CITY OF SOUTH ST. PAUL
MEETING AGENDA

WORK SESSION

Training Room
125 3rd Avenue North
South St. Paul, MN 55075

Monday, September 14, 2026
7:00 PM

1. **CALL TO ORDER**

2. **DISCUSSION ITEMS**

   A. Communications Update

   B. 2026 Second Quarter Financial Report

   C. 2027 Preliminary Budget, Tax Levy, Fee Schedule, Capital Improvement Plan Discussion

   D. Police Department Update

3. **COUNCIL COMMENTS & QUESTIONS**

4. **ADJOURNMENT**

WORK SESSION AGENDA REPORT

DATE:	September 14, 2026
DEPARTMENT:	Administration
PREPARED BY:	Ryan Garcia, Jacob Steiner
AGENDA ITEM NUMBER:	2.A.

MEETING TYPE
Regular Meeting

AGENDA ITEM
Communications Update

ACTION TO BE CONSIDERED OR DESIRED OUTCOME
Informational update.

OVERVIEW
On August 20, 2018, the City Council unanimously approved a Communications Plan (see attached document for reference) that laid out a comprehensive strategy and concrete action steps for the City to most effectively inform and engage community members. Council authorized the creation of a Communications Coordinator position with the 2022 Budget, and in the fall of 2022 approved of the hire of the City's first (and to date, only) Communications Coordinator. Council authorized the creation of a part-time Communications Specialist position with the 2026 Budget, and that position has since been filled. As presented at the August 24 Worksession, the Administration's recommended 2027 Budget includes increased investment in the City's Communications Program, including the promotion of the current communications coordinator to a newly created position of Communications Director and an increase in weekly Communications Specialist hours from 20 hours per week to 25 hours per week (still a part-time position). Council expressed an interest in having a more detailed presentation and discussion of the City's evolving communications strategies, and to learn more about the benefits of the proposed enhanced investment in communications for 2027. Communications Coordinator Jacob Steiner will be attending the worksession to present additional, interactive information and help answer any questions Council members may have about the communications program.

SOURCE OF FUNDS
General Fund

ATTACHMENTS
1. South St. Paul Communications Plan (2018)

CITY OF SOUTH ST. PAUL

COMMUNICATIONS PLAN

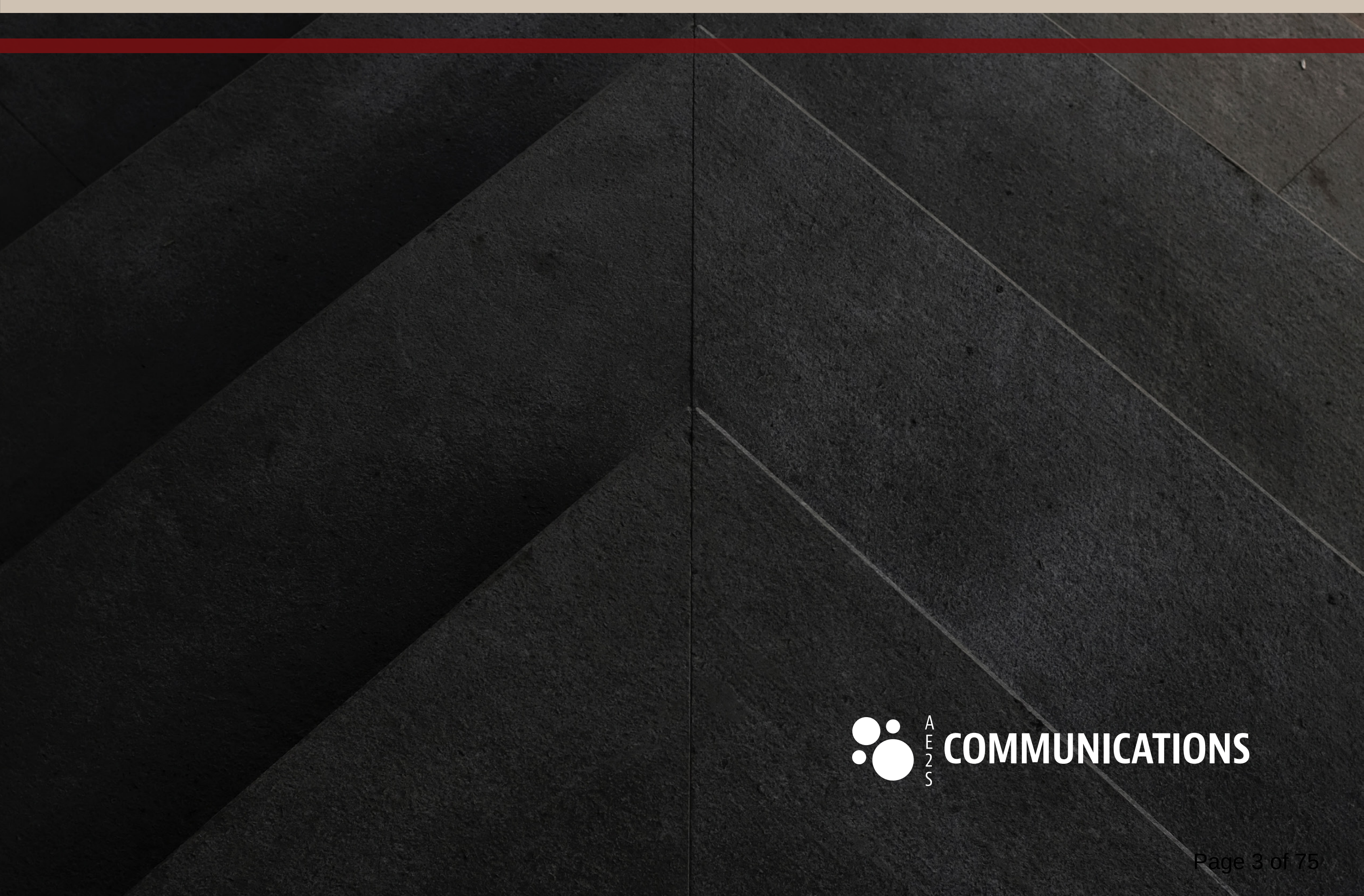


TABLE OF CONTENTS

CURRENT SITUATION AND GOALS

SOUTH ST. PAUL DEMOGRAPHICS

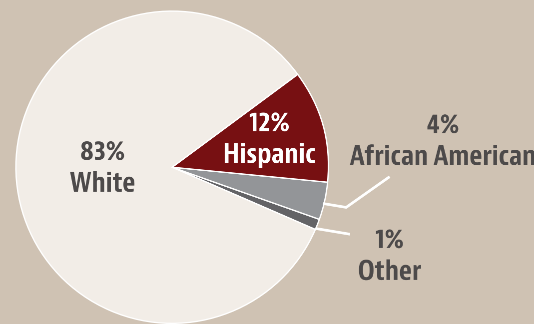
The City of South St. Paul has a diverse and dynamic population of about 20,160. An inner ring suburb of St. Paul, South St. Paul is an older community and has one of the largest proportions of low income households in the metro area. There is a large population of residents who speak English as a second language (ESL). The varying economic levels of residents and population of Spanish speakers means South St. Paul's communication methods need to be accessible to a wide audience, using a variety of communication tools and techniques.

UNDERSTANDING

YOUR CITY'S DEMOGRAPHICS

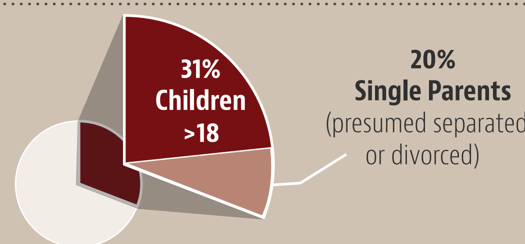
South St. Paul has a history of being one of the nation's largest stockyards and meat packing cities in the United States. Since those days, South St. Paul has evolved into a diverse community. Gone are the days of stockyards, the City has worked to diversify its industries, businesses, and amenities for residents. The demographics of the City have evolved to reflect a more diverse population:

20,000 PEOPLE



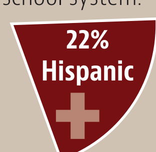
HOUSEHOLDS

8,200 HOUSEHOLDS



SCHOOLS

Racial diversity is more prominent in the school system:



42% Students receiving free or reduced lunch

Although there is no current data on **English as a Second Language (ESL)**, it was noted that data from the South St. Paul Special School District suggests an increase in diverse population and also economically disadvantaged students.

South St. Paul educates its children through its public and private education systems & enjoys a strong relationship with the South St. Paul School District

ELDERLY

LOW INCOME COMMUNICATION ACCESS

Broadband services are available to South St. Paul residents. However, the City has a below average percentage of homes with broadband service. Pew Research* that compared income with broadband access sheds some light on why South St. Paul has lower than average broadband usage. Pew Research notes that only 47% of homes with an income of $30,000 or under have broadband, while 71% of homes with an income of $30,000-$50,000 have broadband. Broadband usage increases in conjunction with greater income.

Although it's unlikely the majority of South St. Paul residents are using personal computers due to the low level of broadband usage, it is likely that residents are using mobile phones to connect with the City. Government programs such as Lifeline Support for Affordable Communications provides cell phones at reduced rates or for free. These programs also reduce cell phone bills for Americans on assistance, which has created greater access to cell phones for low income citizens.

Pew Research* studies compared income levels and cell phone usage found that 90% of homes that have an income of $50,000 or less use mobile phones. In fact, 94% of teens at that income level use cell phones. An important thing to note, however, is Pew Research also found that only 40% to 45% of people in the less than $50,000 income bracket access email via their cell phones.

This research suggests that the children and teens of South St. Paul play a crucial role in access to information, dissemination of information, and potentially have the ability to reach or influence others in their home who do not have easy access.

**2014 Pew Research studies.*

OPPORTUNITIES DRIVE COMMUNICATIONS

The research and South St. Paul demographics suggests that digital communication must utilize mobile friendly website design and content, social media, and text messaging to inform and engage a certain amount of citizens. It was recently reported by Statista that there are 40 million Hispanics and Latinos using social media. But is the Hispanic and Latino population in South St. Paul utilizing social media in the same way? Those type of questions and refinements still remain.

REACH ALL STAKEHOLDERS

And let's not forget the demographics of stakeholders such as City staff, local and state legislators, and other influencers in your community. Oftentimes, these folks serve as ambassadors to your community. Communicating clearly and providing messages to internal and external stakeholders is critical to carrying out the mission and goals of the City.

REASON AND GOALS FOR PROJECT

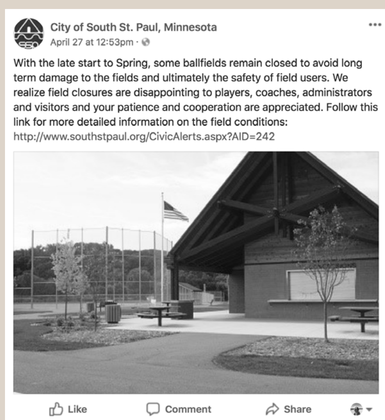
The City of South St. Paul embarked on the Comprehensive Communications and Strategy Audit project with a goal of enhancing its internal and external communication to keep its community members informed and engaged. The AE2S Communications team reviewed the City's communication methods, making note of what is working well for South St. Paul and what can be improved.

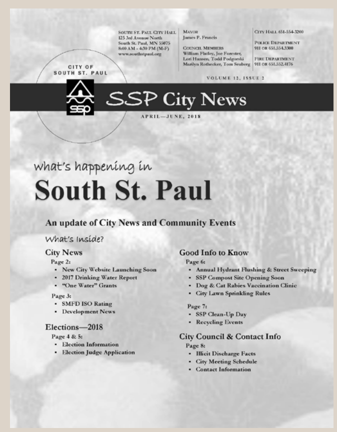
SOUTH ST. PAUL COMMUNICATION METHODS

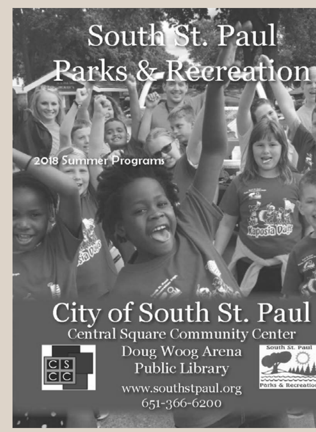
When the project began, the City of South St. Paul communicated with residents through a website, one Facebook page, quarterly SSP City News newsletter, quarterly Parks & Recreation brochure, and Council Meetings televised on public access, special events such as State of the City address, and other events. These communication methods are conducted on a modest budget, without the benefit of a City employee who is solely focused on communications. Since the commencement of the project, the City has updated the website and added a Facebook page.

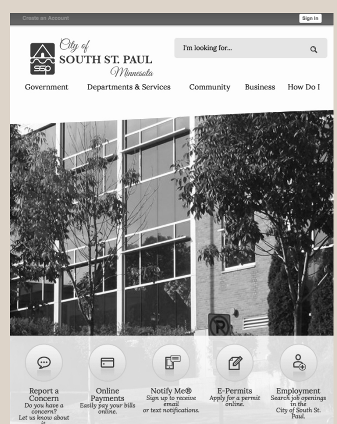
The City of South St. Paul also enjoys a healthy relationship with the local schools, library, and other organizations which has created further opportunities to engage its young and young at heart citizens.

EXAMPLES









COMMUNICATION AUDIT & RECOMMENDATIONS

SOUTH ST. PAUL COMMUNICATIONS

The City of South St. Paul is successfully using multiple communication mediums to educate and engage with the community. AE2S Communications reviewed the usage and analytics of the City's website and social media channels, as well as the SSP City News, Parks & Recreation brochure, and public access TV.

The team's recommendations are based on best practices, goals and economic reality for South St. Paul communications, and reviews of aspirational communities.

RECOMMENDATIONS SUMMARY

This page includes an overview of our recommendations that have been prioritized on ease of implementation and importance. For more in-depth information and more recommendations, look on the pages listed below.

WEBSITE | PAGES 2.3 - 2.8

- Use icons to make the page easier to scan. This is also helpful for ESL citizens, those with poor eyesight, and other reading comprehensions.
- Place a Google Translate button, social media icons, and contact information at the top of the page.
- Get a SSL (Secure Sockets Layer). This improves security and trust, which will improve Google rankings, or how close to the top the website is when searching.
- Look at analytics each quarter and make adjustments based on what is seen.

SOCIAL MEDIA | PAGES 2.9 - 2.10

- Use Facebook Live to share authentic messages that are important to citizens. Of all the types of Facebook posts, Live videos tend to get the most engagement. Live feeds can include 60 second "commercials" for upcoming meetings and construction updates to full-length coverage of important events.
- Identify influencers in the community. Ask them to help share your messages and use a unique SSP hashtag.
- Utilize new platforms, such as Instagram and Twitter, to engage with the community in new ways and connect with other demographics.
- Utilize a scheduling tool like Hootsuite or CoSchedule to help stay on schedule and keep consistent pots for multiple City accounts.
- Look at analytics each quarter and make adjustments based on what is seen.

NEWSLETTERS & RECREATION BROCHURE | PAGE 2.11

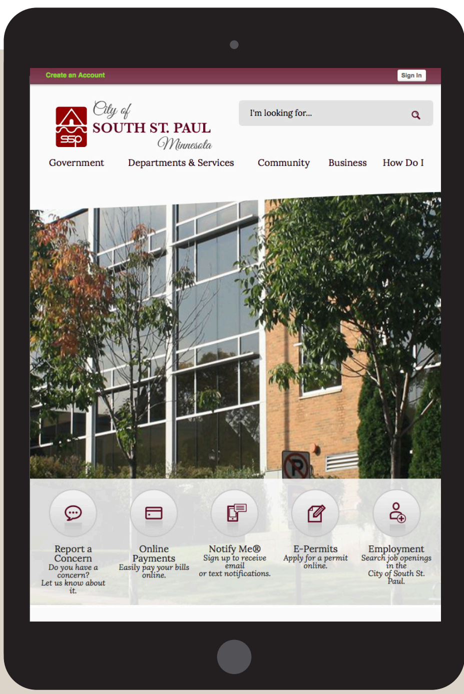
- Redesign the newsletter with Spanish speaking citizens in mind. Create a newsletter with English on one side and Spanish on the other side.
- Create a digital newsletter and brochure, which will allow for it to be shared easier and to obtain better analytics.
- Consider using the Parks and Recreation brochure to also feature what South St. Paul has accomplished and upcoming accomplishments.

PUBLIC ACCESS CHANNEL & OTHER MEDIUMS | PAGE 2.12

- Utilize Town Square Television to rebroadcast events in the community. These events would include public meetings and the State of the City Address. Share the set programming with the community.
- Work with local, popular radio talk shows to set up interviews and share information with the community. Ask "seasoned" department leaders to be interviewed.
- Expand the text alert system to reach more residents.

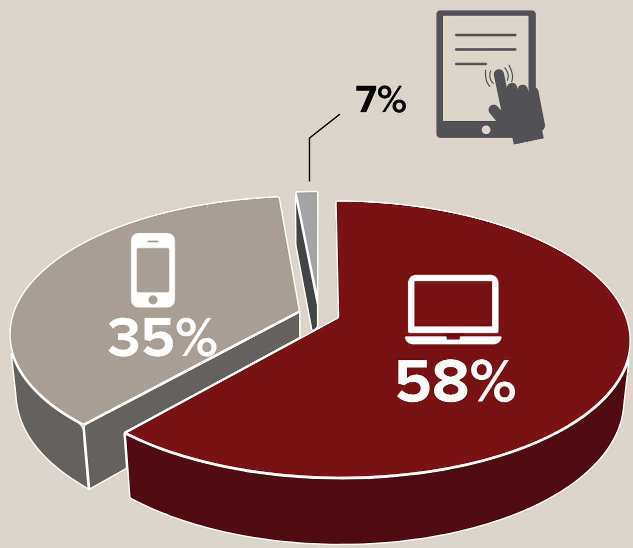
WEBSITE

During the process of this plan, South St. Paul updated the City website using the CivicPlus website platform. The new design prominently features the News and Calendar sections on the homepage, along with quick links to popular pages, such as online Payments. The following information on this page is from the previous website.



PREVIOUS WEBSITE
TOP SEARCH TERMS

- Solicitor
- Snowbird
- Snow Related Actions
- Parking
- Various Activities



VISITOR LOCATIONS

St. Paul	4,727
Minneapolis	3,162
Inver Grove Heights	1,055
South St. Paul	1,055

+ Milwaukee, Maple Grove, Las Vegas, Seattle, Stamford

WEBSITE RECOMMENDATIONS

GENERAL

- Place Google translate button to top of page, if possible.
- Property southstpaul.org is receiving data from redundant hostnames. Some of the redundant hostnames are southstpaul.org and www.southstpaul.org. Redundant hostnames are counted as separate rows in reports, so hits that are going to the same page on your site from different hostnames will be split into multiple rows. With data split across multiple rows, traffic to specific pages will appear lower than it actually is. To avoid this problem, consider setting up a 301 redirect, with your web hosting company, from one of your redundant hostnames to the other, or create a search-and-replace filter that strips "www." from hostnames.
- Use very top of webpage for quick contact info, phone, social links.
- Keep font face simple. "Script" text or heavily designed fonts may make it harder to translate/read for ESL users. Serif fonts are becoming easier to read digitally with emergence of better font support and retina displays.
- As you go down the page, offer three main choices or "buckets." Typically this is the most visited pages based on analytics. They should be "above fold," occupy about half vertically on desktop, have bigger font, and a clear call-to-action to dig in. The updated website, puts the main offerings in buckets.
- Be sure to take advantage of your new website News and Announcements area. It's a great space for alerts like snow emergency or road closures. Follow up with a text or email alert using your notification system.

WEBSITE RECOMMENDATIONS
CONTINUED

- Overall, the page should be simple and easy to scan. The user should be able to look at a main menu item, or bucket title and be assured that more information can be found by the descriptive header tags you use.
- Sometimes there's just not a lot of information for a whole page. Find ways to group content. A general rule is once on a landing page, a user would rather scroll than click and load a new page.
- A good user experience feature we noticed on an aspirational site was City of Eagan having a menu item that says "How do I....?"
- There are free online icon libraries that can integrate with websites via CSS, like Font Awesome. Icons next to text or on a button can be helpful for ESL citizens, those with poor eyesight, or other reading comprehensions.
- Don't overuse bold, headline sized fonts. Use headline hierarchy established by your brand book, consistently. Headlines down the page, should be h2, h3 and smaller as they are secondary to main focus, h1 bold fonts, bigger fonts.
- Use buttons for important/priority call-to-action, text link for a secondary call-to-action.
- Don't be afraid to use an exclamation point to create a sense of urgency if needed or to get that engagement from users. Studies show it tends to work. "Sign up today!" vs "Subscribe".
- Color matters. Look at split test study results online to see trends for user engagement.

MOBILE

- The default mobile site has none of the branding that appears on the desktop site, which could be confusing for viewers. The View Full Site link shows the desktop version, but the link is hidden at the bottom of the menu on the left side of the mobile home page.
- Add City logo and image to top of default mobile view.
- Instead of making the News section the primary part of the mobile experience, consider featuring only one News Flash and move the other links to a different section on the homepage.
- Show the menu options at the top of homepage so people can see their options right away instead of navigating through multiple pages.

ACCESSIBILITY AND INCLUSIVITY

In addition to supporting ESL, it is important to be mindful of people with vision or hearing disabilities. Some examples of supporting this are adding descriptive text to "alt" tags (associated with images helpful for users of screen readers) or adding captions to video for those hard of hearing. Inclusivity can also include considering the words we use.

WORD CHOICE

- **Use non-specific pronouns (like “they”).**
- **Address the user directly as “you” or “your.”**
- **Avoid gendered nouns wherever you can (“server” vs “waiter” or “waitress”).**
- **Use acceptable labels for race & ethnicity (get guidance from the members of those groups).**
- **Acknowledge a range of sexual identities and orientations (avoid exclusive labels and language).**

GETTING BETTER ANALYTICS

The Piwik script used on the website is at the bottom of the HTML code. For best tracking results, move Piwik script to <head> per their recommendation. You can customize the Piwik widget use to put more tracking results front and center on dashboard.

SECURITY AND TRUST

Get an SSL (Secure Sockets Layer) certificate for your website. Read why every website should have one here:

http://bit.ly/WhySSLCertificate

CROSS CHANNEL PROMOTION

The link to Facebook is a great addition to the website. Continue by linking all sources of City information to the website, including more prominently promoting the cable access channel.

SPEED

Adding photo carousels or things with JavaScript can slow your site down. Ask yourself if the image you're considering is necessary.

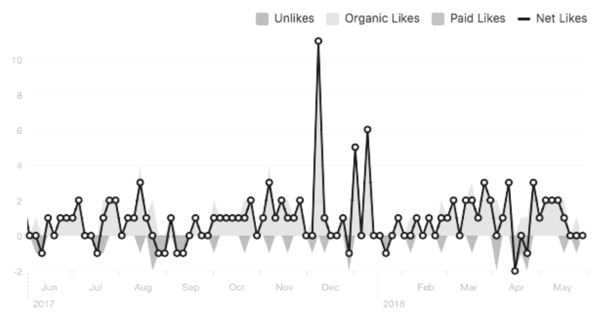
CONTENT

We realize you just completed a major website redesign. When updating or editing pages, try using the following grid as a tool to mimic your screen (left to right, top to bottom) when deciding on where you are adding content on your website.

SOCIAL MEDIA RECOMMENDATIONS

GENERAL

The City's new Facebook page is off to a great start with more than 600 followers in just a few weeks. In fact, all of the City's Facebook pages appear to have strong followings. AE2S Communications reviewed four South St. Paul Facebook profiles, listed below with their corresponding number of followers as of May 2018.



- **City of South St. Paul, Minnesota**
  618 Followers
- **South St. Paul Events and Activities**
  2,366 Followers
- **South St. Paul Police Department**
  6,286 Followers
- **South St. Paul Public Library**
  986 Followers

TOP POSTS

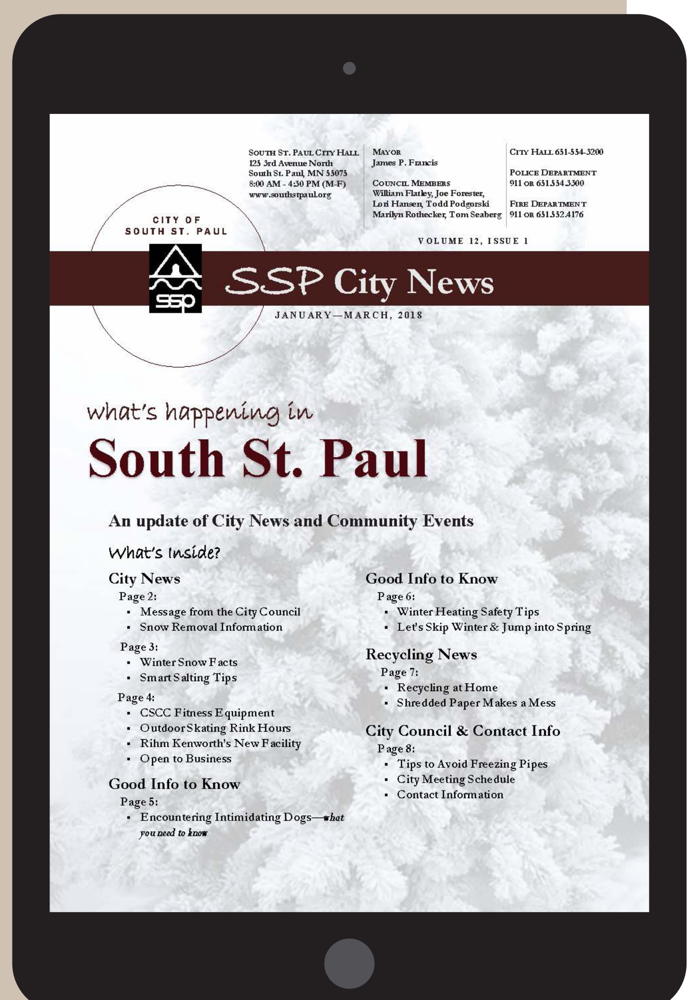
GENERAL

- Cross post or "share" relevant posts amongst all of the City's pages. Events and Activities should share Library, Police, or City event posts, etc.
- Distinguish between the official City of South St. Paul Facebook and the South St. Paul Events Facebook by publishing only official City business on the City of South St. Paul and use the share feature on the Events page if the City post is relevant to the Events audience.
- Remind citizens to like and follow your pages every chance you get, including on all your literature, utility bills, at council meetings, etc.
- Identify and ask influencers in the community to like your page and share with friends. Also ask them to tag your page in their posts and share your posts on their personal page.
- Ask City employees to follow your pages, invite their friends, and encourage them to like and comment on posts to increase the likelihood it will appear in their friends' feeds.
- Boost your posts when it makes sense. Boosting a post on Facebook can be as reasonably priced as $10-$20 for a targeted audience. Use this feature when soliciting feedback or engagement, asking citizens to take a survey, or for recruitment.
- Always use a picture or graphic with every post. When possible, use video as it has greater appeal.
- Post three to four times a week. When possible, feature people, event or business and tag them.
- Use a consistent hashtag for the City of South St. Paul on all your posts. #IloveSSP or something of that nature.
- Use trending hashtags when relevant to reach wider audiences.
- When appropriate, utilize the Facebook Live feature. This allows your post to show up at the top of news feeds. Live videos get six times more engagement than any other post on average.
- Focus on sharing a variety of topics to keep the page fresh and interesting.
- When posting, always ask yourself, is this something I would like or share. If not, it is likely that others will feel the same way.
- Utilize a scheduling tool, like Hootsuite or CoSchedule, to help manage multiple pages and platforms.

NEWSLETTERS & RECREATION BROCHURE

The SSP City News newsletter is posted online and mailed to residents. The popular Parks and Recreation brochure is published seasonally. Analytics were not available to the team at this time.

- Redesign newsletter with English on one side and Spanish on the other side to better communicate with Spanish-speaking residents.
- Updated the newsletter and brochure to a digital format, which will allow analytics to easily be tracked. This can provide the number of downloads taking place, as well as insights that can be used to show what is working well and what could use improvement.
- Post archived issues of the newsletter on City website.
- Consider using the Parks and Recreation brochure to also feature what the City has accomplished or will be accomplishing in the next six to nine months (seasonal initiatives). Use one to two pages of the brochure to provide the update and encourage people to visit the website and like and follow social media outlets.
- If the brochure is costly to print, consider devoting the back page to local advertisers. Make all the ads the same business card size to make it easier for design and production.



PUBLIC ACCESS CHANNEL & OTHER MEDIUMS

South St. Paul broadcasts its City Council meetings on its cable access channel, Town Square Television. The City's website includes access to live web streaming of Town Square Television, as well as previous City Council meetings.

- Utilize Town Square Television to rebroadcast events, such as, public meetings and the State of the City Address. Share the set programming.
- Consider asking the Chamber of Commerce or other organizations to host the State of the City address to increase its visibility. The State of the City event was a very well executed presentation. Ensure more people see it live by streaming it on the website.
- Facebook live is another great way to broadcast City events or to promote City initiatives. All it takes is a Facebook account, a mobile phone, and a steady hand or tripod. The City used this for the 2018 State of the City event and should continue to utilize it for other events. Remember to promote upcoming Facebook live events beforehand so your followers know when to tune in.
- Contact popular local radio talk shows to set up live interviews when the City has major upcoming construction projects, events, or announcements to share. Also feature "seasoned" department leaders.
- Expand text alert system (on an opt-in basis) to reach more residents. Be careful not to overuse this method however, to avoid user fatigue.

GENERAL COMMUNICATIONS RECOMMENDATIONS

Beyond the recommendations provided with each of the communication mediums, AE2S Communications would offer the following recommendations to further enhance the ability to reach a broader audience of citizens.

- Invest in and utilize digital signs to provide information in places where residents gather, such as a popular City parks, at the library, or on well-traveled roads. This will provide an opportunity to inform citizens about upcoming events and can easily be programmed to post in multiple languages.

- Consider hosting a “Pop-Up City Hall” booth at popular events to provide information to residents. This can capture an audience who wouldn’t ordinarily go to the actual City Hall to ask a question. It also provides a unique citizen experience for those who don’t normally think about City Hall or City functions.

- Make an effort to recruit bilingual staff members for the various City departments. If bilingual staff are already employed, consider inviting staff members to various City events. An example event could be Public Works Week where the citizens are invited to see equipment or a Public Works open house.

- Create a regularly scheduled event at local cafes or eateries that feature the Mayor and/or Council members. Coffee with the Mayor or some other event once a month can tackle soft or hard issues. This also gives the City an avenue for focus group types of discussions.

- Utilize the great relationship the City has with the schools, library, Chamber, and other organizations. City initiatives such as a sales tax vote, utility rate changes, or other issues are best introduced and supported by influencers. Other initiatives, such as water conservation or recycling, can be supported by school campaigns that aim messaging to students with a goal of reaching their parents.

- Consider citizen experience/citizen communication training for all City employees. Training may include guidelines for customer (citizen) service, where or how to find out information about the City, and specific training for City initiatives.

ASPIRATIONAL CITIES

In this section, we look at aspirational cities. SSP can continue to look at the positive things these communities are doing and sharing and emulate them in SSP.

CITY OF HOPKINS, MN

<table>
<tr><th>WEBSITE</th><th>SOCIAL/DIGITAL MEDIA</th><th>OTHER INITIATIVES</th></tr>
<tr>
<td>
• The use of a mega menu displays all available links allowing the viewer to easily understand the navigation system and find what they are looking for. In addition the mega menu is functionally easier than a flyout menu because it doesn't require the user to hover over the menu to see the next level of links. Hovering can be difficult on some machines.
• Calendar layout provides quick comprehension of upcoming events.
• Community highlights section integrates the City into the community and culture.
• Clean, intuitive layout increases comprehension and ease of use.
• Report a pothole and other direct engagement tools included.
</td>
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Facebook
• Events pages created for specific events provide an effective location for event details and increase the opportunity for additional viewers to both pages.
• MnDOT, safety, and project updates keeps residents informed and helps avoid miscommunication.
• Job Opportunities encourage shares and attract new viewers.
Other
• Also utilizes Twitter and YouTube for wider reach and video compilation.


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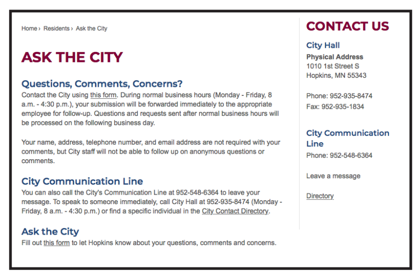
<td>
• Implemented an "Ask the City" help desk.
• Weekly newsletter "Connections" that have four articles that are in a digital format, which allows for better analytics (clicks on articles).


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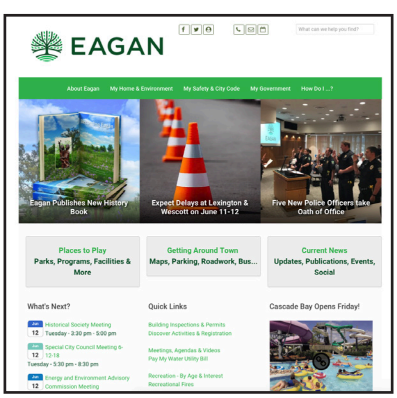
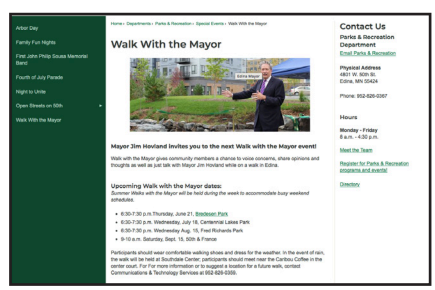
CITY OF EAGAN, MN

WEBSITE	SOCIAL/DIGITAL MEDIA	OTHER INITIATIVES
• Social media and contact links on the top of every page. • Page links and content are extremely focused on the end-user perspective. This technique engages the audience and make navigation intuitive. • Use of concise statements and icons vs. high-quality graphics increases the load speed. • Limited choices increases end-user comprehension and doesn't overwhelm the viewer. • Weekly update videos give the user a quick snapshot of engage the user. • Hot topic items are located on the scrolling banner providing an effective way to interest the viewer and encourage further investigation of the site. 	**Facebook** • Variety of topics attract a variety of residents and encourage repeat views. • Weekly update videos provide consistency with website and quick explanation of information. • Events pages created for specific events provide an effective location for event details. • Articles that link to the City website increase website traffic and opportunity for further education. • Fun videos like "The Heat" wings challenge from Police & Fire contrast the educational information and create a buzz on social media sites. This increases viewership and encourages return users. • Repost of other local pages helps increase views for both pages. • Use of #onlyinEagan creates a brand for City information and encourage residents to partake in information sharing. **Other** • Also utilize Twitter and Instagram to reach larger demographics. • Photos on Instagram are mostly people focused. Good photography.	• Residential newsletter is published six times a year with a focused format to cover five to six areas. • Implemented a "Citizen Support Center" to assist citizens to navigate information, ask questions, or general assist as needed. • Teamed with local businesses to host "Ask the _____". For instance, Home Depot hosted an "Ask the City Inspector" forum. The business is related to the city department to attract the right crowd. • Hosts free workshops on seasonal issues. 

CITY OF PLYMOUTH, MN

WEBSITE	SOCIAL/DIGITAL MEDIA	OTHER INITIATIVES
• Simple user interface increases comprehension and ease of use. • News highlights are showcaseed in the banner and include links to internal pages. The photos engage the viewer and encourage action. • The use of a mega menu displays all available links allowing the viewer to easily understand the navigation system and find what they are looking for. In addition, the mega menu is functionally easier than a flyout menu because it doesn't require the user to hover over the menu to see the next level of links. Hovering can be difficult on some machines. 	**Facebook** • Surveys encourage interaction by the viewer. • Variety of topics attract a variety of residents and encourage repeat views. • Repost of other local pages helps increase views for both pages. • Video posts from local cable station provide content that viewers are interested in with little effort by the City. • Safety reminders keep views informed and encourage frequent return users. • #Plymouth______ & #PlymouthProud hashtags create a brand for City information and encourage residents to partake in information sharing. **Other** • City also utilizes Twitter, LinkedIn, YouTube, CCX • CCX is Connected Community Experience and acts as a centralized media desk. • CCX Media is a service of Northwest Community Television serving the northwest suburbs of Minneapolis, Minnesota, including Brooklyn Center, Brooklyn Park, Crystal, Golden Valley, Maple Grove, New Hope, Osseo, Plymouth and Robbinsdale.	• Implementing FlashVote. – a new online survey tool that gives residents a quick and easy way to share input with the city. • Hosts workshops related to topical/seasonal issues. • Publishes a residential newsletter six times a year, with additional "extras" for special events and topics. • Well-designed newsletter with specific sections including a section of "what you may have missed on social media". • Photo Contest with small prizes. Photos are published on a number of platforms and mediums. The City has rights to the pictures. • Focused on environmental education and has developed class room lessons, workshops, etc.

CITY OF EDINA, MN

WEBSITE	SOCIAL/DIGITAL MEDIA	OTHER INITIATIVES
• Branding and consistency across the website and other materials provides an “official” feel to everything produced and makes it easy for viewers to recognize content and trust the information. • Social media shown across the top of every page. • Opening page linked to YouTube. • Easy link to current and upcoming projects keeps residents informed and helps avoid miscommunication. • The use of a mega menu displays all available links allowing the viewer to easily understand the navigation system and find what they are looking for. In addition the mega menu is functionally easier than a flyout menu because it doesn’t require the user to hover over the menu to see the next level of links. Hovering can be difficult on some machines.	**Facebook** • Events pages created for specific events provide an effective location for event details and increase the opportunity for additional viewers to both pages. • Video updates provide consistency with website and quick explanation of information. • Branding and consistency across the website and other materials provides an “official” feel to everything produced and makes it easy for viewers to recognize content and trust the information. • Variety of topics attract a variety of residents and encourage repeat views. **Other** • Other social media includes Twitter, Instagram, and YouTube. • The Instagram page is quite successful as it shares artistic, eye-catching images that get great engagement.	• Implemented a “Speak Up Edina” message board on website that tags specific topics for discussion. Powered by Speak Up – it is its own platform. • Perform Quality of Life surveys every other year and share results. • Photo contest “Images of Edina”. Contest winners receive prizes in five categories and are featured in multiple platforms. City has access to photos. • “Walk with the Mayor” events to showcase different parts of the city or projects. • Open houses in different City departments tied with events. 

DIGITAL COMMUNICATION PLANNING

SOUTH ST. PAUL COMMUNICATIONS

When you think about how you access most of your news, it is mostly though digital platforms. According to Pew Research, that is true for most Americans. 2/3 of Americans receive some of their news from Facebook alone. 1/3 of those Americans get all or most their news from Facebook. This is only one of the many reasons Facebook is a necessary tool for sharing your message. It is also a great tool for engaging with citizens.

The key to successful social media is having a plan. This section includes a calendar of upcoming events to make sure no opportunities are missed. AE2S Communications shared example posts, which feature best practices.

WHO USES SOCIAL MEDIA?

The number of people who use social media grows everyday. That is not surprising. But what is surprising is who is using it the most, and how often they are using it. In fact, according to the Global Web Index, 30% of all time people spend online is allocated to social media use.

Many people also believe the tech savvy, millennials are the generation who spend the most time on social media. A Nielsen study found this assumption to be wrong. Generation X actually spends more time on social media then any other generation, followed by Baby Boomers.

MILLENNIALS
AGES 18-34

27 HOURS
Average time spent on social media per week

40%
Likelihood of using social media in a bathroom (national avg. 20%)

Being able to connect with organizations through social media chat and comments is very important to this generation.

GENERATION X
AGES 35-49

31 HOURS
Average time spent on social media per week

They're likely to be on Facebook on Sundays via smart phone, while watching primetime.

25%
Of the time females are online they are on social media.

BABY BOOMERS
AGES 50-70

29 HOURS
Average time spent on social media per week

Facebook is the most popular platform for this generation.

19% more likely to share posts compared to other generations

SOURCE: Pew Research and Nielsen

WHAT PLATFORMS ARE MOST POPULAR?

FACEBOOK

Facebook is the most popular social media network. According to Facebook, 1 in 5 minutes that people spend on their phone is spent in the Facebook app. Millennials are the youngest generation using this platform. There are slightly more females than males who regularly use this platform.

INSTAGRAM

instagram is the second most popular social media platform. It is a high-visual platform where people share creative images, videos, and stories. This platform is very popular with young generations, particularly females.

TWITTER

There is currently over 330 million active users on Twitter. Millennial's and Generation X make up over 75% of the users. They are likely to have a college degree. Users share news and post more times per day on this platform compared to others.

SNAPCHAT

Snapchat is a mobile app used to chat with friends and share stories through video and images. Filters can be added to these graphics. Approximatively 70% of the users are under 34 years old, but more and more older generations are downloading the app.

WHAT PLATFORMS ARE RECCOMENDED?

FACEBOOK | CURRENTLY USE

The AE2S team strongly suggests continuing to post regularly on Facebook. It is a great way to connect and share information with the community. It also gives the community another way to contact and share messages with the City.

INSTAGRAM | RECOMMEND

Instagram is a great way to visually show the community. There is an opportunity to share the projects, people, and places in SSP. It is important that there is capacity to take on the role of taking and sharing great photography. Without that the page will likely not get the desired engagement.

TWITTER | RECOMMEND

Twitter can be a beneficial tool for sharing news, especially news that can be seen as urgent, as people are constantly updating their feeds see to the most recent posts. Messages from other platforms could be shared on Twitter, but will likely reach a different audience, or be a reminder to those who have seen it.

SNAPCHAT | DO NOT RECOMMEND

Snapchat could be utilized to connect with younger audiences. This can be done through creating stories. This feature is also available on Instagram. However, SSP could create filters for different events that take place throughout the year. The price of the filter depends on demand, time of day, length, and distance.

ASPIRATIONAL CITIES

DIVING INTO DIGITAL MEDIA

SUCCESSFUL SOCIAL MEDIA

Are you connecting with your community? Social media is an effective and efficient tool to share messages with your target audience. Thankfully, creating a successful post is as easy as 1, 2, 3.

STEP 1 | Plan Ahead

Get a jump on it and save time by planning and preposting! Set aside an hour every other week or once a month to schedule your posts ahead of time. The posts will be published automatically and you can go about your week! For the best engagement, some times during the day are better than others to post.

SUNDAY MONDAY TUESDAY WEDNESDAY **THURSDAY** **FRIDAY** **SATURDAY**

9 am •••• 11 am •••• **1 pm** •••• 3 pm •••• 5 pm •••• 7 pm •••• **9 pm**

**Based on Facebook analytics*

STEP 2 | Catch Their Eye

What should you post? Post something you would “like” if you saw it. Look at other accounts for inspiration, think back to your communication goals, or reuse something you already have. Once you have the text, make sure to tag other pages by using “@.” If it is appropriate, add a #hashtag or even create your own. Most importantly, always include a picture, video, GIF, or article.

@ #

STEP 3 | Track Analytics and Boost

Keeping track of your posts analytics helps you see what works and what doesn’t work. Don’t waste your time posting things which have previously received low or no response. If you have an important message and want to show a greater audience, boost or sponsor your post. Sponsoring posts is cost effective and can help get your message to a specific targeted audience.

SOCIAL MEDIA PLANNING

JUNE

An opportunity for South St. Paul is to utilize Facebook Live. Facebook Live could be used regularly to update the community either monthly or weekly about topics or projects at City Hall and EDA meetings. This creates transparency and allows the community to engage and ask questions.

June's posts should focus on promoting the All City Garage Sale and Curbside Appliance Pickup. It would also benefit the community to promote Independence Day events, activities, and safety tips.

WEEK 1 | June 1 - 9

1 Curbside Appliance Pickup

4 Economic Development Authority Meeting

4 City Council Meeting

6 Planning Commission

All Week | All City Garage Sale Registration

WEEK 2 | June 10 - 16

11 Economic Development Authority Meeting

14 Flag Day

15 Curbside Appliance Pickup

All Week | All City Garage Sale Registration

WEEK 3 | June 17 - 23

17 #NationalGarbageManDay

17 Father's Day

18 City Council Meeting

21 First Day of Summer (feature parks)

22 Curbside Appliance Pickup

All Week | South St. Paul All City Garage Sale

WEEK 4 | June 24 - 30

25 City Council Work Session

29 Curbside Appliance Pickup

All Week | Begin sharing Independence Day events and safety tips

JULY

Another opportunity for South St. Paul is to encourage people to comment on their posts. Recently, Facebook made changes as to what is seen as authentic engagement. They discovered comments are key. Posts that generate lots of comments are seen higher on users' timelines.

To start the month, encourage the community to tag the City's Events page in Independence Day events. Share the best photos and/or giveaway a prize. July's posts should focus on promoting and sharing Youth in the community. This can include events, sports, volunteering opportunities, interns, etc.

WEEK 1 | July 1 - 7

2 Economic Development Authority Meeting

2 City Council Meeting

4 Independence Day

6 Curbside Appliance Pickup

All Week | Independence Day Celebration

WEEK 2 | July 8 - 14

9 Economic Development Authority Meeting

9 City Council Meeting

11 Planning Commission

13 Curbside Appliance Pickup

All Week | Youth Summer Activities

WEEK 3 | July 15 - 21

16 City Council Meeting

20 Curbside Appliance Pickup

All Week | Youth Summer Activities

WEEK 4 | July 22 - 31

23 City Council Work Session

27 Curbside Appliance Pickup

All Week | Youth Summer Activities

AUGUST

South St. Paul should incorporate boosting in its social media planning. Based on budget, this could be done as often as needed. Boosting, or sponsoring posts, allows the page to reach a larger, targeted audience. Boosted posts result in higher engagement and an increased number of followers. An example of a boost for August could be the post about the Farmers Market. Boosting the post for as little as $10 for a few days can have great results.

This month will focus on the Farmer's Market, Back to School, and World Water Week. Some materials can be found for National Farmer's Market Week and World Water Week by searching online.

WEEK 1 | August 1 - 11

1 Planning Commission

6 Economic Development Authority Meeting

6 City Council Meeting

10 Curbside Appliance Pickup

11 National Bowling Day

11 National Garage Sale Day

All Week | National Farmers' Market Week

WEEK 2 | August 12 - 18

13 Economic Development Authority Meeting

13 City Council Work Session

17 Curbside Appliance Pickup

All Week | Back to School Safety

WEEK 3 | August 19 - 25

20 City Council Meeting

24 Curbside Appliance Pickup

All Week | Back to School Safety

WEEK 4 | August 26 - 31

26 #NationalDogDay

27 City Council Work Session

31 Curbside Appliance Pickup

All Week | World Water Week

SEPTEMBER

This month the page will begin featuring the City departments. Social media is a great way to humanize what the City does. This can be done by featuring employees of each department. Another way to feature the departments is to show how each one is involved in the community and which services they provide.

This is also a great opportunity to boost website traffic. When creating the posts, add a link to the departments' section on the website to drive traffic back to the website for more information.

WEEK 1 | September 1 - 8

3 Labor Day

4 Economic Development Authority Meeting

4 City Council Meeting

5 Planning Commission

7 Curbside Appliance Pickup

All Week | Feature Administration Department

WEEK 2 | September 9 - 15

10 Economic Development Authority Meeting

10 City Council Meeting

10 National Swap Ideas Day

14 Curbside Appliance Pickup

All Week | Feature Building Permits and Inspections

WEEK 3 | September 16 - 22

17 City Council Meeting

18 Economic Development Advisory Board

21 Curbside Appliance Pickup

All Week | Feature City Clerk

WEEK 4 | September 23 - 30

23 First Day of Autumn

24 City Council Work Session

28 Curbside Appliance Pickup

29 National Coffee Day

All Week | City Code Enforcement

OCTOBER

October is the last scheduled curbside appliance pickup day. Make sure the community is aware of this. In October, the page will continue to feature its departments and services.

In Week 3, there are two national celebrations, Support Your Local Chamber of Commerce Day and National Business Women's Week. Make sure to tag the national pages and use the hashtags for a chance to be featured on their page and reach a larger audience.

During the week of Halloween, post safety tips and events. Consider holding a costume contest and let your Facebook followers vote on the winner.

WEEK 1 | October 1 - 6

1 Economic Development Authority Meeting

1 City Council Meeting

1 Curbside Appliance Pickup (Last one)

3 Planning Commission

All Week | Financial Planning Week

WEEK 2 | October 7 - 13

8 Economic Development Authority Meeting

8 City Council Work Session

All Week | Community Affairs and Volunteering

WEEK 3 | October 14 - 20

15 City Council Meeting

16 National Boss's Day

17 #SupportYourLocalChamberofCommerce

All Week | National Business Women's Week

WEEK 4 | October 21 - 31

22 City Council Work Session

31 Halloween

All Week | Halloween Events and Safety

NOVEMBER

When possible, it is great to capture a video to use for a social media. Because videos catch users' eyes, they tend to get higher engagement. When looking at video insights, it shows more data, like how many views took place and how long people watched the video.

During the third week of November, focus on small local businesses. There are marketing materials available on the American Express website. It is a great way to show the businesses that make your community unique, as holiday shopping officially begins.

WEEK 1 | November 1 - 10

4 Daylight Saving Time Ends

5 Economic Development Authority Meeting

5 City Council Meeting

7 Planning Commission

All Week | Feature Economic Development

WEEK 2 | November 11 - 17

12 Economic Development Authority Meeting

13 City Council Work Session

14 GIS Day

17 Veterans Day

All Week | Feature the Engineering Department

WEEK 3 | November 18 - 24

19 City Council Meeting

20 Economic Development Advisory Board

22 Thanksgiving

23 Black Friday

24 Small Business Saturday #ShopSmall

All Week | Feature Local Small Businesses

WEEK 4 | November 25 - 30

26 City Council Work Session

All Week | Feature the Public Works Department

EXAMPLE POSTS

AE2S

Join Mayor James Francis tomorrow morning at 3 pm as he shares what will be discussed at the Council meeting tomorrow night!

Like Comment Share

AE2S

Ryan Garcia is our Economic Development Manager. The EDA encourages economic growth with the City, including assisting with long-range strategies for economic development as intended by the City's Comprehensive Plan and Zoning Code.

Like Comment Share

AE2S

Happy #FarmersMarketWeek! Join us just off the corner of 12th Ave & Southview for generations of experienced growers fresh and local fruits and vegetables! #ILoveSSP

Like Comment Share

COMMUNICATIONS SURVEY

SOUTH ST. PAUL COMMUNICATIONS

A digital survey using an online service such as Survey Monkey, rather than print, is the most cost effective method of surveying residents. In addition to being cost effective, Survey Monkey or other services allows for more advanced data and analytics. AE2S Communications recommends conducting the following survey in the spring of 2019, a year after the new website and City Facebook page were unveiled. This allows for some time to get a reasonable baseline for communications data.

The survey responses should help future communication efforts by identifying how South St. Paul residents get information about the City, which mediums they use, and their preferences.

DRAFT SURVEY

The purpose of this survey is to gather input from South St. Paul residents on how they find information and communicate with the City. Please answer the following survey questions to help South St. Paul better serve you. This survey should take about five minutes to complete.

1. Do you work or live in South St. Paul?

No____ Yes____

2. When searching for City information, where is the first place you look?

City Website____ TV____ Newspaper____ Radio_____ Social Media____ Other_____

3. Over the past 12 months, have you searched the City website for information?

Yes_____ No_____ Unsure_____

4. Are you aware of the "Notify Me" option on the South St. Paul website which allows users to subscribe to different categories of announcements?

Yes, I'm signed up!______

No, I wasn't aware of the Notify Me option._____

Yes, I am aware of the option but didn't sign up because (fill in the blank)_________

5. How often do you read the City's Newsletter, the SSP City News?

Monthly____ Quarterly____ Every Six Months____ Annually____

Unsure_____ Do not read it_____ Other (Please Specify) __________

6. Do you read the seasonal South St. Paul Parks and Recreation booklet?

Yes____ No____ Unsure_____

7. Do you use social media?

Yes____ No____ Prefer not to say_____

8. Do you feel informed about the general operations at the City?

Informed_____ Somewhat informed_____ Not informed______

9. Do you feel informed about upcoming City projects or events that may pertain or affect you?

Informed____ Somewhat informed_____ Not informed______

10. Do you feel you have the opportunity to provide input to the City of South St. Paul when needed?

Yes____ No____ Unsure_____

11. If the City has important information to distribute to its residents, what is the best way to get the information to you? *(Please select your top three choices, with 1 being the best way to reach you followed by the second and third best ways to reach you. Disregard undesirable options.)*

Text Message _____

Email _____

Letter _____

City newsletter _____

City website _____

Social media post _____

Newspaper/Radio/TV _____

Other (Please Specify)_____________

12. Please rate the City in providing up to date information?

Excellent_____ Good____ Medium______ Poor_____ Bad_______ N/A__________

13. Are you satisfied with your search results on the City website?

Yes____ No____ Unsure_____

14. What type of information were you searching for on the City website?

Community Events____ Weather Alerts/Closures____ Utility Billing _____

Road Construction____ City Council______ Other (Please Specify)_______

15. How often do you watch the local cable access channel, Town Square Television?

Daily____ Weekly_____ Monthly_____ Infrequently_____ Never______

16. How do you access Town Square television?

Live TV______ Web Streaming____ Other (Please Specify)_________________

17. Do you follow any of these social media accounts on Facebook? *(Check all that apply.)*

City of South St. Paul, Minnesota____________

South St. Paul Events & Activities____________

South St. Paul Public Library______ South St. Paul Police _________________

South St. Paul Neighbors___________ South St. Paul Neighborhood Talk___________

Central Square Community Center _____________ Other (Please Specify)_____________

18. What type of information do you expect the City to share on social media?

City Announcements____ City Events_____ City Weather Alerts/Closures__________

Water, Street or Other Utility Announcements_____ Holiday Announcements_______

Public Safety/Crime Information_______ Other (Please Specify)___________

We would like to know a little more about you and your family to better serve you as a resident of South St. Paul.

DEMOGRAPHICS

19. What is your gender?

Male____ Female____ Prefer not to say______

20. What is your age?

Under 18____ 18-24_____ 25-34_____ 35-44_____ 45-54_______ 55-64______ 65+_____

Prefer not to say____

21. How many people live in your home?

2 or less____ 3-5_____ 6-9_____ 10+____

22. What is your annual household income?

Up to $50,000_____ $50,000-$100,000_____ $100,000-$150,000____

$150,000-$200,000_____ $200,000+____

23. Are you married?

Yes____ No____ Prefer not to say_____

24. How many children live in the home?

0____ 1____ 2____ 3____ 4____ 5____ 6+____

25. Do you speak English as a second language?

Yes____ No____ Prefer not to say_____

COMMUNICATIONS STAFFING

Moving forward, South St. Paul leaders have indicated they would like to create a Communications Strategist position to manage the City's communication efforts. Here is a draft job description for the Communications Strategist role.

DRAFT JOB DESCRIPTION

COMMUNICATIONS STRATEGIST

Summary:
Coordinates and implements communication activities consistent with the values, goals and positive image of the City of South St. Paul; to disseminate information about the City's municipal activities and programs to the public, media and other entities; to coordinate outside activities with other departments, divisions, and outside agencies; and to provide information and assistance to City Administrator, City Council, department heads, and the general public to build strategic relationships for the City of South St. Paul.

Supervision Received:
Receives direction from the City Administrator and City Council.

Supervision Exercised:
None.

Essential Job Functions:
Essential responsibilities and duties may include but are not limited to, the following:

1. Assist in organizing, coordinating and planning communications related to City of South St. Paul events and programs.

2. Prepare and coordinate communications, documents, and presentations on behalf of Council and City Administrator to aid in dealings

with state legislative and executive officers, federal administrative agencies and officials, officers of local governments, schools, and community groups; coordinates activities on behalf of Council or City Administrator as directed while exercising interpersonal sensitivity, tact and diplomacy in public contact.

3. Develops visual and style standards for print and digital media to be used by City departments; advises City staff on formatting presentations of content for internal and external dissemination; advises Commissioners and City staff on emerging trends, technologies, and strategies that may be used in communication.

4. Compile City data to support the goals and objectives of Council and City departments; produce metrics and data summaries to promote projects, services, and events; direct public inquires to appropriate departments and City information sources.

5. Collaborate with Commissioners and City Administrator to develop public relations strategies based on key legislative issues; remain engaged with legislative groups to understand topics that may impact the community.

6. Supports Emergency Services Departments during emergencies to produce clear, effective and timely communications; serves as Public Information Officer and media spokesperson as directed.

7. Oversees the broadcasting and presentation of content during public meetings utilizing audio-visual equipment, online resources, and print media; oversees audio-visual and recording equipment used during public meetings; provides updates and information through social media related to public meetings; proficient in technologies.

8. Prepares Council and City staff with communication program for special events and collaborates with departments in communicating public events.

9. Oversees web communications strategy and content that is sensitive, high-priority, cross-departmental, and/or related to key initiatives; provides direction and guidance on tone, look and feel of website; recommends implementation of technologies that may aid in the collaboration and distribution of information within the community (mobile applications, etc.).

10. Develops City's social media strategy in coordination with other departments; ensures compliance with City policies, formatting, and visual standards.

11. Acts as designated point of contact for Open Records requests excluding those related to Public Safety; coordinates the delivery of information from appropriate departments; works closely with City Administration and City Attorney to develop Open Records Request Policy consistent with Minnesota law.

12. Provides training and coaching to Council and City staff on communications skills such as public speaking, media interviews, social media, and presentations.

13. Assists Council and City staff in cultivating working relationships with community stakeholders including, but not limited to, public boards, agencies, media groups, private companies, and community organizations.

14. Perform all work duties and activities in accordance with City policies and procedures.

15. Perform related duties and responsibilities as assigned.

Desired Education and Experience:
Five years of increasingly responsible communications, public relations, television broadcasting, or journalism experience.

Bachelor's Degree in Communications, Journalism, Public Relations, Humanities, or related field is preferred.

Possession of, or ability to obtain, an appropriate, valid driver's license.

Any equivalent combination of education, training, and experience that provides the requisite knowledge, skills, and abilities for this position may be substituted at the discretion of the hiring authority.

It has been our pleasure working with you! We look forward to working together again in the future. If you have any comments or questions, please do not hesitate to reach out to Andrea Boe, AE2S Communications Practice Leader.

ANDREA BOE

AE2S Practice Leader

Andrea.Boe@ae2s.com

T: 701-746-8087

AE2S COMMUNICATIONS

WORK SESSION AGENDA REPORT

DATE:	September 14, 2026
DEPARTMENT:	Finance
PREPARED BY:	Clara Hilger
AGENDA ITEM NUMBER:	2.B.

MEETING TYPE
Regular Meeting

AGENDA ITEM
2026 Second Quarter Financial Report

ACTION TO BE CONSIDERED OR DESIRED OUTCOME
Discussion on the 2026 Second Quarter Financial Report

OVERVIEW
2026 Second Quarter Financial Report
The second quarter of 2026 is complete and financial results are available. The Finance Director prepared the attached second quarter financial report for Council review. The following items are important to note when reviewing the report:

- The Benchmark is roughly 50% and is based on a fluid calendar year of operations.
- Many of the variances result from seasonality and not all financial transactions occur evenly throughout the year. Some are one-time or periodic activities that do not occur in each quarter.
- Investment income is recorded and allocated to the funds on a semi-annual basis.
- Large revenue sources (i.e., tax settlements and LGA) are received in July and December, which underscores the importance of a strong fund balance as a tool to avoid General Fund borrowing for operations.

Finance has not noted any worrisome variances in the operating funds for the second quarter.

There are no recommended budget adjustments for the second quarter.

Status of Financial Audit Findings
2025-001 Reporting Compliance Requirement
2025-002 Internal Control Over Compliance With Federal Suspension and Debarment Requirements
Both of these comments are applicable to contracts that have a federal grant as one of the funding sources. All department heads have received a copy of the City's Federal Award Administration Policy approved by the City Council in December 2024 which outlines the department's responsibilities for federal grant monitoring and reporting. Finance will monitor projects approved during the year to verify funding sources and follow-up with departments that

have federal grant funding.

2025-003 Withholding Affidavit
Finance will review all final payment requests before approval by the City Council.

The 2026 second quarter financial report will be presented for formal action at the September 21, 2026 City Council meeting.

SOURCE OF FUNDS
N/A

ATTACHMENTS
1. Council Quarterly Q2 2026

	2026 Original Budget	2026 Amended Budget	Actual thru June 2026	Benchmark 50% Percent of Budget	
GENERAL OPERATING FUND					
GENERAL FUND - REVENUES					
Taxes	14,692,435.00	14,692,435.00	3,755,562.06	25.56%	A
Fees	2,225,900.00	2,225,900.00	1,269,320.63	57.03%	B
Intergovernmental	3,648,491.00	3,648,491.00	340,980.74	9.35%	C
Charges for Services	2,286,906.00	2,286,906.00	1,148,525.83	50.22%	
Other Revenues	162,200.00	162,200.00	142,625.15	87.93%	D
Transfers In/Fund Balance	190,000.00	190,000.00	95,010.00	50.01%	
Total Revenues	**23,205,932.00**	**23,205,932.00**	**6,752,024.41**	**29.10%**	
GENERAL FUND - EXPENDITURES					
General Government					
Mayor & Council	195,816.00	196,185.00	136,289.07	69.47%	E
Administration	670,209.00	687,323.00	279,245.12	40.63%	
Human Resources	375,024.00	388,602.00	154,697.26	39.81%	
City Attorney	134,000.00	134,000.00	31,287.10	23.35%	F
City Attorney - Criminal	210,000.00	210,000.00	105,837.37	50.40%	
City Clerk	295,818.00	304,617.00	127,876.17	41.98%	
Information Technology	902,418.00	921,522.00	449,989.71	48.83%	
Recycling	25,464.00	17,100.00	0.00	0.00%	G
Finance	541,790.00	547,487.00	256,369.40	46.83%	
Total General Government	**3,350,539.00**	**3,406,836.00**	**1,541,591.20**	**45.25%**	
Public Safety					
Police	9,141,539.00	9,346,075.00	4,117,778.05	44.06%	
Fire	2,770,026.00	2,770,026.00	2,066,734.50	74.61%	H
Total Public Safety	**11,911,565.00**	**12,116,101.00**	**6,184,512.55**	**51.04%**	
Public Works					
Engineering	643,068.00	661,005.00	241,094.59	36.47%	
Streets, Alleys and Blvds	2,859,004.00	2,864,003.00	1,274,980.44	44.52%	
Buildings	439,721.00	445,746.00	244,418.68	54.83%	
Parks Facilities and Maintenance	1,481,573.00	1,507,544.00	651,243.97	43.20%	
Total Public Works	**5,423,366.00**	**5,478,298.00**	**2,411,737.68**	**44.02%**	
Community Development					
Development Services	635,997.00	659,678.00	287,184.61	43.53%	
Code Enforcement	218,087.00	227,963.00	87,102.23	38.21%	
Total Community Development	**854,084.00**	**887,641.00**	**374,286.84**	**42.17%**	
Leisure Services					
Parks Administration	361,676.00	353,341.00	154,448.54	43.71%	
Splash Pool	107,876.00	106,663.00	33,809.81	31.70%	I
Northview Pool	0.00	0.00	923.93	0.00%	I
Recreation Programs	379,665.00	391,252.00	146,526.96	37.45%	
Community Affairs	142,161.00	146,307.00	62,638.44	42.81%	
Total Leisure Services	**991,378.00**	**997,563.00**	**398,347.68**	**39.93%**	
Nondepartmental					
Contingencies	675,000.00	319,493.00	0.00	0.00%	
Transfers Out	0.00	0.00	535,883.00	0.00%	J
Total Nondepartmental	**675,000.00**	**319,493.00**	**535,883.00**	**167.73%**	
Total Expenditures	**23,205,932.00**	**23,205,932.00**	**11,446,358.95**	**49.33%**	
Revenues Over (Under) Expenditures	**0.00**	**0.00**	**(4,694,334.54)**		

	2026 Original Budget	2026 Amended Budget	Actual thru June 2026	Benchmark 50% Percent of Budget	
OTHER OPERATING FUNDS					
DOUG WOOG ARENA					
Revenues	1,520,340.00	1,520,340.00	777,368.40	51.13%	A
Expenditures	1,673,287.00	1,696,941.00	840,722.05	49.54%	
Revenues Over (Under) Expenditures	**(152,947.00)**	**(176,601.00)**	**(63,353.65)**		
AIRPORT OPERATING FUND					
Revenues	1,552,874.00	1,552,874.00	798,658.74	51.43%	
Expenditures	1,906,640.00	1,923,805.00	685,657.11	35.64%	
Revenues Over (Under) Expenditures	**(353,766.00)**	**(370,931.00)**	**113,001.63**		
STORM WATER UTILITY FUND					
Operating Revenues and Grants	1,134,302.00	1,134,302.00	462,899.42	40.81%	K
Expenses - Operating	314,163.00	314,163.00	124,633.26	39.67%	
Transfers	70,400.00	70,400.00	45,404.00	64.49%	M
Net Income (Loss)	**749,739.00**	**749,739.00**	**292,862.16**		
STREET LIGHT UTILITY FUND					
Revenues	346,060.00	346,060.00	123,101.47	35.57%	K
Expenses	352,849.00	352,849.00	133,491.25	37.83%	
Net Income (Loss)	**(6,789.00)**	**(6,789.00)**	**(10,389.78)**		
WATER AND SEWER UTILITY FUND					
Revenues					
Administration	778,496.00	778,496.00	170,726.22	21.93%	D,Q
Water Utility	4,735,394.00	4,735,394.00	1,350,050.45	28.51%	K
Sewer Utility	6,042,200.00	6,042,200.00	1,962,472.81	32.48%	K
Total Revenues	**11,556,090.00**	**11,556,090.00**	**3,483,249.48**	**30.14%**	
Operating Expenses					
Administration	778,496.00	778,496.00	327,470.34	42.06%	
Water Utility	1,725,584.00	1,739,814.00	1,003,314.23	57.67%	
Sewer Utility	4,517,139.00	4,530,904.00	2,500,819.64	55.19%	L
Total Operating Expenses	**7,021,219.00**	**7,049,214.00**	**3,831,604.21**	**54.36%**	
Transfers					
Water Utility	447,423.00	447,423.00	71,002.00	15.87%	M
Sewer Utility	516,823.00	516,823.00	128,652.00	24.89%	M
Total Transfers	**964,246.00**	**964,246.00**	**199,654.00**	**20.71%**	
Net Income (Loss)	**3,570,625.00**	**3,542,630.00**	**(548,008.73)**		
CENTRAL GARAGE - INTERNAL SERVICE FUND					
Revenues	2,325,072.00	2,325,072.00	1,236,388.29	53.18%	
Expenditures	1,310,406.00	1,323,157.00	952,534.23	71.99%	P
Net Income (Loss)	**1,014,666.00**	**1,001,915.00**	**283,854.06**		

	2026 Original Budget	2026 Amended Budget	Actual thru June 2026	Benchmark 50% Percent of Budget	
OTHER OPERATING FUNDS					
ECONOMIC DEVELOPMENT AUTHORITY					
Revenues	442,568.00	442,568.00	165,077.89	37.30%	A
Expenditures	442,568.00	442,568.00	90,573.92	20.47%	
Revenues Over (Under) Expenditures	**0.00**	**0.00**	**74,503.97**		
EDA - HOUSING (HRA LEVY)					
Revenues	1,601,656.00	1,601,656.00	531,037.71	33.16%	A
Expenditures	1,601,656.00	1,601,656.00	439,514.39	27.44%	
Revenues Over (Under) Expenditures	**0.00**	**0.00**	**91,523.32**		
HRA - PUBLIC HOUSING					
Revenues	3,654,963.00	3,654,963.00	1,324,606.46	36.24%	N
Operating Expenses	2,699,400.00	2,699,400.00	1,238,104.02	45.87%	
Capital Expenses	846,000.00	846,000.00	404,643.58	47.83%	O
Net Income (Loss)	**109,563.00**	**109,563.00**	**(318,141.14)**		

Tickmark Explanations for Budget VS Actual Variances

A Taxes will be received in June/July and December/January
B 2nd quarter Franchise fees payment is received in July
C LGA received in July and December
D Interest earnings are posted semi-annually and other minor revenues are unpredictable
E City Council approved a $15,000 contribution to Neighbors Community Food Shelf Operations
F Legal service invoices for five months
G Clean up day in September / October
H Invoice for third quarter paid in June
I Splash Pool is open June through August, minimal required charges for Northview Pool
J City Council approved transfer of 2025 excess Unassigned Fund Balance to Capital Programs fund
K Utility revenues are based on service delivery, bills issued in Jan, Feb, Mar of 2025 are accrued back to the 2025 books as they are for services delivered in 2025. This is an annual occurrence.
L Sanitary Sewer has 7 months of MCES charges
M Transfers for bond principal and interest made in February and August. Remaining transfer to Utility Admin will be done in December (Water and Sewer Utility funds)
N HUD grant funds are not immediately available each year.
O Project costs unpredictable during the year
P Purchase of vehicles/equipment not spread evenly over the year
Q Transfer to Utility Administration from Water and Sewer Utilitues will be done at the end of the year

WORK SESSION AGENDA REPORT

DATE: September 14, 2026
DEPARTMENT: Finance
PREPARED BY: Ryan Garcia, Clara Hilger
AGENDA ITEM NUMBER: 2.C.

MEETING TYPE
Regular Meeting

AGENDA ITEM
2027 Preliminary Budget, Tax Levy, Fee Schedule, Capital Improvement Plan Discussion

ACTION TO BE CONSIDERED OR DESIRED OUTCOME

- Review potential alternative approaches to 2027 Property Tax Levy and Budget, specifically as related to the impact of significant pending capital projects in upcoming budget years
- Confirm Council's consensus approach to 2027 Preliminary Budget, Property Tax Levy, Fee Schedule and Capital Improvement Plan, to be presented by staff for formal consideration at the September 21 meeting

OVERVIEW
The City Council reviewed the preliminary presentation of the 2027 Preliminary Budget, Tax Levy, Fee Schedule, and 2027 - 2031 Capital Improvement Plan (CIP) at the August 24, 2026 City Council Worksession. Council and community members are encouraged to review the information that was available to support the August 24 discussion for more information:

- Preliminary Budget Document (Full)
- Preliminary Fee Schedule
- Preliminary 2027 - 2031 Capital Improvement Plan
- City Administrator's Presentation (Attached)

The August worksession afforded Councilmembers the opportunity to seek detail and clarification from department heads about specific proposals embedded within the 2027 Budget, and also gave Councilmembers the opportunity to deliberate more "big picture" considerations related to the budget, property tax levy, and CIP in particular. Following productive discussion, Council sought additional information to support continued discussion at the September 14 worksession, specifically related to the following topics:

- Communications Budget
- Employee Benefit Renewals

- Doug Woog Arena funding
- Impact of Capital Project Borrowing

As it relates to Communications, Staff has dedicated item 2-A on Monday's agenda to a more comprehensive overview of recent and ongoing communications efforts, a general "workplan" for communications in 2027 and beyond, and exploration of benefits of the proposed 2027 increase to the part-time position. We are hopeful that item 2-A helps to support discussion about this topic and guidance for the 2027 Budget. As such, this memo will focus on the latter three bullets in the above list.

Employee Benefit Renewals
At the time of the August 24 Worksession, the City (through its Employee benefits broker, Marsh MacLennan Agency) had not yet "closed" the RFP process for 2027 insurance renewals and had actually extended the deadline due to somewhat tepid initial response. This led to concern that 2027 renewals would introduce additional costs (above and beyond the embedded contingency) and more broadly led to some commentary as to whether and how there might be an opportunity to reduce the cost of employee benefits through a more comprehensive re-bidding process. Staff will be prepared to update Council on the insurance renewals RFP process, which closed in late August and resulted in several competitive proposals. In addition, Staff will be prepared to discuss the necessity and timeliness of undertaking an RFP process for insurance brokerage services in early 2027, and ultimately will advocate for undertaking this process in the first half of 2027 as we perceive minimal benefit of fast-tracking an RFP for brokerage services in the last quarter of 2026.

Doug Woog Arena Funding
As the Council is well aware, the CIP shows an anticipated expenditure of $1,800,000 for the replacement of the floor and dasher boards in Rink One in the 2027 budget year, followed by Rink Two (at the same cost) in 2028. Under even the most optimal operating circumstances this represents a significant expenditure. In our case, these expenditures are projected to result in a 12/31/2028 ending fund balance of *-$5,145,356* in the Doug Woog Arena Fund. The Doug Woog Arena fund has operated at a deficit for many years running (averaging 27% of total revenues for operations alone; 41% for operations + capital/debt) and with a negative fund balance that has persisted albeit trending in the right direction from 2018 - 2024 (a period in which very few capital projects were undertaken at the Arena). The floor and boards replacement projects proposed for 2027 and 2028 multiply (several times over) the amount of funds needed to "cover" operations and improvements at the arena through non-arena sources. A few points for contemplation, discussion, and direction:

- Structurally, the intention with the Doug Woog Arena fund has been to eliminate the negative cash balance through a "repayment plan" that is supported by an increase in revenues and a corresponding control of expenditures, as simple as it sounds. While revenues have generally increased year-over year (2020 notwithstanding, due to COVID) between 2012 - 2025 (by 58.1%), unfortunately expenditures on operations alone have increased more rapidly (72.7%) overall. 2026 and 2027 budget years are only projected to widen the gap in the pace of expenditure growth versus revenue growth and deepen the deficit. As such, the snake continues to eat its tail and the alternative - if the objective is to eliminate the deficit in this fund - is to permanently increase the subsidy (dedicated arena tax levy) to the fund but even then it will take multiple years and likely some stemming of the tide of expenditures outpacing revenues to be successful.

- In light of the recent trends and the above-cited realities, at the August 24 Worksession Council indicated a desire to discuss potential alternative approaches to funding Doug Woog Arena expenditures, in particular capital expenditures. Staff has given this some thought and offers the following alternatives for discussion and potentially for direction:

    - **Alternative 1**: Infrastructure Fund Balance - in previous discussions, Council has introduced the idea that the City's dedicated Infrastructure Fund should be explored as a potential source of funding for the Woog Arena capital investments. Upon its establishment in the 2019 Budget Year, the Infrastructure Fund was intended as a dedicated funding source for Engineering projects, specifically road, alley and sidewalk reconstructions and rehabilitations. This represented a change from the frequent past practice of borrowing for these types of projects. To date, the Infrastructure Fund has only been used for these specific purposes; it would be a departure to use this fund for utilities, buildings, parks, playgrounds, or the arena. That said, there is not any formal restriction on the fund, if the Council wishes to use this approach.
        - Based on current projects scheduled (in the CIP) for 2026, 2027 and 2028, the Infrastructure Fund is projected to finish with an available balance at the end of 2026 of $1.9M, at the end of 2027 of $2.7M, and at the end of 2028 of $2.6M, assuming the Council's direction (reflected in the August 24 preliminary budget and levy) to not increase the levy by $460K each year is carried forward.
            - If we use the Infrastructure Fund to pay for the floor/board replacement projects in 2027 and 2028, balances in the Infrastructure Fund would be $965K (2027) and negative $1.0M (2028), assuming we do not include the $460K additional levy. Taking this approach, the deficit in the fund would continue through 2032 (and likely beyond).
            - If we include the $460K in the 2027 and 2028 levies, these balances would be $1.4M and negative $70K, respectively. The 2029 available balance would be $355K (positive).
            - This assumes no change in the Engineering needs as presented for 2026 and in the 2027-2031 CIP
        - These projections do not include the $750K Rink 1 Dehumidifier scheduled for 2028 in the CIP.

    - **Alternative 2**: Increase the Doug Woog Arena Levy - the City Council has annually approved a dedicated "Doug Woog Arena" levy, with the current annual allocation as of 2026 being $500,000.
        - The $500,000 Arena Levy is needed (and then some) to support operations and ongoing capital projects.

            - For 2026, the approved budget assumes a $427,000 loss in operations (before the levy)
            - For 2027, the Preliminary proposed budget projects a $517,000 loss in operations
        - By way of example, if the Council opted to double the Arena Levy (to $1,000,000) in 2027 and maintain a $1,000,000 Arena Levy going forward, the projected deficit at the end of 2028 of approximately $5.1M would take 10+ years to eliminate all else being equal

    - **Alternative 3**: Borrow funds, presumably through the planned bond issuance for the Northview Pool.
        - If borrowing is the preferred method, Staff would suggest accelerating the dehumidifier project to 2027 or early 2028, if it can be done at the same time as the floor/boards project.
        - By adding $4.65M to the pool bonds (the estimated borrowing cost for all three projects), it would increase the debt levy in 2028 by about $390K for 20 years
            - Just the pool would average $540K annually; adding in the Arena improvements would increase this to $929K annually
            - This would mean an increase of about $330 (19.44%) for the average residential property in 2028, if no change is made to the current proposed levy, for all proposed borrowing (Pool, Public Works, Arena).

As described above, each alternative approach identified above would have different implications for the 2027 (and future) Property Tax Levy and Tax Capacity Rate. To help Council better assess these alternatives, the attached Table 1 summarizes the scenarios and the key implications of each. It should be noted that Table 1 does not include any analysis of "Alternative 3", as that alternative would not impact the 2027 Budget and Levy (but would begin to impact in 2028). Additionally, the attached table is merely representative of select dollar amounts; obviously if the Council is open to the idea of an increased Infrastructure or Woog Levy but at a different dollar amount, that is Council's prerogative and staff can assist in such an analysis. Finally, it is also true that any one of the alternatives identified could be coupled with other measures (such as modifying ice or room/facility rental rates at the Arena in an attempt to generate additional operating revenue, taking a closer look at where expenditures could be reduced, etc.) in order to have additional impact. Obviously there are a lot of components that will ultimately impact the "bottom line" of the City's 2027 Levy and Tax Capacity Rate and this table only focuses on the question at hand.

Future Capital Project Borrowing
The 2027 - 2031 Preliminary CIP estimates that the City will issue bonds to fund a portion of both the Northview Family Aquatic Center and Public Works Central Maintenance Facility projects. Staff conservatively estimates that between these two projects new debt totaling about $26,000,000 will be incurred through the issuance of Tax Abatement Bonds and EDA Lease Revenue Bonds, respectively. With the caveat that these estimates are based upon current

assumptions on interest rate and term, this level of new debt is anticipated to introduce additional annual debt service of between $2,200,000 - $2,500,000 beginning in the 2028 tax year. The net levy impact of this additional debt would depend upon whether - and if so, which - of the options presented for the Infrastructure Fund and/or Doug Woog Arena Fund are carried forward as an alternative to the Preliminary Levy as presented in August. Staff will be prepared to discuss this further at the Worksession.

SOURCE OF FUNDS

This is a discussion on the 2027 Budget, Property Tax Levy, and Capital Improvement Plan, which includes a wide array of funding sources.

ATTACHMENTS

1. Table 1 - Taxes - Options
2. August 24 Preliminary Budget Presentation

2027 BUDGET AND LEVY
ALL TAX LEVY SUPPORTED FUNDS

	As presented at 8/24 Worksession	Increase Infrastructure by $460,000	Smooth increase for bonds over two years add $900,000	Increase DWA levy to $1,800,000	Increase DWA levy by $1,800,000	Add $500,000 to DWA to pay off deficit
		(continuous)	*(one-time money)*	*(one-time money)*	*(one-time money)*	*(continuous)*
TAXES						
General Fund	$16,257,857	$16,257,857	$16,257,857	$16,257,857	$16,257,857	$16,257,857
Doug Woog Arena	500,000	500,000	1,400,000	1,800,000	2,300,000	1,000,000
Capital/Infrastructure Program	1,975,000	2,435,000	1,975,000	1,975,000	1,975,000	1,975,000
Debt Service	1,026,380	1,026,380	1,026,380	1,026,380	1,026,380	1,026,380
TOTAL	**$19,759,237**	**$20,219,237**	**$20,659,237**	**$21,059,237**	**$21,559,237**	**$20,259,237**
SPENDING						
General Fund	$24,979,520	$24,979,520	$24,979,520	$24,979,520	$24,979,520	$24,979,520
Doug Woog Arena	3,291,037	3,291,037	3,291,037	3,291,037	3,291,037	3,291,037
Capital/Infrastructure Program	1,268,129	1,268,129	1,268,129	1,268,129	1,268,129	1,268,129
Debt Service	1,026,380	1,026,380	1,026,380	1,026,380	1,026,380	1,026,380
TOTAL	**$30,565,066**	**$30,565,066**	**$30,565,066**	**$30,565,066**	**$30,565,066**	**$30,565,066**
Increased Taxes for:						
Operations	8.45%	8.45%	13.30%	15.46%	18.16%	11.15%
Infrastructure Replacement	0.67%	3.16%	0.67%	0.67%	0.67%	0.67%
Debt Service	-2.49%	-2.49%	-2.49%	-2.49%	-2.49%	-2.49%
	6.63%	**9.12%**	**11.48%**	**13.64%**	**16.34%**	**9.33%**
Average Residential Homestead						
Tax	1,806	1,856	1,904	1,948	2,003	1,861
Increase from 2026	**112**	**162**	**210**	**254**	**309**	**167**
Tax Capicity Rate	**64.660%**	**66.458%**	**68.178%**	**69.742%**	**71.697%**	**66.615%**

2027 PRELIMINARY PROPERTY TAX LEVY
2027 PRELIMINARY BUDGETS
2027 PRELIMINARY CAPITAL IMPROVEMENT PLAN

CLARA HILGER, FINANCE DIRECTOR
RYAN GARCIA, CITY ADMINISTRATOR

2027 BUDGET DEVELOPMENT PROCESS

1. **January 12, 2026** Worksession to Confirm Council Goals (May 2025)
2. **May 11, 2026** Budget Expectations Worksession
3. **May - June 2026** Department Budgeting in Hubble
4. **June – July 2026** Presentations to Administrator & FD
5. **August 24, 2026** Council Budget & CIP Worksession #1
6. **September 14, 2026** Council Budget & CIP Worksession #2 (as needed)
7. **September 21, 2026** Consideration of Preliminary Levy, Budget and CIP
8. **By September 30, 2026** City Must Certify Preliminary Levy
9. **November 2026** Proposed 2027 Property Tax Statements by Dakota Co.
10. **December 7, 2026** Proposed "Truth in Taxation" Hearing - Final Budget and Levy, CIP
11. **By December 30, 2026** City Must Certify Final 2027 Levy

2027 BUDGET & LEVY - GROUNDED IN COUNCIL GOALS & DIRECTION

Annual Goal-Setting

- City Infrastructure, Buildings & Facilities
- Recruitment and Retention
- Maintain housing stock
- Grow property tax base and employment

Spring Budget Worksession

- Acknowledge impacts of retiring debt and anticipated new Capital Project Borrowing – Pool and PW Projects
- Potentially adjust/modify approach to Infrastructure Levy
- Generally – maintain an operating levy below 7% increase (voiced expectations ranging from "flat" to 6%-7%)

2027 DRIVERS – GROUNDED IN COUNCIL GOALS & DIRECTION

- Investing in key infrastructure and facilities
  - Woog Arena Floor/Boards ($1,520,000 increase)
  - Maintain robust street resurfacing program @ $300,000
  - Maintain Woog Arena Levy @ $500,000
  - Fleet Vehicle Replacement Program ($71,112 increase)
  - Road Salt ($65,200 increase)
- Personnel / Contracts
  - All labor contracts settled for 2027 with 3% COLA and select market adjustments (between 1% - 1.5% for 3 bargaining units)
  - GF Personnel increases total $850,409 (6.02%)
  - Contracted Service increases total $845,343 (9.56%)
    - Dakota 911 ($24,567 increase)
    - PD Supportive Services ($86,015 increase)
      - Embedded Social Worker - $74,000
    - SMFD ($394,503 increase)
    - IT/Software ($144,055 increase; slightly offset by decrease in Prof Svc)
    - Facilities/Grounds Repairs and Maintenance ($62,150 increase)
      - Forestry ($35,000 increase)
    - State-mandated 10-year Comprehensive Plan ($60,000 increase)

2027 BUDGET & LEVY – A FEW NOTABLE ASSUMPTIONS

- Contingencies ($380,000 – increase of $60,507)
  - Health Insurance is key driver – rebid Fall 2026
  - Compensation Study Pending
  - Potential Special Election (U.S. Senate)

- Staffing
  - Currently budgeting for current engineering staffing structure with dedicated/part-time consultant supplementation; keeping Assistant City Engineer position unfilled
  - PD – recommend additional Sargeant position through re-org – not additional headcount (Impact of +$18,356)
  - Communications – recommend promoting current Communications Coordinator to Director (Supervisory); adding 5 hours per week to PT Communications Specialist (Impact of +$27,118 total)
  - HRA – Deputy Director (funded by Public Housing Program; +$160,627)

- Woog Arena Operations
  - Assuming Rink 1 is down (est. 4 – 5 months) for replacement of floor and boards – presumed revenue loss estimated at $116,200
  - Expenditures not likely fully offset, due to fixed costs

2027 BUDGET & LEVY – A FEW NOTABLE ASSUMPTIONS

- 2027 Major Capital Projects – downstream levy impacts due to new borrowing in late 2026
  - Northview Pool – anticipate approximately $6M needed tax abatement bond issuance
  - Public Works – anticipate approximately $20M needed EDA lease revenue bond issuance

- Infrastructure Fund
  - As proposed, increase by $125,000 for 2027; original (tentative) plan was to increase by $585,000 for 2027
  - Supports current CIP projects with Infrastructure Fund as a source

- HRA & EDA Levies
  - Council's policy has been to maximize both HRA and EDA levies; this year we are keeping flat
  - Would provide moderate ability to offset City Levy impacts if reduced

- Local Tax Capacity
  - Preliminary 2027 Increase of 2.6%
  - Increase has averaged 6.6% annually for past 10 years, but slowed in recent years (less that 5% each of last 3 years)
  - Continued Economic Development and Redevelopment can help distribute property tax increases, but continued investments in City's infrastructure will impact Tax Rate and individual property owners' tax bills (likely in double-digits)

PROPOSED PRELIMINARY 2027 PROPERTY TAX LEVY & BUDGET

	2026	2027		
	Revised Budget	Preliminary Budget	Increase (Decrease)	Percent Change
Budgeted Expenditures	$27,635,049	$30,565,066	$2,930,017	10.60%
Budgeted Revenues	$10,801,966	$10,893,932	$91,966	0.85%
Property Tax Levy	$18,530,136	$19,759,237	$1,229,101	6.63%
Increased Taxes for:				
Operations			$1,565,422	8.45%
Infrastructure Replacement			$125,000	0.67%
Debt Service			($461,321)	-2.49%
Total Increase			$1,229,101	6.63%

PROPOSED PRELIMINARY 2027 CITY PROPERTY TAX LEVY

	2026 Revised Levy	2027 Preliminary Levy	Increase (Decrease)
General Fund	$14,692,435	$16,257,857	$1,565,422
Doug Woog Arena	500,000	500,000	0
Debt Service	1,487,701	1,026,380	(461,321)
Infrastructure	1,850,000	1,975,000	125,000
Total Preliminary Levy	$18,530,136	$19,759,237	$1,229,101

PROPOSED PRELIMINARY 2027 GENERAL FUND EXPENDITURES

	2026 Revised Budget	2027 Proposed Budget	Increase (Decrease)	Percent Change
General Government	$3,553,143	$3,731,346	$178,203	5.02%
Public Safety	12,116,101	13,123,290	1,007,189	8.31%
Public Works	5,478,298	5,821,150	342,852	6.26%
Community Development	887,641	1,025,275	137,634	15.51%
Parks & Recreation	851,256	898,459	47,203	5.55%
Contingency	319,493	380,000	60,507	18.94%
Total General Fund Expenditures	**$23,205,932**	**$24,979,520**	**$1,773,588**	**7.64%**

IMPACT ON AVERAGE RESIDENTIAL PROPERTY IN SSP
(CITY PORTION OF TAX BILL ONLY)

	2026	2027	Change
Estimated Value	$293,847	$298,945	$5,098
Homestead Exclusion	(20,104)	(19,645)	459
Taxable Value	273,743	279,300	5,557
Tax Capacity Value	2,737	2,793	56
City Tax Rate	61.874%	64.660%	2.786%
Estimated City Tax	1,694	1,806	112
Change Related to Value			35
Change Related to Tax Rate			78

2027 CAPITAL IMPROVEMENT PLAN (PROPOSED)

2027 CIP – ENGINEERING/BUILDINGS/EDA

- Lead Service Line Replacement
  - $20,273,281 estimated total cost (including design); $6,350,000 in 2027
  - Approximately 950 private lead services
  - MDH Grant funded (100%)
- Marie Avenue Reconstruction
  - $2,317,000 estimated total cost for 2027
  - Street and utilities from 15th to 21st
  - 76% City funds (Infrastructure, Utilities funds), about 22% MSA, remainder (~2%) property owner assessments
- PFAS Treatment Plant
  - Design phase for Well #4 PFAS Treatment Plant
  - $500,000 estimated total cost
  - Fully funded through State Grant (100%)
- Central Maintenance Facility (Public Works
  - $28,600,000 estimated total cost (including design and FFE) – split over 3 years
  - Sales proceeds (Appx. $6.5M Total)
  - State funding - $2.25M
  - Anticipate debt issuance (EDA Lease Rev. Bonds) in 2026
- Hardman Triangle Public Improvements
  - Design underway
  - Soils management
  - Roads, water, sewer, storm infrastructure
  - District-wide stormwater management
  - Public park
  - Est. Preliminary Estimate of $9M

2027 CIP – PARKS & REC / ARENA

Northview Pool Replacement	$8,000,000 estimated total cost Replaces existing, 70+ year-old Northview Pool and bathhouse State funding for roughly ½ of cost; abatement bond to finance remainder
Playground & Parks Improvement	$763,231 in total estimated costs Spruce and Jefferson playgrounds; $188,231 grant awarded for Spruce Capital Programs Fund
Woog Arena Floor and Board Replacement	$1,800,000 estimated total cost Replace 20+ year-old floor and boards – improve energy efficiency and reduce maintenance/repair costs Partially supported by Arena Levy

2027 EDA & HRA LEVIES AND BUDGETS

PROPOSED 2027 LEVY AND BUDGET – TOTAL 2027 TAX OF $80.83 (~$6.74/MO.) FOR AVERAGE VALUE HOUSE IN SSP

- EDA
  - Preliminary Levy: $442,568
    - Flat as compared to ’26
    - $40.00 annual impact to median value home in SSP (a decrease of $0.08 from 2026)
  - Estimated Interest Earnings: $30,000
  - Preliminary Budget: $329,058
    - Investment of $100,000 towards small business/development loan program
    - Investment of $40,000 in property maintenance (EDA properties and key corridors)
    - Transfer of $30,000 to General Fund (Planning & Administrative support)
  - Undesignated Fund Balance: $143,510

- HRA (General Housing)
  - Preliminary Levy: $451,600
    - Flat as compared to ’26
    - $40. 83 annual impact to median value home in SSP (a decrease of $0.04 from 2026)
  - Estimated Local Affordable Housing Aid: $300,000
  - Estimated Interest Earnings: $20,000
  - Preliminary Budget: $638,182
    - $82,350 in budgeted personnel costs (84.3% increase over 2026)
    - Investment of $150,000 towards housing improvement loan program
    - Continuation of JPA with Dakota County CDA for LAHA ($300,000) – home improvement loan program and radon mitigation program

WORK SESSION AGENDA REPORT

DATE: September 14, 2026
DEPARTMENT: Police
PREPARED BY: Brian Wicke
AGENDA ITEM NUMBER: 2.D.

MEETING TYPE
Regular Meeting

AGENDA ITEM
Police Department Update

ACTION TO BE CONSIDERED OR DESIRED OUTCOME
Discussion surrounding the Police Department

OVERVIEW
Police Department staff will present an update on the department.

SOURCE OF FUNDS
N/A

ATTACHMENTS
None