



**Administrative**

**Year End Report**

**2025**

**Respectfully Submitted by:**

**Kate Thunstrom, City Administrator**

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December 15, 2025

Mayor and City Council:

Each year Council works on the city needs related to budget and financial oversight, policy and ordinance development, land use and development decisions, infrastructure and governance. Administration manages the operational and technical work, enabling the Council to focus on policy-level decision – making. As well as Council, administration provides operational, financial and policy support across all departments.

During the 2025 calendar year we managed challenges and celebrated success as we worked together on changes in Council, updates to staffing, several policy changes, moving the fire department to a regional district, launching a K9 program and continuing to work through the challenges of Hwy 47 and the underground project that we are faced with.

I am pleased to provide a summary of the activities accomplished in 2025.

Your year in review.

Regards,

Kate Thunstrom  
City Administrator

## Administration Defined

Administrative staff are the individuals that run the process of City services. The positions that meet these needs include the City Clerk, Finance Director, Accounting Tech, and Office Assistants. Within the Police Department there is an Administrative Assistant and a Records Clerk. The Public Works department has an Office Assistant. All of the administrative staff collaborate across departments to ensure coordinated success in the day-to-day operations of the city.

Below are a few of the duty's administrative positions handle,

- Elections
- Human Resources
  - Interviews
  - Job postings, scoring
  - State reporting
  - Benefit management
  - Union Negotiations
- Contracts
- Legal Issue coordination with BGS
- Insurance Requirements
- Data Practices
- Record Keeping and Retention
- City Code
- Communications, social media and website
- Business, Peddlers and Gambling Licensing's
- Alcohol and Tobacco Licensing
- Charter Commission
- County Recording and Permit
- OSHA Requirements
- Day to day resident interaction and technical assistance

- IT, Software and Computer information
- Financial
  - Audit
  - Payroll
  - Accounts receivable
  - Bill payment and invoicing
- Budgets
- Investments
- Bonds and Debt management
- Property Assessments
- Property Tax and State Fund Revenues
- Legislative polices, awareness and tracking
- Newsletter
- Council meetings and packets
- Resident Technical Assistance
  - Phone, fax and in person
- Administrative support to staff and Council
- Building Permit Management
- City Facility Rental scheduling
- Utility billing and customer inquiries

## **Administrative Projects:**

**Elections** – the city had no election responsibilities in 2025.

**Legislation** – during the 2025 state session the number of bills introduced topped at 6,958 with a staggering 54 new laws between regular session and the special session. Staff tracks the bills passed due to the impacts they have locally on topics such as THC, employment laws, election laws, criminal laws, housing laws and funding to name a few. Staff continue to watch for municipal impacts.

**City Council Changes** – 2025 brought two Council changes with the residents electing Mark Vogel for mayor and Amy Faanes for council.

**Ordinances** – Council updated 8 ordinances related to city code. Ordinances were updated for reasons including but not limited to; public protection, CBD/THC, Building regulations, solar, accessory structures, stormwater, speaking requirements and announcing one's address, and the annual fee schedule changes.

**Rum River Fire District** – after three years of work, Council entered a joint powers agreement with the city of Bethel creating a local fire district. This breaks the fire department out of regular city business and budgets and creates a separate entity in which the city will work directly with through the JPA and a fiscal agent agreement.

**St. Francis Economic Development Authority** - The EDA held two meetings this year. These meetings were to continue city work with Northshore Development on a housing project off Bridge Street. As the multifamily project is not moving forward, the EDA has continued conversations regarding housing opportunities for that parcel.

**Hwy 47 Reconstruction** -Discussions began with MnDOT in March of 2018 on the deficiencies of Hwy 47 and a plan for a redesign. Early in the year the City joined efforts with the State and Anoka County to lead the contract for predesign and environmental work. Countless meetings between the city, WSB, County and the State continue as we work to make progress on the project. Currently, the state has set aside additional funding, and construction is projected to happen in 2027

On a smaller scale the State made minor changes to the Ambassador intersection to aid in the visual awareness of the area and traffic patterns.

### **City Hall / Fire Station Facility –**

On February 1<sup>st</sup>, the city held an open house for the public to visit and participate in the new building with various activities. The event was a greater success than we anticipated, and we welcomed over 800 people through the door. This was an effort accomplished by a full team of staff and Council.

## **Council Accomplishments**

**Council** – Council held the standard 24 meetings, without any cancellations.

**Special Meetings** – Council did not have any special meetings for 2025.

**Work Sessions** – Council and staff met for seven work sessions this year to discuss items such as staffing positions, Charter questions related to the Mayor term and long-term goal, code of conduct, fire department district, donations, budget, levy and water and sewer rates.

**Parks, Facilities and Programs**– the amenities provided through parks and trails are important to support development growth, child development and mental health, opportunities for events and neighborhood gatherings. As the City continues the steps to follow the Park Plan, the following was completed:

- **Park Commission** – the Park Commission met four times discussing items related to moving the park plan forward, Rum River Playground replacement and updates to the Community Park rink and warming house.
- **Rum River Park**- a park replacement project of a 1997 park that was deeply in need of new equipment. Staff replaced dilapidated equipment and installed updated and safe structures.
- **Warming House/Ice Rink** - this project is a multi-year project to repair deficiencies at the ice rink and warming house within community park. The goal is to apply for various funding opportunities to help aid in the cost of the project and stretch park funding. The city will know in 2026 about the success of financial requests.
- **Financial funds** - allocations to address existing park and trail deficiencies as well as targeting system needs outlined in the park plan were set aside. Having funds set aside allows the city to apply for grants as we must be able to meet match requirements.
- **Farmers Market** – this was the third year of the farmers market in Community Park. Although this is time consuming, the feedback from participants at the market as well as the vendor input is highly positive, and they continue to ask for more. We continue to secure food trucks and a variety of vendors from cottage goods to a few craft like items. One addition this year was music and using a couple nights to highlight youth and our senior community.
- **Dog Park.** September marked one year since the opening of the dog park. It was a busy year with a great deal of traffic at the park.

**Reviewed six land use applications** to further the growth and development of the city Council worked on land use applications that include the Patriot Parkway extension, St Francis Apartments, Dalton River, Solar Farm, Bluffs of Rum River and a Comprehensive plan amendment.

### **Senior Housing.**

Five and a half years since the first meeting including 18 months of construction - Eagle Point at Vista Prairie opened its doors to the first residents on November 12<sup>th</sup>. We were excited to be in attendance to welcome the residents and celebrate a new housing opportunity within the city. A formal open house will be held in the spring and council will be updated at that time with more information.

## **Human Resources**

As of this report there are 68 staff members that represent the goals and future of the City, including our fire staff. As there has been turnover, there is also a core set of team members with greater than 15 years of history.

Staffing years of service levels fall as follows:

- 7 employees 20 + years
- 6 employees 15-19 years
- 7 employees 10 to 14 years
- 16 employees 5 to 9 years
- 32 employees under 5 years

Of our employees: 27 are part-time paid on call firefighters, four are part-time Bottle Shop and 37 are full-time with no change in numbers from last year. The numbers will change for 2026 as staff from the fire department are removed as City employees and hired by the District.

15-19 years with City	20+ years with the City
Carl Johnson, Fire George Bichler, Fire  Melinda Michels, Bottle Shop  Ryan Larson, Police Sergeant Nathan Schwieger, Police  Darcy Mulvihill, Finance	Barry McDonough, Fire Samuel Strassburg, Fire Taylor Herbst, Fire  Crystal Buskey, Bottle Shop  Todd Schwieger, Police Chief Brandon Stemme, Police Sergeant  Parish Barten, Public Works

10-14 years with City
Rick Phelps, Fire
Evan Sturzl, Fire
Sandy Hom, Police Department
Jeremy Shook, Public Works
Phil Dahlheimer, Building
Corrine Lauer, Bottle Shop
Kate Thunstrom, Administration

2025 brought the following position changes:

- Bottle Shop added third full time position

During the year we had changeover in:

- Community Development Director
- Community Development Specialist, due to promotion
- Public Works, Streets and Parks

**Retirements** – there were no retirements this year

**Life Saving Awards** – Chief Schwieger presented a lifesaving award to Officer Chanthapanya recognizing his efforts which saved the life of an Oak Grove women. The skills of all city public safety staff continue to be strong, ensuring the safety and wellbeing of this community.

**Personnel Committee** - to provide employees with a dedicated avenue for input, a personnel committee was created in 2022. The goal of the group is to discuss employment conditions, new ideas and/or resources that would support all employees at the City. The Committee is made up of employees from each department. The committee met two times this year and discussed ideas related to staff wellbeing as well as benefits that are in the industry in other cities. They continue to work on ideas to determine if they are a good fit for St. Francis.

**Personnel Policy** – updates continue as a housekeeping item and to maintain the policy with State and Federal employment laws. Staff brought housekeeping changes forward to meet state laws and to address policies that were unclear. These included items related to MN Paid Leave Act, which becomes effective January 1<sup>st</sup>. Additionally, this year we transitioned from a cell phone reimbursement to a city issued device.

**Bargaining Units** - The City ends the year with three bargaining units. This includes the Sergeants, Police Officer and Public Works. In 2025 we began negotiations with the Public Works team.



## **Finance**

Each year Council adopts an updated Capital Improvement Plan, Annual Budget and tax levy. All documents noted below are available on the city website under Finance. There, Council and the public can see financial reports and planning documents dated back to 2012.

**2025 Budget** - the Budget as identified in our budget book was in the amount of \$15,185,671 included a 3.2% increase from the previous year's budget. The budget year had challenges with increased inflation and high costs. With a low number of new single-family homes, the lack of growth will impact the 2027 fiscal year.

**Long-Term Financial Plan** –in 2023 Council adopted a financial plan to guide and plan for upcoming costs looking at the long-term needs of staffing, equipment, and organizational needs. The financial plan is a budget planning document but also a system where year after year we can adapt to changes.

**Capital Improvement Plan** – is a schedule of proposed public projects and purchases over a five-year period. Capital projects include acquisition, construction, replacement and purchase of equipment or facilities including public buildings, infrastructure, utilities and parks. This year the 2026-2030 CIP was adopted setting the plan forward.

**Annual Budget Process** – this process begins in April with the estimates of salaries and operational expenses. Department Heads review expenditures and projects for a budget year still eight months away. In June and November, we held work sessions with Council to review budget impacts and options. This provides Finance and staff the direction to determine the levy. In September Council set the preliminary levy secured final approval in December.

**Payroll Changes** – due to federal tax law changes, Finance was required to update the current timesheet and payroll system to account for the tracking of overtime. With the updated tax law that changed taxing on overtime, it required the city to track hours differently and apply then separately. Administrative staff are working with all non-exempt employees to explain these changes.

## **Looking Forward**

**Cyber Security Continuity Plan** – this is a large commitment that we continue to walk through that includes inventories, creating and organizing processes and how we handle city business if one computer goes down to everything going down. We will continue to work on this through 2026 and take all training and security topics seriously to ensure the safety of the city.

**Rum River Fire District** – the next year brings the next phase for the city's relationship with the fire district as we become their fiscal agent. The City and District will be working closely this first year to understand what we don't know, to build on what we do and work through questions and processes to make it a successful transition for the department.

**Police Department K9** – the new program will provide a highly trained resource for tracking, searches and detection. The added capability helps resolve incidents more quickly and safely. This opportunity enhances community safety by expanding our ability to respond swiftly and effectively in high-risk situations.

**Hwy 47 Pavement project** – this will continue to be a major project as we work with WSB, Anoka County and MnDOT. This project is a large improvement to the highway infrastructure and safety. MnDOT is to take over the project after the predesign and environmental area complete and the signed staff layout are completed. Once MnDOT takes it over, they will complete the final design and engineering as well as the bidding process for the 2027 construction.

**Hwy 47 utility infrastructure project** – with the Hwy project moving up one year, it is pushing the underground project up one year. This includes the water and sewer lines that were originally built in the 1970's that need replacement and expansion work. Staff continue to request state and federal appropriation funding to help the city pay the costs of the project. As of this report, we have been recommended by Rep. Emmers office for \$2 million at the federal level and will have a bill for \$4 million in the next state legislative session.

State Representative Lawrence has been significant in moving our infrastructure project forward at the capital and supporting the city by telling our story and advancing our request for financial assistance.

**Legislation** - The 2026 state session begins February 17, 2026. Discussions on major changes to zoning and building permits that could greatly and negatively impact the city are expected to continue. The City will monitor laws that continue to evolve as well as impacts on elections, emergency services and personnel issues as well as issues that may financially impact the city.

Our Legislators are MN House, Bryan Lawrence and MN Senate Andrew Mathews.

**Local Government Officials Meetings** - Council is encouraged to attend the four meetings hosted by Anoka County, Local Government Officials meetings. They consist of an opportunity for administration, Councils, Legislators and County leadership to learn about various topics.

The 2026 meeting dates are April 29<sup>th</sup>, July 29<sup>th</sup> and September 30<sup>th</sup>. Meetings begin at 6pm. Invitations are sent by the County prior to each meeting.

**“Coming together is a beginning. Keeping together is progress. Working together is success” – Henry Ford**

**With that we end 2025 and move forward to 2026!**