

City General Fund Summary

General Fund 2026 Proposed Budget

Purpose: The General Fund is the principal financial support for services including as the police and fire departments, parks and recreation, and general government operations (e.g., Mayor and City Council, human resources, finance, and other internal services). The major revenue sources for this fund are property taxes, Local Government Aid (LGA), franchise fees, and other general revenues. The tables and graphs on the following pages detail the proposed 2026 spending and revenue plan for the General Fund.

Budget Highlights, Issues, and Challenges

COVID-19 Pandemic

While many of the most acute impacts of the COVID-19 pandemic have receded, the City continues to see uneven recovery among General Fund revenue sources. Lodging taxes have almost fully returned to pre-pandemic levels and paramedic fees have not only recovered but reached historic highs. Parking revenues, however, remain well below pre-pandemic levels, reflecting ongoing changes in commuting and travel behavior. The 2026 budget assumes continued modest growth in many General Fund revenues including franchise fees and lodging taxes. Some revenues, like parking fees, are projected to remain at lower pandemic-era levels.

State Budget Decisions and LGA

The 2026 allocation of Local Government Aid provides Saint Paul with a formula-driven increase of \$233,922, bringing the City's total LGA allocation to \$82 million. LGA accounts for 20% of the City's General Fund, a significant source for the Fund. Recent state investments in LGA helped stabilize city budgets and strengthen the state-local fiscal relationship. However, without ongoing adjustments for inflation included in the state formula, the value of these investments erodes over time, resulting in a heavier reliance on property taxes to sustain services.

Federal Fiscal Uncertainty

Ongoing fiscal instability and uncertainty at the federal level adds pressure to the City's budget outlook. Saint Paul relies on federal funding to support a wide range of services and infrastructure improvements. The City is closely monitoring federal fiscal developments to ensure that service delivery remains strong and sustainable amid shifting federal funding landscapes.

Property Tax Base and Levy

More than 80% of Saint Paul's local property tax base consists of residential properties, including both owner-occupied and rental units. Historically, as the home to many tax-exempt educational, medical, and state government institutions, about 20% of the City's property has been exempted entirely from paying property taxes.

The proposed budget includes a 5.3% increase in the property tax levy. The total 2026 proposed levy is \$232 million. The General Fund receives 77.5% of the levy. The Library Agency receives 10% of the levy. City debt service accounts for 11.3% of the levy, with the remaining 1.2% levied on behalf of the Saint Paul Port Authority. The 2026 proposed budget assumes 2% property tax non-payment. Property taxes account for 43.6% of the General Fund's total revenue.

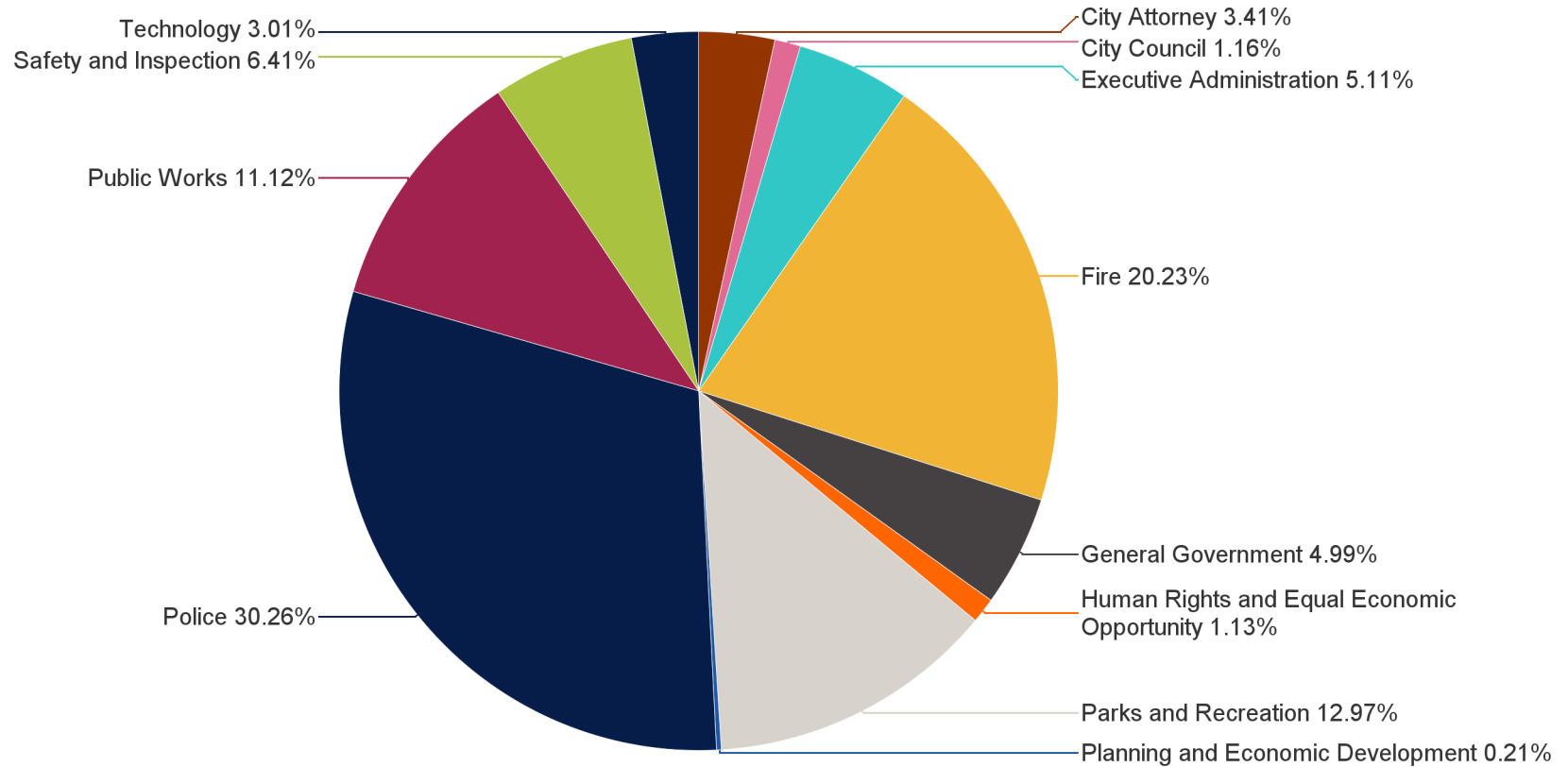
General Fund Budget

General Fund Spending (By Department)

Department / Office	2024 Adopted Budget	2025 Adopted Budget	2026 Proposed Budget
City Attorney	12,111,201	13,190,470	13,799,360
City Council	4,595,666	4,835,575	4,696,600
Emergency Management	5,409,232	5,555,057	6,342,167
Financial Services	4,826,594	5,086,220	5,120,477
Fire	76,942,584	80,596,121	81,916,236
General Government	16,506,613	18,570,655	20,194,646
Human Resources	6,468,389	6,497,044	6,824,148
Human Rights and Equal Economic Opportunity	4,299,844	4,382,035	4,570,697
Mayor's Office	2,432,875	2,452,376	2,425,294
Parks and Recreation	46,455,242	50,018,716	52,537,099
Planning and Economic Development	941,045	573,645	870,537
Police	109,737,257	116,633,274	122,536,614
Public Works	43,467,901	43,813,724	45,031,069
Safety and Inspection	24,398,624	25,800,516	25,947,629
Technology	11,237,481	11,860,727	12,184,096
Total	369,830,547	389,866,155	404,996,669

General Fund Budget

2026 Proposed Budget Spending by Department



General Fund Budget

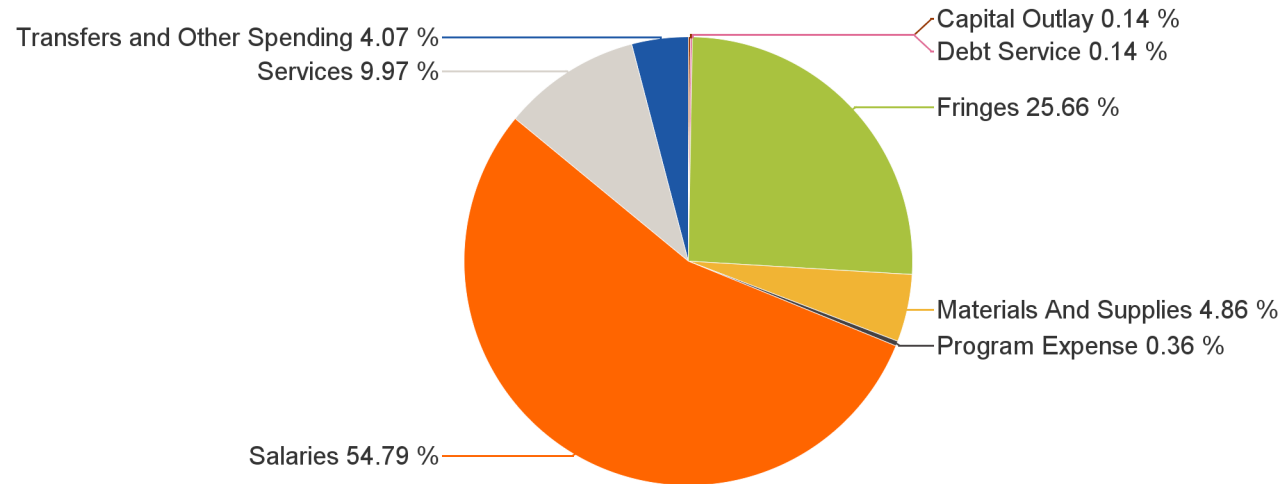
General Fund Spending (By Major Account)

Object	2024 Adopted Budget	2025 Adopted Budget	2026 Proposed Budget
Salaries	198,843,667	210,269,971	221,903,630
Fringes	91,918,959	97,481,021	103,934,901
Services	39,978,944	41,051,830	40,375,452
Materials And Supplies	18,216,578	19,542,665	19,689,795
Transfers and Other Spending	17,747,454	19,037,295	16,494,000
Program Expense	1,689,571	1,396,267	1,442,267
Capital Outlay	1,192,018	620,766	585,472
Debt Service	243,356	466,340	571,152
Total	369,830,547	389,866,155	404,996,669

General Fund Financing (Revenue by Source)

Source	2024 Adopted Budget	2025 Adopted Budget	2026 Proposed Budget
Taxes	161,575,920	172,370,346	182,525,731
Intergovernmental Revenue	100,315,438	103,723,754	105,104,477
Fees, Sales, and Services	47,438,235	52,074,898	53,843,477
Franchise Fees	27,460,000	28,890,000	29,765,000
License And Permit	14,033,790	15,740,139	15,740,139
Transfers and Other Financing	16,447,460	14,507,315	14,208,141
Interest	2,469,504	2,469,504	3,719,504
Fine And Forfeiture	63,500	63,500	63,500
Assessments	26,700	26,700	26,700
Total	369,830,547	389,866,156	404,996,669

2026 Proposed Budget Spending by Major Object



2026 Proposed Budget Revenue by Source

