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A PATHWAY FOR ALL OF US



2021 Library Budget Proposal

City of Saint Paul, Minnesota
Mayor Melvin Carter



Saint Paul Public Library Agency
2021 Proposed Budget

Table of Contents

Board of Commissioners.....2

Budget Process.....3-4

City and Library Agency Composite Summary.....5-6

Library Overview.....7-8

Spending Reports.....9-12

Financing Reports.....13-18

Appendices

 Glossary.....19-21

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Saint Paul Public Library Agency

Board of Commissioners

Term Expires

Commissioners:

Amy Brendmoen

December 31, 2023

Mitra Jalali

December 31, 2023

Rebecca Noecker

December 31, 2023

Jane L. Prince

December 31, 2023

Dai Thao

December 31, 2023

Chris Tolbert

December 31, 2023

Nelsie Yang

December 31, 2023

Officers:

Jane Prince, Library Board Chair

Dai Thao, Library Board Secretary

Nelsie Yang, Library Board Treasurer

Budget Process

The budget process is designed to conform with Minnesota law, the City charter and the legislative code. The process to develop the budget commences in February.

January - March

The budget for the following year is finalized during this time. This includes preparing, printing and distributing books reflecting the adopted budget. The accounting section of the Office of Financial Services prepares the annual financial report for the previous year. During this time, the “base budget” for the upcoming year is identified.

April - June

Forms, instructions, printouts and the Mayor’s guidelines are distributed to departments. These tools are used to plan for and develop operating budgets. Department management and staff identify objectives, performance indicators and the resources needed to accomplish goals. Services are reviewed to determine purpose, need and cost-saving ideas.

Department requests for the following year’s budget are submitted to the Office of Financial Services in June. After that, each department’s budget is analyzed by the OFS budget staff. The Mayor meets with the department directors to discuss their needs and to ensure that budgets meet the service level and taxing objectives that have been established for the City.

July - September

The budget staff finalizes the Mayor’s recommendations and produces the Mayor’s proposed budget. The Mayor then submits the recommended budget to the City Council by August 30, as required by the City Charter.

In August and/or September, the City Council begins reviewing the Mayor’s proposed budget. The Council holds meetings with department directors, management and staff to obtain a clear understanding of the department’s goals, service priorities and objectives that are represented in the proposed budget. As required by state law, the City Council sets the maximum property tax levy no later than September 30. Governmental units can adjust budgets, resulting in property taxes that are less than or equal to, but not more than, the maximum levy.

October - December

The City Council holds public hearings on the budget. Ramsey County mails property tax statements to property owners indicating the maximum amount of property taxes that the owner will be required to pay. These statements also indicate when the budget and property tax public hearings will be held. State law requires the City to hold a meeting to give residents the opportunity to comment on the information in their notices. This meeting is held in early December. The City Council then adopts a budget and tax levy for the City. The adopted budget represents changes made by the City Council to the Mayor’s proposed budget. The Mayor has line-item veto authority over the Council-adopted budget.

CITY OF SAINT PAUL BUDGET CYCLE

	2020												2021			
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	
Establish base budget and prepare instructions		█	█													█
Distribute Mayor's guidelines				█												█
Distribute forms and instructions				█												
Departments prepare requested budgets within base				█	█	█										
Deadline for department data entry						█										
Deadline for budget forms submission to Mayor						█	█									
Budget Office analysis of Department requests						█	█									
Meetings with Departments and Budget staff						█	█	█								
Meetings with the Mayor and Departments							█	█								
Finalize Mayor's recommendations & prepare budget books								█	█							
Present Mayor's proposed budget to Council								█	█							
Council reviews Mayor's proposed budget									█	█	█	█	█	█		
Council sets maximum tax levies										█	█					
Public Truth in Taxation hearing												█	█			
Adopt City budgets, certify tax levies & ratify													█	█		
Transfer budget information to the Finance system														█	█	

City and Library Agency Composite Summary

**Property Tax Levy and State Aid: City, Library Agency and Port Authority Combined
2020 Adopted vs. 2021 Proposed**

Property Tax Levy*

	<u>2020 Adopted</u>	<u>2021 Proposed</u>	<u>Amount Change</u>	<u>Pct. Change</u>	<u>Pct of City 20 Total</u>	<u>Pct of City 21 Total</u>
City of Saint Paul						
General Fund	126,389,708	126,124,931	(264,777)	-0.2%	77.5%	77.3%
General Debt Service	17,121,513	18,521,513	1,400,000	8.2%	10.5%	11.4%
Saint Paul Public Library Agency	19,558,690	18,423,467	(1,135,223)	-5.8%	12.0%	11.3%
Total (City and Library combined)	163,069,911	163,069,911	-	0.0%	100.0%	100.0%
Port Authority	2,111,700	2,111,700	-	0.0%		
Overall Levy (City, Library & Port)	165,181,611	165,181,611	-	0.0%		

* This is the total property tax levy used to determine tax rates. Actual financing available to support the budget is less, due to a 3% "shrinkage" allowance for delinquent taxes. In 2021 this has been increased from 2% to account for current economic conditions.

Local Government Aid Financing

	<u>2020 Adopted</u>	<u>2021 Proposed</u>	<u>Amount Change</u>	<u>Pct. Change</u>	<u>Pct. of 20 Total</u>	<u>Pct. of 21 Total</u>
City of Saint Paul						
General Fund	69,276,338	70,931,877	1,655,539	2.4%	100.0%	100.0%
General Debt Service	-	-	-	N.A.	0.0%	0.0%
Saint Paul Public Library Agency*	-	-	-	N.A.	0.0%	0.0%
Total (City and Library combined)	69,276,338	70,931,877	1,655,539	2.4%	100.0%	100.0%

* As of 2010, no LGA is allocated as a revenue source to the Saint Paul Public Library Agency.

Library Agency Overview

**2021 Proposed Budget
Library Agency**

Fiscal Summary

	2019 Actual	2020 Adopted	2021 Proposed	Change	% Change	2020 Adopted FTE	2021 Proposed FTE
Spending							
270: SPPL General Fund	18,415,765	19,561,931	18,215,177	(1,346,754)	-6.9%	173.40	159.70
275: SPPL Special Projects	1,487,418	1,290,560	1,175,938	(114,622)	-8.9%	3.69	2.05
Total	19,903,183	20,852,491	19,391,115	(1,461,376)	-7%	177.09	161.75
Financing							
270: SPPL General Fund	18,546,407	19,561,931	18,215,177	(1,346,754)	-6.9%		
275: SPPL Special Projects	1,622,916	1,290,560	1,175,938	(114,622)	-8.9%		
Total	20,169,322	20,852,491	19,391,115	(1,461,376)	-7.0%		

Budget Changes Summary

The 2021 proposed budget for the Library General Fund eliminates the following positions from the Library's budget, in total 16.7 vacant FTEs: 6.7 Library Associates, 4.59 Library Customer Service Assistant (LCSA) Is, 1 LCSA II, 1 LCSA III, 1 Librarian I, 1 Public Information Officer II, 1 Facilities Manager, and 0.38 FTE of a Library Aide. In addition, the Libraries collections budget is reduced by less than \$17,000.

The budget moves 1.95 FTEs of Cultural Liaisons from the special fund to the General Fund so that they can be permanently funded with an ongoing source instead of grant funds. A new position, a Library Program Coordinator, is added to the budget to manage community arts and cultural programs as well as other education and learning programs. Funding for mobile hotspots is also made permanent in the General Fund. As part of a 5-year plan to fund Library collections and increase General Fund support, the transfer from the Parking Fund to Library collections decreases from \$200,000 to \$150,000 and the General Fund adds \$50,000 of collections funding.

In the Library special fund, 1.95 FTEs of Cultural Liaisons are moved out of grant budgets and into the General Fund. In addition, there is a small increase in salary and benefit costs for other employees and a small decrease in the budget for materials and supplies.

Spending Reports

CITY OF SAINT PAUL
Department Budget Summary
(Spending and Financing)

Department: ST PAUL PUBLIC LIBRARY AGENCY

Budget Year: 2021

	2018 Actuals	2019 Actuals	2020 Adopted	2021 Mayor's Proposed	Change From 2020 Adopted
<u>Spending by Fund</u>					
SPPL GENERAL FUND	18,149,418	18,415,765	19,561,931	18,215,177	(1,346,754)
SPPL SPECIAL PROJECTS	1,411,028	1,487,418	1,290,559	1,175,938	(114,622)
TOTAL SPENDING BY FUND	19,560,446	19,903,183	20,852,490	19,391,115	(1,461,375)
<u>Spending by Major Account</u>					
EMPLOYEE EXPENSE	13,210,407	13,564,552	14,659,624	13,411,954	(1,247,670)
SERVICES	3,870,968	3,825,083	3,542,336	3,341,195	(201,142)
MATERIALS AND SUPPLIES	2,381,159	2,451,296	2,590,002	2,567,941	(22,061)
ADDITIONAL EXPENSES	(33)	2,477	500	500	
DEBT SERVICE				26,105	26,105
OTHER FINANCING USES	97,945	59,775	60,028	43,420	(16,608)
TOTAL SPENDING BY MAJOR ACCOUNT	19,560,446	19,903,183	20,852,490	19,391,115	(1,461,375)
<u>Financing by Major Account</u>					
TAXES	18,001,664	18,523,412	19,186,930	17,890,177	(1,296,753)
INTERGOVERNMENTAL REVENUE	366,281	385,778	307,588	317,695	10,107
CHARGES FOR SERVICES	141,256	137,972	120,993	121,001	8
FINE AND FORFEITURE	191,930	30,649	44,350	44,350	
INVESTMENT EARNINGS	1,998	13,495	14,433	14,433	
MISCELLANEOUS REVENUE	632,115	1,078,016	712,107	579,494	(132,613)
OTHER FINANCING SOURCES	648,313		466,089	423,965	(42,124)
TOTAL FINANCING BY MAJOR ACCOUNT	19,983,556	20,169,322	20,852,490	19,391,115	(1,461,375)

CITY OF SAINT PAUL
Spending Plan by Department

Department: ST PAUL PUBLIC LIBRARY AGENCY
Fund: SPPL GENERAL FUND

Budget Year: 2021

	2018 Actuals	2019 Actuals	2020 Adopted	2021 Mayor's Proposed	Change From 2020 Adopted
Spending by Major Account					
EMPLOYEE EXPENSE	13,127,988	13,378,159	14,421,424	13,284,287	(1,137,137)
SERVICES	3,194,414	3,258,363	3,147,716	2,947,592	(200,125)
MATERIALS AND SUPPLIES	1,729,071	1,719,468	1,932,263	1,913,274	(18,989)
ADDITIONAL EXPENSES			500	500	
DEBT SERVICE				26,105	26,105
OTHER FINANCING USES	97,945	59,775	60,028	43,420	(16,608)
Total Spending by Major Account	18,149,418	18,415,765	19,561,931	18,215,177	(1,346,754)
Spending by Accounting Unit					
27043100 SPPL GENERAL ADMINISTRATION	585,345	633,163	746,218	1,022,211	275,992
27043200 SPPL PUBLIC SERVICES	11,730,522	11,824,220	12,423,825	11,515,377	(908,448)
27043300 SPPL SYSTEM SUPPORT SERVICES	3,243,809	3,393,840	3,735,228	3,579,728	(155,499)
27043400 SPPL FACILITY OPS AND MNTNCE	2,589,742	2,564,542	2,656,660	2,097,862	(558,798)
Total Spending by Accounting Unit	18,149,418	18,415,765	19,561,931	18,215,177	(1,346,754)

CITY OF SAINT PAUL
Spending Plan by Department

Department: ST PAUL PUBLIC LIBRARY AGENCY
Fund: SPPL SPECIAL PROJECTS

Budget Year: 2021

	2018 Actuals	2019 Actuals	2020 Adopted	2021 Mayor's Proposed	Change From 2020 Adopted
Spending by Major Account					
EMPLOYEE EXPENSE	82,419	186,393	238,200	127,668	(110,533)
SERVICES	676,554	566,720	394,620	393,603	(1,017)
MATERIALS AND SUPPLIES	652,089	731,828	657,739	654,667	(3,072)
ADDITIONAL EXPENSES	(33)	2,477			
Total Spending by Major Account	1,411,028	1,487,418	1,290,559	1,175,938	(114,622)
Spending by Accounting Unit					
27543610 LIBRARY FEES FINES N REVENUES	510,777	444,759	254,440	254,448	8
27543615 SPROCKETS PROGRAM	21,163	46,109	91,089	98,965	7,876
27543620 RELLA HAVENS BEQUEST	14,991	15,723	14,433	14,433	
27543650 MELSA PROGRAMS STATE AID	290,558	275,230	210,834	210,834	
27543800 FRIENDS OF THE LIBRARY GRANTS	415,270	552,326	529,754	441,511	(88,243)
27543820 LIBRARY PRIVATE GRANTS	40,912	40,465	54,644	36,107	(18,536)
27543830 PERRIE JONES ENDOWMENT FRIENDS	117,357	105,615	109,366	119,640	10,274
27543850 STRENGTHENING LIBRARY GO FEDER/		7,190	26,000		(26,000)
Total Spending by Accounting Unit	1,411,028	1,487,418	1,290,559	1,175,938	(114,622)

Financing Reports

CITY OF SAINT PAUL
Financing by Company and Department

Company: ST PAUL PUBLIC LIBRARY AGENCY
 Department: ST PAUL PUBLIC LIBRARY AGENCY
 Fund: SPPL GENERAL FUND

Budget Year: 2021

Account	Account Description	2018 Actuals	2019 Actuals	2020 Adopted	2021 Mayor's Proposed	Change From 2020 Adopted
40005-0	CURRENT PROPERTY TAX	14,732,422	14,802,607	19,167,518	17,870,765	(1,296,753)
40010-0	FISCAL DISPARITIES	3,184,888	3,649,584			
40201-0	PROP TAX 1ST YEAR DELINQUENT	60,642	36,806	19,412	19,412	
40202-0	PROP TAX 2ND YR DELINQUENT	(2,918)	4,739			
40203-0	PROP TAX 3RD YR DELINQUENT	8,965	9,541			
40204-0	PROP TAX 4TH YEAR DELINQUENT	3,456	7,208			
40205-0	PROP TAX 5TH YEAR DELINQUENT	3,184	1,369			
40206-0	PROP TAX 6TH YR AND PRIOR	11,025	12,045			
40410-0	PROPERTY TAX INTEREST		(487)			
TOTAL FOR TAXES		18,001,664	18,523,412	19,186,930	17,890,177	(1,296,753)
43805-0	CITY SHARE COUNTY PILOT	32,047	22,525			
TOTAL FOR INTERGOVERNMENTAL REVENUE		32,047	22,525			
55505-0	OUTSIDE CONTRIBUTION DONATIONS	473				
55845-0	JURY DUTY PAY	149	40			
55915-0	OTHER MISC REVENUE	1,963	430			
TOTAL FOR MISCELLANEOUS REVENUE		2,585	470			
56225-0	TRANSFER FR SPECIAL REVENUE FU	451,824		175,000	175,000	
56240-0	TRANSFER FR ENTERPRISE FUND			200,000	150,000	(50,000)
TOTAL FOR OTHER FINANCING SOURCES		451,824		375,000	325,000	(50,000)
TOTAL FOR SPPL GENERAL FUND		18,488,120	18,546,407	19,561,930	18,215,177	(1,346,753)

CITY OF SAINT PAUL
Financing by Company and Department

Company: ST PAUL PUBLIC LIBRARY AGENCY
 Department: ST PAUL PUBLIC LIBRARY AGENCY
 Fund: SPPL SPECIAL PROJECTS

Budget Year: 2021

Account	Account Description	2018 Actuals	2019 Actuals	2020 Adopted	2021 Mayor's Proposed	Change From 2020 Adopted
43101-0	FEDERAL GRANT STATE ADMIN	18,897	73,402	96,754	70,754	(26,000)
43201-0	FEDERAL GRANT OTHER ADMIN		23,270		36,107	36,107
43401-0	STATE GRANTS			20,000	20,000	
43660-0	MELSA METRO LIBRARY SVC AG	315,337	266,582	190,834	190,834	
TOTAL FOR INTERGOVERNMENTAL REVENUE		334,234	363,254	307,588	317,695	10,107
44160-0	ELEC CHARGING STATIONS	28	113			
47510-0	SPACE RENTAL	5,952	8,496	4,000	4,000	
48330-0	FACILITY RENTAL			3,357	3,357	
48405-0	COMMISSIONS VENDING MACHINE	13	29	189	189	
49105-0	LIBRARY FEE NON RESIDENT CARD			650	650	
49110-0	LIBRARY FEE RESEARCH		10	600	600	
49115-0	LIBRARY SERVICE FEE	17,579	12,609	26,500	26,500	
49205-0	LIBRARY MATERIAL RENTAL	44	2	697	705	8
49215-0	LIBRARY DUPLICATING	102,896	101,614	75,000	75,000	
49220-0	LIBRARY MERCHANDISE	14,746	15,098	10,000	10,000	
TOTAL FOR CHARGES FOR SERVICES		141,256	137,972	120,993	121,001	8
53115-0	LIBRARY OVERDUE FINES	159,303	3,541			
53120-0	LIBRARY LOST DAMAGE FINE	32,627	27,108	44,350	44,350	
TOTAL FOR FINE AND FORFEITURE		191,930	30,649	44,350	44,350	
54505-0	INTEREST INTERNAL POOL	6,846	8,737	14,433	14,433	
54506-0	INTEREST ACCRUED REVENUE	1,173	(1,018)			
54510-0	INCR OR DECR IN FV INVESTMENTS	(6,021)	5,776			
TOTAL FOR INVESTMENT EARNINGS		1,998	13,495	14,433	14,433	

CITY OF SAINT PAUL
Financing by Company and Department

Company: ST PAUL PUBLIC LIBRARY AGENCY
 Department: ST PAUL PUBLIC LIBRARY AGENCY
 Fund: SPPL SPECIAL PROJECTS

Budget Year: 2021

Account	Account Description	2018 Actuals	2019 Actuals	2020 Adopted	2021 Mayor's Proposed	Change From 2020 Adopted
55505-0	OUTSIDE CONTRIBUTION DONATIONS	485,572	893,278	572,366	494,397	(77,969)
55525-0	REIMB FROM OUTSIDE AGENCY	2,780				
55526-0	REBATES		250			
55550-0	PRIVATE GRANTS	959		54,644		(54,644)
55815-0	REFUNDS OVERPAYMENTS			750	750	
55840-0	E RATE REFUNDS	115,660	164,289	84,297	84,297	
55905-0	CASH OVER OR SHORT	(3,873)	(1,080)	50	50	
55915-0	OTHER MISC REVENUE	28,432	20,809			
TOTAL FOR MISCELLANEOUS REVENUE		629,530	1,077,546	712,107	579,494	(132,613)
56225-0	TRANSFER FR SPECIAL REVENUE FU	172,500				
58101-0	SALE OF CAPITAL ASSET	23,989				
59910-0	USE OF FUND EQUITY			91,089	98,965	7,876
TOTAL FOR OTHER FINANCING SOURCES		196,489		91,089	98,965	7,876
TOTAL FOR SPPL SPECIAL PROJECTS		1,495,437	1,622,916	1,290,560	1,175,938	(114,622)
TOTAL FOR ST PAUL PUBLIC LIBRARY AGENCY		19,983,556	20,169,322	20,852,490	19,391,115	(1,461,375)

CITY OF SAINT PAUL
Financing Plan by Department

Department: ST PAUL PUBLIC LIBRARY AGENCY
Fund: SPPL GENERAL FUND

Budget Year: 2021

	2018 Actuals	2019 Actuals	2020 Adopted	2021 Mayor's Proposed	Change From 2020 Adopted
Financing by Major Account					
TAXES	18,001,664	18,523,412	19,186,930	17,890,177	(1,296,753)
INTERGOVERNMENTAL REVENUE	32,047	22,525			
MISCELLANEOUS REVENUE	2,585	470			
OTHER FINANCING SOURCES	451,824		375,000	325,000	(50,000)
Total Financing by Major Account	18,488,120	18,546,407	19,561,930	18,215,177	(1,346,753)
Financing by Accounting Unit					
27043100 SPPL GENERAL ADMINISTRATION	18,485,535	18,545,937	19,361,930	18,065,177	(1,296,753)
27043200 SPPL PUBLIC SERVICES	716	470			
27043300 SPPL SYSTEM SUPPORT SERVICES	1,869		200,000	150,000	(50,000)
Total Financing by Accounting Unit	18,488,120	18,546,407	19,561,930	18,215,177	(1,346,753)

CITY OF SAINT PAUL
Financing Plan by Department

Department: ST PAUL PUBLIC LIBRARY AGENCY
Fund: SPPL SPECIAL PROJECTS

Budget Year: 2021

	2018 Actuals	2019 Actuals	2020 Adopted	2021 Mayor's Proposed	Change From 2020 Adopted
Financing by Major Account					
INTERGOVERNMENTAL REVENUE	334,234	363,254	307,588	317,695	10,107
CHARGES FOR SERVICES	141,256	137,972	120,993	121,001	8
FINE AND FORFEITURE	191,930	30,649	44,350	44,350	
INVESTMENT EARNINGS	1,998	13,495	14,433	14,433	
MISCELLANEOUS REVENUE	629,530	1,077,546	712,107	579,494	(132,613)
OTHER FINANCING SOURCES	196,489		91,089	98,965	7,876
Total Financing by Major Account	1,495,437	1,622,916	1,290,560	1,175,938	(114,622)
Financing by Accounting Unit					
27543610 LIBRARY FEES FINES N REVENUES	677,094	357,724	254,440	254,448	8
27543615 SPROCKETS PROGRAM			91,089	98,965	7,876
27543620 RELLA HAVENS BEQUEST	1,998	13,495	14,433	14,433	
27543650 MELSA PROGRAMS STATE AID	315,337	266,582	210,834	210,834	
27543800 FRIENDS OF THE LIBRARY GRANTS	382,649	838,491	529,754	441,511	(88,243)
27543820 LIBRARY PRIVATE GRANTS	1,303	26,270	54,644	36,107	(18,537)
27543830 PERRIE JONES ENDOWMENT FRIENDS	117,057	120,353	109,366	119,640	10,274
27543850 STRENGTHENING LIBRARY GO FEDER/			26,000		(26,000)
Total Financing by Accounting Unit	1,495,437	1,622,916	1,290,560	1,175,938	(114,622)

Glossary

Account Code. A five-digit code assigned to a specific type of receipt or expenditure. A major account code is a grouping of expenditures or receipts on the basis of the types of goods or services purchased or rendered. For example, personnel services, materials, supplies, and equipment are major account codes.

Accounting Unit (AU): An accounting unit is a subunit of a fund. Each fund contains one or more accounting units, a specific and distinguishable budgetary unit of work or service. Accounting units are detailed levels of budget spending authority created to accomplish the approved objectives of the fund.

Accounting Unit Number: An eight (8)-digit number which uniquely identifies the accounting unit. The first digit indicates the fund type, while the second digit indicates the department.

Allocation: A portion of a lump-sum appropriation which is designated for expenditure by specific organizational units or for special purposes. See *Appropriation*.

Appropriation: An expenditure authorized by the City Council for a specified amount and time.

Assessed Valuation: The value that is established for real estate or other property by a government for use as a basis for levying property taxes.

Bond: A written promise to pay a specific sum of money (called the principal amount or face value) at a specified future date (called the maturity date) along with periodic interest at a specified rate.

Budget Document: The written record of the comprehensive financial plan the mayor presents to the city council for review, revision if deemed appropriate, and adoption.

Capital Allocation: Assignment of available capital (dollars) to specific uses.

Capital Expenditure: Actual spending of capital (dollars) for capital improvement projects.

Capital Improvement: The purchase or construction of durable/fixed assets. Examples include streets, bridges, parks or buildings.

Capital Improvement Budget (CIB): A plan for capital expenditures (physical development of the city) to be incurred each year, over a fixed number of years, in order to meet capital needs arising from the long-term work program.

Capital Outlay: Equipment, machinery, vehicles or furniture items included in the operating budget. See *Capital Improvement Budget*.

Capital Projects Fund: A fund established to account for all financial resources used for the construction or acquisition of major capital facilities, except those financed by special assessment, proprietary or fiduciary funds.

CIB: Acronym for capital improvement budget.

Debt Service Fund: A fund established to account for the financial resources used for the payment of long-term general obligation debt principal, interest, and related costs.

Division: An organizational subunit of a department. Each department has one or more divisions, which are responsible for one or more activities.

Encumbrances: Legal commitment of appropriated funds (in the form of purchase orders or contracts) to purchase goods or services to be delivered or performed at a future date. They cease to be encumbrances when paid or when the actual liability is created.

Enterprise Fund: A fund established to account for city operations that are financed and operated in a manner similar to private business enterprises. The intent is that the costs (expenses, including depreciation) of providing goods and services on a continuing basis be financed or recovered primarily through user charges.

ERP: Acronym for Enterprise Resource Planning, a document and information management system. The City's ERP system is Infor.

ETI: Acronym for Enterprise Technology Initiative. This is an activity in the Technology department in which spending and financing for city-wide technology improvements are budgeted.

Expenditures: Total charges incurred, whether paid or unpaid, including the provision for retirement of debt not reported as a liability of the fund from which it will be retired, and capital outlays (for governmental funds and fiduciary funds, except non-expendable trust funds) .

Expenses. Charges incurred, whether paid or unpaid, for operation, maintenance, interest, and other charges which benefit the current fiscal period (for proprietary funds and non-expendable trust funds). See *Expenditures*.

Fiduciary Fund: A fund established to account for resources held for the benefit of parties outside the government.

Financing Plan: Identifies sources of revenues that support the spending plan.

Full Time Equivalent (FTE): A personnel position which is financed for the equivalent of 80 hours per pay period, for 26.1 pay periods (a typical year), or 2,088 hours in a year. This is roughly equivalent to 40 hours per week for 52 weeks. For example, a .5 FTE would represent 20 hours per week for 52 weeks, or 40 hours per week for 26 weeks. A 1.0 FTE is a general reference to a position normally working for a year.

Fund: Each individual fund is a separate accounting entity having its own assets, liabilities, revenues and expenditures or expenses. City financial resources are allocated to, and accounted for, in individual funds based on legal, donor, or

administrative restrictions or requirements.

Fund Balance: An equity account reflecting the excess of accumulated assets over accumulated liabilities and reserves (monies set aside for specific purposes).

Fund Manager: Fund managers are accountable to and receive authority from their department director and division manager, and ultimately from the mayor, the city council, and city residents/taxpayers. Each fund manager is responsible for correctly preparing and submitting the portion of the city's financial plan that is provided by their fund. This includes a properly completed budget request consisting of performance, spending and financing plans. Fund managers are responsible for monitoring the collection of receipts, authorizing spending payments, cash flow planning, and service delivery in accordance with the adopted plan. Fund managers are also responsible for forecasting significant performance, spending or financing variances, determining their cause, creating a solution, and reporting such information to their department director and the director of the office of financial services. See *Performance Plan*, *Spending Plan*, and *Financing Plan*.

Fund Number: A three-digit number which uniquely identifies the fund. For example, the General Fund is fund number 100, the city grants fund is 200, and the parks and recreation special projects is 260. There is no significance to the sequence of numbers. See *Activity Number*.

Fund Type: A classification of funds by similar purpose. The fund types are: governmental (general, special revenue, debt service, capital project, special assessment), proprietary (enterprise, internal service), and fiduciary (trust and agency funds). Although the city hall annex operating fund and the public works engineering fund are separate funds, they are the same fund type (internal service). See each fund type for its definition. Also see *Fund*.

GIS: Acronym for geographic based information systems.

General Fund: The fund used to account for all financial resources not specifically earmarked for other purposes. The General Fund is the primary operating fund for the City of Saint Paul.

Governmental Funds: All funds other than fiduciary and proprietary funds. Includes the general fund, special revenue funds, capital projects funds, debt service funds and special assessment funds. The measurement focus is on spending or financial flow rather than on net income. See *Fiduciary Funds* and *Proprietary Funds*.

Internal Service Fund: A fund established to account for the financing of goods or services provided by one city department to other city departments, divisions or funds on a cost-reimbursement basis.

LGA: Acronym for local government aid. See *State Aids*.

MSA: Acronym for municipal state aids. See *State Aids*.

Operating Budget: The annual operating budget is the primary means by which most of the financing, acquisition, spending and service delivery activities of a government are controlled.

Operating Transfer In/Out: Interfund transfers are legally authorized transfers between a fund receiving revenue and a fund where resources are expended.

PED: Acronym for the planning and economic development department.

Permanent Fund: A fund established to account for the custody and administration of assets held in a trust capacity. The assets held in a trust fund must be spent or invested in accordance with the conditions of the trust. Expendable trust funds are similar to governmental funds in that the measurement focus is on spending or financial flow rather than on net income. Non-expendable trust funds are similar to proprietary funds, with the measurement focus on determination of net income. See *Agency Fund* and *Fiduciary Fund*.

Proprietary Funds: Any fund which attempts to determine net income. Measurement focus is on cost of services similar to private sector for-profit organizations. This category includes enterprise and internal service funds.

Recoverable Expenditure: An expenditure made for, or on behalf of, another governmental unit, fund, or department, private individual, firm, or corporation which will, subsequently, be recovered in cash or its equivalent.

Retained Earnings: An equity account reflecting the accumulated earnings of an enterprise or internal service fund which are not reserved for any specific purpose.

Special Assessment: Charges which the local government collects from property owners to pay for specific services or capital improvement projects such as streets, sewers, etc., which benefit a particular piece of real estate.

Special Revenue Fund: A fund established to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, and capital projects) that are legally restricted to expenditures for specified functions or activities.

Spending Plan: Provides a unit or subunit of an organization with spending authority to pay for the resources required to effectively accomplish the performance plan.

STAR: Acronym for sales tax revitalization program.

State Aids: The following are the major types of intergovernmental revenues received by the City of Saint Paul from the State of Minnesota:

Local Government Aid (LGA): Begun in 1971, this program was designed to provide indirect property tax relief through the redistribution of income tax and sales tax revenues collected at the state level to local units of government.

The amount of funding received by local units of government is based on a distribution formula determined by the Minnesota State Legislature. The distribution formula is based on "need" as well as "capacity". The 2001 State Legislature rolled the Homestead and Agricultural Credit Aid into Local Government Aid.

Municipal State Aids (MSA). This program is financed by motor vehicle related taxes collected at the state level. The state gasoline tax is the largest revenue source and the dollars collected are constitutionally dedicated for expenses related to MSA routes. The revenues are redistributed back to municipalities of 5,000 or more residents to be used for construction and maintenance of their MSA designated routes.

Tax Increment Financing (TIF) District: A TIF district is a designated geographical area where a city is undertaking redevelopment or development activity. Any increase in assessed valuation due to new development activity is captured by the district. Property taxes levied against those captured values are used to finance the public improvement costs incurred to induce the private development activity. Public improvement costs can be financed by issuing bonds or by a pay-as-you-go plan.