

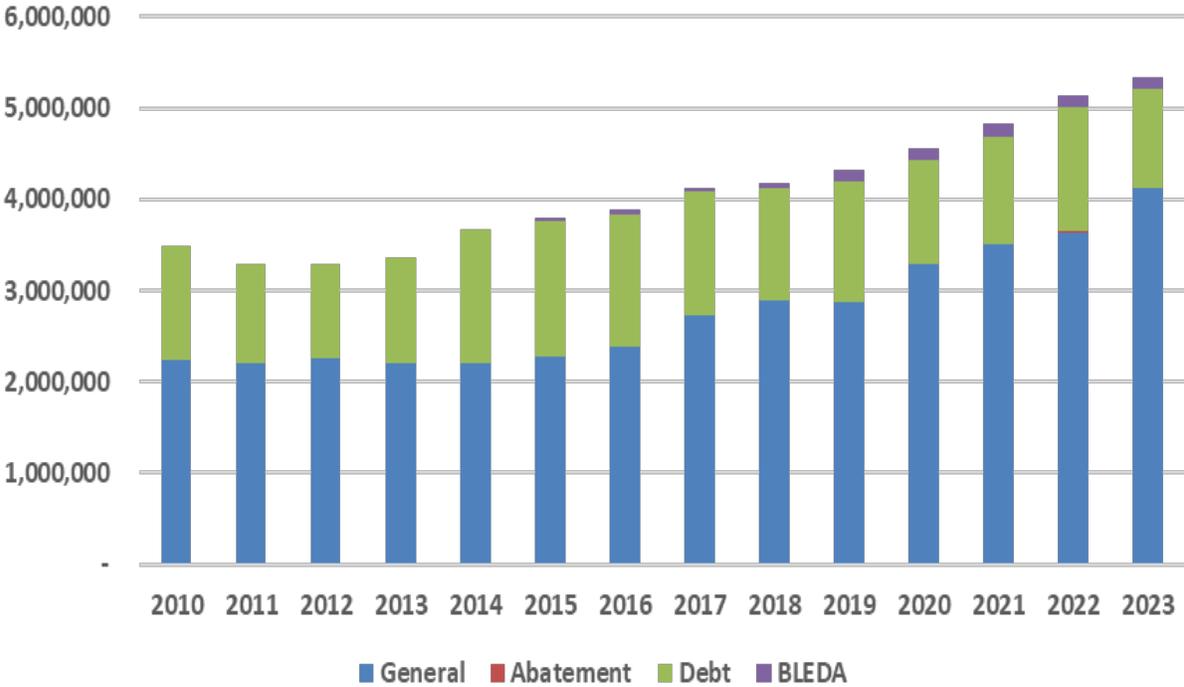


FIVE YEAR FINANCIAL PLAN

2023 - 2027 Budget

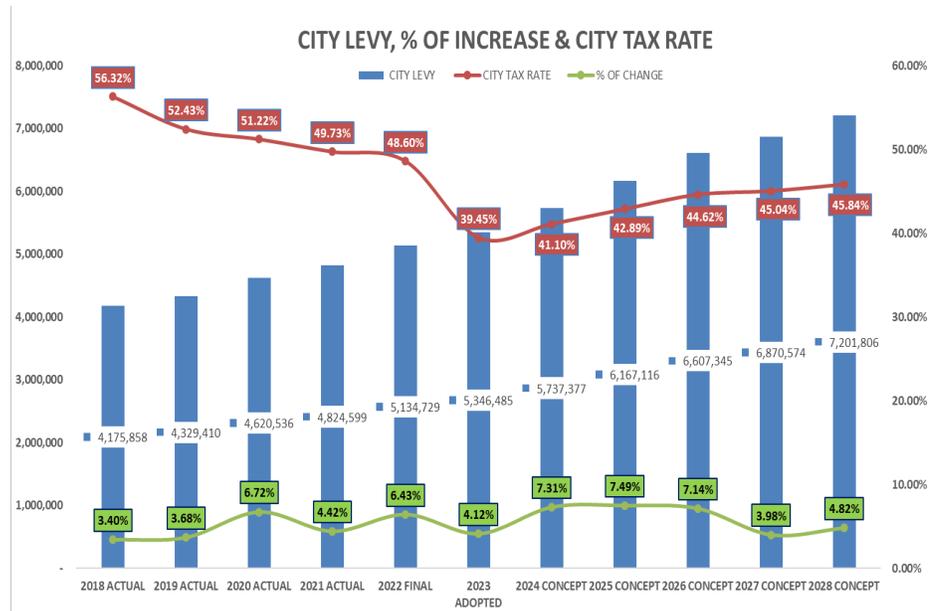
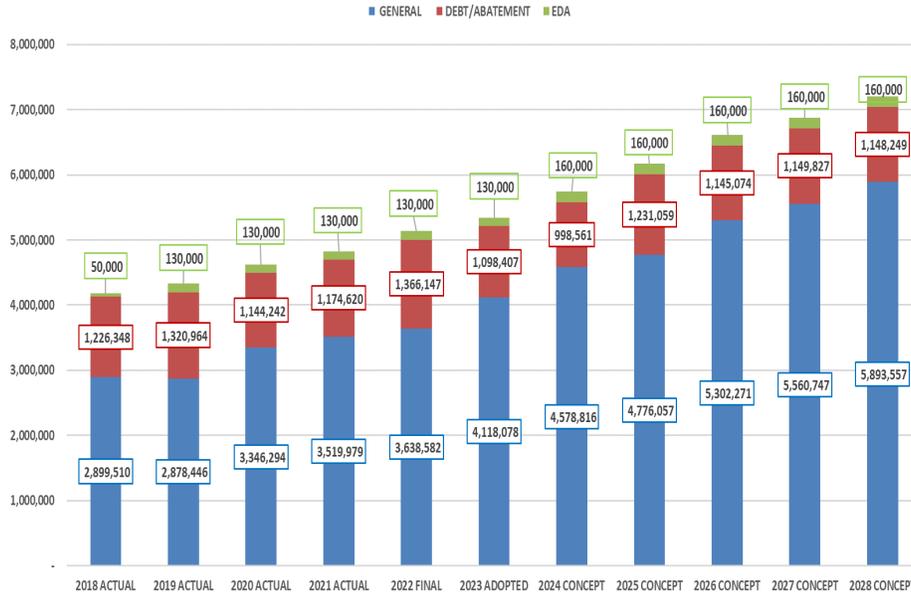
City of Big Lake Levy Long-Term Planning

The property taxes received are allocated in four different ways, the majority is in the General Fund Levy, which for 2023 represents 77% of the total levy amount. The second component is the Debt Levy which is used for the budget year’s debt payments that are not covered by assessments, enterprise funds or other allocations as dictated by Council, for 2023 this levy represents 20% of the total levy amount. The third component is the Big Lake Economic Development levy which is used for economic development within the City. The final component is for a property tax abatement. The total levy for the City of Big Lake including the Big Lake Economic Development for the 2023 Budget is \$5,346,485. This is an increase of 4.12% over 2022.



For the long-term planning, the assumptions used were that the tax capacity would increase 3%, beginning in 2023 a portion of the Franchise Fees received from Utility Companies would be transferred to the Capital Improvement Funds for Street Improvements and Park and Trail Improvements, therefore the General Levy would increase an additional \$150,000 and an additional \$100,000 for the property tax abatement that was approved in 2022 would begin in 2024. In addition, beginning in 2026, as debt is paid off, the amount that was previously levied would now be levied in the General levy and those funds would be transferred to the Capital Improvement Funds for future projects. The increase to the total levy would range from 2% to 7% range, which would take into consideration the growth anticipated for upcoming years. In 2024, there is an anticipated increase to the Big Lake Economic Authority levy of \$30,000 to a levy amount of \$160,000, Below is a graph indicating the estimated levy for the City of Big Lake through 2028, as indicated in the graph the General Fund Levy estimated increase is an average of 7.47% per year.

CITY LEVY COMPONENTS



General Fund Long-Term Planning

The General Fund is used to account for the revenues and expenditures necessary to provide basic governmental services for the city. The principal sources of revenues are property taxes, transfers from the Liquor Store fund, franchise fees, intergovernmental revenues and licenses and permits. Expenditures are for general government, public safety, streets, culture & recreation, and economic development.

The General Fund has consistently remained in sound financial condition from year to year due to effective management of sources and uses within this fund.

The Fund had \$4.092 in total fund balance at year end 2021, with a projected fund balance for 2022 of \$3.769 million, and an estimated fund balance for 2023 of \$3.793 million.

Below is a summary of past and recent year-end fund balance reserves as well as projection for future balances.

Fund Balance	2015	2016	2017	2018	2019	2020	2021	2022 Estimate	2023 Budget
Nonspendable	\$ 101,344	\$ 82,185	\$ 88,501	\$ 103,486	\$ 93,477	\$ 93,872	\$ 99,339	\$ 101,072	\$ 106,126
Assigned	73,220	145,579	150,013	147,167	92,114	75,325	84,332	65,748	34,000
Unassigned	2,529,125	2,796,408	2,990,373	2,965,325	3,327,859	3,746,172	3,908,801	3,603,087	3,653,087
Total Fund Balance	\$ 2,703,689	\$ 3,024,172	\$ 3,228,887	\$ 3,215,978	\$ 3,513,450	\$ 3,915,369	\$ 4,092,472	\$ 3,769,907	\$ 3,793,213

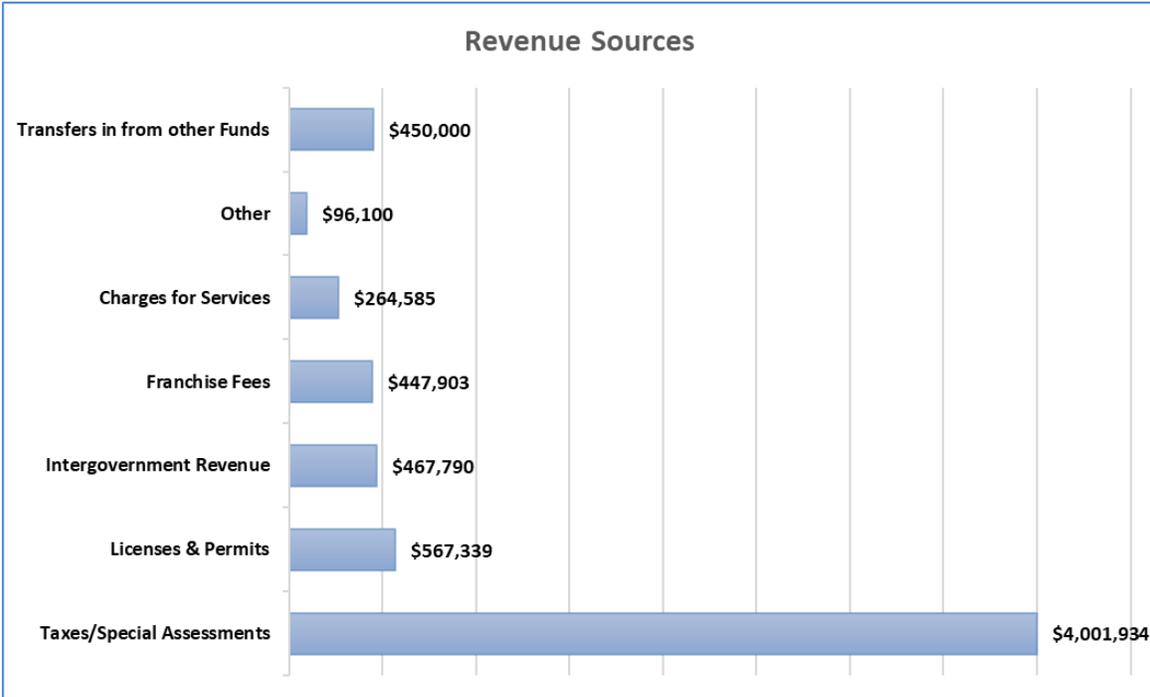
Unassigned Fund Balance Policy

Must maintain 50% of the next year's expenditure budget

Fund Balance	2015	2016	2017	2018	2019	2020	2021	2022	2023
Expenditure Budget for next year	\$ 4,011,628	\$ 4,286,269	\$ 4,580,541	\$ 5,040,364	\$ 4,857,198	\$ 5,416,062	\$ 5,616,012	\$ 5,723,889	\$ 6,291,651
Policy Minimum Requirement 50%	2,005,814	2,143,135	2,290,271	2,520,182	2,428,599	2,708,031	2,808,006	2,861,945	3,145,826
Projected Ending Fund Balance to Expenditure:	67.40%	70.55%	70.49%	63.80%	72.33%	72.29%	72.87%	65.86%	60.29%

Source of Funds

The primary source of funding for the General Fund is the property tax. Property taxes represent approximately 64% of total revenues in the General Fund. Services such as public safety, which are the largest expenditure areas in the General Fund, are highly dependent on the property tax for funding. Over half of the total property tax levy the City collects goes toward support of public safety. The following chart provides a break-down of General Fund Revenues.



The sum of all non-property tax revenue totals the remaining 36% of all revenues in the General Fund. Much of the non-property tax revenue comes from charges for services, franchise fees, licenses and permits. The City has historically set charges for services and licenses and permits at a level sufficient to cover the full cost of services provided. All fees and charges are reviewed annually to ensure they remain at both a reasonable and competitive level. The following provides information on the General Fund revenue sources, including future projections, summarized by major category.

Property Taxes

The proposed property tax levy for the General Fund is \$4,118,078, this is an increase of \$479,496 from the 2022 General levy. The reason for this increase is due to market rate adjustment to the City's pay plan, increase in insurance costs, increase in transfers to other funds for future projects and an increase to operational costs. This is a 13.18% increase over 2022. The property tax budget revenue for the General Fund budget is a net figure adjusted for an estimate of delinquent and uncollectible taxes, which is \$4,004,887.

The City's average residential values increased by 23% for pay 2023. Commercial/Industrial average values increased by 6% from 2022.

For planning purposes, future property tax revenues shown in the Five-year Financial Plan are calculated to show the level of tax funding needed to balance the annual budget assuming that the present level of services are provided. In addition, a 3% growth in property value is assumed. The future property tax amounts shown in the Five-year Financial Plan are for projection purposes only to show the demand for additional levy before other decisions are made to determine the final levy by year.

Licenses & Permits

Licenses and permit revenue of approximately \$567,339 for the General Fund represents approximately 9% of the General Fund revenues. In the past few years, the City had some large commercial developments as well as a national home builder acquire several parcels for new homes, resulting in higher revenues in licenses and permits. Estimates for 2023 and beyond are based on an average year and this line item will be carefully monitored and changes in estimates recommended as needed.

Charges for Services

Charges for services revenue of approximately \$264,584 for the General Fund represents approximately 4% of the General Fund revenues. This estimate is approximately \$7,303 lower than the 2022 budget. Streetlights Utility fees will be higher due to the new homes constructed in the past prior two years. Also included in this category is lease revenue for the antenna site rental fees, which are approximately \$50,000 a year, with a projection of approximately 1% a year based on contract. In addition, engineering charges for staff time for projects will be higher since the City now has an in-house engineer. For 2023, there was a budgeted decrease in lease rental for the space the was currently leased out next to Lake Liquor as the lease was terminated. Moving forward if this space is leased again, this category will be monitored and will reflect the increase in lease revenue.

Fines & Forfeitures

Fines and forfeitures revenue of approximately \$62,100 for the General Fund represents less than 1% of the General Fund revenues, the estimate is based on results of recent years. This is slightly above the 2022 budget

estimate, due to sending past due fines to collections. The revenue category includes mainly court fines from traffic enforcement and is budgeted relatively consistent year over year.

Intergovernmental Revenues

Intergovernmental revenues of \$467,790 for the General fund represents approximately 7% of the General Fund revenues. Revenues received from the State for the Police and Fire retirement contribution, street maintenance, grants and the Big Lake Township contribution towards the City’s library. For projection purpose this category is budgeted relatively consistent year over year.

Franchise Fees

Franchise fees revenues of \$447,903 for the General Fund represents 7% of the General Fund revenues. These revenues are used to help offset the cost of providing services to the community. Estimates for 2023 and on take into consideration any new development in housing or commercial business with just a slight increase to show the anticipated slow but steady growth in the City. For Long-Term planning, beginning in 2023 \$270,000 of these funds will be transferred to the Capital Improvement fund for Street Maintenance.

Transfer in from Other Funds

The Liquor Store fund transfers funds each year to the General Fund to help offset the cost of providing services to the community. In 2023 the budgeted transfer is \$450,000 and represents 7% of the General Fund revenues. Once again, the City needs to thank the citizens of Big Lake for supporting Lake Liquor, as without the continued growth the City would not be able to budget for the transfer and would have to either eliminate services or increase the levy.

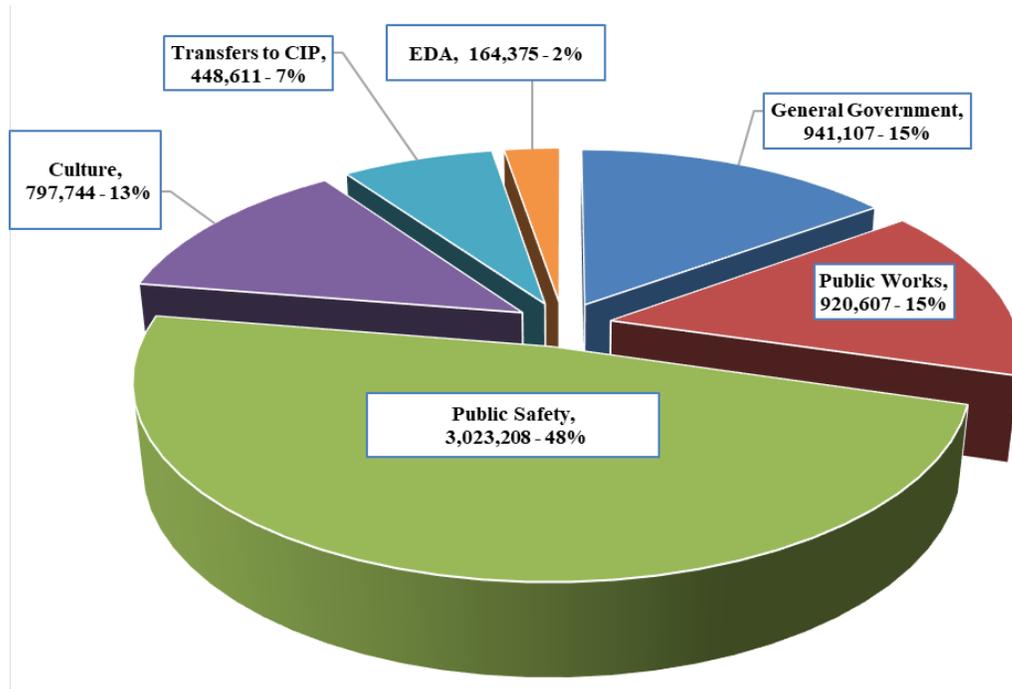
For future projections, the transfer is estimated at approximately \$450,000, however this will have to be monitored each year and estimated adjusted based on the profits of the Liquor Store.

Use of Designed Assigned Fund Balance

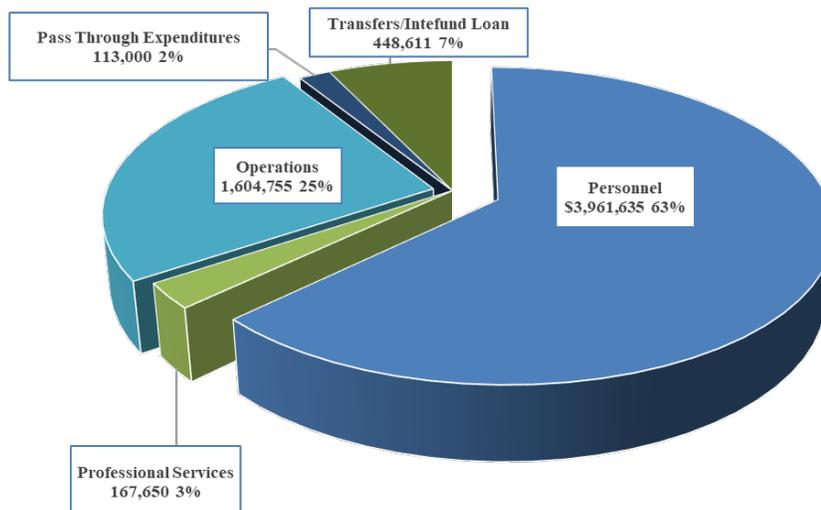
Budget use of assigned fund balance in 2023 is \$10,000, this is prior year donations for the contribution to the reading in the park provided by Early Childhood Family Education (ECFE) program. Each year Council allows staff to allocate remaining donations received and not yet used as an assigned designated fund balance for each department. The department then can budget for the expenditures the next year and use designated fund balance instead of having to increase the tax levy for the services provided.

Use of Funds

Expenditures from the General Fund are for general governmental services such as police, fire, building inspections, street maintenance, engineering, regulatory services, recreation, parks, planning and zoning, finance, and general administration. Public Safety, which consists of police, fire and building division comprise the largest share, 48%, of the total expenditure budget in the General Fund. The following chart provides a break-down by major services areas within the General Fund, excluding transfers.



Use of Funds in the General Fund can also be broken down into the following spending categories for which further explanation and comparison of change from 2022 to 2023 is provided.



Personnel Costs

Personnel costs are comprised of wages, health, dental, and life insurance costs, and other benefits such as employer taxes, employer pension contribution, worker's compensation insurance, wellness program and disability insurance. In December, the City Council approved the market increase to the pay-scale for all union and non-union employees at 5% increase. Workers' compensation insurance had been trending down due to the improvement in overall experience ratings, however due to the current situation in the country, worker compensation rates increased and are projected to increase substantially for the public safety division, it is projected that the rates will double for 2023 and then for future projections around a 10% increase. Health insurance premiums are trending an average of 10% increase. Also added in 2021, per the police union contract, a Master Patrol Officer incentive, which an individual officer meeting a specific criterion would have an additional 2– 4% increase above their current pay scale. Beginning in 2023, the increase for the master patrol program is an additional 3-6% increase above the current pay scale. For planning purposes additional staff was allocated for the police department. For the 2023 budget the total personnel cost is estimated at a 9.62% increase over 2022.

In 2022 the City budgeted an additional \$18,000 for election costs, this includes the pay to the election judges. In 2023 this cost was not budgeted as 2023 is not an election year. For long term planning the City budgeted additional fund each election year, with 2024 increasing to \$23,000 for election pay.

For the Five-year plan, the personnel expenditures are projected at an annual 6.5% increase, except for 2024 which is projected at a 11.71% due to the additional staff recommendations for the police department.

Professional Services

Legal, auditing, informational technology and other consultants are included in professional services and represents approximately 5.15% of the total General Fund expenditures budget. The 2023 budget estimates are \$167,650 or a 5.15% increase from the 2022 budget, due to the audit for Body Cameras which is done every other year and there also was also increase for consultant fees. Future years' professional services expenditures were projected out with a constant inflationary factor.

Operations

Supplies, advertising, utilities, fuel, subscriptions, dues, training, and maintenance on vehicles, equipment or buildings are included in the operations and represents approximately 25% of the total General Fund expenditures budget. Fuel costs have been favorable for the past few years; however, costs have increased since 2022 and the City continues to look for cost saving measures. Once measure is by implementing on-site fueling at the Public Works building. The City budgets for fuel based on average prices and the trending usage for department from prior years. Training of City staff is especially important to Council, so the training budget is consistent year to year, however it does take into consideration any new training that will be needed in the future. Future year operations expenditures were projected out with a constant inflationary factor.

Transfers

Major capital expenses for facilities, fleet and other capital items or projects are accounted for in the Infrastructure Improvement/Replacement Capital Fund and the Equipment and Building Replacement Capital Fund. Since 2016, the City has budgeted the Local Government Aid received from the State into these Capital Funds. In addition, the 2023 General Fund expenditure budget is estimating a \$448,611 transfer to the Capital

Funds for future projects. Future year transfers also take into consideration transfers from the General Fund to the Capital Funds for future projects based on the City’s Capital Improvement Plan. Beginning in 2023, the \$270,000 transfer of the Franchise fees to the Street Maintenance CIP Fund and the \$100,000 transfer to the Parks and Trail CIP will be an additional \$123,250 budgeted transfer. Then beginning in 2026 the transfer of the decrease in the debt levy will be an additional \$280,000 transfer to the Capital Improvement Funds. The goal is that by 2027 the transfer to the Capital Improvement Funds for Street Maintenance/Improvements or other improvements will be \$650,000 a year.

Debt

The General Fund does not make any direct debt services payment, but in the past the fund did transfer revenue received from the lease of a portion of the Liquor Store to the Jerky Shoppe to the debt service fund for the bonds used to purchase the liquor store building. In 2022 this debt was called and paid off early, this transfer is no longer budgeted.

Fund Balance

It is important for the financial stability of the City to maintain fund balance for unanticipated expenditures or unforeseen emergencies, as well as to provide adequate working capital for current operating needs as to avoid short-term borrowing.

The City will maintain fund balances in the General Fund at a level which will avoid issuing short-term debt to meet the cash flow needs of the current operating budget. The goal of the City is to maintain a minimum total General Fund unassigned fund balance of 50% of the projected next year’s operating budget per the City’s financial policies. In addition, per the finance policies if at year-end the unassigned fund balance is more than the required level, such excess may be transferred into the Capital Improvement Funds for Infrastructure or Equipment/Building Replacement.

For long-term planning, the City is projecting that the fund balance will maintain a 50% fund balance of current year expenditures as well as the next concept budget.



General Fund Five-Year Financial Plan

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

	Actual		Budget						
	2020	2021	2022	2023	+/- to last year	2024	2025	2026	2027
REVENUE									
Taxes	\$ 3,296,205	\$ 3,538,948	\$ 3,509,954	\$ 3,998,934	\$ 488,980	\$ 4,453,833	\$ 4,644,810	\$ 5,164,416	\$ 5,415,918
Special assessments	4,598	5,167	2,000	3,000	1,000	3,000	3,000	3,000	3,000
Licenses and permits	691,997	730,551	509,002	567,339	58,337	650,882	730,428	832,973	912,521
Intergovernmental revenues	510,368	473,421	454,284	467,790	13,506	467,961	468,143	468,335	468,539
Franchise Fees	436,739	444,204	434,762	447,903	13,141	450,303	452,703	455,103	457,503
Charges for services	286,333	283,444	271,887	264,585	(7,302)	267,467	270,361	273,308	276,277
Fines and forfeitures	50,942	47,332	61,000	62,100	1,100	64,100	66,250	68,250	70,250
Interest earnings	151,396	(138,686)	17,000	17,000	-	17,000	17,000	17,000	17,000
Contributions/Donations	24,051	16,103	3,000	4,500	1,500	4,500	4,500	4,500	4,500
Miscellaneous revenue	23,290	19,740	1,000	2,500	1,500	2,500	2,500	2,500	2,500
Transfer In from Other Funds	753,307	450,000	450,000	450,000	-	450,000	450,000	450,000	450,000
Total Current year revenues	6,229,226	5,870,224	5,713,889	6,285,651	571,762	6,831,546	7,109,695	7,739,385	8,078,009
Prior year Donations - Designed Fund Balance	18,619	7,906	10,000	10,000	-	2,186	-	-	-
TOTAL GENERAL FUND REVENUES BUDGET	\$ 6,247,845	\$ 5,878,130	\$ 5,723,889	\$ 6,295,651	\$ 571,762	\$ 6,833,732	\$ 7,109,695	\$ 7,739,385	\$ 8,078,009
EXPENDITURES									
Mayor/Council	\$ 30,000	\$ 31,867	\$ 33,857	\$ 32,956	\$ (901)	\$ 32,983	\$ 33,010	\$ 33,039	\$ 33,068
Planning and Zoning	157,804	167,432	185,092	207,068	21,976	219,416	230,429	242,083	254,416
Elections	25,605	9,048	29,300	2,000	(27,300)	34,100	1,500	29,600	1,500
Administration and Finance	845,802	559,701	589,830	573,857	(15,973)	599,786	626,363	654,508	684,327
IT - Computer/Software/Maintenance	86,530	90,881	108,809	125,225	16,416	114,651	118,279	119,472	115,567
BLCSC	66,391	64,962	67,409	67,407	(2)	70,041	72,889	75,971	79,309
EDA	94,630	97,040	113,737	164,375	50,638	173,484	182,275	191,578	201,423
Building Inspection	221,854	224,328	238,421	237,418	(1,003)	248,712	259,867	271,664	284,141
Engineering	85,414	86,329	100,898	104,564	3,666	110,172	115,329	120,782	126,550
Streets	590,946	498,131	614,116	626,889	12,773	666,075	707,050	751,384	799,370
Fleet Maintenance	-	123,619	177,450	189,154	11,704	197,986	207,405	217,361	227,884
Parks	606,119	514,999	525,007	615,865	90,858	648,429	676,850	707,057	739,167
Police	2,060,093	2,093,778	2,227,942	2,460,670	232,728	2,814,394	2,971,557	3,134,387	3,311,528
Fire	287,502	309,717	289,248	325,120	35,872	328,248	333,546	333,730	338,499
Community - Recreation	91,294	94,343	106,552	114,472	7,920	119,645	124,736	130,158	135,899
Transfers out	577,328	726,938	316,221	448,611	132,390	455,611	448,611	726,611	745,361
TOTAL GENERAL FUND EXPENDITURES	\$ 5,827,312	\$ 5,693,113	\$ 5,723,889	\$ 6,295,651	\$ 571,762	\$ 6,833,733	\$ 7,109,696	\$ 7,739,385	\$ 8,078,009
NET REVENUE OVER (UNDER) EXPENSE	\$ 420,533	\$ 185,017	\$ (0)	\$ (1)					
Unassigned Fund Balance - Projected	\$ 3,794,483	\$ 3,979,501	\$ 3,979,500	\$ 3,979,500		\$ 3,979,500	\$ 3,979,499	\$ 3,979,499	\$ 3,979,498
Percentage of Expenditures:									
Unassigned Fund Balance must remain 50%	66.29%	69.52%	63.21%	58.23%		55.97%	55.97%	51.42%	49.26%

General Fund Five-Year Financial Plan Expenditure Budget

Summary by Category

Category:	2022-2023								2024 Concept Budget	2025 Concept Budget	2026 Concept Budget	2027 Concept Budget
	2019 Actual	2020 Actual	2021 Actual	2021 Budget	2022 Adopted Budget	2023 Final Budget	\$ Change	% Change				
Personnel	\$ 3,043,249	\$ 3,109,377	\$ 3,284,817	\$ 3,581,378	\$ 3,614,120	\$ 3,961,635	\$ 347,515	9.62%	\$ 4,425,484	\$ 4,679,911	\$ 4,949,993	\$ 5,236,738
Elections	-	20,201	2,664	3,000	21,000	-	(21,000)	-100.00%	23,000	-	21,000	-
Professional Services	176,649	183,885	174,062	165,596	159,442	167,650	8,208	5.15%	167,540	171,789	172,097	176,467
Operations	1,313,295	1,819,354	1,381,709	1,446,221	1,508,106	1,595,755	87,649	5.81%	1,640,098	1,687,385	1,747,684	1,797,443
Marketing	2,354	4,115	1,778	5,100	8,000	8,000	-	0.00%	8,000	8,000	8,000	8,000
Animal Control	671	754	610	1,000	1,000	1,000	-	0.00%	1,000	1,000	1,000	1,000
Pass Through Expenditures	106,432	112,298	120,534	96,000	96,000	113,000	17,000	17.71%	113,000	113,000	113,000	113,000
Transfers to other Funds	654,850	577,328	726,938	317,717	316,221	448,611	132,390	41.87%	455,611	448,611	726,611	745,361
Total - Budget	\$5,297,501	\$5,827,312	\$5,693,113	\$5,616,012	\$5,723,889	\$6,295,651	\$ 571,762	9.99%	\$6,833,733	\$ 7,109,696	\$7,739,385	\$8,078,009
% of budget	2019	2020	2021	2021	2022	2023			2024	2025	2026	2027
Personnel	57.45%	53.36%	57.70%	63.77%	63.14%	62.93%			64.76%	65.82%	63.96%	64.83%
Personnel - Elections	0.00%	0.35%	0.05%	0.05%	0.37%	0.00%			0.34%	0.00%	0.27%	0.00%
Professional Services	3.33%	3.16%	3.06%	2.95%	2.79%	2.66%			2.45%	2.42%	2.22%	2.18%
Operations	24.79%	31.22%	24.27%	25.75%	26.35%	25.35%			24.00%	23.73%	22.58%	22.25%
Marketing	0.04%	0.07%	0.03%	0.09%	0.14%	0.13%			0.12%	0.11%	0.10%	0.10%
Animal Control	0.01%	0.01%	0.01%	0.02%	0.02%	0.02%			0.01%	0.01%	0.01%	0.01%
Pass Through Expenditures	2.01%	1.93%	2.12%	1.71%	1.68%	1.79%			1.65%	1.59%	1.46%	1.40%
Interfund/Lease payment	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%			0.00%	0.00%	0.00%	0.00%
Transfers to other Funds	12.36%	9.91%	12.77%	5.66%	5.52%	7.13%			6.67%	6.31%	9.39%	9.23%
	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%			100.00%	100.00%	100.00%	100.00%

Summary by Service

Service	2022-2023										
	2019 Actual	2020 Actual	2021 Actual	2022 Budget	2023 Adopted Budget	\$ Change	% Change	2024 Concept Budget	2025 Concept Budget	2026 Concept Budget	2027 Concept Budget
General Government											
Mayor/Council	\$ 33,622	\$ 30,000	\$ 31,867	\$ 33,857	\$ 32,956	\$ (901)	-2.66%	\$ 32,983	\$ 33,010	\$ 33,039	\$ 33,068
Planning	175,367	157,804	167,432	185,092	207,068	21,976	11.87%	219,416	230,429	242,083	254,416
Elections	3,218	25,605	11,048	29,300	4,000	(25,300)	-86.35%	34,100	3,500	29,600	3,500
Administration/Finance	1,071,954	1,182,666	1,200,945	822,661	868,857	46,196	5.62%	894,786	921,363	1,229,508	1,359,327
IT - Computer/Software/Maintenance	74,269	109,930	100,721	118,809	135,225	16,416	13.82%	133,651	128,279	129,472	125,567
Total General Government	1,358,430	1,506,005	1,512,013	1,189,719	1,248,106	58,387	4.91%	1,314,935	1,316,580	1,663,702	1,775,878
Public Safety											
Police	1,924,141	2,062,733	2,096,418	2,230,582	2,473,281	242,699	10.88%	2,827,005	2,984,168	3,146,998	3,324,139
Fire	284,170	435,502	309,717	289,248	325,120	35,872	12.40%	328,248	333,546	333,730	338,499
Building	199,057	221,854	224,328	238,421	237,418	(1,003)	-0.42%	248,712	259,867	271,664	284,141
Total Public Safety	2,407,368	2,720,089	2,630,463	2,758,251	3,035,819	277,568	10.06%	3,403,965	3,577,581	3,752,393	3,946,778
Streets & Highways											
Engineering	56,454	85,414	86,329	100,898	104,564	3,666	3.63%	110,172	115,329	120,782	126,550
Fleet Maintenance	-	-	123,619	177,450	189,154	11,704	6.60%	197,986	207,405	217,361	227,884
Streets	626,377	625,947	533,132	649,117	631,890	(17,227)	-2.65%	671,075	712,050	756,384	804,370
Total Streets & Highways	682,831	711,361	743,080	927,465	925,608	(1,857)	-0.20%	979,233	1,034,785	1,094,527	1,158,804
Culture & Recreation											
Parks	565,256	637,543	550,749	560,757	734,865	174,108	31.05%	767,429	795,850	826,057	774,917
BLCS	64,799	66,391	64,962	67,409	67,407	(2)	0.00%	70,041	72,889	75,971	79,309
Community - Recreation (other)	97,166	91,294	94,343	106,552	119,472	12,920	12.13%	124,645	129,736	135,158	140,899
Total Culture & Recreation	727,221	795,228	710,054	734,718	921,744	187,026	25.46%	962,115	998,475	1,037,186	995,125
Economic Development											
	121,650	94,630	97,504	113,737	164,375	50,638	44.52%	173,484	182,275	191,578	201,423
Total General Fund Expenditures	\$ 5,297,501	\$ 5,827,312	\$ 5,693,113	\$ 5,723,889	\$ 6,295,651	\$ 571,762	9.99%	\$ 6,833,733	\$ 7,109,696	\$ 7,739,385	\$ 8,078,009

Special Revenue Funds Long Term Planning

The Special Revenue Funds are governmental funds to account for services and expenditures where revenue is restricted for a designated purpose. The City maintains eight Special Revenue Funds, however only three are budgeted funds using the modified accrual basis. All funds however do use the modified accrual basis for the financial statements.

Following are the Special Revenue Funds that are budgeted.

- **EDA Fund** – is the general fund for the Big Lake Economic Development Authority (EDA). The main revenue is the EDA tax levy for the purpose of funding development needs
- **Farmers Market Fund** – is the general fund for the Big Lake Farmers Market. The main revenue is donations and vendor licenses
- **Music in the Park Fund** – is the general fund for the Music in the Park community event. The main revenue source is donations
- **American Rescue Plan Act Fund** – is the general fund for the federal funding received pertaining to COVID 19 pandemic. The only revenue source is a federal grant and the funds will be used for replacement of water meters beginning in 2022 and completed by 2024 as dictated by federal guidelines

EDA Fund Financial Plan

The Big Lake Economic Development Authority (EDA) Fund was created by the City Council in 1990. The EDA Fund accounts for the general activities of the EDA. The City Council appoints the seven members to serve as Board Commissioners, two of which are members of the City Council. The remaining five members are members of the community.

Under Minnesota Statutes Chapter 469-Economic Development, cities may establish an EDA, including approval for the EDA to serve as a Housing and Redevelopment Authority (HRA). The maximum general operational levy of HRAs allowed under State law is 0.185% of the taxable market value. The authorizing Statute permits the EDA to levy and collect a special benefit levy.

State law provides that expenditures maybe made from the EDA Fund based on the following criteria: 1) the EDA appropriates the funds as part of the annual budget, and/or 2) the EDA authorizes any amendment to the EDA budget outside of the annual appropriation process.

Source of Funds

The principal sources of revenue for this fund have been property tax levy and interest earned on cash balances in the funds. Property tax revenues are under the maximum allowable under the special levy law.

The finance plan shows the levy to remain the same for 2023 as it was for 2022 at \$130,000. In 2019, the levy was increased by \$80,000, this increase is used to fund 50% of the Community Development Directors wage, as this position is also the Executive Director of the Big Lake Economic Development Authority. Prior to 2019 all wages of the Community Development Director were funded out of the General Fund. Beginning in 2023, the allocation for the Executive Director position will be 25% allocated to the Big Lake Economic Development

authority and 75% to the General Fund. This allocation is more in line with the time spent by the Community Director on this position. The long-term plan for this fund maintains the EDA special levy at \$130,000, until 2024 at which it will increase an additional \$30,000 to \$160,000. With this levy the fund will slowly begin to build up the fund balance to fund future economic developments. Without tax support from the special EDA levy, there is no other identified funding source to sustain this activity.

In 2022, the Council approved a transfer to the EDA of \$600,00 from the Capital Improvement unallocated funds, to be used to establish a redevelopment and property acquisition fund to help promote development within the City.

Use of Funds

According to State Statute, the proceeds from the EDA levy can be used for one or both of the following purposes: 1) for projects to remedy the shortage of housing for low and moderate-income residents, and/or 2) for public redevelopment costs in situations where private enterprise would not act without government participation. The City has used the EDA Funds for redevelopment purposes.

The 2023 budget includes use of funds for the annual transfer of \$46,362 to the Industrial Park Expansion Land Purchase fund for a payment of debt. The City began in 2020 to make the annual transfer to the Industrial Park Expansion Land Purchase fund to pay for special assessment pertaining to a redevelopment project infrastructure. Other uses of the funds for 2023 include the staff position allocation, related marketing, and department operating expenses.

Fund Balance

The City will maintain fund balances in the Special Revenue Funds at a level which will avoid issuing short-term debt to meet the cash flow needs of the current operating budget. The Plan maintains a fund balance within the EDA Fund to meet both anticipated and unanticipated future economic development needs. The City will annually evaluate the level of fund balance for its appropriateness.



Summary Budget

City of Big Lake Economic Development Fund 275

Revenue Budget

Account Number	Description	2019		2020		2021		2022		2023		2022-2023		Levy	Levy	Levy	Levy	
		Actual	Budget	Actual	Budget	Actual	Budget	Adopted Budget	Final Budget	\$	%	2024 Concept Budget	2025 Concept Budget	2026 Concept Budget	2027 Concept Budget	\$160K	\$160K	\$160K
275-000-3101	RE & PP Taxes-Current	\$ 128,331	\$ 128,710	\$ 129,367	\$ 128,700	\$ 128,700	\$ 128,700	\$ 128,700	\$ -		\$ 158,400	\$ 158,400	\$ 158,400	\$ 158,400				
275-000-3102	RE & PP Taxes-Delinquent	371	1,126	2,116	400	400	400	400	-		400	400	400	400				
275-000-3155	Transfer In Revenue	-	25,000	100,000	100,000	600,000	-	-	(600,000)	-100.00%	-	-	-	-				
275-000-3999	Interest Earned	1,045	1,136	867	800	800	800	800	-		800	800	800	800				
Total Revenues		\$ 129,747	\$ 155,972	\$ 232,350	\$ 229,900	\$ 729,900	\$ 129,900	\$ (600,000)	-	-82.20%	\$ 159,600	\$ 159,600	\$ 159,600	\$ 159,600				
Projected Cash Flow Change		2019	2020	2021	2022	2023	2024	2025	2026	2027								
Beginning Cash Balance		\$ 50,407	\$ 97,618	\$ 78,397	\$ 145,120	\$ 746,239	\$ 732,072	\$ 739,695	\$ 744,760	\$ 747,111								
Projected Excess Revenue		20,918	5,779	87,607	601,119	(14,167)	7,623	5,064	2,352	(524)								
Interfund Loan Principal Payment		(25,000)	(25,000)	(20,884)	-	-	-	-	-	-								
Projected Ending Cash		\$ 97,618	\$ 78,397	\$ 145,120	\$ 746,239	\$ 732,072	\$ 739,695	\$ 744,760	\$ 747,111	\$ 746,588								

Expenditure Budget

Account Number	Description	2019		2020		2021		2022		2023		2022-2023		2024	2025	2026	2027
		Actual	Budget	Actual	Budget	Actual	Budget	Adopted Budget	Final Budget	\$	%	Concept Budget	Concept Budget	Concept Budget	Concept Budget		
275-000-00-05-4002	Wages	\$ 49,120	\$ 50,589	\$ 55,786	\$ 55,802	\$ 59,309	\$ 31,140	\$ (28,169)	-47.50%	\$ 33,008	\$ 34,989	\$ 37,088	\$ 39,314				
275-000-00-05-4008	Insurance Benefits (er)	3,018	3,211	3,622	3,655	3,798	4,224	426	11.22%	4,477	4,746	5,031	5,333				
275-000-00-05-4009	HSA Accounts	719	713	750	750	750	-	(750)	-100.00%	750	750	750	750				
275-000-00-05-4010	F.I.C.A./Medicare (er)	3,758	3,870	4,267	4,271	4,538	2,385	(2,153)	-47.44%	2,525	2,677	2,837	3,007				
275-000-00-05-4012	P.E.R.A. (er)	3,684	3,794	4,184	4,187	4,449	2,337	(2,112)	-47.47%	2,641	2,799	2,967	3,145				
275-000-00-20-4140	Audit	480	501	546	500	500	500	-		500	500	500	500				
275-000-00-20-4150	Engineering	1,367	-	-	500	500	500	-		500	500	500	500				
275-000-00-20-4170	Legal	9,119	3,296	713	3,000	3,000	2,000	(1,000)	-33.33%	2,000	2,000	2,000	2,000				
275-000-00-20-4180	Other Consultants	5,710	990	1,000	2,000	2,000	2,000	-		2,000	2,000	2,000	2,000				
275-000-00-20-4221	Advertising/Marketing - Branding	-	27,795	24,970	-	-	-	-		-	-	-	-				
275-000-00-25-4134	Website	250	250	250	250	250	250	-		250	250	250	250				
275-000-00-25-4209	Recording Fees	1,179	-	-	150	150	150	-		150	150	150	150				
275-000-00-25-4212	Other Operations Expenses	17	629	-	50	50	50	-		50	50	50	50				
275-000-00-25-4220	Advertising/Marketing	607	-	224	1,100	1,100	51,100	50,000	4545.45%	51,100	51,100	51,100	51,100				
275-000-00-25-4235	Postage	-	-	385	25	25	25	-		25	25	25	25				
275-000-00-25-4238	Training	925	295	340	1,000	1,000	1,000	-		1,000	1,000	1,000	1,000				
275-000-00-25-4257	Contractors Hired	74	410	-	300	500	500	-		500	500	500	500				
275-000-00-25-4260	Subscriptions / Dues	625	-	717	750	-	-	-		-	-	-	-				
275-000-00-25-4375	Snow Removal (lots owned)	-	-	-	500	500	500	-		500	500	500	500				
275-000-00-71-4612	Transfer to FUND 141 - Specials	-	46,361	46,362	46,362	46,362	45,406	(956)	-2.06%	50,000	50,000	50,000	50,000				
275-000-00-85-4625	Interfund Loan Interest	2,127	1,377	627	627	-	-	-		-	-	-	-				
Total Expenditures		\$108,829	\$150,193	\$144,743	\$ 125,779	\$ 128,781	\$ 144,067	\$ 15,286	11.87%	\$ 151,977	\$ 154,536	\$ 157,248	\$ 160,124				
Excess Revenues/(deficit)		20,918	5,779	87,607	104,121	601,119	(14,167)	15,286		7,623	5,064	2,352	(524)				
CASHFLOW PURPOSE ONLY FOR BLEDA																	
275-2070	Interfund Loan Principal (IFL)	25,000	25,000	20,884	20,884	-	-	-		-	-	-	-				
Total Expenditures & IFL		\$133,829	\$175,193	\$165,627	\$ 146,663	\$ 128,781	\$ 144,067			\$ 151,977	\$ 154,536	\$ 157,248	\$ 160,124				

Farmers Market Fund Financial Plan

This fund is used for all transactions pertaining to the Farmer’s Market that is held May through September on every Wednesday as well as the winter market that is held once a month from November until April. As of 2018 the newly created position of recreational coordinator is responsible for the farmer’s market. In 2017, the City implemented the EBT/Debit/Credit Card capability for purchases at the market, as well as the Power of Produce program. In 2019, music was added to the Farmers Market, and the market continues to see growth. The long-term plan indicates that the market should sustain itself, as long as increase in donations and sponsorships are realized.

Mission Statement

To support farmers, crafters, and musicians while providing healthy food access and a place to spend time with family and neighbors while enjoying Big Lake’s beautiful Lakeside Park.

Source of Funds

The principal source of revenues for this fund is donations from organizations and vendor licenses. The finance plans show a constant level of donations and vendor licenses, without these sources of revenue there is no other identified funding source to sustain this activity.

Use of Funds

The expenditures related to this fund pertain to the staff position to coordinate the market, music, and other entertainment during the market as well as operating supplies needed for the market.



Summary Budget

**City of Big Lake
FARMERS MARKET FUND
FUND 280**

REVENUES

Account Number	Description	2019	2020	2021	2022	2023	2024	2025	2026	2027
		Actual	Actual	Actual	Adopted Budget	Final Budget	Concept Budget	Concept Budget	Concept Budget	Concept Budget
280-000-3160	Inter-govt Revenue	\$ 1,769	\$ 1,000	\$ 1,857	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
280-000-3200	Vendor Licenses	1,940	2,765	3,340	2,000	2,000	2,000	2,000	2,000	2,000
280-000-3203	Vendor Licenses - Winter	490	490	790	200	200	200	200	200	200
280-000-3230	Donations from Organization	9,825	6,204	16,350	11,000	9,500	9,500	9,500	9,500	9,500
280-000-3357	Farmers Market Bages	47	13	39	10	10	10	10	10	10
280-000-3999	Interest Earned	430	276	167	100	100	100	100	100	100
280-000-4200	Other Grant Proceeds	999	1,405	437	200	200	200	200	200	200
280-000-4204	Other Grant Proceeds - Private	1,000	-	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Total Revenues		\$16,500	\$ 12,153	\$ 23,980	\$ 15,510	\$ 14,010				

EXPENDITURES

Account Number	Description	2019	2020	2021	2022	2023	2024	2025	2026	2027
		Actual	Actual	Actual	Adopted Budget	Final Budget	Concept Budget	Concept Budget	Concept Budget	Concept Budget
280-000-00-05-4002	Wages	\$ 794	\$ 6,841	\$ 8,987	\$ 3,213	\$ 3,476	\$ 3,685	\$ 3,906	\$ 4,140	\$ 4,388
280-000-00-05-4008	Insurance Benefits (er)	-	537	784	278	287	316	347	382	420
280-000-00-05-4009	HSA Accounts	-	163	223	75	75	75	75	75	75
280-000-00-05-4010	F.I.C.A./Medicare (er)	61	523	687	246	268	282	299	317	336
280-000-00-05-4012	P.E.R.A. (er)	60	513	674	241	261	295	312	331	351
280-000-00-05-4016	W/C Insurance	6	38	38	20	20	21	22	23	24
280-000-00-25-4110	Bank Charges	371	377	444	420	500	500	500	500	500
280-000-00-25-4210	Operating Supplies	275	106	567	150	150	150	150	150	150
280-000-00-25-4212	Other Operations Expenses	4,993	1,440	4,055	3,000	3,000	3,000	3,000	3,000	3,000
280-000-00-25-4220	Advertising	1,002	545	719	650	650	650	650	650	650
280-000-00-25-4238	Training/Schools	125	10	20	125	125	125	125	125	125
280-000-00-25-4255	Rent/Lease	150	-	-	-	-	-	-	-	-
280-000-00-25-4257	Contractors Hired	3,350	3,225	3,170	3,500	3,500	3,500	3,500	3,500	3,500
280-000-00-25-4260	Subscriptions/Dues	670	670	670	670	670	670	670	670	670
280-000-00-25-4395	Signs/Banners									
Total Expenditures		\$13,417	\$ 14,988	\$ 21,038	\$ 12,588	\$ 12,982	\$ 13,268	\$ 13,556	\$ 13,863	\$ 14,190

EXCESS REVENUES OVER EXPENDITURES \$ 3,083 \$ (2,835) \$ 2,942 \$ 2,922 \$ 1,028 \$ 742 \$ 454 \$ 147 \$ (180)

Projected Cash Flow Change	2019	2020	2021	2022	2023	2024	2025	2026	2027
Beginning Cash Balance	\$ 15,645	\$ 18,728	\$ 15,893	\$ 18,835	\$ 19,004	\$ 20,032	\$ 20,775	\$ 21,228	\$ 21,375
Projected Excess Revenue	3,083	(2,835)	2,942	2,922	1,028	742	454	147	(180)
Projected Ending Cash	\$18,728	\$ 15,893	\$ 18,835	\$ 21,757	\$ 20,032	\$ 20,775	\$ 21,228	\$ 21,375	\$ 21,196

Music in the Park Fund Financial Plan

This fund is used for all transactions pertaining to the Music in the Park that is held on Thursdays during the summer. The Legacy Foundation of Big Lake created the community’s beloved Music in the Park series in 2013 and each year it has continued to bring this free, family-friendly event to the Big Lake area. After eight years of coordinating and hosting this successful series, the Legacy Foundation of Big Lake has decided to disband, bringing forward the opportunity for the City to coordinate Music in the Park in 2021 and future years. The recreational coordinator is responsible for Music in the Park. The long-term plan indicates that the event should sustain itself, as long as donations and sponsorships are realized.

Mission Statement

To create a remarkable musical event, while providing food access and a place to spend time with family and neighbors while enjoying Big Lake’s beautiful Lakeside Park.

Source of Funds

The principal source of revenues for this fund is donations from organizations. The finance plans show a constant level of donations, and a transfer from the general fund of \$5,000, without this source of revenue there is no other identified funding source to sustain this activity.

Use of Funds

The expenditures related to this fund pertain to the staff position to coordinate the event, and other entertainment during the event as well as operating supplies needed for the event.



Summary Budget

**City of Big Lake
MUSIC IN PARK - NEW 2021
FUND 282**

REVENUES

Account Number	Description	2019 Actual	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Final Budget	2024 Concept Budget	2025 Concept Budget	2026 Concept Budget	2027 Concept Budget
282-000-3155	Transfer In Revenue - Admin	\$ -	\$ -	\$ 5,000	\$ -	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
282-000-3230	Donations from Organization	-	-	23,688	27,300	25,000	25,000	25,000	25,000	25,000
282-000-3999	Interest Earned	-	-	98	100	100	100	100	100	100
Total Revenues		\$ -	\$ -	\$ 28,786	\$ 27,400	\$ 30,100	\$ 30,100	\$ 30,100	\$ 30,100	\$ 30,100

EXPENDITURES

Account Number	Description	2019 Actual	2020 Actual	2021 Actual	2022 Adopted Budget	2023 Final Budget	2024 Concept Budget	2025 Concept Budget	2026 Concept Budget	2027 Concept Budget
282-000-00-05-4002	Wages	\$ -	\$ -	\$ -	\$ 3,213	\$ 3,476	\$ 3,685	\$ 3,906	\$ 4,140	\$ 4,388
282-000-00-05-4008	Insurance Benefits (er)	-	-	-	278	287	316	347	382	420
282-000-00-05-4009	HSA Accounts	-	-	-	75	75	75	75	75	75
282-000-00-05-4010	F.I.C.A./Medicare (er)	-	-	-	246	268	282	299	317	336
282-000-00-05-4012	P.E.R.A. (er)	-	-	-	241	262	295	312	331	351
282-000-00-05-4016	W/C Insurance	-	-	-	20	20	21	22	23	24
282-000-00-20-4170	Legal	-	-	-	-	100	100	100	100	100
282-000-00-25-4210	Operating Supplies	-	-	-	500	500	500	500	500	500
282-000-00-25-4212	Other Operations Expenses	-	-	100	1,250	1,000	1,000	1,000	1,000	1,000
282-000-00-25-4220	Advertising	-	-	404	500	500	500	500	500	500
282-000-00-25-4255	Rent/Lease	-	-	5,000	5,000	6,000	6,000	6,000	6,000	6,000
282-000-00-25-4257	Contractors Hired	-	-	4,000	20,000	20,000	20,000	20,000	20,000	20,000
Total Expenditures		\$ -	\$ -	\$ 9,504	\$ 31,323	\$ 32,488	\$ 32,773	\$ 33,061	\$ 33,368	\$ 33,695

EXCESS REVENUES OVER EXPENDITURES \$ - \$ - \$ 19,282 \$ (3,923) \$ (2,388) \$ (2,673) \$ (2,961) \$ (3,268) \$ (3,595)

Projected Cash Flow Change	2019	2020	2021	2022	2023	2024	2025	2026	2027
Beginning Cash Balance	\$ -	\$ -	\$ -	\$ 19,282	\$ 15,359	\$ 12,971	\$ 10,298	\$ 7,337	\$ 4,069
Projected Excess Revenue	-	-	19,282	(3,923)	(2,388)	(2,673)	(2,961)	(3,268)	(3,595)
Projected Ending Cash	\$ -	\$ -	\$ 19,282	\$ 15,359	\$ 12,971	\$ 10,298	\$ 7,337	\$ 4,069	\$ 474

Capital Project Funds

Capital Project Funds account for the acquisition and construction of major capital facilities, infrastructure maintenance and equipment replacement, except for those financed by proprietary funds. The City has four budgeted funds in this category. The Capital Project Funds use the modified accrual basis for both financial statement and budgeting purposes.

- **The Capital Project/Street Improvement Funds** – includes receipt and disbursement of bond proceeds or other sources obtained to finance improvement and additions to the City’s infrastructure
- **Infrastructure Improvement Funds** – includes revenues received from the Local Government Aid, MSA State Aid for street improvement, grants, transfer from the General Fund for future street maintenance. Disbursement includes transfers to the Capital Project fund for infrastructure improvements, trail maintenance and park improvements, and transfers to the debt service funds for new bonding of street reconstruction projects. The City financial plan does not show a debt levy affiliated with the 2018 street improvement or 2018A GO Improvement Bond until 2025, instead the payments will be made from transfers from the Infrastructure Improvement Fund. For the 2022 Street projects or 2022A GO Improvement Bond, there will not be a debt levied until 2025, instead the payments will be made from the premiums received when the bonds were sold, as well as transfers from the Infrastructure Improvement Fund.
- **Equipment and Building Replacement Funds** – includes revenues received from the Local Government Aid, sales of fixed assets as well as transfer in from the General Fund. Disbursement and/or allocations of fund balance are based on the Capital Improvement Plan Summary and approved each budget year by Council
- **Park Development Fund** – reflects development of new City parks and improvement of existing parks. Revenue is primarily from park development fees and in the future transfers from the Infrastructure Improvement Fund

Capital Project/Street Improvement Fund Financial Plan

This fund accounts for all receipts and disbursement pertaining to the construction or improvements of the City’s infrastructure.

Source of Funds

The principal source of revenues for this fund are the proceeds from bonds issued to fund the improvements.

Use of Funds

The expenditures related to this fund pertain to the cost of infrastructure improvements. In 2020, the street project was cancelled, for future planning, the 2020 street project was moved to 2021. The City has decided to take the opportunity of the low interest rates and combined three years of street projects to be completed in 2023 and financed with the 2022A General Obligation bonds. The long-term plan indicates maintenance of the streets will be done each year based on need.

Summary Budget

STATEMENT OF REVENUES AND EXPENDITURES - SUMMARY BUDGET - CAPITAL PROJECTS - CONSTRUCTION FUND 175

Capital Projects Fund 175	Actual					Budget			
	2019	2020	2021	2022	2023	2024	2025	2026	2027
REVENUE									
Bond Proceeds	\$ -	\$ -	\$3,239,858	\$5,110,000	\$ -	\$ -	\$ -	\$ -	\$ -
Interest Income	3,214	-	-	-	-	-	-	-	-
Transfer In from Other Funds	809,555	175,000	-	372,796	300,000	300,000	750,000	300,000	300,000
TOTAL REVENUES	812,769	175,000	3,239,858	5,482,796	300,000	300,000	750,000	300,000	300,000
EXPENDITURES/ALLOCATION									
Streets Projects	449,546	-	3,239,858	5,110,000	300,000	300,000	750,000	300,000	300,000
Signal Projects	237,019	-	-	-	-	-	-	-	-
Trail / Sidewalk Projects	210,403	175,000	-	372,796	-	-	-	-	-
Transfers out to other funds/Debt Service	140,962	-	-	-	-	-	-	-	-
TOTAL EXPEND/ALLOCATIONS	1,037,930	175,000	3,239,858	5,482,796	300,000	300,000	750,000	300,000	300,000
NET REVENUE OVER (UNDER) EXPENSE	\$ (225,161)	\$ -							
	2019	2020	2021	2022	2023	2024	2025	2026	2027
Fund Balance	\$ 16,979	\$ 16,979	\$ 16,979	\$ 16,979	\$ 16,979	\$ 16,979	\$ 16,979	\$ 16,979	\$ 16,979

Capital Improvement Funds Financial Plan

The Infrastructure Improvement/Replacement Funds and the Equipment & Building Replacement Funds were established in 2015 and accounts for all activities pertaining to any capital or equipment improvement or replacement for the City.

Source of Funds

The principal source of revenues for this fund are the allocations from the Local Government Aid, MSA State Aid, grants and transfers from the General Fund.

Use of Funds

The transfers to the Capital Fund pertain to the cost of infrastructure improvements, equipment replacement or maintenance based on the City's Capital Improvement Plan and Councils direction throughout the year of specific projects to be funded and is allocated per department's needs.

Summary Budget

STATEMENT OF REVENUES AND EXPENDITURES - SUMMARY BUDGET - CAPITAL IMPROVEMENT FUNDS 194-199

	Actual					BUDGET			
	2019	2020	2021	2022	2023	2024	2025	2026	2027
Capital Improvement Funds 194-199									
REVENUE									
Local Govt Aid - Fund 199	\$ 577,696	\$ 553,474	\$ 636,115	\$ 751,630	\$ 792,209	\$ 796,170	\$ 800,151	\$ 804,152	\$ 558,172
Local Govt Aid - Fund 198/196	45,000	160,000	100,000	-	-	-	-	-	150,000
Local Govt Aid - Fund 195	-	-	20,000	20,000	-	-	-	-	100,000
Franchise Fee - Cable	23,566	-	-	-	-	-	-	-	2,000
Transfer IN -Franchise Fee - Utilities	48,240	-	-	-	270,000	270,000	270,000	350,000	350,000
Intergovernmental	451,732	-	-	-	-	-	-	-	-
Special Assessment -Mill/Overlay	41,513	16,975	15,946	15,946	15,946	15,946	15,946	15,946	15,946
Grants	-	681,408	115,331	285,597	-	-	-	-	-
Sales of Fix Assets	44,958	26,000	17,000	5,000	17,000	17,000	8,500	17,000	17,000
Miscellaneous revenue	4,000	-	-	-	-	-	-	-	-
Interest Income	72,301	2,500	3,250	5,000	4,500	4,500	4,500	4,500	4,500
Transfer In from Other Funds	935,466	617,290	808,506	255,750	148,611	155,611	148,611	446,611	365,361
TOTAL REVENUES	2,244,472	2,057,647	1,716,148	1,338,923	1,248,266	1,259,227	1,247,708	1,638,209	1,562,979
EXPENDITURES/ALLOCATION									
Administration and Finance	86,830	53,000	133,500	40,000	283,000	40,000	40,000	40,000	40,000
BLCSC	9,806	-	17,500	-	-	-	-	-	-
Building Inspection	-	-	-	-	-	-	-	-	-
Computers/Scanners/Software (194)	36,020	180,900	135,000	27,900	17,500	26,500	17,500	17,500	17,500
Computers/Software - Website	4,286	4,286	4,286	4,286	-	-	-	-	-
Elections	-	-	2,000	-	2,000	-	2,000	-	2,000
Fire	94,040	163,833	215,833	738,733	396,500	285,000	238,250	1,510,000	205,000
Parks/Recreation	9,108	80,000	30,000	87,000	10,000	160,000	30,000	75,000	10,000
Parks - Trail Maintenance (195)	-	14,000	25,750	25,750	109,000	109,000	109,000	109,000	125,750
Police	343,175	100,940	108,240	93,340	115,611	118,701	67,247	125,162	128,538
Streets Department	42,924	237,967	40,000	265,000	430,000	285,000	472,000	248,000	16,000
Streets Maintenance (196)	-	229,033	229,656	30,000	270,000	250,000	250,000	550,000	650,000
Streets/Trail Projects (198)	1,006,846	-	215,331	371,996	300,000	300,000	750,000	300,000	300,000
Transfers out -debt payment/Street Projec	792,025	100,000	100,000	-	-	200,000	250,000	-	-
TOTAL EXPEND/ALLOCATIONS	2,425,060	1,163,959	1,257,096	1,684,005	1,933,611	1,774,201	2,225,997	2,974,662	1,494,788
NET REVENUE OVER (UNDER) EXPENSE	\$ (180,588)	\$ 893,688	\$ 459,052	\$ (345,082)	\$ (685,345)	\$ (514,974)	\$ (978,289)	\$(1,336,453)	\$ 68,191
	2019	2020	2021	2022	2023	2024	2025	2026	2027
Fund Balance	\$ 2,559,090	\$3,452,778	\$3,911,830	\$3,566,748	\$2,881,403	\$2,366,429	\$1,388,140	\$ 51,687	\$ 68,191

Parks Development Fund Financial Plan

The Parks development fund accounts for capital improvement projects for the City’s parks and trail system. There is nearly 215 acres of parkland, 20 miles of trail and sidewalk and 3.5 acres of greenway in Big Lake. The Big Lake park system includes parks with playgrounds, ball fields and picnic areas. Visitors can also enjoy beach access at Lakeside Park along with a boat landing and fishing pier.

As the City grew, developers either paid park dedication fees or donated land for the park system. The cash or land donation was (and is) based on the size of a particular development. The City developed its park system by adding general amenities, bituminous and concrete surfaces, fencing, hockey rinks, playground equipment, shelters, buildings, etc. The routine maintenance of the existing parks is funded in the General Fund.

Source of Funds

The main source of revenue for this fund is park dedication fees. Park dedication fees in prior years had attributed to one or two large developments annually. As the City reaches full development of residential parcels there are fewer parcels to develop that will be charged park dedications fees in the future, for that reason in 2018 the City established the Park & Trail Dedication fees for Commercial or Industrial development. However, for future planning, the revenue estimated is only for those developments that are in the current planning stages.

Use of Funds

The City prepares a detailed five-year capital improvement plan that outlines all planned renovations and improvement at City parks by park by project. Currently as of 2022, the ending fund balance is \$655,111.91. Due to the lack of park dedication funds the majority of these projects will have to be postponed, until other funding sources may be available beyond what is shown in the five-year plan.

PARK PROJECTS FUNDED		ESTIMATED COST
New Southside Park		\$ 150,000
PARK PROJECTS POSTPONED		ESTIMATED COST
Lake Ridge Park	playground equipment	\$ 150,000
Shores of Lake Mitchell Park	playground equipment	150,000
Mitchell Farms Park	playground equipment	100,000
Wright Crossing Park	playground equipment	150,000
Highline Park	playground equipment	150,000
Hudson Woods	playground equipment	150,000
Bluff Park	playground equipment	150,000
Skate Park	Skate Board Equipment	200,000
		<u>\$ 1,200,000</u>

Transfers

Starting with the 2020 budget, there will be a transfer from the General Fund to the Parks and Trails Improvement Fund to set aside for future park developments. For 2023 through 2026 concept budget, the amount is \$100,000, then beginning in 2027 the \$100,000 will be allocated from the Local Government Aid funds received.

General Obligation Debt Funds

Debt service funds account for the accumulation of resources for the payment of general long-term debt principal and interest. The City maintains individual debt service funds for each bond issued. The City has established annual financial plans for all general obligation bond funds which is shown in total as the G.O. Debt Funds. The Debt Funds use the modified accrual basis for both financial statements and budgeting.

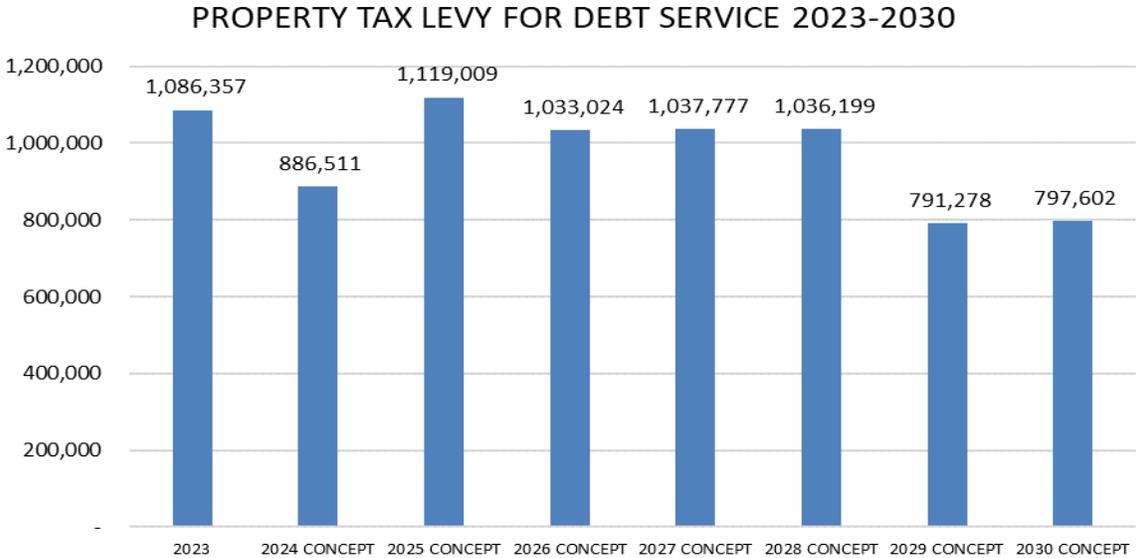
General obligations bonds are secured by the full faith and credit of the City. The City has the authority to levy property taxes for repayment of these bonds.

For this plan, the amounts projected in the Capital Project/Street Improvement plan to be funded by General Obligation Improvement Bonds are assumed to be bonded. The proposed debt structure is consistent with the City’s debt management policies. Interest rates are estimated conservatively.

Source of Funds

The principal sources of revenue are property taxes (debt service levies), special assessments, State Aid and transfers in from the Infrastructure Improvement Fund.

The following graph shows the amount of existing and projected debt service levies for the next five years. The current finance plan shows debt levies for bonds currently outstanding. Planned street improvements included in the CIP that are bonded will need to be levied, however, a portion of the payment will be paid for by franchise fees.



Transfers

Annual transfers are shown in the Infrastructure Improvement/Replacement Fund to pay for future debt services.

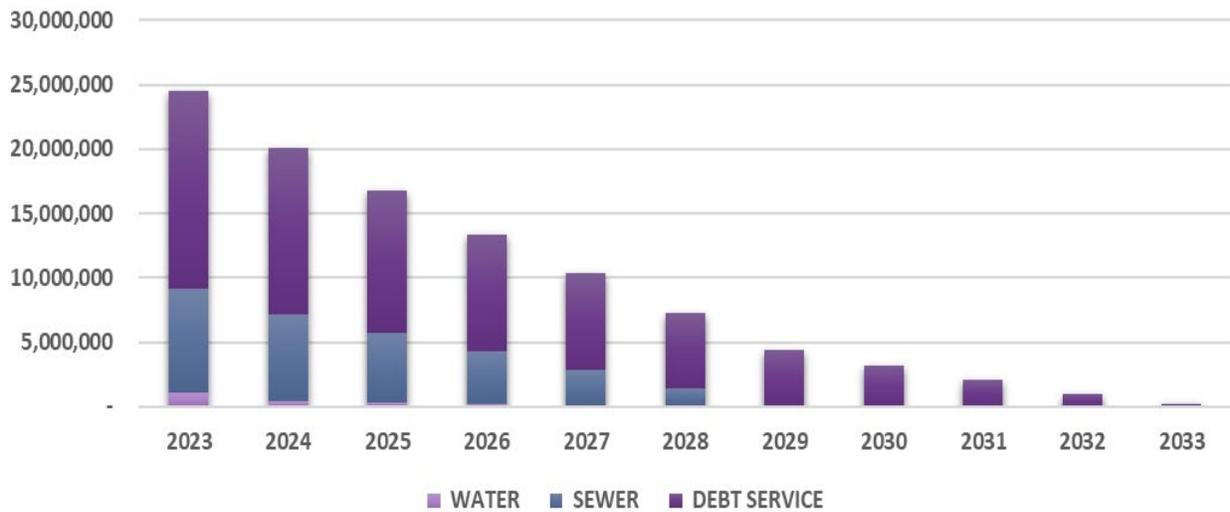
Use of Funds and Fund Balance

According to State Statute, proceeds from the debt service levies and fund balance can only be used for redemption of debt.

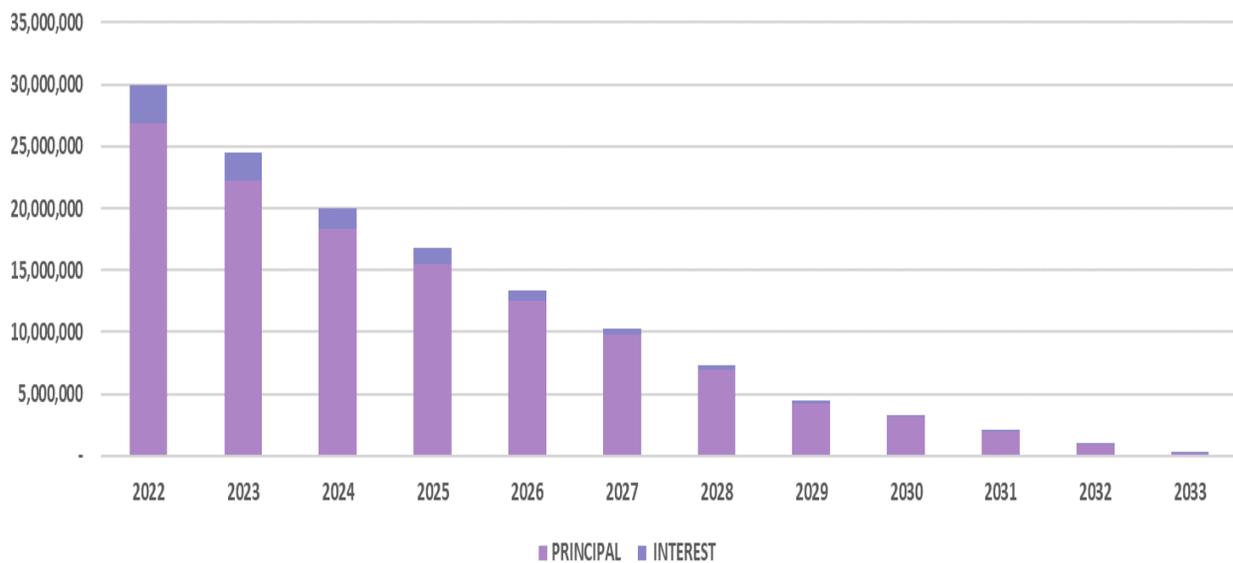
Debt Management

The graph below shows the total City’s current outstanding debt by funding source in the current budget year and beyond. As the graph shows the debt payments for the G.O. Debt (debt that is supported by the tax levy) spike in 2023, this is due to the new debt for 2021 Street Projects and 2022 Street Projects. The second graph shows the total outstanding debt for the City of Big Lake. This graph also shows the decline in outstanding debt. Also included are the schedule principal and interest payment for all current debt outstanding through 2028.

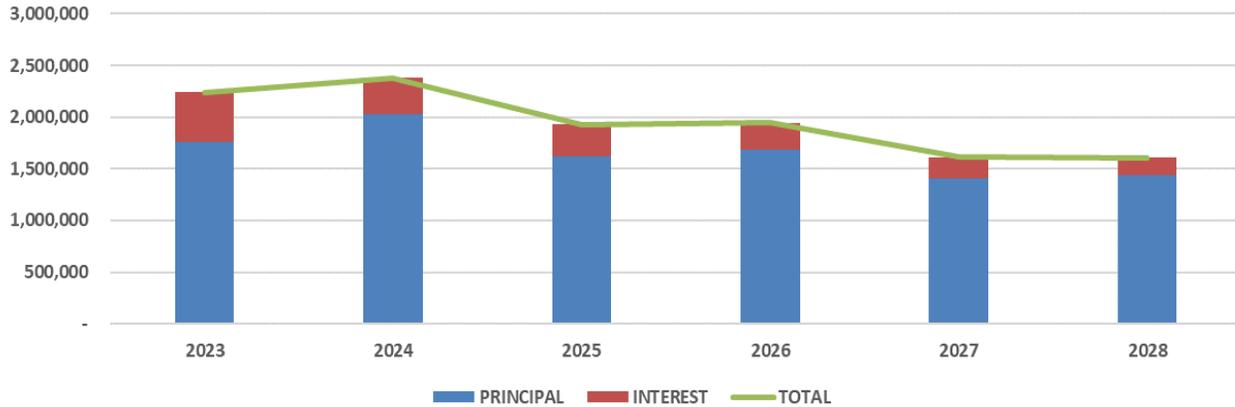
Outstanding Debt - Principal and Interest



Total Outstanding Debt - Principal and Interest



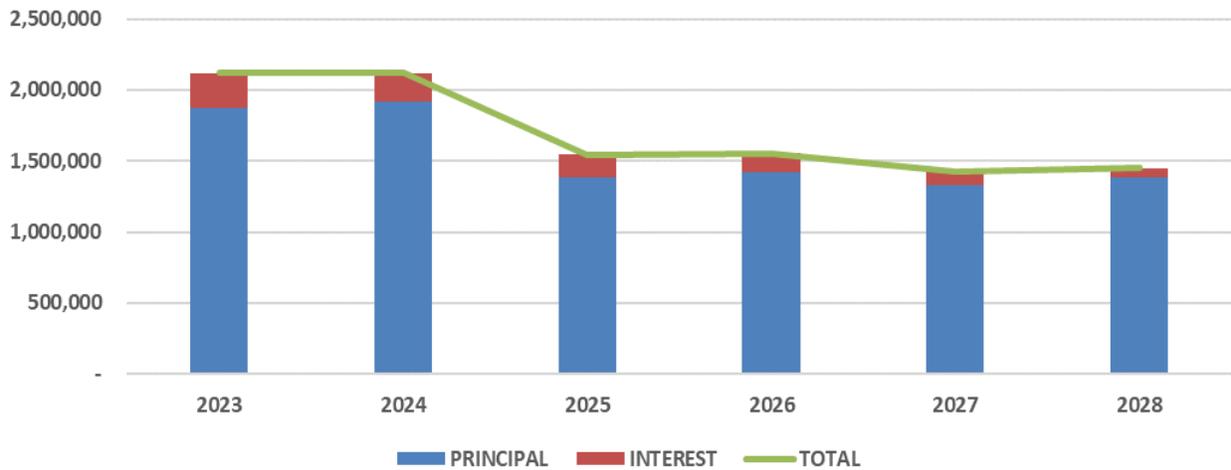
Schedule of Principal & Interest Payments - Debt Service



Current General Obligation Debt - Debt Service Funds Payments

Year	2023	2024	2025	2026	2027	2028
Principal	\$ 1,755,000	\$ 2,028,000	\$ 1,625,000	\$ 1,688,000	\$ 1,405,000	\$ 1,443,000
Interest	483,533	353,250	303,073	255,352	208,850	163,926
	\$ 2,238,533	\$ 2,381,250	\$ 1,928,073	\$ 1,943,352	\$ 1,613,850	\$ 1,606,926

Schedule of Principal and Interest Payment - Enterprise Funds



Current General Obligation Debt - Enterprise Funds Payments

Year	2023	2024	2025	2026	2027	2028
Principal	\$ 1,873,000	\$ 1,915,200	\$ 1,385,200	\$ 1,423,600	\$ 1,328,000	\$ 1,385,000
Interest	245,612	202,085	158,922	128,551	96,962	64,110
	\$ 2,118,612	\$ 2,117,285	\$ 1,544,122	\$ 1,552,151	\$ 1,424,962	\$ 1,449,110

Enterprise Funds

Enterprise Funds account for business-type activities. These activities provide services where most of the costs are recovered through user fees and charges. The City has four Enterprise Funds. The accrual basis of accounting is used by the Enterprise Funds for financial statement purposes. For budget purposes the funds use accrual basis except for capital assets and debt payments which are budgeted on a modified accrual basis with each finance plan. Depreciation is noted at the bottoms of the finance plans.

- **Water and Sewer Funds** – receives its revenues from charges to all property owners to provide water and sanitary sewer utilities, fund operations and maintenance and capital improvements.
- **Storm Water Fund** – receives its revenues from charges to all property owners to fund water quality projects, operations and maintenance, and capital improvements.
- **Lake Liquor Store Fund** - receives its revenues from the control sale of alcoholic beverages to fund cost of goods sold, operations and maintenance, transfer to the general fund and capital improvements.

Water and Sewer Funds Financial Plans

The Water and Sewer Funds were established for the accounting for costs of providing water and sewer services to residents and businesses.

Background

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

Watershed quality is important because water from the lakes, rivers, and streams (in addition to rainwater) is what populates the aquifers and supplies groundwater to the City.

Big Lake is spilt between two groundwater provinces (according to the Department of Natural Resources): the metro province and the central province. The geologic formation affects water quality in all cities and is thus important information.

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

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

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

In contrast, soils near the Elk River and to the north of that stream tend to be “hydric,” meaning that they hold much water. This is a result of their geologic history and the high ground water level.

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

Water Treatment

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

Wastewater Treatment

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

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

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

The City's Water & Sewer public utility provides water to over 3600 residential and business customers. The City operates 7 wells, a water treatment plant as well as a wastewater treatment facility. The original wastewater treatment facility was constructed in 1981 and was updated in 1996, 1999 and an expansion was done in 2009. The water treatment plant also underwent an expansion in 2004.

Billings to customers are based on actual water usage that is metered for each property for the months of November through April and then for the summer months, sewer is calculated on the average water use from November through April. An annual comprehensive review of rates is completed to ensure financial stability of the utility. A portion of the fees collected in these funds supports funding of the replacement of the systems infrastructure.

Utility bills are generated on a monthly basis to encourage water conservation. Monthly bills notify customers of their water usage each month, assisting with a better understanding of water usage and leak detection.

Payments are received by check, electronic automatic withdrawal through bank drafting or through an on-line credit card, or bank transfer option. During the months of April through October, unpaid accounts will have the water shut off until payment is received. Unpaid bills are the responsibility of the property owner and are certified to the property taxes in the fall of each year. Customers also have the option of opting out of a paper bill each month to instead receive an e-mail indicating their bill is ready for viewing on-line, those that choose this option do receive a 50-cent credit to the bill each month.

Source of Funds

The primary source of funding is user charges based on the property's water usage. Minnesota Statutes require public water suppliers serving more than 1,000 to adopt a water rate structure that encourages water conservation. The City's rate structure used for water billing includes a two-tiered rate system for all customers. The top tier is designed to effect high water users. High water usage is usually caused from lawn sprinkling or leaks. For residential users, the first tier is for usage up to 6,500 gallons used each month, the second tier is for all amounts over the 6,500 gallons used each month. For multi-family structures, as well as irrigation accounts, the first tier is for any usage a month up to 88,600, the second tier is any usage over the 88,600 each month. For commercial users, the first tier is for usage up to 51,000 gallons used each month and the second tier is for any usage over the 51,000 gallons per month. All usage is billed on a per 1,000 gallons. Starting in 2018, the City starting budgeting in the general fund and paying for the usage that each facility used in water, as well as irrigation. Going forward the increase to municipal accounts will be 5% to help offset a larger increase to the residents and businesses.

Additionally, there is a monthly fixed fee for each account. For residential the base fee is \$6.81, for multi-family and irrigation accounts the base fee is \$15.63, commercial base fee is based on the meter size. Industrial base fee is \$385.69 per month.

Sewer fees are based on the actual water use for November – April and the average of November – April for the summer months (May – October). The City is aware that the residents and business are watering their lawns during the summer and that the water goes into the ground and not the wastewater treatment plant, which is way the average is used for those months. The fees are billed per 1,000 gallons, for residential, multi-family and commercial, for 2023 the rate is \$9.17 per 1,000 gallons. The month fixed rate is \$11.55 for residential and multi-family. The monthly fixed rate for commercial is \$18.28.

The monthly fixed rates cover those fixed costs that do not vary with the quantity of individual customer water use or sewage flow. The fixed costs include the cost for fixed operational costs, administrative costs, collection, and billing expenses.

For 2023 the water rates will remain the same for all non-industrial customers. Industrial customers rates will increase by 8 percent. For the next coming years, it is projected that the base fees will remain flat, water usage will increase 2 percent in 2024 and 1 percent thereafter to cover rising costs. For 2023 the sewer usage rate will increase 2 percent for all non-industrial customers. Industrial customers rates will increase by 8 percent. Sewer usage will need to increase 2 percent in 2024 and thereafter to cover the rising cost of infrastructure replacement and treatment. However, each year these rates will be reviewed to determine the actual amount needed in order to maintain a positive cash flow in the funds.

For industrial accounts, the rates are based on the contract signed with the business. Currently the City has only one industrial contract and the rates for that account will increase 8% each year.

Below is a summary of the proposed water and sewer rates. The proposed rate increases over the next several years are related to the replacement water meters to go and to move forward with an automatic meter read in-lieu of contracting out the service. In addition, the possibility of two new wells. For the sewer fund, the proposed rate increase takes into consideration the expansion of the wastewater treatment facility in order to meet the current demands as well as future growth in the city.

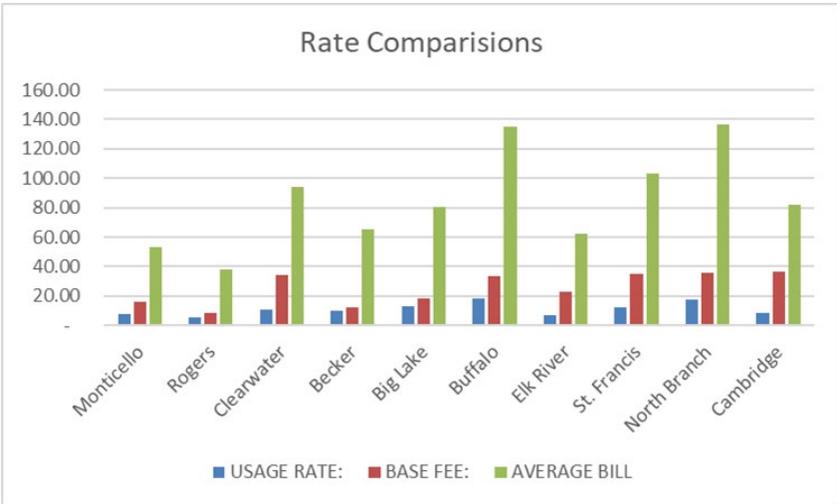
WATER USAGE RATES - RESIDENTIAL, MULTI-FAMILY, IRRIGATION									
YEAR	Adopted				Budget	Projected			
	2019	2020	2021	2022	2023	2024	2025	2026	2027
Rate Tier 1 (per 1,000)	3.93	4.17	4.30	4.30	4.30	4.38	4.43	4.47	4.52
Annual % Increase	-4%	6%	3%	0%	0%	2%	1%	1%	1%

WATER USAGE RATES - COMMERCIAL									
YEAR	Adopted				Budget	Projected			
	2019	2020	2021	2022	2023	2024	2025	2026	2027
Rate Tier 1 (per 1,000)	2.42	2.57	2.65	2.65	2.65	2.65	2.65	2.65	2.65
Annual % Increase	-4%	6%	3%	0%	0%	0%	0%	0%	0%

SEWER USAGE- RESIDENTIAL, MULTI-FAMILY, COMMERCIAL									
YEAR	Adopted				Budget	Projected			
	2019	2020	2021	2022	2023	2024	2025	2026	2027
Rate Tier 1 (per 1,000)	8.48	8.90	8.99	8.99	9.17	9.35	9.54	9.73	9.92
Annual % Increase	4%	5%	1%	0%	2%	2%	2%	2%	2%

WATER USAGE RATES - MUNICIPAL - GENERAL FUND									
YEAR	Adopted				Budget	Projected			
	2019	2020	2021	2022	2023	2024	2025	2026	2027
Rate (per 1,000)	5.8	7.83	9.40	10.34	10.86	11.40	11.97	12.57	13.20
Annual % Increase	40%	35%	20%	10%	5%	5%	5%	5%	5%

SEWER USAGE RATES - MUNICIPAL - GENERAL FUND									
YEAR	Adopted				Budget	Projected			
	2019	2020	2021	2022	2023	2024	2025	2026	2027
Rate (per 1,000)	11.63	11.63	11.63	11.63	11.63	11.63	11.63	11.63	11.63
Annual % Increase	40%	0%	0%	0%	0%	0%	0%	0%	0%



Big Lake's rates tend to be in the middle when compared to neighboring and market cities. This is due to several factors, including the mandated upgrades to the wastewater treatment facility, the upcoming expansion needed to the wastewater treatment facility to meet current and future demands. The practices of charging direct and indirect costs to the utility funds are not utilized by all cities.

Estimated revenues for 2023 are based on a typical weather year. Dry summer conditions result in higher revenue and wet summer result in lower revenue. Increased revenue in dry summers is partially offset by the increased costs of additional chemicals, electricity, and natural gas costs for pumping and increased maintenance from heavier use on the equipment.

Use of Funds

Expenses from these funds are used for operation and maintenance, debt service, capital improvement and infrastructure replacement relating specifically to the operations of water and sewer services. This includes all direct and indirect overhead costs incurred from operating a water and sewer business.

A five-year Capital Improvement Plan (CIP) is used by the City to project capital improvement and infrastructure replacement needs. The improvements scheduled include on-going programs of water main replacement, sewer rehabilitation, well rehabilitation, and other scheduled improvements. The detail on specific projects is included in the City's CIP. During the past few years, the Public Works staff has become much more aggressive in inspecting and planning for the City's water and sewer infrastructure, especially the older major components. This stepped-up inspection and asset management planning program has identified needs for several infrastructure maintenance projects that are much more immediate and has been taken into consideration with this current planning document.

Major Capital Initiatives

The City's CIP includes a \$1.9 million project to replace water meters installed in homes and businesses across the City in 2023-2024. It is necessary to replace the current meters as they are beginning to slow and underreport water use, which results in lost revenues to the water system. An efficient and well-maintained system is essential to ensure proper collection of use charges and rate stability. This project will be funded by the \$1.2 million American Rescue Act Plan federal funds received as well as a \$700,000 transfer from the Sewer CIP Fund.

The City's Water Treatment Plant is supplied by a series of wells throughout the community. The City currently has seven wells all drawing from the Mt. Simon Aquifer. Some of the wells have seen reduction in production recently, and with the growth of the community, there has been increasing demand for water. Because of the changing circumstances, the City needs to consider investing in new wells in order to ensure adequate water supply for existing and future residents and businesses. City staff believes that because of the long lead time to construct a well, and the current and potential water use, now is the time to begin planning for future wells. Staff believes it is wise to study the need for additional wells. The first step in the study is to determine what level of need exists, potential alternatives, and identify locations for the well(s). At this point, staff knows that there is a looming need for investment, but staff's expertise is not in hydrology. For that reason, council had directed staff to retain the help of SEH to conduct a formal study to determine what the cities options are and the potential cost of those options. The recommendation was to improvement an existing Well, which

the process began in 2022 for a total projected cost of \$645, 000. There still will be a need for an additional well in the future. The City’s CIP includes the \$1.5 million project to add a new well.

The City’s Wastewater Treatment Plant is now operating at 105% of its designed capacity BOD levels, which is a measure of waste loading, however, the City is still meeting permit requirements on effluent numbers, but it is causing the City to waste more which is an increase in electricity costs. That number is expected to grow significantly over the next few years due to residential and industrial growth, so it was very important to have done the expansion in 2020. The plan also has a few other issues like insufficient backup power. Wenk and Associates have developed a Wastewater Treatment Facility plan in conjunction with the MPCA and City staff to address these issues.

Phase one of the Facility plan, called for an initial expansion in 2020 to add an oxidation ditch, replacing some screens, adding a generator, and some other miscellaneous electrical and controls improvements. The oxidation ditch and screens has help with the BOD capacity issues. The portable generator will help with the lack of sufficient backup power. The City’s CIP included the \$3.304 million for this project, which was funded by a \$1 million dollar grant from the State and the remainder from reserves and completed in 2021. Additionally, there will be an added \$42,087 in additional O&M costs as a result primarily of added chemical, utilities, and maintenance. These additional O&M costs have been implemented into the future budgets as well as rates.

Future expansions will be outlined in the new Facility plan and the City’s CIP does includes a \$20 million project to complete the expansion. Needed improvements simply must not be delayed. The plan also includes an aggressive approach to street reconstruction and rehabilitation. Water and sewer infrastructure replacement occurs as a street is replaced.

As noted above stepped-up infrastructure needs will have financial planning impacts with the use of bonding as a financing tool and the debt payments will have an impact on rates. Rate stability will be closely monitored as well as maintaining a strong long-term cash balance within the funds.

Net Assets

For the Enterprise Funds, the City strives to maintain working capital cash balances at a minimum equal to three months. Bonding for large projects within the funds is needed to complete the CIP requests listed in the City’s plan.

Five Year Summary Plans – Water Funds

Actual	Budget						Projected			
	2020	2021	2022 Budget	2023 Final Budget	\$ Change	% Change	2024 Concept Budget	2025 Concept Budget	2026 Concept Budget	2027 Concept Budget
Revenue Budget										
Utilities Revenues - Water	\$ 2,555,005	\$ 2,809,407	\$ 2,405,959	\$ 2,409,838	\$ 3,879	0.16%	\$ 2,469,717	\$ 2,470,019	\$ 2,604,014	\$ 2,559,032
Other Revenues - Water	46,754	59,387	1,898	6,000	4,102	216.12%	3,500	3,500	3,500	3,500
Total Revenues	\$2,601,759	\$2,868,794	\$2,407,857	\$ 2,415,838	\$ 7,981	0.33%	\$ 2,473,217	\$2,473,519	\$2,607,514	\$2,562,532
Expense Budget										
Personnel	\$ 607,361	\$ 593,583	\$ 686,072	\$ 731,182	\$ 45,110	6.58%	\$ 777,012	\$ 822,481	\$ 870,768	\$ 922,052
Professional Services	46,094	47,809	57,500	58,850	1,350	2.35%	60,241	61,673	63,148	64,667
Operations	390,660	510,017	475,186	495,319	20,133	4.24%	702,756	490,402	498,265	506,349
Capital/Transfers	143,000	247,545	876,313	278,000	(598,313)	-68.28%	108,000	108,000	108,000	108,000
Debt - Interest	149,495	128,480	218,844	83,943	(134,901)	-61.64%	129,336	103,831	92,210	80,090
Debt - Principal*	803,355	816,355	791,475	661,338	(130,137)	-16.44%	97,505	103,089	103,672	47,847
Total Expenses	\$2,139,965	\$2,343,789	\$3,105,390	\$ 2,308,632	\$ (796,759)	-25.66%	\$ 1,874,849	\$1,689,476	\$1,736,062	\$1,729,005
Net Income/(Loss)	\$ 461,794	\$ 525,005	\$ (697,533)	\$ 107,207	\$ 804,740		\$ 598,368	\$ 784,043	\$ 871,452	\$ 833,527
Depreciation Expense	\$ 870,851	\$ 871,903	\$ 996,284	\$ 996,284	\$ 125,433		\$ 996,284	\$ 996,284	\$ 996,284	\$ 996,284
Projected Ending Cash **	\$1,262,051	\$1,763,933	\$1,076,400	\$ 1,193,607	\$ (185,651)	-17.25%	\$ 1,791,975	\$2,576,018	\$3,447,469	\$4,280,996

*projected principal debt payment includes any new debt

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



Five Year Summary Plans – Sewer Funds

Actual	Budget						Projected			
	2020	2021	2022 Budget	2023 Final Budget	\$ Change	% Change	2024 Concept Budget	2025 Concept Budget	2026 Concept Budget	2027 Concept Budget
Revenue Budget										
Utilities Revenues - Sewer	\$ 2,683,504	\$ 3,022,681	\$ 3,289,542	\$ 3,200,355	\$ (89,187)	-2.71%	\$ 3,304,784	\$ 4,888,786	\$ 3,477,345	\$ 3,561,318
Other Revenues - Sewer	52,821	30,382	2,000	2,000	-	0.00%	2,000	1,500	1,500	1,500
Total Revenues	\$2,736,325	\$3,053,063	\$3,291,542	\$ 3,202,355	\$ (89,187)	-2.71%	\$ 3,306,784	\$4,890,286	\$3,478,845	\$3,562,818
Expense Budget										
Personnel	\$ 606,349	\$ 592,117	\$ 684,410	\$ 731,474	\$ 47,064	6.88%	\$ 777,184	\$ 822,514	\$ 870,648	\$ 921,767
Professional Services	23,227	25,209	42,000	42,900	900	2.14%	43,827	44,782	45,765	46,778
Operations	446,977	468,421	573,570	877,545	303,975	53.00%	888,405	899,524	910,910	922,570
Capital/Transfers	290,000	50,000	50,000	100,000	50,000	100.00%	200,000	50,000	206,000	50,000
Debt - Interest	316,749	288,082	299,979	236,046	(63,933)	-21.31%	708,859	639,570	599,896	558,827
Debt - Principal*	1,356,646	1,119,646	1,119,646	1,145,600	25,954	2.32%	1,615,017	1,637,495	1,678,912	1,714,328
Total Expenses	\$3,039,948	\$2,543,475	\$2,769,605	\$ 3,133,565	\$ 363,960	13.14%	\$ 4,233,292	\$4,093,885	\$4,312,131	\$4,214,270
Net Income/(Loss)	\$ (303,623)	\$ 509,588	\$ 521,937	\$ 68,790	\$ (453,147)		\$ (926,508)	\$ 796,401	\$ (833,286)	\$ (651,452)
Depreciation Expense	\$1,303,509	\$1,394,082	\$1,407,595	\$ 1,422,595	\$ 15,000		\$ 1,922,595	\$1,876,191	\$1,876,191	\$1,876,191
Projected Ending Cash **	\$1,597,406	\$2,114,441	\$3,640,814	\$ 3,501,979	\$ (138,835)	-3.81%	\$ 2,883,471	\$3,979,621	\$3,625,485	\$3,625,485

*projected principal debt payment includes any new debt

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

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

Storm Water Funds Financial Plans

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

Source of Funds

The rate charged for the user is based on a property's land size. Properties less than one acre are charged \$4.93 per month, those properties greater than one acre are charged \$4.93 per month, per acre.

Use of Funds

The Storm Water charges provide the funding for the storm drainage maintenance, street sweeping, pond clean-out, water quality work and other storm related functions. This fund will also transfer for replacement of storm water that is completed during the Street Reconstruction and Rehabilitation projects.

Five Year Summary Plans – Storm Water Funds

Actual			Budget				Projected			
	2020	2021	2022 Budget	2023 Final Budget	\$ Change	% Change	2024 Concept Budget	2025 Concept Budget	2026 Concept Budget	2027 Concept Budget
Revenue Budget										
Utilities Revenues-Storm Water	\$ 265,648	\$ 274,133	\$ 263,617	\$ 272,531	\$ (2,031)	-0.76%	\$ 275,416	\$ 277,715	\$ 280,019	\$ 282,329
Other Revenues -Storm Water	4,863	3,275	2,550	3,000	(2,313)	-47.56%	3,030	3,060	3,091	3,122
Total Revenues	\$ 270,511	\$ 277,408	\$ 266,167	\$ 275,531	\$ (4,344)	-1.61%	\$ 278,446	\$ 280,776	\$ 283,110	\$ 285,450
Expense Budget										
Personnel	\$ 169,042	\$ 102,898	\$ 161,180	\$ 169,149	\$ 7,969	4.94%	\$ 169,570	\$ 179,167	\$ 189,364	\$ 200,200
Professional Services	1,850	4,720	2,170	2,720	550	25.35%	2,720	2,720	2,720	2,720
Operations	15,894	19,217	33,705	20,175	(13,530)	-40.14%	20,508	20,861	21,234	21,629
Capital/Transfers	157,500	7,500	15,000	30,000	15,000	100.00%	30,000	30,000	35,000	50,000
Debt - Interest	39,641	39,641	64,641	64,641	-	0.00%	35,241	25,000	25,000	25,000
Total Expenses	\$ 383,927	\$ 173,976	\$ 276,696	\$ 286,685	\$ (107,231)	-38.75%	\$ 258,039	\$ 257,747	\$ 273,317	\$ 299,549
Net Income/(Loss)	\$ (113,416)	\$ 103,432	\$ (10,529)	\$ (11,154)	\$ 102,887		\$ 20,407	\$ 23,028	\$ 9,793	\$ (14,099)
Depreciation Expense	\$ 222,329	\$ 222,329	\$ 227,329	\$ 227,329	\$ 5,000		\$ 227,329	\$ 227,329	\$ 227,329	\$ 227,329
Projected Ending Cash **	\$ 175,524	\$ 278,956	\$ 289,342	\$ 278,188	\$ 113,818	64.84%	\$ 298,596	\$ 321,624	\$ 331,417	\$ 317,318

*projected principal debt payment includes any new debt

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

Liquor Store Funds Financial Plans

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

Lake Liquor was previously located in “The Stampin Place” located next to Tootsies Tavern. In 1985, the liquor store was moved to the Lake Shopping Center Mall in the northeast corner. In 2005, the City of Big Lake purchased the old grocery store from George Stevens. The store was remodeled, and occupancy occurred in April of 2006 with a grand opening on May 1, 2006. In 2014, the original debt 2005A was refunded with the 2014A for interest savings. The debt was called early and paid in full November 3, 2022.

Source of Funds

The sales of inventory of the liquor store, along with interest earning make up the revenue for this fund.

Use of Funds

Expenses from this fund are used for operation and maintenance, capital improvement and infrastructure replacement relating specifically to the operations of the liquor store. This includes all direct and indirect overhead costs incurred from operating a liquor store.

Transfers

Each year there is a budgeted transfer from the Liquor Store to the General Fund, without this transfer the City would have to either raise the general fund levy or eliminate City services. For 2023, the budgeted transfer to the general fund is \$450,000. In addition, there will be a \$35,000 transfer from the Liquor Store operations to the Liquor Store CIP fund for upgrades to the store.

Debt

As the debt for the Liquor Store was called and paid in full in 2022 no revenues are used to pay for debt. No new debt is proposed in 2023 or the coming years.

Following is a detail of the five-year summary plan as well as the transfers to the General Fund.

Five Year Summary Plans – Liquor Store Funds

Actual			Budget				Projected			
	2020	2021	2022 Budget	2023 Final Budget	\$ Change	% Change	2024 Concept Budget	2025 Concept Budget	2026 Concept Budget	2027 Concept Budget
Revenue Budget										
Sales										
Gross Sales	\$ 5,750,659	\$ 5,634,310	\$ 5,020,818	\$ 5,279,726	\$ 258,908	5.16%	\$ 5,493,611	\$ 5,717,269	\$ 5,952,643	\$ 6,198,878
Cost of Sales	4,148,341	4,060,152	3,627,183	4,012,917	385,734	10.63%	4,134,511	4,259,860	4,389,080	4,522,290
Gross Profit	\$1,602,318	\$1,574,158	\$1,393,635	\$ 1,266,809	\$ (126,826)	-7.92%	\$ 1,359,100	\$ 1,457,409	\$ 1,563,563	\$ 1,676,588
Revenue Budget										
Gross Sales	\$ 5,750,659	\$ 5,634,310	\$ 5,020,818	\$ 5,279,726	\$ 258,908	4.50%	\$ 5,493,611	\$ 5,717,269	\$ 5,952,643	\$ 6,198,878
Other Revenues	15,216	15,871	10,515	10,615	100	0.66%	10,716	10,818	10,818	10,818
Total Revenues	\$5,765,875	\$5,650,181	\$5,031,333	\$ 5,290,341	\$ 259,008	4.49%	\$ 5,504,327	\$ 5,728,087	\$ 5,963,461	\$ 6,209,696
Expense Budget										
Personnel	\$ 502,716	\$ 488,964	\$ 660,604	\$ 805,322	\$ 144,718	28.79%	\$ 822,382	\$ 840,139	\$ 858,318	\$ 876,932
Professional Services	6,739	6,017	7,305	6,811	(494)	-7.33%	6,811	6,811	6,811	6,811
Operations	196,323	213,436	229,388	246,745	17,357	8.84%	254,306	264,213	271,987	280,144
Cost of Sales	4,148,341	4,060,152	3,627,183	4,012,917	385,734	9.30%	4,134,511	4,259,860	4,389,080	4,522,290
Capital/Transfers	450,000	568,620	485,000	485,000	-	0.00%	485,000	485,000	485,000	485,000
Debt -Interest	10,235	8,638	7,603	-	(7,603)	-74.28%	-	-	-	-
Debt - Principal*	79,937	79,937	79,937	-	(79,937)	-100.00%	-	-	-	-
Total Expenses	\$5,394,291	\$5,425,764	\$5,097,020	\$ 5,556,795	\$ 459,775	8.52%	\$ 5,703,010	\$ 5,856,024	\$ 6,011,196	\$ 6,171,177
Net Income/(Loss)	\$ 371,584	\$ 224,417	\$ (65,687)	\$ (266,454)	\$ (200,767)		\$ (198,683)	\$ (127,936)	\$ (47,735)	\$ 38,519
Depreciation Expense	\$ 66,578	\$ 66,874	\$ 73,778	\$ 60,000	\$ 7,200	10.72%	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000
Projected Ending Cash **	\$ 1,132,211	\$ 1,359,957	\$ 1,003,550	\$ 737,096	\$ (128,661)	-11.36%	\$ 538,413	\$ 410,477	\$ 362,742	\$ 401,261

*projected principal debt payment includes any new debt

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

LIQUOR STORE TRANSFERS

FIVE-YEAR FINANCIAL PLAN

Actual			Budget				Projected			
	2020	2021	2022 Budget	2023 Final Budget	\$ Change	% Change	2024 Concept Budget	2025 Concept Budget	2026 Concept Budget	2027 Concept Budget
Transfer Budget										
Transfer to General Fund	\$ 450,000	\$ 450,000	\$ 450,000	\$ 450,000	\$ -	0.00%	\$ 450,000	\$ 450,000	\$ 450,000	\$ 450,000
Transfer to Liquor CIP Fund	-	75,000	35,000	35,000	-	0.00%	35,000	35,000	35,000	35,000
Transfer to CIP Fund***	-	43,620	-	-	-	-	-	-	-	-
***used for new park										
Total Transfers	\$ 450,000	\$ 568,620	\$ 485,000	\$ 485,000	\$ -	0.00%	\$ 485,000	\$ 485,000	\$ 485,000	\$ 485,000