

2018 Proposed Budget



SAINT PAUL
PUBLIC LIBRARY

SAINT PAUL PUBLIC LIBRARY AGENCY
JANE EASTWOOD, DIRECTOR

Cover photo:

Photo from Createch at Arlington Hills Community Center by Cathleen Carris, AmeriCorps VISTA.



Saint Paul Public Library Agency

2018 Proposed Budget

Table of Contents

Board of Commissioners..... 4

Budget process..... 5

City and Library Agency Composite Summary..... 7

Library Overview..... 9

Spending Reports..... 17

Financing Reports..... 21

Appendices

Glossary..... 27

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CITY OF SAINT PAUL

Mayor Christopher B. Coleman

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Saint Paul, Minnesota 55102

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August 3, 2017

I am pleased to submit to you my 2018 budget for the Saint Paul Public Library.

Our library system is a nationally recognized thought leader that plays a critical role in building and strengthening our communities. Its commitment to racial equity and inclusiveness, cutting-edge technology, and high-quality educational programs for all ages is renowned. This budget represents our continued commitment to providing comprehensive, equitable resources, programs, and services under sound financial stewardship.

Thank you for your continued vision and support of the Saint Paul Public Library.

Sincerely,

Christopher B. Coleman
Mayor

Saint Paul Public Library Agency

Board of Commissioners

Term Expires

Commissioners

Amy Brendmoen	December 31, 2019
Daniel Bostrom	December 31, 2019
Rebecca Noecker	December 31, 2019
Jane L. Prince	December 31, 2019
Russ Stark	December 31, 2019
Dai Thao	December 31, 2019
Chris Tolbert	December 31, 2019

Officers

Chairperson – Chris Tolbert

Secretary – Dai Thao

Treasurer – Russ Stark

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 15, as required by the City Charter.

In August, 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 in September. 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.

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City and Library Agency Composite Summary

**Property Tax Levy and State Aid: City, Library Agency and Port Authority Combined
2017 Adopted vs. 2018 Proposed**

Property Tax Levy*

	<u>2017 Adopted</u>	<u>2018 Proposed</u>	<u>Amount Change</u>	<u>Pct. Change</u>	<u>Pct of City 17 Total</u>	<u>Pct of City 18 Total</u>
City of Saint Paul						
General Fund	80,804,387	107,317,615	26,513,228	32.8%	72.0%	77.0%
General Debt Service	13,651,009	14,009,268	358,259	2.6%	12.2%	10.1%
Saint Paul Public Library Agency	17,723,157	17,985,237	262,080	1.5%	15.8%	12.9%
Total (City and Library combined)	112,178,553	139,312,120	27,133,567	24.2%	100.0%	100.0%
Port Authority	1,811,700	1,961,700	150,000	8.3%		
Overall Levy (City, Library & Port)	113,990,253	141,273,820	27,283,567	23.9%		

* This is the total property tax levy used to determine tax rates. Actual financing available to support the budget is less, due to a 2% "shrinkage" allowance for delinquent taxes.

Local Government Aid Financing

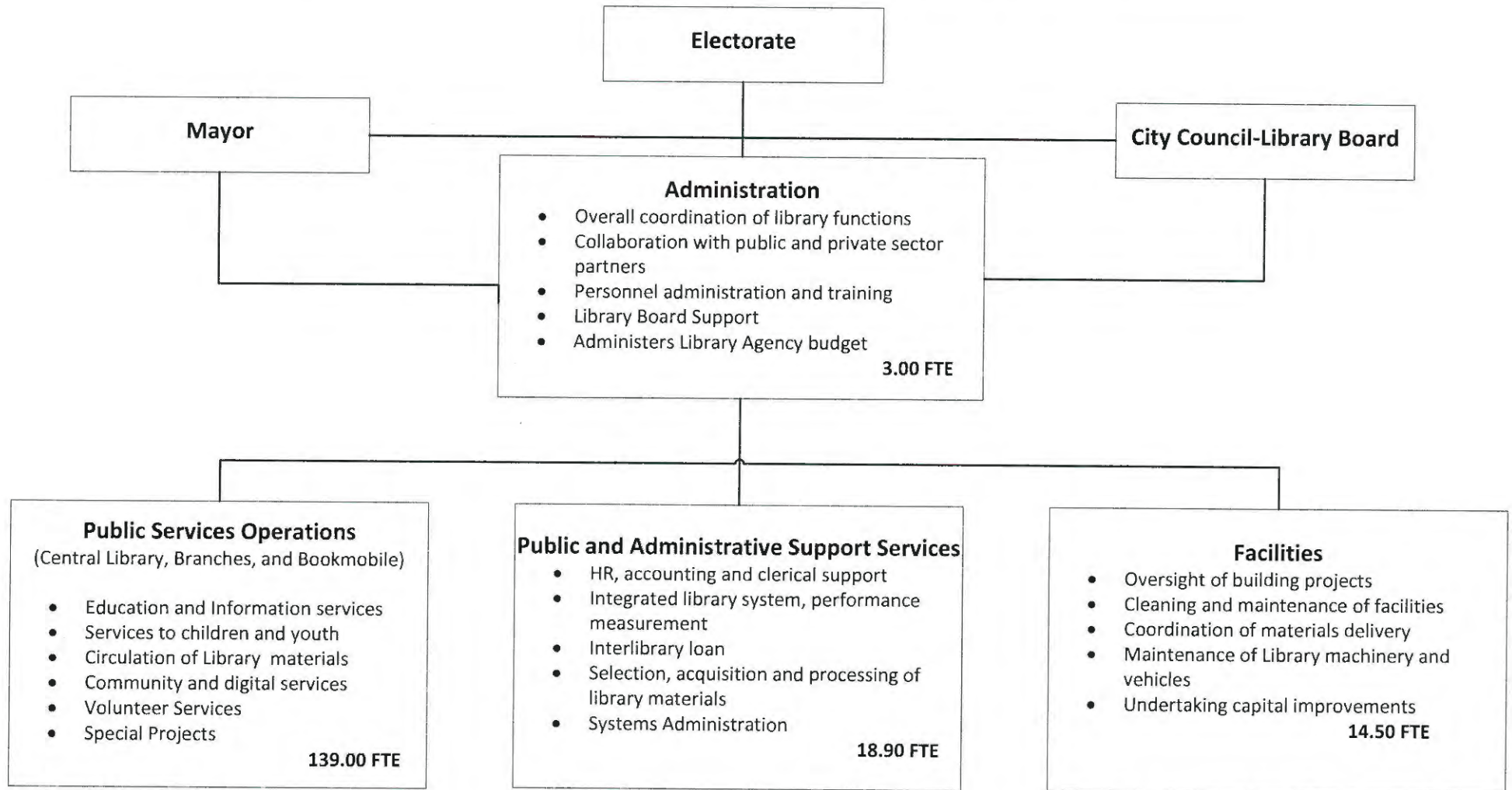
	<u>2017 Adopted</u>	<u>2018 Proposed</u>	<u>Amount Change</u>	<u>Pct. Change</u>	<u>Pct. of 17 Total</u>	<u>Pct. of 18 Total</u>
City of Saint Paul						
General Fund	62,562,185	65,071,602	2,509,417	4.0%	100.0%	100.0%
General Debt Service	-	-	-	N.A.	0.0%	0.0%
Saint Paul Public Library Agency*	-	-	-	N.A.	0.0%	0.0%
Total (City and Library combined)	62,562,185	65,071,602	2,509,417	4.0%	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

Saint Paul Public Library Agency

***Mission:** The mission of the Saint Paul Public Library Agency is to anticipate and respond to the community's need for information; to facilitate lifelong learning; to stimulate and nurture a desire to read in young people; to provide reading materials to meet the interests of all ages; and to enrich the quality of life in the community.*



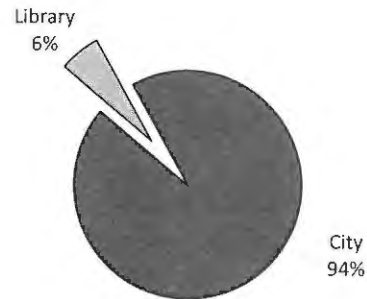
(Total 175.40 FTE)

**2018 Proposed Budget
Public Library Agency**

Department Description:

The Saint Paul Public Library Agency connects people in Saint Paul with the imperative and the joy of learning through a lifetime. We are the cornerstone of a thriving city: welcoming people of all ages and cultures, strengthening neighborhoods and learning networks, and inspiring all with the world of ideas. The third largest library system in the state, Saint Paul delivers service on-line, in the community, and in 13 libraries and a Bookmobile.

Library Agency's Portion of total General Fund Spending



Department Facts

- Total General Fund Budget: \$17,947,446
- Total Special Fund Budget: \$1,420,964
- Total FTEs: 175.40

Annual Statistics By the Numbers:

- 5,501,732 visitors, in-person + website and mobile app.
- 149,245 people attended 7,682 programs at the Library.
- 16,686 Homework Center student visits, and 23,621 Homework Rescue on-line.
- The highest number of visitor per capita in the metro area 10 out of the past 11 years.
- 360,047 cardholders.
- 301,013 information inquiries were made to staff.
- 2,825,326 items loaned.
- 1,138 volunteers contributed 24,375 volunteer hours.
- 898 JobNow usage and visits.
- 46,158 items checked out or downloaded through LibraryGo.

Department Goals

- Sound stewardship of public and private funds.
- Every child ready to read.
- All youth ready to succeed in school and work.
- All residents able to contribute to family and community prosperity.
- Active centers for community and civic engagement.

Recent Accomplishments

- LibraryGo fully launched and very successful. 43,118 students and staff have access to library resources through LibraryGo.
- Rondo Library renovation began this June, construction is scheduled to be completed this fall.
- Successfully launched the centennial celebration for the George Latimer Central Library, Riverview, Saint Anthony Park and the original Arlington Hills libraries.
- Awarded the Urban Libraries Council Innovation Award for our Racial Equity work.
- SPPL hosted 3 national conferences: Urban Libraries Council in October 2017, International Fitzgerald Conference in June and National Digital Inclusion Alliance in May.
- Completed goal setting training for all committee chairs and management team.
- Participated in Pride Festival for the first time.
- Completed the Facilities Assessment.

2018 Proposed Budget

Library Agency

Fiscal Summary

	<u>2016 Actual</u>	<u>2017 Adopted</u>	<u>2018 Proposed</u>	<u>Change</u>	<u>% Change</u>	<u>2017 Adopted FTE</u>	<u>2018 Proposed FTE</u>
Spending							
270: SPPL General Fund	17,057,412	17,651,606	17,947,446	295,840	1.7%	173.50	173.50
275: SPPL Special Projects	1,706,798	1,455,564	1,420,964	(34,600)	-2.4%	2.40	1.90
Total	18,764,209	19,107,170	19,368,410	261,240	1.4%	175.90	175.40
Financing							
270: SPPL General Fund	17,284,035	17,651,606	17,947,446	295,840	1.7%		
275: SPPL Special Projects	1,978,270	1,455,564	1,420,964	(34,600)	-2.4%		
Total	19,262,305	19,107,170	19,368,410	261,240	1.4%		

Budget Changes Summary

Most of the changes in the 2018 Proposed Library Agency budget result from continued investment in the Library's cherished collections. The 2018 Proposed Budget also permanently removes items in contingency from the 2017 Adopted Budget. Additional changes include a technical fix to streamline the Library transfers to the Debt Fund, the removal of one-time resources added in 2017, and other current service level adjustments.

270: SPPL General Fund

Library Agency

Library Agency's General Fund. This fund is supported by property taxes.

	Change from 2017 Adopted		
	Spending	Financing	FTE
Current Service Level Adjustments	334,018	361,472	-
Subtotal:	<u>334,018</u>	<u>361,472</u>	<u>-</u>
Collections			
<p>In 2017 the Library identified savings within its existing budget through careful clean up of line items. These savings were shifted to collections. Additional investments in collections include Talk..Sing..Read, a school readiness initiative, and additional Cultural STAR.</p>			
Internal savings shifted to collections	77,454	-	-
Talk..Sing..Read	50,000	-	-
Cultural STAR	125,000	125,000	-
Subtotal:	<u>252,454</u>	<u>125,000</u>	<u>-</u>
Planned Reduction			
<p>The 2017 budget included one-time funds to support the digitization of selected parts of the Library's cherished collections to preserve their uniqueness and increase their accessibility to Library customers. The 2018 proposed budget removes these one-time budget adjustments.</p>			
Digitization Project	(86,000)	(86,000)	-
Subtotal:	<u>(86,000)</u>	<u>(86,000)</u>	<u>-</u>

Library Agency's General Fund. This fund is supported by property taxes.

	Change from 2017 Adopted		
	Spending	Financing	FTE
Library Reallocation to Debt			
Instead of budgeting a transfer from the Saint Paul Public Libraries General Fund to the City's debt fund for library debt service, the 2018 proposed budget directly allocates property taxes to the City's debt fund for this purpose. As a result, the transfer from Libraries to the debt fund is eliminated, and a corresponding property tax reallocation is made between the two funds.			
Library reallocation to Debt	(104,632)	(104,632)	-
Subtotal:	(104,632)	(104,632)	-
Contingency Budget			
The 2017 adopted budget included several budget items that were placed into a contingency reserve account pending final decisions on the 2017 right-of-way program. The 2018 proposed budget removes a one-time investment of \$100,000 in library materials from the contingency budget.			
Contingency	(100,000)	-	-
Subtotal:	(100,000)	-	-
Fund 270 Budget Changes Total	295,840	295,840	-

275: SPPL Special Projects

Library Agency

Budget for grants and contributions from outside agencies, such as the Friends of the Saint Paul Public Library; also includes all fine revenue.

		<u>Change from 2017 Adopted</u>		
		<u>Spending</u>	<u>Financing</u>	<u>FTE</u>
Current Service Level Adjustments		(25,563)	(25,563)	-
Subtotal:		<u>(25,563)</u>	<u>(25,563)</u>	<u>-</u>
 MELSA Phase Funds				
In 2017 The Library shifted technology and data expenses from the General Fund to the MELSA Phase Funds. Phase funds are designated for technology.				
Technology expenses		56,879	56,879	-
Subtotal:		<u>56,879</u>	<u>56,879</u>	<u>-</u>
 Planned Reductions				
The 2017 adopted budget included the use of special fund balance for remodeling the George Latimer Central Library doorway as well as including unspent grant funding from the Minnesota Historical Society to support digitization. The 2018 proposed budget removes these one-time budget items.				
Central Library doorway remodeling		(35,000)	(35,000)	-
MN Historical Society Grant		(30,916)	(30,916)	(0.50)
Subtotal:		<u>(65,916)</u>	<u>(65,916)</u>	<u>(0.50)</u>
 Fund 275 Budget Changes Total		 <u><u>(34,600)</u></u>	 <u><u>(34,600)</u></u>	 <u><u>(0.50)</u></u>

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Spending Reports

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

Department: ST PAUL PUBLIC LIBRARY AGENCY

Budget Year: 2018

	2015 Actuals	2016 Actuals	2017 Adopted	2018 Mayor's Proposed	Change From 2017 Adopted
<u>Spending by Fund</u>					
SPPL GENERAL FUND	16,358,521	17,057,412	17,651,606	17,947,446	295,840
SPPL SPECIAL PROJECTS	1,616,397	1,706,798	1,455,563	1,420,964	(34,599)
TOTAL SPENDING BY FUND	17,974,918	18,764,209	19,107,169	19,368,410	261,241
<u>Spending by Major Account</u>					
EMPLOYEE EXPENSE	11,769,152	12,379,395	12,943,418	13,258,238	314,820
SERVICES	3,139,502	3,622,143	3,567,470	3,509,469	(58,001)
MATERIALS AND SUPPLIES	2,661,121	2,400,017	2,344,659	2,555,282	210,623
ADDITIONAL EXPENSES		31	205,132	500	(204,632)
CAPITAL OUTLAY		217,848			
OTHER FINANCING USES	405,144	144,776	46,490	44,921	(1,569)
TOTAL SPENDING BY MAJOR ACCOUNT	17,974,918	18,764,209	19,107,169	19,368,410	261,241
<u>Financing by Major Account</u>					
TAXES	16,308,454	16,779,158	17,388,106	17,644,946	256,840
INTERGOVERNMENTAL REVENUE	418,985	760,760	184,871	210,834	25,963
CHARGES FOR SERVICES	118,101	131,710	117,636	117,636	
FINE AND FORFEITURE	260,645	253,082	292,243	259,350	(32,893)
INVESTMENT EARNINGS	5,932	4,745	19,433	14,433	(5,000)
MISCELLANEOUS REVENUE	498,355	1,069,850	985,188	697,619	(287,569)
OTHER FINANCING SOURCES	531,805	263,000	119,693	423,592	303,899
TOTAL FINANCING BY MAJOR ACCOUNT	18,142,277	19,262,305	19,107,170	19,368,410	261,240

CITY OF SAINT PAUL
Spending Plan by Department

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

Budget Year: 2018

	2015 Actuals	2016 Actuals	2017 Adopted	2018 Mayor's Proposed	Change From 2017 Adopted
Spending by Major Account					
EMPLOYEE EXPENSE	11,669,460	12,280,017	12,782,108	13,147,469	365,361
SERVICES	2,806,039	3,077,220	3,167,657	3,092,566	(75,090)
MATERIALS AND SUPPLIES	1,709,424	1,537,030	1,452,720	1,664,490	211,770
ADDITIONAL EXPENSES			205,132	500	(204,632)
CAPITAL OUTLAY		18,369			
OTHER FINANCING USES	173,598	144,776	43,990	42,421	(1,569)
Total Spending by Major Account	16,358,521	17,057,412	17,651,606	17,947,446	295,840
Spending by Accounting Unit					
27043100 SPPL GENERAL ADMINISTRATION	556,969	501,479	526,058	428,488	(97,570)
27043200 SPPL PUBLIC SERVICES	10,508,029	11,258,225	11,675,885	11,878,553	202,669
27043300 SPPL SYSTEM SUPPORT SERVICES	2,948,099	2,816,145	2,898,197	3,101,851	203,654
27043400 SPPL FACILITY OPS AND MNTNCE	2,345,424	2,481,562	2,551,467	2,538,554	(12,913)
Total Spending by Accounting Unit	16,358,521	17,057,412	17,651,606	17,947,446	295,840

CITY OF SAINT PAUL
Spending Plan by Department

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

Budget Year: 2018

	2015 Actuals	2016 Actuals	2017 Adopted	2018 Mayor's Proposed	Change From 2017 Adopted
Spending by Major Account					
EMPLOYEE EXPENSE	99,691	99,378	161,310	110,769	(50,541)
SERVICES	333,463	544,923	399,814	416,903	17,089
MATERIALS AND SUPPLIES	951,697	862,987	891,939	890,792	(1,147)
ADDITIONAL EXPENSES		31			
CAPITAL OUTLAY		199,479			
OTHER FINANCING USES	231,546		2,500	2,500	
Total Spending by Major Account	1,616,397	1,706,798	1,455,563	1,420,964	(34,599)
Spending by Accounting Unit					
27543610 LIBRARY FEES FINES N REVENUES	669,495	711,444	602,788	537,175	(65,613)
27543615 SPROCKETS PROGRAM		59,465	50,000	50,000	
27543620 RELLA HAVENS BEQUEST	18,791	20,789	19,433	14,433	(5,000)
27543650 MELSA PROGRAMS STATE AID	192,649	355,360	153,955	210,834	56,879
27543800 FRIENDS OF THE LIBRARY GRANTS	632,813	472,334	519,387	499,792	(19,596)
27543830 PERRIE JONES ENDOWMENT FRIENDS	102,650	87,406	110,000	108,730	(1,270)
Total Spending by Accounting Unit	1,616,397	1,706,798	1,455,563	1,420,964	(34,599)

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: 2018

Account	Account Description	2015 Actuals	2016 Actuals	2017 Adopted	2018 Mayor's Proposed	Change From 2017 Adopted
40005-0	CURRENT PROPERTY TAX	12,651,853	12,959,335	17,368,694	17,625,534	256,840
40010-0	FISCAL DISPARITIES	3,738,624	3,672,999			
40201-0	PROP TAX 1ST YEAR DELINQUENT	75,788	87,475	19,412	19,412	
40202-0	PROP TAX 2ND YR DELINQUENT	(34,446)	39,798			
40203-0	PROP TAX 3RD YR DELINQUENT	(22,961)	(5,104)			
40204-0	PROP TAX 4TH YEAR DELINQUENT	(15,968)	8,710			
40205-0	PROP TAX 5TH YEAR DELINQUENT	(9,760)	5,213			
40206-0	PROP TAX 6TH YR AND PRIOR	(74,675)	10,733			
TOTAL FOR TAXES		16,308,454	16,779,158	17,388,106	17,644,946	256,840
43605-0	LOCAL GOVERNMENT AID	112,044	310,696			
43805-0	CITY SHARE COUNTY PILOT	15,409	16,283			
TOTAL FOR INTERGOVERNMENTAL REVENUE		127,453	326,979			
55505-0	OUTSIDE CONTRIBUTION DONATIONS			261,000		(261,000)
55845-0	JURY DUTY PAY		143			
55915-0	OTHER MISC REVENUE		2,755			
TOTAL FOR MISCELLANEOUS REVENUE			2,897	261,000		(261,000)
56225-0	TRANSFER FR SPECIAL REVENUE FU	350,000	175,000	2,500	302,500	300,000
TOTAL FOR OTHER FINANCING SOURCES		350,000	175,000	2,500	302,500	300,000
TOTAL FOR SPPL GENERAL FUND		16,785,907	17,284,035	17,651,606	17,947,446	295,840

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: 2018

Account	Account Description	2015 Actuals	2016 Actuals	2017 Adopted	2018 Mayor's Proposed	Change From 2017 Adopted
43101-0	FEDERAL GRANT STATE ADMIN	11,312				
43401-0	STATE GRANTS		46,768	50,916	20,000	(30,916)
43660-0	MELSA METRO LIBRARY SVC AG	280,220	387,012	133,955	190,834	56,879
TOTAL FOR INTERGOVERNMENTAL REVENUE		291,532	433,780	184,871	210,834	25,963
47510-0	SPACE RENTAL	3,027	1,585			
48330-0	FACILITY RENTAL			4,000	4,000	
48405-0	COMMISSIONS VENDING MACHINE	155	98	189	189	
49105-0	LIBRARY FEE NON RESIDENT CARD		60	650	650	
49110-0	LIBRARY FEE RESEARCH			600	600	
49115-0	LIBRARY SERVICE FEE	28,206	29,864	26,500	26,500	
49205-0	LIBRARY MATERIAL RENTAL	1,100	361	697	697	
49215-0	LIBRARY DUPLICATING	74,708	80,824	75,000	75,000	
49220-0	LIBRARY MERCHANDISE	10,905	18,918	10,000	10,000	
TOTAL FOR CHARGES FOR SERVICES		118,101	131,710	117,636	117,636	
53115-0	LIBRARY OVERDUE FINES	220,085	214,926	247,893	215,000	(32,893)
53120-0	LIBRARY LOST DAMAGE FINE	40,560	38,156	44,350	44,350	
TOTAL FOR FINE AND FORFEITURE		260,645	253,082	292,243	259,350	(32,893)
54505-0	INTEREST INTERNAL POOL	7,974	7,462	19,433	14,433	(5,000)
54506-0	INTEREST ACCRUED REVENUE	(227)	(19)			
54510-0	INCR OR DECR IN FV INVESTMENTS	(1,815)	(2,698)			
54810-0	OTHER INTEREST EARNED					
TOTAL FOR INVESTMENT EARNINGS		5,932	4,745	19,433	14,433	(5,000)

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: 2018

Account	Account Description	2015 Actuals	2016 Actuals	2017 Adopted	2018 Mayor's Proposed	Change From 2017 Adopted
55505-0	OUTSIDE CONTRIBUTION DONATIONS	471,177	590,286	633,388	612,522	(20,866)
55525-0	REIMB FROM OUTSIDE AGENCY	798				
55550-0	PRIVATE GRANTS		244,341	50,000		(50,000)
55815-0	REFUNDS OVERPAYMENTS		70	750	750	
55840-0	E RATE REFUNDS	9,620	218,316	40,000	84,297	44,297
55905-0	CASH OVER OR SHORT	(551)	(121)	50	50	
55915-0	OTHER MISC REVENUE	17,311	14,060			
TOTAL FOR MISCELLANEOUS REVENUE		498,355	1,066,952	724,188	697,619	(26,569)
56225-0	TRANSFER FR SPECIAL REVENUE FU	181,657	88,000			
56235-0	TRANSFER FR CAPITAL PROJ FUND	148				
59910-0	USE OF FUND EQUITY			117,193	121,092	3,899
TOTAL FOR OTHER FINANCING SOURCES		181,805	88,000	117,193	121,092	3,899
TOTAL FOR SPPL SPECIAL PROJECTS		1,356,370	1,978,270	1,455,564	1,420,964	(34,600)
TOTAL FOR ST PAUL PUBLIC LIBRARY AGENCY		18,142,277	19,262,305	19,107,170	19,368,410	261,240

CITY OF SAINT PAUL
Financing Plan by Department

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

Budget Year: 2018

	2015 Actuals	2016 Actuals	2017 Adopted	2018 Mayor's Proposed	Change From 2017 Adopted
Financing by Major Account					
TAXES	16,308,454	16,779,158	17,388,106	17,644,946	256,840
INTERGOVERNMENTAL REVENUE	127,453	326,979			
MISCELLANEOUS REVENUE		2,897	261,000		(261,000)
OTHER FINANCING SOURCES	350,000	175,000	2,500	302,500	300,000
Total Financing by Major Account	16,785,907	17,284,035	17,651,606	17,947,446	295,840
Financing by Accounting Unit					
27043100 SPPL GENERAL ADMINISTRATION	16,785,907	17,281,137	17,651,606	17,947,446	295,840
27043200 SPPL PUBLIC SERVICES		143			
27043400 SPPL FACILITY OPS AND MNTNCE		2,755			
Total Financing by Accounting Unit	16,785,907	17,284,035	17,651,606	17,947,446	295,840

Glossary – Continued

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.

Glossary – Continued

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. This is also referred to sometimes as cultural sales tax revenue.

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 District: A tax increment 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.