



Minnesota

Annual Comprehensive Financial Report

For the Year Ended December 31, 2024

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CITY OF ST. FRANCIS, MINNESOTA
ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2024

DARCY MULVIHILL - FINANCE DIRECTOR

PREPARED BY THE
DEPARTMENT OF FINANCE

Member of the Government Finance Officers' Association
of the United States and Canada

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INTRODUCTORY SECTION

CITY OF ST. FRANCIS
ST. FRANCIS, MINNESOTA

FOR THE YEAR ENDED
DECEMBER 31, 2024

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April 28, 2025

To the Honorable Mayor, Members of the City Council, and Citizens of the City of St. Francis:

The annual comprehensive finance report (ACFR) of the City of St. Francis (the City) for the fiscal year ended December 31, 2024, is hereby submitted. Minnesota Statutes and the City Charter require the preparation of audited financial statements by the state auditor or a certified public accountant within 180 days after the close of the fiscal year. The accompanying financial statements have been audited by the firm of Abdo, independent certified public accountants.

This report consists of management's representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of the information contained in this report. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statement in conformity with generally accepted accounting principles (GAAP). Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free of material misstatements. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Abdo has issued an unmodified (clean) opinion on the City of St. Francis's financial statements for the year ended December 31, 2024. The independent auditor's report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complement this letter of transmittal and should be read in conjunction with it.

Profile of the City

St. Francis was originally known as the “Village of Otona” and was established in 1855 along the Rum River with a dam, grist, and a saw mill. The town was formally established as St. Francis in 1857. The Post Office was the first commercial building constructed in 1866, and in that year the Creamery Association was also built. Two other buildings were constructed during this period and still exist today: The Rum River Inn and the H.G. Leathers House. Both of these buildings are also listed on the National Register of Historic Places.

During the late 1960’s, St. Francis began to attract more residents and over the next few decades grew significantly. The community was incorporated in 1974, and with the assistance of a loan from the U.S. Department of Agriculture – Farmer’s Home Administration, the City constructed and began operating a municipal sewer and water system. These systems attracted quality development into the area. By 1980, the population had grown from 897 to 1,184 and by 1990, the population had grown 117% to reach a total of 2,538 residents. Growth continued through the 1990s and has been particularly dramatic in the past years. Today, the population is approximately 8,306. Its small-town character, its schools and accessible location has attracted and continues to attract new residents, particularly young families.

St. Francis is a home rule charter city. Minnesota has two basic types of cities – home rule and statutory – which influence cities’ organization and powers. The difference is the type of enabling legislation from which the municipality gains its authority. Home rule charter cities obtain their powers from a locally enacted home rule charter which is essentially a city constitution. Statutory cities get their power from Chapter 412 of Minnesota Statutes. Home rule charter cities can exercise any powers in their locally adopted charters as long as there’s no conflict with state law. Conversely, charter provisions can specifically restrict the powers of a city.

St. Francis operates under the Council/Administrator form of government. An elected City Council sets the policy and overall direction for St. Francis. Then city staff, under the direction of a city administrator, carries out council decisions and provides day-to-day city services. The city administrator is accountable to the City Council.

The City Council consists of a Mayor and four Council Members elected at-large. City elections are held in even numbered years, with the Mayor serving a two-year term and all Council Members serving four-year terms.

The City of St. Francis provides a full range of services. The general governmental functions include police and fire protection, street maintenance, engineering, planning and zoning, parks and recreation, economic and community development and general legislative and administrative services. The City also operates as enterprise funds the following services: water, sewer and a municipal liquor store.

One of the most important activities undertaken each year by the City is the budget process. The quality of decisions made in the budget process conveys the City's long-range plans and policies for current and future services and programs. The budget is a financial, planning, and policy document which reflects the allocation of limited revenue among competing uses and serves as a guide for the various departments in implementing their goals and objectives.

Department heads receive preliminary budget guidance from the City Administrator, with direction from the Mayor and Council. Each department is responsible for submitting the proposed budgets for their respective programs in June. The City Administrator and Finance Director meet individually with each department head to discuss the department's budget submittal, and changes are made, either increases or decreases, to accommodate the overall budget picture. Following the individual meetings, budget workshops are held with the City Council. The submittal of the Proposed Budget is followed by a series of public presentations to the City Council that are designed to give the Council and citizens an overview of the Budget, and to prepare the Council in making informed budget decisions. The final document is adopted in December following the required public hearings.

Local Economy

The City of St. Francis is located in the northernmost section of Anoka County, 12 miles north of Anoka and approximately 30 miles northwest of Minneapolis. The community can be accessed in a north southerly direction by State Trunk Highway 47 and County Road 24 in an east westerly direction. The City occupies approximately 24 square miles, has an estimated population of 8,585 and approximately 3,041 households.

St. Francis is served by Independent School District #15. They serve the communities of St. Francis, East Bethel, Bethel, Oak Grove, Andover, Athens, Nowthen and Stanford. The school district offices as well as the bus garage and several of the school buildings are located within the City limits.

Anoka County has an annual average unemployment rate for 2024 of 2.6%. During the past ten years the unemployment rate was at a high in 2021 of 4.5% to 2023 being the low at 2.5%

The majority of the tax base in St. Francis is residential property. The City has designated sites through its comprehensive plan and recently purchased property on the main highway through the City for development of commercial and industrial sites. The Council continues to discuss water and sewer growth areas north along State Trunk Highway 47.

During this same ten-year period, revenues generated by taxes and special assessments have increased the in amount, but the percentage of total revenues has dropped. The revenue generated by taxes and assessments has increased from \$3,269,136 in 2014 to \$5,696,120 in 2024. Its percentage of total revenue in 2014 was 70% and in 2024 was 60%.

Long-term Financial Planning

Unreserved fund balance in the general fund (67% of total general fund expenditures) meets the state auditor recommended guidelines of 35%-50%. The goal of the City Council is to establish an unreserved fund balance in the General Fund that is equivalent to forty percent (45%) of general fund expenditures. The 2025 budget reflects current policy and is keeping the fund balance to 67% of expenditures.

Annually the City of St. Francis prepares a five-year capital improvement plan in an attempt to anticipate major capital expenditures in advance of the year in which they are budgeted. The purpose of the CIP is to a) identify capital expenditures which are anticipated to be requested over a five-year period; b) determine a source of funding for the requests; and c) provide an opportunity for long term planning.

Relevant Financial Policies

The City has established a comprehensive set of financial polices for use as a guideline during the budget process. One of the policies deals with unpredictable revenues. The City uses a conservation approach in making ongoing revenue assumptions by utilizing growth patterns and knowledge of the developing areas. The City shall budget unpredictable revenues lower than the revenue assumption or anticipated collection.

Major Initiatives for the Year

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

- 1) Provide high quality services to residents in a cost-effective manner. The 2025 Budget provides an increased service level at nearly the same cost to the tax base of St. Francis as the 2024 Budget. The city was able to make d city services available electronically to increase efficiency and cost. This includes, but is not limited to; promoting electronic payment, processing documents and permits electronically, holding virtual meetings for greater opportunity in attendance; and enhancing community outreach platforms such as the website and electronic messaging.
- 2) Provide residents in St. Francis with high quality public safety services. The 2025 Budget provides for an enhanced level of public safety. The City of St. Francis has a fully staffed Police Department and ensures Officers the necessary education and enhanced training opportunities to better serve the community. The Fire Department continues to expand their relationships for Fire Services through a joint service agreement with the City of Bethel. The expanded Fire relationship with Bethel has created a more regional and expanded approach of fire services in northern Anoka County. The department continues to expand training and education to enhance the roles of the fire department for additional EMS responses. Public engagement is a high priority for both Public Safety teams through direct outreach to residents and partnering with local organizations such as the school district.
- 3) Manage responsible growth and promote the enhancement of commercial services to residents. The 2025 Budget continues the city's commitment to responsible growth patterns and managing growth to reinvest in areas within the city. Through the St. Francis Forward (re)Development Plan the City has identified both the Bridge Street Corridor and Highway 47 as strategic areas for reinvestment. The city constructed a new City Hall/Fire Station within the Bridge Street corridor. This will enhance the usability of the area and provide for a concentration of people within the business district. Within the two strategic areas we strive to complete smart growth through safe access, job creation and commercial choices. In addition, the city has committed to increasing the residential growth within the area. The city, through its Community Development Department has promoted and facilitated several residential developments that continue to expand the population of St. Francis. These include Rivers Edge, Bluffs of Rum River and Turtle Ponds development along with a 134-unit senior living facility along Highway 47.

- 4) Continue to review and analyze water/sewer rates within the city.
The City's commitment to growth has a direct impact on the water and sewer rates. By increasing the number of users, rates can effectively be reduced through WAC/SAC and additional monthly billing users. The city continues to promote residential and commercial growth which creates a positive impact on the rate users. A comprehensive water meter allows the city to accurately bill and track water usage per property. The city also supplies water and sewer services to the neighboring community of Oak Grove. They also continue to build homes that will support the overall rates of services.
- 5) The City uses a variety of tools for long range financial planning:
 - A) Capital Purchasing Software program – the city uses capital purchasing software to plan for and track upcoming capital acquisitions. The forecasted purchases include a nominal price adjustment for annual inflation in pricing. The city reviews and determines an adequate level of contribution on an annual basis. The city has a robust road assessment and inventory program that analyzes the road conditions every year to plan for 5 years of road improvements. This program allows the city with a consistent long-term planning policy for road projects and an annual nominal price adjustment is included in the estimates.
 - B) The city monitors the growing tax base every year. The City accounts for increases in development and property values to determine the appropriate amount to adjust the tax levy. This annual review allows the city to monitor the tax revenue in relation to the growing tax base and additional strains that new development has on the city. This also helps the city adjust the levy appropriately for any cost-of-living adjustment costs that the city incurs.
 - C) The city annually analyzes the cost of replacement and improvement necessary to the City's building assets. The City has taken active steps to set aside portions of the property tax levy every year to ensure adequate funding for city assets and to ensure assets are kept in a maintenance cycle to expand their longevity.
 - D) The city has also forecasted the amount of growth it can expect over the coming years. Between the Met Council estimates and the city's land use inventory- a snapshot is provided of the amount of growth the city can anticipate in the mid to long term future. This helps to plan financially on what the city can expect as far as future revenues and tax base increases. This is monitored closely through comprehensive planning documents.

Below are some additional descriptions and highlights of the 2025 Budget:

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

Residential Building Activity: The city has had a stable new residential home permitting and development over the last few years. Increased housing building activity requires the city to focus on proper infrastructure and workload management. This focus allows the city to properly accommodate the high level of development within the city in addition to monitoring long term financial planning to adequately budget for anticipated costs.

Commercial Building Activity: The city has seen consistent commercial development through retail construction. Retail needs remain a gap within the city and St. Francis has seen a steady interest in market demands. Over the past year the city has seen the opening of an auto retail supply store as well as a clinic. Land use projects continue to review retail opportunities looking at future construction.

Utility Services: The city closely examines the city owned infrastructure within the Municipal Urban Service Area (MUSA) to properly stage growth within the community. The city completes a comprehensive planning process every 10 years to clarify anticipated growth along with updated studies to verify infrastructure has the capacity and lifespan needed to meet existing and potential MUSA expansions.

Technological Upgrades: Requirements to meet additional legislative demands, city services and building activity has substantially increased the workload to process city business. Staffing coupled with technological upgrades, has allowed the city to manage the increased activity and accommodate ongoing city services. New software for financial, land use, GIS Infrastructure management and permitting in addition to structuring packets and televising meetings has been put in place. The city continues to work on upgrades to the city's website and media efforts to allow for more citizen engagement and easier searching for residents who are seeking information.

Parks: A renewed commitment to parks has increased not only funding put community engagement. The city brought back its Park Commission and within the 2025 budget dedicated funding to repair and replace structures within the existing park system as well as increase amenities to meet the demands of residents.

Major Initiatives for the Future

The City created the St. Francis Economic Development Authority in 2011. Utilizing the power of this Authority will give the city another tool to encourage economic growth. A community development director was hired in 2015.

The City is experiencing increased building activity and economic growth. The city has a number of development related activities that are in the foreseeable future. These development projects include but are not limited to:

- A senior housing complex in addition to commercial development is in construction with opening set for the end of 2025.
- The City continues to explore the redevelopment opportunities for the City's land located on Bridge Street along the Rum River.
- The City has conducted market studies to determine the viability of various commercial development within the City.
- The City has enhanced its developer outreach and marketing activity.

The City has completed an overhaul of the Street Maintenance Program. The Program will proactively track condition ratings of streets, schedule appropriate projects to maintain the streets, and fund these maintenance projects.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of St. Francis for its annual comprehensive financial report for the year ended December 31, 2023. This was the 13th year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report (ACFR) meets the program's requirements and we are submitting it to the Government Finance Officers Association to determine its eligibility.


The City received the GFOA Award for the Distinguished Budget Presentation for the City budget for the fiscal year beginning January 1, 2024. It was the 15th consecutive year the City has received the award for the document.

The preparation of this report would not have been possible without the efficient and dedicated service of the entire finance staff and cooperation of all city departments. We wish to express our appreciation to all city staff for their dedicated service and high level of professionalism. Credit also must be given to the Mayor and City Council Members for their continued support for maintaining the highest standards of professionalism in the management of the finances of the City of St. Francis.

Respectfully submitted,

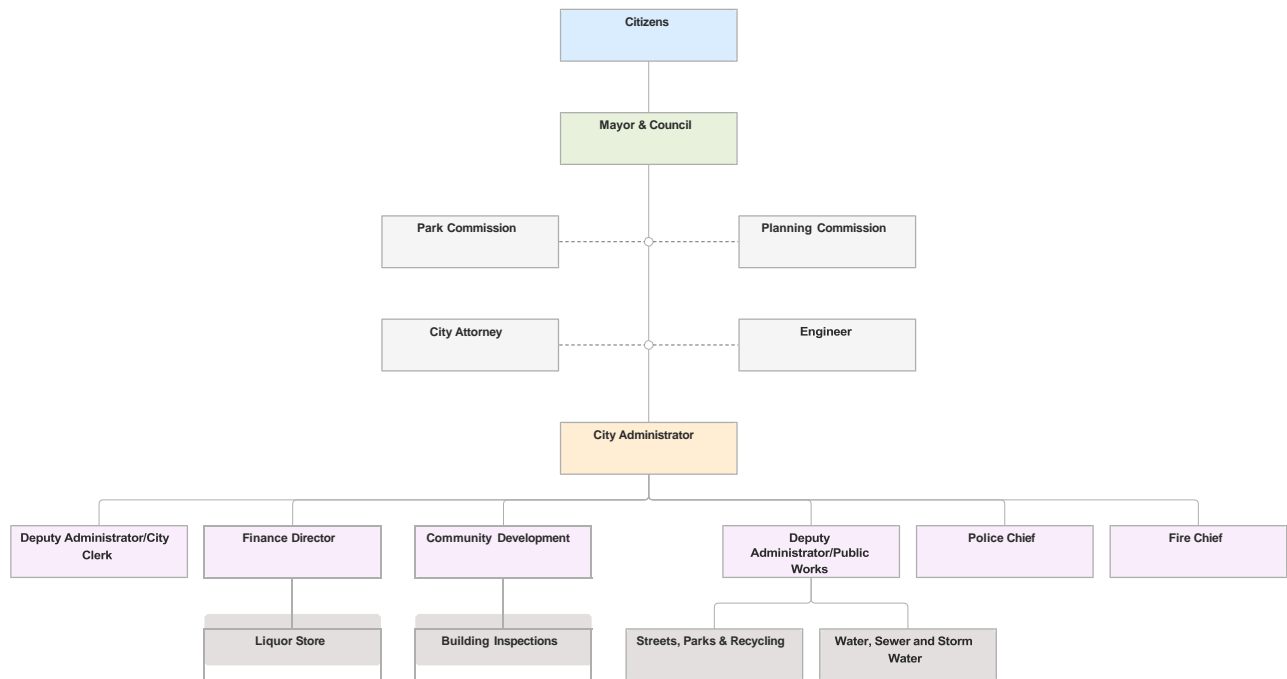
A handwritten signature in black ink, appearing to read "Kate Thunstrom", with a long horizontal flourish extending to the right.

Kate Thunstrom
City Administrator

A handwritten signature in blue ink, appearing to read "Darcy Mulvihill", with a long horizontal flourish extending to the right.

Darcy Mulvihill
Finance Director

Organizational Chart



City of St Francis, Minnesota
Elected and Appointed Officials
For the Year Ended December 31, 2024

ELECTED

Name	Title	Term Expires
Joseph Muehlbauer	Mayor	12/31/2024
Kevin Robinson	Council Member	12/31/2026
Crystal Kreklow	Council Member	12/31/2024
Sarah Udvig	Council Member	12/31/2026
Mark Vogel	Council Member	12/31/2024

APPOINTED

Name	Title
Kate Thunstrom	City Administrator
Jenni Wida	City Clerk
Darcy Mulvihill	Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of St. Francis
Minnesota**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2023

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION

CITY OF ST. FRANCIS
ST. FRANCIS, MINNESOTA

FOR THE YEAR ENDED
DECEMBER 31, 2024

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Council
City of St Francis, Minnesota

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of governmental activities, the business-type activities, discretely presented component unit, each major fund and the aggregate remaining fund information of the City of St Francis, Minnesota (the City), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, discretely presented component unit, each major fund and the aggregate remaining fund information of the City as of December 31, 2024, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Change in Accounting Principle

As described in Note 9 to the financial statements, the City adopted the provisions of Governmental Accounting Standard Board (GASB) Statement No. 100, Accounting Changes and Error Corrections, for the year ended December 31, 2024. Adoption of the provisions of these statements results in significant change to the classifications of the components of the financial statements. Our opinion is not modified with respect to this matter.

The City also adopted the provisions of Governmental Accounting Standard Board (GASB) Statement No. 101, Compensated Absences, for the year ended December 31, 2024. Adoption of the provisions of these statements results in significant change to the classifications of the components of the financial statements. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis starting on page 29 and the Schedules of Employer's Share of the Net Pension Liability, the Schedules of Employer's Contributions, the related notes disclosures, the Schedule of Changes in Net Pension Liability (Asset) and Related Ratios starting on page 90 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.



Supplementary Information

Our audit was conducted for the purpose of forming opinion on the financial statements that collectively comprise the City's basic financial statements. The accompanying combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information in the annual report. The other information comprises the introductory section and statistical section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statement do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 28, 2025, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



Abdo
Minneapolis, Minnesota
April 28, 2025



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Management's Discussion and Analysis

As management of the City of St Francis, Minnesota, (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2024.

Financial Highlights

- The assets and deferred outflows or resources of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year as shown in the summary of net position on the following pages. The unrestricted amount of net position may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's total net position increased as shown in the summary of changes in net position table on the following pages. The main reason for the increase was revenue from property taxes, charges for services and investment earnings in excess of current year expenses.
- For the current fiscal year, the City's governmental funds fund balances are shown in the Financial Analysis of the City's Funds section of the MD&A. The total fund balance decreased in comparison with the prior year. The total fund balance decreased mainly due to expenditures for construction of the new City/Fire Hall bonded for in the prior year. The total of assigned and unassigned as shown in the governmental fund balance table is available for spending at the City's discretion.
- The total and unassigned fund balance in the General fund, as shown in the financial analysis of the city's funds section, increased from prior year. Additional information is shown in the Financial Analysis section below.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplemental information in addition to the basic financial statements themselves.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of combining and individual fund financial statements and schedules that further explains and supports the information in the financial statements. Figure 1 shows how the required parts of this annual report are arranged and relate to one another. In addition to these required elements, we have included a section with combining and individual fund financial statements and schedules that provide details about nonmajor governmental funds, which are added together and presented in single columns in the basic financial statements. Internal service funds statements are also included, reflecting balances prior to their elimination from the government-wide financial statements, to avoid "doubling-up" effect within the governmental and business-type activities columns of said statements.

Figure 1
Required Components of the
City's Annual Financial Report

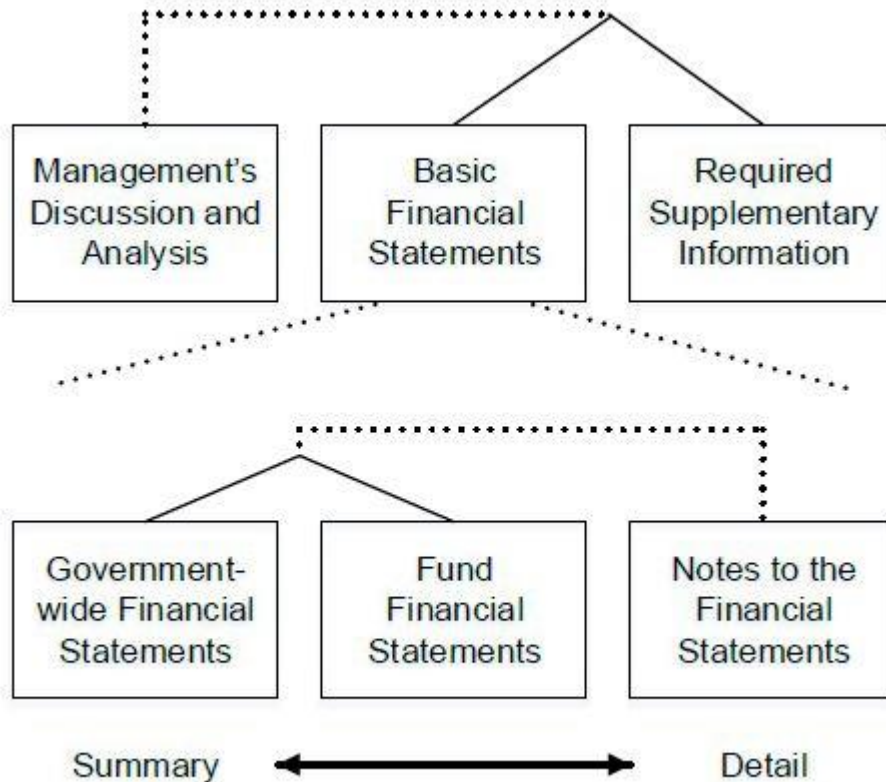


Figure 2 summarizes the major features of the City's financial statements, including the portion of the City government they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements.

Figure 2
Major Features of the Government-wide and Fund Financial Statements

	Government-wide Statements	Fund Financial Statements	
		Governmental Funds	Proprietary Funds
Scope	Entire City government and the City's component units	The activities of the City that are not proprietary, such as police, fire and parks	Activities the City operates similar to private businesses, such as the water and sewer system
Required financial statements	<ul style="list-style-type: none"> • Statement of Net Position • Statement of Activities 	<ul style="list-style-type: none"> • Balance Sheet • Statement of Revenues, Expenditures, and Changes in Fund Balances 	<ul style="list-style-type: none"> • Statement of Net Position • Statement of Revenues, Expenses and Changes in Fund Net Position • Statement of Cash Flows
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term
Type of deferred outflows/inflows of resources information	All deferred outflows/inflows of resources, regardless of when cash is received or paid	Only deferred outflows of resources expected to be used up and deferred inflows of resources that come due during the year or soon thereafter; no capital assets included	All deferred outflows/inflows of resources, regardless of when cash is received or paid
Type of in flow/out flow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during the year, regardless of when cash is received or paid

Government-wide Financial Statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the City's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *statement of activities* presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenue (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees, sales and charges for services (*business-type activities*). The governmental activities of the City include general government, public safety, public works, culture and recreation, community development, and interest on long-term debt. The business-type activities of the City include water, sewer, liquor store, and storm water.

The government-wide financial statements start on page 43 of this report.

Fund Financial Statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local government, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds and proprietary funds.

Governmental Funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact by the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains numerous individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General fund, Building Improvement fund and the Street Improvement fund, which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements or schedules* elsewhere in this report.

The City adopts an annual appropriated budget for its General fund. A budgetary comparison statement has been provided for the General fund to demonstrate compliance with this budget.

The basic governmental fund financial statements start on page 48 of this report.

Proprietary Funds. *Proprietary funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for its water, sewer, liquor store and storm water operations.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for each of the enterprise funds which are considered to be major funds of the City.

The basic proprietary fund financial statements start on page 53 of this report.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements start on page 57 of this report.

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found starting on page 90 of this report.

Other Information. The combining statements referred to earlier in connection with nonmajor governmental funds is presented following the notes to the financial statements. Combining and individual fund statements and schedules start on page 98 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources at the close of the most recent fiscal year as shown in the Summary of Net Position below.

The largest portion of the City's net position reflects its investment in capital assets (e.g., land, buildings, infrastructure, machinery and equipment); less any related debt used to acquire those assets that are still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

City of St Francis's Summary of Net Position

	Governmental Activities			Business-type Activities		
	2024	2023	Increase (Decrease)	2024	2023	Increase (Decrease)
Assets						
Current and other assets	\$ 14,425,729	\$ 22,498,872	\$ (8,073,143)	\$ 10,313,592	\$ 9,198,006	\$ 1,115,586
Capital assets	29,883,272	20,312,195	9,571,077	39,360,651	40,424,590	(1,063,939)
Total Assets	<u>44,309,001</u>	<u>42,811,067</u>	<u>1,497,934</u>	<u>49,674,243</u>	<u>49,622,596</u>	<u>51,647</u>
Deferred Outflows of Resources						
Deferred pension resources	2,387,432	2,997,469	(610,037)	64,873	117,909	(53,036)
Deferred charge on refunding	181,811	199,126	(17,315)	-	-	-
Total Deferred Outflows	<u>2,569,243</u>	<u>3,196,595</u>	<u>(627,352)</u>	<u>64,873</u>	<u>117,909</u>	<u>(53,036)</u>
Liabilities						
Noncurrent liabilities outstanding	20,208,889	21,180,114	(971,225)	18,928,799	20,615,046	(1,686,247)
Other liabilities	1,402,280	1,646,472	(244,192)	264,061	312,112	(48,051)
Total Liabilities	<u>21,611,169</u>	<u>22,826,586</u>	<u>(1,215,417)</u>	<u>19,192,860</u>	<u>20,927,158</u>	<u>(1,734,298)</u>
Deferred Inflows of Resources						
Deferred pension resources	2,799,598	2,684,228	115,370	228,187	154,542	73,645
Deferred lease resources	1,660,318	1,725,677	(65,359)	-	-	-
Total Deferred Inflows	<u>4,459,916</u>	<u>4,409,905</u>	<u>50,011</u>	<u>228,187</u>	<u>154,542</u>	<u>73,645</u>
Net Position						
Net investment in capital assets	12,548,145	12,535,895	12,250	20,822,651	20,337,590	485,061
Restricted	1,879,130	1,287,958	591,172	445,670	377,920	67,750
Unrestricted	<u>6,379,884</u>	<u>4,947,318</u>	<u>1,432,566</u>	<u>9,049,748</u>	<u>7,943,295</u>	<u>1,106,453</u>
Total Net Position	<u>\$ 20,807,159</u>	<u>\$ 18,771,171</u>	<u>\$ 2,035,988</u>	<u>\$ 30,318,069</u>	<u>\$ 28,658,805</u>	<u>\$ 1,659,264</u>
Net Position as a Percent of Total						
Net investment in capital assets	60.3 %	66.7 %		68.7 %	71.0 %	
Restricted	9.0	6.9		1.5	1.3	
Unrestricted	30.7	26.4		29.8	27.7	
	<u>100.0 %</u>	<u>100.0 %</u>		<u>100.0 %</u>	<u>100.0 %</u>	

An additional portion of the City's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position* may be used to meet the City's ongoing obligations to citizens and creditors. At the end of the current fiscal year, the City is able to report positive balances in all three categories of net position, for the City as a whole.

Governmental Activities. Governmental activities increased the City's net position. Key elements of the changes are as follows:

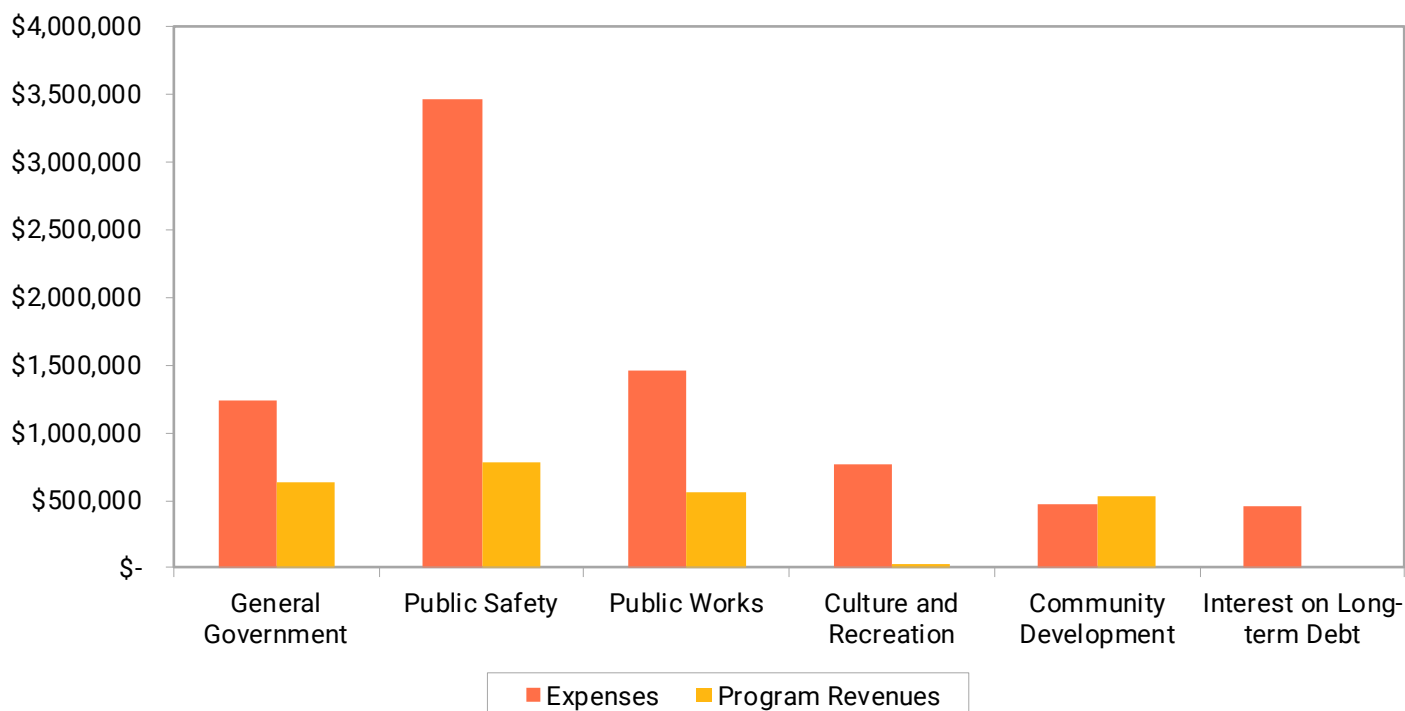
City of St Francis's Changes in Net Position

	Governmental Activities			Business-type Activities		
	2024	2023	Increase (Decrease)	2024	2023	Increase (Decrease)
Revenues						
Program Revenues						
Charges for services	\$ 968,197	\$ 713,776	\$ 254,421	\$ 7,066,231	\$ 6,841,294	\$ 224,937
Operating grants and contributions	1,504,242	1,592,481	(88,239)	14,727	4,224	10,503
Capital grants and contributions	55,158	72,623	(17,465)	951,945	340,123	611,822
General Revenues						
Taxes						
Property taxes	5,676,054	5,106,955	569,099	-	-	-
Franchise fees	27,461	-	27,461	-	-	-
Grants and contributions not restricted to specific programs	797,426	633,591	163,835	-	-	-
Unrestricted investment earnings	523,685	382,118	141,567	490,904	463,233	27,671
Gain on sale of capital assets	36,748	66,825	(30,077)	-	-	-
Total Revenues	<u>9,588,971</u>	<u>8,568,369</u>	<u>1,020,602</u>	<u>8,523,807</u>	<u>7,648,874</u>	<u>874,933</u>
Expenses						
General government	1,244,258	1,080,060	164,198	-	-	-
Public safety	3,464,600	3,360,922	103,678	-	-	-
Public works	1,462,963	1,706,014	(243,051)	-	-	-
Culture and recreation	770,314	454,930	315,384	-	-	-
Community development	478,511	486,175	(7,664)	-	-	-
Interest on long-term debt	453,216	846,075	(392,859)	-	-	-
Water	-	-	-	1,241,678	1,243,810	(2,132)
Sewer	-	-	-	2,059,990	2,037,199	22,791
Storm water	-	-	-	177,805	267,650	(89,845)
Liquor store	-	-	-	3,064,191	2,973,373	90,818
Total Expenses	<u>7,873,862</u>	<u>7,934,176</u>	<u>(60,314)</u>	<u>6,543,664</u>	<u>6,522,032</u>	<u>21,632</u>
Increase in Net Position Before Transfers	1,715,109	634,193	1,080,916	1,980,143	1,126,842	853,301
Transfers	<u>320,879</u>	<u>304,880</u>	<u>15,999</u>	<u>(320,879)</u>	<u>(304,880)</u>	<u>(15,999)</u>
Change in Net Position	2,035,988	939,073	1,096,915	1,659,264	821,962	837,302
Net Position, January 1	<u>18,771,171</u>	<u>17,832,098</u>	<u>939,073</u>	<u>28,658,805</u>	<u>27,836,843</u>	<u>821,962</u>
Net Position, December 31	<u>\$ 20,807,159</u>	<u>\$ 18,771,171</u>	<u>\$ 2,035,988</u>	<u>\$ 30,318,069</u>	<u>\$ 28,658,805</u>	<u>\$ 1,659,264</u>

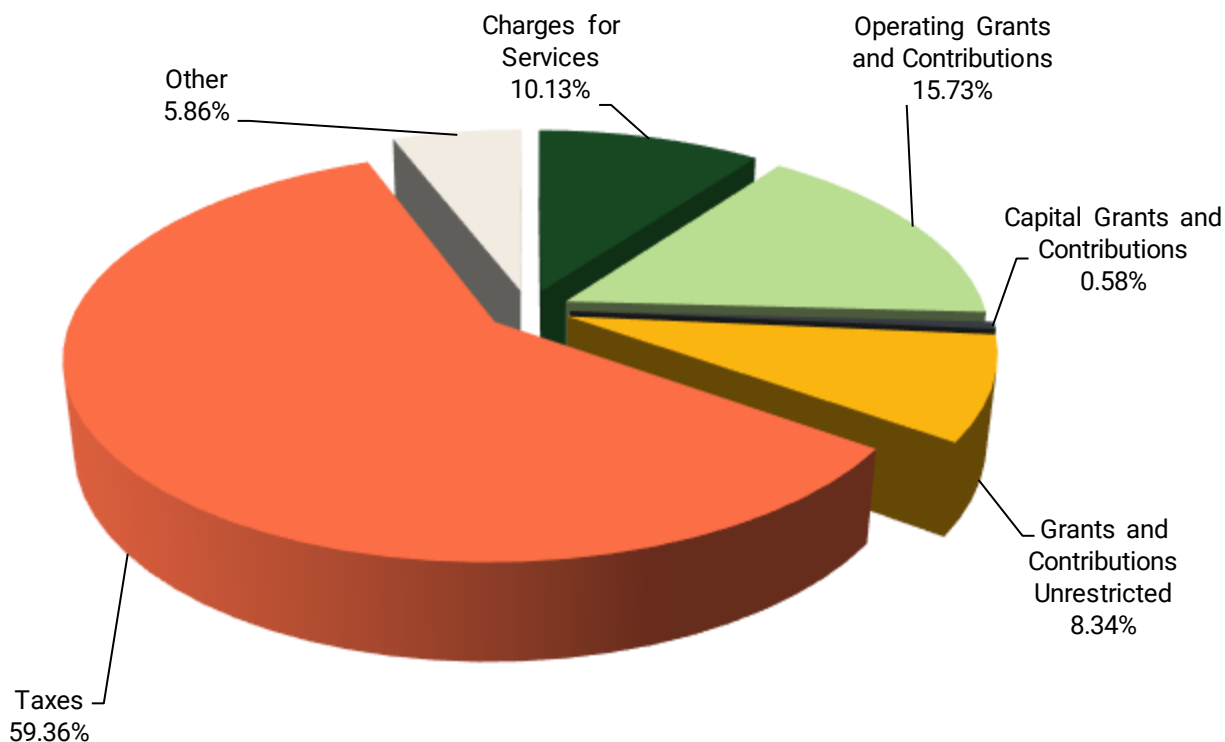
- Overall revenues increased from the prior year. The main reason for the increase was the increase in charges for services, property taxes, and investment earnings.
- Expenses increased from the prior year. The main reason for the increase is personnel services related to general government and public safety.

The following graph depicts various governmental activities and shows the revenue and expenses directly related to those activities.

Expenses and Program Revenue - Governmental Activities



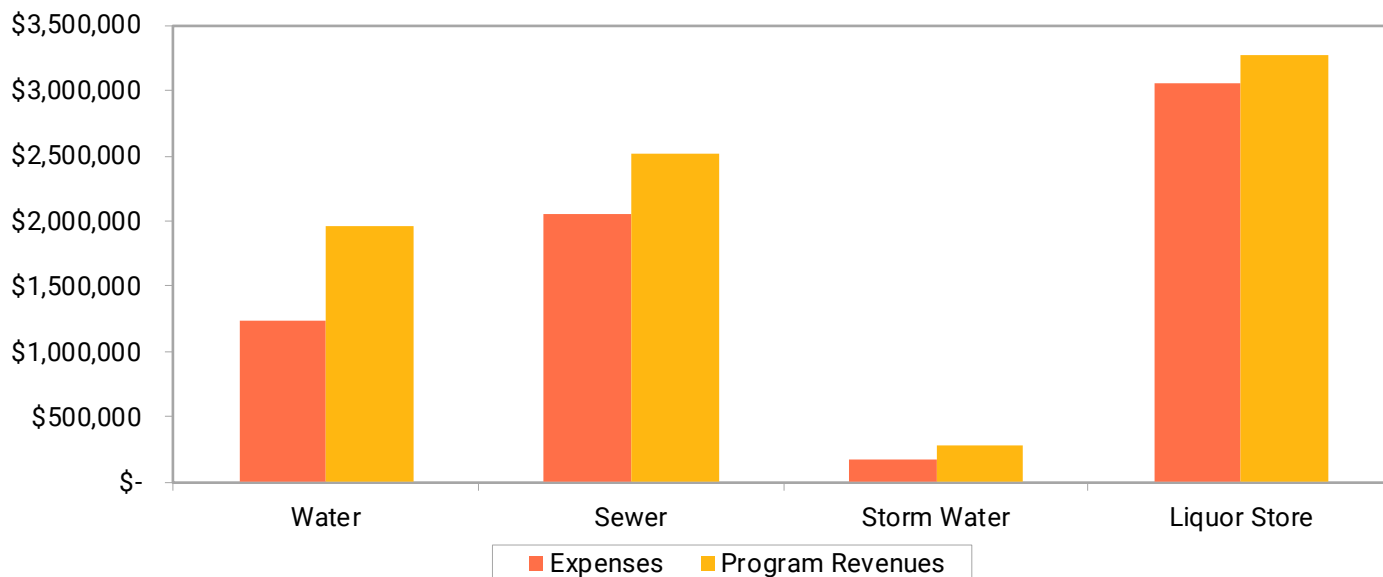
Revenue by Source - Governmental Activities



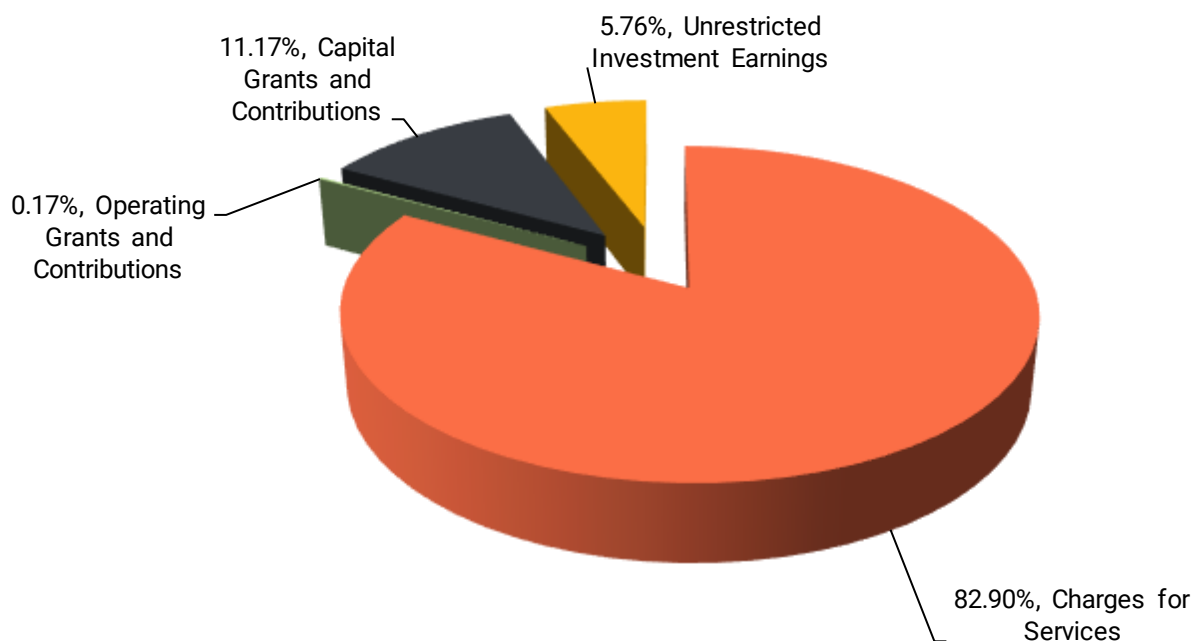
Business-type Activities. Business-type activities increased the City's net position. Key elements of the changes are listed below:

- Overall revenues in the business-type activities increased mainly due to the increase in charges for services and capital grant and contributions.
- Overall expenses increased mainly due to personnel and professional services expenses in the Liquor Store fund.

Expenses and Program Revenues - Business-type Activities



Revenue by Source - Business-type Activities



Financial Analysis of the Government's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of the City's *governmental funds* is to provide information on near-term inflows, outflows and balances of *spendable* resources. Such information is useful in assessing the City's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. The table below outlines the governmental fund balances for the year ending December 31, 2024.

	General Fund	Debt Service	Building Improvement Fund	Street Improvement Fund	Other Governmental Funds	Total	Prior Year Total	Increase/ (Decrease)
Fund Balances								
Nonspendable	\$ 63,554	\$ -	\$ -	\$ -	\$ -	\$ 63,554	\$ 45,789	\$ 17,765
Restricted	-	567,562	120,204	-	663,249	1,351,015	11,280,890	(9,929,875)
Assigned	-	-	1,850,565	1,733,709	1,323,956	4,908,230	3,723,905	1,184,325
Unassigned	<u>3,854,368</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,854,368</u>	<u>3,450,362</u>	<u>404,006</u>
Total Fund Balances	<u>\$ 3,917,922</u>	<u>\$ 567,562</u>	<u>\$ 1,970,769</u>	<u>\$ 1,733,709</u>	<u>\$ 1,987,205</u>	<u>\$ 10,177,167</u>	<u>\$18,500,946</u>	<u>\$ (8,323,779)</u>

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances shown above.

The *General fund* is the chief operating fund of the City. At the end of the current year, the fund balance of the General fund is shown in the table above. As a measure of the General fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. The total unassigned fund balance as a percent of total fund expenditures is shown in the chart below along with total fund balance as a percent of total expenditures.

	Current Year Ending Balance	Prior Year Ending Balance	Increase/ (Decrease)
General Fund Fund Balances			
Nonspendable	\$ 63,554	\$ 45,789	\$ 17,765
Unassigned	<u>3,854,368</u>	<u>3,450,362</u>	<u>404,006</u>
Total General Fund Balances	<u>\$ 3,917,922</u>	<u>\$ 3,496,151</u>	<u>\$ 421,771</u>
General Fund expenditures	\$ 5,604,015	\$ 4,802,482	
Unassigned as a percent of expenditures	68.8%	71.8%	
Total Fund Balance as a percent of expenditures	69.9%	72.8%	

The fund balance of the City's General fund increased during the current fiscal year as shown in the table above. The increase in fund balance was due to revenues over budget mainly driven by the receipt of additional intergovernmental revenues and investment earnings.

Other Major Fund Analysis

	December 31, 2024	December 31, 2023	Increase (Decrease)
Building Improvement Fund	\$ 1,970,769	\$ 12,079,572	\$ (10,108,803)
<i>The Building Improvement Fund's decrease in fund balance during the year was due to expenditures relating to the construction of the new City Hall and Fire Station in the current year.</i>			
Street Improvement Fund	\$ 1,733,709	\$ 1,097,874	\$ 635,835
<i>The increase in fund balance during the year was mainly due to current year taxes and intergovernmental revenue in excess of current year street improvement expenses.</i>			
Debt Service Fund	\$ 567,562	\$ 167,059	\$ 400,503
<i>The increase in fund balance during the year was mainly due to current year taxes and transfers in in excess of current year debt expenses.</i>			

Proprietary Funds. The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Net position of the City's proprietary funds increased as follows:

	Net Position 2024	Net Position 2023	Increase/ (Decrease)
Water	\$ 9,952,134	\$ 9,156,659	\$ 795,475
<i>The increase primarily is attributed to charges of services, connection fees, and investment earnings in excess of current year expenses.</i>			
Sewer	\$ 16,504,438	\$ 15,995,471	\$ 508,967
<i>The increase primarily is attributed to charges of services, connection fees, and investment earnings in excess of current year expenses.</i>			
Liquor Store	\$ 2,402,191	\$ 2,186,929	\$ 215,262
<i>The increase is primarily due to a positive gross profit in excess of operating and other expenses during the year.</i>			
Storm Water	\$ 1,459,306	\$ 1,319,746	\$ 139,560
<i>The increase primarily is attributed to charges for services and investment earnings during the year in excess of expenses.</i>			

General Fund Budgetary Highlights

	Original Budgeted Amounts	Budget Amendments	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
Revenues	\$ 5,289,285	\$ -	\$ 5,289,285	\$ 5,960,786	\$ 671,501
Expenditures	5,354,285	-	5,354,285	5,604,015	249,730
Excess of Revenues Over Expenditures	(65,000)	-	(65,000)	356,771	421,771
Other Financing Sources (Uses)					
Transfers in	65,000	-	65,000	65,000	-
Net Change in Fund Balances	-	-	-	421,771	421,771
Fund Balances, January 1	3,496,151	-	3,496,151	3,496,151	-
Fund Balances, December 31	\$ 3,496,151	\$ -	\$ 3,496,151	\$ 3,917,922	\$ 421,771

The City's General fund budget was not amended during the year. The budget called for a balanced budget. Actual revenues and actual expenditures were over budget during the year as shown above.

- Revenues were over budget primarily due to intergovernmental revenue and investment earnings in excess of budget. The intergovernmental revenue over budget balance is mostly due to State Fire aid.
- Expenditures were over budget mostly due to public safety expenses related to personnel.

Capital Asset and Debt Administration

Capital Assets. The City's investment in capital assets for its governmental and business type activities as of December 31, 2024, is shown below in the capital asset table (net of accumulated depreciation). This investment in capital assets includes land, structures, improvements, machinery and equipment, park facilities, roads, highways, and bridges.

Major capital asset events during the current fiscal year included the following:

- City Hall/Fire Station project is near completion.

Additional information on the City's capital assets can be found in Note 3B starting on page 69 of this report.

City of St Francis's Capital Assets (Net of Depreciation)

	Governmental Activities			Business-type Activities		
	2024	2023	Increase (Decrease)	2024	2023	Increase (Decrease)
Land	\$ 1,992,384	\$ 1,992,384	\$ -	\$ 2,359,187	\$ 2,359,187	\$ -
Construction in Progress	12,976,661	2,676,898	10,299,763	-	-	-
Land Improvements	585	8,832	(8,247)	-	-	-
Buildings	5,895,071	6,114,881	(219,810)	29,969,070	30,859,645	(890,575)
Infrastructure	7,682,801	8,073,486	(390,685)	6,391,561	6,653,550	(261,989)
Machinery and Equipment	1,335,770	1,445,714	(109,944)	640,833	552,208	88,625
Total	<u>\$ 29,883,272</u>	<u>\$ 20,312,195</u>	<u>\$ 9,571,077</u>	<u>\$ 39,360,651</u>	<u>\$ 40,424,590</u>	<u>\$ (1,063,939)</u>
Percent Increase (Decrease)			47.1%			-2.6%

Long-term Debt. At the end of the current fiscal year, the City had total bonded debt outstanding consisting of general obligation bonds and general obligation revenue bonds as noted in the table below. While all of the City's bonds have revenue streams, they are all backed by the full faith and credit of the City.

City of St Francis's Outstanding Debt

	Governmental Activities			Business-type Activities		
	2024	2023	Increase (Decrease)	2024	2023	Increase (Decrease)
General Obligation Bonds	\$ 17,685,000	\$ 18,035,000	\$ (350,000)	\$ -	\$ -	\$ -
General Obligation Revenue Bonds	-	-	-	18,538,000	20,087,000	(1,549,000)
Bond Premium	303,242	323,536	(20,294)	-	-	-
Total	<u>\$ 17,988,242</u>	<u>\$ 18,358,536</u>	<u>\$ (370,294)</u>	<u>\$ 18,538,000</u>	<u>\$ 20,087,000</u>	<u>\$ (1,549,000)</u>
Percent Increase (Decrease)			-2.0%			-7.7%

The City's total debt decreased during the current fiscal year. The reason for the decrease was due to regularly scheduled debt service payments.

Minnesota statutes limit the amount of net general obligation debt a City may issue to three percent of the market value of taxable property within the City. Net debt is debt payable solely from ad valorem taxes. The City currently has no outstanding general obligation debt payable solely from ad valorem taxes.

Additional information on the City's long-term debt can be found in Note 3E starting on page 71 of this report.

Economic Factors and Next Year's Budgets and Rates

The City is anticipating building activity to stay about the same. Woodhaven Mobile Home Park expanded in 2018 with new homes being added in 2019, 2020 and more in 2021. New home permits should stay about the same as in 2024. There were 26 new home permits pulled in 2024, 10 new home permits pulled in 2023, 31 new home permits pulled

in 2022, 43 new home permits pulled in 2021, 57 new home permits pulled in 2020, 57 new home permits in 2019. The senior living facility began construction in 2024 with opening scheduled for the end of 2025.

The city sold \$13 million of Capital Improvement Bonds to finance a new Fire Station/City Hall. This project built in 2024. Operations out of the new building started December 2nd, 2024.

The city converted its software to BS&A in September 2023. The software now takes care of General Ledger, accounts receivable, accounts payable, cash receipting, fixed assets, building permits and payroll.

The City's Adopted 2025 Budget includes a property tax levy of \$6,185,000 or 10.48 percent increase over the 2024 Levy.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director, City of St Francis, 3750 Bridge Street NW, St. Francis, Minnesota 55070.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

CITY OF ST. FRANCIS
ST. FRANCIS, MINNESOTA

FOR THE YEAR ENDED
DECEMBER 31, 2024

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City of St Francis, Minnesota
Statement of Net Position
December 31, 2024

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	EDA
Assets				
Cash and temporary investments	\$ 10,795,966	\$ 8,620,623	\$ 19,416,589	\$ 46,384
Receivables				
Accrued interest	41,248	31,437	72,685	229
Taxes	61,247	-	61,247	-
Accounts	8,702	305,068	313,770	-
Special assessments	140,487	816,766	957,253	-
Leases	1,775,853	-	1,775,853	-
Due from other governments	739,565	85,079	824,644	-
Inventories	38,954	454,619	493,573	-
Pension asset	799,107	-	799,107	-
Land held for resale	24,600	-	24,600	-
Capital assets				
Land and construction in progress	14,969,045	2,359,187	17,328,232	-
Depreciable assets (net of accumulated depreciation)	14,914,227	37,001,464	51,915,691	-
Total Assets	<u>44,309,001</u>	<u>49,674,243</u>	<u>93,983,244</u>	<u>46,613</u>
Deferred Outflows of Resources				
Deferred pension resources	2,387,432	64,873	2,452,305	-
Deferred charge on refunding	181,811	-	181,811	-
Total Deferred Outflows of Resources	<u>2,569,243</u>	<u>64,873</u>	<u>2,634,116</u>	<u>-</u>
Liabilities				
Accounts payable	257,621	118,379	376,000	-
Contracts payable	351,100	-	351,100	-
Accrued salaries payable	175,766	38,024	213,790	-
Due to other governments	739	33,219	33,958	-
Accrued interest payable	285,963	74,439	360,402	-
Deposits payable	331,091	-	331,091	-
Noncurrent liabilities				
Due within one year				
Long-term liabilities	543,587	1,637,818	2,181,405	-
Due in more than one year				
Long-term liabilities	17,838,944	16,975,671	34,814,615	-
Net pension liability	1,826,358	315,310	2,141,668	-
Total Liabilities	<u>21,611,169</u>	<u>19,192,860</u>	<u>40,804,029</u>	<u>-</u>
Deferred Inflows of Resources				
Deferred pension resources	2,799,598	228,187	3,027,785	-
Deferred lease resources	1,660,318	-	1,660,318	-
Total Deferred Inflows of Resources	<u>4,459,916</u>	<u>228,187</u>	<u>4,688,103</u>	<u>-</u>
Net Position				
Net investment in capital assets	12,548,145	20,822,651	33,370,796	-
Restricted for				
Debt service	296,570	-	296,570	-
Fire relief pension	799,107	-	799,107	-
System replacement	-	445,670	445,670	-
Park improvements	468,536	-	468,536	-
Police expenses	1,396	-	1,396	-
Economic development projects	-	-	-	46,613
Capital purchases	313,521	-	313,521	-
Unrestricted	6,379,884	9,049,748	15,429,632	-
Total Net Position	<u>\$ 20,807,159</u>	<u>\$ 30,318,069</u>	<u>\$ 51,125,228</u>	<u>\$ 46,613</u>

The notes to the financial statements are an integral part of this statement.

City of St Francis, Minnesota
Statement of Activities
For the Year Ended December 31, 2024

Functions/Programs	Expenses	Program Revenue		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities				
General government	\$ 1,244,258	\$ 418,161	\$ 211,044	\$ -
Public safety	3,464,600	42,782	739,037	-
Public works	1,462,963	-	554,161	11,019
Culture and recreation	770,314	1,290	-	24,304
Community development	478,511	505,964	-	19,835
Interest on long-term debt	453,216	-	-	-
Total Governmental Activities	<u>7,873,862</u>	<u>968,197</u>	<u>1,504,242</u>	<u>55,158</u>
Business-type Activities				
Water	1,241,678	1,546,718	4,247	405,278
Sewer	2,059,990	2,002,586	4,304	513,092
Storm water	177,805	250,325	721	33,575
Liquor store	3,064,191	3,266,602	5,455	-
Total Business-type Activities	<u>6,543,664</u>	<u>7,066,231</u>	<u>14,727</u>	<u>951,945</u>
 Total Primary Government	 <u>\$ 14,417,526</u>	 <u>\$ 8,034,428</u>	 <u>\$ 1,518,969</u>	 <u>\$ 1,007,103</u>
 Component Unit				
EDA	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

General Revenues

Taxes

Property taxes, levied for general purposes

Property taxes, levied for debt service

Property taxes, levied for debt service

Grants and contributions not restricted to specific programs

Unrestricted investment earnings

Gain on sale of capital assets

Transfers

Total General Revenues and Transfers

Change in Net Position

Net Position, January 1

Net Position, December 31

The notes to the financial statements are an integral part of this statement.

Net (Expenses) Revenues and Changes in Net Position			
Primary Government			Component Unit
Governmental Activities	Business-type Activities	Total	EDA
\$ (615,053)	\$ -	\$ (615,053)	\$ -
(2,682,781)	-	(2,682,781)	-
(897,783)	-	(897,783)	-
(744,720)	-	(744,720)	-
47,288	-	47,288	-
(453,216)	-	(453,216)	-
(5,346,265)	-	(5,346,265)	-
-	714,565	714,565	-
-	459,992	459,992	-
-	106,816	106,816	-
-	207,866	207,866	-
-	1,489,239	1,489,239	-
(5,346,265)	1,489,239	(3,857,026)	-
			-
4,498,103	-	4,498,103	-
1,177,951	-	1,177,951	-
27,461	-	27,461	-
797,426	-	797,426	-
523,685	490,904	1,014,589	2,877
36,748	-	36,748	-
320,879	(320,879)	-	-
7,382,253	170,025	7,552,278	2,877
2,035,988	1,659,264	3,695,252	2,877
18,771,171	28,658,805	47,429,976	43,736
<u>\$ 20,807,159</u>	<u>\$ 30,318,069</u>	<u>\$ 51,125,228</u>	<u>\$ 46,613</u>

The notes to the financial statements are an integral part of this statement.

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FUND FINANCIAL STATEMENTS

CITY OF ST. FRANCIS
ST. FRANCIS, MINNESOTA

FOR THE YEAR ENDED
DECEMBER 31, 2024

City of St Francis, Minnesota

Balance Sheet
Governmental Funds
December 31, 2024

	101		404	405	Other	Total
	General	Debt Service	Building Improvement	Street Improvement	Governmental Funds	Governmental Funds
Assets						
Cash and temporary investments	\$ 4,254,189	\$ 541,776	\$ 2,339,917	\$ 1,760,657	\$ 1,899,427	\$ 10,795,966
Receivables						
Accrued interest	20,503	5,140	-	8,674	6,931	41,248
Taxes	52,240	9,007	-	-	-	61,247
Accounts	5,207	-	-	-	3,495	8,702
Special assessments	17,729	5,964	-	116,794	-	140,487
Leases	1,775,853	-	-	-	-	1,775,853
Due from other governments	120,158	20,646	-	471,086	127,675	739,565
Inventories	38,954	-	-	-	-	38,954
Land held for resale	24,600	-	-	-	-	24,600
Total Assets	\$ 6,309,433	\$ 582,533	\$ 2,339,917	\$ 2,357,211	\$ 2,037,528	\$ 13,626,622
Liabilities						
Accounts payable	\$ 153,628	-	\$ 18,048	\$ 35,622	\$ 50,323	\$ 257,621
Contracts payable	-	-	351,100	-	-	351,100
Accrued salaries payable	175,766	-	-	-	-	175,766
Due to other governments	739	-	-	-	-	739
Deposits payable	331,091	-	-	-	-	331,091
Total Liabilities	661,224	-	369,148	35,622	50,323	1,116,317
Deferred Inflows of Resources						
Unavailable revenues - taxes	52,240	9,007	-	-	-	61,247
Unavailable revenues - special assessments	17,729	5,964	-	116,794	-	140,487
Unavailable revenues - intergovernmental	-	-	-	471,086	-	471,086
Deferred lease resources	1,660,318	-	-	-	-	1,660,318
Total Deferred Inflows of Resources	1,730,287	14,971	-	587,880	-	2,333,138
Fund Balances						
Nonspendable	63,554	-	-	-	-	63,554
Restricted	-	567,562	120,204	-	663,249	1,351,015
Assigned	-	-	1,850,565	1,733,709	1,323,956	4,908,230
Unassigned	3,854,368	-	-	-	-	3,854,368
Total Fund Balances	3,917,922	567,562	1,970,769	1,733,709	1,987,205	10,177,167
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 6,309,433	\$ 582,533	\$ 2,339,917	\$ 2,357,211	\$ 2,037,528	\$ 13,626,622

The notes to the financial statements are an integral part of this statement.

City of St Francis, Minnesota
Reconciliation of the Balance Sheet
to the Statement of Net Position
Governmental Funds
December 31, 2024

Amounts reported for the governmental activities in the statement of net position are different because

Total Fund Balances - Governmental	\$ 10,177,167
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.	
Cost of capital assets	40,022,757
Less: accumulated depreciation	(10,139,485)
Long-term assets from pensions reported in governmental activities are not financial resources and therefore are not reported as assets in the funds.	799,107
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.	
Long-term liabilities at year-end consist of	
Bond principal payable	(17,685,000)
Plus premium on bonds issued	(303,242)
Deferred charge on refunding	181,811
Compensated absences payable	(394,289)
Net pension liability	(1,826,358)
Governmental funds do not report long-term amounts related to pensions.	
Deferred outflows of pensions resources	2,387,432
Deferred inflows of pension resources	(2,799,598)
Some receivables are not available soon enough to pay for the current period's expenditures, and therefore are unavailable in the funds.	
Taxes receivable	61,247
Special assessments receivable	140,487
Intergovernmental	471,086
Governmental funds do not report a liability for accrued interest until due and payable.	<u>(285,963)</u>
Total Net Position - Governmental Activities	<u><u>\$ 20,807,159</u></u>

The notes to the financial statements are an integral part of this statement.

City of St Francis, Minnesota
Statement of Revenues, Expenditures
and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2024

	101	(Formerly Nonmajor)	404	(Formerly Nonmajor)	405	(Formerly Nonmajor)	Other	Total
	General	Debt Service	Building Improvement	Street Improvement	Street Improvement	Street Improvement	Governmental Funds	Governmental Funds
Revenues								
Taxes	\$ 3,328,017	\$ 1,177,951	\$ 50,000	\$ 480,000	\$ 480,000	\$ 670,000	\$ 5,705,968	
Licenses and permits	379,632	-	-	-	-	-	379,632	
Intergovernmental	1,381,693	-	-	351,073	351,073	135,877	1,868,643	
Charges for services	489,404	-	-	-	-	25,544	514,948	
Fines and forfeitures	38,850	-	-	-	-	-	38,850	
Special assessments	-	7,401	-	33,359	33,359	-	40,760	
Investment earnings	92,990	7,595	265,802	84,875	84,875	72,423	523,685	
Miscellaneous	250,200	-	-	14,873	14,873	39,704	304,777	
Total Revenues	<u>5,960,786</u>	<u>1,192,947</u>	<u>315,802</u>	<u>964,180</u>	<u>964,180</u>	<u>943,548</u>	<u>9,377,263</u>	
Expenditures								
Current								
General government	1,160,881	-	-	-	-	-	1,160,881	
Public safety	2,908,346	-	-	-	-	119,892	3,028,238	
Public works	653,485	-	-	-	-	-	653,485	
Culture and recreation	376,582	-	-	-	-	129,977	506,559	
Community development	504,721	-	-	-	-	-	504,721	
Capital outlay								
General government	-	-	10,414,519	-	-	17,563	10,432,082	
Public safety	-	-	10,086	-	-	191,099	201,185	
Public works	-	-	-	328,345	328,345	46,990	375,335	
Culture and recreation	-	-	-	-	-	195,625	195,625	
Debt service								
Principal	-	350,000	-	-	-	-	350,000	
Interest and other charges	-	658,323	-	-	-	-	658,323	
Total Expenditures	<u>5,604,015</u>	<u>1,008,323</u>	<u>10,424,605</u>	<u>328,345</u>	<u>328,345</u>	<u>701,146</u>	<u>18,066,434</u>	
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>356,771</u>	<u>184,624</u>	<u>(10,108,803)</u>	<u>635,835</u>	<u>635,835</u>	<u>242,402</u>	<u>(8,689,171)</u>	
Other Financing Sources (Uses)								
Transfers in	65,000	215,879	-	-	-	40,000	320,879	
Sale of capital assets	-	-	-	-	-	44,513	44,513	
Total Other Financing Sources (Uses)	<u>65,000</u>	<u>215,879</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>84,513</u>	<u>365,392</u>	
Net Change in Fund Balances	<u>421,771</u>	<u>400,503</u>	<u>(10,108,803)</u>	<u>635,835</u>	<u>635,835</u>	<u>326,915</u>	<u>(8,323,779)</u>	
Fund Balances, January 1, as previously reported	3,496,151	-	12,079,572	-	-	2,925,223	18,500,946	
Change to the financial reporting entity (Note 9) Change from nonmajor to major fund	<u>-</u>	<u>167,059</u>	<u>-</u>	<u>1,097,874</u>	<u>1,097,874</u>	<u>(1,264,933)</u>	<u>-</u>	
Fund Balance, January 1, as adjusted	<u>3,496,151</u>	<u>167,059</u>	<u>12,079,572</u>	<u>1,097,874</u>	<u>1,097,874</u>	<u>1,660,290</u>	<u>18,500,946</u>	
Fund Balances, December 31	<u>\$ 3,917,922</u>	<u>\$ 567,562</u>	<u>\$ 1,970,769</u>	<u>\$ 1,733,709</u>	<u>\$ 1,733,709</u>	<u>\$ 1,987,205</u>	<u>\$ 10,177,167</u>	

The notes to the financial statements are an integral part of this statement.

City of St Francis, Minnesota
Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances
to the Statement of Activities
Governmental Funds
For the Year Ended December 31, 2024

Amounts reported for governmental activities in the statement of activities are different because

Total Net Change in Fund Balances - Governmental Funds	\$ (8,323,779)
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over the estimated useful lives as depreciation expense.	
Capital outlays	10,452,398
Depreciation expense	(873,557)
Governmental funds report a gain (loss) on sale of capital assets to the extent of cash exchanged, whereas the disposition of the assets book value is included in the total gain (loss) in the statement of activities	
Disposals	(53,763)
Depreciation on disposals	45,998
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.	
Principal repayments	350,000
Current year amortization of bond premium	20,294
Current year amortization of deferred loss on refunding	(17,315)
Interest on long-term debt in the statement of activities differs from the amount reported in the governmental fund because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, however interest expense is recognized as the interest accrues, regardless of when it is due.	202,128
Long-term pension activity is not reported in governmental funds.	
Pension expense	144,773
Pension revenue	58,770
Certain revenues are recognized as soon as it is earned. Under the modified accrual basis of accounting certain revenues cannot be recognized until they are available to liquidate liabilities of the current period.	
Special assessments	(29,578)
Property taxes	(2,453)
Intergovernmental	148,221
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	
Compensated absences	(86,149)
Change in Net Position - Governmental Activities	<u><u>\$ 2,035,988</u></u>

The notes to the financial statements are an integral part of this statement.

City of St Francis, Minnesota
Statement of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual
General Fund
For the Year Ended December 31, 2024

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues				
Taxes	\$ 3,238,628	\$ 3,238,628	\$ 3,328,017	\$ 89,389
Licenses and permits	230,670	230,670	379,632	148,962
Intergovernmental	1,211,167	1,211,167	1,381,693	170,526
Charges for services	391,630	391,630	489,404	97,774
Fines and forfeitures	34,620	34,620	38,850	4,230
Investment earnings	25,000	25,000	92,990	67,990
Miscellaneous	157,570	157,570	250,200	92,630
Total Revenues	<u>5,289,285</u>	<u>5,289,285</u>	<u>5,960,786</u>	<u>671,501</u>
Expenditures				
Current				
General government	1,129,600	1,129,600	1,160,881	(31,281)
Public safety	2,653,400	2,653,400	2,908,346	(254,946)
Public works	687,860	687,860	653,485	34,375
Culture and recreation	404,550	404,550	376,582	27,968
Community development	478,875	478,875	504,721	(25,846)
Total Expenditures	<u>5,354,285</u>	<u>5,354,285</u>	<u>5,604,015</u>	<u>(249,730)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(65,000)	(65,000)	356,771	421,771
Other Financing Sources (Uses)				
Transfers in	<u>65,000</u>	<u>65,000</u>	<u>65,000</u>	<u>-</u>
Net Change in Fund Balances	-	-	421,771	421,771
Fund Balances, January 1	<u>3,496,151</u>	<u>3,496,151</u>	<u>3,496,151</u>	<u>-</u>
Fund Balances, December 31	<u>\$ 3,496,151</u>	<u>\$ 3,496,151</u>	<u>\$ 3,917,922</u>	<u>\$ 421,771</u>

The notes to the financial statements are an integral part of this statement.

City of St Francis, Minnesota

Statement of Net Position

Proprietary Funds

December 31, 2024

	Business-type Activities - Enterprise Funds				
	601	602	609	Nonmajor 603	Totals
	Water	Sewer	Liquor Store	Storm Water	
Assets					
Current Assets					
Cash and temporary investments	\$ 2,978,243	\$ 3,784,768	\$ 1,218,680	\$ 638,932	\$ 8,620,623
Receivables					
Accrued interest	14,424	9,450	5,998	1,565	31,437
Accounts	131,372	173,696	-	-	305,068
Special assessments	133,794	102,991	-	74,774	311,559
Due from other governments	30,678	53,221	-	1,180	85,079
Inventory	-	-	454,619	-	454,619
Total Current Assets	3,288,511	4,124,126	1,679,297	716,451	9,808,385
Noncurrent Assets					
Special assessments	325,123	33,974	-	146,110	505,207
Capital assets					
Land	18,115	2,337,838	3,234	-	2,359,187
Buildings	9,014,915	31,265,011	1,587,391	-	41,867,317
Machinery and equipment	698,333	137,763	247,750	-	1,083,846
Infrastructure	5,783,399	4,825,259	-	737,485	11,346,143
Less accumulated depreciation	(6,090,369)	(10,290,595)	(800,730)	(114,148)	(17,295,842)
Net Capital Assets	9,424,393	28,275,276	1,037,645	623,337	39,360,651
Total Noncurrent Assets	9,749,516	28,309,250	1,037,645	769,447	39,865,858
Total Assets	13,038,027	32,433,376	2,716,942	1,485,898	49,674,243
Deferred Outflows of Resources					
Deferred pension resources	18,708	18,960	24,030	3,175	64,873
Liabilities					
Current Liabilities					
Accounts payable and contracts payable	21,362	30,070	65,418	1,529	118,379
Accrued salaries payable	11,014	11,189	14,183	1,638	38,024
Due to other governments	850	-	32,369	-	33,219
Accrued interest payable	30,543	43,896	-	-	74,439
Compensated absences payable - current	15,348	15,348	17,122	-	47,818
Bonds payable - current	802,300	787,700	-	-	1,590,000
Total Current Liabilities	881,417	888,203	129,092	3,167	1,901,879
Noncurrent Liabilities					
Compensated absences payable	9,652	9,652	8,367	-	27,671
Net pension liability	90,928	92,153	116,797	15,432	315,310
Bonds payable	2,056,800	14,891,200	-	-	16,948,000
Total Noncurrent Liabilities	2,157,380	14,993,005	125,164	15,432	17,290,981
Total Liabilities	3,038,797	15,881,208	254,256	18,599	19,192,860
Deferred Inflows of Resources					
Deferred pension resources	65,804	66,690	84,525	11,168	228,187
Net Position					
Net investment in capital assets	6,565,293	12,596,376	1,037,645	623,337	20,822,651
Restricted for system replacement	-	445,670	-	-	445,670
Unrestricted	3,386,841	3,462,392	1,364,546	835,969	9,049,748
Total Net Position	\$ 9,952,134	\$ 16,504,438	\$ 2,402,191	\$ 1,459,306	\$ 30,318,069

The notes to the financial statements are an integral part of this statement.

City of St Francis, Minnesota
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended December 31, 2024

	Business-type Activities - Enterprise Funds				
	601	602	609	Nonmajor 603	Totals
	Water	Sewer	Liquor Store	Storm Water	
Operating Revenues					
Sales	\$ -	\$ -	\$ 3,263,226	\$ -	\$ 3,263,226
Cost of sales	-	-	(2,354,198)	-	(2,354,198)
Gross Profit	-	-	909,028	-	909,028
Charges for services	1,538,928	1,963,559	-	244,675	3,747,162
Total Operating Revenues	1,538,928	1,963,559	909,028	244,675	4,656,190
Operating Expenses					
Personal services	257,746	262,806	367,807	71,329	959,688
Supplies	86,811	96,375	7,851	-	191,037
Professional services	156,949	266,691	219,654	81,901	725,195
Communications	6,077	4,042	1,731	-	11,850
Insurance	28,632	41,898	33,659	-	104,189
Utilities	86,727	153,619	18,484	-	258,830
Repairs and maintenance	134,960	145,902	9,758	-	290,620
Depreciation	365,544	855,415	43,389	24,575	1,288,923
Other	31,889	24,592	7,660	-	64,141
Total Operating Expenses	1,155,335	1,851,340	709,993	177,805	3,894,473
Operating Income	383,593	112,219	199,035	66,870	761,717
Special assessments	7,911	433	-	5,650	13,994
Investment earnings	171,792	213,972	72,396	32,744	490,904
Miscellaneous	4,126	42,898	8,831	721	56,576
Interest and other expense	(86,343)	(208,650)	-	-	(294,993)
Total Nonoperating Revenues (Expenses)	97,486	48,653	81,227	39,115	266,481
Income Before Transfers and Contributions	481,079	160,872	280,262	105,985	1,028,198
Transfers and Contributions					
Transfers in	37,058	-	-	-	37,058
Capital contributions	405,278	513,092	-	-	918,370
Capital contributions - intergovernmental	-	-	-	33,575	33,575
Transfers out	(127,940)	(164,997)	(65,000)	-	(357,937)
Total Transfers and Contributions	314,396	348,095	(65,000)	33,575	631,066
Change in Net Position	795,475	508,967	215,262	139,560	1,659,264
Net Position, January 1	9,156,659	15,995,471	2,186,929	1,319,746	28,658,805
Net Position, December 31	\$ 9,952,134	\$ 16,504,438	\$ 2,402,191	\$ 1,459,306	\$ 30,318,069

The notes to the financial statements are an integral part of this statement.

City of St Francis, Minnesota
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2024

	Business-type Activities - Enterprise Funds				Totals
	601 Water	602 Sewer	609 Liquor Store	Nonmajor 603 Storm Water	
Cash Flows from Operating Activities					
Receipts from customers and users	\$ 1,578,957	\$ 2,009,778	\$ 3,272,057	\$ 237,761	\$ 7,098,553
Payments to suppliers	(523,076)	(747,712)	(2,781,055)	(87,479)	(4,139,322)
Payments to employees	(269,859)	(273,780)	(372,596)	(46,266)	(962,501)
Net Cash Provided (Used) by Operating Activities	786,022	988,286	118,406	104,016	1,996,730
Cash Flows from Noncapital Financing Activities					
Increase in due from other funds	25,440	25,439	-	-	50,879
Transfers from other funds	37,058	-	-	-	37,058
Transfers to other funds	(127,940)	(164,997)	(65,000)	-	(357,937)
Net Cash Provided (Used) by Noncapital Financing Activities	(65,442)	(139,558)	(65,000)	-	(270,000)
Cash Flows from Capital Financing Activities					
Connection fees received	405,278	513,092	-	-	918,370
Capital grants received	-	-	-	33,575	33,575
Special assessments received	7,911	433	-	5,650	13,994
Acquisition of capital assets	(103,722)	(83,139)	(38,123)	-	(224,984)
Interest paid and other on bonds	(94,911)	(212,682)	-	-	(307,593)
Principal paid on bonds	(783,450)	(765,550)	-	-	(1,549,000)
Net Cash Used by Capital Financing Activities	(568,894)	(547,846)	(38,123)	39,225	(1,115,638)
Cash Flows from Investing Activities					
Interest received on investments	163,750	208,426	69,083	31,725	472,984
Net Increase (Decrease) in Cash and Cash Equivalents	315,436	509,308	84,366	174,966	1,084,076
Cash and Cash Equivalents, January 1	2,662,807	3,275,460	1,134,314	463,966	7,536,547
Cash and Cash Equivalents, December 31	\$ 2,978,243	\$ 3,784,768	\$ 1,218,680	\$ 638,932	\$ 8,620,623
Reconciliation of Operating Income to Net Cash Provided by Operating Activities					
Operating income	\$ 383,593	\$ 112,219	\$ 199,035	\$ 66,870	\$ 761,717
Adjustments to reconcile operating income to net cash provided by operating activities					
Depreciation	365,544	855,415	43,389	24,575	1,288,923
Other income related to operations	4,126	42,898	8,831	721	56,576
(Increase) decrease in assets and deferred outflows of resources					
Accounts receivable	51,857	31,119	-	(7,963)	75,013
Due from other governments	(15,954)	(27,798)	-	328	(43,424)
Inventories	-	-	(96,058)	-	(96,058)
Pension resources	16,940	16,790	22,481	(3,175)	53,036
Increase (decrease) in liabilities and deferred inflows of resources					
Accounts payable	8,839	(14,593)	(33,177)	(5,578)	(44,509)
Due to other governments	130	-	1,175	-	1,305
Accrued salaries payable	2,068	1,760	2,287	1,638	7,753
Net pension liability	(43,055)	(42,211)	(58,013)	15,432	(127,847)
Compensated absences payable	(7,146)	(7,146)	4,892	-	(9,400)
Pension resources	19,080	19,833	23,564	11,168	73,645
Net Cash Provided by Operating Activities	\$ 786,022	\$ 988,286	\$ 118,406	\$ 104,016	\$ 1,996,730

The notes to the financial statements are an integral part of this statement.

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City of St Francis, Minnesota
Notes to the Financial Statements
December 31, 2024

Note 1: Summary of Significant Accounting Policies

A. Reporting Entity

The City of St Francis, Minnesota (the City) operates under its own "Home Rule Charter." Under this Charter, the government of the City is governed by the City Council composed of an elected Mayor and four elected City Council Members. The City Council exercises legislative authority and determines all matters of policy. The City Council appoints personnel responsible for the proper administration of all affairs relating to the City. The City has considered all potential units for which it is financially accountable, and other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the City's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board (GASB) has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body, and (1) the ability of the primary government to impose its will on that organization or (2) the potential for the organization to provide specific benefits to, or impose specific financial burdens on the primary government. The City has identified the following component unit using the above criteria.

Discrete Component Unit

The Economic Development Authority (EDA) of the City was created pursuant to Minnesota statutes 469.090 to carry out economic and industrial development and redevelopment consistent with policies established by the City Council. The five-member Board consists of two City Council members and three other City Council approved members. The EDA is presented as a component unit because of the nature and significance of the relationship with the primary government and the ability of the City to impose its will. Based on its relationship with the City, it would be misleading to exclude the EDA as a component unit.

A component unit is a legally separate entity, so there is a basic assumption it should be presented separately (discretely) from the primary government. The governing body does not have substantively the same board as the City and no longer has outstanding debt issued through the City. Thus, the EDA will be reported as a discretely presented component unit. The EDA does not prepare separate financial statements, the financial statements for the EDA are included in the report starting on page 122.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the City. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the City is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. Amounts reported as *program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Note 1: Summary of Significant Accounting Policies (Continued)

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary funds financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the City.

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available.

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include property taxes, grants, entitlement and donations. On an accrual basis, revenue from property taxes is recognized in the year for which the tax is levied. Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Grants and entitlements received before eligibility requirements are met are also recorded as unearned revenue.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

City of St Francis, Minnesota
Notes to the Financial Statements
December 31, 2024

Note 1: Summary of Significant Accounting Policies (Continued)

The City reports the following major governmental funds:

The *General fund* is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *Debt Service funds* account for the accumulation of resources and the payment of general long-term debt principle and interest.

The *Building Improvement fund* accounts for the accumulation of resources for future building improvement capital outlay.

The *Street Improvement fund* accounts for the accumulation of resources for future street improvement capital outlay.

The City reports the following major proprietary funds:

The *Water fund* accounts for costs associated with the City's water system and insure that user charges are sufficient to pay for those costs.

The *Sewer fund* accounts for the costs associated with the City's sewer system and insure that user charges are sufficient to pay for those costs.

The *Liquor Store fund* accounts for the costs associated with the City's liquor operations.

As a general rule the effect of interfund activity has been eliminated from government-wide financial statements. Exceptions to this general rule are other charges between the City's water and sewer function and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position/Fund Balance

Deposits and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. The proprietary funds' portion in the government-wide cash and temporary investments pool is considered to be cash and cash equivalents for purposes of the statement of cash flows.

Cash balances from all funds are pooled and invested, to the extent available, in certificates of deposit and other authorized investments. Earnings from such investments are allocated on the basis of applicable participation by each of the funds.

City of St Francis, Minnesota
Notes to the Financial Statements
December 31, 2024

Note 1: Summary of Significant Accounting Policies (Continued)

The City may invest idle funds as authorized by Minnesota statutes, as follows:

1. Direct obligations or obligations guaranteed by the United States or its agencies.
2. Shares of investment companies registered under the Federal Investment Company Act of 1940 and received the highest credit rating, rated in one of the two highest rating categories by a statistical rating agency, and have a final maturity of thirteen months or less.
3. General obligations of a state or local government with taxing powers rated "A" or better; revenue obligations rated "AA" or better.
4. General obligations of the Minnesota Housing Finance Agency rated "A" or better.
5. Obligation of a school district with an original maturity not exceeding 13 months and (i) rated in the highest category by a national bond rating service or (ii) enrolled in the credit enhancement program pursuant to statute section 126C.55.
6. Bankers' acceptances of United States banks eligible for purchase by the Federal Reserve System.
7. Commercial paper issued by United States banks corporations or their Canadian subsidiaries, of highest quality category by at least two nationally recognized rating agencies, and maturing in 270 days or less.
8. Repurchase or reverse repurchase agreements and securities lending agreements with financial institutions qualified as a "depository" by the government entity, with banks that are members of the Federal Reserve System with capitalization exceeding \$10,000,000, a primary reporting dealer in U.S. government securities to the Federal Reserve Bank of New York, or certain Minnesota securities broker-dealers.
9. Guaranteed Investment Contracts (GIC's) issued or guaranteed by a United States commercial bank, a domestic branch of a foreign bank, a United States insurance company, or its Canadian subsidiary, whose similar debt obligations were rated in one of the top two rating categories by a nationally recognized rating agency.

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The City has the following recurring fair value measurements as of December 31, 2024:

- Negotiable certificates of deposits of \$2,926,529 are valued using a matrix pricing model (Level 2 inputs)
- State and local government securities of \$3,563,206 are valued using quoted market prices (Level 2 inputs)
- U.S. government securities of \$4,144,919 are valued using quoted market prices (Level 2 inputs)

The Minnesota Municipal Money Market fund and broker money market investment pools operate in accordance with appropriate State laws and regulations. The 4M fund is regulated by Minnesota Statutes and the Board of Directors of the League of Minnesota Cities and is an external investment pool not registered with the Securities and Exchange Commission (SEC); however, it follows the same regulatory rules of the SEC under rule 2a7. The reported value of the pool is the same as the fair value of the pool share. Financial statements of the 4M fund can be obtained by contracting RBC Global Asset Management at 100 South Fifth Street, Suite 2300, Minneapolis, MN 55402-1240.

City of St Francis, Minnesota
Notes to the Financial Statements
December 31, 2024

Note 1: Summary of Significant Accounting Policies (Continued)

Property Taxes

The City Council annually adopts a tax levy in December and certifies it to the County for collection in the following year. The County is responsible for collecting all property taxes for the City. These taxes attach an enforceable lien on taxable property within the City on January 1 and are payable by the property owners in two installments. The taxes are collected by the County Auditor and tax settlements are made to the City during January, July and December each year.

Delinquent taxes receivable include the past six years' uncollected taxes. Delinquent taxes have been offset by a deferred inflow of resources for delinquent taxes not received within 60 days after year end in the fund financial statements.

Accounts Receivable

Accounts receivable include amounts billed for services provided before year end. Unbilled utility enterprise fund receivables are also included for services provided in 2024. The City annually certifies delinquent water and sewer accounts to the County for collection in the following year. Therefore, there has been no allowance for doubtful accounts established for utility receivables.

Special Assessments

Special assessments represent the financing for public improvements paid for by benefiting property owners. These assessments are recorded as receivables upon certification to the County. Special assessments are recognized as revenue when they are received in cash or within 60 days after year end. All governmental special assessments receivable are offset by a deferred inflow of resources in the fund financial statements.

Land Held for Resale

The City acquires properties for redevelopment purposes. These properties are reported at their net realizable value in the financial statements. Any costs incurred that are above a property's net realizable value are reported as expenditures of the current period.

Inventories

The inventories are valued using the consumption method and stated at cost, which approximates market using the first-in, first-out (FIFO) method.

Lease Receivable

The City's lease receivable is measured at the present value of lease payments expected to be received during the lease term.

A deferred inflow of resources is recorded for the lease. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized on a straight-line basis over the term of the lease.

Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets, (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$10,000 (amount not rounded) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

City of St Francis, Minnesota
Notes to the Financial Statements
December 31, 2024

Note 1: Summary of Significant Accounting Policies (Continued)

In the case of initial capitalization of general infrastructure assets (i.e., those reported by governmental activities) the City chose to include items dating back to June 30, 1980. The City was able to estimate the historical cost for the initial reporting of these assets through back trending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year). As the City constructs or acquires capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost. The reported value excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or extend its useful life beyond the original estimate.

Capital assets of the City are depreciated using the straight-line method over the following estimated useful lives:

Assets	Useful Lives in Years
Land Improvements	15
Buildings and Improvements	15 to 40
Infrastructure	20 to 50
Machinery and Equipment	3 to 20

Deferred Outflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has two items that qualify for reporting in this category. Accordingly, the deferred pension resources and deferred charge on refunding, are reported only in the statements of net position. These items result from actuarial calculations and current year pension contributions made subsequent to the measurement date and a deferred loss on refunding bond activity.

Compensated Absences

It is the City's policy to permit employees to accumulate a limited amount of earned but unused vacation, which is paid to the employee upon separation. A portion of unused sick leave may also be paid upon separation from City service. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. The General fund is typically used to liquidate the governmental compensated absences liability.

Postemployment Benefits Other Than Pensions

The Governmental Accounting Standards Board (GASB) issued Statement No. 75, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, effective for the City's fiscal year 2018. Statement No. 75 requires accrual-based measurement, recognition and disclosure of other postemployment benefits (OPEB) expense, such as retiree medical and dental costs, over the employees' years of service, along with the related liability, net of any plan assets. The City has no plans that would result in an OPEB liability and, therefore, the City anticipates it will not incur any future explicit or implicit OPEB costs for its employees and, therefore, no liability will be recorded.

City of St Francis, Minnesota
Notes to the Financial Statements
December 31, 2024

Note 1: Summary of Significant Accounting Policies (Continued)

Long-term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. The recognition of bond premiums and discounts are amortized over the life of the bonds using the straight line method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Pensions

For purposes of measuring the net pension liability, deferred outflows/inflows of resources, and pension expense, information about the fiduciary net position of the Public Employees Retirement Association (PERA) and additions to/deductions from PERA's fiduciary net position have been determined on the same basis as they are reported by PERA except that PERA's fiscal year end is June 30. For this purpose, plan contributions are recognized as of employer payroll paid dates and benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. The General fund is typically used to liquidate the governmental net pension liability.

For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the defined benefit plan administered by the St. Francis Fire Relief Association and additions to and deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. Investments are reported at fair value.

The total pension expense for the General Employee Plan (GERP), Police and Fire Plan (PEPFP), DCP plan, and St. Francis Fire Relief Association (SVF) is as follows:

	Public Employees Retirement Association of Minnesota (PERA)			Fire Relief Association (SVF)	Total All Plans
	GERP	PEPFP	DCP		
City's proportionate share	\$ 42,321	\$ 293,065	\$ 240	\$ 5,177	\$ 340,803
Proportionate share of State's contribution	603	5,423	-	-	6,026
Total pension expense	<u>\$ 42,924</u>	<u>\$ 298,488</u>	<u>\$ 240</u>	<u>\$ 5,177</u>	<u>\$ 346,829</u>

Note 1: Summary of Significant Accounting Policies (Continued)

Deferred Inflows of Resources

In addition to liabilities, the statement of net position and fund financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has the following items listed below reported in the statement of net position and governmental funds balance sheet.

- *Unavailable revenues* are presented in the governmental funds from three sources: property taxes, special assessments, and intergovernmental. These arise only under a modified accrual basis of accounting that qualifies for reporting in this category. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.
- *Deferred pension resources* are reported only in the statements of net position and results from actuarial calculations.
- *Deferred lease resources* are reported in the governmental funds balance sheet and are deferred to the period the amounts become available. This item is also reported in the statement of net position.

Fund Balance

In the fund financial statements, fund balance is divided into five classifications based primarily on the extent to which the City is bound to observe constraints imposed upon the use of resources reported in the governmental funds. These classifications are defined as follows:

Nonspendable - Amounts that cannot be spent because they are not in spendable form, such as prepaid items.

Restricted - Amounts related to externally imposed constraints established by creditors, grantors or contributors; or constraints imposed by state statutory provisions.

Committed - Amounts constrained for specific purposes that are internally imposed by formal action (resolution) of the City Council, which is the City's highest level of decision-making authority. Committed amounts cannot be used for any other purpose unless the City Council modifies or rescinds the commitment by resolution.

Assigned - Amounts constrained for specific purposes that are internally imposed. Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as committed. Assigned amounts represent intended uses established by the City Council itself or by the Finance Director to which the governing body delegates the authority. The City Council has adopted a fund balance policy which delegates the authority to assign amounts for specific purposes to the Finance Director.

Unassigned - The residual classification for the General fund and also negative residual amounts in other funds.

The City considers restricted amounts to be spent first when both restricted and unrestricted fund balance is available. Additionally, the City would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

The City has formally adopted a fund balance policy for the General fund. The City's policy is to maintain a minimum unassigned fund balance of 45 percent of budgeted operating expenditures for cash-flow timing needs.

City of St Francis, Minnesota
Notes to the Financial Statements
December 31, 2024

Note 1: Summary of Significant Accounting Policies (Continued)

Net Position

In the government-wide financial statements, net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net position is displayed in three components:

- a. Net investment in capital assets - Consists of capital assets, net of accumulated depreciation reduced by any outstanding debt attributable to acquire capital assets.
- b. Restricted net position - Consist of net position balances restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, laws or regulations of other governments.
- c. Unrestricted net position - All other net position balances that do not meet the definition of "restricted" or "net investment in capital assets".

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

Note 2: Stewardship, Compliance and Accountability

A. Budgetary Information

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for the General fund, Street Improvement fund, Police Forfeiture fund, Charitable Gambling fund, Debt Service funds, Park Improvements, Building Improvements and Capital Equipment fund. The City does not adopt a formal budget for the Economic Development fund. All annual appropriations lapse at fiscal year-end. The City does not use encumbrance accounting.

In August of each year, all departments of the City submit requests for appropriations to the City Administrator so that a budget may be prepared. Before September 30th, the proposed budget is presented to the City Council for review. The City Council holds public hearings and a final budget is prepared and adopted in early December.

The appropriated budget is prepared by fund, function and department. The City's department heads, with the approval of the City Administrator, may make transfers of appropriations within a department. Transfers of appropriations between departments require the approval of the City Council. The legal level of budgetary control is at the department level.

B. Excess of Expenditures Over Appropriations

For the year ended December 31, 2024 expenditures exceeded appropriations in the following funds:

Fund	Budget	Actual	Excess of Expenditures Over Appropriations
General Fund	\$ 5,354,285	\$ 5,604,015	\$ 249,730
Building Improvements	-	10,424,605	10,424,605
Charitable Gambling	-	56,163	56,163
Park Improvements	-	205,956	205,956
G.O. Bonds 2015A	32,725	32,825	100
G.O. Bonds 2023A	283,796	509,842	226,046

The excess expenditures were funded by revenues in excess of expectations, available fund balance and/or future revenue sources.

City of St Francis, Minnesota
Notes to the Financial Statements
December 31, 2024

Note 3: Detailed Notes on All Funds

A. Deposits and Investments

Deposits

Custodial credit risk for deposits and investments is the risk that in the event of a bank failure, the City's deposits and investments may not be returned or the City will not be able to recover collateral securities in the possession of an outside party. In accordance with Minnesota statutes and as authorized by the City Council, the City maintains deposits at those depository banks, all of which are members of the Federal Reserve System.

Minnesota statutes require that all City deposits be protected by insurance, surety bond or collateral. The fair value of collateral pledged must equal 110 percent of the deposits not covered by insurance or bonds, with the exception of irrevocable standby letters of credit issued by Federal Home Loan Banks as this type of collateral only requires collateral pledged equal to 100 percent of the deposits not covered by insurance or bonds.

Authorized collateral in lieu of a corporate surety bond includes:

- United States government Treasury bills, Treasury notes, Treasury bonds;
- Issues of United States government agencies and instrumentalities as quoted by a recognized industry quotation service available to the government entity;
- General obligation securities of any state or local government with taxing powers which is rated "A" or better by a national bond rating service, or revenue obligation securities of any state or local government with taxing powers which is rated "AA" or better by a national bond rating service;
- General obligation securities of a local government with taxing powers may be pledged as collateral against funds deposited by that same local government entity;
- Irrevocable standby letters of credit issued by Federal Home Loan Banks to a municipality accompanied by written evidence that the bank's public debt is rated "AA" or better by Moody's Investors Service, Inc., or Standard & Poor's Corporation; and
- Time deposits that are fully insured by any federal agency.

Minnesota statutes require that all collateral shall be placed in safekeeping in a restricted account at a Federal Reserve Bank, or in an account at a trust department of a commercial bank or other financial institution that is not owned or controlled by the financial institution furnishing the collateral. The selection should be approved by the government entity.

At year end, the City's carrying amount of deposits was \$563,137 and the bank balance was \$527,082. The bank balance was partially covered by federal depository insurance while the remaining balance was covered by collateral held by the City's agent in the City's name.

City of St Francis, Minnesota
Notes to the Financial Statements
December 31, 2024

Note 3: Detailed Notes on All Funds (Continued)

Investments

As of December 31, 2024, the City had the following investments that are insured or registered, or securities held by the City's agent in the City's name:

Types of Investments	Credit Quality/ Rating (1)	Segmented Time Distribution (2)	Amount	Fair Value Measurement Using		
				Level 1	Level 2	Level 3
Pooled Investments at Amortized Costs						
4M	NA		\$ 2,634,134	\$ -	\$ -	\$ -
4MP	NA		1,763,828	-	-	-
Brokered Money Market	NA		3,865,920	-	-	-
Non-pooled Investments at Fair Value						
Negotiable Certificates of Deposit	N/A	Less than 1 year	1,979,902	-	1,979,902	-
Negotiable Certificates of Deposit	N/A	1 - 5 years	946,627	-	946,627	-
State and Local Government Securities	AA	Less than 1 year	249,722	-	249,722	-
State and Local Government Securities	Aa2	Less than 1 year	74,876	-	74,876	-
State and Local Government Securities	Aa3	Less than 1 year	192,736	-	192,736	-
State and Local Government Securities	Aaa	Less than 1 year	522,029	-	522,029	-
State and Local Government Securities	AA	1 - 5 years	1,164,802	-	1,164,802	-
State and Local Government Securities	AA+	1 - 5 years	126,153	-	126,153	-
State and Local Government Securities	Aa1	1 - 5 years	275,595	-	275,595	-
State and Local Government Securities	Aa2	1 - 5 years	372,013	-	372,013	-
State and Local Government Securities	A1	1 - 5 years	281,196	-	281,196	-
State and Local Government Securities	Aaa	1 - 5 years	202,700	-	202,700	-
State and Local Government Securities	Aaa	5 - 10 years	101,384	-	101,384	-
U.S. Government Securities	A-1+	Less than 1 year	1,563,858	-	1,563,858	-
U.S. Government Securities	AA+	1 - 5 years	2,230,808	-	2,230,808	-
U.S. Government Securities	Aaa	1 - 5 years	259,572	-	259,572	-
U.S. Government Securities	Aaa	Less than 1 year	90,681	-	90,681	-
Total Investments			\$ 18,898,536	\$ -	\$ 10,634,654	\$ -

(1) Ratings are provided by various credit rating agencies where applicable to indicate associated credit risk.

(2) Interest rate risk is disclosed using the segmented time distribution method.

N/A Indicates not applicable or available.

The investments of the City are subject to the following risks:

- **Credit Risk.** Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Ratings are provided by various credit rating agencies and where applicable, indicate associated credit risk. Minnesota statutes and the City's investment policy limit the City's investments to the list on page 62 of the notes. In accordance with its investment policy, the City will minimize credit risk by limiting investments to the safest types of securities, pre-qualifying the financial institutions, broker/dealers, intermediaries, and advisers with which the City will do business, and 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.

City of St Francis, Minnesota
Notes to the Financial Statements
December 31, 2024

Note 3: Detailed Notes on All Funds (Continued)

- *Custodial Credit Risk.* The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. The City's investment policy does not address custodial credit risk.
- *Concentration of Credit risk.* Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. In accordance with its investment policy, the investment portfolio should be diversified to eliminate the risk of loss resulting from over-concentration of assets in a specific issuer, maturity or class of securities. Extended maturities may be utilized to take advantage of higher yields; however, no more than 10 percent of the total investments should extend beyond five (5) years and in no circumstance should any extend beyond 10 years.
- *Interest Rate Risk.* Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the City will minimize interest rate risk by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity and investing operating funds primarily in shorter-term securities, money market mutual funds, or similar investment pools and limiting the average maturity of the portfolio.

Cash and Investments Summary

A reconciliation of cash and temporary investments as shown on the financial statements for the City follows:

Carrying Amount of Deposits	\$ 563,137
Investments	18,898,536
Cash on Hand	<u>1,300</u>
Total	<u><u>\$ 19,462,973</u></u>
Primary Government	
Cash and temporary investments	\$ 19,416,589
Component Unit	
Cash and temporary investments	<u>46,384</u>
Total	<u><u>\$ 19,462,973</u></u>

City of St Francis, Minnesota
Notes to the Financial Statements
December 31, 2024

Note 3: Detailed Notes on All Funds (Continued)

B. Capital Assets

Capital asset activity for the year ended December 31, 2024 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities				
Capital Assets not being Depreciated				
Land	\$ 1,992,384	\$ -	\$ -	\$ 1,992,384
Construction in progress	2,676,898	10,299,763	-	12,976,661
Total Capital Assets not being Depreciated	4,669,282	10,299,763	-	14,969,045
Capital Assets, being Depreciated				
Land improvements	174,771	-	-	174,771
Buildings	8,862,306	-	-	8,862,306
Infrastructure	11,394,533	-	-	11,394,533
Machinery and equipment	4,523,229	152,636	(53,763)	4,622,102
Total Capital Assets being Depreciated	24,954,839	152,636	(53,763)	25,053,712
Less Accumulated Depreciation for				
Land improvements	(165,939)	(8,247)	-	(174,186)
Buildings	(2,747,425)	(219,810)	-	(2,967,235)
Infrastructure	(3,321,047)	(390,685)	-	(3,711,732)
Machinery and equipment	(3,077,515)	(254,815)	45,998	(3,286,332)
Total Accumulated Depreciation	(9,311,926)	(873,557)	45,998	(10,139,485)
Total Capital Assets being Depreciated, Net	15,642,913	(720,921)	(7,765)	14,914,227
Governmental Activities Capital Assets, Net	\$ 20,312,195	\$ 9,578,842	\$ (7,765)	\$ 29,883,272

Construction Commitment

The City has an active construction project as of December 31, 2024. The commitment with contractors is noted below:

Project	Spent to date	Remaining Commitment
City Hall/Fire Station	\$ 9,876,465	\$ 489,176

City of St Francis, Minnesota
Notes to the Financial Statements
December 31, 2024

Note 3: Detailed Notes on All Funds (Continued)

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type Activities				
Capital Assets not being Depreciated				
Land	\$ 2,359,187	\$ -	\$ -	\$ 2,359,187
Capital Assets being Depreciated				
Buildings	41,867,317	-	-	41,867,317
Infrastructure	11,242,422	103,722	-	11,346,144
Machinery and equipment	981,334	121,262	-	1,102,596
Total Capital Assets being Depreciated	54,091,073	224,984	-	54,316,057
Less Accumulated Depreciation for				
Buildings	(11,007,672)	(890,575)	-	(11,898,247)
Infrastructure	(4,588,872)	(365,711)	-	(4,954,583)
Machinery and equipment	(429,126)	(32,637)	-	(461,763)
Total Accumulated Depreciation	(16,025,670)	(1,288,923)	-	(17,314,593)
Total Capital Assets being Depreciated, Net	38,065,403	(1,063,939)	-	37,001,464
Business-type Activities Capital Assets, Net	<u>\$ 40,424,590</u>	<u>\$ (1,063,939)</u>	<u>\$ -</u>	<u>\$ 39,360,651</u>

Depreciation expense was charged to functions/programs of the City as follows:

Governmental Activities

General government	\$ 15,712
Public safety	249,945
Public works	538,955
Culture and recreation	68,945
Total Depreciation Expense - Governmental Activities	<u>\$ 873,557</u>

Business-type Activities

Water	\$ 365,544
Sewer	855,415
Storm	24,575
Liquor store	43,389
Total Depreciation Expense - Business-type Activities	<u>\$ 1,288,923</u>

City of St Francis, Minnesota
Notes to the Financial Statements
December 31, 2024

Note 3: Detailed Notes on All Funds (Continued)

C. Interfund Receivables, Payables and Transfers

The City made transfers during the fiscal year 2024 as shown and described below:

Fund	Transfer in				Total
	General	Debt Service	Nonmajor Governmental	Water	
Transfer out					
Water	\$ -	\$ 107,940	\$ 20,000	\$ -	\$ 127,940
Sewer	-	107,939	20,000	37,058	164,997
Liquor Store	65,000	-	-	-	65,000
Total	<u>\$ 65,000</u>	<u>\$ 215,879</u>	<u>\$ 40,000</u>	<u>\$ 37,058</u>	<u>\$ 357,937</u>

During the year the City made multiple interfund transfers, all of which were budgeted. The City annually budgets transfers to 1) move revenues from the fund with collection authorization to the Debt Service fund as debt service principal and interest payments become due, 2) transfer Liquor Store fund resources to fund annual operations, 3) transfer funds as part of the capital improvement plans.

D. Lease Receivable

The City leases various antenna sites to companies. These agreements contain various renewal and extension options. The latest maturity date is projected to be in 2064, however, the City anticipates new or revised leasing arrangements to occur in the future.

Long-term lease activity for the year ended December 31, 2024 was as follows:

Description	Issue Date	Discount Rate	Current Year Inflow of Resources	Balance at Year End
American Towers	11/01/99	1.75 %	\$ 37,860	\$ 1,613,583
Century Link	11/01/84	1.31	4,987	51,026
Qwest Wireless	08/01/04	1.08	22,512	111,244
Total				<u>\$ 1,775,853</u>

E. Long-term Debt

General Obligation Bonds

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for proprietary activities. These bonds are reported in the proprietary funds as they are expected to be repaid from proprietary fund revenues. In addition, bonds have been issued to refund general obligation bonds.

City of St Francis, Minnesota
Notes to the Financial Statements
December 31, 2024

Note 3: Detailed Notes on All Funds (Continued)

General Obligation Improvement Bonds

The following bond was issued to finance various improvement projects throughout the City. It will be retired through a combination of transfers from enterprise funds, generated through utility revenues, future tax levies and special assessments.

Description	Authorized and Issued	Interest Rate	Issue Date	Maturity Date	Balance at Year End
G.O. Improvement Bonds					
Series 2015A	\$ 265,000	2.00 - 3.00 %	10/26/15	02/01/26	\$ 60,000
G.O. Capital Improvement Bonds					
Series 2017A	6,705,000	3.00 - 3.25	08/10/17	02/01/36	4,625,000
G.O. Capital Improvement Bonds					
Series 2023A	13,000,000	4.11	08/23/23	02/01/53	<u>13,000,000</u>
Total General Obligation Improvement Bonds					<u>\$ 17,685,000</u>

Annual debt service requirements to maturity for general obligation improvement bonds are as follows:

Year Ending December 31,	Governmental Activities		
	Principal	Interest	Total
2025	\$ 355,000	\$ 680,988	\$ 1,035,988
2026	610,000	664,063	1,274,063
2027	600,000	640,913	1,240,913
2028	620,000	617,413	1,237,413
2029	645,000	592,988	1,237,988
2030-2034	3,635,000	2,559,472	6,194,472
2035-2039	2,930,000	1,883,628	4,813,628
2040-2044	2,455,000	1,429,350	3,884,350
2045-2049	2,985,000	887,150	3,872,150
2050-2053	<u>2,850,000</u>	<u>239,168</u>	<u>3,089,168</u>
Total	<u>\$ 17,685,000</u>	<u>\$ 10,195,133</u>	<u>\$ 27,880,133</u>

City of St Francis, Minnesota
Notes to the Financial Statements
December 31, 2024

Note 3: Detailed Notes on All Funds (Continued)

General Obligation Revenue Bonds

The following bonds were issued to finance capital improvements in the enterprise funds. They will be retired from net revenues of the enterprise funds.

Description	Authorized and Issued	Interest Rate	Issue Date	Maturity Date	Balance at Year End
MPFA - Water Revenue Bonds Series 2008	\$ 9,013,468	2.56 %	12/18/07	08/20/27	\$ 1,987,000
G.O. Bonds Series 2015A	690,000	2.00 - 3.10	11/01/15	02/01/31	355,000
G.O. Revenue Bonds Series 2016A	1,930,000	1.00	06/30/16	02/01/37	1,360,000
G.O. Sewer Revenue Bonds Series 2016B	16,010,544	1.00	10/20/16	08/20/46	12,996,000
G.O. Bonds Series 2021A	2,775,000	1.00-2.00	08/12/21	02/01/31	1,840,000
Total G.O. Revenue Bonds					<u>\$ 18,538,000</u>

Annual debt service requirements to maturity for general obligation revenue bonds are as follows:

Year Ending December 31,	Business-type Activities		
	Principal	Interest	Total
2025	\$ 1,590,000	\$ 271,958	\$ 1,861,958
2026	1,634,000	236,710	1,870,710
2027	1,672,000	200,974	1,872,974
2028	1,020,000	164,281	1,184,281
2029	836,000	147,393	983,393
2030-2034	3,638,000	573,113	4,211,113
2035-2039	3,311,000	347,555	3,658,555
2040-2044	3,441,000	174,950	3,615,950
2045-2046	1,396,000	20,810	1,416,810
Total	<u>\$ 18,538,000</u>	<u>\$ 2,137,744</u>	<u>\$ 20,675,744</u>

Annual revenues from charges for services, principal and interest payments, and percentage of revenue required to cover principal and interest payments are as follows:

	Water	Sewer
Net Operating Revenues	\$ 1,154,415	\$ 1,480,726
Principal and Interest	877,886	977,757
Percentage of Revenues	76 %	66 %

City of St Francis, Minnesota
Notes to the Financial Statements
December 31, 2024

Note 3: Detailed Notes on All Funds (Continued)

Changes in Long-term Liabilities

Noncurrent liability activity for the year ended December 31, 2024 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Governmental Activities					
General Obligation Bonds	\$ 18,035,000	\$ -	\$ (350,000)	\$ 17,685,000	\$ 355,000
Bond Premium	323,536	-	(20,294)	303,242	-
Compensated Absences Payable*	308,140	86,149	-	394,289	188,587
Governmental Activity Long-term Liabilities	<u>\$ 18,666,676</u>	<u>\$ 86,149</u>	<u>\$ (370,294)</u>	<u>\$ 18,382,531</u>	<u>\$ 543,587</u>
Business-type Activities					
General Obligation Revenue Bonds	\$ 20,087,000	\$ -	\$ (1,549,000)	\$ 18,538,000	\$ 1,590,000
Compensated Absences Payable*	84,889	-	(9,400)	75,489	47,818
Business-type Activity Long-term Liabilities	<u>\$ 20,171,889</u>	<u>\$ -</u>	<u>\$ (1,558,400)</u>	<u>\$ 18,613,489</u>	<u>\$ 1,637,818</u>

*Compensated absences presented net of increases and decreases.

F. Fund Balance Classification

At December 31, 2024, a summary of the governmental fund balance classifications are as follows:

	General	Debt Service	Building Improvement	Street Improvement	Other Governmental Funds	Total
Nonspendable						
Inventories	\$ 38,954	\$ -	\$ -	\$ -	\$ -	\$ 38,954
Land held for resale	24,600	-	-	-	-	24,600
Total Nonspendable	<u>\$ 63,554</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 63,554</u>
Restricted for						
Debt service	\$ -	\$ 567,562	\$ 120,204	\$ -	\$ -	\$ 687,766
Police expenditures	-	-	-	-	1,396	1,396
Park improvements	-	-	-	-	468,536	468,536
Capital purchases	-	-	-	-	193,317	193,317
Total Restricted	<u>\$ -</u>	<u>\$ 567,562</u>	<u>\$ 120,204</u>	<u>\$ -</u>	<u>\$ 663,249</u>	<u>\$ 1,351,015</u>
Assigned to						
Capital projects	\$ -	\$ -	\$ 1,850,565	\$ 1,733,709	\$ -	\$ 3,584,274
Capital equipment	-	-	-	-	1,323,956	1,323,956
Total Assigned	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,850,565</u>	<u>\$ 1,733,709</u>	<u>\$ 1,323,956</u>	<u>\$ 4,908,230</u>
Unassigned	<u>\$ 3,854,368</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,854,368</u>

Note 4: Defined Benefit Pension Plans - Statewide

A. Plan Description

The City participates in the following cost-sharing multiple-employer defined benefit pension plans administered by the Public Employees Retirement Association of Minnesota (PERA). These plan provisions are established and administered according to Minnesota Statutes chapters 353, 353D, 353E, 353G and 356. Minnesota Statutes chapter 356 defines each plan's financial reporting requirements. PERA's defined benefit pension plans are tax qualified plans under Section 401(a) of the Internal Revenue Code.

General Employees Retirement Plan (General Plan)

Membership in the General Plan includes employees of counties, cities, townships, schools in non-certified positions, and other governmental entities whose revenues are derived from taxation, fees, or assessments. Plan membership is required for any employee who is expected to earn more than \$425 in a month, unless the employee meets exclusion criteria.

Public Employees Police and Fire Plan (Police and Fire Plan)

Membership in the Police and Fire Plan includes full-time, licensed police officers and firefighters who meet the membership criteria defined in Minnesota Statutes section 353.64 and who are not earning service credit in any other PERA retirement plan or a local relief association for the same service. Employers can provide Police and Fire Plan coverage for part-time positions and certain other public safety positions by submitting a resolution adopted by the entity's governing body. The resolution must state that the position meets plan requirements.

B. Benefits Provided

PERA provides retirement, disability, and death benefits. Benefit provisions are established by state statute and can only be modified by the state Legislature. Vested, terminated employees who are entitled to benefits, but are not receiving them yet, are bound by the provisions in effect at the time they last terminated their public service. When a member is "vested," they have earned enough service credit to receive a lifetime monthly benefit after leaving public service and reaching an eligible retirement age. Members who retire at or over their Social Security full retirement age with at least one year of service qualify for a retirement benefit.

General Employee Plan Benefits

General Employees Plan requires three years of service to vest. Benefits are based on a member's highest average salary for any five successive years of allowable service, age, and years of credit at termination of service. Two methods are used to compute benefits for General Plan members. Members hired prior to July 1, 1989, receive the higher of the Step or Level formulas. Only the Level formula is used for members hired after June 30, 1989. Under the Step formula, General Plan members receive 1.2 percent of the highest average salary for each of the first 10 years of service and 1.7 percent for each additional year. Under the Level formula, General Plan members receive 1.7 percent of highest average salary for all years of service. For members hired prior to July 1, 1989 a full retirement benefit is available when age plus years of service equal 90 and normal retirement age is 65. Members can receive a reduced requirement benefit as early as age 55 if they have three or more years of service. Early retirement benefits are reduced by .25 percent for each month under age 65. Members with 30 or more years of service can retire at any age with a reduction of 0.25 percent for each month the member is younger than age 62. The Level formula allows General Plan members to receive a full retirement benefit at age 65 if they were first hired before July 1, 1989 or at age 66 if they were hired on or after July 1, 1989. Early retirement begins at age 55 with an actuarial reduction applied to the benefit.

Note 4: Defined Benefit Pension Plans - Statewide (Continued)

Benefit increases are provided to benefit recipients each January. The postretirement increase is equal to 50 percent of the cost-of-living adjustment (COLA) announced by the SSA, with a minimum increase of at least 1 percent and a maximum of 1.5 percent. The 2024 annual increase was 1.5 percent. Recipients that have been receiving the annuity or benefit for at least a full year as of the June 30 before the effective date of the increase will receive the full increase. Recipients receiving the annuity or benefit for at least one month but less than a full year as of the June 30 before the effective date of the increase will receive a prorated increase.

Police and Fire Plan Benefits

Benefits for Police and Fire Plan members hired before July 1, 2010, are vested after three years of service. Members hired on or after July 1, 2010, are 50 percent vested after five years of service and 100 percent vested after ten years. After five years, vesting increase by 10 percent each full year of service until members are 100 percent vested after ten years. Police and Fire Plan members receive 3 percent of highest average salary for all years of service. Police and Fire Plan members receive a full retirement benefit when they are age 55 and vested, or when their age plus their years of service equals 90 or greater if they were first hired before July 1, 1989. Early retirement starts at age 50, and early retirement benefits are reduced by 0.417 percent each month members are younger than age 55.

Benefit increases are provided to benefit recipients each January. The postretirement increase is fixed at 1 percent. Recipients that have been receiving the annuity or benefit for at least 36 months as of the June 30 before the effective date of the increase will receive the full increase. Recipients receiving the annuity or benefit for at least 25 months but less than 36 months as of the June 30 before the effective date of the increase will receive a reduced prorated increase.

C. Contributions

Minnesota Statutes chapters 353, 353E, 353G and 356 set the rates for employer and employee contributions. Contribution rates can only be modified by the state Legislature.

General Employees Fund Contributions

General Plan members were required to contribute 6.50 percent of their annual covered salary in fiscal year 2024 and the City was required to contribute 7.50 percent for Coordinated Plan members. The City's contributions to the General Employees Fund for the years ending December 31, 2024, 2023 and 2022, were \$159,328, \$149,327 and \$137,468, respectively. The City's contributions were equal to the required contributions for each year as set by state statute.

Police and Fire Fund Contributions

Police and Fire Plan members were required to contribute 11.80 percent of their annual covered salary in fiscal year 2024 and the City was required to contribute 17.70 percent for Police and Fire Plan members. The City's contributions to the Police and Fire Fund for the years ending December 31, 2024, 2023 and, 2022 were \$262,117, \$220,179 and \$202,312, respectively. The City's contributions were equal to the required contributions for each year as set by state statute.

D. Pension Costs

General Employees Fund Pension Costs

At December 31, 2024, the City reported a liability of \$869,717 for its proportionate share of the General Employees Fund's net pension liability. The City's net pension liability reflected a reduction due to the State of Minnesota's contribution of \$16 million. The State of Minnesota is considered a non-employer contributing entity and the state's contribution meets the definition of a special funding situation. The State of Minnesota's proportionate share of the net pension liability associated with the City totaled \$22,489.

City of St Francis, Minnesota
Notes to the Financial Statements
December 31, 2024

Note 4: Defined Benefit Pension Plans - Statewide (Continued)

City's Proportionate Share of the Net Pension Liability	\$ 869,717
State of Minnesota's Proportionate Share of the Net Pension Liability Associated with the City	<u>22,489</u>
Total	<u><u>\$ 892,206</u></u>

The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on the City's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2023 through June 30, 2024, relative to the total employer contributions received from all of PERA's participating employers. The City's proportionate share was 0.0235 percent at the end of the measurement period and 0.0244 percent for the beginning of the period.

For the year ended December 31, 2024, the City recognized pension expense of \$42,321 for its proportionate share of the General Employees Plan's pension expense. In addition, the City recognized an additional \$603 as pension expense (and grant revenue) for its proportionate share of the State of Minnesota's contribution of \$16 million to the General Employees Fund.

During the plan year ended June 30, 2024, the State of Minnesota contributed \$170.1 million to the General Employees Fund. The State of Minnesota is not included as a non-employer contributing entity in the General Employees Plan pension allocation schedules for the \$170.1 million in direct state aid because this contribution was not considered to meet the definition of a special funding situation. The City recognized \$40,015 for the year ended December 31, 2024 as revenue and an offsetting reduction of net pension liability for its proportionate share of the State of Minnesota's on-behalf contributions to the General Employees Fund.

At December 31, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Economic Experience	\$ 82,694	\$ -
Changes in Actuarial Assumptions	4,332	338,110
Net Difference Between Projected and Actual Investment Earnings	-	266,844
Changes in Proportion	7,920	24,454
Contributions Paid to PERA Subsequent to the Measurement Date	<u>83,994</u>	<u>-</u>
Total	<u><u>\$ 178,940</u></u>	<u><u>\$ 629,408</u></u>

The \$83,994 reported as deferred outflows of resources related to pensions resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2025. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

2025	\$ (298,925)
2026	(61,257)
2027	(107,621)
2028	(66,659)

City of St Francis, Minnesota
Notes to the Financial Statements
December 31, 2024

Note 4: Defined Benefit Pension Plans - Statewide (Continued)

Police and Fire Fund Pension Costs

At December 31, 2024, the City reported a liability of \$1,271,951 for its proportionate share of the Police and Fire Fund's net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportionate share of the net pension liability was based on the City's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2023 through June 30, 2024, relative to the total employer contributions received from all of PERA's participating employers. The City's proportionate share was 0.0967 percent at the end of the measurement period and 0.0922 percent for the beginning of the period.

The State of Minnesota contributed \$37.4 million to the Police and Fire Fund in the plan fiscal year ended June 30, 2024. The contribution consisted of \$9 million in direct state aid that meets the definition of a special funding situation, additional one-time direct state aid contribution of \$19.4 million, and \$9 million in supplemental state aid that does not meet the definition of a special funding situation. Additionally, \$9 million supplemental state aid was paid on October 1, 2024. Thereafter, by October 1 of each year, the state will pay \$9 million to the Police and Fire Fund until full funding is reached or July 1, 2048, whichever is earlier. The \$9 million in supplemental state aid will continue until the fund is 90 percent funded, or until the State Patrol Plan (administered by the Minnesota State Retirement System) is 90 percent funded, whichever occurs later. The State of Minnesota's proportionate share of the net pension liability associated with the City totaled \$48,486.

City's Proportionate Share of the Net Pension Liability	\$ 1,271,951
State of Minnesota's Proportionate Share of the Net Pension Liability Associated with the City	<u>48,486</u>
Total	<u><u>\$ 1,320,437</u></u>

For the year ended December 31, 2024, the City recognized pension expense of \$293,066 for its proportionate share of the Police and Fire Plan's pension expense. In addition, the City recognized an additional \$5,423 as pension expense (grant revenue) for its proportionate share of the State of Minnesota's contribution of \$9 million to the Police and Fire Fund.

The State of Minnesota is not included as a non-employer contributing entity in the Police and Fire Pension Plan pension allocation schedules for the \$28.4 million in supplemental state aid because this contribution was not considered to meet the definition of a special funding situation. The City recognized \$27,455 for the year ended December 31, 2024 as revenue and an offsetting reduction of net pension liability for its proportionate share of the State of Minnesota's on-behalf contributions to the Police and Fire Fund.

At December 31, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Economic Experience	\$ 480,442	\$ -
Changes in Actuarial Assumptions	1,343,660	1,786,132
Net Difference Between Projected and Actual Investment Earnings	-	426,660
Changes in Proportion	82,071	7,462
Contributions Paid to PERA Subsequent to the Measurement Date	<u>136,397</u>	<u>-</u>
Total	<u><u>\$ 2,042,570</u></u>	<u><u>\$ 2,220,254</u></u>

City of St Francis, Minnesota
Notes to the Financial Statements
December 31, 2024

Note 4: Defined Benefit Pension Plans - Statewide (Continued)

The \$136,397 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2025. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

2025	\$ (31,483)
2026	322,875
2027	(172,698)
2028	(462,086)
2029	29,311

E. Long-term Expected Return on Investment

The State Board of Investment, which manages the investments of PERA, prepares an analysis of the reasonableness on a regular basis of the long-term expected rate of return using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce an expected long-term rate of return by weighting the expected future rates of return by the target asset allocation percentages. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Return on Investment</u>
Domestic Equity	33.5 %	5.10 %
International Equity	16.5	5.30
Fixed Income	25.0	0.75
Private Markets	<u>25.0</u>	5.90
Total	<u><u>100.0</u></u> %	

Note 4: Defined Benefit Pension Plans - Statewide (Continued)

F. Actuarial Assumptions

The total pension liability for each of the cost-sharing defined benefit plans was determined by an actuarial valuation as of June 30, 2024, using the entry age normal actuarial cost method. The long-term rate of return on pension plan investments used to determine the total liability is 7.0%. The 7.0% assumption is based on a review of inflation and investment return assumptions from a number of national investment consulting firms. The review provided a range of investment return rates considered reasonable by the actuary. An investment return of 7.0% is within that range.

Inflation is assumed to be 2.25% for the General Employees Plan and Police and Fire Plan.

Benefit increases after retirement are assumed to be 1.25% for the General Employees Plan and 1.0% for the Police and Fire Plan.

Salary growth assumptions in the General Employees Plan range in annual increments from 10.25% after one year of service to 3.0% after 27 years of service. In the Police and Fire Plan, salary growth assumptions range in annual increments from 11.75% after one year of service to 3.0% after 24 years of service.

Mortality rates for the General Employees Plan are based on the Pub-2010 General Employee Mortality Table. Mortality rates for the Police and Fire Plan are based on the Pub-2010 Public Safety Employee Mortality tables. The tables are adjusted slightly to fit PERA's experience.

Actuarial assumptions for the General Employees Plan are reviewed every four years. The General Employees Plan was last reviewed in 2022. The assumption changes were adopted by the board and became effective with the July 1, 2023 actuarial valuation. The Police and Fire Plan were reviewed in 2024. PERA anticipates the experience study will be approved by the Legislative Commission on Pensions and Retirement and become effective with the July 1, 2025

The following changes in actuarial assumptions and plan provisions occurred in 2024:

General Employees Fund

Changes in Actuarial Assumptions

- Rates of merit and seniority were adjusted, resulting in slightly higher rates.
- Assumed rates of retirement were adjusted as follows: increase the rate of assumed unreduced retirements, slight adjustments to Rule of 90 retirement rates, and slight adjustments to early retirement rates for Tier 1 and Tier 2 members.
- Minor increase in assumed withdrawals for males and females.
- Lower rates of disability.
- Continued use of Pub-2010 general mortality table with slight rate adjustments as recommended in the most recent experience study.
- Minor changes to form of payment assumptions for male and female retirees.
- Minor changes to assumptions made with respect to missing participant data.

Changes in Plan Provisions

- The workers' compensation offset for disability benefits was eliminated. The actuarial equivalent factors updated to reflect the changes in assumptions.

Note 4: Defined Benefit Pension Plans - Statewide (Continued)

Police and Fire Fund

Changes in Actuarial Assumptions

- There were no changes in actuarial assumptions since the previous valuation.

Changes in Plan Provisions

- The State contribution of \$9 million per year will continue until the earlier of 1) both the Police and Fire Plan and the State Patrol Retirement Fund attain 90.0 percent funded status for three consecutive years (on an actuarial value of assets basis) or 2) July 1, 2048. The contribution was previously due to expire after attaining a 90.0 percent funded status for one year.
- The additional \$9 million contribution will continue until the Police and Fire Plan is fully funded for a minimum of three consecutive years on an actuarial value of assets basis, or July 1, 2048, whichever is earlier. This contribution was previously due to expire upon attainment of fully funded status on an actuarial value of assets basis for one year (or July 1, 2048 if earlier).

G. Discount Rate

The discount rate used to measure the total pension liability in 2024 was 7.0 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers will be made at rates set in Minnesota Statutes. Based on these assumptions, the fiduciary net position of the General Employees and Police and Fire Plans were projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

H. Pension Liability Sensitivity

The following presents the City's proportionate share of the net pension liability for all plans it participates in, calculated using the discount rate disclosed in the preceding paragraph, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate one percentage point lower or one percentage point higher than the current discount rate:

	1 Percent Decrease (6.0%)	Current (7.0%)	1 Percent Increase (8.0%)
General Employees Fund	\$ 1,899,602	\$ 869,717	\$ 22,543
Police and Fire Fund	3,005,869	1,271,951	(151,958)

I. Pension Plan Fiduciary Net Position

Detailed information about each pension plan's fiduciary net position is available in a separately issued PERA financial report that includes financial statements and required supplementary information. That report may be obtained on the Internet at www.mnpera.org.

City of St Francis, Minnesota
Notes to the Financial Statements
December 31, 2024

Note 5: Defined Benefit Pension Plan - Fire Relief Association

A. Plan Description

The St. Francis Fire Department (the Department) participates in the Statewide Volunteer Firefighter Retirement Plan (Volunteer Firefighter Plan accounted for in the Volunteer Firefighter Fund), an agent multiple-employer lump-sum [or monthly] defined benefit pension plan administered by the Public Employees Retirement Association of Minnesota (PERA). The Volunteer Firefighter Plan covers volunteer firefighters of municipal fire departments or independent nonprofit firefighting corporations that have elected to join the plan. As of December 31, 2023, the plan covered 23 active firefighters and 7 vested terminated firefighters whose pension benefits are deferred. The plan is established and administered in accordance with Minnesota statutes, chapter 353g.

B. Benefits Provided

The St. Francis Fire Department provides retirement, death, and supplemental benefits to covered firefighters and survivors. Benefits are paid based on the number of years of service multiplied by a benefit level approved by the City. Members are eligible for a lump-sum retirement benefit at 50 years of age with five years of service. Plan provisions include a pro-rated vesting schedule that increases from 5 years at 40 percent through 20 years at 100 percent.

C. Contribution

The Volunteer Firefighter Plan is funded by fire state aid, investment earnings and, if necessary, employer contributions as specified in Minnesota statutes. The State of Minnesota contributed \$57,572 in fire state aid to the fund for the year ended December 31, 2023. In addition, the City made voluntary contributions of \$10,500 to the plan.

City of St Francis, Minnesota
Notes to the Financial Statements
December 31, 2024

Note 5: Defined Benefit Pension Plan - Fire Relief Association (Continued)

D. Pension Costs

At December 31, 2024, the City reported a net pension asset of \$799,107 for the Volunteer Firefighter Fund. The net pension asset was measured as of December 31, 2023. The total pension liability used to calculate the net pension asset in accordance with GASB 68 was determined by PERA applying an actuarial formula to specific census data certified by the Department. The following table presents the changes in net pension liability during the year:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a-b)
Beginning Balance January 1, 2022	\$ 503,836	\$ 1,068,482	\$ (564,646)
Changes for the Year			
Service cost	28,341	-	28,341
Interest on pension liability (asset)	31,930	-	31,930
Actuarial experience (gains)/losses	(64,294)	-	(64,294)
Projected investment earnings	-	66,151	(66,151)
Contributions (employer)	-	10,500	(10,500)
Contributions (State)	-	57,571	(57,571)
Asset (gain)/loss	-	96,216	(96,216)
Administrative costs	-	-	-
Total Net Changes	(4,023)	230,438	(234,461)
Ending Balance December 31, 2023	<u>\$ 499,813</u>	<u>\$ 1,298,920</u>	<u>\$ (799,107)</u>

For the year ended December 31, 2024, the Fire Department recognized pension expense of \$5,177.

December 31, 2023, the City reported deferred inflows and outflows of resources, its contributions subsequent to the measurement date, related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 12,697	\$ 70,632
Net Difference between Projected and Actual Earnings on Plan Investments	149,242	107,491
Contributions to Plan Subsequent to the Measurement Date	68,856	-
Total	<u>\$ 230,795</u>	<u>\$ 178,123</u>

City of St Francis, Minnesota
Notes to the Financial Statements
December 31, 2024

Note 5: Defined Benefit Pension Plan - Fire Relief Association (Continued)

\$68,856 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended December 31, 2024. Other amounts reported as deferred outflows and inflows of resources related to the plan will be recognized in pension expense as follows:

2024	\$ 7,713
2025	12,196
2026	18,869
2027	(26,388)
2028	(7,144)
Thereafter	(21,430)

E. Actuarial Assumptions

The total pension liability at December 31, 2023, was determined using the entry age normal actuarial cost method and the following actuarial assumptions:

- Retirement eligibility at the later of age 50 or when fully vested
- Investment rate of return of 6.0 percent

There were no changes in actuarial assumptions in 2023.

F. Discount Rate

The discount rate used to measure the total pension liability was 6.0 percent. The projection of cash flows used to determine the discount rate assumed that contributions to the Volunteer Firefighter Fund will be made as specified in statute. Based on that assumption and considering the funding ratio of the plan, the fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

G. Pension Liability (Asset) Sensitivity

The following presents the City's net pension liability (asset) for the plan, calculated using the discount rate disclosed in the preceding paragraph, as well as what the City's net pension liability (asset) would be if it were calculated using a discount rate one percent lower or one percent higher than the current discount rate:

	1 Percent Decrease (5.00%)	Current (6.00%)	1 Percent Increase (7.00%)
Defined Benefit Plan	\$ (780,498)	\$ (799,107)	\$ (817,078)

City of St Francis, Minnesota
Notes to the Financial Statements
December 31, 2024

Note 5: Defined Benefit Pension Plan - Fire Relief Association (Continued)

H. Investment Policy

The Minnesota State Board of Investment (SBI) is established by Article XI of the Minnesota Constitution to invest all state funds. Its membership as specified in the Constitution is comprised of the governor (who is designated as chair of the Board), state auditor, secretary of state and state attorney general.

All investments undertaken by the SBI are governed by the prudent person rule and other standards codified in *Minnesota statutes*, chapter 11a and chapter 353g.

Within the requirements defined by state law, the SBI, with assistance of the SBI staff and the Investment Advisory Council, establishes investment policy for all funds under its control. These investments policies are tailored to the particular needs of each fund and specify investment objectives, risk tolerance, asset allocation, investment management structure and specific performance standards. Studies guide the on-going management of the funds and are updated periodically.

I. Asset Allocation

To match the long-term nature of the pension obligations, the SBI maintains a strategic asset allocation for the Statewide Volunteer Firefighter Retirement Plan (VOLP) that includes allocations to domestic equity, international equity, bonds and cash equivalents. The long-term target asset allocation and long-term expected real rate of return is the following:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Domestic Stocks	35.00 %	5.10 %
International Stocks	15.00	5.30
Bonds	45.00	0.75
Unallocated Cash	5.00	-
Total	<u>100.00 %</u>	

The 6.0 percent long-term expected rate of return on pension plan investments was determined using a building-block method. Best estimates for expected future real rates of return (expected returns, net of inflation) were developed for each asset class using both long-term historical returns and long-term capital market expectations from a number of investment management and consulting organizations. The asset class estimates and the target allocations were then combined to produce a geometric, long-term expected real rate of return for the portfolio. Inflation expectations were applied to derive the nominal rate of return for the portfolio.

The SBI made no significant changes to their investment policy during fiscal year 2023 for the Volunteer Firefighter Fund.

G. Discount Rate

Detailed information about the Volunteer Firefighter Fund's fiduciary net position as of June 30, 2023, is available in a separately-issued PERA financial report that includes financial statements and required supplementary information. That report may be obtained at www.mnpera.org.

City of St Francis, Minnesota
Notes to the Financial Statements
December 31, 2024

Note 6: Public Employees Defined Contribution Plan (Defined Contribution Plan)

Pension Plan Fiduciary Net Position

Detailed information about the Department fiduciary net position as of June 30, 2024, is available in a separately-issued PERA financial report that includes financial statements and required supplementary information. That report may be obtained at www.mnpera.org.

City Council members are covered by the Defined Contribution Plan, a multiple-employer deferred compensation plan administered by PERA. The Defined Contribution Plan is a tax qualified plan under Section 401(a) of the Internal Revenue Code and all contributions by or on behalf of employees are tax deferred until time of withdrawal.

Plan benefits depend solely on amounts contributed to the plan plus investment earnings, less administrative expenses. Minnesota Statutes, Chapter 353D.03, specifies plan provisions, including the employee and employer contribution rates for those qualified personnel who elect to participate. An eligible elected official who decides to participate contributes five percent of salary which is matched by the elected official's employer. Employer contributions for volunteer personnel may be a unit value for each call or period of alert duty. Employees who are paid for their services may elect to make member contributions in an amount not to exceed the employer share. Employer and employee contributions are combined and used to purchase shares in one or more of the seven accounts of the Minnesota Supplemental Investment Fund. For administering the plan, PERA receives 2.0 percent of employer contributions and twenty-five hundredths of 1.0 percent (0.25 percent) of the assets in each member's account annually.

Contribution Amount		Percentage of Covered Payroll		Required Rate
Employee	Employer	Employee	Employer	
\$ 240	\$ 240	5.00%	5.00%	5.00%

The City and council member's contributions to the DCP plan for the years ending December 31, 2024, 2023 and 2022 were \$240, \$240 and \$120, respectively.

Note 7: Conduit Debt Obligations

The City has issued revenue bonds to provide financial assistance to private-sector entities for the acquisition and construction of a senior housing development project deemed to be in the public interest for \$10,001,000 during the year. At December 31, 2024, the balance of the bond outstanding was \$10,001,000. Neither, the City, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

City of St Francis, Minnesota
Notes to the Financial Statements
December 31, 2024

Note 8: Other Information

A. Legal Debt Margin

In accordance with Minnesota statutes, the City may not incur or be subject to net debt in excess of 3 percent of the market value of taxable property within the City. Net debt is payable solely from ad valorem taxes and therefore, excludes debt financed partially or entirely by special assessments, enterprise fund revenues or tax increment. The City has no debt subject to the limit.

B. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters for which the City carries insurance. The City obtains insurance through participation in the League of Minnesota Cities Insurance Trust (LMCIT), which is a risk sharing pool with approximately 800 other governmental units. The City pays an annual premium to LMCIT for its workers compensation and property and casualty insurance. The LMCIT is self-sustaining through member premiums and will reinsure for claims above a prescribed dollar amount for each insurance event. Settled claims have not exceeded the City's coverage in any of the past three fiscal years.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities, if any, include an amount for claims that have been incurred but not reported (IBNRs). The City's management is not aware of any incurred but not reported claims.

C. Tax Increment Financing Districts

The City's tax increment districts are subject to review by the State of Minnesota Office of the State Auditor (OSA). Any disallowed claims or misuse of tax increments could become a liability of the applicable fund. Management has indicated that they are not aware of any instances of noncompliance which would have a material effect on the financial statements.

Note 9: Change in Major Fund Reporting

During fiscal year 2024, changes to or within the financial reporting entity resulted in adjustments to and restatements of beginning fund balances. During fiscal year 2024, the Street Improvement and Debt Service fund were calculated to be major. The effects of the change within the financial reporting entity are shown in the table above.

	(Formerly Nonmajor)		(Formerly Nonmajor)			
	General Fund	Debt Service	Building Improvement	Street Improvement	Nonmajor Governmental	Totals
January 1, 2024 as previously reported	\$ 3,496,151	\$ -	\$ 12,079,572	\$ -	\$ 2,925,223	\$ 18,500,946
Change in reporting entity						
Change from nonmajor to major fund	-	167,059	-	1,097,874	(1,264,933)	-
January 1, 2024, as adjusted or restated	<u>\$ 3,496,151</u>	<u>\$ 167,059</u>	<u>\$ 12,079,572</u>	<u>\$ 1,097,874</u>	<u>\$ 1,660,290</u>	<u>\$ 18,500,946</u>

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REQUIRED SUPPLEMENTARY INFORMATION

CITY OF ST. FRANCIS
ST. FRANCIS, MINNESOTA

FOR THE YEAR ENDED
DECEMBER 31, 2024

City of St Francis, Minnesota
Required Supplementary Information
For the Year Ended December 31, 2024

Schedule of Employer's Share of PERA Net Pension Liability - General Employees Fund

Fiscal Year Ending	City's Proportion of the Net Pension Liability	City's Proportionate Share of the Net Pension Liability (a)	State's Proportionate Share of the Net Pension Liability Associated with the City (b)	Total (a+b)	City's Covered Payroll (c)	City's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll (a/c)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
6/30/2024	0.0235 %	\$ 869,717	\$ 22,489	\$ 892,206	\$ 1,991,053	43.7 %	86.7 %
6/30/2023	0.0244	1,364,421	37,653	1,402,074	1,944,063	70.2	83.1
6/30/2022	0.0240	1,900,808	55,718	1,956,526	1,795,772	105.8	76.7
6/30/2021	0.0253	1,080,423	32,902	1,113,325	1,818,227	59.4	87.0
6/30/2020	0.0241	1,444,905	44,658	1,489,563	1,720,328	84.0	79.0
6/30/2019	0.0234	1,293,734	40,165	1,333,899	1,655,440	78.2	80.2
6/30/2018	0.0230	1,275,946	41,934	1,317,880	1,548,473	82.4	79.5
6/30/2017	0.0229	1,461,921	18,392	1,480,313	1,476,032	99.0	75.9
6/30/2016	0.0224	1,818,769	23,762	1,842,531	1,392,886	130.6	68.9
6/30/2015	0.0186	963,949	-	963,949	1,095,456	88.0	78.2

Schedule of Employer's PERA Contributions - General Employees Fund

Year Ending	Statutorily Required Contribution (a)	Contributions in Relation to the Statutorily Required Contribution (b)	Contribution Deficiency (Excess) (a-b)	City's Covered Payroll (c)	Contributions as a Percentage of Covered Payroll (b/c)
12/31/2024	\$ 159,328	\$ 159,328	\$ -	\$ 2,124,373	7.50 %
12/31/2023	149,327	149,327	-	1,991,025	7.50
12/31/2022	137,468	137,468	-	1,832,903	7.50
12/31/2021	137,060	137,060	-	1,827,467	7.50
12/31/2020	131,311	131,311	-	1,750,813	7.50
12/31/2019	127,379	127,379	-	1,698,389	7.50
12/31/2018	123,228	123,228	-	1,643,035	7.50
12/31/2017	110,789	110,789	-	1,477,182	7.50
12/31/2016	107,200	107,200	-	1,429,333	7.50
12/31/2015	93,328	93,328	-	1,244,373	7.50

City of St Francis, Minnesota
Required Supplementary Information (Continued)
For the Year Ended December 31, 2024

Notes to the Required Supplementary Information - General Employee Retirement Fund

Changes in Actuarial Assumptions

2024 - The following changes in assumptions are effective with the July 1, 2024 valuation, as recommended in the most recent experience study (dated June 29, 2023): Rates of merit and seniority were adjusted, resulting in slightly higher rates. Assumed rates of retirement were adjusted as follows: increase the rate of assumed unreduced retirements, slight adjustments to Rule of 90 retirement rates, and slight adjustments to early retirement rates for Tier 1 and Tier 2 members. Minor increase in assumed withdrawals for males and females. Lower rates of disability. Continued use of Pub-2010 general mortality table with slight rate adjustments as recommended in the most recent experience study. Minor changes to form of payment assumptions for male and female retirees. Minor changes to assumptions made with respect to missing participant data.

2023 - The investment return and single discount rates were changed from 6.5 percent to 7.0 percent.

2022 - The mortality improvement scale was changed from Scale MP-2020 to Scale MP-2021.

2021 - The investment return and single discount rates were changed from 7.50 percent to 6.50 percent, for financial reporting purposes. The mortality improvement scale was changed from Scale MP-2019 to Scale MP-2020.

2020 - The price inflation assumption was decreased from 2.50% to 2.25%. The payroll growth assumption was decreased from 3.25% to 3.00%. Assumed salary increase rates were changed as recommended in the June 30, 2019 experience study. The net effect is assumed rates that average 0.25% less than previous rates. Assumed rates of retirement were changed as recommended in the June 30, 2019 experience study. The changes result in more unreduced (normal) retirements and slightly fewer Rule of 90 and early retirements. Assumed rates of termination were changed as recommended in the June 30, 2019 experience study. The new rates are based on service and are generally lower than the previous rates for years 2-5 and slightly higher thereafter. Assumed rates of disability were changed as recommended in the June 30, 2019 experience study. The change results in fewer predicted disability retirements for males and females. The base mortality table for healthy annuitants and employees was changed from the RP-2014 table to the Pub-2010 General Mortality table, with adjustments. The base mortality table for disabled annuitants was changed from the RP-2014 disabled annuitant mortality table to the PUB-2010 General/Teacher disabled annuitant mortality table, with adjustments. The mortality improvement scale was changed from Scale MP-2018 to Scale MP-2019. The assumed spouse age difference was changed from two years older for females to one year older. The assumed number of married male new retirees electing the 100% Joint & Survivor option changed from 35% to 45%. The assumed number of married female new retirees electing the 100% Joint & Survivor option changed from 15% to 30%. The corresponding number of married new retirees electing the Life annuity option was adjusted accordingly.

2019 - The mortality projection scale was changed from MP-2017 to MP-2018.

2018 - The mortality projection scale was changed from MP-2015 to MP-2017. The assumed benefit increase was changed from 1.00 percent per year through 2044 and 2.50 percent per year thereafter to 1.25 percent per year.

2017 - The Combined Service Annuity (CSA) loads were changed from 0.8 percent for active members and 60 percent for vested and non-vested deferred members. The revised CSA loads are now 0.0 percent for active member liability, 15.0 percent for vested deferred member liability and 3.0 percent for non-vested deferred member liability. The assumed post-retirement benefit increase rate was changed from 1.0 percent per year for all years to 1.0 percent per year through 2044 and 2.5 percent per year thereafter.

2016 - The assumed post-retirement benefit increase rate was changed from 1.0 percent per year through 2035 and 2.5 percent per year thereafter to 1.0 percent per year for all future years. The assumed investment return was changed from 7.9 percent to 7.5 percent. The single discount rate was changed from 7.9 percent to 7.5 percent. Other assumptions were changed pursuant to the experience study dated June 30, 2015. The assumed future salary increases, payroll growth and inflation were decreased by 0.25 percent to 3.25 percent for payroll growth and 2.50 percent for inflation.

2015 - The assumed post-retirement benefit increase rate was changed from 1.0 percent per year through 2030 and 2.5 percent per year thereafter to 1.0 percent per year through 2035 and 2.5 percent per year thereafter.

City of St Francis, Minnesota
Required Supplementary Information (Continued)
For the Year Ended December 31, 2024

Notes to the Required Supplementary Information - General Employee Retirement Fund (Continued)

Changes in Plan Provisions

2024 - The workers' compensation offset for disability benefits was eliminated. The actuarial equivalent factors updated to reflect the changes in assumptions.

2023 - An additional one-time direct state aid contribution of \$170.1 million will be contributed to the Plan on October 1, 2023. The vesting period of those hired after June 30, 2010, was changed from five years of allowable service to three years of allowable service. The benefit increase delay for early retirements on or after January 1, 2024 was eliminated. A one-time non-compounding benefit increase of 2.5 percent minus the actual 2024 adjustment will be payable in a lump sum for calendar year 2024 by March 31, 2024.

2022 - There were no changes in plan provisions since the previous valuation.

2021 - There were no changes in plan provisions since the previous valuation.

2020 - Augmentation for current privatized members was reduced to 2.0% for the period July 1, 2020 through December 31, 2023 and 0.0% after. Augmentation was eliminated for privatizations occurring after June 30, 2020.

2019 - The employer supplemental contribution was changed prospectively, decreasing from \$31.0 million to \$21.0 million per year. The state's special funding contribution was changed prospectively, requiring \$16.0 million due per year through 2031.

2018 - The augmentation adjustment in early retirement factors is eliminated over a five-year period starting July 1, 2019, resulting in actuarial equivalence after June 30, 2024. Interest credited on member contributions decreased from 4.0 percent to 3.0 percent, beginning July 1, 2018. Deferred augmentation was changed to 0.0 percent, effective January 1, 2019. Augmentation that has already accrued for deferred members will still apply. Contribution stabilizer provisions were repealed. Postretirement benefit increases were changed from 1.0 percent per year with a provision to increase to 2.5 percent upon attainment of 90.0 percent funding ratio to 50.0 percent of the Social Security Cost of Living Adjustment, not less than 1.0 percent and not more than 1.5 percent, beginning January 1, 2019. For retirements on or after January 1, 2024, the first benefit increase is delayed until the retiree reaches normal retirement age; does not apply to Rule of 90 retirees, disability benefit recipients, or survivors. Actuarial equivalent factors were updated to reflect revised mortality and interest assumptions.

2017 - The State's contribution for the Minneapolis Employees Retirement Fund equals \$16,000,000 in 2017 and 2018, and \$6,000,000 thereafter. The Employer Supplemental Contribution for the Minneapolis Employees Retirement Fund changed from \$21,000,000 to \$31,000,000 in calendar years 2019 to 2031. The state's contribution changed from \$16,000,000 to \$6,000,000 in calendar years 2019 to 2031.

2016 - There were no changes in plan provisions since the previous valuation.

2015 - On January 1, 2015, the Minneapolis Employees Retirement Fund was merged into the General Employees Fund, which increased the total pension liability by \$1.1 billion and increased the fiduciary plan net position by \$892 million. Upon consolidation, state and employer contributions were revised.

City of St Francis, Minnesota
Required Supplementary Information (Continued)
For the Year Ended December 31, 2024

Schedule of Employer's Share of PERA Net Pension Liability - Police and Fire Fund

Fiscal Year Ending	City's Proportion of the Net Pension Liability	City's Proportionate Share of the Net Pension Liability (a)	State's Proportionate Share of the Net Pension Liability Associated with the City (b)	Total (a+b)	City's Covered Payroll (c)	City's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll (a/c)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
6/30/2024	0.0967 %	\$ 1,271,951	\$ 48,486	\$ 1,320,437	\$ 1,338,786	95.0 %	87.0 %
6/30/2023	0.0922	1,592,174	64,191	1,656,365	1,206,955	131.9	86.5
6/30/2022	0.0920	4,003,477	174,859	4,178,336	1,121,677	356.9	70.5
6/30/2021	0.0949	732,527	32,910	765,437	1,121,017	65.3	93.7
6/30/2020	0.0915	1,206,068	28,426	1,234,494	1,032,550	116.8	87.2
6/30/2019	0.0849	903,846	-	903,846	893,836	101.1	89.3
6/30/2018	0.0768	818,609	-	818,609	809,466	101.1	88.8
6/30/2017	0.0760	1,026,090	-	1,026,090	776,950	132.1	85.4
6/30/2016	0.0870	3,491,461	-	3,491,461	794,376	439.5	63.9
6/30/2015	0.0870	988,524	-	988,524	796,699	124.1	86.6

Schedule of Employer's PERA Contributions - Police and Fire Fund

Year Ending	Statutorily Required Contribution (a)	Contributions in Relation to the Statutorily Required Contribution (b)	Contribution Deficiency (Excess) (a-b)	City's Covered Payroll (c)	Contributions as a Percentage of Covered Payroll (b/c)
12/31/2024	\$ 262,117	\$ 262,117	\$ -	\$ 1,480,887	17.70 %
12/31/2023	220,179	220,179	-	1,243,948	17.70
12/31/2022	202,312	202,312	-	1,143,007	17.70
12/31/2021	202,676	202,676	-	1,145,062	17.70
12/31/2020	190,524	190,524	-	1,076,407	17.70
12/31/2019	165,990	165,990	-	979,290	16.95
12/31/2018	134,584	134,584	-	830,768	16.20
12/31/2017	128,689	128,689	-	794,377	16.20
12/31/2016	127,740	127,740	-	788,519	16.20
12/31/2015	137,113	137,113	-	846,377	16.20

City of St Francis, Minnesota
Required Supplementary Information (Continued)
For the Year Ended December 31, 2024

Notes to the Required Supplementary Information - Police and Fire Fund

Changes in Actuarial Assumptions

2024 - There were no changes in actuarial assumptions since the previous valuation.

2023 - The investment return assumption was changed from 6.5 percent to 7.0 percent. The single discount rate changed from 5.4 percent to 7.0 percent.

2022 - The mortality improvement scale was changed from Scale MP-2020 to Scale MP-2021. The single discount rate changed from 6.50 percent to 5.40 percent.

2021 - The investment return and single discount rates were changed from 7.5 percent to 6.5 percent, for financial reporting purposes. The inflation assumption was changed from 2.5 percent to 2.25 percent. The payroll growth assumption was changed from 3.25 percent to 3.0 percent. The base mortality table for healthy annuitants and employees was changed from the RP-2014 table to the Pub-2010 Public Safety Mortality table. The mortality improvement scale was changed from MP-2019 to MN-2020. The base mortality table for disabled annuitants was changed from the RP-2014 healthy annuitant mortality table (with future mortality improvement according to Scale MP-2019) to the Pub-2010 Public Safety disabled annuitant mortality table (with future mortality improvement according to Scale MP-2020). Assumed rates of salary increase were modified as recommended in the July 14, 2020 experience study. The overall impact is a decrease in gross salary increase rates. Assumed rates of retirement were changed as recommended in the July 14, 2020 experience study. The changes result in slightly more unreduced retirements and fewer assumed early retirements. Assumed rates of withdrawal were changed from select and ultimate rates to service-based rates. The changes result in more assumed terminations. Assumed rates of disability were increased for ages 25-44 and decreased for ages over 49. Overall, proposed rates result in more projected disabilities. Assumed percent married for active female members was changed from 60.0 percent to 70.0 percent. Minor changes to form of payment assumptions were applied.

2020 - The mortality projection scale was changed from MP-2018 to MP-2019.

2019 - The mortality projection scale was changed from MP-2017 to MP-2018.

2018 - The mortality projection scale was changed from MP-2016 to MP-2017.

2017 - Assumed salary increases were changed as recommended in the June 30, 2016 experience study. The net effect is proposed rates that average 0.34 percent lower than the previous rates. Assumed rates of retirement were changed, resulting in fewer retirements. The Combined Service Annuity (CSA) load was 30 percent for vested and non-vested deferred members. The CSA has been changed to 33 percent for vested members and 2 percent for non-vested members. The base mortality table for healthy annuitants was changed from the RP-2000 fully generational table to the RP-2014 fully generational table (with a base year of 2006), with male rates adjusted by a factor of 0.96. The mortality improvement scale was changed from Scale AA to Scale MP-2016. The base mortality table for disabled annuitants was changed from the RP-2000 disabled mortality table to the mortality tables assumed for healthy retirees. Assumed termination rates were decreased to 3.0 percent for the first three years of service. Rates beyond the select period of three years were adjusted, resulting in more expected terminations overall. Assumed percentage of married female members was decreased from 65 percent to 60 percent. Assumed age difference was changed from separate assumptions for male members (wives assumed to be three years younger) and female members (husbands assumed to be four years older) to the assumption that males are two years older than females. The assumed percentage of female members electing joint and survivor annuities was increased. The assumed post-retirement benefit increase rate was changed from 1.0 percent for all years to 1.0 percent per year through 2064 and 2.5 percent thereafter. The single discount rate was changed from 5.6 percent to 7.5 percent.

2016 - The assumed post-retirement benefit increase rate was changed from 1.0 percent per year through 2037 and 2.5 percent per year thereafter to 1.0 percent per year for all future years. The assumed investment return was changed from 7.9 percent to 7.5 percent. The single discount rate was changed from 7.9 percent to 5.6 percent. The assumed future salary increases, payroll growth and inflation were decreased by 0.25 percent to 3.25 percent for payroll growth and 2.5 percent for inflation.

2015 - The assumed post-retirement benefit increase rate was changed from 1.0 percent per year through 2030 and 2.5 percent per year

City of St Francis, Minnesota
Required Supplementary Information (Continued)
For the Year Ended December 31, 2024

Notes to the Required Supplementary Information - Police and Fire Fund (Continued)

Changes in Plan Provisions

2024 - The State contribution of \$9.0 million per year will continue until the earlier of 1) both the Police and Fire Plan and the State Patrol Retirement Fund attain 90.0 percent funded status for three consecutive years (on an actuarial value of assets basis) or 2) July 1, 2048. The contribution was previously due to expire after attaining a 90.0 percent funded status for one year. The additional \$9.0 million contribution will continue until the Police and Fire Plan is fully funded for a minimum of three consecutive years on an actuarial value of assets basis, or July 1, 2048, whichever is earlier. This contribution was previously due to expire upon attainment of fully funded status on an actuarial value of assets basis for one year (or July 1, 2048 if earlier).

2023 - An additional one-time direct state aid contribution of \$19.4 million will be contributed to the Plan on October 1, 2023. The vesting requirement for new hires after June 30, 2014 was changed from a graded 20-year vesting schedule to a graded 10-year vesting schedule, with 50 percent vesting after five years increasing incrementally to 100 percent after 10 years. A one-time non-compounding benefit increase of 3.0 percent will be payable in a lump sum for calendar year 2024 by March 31, 2024. Psychological treatment is required effective July 1, 2023 prior to approval for a duty disability benefit for a psychological condition relating to the member's occupation. The total and permanent duty disability was increased, effective July 1, 2023.

2022 - There were no changes in plan provisions since the previous valuation.

2021 - There were no changes in plan provisions since the previous valuation.

2020 - There were no changes in plan provisions since the previous valuation.

2019 - There were no changes in plan provisions since the previous valuation.

2018 - As set by statute, the assumed post-retirement benefit increase was changed from 1.0 percent per year through 2064 and 2.5 percent per year, thereafter, to 1.0 percent for all years, with no trigger. An end date of July 1, 2048 was added to the existing \$9 million state contribution. New annual state aid will equal \$4.5 million in fiscal years 2019 and 2020, and \$9 million thereafter until the plan reaches 100 percent funding, or July 1, 2048, if earlier. Member contributions were changed from 10.8 percent to 11.3 percent of pay, effective January 1, 2019 and 11.8 percent of pay, effective January 1, 2020. Employer contributions were changed from 16.2 percent to 16.95 percent of pay, effective January 1, 2019 and 17.7 percent of pay, effective January 1, 2020. Interest credited on member contributions decreased from 4.0 percent to 3.0 percent, beginning July 1, 2018. Deferred augmentation was changed to 0.0 percent, effective January 1, 2019. Augmentation that has already accrued for deferred members will still apply. Actuarial equivalent factors were updated to reflect revised mortality and interest assumptions.

2017 - Assumed salary increases were changed as recommended in the June 30, 2016 experience study. The net effect is proposed rates that average 0.34 percent lower than the previous rates. Assumed rates of retirement were changed, resulting in fewer retirements. The combined service annuity (CSA) load was 30.0 percent for vested and non-vested, deferred members. The CSA has been changed to 33.0 percent for vested members and 2.0 percent for non-vested members. The base mortality table for healthy annuitants was changed from the RP-2000 fully generational table to the RP-2014 fully generational table (with a base year of 2006), with male rates adjusted by a factor of 0.96. The mortality improvement scale was changed from Scale AA to Scale MP-2016. The base mortality table for disabled annuitants was changed from the RP-2000 disabled mortality table to the mortality tables assumed for healthy retirees. Assumed termination rates were decreased to 3.0 percent for the first three years of service. Rates beyond the select period of three years were adjusted, resulting in more expected terminations overall. Assumed percentage of married female members was decreased from 65.0 percent to 60.0 percent. Assumed age difference was changed from separate assumptions for male members (wives assumed to be three years younger) and female members (husbands assumed to be four years older) to the assumption that males are two years older than females. The assumed percentage of female members electing joint and survivor annuities was increased. The assumed postretirement benefit increase rate was changed from 1.0 percent for all years to 1.0 percent per year through 2064 and 2.5 percent thereafter. The single discount rate was changed from 5.6 percent per annum to 7.5 percent per annum.

2016 - There were no changes in plan provisions since the previous valuation.

2015 - The post-retirement benefit increase to be paid after attainment of the 90 percent funding threshold was changed, from inflation up to

City of St Francis, Minnesota
Required Supplementary Information (Continued)
For the Year Ended December 31, 2024

Schedule of Changes in the Fire Relief Association's Net Pension Liability (Asset) and Related Ratios

	2024 (Fire Relief Report Date 2023)	2023 (Fire Relief Report Date 2022)	2022 (Fire Relief Report Date 2021)	2021 (Fire Relief Report Date 2020)	2020 (Fire Relief Report Date 2019)	2019 (Fire Relief Report Date 2018)	2018 (Fire Relief Report Date 2017)	2016 (Fire Relief Report Date 2015)	2015 (Fire Relief Report Date 2014)
Total Pension Liability									
Service cost	\$ 28,341	\$ 29,699	\$ 31,555	\$ 25,017	\$ 29,845	\$ 29,053	\$ 23,782	\$ 16,867	\$ 16,456
Interest	31,930	29,872	26,157	22,434	26,142	25,889	26,773	14,927	18,114
Changes of benefit terms	-	-	-	-	-	(4,837)	(24,359)	-	-
Plan changes	-	(7,409)	-	-	-	-	-	85,421	-
Actual experience (gains)/losses	(64,294)	(16,499)	6,061	51,352	-	-	-	-	-
Changes of assumptions	-	-	-	-	(69,168)	(17,091)	-	-	-
Benefit payments, including refunds of employee contributions	-	-	-	(86,564)	(1,000)	-	-	(17,815)	(115,925)
Net Change in Total Pension Liability	(4,023)	35,663	63,773	12,239	(14,181)	33,014	26,196	99,400	(81,355)
Total Pension Liability - January 1	503,836	468,173	404,400	392,161	406,342	373,328	347,132	247,732	329,087
Total Pension Liability - December 31 (a)	\$ 499,813	\$ 503,836	\$ 468,173	\$ 404,400	\$ 392,161	\$ 406,342	\$ 373,328	\$ 347,132	\$ 247,732
Plan Fiduciary Net Position									
Contributions - employer	\$ 57,571	\$ 50,104	\$ 46,341	\$ 42,022	\$ 41,643	\$ 11,500	\$ 9,000	\$ 36,251	\$ 35,927
Contributions - employee	10,500	11,500	12,000	10,500	10,500	-	-	-	-
Net investment income	66,151	71,129	61,619	129,714	138,248	47,002	90,515	(18,720)	37,617
Benefit payments, including refunds of employee contributions	-	-	-	(86,564)	(1,000)	-	-	(17,815)	(115,925)
Asset (gains)/losses	96,216	(248,736)	39,415	-	-	-	-	-	-
Administrative expense	-	(1,003)	(869)	(952)	(977)	(6,743)	(819)	(5,600)	(5,584)
Net Change in Plan Fiduciary Net Position	230,438	(117,006)	158,506	94,720	188,414	51,759	98,696	(5,884)	(47,965)
Plan Fiduciary Net Position - January 1	1,068,482	1,185,488	1,026,982	932,262	743,848	710,834	685,791	623,519	671,484
Change in pension plan and measurement date*	-	-	-	-	-	(1,654)	(75,307)	-	-
Plan Fiduciary Net Position - December 31 (b)	\$ 1,298,920	\$ 1,068,482	\$ 1,185,488	\$ 1,026,982	\$ 932,262	\$ 760,939	\$ 709,180	\$ 617,635	\$ 623,519
Fire Relief's Net Pension Liability (Asset) - December 31 (a-b)	\$ (799,107)	\$ (564,646)	\$ (717,315)	\$ (622,582)	\$ (540,101)	\$ (354,597)	\$ (335,852)	\$ (270,503)	\$ (375,787)
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (b/a)	259.88%	212.07%	253.22%	253.95%	237.72%	187.27%	189.96%	177.93%	251.69%
Covered-employee Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Fire Relief's Net Pension Liability (Asset) as a Percentage of Covered-employee Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Note: Schedule is intended to show 10-year trend. Additional years will be reported as they become available

Schedule of Employer's Fire Relief Association Contributions

Year Ending	Actuarial Determined Contribution (a)	Actual Contributions Paid (b)	Contribution Deficiency (Excess) (a-b)
12/31/24	\$ 56,356	\$ 67,856	\$ (11,500)
12/31/23	57,572	68,072	(10,500)
12/31/22	50,104	61,604	(11,500)
12/31/21	44,341	56,341	(12,000)
12/31/20	42,022	52,522	(10,500)
12/31/19	39,189	49,689	(10,500)
12/31/18	37,521	49,021	(11,500)
12/31/17	35,947	44,947	(9,000)
12/31/16	35,592	35,592	-
12/31/15	37,251	37,251	-

COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS AND SCHEDULES

CITY OF ST. FRANCIS
ST. FRANCIS, MINNESOTA

FOR THE YEAR ENDED
DECEMBER 31, 2024

City of St Francis, Minnesota
Nonmajor Governmental Funds
Combining Balance Sheet
December 31, 2024

	Special Revenue		
	Police Forfeiture	Capital Projects	Total
Assets			
Cash and temporary investments	\$ 1,396	\$ 1,898,031	\$ 1,899,427
Receivables			
Accrued interest	-	6,931	6,931
Accounts	-	3,495	3,495
Due from other governments	-	127,675	127,675
	<u>1,396</u>	<u>127,675</u>	<u>127,675</u>
Total Assets	<u>\$ 1,396</u>	<u>\$ 2,036,132</u>	<u>\$ 2,037,528</u>
Liabilities			
Accounts payable	\$ -	\$ 50,323	\$ 50,323
	<u>-</u>	<u>50,323</u>	<u>50,323</u>
Fund Balances			
Restricted	1,396	661,853	663,249
Assigned	-	1,323,956	1,323,956
Total Fund Balances	<u>1,396</u>	<u>1,985,809</u>	<u>1,987,205</u>
	<u>1,396</u>	<u>1,985,809</u>	<u>1,987,205</u>
Total Liabilities and Fund Balances	<u>\$ 1,396</u>	<u>\$ 2,036,132</u>	<u>\$ 2,037,528</u>

City of St Francis, Minnesota
Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
For the Year Ended December 31, 2024

	Special Revenue <u>Police</u> <u>Forfeiture</u>	Debt Service	Capital Projects	Total
Revenues				
Taxes	\$ -	\$ -	\$ 670,000	\$ 670,000
Intergovernmental	-	-	135,877	135,877
Charges for services	-	-	25,544	25,544
Investment earnings	-	-	72,423	72,423
Miscellaneous	251	-	39,453	39,704
Total Revenues	<u>251</u>	<u>-</u>	<u>943,297</u>	<u>943,548</u>
Expenditures				
Current				
Public safety	-	-	119,892	119,892
Culture and recreation	-	-	129,977	129,977
Capital outlay				
General government	-	-	17,563	17,563
Public safety	-	-	191,099	191,099
Public works	-	-	46,990	46,990
Culture and recreation	-	-	195,625	195,625
Total Expenditures	<u>-</u>	<u>-</u>	<u>701,146</u>	<u>701,146</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>251</u>	<u>-</u>	<u>242,151</u>	<u>242,402</u>
Other Financing Sources (Uses)				
Transfers in	-	-	40,000	40,000
Sale of capital assets	-	-	44,513	44,513
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>84,513</u>	<u>84,513</u>
Net Change in Fund Balances	<u>251</u>	<u>-</u>	<u>326,664</u>	<u>326,915</u>
Fund Balances, January 1, as previously reported	1,145	167,059	2,757,019	2,925,223
Change to the financial reporting entity Change from nonmajor to major fund	<u>-</u>	<u>(167,059)</u>	<u>(1,097,874)</u>	<u>(1,264,933)</u>
Fund Balances, January 1, as adjusted	<u>1,145</u>	<u>-</u>	<u>1,659,145</u>	<u>1,660,290</u>
Fund Balances, December 31	<u>\$ 1,396</u>	<u>\$ -</u>	<u>\$ 1,985,809</u>	<u>\$ 1,987,205</u>

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NONMAJOR SPECIAL REVENUE FUNDS

Special revenue funds are used to account for revenue derived from specific taxes or other earmarked revenue sources. They are usually required by Minnesota statute or local ordinances to finance particular functions or other activities of government.

Police Forfeiture - proceeds from the sale of forfeited vehicles which is legally restricted for the purchase of police equipment.

City of St Francis, Minnesota
Police Forfeiture Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual
For the Year Ended December 31, 2024
(With Comparative Actual Amounts for the Year Ended December 31, 2023)

	2024				2023
	Budget Amounts		Actual Amounts	Variance with Final Budget	Actual Amounts
	Original	Final			
Revenues					
Miscellaneous	\$ -	\$ -	\$ 251	\$ 251	\$ 6,681
Expenditures					
Current					
Public safety	3,647	3,647	-	3,647	17,518
Net Change in Fund Balances	(3,647)	(3,647)	251	3,898	(10,837)
Fund Balances, January 1	1,145	1,145	1,145	-	11,982
Fund Balances, December 31	<u>\$ (2,502)</u>	<u>\$ (2,502)</u>	<u>\$ 1,396</u>	<u>\$ 3,898</u>	<u>\$ 1,145</u>

NONMAJOR CAPITAL PROJECTS FUNDS

Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by enterprise funds.

Charitable Gambling - accounts for accumulation of resources to finance future police and fire capital expenditures.

Park Improvements - for the development of new City parks and improvement of existing parks. Revenue is primarily from park development fees.

Capital Equipment - accounts for the accumulation of financial resources for the future purchases of capital outlay.

City of St Francis, Minnesota
Nonmajor Capital Projects Funds
Combining Balance Sheet
December 31, 2024

	210 Charitable Gambling	225 Park Improvements	402 Capital Equipment	Total
Assets				
Cash and temporary investments	\$ 234,281	\$ 340,387	\$ 1,323,363	\$ 1,898,031
Receivables				
Accrued interest	1,154	474	5,303	6,931
Accounts	3,495	-	-	3,495
Due from other governments	-	127,675	-	127,675
Total Assets	<u><u>\$ 238,930</u></u>	<u><u>\$ 468,536</u></u>	<u><u>\$ 1,328,666</u></u>	<u><u>\$ 2,036,132</u></u>
Liabilities				
Accounts payable	<u>\$ 45,613</u>	<u>\$ -</u>	<u>\$ 4,710</u>	<u>\$ 50,323</u>
Fund Balances				
Restricted for				
Park improvements	-	468,536	-	468,536
Capital equipment	193,317	-	-	193,317
Assigned for				
Capital equipment	-	-	1,323,956	1,323,956
Total Fund Balances	<u>193,317</u>	<u>468,536</u>	<u>1,323,956</u>	<u>1,985,809</u>
Total Liabilities and Fund Balances	<u><u>\$ 238,930</u></u>	<u><u>\$ 468,536</u></u>	<u><u>\$ 1,328,666</u></u>	<u><u>\$ 2,036,132</u></u>

City of St Francis, Minnesota
Nonmajor Capital Projects Funds
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
For the Year Ended December 31, 2024

	210 Charitable Gambling	225 Park Improvements	402 Capital Equipment	Total
Revenues				
Property taxes	\$ -	\$ 350,000	\$ 320,000	\$ 670,000
Intergovernmental	-	130,885	4,992	135,877
Charges for services	-	25,544	-	25,544
Interest on investments	13,340	307	58,776	72,423
Miscellaneous	37,180	-	2,273	39,453
Total Revenues	<u>50,520</u>	<u>506,736</u>	<u>386,041</u>	<u>943,297</u>
Expenditures				
Current				
Public safety	-	-	119,892	119,892
Culture and recreation	-	129,977	-	129,977
Capital outlay				
General government	-	-	17,563	17,563
Public safety	56,163	-	134,936	191,099
Public works	-	-	46,990	46,990
Culture and recreation	-	75,979	119,646	195,625
Total Expenditures	<u>56,163</u>	<u>205,956</u>	<u>439,027</u>	<u>701,146</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(5,643)</u>	<u>300,780</u>	<u>(52,986)</u>	<u>242,151</u>
Other Financing Sources (Uses)				
Transfers in	-	-	40,000	40,000
Sale of capital assets	-	-	44,513	44,513
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>84,513</u>	<u>84,513</u>
Net Change in Fund Balances	(5,643)	300,780	31,527	326,664
Fund Balances, January 1	<u>198,960</u>	<u>167,756</u>	<u>1,292,429</u>	<u>1,659,145</u>
Fund Balances, December 31	<u><u>\$ 193,317</u></u>	<u><u>\$ 468,536</u></u>	<u><u>\$ 1,323,956</u></u>	<u><u>\$ 1,985,809</u></u>

City of St Francis, Minnesota
Charitable Gambling Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual
For the Year Ended December 31, 2024
(With Comparative Actual Amounts for the Year Ended December 31, 2023)

	2024				2023
	Budget Amounts		Actual Amounts	Variance with Final Budget	Actual Amounts
	Original	Final			
Revenues					
Charges for services	\$ 40,000	\$ 40,000	\$ 37,180	\$ (2,820)	\$ 25,109
Interest on investments	500	500	13,340	12,840	9,930
Total Revenues	40,500	40,500	50,520	10,020	35,039
Expenditures					
Capital outlay					
Public safety	-	-	56,163	(56,163)	-
Net Change in Fund Balances	40,500	40,500	(5,643)	(46,143)	35,039
Fund Balances, January 1	198,960	198,960	198,960	-	163,921
Fund Balances, December 31	<u>\$ 239,460</u>	<u>\$ 239,460</u>	<u>\$ 193,317</u>	<u>\$ (46,143)</u>	<u>\$ 198,960</u>

City of St Francis, Minnesota
Park Improvements Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual
For the Year Ended December 31, 2024
(With Comparative Actual Amounts for the Year Ended December 31, 2023)

	2024				2023
	Budget Amounts		Actual Amounts	Variance with Final Budget	Actual Amounts
	Original	Final			
Revenues					
Intergovernmental	\$ -	\$ -	\$ 130,885	\$ 130,885	\$ -
Property Tax	-	-	350,000	350,000	-
Charges for services	1,000	1,000	25,544	24,544	29,746
Interest on investments	700	700	307	(393)	338
Miscellaneous	-	-	-	-	1,525
Total Revenues	<u>1,700</u>	<u>1,700</u>	<u>506,736</u>	<u>505,036</u>	<u>31,609</u>
Expenditures					
Current					
Culture and recreation	-	-	129,977	(129,977)	-
Capital outlay					
Culture and recreation	-	-	75,979	(75,979)	135
Total Expenditures	<u>-</u>	<u>-</u>	<u>205,956</u>	<u>(205,956)</u>	<u>135</u>
Net Change in Fund Balances	1,700	1,700	300,780	299,080	31,474
Fund Balances, January 1	<u>167,756</u>	<u>167,756</u>	<u>167,756</u>	<u>-</u>	<u>136,282</u>
Fund Balances, December 31	<u>\$ 169,456</u>	<u>\$ 169,456</u>	<u>\$ 468,536</u>	<u>\$ 299,080</u>	<u>\$ 167,756</u>

City of St Francis, Minnesota
Capital Equipment Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual
For the Year Ended December 31, 2024
(With Comparative Actual Amounts for the Year Ended December 31, 2023)

	2024				2023
	Budget Amounts		Actual Amounts	Variance with Final Budget	Actual Amounts
	Original	Final			
Revenues					
Property taxes	\$ 320,000	\$ 320,000	\$ 320,000	\$ -	\$ 280,000
Intergovernmental	-	-	4,992	4,992	382,772
Interest on investments	7,000	7,000	58,776	51,776	43,763
Miscellaneous	-	-	2,273	2,273	9,849
Total Revenues	<u>327,000</u>	<u>327,000</u>	<u>386,041</u>	<u>59,041</u>	<u>716,384</u>
Expenditures					
Current					
Public safety	-	-	119,892	(119,892)	680
Capital outlay					
General government	82,711	82,711	17,563	65,148	6,602
Public safety	418,762	418,762	134,936	283,826	105,678
Public works	-	151,840	46,990	104,850	111,742
Debt service					
Principal	190,703	190,703	88,112	102,591	19,863
Bond issuance costs	-	-	31,534	(31,534)	7,225
Total Expenditures	<u>692,176</u>	<u>844,016</u>	<u>439,027</u>	<u>404,989</u>	<u>251,790</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(365,176)</u>	<u>(517,016)</u>	<u>(52,986)</u>	<u>464,030</u>	<u>464,594</u>
Other Financing Sources (Uses)					
Transfers in	40,000	40,000	40,000	-	40,000
Sale of capital assets	-	-	44,513	44,513	66,825
Total Other Financing Sources (Uses)	<u>40,000</u>	<u>40,000</u>	<u>84,513</u>	<u>44,513</u>	<u>106,825</u>
Net Change in Fund Balances	(325,176)	(477,016)	31,527	508,543	571,419
Fund Balances, January 1	<u>1,292,429</u>	<u>1,292,429</u>	<u>1,292,429</u>	<u>-</u>	<u>721,010</u>
Fund Balances, December 31	<u>\$ 967,253</u>	<u>\$ 815,413</u>	<u>\$ 1,323,956</u>	<u>\$ 508,543</u>	<u>\$ 1,292,429</u>

City of St Francis, Minnesota
Street Improvement Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual
For the Year Ended December 31, 2024
(With Comparative Actual Amounts for the Year Ended December 31, 2023)

	2024				2023
	Budget Amounts		Actual Amounts	Variance with Final Budget	Actual Amounts
	Original	Final			
Revenues					
Property taxes	\$ 480,000	\$ 480,000	\$ 480,000	\$ -	\$ 360,000
Intergovernmental	116,097	116,097	351,073	234,976	254,248
Special assessments	33,000	33,000	33,359	359	33,196
Interest on investments	10,000	10,000	84,875	74,875	30,567
Miscellaneous	-	-	14,873	14,873	13
Total Revenues	639,097	639,097	964,180	325,083	678,024
Expenditures					
Capital outlay					
Public works	976,711	976,711	328,345	648,366	458,084
Net Change in Fund Balances	(337,614)	(337,614)	635,835	973,449	219,940
Fund Balances, January 1	1,097,874	1,097,874	1,097,874	-	877,934
Fund Balances, December 31	<u>\$ 760,260</u>	<u>\$ 760,260</u>	<u>\$ 1,733,709</u>	<u>\$ 973,449</u>	<u>\$ 1,097,874</u>

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City of St Francis, Minnesota
Building Improvement Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual
For the Year Ended December 31, 2024
(With Comparative Actual Amounts for the Year Ended December 31, 2023)

	2024				2023
	Budget Amounts		Actual	Variance with	Actual
	Original	Final	Amounts	Final Budget	Amounts
Revenues					
Property taxes	\$ -	\$ -	\$ 50,000	\$ 50,000	\$ 870,000
Interest on investments	1,000	1,000	265,802	264,802	92,054
Miscellaneous	-	-	-	-	3,619
Total Revenues	<u>1,000</u>	<u>1,000</u>	<u>315,802</u>	<u>314,802</u>	<u>965,673</u>
Expenditures					
Capital outlay					
General government	-	-	10,414,519	(10,414,519)	2,464,202
Public safety	-	-	10,086	(10,086)	21,495
Debt service					
Interest and other	-	-	-	-	270,370
Total Expenditures	<u>-</u>	<u>-</u>	<u>10,424,605</u>	<u>(10,424,605)</u>	<u>2,756,067</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,000</u>	<u>1,000</u>	<u>(10,108,803)</u>	<u>(10,109,803)</u>	<u>(1,790,394)</u>
Other Financing Sources (Uses)					
Bond issued	-	-	-	-	13,000,000
Premium on bonds issued	-	-	-	-	154,539
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,154,539</u>
Net Change in Fund Balances	1,000	1,000	(10,108,803)	(10,109,803)	11,364,145
Fund Balances, January 1	<u>12,079,572</u>	<u>12,079,572</u>	<u>12,079,572</u>	<u>-</u>	<u>715,427</u>
Fund Balances, December 31	<u>\$ 12,080,572</u>	<u>\$ 12,080,572</u>	<u>\$ 1,970,769</u>	<u>\$ (10,109,803)</u>	<u>\$ 12,079,572</u>

City of St Francis, Minnesota
General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual (Continued on the Following Pages)
For the Year Ended December 31, 2024
(With Comparative Actual Amounts for the Year Ended December 31, 2023)

	2024			2023
	Budget Amounts		Actual	Actual
	Original	Final	Amounts	Amounts
Revenues				
Taxes				
Property taxes	\$ 3,209,378	\$ 3,209,378	\$ 3,300,556	\$ 3,255,616
Franchise fees	29,250	29,250	27,461	26,215
Total taxes	<u>3,238,628</u>	<u>3,238,628</u>	<u>3,328,017</u>	<u>3,281,831</u>
Licenses and permits				
Business	22,560	22,560	30,670	22,355
Nonbusiness	208,110	208,110	348,962	221,504
Total licenses and permits	<u>230,670</u>	<u>230,670</u>	<u>379,632</u>	<u>243,859</u>
Intergovernmental				
Federal				
Other	425,000	425,000	460,443	356,710
State				
Local government aid	645,657	645,657	645,657	543,984
Property tax credits	5,120	5,120	8,644	5,448
Police and fire aid	135,390	135,390	247,114	221,590
County	-	-	19,835	15,110
Total intergovernmental	<u>1,211,167</u>	<u>1,211,167</u>	<u>1,381,693</u>	<u>1,142,842</u>
Charges for services				
General government	335,380	335,380	401,164	333,885
Public safety	48,100	48,100	84,355	81,361
Public works	1,930	1,930	-	2,979
Community development	6,220	6,220	3,885	6,020
Total charges for services	<u>391,630</u>	<u>391,630</u>	<u>489,404</u>	<u>424,245</u>
Fines and forfeitures	<u>34,620</u>	<u>34,620</u>	<u>38,850</u>	<u>30,630</u>
Interest on investments	<u>25,000</u>	<u>25,000</u>	<u>92,990</u>	<u>195,361</u>
Miscellaneous				
Rents and leases	66,380	66,380	107,031	111,322
Recycling and landfill abatement	37,760	37,760	38,206	45,445
Donations and other	53,430	53,430	104,963	42,379
Total miscellaneous	<u>157,570</u>	<u>157,570</u>	<u>250,200</u>	<u>199,146</u>
Total Revenues	<u>5,289,285</u>	<u>5,289,285</u>	<u>5,960,786</u>	<u>5,517,914</u>

City of St Francis, Minnesota
General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual (Continued)
For the Year Ended December 31, 2024
(With Comparative Actual Amounts for the Year Ended December 31, 2023)

	2024			2023
	Budget Amounts		Actual Amounts	Actual Amounts
	Original	Final		
Expenditures				
Current				
General government				
Mayor and city council				
Personal services	\$ 28,010	\$ 28,010	\$ 26,640	\$ 25,897
Other services and charges	12,750	12,750	20,878	14,022
Total mayor and city council	40,760	40,760	47,518	39,919
City administration				
Personal services	465,600	465,600	461,467	388,401
Supplies	10,000	10,000	11,610	9,915
Other services and charges	86,450	86,450	116,991	79,847
Total city administration	562,050	562,050	590,068	478,163
Elections				
Personal services	19,200	19,200	13,563	28
Supplies	250	250	2,085	-
Other services and charges	3,590	3,590	1,310	1,963
Total elections	23,040	23,040	16,958	1,991
Financial administration				
Personal services	253,000	253,000	241,770	245,786
Supplies	2,050	2,050	314	784
Other services and charges	6,800	6,800	5,667	5,215
Total financial administration	261,850	261,850	247,751	251,785
Assessor				
Other services and charges	39,000	39,000	36,218	34,762
Legal and accounting				
Other services and charges	181,600	181,600	189,551	189,472
Municipal building				
Personal services	-	-	7,647	-
Supplies	2,500	2,500	6,139	2,157
Other services and charges	18,800	18,800	19,031	22,710
Total municipal building	21,300	21,300	32,817	24,867
Total general government	1,129,600	1,129,600	1,160,881	1,020,959

City of St Francis, Minnesota
General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual (Continued)
For the Year Ended December 31, 2024
(With Comparative Actual Amounts for the Year Ended December 31, 2023)

	2024				2023
	Budget Amounts		Actual Amounts	Variance with Final Budget	Actual Amounts
	Original	Final			
Expenditures (Continued)					
Current (continued)					
Public safety					
Police					
Personal services	\$ 1,805,600	\$ 1,805,600	\$ 1,903,148	\$ (97,548)	\$ 1,768,298
Supplies	96,000	96,000	97,418	(1,418)	98,949
Other services and charges	248,600	248,600	259,692	(11,092)	252,866
Total police	2,150,200	2,150,200	2,260,258	(110,058)	2,120,113
Fire					
Personal services	381,200	381,200	423,563	(42,363)	365,271
Supplies	64,500	64,500	96,755	(32,255)	77,985
Other services and charges	57,500	57,500	122,070	(64,570)	95,103
Total fire	503,200	503,200	642,388	(139,188)	538,359
Pandemic					
Other services and charges	-	-	5,700	(5,700)	81,710
Total public safety	2,653,400	2,653,400	2,908,346	(254,946)	2,740,182
Public works					
Streets and highways					
Personal services	344,000	344,000	337,358	6,642	341,324
Supplies	64,050	64,050	53,601	10,449	59,887
Other services and charges	187,050	187,050	163,792	23,258	167,058
Total streets and highways	595,100	595,100	554,751	40,349	568,269
Recycling					
Personal services	47,400	47,400	45,907	1,493	44,606
Supplies	6,350	6,350	5,259	1,091	24,259
Other services and charges	28,950	28,950	39,459	(10,509)	35,907
Total recycling	82,700	82,700	90,625	(7,925)	104,772
Miscellaneous					
Other services and charges	10,060	10,060	8,109	1,951	11,316
Total public works	687,860	687,860	653,485	34,375	684,357

City of St Francis, Minnesota
General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual (Continued)
For the Year Ended December 31, 2024
(With Comparative Actual Amounts for the Year Ended December 31, 2023)

	2024				2023
	Budget Amounts		Actual	Variance with	Actual
	Original	Final	Amounts	Final Budget	Amounts
Expenditures (Continued)					
Current (continued)					
Culture and recreation					
Parks and recreation					
Personal services	\$ 199,200	\$ 199,200	\$ 191,455	\$ 7,745	\$ 193,778
Supplies	74,300	74,300	61,675	12,625	54,235
Other services and charges	131,050	131,050	123,452	7,598	130,309
Total parks and recreation	<u>404,550</u>	<u>404,550</u>	<u>376,582</u>	<u>27,968</u>	<u>378,322</u>
Community development					
Planning and zoning					
Personal services	247,300	247,300	210,073	37,227	228,086
Supplies	1,825	1,825	3,005	(1,180)	1,989
Other services and charges	61,250	61,250	77,445	(16,195)	63,036
Total planning and zoning	<u>310,375</u>	<u>310,375</u>	<u>290,523</u>	<u>19,852</u>	<u>293,111</u>
Building inspection					
Personal services	135,700	135,700	133,390	2,310	129,268
Supplies	6,100	6,100	3,266	2,834	7,961
Other services and charges	26,700	26,700	77,542	(50,842)	43,085
Total building inspection	<u>168,500</u>	<u>168,500</u>	<u>214,198</u>	<u>(45,698)</u>	<u>180,314</u>
Total community development	<u>478,875</u>	<u>478,875</u>	<u>504,721</u>	<u>(25,846)</u>	<u>473,425</u>
Total Expenditures	<u>5,354,285</u>	<u>5,354,285</u>	<u>5,604,015</u>	<u>(249,730)</u>	<u>5,297,245</u>
Excess (Deficiency) of Revenues					
Over (Under) Expenditures	(65,000)	(65,000)	356,771	421,771	220,669
Other Financing Sources (Uses)					
Transfers in	<u>65,000</u>	<u>65,000</u>	<u>65,000</u>	<u>-</u>	<u>60,000</u>
Net Change in Fund Balances	-	-	421,771	421,771	280,669
Fund Balances, January 1	<u>3,496,151</u>	<u>3,496,151</u>	<u>3,496,151</u>	<u>-</u>	<u>3,215,482</u>
Fund Balances, December 31	<u>\$ 3,496,151</u>	<u>\$ 3,496,151</u>	<u>\$ 3,917,922</u>	<u>\$ 421,771</u>	<u>\$ 3,496,151</u>

City of St Francis, Minnesota

Debt Service Funds

Combining Balance Sheet

December 31, 2024

	311 G.O. Bonds 2021A	327 G.O. Bonds 2015A	330 G.O Bonds 2017A	335 G.O Bonds 2023A	Total
Assets					
Cash and temporary investments	\$ -	\$ 86,481	\$ 154,887	\$ 300,408	\$ 541,776
Receivables					
Accrued interest	-	646	4,494	-	5,140
Taxes	-	-	9,007	-	9,007
Special assessments	-	5,964	-	-	5,964
Due from other governments	-	604	5,726	14,316	20,646
Total Assets	<u>\$ -</u>	<u>\$ 93,695</u>	<u>\$ 174,114</u>	<u>\$ 314,724</u>	<u>\$ 582,533</u>
Deferred Inflows of Resources					
Unavailable revenues - taxes	\$ -	\$ -	\$ 9,007	\$ -	\$ 9,007
Unavailable revenues - special assessments	-	5,964	-	-	5,964
Total Deferred Inflows of Resources	<u>-</u>	<u>5,964</u>	<u>9,007</u>	<u>-</u>	<u>14,971</u>
Fund Balances					
Restricted for debt service	-	87,731	165,107	314,724	567,562
Total Deferred Inflows of Resources and Fund Balances	<u>\$ -</u>	<u>\$ 93,695</u>	<u>\$ 174,114</u>	<u>\$ 314,724</u>	<u>\$ 582,533</u>

City of St Francis, Minnesota
Debt Service Funds
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
For the Year Ended December 31, 2024

	311 G.O. Bonds 2021A	327 G.O. Bonds 2015A	330 G.O Bonds 2017A	335 G.O Bonds 2023A	Total
Revenues					
Taxes	\$ -	\$ 23,559	\$ 329,826	\$ 824,566	\$ 1,177,951
Special assessments	-	7,401	-	-	7,401
Interest on investments	-	5,044	2,551	-	7,595
Total Revenues	<u>-</u>	<u>36,004</u>	<u>332,377</u>	<u>824,566</u>	<u>1,192,947</u>
Expenditures					
Debt service					
Principal	-	30,000	320,000	-	350,000
Interest and other charges	-	2,825	145,656	509,842	658,323
Total Expenditures	<u>-</u>	<u>32,825</u>	<u>465,656</u>	<u>509,842</u>	<u>1,008,323</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	3,179	(133,279)	314,724	184,624
Other Financing Sources (Uses)					
Transfers in	<u>50,879</u>	<u>-</u>	<u>165,000</u>	<u>-</u>	<u>215,879</u>
Net Change in Fund Balances	50,879	3,179	31,721	314,724	400,503
Fund Balances, January 1	<u>(50,879)</u>	<u>84,552</u>	<u>133,386</u>	<u>-</u>	<u>167,059</u>
Fund Balances, December 31	<u>\$ -</u>	<u>\$ 87,731</u>	<u>\$ 165,107</u>	<u>\$ 314,724</u>	<u>\$ 567,562</u>

City of St Francis, Minnesota
Debt Service Fund G.O. Bonds 2021A
Schedule of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual
For the Year Ended December 31, 2024
(With Comparative Actual Amounts for the Year Ended December 31, 2023)

	2024				2023
	Budget Amounts		Actual	Variance with	Actual
	Original	Final	Amounts	Final Budget	Amounts
Revenues					
Special assessments	\$ -	\$ -	\$ -	\$ -	\$ 1,439
Investment earnings	-	-	-	-	867
Total Revenues	-	-	-	-	2,306
Expenditures					
Debt service					
Principal	-	-	-	-	95,000
Interest and other charges	-	-	-	-	1,425
Total Expenditures	-	-	-	-	96,425
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	(94,119)
Other Financing Sources (Uses)					
Transfers in	53,660	53,660	50,879	(2,781)	39,880
Net Change in Fund Balances	53,660	53,660	50,879	(2,781)	(54,239)
Fund Balances, January 1	(50,879)	(50,879)	(50,879)	-	3,360
Fund Balances, December 31	\$ 2,781	\$ 2,781	\$ -	\$ (2,781)	\$ (50,879)

City of St Francis, Minnesota
Debt Service Fund G.O. Bonds 2015A
Schedule of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual
For the Year Ended December 31, 2024
(With Comparative Actual Amounts for the Year Ended December 31, 2023)

	2024				2023
	Budget Amounts		Actual Amounts	Variance with Final Budget	Actual Amounts
	Original	Final			
Revenues					
Property taxes	\$ 20,470	\$ 20,470	\$ 23,559	\$ 3,089	\$ 20,474
Special assessments	6,000	6,000	7,401	1,401	6,457
Investment earnings	-	-	5,044	5,044	4,367
Total Revenues	<u>26,470</u>	<u>26,470</u>	<u>36,004</u>	<u>9,534</u>	<u>31,298</u>
Expenditures					
Debt service					
Principal	30,000	30,000	30,000	-	25,000
Interest and other charges	<u>2,725</u>	<u>2,725</u>	<u>2,825</u>	<u>(100)</u>	<u>2,950</u>
Total Expenditures	<u>32,725</u>	<u>32,725</u>	<u>32,825</u>	<u>(100)</u>	<u>27,950</u>
Net Change in Fund Balances	(6,255)	(6,255)	3,179	9,434	3,348
Fund Balances, January 1	<u>84,552</u>	<u>84,552</u>	<u>84,552</u>	<u>-</u>	<u>81,204</u>
Fund Balances, December 31	<u>\$ 78,297</u>	<u>\$ 78,297</u>	<u>\$ 87,731</u>	<u>\$ 9,434</u>	<u>\$ 84,552</u>

City of St Francis, Minnesota
Debt Service Fund G.O. Bonds 2017A
Schedule of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual
For the Year Ended December 31, 2024
(With Comparative Actual Amounts for the Year Ended December 31, 2023)

	2024				2023
	Budget Amounts		Actual	Variance with	Actual
	Original	Final	Amounts	Final Budget	Amounts
Revenues					
Property taxes	\$ 327,220	\$ 327,220	\$ 329,826	\$ 2,606	\$ 327,186
Investment earnings	-	-	2,551	2,551	4,871
Total Revenues	<u>327,220</u>	<u>327,220</u>	<u>332,377</u>	<u>5,157</u>	<u>332,057</u>
Expenditures					
Debt service					
Principal	320,000	320,000	320,000	-	310,000
Interest and other charges	<u>145,656</u>	<u>145,656</u>	<u>145,656</u>	<u>-</u>	<u>155,106</u>
Total Expenditures	<u>465,656</u>	<u>465,656</u>	<u>465,656</u>	<u>-</u>	<u>465,106</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(138,436)	(138,436)	(133,279)	5,157	(133,049)
Other Financing Sources (Uses)					
Transfers in	<u>165,000</u>	<u>165,000</u>	<u>165,000</u>	<u>-</u>	<u>165,000</u>
Net Change in Fund Balances	26,564	26,564	31,721	5,157	31,951
Fund Balances, January 1	<u>133,386</u>	<u>133,386</u>	<u>133,386</u>	<u>-</u>	<u>101,435</u>
Fund Balances, December 31	<u>\$ 159,950</u>	<u>\$ 159,950</u>	<u>\$ 165,107</u>	<u>\$ 5,157</u>	<u>\$ 133,386</u>

City of St Francis, Minnesota
Debt Service Fund G.O. Bonds 2023A
Schedule of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual
For the Year Ended December 31, 2024
(With Comparative Actual Amounts for the Year Ended December 31, 2023)

	2024				2023
	Budget Amounts		Actual Amounts	Variance with Final Budget	Actual Amounts
	Original	Final			
Revenues					
Property taxes	\$ 820,505	\$ 820,505	\$ 824,566	\$ 4,061	\$ -
Investment earnings	1,000	1,000	-	(1,000)	-
Total Revenues	821,505	821,505	824,566	3,061	-
Expenditures					
Debt service					
Interest and other charges	283,796	283,796	509,842	(226,046)	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	537,709	537,709	314,724	(222,985)	-
Other Financing Sources (Uses)					
Transfers in	-	-	-	-	-
Net Change in Fund Balances	537,709	537,709	314,724	(222,985)	-
Fund Balances, January 1	-	-	-	-	-
Fund Balances, December 31	<u>\$ 537,709</u>	<u>\$ 537,709</u>	<u>\$ 314,724</u>	<u>\$ (222,985)</u>	<u>\$ -</u>

City of St Francis, Minnesota
Economic Development Authority (EDA)
(Discretely Presented Component Unit)
Balance Sheet
December 31, 2023

	240
	EDA
Assets	
Cash and temporary investments	\$ 46,384
Accrued interest	229
Total Assets	<u><u>\$ 46,613</u></u>
Fund Balances	
Restricted for	
Economic development projects	<u><u>\$ 46,613</u></u>

City of St Francis, Minnesota
Economic Development Authority (EDA)
(Discretely Presented Component Unit)
Statement of Revenues, Expenditures and
Changes in Fund Balances
For the Year Ended December 31, 2023

	240 EDA
Revenues	
Interest on investments	\$ 2,877
Fund Balances, January 1	<u>43,736</u>
Fund Balances, December 31	<u><u>\$ 46,613</u></u>

City of St Francis, Minnesota
Summary Financial Report
Governmental Funds
Revenues and Expenditures For General Operations
For the Years Ended December 31, 2024 and 2023

	Total		Percent Increase (Decrease)
	2024	2023	
Revenues			
Taxes	\$ 5,705,968	\$ 5,139,491	11.02 %
Licenses and permits	379,632	243,859	55.68
Intergovernmental	1,868,643	1,779,862	4.99
Charges for services	514,948	453,991	13.43
Fines and forfeits	38,850	30,630	26.84
Special assessments	40,760	41,092	(0.81)
Interest (loss) on investments	523,685	382,118	37.05
Miscellaneous	304,777	245,942	23.92
Total Revenues	<u>\$ 9,377,263</u>	<u>\$ 8,316,985</u>	12.75 %
Per Capita	<u>\$ 1,092</u>	<u>\$ 1,001</u>	9.08 %
Expenditures			
Current			
General government	\$ 1,160,881	\$ 1,020,959	13.70 %
Public safety	3,028,238	2,757,700	9.81
Public works	653,485	684,357	(4.51)
Culture and recreation	506,559	378,322	33.90
Community development	504,721	473,425	6.61
Capital outlay			
General government	10,432,082	2,470,804	322.21
Public safety	201,185	127,853	57.36
Public works	375,335	569,826	(34.13)
Culture and recreation	195,625	27,223	618.60
Debt service			
Principal	350,000	430,000	(18.60)
Interest and other charges	658,323	429,851	53.15
Total Expenditures	<u>\$ 18,066,434</u>	<u>\$ 9,370,320</u>	92.80 %
Per Capita	<u>\$ 2,104</u>	<u>\$ 1,128</u>	86.54 %
Total Long-term Indebtedness	\$ 17,685,000	\$ 18,035,000	(1.94) %
Per Capita	2,060	2,171	
General Fund Balance - December 31	\$ 3,917,922	\$ 3,496,151	12.06 %
Per Capita	456	421	

The purpose of this report is to provide a summary of financial information concerning the City of St. Francis to interested citizens. The complete financial statements may be examined at City Hall, 23340 Cree Street NW, St. Francis, MN 55070. Questions about this report should be directed to Darcy Mulvihill, Finance Director at (763) 753-2630.

STATISTICAL SECTION (UNAUDITED)

CITY OF ST. FRANCIS
ST. FRANCIS, MINNESOTA

FOR THE YEAR ENDED
DECEMBER 31, 2024

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STATISTICAL SECTION (UNAUDITED)

This part of the City of St Francis' annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

Financial Trends

These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.

Debt Capacity

These schedules present information to help the reader assess the affordability of the government's current levels of out-standing debt and the government's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the annual financial reports for the relevant year.

City of St Francis, Minnesota
Statistical Section (Unaudited)
Net Position by Component
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year			
	2024	2023	2022	2021
Governmental Activities				
Net investment in capital assets	\$ 12,548,145	\$ 12,535,895	\$ 13,107,561	\$ 11,182,725
Restricted	1,879,130	1,287,958	1,171,931	713,596
Unrestricted	6,379,884	4,947,318	3,552,606	4,547,219
Total Governmental Activities Net Position	<u>\$ 20,807,159</u>	<u>\$ 18,771,171</u>	<u>\$ 15,412,940</u>	<u>\$ 12,236,502</u>
Business-type Activities				
Net investment in capital assets	\$ 20,822,651	\$ 20,337,590	\$ 20,021,708	\$ 20,319,926
Restricted	445,670	377,920	309,885	243,905
Unrestricted	9,049,748	7,943,295	7,505,250	8,183,686
Total Business-type Activities Net Position	<u>\$ 30,318,069</u>	<u>\$ 28,658,805</u>	<u>\$ 27,836,843</u>	<u>\$ 28,747,517</u>
Primary Government				
Net investment in capital assets	\$ 33,370,796	\$ 32,873,485	\$ 33,129,269	\$ 31,502,651
Restricted	2,324,800	1,665,878	1,481,816	957,501
Unrestricted	15,429,632	12,890,613	11,057,856	12,730,905
Total Primary Government Net Position	<u>\$ 51,125,228</u>	<u>\$ 47,429,976</u>	<u>\$ 45,668,941</u>	<u>\$ 45,191,057</u>

Table 1

Fiscal Year					
2020	2019	2018	2017	2016	2015
\$ 10,645,221	\$ 7,822,639	\$ 7,197,173	\$ 7,196,658	\$ 6,861,667	\$ 6,344,949
664,078	815,170	682,100	507,871	1,010,138	940,821
4,103,641	3,598,693	3,454,837	2,941,748	2,538,153	2,269,512
<u>\$ 11,334,110</u>	<u>\$ 10,646,277</u>	<u>\$ 10,409,958</u>	<u>\$ 9,555,282</u>	<u>\$ 10,840,297</u>	<u>\$ 9,903,104</u>
\$ 19,054,469	\$ 18,804,562	\$ 19,032,537	\$ 19,003,781	\$ 13,019,826	\$ 9,103,334
180,370	118,170	57,865	-	-	-
8,682,653	8,274,103	7,237,698	5,826,703	5,789,331	5,306,618
<u>\$ 27,917,492</u>	<u>\$ 27,196,835</u>	<u>\$ 26,328,100</u>	<u>\$ 24,830,484</u>	<u>\$ 18,809,157</u>	<u>\$ 14,409,952</u>
\$ 29,699,690	\$ 26,627,201	\$ 26,229,710	\$ 26,200,439	\$ 19,881,493	\$ 15,448,283
844,448	933,340	739,965	507,871	1,010,138	940,821
12,786,294	11,872,796	10,692,535	8,768,451	8,327,484	7,576,130
<u>\$ 43,330,432</u>	<u>\$ 39,433,337</u>	<u>\$ 37,662,210</u>	<u>\$ 35,476,761</u>	<u>\$ 29,219,115</u>	<u>\$ 23,965,234</u>

City of St Francis, Minnesota
Statistical Section (Unaudited)
Changes in Net Position (Continued on the Following Pages)
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year			
	2024	2023	2022	2021
Expenses				
Governmental Activities				
General government	\$ 1,244,258	\$ 1,080,060	\$ 1,065,238	\$ 975,615
Public safety	3,464,600	3,360,922	2,876,790	2,378,478
Public works	1,462,963	1,706,014	2,005,902	1,475,039
Culture and recreation	770,314	454,930	450,620	406,609
Community development	478,511	486,175	426,367	491,488
Interest on long-term debt	453,216	846,075	169,928	181,183
Total Governmental Activities Expenses	7,873,862	7,934,176	6,221,580	5,959,266
Business-type Activities				
Water	1,241,678	1,243,810	1,264,609	1,203,394
Sewer	2,059,990	2,037,199	2,017,969	1,900,337
Storm water	177,805	267,650	79,437	64,812
Liquor store	3,064,191	2,973,373	2,937,478	2,439,164
Total Business-type Activities Expenses	6,543,664	6,522,032	6,299,493	5,607,707
Total Primary Government Expenses	<u>\$ 14,417,526</u>	<u>\$ 14,456,208</u>	<u>\$ 12,521,073</u>	<u>\$ 11,566,973</u>
Program Revenues				
Governmental Activities				
Charges for services				
General government	\$ 418,161	\$ 353,053	\$ 379,415	\$ 337,360
Public safety	42,782	32,662	62,039	77,299
Public works	-	2,979	2,521	2,196
Culture and recreation	1,290	2,450	2,580	1,635
Community development	505,964	322,632	274,779	339,890
Operating grants and contributions	1,504,242	1,592,481	995,654	408,163
Capital grants and contributions	55,158	72,623	252,795	748,612
Total Governmental Activities Program Revenues	2,527,597	2,378,880	1,969,783	1,915,155
Business-type Activities				
Charges for services				
Water	1,546,718	1,626,208	1,610,180	1,591,308
Sewer	2,002,586	1,944,750	1,944,560	1,958,382
Strom Water	250,325	183,287	186,336	186,334
Liquor store	3,266,602	3,087,049	2,939,140	2,501,832
Operating grants and contributions	14,727	4,224	2,657	2,145
Capital grants and contributions	951,945	340,123	204,847	517,503
Total Business-type Activities Program Revenues	8,032,903	7,185,641	6,887,720	6,757,504
Total Primary Government Program Revenues	<u>\$ 10,560,500</u>	<u>\$ 9,564,521</u>	<u>\$ 8,857,503</u>	<u>\$ 8,672,659</u>

Table 2

Fiscal Year					
2020	2019	2018	2017	2016	2015
\$ 997,414	\$ 976,132	\$ 917,976	\$ 874,683	\$ 888,099	\$ 789,269
2,630,451	2,288,796	1,822,687	2,132,904	2,334,480	2,207,108
1,537,431	1,204,645	1,406,804	969,437	925,873	860,847
376,361	377,685	403,747	389,408	468,326	118,667
488,633	910,312	731,427	598,366	427,300	324,235
191,290	201,696	210,612	400,157	357,173	359,316
5,493,253	5,364,955	5,401,251	4,659,442	4,841,554	4,538,509
1,158,339	1,129,380	1,076,288	1,064,443	1,057,465	1,167,893
1,884,716	1,807,212	1,856,264	1,345,198	1,184,441	1,049,262
54,476	25,800	29,538	33,435	55,385	-
2,509,775	2,344,537	2,164,820	2,130,722	2,008,390	1,986,813
5,607,306	5,306,929	5,126,910	4,573,798	4,305,681	4,203,968
<u>\$ 11,100,559</u>	<u>\$ 10,671,884</u>	<u>\$ 10,528,161</u>	<u>\$ 9,233,240</u>	<u>\$ 9,147,235</u>	<u>\$ 8,742,477</u>
\$ 249,186	\$ 290,747	\$ 435,914	\$ 440,529	\$ 298,140	\$ 304,092
98,787	148,675	177,641	163,362	184,994	181,458
1,061	2,878	2,612	3,599	2,868	3,689
1,345	1,870	2,170	2,385	3,030	1,590
411,815	709,992	178,218	181,565	243,640	205,289
824,812	263,037	257,868	236,903	371,047	275,631
1,979,574	256,058	725,120	422,985	1,186,137	242,557
3,566,580	1,673,257	1,779,543	1,451,328	2,289,856	1,214,306
1,501,234	1,262,447	1,595,533	1,682,412	1,390,364	1,193,195
1,773,962	1,652,322	1,778,971	1,867,070	1,361,064	999,664
173,812	174,543	176,850	171,867	169,020	-
2,778,937	2,428,757	2,313,806	2,236,569	2,133,575	2,157,348
25,482	7,014	3,059	3,669	3,800	-
1,060,565	903,951	924,503	4,969,830	3,849,842	186,264
7,313,992	6,429,034	6,792,722	10,931,417	8,907,665	4,536,471
<u>\$ 10,880,572</u>	<u>\$ 8,102,291</u>	<u>\$ 8,572,265</u>	<u>\$ 12,382,745</u>	<u>\$ 11,197,521</u>	<u>\$ 5,750,777</u>

City of St Francis, Minnesota
Statistical Section (Unaudited)
Changes in Net Position (Continued)
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year			
	2024	2023	2022	2021
Net Revenues (Expenses)				
Governmental activities	\$ (5,346,265)	\$ (5,555,296)	\$ (4,251,797)	\$ (4,044,111)
Business-type activities	1,489,239	663,609	588,227	1,149,797
Total Primary Government Net Revenues (Expenses)	<u>\$ (3,857,026)</u>	<u>\$ (4,891,687)</u>	<u>\$ (3,663,570)</u>	<u>\$ (2,894,314)</u>
General Revenues and Other Changes in Net Position				
Governmental Activities				
Taxes				
Property taxes	\$ 5,703,515	\$ 5,106,955	\$ 4,747,168	\$ 4,245,519
Tax increments	-	-	-	-
Grants and contributions not restricted to specific programs	797,426	633,591	570,733	573,553
Gain on sale of capital assets	36,748	66,825	13,000	31,551
Unrestricted investment earnings	523,685	382,118	(222,310)	(41,044)
Transfers - capital assets	-	-	1,020,149	-
Transfers	320,879	304,880	284,880	284,880
Total Governmental Activities	<u>7,382,253</u>	<u>6,494,369</u>	<u>6,413,620</u>	<u>5,094,459</u>
Business-type Activities				
Interest on investments	490,904	463,233	(193,872)	(34,892)
Gain on sale of capital assets	-	-	-	-
Transfers - capital assets	-	-	(1,020,149)	-
Transfers	(320,879)	(304,880)	(284,880)	(284,880)
Total Business-type Activities	<u>170,025</u>	<u>158,353</u>	<u>(1,498,901)</u>	<u>(319,772)</u>
Total Primary Government	<u>\$ 7,552,278</u>	<u>\$ 6,652,722</u>	<u>\$ 4,914,719</u>	<u>\$ 4,774,687</u>
Change in Net Position				
Governmental activities	\$ 2,035,988	\$ 939,073	\$ 2,161,823	\$ 1,050,348
Business-type activities	1,659,264	821,962	(910,674)	830,025
Total Primary Government	<u>\$ 3,695,252</u>	<u>\$ 1,761,035</u>	<u>\$ 1,251,149</u>	<u>\$ 1,880,373</u>

Table 2

Fiscal Year					
2020	2019	2018	2017	2016	2015
\$ (1,926,673)	\$ (3,691,698)	\$ (3,621,708)	\$ (3,208,114)	\$ (2,551,698)	\$ (3,324,203)
1,706,686	1,122,105	1,665,812	6,357,619	4,601,984	332,503
<u>\$ (219,987)</u>	<u>\$ (2,569,593)</u>	<u>\$ (1,955,896)</u>	<u>\$ 3,149,505</u>	<u>\$ 2,050,286</u>	<u>\$ (2,991,700)</u>
\$ 3,997,032	\$ 3,817,876	\$ 3,514,249	\$ 3,249,599	\$ 3,277,360	\$ 3,175,224
-	-	-	-	7,512	14,393
555,814	465,589	494,318	365,831	362,359	353,353
11,905	219,358	39,123	80,867	-	963
120,007	175,698	68,973	29,655	33,960	21,200
-	-	-	-	-	(323,039)
1,146,680	509,880	284,880	423,994	284,880	264,880
<u>5,831,438</u>	<u>5,188,401</u>	<u>4,401,543</u>	<u>4,149,946</u>	<u>3,966,071</u>	<u>3,506,974</u>
160,651	-	113,434	87,702	82,101	40,832
-	256,510	3,250	-	-	-
-	-	-	-	-	323,039
(1,146,680)	-	(284,880)	(423,994)	(284,880)	(264,880)
<u>(986,029)</u>	<u>256,510</u>	<u>(168,196)</u>	<u>(336,292)</u>	<u>(202,779)</u>	<u>98,991</u>
<u>\$ 4,845,409</u>	<u>\$ 5,444,911</u>	<u>\$ 4,233,347</u>	<u>\$ 3,813,654</u>	<u>\$ 3,763,292</u>	<u>\$ 3,605,965</u>
\$ 3,904,765	\$ 1,496,703	\$ 779,835	\$ 941,832	\$ 1,414,373	\$ 182,771
720,657	1,378,615	1,497,616	6,021,327	4,399,205	431,494
<u>\$ 4,625,422</u>	<u>\$ 2,875,318</u>	<u>\$ 2,277,451</u>	<u>\$ 6,963,159</u>	<u>\$ 5,813,578</u>	<u>\$ 614,265</u>

City of St Francis, Minnesota
Statistical Section (Unaudited)
Fund Balances of Governmental Funds
Last Ten Fiscal Years

	Fiscal Year			
	2024	2023	2022	2021
General Fund				
Nonspendable	\$ 63,554	\$ 45,789	\$ 44,080	\$ 41,579
Unassigned	<u>3,854,368</u>	<u>3,450,362</u>	<u>3,171,402</u>	<u>3,180,668</u>
Total General Fund	<u><u>\$ 3,917,922</u></u>	<u><u>\$ 3,496,151</u></u>	<u><u>\$ 3,215,482</u></u>	<u><u>\$ 3,222,247</u></u>
All other Governmental Funds				
Restricted	\$ 1,351,015	\$ 11,280,890	\$ 469,434	\$ 742,141
Assigned	4,908,230	3,723,905	2,343,121	1,898,111
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total all other Governmental Funds	<u><u>\$ 6,259,245</u></u>	<u><u>\$ 15,004,795</u></u>	<u><u>\$ 2,812,555</u></u>	<u><u>\$ 2,640,252</u></u>

Table 3

Fiscal Year					
2020	2019	2018	2017	2016	2015
\$ 61,674	\$ 54,139	\$ 13,318	\$ 18,844	\$ 40,816	\$ 8,580
3,444,951	3,180,461	2,760,914	3,865,169	3,325,693	2,755,704
<u>\$ 3,506,625</u>	<u>\$ 3,234,600</u>	<u>\$ 2,774,232</u>	<u>\$ 3,884,013</u>	<u>\$ 3,366,509</u>	<u>\$ 2,764,284</u>
\$ 666,468	\$ 784,845	\$ 619,149	\$ 429,069	\$ 1,559,175	\$ 1,450,454
2,182,223	2,121,685	2,366,151	1,219,879	1,158,547	787,069
-	-	-	(270,282)	(321,979)	(663,590)
<u>\$ 2,848,691</u>	<u>\$ 2,906,530</u>	<u>\$ 2,985,300</u>	<u>\$ 1,378,666</u>	<u>\$ 2,395,743</u>	<u>\$ 1,573,933</u>

City of St Francis, Minnesota
Statistical Section (Unaudited)
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years

	Fiscal Year			
	2024	2023	2022	2021
Revenues				
Taxes				
General property tax	\$ 5,705,968	\$ 5,139,491	\$ 4,733,987	\$ 4,314,303
Tax increments	-	-	-	-
Special assessments	40,760	41,092	55,902	75,511
Licenses and permits	379,632	243,859	212,051	215,030
Intergovernmental	1,868,643	1,779,862	1,966,763	801,387
Charges for services	514,948	453,991	406,143	499,507
Fines and forfeitures	38,850	30,630	41,526	24,163
Interest earned (loss) on investments	523,685	382,118	(222,310)	(41,044)
Miscellaneous	304,777	245,942	393,183	222,330
Total Revenues	<u>9,377,263</u>	<u>8,316,985</u>	<u>7,587,245</u>	<u>6,111,187</u>
Expenditures				
Current				
General government	1,160,881	1,020,959	1,037,487	973,419
Public safety	3,028,238	2,757,700	2,400,980	2,401,873
Public works	653,485	684,357	623,820	584,159
Culture and recreation	506,559	378,322	373,612	325,778
Community development	504,721	473,425	411,535	462,939
Capital outlay				
General government	10,432,082	2,470,804	42,469	14,786
Public safety	201,185	127,853	103,993	643,614
Public works	375,335	569,826	1,602,271	563,936
Culture and recreation	195,625	27,223	516,297	216,933
Community development	-	-	1,366	44,981
Debt service				
Principal	350,000	430,000	420,000	410,000
Interest and other charges	658,323	429,851	172,757	182,890
Total Expenditures	<u>18,066,434</u>	<u>9,370,320</u>	<u>7,706,587</u>	<u>6,825,308</u>
Excess (Deficiency) or Revenues Over (Under) Expenditures	<u>(8,689,171)</u>	<u>(1,053,335)</u>	<u>(119,342)</u>	<u>(714,121)</u>
Other Financing Sources (Uses)				
Transfers in	320,879	304,880	284,880	562,898
Transfers out	-	-	-	(278,018)
Bond issued	-	13,000,000	-	190,000
Payment on refunding bonds	-	-	-	(190,000)
Payment to escrow agent	-	-	-	-
Premium on bonds issued	-	154,539	-	-
Land sales	-	-	-	-
Sale of capital assets	44,513	66,825	-	7,026
Total Other Financing Sources (Uses)	<u>365,392</u>	<u>13,526,244</u>	<u>284,880</u>	<u>291,906</u>
Net Change in Fund Balance	<u>\$ (8,323,779)</u>	<u>\$ 12,472,909</u>	<u>\$ 165,538</u>	<u>\$ (422,215)</u>
Debt Service as a Percentage of Noncapital Expenditures	<u>13.24 %</u>	<u>12.79 %</u>	<u>9.94 %</u>	<u>9.85 %</u>

Table 4

Fiscal Year					
2020	2019	2018	2017	2016	2015
\$ 3,998,565	\$ 3,806,521	\$ 3,511,347	\$ 3,257,514	\$ 3,271,277	\$ 3,170,208
-	-	-	-	7,512	14,393
86,444	104,511	74,966	85,984	1,284,161	263,123
264,898	450,529	228,153	214,855	145,980	126,862
3,158,447	851,229	989,920	855,400	741,398	611,364
433,015	617,622	623,033	457,882	593,857	486,490
38,158	29,400	36,854	25,631	30,836	39,909
120,007	175,698	68,973	29,655	33,960	21,200
198,530	204,232	289,556	188,986	285,467	195,832
<u>8,298,064</u>	<u>6,239,742</u>	<u>5,822,802</u>	<u>5,115,907</u>	<u>6,394,448</u>	<u>4,929,381</u>
943,028	919,599	875,337	824,154	774,871	731,292
2,636,569	2,019,852	1,793,598	1,693,408	1,649,746	1,670,971
575,294	601,663	701,696	622,009	497,261	547,069
294,034	316,672	298,290	277,528	295,925	291,477
840,471	682,422	726,750	583,379	397,237	323,342
4,909	8,620	2,065	8,142	27,283	10,781
128,699	207,569	105,900	272,964	66,091	480,177
3,216,804	943,298	482,312	100,524	805,651	274,465
-	-	7,165	46	73,234	165,143
11,379	220,217	-	-	-	-
405,000	390,000	415,000	870,000	310,000	316,022
193,480	203,638	208,550	459,093	357,994	362,849
<u>9,249,667</u>	<u>6,513,550</u>	<u>5,616,663</u>	<u>5,711,247</u>	<u>5,255,293</u>	<u>5,173,588</u>
<u>(951,603)</u>	<u>(273,808)</u>	<u>206,139</u>	<u>(595,340)</u>	<u>1,139,155</u>	<u>(244,207)</u>
1,333,680	509,880	1,843,280	783,994	644,880	1,531,604
(187,000)	-	(1,558,400)	(360,000)	(360,000)	(1,266,724)
-	-	-	6,705,000	-	265,000
-	-	-	-	-	-
-	-	-	(7,386,676)	-	-
-	-	-	272,582	-	-
-	139,025	-	-	-	-
19,109	6,501	5,834	80,867	-	33,375
<u>1,165,789</u>	<u>655,406</u>	<u>290,714</u>	<u>95,767</u>	<u>284,880</u>	<u>563,255</u>
<u>\$ 214,186</u>	<u>\$ 381,598</u>	<u>\$ 496,853</u>	<u>\$ (499,573)</u>	<u>\$ 1,424,035</u>	<u>\$ 319,048</u>
<u>10.53 %</u>	<u>11.63 %</u>	<u>24.62 %</u>	<u>15.37 %</u>	<u>15.52 %</u>	<u>16.32 %</u>

City of St Francis, Minnesota
Statistical Section (Unaudited)
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
(Shown By Year of Tax Collectability)

	2024	2023	2022	2021
Estimated Market Value				
Real property	\$ 971,288,300	\$ 942,081,400	\$ 756,074,800	\$ 685,649,800
Personal property	4,592,500	5,559,300	5,048,600	7,762,200
Total Estimated Market Value	<u>\$ 975,880,800</u>	<u>\$ 947,640,700</u>	<u>\$ 761,123,400</u>	<u>\$ 693,412,000</u>
Tax Capacity				
Residential property	\$ 8,356,964	\$ 8,178,961	\$ 6,232,193	\$ 5,516,622
Commercial / industrial property	984,236	875,596	840,550	814,511
Other	521,210	523,303	446,852	503,472
Contribution to Fiscal Disparities Pool	(387,112)	(331,771)	(343,146)	(315,965)
Receivable From Fiscal Disparities Pool	1,895,193	1,891,078	1,963,816	1,765,135
Tax Increment	-	-	-	-
Net Tax Capacity	<u>\$ 11,370,491</u>	<u>\$ 11,137,167</u>	<u>\$ 9,140,265</u>	<u>\$ 8,283,775</u>
Net Tax Capacity as a Percentage of Estimated Market Value	<u>1.165 %</u>	<u>1.175 %</u>	<u>1.201 %</u>	<u>1.195 %</u>
Gross Tax Levy	<u>\$ 5,598,195</u>	<u>\$ 5,107,690</u>	<u>\$ 4,669,590</u>	<u>\$ 4,234,590</u>
Tax Capacity Rate	<u>50.065 %</u>	<u>51.147 %</u>	<u>51.147 %</u>	<u>50.589 %</u>

Source: Anoka County Property Records and Taxation Department.

Note: Property in the County is reassessed annually.

Table 5

2020	2019	2018	2017	2016	2015
\$ 637,525,800	\$ 580,370,400	\$ 525,321,000	\$ 474,776,600	\$ 451,592,700	\$ 441,346,300
7,459,600	7,740,700	7,565,000	7,013,300	6,691,100	5,971,100
<u>\$ 644,985,400</u>	<u>\$ 588,111,100</u>	<u>\$ 532,886,000</u>	<u>\$ 481,789,900</u>	<u>\$ 458,283,800</u>	<u>\$ 447,317,400</u>
\$ 5,206,235	\$ 4,716,185	\$ 4,377,814	\$ 3,865,537	\$ 3,651,698	\$ 3,546,894
685,757	621,584	586,633	582,609	539,921	520,655
443,635	262,865	237,868	225,462	224,223	220,816
(307,139)	(291,793)	(276,717)	(263,268)	(225,976)	(251,537)
1,765,135	1,636,528	1,521,933	1,462,769	1,364,588	1,358,498
(2,032)	-	-	-	(12,522)	(12,002)
<u>\$ 7,791,591</u>	<u>\$ 6,945,369</u>	<u>\$ 6,447,531</u>	<u>\$ 5,873,109</u>	<u>\$ 5,541,932</u>	<u>\$ 5,383,324</u>
<u>1.208 %</u>	<u>1.181 %</u>	<u>1.210 %</u>	<u>1.219 %</u>	<u>1.209 %</u>	<u>1.203 %</u>
<u>\$ 3,984,590</u>	<u>\$ 3,793,590</u>	<u>\$ 3,488,791</u>	<u>\$ 3,244,573</u>	<u>\$ 3,244,573</u>	<u>\$ 3,180,953</u>
<u>50.218 %</u>	<u>53.177 %</u>	<u>53.997 %</u>	<u>54.117 %</u>	<u>58.428 %</u>	<u>58.909 %</u>

City of St Francis, Minnesota
Statistical Section (Unaudited)
Property Tax Capacity Rates - Direct and Overlapping Governments
Last Ten Fiscal Years

Table 6

Year Taxes Payable	City			Overlapping Rates				Totals	
	General	Debt Service	Total	Anoka County	School District No. 15	School District No. 728	Special Districts	No. 15	No. 728
2024	39.618 %	10.447 %	50.065 %	25.629 %	16.193 %	23.924 %	2.543 %	94.430 %	102.161 %
2023	41.674	3.045	44.719	24.482	15.883	26.605	2.499	87.583	98.305
2022	47.110	4.037	51.147	29.254	18.833	30.889	3.239	102.473	114.529
2021	46.186	4.403	50.589	31.086	21.957	31.717	3.470	107.102	116.862
2020	45.847	4.371	50.218	33.078	22.200	34.371	3.406	108.902	121.073
2019	48.614	4.563	53.177	34.473	24.858	32.865	3.666	116.174	124.181
2018	46.729	7.268	53.997	35.334	26.962	36.137	4.026	120.319	129.494
2017	53.467	0.650	54.117	36.841	24.625	33.208	3.912	96.421	105.004
2016	57.562	0.866	58.428	38.894	29.371	39.266	4.430	131.123	141.018
2015	58.390	0.519	58.909	38.123	29.449	42.483	4.117	130.598	143.632

Source: Anoka County Property Records and Taxation Department.

Note: Overlapping rates are those of local and County governments that apply to property owners within the City. Not all overlapping rates apply to all City property owners (e.g. the rates for special districts apply only to the proportion of the government's property owners whose property is located within the geographic boundaries of the special district).

City of St Francis, Minnesota
Statistical Section (Unaudited)
Principal Property Taxpayers
Current Year and Nine Years Ago

Table 7

Taxpayer	2024			2015		
	Net Tax Capacity	Rank	Percent of Total Net Tax Capacity	Net Tax Capacity	Rank	Percent of Total Net Tax Capacity
Alliant Techsystems	\$ 317,724	1	2.79 %	\$ 160,552	1	4.25 %
ALS Properties Woodhaven LLC	148,534	2	1.31	101,569	2	2.69
St. Francis Realty LLC	97,372	3	0.86	81,241	3	2.15
King Exchange LLC	95,722	4	0.84	54,036	5	1.43
Minnegasco Inc.	75,306	5	0.66	52,438	6	1.39
Northern Capital Investments	69,309	6	0.61	27,653	7	0.73
Kwik Trip	43,896	7	0.39	-	-	-
Martinson Machine, LLLP	43,074	8	0.38	-	-	-
Weaver Brothers	34,832	9	0.31	19,047	10	0.50
Village Bank	34,488	10	0.30	21,754	8	0.58
Connexus Energy	-	-	-	58,066	4	1.54
Jensen Family LP	-	-	-	21,582	9	0.54
Total	<u>\$ 960,257</u>		<u>8.45 %</u>	<u>\$ 597,938</u>		<u>15.80 %</u>

Source: Anoka County Property Records and Taxation Department.

City of St Francis, Minnesota
Statistical Section (Unaudited)
Property Tax Levies and Collections
Last Ten Fiscal Years

Table 8

Fiscal Year	Original Gross Levy	Net Levy	Collection of Current Year's Levy	Percentage of Levy Collected	Collection of Prior Years' Levy	Total Collections	Percentage of Total Collections to Levy
2024	\$ 5,598,195	\$ 5,598,195	\$ 5,632,461	100.00 %	\$ 36,881	\$ 5,669,342	100.00 %
2023	5,107,690	5,107,690	5,113,778	100.00	(4,440)	5,109,338	100.00
2022	4,669,590	4,669,590	4,687,559	100.00	9,026	4,696,585	100.10
2021	4,234,590	4,234,590	4,235,248	100.00	38,872	4,274,120	100.10
2020	3,984,590	3,984,590	3,774,658	94.73	3,791	3,778,449	94.83
2019	3,793,590	3,488,791	3,485,000	99.89	3,791	3,488,791	100.00
2018	3,488,791	3,244,573	3,238,987	99.83	5,586	3,244,573	100.00
2017	3,244,573	3,244,573	3,239,514	99.84	5,059	3,244,573	100.00
2016	3,244,573	3,180,953	3,171,773	99.71	9,134	3,180,907	100.00
2015	3,180,953	2,988,086	2,985,995	99.93	2,091	2,988,086	100.00

City of St Francis, Minnesota
Statistical Section (Unaudited)
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Table 9

Fiscal Year	Governmental Activities		Business-type Activities		Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Lease Revenue Bonds	General Obligation Revenue Bonds	Lease Purchase			
2024	\$17,988,242	\$ -	\$ 18,538,000	\$ -	\$ 36,526,242	9.70 %	\$ 4,255
2023	18,358,536	-	20,087,000	-	38,445,536	10.55	4,629
2022	5,654,293	-	21,600,000	-	27,254,293	7.85	3,287
2021	6,089,436	-	23,050,000	-	21,139,436	8.25	3,579
2020	6,514,580	-	24,082,000	562,970	31,159,550	8.92	3,873
2019	6,934,723	-	25,436,000	614,813	32,985,536	11.16	4,192
2018	7,339,867	-	26,767,000	-	34,106,867	12.18	4,523
2017	7,770,010	-	27,891,000	-	35,661,010	12.73	4,729
2016	1,430,000	7,315,000	36,711,544	-	45,456,544	16.23	6,028
2015	1,505,000	7,550,000	30,268,000	-	39,323,000	14.42	5,314

Details regarding the City's outstanding debt can be found in the notes to the financial statements.
See the Demographic Statistics table on page 149 for personal income and population data.

City of St Francis, Minnesota
Statistical Section (Unaudited)
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Table 10

Fiscal Year	General Obligation Bonds	Less Amounts Available in Debt Service Funds	Net Bonded Debt	Percentage of Estimated Market Value of Taxable Property	Per Capita
2024	\$ 36,526,242	\$ 296,570	\$ 36,229,672	3.71 %	\$ 4,220
2023	38,445,536	-	38,445,536	4.06	3,269
2022	27,254,293	145,469	27,108,824	3.56	3,269
2021	29,139,436	159,226	28,980,210	4.18	3,559
2020	30,596,580	169,361	30,427,219	5.48	4,095
2019	32,370,723	153,737	32,216,986	6.38	4,506
2018	34,106,867	124,340	33,982,527	7.38	4,804
2017	35,661,010	112,802	35,548,208	8.19	5,122
2016	38,141,544	613,035	37,528,509	6.96	4,269
2015	31,773,000	626,991	31,146,009	3.78	2,080

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.
See Assessed Value and Estimated Actual Value of Taxable Property on page 138 - 139 for property value data.
See the Demographic Statistics on page 149 for population data.

City of St Francis, Minnesota
Statistical Section (Unaudited)
Computation of Direct and Overlapping Debt
December 31, 2024

Table 11

	Net Debt	Percentage Applicable to City	Amount Applicable to City of St. Francis Share of Debt
Direct Debt			
City of St. Francis	\$ 36,526,242	100.00 %	\$ 36,526,242
Overlapping Debt*			
Anoka County	26,490,000	1.85	489,509
Isanti County	4,685,000	0.02	1,087
School District 15	74,435,000	19.97	14,864,446
School District 728	263,240,000	0.00	7,371
Metropolitan Council	191,435,000	0.18	344,774
Anoka County RR Authority	4,215,000	1.85	77,889
Total Overlapping Debt	564,500,000		15,785,076
Total Direct and Overlapping Debt	\$ 601,026,242		\$ 52,311,318

Sources : Market value data used to estimate applicable percentages provided by the County Board of Equalization and Assessment. Debt outstanding data provided by the county.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City. This process recognized that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

* The percentage of overlapping debt applicable is estimated using taxable market property values. Applicable percentages were estimated by determining the portion of the county's taxable market value that is within the City's boundaries and dividing it by the county's total taxable market value.

City of St Francis, Minnesota
Statistical Section (Unaudited)
Legal Debt Margin Information
Last Ten Fiscal Years

	Fiscal Year			
	2024	2023	2022	2021
Estimated Market Value of Taxable Property	\$ 977,263,300	\$ 948,934,200	\$ 761,123,400	\$ 693,412,000
Statutory Percentage	3.0%	3.0%	3.0%	3.0%
Statutory Debt Limit	29,317,899	28,468,026	22,833,702	20,802,360
Total Net Debt Applicable to Limit	-	-	-	-
Legal Debt Margin	<u>\$ 29,317,899</u>	<u>\$ 28,468,026</u>	<u>\$ 22,833,702</u>	<u>\$ 20,802,360</u>
Legal Debt Margin Calculation				
Estimated Market Value of Taxable Property	\$ 977,263,300			
Statutory Percentage	<u>3.0%</u>			
Statutory Debt Limit	<u>\$ 29,317,899</u>			
Total Bonds Outstanding	\$ 36,526,242			
Less: Special Assessment Bonds	(60,000)			
Less: Utility Revenue Bonds	<u>(18,538,000)</u>			
Debt Applicable to Limit	<u>\$ 17,928,242</u>			
Legal Debt Margin	<u>\$ 11,389,657</u>			

Table 12

Fiscal Year					
2020	2019	2018	2017	2016	2015
\$ 644,985,000	\$ 588,111,100	\$ 532,886,000	\$ 481,789,900	\$ 458,283,800	\$ 447,317,400
3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
19,349,550	17,643,333	15,986,580	14,453,697	13,748,514	13,419,522
-	-	-	-	-	-
<u>\$ 19,349,550</u>	<u>\$ 17,643,333</u>	<u>\$ 15,986,580</u>	<u>\$ 14,453,697</u>	<u>\$ 13,748,514</u>	<u>\$ 13,419,522</u>

City of St Francis, Minnesota
Statistical Section (Unaudited)
Pledged - Revenue Coverage
Last Ten Fiscal Years

Table 13

G.O. Special Assessment Bonds								
Fiscal Year	Property Taxes	Special Assessments	Revenue Available	Debt Service			Coverage	
				Principal	Interest	Total		
2024	\$ 23,559	\$ 7,401	\$ 30,960	\$ 30,000	\$ 2,825	\$ 32,825	0.943	%
2023	20,474	7,896	28,370	120,000	4,375	124,375	0.228	
2022	41,875	22,680	64,555	120,000	8,501	128,501	0.502	
2021	41,935	30,873	72,808	120,000	9,784	129,784	0.561	
2020	41,654	41,047	82,701	120,000	11,748	131,748	0.628	
2019	41,661	46,658	88,319	115,000	13,507	128,507	0.687	
2018	41,678	26,978	68,656	115,000	14,889	129,889	0.529	
2017	41,543	34,153	75,696	630,000	28,152	658,152	0.115	
2016	41,486	52,856	94,342	75,000	41,726	116,726	0.808	
2015	20,819	22,335	43,154	70,000	38,736	108,736	0.397	

G.O. Revenue Bonds							
Fiscal Year	Operating Revenue (1)	Operating Expenses (2)	Net Revenue	Debt Service			Coverage
				Principal (3)	Interest	Total	
2024	\$ 4,420,857	\$ 1,785,716	\$ 2,635,141	\$ 1,549,000	\$ 307,593	\$ 1,856,593	141.934 %
2023	3,720,327	1,731,107	1,989,220	1,513,000	341,293	1,854,296	107.276
2022	3,550,197	1,707,666	1,842,531	1,450,000	369,340	1,819,340	101.275
2021	3,840,902	1,534,696	2,306,206	1,450,779	433,461	1,884,420	122.383
2020	4,171,479	1,472,497	2,698,982	1,405,843	431,905	1,837,748	146.864
2019	3,494,127	1,376,831	2,117,296	1,331,000	444,384	1,775,384	119.258
2018	3,557,284	1,355,133	2,202,151	1,124,000	456,355	1,580,355	139.345
2017	3,845,952	1,209,624	2,636,328	4,470,544	610,805	5,081,349	51.882
2016	3,261,442	992,279	2,269,163	17,297,000	539,674	17,836,674	12.722
2015	2,364,011	1,120,195	1,243,816	1,043,000	400,791	1,443,791	86.149

(1) Operating revenues includes connection fees.

(2) Excluding depreciation.

(3) Net of crossover refunding.

City of St Francis, Minnesota
Statistical Section (Unaudited)
Demographic Statistics
Last Ten Fiscal Years

Table 14

Year	(1) Population	(2) Personal Income	(3) Per Capita Personal Income	(4) Unemployment Rate
2024	8,585	\$ 376,538,100	\$ 43,860	2.6 %
2023	8,306	364,301,160	43,860	2.5
2022	8,292	347,310,420	41,885	3.2
2021	8,142	353,403,510	43,405	4.5
2020	8,045	349,193,225	43,405	4.3
2019	7,868	295,640,100	37,575	3.1
2018	7,541	280,074,920	37,140	3.3
2017	7,400	272,754,400	36,859	4.0
2016	7,327	301,337,529	41,127	3.5
2015	7,296	300,062,592	41,127	3.5

(1) Metropolitan Council

(2) Estimates by the City. Calculated by multiplying per capita personal income and the population.

(3) Metropolitan Council

(4) Minnesota Department of Employment and Economic Development

City of St Francis, Minnesota
Statistical Section (Unaudited)
Principal Employers
Current Year and Nine Years Ago

Table 15

Employer	2024			2015		
	Employees	Rank	Percent of City Employment	Employees	Rank	Percent of City Employment
Independent School District #15 (includes Bus Garage)	710	1	46.93 %	832	1	0.54 %
County Market	60 *	2	3.97	85	2	0.05
McDonald's	58 *	3	3.83	54	3	0.03
Temperature Specialists, Inc.	43	4	2.84	49	4	0.04
Kwik Trip	41	5	2.71	-	-	-
Northland Screw Products	40 *	6	2.64	36	6	0.02
The Ponds Golf Course & Restaurant	40 *	7	2.64	29	8	0.02
City of St. Francis	37	8	2.38	33	7	0.02
Lit'l Sprouts Childcare	27	9	1.78	-	-	-
Beef O' Bradys	14	10	0.93	40	5	0.03
Kid's Country	-	-	-	26	9	0.02
Rum River Inn	-	-	-	25	10	0.02
Total	<u>1,070</u>		<u>70.65 %</u>	<u>1,209</u>		<u>0.79 %</u>

*Estimated as business would not provide exact number

City of St Francis, Minnesota
Statistical Section (Unaudited)
Full-time Equivalent City Government Employees by Function
Last Ten Fiscal Years

Table 16

Function	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
General Government	8	8	8	8	8	8	8	8	8	6
Public Safety										
Police	14	14	14	14	14	14	14	14	14	14
Fire	2	1	1	1	1	-	-	-	-	-
Public Works	3	3	3	3	3	3	3	3	3	2
Culture and Recreation	2	2	2	2	2	2	2	2	2	2
Water	3	3	3	3	3	3	3	3	2	2
Sewer	2	2	2	2	2	2	2	2	2	2
Municipal Liquor Store	3	3	3	3	2	2	2	2	2	4
Total	<u>37</u>	<u>36</u>	<u>36</u>	<u>36</u>	<u>35</u>	<u>34</u>	<u>34</u>	<u>34</u>	<u>33</u>	<u>32</u>

Source: various city departments

City of St Francis, Minnesota
Operating Indicators by Function
Last Ten Fiscal Years

Table 17

Function	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
General Government										
Ordinances and resolutions adopted	15	92	87	83	63	52	58	60	52	82
Administration - Licenses processed	57	22	25	24	27	30	27	34	30	30
Finance - Payroll checks issued	1,463	1,376	1,352	1,418	1,385	1,396	1,333	1,237	1,274	1,275
Finance - Invoices paid	4,192	3,930	2,609	2,728	3,161	3,081	3,354	3,080	3,100	3,010
Police										
Chargeable offenses (Parts 1 & 2)	198	381	447	811	734	325	325	335	611	602
Miscellaneous offenses (Parts 3 & 4)	4,273	4,842	4,269	3,934	4,052	828	813	522	3,140	4,309
Public safety calls for service	7,566	6,690	6,427	6,521	6,246	3,962	3,663	3,912	3,751	4,911
Traffic citations issued		513	394	659	631	4,790	4,476	4,434	368	432
Fire	839									
Number of calls answered		750	730	659	541	484	377	323	251	254
Code Enforcement	659									
Building permits issued		837	879	565	621	621	487	374	318	333
Highways and Streets	38									
Asphalt streets maintained	8	38	37	37	36	36	36	36	36	36
Gravel maintenance (miles)	-	8	8	8	8	11	11	11	11	11
Gravel usage (Tons)	-	-	-	-	-	-	-	-	1,778	62
Sand/salt usage (tons)	371	530	654	413	277	350	441	366	371	210
Water										
Water pumped (million gallons)	187	218	202	211	201	172	185	168	177	173
Water main breaks repaired	-	-	-	-	-	-	-	-	1	1
Wastewater										
Gallons of wastewater treated (millions)	136	136	132	127	127	121	116	120	130	113
Miles of sewer mains cleaned	5	5	5	5	5	5	5	5	3	1

Sources: Various government departments.

City of St Francis, Minnesota
Statistical Section (Unaudited)
Miscellaneous Statistics
December 31, 2024

Table 18

Year of Incorporation	1974
Area of City	23.70 square miles
Miles of Roadways	
City	48.1
State / County	26.9
Private	4.6
Water System	
Number of hydrants	
City	310
Private	68
Number of wells	3
Miles of water mains	
City	30.1
Private	7.4
Raw	0.6
Abandoned	0.2
Sewer System	
Lift stations	
City	9
Private	2
Miles of sewer mains	
City	24.0
Private	5.7
Number of manholes	
City	504
Private	142
Fire Protection	
Number of stations	1
Number of employees	21
Police Protection	
Number of stations	1
Number of employees	16
Parks	
Number	16
Acres	89.3
Elections	
Registered voters last election	5,671
Number of votes cast last election	4,712
Percentage of registered voters voting	83.09%

Sources: Various government departments.

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City of St Francis, Minnesota
Capital Asset Statistics by Function
Last Ten Fiscal Years

Table 19

Function	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Public Safety										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	7	7	7	7	7	7	7	7	7	7
Fire stations										
Stations	1	1	1	1	1	1	1	1	1	1
Public Works										
Highways and streets										
Streets (miles)	48.1	48.1	48.1	47	47	47	47	47	47	47
Street lights	287	286	286	279	273	270	270	270	270	259
Traffic signals	0	0	0	0	0	0	0	0	-	1
Culture and Recreation										
Parks division										
Parks	16	16	16	14	14	14	14	14	14	14
Parks acreage	89.3	89.3	89.3	83	83	83	83	83	83	83
Utilities										
Water										
Miles of water main	30.1	30.1	30.1	24.7	24.7	24.7	24.7	24.7	24.7	24.7
Consumers	5,321	5,314	4,380	4,380	4,380	4,380	4,380	4,380	4,380	4,380
Maximum daily capacity (gallons)	1,950,000	1,950,000	1,950,000	1,950,000	1,950,000	1,950,000	1,950,000	1,950,000	1,950,000	1,950,000
Sewer										
Miles of sanitary sewer	24	24	24	20.6	20.6	20.6	20.6	20.6	20.6	20.6
Lift stations	9	9	9	12	12	12	12	12	12	12
Maximum daily treatment capacity (gallons)	814,000	814,000	814,000	814,000	814,000	814,000	814,000	814,000	540,000	540,000
Storm sewer										
Miles of storm sewer	16.7	16.7	16.7	16.7	16.7	16.7	16.7	16.7	16.7	16.7

Source: City of St. Francis, Minnesota

Note: No capital asset indicators are available for the general government function.