246,698	$ 2,280,428	$ 2,314,654	$ 2,349,061
Other Revenues - Water	78,827	131,877	11,000	21,000	10,000	90.91%	21,000	21,000	21,000	21,000
Total Revenues	**$ 2,851,827**	**$ 2,429,349**	**$ 2,239,003**	**$ 2,238,562**	**$ (441)**	-0.02%	**$ 2,267,698**	**$ 2,301,428**	**$ 2,335,654**	**$ 2,370,061**
Expense Budget										
Personnel	$ 706,549	$ 705,373	$ 906,562	$ 946,218	$ 39,656	4.37%	$ 1,005,868	$ 1,065,464	$ 1,101,301	$ 1,138,741
Professional Services	48,172	50,221	64,250	108,860	44,610	69.43%	80,760	82,718	84,735	86,812
Operations	460,477	483,894	732,381	605,003	(127,378)	-17.39%	682,813	597,384	612,209	625,701
Capital/Transfers	278,000	903,000	568,000	258,000	(310,000)	-54.58%	258,000	258,000	258,000	258,000
Debt - Interest	77,899	19,797	10,001	7,680	(2,321)	-23.21%	201,699	199,962	198,824	197,731
Debt - Principal*	646,755	646,755	97,505	103,089	5,584	5.73%	103,672	47,847	49,014	-
Total Expenses	**$ 2,217,852**	**$ 2,809,040**	**$ 2,378,699**	**$ 2,028,850**	**$ (349,849)**	-14.71%	**$ 2,332,813**	**$ 2,251,375**	**$ 2,304,083**	**$ 2,306,985**
Net Income/(Loss)	**$ 633,975**	**$ (379,691)**	**$ (139,696)**	**$ 209,712**	**$ 349,408**		**$ (65,115)**	**$ 50,053**	**$ 31,570**	**$ 63,076**
Depreciation Expense	**$ 894,005**	**$ 904,130**	**$ 954,005**	**$ 954,005**	-		**$ 954,005**	**$ 954,005**	**$ 991,028**	**$ 991,028**
Projected Ending Cash **	**$ 1,737,951**	**$ 811,416**	**$ 337,775**	**$ 547,487**	**209,712**	62.09%	**$ 482,372**	**$ 532,424**	**$ 563,995**	**$ 595,500**

*projected principal debt payment includes any new debt
**projected cash balance is after principal debt payments are made

The Water Fund projected ending cash does not include the Water Access Charges that will be collected from new development, as those activities go directly into the Water CIP Fund.

Five Year Summary Plans – Sewer Funds

Big Lake is built upon sandstone, siltstone, and minor shale. It is located within the Lower Cretaceous Aquifer.

Most of the soils in and around Big Lake are very sandy, which allows surface water to drain easily to the aquifer. This is why it is vital that we protect our surface water quality (lakes, rivers, and wetlands) in Big Lake. An aquifer is an underground layer of rock and gravel that holds water and may be tapped for drinking or crop irrigation.

Until 1981, all of the housing and businesses in Big Lake used on-site, private wastewater treatment systems. These systems, in combination with small lots and soils that are either too well or too poorly drained, (particularly near the lakes and in the north), may have posed health risks. Now, a municipal sanitary sewer system has mitigated that problem.

Wastewater Treatment

Wastewater treatment and disposal is an important part of protecting and preserving Minnesota's water resources. Wastewater can be treated at a City's treatment facility. Treating wastewater protects the environment and human health by removing pathogens and other contaminants before the water is discharged back into the environment.

Municipal wastewater typically refers to the collection and treatment of a community's wastewater. A City, or a group of cities, often have sewer pipes that serve all the properties in their community and deliver wastewater to a central treatment plant.

The Minnesota Pollution Control Agency (MPCA) issues permits to wastewater treatment plants that put limits on what can be in their discharged water and require certain types of reporting. The agency works with plant operators to help them comply with regulations and address location-specific issues. Minnesota wastewater treatment operators must be certified in order to operate a treatment facility.

Actual			Budget				Concept Budget			
Revenue Budget	**2023**	**2024**	**2025 Budget**	**2026 Proposed Budget**	**$ Change**	**% Change**	**2027 Concept Budget**	**2028 Concept Budget**	**2029 Concept Budget**	**2030 Concept Budget**
Utilities Revenues - Sewer	$ 3,207,615	$ 3,303,181	$ 3,508,025	$ 3,682,814	$ 174,789	4.98%	$ 4,106,303	$ 4,677,958	$ 5,225,980	$ 5,636,451
Other Revenues - Sewer	182,913	211,461	11,000	51,000	40,000	363.64%	51,000	51,000	51,000	51,000
Total Revenues	**$ 3,390,528**	**$ 3,514,642**	**$ 3,519,025**	**$ 3,733,814**	**$ 214,789**	6.10%	**$ 4,157,303**	**$ 4,728,958**	**$ 5,276,980**	**$ 5,687,451**
Expense Budget										
Personnel	$ 715,192	$ 704,823	$ 910,195	$ 948,585	$ 38,390	4.22%	$ 1,008,074	$ 1,067,675	$ 1,103,515	$ 1,140,951
Professional Services	35,473	38,536	47,500	53,500	6,000	12.63%	54,430	55,388	56,375	57,391
Operations	600,598	623,457	709,217	857,166	147,949	20.86%	1,072,651	1,096,330	1,113,596	1,126,284
Capital/Transfers	180,000	200,000	100,000	286,000	186,000	186.00%	100,000	100,000	100,000	100,000
Debt - Interest	225,305	199,121	151,915	123,866	(28,049)	-18.46%	1,491,336	1,413,535	1,332,226	1,253,586
Debt - Principal*	1,114,246	1,114,246	1,172,495	1,198,912	26,417	2.25%	3,104,328	3,262,153	3,348,986	2,025,000
Total Expenses	**$ 2,870,814**	**$ 2,880,183**	**$ 3,091,322**	**$ 3,468,029**	**$ 376,707**	12.19%	**$ 6,830,820**	**$ 6,995,080**	**$ 7,054,698**	**$ 5,703,211**
Net Income/(Loss)	**$ 519,715**	**$ 634,460**	**$ 427,703**	**$ 265,785**	**$ (161,918)**		**$ (2,673,517)**	**$ (2,266,122)**	**$ (1,777,718)**	**$ (15,760)**
Depreciation Expense	**$ 1,414,815**	**$ 1,433,972**	**$ 1,435,595**	**$ 1,435,595**	-		**$ 3,035,595**	**$ 3,035,595**	**$ 3,035,595**	**$ 3,035,595**
Projected Ending Cash **	**$ 2,025,372**	**$ 2,091,388**	**$ 2,442,102**	**$ 3,652,307**	1,210,205	49.56%	**$ 4,514,471**	**$ 4,995,246**	**$ 5,361,971**	**$ 7,025,182**

*projected principal debt payment includes any new debt

**projected cash balance is after principal debt payments are made and includes SAC received

The Sewer Fund projected ending cash does not include the Sewer Access Charges that will be collected from new development, as those activities go directly into the Sewer CIP Fund. The plan does include the new debt payment for the wastewater treatment facility expansion.

Five Year Summary Plans – Storm Water Funds

The Storm Water Fund was established for the accounting of costs for providing storm drainage services to the community and for preserving and improving surface water quality in the City's lakes and ponds.

	Actual		Budget				Concept Budget			
Revenue Budget	**2023**	**2024**	**2025 Budget**	**2026 Proposed Budget**	**$ Change**	**% Change**	**2027 Concept Budget**	**2028 Concept Budget**	**2029 Concept Budget**	**2030 Concept Budget**
Utilities Revenues-Storm Water	$ 268,120	$ 272,756	$ 274,853	$ 278,828	$ 3,975	1.45%	$ 281,125	$ 281,652	$ 282,184	$ 282,722
Other Revenues -Storm Water	19,767	22,349	9,000	9,000	-	0.00%	9,090	9,181	9,273	9,365
Total Revenues	**$ 287,887**	**$ 295,105**	**$ 283,853**	**$ 287,828**	**$ 3,975**	1.40%	**$ 290,215**	**$ 290,833**	**$ 291,457**	**$ 292,088**
Expense Budget										
Personnel	$ 147,813	$ 133,383	$ 160,569	$ 165,176	$ 4,607	2.87%	$ 165,073	$ 174,638	$ 184,810	$ 195,642
Professional Services	2,285	2,449	3,000	3,000	-	0.00%	3,000	3,000	3,000	3,000
Operations	36,237	21,971	30,348	28,600	(1,749)	-5.76%	27,990	28,186	28,888	28,596
Capital/Transfers	30,000	30,000	30,000	35,000	5,000	16.67%	50,000	50,000	10,000	10,000
Debt - Interest	39,641	10,241	-	-	-		-	-	-	-
Total Expenses	**$ 255,976**	**$ 198,044**	**$ 223,917**	**$ 231,776**	**$ 7,858**	3.51%	**$ 246,063**	**$ 255,824**	**$ 226,697**	**$ 237,238**
Net Income/(Loss)	**$ 31,911**	**$ 97,061**	**$ 59,936**	**$ 56,052**	**$ (3,883)**		**$ 44,152**	**$ 35,009**	**$ 64,760**	**$ 54,850**
Depreciation Expense	**$ 201,587**	**$ 166,039**	**$ 181,700**	**$ 181,700**	-		**$ 181,700**	**$ 181,700**	**$ 181,700**	**$ 181,700**
Projected Ending Cash **	**$ 328,462**	**$ 393,612**	**$ 409,874**	**$ 465,927**	**56,052**	13.68%	**$ 510,079**	**$ 545,087**	**$ 609,847**	**$ 664,697**

Liquor Fund – Lake Liquors

Lake Liquors is a municipal liquor store operated by the City of Big Lake. The goal of Lake Liquor is to control the sale of alcoholic beverages while generating revenue for the community. Lake Liquor pours the profits back into the community by the annual budget transfer to the General Fund. Without this budget transfer the City would either have to raise the general fund levy or eliminate services provided.

Lake Liquor was previously located in "The Stampin Place" located next to Tootsies Tavern. In 1985, the liquor store was moved to the Lake Shopping Center Mall in the northeast corner. In 2005, the City of Big Lake purchased the old grocery store from George Stevens. The store was remodeled, and occupancy occurred in April of 2006 with a grand opening on May 1, 2006. In 2014, the original debt 2005A was refunded with the 2014A for interest savings. The debt was called early and paid in full November 3, 2022. There is currently no new debt anticipated for the liquor fund.

Transfers

Each year there is a budgeted transfer from the Liquor Store to the General Fund, without this transfer the City would have to either raise the general fund levy or eliminate City services. For long term planning there is budgeted transfer to the general fund is $450,000. In addition, there will be a $35,000 transfer from the Liquor Store operations to the Liquor Store CIP fund for upgrades to the store.

Five Year Summary Plans – Liquor Store Funds

Actual			Budget				Concept Budget			
Revenue Budget	**2023**	**2024**	**2025 Budget**	**2026 Proposed Budget**	**$ Change**	**% Change**	**2027 Concept Budget**	**2028 Concept Budget**	**2029 Concept Budget**	**2030 Concept Budget**
Sales										
Gross Sales	$ 5,445,471	$ 5,416,968	$ 5,472,139	$ 5,406,725	$ (65,414)	-1.20%	$ 5,545,614	$ 5,688,800	$ 5,836,469	$ 5,988,820
Cost of Sales	3,929,430	3,911,795	4,126,071	4,065,413	(60,658)	-1.47%	4,100,191	4,136,178	4,173,521	4,212,395
Gross Profit	**$ 1,516,041**	**$ 1,505,173**	**$ 1,346,068**	**$ 1,341,312**	**$ (126,072)**	-9.37%	**$ 1,445,422**	**$ 1,552,622**	**$ 1,662,948**	**$ 1,776,425**
Revenue Budget										
Gross Sales	$ 5,445,471	$ 5,416,968	$ 5,472,139	$ 5,406,725	$ (65,414)	-1.20%	$ 5,545,614	$ 5,688,800	$ 5,836,469	$ 5,988,820
Other Revenues	53,606	58,092	35,400	40,400	5,000	14.12%	40,400	40,400	40,400	40,400
Total Revenues	**$ 5,499,077**	**$ 5,475,060**	**$ 5,507,539**	**$ 5,447,125**	**$ (60,414)**	-1.10%	**$ 5,586,014**	**$ 5,729,200**	**$ 5,876,869**	**$ 6,029,220**
Expense Budget										
Personnel	$ 623,868	$ 693,388	$ 889,218	$ 927,445	$ 38,227	4.30%	$ 945,855	$ 966,021	$ 986,663	$ 1,007,865
Professional Services	7,941	8,134	8,100	10,100	2,000	24.69%	10,100	10,100	10,100	10,100
Operations	244,403	247,199	278,762	280,253	1,491	0.53%	288,305	295,769	303,593	311,793
Cost of Sales	3,929,430	3,911,795	4,126,071	4,065,413	(60,658)	-1.47%	4,100,191	4,136,178	4,173,521	4,212,395
Capital/Transfers	485,000	485,210	485,000	485,000	-	0.00%	485,000	485,000	460,000	460,000
Debt -Interest	-	-	-	-	-		-	-	-	-
Debt - Principal*	-	-	-	-	-		-	-	-	-
Total Expenses	**$ 5,290,642**	**$ 5,345,726**	**$ 5,787,151**	**$ 5,768,211**	**$ (18,940)**	**-0.35%**	**$ 5,829,451**	**$ 5,893,067**	**$ 5,933,877**	**$ 6,002,153**
Net Income/(Loss)	**$ 208,435**	**$ 129,334**	**$ (279,613)**	**$ (321,087)**	**$ (41,474)**		**$ (243,437)**	**$ (163,868)**	**$ (57,008)**	**$ 27,066**
Depreciation Expense	**$ 72,719**	**$ 75,158**	**$ 73,190**	**$ 75,158**	1,968		**$ 75,158**	**$ 75,158**	**$ 70,000**	**$ 70,000**
Projected Ending Cash **	**$ 1,648,376**	**$ 1,569,275**	**$ 1,180,199**	**$ 859,113**	(321,087)	-27.21%	**$ 615,676**	**$ 451,808**	**$ 394,800**	**$ 421,866**

***projected principal debt payment includes any new debt**
****projected cash balance is after principal debt payments are made**

LIQUOR STORE TRANSFERS
FIVE-YEAR FINANCIAL PLAN

Actual			Budget				Concept Budget			
Transfer Budget	**2023**	**2024**	**2025 Budget**	**2026 Proposed Budget**	**$ Change**	**% Change**	**2027 Concept Budget**	**2028 Concept Budget**	**2029 Concept Budget**	**2030 Concept Budget**
Transfer to General Fund	$ 450,000	$ 450,000	$ 450,000	$ 450,000	$ -		$ 450,000	$ 450,000	$ 450,000	$ 450,000
Transfer to Liquor CIP Fund	35,000	35,000	35,000	35,000	-		35,000	35,000	10,000	10,000
Total Transfers	**$ 485,000**	**$ 485,000**	**$ 485,000**	**$ 485,000**	**$ -**		**$ 485,000**	**$ 485,000**	**$ 460,000**	**$ 460,000**

The Liquor Fund five year plan does include the yearly transfer of $450.000 to the General Fund.

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CITY DEPARTMENTS

- Mayor and Council
- City Administration
- Finance Department
- Community Development
- Police Department
- Fire Department
- Public Works Department
- Liquor Store

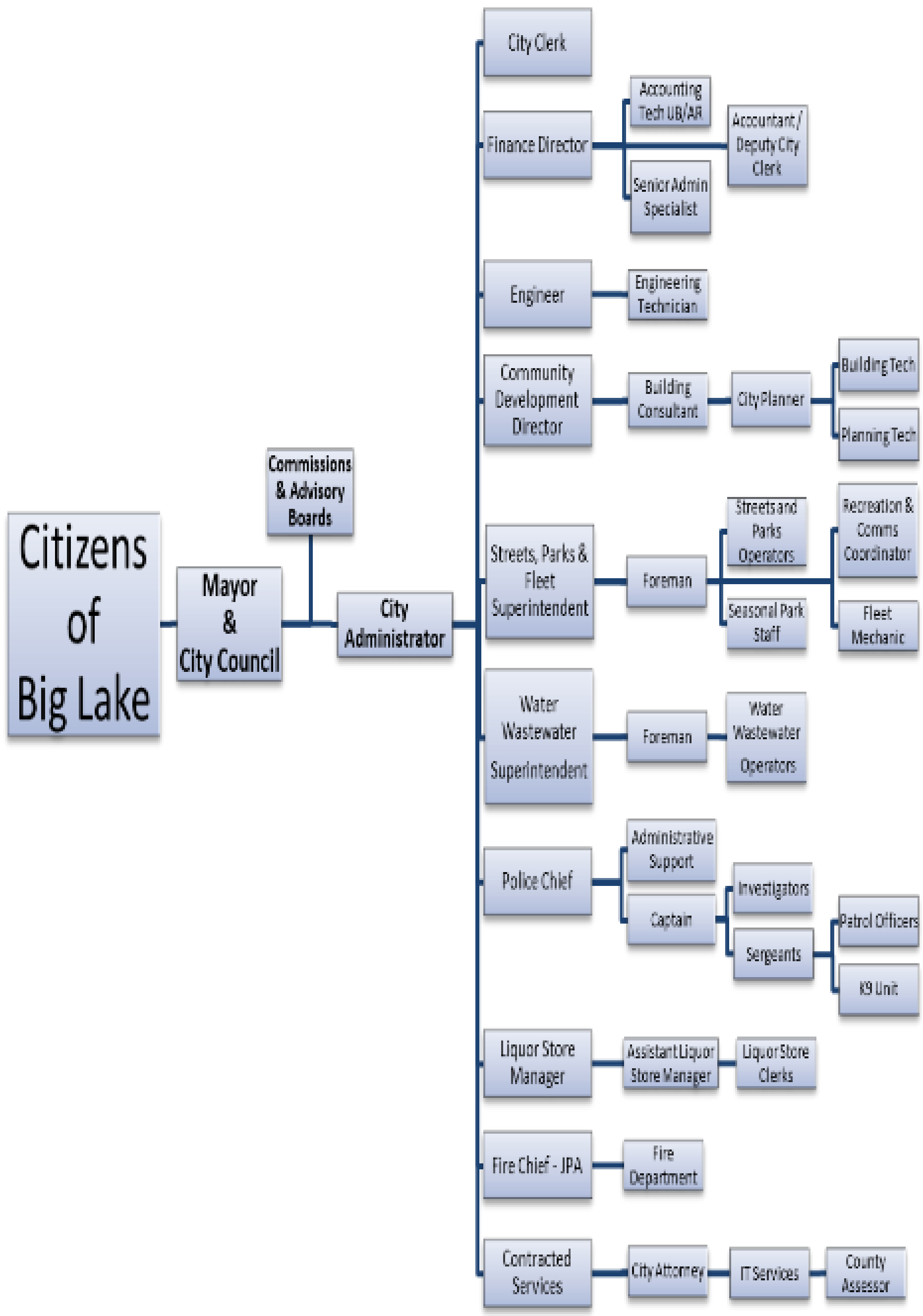
Department Management

Name	Position
Hanna Klimmek	City Administrator
Gina Wolbeck	City Clerk
Deb Wegeleben	Finance Director
Marie Popp	Community Development Director
Sam Olson	Chief of Police
Seth Hansen	Fire Chief – Paid on Call
Layne Otteson	City Engineer
Dan Childs	Water/Wastewater Superintendent
Norm Michels	Street/Parks/Fleet Superintendent
Greg Zurbey	Liquor Store Manager

Professional Services

Position	Name
City Attorney	Campbell Knutson, P.A.
Financial Advisor	Northland Securities, Inc.
Information Technically Services	Marco Technology

City Organization Chart – by department



Greetings,

The most important policy and operational decision made by the City Council each year is adoption of the City's budget. The 2026 City budget totals more than $24 million and includes the General Fund, Big Lake Economic Development Authority, and Debt Service Funds supported by property taxes, along with the Special Revenue, Capital Projects, and Enterprise Funds. Together, these budgets form the City's comprehensive financial plan and 2026 work program.

The 2026 budgets support core City services while investing in the community's future. Planned investments include street improvements, new parks and park upgrades, water system enhancements, and continued expansion of the wastewater treatment plant. These investments are balanced with the day-to-day operations that serve residents and businesses.

The following section presents the adopted budgets for all City departments. Each department budget reflects the resources required to deliver core services, meet operational needs, and support the City's strategic and long-term goals. Together, these budgets form the comprehensive financial plan used to guide City operations for the budget year.

Employee development and wellness remain priorities and are essential to recruitment and retention. The 2026 budget includes the addition of a Community Service Officer and a Community Development Coordinator, both created through reallocation of existing positions rather than new staffing growth.

The 2026 budget emphasizes delivering high-quality services at a reasonable cost while maintaining and reinvesting in the City's infrastructure. Through disciplined financial management and adherence to adopted financial policies, the City continues to maintain a strong and sustainable financial position.

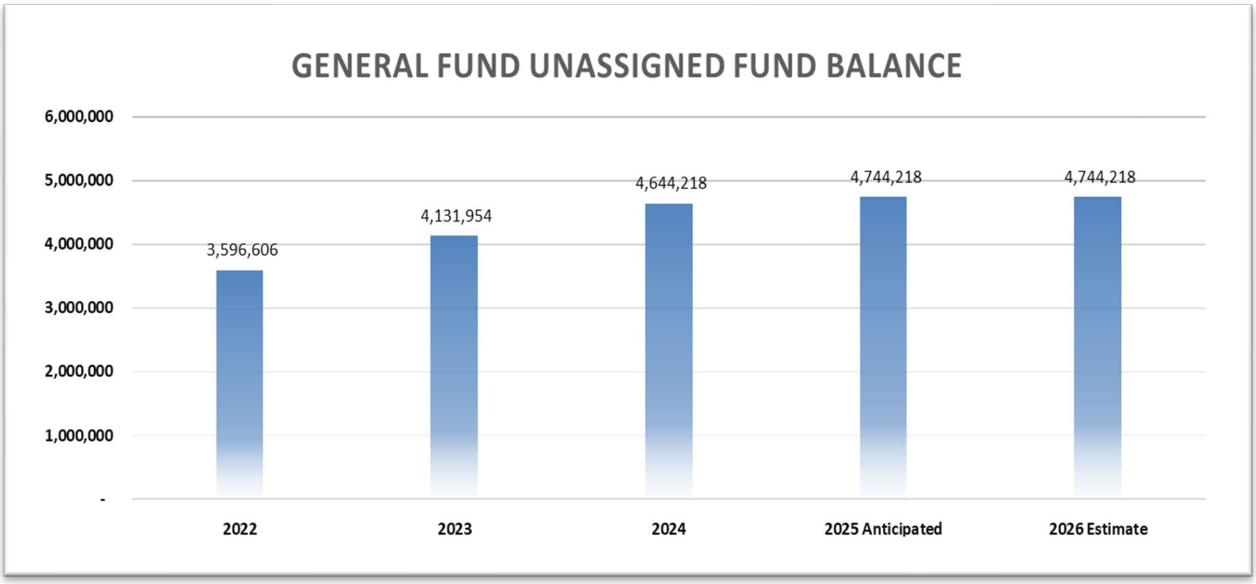
The 2026 General Fund budget is balanced at $7,791,754, an increase of $425,065 (5.77%) over 2025. A balanced budget means the City is not using fund balance to support ongoing operations.

Most of the revenue increase comes from a higher property tax levy, along with growth in licenses and permits and stronger investment earnings. On the expenditure side, the primary driver is higher personnel costs. The budget also increased transfers to capital funds to support future infrastructure and long-term projects.

FY 2026
Total Revenues & Transfers In
$7,791,754

FY 2026
Total Expenses & Transfers Out
$7,791,754

The projected Unassigned Fund Balance is expected to be 58% of the 2026 Budget and 54% of the 2027 Concept Budget. This level not only meets the City's financial policy guidelines for maintaining a 42% to 50% fund balance but also exceeds the 42% minimum required by the State.



Annual Department Budget Process Overview

Each year, under the direction of the City Administrator, the Finance Director prepares a preliminary budget and presents it to department heads for review prior to submission to the City Council. The proposed budget establishes spending targets for each department based on projected revenues and an acceptable impact on the levy, with a focus on delivering core municipal services.

Spending targets are developed based on service delivery needs rather than prior-year expenditures. The Finance Department establishes baseline funding levels, and department managers determine how to deliver services within those allocations.

If a department identifies operational needs or proposed service changes that exceed the baseline allocation, those requests may be submitted for further consideration. Requests are reviewed by the City Administrator and Finance Director prior to inclusion in the final budget presented to the City Council.

This process supports disciplined budgeting and ensures alignment between available resources and service priorities.

Personnel Budget Assumptions for 2026 (All Departments)

- A 3% market rate adjustment for all eligible positions
- Step increases of 3% for employees receiving a positive year-end performance review and not yet at the top of the pay scale
- A projected 12% increase in health insurance premiums

CITY OF BIG LAKE – 2026 WORK PLAN

ADMINISTRATION

Goal	Goal Completion Date
Elections (August and November)	12.31.26
Repeal and Replace Tobacco Ordinance	06.30.26
Amend Liquor Ordinance: • Update Violation Language • Rewrite Liquor License Application Form	10.31.26
Lead the Public Safety Facility Project Team	12.31.26
Complete a City Council Strategic Plan (current Plan ends on 12/31/26)	10.31.26

COMMUNITY DEVELOPMENT

Goal	Goal Completion Date
Hire Community Development Coordinator	03.31.26
Update All Planning and Zoning Applications to Align with City Code and Ease of Use	06.30.26
Complete Community Development Internal Procedures & Cross-Train	04.30.26
Increase Marketing/Communication Outreach	12.31.26
Implement Online Permitting	12.31.26
Prioritize Big Lake Business Visits – Business Expansion and Retention Efforts	12.31.26
Complete the R5/Shoreland Update	06.30.26
Serve on the Public Safety Facility Project Team	12.31.26

ENGINEERING

Goal	Goal Completion Date
Hire Engineering Technician	03.31.26
Update “Private Development Standards” within Engineering Specifications	02.28.26
Upgrade City Mapping	03.31.26
Review Street Lighting Standards Citywide	08.31.26
Identify and Pursue Grants for Lake Channel Reconstruction and Peninsula Erosion Protection	12.31.26
Shared Road Maintenance Agreement with Big Lake Township	06.30.26
Minnesota Avenue Extension	09.30.26

FINANCE/HUMAN RESOURCES

Goal	Goal Completion Date
Finish Phase 1 of the Laserfiche Project – (Building and Property Files)	05.31.26
Begin Phase 2 of the Laserfiche Project – (Administration Files)	09.30.26
Launch Online Permit Application System	08.31.26
Coordinate Office 365 Training for All Staff	03.31.26
Continue Exploring New/Engaging Options for Wellness Programming	04.30.26
Complete Cybersecurity Plan	12.31.26
WWTF Expansion Funding	12.31.26
Serve on the Public Safety Facility Project Team	12.31.26

Staff Work Plan – (continued)

LAKE LIQUORS

Goal	Goal Completion Date
Cross-Train all Full-Time Staff Members For all Shifts	12.31.26
Continue Shared Responsibilities and Building Department Culture	12.31.26
Schedule Site Visits for Other Municipal Stores to Learn from Others	12.31.26
Create a New Business Plan that Reflects Customer Preferences	12.31.26
Expand Marketing Using New and Existing Formats	12.31.26

POLICE

Goal	Goal Completion Date
Retention – Continue to Build Positive Morale in the Department	12.31.26
Policy Overhaul with Either Lexipol or Eckberg/Emmers	12.31.26
Provide Training for Officers and Staff	12.31.26
Improve Reserve Program	12.31.26
Evaluate K-9 Program	06.30.26
Work on #2 Position, Approval, Post, and Hire	03.31.26
Recruit a 3rd Sergeant, Daytime Position	06.30.26
Work with Sherburne County Sheriff's Department on Partnering with ERU and Crisis Negotiations	03.31.26
Enhanced Communication with Staff, City Hall, and Other Departments	12.31.26
Serve on the Public Safety Facility Project Team	12.31.26

STREETS/PARKS/FLEET

Goal	Goal Completion Date
Create a Park/Trail Comprehensive Analysis for Council to Review	02.28.26
Work with CEDA on Grant Opportunities for Mitchell Farms Park, Lakeside Park Skate Park, Lakeside Park, Shores of Lake Mitchell, and Lake Ridge Park	06.30.26
Complete the Water Meter Replacement Project	06.30.26
Design On-Site Fuel at Public Works	12.31.26
Work on a Potential Compost Site Relocation Project	12.31.26

WATER/WASTEWATER

Goal	Goal Completion Date
Complete the 10-Year Water Supply Plan	09.30.26
Update Emergency Response Plan	06.30.26
Continue Work on the Well Head Protection Plan w/ MRWA	09.30.26
Continue Work on the Wastewater Treatment Expansion Project	12.31.26
Search for and Write Grant Applications for Additional Generators	04.30.26
Search for and Write Grant Applications for Water Plant Fencing Project	04.30.26
Finish Development of Water Main Break Step-by-Step Emergency Procedure w/ Norm Michels and Conduct a Roundtable Discussion w/ Staff	03.31.26

Employee Full Time Equivalent Count

(Full-time, regular part-time and seasonal positions)

	2025 Budget	2026 Final Budget	2027 Concept Budget	2028 Concept Budget	2029 Concept Budget	2030 Concept Budget
General Fund						
Mayor and Council						
Mayor	1.00	1.00	1.00	1.00	1.00	1.00
Council Members	4.00	4.00	4.00	4.00	4.00	4.00
	5.00	5.00	5.00	5.00	5.00	5.00
Administrative/Finance						
City Administrator	1.00	1.00	1.00	1.00	1.00	1.00
City Clerk	1.00	1.00	1.00	1.00	1.00	1.00
Finance	3.75	3.75	3.75	3.75	3.75	3.75
Deputy City Clerk	0.25	0.25	0.25	0.25	0.25	0.25
	6.00	6.00	6.00	6.00	6.00	6.00
Community Development						
Building	2.00	2.00	2.00	2.00	2.00	2.00
Economic Development	1.00	1.00	1.00	1.00	1.00	1.00
Planning	2.00	2.00	2.00	2.00	2.00	2.00
	5.00	5.00	5.00	5.00	5.00	5.00
Public Safety						
Police -Admin/Patrol/Investigation	16.00	17.00	16.00	16.00	16.00	16.00
Police Canine	1.00	-	1.00	1.00	1.00	1.00
Police Administration Support	2.00	2.00	2.00	2.00	2.00	2.00
Community Service Officers	-	0.50	0.50	0.50	0.50	0.50
Volunteer On-Call Fire Department (36)	4.00	4.00	4.00	4.00	4.00	4.00
	23.00	23.50	23.50	23.50	23.50	23.50
Parks						
Parks Services - Seasonal May - Sept (7)	1.00	1.00	1.00	1.00	1.00	1.00
Parks Maintenance	3.50	3.50	3.50	3.50	3.50	3.50
Recreation Coordinator	1.00	1.00	1.00	1.00	1.00	1.00
	5.50	5.50	5.50	5.50	5.50	5.50
Public Works						
Engineering	2.00	2.00	2.00	2.00	2.00	2.00
Streets Maintenance	5.50	5.50	5.50	5.50	5.50	5.50
Fleet Maintenance	2.00	2.00	2.00	2.00	2.00	2.00
	9.50	9.50	9.50	9.50	9.50	9.50
Total General Fund	54.00	54.50	54.50	54.50	54.50	54.50
Special Revenue Fund						
Economic Development Authority (EDA)	0.50	0.50	0.50	0.50	0.50	0.50
Farmers Market / Music in the Park	0.25	0.25	0.25	0.25	0.25	0.25
Total Special Revenue Fund	0.75	0.75	0.75	0.75	0.75	0.75
Enterprise Funds						
Water & Sewer Funds	6.75	6.75	6.75	6.75	6.75	6.75
Storm Water Funds	0.25	0.25	0.25	0.25	0.25	0.25
Liquor Store Funds	10.00	10.00	10.00	10.00	10.00	10.00
Total Enterprise Funds	17.00	17.00	17.00	17.00	17.00	17.00
Total All Fund Types	71.75	72.25	72.25	72.25	72.25	72.25

Change in Full-Time Equivalent Allocation

(Full-time, regular part-time and seasonal positions)

		2025 Budget	2026 Final Budget	2027 Concept Budget	2028 Concept Budget	2029 Concept Budget	2030 Concept Budget
General Fund							
Community Development							
Community Development Coordinator	Not filling City Planner	-	1.00	-	-	-	-
Finance							
IT Specialist	Add new position	-	-	-	-	-	-
Accounting Technician	Replace with a FT front counter position	(1.00)	-	-	-	-	-
City Hall Administrative Technician	Added FT front counter position	1.00	-	-	-	-	-
Public Safety							
Police Canine	Added canine Bruno(2017)/Remove (2026)	-	(1.00)	1.00	-	-	-
Community Service Officers	PT CSO	-	0.50	-	-	-	-
Parks		-	-	-	-	-	-
Park Services	Removed Seasonal Staff at Lake Side Park	-	(0.50)	-	-	-	-
Public Works							
Engineering Intern	Summer Engineering intern program	(0.25)	-	-	-	-	-
Engineering Technician	Replace Summer Engineering intern	1.00	-	-	-	-	-
Street/Parks Operator	Added additional Position	1.00	-	-	-	-	-
Administrative Assistant	Reclassed position to part time	(0.50)	-	-	-	-	-
Total General Fund		2.25	0.50	1.00	-	-	-
Enterprise Fund							
Water & Sewer Operator	Added additional FT positions	1.00	-	-	-	-	-
Total Enterprise Funds		1.00	-	-	-	-	-
Total All Fund Types		3.25	0.50	1.00	-	-	-

For 2026, staffing changes occur within the Community Development Department, including the addition of a Community Development Coordinator and the transition away from an in-house City Planner position.

In addition, a Community Service Officer will be utilized to monitor Lakeside Park during peak periods. This position will follow a rotating paid schedule and will be filled by current volunteer reserve officers.

The City will continue to evaluate long-term staffing needs to ensure service levels are maintained in a fiscally responsible manner.

Personnel Budget Summary

SERVICE		2023 YE Amount	2024 YE AMOUNT	2024 BUDGET W/3 % COLA	2025 BUDGET W/3 % COLA	2026 BUDGET W/3% COLA	2026 VS 2025 +/-
				GENERAL GOVERNMENT			
GENERAL FUND							
MAYOR/COUNCIL							
WAGES	4002	26,850.00	26,850.00	27,000.00	**27,000.00**	**27,000.00**	-
FICA/MEDICARE	4010	1,927.80	1,927.80	1,929.00	**1,929.00**	**1,929.00**	-
PFMLA	4021	-	-	89.00	**112.00**	**113.00**	1.00
WC INSURANCE	4016	91.00	90.00	148.00	**100.00**	**202.00**	102.00
TOTAL MAYOR/COUNCIL		**28,868.80**	**28,867.80**	**29,166.00**	**29,141.00**	**29,244.00**	103.00
PLANNING							
WAGES	4002	117,457.72	120,504.99	148,287.00	**156,283.00**	**113,934.00**	(42,349.00)
INSURANCE BENEFITS	4008	16,284.22	20,577.86	23,680.00	**26,320.00**	**22,489.00**	(3,831.00)
HSA ACCOUNTS	4009	1,932.10	1,858.80	2,079.00	**1,853.00**	**1,553.00**	(300.00)
FICA/MEDICARE	4010	8,684.73	9,092.77	11,345.00	**11,957.00**	**8,719.00**	(3,238.00)
PFMLA	4021	-	-	520.00	**689.00**	**505.00**	(184.00)
PERA	4012	8,596.01	8,887.45	10,775.00	**11,375.00**	**8,200.00**	(3,175.00)
WC INSURANCE	4016	1,265.00	1,556.00	1,077.00	**1,530.00**	**1,007.00**	(523.00)
TOTAL PLANNING		**154,279.49**	**162,643.57**	**197,763.00**	**210,007.00**	**156,407.00**	(53,600.00)
ADMINISTRATION							
WAGES	4002	271,292.19	244,017.57	239,087.00	243,637.00	**258,987.00**	15,350.00
INSURANCE BENEFITS	4008	41,770.71	38,907.53	34,892.00	34,650.00	**38,666.00**	4,016.00
HSA ACCOUNTS	4009	2,379.26	3,063.75	1,545.00	3,320.00	**3,120.00**	(200.00)
FICA/MEDICARE	4010	19,699.33	17,922.48	19,004.00	19,009.00	**20,070.00**	1,061.00
PFMLA	4021	-	-	864.00	**1,088.00**	**1,152.00**	64.00
PERA	4012	20,161.14	42,793.78	18,067.00	18,409.00	**19,561.00**	1,152.00
WC INSURANCE	4016	4,101.00	4,518.00	5,200.00	5,461.00	**2,767.00**	(2,694.00)
ADVANCE RESIGNATION	4002	-	1,500.00	7,500.00	3,000.00	**1,500.00**	(1,500.00)
WELLNESS PLAN	4019	4,859.27	2,686.12	2,000.00	7,000.00	**10,000.00**	3,000.00
TOTAL ADMINISTRATION		**364,262.90**	**355,460.41**	**328,159.00**	**335,574.00**	**355,823.00**	20,249.00
BLCSC							
WAGES	4002	4,333.32	4,720.66	4,560.00	4,814.00	**5,108.00**	294.00
INSURANCE BENEFITS	4008	194.19	224.59	202.00	219.00	**244.00**	25.01
HSA ACCOUNTS	4009	30.00	30.00	30.00	30.00	**30.00**	-
FICA/MEDICARE	4010	329.81	358.23	349.00	370.00	**393.00**	23.00
PFMLA	4021	-	-	16.00	**22.00**	**25.00**	3.00
PERA	4012	318.69	348.95	342.00	361.00	**383.00**	22.00
TOTAL BLCSC		**5,209.63**	**5,706.53**	**5,499.00**	**5,816.00**	**6,183.00**	367.01
ECONOMIC DEVELOPMENT							
WAGES	4002	103,130.44	111,202.53	113,042.00	119,170.00	**148,965.00**	29,795.01
OVERTIME WAGES	4004	59.71	165.70	300.00	300.00	**300.00**	-
INSURANCE BENEFITS	4008	14,289.61	16,249.29	17,009.00	18,909.00	**22,977.00**	4,068.00
HSA ACCOUNTS	4009	212.50	300.00	300.00	1,001.00	**1,301.00**	300.00
FICA/MEDICARE	4010	7,637.26	8,238.76	8,649.00	9,118.00	**11,398.00**	2,280.00
PFMLA	4021	-	-	396.00	**525.00**	**659.00**	134.00
PERA	4012	7,553.58	7,739.67	8,218.00	8,678.00	**10,914.00**	2,236.01
WC INSURANCE	4016	2,603.00	2,899.00	3,947.00	3,947.00	**1,217.00**	(2,730.00)
TOTAL EDA		**135,486.10**	**146,794.95**	**151,861.00**	**161,648.00**	**197,731.00**	36,083.01

Personnel Budget Summary – continued

SERVICE		2023 YE Amount	2024 YE AMOUNT	2024 BUDGET W/3 % COLA	2025 BUDGET W/3 % COLA	2026 BUDGET W/3% COLA	2026 VS 2025 +/-
BUILDING							
WAGES	4002	160,780.12	83,566.30	155,686.00	56,660.00	**60,089.00**	3,429.00
INSURANCE BENEFITS	4008	11,994.68	13,248.95	14,289.00	13,747.00	**15,354.00**	1,606.99
HSA ACCOUNTS	4009	1,112.50	1,200.00	1,200.00	1,151.00	**1,151.00**	-
FICA/MEDICARE	4010	12,066.77	6,247.20	11,911.00	4,336.00	**4,599.00**	263.00
PFMLA	4021	-	-	546.00	**251.00**	**269.00**	18.00
PERA	4012	4,233.76	3,847.42	4,029.00	4,251.00	**4,509.00**	258.00
WC INSURANCE	4016	605.00	802.00	1,129.00	636.00	**279.00**	(357.00)
TOTAL BUILDING		**191,210.80**	**110,071.76**	**189,290.00**	**81,032.00**	**86,250.00**	5,217.97
ENGINEERING							
WAGES	4002	58,421.54	64,837.98	67,677.00	85,651.00	**89,351.00**	3,700.00
OVERTIME WAGES	4004	825.10	1,180.14	300.00	300.00	**300.00**	-
INSURANCE BENEFITS	4008	8,914.76	11,002.87	10,531.00	16,960.00	**17,140.00**	180.00
HSA ACCOUNTS	4009	212.50	300.00	300.00	1,126.00	**1,126.00**	-
FICA/MEDICARE	4010	4,095.45	4,522.60	5,197.00	6,555.00	**6,839.00**	284.00
PFMLA	4021	-	-	239.00	**379.00**	**397.00**	18.00
PERA	4012	4,165.34	4,603.75	4,558.00	6,425.00	**6,703.00**	278.00
WC INSURANCE	4016	1,265.00	1,556.00	1,130.00	1,188.00	**1,760.00**	572.00
TOTAL ENGINEERING		**77,899.69**	**88,003.34**	**90,164.01**	**118,584.00**	**123,616.00**	5,031.98
STREETS							
WAGES	4002	134,924.93	148,049.29	150,498.00	174,327.00	**180,144.00**	5,817.00
OVERTIME WAGES	4004	4,349.18	3,496.17	5,482.00	6,453.00	**6,604.00**	151.00
ONCALL WAGE	4006	11,383.09	14,500.00	14,850.00	33,000.00	**33,000.00**	-
INSURANCE BENEFITS	4008	6,111.49	4,668.56	7,186.00	4,794.00	**5,253.00**	459.01
HSA ACCOUNTS	4009	750.00	500.00	750.00	450.00	**450.00**	-
FICA/MEDICARE	4010	10,998.00	12,097.45	13,086.00	16,356.00	**16,816.00**	460.00
PFMLA	4021	-	-	599.00	**941.00**	**971.00**	30.00
PERA	4012	11,309.28	12,380.70	12,829.00	16,035.00	**16,485.00**	450.00
WC INSURANCE	4016	34,169.00	47,201.00	33,373.00	45,043.00	**36,360.00**	(8,683.00)
UNION INSURANCE	4020	42,845.27	40,680.00	40,680.00	57,840.00	**60,240.00**	2,400.00
TOTAL STREETS		**257,364.21**	**283,573.17**	**279,546.00**	**355,239.00**	**356,323.00**	1,084.01
PARKS							
WAGES	4002	197,513.34	205,849.20	265,657.00	293,695.00	**276,630.00**	(17,065.00)
OVERTIME WAGES	4004	619.35	988.34	1,000.00	1,000.00	**1,000.00**	-
SICK & SAFE TIME LEAVE PT	4023	-	425.50	3,241.00	3,105.00	**2,319.00**	(786.00)
INSURANCE BENEFITS	4008	6,111.49	4,650.43	7,186.00	4,794.00	**5,253.00**	459.00
HSA ACCOUNTS	4009	750.00	500.00	750.00	450.00	**450.00**	-
FICA/MEDICARE	4010	14,663.10	15,232.71	20,571.00	22,706.00	**21,344.00**	(1,362.00)
PFMLA	4021	-	-	942.00	**1,307.00**	**1,231.00**	(76.00)
PERA	4012	12,919.12	12,764.33	17,170.00	19,126.00	**19,621.00**	495.00
WC INSURANCE	4016	22,918.00	8,872.00	22,757.00	14,578.00	**8,633.00**	(5,945.00)
UNION INSURANCE	4020	38,824.92	54,240.00	54,240.00	57,840.00	**60,240.00**	2,400.00
TOTAL PARKS		**294,748.07**	**303,522.51**	**393,513.99**	**418,601.00**	**396,721.00**	(21,879.99)
MAINTENANCE							
WAGES	4002	95,047.49	83,344.80	88,908.00	95,710.00	**98,647.00**	2,936.99
OVERTIME WAGES	4004	742.05	645.18	500.00	750.00	**750.00**	-
INSURANCE BENEFITS	4008	3,326.91	3,881.74	4,005.00	4,530.00	**5,251.00**	721.01
HSA ACCOUNTS	4009	450.00	450.00	450.00	450.00	**450.00**	-
FICA/MEDICARE	4010	7,080.64	6,151.78	6,803.00	7,324.00	**7,549.00**	225.00
PFMLA	4021	-	-	312.00	**422.00**	**436.00**	14.00
PERA	4012	6,698.36	6,299.34	6,669.00	7,180.00	**7,401.00**	221.00
WC INSURANCE	4016	3,574.00	4,897.00	4,319.00	4,536.00	**7,198.00**	2,662.00
UNION INSURANCE	4020	24,009.75	27,120.00	27,120.00	28,920.00	**30,120.00**	1,200.00
TOTAL MAINTENANCE		**140,929.20**	**132,789.84**	**139,086.00**	**149,822.00**	**157,802.00**	7,980.00

Personnel Budget Summary – continued

SERVICE		2023 YE Amount	2024 YE AMOUNT	2024 BUDGET W/3 % COLA	2025 BUDGET W/3 % COLA	2026 BUDGET W/3% COLA	2026 VS 2025 +/-
RECREATION							
WAGES	4002	62,530.79	66,916.33	66,607.00	70,385.00	**72,500.00**	2,115.00
INSURANCE BENEFITS	4008	5,315.44	6,043.55	6,011.00	6,655.00	**7,521.00**	866.00
HSA ACCOUNTS	4009	1,350.00	1,350.00	1,350.00	1,350.00	**1,350.00**	-
FICA/MEDICARE	4010	4,709.73	4,948.68	5,096.00	5,385.00	**5,547.00**	162.00
PFMLA	4021	-	-	233.00	**310.00**	**321.00**	11.01
PERA	4012	4,689.89	5,018.75	4,996.00	5,280.00	**5,439.00**	159.00
WC INSURANCE	4016	1,398.00	715.00	5,449.00	5,722.00	**-**	(5,722.00)
TOTAL Recreation		**79,993.85**	**84,992.31**	**89,742.00**	**95,087.00**	**92,678.00**	(2,409.00)
POLICE DEPT							
WAGES	4002	1,377,818.45	1,540,605.50	1,631,015.00	1,888,544.00	**2,010,590.00**	122,046.00
OVERTIME WAGES	4004	66,775.24	142,045.34	38,957.00	37,667.00	**68,611.00**	30,944.00
OVERTIME WAGES - K9	4004	-	-	-	14,021.00	**-**	(14,021.00)
OVERTIME - GRANT RELATED	4005	9,066.48	8,220.38	15,000.00	15,000.00	**15,000.00**	-
SICK & SAFE TIME LEAVE PT	4023	-	-	-	-	**832.00**	832.00
INSURANCE BENEFITS	4008	195,746.73	216,660.69	248,612.00	275,158.00	**308,176.00**	33,018.00
HSA ACCOUNTS	4009	12,824.12	13,035.36	14,293.00	25,002.00	**25,002.00**	-
FICA/MEDICARE	4010	28,866.83	32,086.50	33,435.00	36,665.00	**40,728.00**	4,063.00
FICA/MEDICARE GRANT	4011	131.43	115.03	200.00	200.00	**200.00**	-
PFMLA	4021	-	-	5,583.00	**8,162.00**	**9,226.00**	1,064.00
PERA	4012	10,322.57	9,672.71	10,994.00	10,158.00	**12,709.00**	2,551.00
PERA - POLICE FIRE	4013	238,660.55	279,826.16	269,323.00	319,137.00	**337,721.00**	18,584.00
PERA- GRANT RELATED	4014	1,604.63	**1,404.09**	**2,655.00**	2,655.00	**2,655.00**	-
WC INSURANCE	4016	120,791.00	143,412.00	142,958.00	164,958.00	**159,030.00**	(5,928.00)
TOTAL POLICE		**2,067,617.33**	**2,388,059.76**	**2,413,025.00**	**2,797,327.00**	**2,990,480.00**	193,153.00
FIRE DEPT							
FIRE DEPT RELIEF ASSOC	4015	4,000.00	4,000.00	4,000.00	**4,000.00**	4,000.00	-
TOTAL FIRE		**4,000.00**	**4,000.00**	**4,000.00**	**4,000.00**	**4,000.00**	-
TOTAL GENERAL PERSONNEL		**3,801,870.07**	**4,094,485.95**	**4,310,815.00**	**4,761,878.00**	**4,953,258.00**	191,380.00

Personnel Budget Summary – continued

				ENTERPRISE FUNDS/SPECIAL REVENUE			
		2023 YE	2024 YE	2024 BUDGET	2025 BUDGET	2026 BUDGET	2026 VS 2025
SERVICE		Amount	AMOUNT	W/3 % COLA	W/3 % COLA	W/3% COLA	+/-
WATER FUND							
WAGES	4002	503,077.85	543,945.29	544,840.00	**646,523.00**	**680,962.00**	34,439.00
OVERTIME WAGES	4004	9,918.21	11,898.06	15,517.00	**19,751.00**	**21,207.00**	1,456.00
ONCALL WAGE	4006	4,992.71	4,362.50	7,500.00	**17,500.00**	**17,500.00**	-
INSURANCE BENEFITS	4008	33,174.54	38,141.66	39,837.00	**45,262.00**	**48,552.00**	3,290.01
HSA ACCOUNTS	4009	1,797.06	1,693.75	1,950.00	**2,950.00**	**3,050.00**	100.00
FICA/MEDICARE	4010	37,351.94	39,594.97	43,477.00	**52,314.00**	**55,062.00**	2,748.00
PFMLA	4021	-	-	1,992.00	**3,014.00**	**3,174.00**	160.00
PERA	4012	38,057.38	40,265.27	42,164.00	**51,288.00**	**53,982.00**	2,693.99
WC INSURANCE	4016	9,064.00	11,479.00	17,711.00	**14,580.00**	**7,547.00**	(7,033.00)
PENSION EXP- GASB 68	4018	27,576.00	(17,083.00)	10,000.00	10,000.00	**10,000.00**	-
UNION INSURANCE	4019	41,109.82	31,075.00	33,900.00	43,380.00	**45,180.00**	1,800.00
TOTAL WATER FUND		**706,548.26**	**705,372.50**	**759,299.00**	**906,562.00**	**946,216.00**	39,654.01
SEWER FUND							
WAGES	4002	505,045.48	542,044.63	544,840.00	646,523.00	**680,962.00**	34,439.00
OVERTIME WAGES	4004	9,917.78	11,897.53	15,517.00	19,751.00	**21,207.00**	1,456.00
ONCALL WAGE	4006	4,992.70	4,362.50	7,500.00	17,500.00	**17,500.00**	-
INSURANCE BENEFITS	4008	33,174.33	38,141.20	39,837.00	45,262.00	**48,552.00**	3,290.01
HSA ACCOUNTS	4009	1,797.06	1,693.75	1,950.00	2,950.00	**3,050.00**	100.00
FICA/MEDICARE	4010	37,488.26	39,448.43	43,476.00	52,313.00	**55,061.00**	2,748.00
PFMLA	4021	-	-	1,992.00	**3,014.00**	**3,174.00**	160.00
PERA	4012	38,204.66	40,122.13	42,164.00	51,288.00	**53,982.00**	2,693.99
WC INSURANCE	4016	16,292.00	15,760.00	14,399.00	18,214.00	**9,915.00**	(8,299.00)
PENSION EXP- GASB 68	4018	29,006.00	(19,723.00)	10,000.00	10,000.00	**10,000.00**	-
UNION INSURANCE	4019	38,849.69	31,075.00	33,900.00	43,380.00	**45,180.00**	1,800.00
TOTAL SEWER FUND		**715,196.71**	**704,822.17**	**755,986.00**	**910,195.00**	**948,582.99**	38,388.00
STORM SEWER							
WAGES	4002	114,518.86	115,557.74	121,340.00	122,803.00	**127,378.00**	4,575.00
OVERTIME WAGES	4004	730.59	784.26	500.00	500.00	**500.00**	-
INSURANCE BENEFITS	4008	7,831.66	6,573.54	8,817.00	6,019.00	**6,317.00**	298.00
HSA ACCOUNTS	4009	674.56	424.94	675.00	475.00	**475.00**	-
FICA/MEDICARE	4010	8,645.49	8,431.91	9,304.00	9,398.00	**9,750.00**	352.01
PFMLA	4021	-	-	427.00	**542.00**	**566.00**	24.00
PERA	4012	8,579.89	8,541.60	9,043.00	9,212.00	**9,557.00**	345.00
WC INSURANCE	4016	936.00	1,445.00	1,085.00	1,620.00	**-**	(1,620.00)
PENSION EXP- GASB 68	4018	2,272.00	(8,377.00)	10,000.00	10,000.00	**10,000.00**	-
UNION INSURANCE	4019	3,420.55	-	-	-	**-**	-
TOTAL STORM SEWER FUND		**147,811.39**	**133,381.99**	**161,438.00**	**160,569.00**	**164,543.00**	3,974.00
LIQUOR STORE							
WAGES	4002	446,814.84	514,073.29	627,977.00	639,364.00	**679,696.00**	40,332.00
OVERTIME WAGES	4003	7,631.90	7,444.68	6,000.00	8,000.00	**8,000.00**	-
SICK & SAFE TIME LEAVE PT	4023	-	341.91	8,975.00	8,415.00	**7,933.00**	(482.00)
INSURANCE BENEFITS	4008	55,144.81	73,042.57	71,185.00	89,097.00	**93,704.00**	4,607.00
HSA ACCOUNTS	4009	4,469.38	5,759.53	6,355.00	7,152.00	**7,350.00**	198.00
FICA/MEDICARE	4010	33,906.08	37,883.71	49,189.00	50,172.00	**53,221.00**	3,049.01
PFMLA	4021	-	-	2,253.00	**2,890.00**	**3,068.00**	178.00
PERA	4012	34,219.07	38,240.56	48,225.00	49,188.00	**52,179.00**	2,991.00
WC INSURANCE	4016	18,390.00	16,823.00	21,840.00	24,840.00	**12,194.00**	(12,646.00)
UI BENEFITS	4017	-	-	100.00	100.00	**100.00**	-
PENSION EXP- GASB 68	4018	23,291.00	(223.00)	10,000.00	10,000.00	**10,000.00**	-
TOTAL LIQUOR STORE FUND		**623,867.08**	**693,386.25**	**852,099.00**	**889,218.00**	**927,445.00**	38,227.00

Personnel Budget Summary – continued

SERVICE		2023 YE Amount	2024 YE AMOUNT	2024 BUDGET W/3 % COLA	2025 BUDGET W/3 % COLA	2026 BUDGET W/3% COLA	2026 VS 2025 +/-
BLEDA							
WAGES	4002	32,051.22	30,183.45	32,190.00	33,994.00	**36,069.00**	2,075.00
INSURANCE BENEFITS	4008	4,610.15	4,441.16	4,644.00	5,174.00	**4,991.00**	(183.01)
HSA ACCOUNTS	4009	-		-	250.00	**250.00**	-
FICA/MEDICARE	4010	2,375.22	2,226.72	2,463.00	2,601.00	**2,760.00**	159.00
PFMLA	4021	-		113.00	**150.00**	**160.00**	10.00
PERA	4012	2,403.89	2,130.20	2,415.00	2,550.00	**2,706.00**	156.00
TOTAL BLEDA		**41,440.48**	**38,985.24**	**41,825.00**	**44,719.00**	**46,936.00**	2,216.99
FARMERS MARKET							
WAGES	4002	3,473.86	3,717.63	3,701.00	3,911.00	**4,029.00**	118.00
INSURANCE BENEFITS	4008	295.28	335.75	312.00	348.00	**397.00**	49.01
HSA ACCOUNTS	4009	74.88	75.10	75.00	75.00	**75.00**	-
FICA/MEDICARE	4010	261.54	274.94	283.00	300.00	**309.00**	9.00
PFMLA	4021	-		13.00	**18.00**	**20.00**	2.00
PERA	4012	260.52	278.77	278.00	294.00	**303.00**	9.00
WC INSURANCE	4016	20.00	20.00	20.00	20.00	**-**	(20.00)
TOTAL FARMERS MARKET		**4,386.08**	**4,702.19**	**4,682.00**	**4,966.00**	**5,133.00**	167.00
MUSIC IN THE PARK							
WAGES	4002	3,473.86	3,717.63	3,701.00	3,911.00	**4,029.00**	118.00
INSURANCE BENEFITS	4008	295.35	335.75	312.00	348.00	**397.00**	49.01
HSA ACCOUNTS	4009	75.12	74.90	75.00	**75.00**	**75.00**	-
FICA/MEDICARE	4010	261.76	275.03	283.00	**300.00**	**309.00**	9.00
PFMLA	4021	-		13.00	**18.00**	**20.00**	2.00
PERA	4012	260.51	278.81	278.00	**294.00**	**303.00**	9.00
WC INSURANCE	4016	20.00	20.00	20.00	**20.00**	**-**	(20.00)
TOTAL MUSIC IN THE PARK		**4,386.60**	**4,702.12**	**4,682.00**	**4,966.00**	**5,133.00**	167.00
TOTAL ENTERPIRSE & SPECIAL REVEN		**2,243,636.60**	**2,285,352.48**	**2,580,011.02**	**2,921,195.00**	**3,043,989.00**	**122,793.99**
Total All Funds		**6,045,506.67**	**6,379,838.41**	**6,890,826.00**	**7,683,073.00**	**7,997,247.00**	314,174.02

TOTALS FOR ALL	**2023**	**2024**	**2024 budget**	**2025 budget**	**2026 budget**	2026 VS 2025 +/-
WAGES	4,218,556.30	**4,453,704.81**	**4,836,613.00**	**5,312,905.00**	**5,555,070.00**	242,165.00
OVERTIME WAGES	102,050.41	**181,946.27**	**84,573.00**	**94,472.00**	**128,479.00**	34,007.00
OVERTIME WAGES - K9	-	**-**	**-**	**14,021.00**	**-**	(14,021.00)
OVERTIME - GRANT RELATED	9,066.48	**8,220.38**	**15,000.00**	**15,000.00**	**15,000.00**	-
ONCALL WAGE	21,475.00	**23,225.00**	**29,850.00**	**68,000.00**	**68,000.00**	-
SICK & SAFE TIME LEAVE PT	-	**767.41**	**13,730.01**	**11,520.00**	**11,084.00**	(436.00)
ADVANCE RESIGNATION	-	**1,500.00**	**7,500.00**	**3,000.00**	**1,500.00**	(1,500.00)
INSURANCE BENEFITS	444,586.35	**497,127.69**	**538,547.01**	**598,246.00**	**651,234.00**	52,988.00
HSA ACCOUNTS	30,891.04	**32,309.88**	**34,127.00**	**50,110.00**	**50,308.00**	198.00
FICA/MEDICARE	241,049.74	**246,962.67**	**285,849.98**	**309,108.00**	**322,403.00**	13,295.00
FICA/MEDICARE GRANT	131.43	**115.03**	**200.00**	**200.00**	**200.00**	-
PFMLA	-	**-**	**17,142.02**	**23,854.00**	**25,487.00**	1,633.00
PERA	212,953.66	**244,214.19**	**243,213.98**	**271,392.00**	**284,937.00**	13,545.00
PERA - POLICE FIRE	238,660.55	**279,826.16**	**269,323.00**	**319,137.00**	**337,721.00**	18,584.00
PERA- GRANT RELATED	1,604.63	**1,404.09**	**2,655.00**	**2,655.00**	**2,655.00**	-
WC INSURANCE	237,502.00	**262,065.00**	**276,562.00**	**306,993.00**	**248,109.00**	(58,884.00)
UI BENEFITS	5,009.30	**-**	**100.00**	**100.00**	**100.00**	-
PENSION EXP- GASB 68	82,145.00	**(45,406.00)**	**40,000.00**	**40,000.00**	**40,000.00**	-
WELLNESS PLAN	4,859.27	**2,686.12**	**2,000.00**	**7,000.00**	**10,000.00**	3,000.00
UNION INSURANCE	189,060.00	**184,190.00**	**189,840.00**	**231,360.00**	**240,960.00**	9,600.00
FIRE DEPT RELIEF ASSOC	4,000.00	**4,000.00**	**4,000.00**	**4,000.00**	**4,000.00**	-
	6,045,506.67	**6,379,834.70**	**6,890,826.01**	**7,683,073.00**	**7,997,247.00**	**314,173.99**
				2025	2026	% increase
			Increase over Prior Year	792,246.99	314,174.00	4.09%

City of Big Lake Pay Plan and Job Descriptions

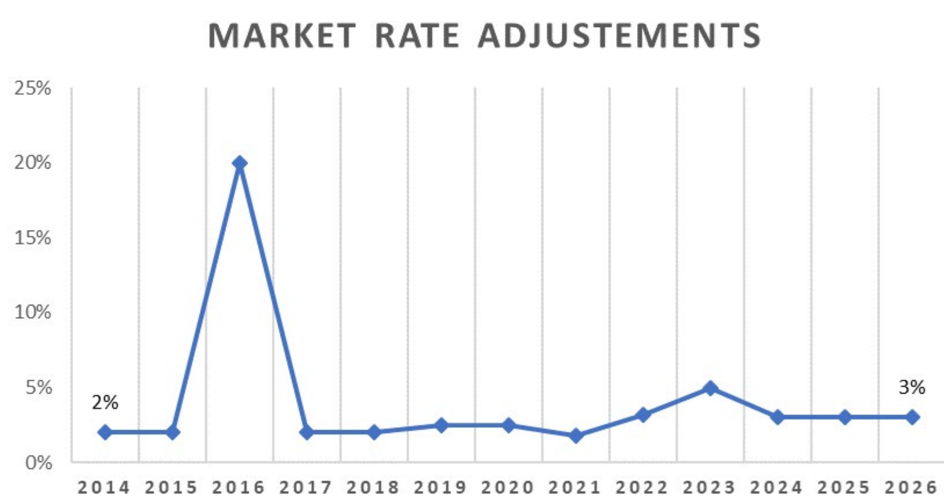
The city relies on clear job descriptions and a structured pay scale to maintain a fair, consistent, and accountable workforce system. Job descriptions define each position's purpose, duties, and expectations, giving employees a clear understanding of their responsibilities while providing the City with an objective foundation for hiring, evaluations, pay placement, and legal compliance. The pay scale builds on that structure by ensuring employees performing similar work are compensated equitably, keeping wages competitive with the market, and giving the city a predictable framework for long-term budgeting. Together, job descriptions and the pay plan create a transparent, defensible, and financially responsible system that supports recruitment, retention, performance management, and organizational stability.

In 2016, the city adopted a new pay plan following an intensive Compensation Plan Study, transitioning from a 17-grade, 5-step structure to a 22-grade, 9-step system. In 2024, the plan was revised again, expanding to 23 grades to ensure continued compliance with State Pay Equity requirements.

For 2026, the city applied a 3% market rate adjustment to maintain competitiveness with regional labor trends. This keeps the salary structure aligned with the market, supports recruitment and retention, and reinforces internal equity.

The average wage increase for 2026 is 5.88%, which includes the 3% market adjustment and the 3% step increase for employees who have not reached the top of their range. Of the City's 70 employees, the timing of final step increase is as follows:

- 8 are already at the top of the pay scale
- 12 will reach the top step in 2026
- 11 will reach the top step in 2027
- 9 will reach the top step in 2028
- 1 will reach the top step in 2029
- 5 will reach the top step in 2030
- 10 will reach the top step in 2031
- 14 will reach the top step in 2032



2026 City of Big Lake Pay Plan

2026 Pay Plan includes a 3% increase over 2025

2026 Minimum Wage - $11.41 - reflecting a 2.5% inflation adjustment

Elected Official		Boards		
	per month		per meeting	Chair Member
Mayor	$ 500.00	EDA	$ 40.00	$ 50.00
Council Members	$ 400.00	Planning	$ 40.00	$ 50.00
		Parks	$ 25.00	$ 25.00

SEASONAL / PT EMPLOYEES (JOB DESCRIPTION NOT ON PAY PLAN		Hourly Range
Public Works	Parks Seasonal Attendants - hrly range - just COLA	$16 to $22
Public Works	Parks Lawn Care - hrly range -just COLA	$16 to $22
Engineering	Intern	$16 to $22
Police	CSO - community service officer	$20.00

Other Miscellanous pay per Union Contract

Police	Night Shift Differential	$1.05 per hour
Public Works	On Call per Day	$50.00 per day

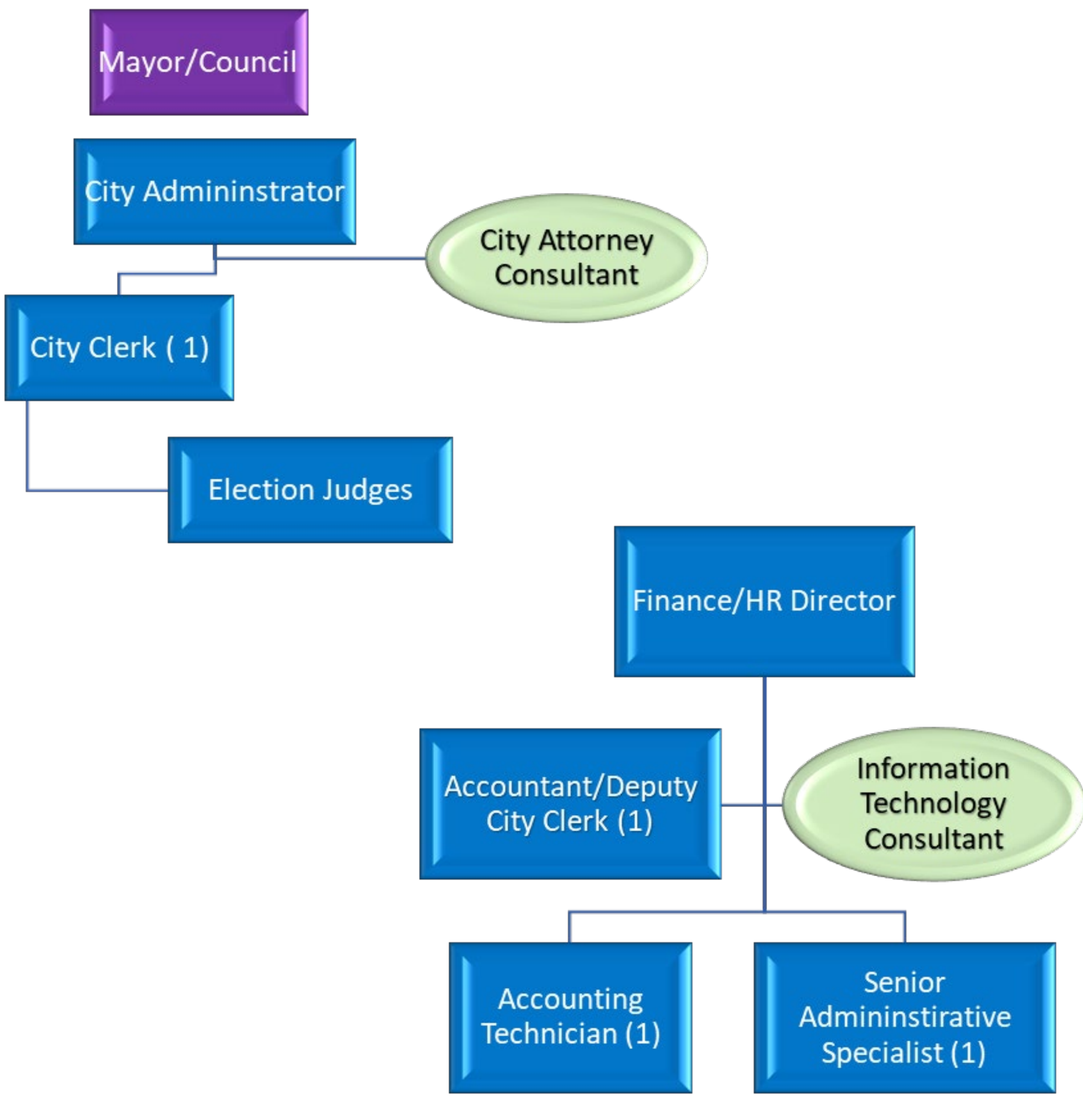
Between each Grade is 6% and between each Step is 3%

	Part Time Employee Positions		ADOPTED ON 12.10.25 FOR 1.1.26									
			STEP	Hourly	Hourly	Hourly	Hourly	Hourly	Hourly	Hourly	Hourly	Hourly
Points	Department	Title	Grade	1	2	3	4	5	6	7	8	9
90	Liquor	Liquor Store Stock Clerk - **PT** - (2)	3	18.24	18.79	19.35	19.93	20.53	21.15	21.78	22.44	23.11
115	Liquor	Liquor Store Clerk - **PT** (3)	4	19.34	19.92	20.52	21.13	21.76	22.42	23.09	23.78	24.50

	Regular Full Time Employee Positions		ADOPTED ON 12.10.25 FOR 1.1.26									
			STEP	Annual	Annual	Annual	Annual	Annual	Annual	Annual	Annual	Annual
Points	Department	Title	Grade	1	2	3	4	5	6	7	8	9
170	Liquor	Lead Liquor Store Clerk - FT (5)	7	53,385.29	54,986.85	56,636.46	58,335.55	60,085.62	61,888.19	63,744.83	65,657.18	67,626.89
190	Public Works	Administrative Assistant - Public Works	7	53,385.29	54,986.85	56,636.46	58,335.55	60,085.62	61,888.19	63,744.83	65,657.18	67,626.89
190	Community Dev	Administrative Assistant - Comm Dev	7	53,385.29	54,986.85	56,636.46	58,335.55	60,085.62	61,888.19	63,744.83	65,657.18	67,626.89
205	Public Works- Union	Streets/Parks Employee - Public Works I	8	56,610.48	58,308.79	60,058.06	61,859.80	63,715.59	65,627.06	67,595.87	69,623.75	71,712.46
200	Police	Police Specialist 1 - (7)	8	56,610.48	58,308.79	60,058.06	61,859.80	63,715.59	65,627.06	67,595.87	69,623.75	71,712.46
225	Public Works- Union	Water/Wastewater Operator I (8)	9	59,983.72	61,783.23	63,636.72	65,545.83	67,512.20	69,537.57	71,623.69	73,772.41	75,985.58
260	Community Dev	Building Permit Technician - (8)	10	63,582.74	65,490.22	67,454.93	69,478.58	71,562.93	73,709.82	75,921.12	78,198.75	80,544.71
260	Community Dev	Planning Technician -(8)	10	63,582.74	65,490.22	67,454.93	69,478.58	71,562.93	73,709.82	75,921.12	78,198.75	80,544.71
260	Finance	Accounting Technician - (8)	10	63,582.74	65,490.22	67,454.93	69,478.58	71,562.93	73,709.82	75,921.12	78,198.75	80,544.71
260	Finance	City Hall Senior Administrative Specialist	10	63,582.74	65,490.22	67,454.93	69,478.58	71,562.93	73,709.82	75,921.12	78,198.75	80,544.71
270	Public Works- Union	Streets/Parks Employee - Public Works II (9)	10	63,582.74	65,490.22	67,454.93	69,478.58	71,562.93	73,709.82	75,921.12	78,198.75	80,544.71
270	Community Dev	Recreation & Communication Coord	10	63,582.74	65,490.22	67,454.93	69,478.58	71,562.93	73,709.82	75,921.12	78,198.75	80,544.71
280	Engineering	Engineering Technician	10	63,582.74	65,490.22	67,454.93	69,478.58	71,562.93	73,709.82	75,921.12	78,198.75	80,544.71
285	Public Works- Union	Fleet Maintenance Worker - (10)	11	67,397.70	69,419.63	71,502.22	73,647.29	75,856.71	78,132.41	80,476.38	82,890.67	85,377.39
290	Public Works- Union	Water/Wastewater Operator II - (9)	11	67,397.70	69,419.63	71,502.22	73,647.29	75,856.71	78,132.41	80,476.38	82,890.67	85,377.39
285	Police	Police Specialist II - (9)	11	67,397.70	69,419.63	71,502.22	73,647.29	75,856.71	78,132.41	80,476.38	82,890.67	85,377.39
325	Liquor	Assistance Liquor Store Manager - **Exempt** (10)	12	71,441.57	73,584.81	75,792.36	78,066.13	80,408.11	82,820.36	85,304.97	87,864.11	90,500.04
328	Finance	Staff Accountant/Deputy City Clerk - **Exempt** (10)	12	71,441.57	73,584.81	75,792.36	78,066.13	80,408.11	82,820.36	85,304.97	87,864.11	90,500.04
330	Police	Office Manager - Police	12	71,441.57	73,584.81	75,792.36	78,066.13	80,408.11	82,820.36	85,304.97	87,864.11	90,500.04
340	Community Dev	Community Development Coordinator - **Exempt**	12	71,441.57	73,584.81	75,792.36	78,066.13	80,408.11	82,820.36	85,304.97	87,864.11	90,500.04
348	Public Works- Union	Foreman - Parks & Streets (12)	13	75,728.06	77,999.90	80,339.90	82,750.10	85,232.60	87,789.58	90,423.26	93,135.96	95,930.04
358	Public Works- Union	Foreman - Water/Wastewater (12)	13	75,728.06	77,999.90	80,339.90	82,750.10	85,232.60	87,789.58	90,423.26	93,135.96	95,930.04
390	Police - Union	Police Officer - was a 12 - no master patrol now	14	80,271.74	82,679.90	85,160.29	87,715.10	90,346.55	93,056.95	95,848.66	98,724.12	101,685.84
420	Administration	City Clerk - **Exempt** (14)	15	85,088.05	87,640.69	90,269.91	92,978.01	95,767.35	98,640.37	101,599.58	104,647.57	107,786.99
450	Community Dev	City Planner - **Exempt** (14)	15	85,088.05	87,640.69	90,269.91	92,978.01	95,767.35	98,640.37	101,599.58	104,647.57	107,786.99
423	Building Inspections	Chief Building Official - **Exempt**	15	85,088.05	87,640.69	90,269.91	92,978.01	95,767.35	98,640.37	101,599.58	104,647.57	107,786.99
435	Police - Union	Police Investigator - was a 13 - no master patrol	15	85,088.05	87,640.69	90,269.91	92,978.01	95,767.35	98,640.37	101,599.58	104,647.57	107,786.99
435	Police - Union	Police K9 Officer - was a 13 - no master patrol	15	85,088.05	87,640.69	90,269.91	92,978.01	95,767.35	98,640.37	101,599.58	104,647.57	107,786.99
470	Police - Non Union	Police Sergeant - (15)	16	90,193.33	92,899.13	95,686.10	98,556.69	101,513.39	104,558.79	107,695.55	110,926.42	114,254.21
490	Liquor	Liquor Store Manager - **Exempt** (16)	17	95,604.93	98,473.08	101,427.27	104,470.09	107,604.19	110,832.32	114,157.29	117,582.01	121,109.47
500	Public Works-Non Un	Superintendent -Street/Parks/Fleet- **Exempt** (16)	17	95,604.93	98,473.08	101,427.27	104,470.09	107,604.19	110,832.32	114,157.29	117,582.01	121,109.47
520	Public Works-Non Un	Superintendent - Water/Waster Water - **Exempt** (16)	17	95,604.93	98,473.08	101,427.27	104,470.09	107,604.19	110,832.32	114,157.29	117,582.01	121,109.47
527	Police - Non Union	Police Captains - **Exempt -** (17)	18	101,341.23	104,381.46	107,512.91	110,738.29	114,060.44	117,482.26	121,006.72	124,636.93	128,376.03
570	Public Works	Public Works Director - **Exempt** - not being used	19	107,421.70	110,644.35	113,963.68	117,382.59	120,904.07	124,531.19	128,267.13	132,115.14	136,078.60
610	Community Dev	Community Development Director (19)	20	113,867.00	117,283.01	120,801.50	124,425.55	128,158.31	132,003.06	135,963.16	140,042.05	144,243.31
610	Finance	Finance Director w/HR Duties (19)	20	113,867.00	117,283.01	120,801.50	124,425.55	128,158.31	132,003.06	135,963.16	140,042.05	144,243.31
610	Engineering	City Engineer - **Exempt**	20	113,867.00	117,283.01	120,801.50	124,425.55	128,158.31	132,003.06	135,963.16	140,042.05	144,243.31
660	Public Works	City Engineer/Public Works Director - not being used	21	113,770.40	117,183.52	120,699.02	124,319.99	128,049.59	131,891.08	135,847.81	139,923.25	144,120.94
670	Police - Non Union	Chief of Police - Emergency Manager-**Exempt** (20)	21	120,699.02	124,319.99	128,049.59	131,891.08	135,847.81	139,923.25	144,120.94	148,444.57	152,897.91
760	Administration	City Administrator - **Exempt** (22)	23	135,617.42	139,685.94	143,876.52	148,192.82	152,638.60	157,217.76	161,934.29	166,792.32	171,796.09

ADMINISTRATION-FINANCE
2026 BUDGETS

- Council
- Elections
- Administration-Finance
- Information Technology (IT)
- Fire Protection Services



Administrative/Finance Divisions

The *Mayor and City Council* budget provides for the legislative and policy-making functions of the City. Costs include elected official compensation, training and education, meeting expenses, legal and professional services related to council actions, memberships and dues, and other costs necessary to conduct public meetings, set policy, and provide governance and oversight of City operations.

The *Election* budget provides for the administration and conduct of municipal elections as required by law. Costs include election judge staffing, ballot preparation and printing, voting equipment programming and testing, polling place set up, election supplies, required training, and post-election certification and reporting. The budget ensures local elections are conducted accurately, securely, and in full compliance with state requirements.

The *Administration and Finance* budget provides for the executive management, financial administration, and internal support functions of the City. This includes city administration, financial management, budgeting, accounting, payroll, accounts payable and receivable, audit coordination, human resources, benefits administration, risk management, policy implementation, records management, and compliance with state and federal requirements. The budget supports efficient operations, sound fiscal stewardship, and effective service delivery across all City departments.

The *Information Technology* budget provides for the systems and services that support City operations and public service delivery. Costs include network infrastructure, cybersecurity, software licensing and maintenance, cloud and data storage, hardware replacement, helpdesk and managed IT services, system backups, disaster recovery, and staff training. The budget ensures secure, reliable, and efficient technology that supports all departments and protects City data.

The *Fire Protection Services* budget provides for the City's contractual contribution to the Big Lake Fire Department, which is jointly operated with Big Lake Township. The City's contribution represents 50 percent of the total cost to operate the Fire Department and supports fire suppression, emergency response, training, equipment, facilities, and overall readiness to protect the community.

Reason for Change from prior year

- Employee Service increase due to an increase in insurance premiums, market rate adjustment to pay plan and step increases
- Elections increase because 2026 is an election year
- Professional Services (IT) increase due to higher managed IT consultant fees
- Commodities & Supplies increase due to rising supply costs and software needs
- Pass Through Expenditures decrease because the Fire Department retirement plan is now administered by the State
- Transfers to other funds reflect increased transfers to capital funds

Mayor and Council

Big Lake Mayor and Council Department:

- Mayor
- Council members - 4

Activity Scope:

- The Mayor and Council provide elected representation to the community with control over policies, goals, and budgets. Members participate in various committees and direct staff through the City administrator
- The City operates under a statutory form of government consisting of a four-member City Council and a Mayor, who is a voting member
- The Mayor and Council budget provides for legislative and policy making activities of the City on behalf of the citizens of Big Lake

Staffing Levels	2024	2025	2026
Number of Employees	5	5	5

Division Goal	Goal Objective/Task
Policies and Ordinances	Adopt policies and ordinances consistent with the council's positions on growth, zoning, and financial strategies
Economic Development	Market City-wide properties for development projects
Planning	Completion of the code revision and review strategic plan for the City.
Community engagement	Coffee with the Mayor Volunteer Citizen of the Year award
Capital Improvement Reserves	Plan for future infrastructure repairs and improvements

CITY OF Big Lake LIVE BIG!

City Administration

Big Lake Administrative Department:

- City Administrator
- City Clerk

Activity Scope:

- The City Administrator provides the overall direction of the City, as determined by council and mayor. The City administrator serves as the chief administrative officer, ensuring that laws, ordinances and resolutions are implemented and enforced. The administrator is also responsible for managing the operations of all City departments
- The City Clerk responsibilities involve the management and retention of all official records and documents of the City. The clerk is also responsible for all election procedures, and licensing of local businesses
    - Liquor licenses
    - Tobacco licenses
    - Massage licenses
    - Trash haulers licenses

Staffing Levels	2024	2025	2026
Number of Employees	2	2	2

Division Goal	Goal Objective/Task
Enhance public record keeping through digitization.	Follow state-mandated records policies. Assist departments in setting records up electronically and destroying records per state retention schedule.
Enhance customer service and streamline administrative process for municipal government.	Evaluating online forms solutions/service center to condense workflow process and enhance customer experience.

Administration

CITY OF BIG LAKE

Finance Department

Big Lake Finance Department:

- Finance Director
- Accountant/Deputy City Clerk
- Senior Administrative Specialist
- Accounting Technician – Accounts Receivable (utility billing)

Activity Scope:

- The City finance director serves as the chief financial officer for the City of Big Lake
- The finance department conducts the financial affairs of the City of Big Lake in accordance with Government Accounting Standards Board (GASB) and Generally Accepted Accounting Principles (GAAP)
- Asset management for the City's capital assets
- Preparing and maintaining the City's Capital Improvement Plan
- Working with financial consultants to always be looking at cost savings for the City
- Investment and debt management
- Review and implementation of internal controls
- Accounting for every financial transaction of the City including accounts payable, accounts receivable, and payroll
- Utility billing processing and collection
- Administers human resource duties, including benefits, for the City of Big Lake
- Preparation of the annual audited financial report
- Preparation of the annual budget document

Staffing Levels	2024	2025	2026
Number of Employees	4	4	4

Performance Measure	2024	2025	2026 Projected
City Bonding Rate	AA	AA	AA
Receipts processed	51381	50647	59620
Invoices processed for payment	5112	5055	6000

Division Goal	Goal Objective/Task
Update policies and manuals.	Review required documents and revise as necessary.
Transparency of public finances	Provide meaningful and timely financial reports and information to council, commissions and other City departments as well as the general public on a monthly basis.
GFOA award programs	Develop financial documents in a format to be eligible for review and award

Fire Department

The Fire division is responsible for fire suppression to minimize personal injury, loss of life, and property damage. The department conducts fire inspections and reviews and recommends fire related items on building plans to comply with fire protection codes. The department provides fire education and prevention programs.

Big Lake Fire Department Staff:

- Fire Chief - 1
- Assistant Chief – 1
- Deputy Chief - 1
- Captains - 5
- Fire Fighters - 35
- Training Officer (Lt.)
- SCBA Officer
- Quarter Master (Lt.)

Staffing Levels	2024	2025	2026
Number of Employees (Paid on Call Fire fighters)	34	34	36

Performance Measure	2024	2025	2026 Projected
Total Incidents:	398	408	500
Fires	45	54	50
Medical	147	72	100
Fire training hours	Combined total for all FF 2,883	Combined total for all FF 3,644	3,500 total hours

Division Goal	Goal Objective/Task
Fiscal responsibility of public funds.	Continue to manage the Big Lake Fire Department Budget without compromising the life and safety of our residents and staff through prudent spending of budgetary dollars.
Ensure adequate coverage throughout the entire fire district.	Improve outreach and recruitment to meet staffing needs. Explore the option of a sub-station to ensure adequate coverage and reduce response times.
Continue to develop and enhance current and future leaders of the organization.	Enhance the newly implemented Officer Development Program to ensure we are meeting the goals of developing our current firefighters into future dept leaders.

Summary Expenditure Budgets

Division/Category:	2024 Actual	Police/Engineer Streets/Park 2025 Adopted Budget	CSO/Community Development Coordinator 2026 Adopted Budget	2025-2026 $ Change	% Change
Mayor/Council					
Personnel	$ 28,868	$ 29,141	$ 29,244	$ 103	0.35%
Professional Services	-	100	100	-	
Operations	5,472	4,440	4,940	500	11.25%
Total - Mayor/Council:	**$ 34,340**	**$ 33,681**	**$ 34,284**	**$ 603**	1.79%
Elections		-	-		
Personnel - Elections	$ 21,225	$ -	$ 25,000	$ 25,000	100.00%
Operations	8,388	2,000	8,100	6,100	305.00%
Transfer to CIP Fund	-	6,000	-	(6,000)	
Total -Elections	**$ 29,613**	**$ 8,000**	**$ 33,100**	**$ 25,100**	313.75%
Administration/Finance		-	-		
Personnel	$ 355,461	$ 335,574	$ 355,823	$ 20,249	6.03%
Professional Services	67,862	69,644	64,000	(5,644)	-8.10%
Operations	172,099	183,437	188,597	5,160	2.81%
Transfer to CIP Fund	850,211	295,000	475,000	180,000	61.02%
Total - Admin/Finance	**$ 1,445,633**	**$ 883,655**	**$ 1,083,420**	**$ 199,765**	22.61%
Fire	-	-	-		
Personnel	$ 4,000	$ 4,000	4,000	$ -	
Operations	220,565	231,918	232,013	95	0.04%
Pass Through Expenditures	176,584	113,000	-	(113,000)	100.0%
Transfers to other funds	-	3,250	2,400	(850)	-26.15%
Total - Fire:	**$ 401,149**	**$ 352,168**	**$ 238,413**	**$ (113,755)**	-32.30%
IT- Computer/Software/Maintenance		-	-		
Professional Services	$ 34,000	$ 37,454	$ 92,340	$ 54,886	146.54%
Operations	101,327	123,085	205,236	82,151	66.74%
Transfers to other funds	19,000	10,000	10,000	-	
Total - IT	**$ 154,327**	**$ 170,539**	**$ 307,576**	**$ 137,037**	80.36%

Finance
CITY OF BIG LAKE

2026 Transfers to Capital Improvement Funds

Total Transfers: **$634,011**

Annual Transfers

- **Computer Replacement Fund (194):** $10,000
- **Street Maintenance Fund (196):** $450,000
- **Industrial Park Fund (141):** $25,000
- **Park Maintenance/Improvement Fund (195):** $100,000
- **Trail Maintenance Fund (195):** $9,000
- **Music in the Park Fund (282):** $10,000

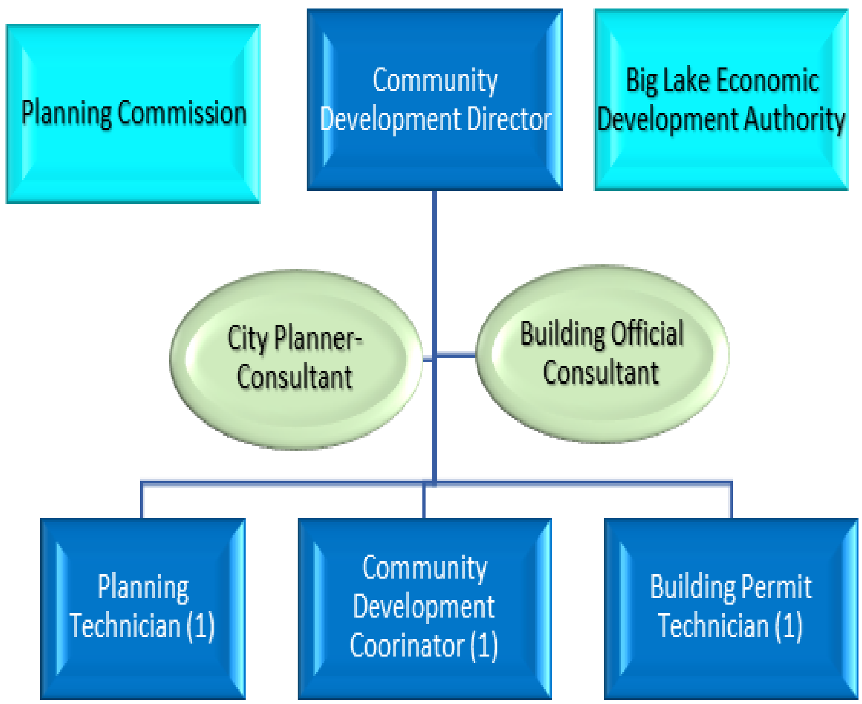
Department Equipment & Replacement Funds (199)

- Streets Department Equipment Replacement: $5,000
- Parks Department Equipment Replacement: $5,000
- Playground Equipment Replacement: $5,000
- Police Taser Replacement: $12,611
- Fire Department Radio Replacement: $2,400 (new annual transfer beginning in 2026

Building a stronger Big Lake together.
LIVE BIG!

COMMUNITY DEVELOPMENT
2026 BUDGETS

- Planning
- Building
- Economic Development
- Big Lake Economic Development Authority



Community Development: Building / Planning and Zoning Operations

The **Building Safety Division** is responsible for adopting and enforcing building codes, issuing permits, and conducting required inspections to ensure compliance and safety.

The **Planning Division** guides public and private development in alignment with the City's Comprehensive Plan and Zoning Ordinance, helping shape Big Lake's long-term vision.

The **Zoning Division** enforces City ordinances to protect public health, safety, and overall quality of life by ensuring responsible land use and property maintenance.

Community Development: Economic Development (ED)

The Economic Development Division promotes and manages sustainable economic growth within Big Lake. Its mission is to attract, retain, and support businesses, foster job creation, and grow the tax base. Serving as a link between the public sector and business community, the division works to advance projects and partnerships that align with the City's strategic vision and resources.

Community Development: Planning Commission

Mission Statement

To effectively facilitate development through implementation of the community vision as established by the Big Lake Comprehensive Plan.

Community Development: Big Lake Economic Development Authority (BLEDA) Commission

Mission Statement

To efficiently facilitate development while equally supporting the Big Lake business community and driving economic growth.

Department Budget Adjustment requests

The department manager has submitted the following proposed changes to the division budgets for consideration:

Planning Division

In response to current labor market challenges, staff recommend not refilling the vacant City Planner position. Instead, a Community Development Coordinator role is proposed. This position will provide support for both long-range and current planning activities, while also gaining experience in economic development initiatives.

This staffing change is projected to yield personnel cost savings of $64,749. To maintain adequate technical planning capacity, an increase of $13,000 in consultant services is proposed. These funds will cover direct City-billed planning services, such as meeting attendance and tasks not chargeable to developers. The result is a net budget reduction of $51,535 for the Planning Division. This proposal reflects a strategic approach to maintaining service levels while optimizing budgetary efficiency.

Building Division

No changes were requested for this division. Revenues will continue to be evaluated annually, and expenditures will be adjusted as needed to maintain budget alignment. The city will also continue to outsource Building Official services through the current Building Official Consultant.

Building

CITY OF BIG LAKE

ECONOMIC DEVELOPMENT – General Fund Division

Staff are no longer part of MN Marketing Partners due to the organization's disbandment. As a result, the funds previously allocated for membership dues have been reallocated to the training budget.

Economic Development

CITY OF BIG LAKE

In addition, staff recommend creating a Community Development Coordinator position in place of the previously budgeted City Planner role. Given the new position's involvement in economic development initiatives, a portion of its personnel costs will be allocated to the EDA – General Fund. This results in a budget increase of $28,923 in personnel costs for the EDA division.

Community Development: Big Lake Economic Development Authority (BLEDA) Commission

Mission Statement

To efficiently facilitate development while equally supporting the Big Lake business community and driving economic growth.

Goals:

- Hold monthly meetings to make recommendations to the Big Lake City Council
- Work with the Joint Powers Board for all Big Lake Industrial Park activities
- Accomplish objectives of the Big Lake Economic Development Strategic Plan
- Work with business financing administrators to provide options for business expansion and new opportunities
- Continue to develop marketing materials/opportunities for the city

Staffing Levels	<u>2024</u>	<u>2025</u>	<u>2026</u>
Number of Employees	0.5	0.5	0.25
Number of Commissioners	7	7	7

BLEDA Strategic Plan	Objectives
Market City of Big Lake	• Administer the Business Retention & Expansion Program (BR&E)
Market and Sell Industrial Park	• Appropriately stage the property (schedule lawn maintenance, install signage, etc.) • Direct market to Real Estate Brokers and Developers • Participate in relevant expos, site selector events, forums, conferences, etc.
Recognize BLEDA & City-owned commercial and residential property	• Cultivate a development/redevelopment plan for each parcel
Recognize privately-owned commercial/industrial property	• Cultivate a development/redevelopment plan for each parcel
Increase BLEDA community presence	• Maintain extensive knowledge of all business financing tools (federal, state, local, etc.) • Work in partnership with the Big Lake Finance Director to discover budgeting options for the BLEDA to consider • Author a successful Minnesota Investment Fund (MIF) Application to MnDEED • Invest time into building and expanding relationships with Big Lake partners • Administer the Big Lake EDA Revolving Loan Fund

Community Development: Planning Commission

Mission Statement

To effectively facilitate development through implementation of the community vision as established by the Big Lake Comprehensive Plan.

Goals

- Advise the City Council relating to land use topics
- Provide guidance to the City Council relating to long-range planning
- Promote collaboration with other committees, departments and agencies
- Provide a forum to educate and engage the public in the planning process
- Efficient processing of land development applications
- Prepare, maintain and implement the Comprehensive Plan
- Research and discuss new ideas and trends in land use planning
- Maintain the Zoning and Subdivision Ordinances

Staffing Levels	2024	2025	2026
Number of Employees	0.5	0.5	0.5
Number of Commissioners	7	7	7

Planning Commission Strategic Plan	Objectives
Continue to review Zoning and Subdivision Ordinances	• Partnership with a staff to review ordinances as needed
Standardize roadway designs based on road classification	• Review adopted policies including the Comp. Plan, Complete Streets Plan, and official controls
Research Accessory Dwelling Units (ADU’s)	• Review adopted policies and ordinances • Review model ordinance language and area ordinances
Research parking requirements	• Review adopted policies and ordinances • Research trends, standards, and review model ordinance language and area ordinances
Assess the need for updates to the Comprehensive Plan	• Review sections under the purview of the Planning Commission • Facilitate the review of other sections
Align land use controls with adopted policies	• Rezone properties consistent with the Comprehensive Plan • Implement Comp Plan policies into the Zoning and Subdivision Ordinances

Community Development: Building / Planning and Zoning Operations

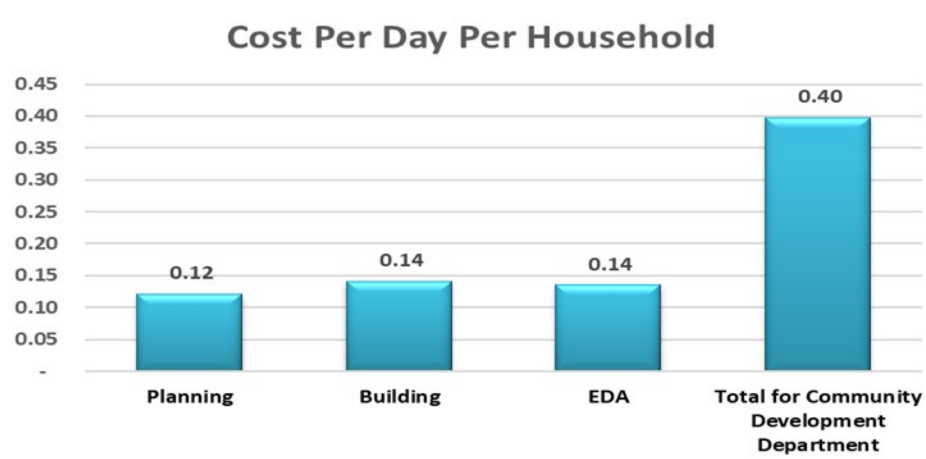
The Building Safety division is responsible for adopting and enforcing new and existing building codes, issuing permits, and performing all required inspections. The Planning division is responsible for facilitating the public and private improvement of property towards the City’s established vision using the comprehensive plan and zoning ordinance. The Zoning division is responsible for enforcing City ordinances to protect the quality of life and public health.

- Permit Applications
- Development Applications
- Conditional Use Permits
- Interim Use Permits
- Variance Requests
- Code Enforcement
- Code Amendments
- Comp. Plan Amendments
- Residential and Commercial Inspections
- Issuance of Certificates of Occupancy

Staffing Levels	2024	2025	2026
Number of Employees	4.5	4.5	4.50

Performance Measure	2024	2025	2025 Projected
Comm/Ind'l building permits issued	5	2	2
New Residential permits issued	27	40	15
Total number of permits issued	1037	1901	1400
Land Use applications	2	2	2

Division Goal	Goal Objective/Task
Streamline processes and reduce regulation	Continually evaluate processes for improvements to City permitting and reducing steps for residents and applicants.
Comprehensive Plan	Review action steps outlined in the comprehensive plan and recommended rezoning and ordinance amendments to further the goals of the plan.
Ensure that proposed construction complies with adopted codes and ordinances	Conduct plan review, issue permits, perform inspections, and investigate safety issues of construction projects and/or existing buildings.
Ensure that Building Safety practices and activities align with the State Building Code and the Int'l Property Maintenance Code	Stay abreast and implement any revisions to the State Building Code and/or the IPMC.
Ensure first-class customer service	Become proficient with new permitting software and equipment. Take advantage of new technology to be more efficient.



Summary Expenditure Budgets

Division/Category:	2024 Actual	Police/Engineer Streets/Park 2025 Adopted Budget	CSO/Community Development Coordinator 2026 Adopted Budget	2025-2026 $ Change	% Change
Planning		-	-		
Personnel	$ 162,640	$ 210,007	$ 156,407	$ (53,600)	-25.52%
Professional Services	16,557	16,450	29,000	12,550	76.29%
Operations	35,263	12,209	11,297	(912)	-7.47%
Total -Planning:	**$ 214,460**	**$ 238,666**	**$ 196,704**	**$ (41,962)**	-17.58%
Economic Development		-	-		
Personnel	$ 146,796	$ 161,648	$ 197,731	$ 36,083	22.32%
Professional Services	17,987	3,810	3,300	(510)	-13.39%
Operations	9,425	9,953	10,646	693	6.96%
Marketing	7,588	8,000	8,000	-	
Transfer to CIP Fund	-	-	-	-	
Total - Economic Development	**$ 181,796**	**$ 183,411**	**$ 219,677**	**$ 36,266**	19.77%
Building		-	-		
Personnel	$ 110,071	$ 81,032	$ 86,250	$ 5,218	6.44%
Professional Services	979	860	1,000	140	16.28%
Operations	103,117	141,212	142,104	892	0.63%
Total - Building:	**$ 214,167**	**$ 223,104**	**$ 229,354**	**$ 6,250**	2.80%

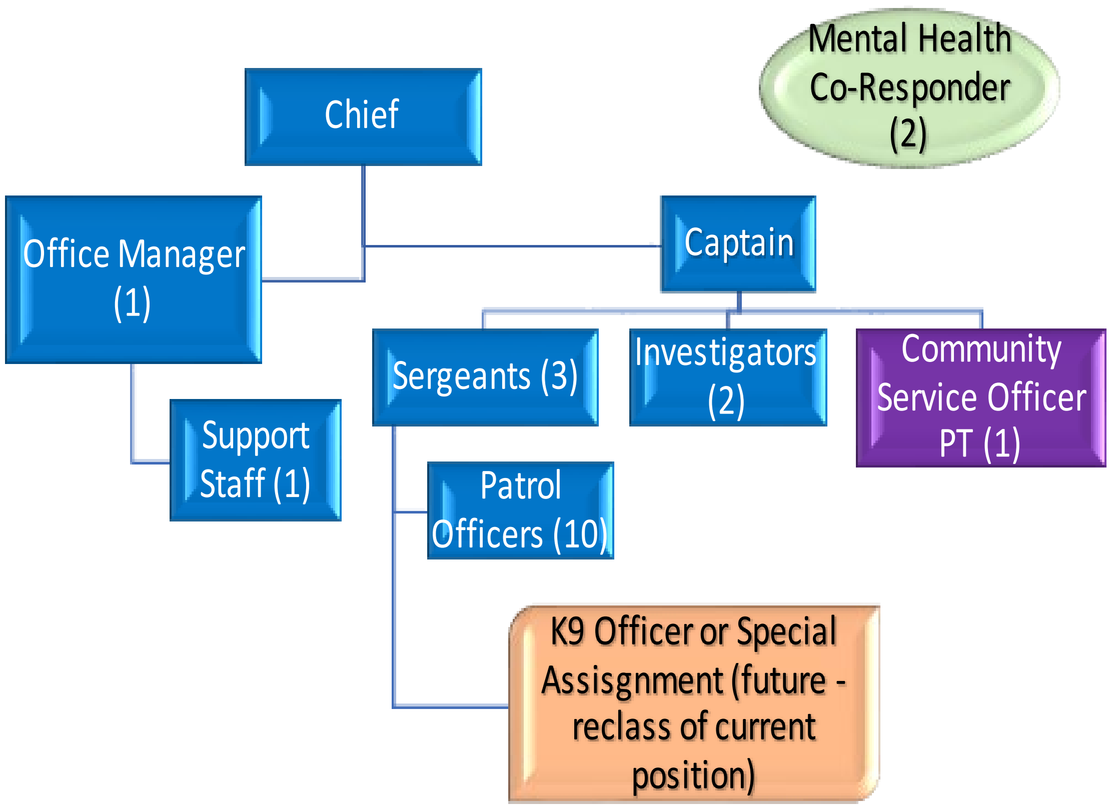
Special Revenue Fund - Economic Development Authority - Levy $160,000

Revenue Budget	2022 Actual	2023 Actual	2024 Actual	2025 Final Budget	2026 Budget	2025-2026 $ Change	% Change
Property Taxes	$ 129,966	$ 129,860	$ 129,824	$ 129,100	$ 158,800	$ 29,700	23.01%
Lease/Rental	-	15,733	21,165	-	-	-	
Lease Interest	-	1,267	2,835	-	-	-	
Transfer In	600,000	-	-	-	-		
Interest Earned	6,154	15,879	12,398	2,500	2,500	-	0.00%
Total - Revenues:	**$ 736,120**	**$ 162,739**	**$ 166,222**	**$ 131,600**	**$ 161,300**	**$ 29,700**	22.57%
Expenditure Budget							
Employee Services (Personnel)	$ 32,475	$ 41,440	$ 38,985	$ 44,719	$ 46,936	$ 2,217	4.96%
Contractual Services	6,650	44,582	40,828	11,900	12,450	550	4.62%
Commodities & Services	3,444	49,411	25,226	19,323	23,168	3,845	19.90%
Marketing	-	3,750	-	50,000	10,000	(40,000)	-80.00%
Transfer Out	46,362	46,362	50,000	50,000	50,000	-	0.00%
Total - Expenditures	**$ 88,931**	**$ 185,545**	**$ 155,039**	**$ 175,942**	**$ 142,554**	**$ (33,388)**	-18.98%
	-		-	-		-	
Excess Revenues/(deficit)	**$ 647,189**	**$ (22,806)**	**$ 11,183**	**$ (44,342)**	**$ 18,746**		

Budget Year	2024	2025	2026	2027	2028	2029	2030
Projected Cash Flow Change	**$ 459,011**	**$ 263,820**	**$ 219,478**	**$ 238,224**	**$ 302,976**	**$ 364,742**	**$ 462,942**
Projected Excess Revenue/(deficit)	**11,183**	**(44,342)**	**18,746**	**64,752**	**61,766**	**98,200**	**94,839**
Change in Assets/Current Liabilitie	**(206,374)**	-	-	-	-	-	-
Projected Ending Cash	**$ 263,820**	**$ 219,478**	**$ 238,224**	**$ 302,976**	**$ 364,742**	**$ 462,942**	**$ 557,780**

POLICE DEPARTMENT
2026 BUDGETS

- Police
- BLCSC – Library/Building



Welcome to the home of the Big Lake Police Department.

The 19 members of the Big Lake Police Department are proud to provide a full range of professional and modern police services to the over 12,000 residents of the City of Big Lake as well as our visitors.

Responsibilities

The men and women of the Big Lake Police Department serve proudly this very unique and picturesque community located on U.S. Highway 10 between the metro areas of Minneapolis/St. Paul and St. Cloud. The City of Big Lake is currently comprised of an area 4 miles wide by 3 miles long encompassing four lakes including the recreational lakes of Big Lake and Lake Mitchell. Also located within the City of Big Lake are the Northstar Metro Commuter Line providing direct and rapid access to Minneapolis/St. Paul. Other outdoor recreational amenities of our community include over 20 miles of bike and ATV trails, and 19 City Parks.

The Big Lake Police Department recognizes that no one agency succeeds completely on its own; we are committed to building partnerships within the community and the region. Our department works hand in hand with various regional agencies, community groups, law enforcement agencies, and most importantly its citizens with the goal of providing exceptional law enforcement services to the citizens we serve.

Big Lake Police Department Mission Statement

We commit to engaging with our community, while protecting and serving with Compassion, Honor, and Integrity.

Department Budget Adjustment requests

The department manager has submitted the following proposed changes to the division budgets for consideration:

Police Department

Staff requested a reduction in the body armor line item consistent with the current replacement schedule.

Community Service Officer (CSO)

A part-time Community Service Officer (CSO) position was added this year to provide support services to the Police Department. The CSO is responsible for parking enforcement and monitoring at Lakeside Park, particularly during peak times, and will also provide non-emergent supplemental services across various areas of the department.

This position also serves as a career pathway for aspiring law enforcement students interested in becoming police officers. Staff anticipate the CSO will work approximately 24 hours per week, in 4-hour shifts.

There is no budget increase associated with this position, as it is a reclassification of a seasonal Parks position.

BLCSC – Police/Library Building

No changes were requested for this division. The division remains responsible for building upkeep and any equipment needs of the library. Revenues include contributions from the Town of Big Lake in support of housing the public library.

Police IT Needs

Staff requested the addition of Lexipol software. Lexipol is a risk management platform providing compliance, training, and wellness resources for public safety and local government. It delivers state-specific policies that are researched by subject matter experts, vetted by legal professionals, and aligned with national standards and best practices. Policies are updated regularly to reflect changes in state and federal law, ensuring accuracy and compliance.

Police Department

The Police division is responsible for the protection of life and property and an atmosphere of community security through the deterrence of criminal activity by visible patrols; the enforcement of traffic laws; the apprehension of criminal offenders; emergency response services; and the delivery of other community services such as animal control and school liaison. The department provides for the investigation of criminal incidents and the apprehension of criminal offenders through the gathering, analysis, preservation, and presentation of evidence.

Staffing Levels	2024	2025	2026
Number of Command	4	4	4
Number of Patrol Officers	9	9	10
Number of Investigators	2	2	2
Number of K-9 Officer	1	1	1
Number of Support Staff	2	2	2

Performance Measure	2024	2025	2026 Projected
Calls for service	12,904	12,387	15,000
Social media followers	13,000	13,000	15,500
Community involvement (events)	30	30	30

Division Goal	Goal Objective/Task
Maintain professional staffing consistent with workload.	Recruit and retain with a focus on officer wellness and resilience. Provide opportunities for individual and professional growth in combination with career enrichment opportunities. Superseding minimum training requirements required by the State of Minnesota.
Meet the potential increased training requirements set by legislation.	Fulfill training requirements from the Minnesota POST Board with regards to anticipated changes in police training requirements. Strive to supersede minimum standards.
Community safety	Continue to maintain our standing as one of the safest communities in Minnesota by diligently detecting and deterring criminal activities in our community. Continue to grow and expand our abilities in Emergency Management Services to effectively respond and safeguard our community.
Community engagement and outreach	Diligently provide educational, informational items to the public via Facebook. Work diligently to engage and build trust through community partnerships. Continue to seek opportunities to interact with the community including Big Lake Police Night to Unite, Cone w/ a Cop, Music in the Park, Spud fest, and other public venues. Continue to provide a transparent view of the Big Lake Police Department. Continue to grow online services through @biglakepolice.com

Summary Expenditure Budgets

		Police/Engineer Streets/Park	CSO/Community Development Coordinator	2025-2026	
Division/Category:	**2024 Actual**	**2025 Adopted Budget**	**2026 Adopted Budget**	**$ Change**	**% Change**
Big Lake Community Services Center					
Personnel	$ 5,707	$ 5,816	$ 6,183	$ 367	6.31%
Professional Services	-	-	-	-	
Operations	77,410	67,845	66,313	(1,532)	-2.26%
Total - BLCSC:	**$ 83,117**	**$ 73,661**	**$ 72,496**	**$ (1,165)**	-1.58%
Police		-	-		
Personnel	$ 2,388,059	$ 2,797,327	$ 2,990,480	$ 193,153	6.90%
Professional Services	34,329	33,400	35,000	1,600	4.79%
Operations	271,254	272,397	266,310	(6,087)	-2.23%
Animal Control	1,940	1,000	1,000	-	
Debt /Lease Payments	1,757	-	-	-	
Transfers to other funds	12,611	12,611	12,611	-	
Total - Police:	**$ 2,709,950**	**$ 3,116,735**	**$ 3,305,401**	**$ 188,666**	6.05%

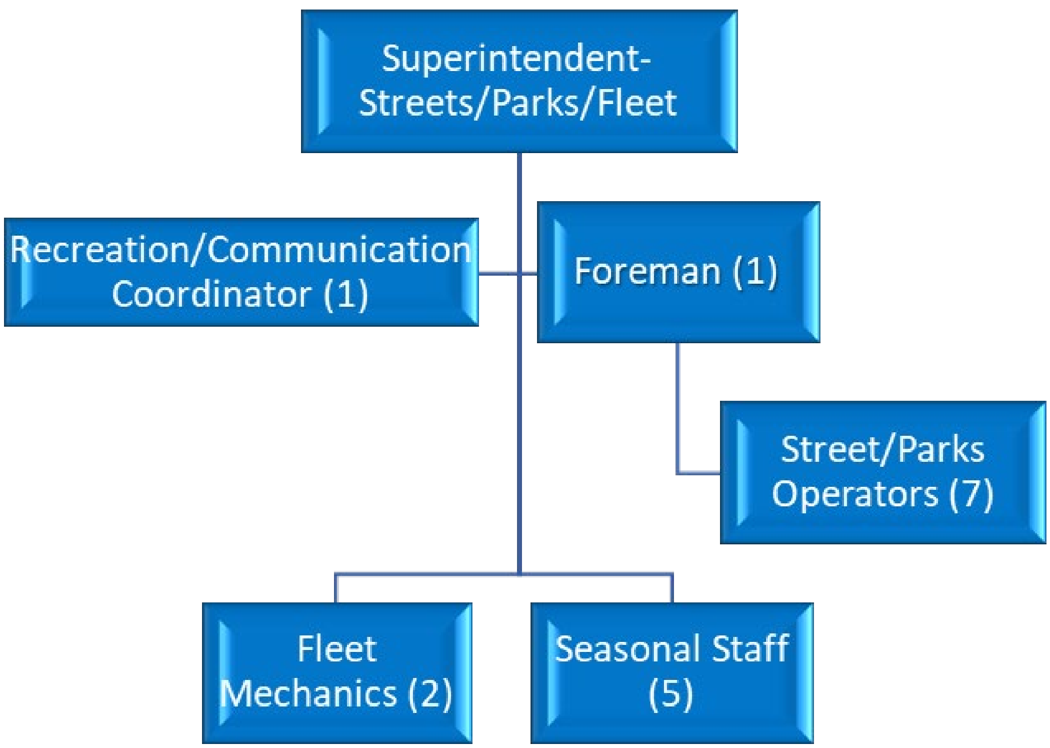
Reason for Change from prior year

- Employee Service increased due to new position, increase in insurance premiums, market rate adjustment to pay plan and step increases. The K9 position was not budgeted for 2026.
- Professional services increase due to increase in consultants' costs – BCA Audit preparation
- Commodities & Supplies decreased due to the K9 position not budgeted and the cost associated with the care of the dog.

STREETS, PARKS, FLEET
RECREATION-COMMUNICATION
DEPARTMENTS

2026 BUDGETS

- Streets
- Fleet
- Parks
- Recreation-Communication
- Stormwater
- Farmers Market
- Music in the Park



Public Works: Fleet, Streets, Parks and Stormwater

The **Fleet Division** is responsible for the repair and maintenance of the city equipment.

The **Street Maintenance Division** is responsible for maintaining city streets, sidewalks, boulevards, and stormwater collection system. The snow removal budget, which is incorporated within the street department budget, provides for snow removal and for ice control on City streets, parking lots and pathways.

The **Park Maintenance Division** is responsible for the maintenance of all city parks and facilities. These parks and facilities include playgrounds, shelters and trails.

The **Stormwater Division** is responsible for the maintenance and operations of the City's Stormwater System.

Recreation and Communication Division

The **Recreation Division** is responsible for the administrative services of park planning, providing leisure and programs for the community, and for the coordination of park facility use. In addition, the following special revenue budgets are administered through this division

- Farmers Market Special Revenue Budget
- Music in the Park Special Revenue Budget

The **Communication Division** is responsible for the distribution of important information to the citizens and staff about Cit news, projects, events, and more.

Department Budget Adjustment requests

The department manager has submitted the following proposed changes to the division budgets for consideration:

Street Maintenance Division

Staff requested a reduction for the Striping line item, to reflect the actual need.

Fleet Division

Staff requested a reduction in Operating Supplies by $1,500 and to allocate those funds to Shop Materials/Tools to reflect the actual need.

Staff requested an increase in Training/Schools, and Meals, as the city now has two (2) fleet mechanics, which are required to attend training to maintain DOT licenses needed.

Parks Division

Staff did not recommend any changes.

Stormwater Division

Staff requested a decrease to the Contractor's Hired line-item, with the new electronic water meter project, there is less of a need for contractors hire to read meters. Staff also requested a decrease to Subscriptions/Dues, Awards and Sand/Salt line-items to reflect actual needs.

Recreations and Communication Division
Staff requested a decrease in Meal's line-item to align with historical spending trends. Staff also requested that the Contractors Hired line-item be eliminated from the budgets, as there was no longer a need for this expense.

Farmers Market and Music in the Parks Programs
Staff did not request any changes; however, staff did indicate that staff will need to explore grant opportunities or reduce numbers of performances or markets for these programs to sustain for future years.

Public Works Department: Fleet, Streets & Parks

The Fleet Maintenance division is responsible for the repair and maintenance of the City equipment. The Street Maintenance Division is responsible for maintaining City streets, sidewalks, boulevards, and the stormwater collection system. The Snow Removal budget provides for snow removal and for ice control on City streets, parking lots, and pathways. The Park Maintenance division is responsible for the maintenance of all City parks and facilities. These parks and facilities include playgrounds, shelters, and trails.

Staffing Levels	2024	2025	2026
Number of Employees	10.5	12	12
Number of Seasonal	7	7	7

Performance Measure	2024	2025	2026 Projected
Miles of sidewalk	9.3	9.3	9.3
Crack seal miles	10 mi	10 mi	10 mi
Street sweeping	90 mi	90 mi	90 mi
Playgrounds	14	14	14
Vehicle repairs and services	30	48	50

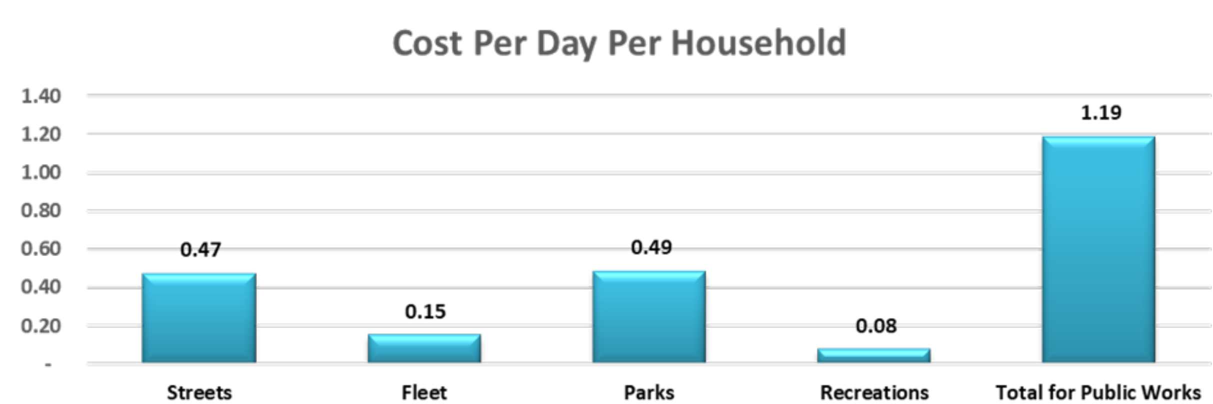
Division Goal	Goal Objective/Task
Maintain City fleet	Conduct routine preventative maintenance and equipment inspections. Conduct non-mission critical repairs in conjunction with scheduled services. Conduct, at a minimum, annual inspections on all equipment to include annual DOT inspections on all primary movers and trailers.
Snow and Ice control	Meet / exceed approved timelines for snow removal. Continue to reduce road salt usage while maintaining safe winter driving surfaces through utilization of new equipment and applying BMPs for chemical application.
Utilize Best Management Practice (BMP) to extend payment life.	Crack seal, pothole repair, mill and overlay, reclamation, and other procedures to maintain bituminous roadways, parking lots, and trails.
Maintenance and improvements to park amenities and trails.	Conduct preventative to park amenities and trails.
Maintain a safe park and recreation system.	Provide a safe, secure, clean and aesthetic park environment.

Summary Expenditure Budgets

Division/Category:	2024 Actual	Police/Engineer Streets/Park 2025 Adopted Budget	CSO/Community Development Coordinator 2026 Adopted Budget	2025-2026 $ Change	2025-2026 % Change
Streets					
Personnel	$ 283,573	$ 355,239	$ 356,808	$ 1,569	0.44%
Professional Services	5,005	5,000	5,000	-	
Operations	322,297	404,995	400,948	(4,046)	-1.00%
Transfers to other funds	5,000	5,000	5,000	-	
Total - Streets:	**$ 615,875**	**$ 770,234**	**$ 767,756**	**$ (2,477)**	-0.32%
Parks					
Personnel	$ 303,522	$ 418,601	$ 396,954	$ (21,647)	-5.17%
Professional Services	20,589	5,300	6,000	700	13.21%
Operations	246,989	268,529	268,050	(479)	-0.18%
Transfers to other funds	119,000	119,000	119,000	-	
Total - Parks:	**$ 690,100**	**$ 811,430**	**$ 790,004**	**$ (21,426)**	-2.64%
Fleet Maintenance		-	-		
Personnel	$ 132,791	$ 149,822	$ 157,202	$ 7,380	4.93%
Professional Services	-	100	-	(100)	100.0%
Operations	105,090	82,260	88,760	6,500	7.90%
Transfers to other funds	-	-	-	(1)	100.00%
Total -Fleet Maintenance	**$ 237,881**	**$ 232,182**	**$ 245,962**	**$ 13,779**	5.93%
Recreation/Community		-	-		
Personnel	$ 84,991	$ 95,087	$ 92,678	$ (2,409)	-2.53%
Professional Services	-	200	200	-	
Operations	29,733	26,022	21,425	(4,597)	-17.67%
Transfers to other funds	5,000	10,000	10,000	-	
Total - Community:	**$ 119,724**	**$ 131,309**	**$ 124,303**	**$ (7,006)**	-5.34%

Reason for Change from prior year

- Employee Service increased due to increase in insurance premiums, market rate adjustment to pay plan and step increases. Parks had a reduction due to the new CSO position created that will be used to at Lakeside Park, funds were reallocated from parks to police for this position.
- Commodities & Supplies increase is due to increased cost in fleet maintenance costs.



Special Revenue Fund - Farmers Market - need to look for grants

Revenue Budget	2022 Actual	2023 Actual	2024 Actual	2025 Final Budget	2026 Budget	2025-2026 $ Change	2025-2026 % Change
Intergovernmental	$ 580	$ 1,000	$ 796	$ 1,000	$ 1,000	$ -	0.00%
Vendor Licenses	3,210	2,000	3,950	2,000	4,000	2,000	100.00%
Vendor Licenses - Winter	670	200	2,920	500	1,000	500	100.00%
Donations from Organization	9,350	9,500	10,000	9,500	9,500	-	0.00%
Farmers Market Bages	24	10	40	10	10	-	0.00%
Interest Earned	315	100	1,132	100	100	-	0.00%
Other Grant Proceeds	2,201	1,200	3,069	1,200	1,200	-	0.00%
Total - Revenues:	**$ 16,350**	**$ 14,010**	**$ 21,907**	**$ 14,310**	**$ 16,810**	**$ 2,500**	17.47%
Expenditure Budget							
Personnel	$ 4,480	$ 4,387	$ 4,702	$ 4,966	$ 5,133	$ 167	3.36%
Operations	11,048	8,595	14,888	13,420	14,609	1,189	8.86%
Total - Expenditures	**$ 15,528**	**$ 12,982**	**$ 19,590**	**$ 18,386**	**$ 19,742**	**$ 1,356**	7.38%
Excess Revenues/(deficit)	**$ 822**	**$ 1,028**	**$ 2,317**	**$ (4,076)**	**$ (2,932)**		

Budget Year	2024	2025	2026	2027	2028	2029	2030
Projected Cash Flow Change	**$ 26,846**	**$ 29,163**	**$ 25,087**	**$ 22,155**	**$ 18,889**	**$ 15,281**	**$ 11,311**
Projected Excess Revenue/(deficit)	**2,317**	**(4,076)**	**(2,932)**	**(3,266)**	**(3,607)**	**(3,971)**	**(4,358)**
Projected Ending Cash	**$ 29,163**	**$ 25,087**	**$ 22,155**	**$ 18,889**	**$ 15,281**	**$ 11,311**	**$ 6,953**

Special Revenue Fund - Music in the Park - need to look for grants

Revenue Budget	2022 Actual	2023 Actual	2024 Actual	2025 Final Budget	2026 Budget	2025-2026 $ Change	2025-2026 % Change
Transfer In Revenue - Admin	$ -	$ 5,000	$ 5,000	$ 10,000	$ 10,000	$ -	0.00%
Donations from Organization	28,500	25,000	22,000	22,000	22,000	-	0.00%
Interest Earned	272	100	489	100	200	100	100.00%
Total - Revenues:	**$ 28,772**	**$ 30,100**	**$ 27,489**	**$ 32,100**	**$ 32,200**	**$ 100**	0.31%
Expenditure Budget							
Personnel	$ 4,049	$ 4,387	$ 4,702	$ 4,966	$ 5,133	$ 167	3.36%
Operations	29,973	31,854	29,898	26,900	27,461	561	2.09%
Total - Expenditures	**$ 34,022**	**$ 36,241**	**$ 34,600**	**$ 31,866**	**$ 32,594**	**$ 728**	2.28%
Excess Revenues/(deficit)	**$ (5,250)**	**$ (6,141)**	**$ (7,111)**	**$ 234**	**$ (394)**		

Budget Year	2024	2025	2026	2027	2028	2029	2030
Projected Cash Flow Change	**$ 8,057**	**$ 946**	**$ 1,180**	**$ 786**	**$ 53**	**$ (1,021)**	**$ (2,459)**
Projected Excess Revenue/(deficit)	**(7,111)**	**234**	**(394)**	**(733)**	**(1,074)**	**(1,438)**	**(1,825)**
Projected Ending Cash	**$ 946**	**$ 1,180**	**$ 786**	**$ 53**	**$ (1,021)**	**$ (2,459)**	**$ (4,284)**

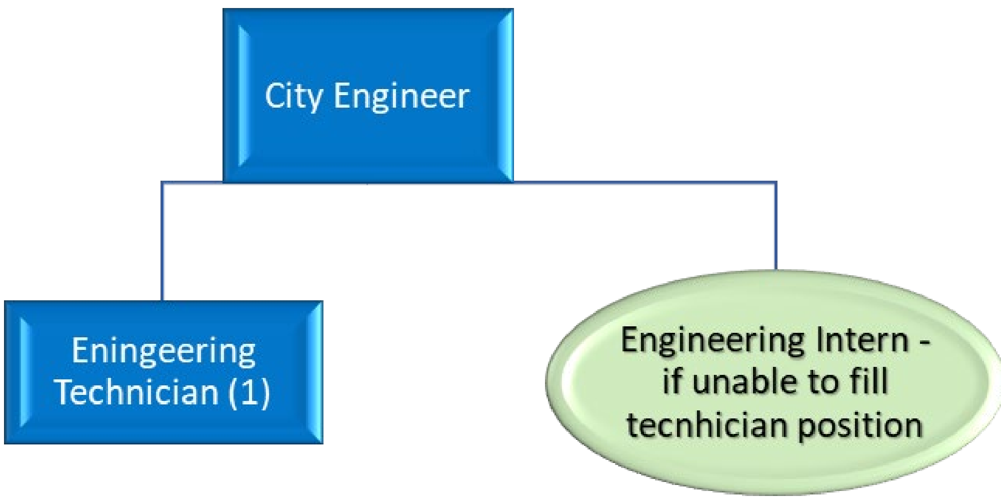
Storm Water Fund

	2025-2026			
Revenue Budget	**2025 Budget**	**2026 Budget**	**$ Change**	**% Change**
Utilities Revenues	$ 274,853	$ 278,828	$ 3,975	1.45%
Other Revenues	9,000	9,000	-	0.00%
Total Revenues	**$ 283,853**	**$ 287,828**	**$ 3,975**	**1.40%**
	-	-		
Expense Budget				
Personnel	$ 160,569	$ 165,176	$ 4,607	2.87%
Professional Services	3,000	3,000	-	0.00%
Operations	30,348	28,600	(1,749)	-5.76%
Capital/Transfers	30,000	35,000	5,000	16.67%
Depreciation	181,700	181,700	-	0.00%
Total Expenses	**$ 405,617**	**$ 413,476**	**$ 7,858**	**1.94%**
		-		
Net Income/(Loss) with Depreciation	**$ (121,764)**	**$ (125,648)**		
Net Income/(Loss) without Depreciation	**$ 59,936**	**$ 56,052**		
Projected Ending Cash	**$ 409,874**	**$ 465,927**		

Street & Parks
CITY OF BIG LAKE

ENGINEERING DEPARTMENT
2026 BUDGET

- Engineering
- Streets Capital Improvement Plan



Public Works Department: Engineering

Services Provided:

The Engineering Department is responsible for planning, implementing, and supervising municipal sewer, water main, storm drainage, trail, and street improvements to ensure they are constructed in accordance with City specifications and coordinated with Public Works Department. This includes coordinating infrastructure improvements within residential, commercial, and industrial developments.

Activities performed by Engineering include:

- Review land alteration, building and zoning permits for approval.
- Administer and implement the Federal Clean Water Act and City's MS4 permit as needed.
- Update and revise the Pavement Management Plan.
- Execute the Capital Improvement Plan annually.
- Oversee right of way use and perform permit reviews and inspections.
- Monitor and permit lakeshore alteration activity.
- Inspect installation of infrastructure including water, sewer, and streets.
- Maintain and update mapping and GIS for City infrastructure and small utility.
- Secure grants to fund infrastructure improvements such as trails, parks, and transportation.

Staffing Levels	2024	2025	2026
Number of Employees	1.5	1.5	2

Performance Measure	2024	2025	206 Projected
Number of right-a-way permits	100	46	50
Development plan reviews	10	12	12
Building Permit Survey reviews	75	40	15
Zoning Permits	25	25	25
Public Infrastructure Constructed	.75mi	1.1mii	1.0 mi

Division Goal	Goal Objective/Task
Quality infrastructure	Minimizes future costs for maintenance or replacement.
Customer experience	Maintain high level of service responding to developer, resident and business owner inquiries.
Collaboration with public agencies	Develop and maintain working relationship with other public agencies such as Big Lake Schools, Sherburne County, Township of Big Lake, and the State.
Fiscal responsibility of public funds	Ensure the confidence of residents of Big Lake that services are provided in a thoughtful, efficient, and cost-effective manner.
Community relationships	Develop and maintain working relationships with builders, developers, and contractors.
Infrastructure responsibility	Ensure infrastructure improvements and developments are consistent with the 2018 Comprehensive Plan and 2020 ADA Transition Plan.

Summary Expenditure Budgets

Division/Category:	2024 Actual	2025 Adopted Budget	2026 Adopted Budget	2025-2026 $ Change	2025-2026 % Change
Engineering		-	-		
Personnel	$ 88,000	$ 118,584	$ 123,616	$ 5,032	4.24%
Professional Services	7,366	8,450	8,500	50	0.59%
Operations	7,577	10,880	11,187	307	2.82%
Total - Engineering	**$ 102,943**	**$ 137,914**	**$ 143,303**	**$ 5,389**	3.91%

Reason for Change from prior year

- Employee Service increased due to increase in insurance premiums, market rate adjustment to pay plan and step increases.
- Professional services increase due to increase in consultants’ costs – Audit preparation
- Commodities & Supplies increase is due to increase cost in liabilities insurance

Engineering Department – Capital Improvement Plan for Streets 2026-2035

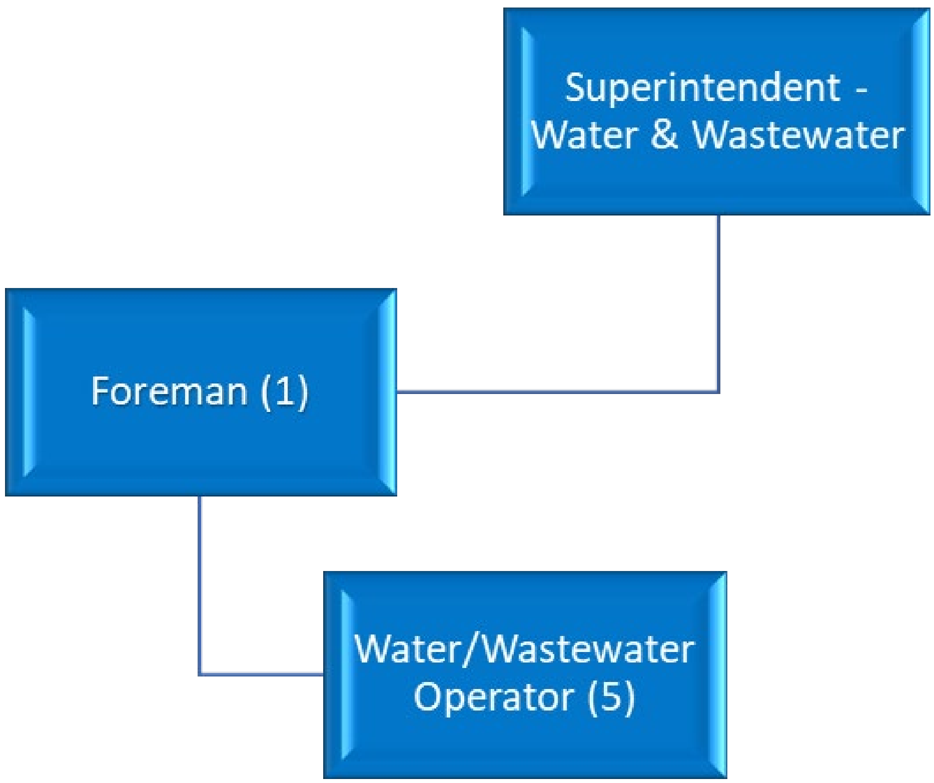
Dept	Description	Funding Source	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Streets/Trails/Channel Improvements - Fund 175												
fund 196	Resurface - Humbolt/Putnam/198th	CIP Fund	-	-	-	-	400,000	-	-	-	-	-
	Resurface MSA Routes - Lakeshore/Hiawatha	CIP Fund	-	**1,050,000**	can use state aid and grants		-	-	-	-	-	-
	Resurface Neghborhood (north of lakes)	CIP Fund	-	-	700,000	Sterling/Addison/Ridge Road		-	-	-	-	-
	Resurface Neighborhood (center commerical)	CIP Fund	-	-			1,300,000	Central Commercial/Glenwood/Lake Street				-
	Channel Repairs	CIP Fund	-	200,000	applied for Grants and SSWD funding			-	-	-	-	-
	Minnesota Ave	CIP Fund	**600,000**									
	Prairie Meadows/172nd	CIP Fund				700,000						
	Signal upgrades to HWY 10/US 10 & MN 25	CIP Fund			100,000	100,000						
	Sealcoat Streets	CIP Fund	**600,000**	-	-	300,000	300,000	300,000	300,000	300,000	300,000	300,000
	Street Improvements Total		1,200,000	1,250,000	800,000	1,100,000	2,000,000	300,000	300,000	300,000	300,000	300,000

CIP Fund 196 Balance

		2024	2025	2026	2027	2028	2029	2030
	Beginning	$ 1,654,542	$ 1,924,542	$ 1,321,567	$ 571,567	$ 621,567	$ 718,167	$ 118,167
Funding sources	Yearly Transfer	270,000	270,000	450,000	450,000	500,000	500,000	700,000
	LGA Allocation	-	-	-	-	-	-	-
	State Aid	-	550,000	-	850,000	-	-	1,200,000
	Grant	-	-	-	-	396,600	-	-
	Total Funding Source	***$ 270,000***	***$ 820,000***	***$ 450,000***	***$ 1,300,000***	***$ 896,600***	***$ 500,000***	***$ 1,900,000***
Project Costs	Seal Coat	-	-	600,000	-	-	300,000	-
	Streets	-	800,000	600,000	1,050,000	700,000	700,000	1,300,000
	Pedestrian/Connectivity	-	622,975	-	-	-	-	-
	Channel Repairs	-	-	-	200,000			
	US HWY 10/ Signals	-	-	-	-	100,000	100,000	
	Total Project Costs	***$ -***	***$ 1,422,975***	***$ 1,200,000***	***$ 1,250,000***	***$ 800,000***	***$ 1,100,000***	***$ 1,300,000***
	Ending Balance	$ 1,924,542	$ 1,321,567	$ 571,567	$ 621,567	$ 718,167	$ 118,167	$ 718,167

UTILITIES DIVISION
2026 BUDGETS

- Water
- Wastewater



Utilities: Water and Wastewater Divisions

The **Water Division** budget provides for the administration, operation, and maintenance of the water treatment system, wells for the treatment of water use for all household, commercial, and industrial customers.

The **Wastewater Division** budget provides for the administration, operation, and maintenance of the sanitary sewer system and lift stations for the treatment of households, commercial, and industrial waste.

Utilities Division Statement

To ensure environmental stewardship and public health by operating and maintaining the Water Treatment and Wastewater Treatment Plants, and the associated storage and collection/distribution systems in accordance with Federal and State Laws. To provide safe, healthy drinking water for the residents of Big Lake.

Department Budget Adjustment requests

The department manager has submitted the following proposed changes to the division budgets for consideration:

Water Division

Staff requested an increase in software costs for the purchase of new GIS mapping software.

Staff requested an increase in Engineering consultant cost for a Hydraulic study to find infrastructure needs as the city grows. This type of study should be done every 15 years. The cost associated with this request is $30,000.

Staff requested additional funds in the amount of $35,000 for Repairs and Maintenance - Building. These funds will be used to provide a fence around the Water Treatment Plant.

Staff requested additional funds in the amount of $10,000 for Repairs and Maintenance – Equipment. These funds will be used to repair 10 hydrants.

Wastewater Division

Staff requested an increase in software costs for the purchase of new GIS mapping software.

Staff requested additional funds in the amount of $65,000 for Repairs and Maintenance – Equipment-Bio building, this will be a recurring expense. These funds will be used for repair/maintenance of equipment.

Staff requested additional funds in the amount of $50,000 for Repairs and Maintenance – Equipment-Manholes, this will be a recurring expense. These funds will be used to repair 5 manholes, staff anticipates repairing 5 manholes a year.

Staff requested additional funds in the amount of $50,000 for Repairs and Maintenance – Equipment-Lift Rails, this will be a recurring expense. These funds will be used to repair existing rails, and staff propose to do a few each year.

Staff requested additional funds in the amount of $10,000 for Repairs and Maintenance – Equipment-Safety Gates, this will be a recurring expense. These funds will be used to repair safety gates on lift stations.

Staff requested additional funds in the amount of $20,000 for Repairs and Maintenance – Equipment-Level Controller. These funds will be used to repair level controllers.

Utilities Division: Water & Wastewater

Staffing Levels	2024	2025	2026
Number of Employees	6	7	7

Performance Measure	2024	2025	2026 Projected
Gallons of safe drinking water	465,253,000	469,866,000	500,000,000
Treated wastewater (gal)	289,082,000	282,392,000	295,000,000
Number of wells	7	7	7
Number of lift stations	13	13	13
Average flow rate (wastewater)	561 gpm	780 gpm	810 gpm
Division Goal	**Goal Objective/Task**		
Maintain an efficient plant and collection system.	Ensure treatment plants are operated in accordance with Federal and State permit requirements and regulations. Ensure proactive preventative maintenance to enhance the life of the plants and to minimize outages. To effectively and efficiently treat, store and distribute water to meet the social, health, economic and environmental needs of the service area in a quality, customer focused, cost efficient and effective manner. Remove pollutants from the incoming wastewater while complying with all permits – water, air and land – and convert them to safe, disposable biosolids as sustainably and cost effectively as possible.		

Utilities
CITY OF BIG LAKE

Summary Expenditure Budgets

Revenue Budget	Water Fund 2025 Adopted Budget	Water Fund 2026 Budget	Water Fund 2025-2026 $ Change	Water Fund 2025-2026 % Change	Sewer Fund 2025 Adopted Budget	Sewer Fund 2026 Budget	Sewer Fund 2025-2026 $ Change	Sewer Fund 2025-2026 % Change
Utilities Revenues	$ 2,228,003	$ 2,217,562	$ (10,441)	-0.47%	$ 3,508,025	$ 3,682,814	$ 174,789	4.96%
Other Revenues	11,000	21,000	10,000	90.91%	11,000	51,000	40,000	363.64%
Total Revenues	**$ 2,239,003**	**$ 2,238,562**	**$ (441)**	**-0.02%**	**$ 3,519,025**	**$ 3,733,814**	**$ 214,789**	**6.10%**
	-	-				-	-	
Expense Budget								
Personnel	$ 906,562	$ 946,218	$ 39,656	4.37%	$ 910,195	$ 948,585	$ 38,390	4.22%
Professional Services	63,750	108,360	44,610	69.98%	47,500	53,500	6,000	12.63%
Operations	732,881	605,503	(127,378)	-17.38%	709,217	857,166	147,949	20.86%
Capital/Transfers	568,000	258,000	(310,000)	-54.58%	100,000	286,000	186,000	186.00%
Debt	10,001	7,680	(2,321)	-23.21%	151,915	123,866	(28,049)	-18.46%
Depreciation	954,005	954,005	-	0.00%	1,435,595	1,435,595	-	0.00%
Total Expenses	**$ 3,235,199**	**$ 2,879,766**	**$ (355,433)**	**-10.99%**	**$ 3,354,422**	**$ 3,704,712**	**$ 350,290**	**10.44%**
	-	-			-	-		
Net Income/(Loss) with Depreciation	**$ (996,196)**	**$ (641,204)**	**$ 354,992**		**$ 164,603**	**$ 29,102**	**$ (135,501)**	
Projected Ending Cash	**$ 337,775**	**$ 557,487**	**$ 219,712**	**65.05%**	**$ 2,442,102**	**$ 3,652,307**	**$ 1,210,205**	**49.56%**

Reason for Change from prior year

- Employee Service increased due to increase in insurance premiums, market rate adjustment to pay plan and step increases for both Water and Wastewater.
- Professional Services increased requests for Hydraulic Modeling and Testing fees for Water. For Wastewater the increase was contributed to Audit fees and Testing fees.
- Commodities & Supplies increase is due to increased cost repairs and maintenance requests for both Water and Wastewater.

Utility Rates

WATER USAGE RATES - RESIDENTIAL, MULTI-FAMILY, IRRIGATION

YEAR	Adopted						Budget	Projected				
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Rate Tier 1 (per 1,000)	4.17	4.30	4.30	4.30	4.30	4.09	3.89	3.89	3.89	3.89	3.89	3.89
Annual % Increase	6%	3%	0%	0%	0%	-5%	-5%	0%	0%	0%	0%	0%

WATER USAGE RATES - COMMERCIAL

YEAR	Adopted						Budget	Projected				
	2020	2021	2022	2023	2024	2025	2025	2027	2028	2029	2030	2031
Rate Tier 1 (per 1,000)	2.57	2.65	2.65	2.65	2.65	2.52	2.39	2.38	2.38	2.38	2.38	2.38
Annual % Increase	6%	3%	0%	0%	0%	-5%	-5%	0%	0%	0%	0%	0%

SEWER USAGE- RESIDENTIAL, MULTI-FAMILY, COMMERCIAL

YEAR	Adopted						Budget	Projected				
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Rate Tier 1 (per 1,000)	8.90	8.99	8.99	9.17	9.17	9.90	10.89	12.53	14.40	16.57	18.22	18.22
Annual % Increase	5%	1%	0%	2%	0%	8%	10%	15%	15%	15%	10%	0%

WATER USAGE RATES - MUNICIPAL - GENERAL FUND

YEAR	Adopted						Budget	Projected				
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Rate (per 1,000)	7.83	9.40	10.34	10.86	11.40	11.97	12.57	13.2	13.86	14.55	15.28	16.04
Annual % Increase	35%	20%	10%	5%	5%	5%	5%	5%	5%	5%	5%	5%

SEWER USAGE RATES - MUNICIPAL - GENERAL FUND

YEAR	Adopted						Budget	Projected				
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Rate (per 1,000)	11.63	11.63	11.63	11.63	11.63	11.63	11.63	11.63	11.63	11.63	11.63	11.63
Annual % Increase	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

Capital Improvement Plan 2026-2035

Dept	Description	Funding Source	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Water Enterprise Fund												
	Well #8	Revenue Bonds - Water										1,500,000
	CR 43 CR 81 Improvements	Water Operations		-	-	-	-	**look at extending 16400 Marketplace - in 10 years				
	Well - on site generator	Water Operat	**Well 2**	-	-	-	-	-	-	-	-	-
	Misc Equipment Replacement Fund	Water Operat	**15,000**	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
	Well Maintenance	Water Operat	**30,000**	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
	Water Tower Maintenance	Water Operat	**200,000**	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
	Water Meter replacement Fund	Water Operat	**10,000**	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
	Computer replacement fund	Water Operat	**3,000**	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
	Water Enterprise Fund Total		**258,000**	**258,000**	**258,000**	**258,000**	**258,000**	**258,000**	**258,000**	**258,000**	**258,000**	**1,758,000**

Dept	Description	Funding Source	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Sewer Enterprise Fund												
	WWTP Expansion - Phase II	Revenue Bond	-	48,000,000	-	-	-	-	-	-	-	-
	Misc Equipment Replacement Fund - lift panel	Sewer Operati	**100,000**	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
	Replace 1981 Generator #81	Sewer Operati	**170,000**	-	-	-	-	-	-	-	-	-
	Replace 2011 John Deere Mower #311	Sewer Operati	**10,000**	already have 50K frm 2023		-	-	-	-	-	-	-
	CR 43 CR 81 Improvements	Water Operations			-	-	-	**look at extending 16400 Marketplace - in 10 years				
	Replace Floor Sweeper #308	Sewer Operati	**6,000**		-	-	-	-	-	-	-	-
	Sewer Enterprise Fund Total		**286,000**	**48,100,000**	**100,000**	**100,000**	**100,000**	**100,000**	**100,000**	**100,000**	**100,000**	**100,000**

LIQUOR STORE

2026 BUDGETS

Liquor Store Personnel Cost
The Liquor Store employs **20 part-time staff**, with a total annual allocation of **12,974 hours**. Of these positions, **17 are clerks**, **2 are stock clerks**, and **1 is a custodian**.

Full-time staff include **two Lead Clerks**, **one Assistant Store Manager**, and **one Store Manager**, providing operational oversight, compliance, and continuity of service.

Liquor Store
The Liquor Store budget provides for the full operation of the municipal liquor store as authorized under **Minnesota State Law** and by the **Big Lake City Council**. In addition to covering operating costs, the Liquor Store generates net revenue that is transferred to other City funds to support municipal services and reduce reliance on property taxes.

Liquor Store Mission Statement
Our mission is to responsibly provide safe, compliant, and reliable liquor sales while generating stable revenue to support City services and reduce property tax reliance. We are committed to responsible alcohol management, transparent operations, and reinvesting proceeds back into the community for the long-term benefit of residents.

Department Budget Adjustment requests
The department manager has submitted the following proposed changes to the division budgets for consideration:

Liquor Store
Staff requested a decrease in overall sales of approximately $16K to reflect the trends in sales over the last few years.

Staff requested a decrease in the overall cost of goods sold of approximately $60K to reflect the trends as well as the project decrease in overall sales.

Liquor Store
The Liquor budget provides for the total operation of the municipal liquor store as authorized by Minnesota State Law and the Big Lake City Council. The municipal liquor stores also generate revenue for transfer to other City funds.

Lake Liquors
CITY OF BIG LAKE

Staffing Levels	2024	2025	2026
Number of Employees – Full Time	3	4	4
Number of Employees – Part Time	19	20	20

Performance Measure	2024	2025	2026 Projected
Customer Count	184,412	180,861	177,361
Avg. Sale per Customer	$29.80	$29.25	$29.50
Total Sales	$5,445,460	$5,276,848	$5,406,725
Gross Profit %	28%	28%	25%
Labor Costs as % of Sales	11%	13%	17%

Division Goal	Goal Objective/Task
Promote community value	Promote a unified "message" paired with liquor transfers and a better knowledge of where consumer dollars go.
Improve customer service	Promote customer service through employee product knowledge to share with customers. Provide a quality selection at a fair price with excellent customer service. Work with vendors to increase sales through on-site tastings. Increase staff training to promote sales and customer service.
Increase in on-line store sales	Explore new strategies to improve messaging and establish customer base. Expand staff knowledge of CITYHIVE site and use more options and specials on it.
Community activities	MMBA and local organization fundraisers. Serve as a location for organizations to sell tickets for events.
Community education	Work with public entities to reduce underage drinking. Provide in-store signage and staff training to recognize and address concerns.

Summary Expenditure Budgets

	2025 Adopted Budget	2026 Budget	2025 -2026 $ Change	2025 -2026 % Change	Projected Gross Profit %	
Sales						
Gross Sales	$ 5,501,354	$ 5,436,232	$ (65,122)	-1.18%		
Less Loyalty Program	(29,215)	(29,507)	(292)	1.00%		
Cost of Sales	4,126,071	4,065,413	(60,658)	-1.47%		
Gross Profit	**$ 1,346,068**	**$ 1,341,312**	**$ (4,756)**	**-0.35%**	25%	Gross Profit % to Sales
Revenue Budget						
Gross Sales	$ 5,472,139	$ 5,406,725	$ (65,414)	-1.20%		
Other Revenues	35,400	40,400	5,000	14.12%		
Total Revenues	**$ 5,507,539**	**$ 5,447,125**	**$ (60,414)**	**-1.10%**		
	-	-				
Expense Budget						
Personnel	$ 889,218	$ 927,445	$ 38,227	4.30%		
Professional Services	8,100	10,100	2,000	24.69%		
Operations	280,730	280,253	(476)	-0.17%		
Cost of Sales	4,126,071	4,065,413	(60,658)	-1.47%		
Capital/Transfers	485,000	485,000	-	0.00%		
Debt	-	-	-			
Depreciation	73,190	75,158	1,968	2.69%		
Total Expenses	**$ 5,862,309**	**$ 5,843,369**	**$ (18,940)**	**-0.32%**	1%	Net Profit % less Transfer
	-	-				
Net Income/(Loss) with Depreciation	**$ (354,771)**	**$ (396,245)**	**$ (41,474)**			
Projected Ending Cash	**$ 1,180,199**	**$ 859,113**	**$ (321,087)**	**-27.21%**		
	-	-				

Reason for Change from prior year

- Employee Service increased due to increase in insurance premiums, market rate adjustment to pay plan and step increases. Labor cost as a % to sales is projected to be 17%
- Professional Services increase was contributed to Audit fees.
- Cost of Sales decreased is primarily attributable to the lower overall sales volume, combined with effective purchasing practices and improved inventory management.
- Projected ending cash balance is 15% of the 2026 Budget.
- Net profit before the transfer to the general fund is $53,755 or 1% of sales.

Capital Improvement Plan 2026-2035

Dept	Description	Funding Source	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Liquor Store Enterprise Fund												
	Misc Building/Lot Repairs	Liquor Operat	35,000	35,000	35,000	10,000	10,000	35,000	35,000	35,000	35,000	35,000
	New Cooler Doors	Liquor CIP	-	15,000	-	-	-	-	-	-	-	-
	New Roof	Liquor CIP	20,000	20,000	20,000	-	-	-	-	-	-	-
	New Flooring	Liquor CIP	5,000	5,000	5,000	5,000	-	-	-	-	-	-
	Delivery Doors	Liquor CIP	-	-	-	20,000	-	-	-	-	-	-
	New PA System	Liquor CIP	-	-	-	-	5,000	-	-	-	-	-
	New Cash Registers	Liquor CIP	-	15,000	-	-	-	-	-	-	-	-
	New Shelfing	Liquor CIP	-	-	-	-	-	-	20,000	-	-	-
	Liquor Store Enterprise Fund Total		60,000	90,000	60,000	35,000	15,000	35,000	55,000	35,000	35,000	35,000

GENERAL FUND DETAIL BUDGET

The General Fund supports the City's core services and daily operations. This section provides detailed departmental budgets.

Summary Budget

	2024 Actual	2025 Budget	2026 Final budget	2025 - 2026 $ Change	2025 - 2026 % Change
EVENUE					
Taxes	$ 4,467,046	$ 4,887,540	$ 5,205,407	$ 317,867	6.50%
Special assessments	1,656	1,000	1,000	-	0.00%
Licenses and permits	645,801	713,445	804,690	91,245	12.79%
Intergovernmental revenues	690,357	497,579	474,715	(22,864)	-4.60%
Franchise Fees	471,667	451,263	452,223	960	0.21%
Charges for services	279,690	248,078	252,869	4,791	1.93%
Fines and forfeitures	44,786	49,250	51,250	2,000	4.06%
Interest earnings	606,124	64,534	95,500	30,966	47.98%
Contributions/Donations	11,870	1,500	1,500	-	0.00%
Miscellaneous revenue	49,885	2,500	2,600	100	4.00%
Transfer In from Other Funds	450,000	450,000	450,000	-	0.00%
Total Current year revenues	7,718,882	7,366,689	7,791,754	425,065	5.77%
Designed/Unreserve Fund Balance	3,566	-	-	-	
TOTAL GENERAL FUND REVENUES BUDGET	$ 7,722,448	$ 7,366,689	$ 7,791,754	$ 425,065	5.77%

	2024 Actual	2025 Budget	2026 Final budget	2025 - 2026 $ Change	2025 - 2026 % Change
XPENDITURES					
Mayor/Council	$ 34,340	$ 33,681	$ 34,284	$ 603	1.79%
Planning and Zoning	214,460	238,666	196,704	(41,962)	-17.58%
Elections	29,613	2,000	33,100	31,100	1555.00%
Administration and Finance	595,422	588,655	608,420	19,765	3.36%
IT - Computer/Software/Maintenance	135,327	160,539	297,576	137,037	85.36%
BLCSC	83,117	73,661	72,496	(1,165)	-1.58%
Economic Development	181,796	183,411	219,677	36,266	19.77%
Building Inspection	214,167	223,104	229,354	6,250	2.80%
Engineering	102,943	137,914	143,303	5,389	3.91%
Fleet Maintenance	237,881	232,182	245,962	13,780	5.93%
Streets	610,875	765,234	762,756	(2,477)	-0.32%
Parks	571,100	692,430	671,004	(21,426)	-3.09%
Police	2,697,339	3,104,124	3,292,790	188,666	6.08%
Fire	401,149	348,918	236,013	(112,905)	-32.36%
Community - Recreation	114,724	121,309	114,303	(7,006)	-5.78%
Transfers out	1,010,822	460,861	634,011	173,150	37.57%
TOTAL GENERAL FUND EXPENDITURES	7,235,075	7,366,689	7,791,754	425,065	5.77%
NET REVENUE OVER (UNDER) EXPENSE	$ 487,373	$ 0	$ 0	$ (0)	
Unassigned Fund Balance - Projected	$ 4,644,218	$ 4,744,218	$ 4,744,219		
Percentage of Expenditures:					
Unassigned Fund Balance - between 42% - 50%	63.04%	60.89%	60.89%		

General Fund Revenues Budget

Revenues

Account Number	Description	2023 Actual	2024 Actual	2025 Final Budget	2026 Budget	2025-2026 $ Change	2025-2026 % Change
101-010-3125	Land Use Revenue	$ 29,844	$ 35,910	$ 26,000	$ 26,000	$ -	
101-010-3418	Administrative Charges	150	525	-	-	-	
101-011-3160	Inter-Govt Revenue	-	4,055	-	-		
101-015-3101	RE & PP Taxes-Current	**4,156,801**	4,513,790	**5,134,754**	**5,458,445**	323,691	6.30%
	Less TIF	-	-	(88,442)	(79,326)	9,116	-10.31%
101-015-3107	Less Township Repayment	(68,395)	(78,920)	(99,722)	(99,722)	-	
101-015-3102	RE & PP Taxes-Delinquent	20,071	17,159	25,000	25,000	-	
101-015-3104	RE &PP Tax - Abatements	5,864	7,764	(92,050)	(107,050)	(15,000)	16.30%
101-015-3105	**Local Govt Aid**	34,074	-	-	-	-	
101-015-3108	Solar/Wind Production	1,957	4,583	2,000	2,000	-	
101-015-3109	Penalty & Interest - Taxes	5,204	2,670	6,000	6,060	60	1.00%
101-015-3110	Market Value Homestead Credit	87	85	100	100	-	
101-015-3155	Transfer In-Revenue	450,000	450,000	450,000	450,000	-	
101-015-3160	Inter-Govt Revenue	107	24,969	1,000	1,000	-	
101-015-3161	Clean-up Day / SCORE Grant	9,281	12,882	12,000	12,000	-	
101-015-3180	Franchise Fees - Utilities	461,496	471,667	451,263	452,223	960	0.21%
101-015-3195	Sanitation License	900	900	900	900	-	
101-015-3198	Dock Permits	3,500	3,500	3,500	3,500	-	
101-015-3201	Peddler License/Permit	4,450	5,400	1,000	1,000	-	
101-015-3202	Firework Permits	100	75	100	100	-	
101-015-3205	License Investigation Fee	500	2,300	-	-	-	
101-015-3210	Massage License	425	575	375	375	-	
101-015-3211	Liquor License	34,300	33,750	30,100	30,100	-	
101-015-3212	Liquor Violations	750	-	-	-	-	
101-015-3213	Non-Intox/Off-Sale License	323	325	250	250	-	
101-015-3214	Temporary Outdoor On-Sale License	-	225	-	-	-	
101-015-3218	Cigarette License	2,100	1,900	1,300	1,300	-	
101-015-3224	Animal License	1,950	1,800	-	-	-	
101-015-3355	Window/Yard Sign Sales	50	28	-	-	-	
101-015-3375	Miscellaneous Revenue	90	411	200	230	30	15.00%
101-015-3376	Insurance Proceeds & Dividends	3,020	12,338	2,500	2,500	-	
101-015-3385	Cash Over/Short	(20)	(79)	-	-	-	
101-015-3411	Copies	2	-	10	10	-	
101-015-3417	Assessment Searches	2,550	1,625	1,500	1,500	-	
101-015-3610	Prop Tx Paid Special Assessmnt	834	1,656	1,000	1,000	-	
101-015-3940	Lease/Rental Income	56,075	30,885	31,503	32,133	630	2.00%
101-015-3991	Leases Interest Revenue	5,925	3,034	4,040	4,121	81	2.00%
101-015-3995	Unrealized Gain	309,836	434,972	5,000	20,500	15,500	310.00%
101-015-3999	Interest Earned	135,496	171,152	59,534	75,000	15,466	25.98%
101-015-4151	Refunds & Reimbursements	158	1,621	500	500	-	
101-015-4152	Resitution/Damage Payments	17,414	-	-	-	-	
101-015-4155	Reimbursements - Wellness Progr	-	52	200	200	-	
101-015-4156	Credit Card Rebates	2,687	3,331	2,500	5,000	2,500	100.00%
101-020-3160	Intergovernmental	10,000	10,000	10,000	10,000	-	
101-020-3376	Insurance Proceeds & Dividends	50,905	5,912	-	-	-	
101-020-4151	Refunds & Reimbursements	201	160	-	160	160	100.00%
101-030-3221	Building Permits	186,995	224,722	219,320	249,365	30,045	13.70%
101-030-3222	State Surcharge on Bldg Pmts	13,864	13,627	16,000	17,000	1,000	6.25%
101-030-3229	Seed/Sod Escrow Permit	2,800	2,700	1,500	1,500	-	
101-030-3241	Building - Plan Review Fee	134,036	74,738	150,000	180,000	30,000	20.00%
101-030-3242	Building - Other Permits	213,405	161,630	180,000	210,000	30,000	16.67%
101-030-3250	Rental Inspection Fees - Multi Family	18,849	19,528	17,000	17,000	-	

General Fund Revenues Budget – (continued)

Account Number	Description	2023 Actual	2024 Actual	2025 Final Budget	2026 Budget	2025-2026 $ Change	2025-2026 % Change
101-030-3251	Rental License Fees - Simgle/Duplex	550	3,400	6,000	6,000	-	
101-030-3375	Miscellaneous Revenue	5,040	2,175	1,750	-	(1,750)	-100.00%
101-030-3418	Administrative Charges	475	200	25	25	-	
101-030-3513	Other Fines/Fees	260	-	250	250	-	
101-050-3160	Inter-Govt Revenue -	-	3,635	-	-	-	
101-050-3161	Clean-up Day / SCORE Grant	40,000	55,000	40,000	55,000	15,000	37.50%
101-050-3197	Compost Access Permit	120	375	100	100	-	
101-050-3220	R-O-W Permit Fees	5,250	4,200	1,500	1,500	-	
101-050-3230	Donations from Organizations	-	-	-	-	-	
101-050-3365	Road/Maintenance Aid	140,917	154,302	153,024	180,000	26,976	17.63%
101-050-3376	Insurance Proceeds & Dividends	5,056	7,106	-	-	-	
101-050-3412	City Maint. Services	2,496	24,520	5,000	5,000	-	
101-050-3450	Street Light Fees	175,706	177,936	177,000	178,800	1,800	1.02%
101-050-3910	Sale of Fixed Assets	100	-	-	-	-	
101-050-3911	Scrap Metal Sales	599	-	-			
101-050-4150	Contractor Reimbursement	-	88	-	-	-	
101-050-4151	Refunds & Reimbursements	988	2,495	1,500	1,500	-	
101-050-4152	Resitution/Damage Payments	-	1,794	-	-	-	
101-052-3413	Fleet Service Maintenance	5,359	2,922	1,000	2,500	1,500	150.00%
101-052-3911	Scrap Metal Sales	-	120	-	100	100	100.00%
101-052-4151	Refunds & Reimbursements	454	42	-	-		
101-055-3160	Inter-Govt Revenue	-	4,000	-	-	-	
101-055-3196	Garden Plot Fees	1,230	1,200	1,200	1,200	-	
101-055-3200	Vendor Fees/Licenses	-	300	100	300	200	200.00%
101-055-3225	Park Permits-Seasonal- Resident	13,278	12,703	13,000	13,000	-	
101-055-3226	Park Permits-Daily	61,755	50,589	50,000	50,000	-	
101-055-3230	Donations from Organizations	13,500	1,300	-	-	-	
101-055-3231	Park Permits-Seasonal- Non-Res	11,482	11,092	11,000	11,000	-	
101-055-3232	Park Event Fee	-	25	200	200	-	
101-055-3236	Lake Mitchel Access Key	180	140	-	-	-	
101-055-3940	Lease/Rental/CAM	2,069	1,260	1,500	1,500	-	
101-055-3991	Leases Interest Revenue	140	12	-	-		
101-055-4151	Refunds & Reimbursements	1,469	1,490	250	250	-	
101-056-3232	Special Event Fee	100	75	-	-	-	
101-056-3233	Donations - Movie In the Park	1,500	1,500	1,500	1,500	-	
101-2939	ECFE- Designed Fund Bal	9,546	3,566	-	-	-	
101-075-3117	State Aid - Police	133,395	173,413	135,000	175,000	40,000	29.63%
101-075-3160	Inter-Govt Revenue-Training/Insuranc	60,363	63,883	12,000	21,800	9,800	81.67%
101-075-3164	Traffic Enforcement Grant	-	817	-	-	-	
101-075-3230	Donations from Organizations	-	9,000	-	-	-	
101-075-3239	K-9 Unit Donations	4,770	-	-	-	-	
101-075-3240	K-9 Unit Sales	-	70	-	-	-	
101-075-3375	Miscellaneous Revenue	2,260	1,450	2,500	2,500	-	
101-075-3376	Insurance Proceeds & Dividends	18,208	23,590	-	-	-	
101-075-3411	Copies	8	41	100	100	-	

General Fund Revenues Budget – (continued)

Account Number	Description	2023 Actual	2024 Actual	2025 Final Budget	2026 Budget	2025-2026 $ Change	2025-2026 % Change
101-075-3511	Court Fines	32,107	35,756	37,000	39,000	2,000	5.41%
101-075-3512	Parking Fines	6,100	5,205	6,000	6,000	-	
101-075-3513	Other Fines/Fees	3,630	3,825	6,000	6,000	-	
101-075-4151	Refunds & Reimbursements	866	17.00	-	-	-	
101-075-4152	Resitution/Damage Payments	2,064	731.00	-	-	-	
101-075-4200	Other Grant Proceeds	-	-	1,800	-	(1,800)	-100.00%
101-075-4209	Other Grants - K-9 Unit	7,500	-	-	-	-	
101-075-4210	Federal Grant Proceeds	-	-	1,800	1,800	-	
101-075-4211	Towards Zero Deaths Grant	10,678	6,572	17,855	17,855	-	
101-085-3118	State Aid - Fire	148,810	147,345	110,000	-	(110,000)	-100.00%
101-085-3119	State Aid Fire Relief	3,458	29,239	3,000	-	(3,000)	-100.00%
		$ 7,254,849	**$ 7,722,448**	**$ 7,366,689**	**$ 7,791,754**	**$ 425,064**	5.77%

	2023	2024	2025	2026
General Fund Expenditures:	$ 6,665,774	$ 7,235,075	$ 7,366,689	$ 7,791,754
General Fund Revenues:	7,254,849	7,722,448	7,366,689	7,791,754
Surplus / Deficit:	589,075	487,373	0	0

	2025	2026
% of increase in Revenue over prior year budget	8.67%	5.77%
% of increase in Expenditures over prior year budget	8.67%	5.77%

Expenditures

Account Number	Description	2023 Actual	2024 Actual	2025 Final Budget	2026 Budget	2025-2026 $ Change	2025-2026 % Change
101-100-05-05-4002	Wages	$ 26,850	$ 26,850	$ 27,000	$ 27,000	$ -	
101-100-05-05-4010	F.I.C.A./Medicare (er)	1,928	1,928	1,929	1,929	-	
101-100-05-05-4021	PFMLA	-	-	112	113	1	0.89%
101-100-05-05-4016	WC Insurance	91	90	100	202	102	102.00%
101-100-05-20-4170	Legal	-	-	100	100	-	
101-100-05-20-4180	Other Consultants	350	-	-	-	-	
101-100-05-25-4200	Printing- Newsletter	838	933	850	950	100	11.76%
101-100-05-25-4210	Operating Supplies	415	847	500	500	-	
101-100-05-25-4212	Other Operations Expenses	-	-	200	50	(150)	-75.00%
101-100-05-25-4215	Uniforms/Clothing	120	-	150	150	-	
101-100-05-25-4220	Advertising	50	78	100	100	-	
101-100-05-25-4235	Postage	5	43	10	10	-	
101-100-05-25-4238	Training/Schools	880	983	1,000	1,000	-	
101-100-05-25-4240	Travel/Mileage	-	-	100	100	-	
101-100-05-25-4243	Meals	444	1,125	500	690	190	38.00%
101-100-05-25-4250	Liability Insurance	810	1,218	1,000	1,360	360	35.96%
101-100-05-25-4257	Contractors Hired	-	75	-	-	-	
101-100-05-25-4260	Subscriptions/Dues	30	30	30	30	-	
101-100-05-25-4413	Equipment/Accessories	-	140	-	-	-	
101-100-10-05-4002	Wages	117,458	120,501	156,283	113,934	(42,349)	-27.10%
101-100-10-05-4004	Overtime Wages	60	166	-	-	-	
101-100-10-05-4008	Insurance Benefits (er)	16,284	20,578	26,320	22,489	(3,831)	-14.56%
101-100-10-05-4009	HSA Accounts	1,932	1,859	1,853	1,553	(300)	-16.19%
101-100-10-05-4010	F.I.C.A./Medicare (er)	8,685	9,093	11,957	8,719	(3,238)	-27.08%
101-100-10-05-4021	PFMLA	-	-	689	505	(184)	-26.71%
101-100-10-05-4012	P.E.R.A. (er)	8,596	8,887	11,375	8,200	(3,175)	-27.91%
101-100-10-05-4016	W/C Insurance	1,265	1,556	1,530	1,007	(523)	-34.18%
101-100-10-20-4140	Audit	403	490	450	500	50	11.11%
101-100-10-20-4150	Engineering	2,959	2,078	3,000	2,500	(500)	-16.67%
101-100-10-20-4170	Legal	30,871	10,344	8,000	8,000	-	
101-100-10-20-4180	Other Consultants	7,523	3,645	5,000	18,000	13,000	260.00%
101-100-10-25-4110	Bank or Collection Charges	-	1,506	-	-	-	
101-100-10-25-4200	Printing-Newsletter etc	838	933	850	950	100	11.76%
101-100-10-25-4209	Recording Fees	-	2	100	50	(50)	-50.00%
101-100-10-25-4210	Operating Supplies	592	460	600	500	(100)	-16.67%
101-100-10-25-4212	Other Operations Expenses	-	-	50	50	-	
101-100-10-25-4215	Uniforms/Clothing	18	45	100	100	-	
101-100-10-25-4220	Advertising	1,692	991	1,700	1,000	(700)	-41.18%
101-100-10-25-4230	Telephone/Internet	1,572	1,052	1,800	1,800	-	
101-100-10-25-4235	Postage	608	857	625	500	(125)	-20.00%
101-100-10-25-4238	Training/Schools - Total Planning	1,195	2,483	3,000	3,000	-	
101-100-10-25-4240	Travel/Mileage	-	-	250	250	-	
101-100-10-25-4243	Meals	243	502	300	500	200	66.67%
101-100-10-25-4250	Liability Insurance	810	1,218	1,184	1,333	149	12.60%
101-100-10-25-4257	Contractors Hired	-	24,990	-	-	-	
101-100-10-25-4260	Subscriptions/Dues - Total Planning	146	-	150	364	214	142.67%
101-100-10-25-4405	Motor Fuel	86	110	350	300	(50)	-14.29%
101-100-10-25-4413	Equipment/Accessories	59	9	100	100	-	
101-100-10-25-4430	Vehicle Maintenance	-	105	1,050	500	(550)	-52.38%
101-100-11-10-4007	Wages (Elections)	-	21,225	-	25,000	25,000	100.00%
101-100-11-10-4210	Operating Supplies	-	1,532	-	1,500	1,500	100.00%
101-100-11-10-4212	Other Operations Expense	-	243	-	-	-	
101-100-11-10-4220	Advertising	-	394	-	500	500	100.00%
101-100-11-10-4238	Training/School	305	1,427	2,000	2,000	-	
101-100-11-10-4240	Travel/Mileage	-	1,174	-	800	800	100.00%
101-100-11-10-4243	Meals	-	2,965	-	3,000	3,000	100.00%
101-100-11-10-4255	Rent / Lease	-	225	-	300	300	100.00%
101-100-11-10-4255	Rent / Lease	-	428	-	-	-	
101-100-11-71-4612	Capital Transfer Out - CIP 199	2,000	-	6,000	-	(6,000)	-100.00%

General Fund Expenditures Budget – (continued)

Account Number	Description	2023 Actual	2024 Actual	2025 Final Budget	2026 Budget	2025-2026 $ Change	2025-2026 % Change
101-100-15-25-4430	Vehicle Maintenance	20	-	-	-	-	
101-100-15-25-4540	Repair/Maintenance Buildings	12,649	11,764	8,000	8,000	-	
101-100-15-25-4545	Repair/Maintenance Equipment	3,852	587	1,000	750	(250)	-25.00%
101-100-15-25-4570	Electricity	18,078	17,668	20,000	20,000	-	
101-100-15-25-4580	Natural Gas	6,391	7,294	7,000	6,500	(500)	-7.14%
101-100-15-25-4582	Solar Credit	(1,579)	(2,477)	(1,000)	(1,000)	-	
101-100-15-25-4590	Water/Sewer Utilitities	6,336	4,551	8,337	8,000	(337)	-4.04%
101-100-15-71-4612	Transfers Out - CIP- 196 - Street Maintenance/projects	620,000	804,074	270,000	450,000	180,000	66.67%
101-100-15-71-4612	Transfers Out - to Fund 141 for IFL to Sewer	25,000	25,000	25,000	25,000	-	
101-100-15-85-4603	Debt Service- Prinicipal Leases	14,384	20,182	-	-	-	
101-100-15-85-4610	Debt Service - Interest Leases	1,060	955	-	-	-	
101-100-20-05-4002	Wages **	4,337	4,721	4,814	5,108	294	6.11%
101-100-20-05-4004	Overtime Wages **	-	24	-	-	-	
101-100-20-05-4008	Insurance **	194	225	219	243	24	10.96%
101-100-20-05-4009	HSA **	30	30	30	30	-	
101-100-20-05-4010	F.I.C.A./Medicare (er) **	330	358	370	393	23	6.22%
101-100-20-05-4021	PFMLA	-	-	22	25	3	13.64%
101-100-20-05-4012	P.E.R.A. (er) **	319	349	361	383	22	6.09%
101-100-20-25-4210	Operating Supplies	-	327	1,000	500	(500)	-50.00%
101-100-20-25-4212	Other Operating Costs	-	43	250	100	(150)	-60.00%
101-100-20-25-4217	Cleaning Services	12,365	13,975	12,400	12,400	-	
101-100-20-25-4225	Sanitation /Garbage	2,773	3,121	2,880	3,372	492	17.08%
101-100-20-25-4230	Telephone - WHS Alarm Cell Phone	-	-	504	-	(504)	-100.00%
101-100-20-25-4250	Liability Insurance	10,835	14,492	9,237	10,766	1,529	16.55%
101-100-20-25-4370	Grounds Maintenance - Hired Out	21	-	500	100	(400)	-80.00%
101-100-20-25-4375	Snow Removal - PW/Hired	-	-	500	-	(500)	-100.00%
101-100-20-25-4413	Equipment/Accessories	4,159	335	-	-	-	
101-100-20-25-4414	Equipment/Accessories - Library	870	870	3,000	3,000	-	
101-100-20-25-4540	Repair/Maintenance Buildings	19,295	18,871	12,000	12,000	-	
101-100-20-25-4545	Repair/Maintenance Equipment	-	1,627	1,000	1,000	-	
101-100-20-25-4570	Electricity	10,558	11,211	13,500	12,108	(1,392)	-10.31%
101-100-20-25-4580	Natural Gas	5,887	5,871	6,500	6,165	(335)	-5.15%
101-100-20-25-4590	Water/Sewer Utilities	6,242	6,667	4,574	4,803	229	5.01%
101-100-20-70-4316	Capital Purchase/Improvement	50,905	-	-	-	-	
101-100-25-05-4002	Wages	103,130	111,203	119,170	148,965	29,795	25.00%
101-100-25-05-4004	Overtime Wages	60	166	300	300	-	
101-100-25-05-4008	Insurance Benefits (er)	14,290	16,249	18,909	22,977	4,068	21.51%
101-100-25-05-4009	HSA Accounts	212	300	1,001	1,301	300	29.97%
101-100-25-05-4010	F.I.C.A./Medicare (er)	7,637	8,239	9,118	11,398	2,280	25.01%
101-100-25-05-4021	PFMLA	-	-	525	659	134	25.52%
101-100-25-05-4012	P.E.R.A. (er)	7,554	7,740	8,678	10,914	2,236	25.77%
101-100-25-05-4016	W/C Insurance	2,603	2,899	3,947	1,217	(2,730)	-69.17%
101-100-25-20-4140	Audit	806	500	810	800	(10)	-1.23%
101-100-25-20-4150	Engineering	-	7,275	-	-	-	
101-100-25-20-4170	Legal	1,756	10,212	2,500	2,500	-	
101-100-25-20-4180	Other Consultants	-	-	500	-	(500)	-100.00%
101-100-25-25-4200	Printing - Newsletter etc	838	933	850	950	100	11.76%
101-100-25-25-4201	Annexation	268	242	300	250	(50)	-16.67%
101-100-25-25-4209	Recording Fees/Settlement	-	148	100	100	-	
101-100-25-25-4210	Operating Supplies	779	894	750	750	-	
101-100-25-25-4212	Other Operations Expense	40	-	200	200	-	
101-100-25-25-4215	Uniforms/Clothing	-	-	100	100	-	
101-100-25-25-4220	Advertising	126	1,005	200	200	-	
101-100-25-25-4230	Telephone/Internet	517	537	504	504	-	
101-100-25-25-4235	Postage	6	-	50	50	-	
101-100-25-25-4238	Training/Schools - Total EDA	2,463	2,643	3,000	3,700	700	23.33%
101-100-25-25-4240	Travel/Mileage	578	516	600	600	-	
101-100-25-25-4243	Meals	415	539	500	500	-	
101-100-25-25-4250	Liability Insurance	810	1,323	1,184	1,827	643	54.31%

General Fund Expenditures Budget – (continued)

Account Number	Description	2023 Actual	2024 Actual	2025 Final Budget	2026 Budget	2025-2026 $ Change	2025-2026 % Change
101-100-25-25-4260	Subscriptions/Dues -Total EDA	765	645	1,465	765	(700)	-47.78%
101-100-25-25-4300	Awards - Employee LOS	-	-	50	50	-	
101-100-25-25-4413	Equipment/Accessories	40	-	100	100	-	
101-100-25-26-4222	Marketing - Communications	7,419	6,438	6,000	6,500	500	8.33%
101-100-25-26-4224	Marketing - Event-MNCAR	-	1,150	2,000	1,500	(500)	-25.00%
101-100-30-05-4002	Wages	160,780	83,566	56,660	60,089	3,429	6.05%
101-100-30-05-4004	Overtime Wages	417	1,160	-	-	-	
101-100-30-05-4008	Insurance Benefits (er)	11,994	13,249	13,747	15,354	1,607	11.69%
101-100-30-05-4009	HSA Accounts	1,112	1,200	1,151	1,151	-	
101-100-30-05-4010	F.I.C.A./Medicare (er)	12,067	6,247	4,336	4,599	263	6.07%
101-100-30-05-4021	PFMLA	-	-	251	269	18	7.17%
101-100-30-05-4012	P.E.R.A. (er)	4,234	3,847	4,251	4,509	258	6.07%
101-100-30-05-4016	W/C Insurance	605	802	636	279	(357)	-56.13%
101-100-30-20-4140	Audit	806	979	810	1,000	190	23.46%
101-100-30-20-4170	Legal	-	-	50	-	(50)	-100.00%
101-100-30-25-4200	Printing - Newsleter	838	932	850	950	100	11.76%
101-100-30-25-4210	Operating Supplies	906	2,278	1,000	2,000	1,000	100.00%
101-100-30-25-4212	Other Operations Expenses	-	3,600	100	100	-	
101-100-30-25-4215	Uniforms/Clothing	-	-	100	-	(100)	-100.00%
101-100-30-25-4230	Telephone/Internet	1,973	1,220	1,032	1,032	-	
101-100-30-25-4235	Postage	113	191	100	200	100	100.00%
101-100-30-25-4238	Training/Schools	1,842	180	1,000	-	(1,000)	-100.00%
101-100-30-25-4240	Travel/Mileage	-	-	100	-	(100)	-100.00%
101-100-30-25-4243	Meals	-	-	50	-	(50)	-100.00%
101-100-30-25-4250	Liability Insurance	881	1,211	1,180	1,372	192	16.27%
101-100-30-25-4257	Contractors Hired	15,167	80,113	119,000	119,000	-	
101-100-30-25-4260	Subscriptions/Dues	145	-	150	150	-	
101-100-30-25-4405	Motor Fuel	1,298	284	250	100	(150)	-60.00%
101-100-30-25-4412	State SurCharge Bldg.Permit	14,163	13,029	16,000	17,000	1,000	6.25%
101-100-30-25-4413	Equipment/Accessories	33	58	100	100	-	
101-100-30-25-4430	Vehicle Maintenance	179	21	200	100	(100)	-50.00%
101-105-15-20-4129	Computer Consultant	34,000	34,000	37,454	92,340	54,886	146.54%
101-105-10-25-4135	Software-Code codification services	9,957	5,227	5,000	5,000	-	
101-105-15-25-4130	Computers -Wire Access Points (3 yr)	-	-	2,000	-	(2,000)	-100.00%
101-105-15-25-4130	Software - Finance Total	27,855	26,087	31,408	74,047	42,639	135.76%
101-105-50-25-4130	Software- 800 MHZ Radios - Streets	-	-	560	560	-	
101-105-52-25-4130	Software - Fleet Mainteannce	1,440	1,440	1,500	1,500	-	
101-105-30-25-4130	Software - Building Permit Works	3,085	-	-	-	-	
101-105-40-25-4130	Software - Auto Cad - Engineering	-	-	1,500	2,000	500	33.33%
101-105-55-25-4130	Software - Parks Total	750	750	950	1,950	1,000	105.26%
101-105-56-25-4130	Software - Recreation/Communication Total	120	311	400	1,100	700	175.00%
101-105-56-25-4130	Computer - Camera	57	-	-	-	-	
101-105-75-25-4130	Computer Supplies- Police Department	65	415	-	-	-	
101-105-75-25-4130	Software - Police Department Total	24,487	25,234	39,342	53,480	14,138	35.94%
101-105-15-25-4131	Security Asscess Card System	1,994	-	2,575	1,874	(701)	-27.22%
101-105-75-25-4132	Electronic Data - Police Department Total	24,467	29,142	25,800	42,197	16,397	63.55%
101-105-15-25-4134	Website - Total	9,723	10,833	11,050	20,528	9,478	85.77%
101-105-15-25-4413	Equipment - Finance Misc items	1,175	1,888	1,000	1,000	-	
101-105-05-71-4612	Capital Transfers to Fund 194 - Computer Fund- Counc	-	9,000	-	-	-	
101-105-15-71-4612	Capital Transfers to Fund 194 - Computer Fund - All Sta	10,000	10,000	10,000	10,000	-	
101-200-40-05-4002	Wages	58,422	64,834	85,651	89,351	3,700	4.32%
101-200-40-05-4004	Overtime Wages	825	1,180	300	300	-	
101-200-40-05-4008	Insurance Benefits (er)	8,915	11,003	16,960	17,140	180	1.06%
101-200-40-05-4009	HSA Accounts	213	300	1,126	1,126	-	
101-200-40-05-4010	F.I.C.A./Medicare (er)	4,095	4,523	6,555	6,839	284	4.33%
101-200-40-05-4021	PFMLA	-	-	379	397	18	4.75%
101-200-40-05-4012	P.E.R.A. (er)	4,165	4,604	6,425	6,703	278	4.33%
101-200-40-05-4016	W/C Insurance	1,265	1,556	1,188	1,760	572	48.15%
101-200-40-20-4140	Audit	403	490	450	500	50	11.11%

General Fund Expenditures Budget – (continued)

Account Number	Description	2023 Actual	2024 Actual	2025 Final Budget	2026 Budget	2025-2026 $ Change	2025-2026 % Change
101-200-40-20-4150	Engineering	5,395	6,825	7,500	7,500	-	
101-200-40-20-4170	Legal	16	51	500	500	-	
101-200-40-25-4200	Printing-Newsletter etc	838	933	850	950	100	11.76%
101-200-40-25-4210	Operating Supplies	548	496	1,000	500	(500)	-50.00%
101-200-40-25-4212	Other Operations Expenses	16	-	250	250	-	
101-200-40-25-4215	Uniforms/Clothing	37	110	100	150	50	50.00%
101-200-40-25-4220	Advertising	-	688	50	-	(50)	-100.00%
101-200-40-25-4230	Telephone/Internet	1,094	1,137	1,200	1,200	-	
101-200-40-25-4235	Postage	-	-	50	-	(50)	-100.00%
101-200-40-25-4238	Training/Schools - Total	1,920	995	2,000	2,000	-	
101-200-40-25-4240	Travel/Mileage	9	37	100	100	-	
101-200-40-25-4243	Meals	288	25	100	100	-	
101-200-40-25-4250	Liability Insurance	1,013	1,835	1,480	2,987	1,507	101.82%
101-200-40-25-4300	Awards - Employee LOS	-	-	-	-	-	
101-200-40-25-4260	Subscriptions/Dues - Total	-	123	500	500	-	
101-200-40-25-4405	Motor Fuel	991	1,105	1,200	1,200	-	
101-200-40-25-4413	Equipment/Accessories	49	-	500	250	(250)	-50.00%
101-200-40-25-4430	Vehicle Maintenance	20	93	1,000	500	(500)	-50.00%
101-200-40-25-4545	Repair/Maintenance Equipment	-	-	500	500	-	
101-200-50-05-4002	Wages	134,925	148,049	174,327	181,387	7,060	4.05%
101-200-50-05-4003	Wages - WC Supplement	525	-	-	-	-	
101-200-50-05-4004	Overtime Wages	4,349	3,496	6,453	6,636	183	2.84%
101-200-50-05-4006	On Call Pay	11,383	14,500	33,000	33,000	-	
101-200-50-05-4008	Insurance Benefits (er)	6,111	4,669	4,794	5,253	459	9.57%
101-200-50-05-4009	HSA Accounts	750	500	450	450	-	
101-200-50-05-4010	F.I.C.A./Medicare (er)	10,998	12,097	16,356	16,912	556	3.40%
101-200-50-05-4021	PFMLA	-	-	941	976	35	3.72%
101-200-50-05-4012	P.E.R.A. (er)	11,309	12,381	16,035	16,580	545	3.40%
101-200-50-05-4016	WC Insurance	34,169	47,201	45,043	36,574	(8,469)	-18.80%
101-200-50-05-4020	Union Insurance	42,845	40,680	57,840	59,040	1,200	2.07%
101-200-50-20-4140	Audit	4,029	4,897	4,200	5,000	800	19.05%
101-200-50-20-4150	Engineering	-	108	-	-	-	
101-200-50-20-4170	Legal	-	-	300	-	(300)	-100.00%
101-200-50-20-4185	Other Consult-Med Exams	489	-	500	-	(500)	-100.00%
101-200-50-25-4200	Printing - newsletter	838	933	850	950	100	11.76%
101-200-50-25-4208	Copies	1,389	1,748	2,040	2,040	-	
101-200-50-25-4210	Operating Supplies	8,206	6,068	7,350	7,000	(350)	-4.76%
101-200-50-25-4212	Other Operations Expenses	1,802	65	2,000	1,000	(1,000)	-50.00%
101-200-50-25-4215	Uniforms/Clothing	1,794	1,648	2,000	2,000	-	
101-200-50-25-4217	Cleaning Services	-	5,175	6,900	6,900	-	
101-200-50-25-4218	Boots/Shoes - per Union Contract	1,327	1,298	1,400	1,400	-	
101-200-50-25-4220	Advertising	83	-	100	-	(100)	-100.00%
101-200-50-25-4225	Sanitation/Garbage Removal	3,523	3,885	3,840	4,320	480	12.50%
101-200-50-25-4230	Telephone/Internet - Street Total	7,992	9,552	10,200	10,200	-	
101-200-50-25-4235	Postage	1,728	773	500	500	-	
101-200-50-25-4238	Training/Schools	60	70	1,000	1,000	-	
101-200-50-25-4240	Travel/Mileage	-	-	100	100	-	
101-200-50-25-4243	Meals	-	-	200	200	-	
101-200-50-25-4250	Liability Insurance	14,778	16,619	13,735	16,044	2,309	16.81%
101-200-50-25-4255	Rent/Lease	4,134	2,481	3,500	-	(3,500)	-100.00%
101-200-50-25-4257	Contractors Hired	6,091	2,923	10,000	3,000	(7,000)	-70.00%
101-200-50-25-4260	Subscriptions/Dues - Streets Total	882	860	325	305	(20)	-6.15%
101-200-50-25-4300	Awards - Employee LOS	-	-	100	100	-	
101-200-50-25-4315	Compost/Woodchipper	41,593	62,455	40,000	55,000	15,000	37.50%
101-200-50-25-4320	Sand/Salt	62,841	21,875	65,960	60,000	(5,960)	-9.04%
101-200-50-25-4325	Class 5	282	650	1,000	1,000	-	
101-200-50-25-4335	Striping	3,840	-	10,000	8,000	(2,000)	-20.00%
101-200-50-25-4340	Hot Mix	722	-	17,000	10,000	(7,000)	-41.18%
101-200-50-25-4360	Sealcoat/Crackfill	26,028	4,346	30,250	25,000	(5,250)	-17.36%
101-200-50-25-4395	Signs/Banner	7,083	5,464	5,000	5,000	-	

General Fund Expenditures Budget – (continued)

Account Number	Description	2023 Actual	2024 Actual	2025 Final Budget	2026 Budget	2025-2026 $ Change	2025-2026 % Change
101-200-50-25-4405	Motor Fuel	27,875	24,058	30,900	30,000	(900)	-2.91%
101-200-50-25-4413	Equipment/Accessories	1,827	1,354	500	1,000	500	100.00%
101-200-50-25-4540	Repair/Maintenance Buildings - Street Total	10,816	35,893	5,000	6,560	1,560	31.20%
101-200-50-25-4545	Repair/Maintenance Equipment	1,623	902	-	-	-	
101-200-50-25-4570	Electricity	4,700	4,981	6,000	5,379	(621)	-10.34%
101-200-50-25-4575	Electricity (Street Lights)	98,433	95,454	114,400	108,000	(6,400)	-5.59%
101-200-50-25-4580	Natural Gas	5,765	9,901	7,070	25,000	17,930	253.61%
101-200-50-25-4582	Solar Credit	(1,043)	(1,283)	(1,050)	(1,050)	-	
101-200-50-25-4590	Water/Sewer Utilitities	3,385	2,149	6,825	5,000	(1,825)	-26.74%
101-200-50-70-4316	Capital Expenditures	8,756	-	-	-	-	
101-200-50-71-4612	Capital Equipment Transfer - 199	5,000	5,000	5,000	5,000	-	
101-200-52-05-4002	Wages	95,047	83,346	95,710	98,647	2,937	3.07%
101-200-52-05-4004	Overtime Wage	742	645	750	750	-	
101-200-52-05-4008	Insurance Benefits (er)	3,327	3,882	4,530	5,251	721	15.92%
101-200-52-05-4009	HSA Accounts	450	450	450	450	-	
101-200-52-05-4010	F.I.C.A./Medicare (er)	7,081	6,152	7,324	7,549	225	3.07%
101-200-52-05-4021	PFLMA	-	-	422	436	14	3.32%
101-200-52-05-4012	P.E.R.A. (er)	6,698	6,299	7,180	7,401	221	3.08%
101-200-52-05-4016	W/C Insurance	3,574	4,897	4,536	7,198	2,662	58.69%
101-200-52-05-4020	Union Insurance	24,010	27,120	28,920	29,520	600	2.07%
101-200-52-20-4185	Other Consult-Med Exams	-	-	100	-	(100)	-100.00%
101-200-52-25-4210	Operating Supplies	3,951	3,757	2,500	1,000	(1,500)	-60.00%
101-200-52-25-4212	Other Operations Expenses	662	24	500	100	(400)	-80.00%
101-200-52-25-4215	Uniforms/Clothing	612	1,510	600	650	50	8.33%
101-200-52-25-4218	Boots/Shoes - per Union Contract	751	495	700	700	-	
101-200-52-25-4220	Advertising	-	638	-	-	-	
101-200-52-25-4230	Telephone/Internet	1,180	1,180	1,200	1,200	-	
101-200-52-25-4230	Telephone/Internet - New Ipads	480	960	960	960	-	
101-200-52-25-4238	Training/Schools - Fleet DOT Certification	185	-	200	500	300	150.00%
101-200-52-25-4240	Travel/Mileage	-	-	50	50	-	
101-200-52-25-4243	Meals	-	20	50	100	50	100.00%
101-200-52-25-4255	Rent/Lease	-	250	250	250	-	
101-200-52-25-4257	Contractors Hired	479	-	-	-	-	
101-200-52-25-4260	Subscriptions/Dues	140	175	200	200	-	
101-200-52-25-4385	Shop Materials/Supplies	4,709	11,040	7,000	9,000	2,000	28.57%
101-200-52-25-4390	Small tools	914	3,605	1,000	2,500	1,500	150.00%
101-200-52-25-4405	Motor Fuel	3,546	1,868	3,500	2,000	(1,500)	-42.86%
101-200-52-25-4410	Tires	10,131	8,685	10,300	10,000	(300)	-2.91%
101-200-52-25-4413	Equipment/Accessories	2,111	8,029	2,000	2,000	-	
101-200-52-25-4431	Vehicle Maintenance - Streets	22,476	23,202	12,000	15,000	3,000	25.00%
101-200-52-25-4432	Vehicle Maintenance - Parks	737	1,745	2,500	2,000	(500)	-20.00%
101-200-52-25-4433	Vehicle Maintenance - Shop	381	-	100	50	(50)	-50.00%
101-200-52-25-4434	Vehicle Maintenance - Fire	2,209	1,606	500	2,000	1,500	300.00%
101-200-52-25-4540	Repair/Maintenance Buildings	-	147	-	-	-	
101-200-52-25-4545	Repair/Maintenance Equipment	331	523	-	-	-	
101-200-52-25-4546	Repair/Maintenance Equipment - Streets	41,158	21,313	24,150	25,000	850	3.52%
101-200-52-25-4547	Repair/Maintenance Equipment - Parks	5,863	10,485	10,000	10,500	500	5.00%
101-200-52-25-4585	Oil	5,742	3,833	2,000	3,000	1,000	50.00%
101-200-55-05-4002	Wages	197,514	205,849	293,695	277,872	(15,823)	-5.39%
101-200-55-05-4003	Wages - Wc	429	-	-	-	-	
101-200-55-05-4023	Sick & Safe Time Leave - PT	-	426	3,105	2,319	(786)	-25.31%
101-200-55-05-4004	Overtime Wages	619	988	1,000	1,000	-	
101-200-55-05-4008	Insurance Benefits (er)	6,111	4,650	4,794	5,253	459	9.57%
101-200-55-05-4009	HSA Accounts	750	500	450	450	-	
101-200-55-05-4010	F.I.C.A./Medicare (er)	14,663	15,233	22,706	21,438	(1,268)	-5.58%
101-200-55-05-4021	PFMLA	-	-	1,307	1,236	(71)	-5.43%
101-200-55-05-4012	P.E.R.A. (er)	12,919	12,764	19,126	19,713	587	3.07%
101-200-55-05-4016	Worker's Comp Insurance	22,918	8,872	14,578	8,633	(5,945)	-40.78%

General Fund Expenditures Budget – (continued)

Account Number	Description	2023 Actual	2024 Actual	2025 Final Budget	2026 Budget	2025-2026 $ Change	2025-2026 % Change
101-200-55-05-4020	Union Insurance	38,825	54,240	57,840	59,040	1,200	2.07%
101-200-55-20-4140	Audit	3,022	3,673	3,200	4,000	800	25.00%
101-200-55-20-4150	Engineering	3,544	16,916	2,000	2,000	-	
101-200-55-20-4170	Legal	-	-	100	-	(100)	-100.00%
101-200-55-20-4185	Other Consultants-Medical Exams	271	-	300	-	(300)	-100.00%
101-200-55-25-4200	Printing - Newsletter etc	838	933	850	950	100	11.76%
101-200-55-25-4208	Copies	1,945	2,582	2,040	2,040	-	
101-200-55-25-4209	Recording Fees	46	-	-	-	-	
101-200-55-25-4210	Operating Supplies	14,584	12,782	20,000	15,000	(5,000)	-25.00%
101-200-55-25-4211	Lakeside Park Supplies	3,620	1,532	5,000	5,000	-	
101-200-55-25-4212	Other Operations Expenses	1,557	270	2,000	500	(1,500)	-75.00%
101-200-55-25-4213	Park Irrigation Supplies	3,851	10,853	5,000	10,000	5,000	100.00%
101-200-55-25-4215	Uniforms/Clothing	1,216	2,729	2,000	3,000	1,000	50.00%
101-200-55-25-4218	Boots/Shoes - per Union Contract	1,225	1,118	1,400	1,400	-	
101-200-55-25-4220	Advertising	2,453	1,081	2,000	-	(2,000)	-100.00%
101-200-55-25-4225	Sanitation/Garbage Removal	8,765	18,220	10,000	15,000	5,000	50.00%
101-200-55-25-4230	Telephone/Internet - Parks Total	7,844	7,538	7,560	9,048	1,488	19.68%
101-200-55-25-4235	Postage	180	412	200	200	-	
101-200-55-25-4238	Training/Schools	656	750	600	750	150	25.00%
101-200-55-25-4240	Travel/Mileage	-	113	-	100	100	100.00%
101-200-55-25-4243	Meals	228	197	200	200	-	
101-200-55-25-4250	Liability Insurance	22,851	25,866	29,259	29,074	(185)	-0.63%
101-200-55-25-4255	Rent/Lease (Church Land/Equipment)	1,900	1,900	3,000	1,900	(1,100)	-36.67%
101-200-55-25-4257	Contractors Hired - Parks Total	564	5,597	6,000	6,500	500	8.33%
101-200-55-25-4260	Subscriptions/Dues - Parks Total	958	130	870	980	110	12.64%
101-200-55-25-4300	Awards - Employee LOS	75	-	25	25	-	
101-200-55-25-4321	Beach Sand	-	-	500	250	(250)	-50.00%
101-200-55-25-4395	Signs/Banners	-	2,352	600	1,000	400	66.67%
101-200-55-25-4405	Motor Fuel	22,419	13,979	20,000	20,000	-	
101-200-55-25-4413	Equipment/Accessories	5,906	5,351	5,000	5,000	-	
101-200-55-25-4530	Lake Maintenance	29,844	19,649	20,000	20,000	-	
101-200-55-25-4535	Playground Maintenance	7,424	7,198	8,000	8,000	-	
101-200-55-25-4540	Repair/Maintenance Buildings - Parks Total	1,040	10,126	2,525	2,525	-	
101-200-55-25-4545	Repair/Maintenance Equipment	495	-	-	-	-	
101-200-55-25-4570	Electricity	8,328	6,780	9,500	8,008	(1,492)	-15.71%
101-200-55-25-4580	Natural Gas	4,449	2,106	5,000	2,500	(2,500)	-50.00%
101-200-55-25-4582	Solar	(864)	(1,115)	(900)	(900)	-	
101-200-55-25-4590	Water/Sewer Utilities	167,778	85,960	100,000	100,000	-	
101-200-55-71-4612	Capital Transfers - 199 - Playground Equip	5,000	5,000	5,000	5,000	-	
101-200-55-71-4612	Capital Transfers - 195 Parks Improvement	100,000	100,000	100,000	100,000	-	
101-200-55-71-4612	Capital Transfers - 195 Trail Maintenance	9,000	9,000	9,000	9,000	-	
101-200-55-71-4612	Capital Transfers - 199 - Misc Equip Fund	5,000	5,000	5,000	5,000	-	
101-300-75-05-4002	Wages	1,377,816	1,540,606	1,888,544	2,010,590	122,046	6.46%
101-300-75-05-4003	Wages - WC Supplement	-	976	-	-	-	
101-300-75-05-4004	Overtime Wages	66,775	142,045	37,667	68,611	30,944	82.15%
101-300-75-05-4004	Overtime Wages - K9	-	-	14,021	-	(14,021)	-100.00%
101-300-75-05-4005	Overtime Wages/Grant	9,066	8,220	15,000	15,000	-	
101-300-75-05-4008	Insurance Benefits (er)	195,747	216,661	275,158	308,176	33,018	12.00%
101-300-75-05-4009	HSA Accounts	12,824	13,035	25,002	25,002	-	
101-300-75-05-4010	F.I.C.A./Medicare (er)	28,867	32,086	36,665	40,728	4,063	11.08%
101-300-75-05-4011	F.I.C.A./Medicare (er)/Grant	131	115	200	200	-	
101-300-75-05-4021	PFMLA	-	-	8,162	9,226	1,064	13.04%
101-300-75-05-4023	Sick & Safe Time Leave - PT	-	-	-	832	832	100.00%
101-300-75-05-4012	P.E.R.A. (er)	10,323	9,673	10,158	12,709	2,551	25.11%
101-300-75-05-4013	P.E.R.A. - Police/Fire (er)	238,661	279,826	319,137	337,721	18,584	5.82%
101-300-75-05-4014	P.E.R.A. - Police/Fire (er)/Grant	1,605	1,404	2,655	2,655	-	
101-300-75-05-4016	Workers Comp	120,791	143,412	164,958	159,030	(5,928)	-3.59%
101-300-75-05-4017	Unemployment Benefits	5,009	-	-	-	-	

General Fund Expenditures Budget – (continued)

Account Number	Description	2023 Actual	2024 Actual	2025 Final Budget	2026 Budget	2025-2026 $ Change	2025-2026 % Change
101-300-75-20-4140	Audit - Police Totals	4,633	5,632	5,700	6,500	800	14.04%
101-300-75-20-4170	Legal	2,195	6,994	5,000	5,000	-	
101-300-75-20-4180	Other Consultants - Police Total	625	1,750	700	2,500	1,800	257.14%
101-300-75-20-4181	Court Fines	13,121	14,902	20,000	20,000	-	
101-300-75-20-4185	Medical Exams	1,577	5,051	2,000	1,000	(1,000)	-50.00%
101-300-75-25-4110	Bank or Collection Charges	195	94	300	100	(200)	-66.67%
101-300-75-25-4196	Crime Prevention	-	-	250	250	-	
101-300-75-25-4200	Printing - Newsletter etc	838	933	850	950	100	11.76%
101-300-75-25-4208	Copies	705	748	3,000	2,520	(480)	-16.00%
101-300-75-25-4210	Operating Supplies	7,179	9,282	8,500	8,500	-	
101-300-75-25-4211	Medical Supplies	3,479	315	3,500	3,500	-	
101-300-75-25-4212	Other Operations Expenses	5,611	1,442	8,500	8,500	-	
101-300-75-25-4214	Police Body Armor	4,986	12,316	4,000	2,500	(1,500)	-37.50%
101-300-75-25-4215	Uniforms/Clothing	17,389	33,913	25,300	25,300	-	
101-300-75-25-4216	Fire Arms	4,435	2,870	3,000	3,000	-	
101-300-75-25-4220	Advertising	1,218	336	1,200	1,000	(200)	-16.67%
101-300-75-25-4226	Ammo	7,934	9,211	7,300	5,000	(2,300)	-31.51%
101-300-75-25-4230	Telephone/Internet	23,540	26,911	23,760	23,760	-	
101-300-75-25-4235	Postage	424	690	500	500	-	
101-300-75-25-4238	Training/Schools - Police Total	22,004	16,019	25,000	25,000	-	
101-300-75-25-4240	Travel/Mileage	118	346	200	200	-	
101-300-75-25-4243	Meals	817	1,028	1,000	1,000	-	
101-300-75-25-4250	Liability Insurance	46,656	58,205	49,812	56,055	6,243	12.53%
101-300-75-25-4251	Emergency Management	-	-	1,000	1,000	-	
101-300-75-25-4252	Police Reserves Expenditures	-	-	-	2,500	2,500	100.00%
101-300-75-25-4253	Police K-9 Expenditures	1,185	-	10,000	-	(10,000)	-100.00%
101-300-75-25-4254	Spud Fest	179	-	250	250	-	
101-300-75-25-4257	Contractors Hired - Towing	213	75	500	100	(400)	-80.00%
101-300-75-25-4260	Subscriptions/Dues - Police Total	4,177	2,773	5,075	5,225	150	2.96%
101-300-75-25-4300	Awards - Employee LOS	150	103	100	100	-	
101-300-75-25-4405	Motor Fuel	47,010	40,935	50,000	50,000	-	
101-300-75-25-4410	Tires	8,340	8,315	7,500	8,000	500	6.67%
101-300-75-25-4413	Equipment/Accessories	3,591	6,457	10,000	8,500	(1,500)	-15.00%
101-300-75-25-4430	Vehicle Maintenance	26,911	33,425	20,000	20,000	-	
101-300-75-25-4545	Repair/Maintenance Equipment	1,979	4,512	1,000	3,000	2,000	200.00%
101-300-75-25-4545	Repair/Maintenance Equipment - FIRE WORKOUT	-	-	1,000	-	(1,000)	-100.00%
101-300-75-71-4612	Capital Transfer - 199 Replace Taser	12,611	12,611	12,611	12,611	-	
101-300-75-85-4603	Debt Service Principal - Capital Lease	1,625	1,607	-	-	-	
101-300-75-85-4610	Debt Service Interest - Capital Lease	128	150	-	-	-	
101-300-80-25-4207	Animal Control	388	1,940	1,000	1,000	-	
101-300-85-05-4015	Fire Department Relief Assoc.	4,000	4,000	4,000	4,000	-	
101-300-85-25-4200	Printing - Newsletter etc	838	933	850	950	100	11.76%
101-300-85-25-4208	Copies	570	599	600	595	(5)	-0.83%
101-300-85-25-4258	Fire Projection Services - JPB	206,910	219,018	230,468	230,468	-	
101-300-85-45-4015	Fire Department Relief Assoc.	152,268	176,584	113,000	-	(113,000)	-100.00%
101-300-85-71-4612	Capital Transfers -Computers replaced 5/yrs	-	-	3,250	-	(3,250)	-100.00%
101-300-85-71-4612	Capital Transfers - Radio Replacement Fund	-	-	-	2,400	2,400	100.00%
101-400-56-05-4002	Wages	62,531	66,914	70,385	72,500	2,115	3.00%
101-400-56-05-4008	Insurance Benefits (er)	5,315	6,044	6,655	7,521	866	13.01%
101-400-56-05-4009	HSA Accounts	1,350	1,350	1,350	1,350	-	
101-400-56-05-4010	F.I.C.A./Medicare (er)	4,710	4,949	5,385	5,547	162	3.01%
101-400-56-05-4021	PFMLA	-	-	310	321	11	3.55%
101-400-56-05-4012	P.E.R.A. (er)	4,690	5,019	5,280	5,439	159	3.01%
101-400-56-05-4016	Worker's Comp Insurance	1,398	715	5,722	-	(5,722)	-100.00%
101-400-56-20-4170	Legal	-	-	200	200	-	
101-400-56-25-4208	Copies (Spud Fest Parade, etc)	-	-	200	200	-	
101-400-56-25-4210	Operating Supplies	2,115	1,092	515	1,000	485	94.17%
101-400-56-25-4212	Other Operations Expenses	299	250	206	100	(106)	-51.46%
101-400-56-25-4215	Uniforms/Clothing	-	-	50	50	-	
101-400-56-25-4220	Advertising	50	-	250	100	(150)	-60.00%

General Fund Expenditures Budget – (continued)

Account Number	Description	2023 Actual	2024 Actual	2025 Final Budget	2026 Budget	2025-2026 $ Change	2025-2026 % Change
101-400-56-25-4230	Telephone/Internet	554	602	576	600	24	4.17%
101-400-56-25-4235	Postage	-	-	25	25	-	
101-400-56-25-4238	Training/School	-	300	300	300	-	
101-400-56-25-4240	Travel/Mileage	-	-	50	50	-	
101-400-56-25-4243	Meals	90	200	150	100	(50)	-33.33%
101-400-56-25-4254	Spud Fest	-	1,324	500	1,500	1,000	200.00%
101-400-56-25-4257	Contractors Hired	35	129	-	-	-	
101-400-56-25-4259	Contractors Hired - ECFE	9,546	8,873	5,000	-	(5,000)	-100.00%
101-400-56-25-4260	Subscriptions/Dues - Recreation	1,653	1,804	2,200	1,500	(700)	-31.82%
101-400-56-25-4300	Awards - Employee LOS	45	-	-	-	-	
101-400-56-25-4395	Signs/Banners	-	-	100	100	-	
101-400-56-25-4413	Equipmnent/Accessories	37	-	100	50	(50)	-50.00%
101-400-56-25-4903	Movie in the Park	1,269	2,600	2,500	2,500	-	
101-400-56-25-4905	Dog Vaccination Clinic	154	150	200	150	(50)	-25.00%
101-400-56-71-4612	Transfer - Music in the Park	154	5,000	10,000	10,000	-	
101-400-70-25-4400	Recycling Day	9,251	11,309	12,000	12,000	-	
101-400-95-25-4902	Donation - Contribution	1,100	1,100	1,100	1,100	-	
						-	
		$ 6,665,774	**$ 7,235,075**	**$ 7,366,689**	**$ 7,791,754**	425,065	5.77%

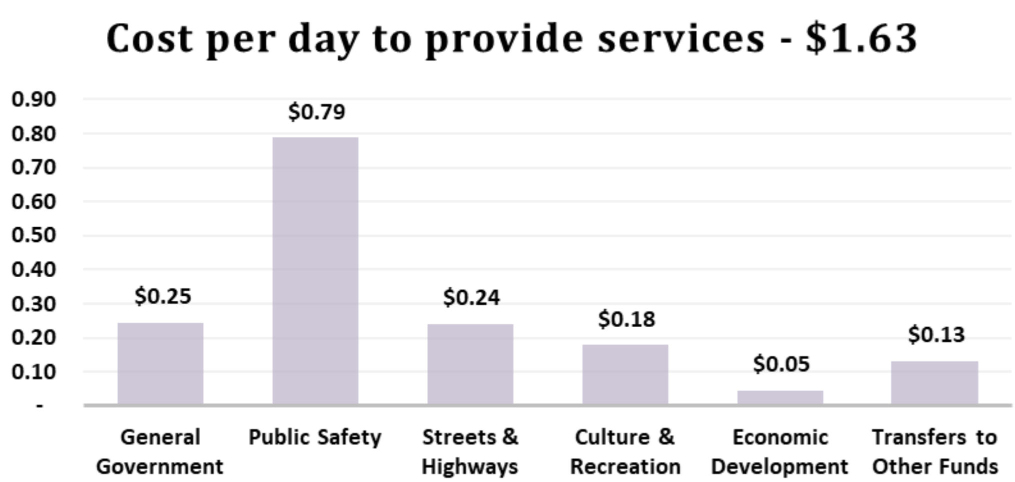
	2023	2024	2025	2026
General Fund Expenditures:	**$ 6,665,774**	**$ 7,235,075**	$ 7,366,689	$ 7,791,754
General Fund Revenues:	**7,254,849**	**7,722,448**	7,366,689	7,791,754
Surplus / Deficit:	**589,075**	**487,373**	0	0

2025	**2026**
8.67%	**5.77%**

2025	**2026**
8.38%	**5.77%**

Expenditure Budget Summary by Service

Service	2025 Budget	2026 Final Budget	2025-2026 $ Change	2025-2026 % Change	% Total Budget	Reason for change
General Government						
Mayor/Council	$ 33,681	$ 34,284	$ 603	1.79%		Personnel (Work Comp), increase in liability insurance
Planning	238,666	196,704	(41,962)	-17.58%		Personnel (Step Increases +PFMLA+ Insurance Increases) - New Position, Consultant as Planner
Elections	2,000	33,100	31,100	1555.00%		Election year in 2026 - 2025 Non Election year - 2026 has cost associated with election
Administration/Finance	588,655	608,420	19,765	3.36%		Personnel (Step Increases +PFMLA+ Insurance Increases), increase in transfer, liability insurance
IT - Computer/Software	160,539	297,576	137,037	85.36%		Increase in software cost and managed IT
Total General Government	1,023,541	1,170,085	9,506	0.93%	15.02%	
Public Safety						
Police	3,104,124	3,292,790	188,666	6.08%		Personnel (Step Increases +PFMLA+ Insurance Increases),CSO,
Fire	348,918	236,013	(112,905)	-32.36%		No longer will there be the pass through charge for the relief association
Building	223,104	229,354	6,250	2.80%		Personnel (Step Increases +PFMLA+ Insurance Increases) - Increase in cost of supplies
Total Public Safety	3,676,146	3,758,157	82,011	2.23%	48.23%	
Streets & Highways						
Engineering	137,914	143,303	5,389	3.91%		Personnel (Step Increases +PFMLA+ Insurance Increases)
Fleet	232,182	245,962	13,780	5.93%		Personnel (Step Increases+PFMLA + Insurance Increases),increase in maintenance cost
Streets	765,234	762,756	(2,477)	-0.32%		Personnel (Step Increases +PFMLA+Insurance Increase), reduction in operating costs
Total Streets & Highways	1,135,330	1,152,021	16,692	1.47%	14.79%	
Culture & Recreation						
Parks	692,430	671,004	(21,426)	-3.09%		Personnel (Step Increases +PFMLA+Insurance Increase), Reduce seasonal park staff
BLCSC	73,661	72,496	(1,165)	-1.58%		Decrease in operation cost
Recreational-Community (Other)	121,309	114,303	(7,006)	-5.78%		Personnel (Step Increases +PFMLA+Insurance Increase), No longer allocating Work Comp
Total Culture & Recreation	887,400	857,803	(29,597)	-3.34%	11.01%	
Economic (Community) Developme	183,411	219,677	36,266	19.77%	2.82%	Personnel (Step Increases +PFMLA+ Insurance Increases) New position allocation
Transfer to Other Funds	460,861	634,011	173,150	37.57%	8.14%	
Total General Fund Expenditures	$7,366,689	$ 7,791,754	$ 425,065	5.77%		



General Fund Expenditure Budget Summary by Division

Division/Category:	2024 Actual	Police/Engineer Streets/Park 2025 Adopted Budget	CSO/Community Development Coordinator 2026 Proposed Budget	2025-2026 $ Change	2025-2026 % Change
Mayor/Council					
Personnel	$ 28,868	$ 29,141	$ 29,244	$ 103	0.35%
Professional Services	-	100	100	-	
Operations	5,472	4,440	4,940	500	11.25%
Total - Mayor/Council:	**$ 34,340**	**$ 33,681**	**$ 34,284**	**$ 603**	1.79%
Planning		-	-		
Personnel	$ 162,640	$ 210,007	$ 156,407	$ (53,600)	-25.52%
Professional Services	16,557	16,450	29,000	12,550	76.29%
Operations	35,263	12,209	11,297	(912)	-7.47%
Total -Planning:	**$ 214,460**	**$ 238,666**	**$ 196,704**	**$ (41,962)**	-17.58%
Elections		-	-		
Personnel - Elections	$ 21,225	$ -	$ 25,000	$ 25,000	100.00%
Operations	8,388	2,000	8,100	6,100	305.00%
Transfer to CIP Fund	-	6,000	-	(6,000)	
Total -Elections	**$ 29,613**	**$ 8,000**	**$ 33,100**	**$ 25,100**	313.75%
Administration/Finance		-	-		
Personnel	$ 355,461	$ 335,574	$ 355,823	$ 20,249	6.03%
Professional Services	67,862	69,644	64,000	(5,644)	-8.10%
Operations	172,099	183,437	188,597	5,160	2.81%
Transfer to Debt Services	-	-	-	-	
Transfer to CIP Fund	850,211	295,000	475,000	180,000	61.02%
Total - Admin/Finance	**$ 1,445,633**	**$ 883,655**	**$ 1,083,420**	**$ 199,765**	22.61%
Big Lake Community Services Center		-	-		
Personnel	$ 5,707	$ 5,816	$ 6,183	$ 367	6.31%
Professional Services	-	-	-	-	
Operations	77,410	67,845	66,313	(1,532)	-2.26%
Captial Improvements	-	-	-		
Total - BLCSC:	**$ 83,117**	**$ 73,661**	**$ 72,496**	**$ (1,165)**	-1.58%
Economic Development		-	-		
Personnel	$ 146,796	$ 161,648	$ 197,731	$ 36,083	22.32%
Professional Services	17,987	3,810	3,300	(510)	-13.39%
Operations	9,425	9,953	10,646	693	6.96%
Marketing	7,588	8,000	8,000	-	
Transfer to CIP Fund	-	-	-	-	
Total - Economic Development	**$ 181,796**	**$ 183,411**	**$ 219,677**	**$ 36,266**	19.77%
Building		-	-		
Personnel	$ 110,071	$ 81,032	$ 86,250	$ 5,218	6.44%
Professional Services	979	860	1,000	140	16.28%
Operations	103,117	141,212	142,104	892	0.63%
Total - Building:	**$ 214,167**	**$ 223,104**	**$ 229,354**	**$ 6,250**	2.80%

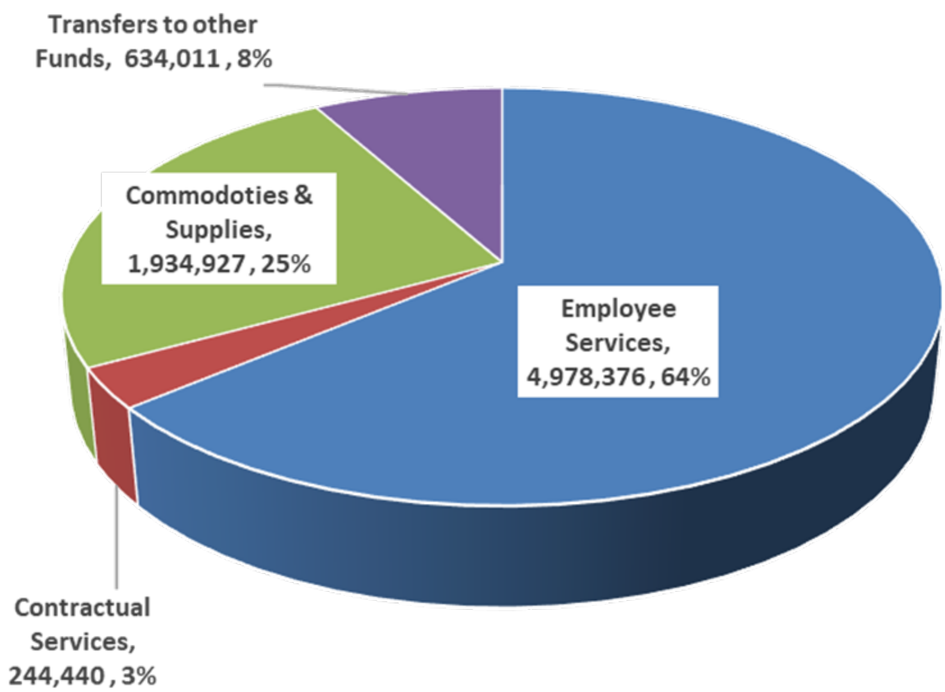
General Fund Expenditure Budget Summary by Category – Continued

Division/Category:	2024 Actual	2025 Adopted Budget	2026 Proposed Budget	2025-2026 $ Change	2025-2026 % Change
Engineering		-	-		
Personnel	$ 88,000	$ 118,584	$ 123,616	$ 5,032	4.24%
Professional Services	7,366	8,450	8,500	50	0.59%
Operations	7,577	10,880	11,187	307	2.82%
Transfers to other funds	-	-	-	-	
Total - Engineering	**$ 102,943**	**$ 137,914**	**$ 143,303**	**$ 5,389**	3.91%
	-	-	-	-	
Streets	-	-	-		
Personnel	$ 283,573	$ 355,239	$ 356,808	$ 1,569	0.44%
Professional Services	5,005	5,000	5,000	-	
Operations	322,297	404,995	400,948	(4,046)	-1.00%
Transfers to other funds	5,000	5,000	5,000	-	
Total - Streets:	**$ 615,875**	**$ 770,234**	**$ 767,756**	**$ (2,477)**	-0.32%
	-	-	-	(0)	
Parks		-	-		
Personnel	$ 303,522	$ 418,601	$ 396,954	$ (21,647)	-5.17%
Professional Services	20,589	5,300	6,000	700	13.21%
Operations	246,989	268,529	268,050	(479)	-0.18%
Transfers to other funds	119,000	119,000	119,000	-	
Total - Parks:	**$ 690,100**	**$ 811,430**	**$ 790,004**	**$ (21,426)**	-2.64%
Fleet Maintenance		-	-		
Personnel	$ 132,791	$ 149,822	$ 157,202	$ 7,380	4.93%
Professional Services	-	100	-	(100)	100.0%
Operations	105,090	82,260	88,760	6,500	7.90%
Total -Fleet Maintenance	**$ 237,881**	**$ 232,182**	**$ 245,962**	**$ 13,779**	5.93%
Police		-	-		
Personnel	$ 2,388,059	$ 2,797,327	$ 2,990,480	$ 193,153	6.90%
Professional Services	34,329	33,400	35,000	1,600	4.79%
Operations	271,254	272,397	266,310	(6,087)	-2.23%
Animal Control	1,940	1,000	1,000	-	
Debt /Lease Payments	1,757	-	-	-	
Capital Purchases	-	-	-		
Transfers to other funds	12,611	12,611	12,611	-	
Total - Police:	**$ 2,709,950**	**$ 3,116,735**	**$ 3,305,401**	**$ 188,666**	6.05%
Fire	-	-	-		
Personnel	$ 4,000	$ 4,000	4,000	$ -	
Professional Services	-	-	-	-	
Operations	220,565	231,918	232,013	95	0.04%
Pass Through Expenditures	176,584	113,000	-	(113,000)	100.0%
Transfers to other funds	-	3,250	2,400	(850)	-26.15%
Total - Fire:	**$ 401,149**	**$ 352,168**	**$ 238,413**	**$ (113,755)**	-32.30%

General Fund Expenditure Budget Summary by Category – Continued

Division/Category:	2024 Actual	2025 Adopted Budget	2026 Proposed Budget	2025-2026 $ Change	2025-2026 % Change
Recreation/Community		-	-		
Personnel	$ 84,991	$ 95,087	$ 92,678	$ (2,409)	-2.53%
Professional Services	-	200	200	-	
Operations	29,733	26,022	21,425	(4,597)	-17.67%
Transfers to other funds	5,000	10,000	10,000	-	
Total - Community:	**$ 119,724**	**$ 131,309**	**$ 124,303**	**$ (7,006)**	-5.34%
IT- Computer/Software/Maintenance		-	-		
Professional Services	$ 34,000	$ 37,454	$ 92,340	$ 54,886	146.54%
Operations	101,327	123,085	205,236	82,151	66.74%
Transfers to other funds	19,000	10,000	10,000	-	
Total - IT	**$ 154,327**	**$ 170,539**	**$ 307,576**	**$ 137,037**	80.36%
		-	-	-	
Total - General Fund:	**$ 7,235,075**	**$ 7,366,689**	**$ 7,791,754**	**$ 425,065**	5.77%

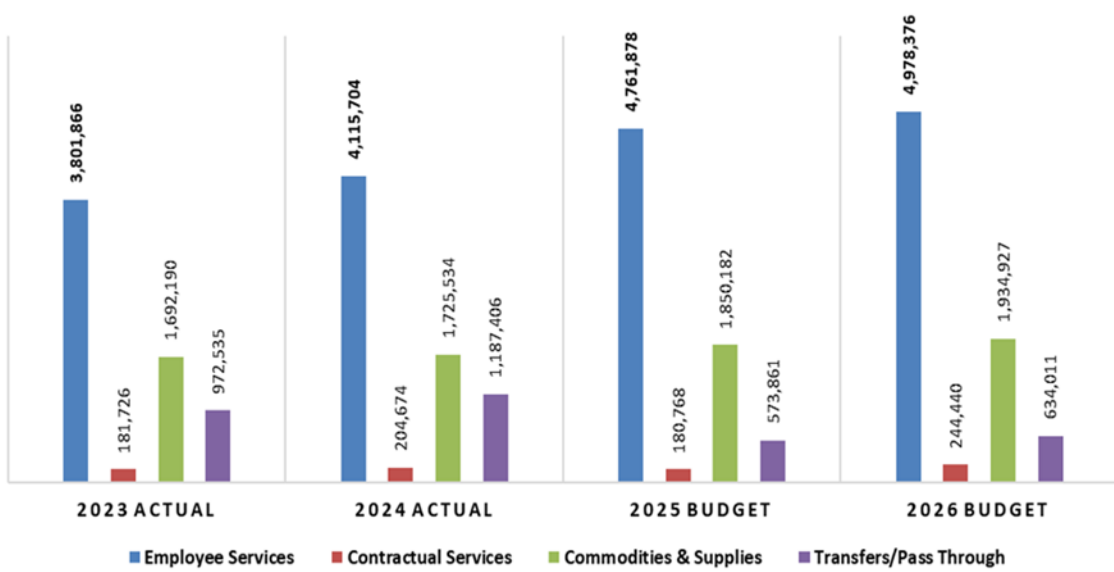
The largest expense of the General Fund is salary and benefits for staff operating and supporting the City services. The City's total Expenditures Budget for 2026 is $7,791,754, with the salary and benefits representing 64% of the total budget.



General Fund Expenditure Budget Summary by Category

Category of Expenditures:	2024 Actual	2025 Budget	2026 Proposed Budget	2025-2026 $ Change	2025-2026 % Change
Personnel	$ 4,094,479	$ 4,761,878	$ 4,953,376	$ 191,498	4.02%
Elections	21,225	-	25,000	25,000	100.00%
Professional Services	204,674	180,768	244,440	63,672	35.22%
Operations	1,716,006	1,841,182	1,925,927	84,745	4.60%
Marketing	7,588	8,000	8,000	-	0.00%
Animal Control	1,940	1,000	1,000	-	0.00%
Pass Through Expenditures	176,584	113,000	-	(113,000)	-100.00%
Transfers to other Funds	1,010,822	460,861	634,011	173,150	37.57%
Total - Budget	**$7,235,075**	**$7,366,689**	**$7,791,754**	**$425,065**	5.77%

General Fund Expenditures by Type, 2023-2026



GENERAL GOVERNMENT BUDGETS

- Mayor & Council
- Planning
- Elections
- Administration/Finance
- Information Technology

Mayor & Council

Expenditures

				2025-2026	
Account Number	Description	2025 Final Budget	2026 Budget	$ Change	% Change
101-100-05-05-4002	Wages	$27,000	$27,000	$ -	
101-100-05-05-4010	F.I.C.A./Medicare (er)	1,929	1,929	-	
101-100-05-05-4021	PFMLA	112	113	1	0.89%
101-100-05-05-4016	WC Insurance	100	202	102	102.00%
101-100-05-20-4170	Legal	100	100	-	
101-100-05-25-4200	Printing- Newsletter	850	950	100	11.76%
101-100-05-25-4210	Operating Supplies	500	500	-	
101-100-05-25-4212	Other Operations	200	50	(150)	-75.00%
101-100-05-25-4215	Uniforms/Clothing	150	150	-	
101-100-05-25-4220	Advertising	100	100	-	
101-100-05-25-4235	Postage	10	10	-	
101-100-05-25-4238	Training/Schools	1,000	1,000	-	
101-100-05-25-4240	Travel/Mileage	100	100	-	
101-100-05-25-4243	Meals	500	690	190	38.00%
101-100-05-25-4250	Liability Insurance	1,000	1,360	360	35.96%
101-100-05-25-4260	Subscriptions/Dues	30	30	-	
		$ 33,681	**$ 34,284**	**$ 603**	1.79%

Planning

Expenditures

Account Number	Description	2025 Final Budget	2026 Budget	2025-2026 $ Change	2025-2026 % Change
101-100-10-05-4002	Wages	$ 156,283	$113,934	$ (42,349)	-27.10%
101-100-10-05-4008	Insurance Benefits (er)	26,320	22,489	(3,831)	-14.56%
101-100-10-05-4009	HSA Accounts	1,853	1,553	(300)	-16.19%
101-100-10-05-4010	F.I.C.A./Medicare (er)	11,957	8,719	(3,238)	-27.08%
101-100-10-05-4021	PFMLA	689	505	(184)	-26.71%
101-100-10-05-4012	P.E.R.A. (er)	11,375	8,200	(3,175)	-27.91%
101-100-10-05-4016	W/C Insurance	1,530	1,007	(523)	-34.18%
101-100-10-20-4140	Audit	450	500	50	11.11%
101-100-10-20-4150	Engineering	3,000	2,500	(500)	-16.67%
101-100-10-20-4170	Legal	8,000	8,000	-	
101-100-10-20-4180	Other Consultants	5,000	18,000	13,000	260.00%
101-100-10-25-4200	Printing-Newsletter etc	850	950	100	11.76%
101-100-10-25-4209	Recording Fees	100	50	(50)	-50.00%
101-100-10-25-4210	Operating Supplies	600	500	(100)	-16.67%
101-100-10-25-4212	Other Operations Expenses	50	50	-	
101-100-10-25-4215	Uniforms/Clothing	100	100	-	
101-100-10-25-4220	Advertising	1,700	1,000	(700)	-41.18%
101-100-10-25-4230	Telephone/Internet	1,800	1,800	-	
101-100-10-25-4235	Postage	625	500	(125)	-20.00%
101-100-10-25-4238	Training/Schools - Total Planning	3,000	3,000	-	
Detail List With cost	*Training/Schools - APA*		*2,500*	2,500	100.0%
	Training/Schools - ULI		500	500	100.0%
101-100-10-25-4240	Travel/Mileage	250	250	-	
101-100-10-25-4243	Meals	300	500	200	66.67%
101-100-10-25-4250	Liability Insurance	1,184	1,333	149	12.60%
101-100-10-25-4260	Subscriptions/Dues - Total Planning	150	364	214	142.67%
Detail List With cost	*Subscriptions/Dues - APA*		*100*	100	100.0%
	Subscriptions/Dues - ULI		264	264	100.0%
101-100-10-25-4405	Motor Fuel	350	300	(50)	-14.29%
101-100-10-25-4413	Equipment/Accessories	100	100	-	
101-100-10-25-4430	Vehicle Maintenance	1,050	500	(550)	-52.38%
		$ 238,666	**$ 196,704**	**$ (41,962)**	-17.58%

Revenues

Account Number	Description	2025 Final Budget	2026 Budget	2025-2026 $ Change	2025-2026 % Change
101-010-3125	Land Use Revenue	$ 26,000	$ 26,000	$ -	
		$ 26,000	**$ 26,000**	**$ -**	

Elections

Expenditures

Account Number	Description	2025 Final	2026 Budget	2025-2026 $ Change	2025-2026 % Change
101-100-11-10-4007	Wages (Elections)	$ -	$25,000	$ 25,000	100.0%
101-100-11-10-4210	Operating Supplies	-	1,500	1,500	100.0%
101-100-11-10-4220	Advertising	-	500	500	100.0%
101-100-11-10-4238	Training/School	2,000	2,000	-	
101-100-11-10-4240	Travel/Mileage	-	800	800	100.0%
101-100-11-10-4243	Meals	-	3,000	3,000	100.0%
101-100-11-10-4255	Rent/Leases	-	300	300	100.0%
101-100-11-71-4612	Capital Transfer Out - CIP 199	6,000	-	(6,000)	-100.00%
		$ 8,000	**$ 33,100**	**$ 25,100**	313.75%

Administration/Finance

Expenditures

Account Number	Description	2025 Final Budget	2026 Budget	2025-2026 $ Change	% Change
101-100-15-05-4002	Wages	$ 243,637	$ 258,987	$ 15,350	6.30%
101-100-15-05-4001	Advance Resignation Pay	3,000	1,500	(1,500)	-50.00%
101-100-15-05-4008	Insurance Benefits (er)	34,650	38,666	4,016	11.59%
101-100-15-05-4009	HSA Accounts	3,320	3,120	(200)	-6.02%
101-100-15-05-4010	F.I.C.A./Medicare (er)	19,009	20,070	1,061	5.58%
101-100-15-05-4021	PFMLA	1,088	1,152	64	5.88%
101-100-15-05-4012	P.E.R.A. (er)	18,409	19,561	1,152	6.26%
101-100-15-05-4016	W/C Insurance	5,461	2,767	(2,694)	-49.33%
101-100-15-05-4019	Wellness Plan	7,000	10,000	3,000	42.86%
101-100-15-20-4140	Audit	6,000	6,000	-	
101-100-15-20-4170	Legal - RATES INCREASE 2022	30,000	22,500	(7,500)	-25.00%
101-100-15-20-4171	Legal - CODE ENFORCEMENT	-	2,500	2,500	100.0%
101-100-15-20-4175	Assessing	28,644	28,000	(644)	-2.25%
101-100-15-20-4180	Other Consultants	5,000	5,000	-	
101-100-15-25-4110	Bank Charges	13,000	15,000	2,000	15.38%
101-100-15-25-4200	Printing-Newsletter etc	850	950	100	11.76%
101-100-15-25-4208	Copies	17,000	15,544	(1,456)	-8.56%
101-100-15-25-4210	Operating Supplies	8,500	8,500	-	
101-100-15-25-4212	Other Operations Expenses	2,400	2,500	100	4.17%
101-100-15-25-4213	Safety Training/Expenses	5,000	5,000	-	
101-100-15-25-4215	Uniforms/Clothing	1,000	1,000	-	
101-100-15-25-4217	Cleaning Services	14,940	16,000	1,060	7.10%
101-100-15-25-4220	Advertising	1,200	3,000	1,800	150.00%
101-100-15-25-4225	Sanitation/Garbage Removal	5,280	5,400	120	2.27%
101-100-15-25-4230	Telephone/Internet Total	23,244	24,024	780	
Detail List with cos	*Telephone/Internet - Ring Central*	8,820	9,600	780	8.84%
	Telephone/Internet - Charter Fiber	9,300	9,300	-	
	Telephone/Internet - Charter Reader Board	924	924	-	
	Telephone/Internet - Charter Internet	1,200	1,200	-	
	Telephone/Internet - Employee Cell Phones	2,400	2,400	-	
	Telephone/Internet - Windstream	600	600	-	
101-100-15-25-4235	Postage Machine Lease	$ 1,600	$ 1,600	$ -	
101-100-15-25-4235	Postage	692	1,000	308	44.51%
101-100-15-25-4238	Training/Schools	10,000	10,000	-	
101-100-15-25-4238	Training/Schools - GFOA NATIONAL	3,000	-	(3,000)	-100.00%

Administration/Finance – (continue)

Account Number	Description	2025 Final Budget	2026 Budget	2025-2026 $ Change	2025-2026 % Change
101-100-15-25-4240	Travel/Mileage	1,200	1,000	(200)	-16.67%
101-100-15-25-4243	Meals	1,000	500	(500)	-50.00%
101-100-15-25-4250	Liability Insurance	10,933	15,062	4,129	37.77%
101-100-15-25-4260	Subuscriptions/Dues - Total	17,161	19,167	2,006	
Detail List with cost	*Subscriptions/Dues-Notary & Misc*	-	140	140	100.0%
	Subscriptions/Dues- LMC Dues	13,761	14,617	856	6.22%
	Subscriptions/Dues- CMRP	-	500	500	100.0%
	Subscriptions/Dues - Compost Peer Group CA	1,600	1,600	-	
	Subscriptions/Dues - MNGFOA	70	70	-	
	Subscriptions/Dues - MCFOA	150	150	-	
	Subscriptions/Dues - GFOA	190	500	310	163.16%
	Subscriptions/Dues - Amazon Prime	500	500	-	
	Subscriptions/Dues - MNCPA	365	365	-	
	Subscriptions/Dues - CMSHRM	150	150	-	
	Subscriptions/Dues - SHRM	275	275	-	
	Subscriptions/Dues - MCMA	-	200	200	100.0%
	Subscriptions/Dues - MAMA - City Admin Group	100	100	-	
101-100-15-25-4300	Awards - Employee Los	100	100	-	
101-100-15-25-4413	Equipment/Accessories	2,000	1,000	(1,000)	-50.00%
101-100-15-25-4540	Repair/Maintenance Buildings	8,000	8,000	-	
101-100-15-25-4545	Repair/Maintenance Equipment	1,000	750	(250)	-25.00%
101-100-15-25-4570	Electricity	20,000	20,000	-	
101-100-15-25-4580	Natural Gas	7,000	6,500	(500)	-7.14%
101-100-15-25-4582	Solar Credit	(1,000)	(1,000)	-	
101-100-15-25-4590	Water/Sewer Utilitities	8,337	8,000	(337)	-4.04%
101-100-15-71-4612	Transfers Out - CIP- 196 - Street Maintenance/projects	270,000	450,000	180,000	66.67%
101-100-15-71-4612	Transfers Out - to Fund 141 for IFL to Sewer	25,000	25,000	-	
		$ 883,655	**$ 1,083,420**	**$ 199,765**	22.61%

Revenues

Account Number	Description	2025 Final Budget	2026 Budget	2025-2026 $ Change	2025-2026 % Change
101-015-3101	RE & PP Taxes-Current	$ 5,134,754	$ 5,458,445	$ 323,691	6.30%
101-015-3101	Less TIF	(88,442)	(79,326)	9,116	-10.31%
101-015-3102	RE & PP Taxes-Delinquent	25,000	25,000	-	
101-015-3104	RE &PP Tax - Abatements	(92,050)	(107,050)	(15,000)	16.30%
101-015-3107	Less Township Repayment	(99,722)	(99,722)	-	
101-015-3108	Solar/Wind Production	2,000	2,000	-	
101-015-3109	Penalty & Interest - Taxes	6,000	6,060	60	1.00%
101-015-3110	Market Value Homestead Credit	100	100	-	
101-015-3155	Transfer In-Revenue	450,000	450,000	-	
101-015-3160	Inter-Govt Revenue	1,000	1,000	-	
101-015-3180	Franchise Fees - Utilities	451,263	452,223	960	0.21%
101-015-3195	Sanitation License	900	900	-	
101-015-3198	Dock Permits	3,500	3,500	-	
101-015-3201	Peddler License/Permit	1,000	1,000	-	
101-015-3202	Firework Permits	100	100	-	
101-015-3210	Massage License	375	375	-	
101-015-3211	Liquor License	30,100	30,100	-	
101-015-3213	Non-Intox/Off-Sale License	250	250	-	
101-015-3218	Cigarette License	1,300	1,300	-	
101-015-3375	Miscellaneous Revenue	200	230	30	15.00%
101-015-3376	Insurance Proceeds & Dividends	2,500	2,500	-	
101-015-3411	Copies	10	10	-	
101-015-3417	Assessment Searches	1,500	1,500	-	
101-015-3610	Prop Tx Paid Special Assessmnt	1,000	1,000	-	
101-015-3940	Lease/Rental Income	31,503	32,133	630	2.00%
101-015-3991	Leases Interest Revenue	4,040	4,121		
101-015-3995	Unrealized Gain	5,000	20,500	15,500	310.00%
101-015-3999	Interest Earned	59,534	75,000	15,466	25.98%
101-015-4151	Refunds & Reimbursements	500	500	-	
101-015-4155	Reimbursements - Wellness Progr	200	200	-	
		$5,935,915	**$ 6,288,949**	**$ 352,953**	5.95%

Information Technology

Expenditures

Account Number	Description	2025 Final Budget	2026 Budget	2025-2026 $ Change	2025-2026 % Change
101-105-15-20-4129	Computer Consultant	$ 37,454	$ 92,340	$ 54,886	146.54%
101-105-10-25-4135	Software-Code codification services	5,000	5,000	-	
101-105-15-25-4130	Computers -Wire Access Points (3 yr)	2,000	-	(2,000)	-100.00%
101-105-15-25-4130	Software - Finance Total	31,408	74,047	42,639	135.76%
Detail List with Cost	*Software - VEEAM*	*450*	*4,284*	*3,834*	*852.00%*
	Software - Arctic Wolf	*-*	*11,441*	*11,441*	*100.0%*
	Software - Microsoft Azure	*-*	*517*	*517*	*100.0%*
	Software - Spam Filter (Marco)	*288*	*288*	*-*	
	Software - Cisco Firewall Support (Marco)	*250*	*2,434*	*2,184*	*873.60%*
	Software - Digicert - email certificate 3 years	*2,500*	*-*	*(2,500)*	*-100.00%*
	Software - Doodle - HR application scheduling	*-*	*100*	*100*	*100.0%*
	Software - Drop Box	*120*	*120*	*-*	
	Software - Zoom	*161*	*161*	*-*	
	Software - Adobe	*1,560*	*1,560*	*-*	
	Software - VMWEAR (Marco)	*-*	*5,475*	*5,475*	*100.0%*
	Software - MFA - (Marco)	*396*	*600*	*204*	*51.52%*
	Software - Laserfische - Cities Digital	*8,215*	*8,400*	*185*	*2.25%*
	Software - Civicsystem	*15,000*	*18,000*	*3,000*	*20.00%*
	Software - Backup	*2,000*	*-*	*(2,000)*	*-100.00%*
	Software - Thawte SSl Web Service - Digicert 3 yr	*-*	*700*	*700*	*100.0%*
	Software - Bitdefender 19.80/80 new 2020 out of 194	*-*	*7,500*	*7,500*	*100.0%*
	Software - Office 365 (Marco - $25/MNTH FT, COUNCIL CMM)	*-*	*12,000*	*12,000*	*100.0%*
	Software - Survey Monkey - HR	*468*	*468*	*-*	
101-105-50-25-4130	Software- 800 MHZ Radios - Streets	560	560	-	
101-105-52-25-4130	Software - Fleet Mainteannce	1,500	1,500	-	
101-105-40-25-4130	Software - Auto Cad - Engineering	1,500	2,000	500	33.33%
101-105-55-25-4130	Software - Parks Total	950	1,950	1,000	105.26%
Detail List with Cost	*Software - Parks - CloudEase Parking Box*	*750*	*750*	*-*	
	Software-wife wireless router	*-*	*1,000*	*1,000*	*100.0%*
	Software - Ring Protect - Lakeside Park	*200*	*200*	*-*	
101-105-56-25-4130	Software - Recreation/Communication Total	400	1,100	700	175.00%
Detail List with Cost	*Software - Canva software*	*200*	*200*	*-*	
	Software - Survey Monkey - Communications		*700*	*700*	*100.0%*
	Software - QR software	*200*	*200*	*-*	

Information Technology – (continued)

Expenditures – (continued)

				2025-2026	
Account Number	Description	2025 Final Budget	2026 Budget	$ Change	% Change
101-105-75-25-4130	Software - Police Department Total	39,342	53,480	14,138	35.94%
Detail List with Cost	*Software - Liftoff*	*5,000*	*7,176*	*2,176*	*43.52%*
	Software - Wrike - Investigation	*1,000*	*1,000*	-	
	Software - Tracker Products - Evidence software	*2,000*	*2,500*	*500*	*25.00%*
	Software - Certified Crime Fighter- PATROL	*1,666*	*1,666*	-	
	Software - Guardian Tracking	*3,200*	*3,200*	-	
	Software - DataPilot - Investigation	*1,095*	-	*(1,095)*	*-100.00%*
	Software - Bureau of Crime	*600*	*600*	-	
	Software - 800 MHZ Radios	*2,720*	*2,800*	*80*	*2.94%*
	Software - Netmotion	*1,211*	*1,870*	*659*	*54.42%*
	Software - Prophoenix	*12,000*	*12,000*	-	
	Software - First Two - Investigation	*2,400*	*3,600*	*1,200*	*50.00%*
	Software -Pace Scheduler	*2,000*	*2,000*	-	
	Software - Adobe	*500*	*792*	*292*	*58.40%*
	Software - Arlo Ring	*500*	*500*	-	
	Software - 2knowU - Language software	*750*	*1,076*	*326*	*43.47%*
	Software -Windscribe/Northland Business System	*1,200*	*1,200*	-	
	Software - Traffic Suite	*1,500*	*1,500*	-	
	Software - LexiPol	-	*10,000*	*10,000*	*100.0%*
101-105-15-25-4131	Security Asscess Card System	2,575	1,874	(701)	-27.22%
101-105-75-25-4132	Electronic Data - Police Department Total	25,800	42,197	16,397	63.55%
Detail List with Cost	*Electronic Data-Axon - includes Auto transcribe - (85-4603/85-46.*	*25,000*	*41,397*	*16,397*	*65.59%*
	Electronic Data-CJDN CONNECT (SHERBURNE CTY)	*800*	*800*	-	
101-105-15-25-4134	Website - Total	11,050	20,528	9,478	85.77%
Detail List with Cost	*Website*	*7,550*	*7,928*	*378*	*5.01%*
	Website -Weather Alerts	*3,500*	*3,600*	*100*	*2.86%*
	Website - Forms Encryption	-	*9,000*	*9,000*	*100.0%*
101-105-15-25-4413	Equipment - Finance Misc items	1,000	1,000	-	
101-105-15-71-4612	Capital Transfers to Fund 194 - Computer Fund - All Staff	10,000	10,000	-	
		$ 170,539	**$ 307,576**	**$ 137,037**	80.36%

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PUBLIC SAFETY BUDGETS

- POLICE
- FIRE
- BUILDING

Police

Expenditures

Account Number	Description	2025 Final Budget	2026 Budget	$ Change	% Change
		17 officers	CSO PT	2025-2026	
101-300-75-05-4002	Wages	$ 1,888,544	$ 2,010,590	$ 122,046	6.46%
101-300-75-05-4004	Overtime Wages	37,667	68,611	30,944	82.15%
101-300-75-05-4004	Overtime Wages - K9	14,021	-	(14,021)	-100.00%
101-300-75-05-4005	Overtime Wages/Grant	15,000	15,000	-	
101-300-75-05-4008	Insurance Benefits (er)	275,158	308,176	33,018	12.00%
101-300-75-05-4009	HSA Accounts	25,002	25,002	-	
101-300-75-05-4010	F.I.C.A./Medicare (er)	36,665	40,728	4,063	11.08%
101-300-75-05-4011	F.I.C.A./Medicare (er)/Grant	200	200	-	
101-300-75-05-4021	PFMLA	8,162	9,226	1,064	13.04%
101-300-75-05-4023	Sick & Safe Time Leave - PT	-	832	832	100.0%
101-300-75-05-4012	P.E.R.A. (er)	10,158	12,709	2,551	25.11%
101-300-75-05-4013	P.E.R.A. - Police/Fire (er)	319,137	337,721	18,584	5.82%
101-300-75-05-4014	P.E.R.A. - Police/Fire (er)/Grant	2,655	2,655	-	
101-300-75-05-4016	Workers Comp	164,958	159,030	(5,928)	-3.59%
101-300-75-20-4140	Audit - Police Totals	5,700	6,500	800	14.04%
Detail List	*Audit - General*	*4,700*	*5,500*	*800*	*17.02%*
	Audit - body cameras	*1,000*	*1,000*	*-*	
101-300-75-20-4170	Legal	5,000	5,000	-	
101-300-75-20-4180	Other Consultants - Police Total	700	2,500	1,800	257.14%
Detail List	*Other Consultants -*	*700*	*1,000*	*300*	*42.86%*
	Other Consultants - BCA AUDIT PREP	*-*	*1,500*	*1,500*	*100.0%*
101-300-75-20-4181	Court Fines	20,000	20,000	-	
101-300-75-20-4185	Medical Exams	2,000	1,000	(1,000)	-50.00%
101-300-75-25-4110	Bank or Collection Charges	300	100	(200)	-66.67%
101-300-75-25-4196	Crime Prevention	250	250	-	
101-300-75-25-4200	Printing - Newsletter etc	850	950	100	11.76%
101-300-75-25-4208	Copies	3,000	2,520	(480)	-16.00%
101-300-75-25-4210	Operating Supplies	8,500	8,500	-	
101-300-75-25-4211	Medical Supplies	3,500	3,500	-	
101-300-75-25-4212	Other Operations Expenses	8,500	8,500	-	
101-300-75-25-4214	Police Body Armor	4,000	2,500	(1,500)	-37.50%
101-300-75-25-4215	Uniforms/Clothing	25,300	25,300	-	
101-300-75-25-4205	SWAT program _ JPA with County	-	-	-	
101-300-75-25-4216	Fire Arms	3,000	3,000	-	
101-300-75-25-4220	Advertising	1,200	1,000	(200)	-16.67%
101-300-75-25-4226	Ammo	7,300	5,000	(2,300)	-31.51%
101-300-75-25-4230	Telephone/Internet	23,760	23,760	-	
101-300-75-25-4235	Postage	500	500	-	
101-300-75-25-4238	Training/Schools - Police Total	25,000	25,000	-	
Detail List	*Training/Schools*	*22,500*	*22,500*	*-*	
	Training/Schools-Online Police One	*2,500*	*2,500*	*-*	
101-300-75-25-4240	Travel/Mileage	200	200	-	
101-300-75-25-4243	Meals	1,000	1,000	-	
101-300-75-25-4250	Liability Insurance	49,812	56,055	6,243	12.53%

Police Expenditures – (continued)

				2025-2026	
Account Number	Description	2025 Final Budget	2026 Budget	$ Change	% Change
101-300-75-25-4251	Emergency Management	1,000	1,000	-	
101-300-75-25-4252	Police Reserves Expenditures	-	2,500	2,500	100.0%
101-300-75-25-4253	Police K-9 Expenditures	10,000	-	(10,000)	-100.00%
101-300-75-25-4254	Spud Fest	250	250	-	
101-300-75-25-4257	Contractors Hired - Towing	500	100	(400)	-80.00%
101-300-75-25-4260	Subscriptions/Dues - Police Total	5,075	5,225	150	2.96%
Detail List	*Subscriptions/Dues (MISC,POST)*	*2,000*	*1,335*	*(665)*	*-33.25%*
	Subscriptions/Dues - Amazon Prime	*-*	*350*	*350*	*100.0%*
	Subscriptions/Dues - Mid-State Organized Crime	*-*	*150*	*150*	*100.0%*
	Subscriptions/Dues - USPCA - Chaffee	*-*	*50*	*50*	*100.0%*
	Subscriptions/Dues -MN LEAP - Support Staff	*-*	*100*	*100*	*100.0%*
	Subscriptions/Dues-MN CHIEFS ASSOC	*600*	*600*	*-*	
	Subscriptions/Dues-SHERBURNE CTY-SWAT PROGRAM		*-*	*-*	
	Subscriptions/Dues-MPPOA	*1,500*	*1,500*	*-*	
	Subscriptions/Dues-LEGAL DEFENSE FUND	*900*	*900*	*-*	
	Subscriptions/Dues-TRI COUNTY LAW ENF ASSOC	*75*	*90*	*15*	*20.00%*
	Subscriptions/Dues-MOCIC	*-*	*150*	*150*	*100.0%*
101-300-75-25-4300	Awards - Employee LOS	100	100	-	
101-300-75-25-4405	Motor Fuel	50,000	50,000	-	
101-300-75-25-4410	Tires	7,500	8,000	500	6.67%
101-300-75-25-4413	Equipment/Accessories	10,000	8,500	(1,500)	-15.00%
101-300-75-25-4430	Vehicle Maintenance	20,000	20,000	-	
101-300-75-25-4545	Repair/Maintenance Equipment	1,000	3,000	2,000	200.00%
101-300-75-25-4545	Repair/Maintenance Equipment - FIRE WORKOUT	1,000	-	(1,000)	-100.00%
101-300-75-71-4612	Capital Transfer - 199 Replace Taser	12,611	12,611	-	
101-300-80-25-4207	Animal Control	1,000	1,000	-	
		$ 3,116,735	**$ 3,305,401**	**$ 188,666**	6.05%

Revenues

Account Number	Description	2025 Final Budget	2026 Budget	2025-2026 $ Change	2025-2026 % Change
101-075-3117	State Aid - Police	$ 135,000	$ 175,000	$ 40,000	29.63%
101-075-3160	Inter-Govt Revenue-Training/Insurance	12,000	21,800	9,800	81.67%
101-075-3375	Miscellaneous Revenue	2,500	2,500	-	
101-075-3411	Copies	100	100	-	
101-075-3511	Court Fines	37,000	39,000	2,000	5.41%
101-075-3512	Parking Fines	6,000	6,000	-	
101-075-3513	Other Fines/Fees	6,000	6,000	-	
101-075-4200	Other Grant Proceeds	1,800	-	(1,800)	-100.00%
101-075-4210	Federal Grant Proceeds	1,800	1,800	-	
101-075-4211	Towards Zero Deaths Grant	17,855	17,855	-	
		$ 220,055	**$ 270,055**	**$ 50,000**	22.72%

Fire

Expenditures

2018 JPA Fire Department Established
Fire - City Portion Only

Account Number	Description	2025 Final Budget	2026 Budget	City Portion Only 2025-2026 $ Change	% Change
101-300-85-05-4015	Fire Department Relief Assoc.	$ 4,000	$ 4,000	-	
101-300-85-25-4200	Printing - Newsletter etc	850	950	100	11.76%
101-300-85-25-4208	Copies	600	595	(5)	-0.83%
101-300-85-25-4258	Fire Projection Services - JPB	230,468	230,468	-	
101-300-85-45-4015	Fire Department Relief Assoc.	113,000	-	(113,000)	-100.00%
101-300-85-71-4612	Capital Transfers -Computers replaced 5/yrs	3,250	-	(3,250)	-100.00%
101-300-85-71-4612	Capital Transfers - Radio Replacement Fund	-	2,400	2,400	100.0%
		$ 352,168	**$ 238,413**	**$ (113,755)**	-32.30%

Revenues

Account Number	Description	2025 Final Budget	2026 Budget	City Portion Only 2025-2026 $ Change	% Change
101-085-3118	State Aid - Fire	$ 110,000	$ -	$ (110,000)	-100.00%
101-085-3119	State Aid Fire Relief	3,000	-	(3,000)	-100.00%
		$ 113,000	**$ -**	**$ (113,000)**	-100.00%

The Big Lake Fire Department is a paid-on-call department jointly operated by the City of Big Lake and Big Lake Township, with all costs shared equally between the two entities.

In 2025, the Fire Department transitioned to the Statewide Volunteer Firefighter Retirement Plan. As a result, the City no longer receives State Fire Aid or Fire Relief Association funds as pass-through revenues. These funds are now paid directly by the State to the retirement plan on behalf of the Big Lake Fire Department. This change simplifies the administration of returment benefits and aligns with statewide funding practices.

Building

Expenditures

Account Number	Description	2025 Final Budget	2026 Budget	2025-2026 $ Change	2025-2026 % Change
101-100-30-05-4002	Wages	$ 56,660	$ 60,089	3,429	6.05%
101-100-30-05-4008	Insurance Benefits (er)	13,747	15,354	1,607	11.69%
101-100-30-05-4009	HSA Accounts	1,151	1,151	-	
101-100-30-05-4010	F.I.C.A./Medicare (er)	4,336	4,599	263	6.07%
101-100-30-05-4021	PFMLA	251	269	18	7.17%
101-100-30-05-4012	P.E.R.A. (er)	4,251	4,509	258	6.07%
101-100-30-05-4016	W/C Insurance	636	279	(357)	-56.13%
101-100-30-20-4140	Audit	810	1,000	190	23.46%
101-100-30-20-4170	Legal	50	-	(50)	-100.00%
101-100-30-25-4200	Printing - Newsleter	850	950	100	11.76%
101-100-30-25-4210	Operating Supplies	1,000	2,000	1,000	100.00%
101-100-30-25-4212	Other Operations Expenses	100	100	-	
101-100-30-25-4215	Uniforms/Clothing	100	-	(100)	-100.00%
101-100-30-25-4230	Telephone/Internet	1,032	1,032	-	
101-100-30-25-4235	Postage	100	200	100	100.00%
101-100-30-25-4238	Training/Schools	1,000	-	(1,000)	-100.00%
101-100-30-25-4240	Travel/Mileage	100	-	(100)	-100.00%
101-100-30-25-4243	Meals	50	-	(50)	-100.00%
101-100-30-25-4250	Liability Insurance	1,180	1,372	192	16.27%
101-100-30-25-4257	Contractors Hired	119,000	119,000	-	
101-100-30-25-4260	Subscriptions/Dues	150	150	-	
101-100-30-25-4405	Motor Fuel	250	100	(150)	-60.00%
101-100-30-25-4412	State SurCharge Bldg.Permit	16,000	17,000	1,000	6.25%
101-100-30-25-4413	Equipment/Accessories	100	100	-	
101-100-30-25-4430	Vehicle Maintenance	200	100	(100)	-50.00%
		$ 223,104	**$ 229,354**	**$ 6,250**	2.80%

The City contracts with an external building official to perform all building inspection services. These services are provided at an established monthly billing rate, ensuring consistent service delivery and cost control.

For panning purposes, the City assumes approximately 15 new single-family homes annually. Other types of development are also considered when estimating revenues to support building department operations.

Revenues

Account Number	Description	2025 Final Budget	2026 Budget	2025-2026 $ Change	2025-2026 % Change
101-030-3221	Building Permits	$ 219,320	$ 249,365	$ 30,045	13.70%
101-030-3222	State Surcharge on Bldg Pmts	16,000	17,000	1,000	6.25%
101-030-3229	Seed/Sod Escrow Permit	1,500	1,500	-	
101-030-3241	Building - Plan Review Fee	150,000	180,000	30,000	20.00%
101-030-3242	Building - Other Permits	180,000	210,000	30,000	16.67%
101-030-3250	Rental Inspection Fees - Multi Family	17,000	17,000	-	
101-030-3251	Rental License Fees - Simgle/Duplex	6,000	**6,000**	-	
101-030-3375	Miscellaneous Revenue	1,750	-	(1,750)	-100.00%
101-030-3418	Administrative Charges	25	25	-	
101-030-3513	Other Fines/Fees	250	250	-	
		$ 591,845	**$ 681,140**	**$ 89,295**	15.09%

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STREETS & HIGHWAYS BUDGETS

- ENGINEERING
- STREETS
- FLEET and EQUIPMENT MAINTENANCE

Engineering

Expenditures

Account Number	Description	FT-tech 2025 Final Budget	2026 Budget	2025-2026 $ Change	2025-2026 % Change
101-200-40-05-4002	Wages	$ 85,651	$ 89,351	$ 3,700	4.32%
101-200-40-05-4004	Overtime Wages	300	300		
101-200-40-05-4008	Insurance Benefits (er)	16,960	17,140	180	1.06%
101-200-40-05-4009	HSA Accounts	1,126	1,126	-	
101-200-40-05-4010	F.I.C.A./Medicare (er)	6,555	6,839	284	4.33%
101-200-40-05-4021	PFMLA	379	397	18	4.75%
101-200-40-05-4012	P.E.R.A. (er)	6,425	6,703	278	4.33%
101-200-40-05-4016	W/C Insurance	1,188	1,760	572	48.15%
101-200-40-20-4140	Audit	450	500	50	11.11%
101-200-40-20-4150	Engineering	7,500	7,500	-	
101-200-40-20-4170	Legal	500	500	-	
101-200-40-25-4200	Printing-Newsletter etc	850	950	100	11.76%
101-200-40-25-4210	Operating Supplies	1,000	500	(500)	-50.00%
101-200-40-25-4212	Other Operations Expenses	250	250	-	
101-200-40-25-4215	Uniforms/Clothing	100	150	50	50.00%
101-200-40-25-4220	Advertising	50	-	(50)	-100.00%
101-200-40-25-4230	Telephone/Internet	1,200	1,200	-	
101-200-40-25-4235	Postage	50	-	(50)	-100.00%
101-200-40-25-4238	Training/Schools - Total	2,000	2,000	-	
Detail list	*Training/Schools -MISC*	*2,000*	*250*	*(1,750)*	*-87.50%*
	Training/Schools -LMC	*-*	*500*	*500*	*100.0%*
	Training/Schools -MRWA	***0***	*250*	*250*	*100.0%*
	Training/Schools -MPWA	***0***	*500*	*500*	*100.0%*
	Training/Schools -CEAM	***0***	*500*	*500*	*100.0%*
101-200-40-25-4240	Travel/Mileage	100	100	-	
101-200-40-25-4243	Meals	100	100	-	
101-200-40-25-4250	Liability Insurance	1,480	2,987	1,507	101.82%
101-200-40-25-4260	Subscriptions/Dues - Total	500	500	-	
Detail list	*Subscriptions/Dues - Misc*	*500*	*300*	*(200)*	*-40.00%*
	Subscriptions/Dues - EC	*-*	*-*	*-*	
	Subscriptions/Dues - PC	*-*	*200*	*200*	*100.0%*
101-200-40-25-4405	Motor Fuel	1,200	1,200	-	
101-200-40-25-4413	Equipment/Accessories	500	250	(250)	-50.00%
101-200-40-25-4430	Vehicle Maintenance	1,000	500	(500)	-50.00%
101-200-40-25-4545	Repair/Maintenance Equipment	500	500	-	
		$ 137,914	**$ 143,303**	**$ 5,389**	3.91%

Streets

Expenditures

		addtl FTE		2025-2026	
Account Number	Description	2025 Final Budget	2026 Budget	$ Change	% Change
101-200-50-05-4002	Wages	$ 174,327	$ 181,387	$ 7,060	4.05%
101-200-50-05-4004	Overtime Wages	6,453	6,636	183	2.84%
101-200-50-05-4006	On Call Pay	33,000	33,000	-	
101-200-50-05-4008	Insurance Benefits (er)	4,794	5,253	459	9.57%
101-200-50-05-4009	HSA Accounts	450	450	-	
101-200-50-05-4010	F.I.C.A./Medicare (er)	16,356	16,912	556	3.40%
101-200-50-05-4021	PFMLA	941	976	35	3.72%
101-200-50-05-4012	P.E.R.A. (er)	16,035	16,580	545	3.40%
101-200-50-05-4016	WC Insurance	45,043	36,574	(8,469)	-18.80%
101-200-50-05-4020	Union Insurance	57,840	59,040	1,200	2.07%
101-200-50-20-4140	Audit	4,200	5,000	800	19.05%
101-200-50-20-4170	Legal	300	-	(300)	-100.00%
101-200-50-20-4185	Other Consult-Med Exams	500	-	(500)	-100.00%
101-200-50-25-4200	Printing - newsletter	850	950	100	11.76%
101-200-50-25-4208	Copies	2,040	2,040	-	
101-200-50-25-4210	Operating Supplies	7,350	7,000	(350)	-4.76%
101-200-50-25-4212	Other Operations Expenses	2,000	1,000	(1,000)	-50.00%
101-200-50-25-4215	Uniforms/Clothing	2,000	2,000	-	
101-200-50-25-4217	Cleaning Services	6,900	6,900	-	
101-200-50-25-4218	Boots/Shoes - per Union Contract	1,400	1,400	-	
101-200-50-25-4220	Advertising	100	-	(100)	-100.00%
101-200-50-25-4225	Sanitation/Garbage Removal	3,840	4,320	480	12.50%
101-200-50-25-4230	Telephone/Internet - Street Total	10,200	10,200	-	
Detail List with Cost	*Telephone/Internet - Charter/Ring Central/E,m*	7,320	7,320	-	
	Telephone/Internet - new Ipads for EE	2,880	2,880	-	
101-200-50-25-4235	Postage	500	500	-	
101-200-50-25-4238	Training/Schools	1,000	1,000	-	
101-200-50-25-4240	Travel/Mileage	100	100	-	
101-200-50-25-4243	Meals	200	200	-	
101-200-50-25-4250	Liability Insurance	13,735	16,044	2,309	16.81%
101-200-50-25-4255	Rent/Lease	3,500	-	(3,500)	-100.00%
101-200-50-25-4257	Contractors Hired	10,000	3,000	(7,000)	-70.00%
101-200-50-25-4260	Subscriptions/Dues - Streets Total	325	305	(20)	-6.15%
Detail List with Cost	Subscriptions/Dues-MN DEPT OF LABOR -Ve	50	50	-	
	Subscriptions/Dues-VAULTH HEALTH - CDL	130	130	-	
	Subscriptions/Dues-GOPHER ONE	20	-	(20)	-100.00%
	Subscriptions/Dues-SUSA - Norm	125	125	-	
101-200-50-25-4300	Awards - Employee LOS	100	100	-	
101-200-50-25-4315	Compost/Woodchipper	40,000	55,000	15,000	37.50%
101-200-50-25-4320	Sand/Salt	65,960	60,000	(5,960)	-9.04%
101-200-50-25-4325	Class 5	1,000	1,000	-	
101-200-50-25-4335	Striping	10,000	8,000	(2,000)	-20.00%
101-200-50-25-4340	Hot Mix	17,000	10,000	(7,000)	-41.18%
101-200-50-25-4360	Sealcoat/Crackfill	30,250	25,000	(5,250)	-17.36%

Streets – (continued)

Streets Expenditures – (continued)

		addtl FTE		2025-2026	
Account Number	**Description**	**2025 Final Budget**	**2026 Budget**	**$ Change**	**% Change**
101-200-50-25-4395	Signs/Banner	5,000	5,000	-	
101-200-50-25-4405	Motor Fuel	30,900	30,000	(900)	-2.91%
101-200-50-25-4413	Equipment/Accessories	500	1,000	500	100.00%
101-200-50-25-4540	Repair/Maintenance Buildings - Street Total	5,000	6,560	1,560	31.20%
Detail List with Cost	*Repair/Maintenance Buildings*	3,440	5,000	1,560	45.35%
	Repair/Maintenance Buildings - WH SECURIT	1,560	1,560	-	
101-200-50-25-4570	Electricity	6,000	5,379	(621)	-10.34%
101-200-50-25-4575	Electricity (Street Lights)	114,400	108,000	(6,400)	-5.59%
101-200-50-25-4580	Natural Gas	7,070	25,000	17,930	253.61%
101-200-50-25-4582	Solar Credit	(1,050)	(1,050)	-	
101-200-50-25-4590	Water/Sewer Utilitities	6,825	5,000	(1,825)	-26.74%
101-200-50-71-4612	Capital Equipment Transfer - 199	5,000	5,000	-	
		$ 770,234	**$ 767,756**	**$ (2,477)**	-0.32%

Revenues

				2025-2026	
Account Number	**Description**	**2025 Final Budget**	**2026 Budget**	**$ Change**	**% Change**
101-050-3161	Clean-up Day / SCORE Grant	$ 40,000	$ 55,000	$ 15,000	37.50%
101-050-3197	Compost Access Permit	100	100	-	
101-050-3220	R-O-W Permit Fees	1,500	1,500	-	
101-050-3365	Road/Maintenance Aid	153,024	180,000	26,976	17.63%
101-050-3412	City Maint. Services	5,000	5,000	-	
101-050-3450	Street Light Fees	177,000	178,800	1,800	1.02%
101-050-4151	Refunds & Reimbursements	1,500	1,500	-	
		$ 378,124	**$ 421,900**	**$ 43,776**	11.58%

Fleet and Equipment Maintenance

Expenditures

Account Number	Description	2025 Final Budget	2026 Budget	2025-2026 $ Change	2025-2026 % Change
101-200-52-05-4002	Wages	$ 95,710	$ 98,647	2,937	3.07%
101-200-52-05-4004	Overtime Wage	750	750	-	
101-200-52-05-4008	Insurance Benefits (er)	4,530	5,251	721	15.92%
101-200-52-05-4009	HSA Accounts	450	450	-	
101-200-52-05-4010	F.I.C.A./Medicare (er)	7,324	7,549	225	3.07%
101-200-52-05-4021	PFLMA	422	436	14	3.32%
101-200-52-05-4012	P.E.R.A. (er)	7,180	7,401	221	3.08%
101-200-52-05-4016	W/C Insurance	4,536	7,198	2,662	58.69%
101-200-52-05-4020	Union Insurance	28,920	29,520	600	2.07%
101-200-52-20-4185	Other Consult-Med Exams	100	-	(100)	-100.00%
101-200-52-25-4210	Operating Supplies	2,500	1,000	(1,500)	-60.00%
101-200-52-25-4212	Other Operations Expenses	500	100	(400)	-80.00%
101-200-52-25-4215	Uniforms/Clothing	600	650	50	8.33%
101-200-52-25-4218	Boots/Shoes - per Union Contract	700	700	-	
101-200-52-25-4230	Telephone/Internet	1,200	1,200	-	
101-200-52-25-4230	Telephone/Internet - New Ipads	960	960	-	
101-200-52-25-4238	Training/Schools - Fleet DOT Certificatic	200	500	300	150.00%
101-200-52-25-4240	Travel/Mileage	50	50	-	
101-200-52-25-4243	Meals	50	100	50	100.00%
101-200-52-25-4255	Rent/Lease	250	250	-	
101-200-52-25-4260	Subscriptions/Dues	200	200	-	
101-200-52-25-4385	Shop Materials/Supplies	7,000	9,000	2,000	28.57%
101-200-52-25-4390	Small tools	1,000	2,500	1,500	150.00%
101-200-52-25-4405	Motor Fuel	3,500	2,000	(1,500)	-42.86%
101-200-52-25-4410	Tires	10,300	10,000	(300)	-2.91%
101-200-52-25-4413	Equipment/Accessories	2,000	2,000	-	
101-200-52-25-4431	Vehicle Maintenance - Streets	12,000	15,000	3,000	25.00%
101-200-52-25-4432	Vehicle Maintenance - Parks	2,500	2,000	(500)	-20.00%
101-200-52-25-4433	Vehicle Maintenance - Shop	100	50	(50)	-50.00%
101-200-52-25-4434	Vehicle Maintenance - Fire	500	2,000	1,500	300.00%
101-200-52-25-4546	Repair/Maintenance Equipment - Streets	24,150	25,000	850	3.52%
101-200-52-25-4547	Repair/Maintenance Equipment - Parks	10,000	10,500	500	5.00%
101-200-52-25-4585	Oil	2,000	3,000	1,000	50.00%
		$ 232,182	**$ 245,962**	**$ 13,780**	5.93%

Fleet – (continued)

Revenues

Account Number	Description	2025 Final Budget	2026 Budget	2025-2026 $ Change	2025-2026 % Change
101-052-3413	Fleet Service Maintenance	$ 1,000	$ 2,500	1,500	150.00%
101-052-3911	Scrap Metal Sales	-	100	100	100.0%
		$ 1,000	**$ 2,600**	**$ 1,600**	160.00%

CULTURE & RECREATION BUDGETS

- PARKS
- BIG LAKE COMMUNITY SERVICE CENTER – LIBRARY
- RECREATION – COMMUNICATION – COMMUNITY

Parks

Expenditures

		addtl FTE		2025-2026	
Account Number	**Description**	**2025 Final Budget**	**2026 Budget**	**$ Change**	**% Change**
101-200-55-05-4002	Wages	$ 293,695	$ 277,872	$ (15,823)	-5.39%
101-200-55-05-4023	Sick & Safe Time Leave - PT	3,105	2,319	(786)	-25.31%
101-200-55-05-4004	Overtime Wages	1,000	1,000	-	
101-200-55-05-4008	Insurance Benefits (er)	4,794	5,253	459	9.57%
101-200-55-05-4009	HSA Accounts	450	450	-	
101-200-55-05-4010	F.I.C.A./Medicare (er)	22,706	21,438	(1,268)	-5.58%
101-200-55-05-4021	PFMLA	1,307	1,236	(71)	-5.43%
101-200-55-05-4012	P.E.R.A. (er)	19,126	19,713	587	3.07%
101-200-55-05-4016	Worker's Comp Insurance	14,578	8,633	(5,945)	-40.78%
101-200-55-05-4020	Union Insurance	57,840	59,040	1,200	2.07%
101-200-55-20-4140	Audit	3,200	4,000	800	25.00%
101-200-55-20-4150	Engineering	2,000	2,000	-	
101-200-55-20-4170	Legal	100	-	(100)	-100.00%
101-200-55-20-4185	Other Consultants-Medical Exams	300	-	(300)	-100.00%
101-200-55-25-4200	Printing - Newsletter etc	850	950	100	11.76%
101-200-55-25-4208	Copies	2,040	2,040	-	
101-200-55-25-4210	Operating Supplies	20,000	15,000	(5,000)	-25.00%
101-200-55-25-4211	Lakeside Park Supplies	5,000	5,000		
101-200-55-25-4212	Other Operations Expenses	2,000	500	(1,500)	-75.00%
101-200-55-25-4213	Park Irrigation Supplies	5,000	10,000	5,000	100.00%
101-200-55-25-4215	Uniforms/Clothing	2,000	3,000	1,000	50.00%
101-200-55-25-4218	Boots/Shoes - per Union Contract	1,400	1,400	-	
101-200-55-25-4220	Advertising	2,000	-	(2,000)	-100.00%
101-200-55-25-4225	Sanitation/Garbage Removal	10,000	15,000	5,000	50.00%
101-200-55-25-4230	Telephone/Internet - Parks Total	7,560	9,048	1,488	19.68%
Detail List with Cost	*Telephone/Internet - Employee /Charter*	2,400	3,000	600	25.00%
	Telephone/Internet - Verizon - Irrigation Ap	1,800	2,688	888	49.33%
	Telephone/Internet - New Ipads for EE	3,360	3,360	-	
101-200-55-25-4235	Postage	200	200	-	
101-200-55-25-4238	Training/Schools	600	750	150	25.00%
101-200-55-25-4240	Travel/Mileage	-	100	100	100.0%
101-200-55-25-4243	Meals	200	200	-	
101-200-55-25-4250	Liability Insurance	29,259	29,074	(185)	-0.63%
101-200-55-25-4255	Rent/Lease (Church Land/Equipment)	3,000	1,900	(1,100)	-36.67%
101-200-55-25-4257	Contractors Hired - Parks Total	6,000	6,500	500	8.33%
Detai l List with Cost	*Contractors Hired - boat inspections*	6,000	6,500	500	8.33%
	Contractors Hired - Veterans Memorial sid	-	-	-	
101-200-55-25-4260	Subscriptions/Dues - Parks Total	870	980	110	12.64%
Detail List with Cost	*Subscriptions/Dues - VAULT HEALTH CDL*	150	150	-	
	Subscriptions/Dues - ISA MEMBERSHIP(A	320	320	-	
	Subscriptions/Dues - MN REC & PARK - C	200	310	110	55.00%
	Subscriptions/Dues - MN REC & PARK - N	200	200	-	
101-200-55-25-4300	Awards - Employee LOS	25	25	-	

Parks – (continued)

Parks Expenditures – (continued)

Account Number	Description	addtl FTE 2025 Final Budget	2026 Budget	2025-2026 $ Change	2025-2026 % Change
101-200-55-25-4321	Beach Sand	500	250	(250)	-50.00%
101-200-55-25-4395	Signs/Banners	600	1,000	400	66.67%
101-200-55-25-4405	Motor Fuel	20,000	20,000	-	
101-200-55-25-4413	Equipment/Accessories	5,000	5,000	-	
101-200-55-25-4530	Lake Maintenance	20,000	20,000	-	
101-200-55-25-4535	Playground Maintenance	8,000	8,000	-	
101-200-55-25-4540	Repair/Maintenance Buildings - Parks Total	2,525	2,525	-	
Detail List with Cost	*Repair/Maintenance Buildings at Parks*	2,000	2,000	-	
	Repair/Maintenance Buildings - Camera Se	525	525	-	
101-200-55-25-4570	Electricity	9,500	8,008	(1,492)	-15.71%
101-200-55-25-4580	Natural Gas	5,000	2,500	(2,500)	-50.00%
101-200-55-25-4582	Solar	(900)	(900)	-	
101-200-55-25-4590	Water/Sewer Utilities	100,000	100,000	-	
101-200-55-71-4612	Capital Transfers - 199 - Playground Equip	5,000	5,000	-	
101-200-55-71-4612	Capital Transfers - 195 Parks Improvement	100,000	100,000	-	
101-200-55-71-4612	Capital Transfers - 195 Trail Maintenance	9,000	9,000	-	
101-200-55-71-4612	Capital Transfers - 199 - Misc Equip Fund	5,000	5,000	-	
		$ 811,430	**$ 790,004**	**$ (21,426)**	-2.64%

Revenues

Account Number	Description	2025 Final Budget	2026 Budget	2025-2026 $ Change	2025-2026 % Change
101-055-3196	Garden Plot Fees	$ 1,200	$ 1,200	$ -	
101-055-3200	Vendor Fees/Licenses	100	300	200	200.00%
101-055-3225	Park Permits-Seasonal- Resident	13,000	13,000	-	
101-055-3226	Park Permits-Daily	50,000	50,000	-	
101-055-3231	Park Permits-Seasonal- Non-Res	11,000	11,000	-	
101-055-3232	Park Event Fee	200	200	-	
101-055-3940	Lease/Rental/CAM	1,500	1,500	-	
101-055-4151	Refunds & Reimbursements	250	250	-	
		$ 77,250	**$ 77,450**	**$ 200**	0.26%

Big Lake Community Services Center – Library

Expenditures

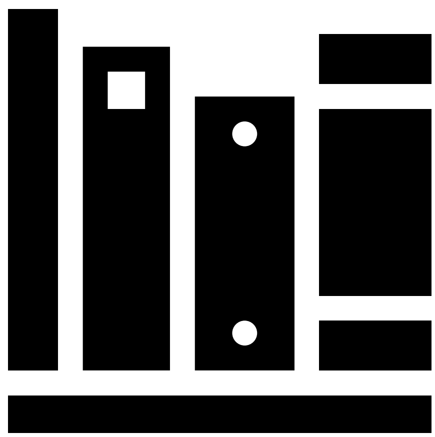
Account Number	Description	2025 Final Budget	2026 Budget	2025-2026 $ Change	2025-2026 % Change
101-100-20-05-4002	Wages **	$ 4,814	$ 5,108	$ 294	6.11%
101-100-20-05-4008	Insurance **	219	243	24	10.96%
101-100-20-05-4009	HSA **	30	30	-	
101-100-20-05-4010	F.I.C.A./Medicare (er) **	370	393	23	6.22%
101-100-20-05-4021	PFMLA	22	25	3	13.64%
101-100-20-05-4012	P.E.R.A. (er) **	361	383	22	6.09%
101-100-20-25-4210	Operating Supplies	1,000	500	(500)	-50.00%
101-100-20-25-4212	Other Operating Costs	250	100	(150)	-60.00%
101-100-20-25-4217	Cleaning Services	12,400	12,400	-	
101-100-20-25-4225	Sanitation /Garbage	2,880	3,372	492	17.08%
101-100-20-25-4230	Telephone - WHS Alarm Cell Phone	504	-	(504)	-100.00%
101-100-20-25-4250	Liability Insurance	9,237	10,766	1,529	16.55%
101-100-20-25-4370	Grounds Maintenance - Hired Out	500	100	(400)	-80.00%
101-100-20-25-4375	Snow Removal - PW/Hired	500	-	(500)	-100.00%
101-100-20-25-4414	Equipment/Accessories - Library	3,000	3,000	-	
101-100-20-25-4540	Repair/Maintenance Buildings	12,000	12,000	-	
101-100-20-25-4545	Repair/Maintenance Equipment	1,000	1,000	-	
101-100-20-25-4570	Electricity	13,500	12,108	(1,392)	-10.31%
101-100-20-25-4580	Natural Gas	6,500	6,165	(335)	-5.15%
101-100-20-25-4590	Water/Sewer Utilities	4,574	4,803	229	5.01%
		$ 73,661	**$ 72,496**	**$ (1,165)**	-1.58%

Revenues

Account Number	Description	2025 Final Budget	2026 Budget	2025-2026 $ Change	2025-2026 % Change
101-020-3160	Intergovernmental	$ 10,000	$ 10,000	$ -	
101-020-4151	Refunds & Reimbursements	-	160	160	100.0%
		$ 10,000	**$ 10,160**	**$ 160**	**$ -**

Debt Payments

Account Number	Description	2025 Final Budget	2026 Budget	2025-2026 $ Change	2025-2026 % Change
224-000-00-85-4606	Principal Payment	$ 50,000	$ 55,000	$ 5,000	10.00%
224-000-00-85-4610	Interest Payment	4,163	2,982	(1,181)	-28.37%
224-000-00-85-4611	Debt Issuance Cost Amortized	495	495	-	
		$ 54,658	**$ 58,477**	**$ 3,819**	6.99%



Recreation – Communications – Community

Expenditures

Account Number	Description	2025 Final Budget	2026 Budget	2025-2026 $ Change	2025-2026 % Change
101-400-56-05-4002	Wages	$ 70,385	$ 72,500	$ 2,115	3.00%
101-400-56-05-4008	Insurance Benefits (er)	6,655	7,521	866	13.01%
101-400-56-05-4009	HSA Accounts	1,350	1,350	-	
101-400-56-05-4010	F.I.C.A./Medicare (er)	5,385	5,547	162	3.01%
101-400-56-05-4021	PFMLA	310	321	11	3.55%
101-400-56-05-4012	P.E.R.A. (er)	5,280	5,439	159	3.01%
101-400-56-05-4016	Worker's Comp Insurance	5,722	-	(5,722)	-100.00%
101-400-56-20-4170	Legal	200	200	-	
101-400-56-25-4208	Copies (Spud Fest Parade, etc)	200	200	-	
101-400-56-25-4210	Operating Supplies	515	1,000	485	94.17%
101-400-56-25-4212	Other Operations Expenses	206	100	(106)	-51.46%
101-400-56-25-4215	Uniforms/Clothing	50	50	-	
101-400-56-25-4220	Advertising	250	100	(150)	-60.00%
101-400-56-25-4230	Telephone/Internet	576	600	24	4.17%
101-400-56-25-4235	Postage	25	25	-	
101-400-56-25-4238	Training/School	300	300	-	
101-400-56-25-4240	Travel/Mileage	50	50	-	
101-400-56-25-4243	Meals	150	100	(50)	-33.33%
101-400-56-25-4254	Spud Fest	500	1,500	1,000	200.00%
101-400-56-25-4259	Contractors Hired - ECFE	5,000	-	(5,000)	-100.00%
101-400-56-25-4260	Subscriptions/Dues - Recreation	2,200	1,500	(700)	-31.82%
Detail list with cost	*Subscriptions/Dues - ASCAP*	450	450	-	
	Subscriptions/Dues - SESAC	600	600	-	
	Subscriptions/Dues - MN REC & PARK ASSOC	350	350	-	
	Subscriptions/Dues - SURVEY MONKEY	700	-	(700)	-100.00%
	Subscriptions/Dues - NOTARY	100	100	-	
101-400-56-25-4395	Signs/Banners	100	100	-	
101-400-56-25-4413	Equipmnent/Accessories	100	50	(50)	-50.00%
101-400-56-25-4903	Movie in the Park	2,500	2,500	-	
101-400-56-25-4905	Dog Vaccination Clinic	200	150	(50)	-25.00%
101-400-56-71-4612	Transfer - Music in the Park	10,000	10,000	-	
101-400-70-25-4400	Recycling Day	12,000	12,000	-	
101-400-95-25-4902	Donation - Contribution	1,100	1,100	-	
		$ 131,309	**$ 124,303**	**$ (7,706)**	-5.87%

Revenues

Account Number	Description	2025 Final Budget	2026 Budget	2025-2026 $ Change	2025-2026 % Change
101-015-3161	Clean-up Day / SCORE Grant	$ 12,000	$ 12,000	$ -	
101-056-3233	Donations - Movie In the Park	1,500	1,500	-	
		$ 13,500	**$ 13,500**	**$ -**	

ECONOMIC DEVELOPMENT BUDGET

Economic Development

Expenditures

Account Number	Description	2025 Final Budget	2026 Budget	2025-2026 $ Change	2025-2026 % Change
101-100-25-05-4002	Wages	$ 119,170	$ 148,965	$ 29,795	25.00%
101-100-25-05-4004	Overtime Wages	300	300	-	
101-100-25-05-4008	Insurance Benefits (er)	18,909	22,977	4,068	21.51%
101-100-25-05-4009	HSA Accounts	1,001	1,301	300	29.97%
101-100-25-05-4010	F.I.C.A./Medicare (er)	9,118	11,398	2,280	25.01%
101-100-25-05-4021	PFMLA	525	659	134	25.52%
101-100-25-05-4012	P.E.R.A. (er)	8,678	10,914	2,236	25.77%
101-100-25-05-4016	W/C Insurance	3,947	1,217	(2,730)	-69.17%
101-100-25-20-4140	Audit	810	800	(10)	-1.23%
101-100-25-20-4170	Legal	2,500	2,500	-	
101-100-25-20-4180	Other Consultants	500	-	(500)	-100.00%
101-100-25-25-4200	Printing - Newsletter etc	850	950	100	11.76%
101-100-25-25-4201	Annexation	300	250	(50)	-16.67%
101-100-25-25-4209	Recording Fees/Settlement	100	100	-	
101-100-25-25-4210	Operating Supplies	750	750	-	
101-100-25-25-4212	Other Operations Expense	200	200	-	
101-100-25-25-4215	Uniforms/Clothing	100	100	-	
101-100-25-25-4220	Advertising	200	200	-	
101-100-25-25-4230	Telephone/Internet	504	504	-	
101-100-25-25-4235	Postage	50	50	-	
101-100-25-25-4238	Training/Schools - Total EDA	3,000	3,700	700	23.33%
Detail list with cost	*Training/Schools - misc*	*1,950*	*700*	*(1,250)*	*-64.10%*
	Training/Schools - MEADC	*-*	*1,950*	*1,950*	*100.0%*
	Training/Schools - Ehlers	*350*	*350*	*-*	
	Training/Schools - LMC Conf	*350*	*350*	*-*	
	Training/Schools - EDA/Brownsf	*350*	*350*	*-*	
101-100-25-25-4240	Travel/Mileage	600	600	-	
101-100-25-25-4243	Meals	500	500	-	
101-100-25-25-4250	Liability Insurance	1,184	1,827	643	54.31%
101-100-25-25-4260	Subscriptions/Dues -Total EDA	1,465	765	(700)	-47.78%
Detail list with cost	*Subscriptions/Dues - EDAM*	320	335	15	4.69%
	Subscriptions/Dues - MN Marke	700	-	(700)	-100.00%
	Subscriptions/Dues - MN Car	325	325	-	
	Subscriptions/Dues - Notary	120	105	(15)	-12.50%
101-100-25-25-4300	Awards - Employee LOS	50	50	-	
101-100-25-25-4413	Equipment/Accessories	100	100	-	
101-100-25-26-4222	Marketing - Communications	6,000	6,500	500	8.33%
101-100-25-26-4224	Marketing - Event-MNCAR	2,000	1,500	(500)	-25.00%
		$ 183,411	**$ 219,677**	**$ 36,266**	19.77%

SPECIAL REVENUE BUDGET

- ECONOMIC DEVELOPMENT AUTHORITY
- FARMERS MARKET
- MUSIC IN THE PARK

Economic Development Authority

2026 LEVY AMOUNT - $160,000		Levy $130K		Levy $160K	2025-2026	
Account Number	**Description**	**2024 Actual**	**2025 Final Budget**	**2026 Budget**	**$ Change**	**% Change**
275-000-3101	RE & PP Taxes-Current	$ 129,171	$ 128,700	$ 158,400	$ 29,700	23.08%
275-000-3102	RE & PP Taxes-Delinquent	653	400	400	-	
275-000-3999	Interest Earned	12,398	2,500	2,500	-	
	Total Revenues	**$166,222**	**$ 131,600**	**$ 161,300**	**$ 29,700**	22.57%
					-	
	Projected Cash Flow Change	**2024**	**2025**	**2026**		
	Beginning Cash Balance	$ 402,637	$ 263,820	$ 219,478		
	Projected Excess Revenue	11,183	(44,342)	18,746		
	Projected Ending Cash	**$263,820**	**$ 219,478**	**$ 238,224**		

Expenditure Budget

					2025-2026	
Account Number	**Description**	**2024 Actual**	**2025 Final Budget**	**2026 Budget**	**$ Change**	**% Change**
275-000-00-05-4002	Wages	$ 30,183	$ 33,994	$ 36,069	$ 2,075	6.10%
275-000-00-05-4008	Insurance Benefits (er)	4,441	5,174	4,991	(183)	-3.54%
275-000-00-05-4009	HSA Accounts	-	250	250	-	
275-000-00-05-4010	F.I.C.A./Medicare (er)	2,227	2,601	2,760	159	6.11%
275-000-00-05-4012	P.E.R.A. (er)	2,130	2,550	2,706	156	6.12%
275-000-00-05-4021	PFMLA	-	150	160	10	6.67%
275-000-00-20-4140	Audit	1,214	650	1,200	550	84.62%
275-000-00-20-4150	Engineering	32,730	250	250	-	
275-000-00-20-4170	Legal	1,995	6,000	6,000	-	
275-000-00-20-4180	Other Consultants	4,889	5,000	5,000	-	
275-000-00-25-4120	Real Estate Taxes	1,874	2,758	2,758	-	
275-000-00-25-4134	Website	250	250	250	-	
275-000-00-25-4209	Recording Fees	1,061	150	500	350	233.33%
275-000-00-25-4212	Other Operations Expenses	21	50	50	-	
275-000-00-25-4215	Uniforms/Clothing	26	100	100	-	
275-000-00-25-4217	Cleaning Services	1,614	-	1,700	1,700	100.0%
275-000-00-25-4220	Advertising	1,060	2,000	2,000	-	
275-000-00-25-4235	Postage	-	25	25	-	
275-000-00-25-4238	Training - Edam Conference	370	1,250	1,250	-	
275-000-00-25-4238	Training - Brownfield	-	250	250	-	
275-000-00-25-4240	Travel/Mileage	56	150	150	-	
275-000-00-25-4243	Meals	57	100	100	-	
275-000-00-25-4250	Liability Insurance	800	1,000	3,195	2,195	219.47%
275-000-00-25-4257	Contractors Hired	-	500	100	(400)	-80.00%
275-000-00-25-4540	Repair/Maintenance Building - held	101	1,500	1,500	-	
275-000-00-25-4570	Electricity	5,382	3,600	3,600		
275-000-00-25-4580	Natural Gas	2,243	3,240	3,240		
275-000-00-25-4590	Water/Sewer Utilities	6,425	2,400	2,400		
275-000-00-26-4222	Marketing - Communications	-	50,000	10,000	(40,000)	-80.00%
275-000-00-71-4612	Transfer to FUND 141 - Specials	50,000	50,000	50,000	-	
	Total Expenditures	**$155,039**	**$ 175,942**	**$ 142,554**	**$ (33,388)**	-18.98%
	Excess Revenues/(deficit)	11,183	(44,342)	18,746	-	
CASH FLOW PURPOSE ONLY FOR BLEDA						
	Total Expenditures & IFL	**$155,039**	**$ 175,942**	**$ 142,554**		

Farmers Market Fund

REVENUES

Account Number	Description	2023 Actual	2024 Actual	2025 Final Budget	2026 Budget
280-000-3160	Inter-govt Revenue	$ 840	$ 796	$ 1,000	$ 1,000
280-000-3163	SHIP Grant	1,367	-	-	-
280-000-3200	Vendor Licenses	4,200	3,950	2,000	4,000
280-000-3203	Vendor Licenses - Winter	730	2,920	500	1,000
280-000-3230	Donations from Organization	13,500	10,000	9,500	9,500
280-000-3357	Farmers Market Bages	52	40	10	10
280-000-3999	Interest Earned	970	1,132	100	100
280-000-4200	Other Grant Proceeds	1,740	2,069	200	200
280-000-4204	Other Grant Proceeds - Private (	-	1,000	1,000	1,000
	Total Revenues	**$ 23,399**	**$ 21,907**	**$ 14,310**	**$ 16,810**

EXPENDITURES

Account Number	Description	2023 Actual	2024 Actual	2025 Final Budget	2026 Budget
280-000-00-05-4002	Wages	$ 3,474	$ 3,718	$ 3,911	$ 4,029
280-000-00-05-4008	Insurance Benefits (er)	295	336	348	397
280-000-00-05-4009	HSA Accounts	75	75	75	75
280-000-00-05-4010	F.I.C.A./Medicare (er)	262	275	300	309
280-000-00-05-4012	P.E.R.A. (er)	261	278	294	303
280-000-00-05-4021	PFMLA	-	-	18	20
280-000-00-05-4016	W/C Insurance	20	20	20	-
280-000-00-25-4110	Bank Charges	693	578	700	700
280-000-00-25-4210	Operating Supplies	368	1,250	500	1,000
280-000-00-25-4212	Other Operations Expenses	6,405	6,865	6,500	6,500
280-000-00-25-4220	Advertising	700	1,112	700	700
280-000-00-25-4230	Telephone/Internet	-	400	-	480
280-000-00-25-4238	Training/Schools	-	-	50	50
280-000-00-25-4257	Contractors Hired	4,100	3,929	4,300	4,300
280-000-00-25-4260	Subscriptions/Dues	670	754	670	879
	Total Expenditures	**$ 17,323**	**$ 19,590**	**$ 18,386**	**$ 19,742**

	2023	2024	2025	2026
EXCESS REVENUES OVER EXPENDITURES	**$ 6,076**	**$ 2,317**	**$ (4,076)**	**$ (2,932)**

Projected Cash Flow Change	**2023**	**2024**	**2025**	**2026**
Beginning Cash Balance	$ 20,915	$ 27,353	$ 29,670	$ 25,594
Projected Excess Revenue	6,076	2,317	(4,076)	(2,932)
Projected Ending Cash	**$ 26,991**	**$ 29,670**	**$ 25,594**	**$ 22,662**

Music in the Park Fund

REVENUES

Account Number	Description	2023 Actual	2024 Actual	2025 Final Budget	2026 Budget
282-000-3155	Transfer In Revenue - Admin	$ -	$ 5,000	$ 10,000	$ 10,000
282-000-3230	Donations from Organization	29,500	22,000	22,000	22,000
282-000-3999	Interest Earned	676	489	100	200
	Total Revenues	**$ 30,176**	**$ 27,489**	**$ 32,100**	**$ 32,200**

EXPENDITURES

Account Number	Description	2023 Actual	2024 Actual	2025 Final Budget	2026 Budget
282-000-00-05-4002	Wages	$ 3,474	$ 3,718	$ 3,911	$ 4,029
282-000-00-05-4008	Insurance Benefits (er)	295	336	348	397
282-000-00-05-4009	HSA Accounts	75	75	75	75
282-000-00-05-4010	F.I.C.A./Medicare (er)	262	275	300	309
282-000-00-05-4012	P.E.R.A. (er)	261	278	294	303
282-000-00-05-4021	PFMLA	-	-	18	20
282-000-00-05-4016	W/C Insurance	20	20	20	-
282-000-00-25-4210	Operating Supplies	27	-	-	-
282-000-00-25-4212	Other Operations Expenses	137	94	100	100
282-000-00-25-4220	Advertising	150	159	150	200
282-000-00-25-4255	Rent/Lease	6,000	5,400	6,000	6,000
282-000-00-25-4257	Contractors Hired	25,540	23,471	20,000	20,000
282-000-00-25-4257	Contractors Hired - Mosquito Spraying		774	650	1,161
	Total Expenditures	**$ 36,241**	**$ 34,600**	**$ 31,866**	**$ 32,594**

	2023	2024	2025	2026
EXCESS REVENUES OVER EXPENDITURES	**$ (6,065)**	**$ (7,111)**	**$ 234**	**$ (394)**

Projected Cash Flow Change	**2023**	**2024**	**2025**	**2026**
Beginning Cash Balance	$ 14,122	$ 7,940	$ 829	$ 1,063
Projected Excess Revenue	(6,065)	(7,111)	234	(394)
Projected Ending Cash	**$ 8,057**	**$ 829**	**$ 1,063**	**$ 669**

ENTERPRISE FUNDS BUDGETS

- WATER DETAIL
- WASTEWATER (SEWER) DETAIL
- STORM WATER DETAIL
- LIQUOR STORE DETAIL

Water Enterprise Fund Revenues

Rate decrease 5% for non Industrial Contract

Account Number	Description	2025 Final Budget	2026 Budget	2025-2026 $ Change	2025-2026 % Change
301-000-3229	Seed/Sod Escrow Fee	$ 600	$ 600	$ -	
301-000-3360	NSF Check Recovery Revenue	500	500	-	
301-000-3376	Insurance Proceeds/Dividends	2,000	2,000	-	
301-000-3710	Water Sales-Residential	1,119,072	1,071,007	(48,065)	-4.30%
301-000-3711	Water Sales - Municipal	110,624	76,330	(34,294)	-31.00%
301-000-3712	Water OPT Out -Manual Read		1,560	1,560	100.0%
301-000-3713	Water Fixed Fee-Residential	330,268	331,493	1,225	0.37%
301-000-3714	Water Fixed Fee - Municipal	5,448	5,720	272	4.99%
301-000-3715	Water Sales-Commercial	127,897	133,816	5,919	4.63%
301-000-3716	Water Sales - Industrial	165,066	178,271	13,205	8.00%
301-000-3717	Water Fixed Fee - Industrial	10,797	11,661	864	8.00%
301-000-3718	Water Fixed Fee-Commercial	28,143	30,957	2,814	10.00%
301-000-3719	Water Fixed Fee-Vacant Parcels	2,250	2,500	250	11.11%
301-000-3720	Meters/Parts Sales	7,035	7,035	-	
301-000-3722	Water Sales - Multifamily	144,900	140,523	(4,377)	-3.02%
301-000-3723	Water Fixed Fee - Multifamily	9,006	9,193	187	2.08%
301-000-3725	Water Test	22,000	61,200	39,200	178.18%
301-000-3726	Water Sales - Irrigation	50,000	75,000	25,000	50.00%
301-000-3727	Water Base - Irrigation	3,000	6,000	3,000	100.00%
301-000-3730	Meter Repairs	10,000	1,000	(9,000)	-90.00%
301-000-3735	Miscellaneous Water Income	10,000	5,000	(5,000)	-50.00%
301-000-3740	Water Permit Org Fees	1,125	1,125	-	
301-000-3750	Disconnection/Reconnection Fee	3,000	3,000	-	
301-000-3980	Late Fees	65,000	61,750	(3,250)	-5.00%
301-000-3990	Loan Interest Revenue	272	321	49	18.01%
301-000-3999	Interest Earned	10,000	20,000	10,000	100.00%
301-000-4151	Refunds & Reimbursements	1,000	1,000	-	
		$ 2,239,003	**$ 2,238,562**	**$ (441)**	-0.02%

	2025 Final Budget	2026 Budget	
Water Fund Expenses	3,235,199	2,879,766	
Projected Income / (Loss)	**$ (996,196)**	**$ (641,204)**	
(includes Depreciation)			
Water Fund Expenses - less depreciation	2,281,194	1,925,761	
Projected Income / (Loss)	**$ (42,191)**	**$ 312,801**	**w/o WAC
(excluding Depreciation)			

Projected Cash Flow Change	2025 Final Budget	2026 Budget
Beginning Cash	$ 467,471	$ 337,775
Projected Income / (Loss) - less Depreciation	(42,191)	312,801
Pension-GASB 68 (Non-Cash Item)	10,000	10,000
Long Term Debt - Principal Payment	(97,505)	(103,089)
Projected Ending Cash	**$ 337,775**	**$ 557,487**
depreciation expense	954,005	954,005
% of depreciation covered	-4.42%	32.79%

Water Enterprise Fund Expenses

Account Number	Description	2025 Final Budget	2026 Budget	2025-2026 $ Change	2025-2026 % Change
301-000-00-05-4002	Wages	$ 646,523	$ 681,744	$ 35,221	5.45%
301-000-00-05-4004	Overtime Wages	19,751	21,207	1,456	7.37%
301-000-00-05-4006	On Call Pay	17,500	17,500	-	
301-000-00-05-4008	Insurance Benefits (er)	45,262	48,552	3,290	7.27%
301-000-00-05-4009	HSA Accounts	2,950	3,050	100	3.39%
301-000-00-05-4010	F.I.C.A./Medicare (er)	52,314	55,121	2,807	5.37%
301-000-00-05-4012	P.E.R.A. (er)	51,288	54,040	2,752	5.37%
301-000-00-05-4021	PFMLA	3,014	3,177	163	5.41%
301-000-00-05-4016	WC Insurance	14,580	7,547	(7,033)	-48.24%
301-000-00-05-4018	Pension Exp - GASB 68	10,000	10,000	-	
301-000-00-05-4020	Union Insurance	43,380	44,280	900	2.07%
301-000-00-20-4140	Audit	7,750	9,000	1,250	16.13%
301-000-00-20-4150	Engineering	3,000	3,000	-	
	Engineering - Hydraulic Modeling	-	30,000	30,000	100.0%
301-000-00-20-4160	Testing	50,000	63,360	13,360	26.72%
301-000-00-20-4170	Legal	1,000	1,000	-	
301-000-00-20-4175	Assessing	1,000	1,000	-	
301-000-00-20-4180	Other Consultants	1,000	1,000	-	
301-000-00-20-4185	Medical Exams	500	500	-	
301-000-00-25-4022	Bad Debt Expenditure	1,000	1,000	-	
301-000-00-25-4110	Bank Charges/PSN	30,000	30,000	-	
	Computers/Software - DIAMOND MAPS		852	852	100.0%
	Computers/Software - CIVIC SYSTEM	5,450	6,026	576	10.57%
	Computers/Software - CITIES DIGITAL	815	815	-	
	Computers/Software - WINN 911 SOFTWARE	720	720	-	
	Computers/Software - RNI SAAS YEARLY FEE	7,500	7,771	271	3.61%
	Computers/Software - SENSUS ANALYTIC FEE	6,250	7,180	930	14.88%
301-000-00-25-4132	Equipment Leases	1,920	1,920		
301-000-00-25-4133	Computer Maintenance	1,000	1,000	-	
301-000-00-25-4134	Website	1,500	1,500	-	
301-000-00-25-4200	Printing - newsletter	850	950	100	11.76%
301-000-00-25-4210	Operating Supplies	5,000	10,000	5,000	100.00%
301-000-00-25-4212	Other Operations Expenses	1,000	1,000	-	
301-000-00-25-4215	Uniforms/Clothing	1,465	2,000	535	36.52%
301-000-00-25-4218	Boots/Shoes - per union contract	1,050	1,050		
301-000-00-25-4220	Advertising	1,000	1,000	-	
301-000-00-25-4230	Telephone/Internet-Vonage/Cell Phone Reimb/OnCall	3,400	3,400	-	
301-000-00-25-4230	Telephone/Internet - WTP Internet	3,120	3,000	(120)	-3.85%
301-000-00-25-4230	Telephone/Internet - New Ipads/ee	1,440	1,440	-	
301-000-00-25-4230	Telephone/Internet - CRADLEPOINT	1,200	800	(400)	-33.33%
301-000-00-25-4235	Postage	20,000	22,000	2,000	10.00%
301-000-00-25-4238	Training/Schools	3,000	3,000	-	
301-000-00-25-4240	Travel/Mileage	500	500	-	
301-000-00-25-4243	Meals	50	50	-	
301-000-00-25-4250	Liability Insurance	45,232	44,734	(498)	-1.10%
301-000-00-25-4255	Rent/Lease	-	200	200	100.0%

Water Enterprise Expenses – (continued)

Account Number	Description	2025 Final Budget	2026 Budget	2025-2026 $ Change	2025-2026 % Change
301-000-00-25-4257	Contractors Hired	25,000	10,000	(15,000)	-60.00%
301-000-00-25-4257	Contractors Hired - WATER LEAK	-	7,000	7,000	100.0%
301-000-00-25-4260	Subscriptions/Dues	15,000	700	(14,300)	-95.33%
301-000-00-25-4260	Subscriptions/Dues - MMUA		300	300	100.0%
301-000-00-25-4260	Subscriptions/Dues -RAILROAD		4,000	4,000	100.0%
301-000-00-25-4260	Subscriptions/Dues -WATER PERMIT		10,000	10,000	100.0%
301-000-00-25-4300	Awards - Employees LOS	100	100	-	
301-000-00-25-4313	Amortization Expense-Leased	2,845	2,845	-	
301-000-00-25-4314	Amortization Expense	(4,826)	(4,826)	-	
301-000-00-24-4318	Depreciation Equipment	954,005	954,005	-	
301-000-00-25-4320	Sand/Salt	100	100	-	
301-000-00-25-4380	Chemicals	72,100	76,426	4,326	6.00%
301-000-00-25-4387	Water Meters	15,000	15,450	450	3.00%
301-000-00-25-4405	Motor Fuel	10,000	10,100	100	1.00%
301-000-00-25-4410	Tires	1,000	1,000	-	
301-000-00-25-4413	Equipment/Accessories	10,000	10,000	-	
301-000-00-25-4430	Vehicle Maintenance	2,600	2,600	-	
301-000-00-25-4540	Repair/Maintenance Buildings	29,700	50,000	20,300	68.35%
301-000-00-25-4540	Repair/Maintenance Buildings - WTP ROOF	200,000	-	(200,000)	-100.00%
301-000-00-25-4540	Repair/Maintenance Buildings - WH SECURITY AL	300	300	-	
301-000-00-25-4545	Repair/Maintenance Equipment	55,000	81,500	26,500	48.18%
	Repair/Maintenance Equipment - HYDRANT		7,500	7,500	100.0%
	Repair/Maintenance Equipment - HYDRANT		11,000	11,000	100.0%
301-000-00-25-4570	Electricity	130,000	130,000	-	
301-000-00-25-4580	Natural Gas	25,000	25,000	-	
301-000-00-25-4582	Solar Credit	(1,000)	-	1,000	-100.00%
301-000-00-71-4612	Capital Transfers (fund 399) - misc eq	18,000	18,000	-	
301-000-00-71-4612	Capital Transfers (fund 399) - Water Meter replacem	10,000	10,000	-	
301-000-00-71-4612	Capital Transfers (fund 399) - Replacement Vehicle	60,000	-	(60,000)	-100.00%
301-000-00-71-4612	Capital Transfers (fund 399) - Generator	125,000	-	(125,000)	-100.00%
301-000-00-71-4612	Capital Transfers (fund 399) - Well Maint	30,000	30,000	-	
301-000-00-71-4612	Capital Transfers (fund 399) - Well Maint 2	125,000	-	(125,000)	-100.00%
301-000-00-71-4612	Capital Transfers (fund 399) - Tower Maintenance	200,000	200,000	-	
301-000-00-85-4610	Debt Service Interest	8,681	6,360	(2,321)	-26.74%
301-000-00-85-4611	Debt Service Fees	100	100	-	
301-000-00-85-4625	Leased Assets Interest	1,220	1,220	-	
		$ 3,235,199	**$ 2,879,766**	**$ (355,433)**	-10.99%
	Net Profit/(Loss) - including depreciation	**$ (996,196)**	**$ (641,204)**		

CASH FLOW PURPOSE ONLY			
301-2070	Interfund Loan Principal payment	-	-
301-2251/2391	Long Term Debt - Curr Princ Pymt	97,505	103,089
301-2251/2391	Long Term Debt - Principal Payment - possible future capital improvements well/mtrs		

Water Capital Improvement Fund

Fund 399

Account Number	Description	2024 Actual	2025 Final Budget	2026 Budget	2027 Concept Budget	2028 Concept Budget	2029 Concept Budget	2030 Concept Budget
399-000-3155	Transfer In Revenue - Water Meter Repairs	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000
399-000-3155	Transfer In Revenue - Misc Equip Replmt	15,000	15,000	15,000	15,000	15,000	15,000	15,000
399-000-3155	Transfer In Revenue - Well Maintenance	1,240,000	155,000	30,000	30,000	30,000	30,000	30,000
399-000-3155	Transfer In Revenue - Wellhead/Water Supply R	30,000	-	-	-	-	-	-
399-000-3155	Transfer In Revenue - Waterleak Equipment	25,000	-	-	-	-	-	-
399-000-3155	Transfer In Revenue -CR 43/CR 81	150,000	-	-	-	-	-	-
399-000-3155	Transfer In Revenue - Pickup	-	60,000	-	-	-	-	-
399-000-3155	Transfer In Revenue - Water Tower Mtnc	760,000	200,000	200,000	200,000	200,000	200,000	200,000
399-000-3155	Transfer In Revenue - Computer Replacement	3,000	3,000	3,000	3,000	3,000	3,000	3,000
399-000-3155	Transfer In Revenue - Generator (new)	-	125,000	-	-	-	-	-
399-000-3155	Revenue Bonds - Proceeds - trans frm 301	~~1,500,000~~	-	-	-	-	~~1,500,000~~	-
399-000-3755	Water Access Charges	-	53,775	141,775	53,775	53,775	141,775	53,775
	Total Revenues	**$ 3,733,000**	**$ 621,775**	**$399,775**	**$311,775**	**$311,775**	**$1,899,775**	**$311,775**

CIP PROJECTS

Account Number	Description	2024 Actual	2025 Final Budget	2026 Budget	2027 Concept Budget	2028 Concept Budget	2029 Concept Budget	2030 Concept Budget
399-000-00-70-4316	Capital Purchases - Water Tower Repairs	$ -	$ -	$ -	$ -	$ -	$ -	$ -
399-000-00-70-4316	Capital Purchases - WELL 8	~~1,500,000~~	-	-	-	-	-	-
399-000-00-70-4316	Capital Purchases - WELL 9	-	-	-	-	-	~~1,500,000~~	-
399-000-00-70-4316	Capital Improvements - CR 43/CR81	150,000	-	-	-	-	-	-
399-000-00-70-4316	Capital Purchases - Vehicle	-	60,000	-	-	-		-
399-000-00-70-4316	Capital Purchases - Generator	-	125,000	-	-	-	-	-
399-000-00-20-4180	Wellhead/Water Supply Reports	30,000	-	-	-	-	-	-
399-000-00-25-4130	Misc Equipment upgrades/repairs	25,000	-	-	-	-	-	-
399-000-00-25-4545	Well Maintenance - yearly	1,240,000	155,000	30,000	30,000	30,000	30,000	30,000
399-000-00-25-4545	Water Towner Maintenance - yearly	50,000	200,000	200,000	200,000	200,000	200,000	200,000
399-000-00-25-4130	Computer Replacement Fund	3,000	3,000	3,000	3,000	3,000	3,000	3,000
	Total Expenses	**$ 2,998,000**	**$ 543,000**	**$233,000**	**$233,000**	**$233,000**	**$1,733,000**	**$233,000**
EXCESS REVENUES OVER EXPENSES		**$ 735,000**	**$ 78,775**	**$166,775**	**$ 78,775**	**$ 78,775**	**$ 166,775**	**$ 78,775**

Wastewater (Sewer) Enterprise Fund Revenues

Rate increase 10% for non industrial contract				2025-2026	
Account Number	**Description**	**2025 Final Budget**	**2026 Budget**	**$ Change**	**% Change**
401-000-3376	Insurance Proceeds & Dividends	$ 2,000	$ 2,000	$ -	
401-000-3810	Sewer Charges-Residential	1,663,636	1,770,921	107,285	6.45%
401-000-3811	Sewer Charges - Municipal	5,538	7,189	1,651	29.81%
401-000-3812	Sewer Charges - Industrial	419,877	493,018	73,141	17.42%
401-000-3813	Sewer Fixed Fee-Residential	549,758	551,838	2,080	0.38%
401-000-3814	Sewer Fixed Fee - Municipal	4,197	4,197	-	
401-000-3815	Sewer Charges-Commercial	387,478	352,573	(34,905)	-9.01%
401-000-3816	Sewer Septic Dumping Charges	3,000	3,000	-	
401-000-3817	Sewer Fixed Fee - Industrial	372	402	30	8.06%
401-000-3818	Sewer Fixed Fee-Commercial	37,090	37,448	358	0.97%
401-000-3820	Sewer Permit Org Fee	1,125	1,125	-	
401-000-3822	Sewer Charges - Multifamily	291,474	319,701	28,227	9.68%
401-000-3823	Sewer Fixed Fee - Multifamily	6,378	6,517	139	2.18%
401-000-3940	Lease/Rental/Cam Rental	16,000	16,000	-	
401-000-3980	Late Fees	85,000	85,000	-	
401-000-3990	Loan Interest Revenue	25,902	22,685	(3,217)	-12.42%
401-000-3991	Leases Interest Revenue	9,200	9,200		
401-000-3999	Interest Earned	10,000	50,000	40,000	400.00%
401-000-4151	Refunds/Reimbursements	1,000	1,000	-	
		$ 3,519,025	**$ 3,733,814**	**$ 214,789**	6.10%

	2025 Final Budget	**2026 Budget**	
Sewer Fund Expenses	3,354,422	3,704,712	
Projected Income / (Loss)	**$ 164,603**	**$ 29,102**	
(includes Depreciation)			
Sewer Fund Expenses - less depreciation	1,918,827	2,269,117	
Projected Income / (Loss)	**$ 1,600,198**	**$ 1,464,697**	**w/o SAC
(excluding Depreciation)			

Projected Cash Flow Change	**2025 Final Budget**	**2026 Budget**
Beginning Cash	$ 1,924,399	$ 2,442,102
Projected Income / (Loss) - less Depreciation	1,600,198	2,269,117
Pension-GASB 68 (Non-Cash Item)	10,000	10,000
Interfund Loan Principal Payments from Others	80,000	130,000
Long Term Debt - Principal Payment	(1,172,495)	(1,198,912)
Projected Ending Cash - 401	**$ 2,442,102**	**$ 3,652,307**
	**transfer funds from CIP in 2027 for debt	
depreciation expense	1,435,595	1,435,595
% of depreciation covered	111.47%	102.03%

Wastewater (Sewer) Enterprise Fund Expenses

Account Number	Description	2025 Final Budget	2026 Budget	2025-2026 $ Change	2025-2026 % Change
401-000-00-05-4002	Wages	$ 646,523	$ 681,744	$ 35,221	5.45%
401-000-00-05-4004	Overtime Wages	19,751	21,207	1,456	7.37%
401-000-00-05-4006	On Call Pay	17,500	17,500	-	
401-000-00-05-4008	Insurance Benefits (er)	45,262	48,552	3,290	7.27%
401-000-00-05-4009	HSA Accounts	2,950	3,050	100	3.39%
401-000-00-05-4010	F.I.C.A./Medicare (er)	52,313	55,120	2,807	5.37%
401-000-00-05-4012	P.E.R.A. (er)	51,288	54,040	2,752	5.37%
401-000-00-05-4021	PFMLA	3,014	3,177	163	5.41%
401-000-00-05-4016	WC Insurance	18,214	9,915	(8,299)	-45.56%
401-000-00-05-4018	Pension Exp - GASB 68	10,000	10,000	-	
401-000-00-05-4020	Union Insurance	43,380	44,280	900	2.07%
401-000-00-20-4140	Audit	7,000	9,000	2,000	28.57%
401-000-00-20-4150	Engineering	6,000	10,000	4,000	66.67%
401-000-00-20-4160	Testing	31,000	31,000	-	
401-000-00-20-4170	Legal	2,000	2,000	-	
401-000-00-20-4180	Other Consultants	1,000	1,000	-	
401-000-00-20-4185	Medical Exams	500	500	-	
401-000-00-25-4022	Bad Debt Expense	1,000	1,000	-	
401-000-00-25-4110	Bank Charges - PSN	30,000	30,000	-	
401-000-00-25-4130	Computers/Software - DAIMOND MAPS		852	852	100.0%
401-000-00-25-4130	Computers/Software - CIVIC SYSTEM	5,600	6,026	426	7.61%
401-000-00-25-4130	Computers/Software - CITIES DIGITAL	815	815	-	
401-000-00-25-4133	Computer Maintenance	1,000	1,000	-	
401-000-00-25-4134	Website	1,500	1,500	-	
401-000-00-25-4200	Printing - newsletter	850	950	100	11.76%
401-000-00-25-4210	Operating Supplies	15,000	15,000	-	
401-000-00-25-4212	Other Operations Expenses	1,000	1,000	-	
401-000-00-25-4215	Uniforms/Clothing	1,300	2,200	900	69.23%
401-000-00-25-4218	Boots/Shoes - per union Contract	1,050	1,050	-	
401-000-00-25-4220	Advertising	600	600	-	
401-000-00-25-4225	Sanitation/Garbage Removal	480	464	(16)	-3.33%
401-000-00-25-4230	Telephone/Internet-OnCall/EE Cell	3,800	3,276	(524)	-13.79%
	Telephone/Internet - new Ipads	1,440	1,440	-	
	Telephone/Internet - Windstream	1,560	1,740	180	11.54%
	Telephone/Internet - Total Control	800	800	-	
	Telephone/Internet - Verizon WWTP Cells	3,960	3,960	-	
	Telephone/Internet - Security Camera	405	405	-	
401-000-00-25-4235	Postage	7,500	7,500	-	
401-000-00-25-4238	Training/Schools	3,000	3,500	500	16.67%
401-000-00-25-4240	Travel/Mileage	300	300	-	
401-000-00-25-4243	Meals	100	100	-	
401-000-00-25-4250	Liability Insurance	35,322	52,193	16,871	47.76%
401-000-00-25-4255	Rent/Lease	200	200	-	
401-000-00-25-4256	Sludge Hauling/Dumping	85,000	75,000	(10,000)	-11.76%
401-000-00-25-4257	Contractors Hired	25,000	25,000	-	

Sewer Fund Expenses – (continued)

Account Number	Description	2025 Final Budget	2026 Budget	2025-2026 $ Change	2025-2026 % Change
401-000-00-25-4260	Subscriptions/Dues	5,000	700	(4,300)	-86.00%
401-000-00-25-4260	Subscriptions/Dues - MMUA	-	300	300	100.0%
401-000-00-25-4260	Subscriptions/Dues-MPCA		1,500	1,500	100.0%
401-000-00-25-4260	Subscriptions/Dues -RAILROAD	-	4,000	4,000	100.0%
401-000-00-25-4300	Awards - Employees LOS	100	100	-	
401-000-00-25-4313	Amortization Expense-leased assets	2,845	2,845	-	
401-000-00-25-4314	Amortization Expense	(16,410)	(16,410)	-	
401-000-00-24-4318	Depreciation Equipment	1,435,595	1,435,595	-	
401-000-00-25-4320	Sand/Salt	100	100	-	
401-000-00-25-4380	Chemicals	160,000	164,800	4,800	3.00%
401-000-00-25-4405	Motor Fuel	12,000	12,000	-	
401-000-00-25-4410	Tires	2,500	2,500		
401-000-00-25-4413	Equipment/Accessories	2,500	2,500	-	
401-000-00-25-4430	Vehicle Maintenance	6,000	6,000	-	
401-000-00-25-4540	Repair/Maintenance Buildings	10,000	10,000	-	
401-000-00-25-4545	Repair/Maintenance Equipment	75,000	10,000	(65,000)	-86.67%
	Repair/Maintenance Equipment- Manholes	-	50,000	50,000	100.0%
	Repair/Maintenance Equipment - Lift Rails	-	50,000	50,000	100.0%
	Repair/Maintenance Equipment - Safety Gate:	-	10,000	10,000	100.0%
	Repair/Maintenance Equipment - Level Contr	-	20,000	20,000	100.0%
	Repair/Maintenance Equipment - Bio Bldg	-	65,000	65,000	100.0%
401-000-00-25-4570	Electricity	175,000	176,750	1,750	1.00%
401-000-00-25-4580	Natural Gas	40,000	40,400	400	1.00%
401-000-00-25-4582	Solar Credit	(1,000)	(1,000)	-	
401-000-00-25-4585	Fuel Oil	7,000	7,210	210	0
401-000-00-71-4612	Capital Transfers/Fund 499	100,000	100,000	-	
401-000-00-71-4612	Capital Transfers/Fund 499 - Replacement Eq	-	186,000	186,000	100.0%
401-000-00-85-4610	Debt Service Interest	150,240	122,191	(28,049)	-18.67%
401-000-00-85-4611	Debt Service Fees	455	455	-	
401-000-00-85-4626	Leased Assets Interest	1,220	1,220	-	
		$ 3,354,422	$ 3,704,712	$ 350,290	10.44%
	Net Profit/(Loss) - including depreciation	**$ 164,603**	**$ 29,102**		
CASH FLOW PURPOSE ONLY					
401-2251/2391	Long Term Debt - Curr Princ Pymt	1,172,495	1,198,912		

Wastewater (Sewer) Capital Improvement Fund

Fund 499

Account Number	Description	2024 Actual	2025 Final Budget	2026 Budget	2027 Concept Budget	2028 Concept Budget	2029 Concept Budget	2030 Concept Budget
499-000-3155	Transfer In Revenue - Misc Equip Replmt	$ 50,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000
499-000-3155	Transfer In Revenue - Generators	150,000	-	170,000	-	-	-	-
499-000-3155	Transfer In Revenue - Floor Sweeper	-	-	6,000	-	-	-	-
499-000-3155	Transfer In Revenue - Bond Proceeds - PFA	-	-	-	29,000,000	-	-	-
499-000-3162	PFA Grant/State Apporiation Grant	-	-	-	19,000,000	-	-	-
499-000-3855	Sewer Access Charges	133,125	79,875	209,275	79,875	79,875	209,275	79,875
	Total Revenues	**$ 333,125**	**$ 179,875**	**$ 485,275**	**$ 48,179,875**	**$ 179,875**	**$ 309,275**	**$ 179,875**

CIP PROJECTS

Account Number	Description	2024 Actual	2025 Final Budget	2026 Budget	2027 Concept Budget	2028 Concept Budget	2029 Concept Budget	2030 Concept Budget
499-000-00-70-4316	Capital Purchases - Equipment Replacement	$ -	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000
499-000-00-70-4316	Capital Purchase - Generator #80 & #81	150,000	-	170,000	-	-	-	-
499-000-00-70-4316	Capital Purchase - Mower #311	-	-	10,000	-	-	-	-
499-000-00-70-4316	Capital Purchase - Floor Sweeper #308	-	-	6,000	-	-	-	-
499-000-00-70-4316	WWTP Expansion Phase II	-	-	-	48,000,000	-	-	-
	Total Expenses	**$ 150,000**	**$ 100,000**	**$ 286,000**	**$ 48,100,000**	**$ 100,000**	**$ 100,000**	**$ 100,000**
EXCESS REVENUES OVER EXPENSES		**$ 183,125**	**$ 79,875**	**$ 199,275**	**$ 79,875**	**$ 79,875**	**$ 209,275**	**$ 79,875**

Storm Water Enterprise Revenues

Account Number	Description	2025 Final Budget	2026 Budget	2025-2026 $ Change	2025-2026 % Change
601-000-3376	Insurance Proceeds/Dividends	$ 400	$ 400	-	
601-000-3860	Storm Sewer Charges-Resident	224,453	226,228	1,775	0.79%
601-000-3865	Storm Sewer Charges-Commercial	40,000	42,000	2,000	5.00%
601-000-3980	Late Fees	10,000	10,200	200	2.00%
601-000-3999	Interest Earned	9,000	9,000	-	
		$ 283,853	**$ 287,828**	**$ 3,975**	1.40%

	2025 Final Budget	2026 Budget
Storm Sewer Fund Expenses	405,617	413,476
Projected Income / (Loss)	**$ (121,764)**	**$ (125,648)**
(includes Depreciation)		
Storm Sewer Fund Expenses - less depreciation	223,917	231,776
Projected Income / (Loss)	**$ 59,936**	**$ 56,052**
(excluding Depreciation)		

Projected Cash Flow Change	2025 Final Budget	2026 Budget
Beginning Cash	349,939	409,874
Projected Income / (Loss) - less Depreciation	59,936	56,052
Projected Ending Cash	**$ 409,874**	**$ 465,927**
depreciation expense	181,700	181,700
% of depreciation covered	32.99%	30.85%

Storm Water Enterprise Expenses

		0.44%	0.44%	2025-2026	
Account Number	**Description**	**2025 Final Budget**	**2026 Budget**	**$ Change**	**% Change**
601-000-00-05-4002	Wages	$ 122,803	$ 127,929	5,126	4.17%
601-000-00-05-4004	Overtime Wages	500	500	-	
601-000-00-05-4008	Insurance Benefits (er)	6,019	6,317	298	4.95%
601-000-00-05-4009	HSA Accounts	475	475	-	
601-000-00-05-4010	F.I.C.A./Medicare (er)	9,398	9,791	393	4.18%
601-000-00-05-4012	P.E.R.A. (er)	9,212	9,597	385	4.18%
601-000-00-05-4021	PFMLA	542	567	25	4.61%
601-000-00-05-4016	WC Insurance	1,620	-	(1,620)	-100.00%
601-000-00-05-4018	Pension Exp - GASB 68	10,000	10,000	-	
601-000-00-05-4020	Union Insurance	-	-	-	
601-000-00-20-4140	Audit	2,500	2,500	-	
601-000-00-20-4150	Engineering	500	500	-	
601-000-00-25-4022	Bad Debt Expense	250	250	-	
601-000-00-25-4134	Website	480	480	-	
601-000-00-25-4200	Printing - Newsletter etc	850	950	100	11.76%
601-000-00-25-4210	Operating Supplies	500	500	-	
601-000-00-25-4212	Other Operations Expenses	100	100	-	
601-000-00-25-4220	Advertising	200	250	50	25.00%
601-000-00-25-4235	Postage	1,600	1,600	-	
601-000-00-25-4238	Training/Schools	500	225	(275)	-55.00%
601-000-00-25-4250	Liability Insurance	5,893	6,245	351	5.96%
601-000-00-25-4257	Contractors Hired	3,600	2,400	(1,200)	-33.33%
601-000-00-25-4260	Subscriptions/Dues	250	-	(250)	-100.00%
601-000-00-25-4300	Awards - Employee LOS	25	-	(25)	-100.00%
601-000-00-24-4318	Depreciation Equipment	181,700	181,700	-	
601-000-00-25-4320	Sand/Salt	100	-	(100)	-100.00%
601-000-00-25-4405	Motor Fuel	500	100	(400)	-80.00%
601-000-00-25-4410	Tires	500	500	-	
601-000-00-25-4430	Vehicle Maintenance	10,000	10,000	-	
601-000-00-25-4545	Repair/Maintenance Equipment	5,000	5,000	-	
601-000-00-71-4612	Capital Transfer Out - 699	30,000	35,000	5,000	16.67%
		$ 405,617	**$ 413,476**	**$ 7,858**	1.94%

Storm Water Capital Improvement

Fund 699

Account Number	Description	2024 Actual	2025 Final Budget	2026 Budget	2027 Concept Budget	2028 Concept Budget	2029 Concept Budget	2030 Concept Budget
699-000-3155	Transfer In Revenue - Misc Equip Replmt	$ 30,000	$ 30,000	$ 35,000	$ 50,000	$ 50,000	$ 50,000	$ 50,000
	Total Revenues	**$ 30,000**	**$ 30,000**	**$ 35,000**	**$ 50,000**	**$ 50,000**	**$50,000**	**$50,000**

CIP PROJECTS

Account Number	Description	2024 Actual	2025 Final Budget	2026 Budget	2027 Concept Budget	2028 Concept Budget	2029 Concept Budget	2030 Concept Budget
499-000-00-70-4316	Capital Purchases - Sweeper	$ -	$ -	$ -	$ -	$ 250,000	$ -	$ -
	Total Expenses	**$ -**	**$ -**	**$ -**	**$ -**	**$ 250,000**	**$ -**	**$ -**
EXCESS REVENUES OVER EXPENSES		**$ 30,000**	**$ 30,000**	**$ 35,000**	**$ 50,000**	**$(200,000)**	**$50,000**	**$50,000**

Liquor Store Revenues

Account Nur	Description	2025 Final Budget	2026 Budget	2025-2026 $ Change	2025-2026 % Change
501-000-3155	Transfer In Revenue	$ -	$ -	$ -	
501-000-3310	Liquor Sales	2,004,630	2,024,676	20,046	1.00%
501-000-3311	Non Alcoholic Liquor Sales	1,265	1,278	13	1.00%
501-000-3320	Beer Sales	2,597,781	2,519,848	(77,933)	-3.00%
501-000-3321	Non Alcoholic Beer Sales	26,976	27,246	270	1.00%
501-000-3330	Wine Sales	618,821	600,257	(18,565)	-3.00%
501-000-3331	Non Alcoholic Wine Sales	4,291	4,205	(86)	-2.00%
501-000-3332	THC Infused Seltzers	70,586	79,056	8,470	12.00%
501-000-3340	Mix/Pop	89,536	87,745	(1,791)	-2.00%
501-000-3341	Cigar Sales	10,248	12,297	2,050	20.00%
501-000-3342	Cigarette Sales - Non Tax	54,403	56,579	2,176	4.00%
501-000-3343	Ice/Water Sales - Non Tax	22,817	23,045	228	1.00%
501-000-3375	Miscellaneous Revenue	250	250	-	
501-000-3376	Insurance Proceeds	500	500	-	
501-000-3380	Bottle/Keg Deposits - Non Tax	(250)	(250)	-	
501-000-3385	Cash Over	(100)	(100)	-	
501-000-3390	Loyalty Program	(29,215)	(29,507)	(292)	1.00%
501-000-3999	Interest Earned	35,000	40,000	5,000	14.29%
		$ 5,507,539	**$ 5,447,125**	**$ (60,414)**	-1.10%
				$ (27,935)	-0.51%

Increase(decrease) to 2024 Actual

	2025 Final Budget	2026 Budget
Liquor Fund Expenses	5,862,309	5,843,369
Projected Income/ (Loss)	**$ (354,771)**	**$ (396,245)**
(includes Depreciation, includes Transfers)		
	5,789,119	5,768,211
Projected Income/(Loss)	**$ (281,580)**	**$ (321,087)**
(excluding Depreciation, includes Transfers)		
	5,377,309	5,358,369
Projected Income/(Loss)	**$ 130,229**	**$ 88,755**
(includes Depreciation, excludes Transfers)		

Gross Profit	2025 Final Budget	2026 Budget
Sales	$ 5,472,139	$ 5,406,725
Less Cost of Goods Sold	(4,081,803)	(4,014,505)
Gross Profit	**1,390,336**	**1,392,220**
Gross Profit %	25%	26%
Net Profit % before Transfers	2%	2%

Projected Cash Flow Change	2025	2026
Beginning Cash	1,461,779	1,180,199
Projected Income/Loss - less Depreciation	(281,580)	(321,087)
Long Term Debt - Principal Payment	-	-
Projected Ending Cash	**$ 1,180,199**	**$ 859,113**
depreciation expense	73,190	75,158
% of depreciation covered	-384.72%	-427.22%
% of Personnel to total Revenues	16%	17%

Liquor Store Expenses

Account Number	Description	2025 Final Budget	2026 Budget	2025-2026 $ Change	2025-2026 % Change
501-000-00-05-4002	Wages	$ 639,364	$ 679,696	$ 40,332	6.31%
501-000-00-05-4004	Overtime Wages	8,000	8,000	-	
501-000-00-05-4023	Sick & Safe Time Leave - PT	8,415	7,933	(482)	-5.73%
501-000-00-05-4008	Insurance Benefits (er)	89,097	93,704	4,607	5.17%
501-000-00-05-4009	HSA Accounts	7,152	7,350	198	2.77%
501-000-00-05-4010	F.I.C.A./Medicare (er)	50,172	53,221	3,049	6.08%
501-000-00-05-4012	P.E.R.A. (er)	49,188	52,179	2,991	6.08%
501-000-00-05-4021	PFMLA	2,890	3,068	178	6.16%
501-000-00-05-4016	W/C Insurance	24,840	12,194	(12,646)	-50.91%
501-000-00-05-4017	Unemployment Benefits	100	100	-	
501-000-00-05-4018	Pension Exp - GASB 68	10,000	10,000	-	
501-000-00-20-4140	Audit	7,000	9,000	2,000	28.57%
501-000-00-20-4170	Legal	1,000	1,000	-	
501-000-00-20-4180	Other Consultants	100	100	-	
501-000-00-25-4022	Bad Debt Expenditure	100	100	-	
501-000-00-25-4110	Bank Charges	108,000	113,400	5,400	5.00%
501-000-00-25-4111	Online Store Ordering Fees	1,200	1,200	-	
501-000-00-25-4126	Use Tax	100	100	-	
501-000-00-25-4130	Computers/Software - MISC ITEMS	1,000	1,000	-	
501-000-00-25-4130	Computers/Software-Civic System	2,726	2,726	-	
501-000-00-25-4130	Computers/Software - Daily Data	2,700	2,700	-	
501-000-00-25-4130	Computers/Software - LaiserFiche	815	815	-	
501-000-00-25-4130	Computers/Software -NCR	500	500	-	
501-000-00-25-4133	Computer Maintenance	500	500	-	
501-000-00-25-4134	Website	1,500	1,500	-	
501-000-00-25-4200	Printing - Newsletter etc	850	950	100	11.76%
501-000-00-25-4208	Copies - Marco lease	-	500	500	100.0%
501-000-00-25-4210	Operating Supplies	10,500	12,000	1,500	14.29%
501-000-00-25-4210	Operating Supplies - BL Center Own	300	300	-	
501-000-00-25-4212	Other Operations Expenses	500	500	-	
501-000-00-25-4213	Safety Training Expenses	250	250	-	
501-000-00-25-4215	Uniforms/Clothing	1,000	1,000	-	
501-000-00-25-4217	Cleaning Services	4,800	4,800	-	
501-000-00-25-4220	Advertising	12,000	10,000	(2,000)	-16.67%
501-000-00-25-4222	Marketing Items	-	500	500	100.0%
501-000-00-25-4225	Sanitation / Garbage Removal	9,000	9,672	672	7.47%
501-000-00-25-4230	Telephone/Internet - Verizon	504	1,008	504	100.00%
501-000-00-25-4230	Telephone/Internet - Charter/Ring	8,700	8,700	-	
501-000-00-25-4235	Postage	200	200	-	
501-000-00-25-4236	Postage - BL Cemter Ownr Assoc	24	24	-	
501-000-00-25-4238	Training/Schools	3,000	3,000	-	
501-000-00-25-4240	Travel/Mileage	400	400	-	
501-000-00-25-4243	Meals	100	100	-	
501-000-00-25-4250	Liability Insurance	15,708	16,493	785	5.00%
501-000-00-25-4249	Liability Insurance - BL Center Own	2,916	8,856	5,940	203.70%
501-000-00-25-4255	Rent/Lease	100	100	-	
501-000-00-25-4257	Contractors Hired	250	250	-	
501-000-00-25-4260	Subscriptions/Dues	680	680	-	
501-000-00-25-4260	Subscriptions/Dues - MMBA	3,700	3,700	-	
501-000-00-25-4260	Subscriptions/Dues - Tobacco	100	100	-	
501-000-00-25-4260	Subscriptions/Dues - Buyer Card	20	20	-	
501-000-00-25-4300	Awards - Employee LOS	30	30	-	

Liquor Store Expenses – (continued)

Account Number	Description	2025 Final Budget	2026 Budget	2025-2026 $ Change	% Change
501-000-00-24-4318	Depreciation Equipment	73,190	75,158	1,968	2.69%
501-000-00-25-4322	Leasehold Improvements	5,000	1,000	(4,000)	-80.00%
501-000-00-25-4371	Ground Maintenance-BL Center Owi	720	1,428	708	98.33%
501-000-00-25-4376	Snow Removal - Bl Center Ownr As	11,100	8,400	(2,700)	-24.32%
501-000-00-25-4413	Equipment/Accessories	5,000	5,000	-	
501-000-00-25-4540	Repair/Maintenance Buildings	8,000	8,000	-	
501-000-00-25-4545	Repair/Maintenance Equipment	5,000	5,000	-	
501-000-00-25-4570	Electricity	28,191	28,473	282	1.00%
501-000-00-25-4571	Electricity-BL Center Ownr Assoc	540	504	(36)	-6.67%
501-000-00-25-4580	Natural Gas	3,570	4,200	630	17.65%
501-000-00-25-4582	Solar Credit	(1,000)	(1,000)	-	
501-000-00-25-4590	Water/Sewer Utilities	1,320	1,558	238	18.05%
501-000-00-25-4591	Water/Sewer Utilities - BL Center O	216	216	-	
501-000-00-25-4595	Association/CAM Fees	16,800	7,800	(9,000)	-53.57%
501-000-00-25-4902	Donations/Sponsorship	1,500	1,000	(500)	-33.33%
501-000-00-27-4262	Purchases - Liquor	1,443,886	1,429,447	(14,439)	-1.00%
501-000-00-27-4263	Purchases - Beer	2,040,666	1,979,446	(61,220)	-3.00%
501-000-00-27-4264	Purchases - Wine	424,821	420,573	(4,248)	-1.00%
501-000-00-27-4265	Purchases - Mix/Pop	47,426	47,900	474	1.00%
501-000-00-27-4266	Purchases - Misc	13,548	15,580	2,032	15.00%
501-000-00-27-4267	Purchases - NonAlcoholic Beer	19,852	20,845	993	5.00%
501-000-00-27-4268	Purchases - NonAlcoholic Wine	2,910	2,619	(291)	-10.00%
501-000-00-27-4269	Freight - In	30,000	35,000	5,000	16.67%
501-000-00-27-4270	Puchasees - NonAlcoholic Liquor	550	578	28	5.00%
501-000-00-27-4271	Purchases - Cigars	9,941	11,929	1,988	20.00%
501-000-00-27-4273	Purchases - Cigarette Non Tax	47,703	50,088	2,385	5.00%
501-000-00-27-4274	Purchases - Bottle/Keg Non Tax	500	500	-	
501-000-00-27-4276	Puchases - THC	44,268	50,908	6,640	15.00%
501-000-00-71-4612	Operating Transfer Out - GF	450,000	450,000	-	
501-000-00-71-4612	Capital Transfer -FUND 599- Replcn	35,000	35,000	-	
		$ 5,862,309	**$ 5,843,369**	**$ (18,940)**	-0.32%
	Net Profit/(Loss) - including depreciation	**$ (354,771)**	**$ (396,245)**	**To prior year budget**	

Liquor Store Recap

	2025 Adopted Budget	2026 Budget	2025-2026 $ Change	2025-2026 % Change
Sales				
Gross Sales	$ 5,501,354	$ 5,436,232	$ (65,122)	-1.18%
Less Loyalty Program	(29,215)	(29,507)	(292)	1.00%
Cost of Sales	4,126,071	4,065,413	(60,658)	-1.47%
Gross Profit	**$ 1,346,068**	**$ 1,341,312**	**$ (4,756)**	**-0.35%**
Revenue Budget				
Gross Sales	$ 5,472,139	$ 5,406,725	$ (65,414)	-1.20%
Other Revenues	35,400	40,400	5,000	14.12%
Total Revenues	**$ 5,507,539**	**$ 5,447,125**	**$ (60,414)**	**-1.10%**
	-	-		
Expense Budget				
Personnel	$ 889,218	$ 927,445	$ 38,227	4.30%
Professional Services	8,100	10,100	2,000	24.69%
Operations	280,730	280,253	(476)	-0.17%
Cost of Sales	4,126,071	4,065,413	(60,658)	-1.47%
Capital/Transfers	485,000	485,000	-	0.00%
Debt	-	-	-	
Depreciation	73,190	75,158	1,968	2.69%
Total Expenses	**$ 5,862,309**	**$ 5,843,369**	**$ (18,940)**	**-0.32%**
	-	-		
Net Income/(Loss) with Depreciation	**$ (354,771)**	**$ (396,245)**	**$ (41,474)**	
Projected Ending Cash	**$ 1,180,199**	**$ 859,113**	**$ (321,087)**	**-27.21%**

Liquor Store Capital Improvement

Fund 599

Account Number	Description	2024 Actual	2025 Final Budget	2026 Budget	2027 Concept Budget	2028 Concept Budget	2029 Concept Budget	2030 Concept Budget
599-000-3155	Transfer In Revenue - Prkg Lot/Bldg Rprs/Mis	$ 35,000	$ 35,000	$ 35,000	$ 35,000	$ 35,000	$ 10,000	$ 10,000
	Total Revenues	**$ 35,000**	**$ 35,000**	**$ 35,000**	**$ 35,000**	**$ 35,000**	**$ 10,000**	**$ 10,000**

CIP PROJECTS

Account Number	Description	2024 Actual	2025 Final Budget	2026 Budget	2027 Concept Budget	2028 Concept Budget	2029 Concept Budget	2030 Concept Budget
599-000-00-70-4316	Capital Purchases - Flooring	$ -	$ -	$ 5,000	$ 5,000	$ 5,000	$ 5,000	$ -
599-000-00-70-4316	Capital Purchases - Coolers	-	-	-	15,000	-	-	-
599-000-00-70-4316	Capital Purchases - Entryway	10,000	-	-	-	-	-	-
599-000-00-70-4316	Capital Purchases - PA System	10,000	-	-	-	-	-	-
599-000-00-70-4316	Capital Purchases - Office/Breakroom floor	10,000	-	-	-	-	-	-
599-000-00-70-4316	Capital Purchases - Private/Nursing Room	5,000	-	-	-	-	-	-
599-000-00-70-4316	Capital Purchases - Cash Registers	-	10,000	-	15,000	-	-	-
599-000-00-70-4316	Capital Purchases - Floor Cleaning Machine	5,000	-	-	-	-	-	-
599-000-00-70-4316	Capital Purchases - Roof Repairs	-	-	20,000	20,000	20,000	-	-
599-000-00-70-4316	Capital Purchases - New Shelfing	-	10,000	-	-	-	-	-
599-000-00-70-4316	Capital Improvement - Parking Lot/Blgd Impr	53,000	-	-	-	-	-	-
	Total Expenses	**$ 93,000**	**$ 20,000**	**$ 25,000**	**$ 55,000**	**$ 25,000**	**$ 5,000**	**$ -**
EXCESS REVENUES OVER EXPENSES		**$ (58,000)**	**$ 15,000**	**$ 10,000**	**$ (20,000)**	**$ 10,000**	**$ 5,000**	**$ 10,000**

Lake Liquors
CITY OF BIG LAKE

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2026

CITY OF BIG LAKE
FEE SCHEDULE

Fee Schedule Summary

The City of Big Lake maintains a comprehensive **Fee Schedule** that establishes the rates charged for City services, permits, licenses, and facility rentals. The Fee Schedule ensures that costs associated with providing City services are distributed fairly among users and helps reduce the financial burden on the general taxpayer.

Purpose of the Fee Schedule Review

Each year, as part of the budget process, City staff review the Fee Schedule to ensure that fees:

- Reflect the **actual cost of providing services**, including staff time, materials, and administrative overhead.
- Remain **consistent with regional market rates** and comparable cities.
- Comply with **state and federal regulations** governing fee structures and cost recovery.
- Support the City's **goal of financial sustainability** by balancing user charges with general fund support.

Regular review of fees is the best practice for municipalities. Without periodic adjustments, the City's ability to recover service costs would decline over time due to inflation, increased service demand, or changes in regulatory requirements.

Fee Structure and Methodology

City fees are designed to promote fairness and transparency. Fees are typically set based on one of the following methods:

- **Cost Recovery:** Fees that directly offset the cost of a service (e.g., permits, plan reviews, inspections).
- **Market-Based:** Fees that align with rates charged by comparable communities or private providers (e.g., facility rentals, licenses).
- **Policy-Based:** Fees established by Council to encourage or discourage specific activities (e.g., code enforcement, environmental programs).

Departments submit recommended updates each year during the budget process. These recommendations are reviewed by the Finance Department to ensure consistency and financial justification before being presented to City Council for consideration.

2026 Fee Schedule Updates

The **2026 Fee Schedule** reflects a complete review of all City service charges. Adjustments were made to align fees with **current service costs**, **new regulatory requirements**, and **market comparisons**. Minor administrative changes were also made for clarity and ease of application.

While the Fee Schedule is reviewed alongside the budget, it is **adopted as a standalone item by City Council** following a **public hearing**. This process ensures transparency, public input, and compliance with applicable statutes.

All recommended fee adjustments have been incorporated into the **2026 Budget Book** and will be presented for adoption on **December 10, 2025,** City Council meeting, coinciding with the annual budget approval process.

Council Adoption

The Fee Schedule adoption requires a **public hearing** before formal approval by City Council. Once approved, the updated Fee Schedule becomes effective **January 1, 2026**, and serves as the official rate structure for all City departments. This annual review and public hearing process reinforce the City's commitment to transparency, accountability, and fairness in the delivery of municipal services.

Fee Schedule Overview

Each year, department staff and the City Council review the City's fee schedule to ensure fees recover the cost of services, promote fairness, and protect taxpayers. The fee schedule is reviewed at a public hearing and formally adopted by the City Council in December for the following calendar year.

Fees are established to reflect the actual cost of providing specific services—such as permits, inspections, and utility-related activities—so those costs are not subsidized by the general property tax levy. This ensures that individuals or entities who use City services pay for them, rather than shifting those costs to all taxpayers.

Maintaining a published fee schedule promotes transparency and consistency, reduces administrative burden, and supports strong internal controls. Many fees must also be adopted by Council and supported by cost data to comply with legal requirements and audit standards.

Annual review allows the city to adjust fees for inflation, staffing levels, and regulatory changes. Without regular review, the City risks under-recovering costs or increasing property taxes to fund service delivery. Neither outcome is sustainable.

The following pages present the **2026 City of Big Lake Fee Schedule**, adopted by the City Council on **December 10, 2025**, and applicable to the **2026 calendar and budget year**.

2026 General Fees

Code	Description		Amount
	GENERAL FEES		
Administrative Citations - **If not paid will be submitted to collections**			
140.07	1st Offense	$	75.00
	2nd Offense within 12 months of most recent similar offense	$	150.00
	3rd Offense within 12 months of most recent similar offense	$	300.00
	4th Offense and beyond within 12 months of most recent similar offense will be charged up to the maximum allowed by State Statute		
Adult Use			
380	Adult Use/Principal - per year	$	1,000.00
	Adult Use/Accessory - per year	$	2,000.00
Alcohol Beverage Tasting Event Fee			
	Alcohol Beverage Tasting Event - Lake Liquors - Two (2) hour limit- Per hour fee	$	75.00
Animal Licensing/Fees			
	Pet Pig License - BIENNIAL (every two years)	$	10.00
391.01	Dangerous Dog Registration - every year	$	300.00
	Potentially Dangerous Dog Registration -every year	$	150.00
	Animal Impound Fee	$	50.00
	Hearing Fee for Potentially Dangerous or Dangerous Dog	$	250.00
Antenna Site Application			
	Lease application for antennas on City's infrastructure	$	1,000.00
	Lease application for antennas that include interference analysis and intermodulation study	$	850.00
	Escrow will be determined by Consultant to proceed with the review of plans		
	All plans will reference a site lease agreement which will determine the monthly league payment due from the lessee		
Assessments			
	Assessment Searches/Utility Billing History Search - Per Tax Parcel	$	25.00
	Delinquent Account Certification Fees - Per Tax Parcel	$	20.00
	Delinquent Account Certification interest - Per Tax Parcel		6.00%
500	Snow Removal Violation plus contractor invoice - Per Property - 1st offense	$	50.00
	Snow Removal Violation plus contractor invoice - Per Property - 2nd offense	$	100.00
	Snow Removal Violation plus contractor invoice - Per Property - 3rd offense	$	150.00
510	Weed/Grass Violation plus contractor invoice and sales tax- Per Property -	$	196.00
	Administrative fee for Developer- Requested Chapter 429 Improvement Bonding Projects - Bond amount		1% of Bond Total
	Special Assessments 429 interest terms based on Policy - Interest is based on bond rate -		1.5% above Bond Rate
Big Lake Fire Department - Maintenance Billing, includes snowplowing, streets & equipment repairs, signs & striping, sweeping, etc.			
	Operator Fee Rate - per hour	$	42.78
	Materials used - i.e. salt/sand/asphalt/parts		Actual cost of product used
Big Lake Township - Maintenance Billing, includes snowplowing, street repairs, signs & striping, sweeping, etc.			
	Operator Fee Rate - per hour	$	42.78
	Materials used - i.e. salt/sand/asphalt		Actual cost of product used
Citations - Theft and/or Property Damage- If not paid will be submitted to collections			
140.07	1st Offense	$	125.00
	2nd Offense within 12 months of most recent similar offense	$	250.00
	3rd Offense within 12 months of most recent similar offense	$	375.00
Collection			
	Recovery Service Fee	$	20.00
Compost Site			
	Sherburne County Residential User two per household		No Fee
	Electronic Key-Card Replacement Fee and/or second card for household	$	10.00
	Non Sherburne County Residents as well as Elk River Residents will no longer be able to utilize Sherburne C		Not Allowed
Dock License			
560.03	Dock License per year	$	350.00
Document Services - (includes sales tax)			
	Bound Big Lake City Code Book	$	50.00
	Comprehensive Plan	$	50.00
	Copies - letter size (8.5" x 11") per sheet	$	0.25
	Copies - large construction plan (24"x36") Black & White per sheet	$	6.00
	Copies - large construction plan (24"x36") Color per sheet	$	10.00
	Copies - large construction plan (24"x36") Scan to PDF	$	6.00
	Downtown Design Standards	$	5.00
	Map - Plat 11" x 14"	$	1.00
	Park Plan	$	15.00

General Fee Schedule Continued

Code	Description		Amount
	GENERAL FEES		
Events Permits			
	Event Permits/Temporary Use (non-profit or community events - within City Limits - waived)	$	25.00
	In addition to the fee for the permit review, additional cost for police, clean up, deposit or incidental expenses may be charged		
570.13	*Parking fees at Lakeside Park may be waived for events benefiting non-profits, community events and for Big Lake businesses events open to the public*		
False Alarm Fee - Alarm System - Police Department - At the discretion of the Police Chief			
325	1st violation within calendar year - waived		waived
	2nd violation within calendar year - waived		waived
	3rd violation within calendar year - waived		waived
	4th violation within calendar year	$	50.00
	5th violation within calendar year	$	100.00
	Further violations within calendar year	$	200.00
Farmers Market - Full season passes only			
	Farmers Market Application Fee - For full Summer Season	$	140.00
	Farmers Market Application Fee - For full Winter Season	$	60.00
	Farmers Market Application Fee - Business/Organization -fundraising for Nonprofit - per year	$	50.00
	Farmer Market Bags - Per Bag (includes sales tax)	$	2.00
	Farmers Market Application Fee Refunded	$	5.00
Fire Box			
	Fire box purchased	$	165.00
Fire Inspect	Placeholder if service is approved		
	Business Fire Inspections - per business	$	50.00
	Single Family Rental Fire Inspections - per home	$	65.00
Fireworks			
396	Fireworks permit application fee	$	25.00
Franchise Fee - Utilities			
	Residential - Per Account Per Month	$	4.00
	Commercial - Per Account Per Month	$	8.00
Food Unit Vendors - Mobile			
321	Annual Fee - expires January 1st of each year - not prorated	$	200.00
	1 to 4 Day Permit (days do not need to be concurrent)	$	50.00
	5 to10 Day Permit (days do not need to be concurrent)	$	100.00
Gambling			
370.05	Investigation Fee - Lawful Gambling application	$	100.00
Garden Plot			
	Garden Plot Fee - per year	$	30.00
Hunting Permits			
530.01.4	Hunting on Privately Owned Property Permit		waived
Hydrant Flush Maintenance - Owner is responsible for all repairs to hydrant			
	Hydrant Flush Maintenance for Privately Owned Hydrants - yearly fee per hydrant	$	35.00
Junked Autos			
340.02	Special Use Permit - Junked Autos - 6 month	$	75.00
	One time 3 month extension	$	125.00
Lakeside Park Vendor Permit - **May-October**			
	Combined Seasonal Lakeside Park Vendor Permit/Annual Mobile Food Unit Permit	$	300.00
	Seasonal Lakeside Park Vendor Permit	$	200.00
	Maximum number of vendors at a time will be two (2)		
	Preference will be given to business in the City of Big Lake, Big Lake Township and Orrock Township		
	Fee can be administratively waived for City sponsored events		
Lake Mitchell Launch Access Keys -for City of Big Lake Residents only -			
	City of Big Lake Residents only - per key	$	20.00
	Replacement key	$	20.00
Late Fee			
	Late Payment Fee for non utility billing - Per Month		1.50%

General Fee Schedule Continued

Code	Description		Amount
	GENERAL FEES		
Liquor Licenses			
400.04	Liquor License - per year	$	4,000.00
	Wine License - per year	$	500.00
	Sunday License - per year	$	200.00
	Brewpub License - per year	$	500.00
	Brewpub Off-Sale License - per year	$	100.00
	Permanent Expansion of Premises - per expansion of license premises	$	100.00
	Temporary License - per event	$	25.00
	Temporary License - per event - Club or Non-Profit License requests		waived
	Temporary Outdoor On-Sale Event	$	25.00
420.01	Beer License (3.2%) - per year	$	75.00
	Taproom License - per year	$	500.00
	Small Brewer Off-Sale License - per year	$	100.00
Liquor Licenses Investigation Fee-New Liquor License Application			
400.04	Liquor License	$	1,000.00
	Brewpub, Taproom, Small Brewer License	$	500.00
	Wine License	$	500.00
420.05	Beer - (3.2%) Malt Liquor	$	100.00
Mail Box Installation - permit must be filled out		no fee	
	All mailbox locations and designs are subject to the City of Big Lake and Postmaster approval		
Massage License			
395	Massage Enterprise License - New	$	200.00
	Massage Therapist License - New	$	75.00
	Combination Massage Enterprise & Massage Therapist License - New	$	275.00
	Massage Enterprise & Therapist Investigation Background Check Fee (per person) - New	$	100.00
	Massage Enterprise License - Renewal	$	75.00
	Massage Therapist License - Renewal	$	25.00
	Combination Massage Enterprise & Massage Therapist License - Renewal	$	100.00
Park Shelter			
	Park Shelter Rental fee - per day - **non refundable**	$	30.00
	Park Shelter Rental fees at Lakeside Park may be waived for events benefiting non-profits, community events and for a Big Lake business event open to the public		
Park Plante	New program of sponsoring a park planter		
	Sponsor a planter	$	100.00
Parking Fines - **if not paid in 30 days will be submitted to collections**			
620.12	Improper parking	$	25.00
	Improper parking - **original ticket not paid within 14 days**	$	50.00
	Prohibited parking	$	25.00
	Prohibited parking - **original ticket not paid within 14 days**	$	50.00
	Fire Lane parking	$	25.00
	Fire Lane parking - **original ticket not paid within 14 days**	$	50.00
	Snow Removal parking	$	50.00
	Snow Removal parking - **original ticket not paid within 14 days**	$	100.00
	Fire Hydrant parking	$	50.00
	Fire Hydrant parking - **original ticket not paid within 14 days**	$	100.00
	No Parking (12:01 to 8:00am 11/01 to 4/15)	$	50.00
	No Parking (12:01 to 8:00am 11/01 to 4/15) - **original ticket not paid within 14 days**	$	100.00
	Handicapped parking	$	200.00
	Handicapped parking - **original ticket not paid within 14 days**	$	400.00
Parking Passes - includes sales tax			
Seasonal	Resident - Vehicle only - **May through October** (zip code is 55309)	$	10.00
Seasonal	Resident - Vehicle & Trailer - **May through October** (zip code is 55309)	$	20.00
	Resident - Mitchell Boat Launch - Pass with Key	$	20.00
	Resident - Mitchell Boat Launch - Replacement Key	$	20.00
Seasonal	Non-Resident - Vehicle only - **May through October -**	$	30.00
Seasonal	Non-Resident - Vehicle & Trailer - May through October	$	60.00
	Farmers Market - Wednesdays - May through September		waived
	Music in the Park - Thursdays - June through August		waived

Code	Description		Amount
	GENERAL FEES		
Daily Pass	Vehicle only - **May through October**	$	5.00
	Vehicle & Trailer **May through October**	$	20.00
570.13	***Parking fees at Lakeside Park may be waived for events benefiting non-profits, community events and for Big Lake businesses events open to the public***		
Peddler/Transient Merchant Permits			
320.03	Peddler/Transient Merchant application	$	25.00
	Peddler/Transient Merchant Permits - per day/per person	$	10.00
	(No fee is required for Solicitor Registrations)		
	"No Soliciting" window clings - includes sales tax	$	3.00
Police Department Fees			
	Police Reports/Copies (includes sales tax)- Non Subject of Police Data up to 100 pages - Per Page	$	0.25
	Police Reports/Copies (includes sales tax)- Non Subject of Police Data 101 pages or more		Actual cost
	Police Reports/Copies - Data requested by crime victim/subject of data		waived
	Police Squad - Per Hour	$	35.00
	Fingerprinting (free for adoptions)	$	25.00
	Photo CD (includes sales tax) - Per Copy	$	15.00
	Electronic Case File Data (includes sales tax) - Per Copy	$	35.00
	Impound Release Fee	$	50.00
Police Lift Assist - Police Department - At the discretion of the Police Chief			
	1st call		waived
	2nd call	$	250.00
	3rd and beyond call	$	500.00
Police Yard Signs for Sale - includes sales tax **NO LONGER AVAILABLE**		$	10.00
Property Violations - also see Assessments			
	Snow Removal Violations plus contractor invoice - Per Property	$	163.00
	Weed/Grass Violation plus contractor invoice - Per Property	$	196.00
Revolving Loan			
	Revolving Loan Application Fee - EDA		1% of loan
Rental Housing Registration			
915.01	Single Family units - yearly	$	25.00
	Duplex units - yearly	$	25.00
910.07	Multifamily building containing three (3) dwelling units -yearly inspections	$	320.00
	Multifamily dwelling units additional charge/ unit after original three (3) units	$	13.00
	Re-inspection fee - see staff billing rates		Staff billing rates
Return Check			
	Return check fee	$	30.00
Right of Way			
1400.1	Right of Way Permit Fee	$	150.00
	Right of Way Permit Escrow		Minimum of $3,000
Signs			
1300	Permanent Sign Permit - Including Wall Mount and Pylon (could include multi-signs) - **each permit**	$	100.00
	Temporary Sign Permit- days allowed based on code - (plus escrow listed below) -**each permit**	$	50.00
	Temporary Sign Permit fee will be waived for events benefiting non-profits, and community events and for Big Lake businesses events open to the public		
	Temporary Sign Fee - Escrow	$	100.00
	Sign Code Violation - Per Offense	$	50.00
Small Wireless Facility Permit			
1400.11	Permit on new pole	$	1,000.00
	First five in a batched application on existing pole	$	500.00
	Beyond the first five, per permit	$	100.00
Snow Removal Violation			
500	Snow Removal Violation plus contractor invoice - Per Property - 1st offense	$	50.00
	Snow Removal Violation plus contractor invoice - Per Property - 2nd offense	$	100.00
	Snow Removal Violation plus contractor invoice - Per Property - 3rd offense	$	150.00
Special Vehicle Permit - place holder			
	Special Vehicle Permit	**$**	-
Staff/Equipment Billing Rates**(staff time includes hourly fringe plus overhead cost)**			
	Accounting Clerk	$	55.00
	Building & Inspections	$	75.00

Code	Description		Amount
	GENERAL FEES		
Staff/Equipment Billing Rates**(staff time includes hourly fringe plus overhead cost)**			
	City Administrator	$	120.00
	City Clerk	$	65.00
	Clerical/Support	$	55.00
	Community Development Director	$	105.00
	Finance Director	$	105.00
	City Engineer	$	115.00
	Engineering Technician - if position is approved	$	75.00
	City Planner	$	65.00
	Consultant Planner - not as a pass through expense	$	75.00
	Liquor Store Manager	$	75.00
	Police Department Staff - per hour		
	Police Reserve Officer	$	40.00
	Police Investigator	$	120.00
	Police Captain	$	160.00
	Police Officer	$	110.00
	Police Sergeant	$	120.00
	Police Chief	$	190.00
	Public Work Staff - per hour		
	Maintenance	$	80.00
	Fleet Mechanic	$	90.00
	Foreman	$	105.00
	Director/Superintendent	$	110.00
	Equipment charge - per hour		
	Air Compressor	$	36.00
	Bucket Truck - NEW 2017	$	120.50
	Chain Saw	$	29.50
	Dump Truck	$	64.50
	Holder - NEW 2017	$	65.00
	Hydrant Meter -Per Month	$	50.00
	Jet Trailer	$	45.50
	Jet/Vac	$	211.00
	Lawn Mower	$	36.00
	Loader	$	120.50
	Patrol Vehicle	$	25.00
	Pickup Truck	$	36.00
	Skid Steer	$	65.00
	Small Tools Miscellaneous	$	7.00
	Street Sweeper	$	42.00
	Tandem Dump Truck	$	120.50
	Tractor	$	65.00
	Trailer	$	45.50
	Up-Armor Vehicle	$	120.00
	UAV/Robot	$	25.00
	Weed Whip	$	29.00
	Equipment charge - per day		
	Tapping Machine	$	66.00
	Tapping Machine Tap	$	28.00
	Sign Rental	$	4.50
Street Excavation			
710.01	Street Excavation Permit Fee	$	223.00
	Street Excavation Permit Escrow - As determined by city engineer		
Street Light			
830	Street Light Utility System Fee Residential Unit - Per Month	$	3.00
	Street Light Utility System Fee Non -Residential Unit - Per Front Footage/Month	$	0.042

General Fee Schedule Continued

Code	Description	Amount
	GENERAL FEES	
Tobacco License		
350.03	Tobacco License per Calendar year	$ 100.00
	Tobacco Licenses Investigation Fee-New License Application	$ 100.00
THC - Cannabinoid Product Retailers		
	Cannabinoid Products Retailer Licenses - place holder	TBD
Trash Hauler		
335.02	Trash Hauler License - Per Calendar Year	$ 150.00
Temporary Structure		
	Temporary Structure (Tent) Permit - approved by Fire Department - **(could be multi tents)each permit**	$ 25.00
Water Tower Lease Fee		
	Water Tower lease fee	Per Individual Contract
Weed/Grass Violation		
510	Weed/Grass Violation plus contractor invoice and sales tax- Per Property -	$ 196.00

2026 Community Development Building Fees

Code	Description	Amount
	COMMUNITY DEVELOPMENT BUILDING FEES	
	If a permit is cancelled, the plan review fee is due/ non-refundable.	
900.03	Building Permit Fee Schedule - based on valuation	See schedule below
	Total Valuation	Fee
	$1.00 TO $1,100	$ 50.00
	$1,101 to $2,000	$28 for 1ST 500, plus $3.70 for each addtl 100, or fraction thereof, to and including 2000.
	$2,001 to $25,000	$83.50 for 1ST 2,000, plus $16.55 for each addtl 1,000, or fraction thereof, to and including 50,000.
	$25,001 to $50,000	$464.15 for 1ST 25,000, plus $12 for each addtl 1,000. or fraction thereof, to and including 100,000.
	$50,001 to $100,000	$764.15 for 1ST 50,000, plus $8.45 for each addtl 1,000, or fraction thereof, to and including 100,000.
	$100,001 to $500,000	$1,186.65 for 1ST 100,000, plus $6.75 for each addtl 1,000, or fraction thereof, to and including
	$500,001 to $1,000,000	$3,886.65 for 1ST 500,000, plus $5.50 for each addtl 1,000, or fraction thereof, to and including
	$1,000,000 and up	$6.636.65 for 1ST 1,000,000, plus $4.50 for each addtl 1,000, or fraction thereof.

Community Development Building Fee Schedule Continued

Code	Description	Amount
	COMMUNITY DEVELOPMENT BUILDING FEES	
	If a permit is cancelled, the plan review fee is due/ non-refundable.	
	Administrative Fee - Permit Refund	$ 25.00
	Basement Refinish	$ 150.00
	Plan Review	65% of Permit Fee
	Plan Review - Duplicate Plan -UPON REVIEW	25% of Permit Fee
	Plan Review - Accessory Structure	65% of Permit Fee
	Plan Review Revisions - Per Hour	$ 50.00
	Air Conditioner	$ 50.00
	Deck Permit - Residential	Use Building fee Schedule
	Demo	$ 100.00
MN Bldg Code	Expired Permit -Continue Work & Inspections of Project - investigation fee of original project	$ 75.00
1300.0120.Sub	Expired Permit -Continue Work & Inspections of Project - New Permit for original project	50% of original permit fee
	Fence Permit < 7' (Zoning)	$ 55.00
	Fence Permit >7' - see Valuation Table listed above with Building Permit Fees	See 900.03 building fees
	Fireplace	$ 100.00
	Fire Suppression	2% of Job Value
	Fire Suppression Plan Review	65% of Permit Fee
	Furnace Replacement	$ 50.00
	After Hours / Weekend Inspection Minimum 2 hours - Per Hour	$ 63.25
	Investigation Fee	Up to 100% of Permit Fee
	Land Alteration Permit (i.e. landscape, grading) Fee - minimum of $50	Use Building fee Schedule
	Land Alteration Permit (i.e. landscape, grading) Escrow	as determined by Engineer
	Land Alteration Permit for school curriculum - permit issued, but fee waived	waived
	Lawn Irrigation - Residential Permit	$ 50.00
	Lawn Irrigation - Comm Permit	$ 100.00
	Mechanical (New Residential)	$ 150.00
	Mechanical (Remodel, Addition)	$ 100.00
	Mechanical (New Commercial) -	Use Building fee Schedule
	Mechanical (Remodel, Addition - Comm) -	Use Building fee Schedule
	Mechanical Plan Review Fee	50% of Permit Fee
	Moving Structure	$ 100.00
	Moving Structure - Site Inspection	$ 50.00
	Partial Certificate of Occupancy (PCO) Commercial Escrow (refunded if completed by 30 days)	$ 1,500.00
	Partial Certificate of Occupancy (PCO) Residential Escrow (refunded if completed by 30 days)	$ 1,500.00
	PCO are at the Building official discretion	
	Permit Card - Copy Replacement	$ 5.00
	Plumbing Alteration - Residential	$ 100.00
	Plumbing Residential (New Homes)	$ 200.00
	Plumbing Residential (Remodel, Addition)	$ 100.00
	Plumbing Drain Tile	$ 100.00
	Plumbing Commercial (New) -	Use Building fee Schedule
	Plumbing Commercial (Remodel, Addition) -	Use Building fee Schedule
	Re-Inspection Fee	$ 75.00
	Roofing (Residential)	$ 100.00
	Roofing (Commercial) - See Valuation Table listed above with Building Permit Fees	See 900.03 building fees
	Seed/Sod Fee - (plus escrow listed below)	$ 140.00
	Landscape Escrow	$ 2,500.00
	Siding - Residential - includes replacement of water meter device on siding ($20- water meter)	$ 120.00
	Swimming Pools - In ground	$ 150.00
	Swimming Pools / Hot tubs	$ 55.00
	Water Softer	$ 50.00
	Water heater Replacement	$ 50.00
	Window Replacement - Residential	$ 100.00

Fee Refunds - Refund requests must be submitted in writing by permit applicant before any work has started. The applicant shall be responsible for 100% of plan review fee; all other fees may be refunded.

2026 Community Development Economic Development Fees

Code	Description	Amount	
	COMMUNITY DEVELOPMENT ECONOMIC DEVELOPMENT FEES		
	Revolving Loan Application Fee - EDA	1% of loan	
	Tax Abatement Districts - (plus escrow listed below)	$	500.00
	Tax Abatement Districts Escrow -	$	10,000.00
	Tax Increment Financing (TIF) Districts - (plus escrow listed below)	$	500.00
	Tax Increment Financing (TIF) Districts Escrow	$	10,000.00
	Water Access Charge (WAC) & Sewer Access Charge (SAC) -429 Assessment Agreement	$	500.00

2026 Community Development Land Use Fees - Planning, Zoning, Subdivision

Code	Description	Amount	
	COMMUNITY DEVELOPMENT LAND USE FEES (Planning, Zoning, Subdivision)		
	In addition to the fees listed, the actual costs incurred for services provided by the City Engineer, City Attorney, Planning Consultant, or other consultants, along with advertising expenses associated with Public Hearings and postage for mailings, will be charged on a direct cost basis. These charges will be passed through to the developer's escrow account.		
	Amendments - Ordinance, Map, Comprehensive Plan - (plus escrow listed below)	$	500.00
	Amendments - Ordinance, Map, Comprehensive Plan - Escrow	$	1,000.00
	Administrative Fee - Permit Refund	$	25.00
	Appeals	$	600.00
	Approved Site Plan Escrow Letter - as determined by Planning and Engineering department	Determined by City Engineer & Planner	
	Annexations - Residential	$	1,000.00
	Annexations - Commercial/Industrial		waived
	Annexation Escrows -Residential and Commercial/Industrial	$	500.00
	Concept Plan - (plus escrow listed below)	$	250.00
	Concept Plan Escrow	$	1,000.00
	Conditional Use Permit (CUP) - (plus escrow listed below)	$	500.00
	Conditional Use Permit - Escrow	$	1,000.00
	Conditional Use Extension Fee - first time for an additional year	$	100.00
	Conditional Use Extension Fee - second renewal approved by council	$	400.00
	Environmental Review -EAW/AUAR/EIS - (plus escrow listed below)	$	500.00
	Environmental Review -EAW/AUAR/EIS Escrow	$	5,000.00
	Home Occupation Permit	$	55.00
	Interim Use Permit - (plus escrow listed below)	$	500.00
	Interim Use Permit Escrow	$	1,000.00
	Investigation Fee	$	55.00
	Map Upgrade Fee for new developments - per lot as determined in the development agreement		see agreement
	Park &Trail Dedication Residential	$2,500 per dwelling unit or land	
	Per state statute, this meets the requirement of Subd 2C, Nexus; which indicates that the fee must bear a rough proportionality to the need created by the proposed subdivision or development.		
	Park &Trail Dedication Commercial or Industrial	4% of FMV of Land Value or land	
	*All new subdivisions must satisfy park dedication requirements (land and/or cash) as determined by the City Council		

Code	Description		Amount
	COMMUNITY DEVELOPMENT LAND USE FEES (Planning, Zoning, Subdivision)		
	In addition to the fees listed, the actual costs incurred for services provided by the City Engineer, City Attorney, Planning Consultant, or other consultants, along with advertising expenses associated with Public Hearings and postage for mailings, will be charged on a direct cost basis. These charges will be passed through to the developer's escrow account.		
	~~Parking Pad Administrative Permit~~ SEE ZONING PERMIT	$	55.00
	Planned Unit Development (PUD) - Development Stage and Final Plan (plus escrow listed below)	$	750.00
	Planned Unit Development (PUD)-Development Stage and Final Plan - Escrow	$	3,000.00
	Plat - Final - (plus escrow listed below)	$	300.00
	Plat - Final Escrow	$	3,000.00
	Plat - Preliminary - (plus escrow listed below)	$	300.00
	Plat - Preliminary Escrow	$	5,000.00
	Recording Fee		Actual Cost
	Rezoning	$	500.00
	Site Plan Review - (plus escrow listed below)	$	300.00
	Site Plan Review Escrow	$	2,000.00
	Special Planning Commission Meeting	$	350.00
	**requested by developer and not one of regular scheduled meeting - fee covers cost of expense for extra meeting		
	Subdivisions Administrative	$	300.00
	Subdivisions Administrative - Escrow	$	1,000.00
	Subdivisions Simple - (plus escrow listed below)	$	500.00
	Subdivisions Simple Escrow	$	3,000.00
	Temporary Use Permits (non-profit or community events - within City Limits - waived)	$	25.00
	Temporary Structure (Tent) Permit - approved by Fire Department - **(could be multi tents)each permit**	$	25.00
	Vacations - (plus escrow listed below)	$	500.00
	Vacations Escrow	$	1,000.00
	Variances - Residential/Commercial/Industrial - (plus escrow listed below)	$	350.00
	Variances - Residential - Escrow	$	1,000.00
	Variances - Commercial/Industrial - Escrow	$	1,000.00
	Wetland Application - (plus escrow listed below) plus actual cost	$	500.00
	Wetland Escrow -	$	350.00
	Zoning letter - formal letter attesting to the land use regulations for a specific site	$	55.00
	Zoning Permit - I.E., Chicken Coops, Bee Hives, Parking Pad, Accessory Structures less than 200 sq. ft	$	55.00

Planning & Zoning

CITY OF BIG LAKE

2026 Water/Wastewater (Sewer)/Storm Water Fees

Code	Description		Amount
	WATER/WASTEWATER/STORM WATER FEES:		
	Water Rates - Residential		
800.21	0 - 6,500 gallons monthly usage - Per 1,000 gallons	$	3.89
	over 6,500 gallons monthly usage - Per 1,000 gallons	$	4.84
	Monthly Fixed Fee	$	6.81
	Water Rates - Multi-Family		
	0 - 88,600 gallons monthly usage - Per 1,000 gallons	$	3.89
	over 88,600 gallons monthly usage - Per 1,000 gallons	$	4.84
	Monthly Fixed Fee - IF LESS THAN 2" otherwise see charge under commercial based on meter size	$	15.63
	Water Rates - Municipal		
	All gallons monthly usage - Per 1,000 gallons	$	12.57
	Monthly Fixed Fee	$	21.66
	Water Rates - Irrigation		
	0 - 88,600 gallons monthly usage - Per 1,000 gallons	$	3.89
	over 88,600 gallons monthly usage - Per 1,000 gallons	$	4.84
	Monthly Fixed Fee	$	15.63
	Water Rates - Commercial		
800.21	0 - 51,000 gallons monthly usage - Per 1,000 gallons - plus sales tax	$	2.39
	over 51,000 gallons monthly usage - Per 1,000 gallons - plus sales tax	$	2.62
	Monthly Fixed Fee - based on meter size - see chart below all rates per month fee:		
	5/8" - 1"	$	6.81
	1 1/2 "	$	9.72
	2"	$	15.63
	3"	$	59.32
	4"	$	75.50
	6"	$	113.24
	8"	$	156.38
	Water Rates - Industrial (per Contract)		
800.21	0 - 51,000 gallons monthly usage - Per 1,000 gallons - plus sales tax	$	4.78
	over 51,000 gallons monthly usage - Per 1,000 gallons - plus sales tax	$	5.31
	Monthly Fixed Fee -	$	485.86
	Water Access Charges		
	Water Access Charges (WAC)- anticipated daily use of water less than 25,000 gallons - Per Unit	$	3,585.00
	Units will be determined by Building Official and/or Engineer, based on Met Council Formula. Credit will be given for prior WAC paid for property		
	WAC total charge is calculated utilizing the same unit charge per multiplier as per the Metropolitan Council Environmental Services (MCES) Sewer Availability Charge (SAC) Procedure		
	Water Access Charges (WAC)- for multi-tenant buildings greater than 4 units - Per Unit	$	2,200.00
	Units will be determined by Building Official and/or Engineer, based on Met Council Formula. Credit will be given for prior WAC paid for property		
	WAC total charge is calculated utilizing the same unit charge per multiplier as per the Metropolitan Council Environmental Services (MCES) Sewer Availability Charge (SAC) Procedure		
	Water Access Charges (WAC) - anticipated daily use of water greater than 25,000 gallons - Per Unit		Determined by City Engineer
	Other Water Service Fees		
	Water Availability Charge -parcels that have city water available but are not connected - Fee Per Year	$	75.00
	Water Inspections - New Hook-up	$	75.00
	Water Inspections - Repair	$	35.00
	Water Late Charges - Per Monthly billing		10% or $5, whichever is greater
	OPT - Out for Automatic Meter Reading - per month fee to have meter read by staff	$	5.00
	Water Meters - Residential (includes end points)	$	469.00
	Water Meters - Commercial -can fluctuate depending on model and brand -based on size		
	1" meter		$350 to $400
	1 1/2" meter	$	1,000.00
	2" meter	$	1,500.00
	3" meter		$2000 to $3000
	4" meter		$3000 to $9000
	Water Meter Certificate of Occupancy Inspection	$	40.00
	Water Meter Siding Inspection	$	40.00
	Water Bulk -water consumption use per 1,000 gallon-also billed MN Test Fee and Water Base Fee	$	5.00
	Water Shut Off Charge - at owners request	$	30.00

Code	Description		Amount
	WATER/WASTEWATER (SEWER)/STORM WATER FEES:		
	Water Shut Off Charge - at owners request	$	30.00
	Water Turn On Charge - at owners request	$	30.00
	Water Shut Off Charge - delinquency - 2 employees always sent for safety reasons	$	60.00
	Water Turn On Charge - delinquency - 2 employees always sent for safety reasons	$	60.00
	Water Test Fee - State of MN - Per Month - new amount per state	$	1.27
	Water Trunk Area Fee - Per Acre	$	1,650.00
	Water Use Restrictions - 1st violation within calendar year		waived
	Water Use Restrictions - 2nd violation within calendar year	$	25.00
	Water Use Restrictions - 3rd violation within calendar year	$	50.00
	Water Use Restrictions - 4th violation within calendar year	$	100.00
	Water Use Restrictions - 5th violation within calendar year	$	250.00
	Utility - Meter Reading (owner requested) for non electronic meters only	$	5.00
	Utility Credit for opting out of paper bills - per month	$	(0.50)
	Sewer Rates - Residential		
810.17	Per 1,000 gallons of monthly water usage-summer months bills are based on Average of Nov - April water bi	$	10.89
	Monthly Fixed Fee	$	11.55
	Sewer Rates - Multi - Family		
810.17	Per 1,000 gallons of monthly water usage-summer months bills are based on Average of Nov - April water bi	$	10.89
	Monthly Fixed Fee	$	11.55
	Sewer Rates - Municipal		
810.17	Per 1,000 gallons of monthly water usage- summary months based on Nov - April average usage of water	$	12.22
	Monthly Fixed Fee	$	17.49
	Sewer Rates - Commercial		
810.17	Per 1,000 gallons of monthly water usage-summer months bills are based on Average of Nov - April water bi	$	10.89
	Monthly Fixed Fee	$	18.28
	Sewer Rates - Industrial		
810.17	Per 1,000 gallons of monthly water usage based on actual water usage	$	15.99
	Monthly Fixed Fee	$	33.50
	Sewer Rates - Significant Industrial User (SIU) Charge w/o Treatment Agreement		
	Per 1,000 gallons of monthly usage based on actual water usage - (double the current industrial rate)	$	31.98
	Monthly Fixed Fee (double the current industrial rate)	$	67.00
	Brewery		
810.17	Per barrel based on actual monthly production	$	4.98
	Cargill Contract		
	Flow	$	14.63
	BOD	$	0.33
	TSS	$	0.05
	TP	$	8.50
	Sewer Base Rate	$	31.02
	Sewer usage will be determined as follows for new accounts and non-winter residents:		
	New Owner - Existing Property: Usage will be based on 4,000 gallons		
	New Owner OR New Construction: Usage will be based on 4,000 gallons		
	Non-winter Residents: Usage will be based on 4,000 gallons		
	Sewer Service Fees		
	Sanitary Sewer Trunk Area Fee - Per Acre	$	5,330.00
	Septage/Solids Dumping - billed at current commercial sewer rates per 100/gallons	$	10.89
	Septage Dumping - MN Limited - pipe water - per 1000 gallons (new)	$	40.00
	Sewer Access Charges		
	Sewer Access Charges (SAC)- anticipated daily use of water less than 25,000 gallons - Per Unit	$	5,325.00
	Units will be determined by Building Official and/or Engineer, based on Met Council Formula. Credit will be given for prior SAC paid for property		
	SAC total charge is calculated utilizing the same unit charge per multiplier as per the Metropolitan Council Environmental Services (MCES) Sewer Availability Charge (SAC) Procedure		
	Sewer Access Charges (SAC)- for multi-tenant buildings greater than 4 units - Per Unit	$	3,235.00
	Units will be determined by Building Official and/or Engineer, based on Met Council Formula. Credit will be given for prior SAC paid for property		
	SAC total charge is calculated utilizing the same unit charge per multiplier as per the Metropolitan Council Environmental Services (MCES) Sewer Availability Charge (SAC) Procedure		
	Sewer Access Charges (SAC) - anticipated daily use of water greater than 25,000 gallons - Per Unit		Determined by City Engineer

Water/Wastewater (Sewer)/Storm Water Fees continued

Code	Description	Amount
	WATER/WASTEWATER/STORM WATER FEES:	
	Other Sewer Service Fees	
	Sewer Inspections - New Hook-up	$ 75.00
	Sewer Inspections - Repairs	$ 35.00
810.19	Sewer Late Charges - Per Monthly billing	10% or $5, whichever is greater
	Sludge Processing Fee - per dry pound	$ 0.65
	Storm Water Service Fees	
820	Storm Water Drainage Utility Fee - Properties less than 1 acre - Per Month	$ 4.93
	Storm Water Drainage Utility Fee - Properties greater than 1 acre - Per Month Per Acre	$4.93/month/acre
	Storm Water Trunk Area Fee -	Determined by Engineer
	Storm Water Trunk Area Fee - developments where storm water is contained within the plat boundary	waived

Utilities
CITY OF BIG LAKE

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CAPITAL IMPROVEMENT PLAN

The Capital Improvement Plan (CIP) outlines the City's planned investments in infrastructure, equipment, and facilities over a multi-year period. This section highlights key capital projects and funding strategies that support long-term planning, financial sustainability, and community growth.

Capital Improvement Plan & Capital Budget

Capital Improvement Plan (CIP)

The Capital Improvement Plan (CIP) is a five-year planning document used to guide decisions regarding capital expenditures and long-term infrastructure investment. The first year of the CIP represents the Capital Budget, while the remaining four years identify anticipated capital needs and priorities.

The CIP allows the City to plan for major projects over time, including phasing projects and allocating resources in advance. This approach supports long-term financial planning and helps reduce reliance on debt by identifying and funding projects proactively.

The City utilizes a structured process to identify, evaluate, and prioritize capital projects. Departments submit capital requests, which are reviewed and aligned with the City's strategic plan, financial policies, and available funding. The CIP is updated annually to reflect changing priorities, project costs, and community needs.

It is important to note that inclusion in the CIP does not authorize expenditure. Each project requires separate City Council review and approval prior to procurement.

Capital Planning and Financial Integration

The CIP is integrated with the City's broader planning framework to ensure alignment between long-term goals and financial resources:

- **Long-Term Planning (10–25 years):** Strategic Plan, Vision, Growth Policy
- **Mid-Term Planning (5 years):** Capital Improvement Plan and Financial Plan
- **Short-Term Planning (1 year):** Annual Budget and Capital Budget

This integrated approach ensures that short-term decisions are consistent with long-term objectives and financial sustainability.

Capital Improvement Plan Funding

Capital projects are funded through a variety of sources, including:

- Local Government Aid (LGA)
- General Fund transfers
- Capital Improvement Fund balances
- Bonds (General Obligation and Revenue Bonds)
- Enterprise Fund transfers (Water, Sewer, Stormwater, Liquor)
- Park dedication fees and other dedicated revenues

Since 2016, Local Government Aid has been primarily allocated to support the Capital Improvement Plan and Capital Budget.

Purpose and Benefits

The CIP process allows the City to:

- Plan and prioritize capital investments over multiple years
- Align capital projects with strategic goals and financial capacity
- Evaluate the long-term operating impact of capital decisions
- Promote coordination across departments and stakeholders
- Provide transparency and support informed decision-making

Parks Development and Capital Funds

The Parks Development Fund accounts for capital improvements to the City's park and trail system and is primarily funded through park dedication fees associated with development.

As development activity slows, park dedication revenues are expected to decline. To support long-term park improvements, the City has established the Parks and Trail Capital Improvement Fund, funded through annual transfers from the General Fund and, in future years, Local Government Aid.

These funds support planned park improvements, trail expansions, and equipment replacement as identified in the City's Capital Improvement Plan.

Capital Project Funds

Capital Project Funds account for the acquisition and construction of major capital facilities, infrastructure improvements, and equipment replacement, excluding those financed by proprietary funds. These funds use the modified accrual basis for both financial reporting and budgeting purposes.

The City maintains the following Capital Project Funds:

- **Capital Project/Street Improvement Fund** – Accounts for bond proceeds and other funding sources used for major infrastructure improvements.
- **Infrastructure Improvement Fund** – Accounts for revenues from LGA, State Aid, grants, and General Fund transfers, supporting infrastructure improvements and transfers to Capital Project and Debt Service Funds.
- **Equipment and Building Replacement Fund** – Accounts for capital purchases such as vehicles, equipment, and building improvements, funded through LGA, asset sales, and General Fund transfers.
- **Park Development Fund** – Accounts for capital improvements to the park system, funded primarily through park dedication fees and supplemental transfers.

The City utilizes these funds to support long-term capital planning and reduce reliance on debt through a combination of dedicated revenues and strategic transfers.

The City's financial plan includes the strategic use of capital funds to offset future debt levies. Certain infrastructure-related debt payments are supported through transfers from the Infrastructure Improvement Fund during early years, delaying the need for a dedicated debt levy and helping to stabilize the overall tax impact.

Long-Term Capital Planning

In addition to the five-year CIP, the City maintains a long-range view of capital needs beyond the planning horizon. These projects are preliminary and support long-term financial planning and forecasting.

The Capital Improvement Plan is directly integrated with the City's long-term financial plan and property tax levy strategy, ensuring that infrastructure investments are prioritized, funded responsibly, and aligned with the City's commitment to long-term financial sustainability.

Capital Improvement Plan Summary 2026 – 2030

2026 through 2030 - Summary by Department

Dept	2026	2027	2028	2029	2030
Administration/Finance	**$ 150,000**	$ 33,000,000	$ 25,000	$ 25,000	$ 25,000
IT Department	**17,500**	17,500	17,500	117,500	26,500
Elections	**-**	6,000	-	6,000	-
Fire - City Portion only	**162,400**	224,900	249,900	362,400	245,900
Police Department	**92,611**	207,011	148,170	190,657	196,527
Streets Department	**455,000**	405,000	505,000	405,000	1,405,000
Streets Improvements	**1,200,000**	1,250,000	800,000	1,100,000	2,000,000
Parks Department	**119,000**	119,000	85,750	85,750	170,750
Park Development Fund	**1,175,000**	-	180,000	-	30,000
Water Enterprise Fund	**258,000**	258,000	258,000	258,000	258,000
Sewer Enterprise Fund	**286,000**	48,100,000	100,000	100,000	100,000
Storm Sewer Enterprise Fund	**35,000**	50,000	300,000	10,000	10,000
Liquor Store Enterprise Fund	**60,000**	90,000	60,000	35,000	15,000
City Debt Payments	**3,532,291**	7,762,647	7,782,876	7,541,070	5,944,570
Total General Fund and Enterprise Funds	**$ 7,542,802**	$ 91,490,058	$ 10,512,196	$ 10,236,377	$ 10,427,247

2026-2030 - Summary by Funding Source

Funding Source	2026	2027	2028	2029	2030
General Fund	**$ 599,011**	$ 505,011	$ 613,150	$ 459,150	$ 765,650
CIP FUND	**1,950,000**	1,250,000	800,000	1,300,000	2,030,000
LGA	**317,500**	474,400	418,170	533,157	1,304,027
PSA	**80,000**	-	-	-	-
Bonds	**-**	33,000,000	-	-	-
Park Devopment Fund	**425,000**	-	180,000	-	-
Water Operations	**258,000**	258,000	258,000	258,000	258,000
Revenue Bonds - Sewer	**-**	48,000,000	-	-	-
Sewer Operations	**286,000**	100,000	100,000	100,000	100,000
Storm CIP	**-**	-	250,000	-	-
Storm Operations	**35,000**	50,000	50,000	10,000	10,000
Liquor CIP	**5,000**	20,000	5,000	5,000	-
Liquor Operations	**55,000**	70,000	55,000	30,000	15,000
Debt - GF	**1,681,354**	3,027,101	3,021,623	2,856,086	2,864,070
Debt - SF	**981,270**	4,060,737	4,058,697	4,061,001	3,080,500
Debt - SA	**153,114**	152,646	153,143	152,589	-
Debt - GF/EF	**716,553**	522,163	549,413	471,394	-
Total All Funding Sources	**$ 7,542,802**	$ 91,490,058	$ 10,512,196	$ 10,236,377	$ 10,427,247

Building a stronger Big Lake together.
LIVE BIG!

Capital Improvement Plan Details for 2026-2035

Dept	Description	Funding Source	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Administration/Finance												
	City Hall Remodel/Repairs	LGA	-	-	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
	New City Hall/Police/Library	BONDS		26,100,000								
	Comprehensive Plan Update	CIP Fund	-	-				50,000	50,000			
	Transfer to CIP for Infastruction/Debt	LGA	150,000	-	-	-	-	-	-	-	150,000	150,000
	Administration/Finance Department Total		**150,000**	**26,100,000**	**25,000**	**25,000**	**25,000**	**75,000**	**75,000**	**25,000**	**175,000**	**175,000**
IT												
	Computer Replacement Plan	General Fund	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
	Computer Replacement Plan-Council/Comm	General Fund	-	-	-	-	9,000	-	-	-	-	-
	Server Replacement	CIP Fund						80,000				
	New Police software - replace Pro-Phoenix	LGA				100,000						
	Replace Del Squad Computers - Chg to LGA 2020	LGA	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500
	IT General Fund Total		**17,500**	**17,500**	**17,500**	**117,500**	**26,500**	**97,500**	**17,500**	**17,500**	**17,500**	**17,500**
Elections												
	Election Machines Replacement	General Fund	-	6,000	-	6,000	-	6,000	-	6,000	-	6,000
	Elections Department Total		**-**	**6,000**	**-**	**6,000**	**-**	**6,000**	**-**	**6,000**	**-**	**6,000**
Fire - City Portion only												
	Computers - 5 units life 5 yrs	General Fund	-	-	-	-	3,500	-	-	-	-	3,750
	Radio Replacements	General Fund	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400
	Thermal Image Cameras	CIP Fund	-	-	-	-	-	-	7,700	-	7,931	-
	Turnout Gear - 15-30 yrs	LGA	-	-	-	-	105,000	-	-	-	-	-
	Air Packs - (22@7500 each in 2030)	LGA	-	-	112,500	-	-	-	-	-	-	-
	Command Vehicle	LGA	-	-	-	25,000	-	-	-	-	-	-
	Jaws of Life - 5 yr Clyce (50K)	LGA	-	-	-	-	-	27,500	-	-	-	-
	Grass rigs replace 1 (2004) 140K	LGA	-	87,500	moved from 2025		-	-	-	-	-	-
	Engine 1 replace (2007) $800k	LGA	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000
	Engine 1 replaced	CIP Fund	-	-	-	-	-	450,000	-	-	-	-
	Ladder 1 (2003) $600k	LGA	125,000	100,000	100,000	100,000	100,000	100,000	100,000	50,000	50,000	50,000
	Water Tender 17 (2000) $300k	CIP Fund	-	-	-	200,000	-	-	-	-	-	-
	Fire Department Total		**162,400**	**224,900**	**249,900**	**362,400**	**245,900**	**614,900**	**145,100**	**87,400**	**95,331**	**91,150**
Police												
	Replace Tasers	General Fund	12,611	12,611	-	-	-	-	-	-	-	-
	AED -15	General Fund		-	60,000	-	-	-	-	-	-	-
	Replace Fleet	LGA	-	169,400	93,170	195,657	201,527	103,786	213,800	220,214	113,410	233,625
	Sale of Squad Cars	LGA	-	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)
	Replace FireArms	LGA	-	30,000								
	New Fleet	PSA	80,000									
	Replace Motorola Squad Radios/Portable Radios	LGA	-	-	-	-	-	-	42,735	-	-	-
	Police Department Total		**92,611**	**207,011**	**148,170**	**190,657**	**196,527**	**98,786**	**251,535**	**215,214**	**108,410**	**228,625**

Capital Improvement Plan Details– Continued

Dept	Description	Funding Source	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Streets Department												
	Misc Equipment Replacement Fund	General Fund	**5,000**	5,000	5,000	5,000	5,000	16,000	16,000	16,000	16,000	16,000
	STREET PROJECTS - Fund 196	General Fund	**150,000**	50,000	150,000	50,000	300,000	300,000	300,000	300,000	300,000	300,000
	STREET MAINT - FUND 196 FCH FEE	General Fund	**300,000**	350,000	350,000	350,000	400,000	400,000	400,000	400,000	400,000	400,000
	Replace Floor Sweeper/Scrubber	LGA	-	-	-	-	20,000					
	Replace 2005 Chev 2500 #32	LGA	-	-	-	-	-	-	-	-	-	90,000
	Replace 2013 Dump Truck purchased 2025	LGA	-	-	-	-	-	-	-	-	-	350,000
	Replace 2005 International Dump Truck #116	LGA	-	-	-	-	-	-	-	-	390,000	-
	Replace 2005 International Dump Truck #105	LGA	-	-	-	-	380,000	-	-	-	-	-
	Replace 2006 International Dump Truck #106	LGA	-	-	-	-	-		320,000	-	-	-
	Replace 2002 John Deer Loader #206	LGA	-	-	-	-	-	-	-	310,000	-	-
	Replace 2006 Case Backhoe #216	LGA	-	-	-	-	-	148,800	will be a different machine		-	-
	Replace 2002 John Deer Loader #112	LGA		-	-	-	300,000	-	-	-	-	-
	Street Department Total		**455,000**	**405,000**	**505,000**	**405,000**	**1,405,000**	**864,800**	**1,036,000**	**1,026,000**	**1,106,000**	**1,156,000**
Streets/Trails/Channel Improvements - Fund 175												
fund 196	Resurface - Humbolt/Putnam/198th	CIP Fund	-	-	-	-	400,000	-	-	-	-	-
	Resurface MSA Routes - Lakeshore/Hiawatha	CIP Fund	-	**1,050,000**	**can use state aid and grants**		-	-	-	-	-	-
	Resurface Neghborhood (north of lakes)	CIP Fund	-	-	700,000	Sterling/Addison/Ridge Road		-	-	-	-	-
	Resurface Neighborhood (center commerical)	CIP Fund	-	-			1,300,000	Central Commercial/Glenwood/Lake Street				-
	Channel Repairs	CIP Fund	-	200,000	applied for Grants and SSWD funding			-	-	-	-	-
	Minnesota Ave	CIP Fund	**600,000**									
	Prairie Meadows/172nd	CIP Fund				700,000						
	Signal upgrades to HWY 10/US 10 & MN 25	CIP Fund			100,000	100,000						
	Sealcoat Streets	CIP Fund	**600,000**	-	-	300,000	300,000	300,000	300,000	300,000	300,000	300,000
	Street Improvements Total		**1,200,000**	**1,250,000**	**800,000**	**1,100,000**	**2,000,000**	**300,000**	**300,000**	**300,000**	**300,000**	**300,000**
Parks Department												
	Park Playground equipment replacement fund	General Fund	**5,000**	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
	Misc Equipment Replacement Fund	General Fund	**5,000**	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
195	Trail Maintenance Fund	General Fund	**9,000**	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000
195	River Oaks Park Fund	General Fund	-	-	16,750	16,750	16,750	16,750	16,750	16,750	16,750	16,750
195	**PARK MAINT - FUND 195 FCH FEE**	General Fund	**100,000**	50,000	-	-	-					-
195	**PARK MAINT - FUND 195**	LGA	-	50,000	50,000	50,000	50,000	150,000	150,000	150,000	150,000	150,000
	Replace 2006 John Deere Tractor #306	LGA			-	-	-	180,000	-	-	-	-
	Replace 2022 Mower	CIP Funds	-	-	-	-	-	-	50,000	use misc equip		-
	Replace 2008 Dump Truck #08	LGA	-				85,000	-	-	-	-	-
	Parks Department (General Fund) Total		**119,000**	**119,000**	**85,750**	**85,750**	**170,750**	**365,750**	**235,750**	**185,750**	**185,750**	**185,750**
Park & Trail Development												
	Splash Pad	Park Dedicat	-	-	-	-	-	-	-	-	-	-
	Hidden Rivers Trail (195)	CIP Funds	-	-	-	-	30,000	-	-	-	-	-
	Lake Ridge Playground -Ball Field	Park Dedicat	**225,000**	-	-	-	-	-	-	-	-	-
	Lakeside Playground Beach Shelter (195)	Park Dedicat	**550,000**	-	-	-	-	-	-	-	-	-
	Mitchel Farms playground	CIP Funds	**200,000**	-	-	-	-	-	-	-	-	-
	Bluff Park Playground (195)	CIP Funds	-	-	180,000	-	-	-	-	-	-	-
	Shores of Lake Mitchell Playground - Soccer (195)	CIP Funds	**200,000**	**Look for Grants					-	-	-	-
	Skate Board Equipment	Grants		**Look for Grants or other funding sources - cost could be from $300,000 to $750,000							-	-
	Park Development Fund Total		**1,175,000**	**-**	**180,000**	**-**	**30,000**	**-**	**-**	**-**	**-**	**-**

Capital Improvement Plan Details – Continued

Dept	Description	Funding Source	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Water Enterprise Fund												
	Well #8	Revenue Bonds - Water										1,500,000
	CR 43 CR 81 Improvements	Water Operations		-	-	-	-	**look at extending 16400 Marketplace - in 10 years				
	Misc Equipment Replacement Fund	Water Opera	**15,000**	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
	Well Maintenance	Water Opera	**30,000**	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
	Water Tower Maintenance	Water Opera	**200,000**	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
	Water Meter replacement Fund	Water Opera	**10,000**	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
	Computer replacement fund	Water Opera	**3,000**	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
	Water Enterprise Fund Total		**258,000**	**258,000**	**258,000**	**258,000**	**258,000**	**258,000**	**258,000**	**258,000**	**258,000**	**1,758,000**
Sewer Enterprise Fund												
	WWTP Expansion - Phase II	Revenue Bor	-	48,000,000	-	-	-	-	-	-	-	-
	Misc Equipment Replacement Fund - lift panel	Sewer Operat	**100,000**	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
	Replace 1981 Generator #81	Sewer Operat	**170,000**	-	-	-	-	-	-	-	-	-
	Replace 2011 John Deere Mower #311	Sewer Operat	**10,000**	already have 50K frm 2023		-	-	-	-	-	-	-
	CR 43 CR 81 Improvements	Water Operations			-	-	-	**look at extending 16400 Marketplace - in 10 years				
	Replace Floor Sweeper #308	Sewer Operat	**6,000**		-	-	-	-	-	-	-	-
	Sewer Enterprise Fund Total		**286,000**	**48,100,000**	**100,000**	**100,000**	**100,000**	**100,000**	**100,000**	**100,000**	**100,000**	**100,000**
Storm Water Enterprise Fund												
	Misc Equipment Replacement Fund	Storm Opera	**35,000**	50,000	50,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
	Replace 2006 Sweeper #126	Storm CIP	-	-	250,000	-	-	-	-	-	-	-
	Storm Sewer Enterprise Fund Total		**35,000**	**50,000**	**300,000**	**10,000**	**10,000**	**10,000**	**10,000**	**10,000**	**10,000**	**10,000**
Liquor Store Enterprise Fund												
	Misc Building/Lot Repairs	Liquor Opera	**35,000**	35,000	35,000	10,000	10,000	35,000	35,000	35,000	35,000	35,000
	New Cooler Doors	Liquor CIP	-	15,000	-	-	-	-	-	-	-	-
	New Roof	Liquor CIP	**20,000**	20,000	20,000	-	-	-	-	-	-	-
	New Flooring	Liquor CIP	**5,000**	5,000	5,000	5,000	-	-	-	-	-	-
	Delivery Doors	Liquor CIP	-	-	-	20,000	-	-	-	-	-	-
	New PA System	Liquor CIP	-	-	-	-	5,000	-	-	-	-	-
	New Cash Registers	Liquor CIP	-	15,000	-	-	-	-	-	-	-	-
	New HVAC	Liquor CIP	-	-	-	-	-	-	-	-	-	-
	New Shelfing	Liquor CIP	-	-	-	-	-	-	20,000	-	-	-
	Liquor Store Enterprise Fund Total		**60,000**	**90,000**	**60,000**	**35,000**	**15,000**	**35,000**	**55,000**	**35,000**	**35,000**	**35,000**
City Debt Payments												
301	2004 PFA Water MPFA Loan	DEBT - WF	**-**	-	-	-	-					-
401	2009 MPFA Loan Wastewater Expansion	DEBT - SF	**981,270**	980,737	980,697	981,126	-					-
211	2010 PFA Loan - State Aid	DEBT - SA	**153,114**	152,646	153,143	152,589	-					-
217	2012A G.O. Refunding Bonds	DEBT - GF/I	**192,565**	-	-	-	-					-
222	2015A GO Refunding Bonds	DEBT - GF/I	**523,988**	522,163	549,413	471,394	-					-
223	2016A Taxable G.O. Refunding Bonds	DEBT - GF	**199,200**	198,998	198,370	89,108	91,395					-
224	2016B G.O. CIP BOND	DEBT - GF	**57,981**	56,744	50,563	-	-					-
226	2016C GO REFUNDING BOND	DEBT - GF	**333,300**	-	-	-	-					-
227	2017-2018 STREET PROJECT DEBT PAYMNT	DEBT - GF	**195,300**	195,725	196,000	196,125	196,015	195,668	195,166	194,323	193,135	-
228	2021A GO BONDS	DEBT - GF	**345,150**	346,000	346,550	346,800	350,065	351,296	347,156			-
229	2022-2026 STREET PROJECT DEBT PAYMENT	DEBT - GF	**550,423**	549,634	548,040	545,753	547,845	549,263	545,030	545,130		-
230	2027 NEW FACILITY	DEBT - GF		1,680,000	1,682,100	1,678,300	1,678,750	1,678,300	1,681,950	1,679,550	1,681,250	1,681,900
401	WWTP Expansion - Phase III	DEBT - SF	**-**	3,080,000	3,078,000	3,079,875	3,080,500	3,079,875	3,078,000	3,079,875	3,080,375	3,079,500
	City Debt Payment Total		**3,532,291**	**7,762,647**	**7,782,876**	**7,541,070**	**5,944,570**	**5,854,402**	**5,847,302**	**5,498,878**	**4,954,760**	**4,761,400**
Total General Fund ,Enterprise Funds and City Debt			**6,642,802**	**84,840,058**	**10,812,196**	**9,786,377**	**9,127,247**	**8,680,138**	**8,331,187**	**7,764,742**	**7,345,751**	**8,824,425**

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LOCAL GOVERNMENT AID

Since 2016, the City has dedicated Local Government Aid (LGA) as a primary funding source for the Capital Improvement Plan

Local Government Aid (LGA) Allocation

Local Government Aid (LGA) is a primary funding source for the City's Capital Improvement Plan and is used to support infrastructure investments, including street improvements, equipment replacement, and park and trail projects.

The City strategically allocates LGA to reduce reliance on debt and stabilize the property tax levy while maintaining long-term capital investment.

Beginning in 2030, projected LGA revenues are not expected to fully support the capital needs identified in the Capital Improvement Plan. As a result, the City will need to evaluate the timing and prioritization of projects. Additional funding sources, including transfers from the General Fund or other capital funds, may be required to complete planned projects.

If alternative funding sources are not identified, certain projects may be delayed or scaled to align with available resources.

Local Government Aid

Projected Increase %	97.0%	97.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Budget	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**	**2033**	**2034**	**2035**
LGA	$ 627,591	$ 608,763	$ 608,763	$ 608,763	$ 608,763	$ 608,763	$ 608,763	$ 608,763	$ 608,763	$ 608,763
LGA - TO 195 - Parks/Trails	-	50,000	50,000	50,000	50,000	150,000	150,000	150,000	150,000	150,000
LGA - TO 196 - Streets	-	-	-	-	-	-	-	-	-	-
LGA - TO 194	7,500	7,500	7,500	107,500	7,500	7,500	7,500	7,500	7,500	7,500
PSA - TO 199										
LGA - TO 199	620,091	551,263	551,263	451,263	551,263	451,263	451,263	451,263	451,263	451,263
ALLOCATION PER SERVICE										
ADMIN	$ -	$ -	$ 25,000	$ 25,000	$ 25,000	$ 25,000	$ 25,000	$ 25,000	$ 25,000	$ 25,000
BUILDING	-	-	-	-	-	-	-	-	-	-
ELECTION										
ENGINEERING	-	-	-	-	-	-	-	-	-	-
FIRE	160,000	222,500	247,500	160,000	240,000	162,500	135,000	85,000	85,000	85,000
FIRE-1 TIME PSA LADDER PURCHASE										
IT - Fund 194	7,500	7,500	7,500	107,500	7,500	7,500	7,500	7,500	7,500	7,500
PARKS	-	-	-	-	85,000	180,000	-	-	-	-
POLICE	-	194,400	88,170	190,657	196,527	98,786	251,535	215,214	108,410	228,625
POLICE - 1 TIME PSA	80,000	*New portable and mobile radios that have to be changed out per County/new vehicle*								
STREETS	-	-	-	-	700,000	148,800	320,000	310,000	390,000	440,000
CITY HALL FACILITY/DEBT - 196	150,000	-	-	-	-	-	-	-	-	-
PARKS/TRAIL PROJECT - 195	-	50,000	50,000	50,000	50,000	150,000	150,000	150,000	150,000	150,000
Total Allocated	**$ 397,500**	**$ 474,400**	**$ 418,170**	**$ 533,157**	**$1,304,027**	**$ 772,586**	**$ 889,035**	**$ 792,714**	**$ 765,910**	**$ 936,125**
unreserve +/-	230,091	134,363	190,593	75,606	(695,264)	(163,823)	(280,272)	(183,951)	(157,147)	(327,362)

Unallocated funds used for future purchases through 2031 at YE 2031 allocated balance would equal $ 86,898

DEBT SERVICE FUNDS

These funds account for the accumulation of resources used to pay principal and interest on the City's outstanding debt.

General Obligation Debt Fund

Fund Description

General Obligation Debt Service Funds account for the payment of principal and interest on the City's general obligation and improvement bonds. A separate debt service fund is established for each bond issue.

These funds are primarily supported through property tax levies, special assessments, State Aid, and transfers from other funds, including Capital Improvement Funds. The City utilizes structured repayment schedules and strategic funding sources to manage debt obligations, stabilize the tax levy, and support long-term financial planning.

Background

General obligation bonds are secured by the full faith and credit of the City, with the authority to levy property taxes for repayment.

For planning purposes, capital projects identified in the Capital Improvement Plan (CIP) that are funded through general obligation bonds are assumed to be financed accordingly. Debt issuances are structured in a manner consistent with the City's debt management policies, with interest rates estimated conservatively.

Source of Funds

The principal sources of revenue include property tax levies, special assessments, and State Aid. Additional revenues may include transfers from other funds.

The projected debt service levies reflect both existing obligations and anticipated future debt issuances. In certain cases, the City utilizes alternative funding sources, such as State Aid, Local Government Aid, special assessments, and General Fund transfers, to offset or delay the need for a dedicated debt levy.

Use of Funds and Fund Balance

In accordance with State Statute, resources within debt service funds are restricted for the payment of principal and interest on outstanding debt.

Additional information on existing and projected debt obligations, including debt service levies and limits are provided in the debt schedules within the Capital Improvement Plan and the Financial Section of this document.

JOINT POWERS AGREEMENT (JPA) – FIRE DEPARTMENT

The following section includes the Fire Department's annual budget to provide a comprehensive view of operations, and fundings, even though the budget is approved separately through the Joint Powers Board.

Joint Powers Agreement (JPA) – Fire Department

The Big Lake Fire Department operates under a Joint Powers Agreement between the City of Big Lake and Big Lake Township. The Department is a paid-on-call fire department, with costs shared equally between the two entities.

The City's share of Fire Department costs is included within the General Fund budget.

The inclusion of this budget enhances transparency and provides a complete overview of public safety services provided to the community.

For 2026, the Fire Board has approved the use of $30,422 of unassigned fund balance to support the operating budget and reduce the levy impact to both City and Township taxpayers.

JPA Fire Department Revenues and Expenditures Budget

Expenditures

Program	2024 Actual	2025 Adopted Budget	2026 Final Budget	2025-2026 $ Change	2025-2026 % Change
Fire Admin Total	$ 67,810	$ 46,350	$ 61,734	$ 15,384	33.19%
Fire Fighting Total	325,358	342,212	358,268	16,055	4.69%
Fire Prevention Total	6,379	7,000	8,000	1,000	14.29%
Fire Training Total	30,680	28,400	31,400	3,000	10.56%
Fire Communication Total	13,129	16,200	15,000	(1,200)	-7.41%
Fire Repair Services Total	26,167	43,500	43,500	-	
Medical Services Total	5,200	7,000	7,000	-	
Fire Stations/Bldgs Total	32,449	42,356	41,400	(956)	-2.26%
Reimburseable Disbursements Total	1,500	-	-	-	
Prepaid Expenses - 2026 Insurance Total	14,151	-	-	-	
Current Year Operational Expenditures	**$ 522,823**	**$ 533,018**	**$ 566,302**	**33,284**	**6.24%**

Revenues

Program	2024 Actual	2025 Adopted Budget	2026 Final Budget	2025-2026 $ Change	2025-2026 % Change
Donations Total	$ 16,275	$ 5,000	$ 5,000	$ -	
Fire Protection Service Total	**513,438**	**533,018**	**528,780**	(4,238)	-0.80%
Investment Earnings Total	2,370	1,000	1,000	-	
Misc Revenue Total	5,064	1,100	1,100	-	
Unreserve Fund Balance Total	-	-	30,422	30,422	100.0%
Current Year Revenues	**$ 537,147**	**$ 540,118**	**$ 566,302**	**$ 26,184**	4.85%
Projected Excess Revenues (Rev - Expd)	**$ 14,324**	**$ 7,100**	**$ 0**		

	2024	2025	2026
Total Expenditures including CIP	710,463	$ 2,789,518	$ 616,302
Less Orrock Township - update each year	(75,402)	(72,082)	(67,844)
Fund Balance used	-	-	(30,422)
ADJ TOTAL EXPENDITURES	**$ 635,061**	**$ 2,717,436**	**$ 518,036**

JPA Fire Department Capital Purchases Budget

All Capital Purchases are approved each year by the City and Township, and the cost is split 50/50.

Description	2023 Final Budget	2023 Actual	2024 Final Budget	2024 Actual	2025 Adopted Budget	2026 Final Plan	2027 Concept Plan	2028 Concept Plan	2029 Concept Plan	2030 Concept Plan	2031 Concept Plan
Capital Expenditures - Truck Bay Floor	~~$ 55,000~~	~~$ -~~	$ 70,000	$ 52,875	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Capital Expenditures - Parking Lot	100,000	-	-	94,316					-	-	-
Capital Expenditures - Command Vehicle	-	13,740	-	-	**needs to outfit unit for Fire Chief to be able to use on all call - leave at home					**50,000**	-
Capital Expenditures - Computers 5 @ 1200/1400	-	-	-	-	**6,500**	-	-	-	-	**7,000**	-
Capital Expenditures - Radio Replacement						4,800	4,800	4,800	4,800	4,800	4,800
Capital Expenditures - Replace 2000 Grass Rig 14	-	-	-	-					-	-	-
Capital Expenditures - Jaws of Life	-	-	-	-	-	~~50,000~~	-	-	-	-	**55,000**
Capital Expenditures - Radios 44 @ 6500/each	~~-~~	~~-~~	-	-	-	-	-	~~286,000~~	**look at grants		-
Capital Expenditures - Station Roof Replacement	-	-	-	-	-	-	-	-	-	-	-
Capital Expenditures - Replace 2001 Grass Rig 16	143,000	not purchased		-	**wants to use 16 as a duty officer unit (won't sell)				-	-	-
Capital Expenditures - Replace 2004 Grass Rig 1	-	-	-	-	-	-	**175,000**	-	-	-	-
Capital Expenditures - Replace 2000 Tender 17	330,000	not purchased		-	-	-	-	-	-	-	-
Capital Expenditurers - 2023 Pumper Change Order		13,836	-	-	-	-	-	-	-	-	-
Capital Expenditures - Engine Unit 22 Extrication Equipment		-	-	40,449	-	-	-	-	-	-	-
Capital Expenditures - Engine Replacement	-	-	-	-	-	-	-	-	-	-	**900,000**
Capital Expenditures - Replace Side by Side	-	-	30,000	*sell snow mobile and get side/side - move this to 2026 or later, using funds for building maintenance							
Capital Expenditures - Replace Side by Side			-	-	-	30,000	-	-	-	-	-
Capital Expenditures - Air Packs (22*7500)	-	-	-	-	-	-	-	**225,000**	-	-	-
Capital Expenditures - Thermal Image Camera	-	-	~~15,000~~	use for truck bay		-	-	-	-	-	-
Capital Expenditures - Replace 2003 Ladder 1	-	-	-	-	**2,250,000**	~~-~~	-	-	-	-	-
Capital Expenditures - Replace 2006 Tender	-	-	-	-	-	-	-	-	**400,000**	-	-
Capital Expenditures - Turnout Equipment	-	-	-	-	-	~~-~~	-	-	-	**210,000**	-
Current Year Capital Allocations	**$628,000**	**$27,576**	**$115,000**	**$187,640**	**$ 2,256,500**	**$ 84,800**	**$ 179,800**	**$ 515,800**	**$ 404,800**	**$ 271,800**	**$959,800**

JPA Fire Department Pay scale

2026 Adopted Payscale - 3% increase to pay plan

Staff has the ability to hire new staff at a lateral pay based on experience and certain certification

Step Increase based on positive review

102% between Steps

	FINAL - CAP AT 14 STEPS														
Title	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14
Fire Fighter - years of experience/to begin with	Hrly	Hrly	Hrly	Hrly	Hrly	Hrly	Hrly	Hrly	Hrly	Hrly	Hrly	Hrly	Hrly	Hrly	Hrly
Rate of pay	16.50	16.83	17.17	17.51	17.86	18.22	18.58	18.95	19.33	19.72	20.11	20.52	20.93	21.34	21.77

Court Appearance	Hrly
Minimum 4 hours paid	25.00

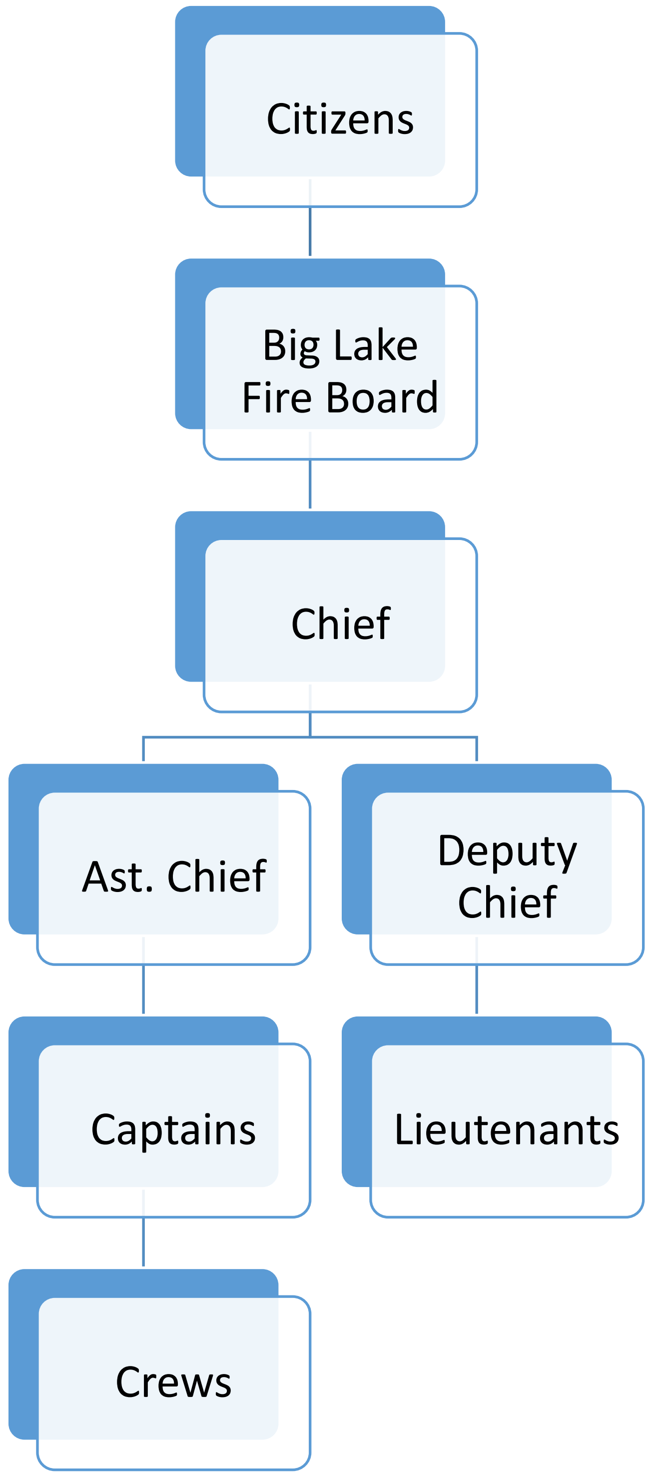
Duty Officer Pay	Hrly
For carring pager	5.00

Standby Pay	Hrly
Paged but not dispatched out to call	16.50

Plan/Site/Development Review - hourly	Hrly
Will be based on employee's hourly rate of pay	Pay Rate

Stipends for specific assigned job duties	Per Month
Chief	800.00
Assistant Chief	650.00
Deputy/Training Chief	600.00
Captain	300.00
Lieutenant	100.00
SCBA Coordinator	100.00

Big Lake Fire Department Organizational Chart 2026



ADDITIONAL INFORMATION

- Finance Policies
- Strategic Plan
- How the Assessor Estimates Your Market Value
- Understanding Property Taxes in Minnesota
- Property Taxation 101
- Why Your Property Taxes Change from Year to Year
- Understanding Property Taxes
- Property Tax Statement 101
- Big Lake Community Information
- Additional Contact Information
- Statistical Information
- Glossary
- Acronyms

Financial Policies

Approved November 8, 2023; reviewed annually with updates incorporated as needed.

Staff anticipates updates in 2026 related to changes in reporting requirements and capital asset thresholds to ensure continued compliance with evolving standards.

ORGANIZATIONAL MISSION

To provide responsible and transparent governance, strengthen community partnerships, and deliver high-quality services that meet the needs of residents and businesses.

INTRODUCTION

Purpose: The City of Big Lake has an important responsibility to its citizens to plan the adequate funding of services desired by the public, including the provisions and maintenance of public facilities, prudent financial management and accurate accounting for public funds. The City strives to ensure that it is capable of adequately funding and providing local government services needed by the community. The City will maintain or improve its infrastructure on a systematic basis to encourage its citizens to maintain quality neighborhoods with rising property values and long-term affordable taxes and fees.

A. **Objectives:** In order to achieve this purpose, the following objectives are established for the City's fiscal performance:

    1. To protect the City Council's policy-making ability by ensuring that important policy decisions are not controlled by financial problems or emergencies.

    2. To enhance the City Council's policy-making ability by providing accurate information on the full cost of current operations, new proposals and capital requests.

    3. To assist sound management of the City government by providing accurate and timely information on the City's financial condition.

    4. To provide sound principles to guide the decisions of the City Council and City staff which have fiscal impacts.

    5. To set forth operational principles which promote long-term cost effectiveness while providing services desired by the public and minimal financial risk

    6. To employ revenue policies and forecasting tools to identify and prevent undue or unbalanced reliance on certain revenues to distribute the costs of municipal services fairly and to provide adequate funds to operate desired programs, as determined by the Council.

    7. To provide and improve essential public facilities and prevent deterioration of the City's infrastructure in order to assist in long-term cost-effective provision of City services.

8. To protect and enhance the City's credit rating and prevent default of any municipal debt obligations.

9. To ensure the legal use and protection of all City funds through a good system of financial and accounting controls.
10. To maintain a Risk Management Program that will minimize the impact of legal liabilities, natural disasters or other emergencies through the following activities.

    a) Loss Awareness – Proactive teamwork and training Citywide to increase awareness and enhance safety and comply with or exceed OSHA regulations.

    b) Loss Prevention – Prevent negative occurrences.

    c) Loss Control – Reduce or mitigate expenses of a negative occurrence.

    d) Loss Financing – Provide a means to finance losses.

    e) Loss Information Management – Collect and analyze relevant data to make prudent loss prevention, loss control and loss financing decisions.

11. To record transactions in a manner which matches current revenues to current expenditures (full cost including benefits and depreciation).

12. To report year-end financial information in accordance with generally accepted accounting principles (GAAP) and in accordance with recommended best practices as promoted by the Government Finance Officers Association (GFOA).

AUDIT

External Auditor Independence Policy

PURPOSE

In accordance with the Government Accountability Office, the authority on local government audits, in all matters relating to audit work, the external audit shall be free both in fact and appearance from personal external and organizational impairments to independence.

- The City will arrange for an annual audit of all funds and account types by independent certified public accountants qualified and licensed to issue such reports.

- Annually, an annual financial report will be prepared for the City. This report shall be made available to elected officials, City management, bond-rating agencies and the general public.

- The City's external audit organization shall not be responsible for designing, developing and/or installing the City's accounting system or its operating system where this system generates information used in preparing financial statements of the City of Big Lake.

- External auditors shall not develop a performance measurement system or any other system relied upon in developing financial statements.

- City external auditors may prepare draft financial statements, schedules or perform other duties as long as they are based on management's direction and the work results in a recommendation to management.

- City management must approve decisions based on the external auditor's recommendations.

- External auditors shall provide routine advice to the City of Big Lake and to management to assist them in activities such as establishing internal controls or implementing audit recommendations and can answer the technical questions and provide training; however, they may not direct or unduly influence management with those decisions.

Any non-audit work related to tax rulings, arbitrage, attestation, compilation, sales tax audits, counted value audits and financial report assistance proposed by the auditors, or for which the City wishes to hire them must be approved by the City Council prior to hiring them.

BUDGETARY AND FINANCIAL CONTROL

Budgetary and Financial Control Policy

PURPOSE

A. General budgetary and financial control is to be centralized in one department whose functions shall include, but not limited to, the following:

    1. Budget compilation
    2. Budget monitoring
    3. Central purchasing
    4. Strong internal audit functions
    5. Income and expenditure projections
    6. Capital improvement financing and plan
    7. Debt management – including Conduit Debt
    8. Cash and investment management
    9. Monitoring financial data for warning signals or trends
    10. Preparation of financial summary reports for key funds at least quarterly for City Council review as well as the general public
    11. Maintain a detailed inventory listing of all material fixed assets so as to adequately ensure proper accounting and safeguard of assets.
    12. "Project Financial Analysis" to be presented as part of any proposal to the Council in connection with any new or expanded operating or capital improvement programs and other projects. The objective of the financial analysis is to provide the best possible estimate of expenditures, revenues, and staffing impacts of a proposed project. The financial analysis should be factual, informative, and concise; which should enable the Council to make intelligent and informed decisions.
    13. Payroll
    14. Human Resources – Benefits
    15. Accounts Receivable
    16. Receipts, Collections, and Customer Billing
    17. Accounts Payable

B. The City will maintain a program for the investment of funds consistent with the City's investment Policy.

C. The City will strive to maintain an undesignated and unreserved General Fund Balance of 42% - 50% of the General Fund portion of expenditures for the following year. If the City has more than the required level, such excess may be transferred to the Capital Improvement Funds for Infrastructure or Equipment/Building Replacement at year-end.

D. The City Council delegates the authority to designate fund balance, as required for prudent fiscal management, to the City Administrator and Finance Director.

E. The City will also review, and update the schedule of fund balances, reserves, and working capital in all other operating funds of the City and determine adequacy of those money balances, using specified guidelines and criteria in conjunction with the budgets set annually.

F. Primary responsibility in the management of budgeted funds lies with the Department Directors. Such management includes, but is not limited to, reviewing expenditures before authorization, reviewing monthly financial reports to detect errors and assess progress, and staying within expenditure budget authorization. All costs incurred must be reasonable and necessary. Department Directors shall be responsible for contacting the Finance Director should there be any questions regarding financial management or if the issue or concern is related to internal controls. The Finance Director will monitor overall budget operating progress routinely throughout the year.

G. Regular monthly reports will present a summary of financial activity by major type of funds as compared to budget. Department Directors will review monthly reports comparing actual revenues and expenditures to the budgeted amounts. Any negative variance in any revenue or spending category for their department as a whole projected to exceed $50,000 by year-end will be reported in writing to the Finance Director and City Administrator.

H. The City will not use short-term borrowing, internal or external, to balance the operating budget for any fund.

I. The City will not sell assets or use one-time accounting principal changes to balance the budget for any fund.

J. The City will develop two-year budgets; the previously developed budget for the following year will be fine-tuned as necessary during the next budget cycle. Each year the City will certify only the following year's budget and levy to Sherburne County.

K. The City will provide ample time and opportunity for public input into its Budget setting deliberations each year.

L. The City will establish and maintain the highest standard of accounting practices, in conformity with Generally Accepted Accounting Principles (GAAP) and with recommended best practices as promoted by the Government Finance Officers Association (GFOA).

M. The City will strive to obtain the annual GFOA Certificate of Achievement for Excellence in Financial Reporting in the coming years.

Operating Budget Policy

PURPOSE

The formal budgeting process provides the primary mechanism by which key decisions are made regarding the levels and types of services to be provided, given the anticipated level of available resources.

1. The City will attempt to maintain its present service level for priority and essential services subject to available revenues. New services will be considered for funding within available resources.

2. The City will utilize a "bottom-up" resource allocation approach. Each department will have an opportunity to request personnel, goods, capital items and services needed to carry outs its responsibilities in a timely manner.

3. The City enterprise operations are to be self-supporting, including capital improvement and depreciations. Enterprise operations are to be reviewed annually for self-sufficiency.

4. The City will utilize procedures that allow departments to integrate priorities and objectives into the budget requests.

5. The operating budget, authorizing expenditure of City monies, will be adopted annually by the City Council. The authority to make changes to the adopted City Budget during the year is as follows:

    a. City Council approval is required for all budget adjustments or transfers that will increase a department's adopted expenditure budget, or adjustments that are made to facilitate a department restructuring.

    b. Budget adjustments and transfers among expenditures accounts may be authorized during the fiscal year by the City Administrator and the Finance Director, if there is not affect on the department's gross expenditure budget and the adjustment is not to employee compensation.

6. The City will budget to maintain fund balances at adequate levels to ensure sufficient resources are available for current and future expenditures whether planned or unforeseen.

    a. The City will budget to maintain an unreserved designation for cash flow for each operating fund, to support operations until current revenues are received. Based upon the semi-annual collection of local taxes, each operating fund relying on property tax related revenues should maintain cash flow designations at year-end necessary for approximately 6 months of operations.

7. The City will maintain a budgetary control system to ensure adherence to the budget and will prepare regular reports, which compare actual revenues and expenditures to budget amounts.

8. The City will coordinate development of the Capital Improvement Budget with the development of the annual operating budget. Each capital improvement project is reviewed for its impact on the operating budget in terms of revenue generation, additional personnel required and additional operating expenses. This also includes the enterprise funds.

9. The capitalization threshold for assets of the City, as defined in the Fixed Assets Policy, applies to all budgets and purchases associated with the Capital Expenditures series of accounts.

CASH/INVESTMENTS

Fire/Explosion Escrow Account

PURPOSE

The City is authorized per Minnesota Statues, Section 65A 50 to establish an escrow account to receive a portion of insurance settlement proceeds from a claim on real property located in the City that is damaged by fire or explosion.

1. The City will only receive funds once a final settlement is reached on the loss of the real property due to a fire or explosions and within 30 days after agreement of a final settlement, the owner has not filed with the insurer evidence of a contract to repair or has not consented for direct payment from the insurer to contractor to perform repair services. The insurer must withhold the following amounts:
    A. 25% of the actual value of the owner's real property at the time of the loss, or;
    B. 25% of the final settlement.

2. The City will establish procedures to ensure the safekeeping of insurance settlement funds until such time as they are used for approved purpose as follows:
    A. The Finance Director will immediately deposit the money into the established fire/explosion escrow account.
    B. The money deposited into this account cannot be commingled with City funds.
    C. The account may be interest bearing, and any interested earned shall be retained by the City to defray expenses incurred.

3. The City will use fire/explosion escrow funds for appropriate purposes as indicated below:
    A. If reasonable proof is not received within 45 days after the funds have been received by the Finance Director, the City must use the funds to secure, repair, or demolish the damaged or destroyed building and clear the property in question, so that the structure and property follow City code requirements.
    B. The City cannot proceed with cleaning up the property without court approval, which will take a hazardous building action
    C. Any unused portion of the retained funds must be returned to the owner.
    D. No more than 15% of the funds used by the City may be attributed to the City's administrative expenses.

Forfeited Funds Policy

PURPOSE

The City receives property and money through law enforcement seizures under Federal Law 21USCS Section 881(e) and Minnesota Statues, Section 609.531-609.5317.169A.63.

1. The City will use proceeds from these seizures as defined in State Law and Department of Justice guidelines. Forfeited property and cash will be used:
    A. Only for law enforcement purposes, or;
    B. Only as a supplement to budgeted funds, or;
    C. Not as a source to supplant ordinary operating expenses.

2. The City will establish procedures to ensure the safekeeping of forfeited property and funds until such time as they are used for approved purpose.

3. The City will use forfeited funds for appropriate Police purposes. (This list is not exhaustive, but serves to describe many appropriates uses.)
    - A. Vehicles
        - i. Forfeited automobiles may be used to supplement the police fleet, but not to replace existing budgeted vehicles.
        - ii. Unused vehicles will be stored, sold according to the City policy, and the proceeds used according to this policy.
    - B. Other Property
        - i. May be used in ongoing Police operations.
        - ii. Will be sold if no police use is imminent and cash proceeds used according to this policy.
    - C. Cash
        - i. Will be deposited and credited to the Narcotics Forfeiture Fund upon completion of all associated criminal and civil processes.
        - ii. Unbudgeted proposed purchases will be drawn from the designated Narcotics Forfeiture Fund.
    - D. Examples of appropriate use of cash
        - i. Vehicles may be rented which do not supplant vehicles normally provided through City Funds. Such vehicles are in addition to the regular fleet.
        - ii. Equipment may be purchased providing it is not part of the regular budget.
        - iii. Overtime may be paid providing it is unanticipated in the rest of the Police budget.
        - iv. Training cost in addition to those in the regular budget may be paid.
    - E. Example of Inappropriate Uses
        - i. Purchasing any item(s) with forfeited funds, which were already approved in the regular budget.
        - ii. Paying regular salaries or benefits for Drug Forfeiture funds, but permitted for DWI Forfeiture fund as part of program operation.
        - iii. Purchasing anything for other City departments unless for law enforcement purpose.
        - iv. Capital purchases were previously approved for purchase with City Funds.

Investment Policy

PURPOSE

This policy has been developed to serve as a reference point for the management of City assets. It is the policy of the City to invest public funds in a manner which provides for the following in order of importance: Safety; Liquidity; and Yield (return on investments) that conforms to all federal, state and local regulations governing the investment of public funds. All investments purchased by the City are expected to be held until maturity. The City will invest in securities that match the City's operational, short-term and longer-term core reserve needs.

SCOPE

This policy applies to all financial assets of the City. All cash and investments are pooled together to achieve economies of scale for each entity. These funds are accounted for in the Annual Comprehensive Financial Report (ACFR) and include all City Funds:

- General Fund
- Special Revenue Funds

- Capital Project Funds
- Debt Service Funds
- Enterprise Funds

PRUDENCE

Investments shall be made with judgment and care under circumstances existing at the time the investment is made. The standard of prudence to be used by investment officials shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. The prudent person standard requires that a fiduciary exercise discretion and average intelligence in making investments that would be generally acceptable as sound. Investment officers acting in accordance with written procedures and the investment policy and exercising due diligence shall be relieved of personal liability for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse situations. Those with access to and management responsibilities for City Investments must comply with investment procedures developed for the Finance Department.

OBJECTIVE

The primary objective of the City of Big Lake's investment activities shall be:

- Safety – Safety of principal is of critical importance to the investment program. Investments of the City shall be undertaken in a manner that seeks to ensure the preservation of principal in the overall portfolio. The objective will be to mitigate credit risk and interest rate risk.
    - Credit Risk – the risk of loss due to failure of the security issuer or backer will be minimized by:
        - Limiting investments to the types of securities listed in the Authorized and Suitable Investment Section of this investment policy.
        - Pre-qualifying the financial institutions, broker/dealers, and advisors with which the City will do business in accordance with the Financial Service Providers Section.
        - Diversifying the investment portfolio so that the impact of potential losses from any one type of security or from any one individual issuer will be minimized. Insurance or collateral may be required to ensure return of principal.

    - Interest Rate Risk – The risk that the market value of securities in the portfolio will fall due to changes in market interest rates will be minimized to:
        - Provide for liquidity by reviewing cash flow requirements and make investments to meet the shorter cash flow needs, thereby avoiding the need to sell securities in the open market prior to maturity.
        - Manage the average maturity of the overall portfolio to be consistent with the risk profile of the City not to exceed 7 years.

- Liquidity – The City's investment portfolio will remain sufficiently liquid to enable the City to meet all operating and working cash flow requirements as reasonably anticipated. The portfolio will be structured so that the liquid component, a minimum of 15% of total investments, of the portfolio will be invested only in checking, money market savings, money market mutual funds, or local government investment pools, which offer same day liquidity for short-term funds. Additionally, since all possible cash demands cannot be anticipated, the overall portfolio should consist largely of securities with active secondary or resale markets (dynamic liquidity).

- Yield/Return on Investment – The City's investment portfolio shall be designed with the objective of attaining a market rate of return. The core of investments is limited to low-risk securities in anticipation of earning a fair return relative to the risk being assumed. Securities shall generally be held until maturity with the following exceptions:

- A security with declining credit may be sold early to minimize loss of principal.
- A security swap would improve the quality, yield, or target duration in the portfolio.
- Liquidity needs of the portfolio require that the security be sold.

DELEGATION OF AUTHORITY

The investment program shall be operated in conformance with federal, state, and other legal requirements. Authority to manage the City's investment program is derived from the following:

- Minnesota Statutes § 118A DEPOSIT AND INVESTMENT OF LOCAL PUBLIC FUNDS.

Management responsibility for the investment program is hereby delegated by the City Council to the City Finance Director or City Administrator. The City Finance Director shall:

- Monitor performance of the investment portfolio;
- Ensure funds are invested in accordance with the policy;
- Analyze, recommend, and implement operational procedures that will enhance the City's investment program; and
- Ensure that proper internal controls are developed to safeguard investment assets.

Procedures should include reference to: safekeeping, delivery versus payment, investment accounting. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this Policy and the procedures established by the City Finance Director. The City Finance Director shall be responsible for all investment transactions and shall establish a system of controls to regulate the activities of subordinates.

ETHICS AND CONFLICTS OF INTEREST

Any City Official (elected or appointed) or staff involved in the investment process shall refrain from conducting personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Investment staff shall annually disclose to the City Clerk any material financial interest as required by state statue on an annual Statement of Economic Interest form. Investment staff shall subordinate their personal investment transactions to those of the City, particularly with regard to the time of purchases and sales, and shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the City.

FINANCIAL SERVICE PROVIDERS

The City Finance Director shall maintain a list of financial institutions authorized to provide investment services. Public deposit shall be made in a qualified public depository as established by state laws.

Financial service providers who desire to offer investments must provide the City Finance Director with the following upon request:

- Audited Financial Statements
- Completed Broker/Dealer Certificate
- Certification of Having Read the City's Investment Policy
- Depository Contracts
- Credit Report
- Proof of FINRA (Financial Industry Regulatory Authority) membership
- Proof of State Registration

- Evidence of Adequate Insurance Coverage

BROKER REPRESENTATIONS

Municipalities must obtain from their brokers certain representations regarding future investments. Minnesota Statues, Section 118A, requires municipalities to provide each broker with information regarding the municipality's investment restrictions. Before engaging in investment transactions with the City of Big Lake, the supervising officer at the securities broker/dealer shall submit a certification annually according to Minnesota Statues, Section 118A. The document will state that the officer has reviewed the investment policies and objectives, as well as applicable state law, and agrees to disclose potential conflicts of interest or risk to public funds that might arise out of business transactions between the firm and the City of Big Lake. All financial institutions shall agree to undertake reasonable efforts to preclude imprudent transactions involving the City's funds.

AUTHORIZED AND SUITABLE INVESTMENTS

Minnesota Statues, Section 118A, list all permissible investments for municipalities. This list establishes the maximum investment risk permitted for Minnesota municipality. Even though the Minnesota Statues, Section 118A provides for more instruments to be used for investing purpose, the following list of investment is based on the investment objectives as defined in Objection Section of this policy, the City will limit its investments to the following types of securities:

- Money Market Funds – may be held with next day withdrawal capaCity to provide for daily liquidity requirements. These money markets must be AA. They may only invest in securities with a final maturity no longer than 13 months and for which the Finance Director has obtained and reviewed the fund prospectus.
- Certificate of Deposits – a negotiable or non-negotiable instrument issued by commercial banks and insured up to $250,000 by the Federal Deposit Insurance Corporation (FDIC).
- Savings/Demand Deposits – are financial institutions that are qualified as a "depository" of public funds of government entities. The City may hold balances in qualified bank deposits. Funds may be held in savings accounts at approved depository banks. If balances are greater than the FDIC limit, collateral of 110% will be held for the excess balances. Non-interest-bearing deposits will be held at a minimum. However, the interest-bearing demand deposit programs that banks provide for next day access to funds will be utilized. The City will typically hold a compensating balance in its checking account to cover monthly banking fees.
- U.S. Treasury Obligations – including bonds, notes, Treasury bills, or other securities which are direct obligations of the United States. Instruments sold and issued by the U.S. Government carry the full faith guarantee of the U.S. Government. These instruments provide the highest quality available to purchase and are highly liquid.
- Municipal Securities – are registered securities of state/county/local and other governmental agencies. Bonds of the state/county/local and other government agencies which have at the time of investment one of the three highest credit ratings of nationally recognized rating agency are allowable investments. They must have a taxing power rating of A, AA, or AAA. Tax exempt or taxable bonds qualify as long as they meet the rating standards.
- U.S. Agency Securities (GSEs or Government Sponsored Enterprises) – are instrumentalities, or organizations created by an act of Congress. GSE securities have the implied guarantee of the U.S. Government and are privileged to certain access to capital and support of government programs. The issues are generally considered to have the second highest credit quality in the fixed income markets and provide higher yields than U.S. Treasury obligations. The ratings on all the agencies that the City can invest are the highest available and include the following specific issuers:
    - FHLB – The Federal Home Loan Bank system was created by Congress in 1932 and acts as a source of funds for its nearly 8,000-member banks. FHLB does not purchase home

mortgages to the same extent as Freddie Mac and Fannie Mae, but primarily lends money to homeowners through its member financial institutions. FHLB system members include commercial banks, thrifts, credit unions, and insurance companies. Each member is a shareholder in one of the 12 regional Federal Home Loan Banks; each regional bank is an individual corporate entity, which must meet strict management and capitalization criteria befitting its GSE status. The FHLB system is regulated by the Federal Housing Finance Board (FHFB) and the Office of Finance (OF).

- FHLMC – The Federal Home Loan Mortgage Corporation encompasses Freddie Mac; it is a housing GSE created by Congress in 1970 to provide liquidity and stability in the home mortgage market, thereby increasing the flow of funds available to mortgage borrowers. In order to accomplish this goal, Freddie Mac does not make individual mortgage loans to consumers. Rather, Freddie Mac purchases mortgages from lenders, thereby allowing them to lend the proceeds to more borrowers. Freddie Mac is regulated by the Secretary of Housing and Urban Development (HUD) and by the Office of Federal Housing Enterprise Oversight (OFHEO).
- FFCB – The Federal Farm Credit Bureau is an agency of the Federal government set up to supply credit to various classes of institutions and individuals such as farmers and farm cooperatives.
- FNMA – Federal National Mortgage Association chartered under the Federal National Mortgage Association Act in 1938. FNMA is a federal corporation working under the auspices of the Department of HUD. It is the largest single provider of residential mortgage funds in the United States. Fannie Mae, as the corporation is called, is a private stockholder-owned corporation. The corporation's purchases include a variety of adjustable mortgages and second loans, in addition to fixed-rate mortgages. FHMA's securities are also highly liquid and are widely accepted. FNMA assumes and guarantees that all security holders will receive timely payments of principal and interest.

Glossary

Advance Refunding. A refinancing transaction in which new (refunding) bonds are issued to repay (refund) outstanding bonds prior to the first call date. The proceeds of the refunding bonds are deposited in an escrow account, invested in government securities, and used to pay debt service on the refunded bonds through the applicable call date.

Arbitrage. The difference between the interest paid on the tax-exempt securities and the interest earned by investing the security proceeds in higher-yielding taxable securities. IRS regulations govern arbitrage on the proceeds from issuance of municipal securities.

Capitalized Interest. A portion of the proceeds of a bond issue which is set aside to pay interest on the same bond issue for a specific period of time. Interest is commonly capitalized for the construction period of the project.

Capital Lease. A lease obligation that has met the criteria to be categorized as a capital lease as opposed to an operating lease under generally accepted accounting principles.

Competitive Sale. A sale/auction of securities by an issuer in which underwriters or syndicates of underwriters submit sealed bids to purchase the securities. Contrast to a negotiated sale.

Debt. Any obligations of the City for the payment of money pursuant to Minnesota State Statutes.

Escrow. A fund established to hold monies pledged and to be used to pay debt service on an outstanding issue.

General Obligation Bonds. Bonds issued by the City secured by the City's pledge of its full faith and credit and unlimited taxing power.

Negotiated Sale. A method of sale in which the issuer chooses one underwriter to negotiate terms pursuant to which such underwriter will purchase and market the bonds.

Net Tax Supported Outstanding Debt. Defined for this policy as outstanding principal multiplied by the percentage of the repayment supported by a tax levy less any fund balance reserved for debt service.

Private Placement. The original placement of an issue with one or more investors as opposed to being publicly offered or sold.

Refunding. A transaction in which the City refinances an outstanding issue by issuing new (refunding) bonds and using the proceeds to immediately retire the old (refunded) bonds.

Revenue Bonds. Bonds issued by the City secured by a specific revenue pledge of rates, rents, or fees.
Tax-Supported Debt. Debt that is expected to be repaid from levied taxes and possibly other sources.

Underwriter. A dealer that purchases new issues of municipal securities from the issuer and resells them to investors.

CAPITAL IMPROVEMENT

PURPOSE

1. The City will develop a multi-year plan; ideally for at least 10 years, for Capital Improvements Program (CIP). As resources are available, the most current year of the CIP will be incorporated into the current year operating budget as the Capital Improvement Budget (CIB). The CIP will be reviewed and updated annually using years 2 and on are for planning purposes only.

2. The City will identify the estimated cost and potential funding sources for each capital project proposal before it is submitted to the Council for approval and in that process will determine the most effective financing method for the proposed project. All construction projects shall include at least a ten percent (10%) contingency prior to receiving bids and at least five percent (5%) upon acceptance of the bid.

3. The City will make all capital improvements in accordance with the adopted capital improvement program, or as it is amended by the Council. Capital purchases, not otherwise funded through an approved budget, shall require City Council approval.

4. The City will coordinate development of the capital improvement budget with the development of the operating budget. Future operating costs associated with the new capital improvements will be projected and included in operating budget forecasts.

5. The City will use inter-governmental assistance to finance only those capital improvements that are consistent with the capital improvement plan and City priorities, and whose operating and maintenance costs have been included in operating budget forecasts.

6. The City will maintain all its assets in a manner adequate to protect the City's and its citizens' capital investment and to minimize future maintenance and replacement costs. The City will provide for maintenance and replacement from current revenues where possible.

7. To be considered in the CIP a project must have an estimated cost of at least $5,000 in one of the calendar years of the project. Projects may not be combined to meet the minimum standard unless they are dependent upon each other.

8. Capital projects and/or capital asset purchases will receive a higher priority if they meet a majority of the following criteria:
   a. Mandatory project
   b. Maintenance project
   c. Improve efficiency
   d. Provide a new service
   e. Broad extent of usage
   f. Length of expected useful life
   g. Positive effect on operation and maintenance costs
   h. Availability of county/state/federal grants
   i. Elimination of hazards (improves public safety)
   j. Prior commitments
   k. Replacement due to disaster or loss

9. The CIP is to be presented by the Finance Director annually to the City Council for approval. Any substantive change to the CIP after approval must be approved by the City Council.

CAPITAL ASSETS

PURPOSE

As noted in the Budgetary and Financial Control Policy, the City will maintain a fixed asset system to identify and protect all City Assets.

The capitalization threshold for assets of the City is $5,000. The Finance Director will be responsible for monitoring and tracking all capital asset purchases eases over the capitalization threshold. This threshold will also apply to leases of capital assets, including buildings, land, equipment, and subscription-based information technology arrangements where the City is a Lessor or a Lessee. This tracking will include:

A. Recording the vendor information and date of purchase
B. Purchase price of the asset
C. Useful life of the asset
D. The assignment of an identifying number for tracking purposes.

Useful lives for assets will be assigned as follows:

1.	Infrastructure	30 years
2.	Buildings	30 years
3.	HVAC/Heating	20 years

4. Playground Equipment 10 years
5. Fire Vehicles 10 years
6. Heavy Equipment 10 years
7. Police Vehicles 3 years
8. Public Works Equipment 5 years
9. Other Department Vehicles 5 years
10. Office Equipment 5 years
11. Software 3 years

To ensure adequacy of City records, Department Directors will be responsible for notifying the Finance Director of disposal of any equipment. The notification should include the following.

a) Description of the asset disposed of
b) Disposal date
c) The identifying number assigned or VIN of the asset
d) Amount of proceeds received on disposal

When selling any City property, the following steps shall be followed:

1. There will be a reasonable public notice, i.e. newspaper or social media
2. The property will be sold by public auction or sealed bid
3. If an employee buys the property they must not be directly involved in the auction or sealed response process
4. The property must go to the highest bidder
5. A minimum bid accepted can be required

DEBT MANAGEMENT

PURPOSE

One of the keys to sound financial management is the development of a debt management policy. This need is recognized by bond rating agencies and development of a debt policy is a recommended practice by the Government Finance Officers Association. A debt policy establishes the parameters for issuing debt and managing the debt portfolio. It provides guidance to the administration regarding purposes for which debt may be issued, types and amounts of permissible debt and method of sale that may be used. It helps ensure fiscal responsibility and promotes financial sustainability. The following debt management policy is intended to demonstrate a commitment to long-term financial planning. It will be used in conjunction with the Capital Improvement Plan for the City. Adherence to this policy will help assure improve or maintain the City's AA credit rating (Standard and Poor's Rating –New June 2018).

GUIDELINES FOR DEBT ISSUANCE

1. Debt financing can include general obligation bonds, revenue bonds, lease/purchase agreements, or other financing instruments allowed under Minnesota State statutes.

2. The City will prepare and update annually a five-year Capital Improvement Plan (CIP) to be approved by the City Council. The CIP will be developed with an analysis of the City's infrastructure and other capital needs, and the financial impact of the debt service required to meet the recommended financing plan.

3. The City will analyze each project (proposed for financing through debt issuance) to determine the tax impact and future operating costs associated with the project and related debt issuance costs.

4. The City Council shall appropriate all proceeds from debt issuance.

5. The City will comply with all applicable U.S. Internal Revenue Service and U.S. Treasury arbitrage requirements for bonded indebtedness in order to preserve the tax-exempt status of such bonds.

6. The City will maintain good communications with bond rating agencies regarding its financial condition. The City will follow a policy of full disclosure in every financial report and bond prospectus.

7. The City will issue long-term debt to purchase or construct capital improvements or equipment with a minimum expected life of five years, that cannot be financed from current revenues or resources. For the purpose of this policy, current resources are defined as that portion of fund balance in excess of appropriate required reserves and designations. The term of any bond issue will not exceed the useful life of the capital project/facility or equipment.

8. The City will not use long-term borrowing to finance annual operating needs except in the case of an extreme financial emergency, beyond the City's control or reasonable ability to forecast.

9. The City will plan bond issues to minimize the frequency of issuance to ensure the lowest possible costs of issuance. When determining the size of a bond issue, the City will consider the need for construction, debt service, and capitalized interest funds. The City will prepare construction fund draw schedules in conjunction with planning of the City's CIP.
10. Bonds will be amortized on a level debt schedule basis to the extent practical considering forecasted debt service and repayment sources.

11. The City's preferred method of sale of bonds is via competitive sale to underwriters; however, the City may sell bonds via a negotiated sale, private placement, or other method if deemed advantageous.

12. Bonded debt should always be investment grade in order to minimize debt service costs.

Limitations on level of debt to be issued and outstanding

Statutory Limitations:
Total net general obligation debt will not exceed the statutory limit as required by Minnesota Statute § 475.53. (As of 2015 the limit on debt is 3% of estimated market value)

Self-Imposed Debt Limits:

- Net tax-supported outstanding debt as a percentage of the total estimated market value in the City will not exceed 2.50% in any given year.
- The total debt levy will not exceed 50% of the total levy in any given year.

A four-fifths majority is required to override the self-imposed debt limits. The City could also find itself exceeding the self-imposed limits if market value declines. If the self-imposed debt limits are exceeded, the City has three years to correct the imbalance. No new debt will be issued during this time.

Types of debt issuances:

1. The City may issue general obligation debt for capital or other properly approved projects.

2. Where possible, the City will use special assessment, revenue, or other self-supporting bonds instead of general obligation bonds.

3. The City may issue revenue bonds to fund proprietary activities such as water, sewer, storm water utilities, and the municipal liquor store or for other capital projects that generate adequate revenues from user fees to support operations and debt service requirements. The bonds will include written legal covenants which require that revenue sources are adequate to fund annual operating expenses and annual debt service requirements.

4. The City may issue tax increment bonds to fund public improvements or for economic development (private) in the downtown. All Tax Increment Financing (TIF) proposals shall include a financial impact analysis addressing the economic relationship of the proposed project to the City's estimated tax rates, service costs, and employment opportunities. If TIF General Obligation Bonds are proposed, there shall be a review and opinion by the City's fiscal agent regarding structuring the issue and the adequacy of the tax increments to retire the debt.

5. Capital leases may be used to purchase buildings, equipment, furniture and fixtures. The term of any capital lease shall not exceed the useful life of the leased asset.
6. Lease financing and master lease obligations, including lease revenue bonds, may be considered as alternative financing sources.

Refunding of Debt:
The City will refund debt when it is in the best financial interest of the City to do so.

- Debt Service Savings – When a refunding or advance refunding is undertaken to generate interest rate cost savings, the minimum aggregate present value savings will be 3% of the refunded bond principal amount. The present value savings will be net of all costs related to the financings.

- Term of Refunding Issues – The City will refund bonds within the term of the originally issued debt. However, the City may consider maturity extension, when necessary to achieve a desired outcome, provided that such extension is legally permissible. The City also may consider shortening the term of the originally issued debt to realize greater savings. The remaining useful life of the financed project/facility should be considered in this decision.

- Arbitrage – The City shall take all necessary steps to optimize escrows and to avoid negative arbitrage it its refunding. Any resulting positive arbitrage will be rebated as necessary according to Federal guidelines.

Post-issuance Compliance:

It is critical that the City comply with the requirements of federal and state law that apply following the issuance of debt by the City. Tax-exempt debt obligations (debt for which the interest paid to the debt holders is excludable from their gross income for federal income taxes) result in lower interest costs to state and local governments. The tax-exempt status remains throughout the life of the debt obligation provided all applicable state and federal tax laws are satisfied at the time of issuance and throughout the term of the obligation. The Internal Revenue Service (IRS) is responsible for enforcing compliance with the Internal Revenue Code and most other regulations governing tax-exempt obligations. The IRS expects issuers and beneficiaries of tax-exempt debt to adopt and implement a post-compliance debt policy and procedures to safeguard against post-issuance violations that may result in the loss of the tax-exempt status of the debt.

The City will monitor all of its tax-exempt debt obligations to ensure that all tax-exempt debt obligations remain in compliance with the IRS Code and all other regulations governing tax-exempt obligations. This section applies to all tax-exempt debt obligations including bonds, notes, loans, lease purchase contracts, and other forms of tax-exempt debt. This section does not apply to conduit/private activity bonds.
The Finance Director of the City of Big Lake is designated as the City's agent who is responsible for post-issuance compliance of all tax-exempt debt obligations and is referred to in this section as the "Compliance Officer".

The Compliance Officer will assemble all relevant documentation, records and activities required to ensure post-issuance debt compliance and create procedures for each obligation. At a minimum, these procedures will include the following:

1. General post-issuance compliance
2. Proper and timely use and accounting for bond proceeds
3. Arbitrage yield restrictions and rebate
4. Timely filings and other general requirements
5. Private activity concerns
6. Records retention
7. Additional activities that support the point above
8. Other requirements that become necessary in the future

The Compliance Officer will be assisted by other City staff and may assign responsibilities to professional consultants, such as bond counsel, financial advisors, paying agents, and rebate analysts, when appropriate.

The Compliance Officer will ensure that the procedures are updated on a regular and as-needed basis. The City will provide continuing education opportunities relating to post-issuance compliance and the Compliance Officer will update City staff on changes in post-issuance compliance.

Terms and Conditions for the issuance of Conduit Debt:

Not-for-profit agencies and other entities may request the City to issue pass-through, conduit debt. These issues are not projects of the City's, but of a separate corporation. In order to expedite assistance and avoid costs for the City, the following is required:

1. The applicant must provide to the Finance Director documentation about the entity requesting the assistance, the project, and the proposed financing method. The City also requires that the applicant assume all of the costs incurred by the City in examining the legal and fiscal aspects of the project as well as ongoing monitoring and reporting of outstanding bonds once issued. The applicant must make a deposit of one fourth of one percent (1/4%) of the proposed issuance amount with a minimum deposit of $3,000 and a maximum deposit of $25,000. These funds will be applied against the costs incurred by the City for staff time, its consultants, and any other expenses caused by the proposal including costs associated with non-bank qualified bonds. If the application is denied, the deposit amount in excess of these costs will be refunded to the applicant. If the application is approved, the full deposit will be retained to cover additional costs of issuance

and future monitoring. If the City's actual costs exceed the deposit amount, the applicant will be required to reimburse these additional amounts.

2. The applicant should be prepared to demonstrate how the proposed project would benefit the community.

3. The City Administrator and Finance Director will review the proposal and determine whether the request will be presented to the City Council during a public hearing.

4. The debt instrument must not place the City at risk in any way, financially or legally, in appearance or in fact. The Federal Government has placed the burden of weighing the balance of "public purpose versus private benefit" upon the City Council for conduit debt issues. The City Council will consider risk, the "public versus private benefit" balance, and the recommendation of its staff. Because of the subjective nature of the issues it must weigh, the Council retains the right to refuse to authorize any issue at its sole discretion and without need to give cause. The obligor must indemnify the City against all future costs including but not limited to lawsuits, findings that the issue was not tax-exempt, or penalties of any kind. The documents must clearly reflect the indemnification of the City.

5. If the City Council approves the conduit debt application, the bond attorney for the issue must:
    - Provide to the City Council a written statement indicating that the documents have been appropriately prepared, all concerns of the City and points covered by this document have been addressed, and it is acceptable for the Council to adopt the needed resolutions. No documents will be adopted by the Council or signed by Council members or staff without the attorney's statement.

    - Prepare a contract obligating the agency requesting the debt (obligor) to repay to the City any interest margin for bank qualified bonds that the agency uses and the City later needed on debt it issues for its own purposes.

    - Assure that the Official Statement prominently displays in large, bold type that the City of Big Lake does not have any obligation to repay the debt and what the rating of the bond issue is.

    - When the issue is complete and closed, provide two copies of the transcript and amortization schedules of the issue to the Finance Director.

- The City will not be responsible for any continuing disclosure or arbitrage calculations or rebate. The documents must clearly reflect that the obligor is responsible for these matters.

- The agency requesting the conduit debt and their advisors must arrange for the logistics of all document movement, timing, signature, publication, etc.

- City Administration places items on the Council agenda and obtains signed documents from the Council. It is the responsibility of the requesting agency to:

    - Inquire as to when Board meetings are scheduled (and to check again as necessary because meeting dates change without notice).

- Inquire as to when documents must be delivered in order to be accepted for the agenda.

- Arrange for copies, which need to be signed and to provide the necessary envelopes and postage or other arrangements to move the documents when signed.

- The documents are signed after the meeting at a time convenient to the Mayor, typically within a week after the meeting.

- Arrange for notices requiring publication to the appropriate newspaper, pay for the publication, and obtain any signed affidavits necessary.

- Attend all necessary Council meetings to answer questions the Council may have about the issue while the documents are being considered.

- Arrange to have any other necessary documents delivered for signature by other City officials such as the City Administrator and the Finance Director and after signature have appropriate self-addressed and stamped envelopes available for return. The officials should be notified in advance, that documents are being sent for signature.

- Arrange for all IRS and Federal or State filings and or fees.

- Arrange to have all necessary professional fees paid directly to the professionals who either did the work out of bond proceeds or make other acceptable arrangement with the professionals doing the work.

Glossary

Advance Refunding. A refinancing transaction in which new (refunding) bonds are issued to repay (refund) outstanding bonds prior to the first call date. The proceeds of the refunding bonds are deposited in an escrow account, invested in government securities, and used to pay debt service on the refunded bonds through the applicable call date.

Arbitrage. The difference between the interest paid on the tax-exempt securities and the interest earned by investing the security proceeds in higher-yielding taxable securities. IRS regulations govern arbitrage on the proceeds from issuance of municipal securities.

Capitalized Interest. A portion of the proceeds of a bond issue which is set aside to pay interest on the same bond issue for a specific period of time. Interest is commonly capitalized for the construction period of the project.

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Escrow. A fund established to hold monies pledged and to be used to pay debt service on an outstanding issue.

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Negotiated Sale. A method of sale in which the issuer chooses one underwriter to negotiate terms pursuant to which such underwriter will purchase and market the bonds.

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Private Placement. The original placement of an issue with one or more investors as opposed to being publicly offered or sold.

Refunding. A transaction in which the City refinances an outstanding issue by issuing new (refunding) bonds and using the proceeds to immediately retire the old (refunded) bonds.

Revenue Bonds. Bonds issued by the City secured by a specific revenue pledge of rates, rents, or fees.

Tax-Supported Debt. Debt that is expected to be repaid from levied taxes and possibly other sources.

Underwriter. A dealer that purchases new issues of municipal securities from the issuer and resells them to investors.

DONATION OF SURPLUS PROPERTY

PURPOSE

The purpose of this Policy is to establish procedures for the donation of Surplus Equipment by the City to a Nonprofit Organization as required by Minnesota Statue § 471.3459 (2016). In additional this policy will give guidance to disposal of surplus property if not donated.

SCOPE

This policy applies to all City departments that generate Surplus Equipment and governs the actions of all City employees and officials.

DEFINITIONS

"City" means the City of Big Lake, Minnesota.

"City Council" means the governing body of the City.

"Donation" means to contribute, donate or give Surplus Equipment at no cost to a Nonprofit Organization that serves a public purpose and benefits its community as a whole.

"Eligible Organization" means a Nonprofit Organization serving one or more of the following functions: cultural, historical, educational, safety, social services, environmental or economic.

“Fair Market Value” means the price at which property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or to sell and both having reasonable knowledge of all relevant facts.

“Nonprofit Organization” means an organization formed under Section 501(c)(3) of the Internal Revenue Code.

“Policy” means this Policy adopted by the City Council.

“Surplus Equipment” means equipment used by the any City department, and cellular phones and emergency medical and firefighting equipment that is no longer needed by the City because it does not meet industry standards for emergency medical services, police, or fire departments or has minimal or no resale value.

“Surplus Equipment Form” means the form attached as Exhibit I to this Policy that must be filled out by a Nonprofit Organization requesting a Donation of Surplus Equipment.

PROCEDURE

The City shall determine all Surplus Equipment and may offer it for Donation or sale in conformance with the following guidelines:

1. Identify Surplus Equipment. Department supervisors are responsible for monitoring their equipment and shall identify and report all Surplus Equipment to the City Finance Director on at least an annual basis.

2. Determine the Fair Market Value of Surplus Equipment. The City Finance Director shall work with City staff to determine the Fair Market Value of the Surplus Equipment.

3. City Council Declaration. The City Finance Director will forward a list of the Surplus Equipment with each item’s Fair Market Value to the City Council who shall approve or deny the Surplus Equipment as eligible for Donation. The City has no obligation to donate Surplus Equipment. Surplus Equipment that is not donated may be sold, recycled or discarded in the discretion of the City Administrator.

4. Donation. After the City Council has determined the Surplus Equipment is eligible for Donation, the City Finance Director is responsible for coordinating the Donation of the Surplus Equipment in accordance with the terms of this Policy.

5. Transfer between Departments. All Surplus Equipment must first be considered for transfer between departments for the benefit of the City.

6. Advertisement. Surplus Equipment shall be posted as eligible for Donation on the City’s website. The City may also use other reasonable means to notify Eligible Organizations about the availability of Surplus Equipment. The City shall wait at least 30 days after advertising Surplus Equipment before approving any Donation.

7. Surplus Equipment Form. Eligible Organizations interested in Surplus Equipment shall fill out a Surplus Equipment Form and submit the form to the City Finance Director.

8. Approval of Donation. If the Surplus Equipment has a Fair Market Value less than $500, the City Department Director shall approve the Donation to an Eligible Organization, subject to review by the City Council. If the Surplus Equipment has a Fair Market Value greater than $500, the City Council must approve the donation by a majority vote of the City Council.

9. Prioritization of Donations. If more than one Eligible Organizations requests a Donation for the same Surplus Equipment, the City shall consider factors it deems relevant including how the Surplus Equipment will be used, the benefit to the Eligible Organization, the impact on the City, how the Donation will accomplish goals of the City Council, and any previous Donation to the Eligible Organization.

10. Conflict of Interest. All City employees and officials are prohibited from taking possession of any Surplus Equipment on behalf of an Eligible Organization.

11. As Is. A Donation of Surplus Equipment is made "as is" with no warranty, guarantee or representation of any kind, express or implied, as to the condition, utility, or usability of the Surplus Equipment offered. The Surplus Equipment may be defective and cannot be relied up for safety purposes.

12. Title. The City Finance Director or Police Chief, if police department equipment, shall cause any title or other ownership documents to be transferred to the Eligible Organization at the time of transfer. Any fees required to transfer the Surplus Equipment are the responsibility of the Eligible Organization.

13. Transportation. In the Surplus Equipment Form, the Eligible Organization must provide a detailed plan for transporting the Surplus Equipment from the City to the Eligible Organization. The Eligible Organization must pay all expenses associated with the transportation of the Surplus Equipment.

14. Sale or Disposal of Surplus. Regardless of value, all surplus supplies, materials, and equipment must be sold using an electronic selling process where purchasers compete for the highest price in an open and interactive environment. Publication must be for at least one week and can be either on City website, City newspaper or other electronic means such as a City eBay account. The City will not sell directly to any staff, the only allowed exception is if the sale is made by sealed bids or through an auction and the employee is not involved in the process. When disposing surplus property, annually a list of items to be disposed or sold will be given to the City Finance Director to be submitted to Council for approval of disposal.

15. Delegation. The City Administrator may delegate specific responsibilities for implementing this Policy.

16. Documentation. The City Finance Director shall document the Donation, Disposal or Sale of all Surplus Equipment and shall keep such records in accordance with the City's Records Retention Schedule.

17. Review of Policy. The City Finance Director is responsible for maintaining and reviewing this Policy. Any changes to this Policy must be approved by the City Council.

FUND BALANCE YEAR-END CLASSIFICATION

(PER GASB 54)

PURPOSE

The Government Finance Officers Association's (GFOA's) guiding principle for classifying the various components of fund balance is to indicate the extent to which the government is bound to honor constraints on the specific purpose for which amounts in the fund can be spent.

Following governmental accounting standards, the City has three basic categories: governmental funds, proprietary funds and fiduciary funds. This fund balance classification policy applies only to the governmental categories.

GOVERNMENTAL FUNDS

In 2009, the Governmental Accounting Standards Board (GASB) issued a new standard, GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions.* This new standard has altered the categories and terminology used to describe the components of fund balance in the governmental funds (but it does not apply to proprietary or fiduciary funds).

The City's governmental funds include the following funds types:

- General Fund
- Special Revenue Funds
- Debt Service Funds
- Capital Project Funds

Definitions (as they apply to Governmental Funds under GASB 54):

- Fund Balance – the difference between assets and liabilities reported in a governmental fund.
- Nonspendable Fund Balance – amounts that are not in a spendable form (e.g., prepaid items and inventories of supplies). Resources that must be maintained intact pursuant to legal or contractual requirements are also considered nonspendable.
- Restricted Fund Balance – amounts subject to externally enforceable legal restrictions (creditors, grantors, contributors, and by law through constitutional provisions or enabling regulations).
- Unrestricted Fund Balance – the total of committed fund balance, assigned fund balance, and unassigned fund balance, as described below.
    - Committed Fund Balance – amounts that can be used only for the specific purpose determined by a formal action of the government's highest level of decision-making authority (City Council). Commitments may be changed or lifted only by the City Council taking the same formal action that imposed the constraint originally. The City Council must act on these commitments before year-end.
    - Assigned Fund Balance – amounts a government intends to use for a specific purpose; intent can be expressed by the government body or by an official or body to which the governing body delegates the authority.
    - Unassigned Fund Balance – amounts that are available for any purpose; these amounts are reported only in the general fund.

1. **General Fund**
   The General Fund is established to account for all revenues and expenditures which are not required to be accounted for in other funds. Revenue sources included property taxes, license and permit fees, fines and forfeits, program revenues, intergovernmental revenues, investment interest earnings, and transfers. The General Fund's resources finance a wide range of functions including the operations of general governmental, public safety, and public works.

   The General Fund may have committed fund balances at year end for purchase order encumbrances and budget carryovers. The General Fund may have a portion of its fund balance classified as nonspendable if there are long term receivables, inventories, or prepaid items on the balance sheet.

   The General Fund is the only fund that can have any unassigned fund balance. The working capital balance of the general fund will fall into the unassigned fund balance classification.

2. **Special Revenue Funds**
   Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. Governmental accounting standards require that substantial inflows of revenues into a special revenue fund be either restricted or committed in order for the fund to be considered a special revenue fund.

   - **Economic Development Authority** - the Big Lake Economic Development Authority (EDA) is a legal entity separate from the City. Although legally separate, the Big Lake EDA is reported as if it were part of the primary government because the component unit's total debt outstanding is expected to be repaid almost entirely with resources of the primary government.
   - **Narcotic Forfeiture -** this is considered restricted based on federal and/or state statute.
   - **DWI Forfeiture –** this is considered restricted based on federal and/or state statute.
   - **Traffic Safety Program –** this is considered restricted based on federal and/or state statue.
   - **Farmers Market –** this is considered committed per City Council
   - **Veterans Memorial –** this is considered committed per City Council
   - **Music in the Park –** this is considered committed per City Council

3. **Debt Service Funds**
   Debt service fund balances are considered restricted; they are resources that are being accumulated for payments of principal and interest maturing in current and future years. All of the City of Big Lake debt service funds are considered restricted.

4. **Capital Project Funds**
   Capital project fund balances are considered restricted or committed; they are resources that are being accumulated for current and future projects. Capital project funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. In Big Lake, capital project funds are split into three categories:
   - **Capital Projects –** this category has balances that are considered both restricted and committed/assigned. The TIF districts are restricted through enabling legislation. The Neighborhood Stabilization Program is restricted through grant documents. The Park

Development is restricted through state statue. Industrial Park Land purchase is assigned by the City Council. The Local Development Escrow is considered assigned.

- **Improvement Construction –** this category is considered assigned by the City Council. The category includes the Capital Project/Street Improvement Fund and the Infrastructure Improvement Fund.
- **Equipment/Building Replacement –** this category is considered assigned by the City Council.

5. **Order of Fund Balance Spend-down**
When both restricted and unrestricted resources are available for use, it is the City's policy to first use restricted resources, and then use unrestricted resources s they are needed. When unrestricted resources are available for use, it is the City's policy to use resources in the following order: (1) committed, (2) assigned, and (3) unassigned.

6. **Carryovers and Encumbrances**
For each year end, the City Council approves purchase order encumbrances and/over budget carryovers; both will be considered committed fund balances upon approval by the City Council.

LEASE ACCOUNTING POLICY

PURPOSE

To set the policies and procedures needed to gain control and efficiencies in the lease process to ensure the City of Big Lake properly and accurately accounts for leases in the City's financial statement beginning with the fiscal year ending December 31 2022, following GASB Statement 87.

Below are the policies that the City has put into place regarding the handling of leases. These policies are subject to change:

1. **Capitalization Threshold:** The City of Big Lake will capitalize any leases that have a present value of $5,000 or more at the commencement date of the lease or the implementation date of this GASB statement. This threshold will apply to leases of capital assets, including buildings, land, and equipment where City is a Lessor or a Lessee.

2. **Discount Rate:** Unless otherwise noted in the lease agreement, the discount rate used to calculate the present value of the lease payments should be the City's incremental borrowing rate at the commencement of the lease or the implementation date of this GASB statement.

3. **Compiling Lease Agreements:**
   a. <u>Department Responsibility</u>: City departments that maintain the information on the various leases should forward all lease agreements for their department to the City Finance Director

   b. <u>Finance Responsibility</u>: The City Finance Director or designee should maintain a listing of the lease agreements received from departments for use in the lease reviews.

4. **Lease Reviews:** The City Finance Director will review the lease agreements and contracts to determine if they qualify as a lease under GASB Statement No. 87. *

5. **Lease Entries for Annual Financial Report (AFR):** The City Finance Director will review the details of each lease to determine and make the appropriate lease entries in the City's AFR. The entries will be completed at the end of each fiscal year. *

PUBLIC PURPOSE EXPENDITURE

PURPOSE

The City Council recognizes that public funds may only be spent if the expenditure meets a public purpose and the expenditure relates to the governmental purpose for which the City was created.

The meaning of "public purpose" is constantly evolving. The Minnesota Supreme Court has followed a broad approach and has generally concluded that "public purpose" means an activity that meets ALL of the following standards:

1. The activity will primarily benefit the community as a body.
2. The activity is directly related to functions of government
3. The activity does not have as its primary objective the benefit of a private interest whether profit or not-for profit.

This policy is intended to provide guidelines regardless which expenditures are for public purposes and authorized in accordance with the City's annual budget process, and which expenditures are not considered to fall within the public purpose definition and are therefore not allowed. There is a public benefit in ensuring high employee productivity and morale.

RESPONSIBILITY

The City Administrator is the responsible authority overseeing all City expenditures and as such is the chief purchasing agent for the City. Responsibility for administering this Public Purpose Expenditure Policy has been delegated to the Finance Director. Further, all officers and employees authorized by their department to make purchases for the benefit of their respective departments are responsible for complying with this policy and corresponding procedures.

POLICY

Expenditures of public funds must comply with the public purpose standards defined above. When reviewing an expenditure to verify the standards have been met, the City Administrator, or his/her designee, should consider the time of day the event is held, the business purpose of the event, whether the event was intended to attract non-City employees, the frequency of the event, and the reasonableness of the cost. The following guidelines address specific examples of public expenditures, but examples are not meant to be all-inclusive.

Examples of Permitted Expenditures for Meals and Refreshments

Use of City funds in reasonable amounts for meals and/or refreshments for elected/appointed City officials and employees are permitted in the following circumstances.

- Meals and Refreshments are allowed at the following events:
  - A City business meeting in which the character of the meeting would involve predominately non-City employees
  - Breakfast/lunch/dinner meeting for official City business when it is the only practical time to meet. Only expenses incurred by the City employee(s) may be

reimbursed. The City Administrator may allow exceptions when deemed in the interest of the City.
  - Non-routine, official meetings of the City Council, Committees or subgroups (i.e. Annual Committee Meeting, Council recognition at the end of a term, etc.)
  - Conference, workshop, seminar or meetings which the City Administrator or department head has authorized the employee to attend.
  - Department-sponsored meetings, conferences or workshops where the majority of invited participants are not City employees.
  - Meetings consisting primarily of City employees when the refreshment and/or meals are an integral part of the event and are necessary to sustain the flow of the meeting and to retain the captive audience, and if the meeting is one of the following:
    - An annual staff meeting for all employees
    - A non-routine management team or organizational meeting
  - Official meetings of the City Council, council committees, advisory boards/commissions, and task forces, when they are of a non-routine basis or when special events are held (i.e. as retirements or recognition).
  - During performance of election related duties on Election Day.
  - During Emergency Situations as required.

Examples of Other Permitted Expenditures

- Recognition Events/Purchases (Minnesota Statutes 412.221 and 15.46)
  - Purchases for recognition at special one-time or once-per-year events when provided at modest level with prior City Administrator approval (i.e. recognition plaques, awards, etc.)

  - Employee Recognition Program for years of Services for regular and permanent part-time employees who work 20 or more hours a week year around, as well as the Volunteer Fire Department employees for the City of Big Lake.

    - City employees completing 5,10,15,20,25,30 and 35 years of service may receive a service award not to exceed $90 in value.

  - Monthly Community Member Volunteer Recognition; the community member is recognized with a plaque at a monthly council meeting.

- Employee Wellness Program; the City Council recognizes the importance of employee fitness and health as it relates to the overall work and life satisfaction of the employee and the overall impact on the City's health insurance program. As Such, the City Council supports an Employee Wellness Program, which has been designed to educate employees on fitness/health issues.
  - The cost of an Employee Wellness Program will be included in the City of Big Lake Annual Budget. This item will be approved annually by the City Council as part of the overall budget approval process which includes a public hearing on the proposed budget.
- Special Events
  - Such as National Night out, Department Open Houses and other events that involve or invite participation by the general public.

    - Expenditures for meals and participation fees are allowed, and representative staff members may participate in the events that directly benefit the marketing of the City. Such expenditures are Public Relations expenditures pursuant to Minnesota Statute 469.101, subd. 16, and Minnesota Statute 438.11.

- Employee Training
    - Is allowed for reasonable registration, tuition, meals and travel expenses for conferences, seminars, workshops, tuition and approved City employment related course work in accordance with the City of Big Lake personnel policies.

- Memberships and Dues
    - Participation in the local Chamber of Commerce is allowed per Minnesota Statute 469.191 "permits a home rule or statutory City to appropriate no more than $50,000 annually out of the general fund to any incorporated development society or organization of the state for promoting, advertising, improving or developing the economic and agricultural resources of the City".

    - Cost of membership/dues in professional organizations and City social and community organizations when the purpose is to promote, advertise, improve or develop the City's resources and relationships and not personal interest or gain.

- Clothing and other sundry items
    - Employees may receive t-shirts and other sundry items of nominal value when these items are made available to the general public or if these items are determined by the City Administrator to be important to the successful involvement of employees in special City-sponsored or City supported events (National Night Out, etc.). Employees may be supplied with uniforms, clothing, boots and other gear necessary for the performance of their job.

Prohibited Expenditures
Use of City funds for meals and/or refreshments or other items for elected and/or appointed City officials and employees are prohibited:

1. Alcoholic beverages
2. Employee functions or celebrations that are solely social in nature (e.g. birthdays, holiday luncheon, ice cream social).
3. Fundraisers for non-City related events
4. Participation in optional activities unless included as part of an overall conference registration fee (e.g. optional golf rounds, sporting events, concerts).
5. Employee-sponsored fundraising events (e.g., charitable giving campaign).
6. For funeral flower arrangements upon death of an employee, elected official, or one of their immediate family members.

Documentation
All expenses allowed above must be fully documented. The expected documentation will include date and time of the event, business reason for the event (agenda from a meeting is sufficient), staff and non-City representatives in attendance, and a receipt for the actual purchase. Failure to provide sufficient documentation may result in a denial of the expense.

Any expenditure for meals or refreshment that exceeds $250 for one event must have prior, written authorization by the Department Director, before the purchase is made. Any expenditure for meals or refreshments that exceed $500 for one event must have prior, written authorization by the City Administrator, before the purchase is made. Failure to obtain the necessary authorization may result in denial of the claim.

Special Requests
From time to time, there may be an event that is a proper public expenditure, but that is not contemplated by the policy above. Department Directors may submit to the City Administrator or the City's Administrator's designee, a request for such a public expenditure in writing. This request must show how the expenditure is related to a public purpose as stated in the Purpose section above. Only expenditures that meet all of the findings in the Purpose section above may be approved.

PURCHASING

PURPOSE
To establish a consistent City-wide policy for the acquisition of goods, services, repairs, construction, joint power agreements, and in-kind agreements for all Departments, Boards, Commissions and Agencies of the City, except Boards or Agencies which are required to follow their own statutory or regulatory provision, in a manner that follows the Big Lake City codes and applicable State and Federal laws governing municipal contracting and the expenditure of public funds.

To establish a consistent City-wide policy for contracts to protect the City from liability and ensure that contractors perform their duties property. Well-drafted contracts are essential to protecting the City and enforcing its rights. The absence of a contract or an unenforceable contract could easily result in costly litigation and embarrassment for the City.

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.

RESPONSIBILITY
The City Administrator is the chief purchasing agent for the City. Responsibility for administering established Purchasing Policies and Procedures has been delegated to the Finance Director.

The following Purchasing procedures have been established:

- The City will purchase supplies, equipment and services best suited to the specific needs of the City in as economical a means as possible
    a. The City will purchase EnergyStar certified equipment and appliances if possible
    b. The City will purchase paper containing at least 30% post-consumer recycled content if possible
- The City will promote fair competition among bidders and will comply with all statues and regulations of the City, State, and Federal government that may pertain to the purchase of supplies, equipment, and services by a municipal entity.
- Standards for purchasing:
    a. $0 - $1,000

    i. City Department Directors will be allowed to make purchases of less than $1,000 without additional staff approval.
    ii. These items can be purchased on the open market without obtaining price quotes.
    iii. Employees should make a reasonable effort to obtain supplies as inexpensively as possible.

b. **$1,001 - $25,000**
    i. When possible, price quotes should be obtained from various vendors.
    ii. Reasonable effort should be made to secure price quotes from local vendors when available.
    iii. Purchases of specialized items not usually stocked by vendors, or for services not obtained frequently, do not require price quotes.
    iv. Additional staff approval is not required if the items was included in the budget.
    v. Quotes shall be retained for 1 year after receipt.

c. **$25,001 - $175,000 (New law as of 8/1/18, prior amount $100,000)**
    i. Sealed bids or quotes must be obtained, with at least two quotations whenever possible.
    ii. The Department Director shall make a recommendation for purchase to the City Council for their action.

d. **$175,000 +**
    i. All purchases over $175,000 require the formal preparation of specifications, with bids solicited by public notice in the City's official newspaper.
    ii. Bids must be publicly opened, and approved by City Council.
    iii. Statue requires all contracts to be awarded to the lowest responsible bidder, unless there is reasonable justification for approval of a higher bid, as determined by City Council.
    iv. Specifications cannot be written to exclude a specific type of equipment or supplies.

On all purchases that require obtaining bids or quotes, the "State Bids" obtained through the State's cooperative purchasing program are considered to have met this requirement.

- For purchases not requiring the bidding process, whenever it is reasonably possible the purchase will be made from local vendors. The City Council will routinely consider the local vendor's quote when it does not exceed the lowest non-local vendor quote by more than 5%.

Professional Services

Contracting for professional services, 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 the primary responsibility of the Department, but with the Purchasing oversight and compliance with established contract procedures. All contracts will be approved by the City Council. Cities are not required to follow the competitive bidding process for professional services provided by doctors, engineers, lawyers, architects, accountants and other services requiring technical, scientific, or professional training, the City can request an RFP (Request for Proposal), When requesting an RFP, the City will request at least three whenever possible.

Non-Monetary Contracts

Contracts with no monetary requirements including joint powers and in-kind agreements must be approved by the City Council and signed by the Mayor.

Emergency Purchases

Minnesota Statue 12.37 gives the City the ability to declare an emergency situation for a limited period of time. During such emergency, the City is not required to use the typically mandated procedures for purchasing and contracts.

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.

Conflicts of Interest

Minnesota State Statues 471.87 and 471.88 prohibit the purchase of goods and services wherever a conflict of interest may exist.

City of Big Lake Personnel Policy requires City employees to remove themselves from situations in which they would have to act or decide where the action or decision could be perceived or actual conflict of interest or could result in a personal benefit for himself or herself or a family member. Any officer or employee having an interest in any proposed legislative action of the council and who gives an opinion or recommendation to the council, shall disclose on the record of the council the nature and extent of such interest.

No purchase orders, contracts or service agreements shall be given to an employee of the City or to a partnership or corporation of which an employee is a major stockholder or principal. No employee shall enter into the relationship with a vendor where the employee's actions are, or could reasonably be views as, not in the best interest of the City. 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 to the City Administrator. The City Administrator will promptly notify the individual in writing of an approval or disapproval of the activity. If disapproved, the employee shall remove himself or herself from the conflict situation.

Gifts and Gratuities

No member of the council, official or employee may accept any gift or gratuity in any size under circumstances in which it could be reasonably thought to influence him or her in the performance of his or her official duties or appears to be a reward for any official action of his or her part. Employees responsible for making purchasing decisions for the City may not accept, directly or indirectly, any gifts, favors, privileges, or employment from current or prospective City vendors.

Compliance

No agent or employee shall the authority to bind the City to any contract or procurement. Any procurement transaction made on behalf of the City which is not in compliance with established policies and procedures shall be deemed unauthorized. Any person making an unauthorized purchase may be liable for payment, restitution and/or further disciplinary action. Any obligation incurred by any City employee for any purpose not authorized in the budget or for any amount in excess of the amount authorized is considered a personal obligation of the person incurring the expenditure.

Cash Disbursements

PURPOSE
The goal of the City is to safeguard the assets of the City and to ensure an appropriate level of fiduciary responsibility.

Policies for cash disbursements:

- All invoices must be approved and coded by the appropriate Department Director and submitted to the Finance Director for payment. All claims will be paid by 35 days as required by statutes.
- The Accounting Technician is responsible for the creation of checks from the payment batches and mailing out checks. In the absence of the Accounting Technician, the Payroll Accounting Clerk or Finance Director may code and record payments. Checks are processed weekly on Wednesday and mailed out on Friday.
- The Payroll Accounting Clerk verifies each check disbursement run and records the check numbers and total dollar amount of cash disbursement used in the daily subsidiary check register.
- The Mayor and City Administrator are authorized check signers for the City.
- The Payroll Accounting Clerk is responsible for the creation of electronic checks and entering them into the accounting system to record electronic payment activity for the City, as approved by the Finance Director
- All claims are reviewed and approved by City Council.
- The Finance Director is responsible for reconciling accounts payable at year-end.
- Monthly, the Finance Director is responsible to review expenditures to verify coding was correct. The Payroll Accounting Clerk will make the necessary adjustments as needed, which the Finance Director approves.
- At least quarterly, the Finance Department prepares a financial report that is presented to Council. The report shows year-to-date actual versus budget comparisons, for both revenues and expenditures/expenses, for the General Fund and all Proprietary Funds. The report also provides a summary of investments held by the City.
- Claims will be paid by either check, credit card or electronic funds transfers. Electronic funds transfers may be used for the following:
    - For a claim for a payment payroll wages and taxes
    - For investment of excess money
    - For payment of tax or aid anticipation certificates
    - For a payment of contributions to pension or retirement funds
    - For vendor payments

Escrow Deposits:

- Escrow deposits are original posted through the point of sale via the permit or invoice, based on the development agreement. The original deposit is then record in a subsidiary ledger by the Payroll Accounting Clerk to maintain.

- Pass through consultant fees are expensed to the correct escrow account and recorded in the ledger by the Payroll Accounting Clerk

- Monthly statement and/or invoice for the amounts due are generated by the Payroll Accounting Clerk and then mailed to each development escrow holder for notification.

- When releasing part or all of the Letter of Credit or Escrow Cash security deposit for site improvements, the City Engineer and Finance Director must approve the release. The City Engineer must determine that the project requirements have been satisfied.

- When releasing land use or seed/sod escrows, the appropriate department (planning, building and engineering) must approve that all requirements have been meet before funds will be released.

- Funds are only released to those parties that originally initiated the permit or entered into the development agreement, unless written documentation is received from the original party with instructions as to who to release the funds to.

- Escrow Security Deposits for Development Agreements will be in the form of a Letter or Credit from a reputable approved bank.

Credit Card Policy

PURPOSE

The City of Big Lake may provide credit cards to employees who frequently travel on City business or otherwise show a business reason for usage of a credit card. Credit cards will not be provided to City employees merely for the personal convenience of the employee. This policy addresses how to obtain a City credit card, procedures to pay credit card bills, and staff usage of City credit cards in the conduct of City business.

Obtaining a City credit card:

A staff member who wishes to obtain a City credit card to use in the conduct of City business shall submit a request to his or her supervisor. The request shall include reasons why the employee wishes to obtain the credit card. All requests must be recommended for approval by the City Administrator, including a recommendation for a credit limit. The City Administrator will forward approved requests to the Finance Director for processing. The approval will include a specific dollar limit.

City credit cards will generally be issued when the following criteria are met:

- The staff member travels frequently on City business; and/or
- The staff member has primary responsibility for purchasing equipment and supplies for his or her department.

Procedure and responsibilities:

- When possible and where convenience is not a primary concern, vendor acceptance of a purchase order or check and/or invoicing the City is preferred over using a City credit card. When the credit card is used, the vendor should be informed that the City is not subject to the state or local government sales tax.

- Dependent on individual needs, each staff's credit card shall be subject to dollar limits. Requests for increases in the limit should be submitted to the City Administrator for approval and then to Finance for processing.

- To prevent misuse and unnecessary finance charges, each cardholder is responsible for:
  - reviewing their individual statement for unauthorized usage;
  - providing substantiation for each charge;
  - routing the statement with all original documentation attached to the Finance Department within 5 working days of statement receipt (the turnaround time for credit card payments is short and subject to finance charges on the total balance due); and
  - Where applicable, obtaining the appropriate approvals from those with budget authority.

- Each charge must be evidenced by an original externally generated and itemized receipt or itemized substantiation for an online transaction.

- The cardholder will be responsible for any charges that an external generated and itemized receipt is not attached.

- A credit card purchase must comply with all statutes, rules and City policies. If credits are due, it is the cardholder's responsibility to ensure that they are received. (To avoid finance charges, the full amount of the monthly credit card bill must be paid regardless of credits in process.)

- The cardholder should sign and approve the overall monthly statement that shall constitute his/her approval of each individual charge. The cardholder should indicate the appropriate budget category to which each charge should be coded. When charges relate to more than one person, the purpose of charges and names of attendees should be noted on the statement.

- Use of the City credit card for personal purchases is prohibited.

- No employee is allowed to use a City credit card without obtaining prior permission from the cardholder. When granted, it is the card user's responsibility to submit documentation to the cardholder. Ultimately it is the cardholder's responsibility to obtain documentation for all charges.

- Under no circumstances may cards be used by non-City employees.

- No cash advances are permitted using City credit cards.
- It is the cardholder's responsibility to safeguard the credit card and protect it from theft and unauthorized use. This includes:
  - immediately reporting lost cards or unauthorized use to the credit card company as well as to the Finance Department;
  - promptly destroying expired credit cards;
  - keeping the credit card in a secure location;

  - o taking appropriate precautions when using the credit card to make purchases on the Internet and
  - o turning in the credit card to the Finance Director upon termination, resignation or termination.
- Improper use of the City's credit card may result in disciplinary action, and cardholders may be held personally responsible for unapproved purchases.

- All credit card purchases are subject to external audit, and brief descriptions of each charge are noted on the accounts payable approval list submitted to the City Council after each check run.

- The City reserves the right to cancel an individual's credit card for any reason.

REVENUE AND UTILITY COLLECTION

Revenue Policy

- The City will endeavor to maintain a diversified and stable revenue system to shelter it from annual fluctuations in any one revenue source.

- The City will conservatively estimate and budget for its annual revenues by an objective, analytical process. All existing and potential revenue sources will be re-examined annually.

- The City will maintain sound appraisal procedures to keep taxable property values current and a physical review of each parcel will be made at least every five years in accordance with Minnesota Statute 273.08.

- The City will seek a balance tax base through support of a sound mix of residential, commercial, and industrial development.

- The City will follow an aggressive policy of collecting revenues including assessing charges against the property for collection in the manner of a tax or assessment.

- The City will allocate Citywide revenues to funds, which provide services to the entire City.

- The City will attempt to invest all cash holdings in accordance with the cash and investment policy and maximize those holdings with an effective payment policy.

- The City will establish all user charges and fees for General Fund program activities at a level related to the full cost of providing the services, or as adjusted for particular program goals. On-going, the City will review the full cost of activities supported by user fees to identify the impact of inflation and other cost increase and will review these fees along with the resulting net property tax costs with the City Council at budget time. Sensitivity to market rates will also be considered in setting fees and charges.

- The City will set fees and user charges for each enterprise fund such as water, wastewater, storm water or revenue facilities, (Municipal liquor store) at a level that fully supports the total direct and indirect cost of the activity, including depreciation of capital assets and debt service, to maintain a positive cash flow and provide adequate working capital. Replacement (or bonding for replacement) of enterprise infrastructure will be paid for from accumulated (or annual) earnings of the particular system.

- The City will conduct a public hearing, as required by law, prior to setting fees or charges.

- The City Administrator or designee may reduce the escrow amount collected per the fee schedule on a case by case scenario up to $1,500. Any amount over $1,500 will need to be approved by the City Council.

Utility Collection Policy

The City of Big Lake uses the right to disconnect water services to properties for non-payment of the utility bill under this policy. For all properties that have been disconnected and payment has not been received by November of each year, the balance owed, as well as any old outstanding final balances, will be certified to Sherburne County as a special assessment. The collection action will be accomplished by certification of the charges against the property for collection in the manner of a tax or assessment. Additional fees will be added to delinquent charges certified to Sherburne County for collections as follows:

- Per parcel charge - $20.00
- Annual interest rate – 6%
- Term – one year

All rates and rents for water consumption shall be charged directly to owner and/or tenant and due within thirty (30) days after period of consumption. Bills should be paid promptly when due, in the case bills are not paid when due, a penalty as identified on the City Fee Schedule will be added to the bill.

If rates or rents are not paid within thirty (30) days after they become due, the City may order the water shut off; and it shall not be turned on again until the bills, together with a fee as set in the fee schedule for the cost of turning off the service, and an additional fee is paid to turn on the water.

No water will be shut off from October 15 until the following April 15 if part of the premise's primary heat source except in compliance with the Cold Weather Rule, Minnesota Statue 216B.097.

The City Administrator or designee may waive the monthly late fee or service disconnection fee on a case by case scenario up to $300. Any amount over the $300 would need City Council's approval.

Vacated properties water shall be shut off to prevent property loss and strain on City water and sewer systems caused by unattended water use. A notice will be sent to owner/and or tenant that services will be disconnected and not reconnected until charges as set in the fee schedule have been paid.

Properties that have been destroyed by fire or other natural disasters will have the base fees held for one year after the incident or when a certificate of occupancy has been issued, whichever comes first.

Properties designated by the Superintendents for Water-Wastewater and Streets-Parks-Fleet that are continuously subject to freezing pipes during the winter months and the recommendation from the City to run a small stream of water will receive the following adjustments to their winter billing.

- Water will be billed on tier one, in the event that this recommendation causes the property owner to use more than 6,500 gallons of water each month

If more than 6,500 gallons of water are used during that time the account will receive a credit of $25 towards the sewer usage fee, since those fees are based on the water usage during the winter months.

Sidewalk Snow Remove Invoice Collection Policy

The City of Big Lake uses the right to charge property owners to clean sidewalks of snow per City code 550.01, which states that the owner or occupant of any premises in the City shall clear the sidewalk in front of or beside the premises, of snow and loose or melting ice within twenty-four hours after the completing of any snowfall. For all properties that do not comply with code the City will bill the owner an administrative fee, based on the current fee schedule, plus the invoice amount from the authorized contractor.

For all invoices that are not paid in full by November of each year, the outstanding balance will be certified to Sherburne County as a special assessment. The collection action will be accomplished by certification of the charges against the property for collection in the manner of a tax or assessment. Additional fees will be added to delinquent charges certified to Sherburne County for collections as follows:

- Per parcel charge - $20.00
- Annual interest rate – 6%
- Term – one year

The City Administrator or designee may waive the fee on a case by case scenario up to $300. Any amount over the $300 would need City Council's approval.

Weed and Grass Removal Invoice Collection Policy

The City of Big Lake uses the right to charge property owners to remove weeds or grass growing upon any lot or parcel of land, including lands between the curb line of the street or alley and the property line of private properties to a height greater than one foot, or which are about to go to seed per City code 510.02, which states that the owner of any premises in the City shall remove weed and or grass that is in violation of stated code within seven (7) days of notice. For all properties that do not comply with code the City will bill the owner an administrative fee, based on the current fee schedule, plus the invoice amount from the authorized contractor.

For all invoices that are not paid in full by November of each year, the outstanding balance will be certified to Sherburne County as a special assessment. The collection action will be accomplished by certification of the charges against the property for collection in the manner of a tax or assessment. Additional fees will be added to delinquent charges certified to Sherburne County for collections as follows:

- Per parcel charge - $20.00
- Annual interest rate – 6%
- Term – one year

The City Administrator or designee may waive the fee on a case by case scenario up to $300. Any amount over the $300 would need City Council's approval.

Administrative Citation Collection Policy

The City of Big Lake will send unpaid administrative citations, such as parking tickets or zoning violations to a collection agency for collections.

RISK MANAGEMENT

PURPOSE

A comprehensive risk management plan seeks to manage the risks of loss encountered in the everyday operations of an organization. Risk management involves such key components as risk avoidance, risk reduction, risk assumption, and risk transfers through the purchase of insurance. The purpose of establishing a risk management policy is to help maintain the integrity and financial stability of the City, protect its employees from injury, and reduce overall cost of operations.

POLICY STATEMENT

The City will maintain a risk management program that will minimize the impact of legal liabilities, natural disasters or other emergencies through the following activities.

1. Loss prevention – prevent losses where possible
2. Loss Control - reduce or mitigate losses
3. Loss financing – provide a means to finance losses
4. Loss information management – collect and analyze data to make prudent prevention, control and financing decisions.

The City will review and analyze all areas of risk in order to, whenever possible, avoid and reduce risks or transfer risks to other entities. Of the risks that must be retained, it shall be the policy to fund the risks which the City can afford and transfer all other risks to insurers.

The City will maintain an active safety committee comprise of City employees.

The City will annually conduct educational safety and risk avoidance programs within its various division.

Staff will report to Council, annually on the results of the City's risk management program for the preceding year.

TRAVEL AND TRAINING

Travel Policy

PURPOSE

It is the purpose of this policy statement 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 reimbursement or travel purchasing card transactions will be authorized. Only claims for accommodations and services actually incurred or in accordance with the Standard Federal Per Diem Rate in the case of meals and incidental expenses would be reimbursed once the Travel Expense Report has been approved. Employees are expected to utilize the same care when incurring official expenses that a prudent person would utilize if traveling on personal business.

City Reimbursement of Travel Cost

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 judgement in the nature and amount of expenses incurred while conducting City business. Per Minnesota Statue, purchase 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 direct route or on an uninterrupted basis. The employee will be responsible for any additional cost exceeding the business purpose related expense.

The following expense may be approved for reimbursement:

- Transportation – Coach airplane passage is considered standard for travel out of state, as air travel is generally more economical in time and money than other modes of transportation when making long trips. Any out of state training or travel must be pre-approved by the City Administrator, or the City Council in the case of out-of-state training opportunities for the City Administrator.

- Travel by Automobile - When traveling in a City vehicle, the employee should use a City assigned purchasing card for fuel expenses or their own credit card if a City purchasing card is not available. Due to potential liability considerations, transportation of persons not on official City business is prohibited in City Vehicles.

  When personal automobiles are used as a mode of transportation for travel, reimbursement will be reimbursed at the current IRS mileage reimbursement rate. Payment of mileage will be based on the most direct route from the point of departure to the point of destination. The City is not responsible for damage to personal vehicles while on official business, as the employee's vehicle is not covered by the City's insurance coverage.

- Car Rental - Prior approval by the Department Director is required if it is necessary to rent a car at the travel destination. Pre-payment of a car rental can be made using a City purchasing card. No personal use of car rental is allowed to be claimed on the Travel Expense Report.

- Lodging – Hotel or motel accommodations should be appropriate to the purpose of the trip. Lodging should be chosen based on reasonableness of cost and proximity to the conference, meeting, or training site.

  Each employee shall be allowed an individual single room. Where multiple occupancy by other than City employees/official occurs, only the actual cost of the single room rate (if different from the double room rate) may be claimed for reimbursement or charged to City purchasing card.

  Detailed lodging receipts must be submitted for reimbursement as well as documentation for charges on a City purchasing card. The receipts must include the nightly room rate and any incidental expenses charged. Only incidental costs related to the room charges will be reimbursed.

  Business telephone calls and reasonable personal calls incurred during overnight stays are reimbursable. When assigned, a City mobile device or cell phone should be used for telephone calls. Expenses that are not deemed reasonable and necessary will not be reimbursed. Some non-reimbursable examples are: movies in your hotel room, fees to use the hotel's health club, dry cleaning, and personal items (such as toothpaste, shampoo, etc.)

Unless previously approved by the Department Director or City Administrator, overnight stays within 60 miles of the City will not be reimbursed.

- Per Diem – The per diem allowance is a daily payment for meals and related incidental expenses when overnight travel accommodations are necessary, in accordance with published federal per diem rates instead of receipt-based reimbursement. An employee may claim an amount not to exceed the allowable per diem rate in accordance with the Standard Federal Per Diem Rate Schedule in effect at the time of travel (current per diem rates are located at www.gsa.gov). A City assigned purchasing card may **NOT** be utilized to pay for meal expenses when per diem is claimed. The per diem allowance is separate from lodging, transportation and other miscellaneous expenses. The per diem allowance covers all charges, including taxes and service charges where applicable for:

- Meals – Expenses for breakfast, lunch, dinner, snacks and related tips and taxes (specifically excluded are alcoholic beverage and entertainment expenses, and any expenses incurred for other persons). Tips shall not exceed 15% of a City reimbursed meal cost.
    - In the event an approved training/conference event is more than one day in duration, the maximum reimbursement will not exceed the daily per diem rates set annually by the Standard Federal Per Diem Rate Schedule for meals and incidentals for the area.
    - Employees may claim full per diem for the day of departure and the day of return from a business trip, regardless of the departure or arrival time.
    - When an event encompasses a full day, employees may spend the daily allowance among the three meals, at their discretion, unless meals are included as part of the event registration. In that case, the money allotted for that meal cannot be spent.
    - For partial days, the meal allowance will not exceed the amounts set annually by the Standard Federal Per Diem Rate Schedule for meals and incidentals separately for breakfast, lunch, or dinner.
    - Detailed receipts will be required for reimbursement (also for any meals purchased with a City Purchasing card) upon return from the event. Receipts must clearly state the date, location, and item(s) ordered. Non-itemized credit card receipts will not be reimbursed.
    - Employees may occasionally be in the position of having to provide a meal for other persons who have official business with the City. In addition, receipts for these meals must include the name of each person attending the meal along with a description of the public purpose/benefit of the meeting.

- Incidental expenses – Fees for Taxi, parking, as well as tips for porters, baggage carriers, bellhops and hotel maid service, associated with travel while on official City business will be reimbursed at actual cost. Receipts must be submitted for reimbursement.

City Reimbursement of Travel Costs that do not Require Overnight Travel

Travel plans involving expenses that do not require overnight travel accommodations will be reimbursed based on actual cost substantiated by appropriate receipts. The employee is entitled to reimbursement of meal expenses after submitting actual receipts. No reimbursement is authorized if meals are provided during the meeting or event. When available, the assigned City credit card should be used for these types of activities. This includes training or meeting within 60 miles from the City.

International Travel

For domestic travel purposes, the IRS definition of the United States includes the 50 states and the District of Columbia. The purpose of travel outside the United States for City business must be unquestionably professional in content and should only be considered if a similar meeting, conference, or training of similar quality cannot be found within the continental limits of the United States. International travel expenses for business related purposes are deductible, as outlined in the IRS Code Publication 463 (Travel Outside the United States), but may be limited if the travel involves non-business activities. Any travel outside the United States must be approved by the City Council.

Other

Falsification of travel documents/expense reporting, resulting in overpayment of the City's assets, may 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, 30 days or less.

Training Policy

Training must be approved in advance by the Department Director. Requests for reimbursement of training costs must include information on the training session and proof of payment.

EDA FINANCIAL POLICES

Tax Increment Financing Policy

BLEDA Adopted May 12, 2014
City Council Adopted May 28, 2014
Revised February 8, 2017

For the purpose of this policy, the "City" shall also mean the Big Lake Economic Development Authority (BLEDA), which serves in conducting various economic development, housing and redevelopment programs and activities within the City of Big Lake.

I. <u>GENERAL POLICY</u>

The purpose of this policy is to establish the City's position relating to the use of Tax Increment Financing for private development. Minnesota Statutes, Section 469.174 through 469.1794, as amended, governs the use of Tax Increment Financing (the "TIF Act"). This policy shall be used as a guide in processing and reviewing applications requesting Tax Increment assistance. The fundamental purpose of tax increment financing in Big Lake is to encourage desirable development and/or redevelopment that would not otherwise occur "but for" the assistance provided through TIF.

The City of Big Lake may consider Tax Increment Financing for projects that serve to accomplish the City's goals for housing and economic development as they may change over time. The goals include facilitating projects that would result in the creation of quality jobs (e.g. stable employment and/or attractive wages and benefits) and the attraction, retention, and expansion of business and housing options in the City.

II. CITY'S OBJECTIVE FOR THE USE OF TIF:

As a matter of adopted policy, the City of Big Lake may consider using Tax Increment Financing (TIF) to assist private development projects to achieve one or more of the following purposes:

- Remove blight and/or encourage redevelopment in the commercial and industrial areas of the City in order to encourage high quality development or redevelopment and private reinvestment in those areas.

- To promote neighborhood stabilization and revitalization by the removal of blight and the upgrading of existing housing stock.

- To retain local jobs and/or increase the number and diversity of quality jobs (e.g. stable employment and/or attractive wages and benefits).

- To encourage additional unsubsidized private development in the area, either directly, or through secondary "spin-off" development.

- To offset increased costs of redevelopment (e.g. contaminated site clean-up), over and above those costs that a developer would incur in normal urban and suburban development.

- To facilitate the development process and to achieve development on sites which would not be developed without this assistance.

- To meet other uses of public policy, as adopted by the Council from time to time, including promotion of quality urban design, quality architectural design, energy conservation, decreasing the capital and operating costs of local government, etc.

III. COSTS WHICH MAY QUALIFY FOR TAX INCREMENT FINANCING ASSISTANCE:

This list is provided as an example of costs which may qualify for tax increment financing assistance. The City may determine to not reimburse costs that are included on this list and to include other costs not listed here that may be eligible under the TIF Act.

- Project Design fees including: utilities, landscape, architectural and engineering design.
- Site related work, including: permits for site work, earthwork/excavation, soil correction, landscaping, utilities, streets and roads, street/parking lot paving, street/parking lot lighting, curb and gutter, sidewalks
- Land acquisition
- Special assessments
- Legal fees (acquisition, finance, closing)
- Soil tests
- Environmental studies

- Surveys
- Interest rate write downs
- Relocation assistance
- Replacement or clean-up of contaminated soils which would otherwise preclude redevelopment
- Rehabilitation
- Any other costs allowable by the TIF Act

IV. PROJECTS WHICH MAY QUALIFY FOR TAX INCREMENT FINANCING ASSISTANCE

All new TIF projects considered by the City of Big Lake must meet each of the following minimum qualifications and will also be evaluated based on their ability to meet the desired qualifications for assistance. However, it should not be presumed that a project meeting any of the qualifications will automatically be approved. Meeting the qualifications create no contractual rights on the part of any potential developer to have its project approved.

MINIMUM QUALIFICATIONS

A. The project should meet one or more of the Tax Increment Financing Objectives outlined in Section 2. But at a minimum shall:

   - Remove blight and/or encourage redevelopment in the commercial and industrial areas of the City in order to encourage high quality development or redevelopment and private reinvestment in those areas.

   - To facilitate the development process and to achieve development on sites which would not be developed without this assistance.

B. The developer must demonstrate that the project is not financially feasible "but-for" the use of tax increment financing.

C. The project must be consistent with the City's Comprehensive Plan and Zoning Ordinances, or required changes to the plan and ordinances must be under active consideration by the City at the time of TIF application submittal.

D. Prior to approval of a TIF financing plan, the developer shall provide any requested market and financial feasibility studies, appraisals, soil boring, private lender commitment, and/or other information the City or its financial consultants may require in order to proceed with an independent underwriting of the proposal.

E. Any developer requesting TIF assistance should be able to demonstrate past successful general development capability as well as specific capability in the type and size of development proposed. TIF will not be used when the developer's credentials, in the sole judgment of the City, are inadequate due to past track record relating to: completion of projects, general reputation and/or bankruptcy, or other problems or issues considered relevant by the City.

F. The level of TIF funding should be reduced to the lowest possible level by maximizing the use of private debt and equity financing first, and then using other funding sources or income-producing vehicles that can be structured into the project financing, prior to using additional TIF funding.

G. Development financing will be made available only on a Pay-As-You-Go (PAYGO) basis. Look back provisions may be utilized by the City to determine developer’s ability to share revenue with the City.

H. The level of assistance provided to developer will be determined on a case-by case basis. When determining the level of assistance, the City will consider the quality of the proposed development and/or the quality of the employment opportunities that might be generated.

DESIRED QUALIFICATIONS

A. TIF proposals creating a higher ratio of property taxes paid before and after redevelopment will receive priority consideration. Given the different assessment circumstances in the City, this ratio will vary widely. A 1:2 ratio of taxes paid before and after redevelopment is desired.

B. TIF proposals should normally not be used to support speculative industrial, commercial, office or housing projects. In general, the developer should be able to provide market data, tenant letters of commitment or finance statements which support the market potential/demand for the proposed project.

C. TIF will normally not be used in a project that involves an excessive land and/or property price. This will normally be where the acquisition price is more than 20% in excess of market value as determined by an independent appraisal of the property.

D. TIF will not be used in projects that would give a significant competitive financial advantage over similar projects in the area due to the use of tax increment subsidies. Developers should provide information to support that TIF assistance will not create such a competitive advantage. Priority consideration will be given to projects that fill an unmet market need.

E. TIF will not be used to support projects that place extraordinary demands on City services. Preference will be given to projects that do not place extraordinary demands on City services.

F. TIF will not normally be used for projects that would generate significant environmental problems in the opinion of the local, state, or federal governments. Priority will be given to projects that aim to clean-up existing contaminated sites and would facilitate the location of an industry or business which has an environmentally sound track record, or meet a housing need in the City.

G. Preference will be given to projects that meet good public policy criteria as determined by the City Council, including:

- High project quality (e.g. sound architectural design, quality construction and materials)
- Projects that are in accord with the Comprehensive Plan, Zoning Ordinance, Strategic Plan, and other redevelopment plans of the City
- Projects that provide significant improvement to surrounding land uses, the neighborhood, and/or the City
- Projects that provide a significant increase in tax base
- Projects that provide significant new, or retained, employment
- Projects that meet financial feasibility criteria established by the City; and
- Projects that provide the highest and best desired use for the property

V. TAX INCREMENT PROJECT EVALUATION PROCESS

The following five methods of analysis for all TIF proposals will be used:

1. Consideration of project meeting minimum qualifications.
2. Consideration of project meeting desired qualifications.
3. Project meets "but-for" analysis and statutory qualifications
4. Project Summary Report Card (Exhibit A)

Please note that the evaluation methodology is intended to provide a balanced review. Each area will be evaluated individually and collectively and in no case shall one area outweigh another in terms of importance to determining the level of TIF assistance.

VI. APPLICATION FOR TIF ASSISTANCE FOR ALL TIF DISTRICTS AND PROJECT AREAS

The City of Big Lake will require a non-refundable application fee in the amount of $500.00 for its processing of the application. The application fee shall be paid to the City at the time the TIF application is submitted. At the time a TIF application is submitted, the applicant shall also deposit $10,000 with the City to cover its attorney's and consultant's costs incurred as part of amending or establishing a TIF district, drafting and negotiating a development agreement, and conducting any fiscal analysis that may be required to meet the requirements of utilizing TIF. If additional expenses are incurred beyond the $10,000, prior to the execution of a development agreement, the City shall notify the applicant in writing and the applicant will be required to deposit additional funds upon notice.

If the project is approved and the applicant proceeds with the project, the City shall reimburse the applicant any unused portion of the deposit as of the date of execution of the development agreement. If the applicant does not proceed with the project, the City shall reimburse the applicant for the unused portion of the deposit as of the date that the City is notified in writing that the applicant desires to withdraw its application.

VII. APPLICATION PROCESS:

The application process must be completed in accordance with the TIF application procedures (Exhibit B). The purpose of this approach is to give an applicant the opportunity to discuss a development proposal without expending a great deal of money and time in pursuing a development that may conflict with the City's goals and objectives.

VIII. OTHER POLICY ISSUES

Public Use of Tax Increment

The City shall follow applicable state laws in terms of potential public improvement financing with TIF. It shall be the general policy of the City to identify public improvements at the time of adoption or amendment of the TIF Plan.

Tax Abatement Policy

Revision Dates

September 28, 2005
February 25, 2015
March 8, 2017
February 12, 2018

I. General Purpose

The purpose of this policy is to establish the City of Big Lake's ("the City") position as it relates to the use of Property Tax Abatements ("Abatements") for private development. This type of abatement is allowed pursuant to Minnesota Statutes, Sections 469.1812 through 469.1815, as amended (the "Abatement Law").

It is the City's intent to coordinate the use of Tax Abatement with other local jurisdictions to the extent that it is possible to do so.

Tax Abatement shall be defined as the City's share of the property taxes derived from the increase in market value over the current year market value of property within the project area resulting from development. For purposes of this definition, current year is the year in which an application for request for assistance is received.

The City of Big Lake recognizes the importance of this development tool which may be used by the City to satisfy its economic development goals and objectives. These general goals include the following:

A. Broaden and diversify the tax base;
B. Create and or retain an employment base;
C. Strengthen and enhance the commercial-industrial areas of the community;
D. Promote a high quality of construction or site design.

This policy shall be used as a guide in the processing and review of applications requesting tax abatement assistance. The fundamental purpose of Tax Abatement in the City of Big Lake is to encourage desirable development or redevelopment that would not otherwise occur but for the assistance provided through Tax Abatement.

II. Types of Projects and Uses Eligible for Assistance

In order to meet the stated goals and objectives of the City, Abatements will be used to assist private developments in those instances where the proposed project demonstrates one or more of the following objectives or conditions:

Public Financing is needed to…

1. Retain local jobs and/or increase the number and diversity of jobs that offer stable employment and/or attractive wages and benefits.

2. Enhance and diversify the City's economic base.

3. Encourage additional unsubsidized private development in the area, either directly or indirectly through "spin-off' development.

4. Offset increased costs of redevelopment (i.e. contaminated site clean-up) over and above costs normally incurred in development.

5. Contribute to the implementation of other public policies as adopted by the City from time-to-time, such as the promotion of quality urban or architectural design energy conservation and decreasing capital and/or operating costs of local government.

6. Promote a high quality of construction and/or site design.
7. Aid in the development or implementation of an environmentally sound practice, production or product.

8. Improve the condition of existing commercial or industrial buildings, including but not limited to, accessibility requirements, exterior façade improvements and energy upgrades.

9. Complete specific enhancements, including but not limited to signage, landscaping and lighting (within private property or adjacent to public property).

10. Fill a defined financing gap that is associated with a pedestrian public improvement project in commercial areas, including but not limited to, access control, pedestrian systems and parking improvements.

11. Facilitate the development process and achieve development of sites that would not be developed without Tax Abatement assistance (general "but for" test).

12. Finance or provide public infrastructure pursuant to the Abatement Law.

III. Eligible Expenditures

Abatements may be used to pay for expenditures related to eligible project costs. Eligible expenditures may include land acquisition and conveyance, building improvements, site improvements and public streets/utilities. Ineligible expenditures are non-fixed assets including equipment and working capital.

IV. Financing Structure

The City will structure Abatements as a direct annual or semi-annual payment (corresponding to the City's portion of the property taxes only) to the property owner based on the terms and conditions stated in an agreement between the City and the property owner. The property owner is subject to changes in the taxes that may result in payments lower than the original estimated amount.

V. Specific Policies for the Use of Tax Abatement

1. Tax Abatement will be provided to the developer upon receipt of taxes as a pay-as-you-go method. All taxes on the subject parcel need to be paid to date before a rebate payment will be made. Requests for up-front financing (bonds) will be considered on a case-by-case basis.

2. Developer shall be able to demonstrate a need for a proposed project.

3. Tax Abatement shall not be used for projects or businesses that would place extraordinary demands on City services considering the benefit to the City.

4. The developer must enter into an abatement agreement to ensure compliance with the City policies and requirements.

5. The developer shall demonstrate his or her ability (via past experience, credit history and corporate or personal financial statements) to complete the project in an adequate and timely manner, and also at the option of the City, shall provide financial guarantees to ensure completion of the project that include but are not limited to: assessment agreements, letters of credit and personal guarantees.

6. The developer/business shall provide information necessary for the City to make a determination on the project.

7. The City will view projects having a county/school district tax abatement commitment more favorably.

8. The project supports and furthers the City's Comprehensive Plan and/or other public policies, as adopted by the City.

9. Tax Abatement may be used to phase in a property tax increase on a parcel that will increase in estimated market value of 50 percent or greater when the increase is not attributable to an abatement project.

10. The business subsidy funding for any project shall be the lowest amount feasible for the shortest period of time. Business/developers shall exhaust all possible forms of non-business subsidy funding, i.e. private debt and equity financing prior to using business subsidy finding.

11. Any receipt of Tax Abatement assistance will be required to provide an equity investment in the project.

12. Tax Abatement will not be used in circumstances where land and or property price is in excess of fair market value.

13. Tax Abatement will not be utilized in cases where it would create an unfair competitive financial advantage over other projects or businesses in the area.

14. No abatement of taxes will be granted on property in a TIF District.

15. The project shall comply with all provisions set forth in the state Abatement Law.

16. Abatement can only be granted, if it benefits the City to a level equal to or greater than the abatement cost to the City.

17. In any year, the total amount of property taxes abated by the City may not exceed ten percent (10%) of the net tax capaCity of the City or $200,000, whichever is greater. This is consistent with the Abatement Law.

18. No tax abatement period shall exceed 15 years from the date of approval by the City Council unless the county or school district has declined to participate in the abatement. In this event, the City may approve an abatement period that is up to 20 years in length.

19. The City Council may change and modify the application of these specific policies as it deems necessary and appropriate.

VI. <u>Decision Guidelines or Project Requirements</u>

The following guidelines will be used by the City in order to determine whether a financing proposal is warranted which will become the basis for findings in the resolution of Abatement approval.

A. The proposed project does not fit well within the City's and the Economic Development Authority's Tax Abatement Policy or is subject to other state statute restrictions.

B. The proposed project addresses an identified need within the community, including but not limited to, improved maintenance or expansion of public utilities, reuse of underutilized property, or development of property with site constraints, installation of design enhancements, compliance with safety or accessibility codes, and financing within a targeted improvement area.

C. The proposed project cannot be completed without public financing due to identified costs that are greater than normal or due to an identifiable financing gap.

D. The proposed project can be assisted with a private-to-public leverage, which results in minimal impact to the statutory limit for the City's use of Abatements. In addition, the amount of Abatement should not exceed the level of private equity from the project owner(s).

E. The project is consistent with the City's Comprehensive Plan, Land Use Plan and Zoning Ordinances.

F. The project meets one or more of the following public purposes:

- Creation of new jobs
- Increase in the tax base
- Enhancement or diversification of the City's economic base
- Development or redevelopment that will spur additional private sector investment in the area
- Fulfillment of defined City objectives such as those identified in the City's Comprehensive Plan
- Removal of slum and blight or the redevelopment of a high-profile site.

VII. Procedure for Application:

A. A completed application with the application fee in accordance with the current City of Big Lake Fee Schedule shall be submitted to the City. The application will be reviewed by the City staff and the Economic Development Authority.

B. After review and recommendation for approval by the Economic Development Authority (the review body for the City), the City Council shall publish a notice and hold a public hearing on the proposed Abatement.

C. The City Council holds a public hearing concerning the Abatement. It must approve the Abatement by resolution.

D. If the City approves the Abatement by resolution, its staff and/or consultants will draft a development contract.

SAC Fee Subsidy Policy for Lake Shopping Center Development

The City of Big Lake and its Big Lake Economic Development Authority (BLEDA) strive to promote growth in the community. The intention of this policy is to stimulate an increase in tax base and offset the rise in construction costs.

Fourteen (14) SAC Credits were provided to the BLEDA on April 25, 2007 due to a former laundromat that burned down, which was never rebuilt and the redevelopment of the Lake Shopping Center. The intention of the 14 SAC Credits were for the BLEDA to award them to an economic development project(s) within the Lake Shopping Center area.

The 14 SAC Credits fit the legal definition of a business subsidy of $25,000 or more. This prompts a need for a policy that sets performance standards with specific minimum requirements that projects must meet in order to be eligible to receive the SAC fee business subsidy.

This SAC Fee Business Subsidy Policy will dissolve three (3) years after the 14 credits have been awarded to a project(s) and waived. A vesting of three (3) years is to assure the intended purpose and hedge against a use change to a less intensive water/sewer user.

Minimum performance requirements are as follows:

- Waiving the SAC fee will be approved by the Big Lake City Council following a recommendation of approval by the BLEDA.
- The SAC Credits will be issued on a first come, first served basis until the Credits are extinguished.
- Projects that receive SAC Credits must create at least two (2) jobs and pay at least the current minimum wage
- Jobs created must empower and support adults with disabilities to work in the mainstream of community life
- The Developer must agree to promptly pay all other fees and charges imposed by the City in conjunction with construction and shall not otherwise be delinquent of City fees and charges.
- SAC Credits will only be awarded to commercial/retail projects within the Lake Shopping Center area.
- The SAC connection fee will be waived at the time the building permit is issued and construction must begin within 365 days of receiving the SAC waiver.
- Any SAC connection fee waiver will be documented in a written agreement signed by the City and the Developer.
- This policy will dissolve three (3) years after the 14 Credits have been waived.

FEDERAL GRANT POLICIES AND PROCEDURES

Purpose

The purpose of the Federal Grant Policies and Procedures Manual is to administer Federal funds pursuant to *Title 2 of the Code of Regulations (2 CFR) part 200* which took effect on December 26, 2014.

The manual contains the internal controls and grant management standards used by the City to ensure that all Federal funds are lawfully expended. It describes in details cash management procedures, procurement policies, inventory management, procedures to determine the allowability of Federal expenditures, time-and-effort reporting, record retention and monitoring responsibilities. All Grant Managers of the City are expected to review this manual to gain familiarity and understanding of the rules and to comply with all requirements.

Grant Award Procedures

Preparation and Review of Proposals

Individual departments are responsible for preparing proposals for projects that the department intends to pursue. However, all proposals shall be reviewed by the Finance Director and no grant application will be prepared and submitted unless authorized by the City Administrator prior to submission to government agencies or other funding sources. Final proposals shall be reviewed and approved in writing by the City Administrator.

Post-Award Procedures

After an award has been made, the following steps shall be taken:

A. Verify the specifications of the grant or contract. The Finance Director shall review the terms, time periods, award amounts and expected expenditures associated with the award. A *Catalog of Federal Domestic Assistance* (CFDA) number shall be determined for each award. All reporting requirements under the contract or award shall be summarized.

B. The Finance Director will set up new project codes and account numbers for grants. New accounts shall be established for the receipt and expenditure categories in line with the grant or contract budget.

C. Gather documentation. A file is established for each grant or contract. The following documents should be included in the grant file:
   1. Grant proposal and/or application
   2. Final signed grant award letter/executed agreement
   3. Grant release checklist and terms of award
   4. All modifications to the grant award i.e. continuations, supplements
   5. Council agenda items and resolutions
   6. Budget amendments/transfers
   7. Payment authorizations and expenditure documentation
   8. Subcontracts (if applicable)
   9. Reimbursement request
   10. All technical, progress and final reports submitted to Federal agency
   11. Property records and disposal records if applicable
   12. All written documentation pertaining to the grant, including correspondence, emails, notes, etc.

Compliance with Laws, Regulations and Provisions of Awards

The City of Big Lake recognizes that as a recipient of Federal funds, it is responsible for compliance with all applicable laws, regulations, and provisions of contracts and grants. To ensure that the City of Big Lake meets this responsibility, the following policies apply with respect to every grant or contract received directly or indirectly from a Federal agency:

A. For each Federal award, an employee within the department responsible for administering the award will be designated as "Grant Manager" (GM).

B. Each Grant Manager is expected to review the *Federal Grant Policies and Procedures Manual* to gain familiarity and understanding of the rules and practices to comply with all of the requirements prior to beginning their role as a Grant Manager (or as early in their functioning as a Grant Manager as practical).

C. The Grant Manager shall take the following steps to identify all applicable laws, regulations, and provisions of each grant and contract:
   1. Read each award and prepare a summary of key compliance requirements and references to specific laws and regulations.

2. Review the "Appendix XI to Part 200 – Compliance Supplement" (updated annually) published by the Office of Management and Budget (OMB) for compliance requirements unique to the award and for compliance requirements common to all Federal awards.

3. Review the section of the *Catalog of Federal Domestic Assistance* applicable to the award.

D. The Grant Manager will be responsible for submitting any required reports to the agency that provided the grant. The Grant Manager will ensure that the funds are being expended in accordance with the provisions of the grant and request for Federal funds are based on the actual costs incurred for allowable expenditures; and are reviewed and approved by management or someone else that is familiar with the grant prior to submission. That person must sign off on each grant reimbursement request. The Finance Director will receive copies of all financial reports submitted along with copies of the supporting documentation. The Finance Director is responsible for reviewing all information submitted by the Grant Manager for financial accuracy and preparing the Schedule of Expenditures of Federal Awards.

E. The Grant Manager will assist the Finance Director in ensuring that all regulations are met. Any changes to the grant award will be submitted to the Federal agency for proper approval and authorization. The Grant Manager is responsible for maintaining all documents related to those changes.

F. The Grant Manager and/or the Finance Department shall identify and communicate any special changes in policies and procedures necessitated by Federal awards as a result of the review of each award.

G. The Grant Manager shall take all reasonable steps necessary to identify applicable changes in laws, regulations, and provisions of contracts and grants. Steps taken in this regard shall include, but not be limited to, reviewing subsequent grant and contract renewals, reviewing annual revisions to the "Appendix XI to Part 200 – Compliance Supplement", and communications with Federal Awarding Agency personnel.

H. The General Manager shall cooperate with the Independent Auditors by informing the CPA firm as to applicable laws, regulations, and provisions of contracts and grants and communicating known instances of noncompliance with laws, regulations, and provisions of contracts and grants to the auditors.

Close Out of Federal Awards

The City of Big Lake shall follow the “Close Out Procedures” described in “2 CFR Part §200.343”, and in the grant agreements as specified by the Federal Awarding Agency or pass-through entity:

A. The City of Big Lake will submit, no later than 90 calendar days after the end date of the period of performance, all financial, performance and other reports as required by or the terms and conditions of the Federal award, unless an extension is approved.

B. The City of Big Lake will liquidate all obligations incurred under the Federal award not later than 90 calendar days after the end date of the period of performance as specified in the terms and conditions of the Federal award, unless the Federal Awarding Agency or pass-through entity authorizes an extension.

C. The City of Big Lake will promptly refund any balances of unobligated cash that the Federal Awarding Agency or pass-through entity paid in advance or paid and that is not authorized to be retained by the City of Big Lake for use in other projects.

D. The City of Big Lake will account for any real and personal property acquired with Federal funds or received from the Federal government.

Financial Management System Policy

In accordance with "2 CFR Part §200.302 Financial Management", it is the policy of the City of Big Lake to maintain a financial management system that provides for the following:

A. Identification, in its accounts, of all Federal awards received and expended and the Federal programs under which they were received. Federal program and Federal award identification includes the CFDA title and number, Federal award identification number and year, name of the Federal agency, and name of the pass-through entity, if any.

B. Accurate, current, and complete disclosure of the financial results of each Federal award or program in accordance with the reporting requirements set forth in "§200.327 Financial Reporting" and "§200.328 Monitoring and Reporting Program Performance". (See Monitoring and Reporting Policy)

C. Records that identify adequately the source and application of funds for federally-funded activities. These records will contain information pertaining to Federal awards, authorizations, obligations, unobligated balances, assets, expenditures, income and interest and be supported by source documentation.

D. Effective control over, and accountability for, all funds, property, and other assets. The City of Big Lake will adequately safeguard all assets and assure that they are used solely for authorized purposes.

E. Comparison of expenditures with budget amounts for each Federal award.

F. Written procedures to implement the requirements of "§200.305 Payment". (See Payment and Billing Policy)

G. Written procedures for determining the allowability of costs in accordance with "Subpart E—Cost Principles" of this part and the terms and conditions of the Federal award. (See Charging of Costs Policy)

Budget and Program Revisions Policy

In accordance with "2 CFR Part §200.308 Revisions of Budget and Program Plans", it is the policy of the City of Big Lake to report deviations from budget or project scope or objective. It is also the policy of the City of Big Lake to request prior approval from Federal Awarding Agencies for any of the following program or budget revisions:

A. Change in the scope or the objective of the project or program (even if there is no associated budget revision requiring prior written approval).

B. Change in a key person specified in the application for the Federal award.

C. The disengagement from the project for more than three months, or a 25 percent reduction in time devoted to the project, by the approved project director.

D. The inclusion, unless waived by the Federal Awarding Agency, of costs that require prior approval in accordance with “Subpart E—Cost Principles”.

E. The transfer of funds budgeted for participant support costs to other categories of expenses.

F. The sub-awarding, transferring or contracting out of any work under a Federal award, unless described in the application and funded in the approved Federal awards. This does not apply to the acquisition of supplies, materials, equipment or general support services.

G. Changes in the amount of approved cost-sharing or matching provided by the City of Big Lake. No other prior approval requirements for specific items may be imposed unless a deviation has been approved by Office of Management and Budget.

H. For Federal construction awards, prior written approval will be requested promptly from the Federal Awarding Agency for budget revisions whenever:
   1. The revision results from changes in the scope or the objective of the project or program.
   2. The need arises for additional Federal funds to complete the project.
   3. A revision is desired which involves specific costs for which prior written approval requirements may be imposed consistent with applicable Office of Management and Budget cost principles listed in “Subpart E—Cost Principles”.

Charging of Costs to Federal Awards

Overview

It is the policy of the City of Big Lake that only costs that are reasonable, allowable and allocable to a Federal award shall be charged to that award directly or indirectly. All unallowable costs shall be appropriately segregated from allowable costs in the general ledger in order to assure that unallowable costs are not charged to Federal awards.

Segregating Unallowable from Allowable Costs

The following steps shall be taken to identify and segregate costs that are allowable and unallowable with respect to each Federal award:

A. The budget and grant or contract for each award shall be reviewed for costs specifically allowable or unallowable.

B. Accounting personnel and Departmental Grants Manager shall be familiar with the allowability of costs provisions of “2 CFR Part 200 Subpart E—Cost Principles” particularly:

   1. The list of specifically unallowable costs, such as alcoholic beverages, bad debts, contributions, fines and penalties, lobbying, etc.
   2. Those costs requiring advance approval from Federal agencies in order to be allowable in accordance with “2 CFR §200.407—Prior Written Approval (Prior Approval)”.

C. No costs shall be charged directly to any Federal award until the cost has been determined to be allowable under the terms of the award and/or “2 CFR Part 200 Subpart E—Cost Principles”.

D. For each Federal award, an appropriate set of general ledger accounts shall be established by the City of Big Lake to reflect the categories of allowable costs identified in the award or the award budget.

E. All items of miscellaneous income or credits, including the subsequent write-offs of uncashed checks, rebates, refunds, and similar items, shall be reflected for grant accounting purposes as reductions in allowable expenditures if the credit relates to charges that were originally charged to a Federal award or to activity associated with a Federal award. The reduction in expenditures shall be reflected in the year in which the credit is received (i.e. if the purchase that results in the credit took place in a prior period, the prior period shall not be amended for the credit).

Criteria for Allowability

It is the policy of the City of Big Lake that all costs must meet the following criteria in order to be treated as allowable direct or indirect costs under a Federal award:

A. The cost must be "reasonable" for the performance of the award, considering the following factors:
   1. Whether the cost is of a type that is generally considered as being necessary for the operation of the organization or the performance of the award;
   2. Restraints imposed by such factors as generally accepted sound business practices, arm's length bargaining, Federal and State laws and regulations, and the terms and conditions of the award;
   3. Whether the individuals concerned acted with prudence in the circumstances;
   4. Consistency with established policies and procedures of the Organization, deviations from which could unjustifiably increase the costs of the award.

B. The cost must be "allowable" to an award by meeting one of the following criteria:
   1. The cost is incurred specifically for a Federal award;
   2. The cost benefits both the Federal award and other work, and can be distributed in reasonable proportion to the benefits received; or
   3. The cost is necessary to the overall operation of the Organization, but, where a direct relationship to any particular program or group of programs cannot be demonstrated.

C. The cost must conform to any limitations or exclusions of “2 CFR Part 200” or the Federal award itself.

D. Treatment of costs must be consistent with policies and procedures that apply to both Federally-financed activities and other activities of the Organization.

E. Costs must be consistently treated over time.

F. The cost must be determined in accordance with generally accepted accounting principles.
G. Costs may not be included as a cost of any other Federally-financed program in the current or prior periods.

H. The cost must be adequately documented.

Direct Costs

Direct costs include those costs that are incurred specifically for one award or non-Federal function. The City of Big Lake identifies and charges these cost exclusively to each award or program. Each invoice shall be coded with the appropriate account number reflecting which program received direct benefit from the expenditure. Invoices are approved by the appropriate Department Head and reviewed by the Finance Director.

Charges to Federal awards for salaries and wages will be based on records that accurately reflect the work performed. These records are:

A. Supported by a system of internal control which provides reasonable assurance that the charges are accurate, allowable, and properly allocated;

B. Incorporated into the official records of the non-Federal entity;

C. Reasonably reflect the total activity for which the employee is compensated by the non-Federal entity, not exceeding 100% of compensated activities;

D. Encompass both Federally assisted and all other activities compensated by the City of Big Lake;

E. Comply with other established accounting policies and practices of the City of Big Lake;

F. Support the distribution of the employee's salary or wages among specific activities or cost objectives if the employee works on more than one Federal award; a Federal award and non-Federal award; an indirect cost activity and a direct cost activity; two or more indirect activities which are allocated using different allocation bases; or an unallowable activity and a direct or indirect cost activity;

G. Records may reflect categories of activities expressed as a percentage distribution of total activities.

Budget estimates (estimates determined before the services are performed) alone do not qualify as support for charges to Federal awards, but may be used for interim accounting purposes. These estimates produce reasonable approximations of the activity actually performed. Any significant changes in the corresponding work activity are identified and entered into the records in a timely manner. Short term (such as one or two months) fluctuation between workload categories need not be considered as long as the distribution of salaries and wages is reasonable over the longer term. After-the-fact interim charges made to a Federal award based on budget estimates will be reviewed. All necessary adjustment must be made such that the final amount charged to the Federal award is accurate, allowable, and properly allocated.

Time sheets or personnel activity reports are also submitted on a regular basis reflecting employees' work and which programs directly benefited from their effort. Time sheets or personnel activity reports shall serve as the basis for charging salaries directly to Federal awards and non-Federal functions.

Equipment purchased for exclusive use on a Federal award and reimbursed by a Federal agency shall be accounted for as a direct cost of that award.

Indirect Costs

Indirect costs are those costs that either benefit more than one award (overhead costs) or non-Federal function or that are necessary for the overall operation of the City of Big Lake (management and general costs).

If the City decides to include indirect costs, the City of Big Lake chooses to use the de minimis rate of 10% on its Federal awards rather than negotiate an approved indirect cost rate.

Accounting for Specific Elements of Cost

The City of Big Lake shall utilize the following methods of charging specific elements of cost to Federal awards as direct or indirect costs:

Salaries and Wages – Salaries and wages shall be charged directly based on the functions performed by each employee, as documented on each employee's timesheet, as follows:

> *Direct Costs* - The majority of the employees charge their time directly since their work is specifically identifiable to specific grants **or** other (non-Federal) programs or functions of the organization.

Compensated absences (vacation leave earned, sick leave used, and holiday pay) are considered part of salary costs. The payroll/accounting system of the City of Big Lake records salaries associated with compensated absences as a direct cost in the same manner that salary costs are recorded.

> *Employee Benefits* – The City of Big Lake incurs costs for the following statutory and non-statutory employee benefits:

- FICA
- Unemployment insurance
- Worker's compensation
- Health and Dental insurance
- Life Insurance
- Short-Term/Long-Term disability insurance
- Contributions to pension plan

Since the payroll/accounting system tracks employee benefit costs by individual employee, each such benefit cost shall be charged directly in the same proportion as each individual's salary.

Occupancy Expenses – Monthly rent expense and related pass-through expenses shall be allocated directly based on approximate square footage of space utilized, as follows:

> *Direct Costs* - The cost of space occupied by staff whose salaries are directly charged to Federal awards is charged directly to those same awards.

Utilities – Utilities costs incurred include electriCity and water. Such utilities costs shall be charged directly in the same proportion as occupancy costs.

Supplies and Materials – To the maximum extent possible, office supplies and materials are charged directly to the grant or program/function that uses the supplies or materials, based on the completion of a supply's usage form.

Postage and Shipping – To the maximum extent possible, postage and shipping costs shall be charged directly to the grant or program/function that benefits from the postage or shipping costs, based on the postage log kept near the postage machine and the UPS/FedEx shipping logs.

Photocopying and Printing – Photocopying costs include all paper and copy supplies, copier maintenance charges and the actual lease cost of the copier. Photocopying costs shall be charged directly based on the user codes input into the copier prior to making photocopies.

All printing costs are charged directly to the benefiting grant or program/function.

Communications – Communications costs include the costs of telephone service, facsimile transmissions, and Internet connections. Telephone service costs are charged directly based upon the number of telephone units assigned to the City of Big Lake. Each telephone unit is identified to a direct phone line and/or employee. No telephone units shall be charged as mixed-use units due to the immateriality of the costs involved. For example, if the City of Big Lake has 33 telephone units and two of those units are assigned to employees who work directly on a particular grant, 6 percent of each month's local telephone service costs shall be allocated to that grant.

Outside Services – The City of Big Lake incurs outside service costs for its annual audit, legal fees, and for staff development specialists. Outside service costs shall be charged as follows:

> ***Audit Fees –*** Cost of the financial statement audit and preparation of Form 990 shall be charged as an indirect cost. Additional audit costs associated with that portion of the audit associated with a single audit shall be charged directly to the audited programs, based on estimates received from the independent CPA firm.
>
> ***Legal Fees –*** Legal fees shall be charged directly to the program/function that benefits from the services. Legal fees that are not identifiable with specific direct grants or programs shall be charged indirectly.
>
> ***Staff Development Specialists –*** Costs associated with staff development specialists shall be charged directly to the program/function that benefits from the services. Fees that are not identifiable with specific direct grants or programs shall be charged indirectly.

Insurance – To the extent that insurance premiums are associated with insurance coverage for specific grants or programs, those premium costs shall be charged directly. All insurance costs that are not identifiable with specific direct grants or programs (such as the Organization's general liability coverage) shall be charged indirectly.

Credits – The applicable portion of any credits resulting from cash discounts, volume discounts, refunds, write-off of stale outstanding checks, trade-ins, scrap sales or similar credits shall be credited directly or indirectly in the same manner as the purchase that resulted in the credit.

Cost Sharing and Matching Policy

Any shared costs or matching funds and all contributions, including cash and third-party in-kind contributions, must be accepted as part of the City of Big Lake's cost sharing or matching when such contributions meet all of the following criteria:

A. They are verifiable from the City of Big Lake's records;

B. They are not included as contributions for any other Federal award;

C. They are necessary and reasonable for accomplishment of project or program objectives;

D. They are allowable under "2 CFR Part 200 Subpart E – Cost Principles";

E. They are not paid by the Federal Government under another Federal award, except where authorized by Federal Statute to be used for cost sharing or matching;

F. They are provided for in the approved budget when required by the Federal Awarding Agency;

G. They conform to all other provisions "2 CFR Part 200".

Unrecovered indirect costs, including indirect costs on cost sharing or matching may be included as part of cost sharing or matching only if prior approval of the Federal Awarding Agency is obtained.

It is the policy of the City of Big Lake to value contributed services and property that are to be used to meet a cost sharing or matching requirement at their fair market values at the time of contribution, unless award documents or Federal agency regulations identify specific values to be used. The value of donated space will not exceed the fair rental value of comparable space as established by an independent appraisal of comparable space and facilities in a privately-owned building in the same locality.

Contributed volunteers' services furnished by third-party professional and technical personnel, consultants, and other skilled and unskilled labor used for cost sharing or matching purposes shall be valued at rates consistent with those rates paid for similar work in the organization (match up experience and skill level), including an estimate of reasonable fringe benefits. In cases in which the required skills are not found in the Organization, rates used shall be consistent with those paid for similar work in the labor market in which the City of Big Lake competes. It is the policy of the City of Big Lake to require volunteers to document and account for their contributed time in a manner similar to the time-keeping system followed by internal employees.

When a third-party organization furnishes the services of an employee, the City of Big Lake will value these services at the employee's regular rate of pay plus an amount of fringe benefits that is reasonable, necessary, allocable, and otherwise allowable, provided these services employ the same skill(s) for which the employee is normally paid.

Program Income Policy

Program income earned during the project period shall be retained by City of Big Lake and, in accordance with Federal Awarding Agency regulations or the terms and conditions of the award, shall be used in one or more of the ways:

A. Added to funds committed to the project by the Federal Awarding Agency and recipient and used to further eligible project or program objectives;

B. Used to finance the non-Federal share of the project or program;

C. Deducted from the total project or program allowable cost in determining the net allowable costs on which the Federal share of costs is based. (When an agency authorizes the disposition of program income as in A or B, program income in excess of any limits stipulated shall be used this way.)

In the event that the Federal Awarding Agency does not specify in its regulations or the terms and conditions of the award how program income is to be used, paragraph C shall apply automatically to all projects or programs.

Unless Federal Awarding Agency regulations or the terms and conditions of the award provide otherwise, the City of Big Lake shall have no obligation to the Federal Government regarding program income earned after the end of the project period.

With prior approval of the Federal Awarding Agency, program income may be used to meet the cost sharing or matching requirement of the Federal award.

If authorized by Federal Awarding Agency regulations or the terms and conditions of the award, costs incident to the generation of program income may be deducted from gross income to determine program income, provided these costs have not been charged to the award.

Payment and Billing Policy

In accordance with “2 CFR Part §200.305 – Payment”, it is the policy of the City of Big Lake to maintain written payment and billing procedures. The following policies shall apply to the preparation and submission of billings to Federal Awarding Agencies under awards made to the City of Big Lake:

A. It is the policy of the City of Big Lake to request reimbursement after expenditures have been incurred, unless an award specifies another method.

B. Each award normally specifies a particular billing cycle; therefore, a schedule is established for each grant and contract to ensure that reimbursement is made on a timely basis along with any other reporting that is required.

C. Requests for reimbursement of award expenditures will use the actual amounts as posted to the general ledger as the source for all invoice amounts.

To the extent the City of Big Lake's year-end audit results in adjustments to amounts previously reported to Federal agencies, revised reports shall be prepared and filed in accordance with the terms of each Federal award. The City of Big Lake shall maintain separate billing records in addition to the official general ledger accounting records. Billing records shall be reconciled to the general ledger on a monthly basis.

Procurement Standards Policy

Conflicts of Interest

No employee, officer, or agent of the City of Big Lake will 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 a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract. The officers, employees, and agents of the City of Big Lake must neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts, unless the financial interest is not substantial or the gift is an unsolicited item of nominal value. Disciplinary actions will be applied for violations of such standards by officers, employees, or agents of the City Big Lake.

Due to relationships with a parent company, affiliate, or subsidiary organization, if the City of Big Lake is unable or appears to be unable to be impartial in conducting a procurement action involving a related organization it will not procure with those organizations.

Procurement under Federal Awards

Procurement of goods and services whose costs are charged to Federal awards received by the City of Big Lake are subject to all of the specific purchasing policies of the Organization. In addition, procurements associated with Federal awards are subject to the following supplemental policies:

A. The City of Big Lake will avoid acquisition of unnecessary or duplicative items. Consideration will be given to consolidating or breaking out procurements to obtain a more economical purchase.

B. Where appropriate, an analysis will be made of lease versus purchase alternatives, and any other appropriate analysis to determine the most economical approach.

C. The City of Big Lake will consider entering into state and local intergovernmental agreements or inter-entity agreements where appropriate for procurement or use of common or shared goods and services, and using Federal excess and surplus property in lieu of purchasing new equipment and property whenever such use is feasible and reduces project costs.

D. The City of Big Lake will award contracts only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement. Consideration will be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources.

E. The City of Big Lake will maintain records sufficient to detail the history of procurement. These records will include, but are not necessarily limited to the following: rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price.

F. All procurement transactions will be conducted in a manner providing full and open competition. All prequalified lists of persons, firms, or products which are used in acquiring goods and services will be current and include enough qualified sources to ensure maximum open and free competition. Potential bidders will not be precluded from qualifying during the solicitation period.

G. All solicitations will incorporate a clear and accurate description of the technical requirements for the material, product, or service to be procured. Such description must not, in competitive procurements, contain features which unduly restrict competition. The description may include a statement of the qualitative nature of the material, product or service to be procured and, when necessary, must set forth those minimum essential characteristics and standards to which it must conform if it is to satisfy its intended use. Detailed product specifications should be avoided if at all possible. When it is impractical or uneconomical to make a clear and accurate description of the technical requirements, a "brand name or equivalent" description may be used as a means to define the performance or other salient requirements of procurement. The specific features of the named brand which must be met by offers must be clearly stated. All solicitations will also identify all requirements which the offers must fulfill and all other factors to be used in evaluating bids or proposals.

H. All necessary affirmative steps will be taken to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible.

I. A cost or price analysis will be performed in connection with every procurement action in excess of the Simplified Acquisition Threshold ($150,000) including contract modifications. The method and degree of analysis is dependent on the facts surrounding the particular procurement situation, but as a starting point, the City of Big Lake will make independent estimates before receiving bids or proposals.

J. All procurement files will be made available for inspection upon request by a Federal Awarding Agency.

K. All contracts will require the contractor to certify in writing that it has not been suspended or disbarred from doing business with any Federal agency.

Methods of Procurement

The City of Big Lake will use one of the following methods of procurement.

A. Procurement by micro-purchases. Procurement by micro-purchase is the acquisition of supplies or services, the aggregate dollar amount of which does not exceed $3,500 (or $2,000 in the case of acquisitions for construction subject to the Davis-Bacon Act). To the extent practicable, the non-Federal entity must distribute micro-purchases equitably among qualified suppliers. Micro-purchases may be awarded without soliciting competitive quotations if the non-Federal entity considers the price to be reasonable.

B. Procurement by small purchase procedures. Small purchase procedures are those relatively simple and informal procurement methods for securing services, supplies, or other property that do not cost more than the Simplified Acquisition Threshold. If small purchase procedures are used, price or rate quotations must be obtained from an adequate number of qualified sources.

C. Procurement by sealed bids (formal advertising). Bids are publicly solicited and a firm fixed price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming to all material terms and conditions of the invitation for bids, is the lowest in price.

D. All purchases of at least $25,000, but less than $175,000 shall be made by obtaining written quotations from at least three responsible vendors. All purchases of, $175,000 or more shall be made by obtaining competitive proposals from at least four responsible vendors. Sealed bids shall be utilized when required by the Federal Awarding Agency.

E. In order for sealed bidding to be feasible, the following conditions will be present:
   1. A complete, adequate, and realistic specification or purchase description is available;
   2. Two or more responsible bidders are willing and able to compete effectively for the business;
   3. The procurement lends itself to a firm fixed price contract and the selection of the successful bidder can be made principally on the basis of price.

If sealed bids are used, the following requirements apply:

1. The invitation for bids will be publicly advertised and bids must be solicited from an adequate number of known suppliers, providing them sufficient response time prior to the date set for opening the bids;
2. The invitation for bids, which will include any specifications and pertinent attachments, must define the items or services in order for the bidder to properly respond;
3. All bids will be publicly opened at the time and place prescribed in the invitation for bids;
4. A firm fixed price contract award will be made in writing to the lowest responsive and responsible bidder. Where specified in bidding documents, factors such as discounts, transportation cost, and life cycle costs must be considered in determining which bid is lowest. Payment discounts will only be used to determine the low bid when prior experience indicates that such discounts are usually taken advantage of; and
5. Any or all bids may be rejected if there is a sound documented reason.

Procurement by competitive proposals. The technique of competitive proposals is normally conducted with more than one source submitting an offer, and either a fixed price or cost-reimbursement type contract is awarded. It is generally used when conditions are not appropriate for the use of sealed bids. If this method is used, the following requirements apply:

1. Requests for proposals must be publicized and identify all evaluation factors and their relative importance. Any response to publicized requests for proposals must be considered to the maximum extent practical;

2. Proposals must be solicited from an adequate number of qualified sources;

3. The non-Federal entity 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, with price and other factors considered; and

5. Competitive proposal procedures for qualifications-based procurement of architectural/engineering (A/E) professional services whereby competitors' qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. The method, where price is not used as a selection factor, can only be used in procurement of architectural/engineering professional services. It cannot be used to purchase other types of services though architectural/engineering firms are a potential source to perform the proposed effort.

Procurement by noncompetitive proposals. Procurement by noncompetitive proposals is procurement through solicitation of a proposal from only one source and may be used only when one or more of the following circumstances apply:

1. The item is available only from a single source;

2. The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation;

3. The Federal Awarding Agency or pass-through entity expressly authorizes noncompetitive proposals in response to a written request from the non-Federal entity; or
4. After solicitation of a number of sources, competition is determined inadequate.

Suspension and Debarment

The City of Big Lake will review all grant purchases to verify that purchases will not be made against contractors that are on the Debarment or Suspension list supplied by the Government. The Grant Manager will review all requisition requests submitted for all grant accounts to make sure the contractor is not on the Debarment list. This list is available at - https://www.sam.gov/. If a match is found, the Grant Manager should not process the requisition. All results of searches will be attached to the filed paperwork for verification of search.

Provisions Included in all Contracts

It is the policy of the City of Big Lake to include all of the following provisions, as applicable, in all contracts (including small purchases) with contractors and sub-awards:

A. Remedies: All contracts in excess of the small purchase threshold fixed at 41 U.S.C. 403(11) (currently $150,000) shall contain contractual provisions or conditions that allow for administrative, contractual, or legal remedies in instances in which a contractor violates or breaches the contract terms.

B. Termination: All contracts in excess of $10,000 shall contain suitable provisions for termination by the City of Big Lake, including the manner by which termination shall be affected and the basis for settlement. In addition, such contracts shall describe the conditions under which the contract may be terminated for default as well as conditions where the contract may be terminated due to circumstances beyond the control of the contractor.

C. Equal Employment Opportunity: All contracts shall contain a provision requiring compliance with "Equal Employment Opportunity (E.O.) 11246", as amended by "Equal Employment Opportunity 11375— Amending Executive Order 11246, Relating to Equal Employment Opportunity", and as supplemented by regulations "Title 41—CFR Part 60, Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor".

D. Davis-Bacon Act, as Amended (40 U.S.C. 3141-3148): If included in the Federal agency's grant program legislation, all construction contracts of more than $2,000 awarded by the City of Big Lake and its sub-recipients shall include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 276a to a-7) and as supplemented by Department of Labor Regulations "Title 29—CFR Part 5, Labor Standards Provisions Applicable to Contracts Governing Federally Financed and Assisted Construction". Under this Act, contractors are required to pay wages to laborers and mechanics at a rate not less than the minimum wages specified in a wage determination made by the Secretary of Labor. In addition, contractors shall be required to pay wages not less than once a week. It is the policy of the City of Big Lake to place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation and the award of a contract shall be conditioned upon the acceptance of the wage determination. The City of Big Lake shall also obtain reports from contractors on a weekly basis in order to monitor compliance with the Davis-Bacon Act. The City of Big Lake shall report all suspected or reported violations to the Federal Awarding Agency.

E. Contract Work Hours and Safety Standards Act (40 U.S.C. 327-333): [Where applicable] All contracts awarded by the City of Big Lake in excess of $100,000 for contracts that involve the employment of mechanics or laborers shall include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor Regulations "Title 29—CFR Part 5". Under 40 U.S.C. 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

F. Rights to Inventions Made Under a Contract or Agreement: Contracts or agreements for the performance of experimental, developmental, or research work shall provide for the rights of the Federal Government and the City of St. Cloud in any resulting invention in accordance with “Title 37—CFR Part 401 Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements", and any implementing regulations issued by the awarding agency.

G. Clean Air Act (42 U.S.C. 7401-7671) and the Federal Water Pollution Control Act (33 U.S.C. 1251 -1387), as Amended: Contracts and sub-awards of amounts in excess of $150,000 shall contain a provision that requires the recipient to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401 et seq.) and the Federal Water Pollution Control Act, as amended (33 U.S.C. 1251 et seq.). Violations shall be reported to the Federal Awarding Agency and the Regional Office of the Environmental Protection Agency (EPA).

H. Debarment and Suspension (Executive Order Numbers 12549 and 12689): For all contracts, the City of Big Lake shall obtain from the contractor a certification that neither the contractor nor any of its principal employees are listed on the Excluded Parties List System in System for Award Management (SAM).

I. Byrd Anti-Lobbying Amendment (31 U.S.C. 1352): For all contracts or Sub-grants of $100,000 or more, the City of Big Lake shall obtain from the contractor or sub-grantee a certification that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Likewise, since each tier provides such certifications to the tier above it, the City of Big Lake shall provide such certifications in all situations in which it acts as a sub-recipient of a sub-grant of $100,000 or more.

Equipment Standards Policy

The City of Big Lake may occasionally purchase equipment and furniture that will be used exclusively on a program funded by a Federal agency. In addition to the general property and equipment policies of the City of Big Lake, equipment and furniture charged to Federal awards will be subject to certain additional policies as described below.

For purposes of Federal award accounting and administration, "equipment" shall include all assets with a unit cost equal to the lesser of $5,000 or the capitalization threshold utilized by the City of Big Lake.

All purchases of "equipment" with Federal funds shall be approved in advance in writing by the Federal Awarding Agency. In addition, the following policies shall apply regarding equipment purchased and charged to Federal awards:

A. Any equipment that is owned by the Federal government and given to the City of Big Lake for use in a program shall be marked as such,

B. Adequate insurance coverage will be maintained with respect to equipment and furniture charged to Federal awards,

C. Equipment will be used in the program or project for which it was acquired as long as needed, whether or not the project or program continues to be supported by the Federal award, and the City of Big Lake will not encumber the property without prior approval of the Federal Awarding Agency.

D. Property records will be maintained that include the following:
   1. A description of the property
   2. A serial number or other identification number
   3. The source of funding for the property (including the FAIN)
   4. Who holds title
   5. The acquisition dates
   6. Cost of the property
   7. Percentage of Federal participation in the project costs for the Federal award under which the property was acquired
   8. The location, use and condition of the property
   9. Any ultimate disposition data including the date of disposal and sale price of the property

E. A physical inventory of the property will be taken and the results reconciled with the property records at least once a year.

F. A control system will be in effect to ensure adequate safeguards to prevent loss, damage, or theft of the property. Any loss, damage, or theft must be investigated.

G. Maintenance procedures will be in effect to keep the property in good condition.

H. When no longer needed for the original program or project, equipment may be used in other activities supported by the Federal Awarding Agency, in the following order of priority:
   1. Activities under a Federal award from the Federal Awarding Agency which funded the original program or project; then
   2. Activities under Federal awards from other Federal Awarding Agencies. This includes consolidated equipment for information technology systems.

I. When equipment is no longer needed, the City of Big Lake will request disposition instructions from the Federal Awarding Agency if required by the terms and conditions of the Federal award. Disposition of the equipment will be made as follows, in accordance with Federal Awarding Agency disposition instructions:
   1. Items of equipment with a current per unit fair market value of $5,000 or less may be retained, sold or otherwise disposed of with no further obligation to the Federal Awarding Agency.
   2. Items of equipment with a current per-unit fair-market value in excess of $5,000 may be retained or sold. The Federal Awarding Agency is entitled to an amount calculated by multiplying the current market value or proceeds from sale by the Federal Awarding Agency's percentage of participation in the cost of the original purchase. If the equipment is sold, the Federal Awarding Agency may permit the City of Big Lake to deduct and retain from the Federal share $500 or ten percent of the proceeds, whichever is less, for its selling and handling expenses.

Record Retention Policy

In accordance with "2 CFR Part §200.333 – Retention Requirements for Records", financial records, supporting documents, statistical records, and all other records pertinent to a Federal award must be retained for a period of three years from the date of submission of the final expenditure report or, for Federal awards that are renewed quarterly or annually, from the date of the submission of the quarterly or annual financial report, as reported to the Federal Awarding Agency or pass-through entity. The only exceptions are the following:

A. If any litigation, claim, or audit is started before the expiration of the three-year period, the records must be retained until all litigation, claims, or audit findings involving the records have been resolved and final action taken.

B. When the City of Big Lake is notified in writing by the Federal Awarding Agency, cognizant agency for audit, oversight agency for audit, cognizant agency for indirect costs, or pass-through entity to extend the retention period.

C. Records for real property and equipment acquired with Federal funds must be retained for three years after final disposition.

D. When records are transferred to or maintained by the Federal Awarding Agency or pass-through entity.

E. Records for program income transactions after the period of performance. In some cases, program income must be reported after the period of performance. Where there is such a requirement, the retention period for the records pertaining to the earning of the program income starts from the end of the non-Federal entity's fiscal year in which the program income is earned.

F. Indirect cost rate proposals and cost allocations plans (indirect cost rate computations or proposals, cost allocation plans, and any similar accounting computations of the rate at which a particular group of costs is chargeable):
   1. If the proposal, plan, or other computation is required to be submitted to the Federal Government (or to the pass-through entity) to form the basis for negotiation of the rate, then the three-year retention period for its supporting records starts from the date of such submission.

   2. If the proposal, plan, or other computation is not required to be submitted to the Federal Government (or to the pass-through entity) for negotiation purposes, then the three-year retention period for the proposal, plan, or computation and its supporting records starts from the end of the fiscal year (or other accounting period) covered by the proposal, plan, or other computation.

Monitoring and Reporting Policy

Financial Reporting

The City of Big Lake strives to provide management, staff and funding sources with timely and accurate financial reports applicable to Federal awards. Preparation of these reports shall be the responsibility of Grant Manager, subject to review by the Finance Director. The City of Big Lake shall prepare and submit financial reports as specified by the financial reporting clause of each grant or contract award document. Information will be collected with the frequency required by the terms and conditions of the Federal award, but no less frequently than annually nor more frequently than quarterly except in unusual circumstances (as specified in the grant agreement).

Monitoring and Reporting Program Performance

The City of Big Lake is responsible for oversight of the operations of the Federal award supported activities. It is the policy of the City of Big Lake to monitor its activities under Federal awards to assure compliance with applicable Federal requirements and performance expectations are being achieved. Monitoring must cover each program, function or activity. Performance reports will be submitted at the interval required by the Federal awarding agency or pass-through entity to best inform improvements in program outcomes and productivity.

Intervals must be no less frequent than annually nor more frequent than quarterly except in unusual circumstances (as specified in the grant agreement).

A. Annual reports will be submitted within 90 calendar days after the reporting period.

B. Quarterly or semiannual reports will be submitted within 30 calendar days after the reporting period.

C. Final performance report will be submitted within 90 calendar days after the period of performance end date, unless there is a justified request submitted.

Reports will contain, for each Federal award, brief information on the following:

A. A comparison of actual accomplishments to the objectives of the Federal award established for the period. Where the accomplishments of the Federal award can be quantified, a computation of the cost (for example, related to units of accomplishment) will be included.

B. The reasons why established goals were not met, if appropriate.

C. Additional pertinent information including, when appropriate, analysis and explanation of cost overruns or high unit costs.

FINANCIAL MANAGEMENT POLICIES ADOPTION

The Financial Management Policies shall be adopted by the City Council. The policies shall be reviewed by the Finance Department staff on an ongoing basis and any modifications made thereto must be approved by the City Council.

Financial Policies Adopted by City Council July 10, 2002

Revisions: June 14, 2006
August 9, 2006
November 28, 2007
May 24, 2017
September 27, 2017
May 23, 2018
August 8, 2018
August 22, 2018
October 10, 2018
January 09, 2019
March 13, 2019
January 8, 2020
January 13, 2021
March 23, 2022
November 9, 2022
April 12, 2023
November 08, 2023

Economic Development Financial Policies Adopted by BLEDA May 12, 2014; Adopted by City Council May 28, 2014

Revisions: February 8, 2017
February 12, 2018
December 9, 2019

Strategic Plan

Process

On February 23, 2024, the Big Lake City Council and Staff Leadership Team convened a work session for the purpose of developing long-term strategies and short-term goals for the organization in 2024.

The process examined three primary levels of strategic planning - long-term vision, organizational values and expectations, and short-term goal setting. The group considered long-term vision elements and developed strategy statements that define that vision, followed by evaluating the present status of the City and organization to develop a goals list for Council and staff consistent with that vision. The participants engaged in discussion around a series of questions to consider areas of strength and weakness, along with potential impacts and opportunities on the horizon. Additionally, the group discussed and developed consensus around how the different functions of local government need to work to be successful, establishing organizational expectations and values.

The City Council will now consider the results of the session through the process of adopting its 2024 Strategic Plan.

Long Term Vision

One of the primary outcomes of the Strategic Planning process is the development of a long-term vision. The vision is a description of the future the participants see for the community and the organization, often expressed in aspirational terms. The purpose of the vision is to establish a long-term direction that can be communicated both within the community and the organization, providing all stakeholders with an understanding of the leadership's direction. The vision is communicated both through a vision statement and a series of descriptive and detailed organizational strategy statements, labeled core strategies. The vision statement is meant to convey in brief the top priorities of the City's vision. The Core Strategy statements can be both the embodiment of the areas the organization values and the direction of its leadership. Accomplishing progress on the core strategies will bring the organization closer to achieving its vision and provide the areas in which more manageable, short-term goals can be derived.

Prior to the session, participants were asked to consider the characteristics and qualities they hoped would describe Big Lake and the organization in 2040. Participants individually shared their thoughts in writing in advance. The comments and input were collected and shared anonymously with the group in the first exercise of the session. The participants were given the opportunity to discuss the results of the pre-session work, identifying areas where they agreed or didn't agree with the ideas for the long-term vision of the City and organization.

The participants then reviewed a draft of a vision statement and core strategies based on input from this activity. The core strategies are action statements that identify the organization and City's long-term key areas of focus. The strategies provide consistent and stable organizational priorities for the years to come, and serve as organizational guideposts for day-to-day action, policy formation, and program decision-making. It is anticipated that the core strategies may be modified over the long-term, but generally all agreed as to the key priorities of the leadership team.

The core strategies are supported in this plan by strategic objectives. These objectives provide more specific action areas that the City's leadership team believes are integral to achieving success with the core strategies. Each objective addresses an internal or external area of action or improvement. The strategic objectives, combined with the core strategies, provide direction for all areas of leadership.

Following the presentation of draft core strategies and strategic objectives, the full group reviewed and discussed the body of work and modified the proposed statements of the Leadership Team's vision. Without objection and subject to further modification prior to adoption, the group agreed to the following draft vision statement, core strategies and strategic objectives:

Organizational Expectations and Values

The second part of the session focused on how the organization desires to conduct its matters and how the different members of the leadership team interact with each other. Effective local governance requires respect and understanding of the difference in roles between the elected body, the City Council, and its professional staff. The City Council should focus on governance through establishing policy, providing direction, and acting on official matters before the City. Staff, through the City Administrator, focus on execution of services and implementation of Council directives. Understanding those roles and what each body provides for the other is important in setting the context for a strong, working relationship and good governance.

The Council and staff then discussed what each entity needs to provide in order for effective organization operation. These items define the organizational expectations for both the City Council and City staff.

Environmental Assessment

Moving into the short-term actions phase, the session was highlighted by the process of conducting an environmental scan of the City and organization. This activity is designed to consider the present state of the external (community) and internal (organization) from a variety of perspectives. Again, in small group settings, participants were asked to consider its strengths, challenges, and explore trends and issues that face the City in the coming years. The scan provided the basis for the group's efforts later in the work session to develop the goals that will guide the organization in the coming years.

In its first assessment activity, the group was asked to consider all of the things that identify as strengths of Big Lake, both as a City and the organization itself. Participants were encouraged to think of projects, services, actions, and policies. After discussing the strengths, participants turned their attention towards reviewing City and organizational areas that need improvement. These items are areas that presently challenge the organization and City.

Following the assessment of its strengths and challenges, the group moved on to the final brainstorming activity - anticipating emerging trends or issues that may impact the City. Forecasting potential external changes or impacts is a key step in the process to help leadership anticipate pressures and opportunities that may arise. To guide this process, the participants followed a STEP model of analysis, thinking about trends and external impacts in the areas of socio-cultural, technical, economical, and political. Thinking about the ongoing opportunities and challenges in each of these areas provides a variety of important perspectives for the City in the coming years.

Short-Term Goals

The third portion of the Strategic Planning process was to develop a short-term goals platform and workplan to guide the organization in the coming years. Participants were offered the opportunity to present draft goals that addressed any of the following objectives - short-term actions that lead to a core strategy or strategic objective, goals to address weaknesses, opportunities, or potential impacts discussed during the assessment process, or other goals that individual members viewed to be important for the City. The process encouraged the brainstorming of goals that were manageable, measurable, and attainable in 1-3 years.

Following the brainstorming process, a prioritization process was used to develop the following list of high priority and priority goals. Participants were given the ability to choose a limited number of brainstormed goals as their top priorities. As each participant's choices were collected, the draft goals were bunched into three categories. The categories and prioritization followed these guidelines:

- High Priority Goals - goals that were identified by at least three members of the City Council as top priority and also received support from City Staff.
- Opportunity Goals - goals that were identified as a top priority by at least one member of the City Council or a majority and received support from City Staff.

Other Brainstormed Goals - goals that did not have an initial priority ranking by both members of the City Council and staff and were not the top priority of at least three total members

Next Steps

The next step in the goal setting process is to work within each of these short-term goals to develop action plans and the establishment of benchmarks to measure progress. One of the recommended steps is the identification of measurables, or benchmarks, to effectively evaluate the City's accomplishment of each goal. Developing measurable outcomes for each goal will also help in the development of action plans to reach the desired outcome. The goals should then be revisited from time-to-time as an accountability measure for both the Council and staff.

Additionally, finding ways to integrate the goals into the organizational processes also helps to develop success. Building on the methods in which Big Lake has been successful in the past is recommended, along with exploring new methods of keeping the goals on the forefront of the leadership team's efforts.

Following is the City of Big Lake Strategic Plan, which will be used and considered when making recommendations to council, this is the draft plan that will be addressed in May by the Council. It will be approved either as the draft indicates or with minor word changes.

City of Big Lake Strategic Plan - Draft

Community Slogan

Live Big!

Vision Statement

Big Lake is a vibrant, active, and safe community that focuses on excellence in service while promoting balanced growth through responsible leadership.

Core Strategies and Strategic Objectives

The City of Big Lake is committed to leading and guiding the City towards the following long-term Core Strategies and Strategic Objectives:

1. **Fiscally Responsible**
   a. Look at every expenditure with a critical eye.
   b. Strategic decisions performed in the most cost-effective manner.
   c. Stick to basic core government responsibilities.
   d. Logical, transparent, prudent decisions not based on emotion.
   e. Short-term decisions that support long-term planning.

2. **Safe, Welcoming Community**
   a. Support Public Safety personnel.
   b. Provide opportunities for progressive training and professional development.
   c. Retain and attract public safety personnel.
   d. Positive engagement – community outreach.
   e. Prioritize the equipment needed to serve to the best of our ability.
   f. Encourage opportunities for community gatherings to promote togetherness.

3. **Engaged, Community-Centric**
   a. Promote engagement opportunities for all members of the community.
   b. Promote and encourage volunteerism.
   c. Provide opportunities for philanthropic actions and donations.
   d. Encourage connections with local organizations.
   e. Promote block parties and neighborhood gatherings.

4. **Vibrant, Natural, and Variety of Amenities**
    a. Maintain and improve the quality of parks, lakes, and trails.
    b. Develop new uses and activities using parks and trails.
    c. Promote and encourage community organizations and activities.
    d. Promote beautification efforts and public art to complement natural resources.
    e. Develop more year-round activities.

5. **Balanced Growth, Thriving Economy**
    a. Continued support of existing businesses and their needs while seeking new business development.
    b. Well-balanced commercial, industrial, and residential development.
    c. Thoughtful zoning to meet desire for balanced growth.
    d. Be proactive and flexible in community planning.

6. **Responsible Leadership**
    a. Expect excellence and act with integrity.
    b. Base decisions on good policy.
    c. Be prepared, work as a team, disagree well, be flexible, and lead by example.
    d. Empower others and be accountable.
    e. Communicate often and be transparent.
    f. Cast a BIG vision and continue to champion progress.

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How the Assessor Estimates Your Market Value

12b

Property Tax Fact Sheet 12b

Fact Sheet

This fact sheet is the second in a series of three fact sheets that were designed to assist taxpayers in the understanding of the basic concepts of their annual assessment and property tax administration. Please see Fact Sheets 12a and 12c for additional information.

Property Tax Assessment Process

Minnesota has what is known as an *ad valorem* property tax. This means property tax is divided among taxable properties according to their value. The final amount of property tax the owner of a property pays in any given year is the end result of a process that begins over two years before property tax statements are actually mailed to property owners.

The process begins with the assessor collecting data on sales of properties within the market during a specific time period between October of one year and September of the following year (this period is known as a sales study period). Over the next several months and by using mass appraisal techniques, assessors analyze the data in order to estimate each property's market value for the next assessment (January 2). Pursuant to Minnesota Statutes, section 273.11 assessors must estimate the value of property at a value that would represent what the property would sell for in an open-market arm's length transaction on January 2 of each year. The assessor cannot adopt a higher or lower standard of value because the value will be used for the purposes of taxation.

Assessors also classify property according to its use on January 2. Between April and June, taxpayers have an opportunity to appeal both the estimated market value and the classification of their property. Values and classifications are generally finalized July 1 of each year.

Local units of government then finalize their estimated budgets for the upcoming year. Once the budgets are finalized in December, the market values and classifications are used to divide the overall tax levy among all taxable properties. Tax statements are mailed by the following March 31.

For example, sales of properties that occur between October 1, 2008 and September 30, 2009 are used by assessors to estimate a property's market value for the January 2, 2010 assessment. Following an appeal process that occurs between April 1, 2010 and June 30, 2010, the valuations and classifications generally become final on July 1, 2010.

This lengthy time frame may result in a significant difference between actual sales prices occurring in the current market and assessors' estimated market values for the current year's assessment.

Using the final values and the local jurisdictions' proposed budgets, the auditor then estimates each property's proposed taxes payable for 2011. After public budget meetings are held and final budget numbers are adopted, property tax statements are mailed to taxpayers by March 31, 2011.

In summary, sales taking place from October 2008 to September 2009 are used to estimate a property's market value as of January 2, 2010 which will in turn be used to calculate property taxes payable in 2011.

What is the role of the assessor?

Assessors use historical sales in order to estimate each property's market value as of the assessment date (January 2) of each year. The assessor also classifies the property according to its use on January 2 of each year.

Assessors also review other quantifiable data such as supply/demand, marketing times, sales concessions, vacancy rates, etc. to help in analyzing whether a market is increasing, stable, or decreasing.

During increasing markets, this may benefit some property owners because a buyer may pay a price that is significantly higher than the assessor placed on the property for the last assessment. For example, if a property is valued by the assessor at $180,000 for the 2009 assessment (based on sales that occurred between October 2007 and September 2008), and it sells for $230,000 in August 2009, the new property owner is benefiting from the lower market value for the 2009 assessment which will be used to calculate taxes payable in 2010.

The August 2009 sale of the property will be included in the study period of October 2008 to September 2009 which the

Property Tax Division - Mail Station 3340 St. Paul, MN 55146-3340 assessor will use to value property for the 2010 assessment for taxes payable in 2011.

This same lag time is also present in declining markets. For example, if the assessor places a market value of $200,000 on a property for the 2009 assessment (again using sales that occurred between October 2007 and September 2008), but the property sells for $175,000 in August 2009, does it mean the January 2, 2009 assessed value is incorrect? Not necessarily. It could signal a downturn in the housing market just began to occur between September 2008 and August 2009. The assessor will use the August 2009 sale as well as others occurring in the market to estimate 2010 market values.

The assessor does not raise property tax revenues by increasing values. Total property tax revenues are a function of county, school district, and city/town spending as well as state-paid local government aid and other factors. The value and classification of the property are merely a way to divide the total property tax levy among all taxpayers. The total amount of the levy will be collected whether values increase or decrease from one year to the next. An individual's share of the overall tax burden may change from year to year, however.

What are sales ratio studies?

Sales ratios show the relationship between the assessor's estimated market value on a property and the actual sale price of a property.

Each year the assessor performs sales ratio studies on properties that have sold in their jurisdiction. These sales are stratified many different ways including by location and property type (residential, agricultural, commercial, etc.). The sales can also be stratified further such as by home style, subdivision, age of structure, location on or off water frontage, price range, etc.

A single sale may not represent the true market activity. Rather, sales of all properties are reviewed to determine market trends. However, even if there are no sales occurring within the sales ratio study period, assessors are still expected to use their professional judgment and knowledge of the local market to annually value properties in their jurisdiction.

Whenever any real estate is sold for a consideration in excess of $1,000, a Certificate of Real Estate Value (CRV) is filed. These CRVs are the foundation of all sales ratio studies because they contain important information about each transaction. Assessors then verify the information contained on the CRV in order to determine whether or not the sale represents an open-market arm's length transaction. If the sale does not represent an open-market, arm's length transaction, it may not be used in the sales ratio study.

Simply having an extremely high or low sales ratio is not a valid reason to remove a sale from the sales ratio study. Rather, the extreme ratio indicates a need for additional investigation by the assessor.

Again, sales ratio study periods are generally October 1 of a given year to September 30 of the following year. For example, for the 2010 assessment, assessors use sales that took place between October 1, 2008 and September 30, 2009. This is the reason that assessors' market values may lag a bit behind current market activity.

Assessors will use the median sales ratio as the statistical measure of the overall level of assessment. The median ratio is the middle ratio of all the ratios when they are arranged in order from highest to lowest (or vice versa). The median is used because it is not affected by extreme ratios. Department of Revenue guidelines indicate that the median ratio of a sales ratio study should be between 90 and 105 percent.

Is it possible for the values of some properties to decrease while others increase?

Yes. Each segment of the market is different. Sales prices of certain types of properties can vary widely. Currently, sales of both farmland and recreational properties are strong and show appreciation. However, the sales of residential properties are stable or declining in some areas.

Sometimes it can be difficult to estimate the rate at which a market is increasing or declining. Ideally, a property would sell twice within a certain period of time, such as one year, but all other characteristics of the property would remain the same. That way an appraiser or assessor would be able to isolate a time adjustment to indicate whether the market is increasing or decreasing or simply remaining stable.

Do all areas increase or decline at the same rate?

No. Some areas or neighborhoods are declining at a much faster rate than others that are showing stable values or values that are slightly increasing.

Conclusion

In conclusion, it is essential that taxpayers understand that there may be a legitimate reason for the assessor's annual market value to be different from current market conditions due to the lag time between sales study periods and sales taking place today.

For additional information, please refer to Fact Sheet 12a Understanding Property Taxes and Fact Sheet 12c Understanding Your Assessment and the Appeals Process.

Understanding Property Taxes in Minnesota

1. What is the Property Tax Levy?

The levy is the total amount of money the City collects to fund services such as:

- Police and Fire
- Streets and Snowplowing
- Parks and Recreation
- General City Operations

👉 *The levy represents the total amount the City needs to fund services.*

2. What is Tax Capacity?

Tax capacity is the portion of your property's value used for taxation.

- It is not the same as market value
- It is determined using state formulas
- Different property types are taxed at different rates

👉 *Tax capacity represents your share of the community's tax base.*

3. How is the Tax Rate Set?

The tax rate is calculated as:

Levy ÷ Total Tax Capacity = Tax Rate

👉 *This determines how the levy is distributed across all properties.*

4. How is Your Property Tax Calculated?

Once the tax rate is established:

Your Tax = Your Tax Capacity × Tax Rate

👉 *Your tax bill is based on your share of the total tax base.*

5. Why Property Taxes Change

Property taxes may increase or decrease based on:

- Changes in the City levy
- Changes in your property value relative to others
- New development within the City

👉 *It's not just your value—it's how your value compares to the overall tax base.*

Example

- City Levy: $10,000,000
- Total Tax Capacity: $100,000,000
- Tax Rate: 10%

If your tax capacity is $200,000:

👉 **Your property tax = $20,000**

Key Takeaway

👉 The City determines the total levy, and each property pays a share based on its portion of the total tax base.

Questions?

Contact City Hall for assistance or to review your property tax statement.

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Property Taxation 101

Updated August 2015

This guide is intended to describe the basics of Minnesota's property tax system. This system collected just over $6.4 billion in 2015 to help fund the services of schools, counties, cities, townships, and special districts and the state general fund. One of the challenges of trying to understand this system is the complex array of terms involved. As new terms are introduced in this guide, they are shown in *italics*. A glossary at the end of the guide has short definitions of these terms.

Assessment and classification

The property tax system is a continuous cycle, but it effectively begins with the estimation of property *market values* by local assessors. Assessors attempt to determine the approximate selling price of each parcel of property based on the current market conditions.

Along with the market value determination, a *property class* is ascribed to each parcel of property based on the use of the property. For example, property that is owner-occupied as a personal residence is classified as a residential homestead. The "use class" is important because the Minnesota system, in effect, assigns a weight to each class of property. Generally, properties that are associated with income production (e.g. commercial and industrial properties) have a higher classification weight than other properties.

The property classification system defines the *tax capacity* of each parcel as a percentage of each parcel's market value. For example, a $75,000 home which is classified as a residential homestead has a class rate of 1.0 percent and therefore has a tax capacity of $75,000 x .01 or $750. (A sample of the class rates are included in table A.)

[parcel market value] * [class rate] = [parcel tax capacity]

The next step in calculating the tax burden for a parcel involves the determination of each local unit of government's *property tax levy*. The city, county, school district and any special property taxing authorities must establish their levy by December 28 of the year preceding the year in which the levy will be paid by taxpayers. The property tax levy is set after the consideration of all other revenues including state aids such as *LGA*.

[city budget] - [all non-property tax revenues] = [city levy]

For cities within the seven-county Twin Cities metropolitan and on the iron range, the levies are reduced by an amount of property tax revenue derived from the metropolitan and range area *fiscal disparities programs* (see "Fiscal Disparities 101" for more information).

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Local tax rates
Local governments do not directly set a tax rate. Instead, the tax rate is a function of the levy and the total tax base. To compute the *local tax rate*, a county must determine the total tax capacity to be used for spreading the levies. The *total tax capacity* is computed by first aggregating the tax capacities of all parcels within the city. Several adjustments to this total must be made because not all tax capacity is available for general tax purposes. The result of this calculation produces taxable tax capacity. Taxable tax capacity is used to determine the local tax rates.

[city levy] / [taxable tax capacity] = [city tax rate]

The city tax rate is computed by dividing the city levy (minus the fiscal disparities distribution levy, if applicable) by the taxable tax capacity. Under the current property tax system, the tax rate is expressed as a percentage. For example, the average 2015 city tax capacity rate is approximately 46.90 percent. Dramatic changes to the tax system in 2001 increased the average city rate significantly in 2002. This same calculation is completed for the county based on the county's levy and tax base, the school district and all special taxing authorities. The sum of the tax rates for all taxing authorities that levy against a single property produces the total local tax rate. This total local tax rate is then used to determine the overall tax burden for each parcel of property.

Parcel tax calculations
The property tax bill for each parcel of property is determined by multiplying the parcel's tax capacity by the total local tax rate. The tax statement for each individual parcel itemizes the taxes for the county, municipality, school district, and any special taxing authorities.

[parcel tax capacity] * [total local tax rate] = [tax capacity tax bill]

To complicate the tax calculations, voter-approved referenda levies are applied to the market value of each parcel, not tax capacity. As a result, each identically valued parcel, regardless of the property's use, pays the same amount of referenda taxes (with the exception of certain agricultural and seasonal recreational properties, which are exempted from referenda taxes). In 2015, three counties, 40 cities and 328 school districts levied market value-based levies. These communities must have a separate calculation for a market value referenda levy by the total taxable market value of each community.

[parcel market value] * [market value tax rate] = [market value tax bill]

[tax capacity tax bill] + [market value tax bill] = [total tax bill]

State property tax
New to the tax system in 2002 was a state property tax on all commercial, industrial, seasonal recreational, and utility real property. In 2015, this tax raised more than $849 million statewide; the proceeds are deposited in the state general fund. Prior to 2002, the state last collected a property tax in 1968.

Property tax credits
Several tax credits for various types of properties are available in certain instances. These amounts are subtracted from the overall taxes for each parcel to determine the net tax bill for the individual owner. Minnesota also provides additional property tax relief directly to individual homeowners, cabin owners, and renters through the *circuit breaker* and the *targeting refund* programs (see "State Homeowner Property Tax Relief Programs 101" for more details).

Updated August 2015

Property tax intricacies

The technical details of computing property taxes mask many other intricacies of the property tax system. Many communities over the past several years have experienced situations where individual property taxes rise much faster than the increase in the levies that are certified by local units of government.

The most common factor that results in an increase in an individual parcel's tax is the change in the parcel's estimated market value. Without any change in local levies, a property owner can experience a tax increase due almost exclusively to any valuation increase.

The Legislature frequently changes the classification system. Changes to the classification system can shift property tax burdens from one type of property to another. Table A demonstrates some of the changes the Legislature has made to class rates since 1997. Commercial, industrial, and apartment properties received significant reductions in their class rates. This shifts tax burden to other classes of property that did not receive class rate reductions. In an effort to minimize the effect of these shifts, the legislature reduced school levies across the state and created the *Market Value Homestead Credit (MVHC)*. This credit reduced property taxes for homesteads by 0.4 percent of the homestead's market value up to a maximum $304 dollars. As part of the credit program, the state was supposed to reimburse cities for the amount by which the credits reduce cities' tax receipts. Between 2003 and 2011, the Legislature and the governor made significant reductions to the reimbursement amounts for cities. The reimbursement program was eliminated beginning in 2012. Going forward, qualifying homeowners will receive a partial market value exclusion instead of the credit offset (see "Homestead Market Value Exclusion 101").

Economic factors that may affect broad classes of property can also influence the overall tax changes for individual parcels of property. For example, in the early 1990s the metropolitan area experienced major declines in the valuation for commercial and industrial properties. These valuation declines shifted taxes from property classified as commercial and industrial to all other types of property. Valuation declines also may have accentuated the levy changes by local units of government.

A 2002 law change exempted agricultural and cabin property from voter-approved referenda levies. In some jurisdictions where these types of property are a significant part of the tax base, this change shifted taxes onto other classes of property.

Legislative changes in state aid programs can also affect the revenue needed to be raised from the property tax. In 2002 the legislature eliminated *HACA* and increased the other major aid program, LGA, by $140 million. In 2003, the Legislature reduced 2003 LGA by about $120 million and 2004 LGA by about $150 million. In 2005, however, the Legislature added about $48 million to the LGA program for 2006 and beyond, $4 million of which is directed to cities under 5000 via a per capita aid base. In December 2008, the governor used the unallotment authority to reduce cities' LGA and MVHC payments. Actual aid and credit payments for 2009 and 2010 were reduced by $64.2 million and $128.3 million, respectively, through the power of unallotment[1]. The legislature cut MVHC reimbursement by $45 million and LGA by $7.8 million during the 2010 session—these cuts were in addition to the ratified unallotments. The 2011 special session

[1] The 2010 legislature later ratified the governor's unallotments.

budget agreement cut LGA by $102 million, leaving roughly $425.3 for 2011 and 2012. In 2012, legislators passed an LGA freeze for payments due in 2013. The 2013 legislature increased the LGA appropriation by $80 million for 2014. The 2014 legislature also boosted the LGA appropriation by $7.8 million in calendar year 2015 to $516.9 million.

Levy limits also impact local levy decisions. During the 2003 session, cities that had been previously covered by levy limits lost any unused levy authority. There were no levy limits in place for 2008 but the Legislature did pass new levy limits for cities over 2500 for taxes payable in 2009, 2010, and 2011. The 2013 legislature implemented one-year levy limits for taxes payable in 2014 for cities over 2500 in population. There were no levy limits in place for taxes payable in 2015. This discussion is only a general overview of the current Minnesota property tax system. Over time, the system has become more complex and difficult for taxpayers to understand. Unfortunately, local officials must frequently explain how the system works and take the blame for the complicated features of the system. Local officials, however, can only control local levy decisions. They have no direct ability to modify the overall structure of the tax system and are at the mercy of the Minnesota Legislature.

Glossary of Terms

Circuit breaker - A state-paid property tax refund program for homeowners who have property taxes out of proportion with their income. A similar program is also available to renters.

Class rates - The percent of market value set by state law that establishes the property's tax capacity subject to the property tax. See Table A for a sample list of class rates.

Fiscal disparities programs - Local units of government in the Twin Cities metropolitan area and on the iron range participate in property tax base sharing programs. Under these two programs, a portion of the growth in commercial and industrial property value of each city and township is contributed to a tax base sharing pool. Each city and township then receives a distribution of property value from the pool based on market value and population in each city.

Homestead and agricultural credit aid (HACA) - A $200 million property tax relief program that was eliminated in 2001.

Homestead Market Value Exclusion (HMVE) – Starting with taxes payable in 2012, eligible homesteads will pay property taxes on only a portion of the value of their homes. The maximum exclusion, 40% of value, occurs at home value of $76,000 and phases out as home value grows.

Local government aid (LGA) - A state government revenue sharing program for cities and townships that is intended to provide an alternative to the property tax. The formulae for distributing the aid payments were changed for 2004 and beyond. The 2008 Legislature implemented additional formula changes. LGA is distributed using different formulae for cities over 2,500 and cities under 2,500. Large city formula factors are: pre-1940 housing percentage, population decline over last decade, accidents per capita, average household size, metro or non-metro, and adjusted net tax capacity per capita. Small city formula factors are: pre-1940 housing percentage, population decline over last decade, commercial/industrial property percentage, and population. In 2006, a new aid base for small cities was created. Cities under 5,000 in population received base aid equal to $6 per capita. The 2008 reforms resulted in several other changes and additions to aid base. The formula was again changed in 2013 for aid distributions in 2014 and beyond (see "Local Government Aid 101: 2014 Distribution and Beyond").

Local tax rate - The rate used to compute taxes for each parcel of property. Local tax rate is computed by dividing the certified levy (after reduction for fiscal disparities distribution levy and disparity reduction) by the taxable tax capacity.

Market value - An assessor's estimate of what property would be worth on the open market if sold. The market value is set on January 2 of the year before taxes are payable.

Market value homestead credit - This credit offset a portion of each homestead's property tax burden equal to .4 percent of the homestead's market value up to a maximum credit of $304. For taxes payable in 2012 and beyond homestead properties will not receive a credit but rather see a portion of the value excluded from taxation (for eligible properties).

Property class - The classification assigned to each parcel of property based on the use of the property. For example, owner-occupied residential property is classified as homestead.

Property tax levy - The tax imposed by a local unit of government. The tax is established on or around December 28 of the year preceding the year the levy will be paid by taxpayers.

Targeting refund - a state paid property tax refund for homeowners whose property taxes have increased by more than 12 percent. A similar program is available to cabin owners.

Tax capacity - The valuation of property based on market value and statutory class rates. The property tax for each parcel is based on its tax capacity.

Total tax capacity - The amount computed by first totaling the tax capacities of all parcels of property within a city. Adjustments for fiscal disparities, tax increment and a portion of the powerline value are made to this total since not all tax capacity is available for general tax purposes.

Truth-in-Taxation - The "taxation and notification law" which requires local governments to set estimated levies, inform taxpayers about the impacts, and announce which of their regularly scheduled council meetings will include a discussion of the budget and levy. Taxpayer input is taken at that meeting.

Table A: class rates

Property Class	Taxes Payable 2014	Local Taxes Payable 2015	State Tax Payable 2015
Residential Homestead: 1st $500,000[1] >$500,000	 1.0% 1.25	 1.0% 1.25	No state tax
Non-homestead Residential: Single unit: 1st $500,000[1] >$500,000 2-3 unit buildings	 1.0 1.25 1.25	 1.0 1.25 1.25	No state tax
Market-rate Apartments:	1.25	1.25	No state tax
Commercial/Industrial: 1st $150,000[2] >$150,000	 1.5 2.0	 1.5 2.0	Subject to state levy (commercial-industrial rate)

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Seasonal Recreational Residential: 1st $500,000 >$500,000	 1.0 1.25	 1.0 1.25	Subject to state levy (seasonal-recreational rate)

[1]First tier limit was $72,000 for 1997, $76,000 for 2000, and $500,000 for 2002 and thereafter
[2]First tier limit was $100,000 for 1997, $150,000 thereafter

Resources

League of Minnesota Cities
http://www.lmc.org/page/1/property-tax-state-funding-fiscal-issues.jsp

- Local Government Aid 101: 2014 Distribution and Beyond
- Fiscal Disparities 101
- State Homeowner Property Tax Relief Programs 101
- Homestead Market Value Exclusion 101

Updated August 2015

Why Your Property Taxes Change From Year to Year

Why Your Property Taxes Change from Year to Year

Minnesota has a complicated property tax system—Understand the "what," "when," "why," and "how" of your property taxes and get answers to frequently asked questions like this one:

Q What makes my property tax bill change from year to year?

a. My property's value
b. My neighbor's property value
c. My city council, my county board, and my school board
d. The state Legislature
e. All of the above

See the next page for the answer to this question and more like it

LEAGUE OF MINNESOTA CITIES

The League of Minnesota Cities is a membership organization dedicated to promoting excellence in local government. The League serves its more than 800 member cities through advocacy, education and training, policy development, risk management, and other services.

Q What makes my property tax bill change from year to year?

a. My property's value
b. My neighbor's property value
c. My city council, my county board, and my school board
d. The state Legislature
e. All of the above

A Answer: All of the above.
The decisions of your city council, county board, and school board about the amount of tax dollars they need to deliver services may be the most obvious factor in your property tax bill. But the value of your property, the total value of all the property in your community, changes in state programs, and changes in state laws that affect the tax system also play a role. Changes in any of these factors can make your tax bill go up in some years and down in others.

More answers to your property tax FAQs

Q **Some of the local news coverage talks about city budgets and other coverage talks about city levies. Are they the same thing?**

A The property tax levy is the amount of money that the city (or other local government) decides it needs to collect from property owners in order to deliver services. Property taxes, however, are just part of the overall city budget. The budget includes both discretionary spending (for services the city is free to choose to provide) and non-discretionary spending (to meet obligations such as paying off debt). The budget includes all the dollars that the city collects from various sources—fees, grants, revenue sharing, and property taxes.

Q **What governments collect property taxes?**

A Your property tax bill is a total of taxes owed to several local governments and, for some types of property, to the state. Cities, counties, school districts, and townships are separate governments. They all collect money through the property tax in order to provide services. Special districts, like watershed districts, also collect property taxes, but those taxes are usually a very small part of the total bill. The state collects property taxes from business property and seasonal/recreational property such as cabins.

Q What do I get for my property taxes?

A Local governments get the money they use to deliver services from a few different sources: property taxes, fees, revenue sharing with the state, and grants. Property tax dollars pay for the services that everyone in the community—as well as visitors, commuters, and tourists—can access. This includes things like streets, police and fire services, parks, and libraries. Other services—like economic development programs to help businesses grow and develop, snowplowing, garbage removal, and recycling are also typically paid for with property tax dollars.

Q Why does my tax bill come from the county?

A For efficiency, counties have been designated by the state Legislature to administer most aspects of the property tax system on behalf of all local governments. County staff calculate the tax bills for each property in the community and then collect tax payments from property owners. After your property taxes are paid, the county then properly distributes the money to the various local governments and to the state.

Q When do I pay my property taxes?

A Most property owners pay their taxes in two installments—the first half in May and the second half in October. This semi-annual payment occurs even if your property taxes are collected by your mortgage company with your monthly mortgage payment.

Q I get several property tax statements each year. How do I make sense of them?

A Generally, three statements are sent to property owners each year: one in November, and two statements generally in March or April. The November statement shows you the amount of taxes local governments are proposing to collect in the following year. It will include an estimate of what your tax bill will be. Local governments can decrease the amount of taxes they will collect as they finalize their budgets, but they cannot increase the amount after this notice goes out, except in very limited circumstances such as natural disasters.

The second notice that you receive generally in March or April is a notice of the estimated value of your property and the property's "use" classification (e.g., homestead, apartment, commercial, etc.), which is also known as the property assessment. All property is valued at its market value and classified according to its use on Jan. 2 of each year. Any improvements or destruction made to a property after Jan. 2 will be evaluated for the following year's assessment.

The valuation of your property provided on the annual valuation notice is not used to compute your property taxes until the next calendar year. So, the spring 2014 valuation notice will be used for taxes payable in 2015. This is because all property owners have the right to challenge the valuation of the property. Information on how to contest a property's valuation is contained on the valuation notice.

Q When does my tax bill come?

A The third notice, generally received in March of each year, is the actual tax bill. It will show what you owe in property taxes to each local government—your county, city or township, school district, any special district, and the state. Some local governments will also include information about the kinds of services that the property tax dollars will support.

Q There is something labeled "homestead exclusion" on my tax statement. What is that?

A A relatively new state program excludes some of the value of many residential homesteads from property taxes, meaning taxes are not paid on that portion. The statement will show you how much of the assessed value of your homestead is excluded from taxation.

Q If I make an improvement or addition to my house, will I pay more in property taxes?

A In some cases, yes, but not necessarily. The change in your tax bill depends on a lot of factors other than changes in the value of your home. It is also affected by things like whether all the properties in the city taken together (tax base) grow or shrink in value, whether the local governments collect more or less money in property tax, and changes to the tax system state lawmakers make. For example, let's say you add a bedroom to your home, and its value increases by $20,000. If local governments don't change how much property tax they need to collect and the rest of the tax base is unchanged, then you will pay more in property tax because your property is now a bigger piece of the pie. But if the tax base as a whole increases in value—maybe a new development was built—then your piece of the pie may not be bigger and you may not pay more in tax.

Q How does the city—or any local government—decide what services to provide?

A City councils review the services they currently provide and think about what local preferences are and what population trends suggest about the kinds of services people will need. For example, one community might favor running its own pool while another does not see the need. Communities with lots of young families need to offer different kinds of services than communities seeing big increases in the number of senior residents. Sometimes cities have to provide certain services in order to comply with state or federal laws. Some common examples are requirements for testing drinking water and making public buildings accessible to people with disabilities.

Q How does the city decide how much to collect in property taxes?

A Cities look at their costs—like gasoline, road salt, salaries, and building repairs. They also determine the amount of money the city needs to provide the services residents expect and depend on. Councils then examine the dollars coming into the city from other sources—like fees people pay to use the recreation center or to license their dogs, grants from state and federal governments, and state revenue sharing. Property taxes make up the gap between money coming in from non-tax sources and the money needed to run the city. Other local governments (e.g., counties, schools) go through a similar process to set their property tax amounts.

Q Last year, the taxes I had to pay to the county and school district were lower, but the taxes I had to pay to the city stayed about the same. Why did that happen?

A One of the factors that affects whether your tax bill goes up or down is the change in value of all property within the taxing jurisdiction. In recent years, the value of farm property has grown significantly faster than that of other kinds of property such as residential homes and businesses. The property taxes collected by the county and the school districts are collected from a larger geographical area that includes many more farms than are the taxes collected by the city. That means the county and school district taxes get spread across a bigger tax base when those farm values increase, and your share of the tax pie for county and school district property tax shrinks. Your share of the city tax pie, though, may remain about the same.

Q Are property taxes the only way that the city takes in money?

A Cities have several sources of revenue, but the two largest sources are property taxes and state revenue sharing. Property taxes are collected from the owners of homes, businesses, and farms within the city. State aid dollars, such as local government aid and municipal state aid for roads, are funded by the sales taxes, income taxes, and gas taxes that we all pay to the state. Some of those dollars are redistributed to cities through revenue sharing.

Cities also get money from a few other sources. One source of revenue is fees. Some examples of common fees that people pay to cities are for: dog licenses, building permits, use of the community pool, fines for failure to remove snow from the sidewalk, and water and sewer services. Cities also get some money from grants. These come from the state or federal government and are used for very specific purposes such as a building improvement.

Q How does the state affect my property taxes?

A State law spells out all aspects of the property tax system. All properties within cities are classified as one of more than 50 types according to the system set by state policymakers. Property types include home, commercial, apartment building, farm, bed and breakfast, railroad, and duplex. Each property type is assigned a classification rate. This indicates what portion of the property's value is taxable.

The state also implements programs, such as fiscal disparities and tax increment financing, which can affect tax bills. The fiscal disparities programs operate in the metro area and on the Iron Range. Through these programs, part of the tax dollars that cities collect are from the regional tax base. This shifts some of the tax burden. With tax increment financing, cities can finance public improvements over time with the tax dollars collected on new development such as an industrial park.

The state also imposes mandates that require cities and other local governments to do certain things. These mandates can increase costs for cities and counties. Many mandates are for good reasons, like the rules to maintain clean drinking water. But they do result in pressure on city budgets.

From time to time, the state Legislature has also imposed "levy limits" on larger cities and counties. In some cases, these limits can require cities and counties to reduce the amount of property tax dollars they collect.

Q How can I get help paying my property taxes?

A The state has increased funding for direct property tax relief over the last few years. There are a few different programs through which property owners and renters can get help with their property taxes. These programs provide state-paid refunds for qualifying property owners. There is another program in which seniors can defer some of the property taxes that they owe.

Q Where can I learn more about the property tax system?

A The League of Minnesota Cities offers several resources that explain the property tax system. They are available at **www.lmc.org/property-tax**

MINNESOTA · REVENUE www.taxes.state.mn.us

Understanding Property Taxes

12a

Property Tax Fact Sheet 12a **Fact Sheet**

This fact sheet is the first in a series of three fact sheets that were designed to assist taxpayers in the understanding of the basic concepts of their annual assessment and property tax administration. Please see Fact Sheets 12b and 12c for additional information.

Why do we have property taxes?

The money raised by property taxes is a major source of funding for school districts, cities and townships, counties, and special taxing districts. Local property taxes help fund many programs and services including public schools, fire stations, police protection, streets, libraries, and more.

Certain types of properties – including seasonal/cabin, commercial/industrial, and un-mined iron ore – are also subject to a state-level property tax. Receipts from this "state general tax" go into the general fund.

A key benefit of the property tax system is that the revenue it raises tends to remain stable. Compared with sales or income taxes, the property tax is less susceptible to recessions or other changes in income or spending trends. In addition, since local jurisdictions only levy what they need to cover their annual needs, there is no surplus or deficit.

What affects my property tax bill?

Government spending and revenues will affect your tax bill the most. If spending increases or revenues from other sources such as state aid decrease, your property taxes may increase. Conversely, if spending decreases or revenue from other sources increases, you may see a decrease in your property tax bill.

Since property taxes are levy-based, it is possible to have your property tax increase while your market value decreases and vice versa.

Your share of the overall property tax levy is determined by the market value and classification of your property. The estimated market value and classification of your home are determined by the assessor as of January 2 of each year. Assessors estimate the value of your property using historical sales of similar properties.

There is no direct relationship between estimated market value and property tax liability. Instead, your property's taxable market value is used to determine how much property tax is due. These two values may differ for a number of reasons, including tax deferral programs, homestead and other value exclusions, or reductions for specific types of property.

The classification of your property is based on its use on January 2. Each class of property (residential, apartment, cabin, farm, commercial, etc.) has a different classification rate. These rates are set by the Legislature and calibrated so that some property types pay a greater share of the property tax than others. For example, commercial properties pay more than residential homesteads and agricultural properties.

How are my taxes determined?

First, each local jurisdiction will determine the revenue needed from property taxes. This amount – **the levy** – is calculated by subtracting all non-property tax revenue from the total proposed budget.

	Total Proposed Local Budget
–	<u>All non-property tax revenue (state aid, fees, etc.)</u>
=	Property tax revenue needed (levy)

The levy is then spread among all taxable properties according to their net **tax capacity**. A property's **tax capacity** is calculated by multiplying the taxable market value by the state-mandated classification rate.

(Taxable Market Value) x (Class Rate) = Tax Capacity

Property Tax Division - Mail Station 3340 St. Paul, MN 55146-3340

The final step is to calculate the **local property tax rate** by dividing the property tax revenue needed in a jurisdiction by its total tax capacity.

$$\text{Local Tax Rate} = \frac{\text{(Property tax revenue needed)}}{\text{(Total Tax Capacity)}}$$

The county auditor will also calculate and apply any credits, referendum levies, and the state general tax (for certain types of property).

Combining the above calculations, the **basic formula** to determine an individual property's tax amount is:

	Taxable Market Value
x	<u>Class Rate</u>
=	Tax Capacity
x	<u>Local Tax Rate</u>
=	Base Tax
–	Credits
+	Referendum Amounts
+	<u>State General Tax</u>
=	Total Property Tax Payable

What is a "Truth in Taxation" notice?

Every year, after November 10, but before November 25, all property owners receive a "Truth-in-Taxation" notice by mail. The notice contains:

- valuation and classification information on your property for the current and previous assessment years;
- your current-year property tax amounts; and
- an estimate of how your taxes may change based on your taxing district and local budget decisions for the following year.

The Truth-in-Taxation notices are required to show dates, times, and places for the scheduled meetings in which the budget and levy will be discussed and finalized. These meetings must occur after November 24. The public must be allowed to speak at these meetings for the city, county, and school district and they must not be held prior to 6 p.m.

These meetings are held to give taxpayers an opportunity to voice their concerns over the jurisdiction's proposed budget. They <u>are not</u> a forum for taxpayers to appeal their market value or their individual proposed property tax amounts.

Property Tax Statement

The County Treasurer's Office mails a tax statement to property owners by March 31 of each year. The statement provides an itemized list of the property tax due to each taxing authority. The dollar amounts must be listed separately for the state general tax (if applicable), county, municipality or township, voter-approved school tax, other local school tax, and other special taxing districts. The statement must also include any tax on contamination value and any other special assessments on the property.

Real property taxes are due in equal installments on May 15 and October 15 of each year (unless the amount is $50 or less [$250 or less starting with taxes payable in 2010] in which case taxes are due in full on May 15). If a property is classified as agricultural property, the 2nd half is not due until November 15.

Conclusion

In conclusion, it is essential that taxpayers understand that there is no direct relationship between estimated market value and property tax revenue. It is possible to have your property tax increase while your market value decreases and vice versa. Government spending and revenues will affect your tax bill the most.

For additional information, please refer to Fact Sheet 12b How the Assessor Estimates Your Market Value and Fact Sheet 12c Understanding Your Assessment and the Appeals Process.

Property Tax Statement 101

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Property Tax Statement 101

Updated August 2015

This guide is intended to help explain the basics of the property tax system to residential taxpayers by "walking through" each section of the property tax statement. Minnesota homeowners receive the tax statement for their property in March. Property taxes are derived from the property assessment, the local government levies and any voter approved referenda. Credits, refunds, exemptions and exclusions complicate the system. See the "Property Taxation 101" document for a more detailed description of the property tax system and a glossary of terms.

The Layout

The property tax statement is brief but contains a lot of information. The property tax statement not only communicates the amount due in the current year but provides comparison with the previous year's valuation, property classification, reductions from state aid and credits and total tax amounts.

Layout of the statement may vary slightly from county to county but the content will generally be the same. The front page lists identifying information about the county auditor, the subject property and the taxpayers. The rest of the front page, which shows the taxes due, will be discussed in more detail in the following sections.

The back page of the statement contains information about refund programs available to eligible homeowners. See the "Property Tax Relief 101" document for a summary of state-paid refund programs. A summary table of late payment penalties also appears on the back page. The back page may also contain other tax related notices.

Tax Values & Classification

This section contains information on the market value and classification of the property.

The *estimated market value* is determined by an assessor and represents an estimate of how much the property would be worth on the open market if sold. The *taxable market value* is the estimated market value minus any excluded property improvements or other exclusions. Beginning with taxes payable in 2012, a portion of eligible homestead market value is excluded from property taxation. This is known as the Homestead Market Value Exclusion (HMVE). For more details on that program and how the exclusion is calculated, refer to the HMVE 101.

Every parcel is classified based on use and assigned a *classification rate*. Income-producing properties generally have higher class rates. These rates are

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set by the legislature and are not tax rates but a weighting system. In other words, if two properties had equal market values but different class rates, the property with the higher class rate would have a higher tax capacity. The property tax statement may show the abbreviated classification name, such as *Res. Hmstd.* (residential homestead).

The Mechanics of Taxes

The market value and classification is used to determine the property tax bill. Most property taxes are levied against the parcel's tax capacity and some are levied against the taxable market value.

- The *tax capacity* of a parcel is determined by multiplying the parcel's market value by its classification rate. For example, a home with an assessed market value of $250,000 has a class rate of 1.0% which equals a tax capacity of $2,500.

Property taxes that are levied against tax capacity are calculated using tax capacity rates. These rates are determined by dividing the tax capacity levy by the total tax capacity of a jurisdiction. The sum of all tax capacity rates, the total local tax rate, is multiplied by a parcel's tax capacity to determine the tax capacity portion of the tax bill.

Voter-approved referenda levies are applied to a parcel's taxable market value instead of the tax capacity. The market value rate is found by dividing the market value levy by the total market value. Multiplying the market value rate by the parcel's taxable market value results in the market value portion of property taxes. The tax capacity portion plus the market value portion less any credits comprise the total tax bill for a property.

Taxes payable for the current year and previous year are listed at the top of the tax detail section on the statement. These amounts do not include any special assessments and are used to determine eligibility for refund programs.

State Aid Reductions

The statement must contain a section that details how an individual's taxes have been reduced by state aid and credit programs. The tax amount without any aid or credits applied is shown first, with deductions for aid and credits itemized separately.

All state aid amounts that cities may receive are certified by July. For cities that receive it, aid helps close the gap between a city's expenditure needs and its ability to raise revenues through property taxes, fees, charges and other sources of revenue. See the "Local Government Aid 101" document for more information on LGA, the largest state aid program.

Through 2011, an individual property tax bill may be reduced by applicable credits. One of the most common was the Market Value Homestead Credit, but this program was eliminated beginning with tax year 2012. Now, there is the HMVE program (HMVE 101.)

The taconite tax relief program is available to taconite relief areas on the Iron Range. The value of the credit is dependent on characteristics such as the value of iron ore in the jurisdiction and the proximity to mines.

Property Tax by Jurisdiction

The tax statement itemizes tax amounts for each taxing jurisdiction and any voter-approved referenda levies. All of the different levies are summed, showing the total property tax amount before special assessments.

An individual parcel is typically in several taxing jurisdictions: city, county, school district and any special property taxing districts, such as a watershed district. Each jurisdiction levies a tax and there is a different tax rate for each jurisdiction. Jurisdictions do not set the tax rate; rather it is a function of the jurisdiction's levy and total tax base.
[levy] / [tax base] = [tax rate]

Cities, school districts and counties must establish the preliminary *property tax levy* by the end of September. The final levy can be less but not more than the preliminary amount. In very simple terms, the levy is determined by the following calculation:

[budget] – [all non-property tax revenues] = [levy]

Special Assessment

Any special assessments on the property are listed by type of assessment. The sum of any assessments owed is then added to the property tax subtotal.

Pay Stubs

The bottom of the statement contains pay stubs showing the amount and date due that are to be submitted with each payment. The pay stubs are not used by taxpayers who pay property taxes along with their mortgage payments.

Half of the total tax payment is due May 15th with the remaining half due October 15th. A penalty fee is assessed for late payments. The back of the statement explains how to calculate penalties. The payment amounts must be paid in full even if the taxpayer is eligible for a refund.

City, county and school district web sites often have additional information on budgets, spending priorities, etc. The League of Minnesota Cities website offers a calculator tool to compare taxes on properties in different cities and in different years.

Timeline and Additional Information

The entire process for assessing, calculating, imposing and collecting property taxes actually takes two full years and is administered by counties. Taxpayers receive two documents prior to the tax statement.

Assessors determine market values by January 2 of the year before taxes are payable. In other words, market values for taxes payable in 2015 were set in January of 2014. Property owners receive notice of the market value from the assessor in March of each year. An appeals process is established for property owners who disagree with the assessed valuation.

Truth-in-taxation (T-n-T) notices are mailed to property owners in November and show the tax burden under the proposed levy. The notice lists both actual taxes paid in the previous year and proposed taxes. Taxpayers can see what factors contributed to change in the property taxes due (i.e., changes in spending by one or more jurisdictions, classification changes, assessed value change, etc.). During their budget-setting process, usually in the fall, cities over 500 are required to publish which of their regularly scheduled council meetings will include a discussion of the budget and levy. Residents can use that opportunity to ask questions and share their thoughts on the city's budget plans. The levy may change as a result of this meeting, future referendums, legal judgments, natural disasters or special assessments. A jurisdiction's final levy must be certified at the end of December.

Resources
League of Minnesota Cities
http://www.lmc.org/page/1/property-tax-state-funding-fiscal-issues.jsp

Updated August 2015

Big Lake Community Information
Economic Development

Contact
City Administrator
160 Lake Street North
Big Lake, MN 55309
763-263-2107
Fax: 763-263-0133
City of Big Lake website

City Population: 12,524 (2023 estimate)
Population Growth Rate: +76.8% from 2000-present

School District: 727
Number of Schools: 4
Number of Students: 3,200

Major Transportation Routes: US Hwy 10 and MN Hwy 25.

Top Employers:
Big Lake Schools, Cargill, Howmet Aerospace, LISI MEDICAL Remmele, Coborn's, Options, Inc., Premiere Marine (once in operation)

Chamber of Commerce:
www.biglakechamber.com 763-263-7800

City Services:
Big Lake City Hall 763-263-2107
Big Lake Maintenance Department 763-263-2268
Big Lake Chamber of Commerce 763-263-7800

Schools:
The City of Big Lake's Area School District 727 is comprised of four schools. Approximately 3, 400 students are enrolled in the district. Call 763-262-2537 for more information, or visit the website at www.biglake.k12.mn.us

Churches:
Six places of worship within Big Lake serve a variety of denominations.

Medical Services:
A variety of chiropractic, dental clinics and senior care facilities are located in the immediate area.

Hospitals:
Monticello-Big Lake Community Hospital in Monticello 763-295-2945

Mail Services:
First Class Post Office and Express Service available.

Financial Institutions:
Riverwood Bank 763-262-2265
Klein Bank 763-427-4350

Newspapers:
Patriot News (weekly)
Minneapolis Star Tribune (daily)
St. Paul Pioneer Press (daily)

Telecommunications: (Telephone, Cable, Internet)
Charter Communications 800-581-0081
Arvig Internet
Sherburne County Rural Tel Co. 763-262-4100
Windstream Communications 763-263-3022

Electricity:
Connexus Energy 800-642-1672
Xcel Energy 800-895-4999

Natural Gas:
CenterPoint Energy 800-245-2377

Refuse and Recycling:
Ace Solid Waste, Inc. 763-427-3110
Birchem Sanitation 763-441-3572
Republic Services 763-479-3335
Veolia Environmental Services 888-251-8919
Waste Management 320-253-6491

Additional Contact Information

- Relating to your property value, please contact: The Sherburne County Assessor's Office at 763-765-4900 or assessor@co.sherburne.mn.us

- Relating to your overall tax statement, please contact: The Sherburne County Auditor/Treasurer's Office at 763-765-4351 or auditor@co.sherburne.mn.us

- Relating to your City taxes or the City Budget, please contact: Finance Director, Deb Wegeleben, at 763-251-2974 or dwegeleben@biglakemn.org

Statistical Information

Top Taxpayers

TOP TAXPAYERS OF BIG LAKE CITY

2025 - Total Tax Rate Net Tax Capacity 14,881,185

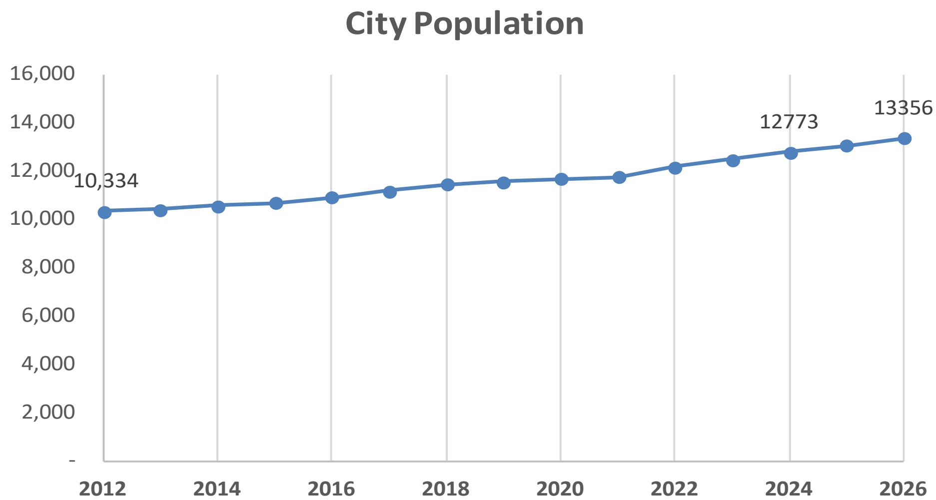
Name	Net Tax Capacity Total	Percentage of Total Net Tax Capacity	EMV TOTAL	TMV TOTAL
Total			1,377,418,539	1,377,418,539
CARLSON DEVELOPMENT GROUP, LLC	245,021	1.65%	12,722,800	12,722,800
STATION ST APTS OF BIG LAKE LLLP	206,156	1.39%	16,492,500	16,492,500
NORTHERN STAR APARTMENTS LLC	134,995	0.91%	10,799,600	10,799,600
BIG LAKE 2018, LLC	123,432	0.83%	6,246,600	6,246,600
REMMELE ENGINEERING, INC	115,042	0.77%	5,789,600	5,789,600
KELLER LAKE ACQ LLC	102,596	0.69%	8,207,700	8,207,700
LISI MEDICAL REMMELE INC	87,934	0.59%	4,434,200	4,434,200
CARGILL KITCHEN SOLUTIONS INC	84,870	0.57%	4,281,800	4,281,000
NYSTROM RTC LLC	64,080	0.43%	3,241,500	3,241,500
MINNEGASCO PROPERTY ACCNTNG	59,592	0.40%	2,979,600	2,979,600
CENTRACARE HEALTH SYSTEM	58,362	0.39%	2,955,600	2,955,600
SHERBURNE PARK ESTATES LLP	54,210	0.36%	4,336,800	4,336,800
MEGASTORAGE BIG LAKE MN, LLC	51,444	0.35%	2,609,700	2,609,700
ALACRITY INVESTMENTS IV LLC	50,900	0.34%	2,582,500	2,582,500
PARAGON REAL ESTATE LLC	50,354	0.34%	2,555,200	2,555,200
SHIOTA, FRED I & JANE E	49,354	0.33%	3,930,200	3,930,200
NORTHERN STATES POWER COMPANY - MN	48,504	0.33%	2,425,200	2,425,200
GREAT RIVER ENERGY	46,162	0.31%	2,308,100	2,308,100
CB MARKETPLACE CROSSING LP	45,788	0.31%	9,999,000	9,999,000
TOWN SQUARE RESIDENTIAL SUITES LLC	45,075	0.30%	3,606,000	3,606,000
ARROW COMPONENTS CORPORATION	40,518	0.27%	2,063,400	2,063,400
BIG LAKE BUSINESS CENTER, LLC	38,284	0.26%	1,951,700	1,951,700
LAKEDALE TELEPHONE COMPANY	37,048	0.25%	1,927,400	1,927,400
BIG LAKE INVESTMENTS, LLC	36,008	0.24%	2,235,700	2,235,700
BP-ASHBURY, LLC	35,535	0.24%	2,842,800	2,842,800
	1,911,264	12.84%	123,525,200	123,524,400

Source: Sherburne County

Major Employers:

Big Lake Schools
Cargill
Arconic
LISI MEDICAL Remmele
Premier Marine
Coborn's
Options, Inc.

Statistical Information – (continued)



Source: Minnesota State Demographic Center

Big Lake has experienced steady population growth, supporting continued demand for services, infrastructure, and housing. With an estimated growth rate of approximately 2% per year.

Community Profile

Big Lake is one of the youngest and fastest-growing cities in the State of Minnesota. The City offers a supportive environment for business development and expansion, including a collaborative relationship with City staff, access to local and regional financial incentives, a skilled workforce, diverse housing options, a strong school district, access to a full-service community hospital, and a variety of community events.

Strategic investments in utility infrastructure have positioned Big Lake for continued growth, providing capacity for expansion and reducing development risk. Multiple sites have been certified under the Shovel Ready Program, offering public utilities, three-phase electricity, and high-speed fiber broadband connectivity.

Demographic Information:

- **Population:** 12,773 *(Source: MN State Demographer's Office)*
- **Median Age:** 32.5 *(Source: U.S. Census Bureau)*
- **Households:** 4,448 *(Source: MN State Demographer's Office)*
- **Median Home Value:** $330,200 *(Source: U.S. Census Bureau)*
- **Average Household Income:** $120,549 *(Source: U.S. Census Bureau)*

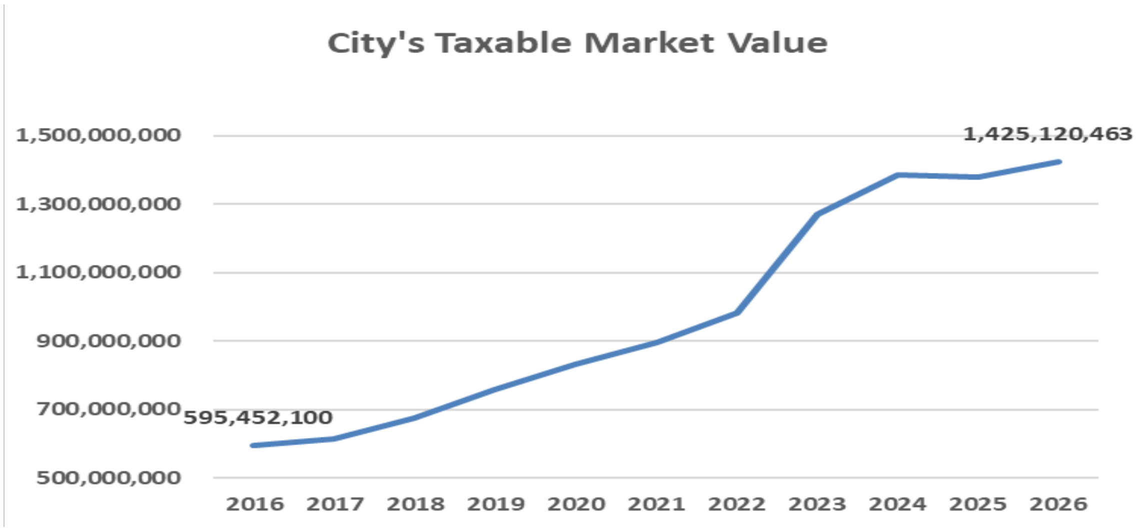
Quality of Life

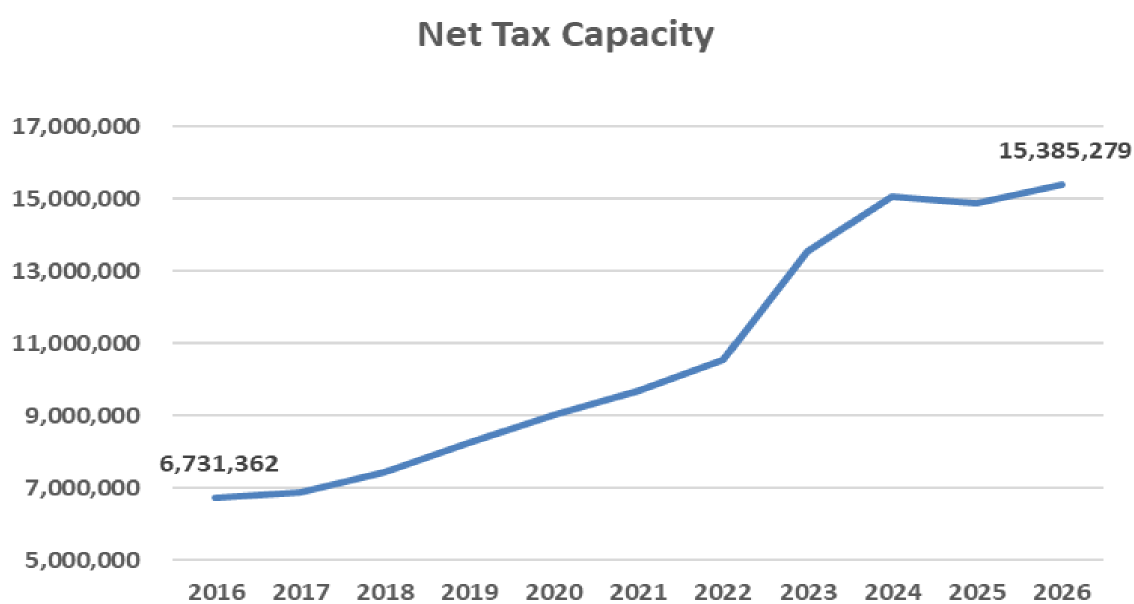
Big Lake is home to a growing population of young families who value the community's high quality of life. The City supports a strong sense of community through investments in parks, events, technology, and transparent governance, along with a continued partnership with the Big Lake School District.

Residents and visitors enjoy access to 19 City parks, more than 20 miles of trails, and public amenities such as the Big Lake swimming beach. Community events, including the Farmers Market, Music in the Park, and the annual Spud Fest, contribute to a vibrant and active community throughout the year.

Statistical Information – (continued)

City of Big Lake Taxable Market Value and Net Tax Capacity Changes



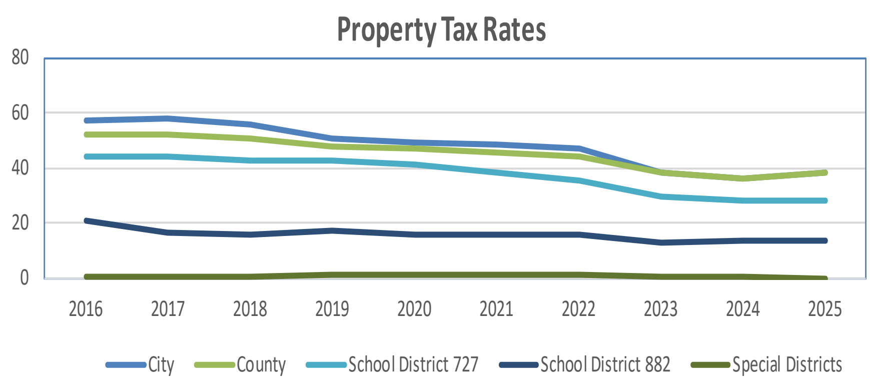


Growth in taxable market value and net tax capacity supports the City's ability to fund services, maintain infrastructure, and manage debt capacity while stabilizing the tax rate.

Direct and Overlapping Taxing Districts

CITY OF BIG LAKE — **Table 7**
SHERBURNE COUNTY, MINNESOTA
STATISTICAL SECTION (UNAUDITED)
PROPERTY TAX CAPACITY RATES - DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS
(PER $1,000 OF TAX CAPACITY)
(modified accrual basis of accountign)

		Overlapping Taxing Districts					
Year Taxes Payable	City of Big Lake	Sherburne County	Big Lake School District No 727	Monticello School District No 882	Special Districts (1)	Total (2) Direct and Overlapping With 727	Total (2) Direct and Overlapping With 882
2016	57.112	52.352	44.190	20.857	0.743	154.397	110.207
2017	57.936	52.077	44.163	16.242	0.726	154.902	110.739
2018	55.643	50.825	42.943	15.621	0.674	150.085	107.142
2019	50.898	47.899	42.767	16.972	1.574	143.138	100.371
2020	49.223	47.399	41.409	15.865	1.410	139.441	98.032
2021	48.471	45.810	38.240	15.390	1.341	133.862	95.622
2022	47.505	44.057	35.365	15.459	1.233	128.160	92.795
2023	38.545	38.612	29.868	12.865	0.960	107.985	90.982
2024	36.384	36.581	28.417	13.525	0.863	102.245	87.353
2025	38.718	38.251	27.935	13.632	0.074	104.978	90.675



Note 1: Special Districts include Economic Development Authority (this begain in 2014, Hospital District ended in 2013)
Note 2: Information reflects total tax rates levied by each entity. Tax rates are expressed in terms of "net tax capacity". A property's tax capacity is determined by multiplying its taxable market value by a state determined class rate. Class rates vary by property type and change periodically based on state legislation. School districts have an additional tax rate that is based on the market value not the net tax capacity, this rate is not included in the total.

Source: Sherburne County Auditor/Treasure Department

Glossary of Budget Terms

Account
A term used to identify an individual asset, liability, expenditure controls, revenue control, or fund balance.

Accrual Basis of Accounting
The method of accounting under which revenues are recorded when they are earned and expenditures are recorded when goods and services are received.

Activity
A specific and distinguishable line of work performed by one or more organizational components of a governmental unit for the purpose of accomplishing a function for which the governmental unit is responsible. For example, “Code Enforcement” is an activity performed in the discharge of the “Planning” function.

Adoption
The formal action taken by the City Council to authorize or approve the budget.

Appropriation
An authorization granted by a legislative body to make expenditures and to incur obligations for specific purposes. An appropriation is limited in amount to the time it may be expended.

Assessed Valuation
Value placed upon real estate or other property as a basis for levying taxes.

Assigned Fund Balance
Amounts a government intends to use for a specific purpose; intent can be expressed by the government body or by an official or body to which the governing body delegates the authority.

Audit
The examination of documents, records, reports, systems of internal control, accounting and financial procedures, and other evidence for one or more of the following purposes:

a) To ascertain whether the statements prepared from the accounts present fairly the financial position and the results of financial operations of the constituent funds and balanced account groups of the governmental unit in accordance with generally accepted accounting principles applicable to governmental units and on a basis consistent with that of the preceding year.
b) To determine the propriety, legality, and mathematical accuracy of a governmental unit’s financial transactions.
c) To ascertain whether all financial transactions have been properly recorded.
d) To ascertain the stewardship of public officials who handle and are responsible for the financial resources of a governmental unit.

Balanced Budget
Annual appropriations do not exceed the total of the estimated annual revenue.

Bond
A written promise, generally under seal, to pay a specified sum of money, called the face value or principal amount, at a fixed time in the future, called the date of maturity, and carrying interest at a fixed rate, usually payable periodically.

Bonded Indebtedness
Outstanding debt by issues of bonds, which is paid by ad valorem or other revenue.

Budget
A plan of financial operation embodying an estimate of proposed expenditures for a given period and the proposed means of financing them.

Budget Document
The official written statement prepared by the Administrator and Finance Director of the City which presents the proposed budget to the City Council.

Budget Message
A general discussion of the proposed budget presented in writing as a part of the budget document. The budget message explains principal budget issues against the background of financial experience in recent years and presents recommendations made by the City Administrator and Finance Director.

Budget Calendar
The schedule of key dates, which a government follows in the preparation and adoption of the budget.

Budgetary Control
The control or management of a governmental unit or enterprise in accordance with an approved budget for the purpose of keeping expenditures within the limitation of available appropriations and available revenues.

Capital Assets
Assets with a value of $5,000 or more.

Capital Improvement Program
A plan for capital expenditures to be incurred each year over a fixed period of years to meet capital needs arising from the long-term work program or otherwise. It sets forth each project or other contemplated expenditure in which the government is to have a part and specifies the full resources estimated to be available to finance the projected expenditures.

Capital Outlay
A level of budgetary appropriations which include expenses for acquiring capital assets, including land or buildings, improvements of grounds, and equipment.

Capital Projects Funds
To account for financial resources to be used for the acquisition or construction of major capital facilities.

Cash Basis
The method of accounting under which revenues are recorded when received in cash and expenditures are recorded when paid.

Certified Levy
Total tax levy of a jurisdiction, which is certified to the County Auditor.

Charges for Services
Charges for current services rendered.

Chart of Accounts
The classification system used by a City to organize the accounting for various funds.

Committed Fund Balance
Amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. Commitments may be changed or lifted only by the government taking the same formal action that imposed the constraint originally.

Contingency
Budget for expenditures which cannot be placed in departmental budgets, primarily due to uncertainty about the level or timing of expenditures when the budget is adopted. The contingency also serves as a hedge against shortfalls in revenues or unexpected expenditures.

Culture and Recreation
To account for costs related to recreational activities, programs, and facilities including maintenance of City parks.

Current
A term which, applied to budgeting and accounting, designates the operations of the present fiscal period as opposed to past or future periods.

Debt
An Obligation resulting from the borrowing of money or from the purchase of goods and services.

Debt Margin
The amount of available debt, which may be issued by a governmental unit before reaching its debt limit.

Debt Service Funds
To account for the accumulation of resources for payment of general long-term debt.

Department
Basic organizational unit of government, responsible for carrying out related functions.

Enterprise Funds
To account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the cost of providing services are to be recovered primarily on a user-charge basis to the general public.

Estimated Market Value
Represents the selling price of a property if it were on the market. Estimated market value is converted to tax capaCity before property taxes are levied.

Expenditure
Where accounts are kept on the accrual or modified accrual basis of accounting, the cost of good received or services rendered whether cash payment have been made or not. Where accounts are kept on a cash basis, expenditures are recognized only when the cash payments for the above purposes are made.

Fines & Forfeitures
Revenues from penalties imposed for violation of laws or regulations.

Fiscal Policy
A government's policies with respect to revenues, spending, and debt management as these relate to government services, programs and capital investment. Fiscal Policy provides an agreed-upon set of principles for the planning and programming of budgets and their funding.

Fiscal Year
The budget and accounting year that begins on the first day of January and ends on the last day of December of each year.

Full Time Equivalent (FTE)
The number of employee hours (2080) needed to be equal to one full-time employee. Several part-time employees may be combined to make one full-time equivalent.

Function
A group of related activities aimed at accomplishing a major service or regulatory program for which the government unit is responsible.

Fund
An independent fiscal and accounting entity with a self-balancing set of accounts recording cash and/or other resources together with all related liabilities, obligations, reserves, and equities which are segregated for the purpose of carrying on specific activities or attaining certain objectives.

Fund Balance
The difference between assets and liabilities reported in a governmental fund.

General Government
Expenditures, which represents a set of accounts, to which are charged the expenditures for operating the City.

General Obligation Bonds
When a government pledges its full faith and credit to the repayment of the bonds it issues, then those bonds are general obligation (GO) bonds.

Goal
A statement of broad direction, purpose, or intent based on the need of a community. A goal is general and timeless; that is not concerned with a specific achievement in a given period.

Governmental Accounting
The composite of analyzing, recording, summarizing, reporting, and interpreting the financial transactions of governmental units and agencies.

Governmental Fund Types
Funds used to account for the acquisition, use and balances of expendable financial resources and the related current liabilities – except those accounted for in proprietary funds and fiduciary funds. In essence, these funds are accounting segregation of financial resources. Under current GAAP, there are four governmental funds types: general, special revenue, debt service, and capital projects.

Improvement Bonds
Bonds payable from the proceeds of special assessments from properties benefiting from an improvement.

Interfund Transfers
Amounts transferred from one fund to another.

Infrastructure
Assets which are immovable and of value only to the governmental unit (i.e. roads, gutters, sewer lines).

Intergovernmental Revenues
Revenues from other governments in the form of grants, entitlement, or shared revenues.

Investments
Securities held for the production of income in the form of interest.

Levy
(Verb) To impose taxes, special assessments, or service charges for the support of governmental activities. (Noun) The total amount of taxes special assessments, or service charges imposed by a governmental unit.

Licenses & Permits
Revenues received from the sale of business and non-business licenses.

Local Government Aid (LGA)
Intergovernmental revenue from the state to municipalities to help fund general expenditures.

Long-Term Debt
Debt with a maturity of more than one year after the date of issuance.

Market Value Homestead Credit (MVHC)
State paid property tax reduction on owner occupied homes based on the properties market value.

Miscellaneous
Revenues or expenditures not classified in any other revenue or expenditure category.

Modified Accrual Basis
The basis of accounting under which expenditures other than accrued interest on general long-term debt is recorded at the time liabilities are incurred and revenues are recorded when received in cash, except for material and/or available revenues, which should be accrued to reflect properly the tax levied and revenue earned.

Net Assets
The difference between a fund's assets and liabilities of proprietary funds that consists of capital assets less both accumulated depreciation and the outstanding balance of debt that is directly attributable to the acquisition, construction, or improvement of those assets.

Non-spendable Fund Balance
Amounts that are not in a spendable form or are required to be maintained intact.

Objective
Desired output-oriented accomplishments, which can be measured and achieved within a given time frame.

Operating Budget
A plan of financial operation embodying an estimate of proposed expenditures for the calendar year and the proposed means of financing them.

Operating Transfers
Amounts transferred from one fund to another, shown as expenditure in the originating fund and revenue in the receiving fund.

Other Charges & Services
A level of budgetary appropriations which include expenses for outside professional services, advertising, insurance, utility costs, repairs maintenance, and miscellaneous costs.

Personal Services
A level of budgetary appropriations which include expenses for salaries, wages, and related employee benefits such as the City's share of retirement and insurance.

Program
A group of related activities performed by one or more organizational units for the purpose of accomplishing a function for which the governmental unit is responsible.

Proprietary Accounts
Those accounts which show actual financial position and operation, such as actual assets, liabilities, reserve, fund balances, revenues, and expenditures, as distinguished from budgetary accounts.

Public Safety
To account for expenditures related to the protection of persons and property.

Public Works
To account for expenditures for the maintenance of City property.

Reimbursement
Cash or other assets received as a repayment of the cost of work or services performed or of other expenditures made for or on behalf of another governmental unit or department or for an individual, firm, or corporation.

Reserve
An account which records a portion of the fund balance which must be segregated for some future use and which is, therefore, not available for further appropriation or expenditure.

Resolution
A special or temporary order of a legislative body; an order of a legislative body requiring less legal formality than an ordinance or statute.

Resources
The actual assets of a governmental unit, such as cash, plus contingent assets such as estimated revenues applying to the current fiscal year not accrued or collected, and bonds authorized and not issued.

Restricted Fund Balance
Amounts subject to externally enforceable legal restrictions.

Revenue

The term designates an increase to a fund's assets which: 1) does not increase a liability; 2) does not represent a repayment of an expenditure already made; 3) does not represent a cancellation of certain liabilities; and 4) does not represent an increase in contributed capital.

Revenue Bond

A bond that is backed by a particular revenue source such as sewer user fees and municipal liquor store sales.

Special Assessment

A compulsory levy made by a local government against certain properties to defray part or all of the cost of a specific improvement or service which is presumed to be of general benefit to the public and of special benefit to such properties.

Special Revenue Fund

To account for revenue derived from specific revenue sources that are legally restricted for specific purposes.

Supplies

A level of budgetary appropriations which include expenses for commodities which are used such as office supplies, operating supplies, and repair and maintenance supplies.

Tax CapaCity

An amount determined by a percentage of a property's market value, which is then applied to the tax rates of taxing jurisdictions affecting the property to determine the amount of property taxes owed.

Tax CapaCity Rate

Tax rate applied to tax capaCity to generate property tax revenue. The rate is obtained by dividing the property tax levy by the available tax capaCity.

Tax Classification Rate

Rate at which estimated market values are converted into the property tax base. The classification rates are assigned to properties depending on their type (residential, commercial, farm, etc.) and, in some cases there are two tiers of classification rates, with the rate increasing as the estimated market value increases.

Tax Increment Financing (TIF)

Financing tool originally intended to combat severe blight in areas, which would not be redeveloped "but for" the availability of government subsidies derived from locally generated property tax revenues.

Tax Levy

The total amount to be raised by general property taxes for the purpose stated in the resolution certified to the county auditor.

Tax Rate

The amount applied to properties tax capaCity to determine the taxes generated by the property.

Taxes

Compulsory charges levied by a governmental unit for the purpose of financing services performed for the common benefit.

Trust Fund
A fund consisting of resources received and held by the governmental unit as trustee, to be expended or invested in accordance with the conditions of the trust.

Unassigned Fund Balance
Residual amounts that are available for any purpose in the general fund.

Unrestricted Fund Balance
The total of committed fund balance, assigned fund balance, and unassigned fund balance.

User Fees
The payment of a charge for direct receipt of a public service by the party benefiting from the service.

Acronyms

ACFR	Annual Comprehensive Financial Report
CIP	Capital Improvement Plan
EDA	Economic Development Authority
EMV	Estimated Market Value
FTE	Full Time Equivalent
GAAP	Generally Accepted Accounting Principles
GASB	Governmental Accounting Standards Board
GFOA	Government Finance Officers’ Association
GIC	Guaranteed Investment Contract
GO	General Obligation
HRA	Housing and Redevelopment Authority
LGA	Local Government Aid
MVHC	Market Value Homestead Credit
SAC	Sewer Availability Charge
SIPC	Securities Investor Protection Corporation
TIF	Tax Increment Financing
WAC	Water Availability Charge

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CITY OF
Big Lake
LIVE BIG!