# AGENDA
# CITY COUNCIL WORK SESSION

**November 25, 2024 - 6:00 PM**

**Lakeville City Hall, Marion Conference Room**

Members of the public can participate in person at Lakeville City Hall, Marion Conference Room. Members of the public may join the meeting via Teams Meeting, **Meeting ID: 276 485 596 886 or by calling Toll Number 1-323-433-2142; Conference ID: 432 130 403#.** The mayor will allow for public comments and questions at the appropriate time.

The City Council is provided background information for agenda items in advance by staff and appointed commissions, committees, and boards. Decisions are based on this information, as well as City policy, practices, input from constituents, and a council member's personal judgment.

1. Call to order, moment of silence and flag pledge

2. Citizen Comments

3. Discussion Items

| | | | |
|---|---|---|---|
| 20 minutes | a. | Communications Update | Tierney Helmers |
| 30 minutes | b. | Draft 2025 Legislative Priorities | Allyn Kuennen |
| 30 minutes | c. | 2024 Year End Preview & Final 2025 Budget/Tax Levy Discussion | Julie Stahl |
| 10 minutes | d. | 3rd Quarter 2024 Financial Report | Julie Stahl |

4. Items for Future Discussion

5. Committee/ City Administrator Updates

6. Adjourn

**Date:** 11/25/2024

## Communications Update

**Proposed Action**
Discussion only.

**Overview**
In addition to our social media platforms, we continue to utilize two other channels to reach our residents: Sun Thisweek newspaper and the City News newsletter. Per the Council's request, we are presenting this update to review the effectiveness of these communication methods and to gather feedback on their overall impact. We welcome any suggestions and feedback to continue consistent communication with our residents.

**Supporting Information**
1. Communications Update Council

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|---|
| **Financial Impact:** $0 **Budgeted:** No **Source:**<br>**Envision Lakeville Community Values:** Good Value for Public Services<br>**Report Completed by:** Tierney Helmers, Communications Manager |

# *City News* newsletter

## 5 issues, Quarterly, 8-Pages


**QR code for feedback**—it went out in Late Fall issue, just hit mailboxes Nov 14-16, only 2 responses so far.

| Submission Date | How would you rate the usefulness of the information provided in our quarterly newsletter? | What topics or information would you like to see more of in our city newsletter? |
|---|---|---|
| 11/14/2024 19:46 | Very useful | |
| 11/16/2024 10:07 | Very useful | Ways to volunteer around town would be great |

## Costs

| Issue | Printed | Postage | Cost/Print | Total cost per household | Total Cost | Add'l Costs | Notes |
|---|---|---|---|---|---|---|---|
| Fall 2023 | 27,385 | 5449.61 | 0.24 | 0.44 | 11,960.61 | | |
| Winter 2024 | 30,303 | 6090.91 | 0.24 | 0.44 | 13,287.91 | | |
| Spring 2024 | 30,755 | 6118.04 | 0.24 | 0.44 | 13,405.04 | | |
| Summer 2024 | 30,755 | 6550.82 | 0.24 | 0.45 | 13,852.82 | | |
| Fall 2024 | 32,111 | 6572.05 | **0.18 | 0.41 | 13,110.05 | EDDM prep $684 | DVR* reimburses $4,797.90 for the 2-page Recycling Guide |

**4 issues/2023-2024 = $52,506.38**

****Switched printers to Print Solutions Lakeville, reducing print costs by ~$2,000**

*Dakota Valley Recycling, grant funded by Dakota County and Minnesota Pollution Control Agency and required.

# *Sun Thisweek* newspaper

## 2024: 29 Issues, inside front cover


| Cost | Issues | 2024 spend |
|---|---|---|
| $1,110.00 | 29 | $32,190.00 |

**Subscribers:**

**2016-2018: 16,497**
**2019: 5800 free subscription model**
**2020: 6716**
**2022: 6013**
**1/1-8/9/2024: 6,800**
**8/16/2024-now: 2,200 paid subscriptions**

**2025 New Offer:**

26 full page print ads on page 2 ($1,010 per week - $2,159.28 value per week—page 2 considered premium) and 10 targeted email deployments for $600 each.

- Zip code 55044 has currently about 24,000 email addresses
- 100% CAN-SPAM compliant – receivers have a way to opt-out
- Creative services are available at no additional costs
- Full Reporting is provided
- Ability to use multiple landing pages

| | Cost | Issues | 2025 spend |
|---|---|---|---|
| Full-page ad | $ 1,010.00 | 26 | $ 26,260.00 |
| Email offer | $ 600.00 | 10 | $ 6,000.00 |
| | | | $ 32,260.00 "new offer" |

| | Cost | Issues | 2025 spend |
|---|---|---|---|
| Full-page 1x mos | $ 1,110.00 | 12 | $ 13,320.00 |
| Full-page 2x mos | $ 1,110.00 | 26 | $ 28,860.00 |

**Date:** 11/25/2024

**Draft 2025 Legislative Priorities**

**Proposed Action**
Discussion only.

**Overview**
As the 2025 Minnesota State Legislature gets underway, there will be many legislative initiatives and bills considered. The adoption of legislative priorities is intended to portray the City's positions on a variety of issues and to communicate to Lakeville's residents, legislators, county and state officials, lobbying organizations and other interested parties Lakeville's position on a variety of significant legislative topics.

The legislative priorities are formatted to include two lists of priorities. The first list, Primary Priorities, was developed to focus on the most important issues facing the City that have the greatest chance of receiving attention during the legislative year. The second list, Additional Legislative Priorities, was developed to include legislative priorities and initiatives that are important to track and monitor throughout the legislative session in case these issues arise.

Attached for your review is a redlined copy of the proposed 2025 Legislative Priorities. In addition, staff has included the following list of potential legislative priorities for City Council's consideration:

**Cyber Security**
A Legislative Commission on Cybersecurity was established in 2021 to provide oversight of the state's cybersecurity measures and review and make policy recommendations to state agencies and the legislature to strengthen the state's cybersecurity infrastructure. However, many of the commission recommendations have not yet been implemented, which creates cybersecurity vulnerabilities especially at the local level as many communities lack the necessary tools and capabilities needed to protect their systems. The problem is serious. Each month Minnesota IT Services defends against roughly 27,000 phishing emails and messages across all state agencies and several cities and counties have been recent targets of ransomware attacks as local governments continue to remain particularly vulnerable to cyberattacks. The passage of the federal Infrastructure Investment and Jobs Act of 2021 provided additional federal resources to Minnesota to better prepare the state's preparedness and response to future cyberattacks. However, even with additional federal resources, many cities across the state remain vulnerable to cyberattack and are in need of hardware and software support.

**The City of Lakeville supports state action to identify and strengthen state and local capabilities, including the funding to evaluate state government cyber vulnerabilities,**

**single points of failure, and fixes, and, based on those findings, create an ability for municipal governments to apply for grant funding or assistance to help conduct the same evaluation. Additionally, state and federal policymakers should:**

a. **Seek municipal government input on any direction of state or federal funding that seeks to address cybersecurity preparedness and response and ensure city government participation in any task force or planning committee tasked with directing funding priorities for local government cybersecurity efforts.**
b. **Ensure that any grant program administered by Minnesota IT balances the unique needs of smaller, less-resourced cities and larger cities and base cybersecurity funding opportunities on locally identified needs.**
c. **Avoid unfunded mandates related to data notification breaches by ensuring proactive discussions with lawmakers and state leaders regarding cybersecurity awareness, prevention, remediation and breach notification.**

**Regulation of Massage Therapists**

In the absence of any required statewide standards or regulations, several cities have entered the traditional state domain of health-care licensure by enacting ordinances that require all massage therapists to obtain a local professional license and many cities have also required bricks and mortar establishments to obtain a business license. These ordinances help local law enforcement officers to differentiate between legitimate providers and businesses engaged in sex trafficking and prostitution, as well as provide for health and sanitation standards.

City staff and law enforcement have spent a lot of time and resources conducting statewide criminal background checks; investigating massage therapist accreditation programs to determine legitimacy and credibility; and inspecting and monitoring establishments due to resident complaints and concerns. This has resulted in different procedures, requirements and fee structures across the state. Despite the thorough work of city staff and law enforcement, when an illegitimate business suspects investigation, it will often close down and re-open in a different city. Without any sort of statewide database of these businesses, one city's solution may become another city's problem. Additionally, local law enforcement agencies do not have access to national criminal history data. This has allowed those with criminal convictions in other states related to sex trafficking and prostitution to obtain massage therapy business and/or professional licenses in cities in Minnesota. Allowing access to this information could help cities prevent sex trafficking across state lines.

**The City of Lakeville supports the statewide registration or licensure of massage therapists that would not pre-empt the ability of cities to regulate massage therapy establishments. The city also supports legislation pertaining to the practice of massage therapy that accomplishes the following:**

a. **Helps cities establish legitimacy of providers and businesses applying for a local license to practice, including allowing local law enforcement agencies access to national criminal history databases.**

b. **Prevents individuals from conducting criminal activities such as prostitution and sex trafficking out of establishments operating as massage therapy facilities.**
c. **Improves provider compliance with Minn. Stat. ch. 146A and requires the state to take action in response to noncompliance.**
d. **Protects the public from injury and from other conditions that may result in harm.**

**On-Sale Liquor or Wine Licenses**

Minn. Stat. § 340A.404 defines the establishments to which a city may issue an on-sale intoxicating liquor license. Every year cities see local businesses and organizations with innovative models for event centers, food halls, arenas, boutiques, museums, art spaces, and cultural or community centers that are not clearly named in this statute but would like to obtain a liquor license. Several cities have received special legislation allowing their municipalities to issue on-sale liquor or wine licenses to these types of entities. However, this process interferes with the ability of municipalities to respond expeditiously to innovative business models, control the placement and operating manner of these entities, and limits municipalities from providing licenses for businesses that would generate local tourism and revenue.

**The City of Lakeville supports legislature to modernize and expand the list of establishments in Minn. Stat. § 340A.404 to which municipalities are authorized to issue on-sale liquor or wine licenses, subject to restrictions imposed by the municipality, to allow for innovative business models and economic development within their jurisdiction.**

**Workforce Readiness**

Incumbent worker training and education must be an important component of Minnesota's efforts to improve workforce readiness. By making firms and employees more competitive, incumbent worker training can increase wages, increase employment opportunities, fill skilled worker gaps, and keep jobs and employers in their communities. The Minnesota Job Skills Partnership is one proven tool that provides training to thousands of incumbent workers each year. The City of Lakeville is in favor of legislation to address the following:

a. **Fully fund the Minnesota Job Skills Partnership and other workforce training programs administered by the Department of Employment and Economic Development, the Department of Human Services, and the various education agencies.**
b. **Provide additional flexible funding to local workforce councils, including governments and educational facilities, for the purpose of upgrading the skills and productivity of the workforce, and pursue additional**
c. **creative programming and funding to prepare and place underemployed and unemployed Minnesotans, as well as address the issue of those phasing out of the workplace and retiring; c) Provide additional funding for programs specifically designed to address youth employment such as career and workforce readiness programs, and employment disparities; and**

d. **Continue to support cities that provide workforce programs that are coordinated with and complement state and regional efforts by seeking municipal approval before making any changes to those service areas.**

**Sales Tax on Local Government Purchases**

The local government sales tax exemption enacted in 2013 and expanded in 2014 does not apply to all city purchases. Some purchases for municipal enterprise operations, such as liquor stores and golf courses are excluded from the exemption. In addition, in order to receive the sales tax exemption on construction materials under current law, cities must bid labor and materials separately and also designate a contractor to be a purchasing agent on behalf of the city. The existing Department of Revenue rules (Minn. Rule 8130.1200, subp. 3) are complex and the implementation can be so complicated that it can cost cities more money to implement than they will save on the tax exemption. Finally, although cities currently do not pay the motor vehicle sales tax on marked police vehicles or firefighting vehicles, other city vehicles are not exempt from the motor vehicle sales tax.

The 2021 legislature extended the sales tax refund process under Minn. Stat. § 297A.71 and Minn. Stat. § 297A.75 to contractor purchases of construction materials, supplies and equipment incorporated into public safety buildings for initial construction, remodeling, expansion and improvements for public safety facilities owned by local units of government. The refund process also applies to materials used in related facilities such as access roads, lighting, sidewalks and utility components.

**In order to ensure that taxpayers receive the full benefit of the local government sales tax exemption the following must be implemented:**

a. **The exemption should apply to all purchases made by local units of government.**
b. **The process to receive the exemption for construction materials used in local government projects should be simplified or added to the refund process now available for local government public safety facilities.**
c. **The exemption should be extended to all local government purchases that would otherwise be subject to the motor vehicle sales tax in Minn. Stat. ch. 297B.**

**Supporting Information**

1. Draft 2025 Legislative Priorities

| |
|---|
| **Financial Impact:** $ **Budgeted:** No **Source:**<br>**Envision Lakeville Community Values:**<br>**Report Completed by:** |

City of Lakeville

2025 Legislative Priorities

# DRAFT




Adopted: December ___________

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# Primary Legislative Priorities

A. Downtown Lakeville Social District

The City of Lakeville is requesting the Minnesota State Legislature grant a special provision to allow the City of Lakeville to designate a "Social District" within the Downtown area, modeled after the City of Anoka legislation adopted in 2022.

~~A.~~B. State Mandates on Local Authority:

Lakeville opposes statutory changes which erode local control and authority including, but not limited to:

- Mandates that limit the city's ability to manage our development standards, zoning regulations, and the use of right-of-way.
- Unfunded mandates that cause increased property taxes which impede the city's ability to fund traditional services.
- Regulations prohibiting the imposition of infrastructure fees so new development pays its fair share of the off-site, as well as the on-site, costs of public infrastructure to adequately serve the new development.

~~B.~~C. Post Office Improvements:

In March of 2021 the United States Postal Service released its 10-year plan, 'Delivering for America,' to return the organization to financial sustainability and achieve service excellence while maintaining universal six-day mail delivery and expanding seven-day package delivery. The Lakeville Post Office currently struggles to make consistent daily deliveries to residents, much less expanding to delivery seven days a week. The report indicates the successful implementation of the 10-year plan requires partnership from legislative and regulatory stakeholders. The City of Lakeville has contacted our local elected federal representatives and requested a review of the operations of the Lakeville Post Office. It is essential, for a growing city of over 75,000 residents, that the Federal Government implement improvements to Lakeville's Post Office including the renovation and expansion of the sorting and distribution facility, upgrades to technology, increased staffing and training, and updated vehicle fleet and logistics to provide improved customer service and consistent and reliable handling, sorting and delivery of mail services.

~~C. School Resource Officers:~~

~~Minn. Stat. Ch. 121A governs student rights, responsibilities, and behavior. In 2023, the legislature included provisions in the omnibus education bill amending this chapter to limit the use of force toward students by school resource officers (SROs). The amended law generated conflicting legal~~

~~interpretations and created ambiguity for SROs around when use of certain restraints is authorized in school settings and whether SROs retain the authority to use reasonable force as provided in Minn. Stat. § 609.06. Due to ambiguity in the law and potential civil and criminal liability risks, some local law enforcement agencies suspended or terminated SRO contracts with school districts. Lakeville supports the Legislature and Governor working with stakeholders, including law enforcement, local government, and education organizations, to clarify laws pertaining to the authority SROs have in schools.~~

~~D. Regional Public Safety Training Facility:~~

~~A permanent, dedicated public safety training facility within Dakota County, available to all jurisdictions within the south metro and Greater Minnesota area, would improve training for public safety employees. It would allow for more consistent and routine training opportunities, as well as allowing for employees to maintain certifications. A regional public safety training facility would help ensure our safety personnel have the highest degree of training possible to serve the public. In 2023, the Minnesota Legislature prioritized increasing training and equipment for public safety personnel by passing a bonding bill through which the city received $7,170,000. This amount is to design, construct, furnish, and equip the renovation of an existing building for a new regional public safety training center. The facility will include physical and virtual training areas, tactical training rooms, a firing range, classrooms, and meeting areas. The city has engaged an architect to complete the plans and specifications for constructing the facility with an anticipated project completion in 2025.~~

~~The estimated completion cost is $14-$20 million. Many of the jurisdictions within Dakota County and the south metro area, including Burnsville, Apple Valley, Farmington, Northfield, Eagan, and Rosemount have provided written support for the public safety training facility. This project would have no impact on State Operating Subsidies as the City of Lakeville would own and operate the facility, with the other jurisdictions providing operational support through membership or user fees to ensure the operational costs are shared among the jurisdictions benefiting from the facility. The city seeks additional state and federal funding to close any financial gaps.~~

~~E. Storage of Railroad Cars within Urban Residential Areas:~~

~~An active but little used section of freight railroad track runs through the City of Lakeville. Most of the track runs through residential neighborhoods or are adjacent to residential homes. While the railroad track is classified as an active line, several sections are in poor condition and the track is only used for the storage of inactive rail cars. Expanding rail capacity within industrial areas has the potential to increase development opportunities and addresses the concerns of residential property owners regarding safety and visual blight. The city was awarded $750,000 in Federal Funding (Fiscal Year 2023) for engineering design and $7,000,000 in State Funding for construction. Additional state and federal resources should be provided that will incentivize rail car storage areas within industrial areas and outside of residential neighborhoods.~~

~~F.~~D. Capacity Improvements at County Road 50 and Interstate 35 Bridge:

The City has invested over $22 million dollars in capital infrastructure improvements along the County Road 50 corridor and within the Interstate 35 interchange area in preparation for future safety and capacity improvements at the I-35/CSAH 50 interchange. In addition, the City borrowed $1,830,000 through the Metropolitan Council's Right-of-Way Acquisition Loan Fund (RALF) to acquire a vacant restaurant and an underutilized retail building. Replacing the Interstate 35 bridge (deficient in age and capacity), improving mobility along the Interstate 35 corridor (E-ZPass lanes), and making safety and capacity improvements at the I-35 and CSAH 50 interchange will provide the needed regional infrastructure to extend the METRO Orange Line along the interstate corridor, promote new commercial and industrial development at County Roads 50 & 70, and encourage additional job creation and tax base.

# Additional Legislative Priorities

## Local Control, Municipal Revenue & Taxation

A. Regulation of Adult-Use Cannabis and Cannabinoid Products:

The 2023 legislative session enacted legislation making Minnesota the 23rd state across the country to legalize adult-use cannabis. The new law, ch. 342, created a statewide regulatory framework for adult-use cannabis establishing state-issued licenses for the industry from seed to sale. The regulatory structure includes local regulation, with cities responsible for registering certain cannabis businesses that are licensed by the state and conducting compliance checks. The law requires businesses to comply with local zoning ordinances, authorizes cities to implement license limits, and authorizes cities to implement ordinances to establish a petty misdemeanor for public use of cannabis and cannabinoid products. These authorizations aside, cities have very limited discretion in the regulation of the industry. In addition to the adult-use cannabis market, cities continue to navigate the regulation of cannabinoid products legalized by the 2022 legislative session under chapter. § 151.72. As the Office of Cannabis Management is created and rulemaking is conducted, cities have continued to implement local licenses for the products.

Finally, the new law authorizes cities to impose an interim ordinance to study the issue and restrict, regulate, and prohibit cannabis businesses until January 1, 2025. However, estimates from state agencies and the rulemaking timeline established by law indicates that final rules will not be available until early 2025. The authority to conduct an interim ordinance study should better align with the establishment of rules for the new law to allow cities to properly study the issue. Many questions remain for what is to be seen from the Office of Cannabis Management and the cannabis industry as it is established. Cities will be a critical component of the regulation and enforcement of this industry.

In any future legislation, the following should be considered:

- The timeline authorized for interim ordinances to conduct studies on the adult-use cannabis industry should be extended to better align with the conclusion of rulemaking for ch. 342 to provide adequate time for cities to study the rules once adopted.
- Any legislation considered should be responsive to the needs of cities as they arise from the implementation of this industry, including evaluating and potentially increasing the appropriation provided through the Local Government Cannabis Aid fund to ensure adequate funding for local governments to respond to challenges resulting from the cannabis industry.
- Legislation should increase, and at a minimum maintain, any discretion and local control granted to cities in current legislation.

- The City opposes any proposals to diminish local control related to the cannabis industry.

B. Expansion of Wine and Strong Beer Sales in Grocery/C-Stores:

Lakeville opposes any legislation that would allow the expansion of the sale of wine and strong beer in grocery and convenience stores due to significant detrimental economic impacts on city revenues and the negative affect on preventing drunk driving and underage alcohol sales and consumption. Minnesota law allows grocery stores, gas stations, convenience stores and wherever beer is sold to sell 3.2 beer.

C. Elections:

Cities are essential in administering state and federal election laws and conducting voting activities. To strengthen the effectiveness of election administration, the Legislature should:

- Seek input from cities on proposed changes to voter registration, election law, and needed improvements and updates to the Statewide Voter Registration System (SVRS);
- Provide Cities with ongoing and sufficient funding through the Voting Operations, Technology, and Election Resources Account (VOTER) fund to provide cities with resources to conduct elections and meet the mandated requirements outlined in the statute.
- Provide ongoing resources to cities that administer absentee balloting and early voting for the extended early voting period and additional weekend hours required during a general election.
- Ensure that local government units are fully reimbursed for all anticipated and unanticipated costs of conducting the presidential nomination primary.

D. Met Council Governance:

The 17-member Metropolitan Council has 16 members, who represent geographic districts within the Twin Cities seven-county metropolitan area, with one member serving at large. However, they are all appointed by and serve at the pleasure of the Governor and typically fall within the current governor's party affiliation. To provide a governance structure which is more representative of our respective communities, local governments (cities and counties) should be afforded an opportunity to provide input in the selection process for members who represent local interest in regional planning efforts.

E. Revenue Restrictions:

The City of Lakeville strongly opposes levy limits and other financial restrictions imposed upon local governments. Local taxpayers hold their local elected officials accountable for local government spending and taxing decisions. When the state imposes levy limits, reverse referenda, or other fiscal restraints on local elected officials, it negatively impacts the ability of cities to meet the needs of their residents and removes the autonomy of local officials.

F. Data Practices Act:

The City of Lakeville supports a comprehensive periodic review of the Minnesota Government Data Practices Act (MGDPA) which was first enacted in 1979, over 40 years ago. Times have changed, specifically with technology. In 1979, cities were mainly maintaining data in paper form. Legislators from that time could not have imagined where technology would be today. The MGDPA should be updated to address those changes. The City of Lakeville should support these efforts:

- Provide additional state funding to assist Cities with meeting the increasing complexity of managing government data and records.
- State funding should be provided for statewide data practices training.
- Allow Cities to charge for the staff time required to comply with wide-ranging data requests regardless of where copies of the data are requested.

G. Fiscal Disparity Fund Distribution:

The City of Lakeville supports the Fiscal Disparities Program and any effort to modernize and improve the program to fund the needs of the metro area.

H. Targeting Property Tax Relief Directly to Individuals:

The City of Lakeville supports targeting property tax relief directly to individuals as opposed to direct aid programs like Local Government Aid (LGA), and believes that income, not property value, is the most appropriate measure of "ability to pay" property taxes. Lakeville supports additional property tax relief to those in greatest need by directing dollars to the circuit breaker program from programs such as LGA. The circuit breaker income adjusted property tax relief program provides direct assistance to those homeowners in greatest need, whether those local homeowners reside in a city which receives direct aids from the State.

The City of Lakeville also supports modifications to the homestead market value exclusion program. The general parameters of the program have not changed since 2011 and recent trends in residential home values have significantly reduced the value of the exclusion for many homeowners. The legislature should adjust the program to reflect the increases in market values.

~~I. Earned Sick and Safe Time~~

~~The legislature should amend Minn. Stat. § 181.9445, subd. 5 to incorporate a well defined "public employee" definition, to include unique positions in which there is not a formal employer-employee relationship such as paid on-call fire fighters, election judges, or other non-traditional positions.~~

## Transportation

A. Transportation System Improvement and Maintenance Funding:

The City of Lakeville supports State efforts to bolster financial resources needed to address road, highway, and freight rail improvements. The City of Lakeville also supports efforts to provide cities with adequate tools to fund maintenance and improvements to local roadways. Current levels of funding for roads and highways are inadequate to maintain existing road and highway needs and meet the needs of growing areas such as Lakeville. Lakeville recognizes the need for additional transportation funding statewide and will continue to advocate for additional resources to maintain the State's transportation infrastructure. In addition, cities still lack the authority to use additional tools for city street improvements; such resources continue to be restricted to property taxes and special assessments. It is imperative that alternative authority be granted to municipalities for this purpose to relieve the burden on the property tax system. The City of Lakeville will be financing millions of dollars in street maintenance and reconstruction projects with property taxes over the next several years. Street maintenance and reconstruction projects will be the most significant contributing factors to future property tax increases. This is in addition to millions of dollars in project costs financed from other sources such as special assessments and municipal state-aid street funding.

B. Dan Patch Commuter Rail Corridor:

Lakeville is opposed to any State or Federal funding that supports the study, planning, design or engineering of the Dan Patch Corridor.

## Economic Development

A. Expansion of the Job Creation Fund (JCF) and Minnesota Investment Fund (MIF):

The City of Lakeville supports the expansion of state programs to allow cities the ability to provide competitive incentive packages. The Job Creation Fund provides financial incentives to new and expanding businesses that meet certain job creation and capital investment targets. The Minnesota Investment Fund provides financing to help add new workers and retain high-quality jobs on a statewide basis. Both programs have successfully been used in Lakeville and are needed economic development tools.

The City of Lakeville supports fully funding the Minnesota Job Skills Partnership and other workforce training programs administered by the Department of Employment and Economic Development, the Department of Human Services, and the various education agencies.

B. Expansion of Broadband Highspeed Internet:

Access to highspeed internet is essential for businesses and cities to compete in a global economy. Many commercial and residential areas within Lakeville do not have access to consistent and reliable broadband service. To promote economic development and to insure reliable highspeed broadband internet access the following steps should be implemented:

1. Fully fund the Border-to-Border Broadband Grant Program and continue to encourage public/private sector collaboration.
2. Support measures to authorize and encourage cities and other local units of government to play a direct role in providing broadband infrastructure and/or services.
3. Offer incentives to private sector service providers to respond to local or regional needs and to collaborate with cities and other public entities to deploy broadband infrastructure.
4. Remove barriers, restrict anti-competitive practices that prevent or impede cities, municipal utilities, schools, libraries, and other public sector entities from collaborating and deploying broadband infrastructure and services at the local and regional level.

C. Tax Increment Financing (TIF):

Cities need greater flexibility to use TIF for community and economic development that supports residents and businesses. Further restrictions of TIF would render the tool less effective and hinder local efforts to support job creation, housing and redevelopment. The Legislature should consider expanding the use of TIF to assist in the development of technological infrastructure and products, biotechnology, research, transportation and transit-oriented development, non-retail commercial projects, and modifying the various provisions of existing TIF law to better facilitate redevelopment and housing activities.

## Housing

A. City Role in Housing:

The city values living options for people of all ages and stages of life. Lakeville strives to be a community where residents can live and age in place. Lakeville will accommodate individuals and families at all stages of life and strive to meet the housing, transportation, education, shopping, access to health care and other needs of all demographic groups within the city. Funding for life cycle, workforce and affordable housing is the responsibility of State and Federal governments and should not be borne solely by local property taxpayers. In addition, the city opposes any mandated housing requirements. Cities can facilitate the production and preservation of life cycle, workforce and affordable housing by:

1. Applying for State or Federal funding from applicable grant and loan programs.
2. Working with developers and residents to blend life cycle and affordable housing into new and existing neighborhoods.
3. Establishing standards that encourage lifecycle and affordable housing.

**Date:** 11/25/2024

**2024 Year End Preview & Final 2025 Budget/Tax Levy Discussion**

**Proposed Action**

No formal action required. Staff seeks Council direction on any changes to the 2025 Proposed General Fund Budget and the 2025 Tax Levy.

**Overview**

See attached Memorandum

**Supporting Information**

1. Attachment 1_General Fund Budget Summary
2. Attachment 2_Equipment Plan 2025-2034
3. Attachment 3_Facilities Plan 2025-2034
4. Attachment 4_Technology Plan 2025-2034
5. Attachment 5_Long-term Financial Plan
6. Attachment 6_Market Value Exclusion Change

**Financial Impact:** $ **Budgeted:** Yes **Source:** Property Tax Levy
**Envision Lakeville Community Values:** Good Value for Public Service
**Report Completed by:** Julie Stahl, Finance Director

**City of Lakeville**
**Finance Department**

# Memorandum

| | |
|---|---|
| **To:** | Mayor and Council |
| **From:** | Justin Miller, City Administrator |
| | Julie Stahl, Finance Director |
| **Date:** | November 25, 2024 |
| **Subject:** | 2024 Year End Preview & Final 2025 Budget/Tax Levy Discussion |

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The purpose of this report is to provide the City Council with information regarding financial projections for 2024, the 2025 proposed General Fund budget, the proposed property tax levy to support general services, and long-term financial plan updates.

Challenges to keep in mind for 2025:

- Personnel
  - New positions needed due to community growth as well as phased-in costs associated with mid-year 2025 hires
- Equipment Fund
  - Plan includes issuing debt (approximately $2 million) for equipment replacement in 2030
  - Significant tax levy increase needed in 2026 to achieve pay-as-you-go strategy by 2027
- Technology Fund
  - Established in 2019 with initial transfer of General Fund reserve funds
  - Reserve funds being used to fund 2022, 2023 and 2024
  - Will be funded by property taxes beginning in 2025
- Pavement Management Fund
  - Same levy amount as 2024 – slight increase in 2026 needed to fund pavement maintenance needs
- Trail Improvement Fund
  - Increase in levy needed to fund trail repairs
- Building Fund
  - Increase in 2026 levy needed to fund building improvements/maintenance
- Debt Service Funds
  - Significant increase in levy needed for repayment of debt for improvement projects and improvements related to the Park Bond Referendum
- Estimated tax levy increase in 2026 is about 11%. This increase does reflect an estimate for additional positions due to community growth.

## GENERAL FUND

### 2024 Year End Estimates

Staff has prepared year end revenue and expenditure estimates for the General Fund. The following chart summarizes the impact of those estimates:

| | 2024 Adopted Budget | 2024 Year End Estimate |
|---|---|---|
| Net Change in Fund Balance - (use of reserves) | ($1,528,414) | $(277,011) |
| Ratio: Fund Balance to Next Year (2025) Expenditures | 48.6% | 51.6% |

The 2024 year-end estimate includes assumptions that Staff believe are reasonable. Staff recognizes that actual activity will differ from the assumptions by varying degrees. A few areas that may have greater risk or opportunity from the assumptions are shown below:

| | Assumption | Risk | Opportunity |
|---|---|---|---|
| Building Permit Revenue | 300 SF Units | Currently at 252 SF *(11/19/24)* | Greater than 300 SF Units |
| Building Permit Revenue | 2 Apartment Permits | Currently at 1 *(11/19/24)* | Greater than 9 |
| Investment Income (Net of Fair Value Adjustment) | $311,190 | Rates Increase; Negative Fair Value Adj Increases | Rates Decrease; Negative Fair Value Adj Decreases |
| Snowplowing | Normal Levels for Nov & Dec | Increased number of snow events | Less than normal levels for Nov & Dec |

The City is required to report the value of its investment portfolio at the market value. The General Fund earnings have been included in the 2024 estimates. It is important to note that we typically hold the investments until maturity and therefore, don't realize any loss. The adjustment is recognized on the income statement and does impact the fund balance.

The 2024 year-end estimate reflects increases in revenues from budgeted of fire/police state aid ($262K), and a $50K police cadet training grant. Budget amendments for 2024 variances will be presented in December for council approval.

| | 2024 Adopted Budget | 2024 YE Estimates | Variance Pos/(Neg) |
|---|---|---|---|
| Revenues | $ 38,375,585 | $ 39,664,013 | $ 1,288,428 |
| Expenditures | (40,965,570) | (40,301,648) | 663,922 |
| Transfers In | 1,276,571 | 226,998 | (1,049,573) |
| Transfers Out | (215,000) | (215,000) | - |
| **NET** | **$ (1,528,414)** | **$ (625,637)** | **$ 902,777** |

After 2024 budget amendments are made, expenditures are expected to be within budget and the $664K variance above will be used to reduce the amount of fund balance reserves used. The departments appearing to be over budget for Projected 2024 either have budget amendments to occur or are slated to used fund balance reserves. Although some departments will recognize savings in their 2024 budgets, there were staff retirements in other departments which offset that savings. Also, within this variance is the increase to the Fire Relief Association for their share of the Fire Relief State Aid ($106K higher than estimated).

**2025 Revenue Changes in the General Fund**
The following changes have been incorporated into the current budget presented to you today:

| Revenues | | Totals |
|---|---|---|
| Preliminary (includes Transfers In) – 09/03/2024 | | 42,368,669 |
| Property Taxes | | - |
| Intergovernmental: | | 1,807,848 |
| 2nd Police Cadet State Grant | 50,000 | |
| Police State Aid | 155,222 | |
| Fire Relief State Aid | 87,190 | |
| SAFER Grant | 1,515,436 | |
| **Total** | | **$ 44,176,517** |

**2025 Expenditure Changes in the General Fund**
The following changes have been incorporated into the current budget presented to you today:

| Expenditures | Totals |
|---|---|
| Preliminary (Includes Transfers Out) – 09/03/2024 | $42,319,028 |
| Police - remove duplicate recognition dinner costs | (3,400) |
| Police - hire additional Cadet (via Grant program) | 50,000 |
| Fire - Additional 9 fulltime firefighters (15 new in total) | 907,436 |
| Fire – State aid (Fire Relief) | 87,190 |
| Fire - gear/equip costs not covered by SAFER grant | 141,225 |
| Fire - remove extra cancer coverage; add position grade changes | (8,055) |
| **Total** | **$43,493,424** |

**Fund Balance**
The Fund Balance Policy states that the City will endeavor to maintain an Unrestricted Fund Balance in the General Fund of an amount not less than 40% and not greater than 50% of the next year's budgeted expenditures of the General Fund.

The following table shows the estimated impact on the General Fund reserve balance at year ending 12/31/2025:

| Change ($) | FB/CY Exp | FB/Est 2026 Exp* |
|---|---|---|
| $683,093 | 50.2% | 48.7% |

**2026 expenses include 3% growth & $698k for employee transition costs*

## PROPERTY TAX LEVY

**Impact of Growth, Inflation and Other Factors**

The following chart provides a guide for establishing the 2025 tax levy based on factors that impact the Lakeville community:

| | |
|---|---|
| Growth (New Construction) | 2.8% |
| CPI-U (MSP) * | 3.33% |
| Debt Service | 1.09% |
| Debt Service – Park Ref | 2.41% |
| Total | 9.63% |

** 2023 Annual to July 2024*

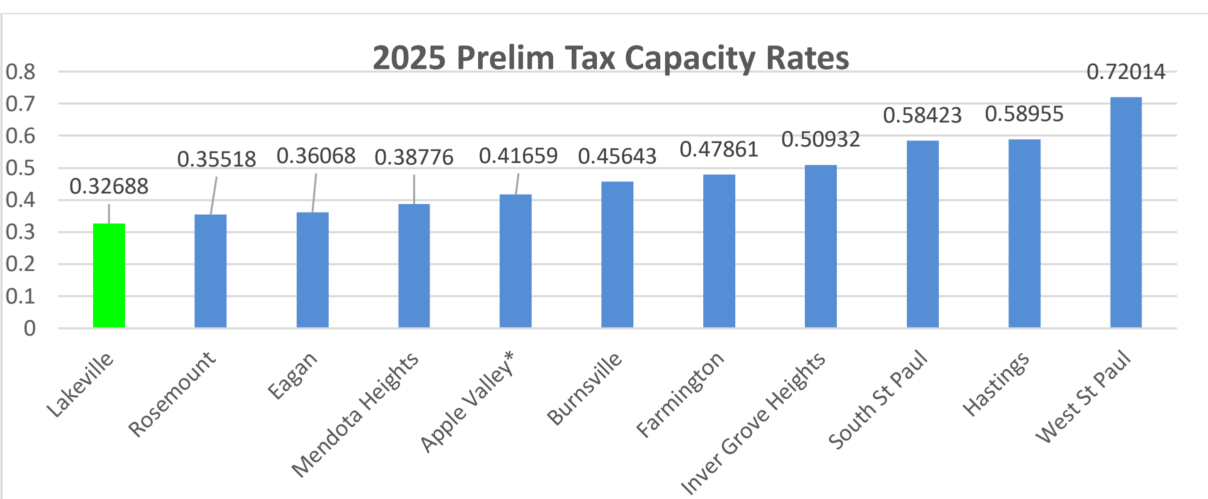
**Proposed Property Tax Levy**

The proposed 2025 property tax levy is comprised of the following components:

The preliminary property tax levy was adopted in September at $48,850,050 which was an increase of $5,253,2500 or 12% from the 2024 tax levy. Staff presented the SAFER grant information (for the 15 fulltime firefighters) to the Finance Committee at their Nov 13th meeting. The committee concurred to keep the proposed tax levy the same as it was adopted in September. They further agreed the City should Commit/Designate the preliminary levy portion intended to cover 6 of the 2025 firefighters (approximately $600K) to the General Fund balance in anticipation for when the grant ends in 2028. A similar approach for years 2026 and 2027 is advised.

The proposed property tax levy reflects a $3.47 million increase for the General Fund to provide public services as the City's population continues to grow. The proposed property tax levy also reflects an increase of $300K tax levy for the Technology Fund, an increase of $100K for the Park Improvement Fund, and an increase of $150K for the Trail Improvement Fund. The proposed levy also includes a $1.24 million increase in the debt levy which includes the impact of the November 2021 approved Park Referendum. The Park Referendum added $1.05M to the 2025 tax levy.

The City tax capacity rate is estimated to increase from 30.213% (2024) to 32.688% in 2025. Lakeville continues to maintain the lowest tax capacity rate among the Dakota County cities:



Market Valuation

Preliminary taxable market values have increased $401 million or 3.2% from 2024 to 2025, of which approximately $341 million or 2.8% is from new construction. Based on the 2024 tax rate, new construction will generate about $1,041,600 in property taxes. A positive change for many homeowners in their 2025 property taxes is the new homestead market value exclusion (MVE) calculation that the MN Department of Revenue enacted. Homesteaded properties with market values between $413,800 and $517,200 would have noticed changes in their Notice of Valuation received in March 2024 from Dakota County. Information from the Department of Revenue on this exclusion change is attached.

Impact on Median Valued Home and Commercial Property

The proposed 2025 City tax levy will result in an estimated $110 increase on the median value home ($450,800) due to both a levy increase, as well as a market value increase as determined by the Dakota County Assessor.

Existing commercial properties in Lakeville, in the aggregate, increased in market value by 10.2%. The proposed 2025 City tax levy will result in an estimated $1,143 annual increase on a commercial property valued at $1 million with a 10.2% increase in value. Individual circumstances will determine the tax burden for each commercial property.

Summary of Changes

Slight changes between the September Council meeting and today are due to the County's updated valuation data received in October.

| | **Preliminary 9/3/2024** | **Proposed 11/25/2024** |
|---|---|---|
| Total Levy | $48,850,050 | $48,850,050 |
| $ Increase in Levy (from 2024) | $5,253,250 | $5,253,250 |
| % Increase in Levy (from 2024) | 12.05% | 12.05% |
| Estimated Tax Rate | 32.692% | 32.688% |
| Lakeville Median Value Home | $451,150 | $450,800 |
| Increase in City portion of property taxes: | | |
| Median Valued Home | $131.78/yr<br>$10.98/mo | $109.54/yr<br>$9.13/mo |
| Commercial Property ($1 million value) | $840/yr | $762/yr |

## FINANCIAL SUSTAINABILITY AND RESILIENCY

In January 2020, the City Council approved the Financial Sustainability and Resiliency Policy. The key principles of the Policy included:

- Proactively plan for the service needs of the community, the maintenance of existing assets, the protection of natural resources and environment, etc.;
- Implement funding at a level which includes the full cost of providing services to the community and maintenance, replacement and upgrade of existing assets (Pay-As-You-Go Strategy);

- Establish financial resiliency by establishing sufficient reserve and funding levels.

Staff requests that the City Council consider the principles of this Policy when they finalize the 2025 budget and tax levy.

General Fund Reserve Balance

The current projected fund balance for 2024 yearend is within the policy range of 40-50% and is projected to stay within the range for 2025 yearend. There are multiple reasons for avoiding too much drawdown of reserve balances in future years:

- Economic uncertainties could result in higher property tax delinquencies. One percent of the General Fund property tax revenue is $330K.
- The 2025-2029 CIP reflects significant property tax increases needed in 2026 to maintain our existing infrastructure and replace vehicles and equipment. General Fund reserves could be used to mitigate some of the pressure on the following property tax increases needed:
    - Building fund - $200,000
    - Communication fund - $200,000
    - Equipment fund - $1,800,000
    - Trail Improvement Fund - $200,000
    - Pavement Management Fund - $300,000
    - Park Improvement - $575,000
- With the significant growth the community is and has been experiencing, resources are needed to maintain the current level of services.
- Maintain the City's Aaa bond rating.

Having a higher fund balance provides some flexibility in achieving the target taxation levels and the resilience to respond to economic uncertainties.

Long-Term Financial Projections

Attached to this memo is a table which shows the projected property tax levy, tax capacity and tax rate based on the 2025 proposed budgets and the adopted 2025-2029 Capital Improvement Plan (CIP). It reflects debt levies associated with existing debt as well debt that we anticipate issuing for projects in the CIP.

The purpose for providing this table is to show the council what the impact is estimated to be for property taxation based on planned projects and community growth, achieving a pay-as-you-go strategy for equipment replacement, etc. and complying with city-approved financial metrics/fund balance policy.

Revenue assumptions include conservative adjustments (1%-2%) in various categories and increases in property tax to maintain minimum fund balance levels.

Expenditure assumptions include inflationary adjustments for personnel, commodities and other charges and services. They also include the addition of staffing and corresponding operating costs due to the continued growth of the community.

Tax base growth assumptions include 315 single family (SF) residential units in 2024 and 2025 as well as future years; apartment housing constructed in 2024; and continued commercial and industrial square footage added each year.

There is significant pressure on the property tax in 2025-2027. In addition to funding for the General Fund, significant increases are needed for debt service payments and capital project funds (i.e. Equipment replacement, pavement management, trail improvement, etc.)

The tax capacity rate is projected to stay low (.30 to .36) with the increases in property tax levies and continued growth in the tax base.

## BUDGET SCHEDULE

| | |
|---|---|
| Nov 25 | Workshop – Final Budget Review |
| Dec 2 | Meeting – Public Budget Meeting (Truth in Taxation) / Adopt 2025 Budget and 2025 Tax Levy; Adopt 2025 Fee Schedule; Authorize Purchase and Disposal of Vehicles and Equipment; |

## COUNCIL DIRECTION

Staff is seeking direction regarding the final 2025 property tax levy and budgets to prepare the resolutions for the December 2, 2024 council meeting.

Attachments: 1) General Fund Budget Summary
2) Equipment Plan – Dated 11/25/2024
3) Facilities Plan – Dated 11/25/2024
4) Technology Plan – Dated 11/25/2024
5) Long-Term Financial Plan Summary – Dated 9/16/24 (excerpt from Northland report presented at 9/23/2024 work session)
6) Market Value Exclusion (MN DOR) – changes for taxes Payable 2025

**CITY OF LAKEVILLE, MINNESOTA**
General Fund Proposed 2025 Budget
Schedule of Revenues, Expenditures and Changes in Fund Balances
For the Year Ending December 31, 2024

| | 2023 Actual | 2024 Adopted Budget | 2024 Amended Budget | Updated 2024 Estimate | 2025 Proposed Budget | Change from 2024 Adopted Budget | | Change from 2024 Estimate | |
|---|---|---|---|---|---|---|---|---|---|
| Revenues | | | | | | (Amount) | (Percent) | (Amount) | (Percent) |
| General property taxes | $ 26,701,304 | $ 29,821,150 | $ 29,821,150 | $ 29,821,150 | $ 33,300,000 | $3,478,850 | 11.7% | $3,478,850 | 11.7% |
| Licenses and permits | 3,489,815 | 3,262,810 | 3,262,810 | 3,165,563 | 3,259,689 | (3,121) | -0.1% | 94,126 | 3.0% |
| Intergovernmental | 3,739,684 | 1,596,841 | 1,596,841 | 1,952,383 | 3,478,938 | 1,882,097 | 117.9% | 1,526,555 | 78.2% |
| Charges for services | 3,418,509 | 3,095,470 | 3,116,470 | 3,587,144 | 3,139,012 | 43,542 | 1.4% | (448,132) | -12.5% |
| Special assessments | 5,189 | | | | | | | | |
| Court fines | 238,097 | 240,000 | 240,000 | 240,000 | 240,000 | - | 0.0% | - | 0.0% |
| Investment income | 730,171 | 311,190 | 311,190 | 800,000 | 500,000 | 188,810 | 60.7% | (300,000) | -37.5% |
| Miscellaneous | 210,252 | 48,124 | 48,124 | 97,773 | 88,878 | 40,754 | 84.7% | (8,895) | -9.1% |
| Total revenues | 38,533,021 | 38,375,585 | 38,396,585 | 39,664,013 | 44,006,517 | 5,630,932 | 14.7% | 4,342,504 | 10.9% |
| Expenditures | | | | | | | | | |
| General government | | | | | | | | | |
| Mayor and Council | 125,368 | 138,400 | 131,455 | 138,137 | 126,321 | (12,079) | -8.7% | (11,816) | -8.6% |
| Committees/Commissions | 132,694 | 135,989 | 135,989 | 143,099 | 143,422 | 7,433 | 5.5% | 323 | 0.2% |
| City administration | 592,838 | 647,060 | 574,094 | 655,772 | 587,089 | (59,971) | -9.3% | (68,683) | -10.5% |
| City Clerk/Elections | 197,360 | 359,100 | 361,688 | 353,942 | 225,579 | (133,521) | -37.2% | (128,363) | -36.3% |
| Legal counsel | 74,170 | 87,000 | 87,000 | 87,000 | 87,000 | - | 0.0% | - | 0.0% |
| Community/Econ.Develop | 1,176,970 | 1,205,148 | 1,217,588 | 1,047,235 | 1,089,649 | (115,499) | -9.6% | 42,414 | 4.1% |
| Inspections | 1,904,395 | 2,013,354 | 2,022,239 | 1,891,531 | 1,918,122 | (95,232) | -4.7% | 26,591 | 1.4% |
| General Gov't Facilities | 575,850 | 731,407 | 625,598 | 732,804 | 669,991 | (61,416) | -8.4% | (62,813) | -8.6% |
| Finance | 1,161,686 | 1,375,778 | 1,357,531 | 1,341,179 | 1,235,639 | (140,139) | -10.2% | (105,540) | -7.9% |
| Information Technology | 721,996 | 1,063,469 | 890,579 | 1,090,716 | 989,146 | (74,323) | -7.0% | (101,570) | -9.3% |
| Human Resources | 664,244 | 944,856 | 752,523 | 985,671 | 688,489 | (256,367) | -27.1% | (297,182) | -30.2% |
| Insurance | 250,000 | 250,000 | 250,000 | 250,000 | 250,000 | - | 0.0% | - | 0.0% |
| Public safety | | | | | | | | - | 0% |
| Police | 14,540,176 | 15,580,253 | 15,708,243 | 15,624,010 | 17,227,952 | 1,647,699 | 10.6% | 1,603,942 | 10.3% |
| Fire | 2,892,792 | 3,519,424 | 3,533,205 | 3,697,527 | 5,588,299 | 2,068,875 | 58.8% | 1,890,772 | 51.1% |
| Public works | | | | | | | | - | 0% |
| Engineering | 784,377 | 1,206,320 | 983,805 | 895,068 | 946,722 | (259,598) | -21.5% | 51,654 | 5.8% |
| Forestry | 526,501 | 597,159 | 597,159 | 593,825 | 680,154 | 82,995 | 13.9% | 86,329 | 14.5% |
| Construction Services | 587,436 | 622,584 | 622,584 | 478,232 | 701,328 | 78,744 | 12.6% | 223,096 | 46.7% |
| Streets | 4,024,180 | 4,461,925 | 4,340,712 | 4,373,189 | 4,409,718 | (52,207) | -1.2% | 36,529 | 0.8% |
| Parks and recreation | | | | | | | | - | 0% |
| Parks | 3,386,961 | 3,734,783 | 3,757,266 | 3,792,247 | 3,768,652 | 33,869 | 0.9% | (23,595) | -0.6% |
| Recreation | 1,029,098 | 1,056,799 | 1,060,869 | 1,076,625 | 1,126,418 | 69,619 | 6.6% | 49,793 | 4.6% |
| Arts Center | 1,016,290 | 984,762 | 984,762 | 1,053,839 | 1,033,734 | 48,972 | 5.0% | (20,105) | -1.9% |
| Other (Personnel/Contingency) | - | 250,000 | 3,676 | - | - | (250,000) | -100.0% | - | 0% |
| Total expenditures | 36,365,382 | 40,965,570 | 39,998,565 | 40,301,648 | 43,493,424 | 2,527,854 | 6.2% | 3,191,776 | 7.9% |
| Excess (deficiency) of revenues over expenditures | 2,167,639 | (2,589,985) | (1,601,980) | (637,635) | 513,093 | 3,103,078 | -119.8% | 1,150,728 | -180.5% |
| Other financing sources (uses) | | | | | | | | | |
| Transfer from other funds | 472,170 | 1,276,571 | 342,998 | 226,998 | 170,000 | (1,106,571) | -86.7% | (56,998) | -25.1% |
| Transfer to other funds | (2,353,880) | (215,000) | (215,000) | (215,000) | - | 215,000 | -100.0% | 215,000 | -100.0% |
| Total Other Financing Srcs (Uses) | (1,881,710) | 1,061,571 | 127,998 | 11,998 | 170,000 | (891,571) | -84.0% | 158,002 | 1316.9% |
| Net change in fund balance | 285,929 | (1,528,414) | (1,473,982) | (625,637) | 683,093 | 2,211,507 | -144.7% | 1,308,730 | -209.2% |
| Fund balance, January 1 | 22,007,407 | 22,372,990 | 22,234,058 | 22,372,990 | 21,747,353 | (625,637) | -2.8% | (625,637) | -2.8% |
| Inventory Adjustment | 79,654 | - | - | - | - | - | 0% | - | 0% |
| Fund balance, December 31 | $ 22,372,990 | $ 20,844,576 | $ 20,760,076 | $ 21,747,353 | $ 22,430,446 | $1,585,870 | 7.6% | $ 683,093 | 3.1% |
| *Unrestricted Fund Bal, Dec 31* | *$ 22,093,422* | *$ 20,565,008* | *$ 20,480,508* | *$ 21,467,785* | *$ 21,830,446* | | | | |
| Ratio: Fund Bal to CY expends | 60.8% | 50.2% | 51.2% | 53.3% | 50.2% | | | | |
| Ratio: Fund Bal to NY expends | 54.8% | 47.3% | 47.1% | 49.4% | 48.7% | | | | |

| | Funding | 2024 ADOPTED | 2023 CF+ 2024 Est'd | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2025 - 2034 Totals |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Use of Funds:** | | | | | | | | | | | | | | |
| Facilities | GEN FUND | $ - | $ - | $ 59,977 | $ 33,401 | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ 93,378 |
| Arts Center | GEN FUND | 36,000 | - | - | - | - | - | - | - | - | - | - | - | - |
| City Clerk | EQ FUND | 20,003 | 20,003 | - | 318,000 | - | - | - | 23,604 | - | - | - | - | 341,604 |
| Comm. Develop Code | GEN FUND | 30,900 | - | - | - | - | - | - | - | - | - | - | - | - |
| Inspections | GEN FUND | 34,245 | 34,245 | - | - | 43,600 | - | - | 47,200 | 48,400 | 49,600 | 50,800 | 52,000 | 291,600 |
| Police | EQ FUND | 946,035 | 820,983 | 520,434 | 663,800 | 969,023 | 724,890 | 1,264,623 | 822,659 | 970,720 | 985,189 | 604,558 | 601,073 | 8,126,969 |
| *PD Equipment delay* | EQ FUND | (188,238) | - | 187,524 | (112,560) | 557,560 | | | | | | | | 632,524 |
| Fire | EQ FUND | 775,563 | 55,463 | 943,963 | 2,390,300 | 34,880 | 157,920 | 172,500 | 5,900 | 536,437 | - | 82,550 | 136,500 | 4,460,950 |
| *Fire Equipment delay* | EQ FUND | (720,100) | - | (750,000) | (1,957,000) | 375,000 | | | 2,332,000 | | | | | - |
| Engineering | GEN FUND | - | - | - | - | - | - | 57,500 | 59,000 | - | - | - | - | 116,500 |
| Construction Services | GEN FUND | - | - | 65,495 | 69,425 | 54,500 | - | 32,174 | 59,000 | - | - | - | - | 280,593 |
| Streets | EQ FUND | 1,137,139 | 1,183,081 | 1,364,179 | 1,098,925 | 1,578,395 | 1,282,726 | 635,618 | 961,260 | 1,247,361 | 1,362,155 | 852,324 | 795,939 | 11,178,883 |
| Forestry | GEN FUND | - | | 54,044 | 57,287 | - | - | - | - | - | 33,644 | - | - | 144,974 |
| Parks | EQ FUND | 420,240 | 496,879 | 593,647 | 611,157 | 742,333 | 716,699 | 339,965 | 249,892 | 394,081 | 299,126 | 746,870 | 488,647 | 5,182,417 |
| Env. Resources | ENV RES | - | - | - | - | 33,756 | - | - | - | - | - | 36,596 | - | 70,353 |
| Communications | COMM | 41,500 | 41,500 | 33,000 | 45,000 | 45,000 | 40,000 | 52,000 | 80,400 | 45,000 | 25,000 | 40,000 | 45,000 | 450,400 |
| Utilities | UTILITY | 120,433 | 120,433 | 124,579 | 366,743 | 127,705 | 128,494 | 389,674 | 332,537 | 668,751 | 407,629 | 1,397 | - | 2,547,509 |
| Liquor | LIQUOR | - | - | - | - | - | - | - | - | 30,250 | 25,142 | 40,640 | - | 96,032 |
| Total Use of Funds | | 2,653,720 | 2,772,587 | 3,196,842 | 3,584,477 | 4,561,752 | 3,050,729 | 2,944,053 | 4,973,452 | 3,941,000 | 3,187,485 | 2,455,736 | 2,119,159 | 34,014,686 |
| **Source of Funds:** | | | | | | | | | | | | | | |
| Interest Earnings (2%) | | 103,172 | 103,172 | 53,566 | 22,252 | 22,255 | 25,366 | 24,639 | 31,288 | 33,221 | 32,882 | 34,009 | 30,724 | 310,202 |
| Annual Levy | | - | - | - | 1,800,000 | 3,200,000 | 1,500,000 | 1,600,000 | 1,000,000 | 2,000,000 | 1,600,000 | 1,000,000 | 1,000,000 | 14,700,000 |
| **Transfers in:** | | | | | | | | | | | | | | |
| Liquor Fund Contribution | | 500,000 | 500,000 | 900,000 | 850,000 | 850,000 | 980,000 | 780,000 | 780,000 | 780,000 | 780,000 | 780,000 | 780,000 | 8,260,000 |
| Env Res Fund Contribution | | 40,500 | 40,500 | 40,500 | 40,500 | 40,500 | 40,500 | 40,500 | 48,700 | 48,700 | 48,700 | 48,700 | 48,700 | 446,000 |
| **Coded directly to another fund:** | | | | | | | | | | | | | | |
| Funding outside Equipment Fund [1] | | | | | | | | | | | | | | |
| *General Fund* | | 121,148 | 34,245 | 179,516 | 160,112 | 98,100 | - | 89,674 | 165,200 | 48,400 | 49,600 | 50,800 | 52,000 | 893,401 |
| *Communications Fund* | | 41,500 | 41,500 | 33,000 | 45,000 | 45,000 | 40,000 | 52,000 | 80,400 | 45,000 | 25,000 | 40,000 | 45,000 | 450,400 |
| *Environmental Res Fund* | | - | - | - | - | 33,756 | - | - | - | - | - | 36,596 | - | 70,353 |
| *Water & Sewer Funds* | | 120,433 | 120,433 | 124,579 | 366,743 | 127,705 | 128,494 | 389,674 | 332,537 | 668,751 | 407,629 | 1,397 | - | 2,547,509 |
| **Other financing sources** | | | | | | | | | | | | | | |
| Auction/Sale Proceeds | | 448,000 | 324,000 | 300,000 | 300,000 | 300,000 | 300,000 | 300,000 | 300,000 | 300,000 | 300,000 | 300,000 | 300,000 | 3,000,000 |
| Equipment Certificates | | - | - | - | - | - | | - | 2,332,000 | - | - | - | - | 2,332,000 |
| Total Source of Funds | | 1,374,753 | 1,163,850 | 1,631,160 | 3,584,607 | 4,717,317 | 3,014,360 | 3,276,487 | 5,070,125 | 3,924,072 | 3,243,811 | 2,291,502 | 2,256,424 | $ 33,009,865 |
| **Change in Fund Balance** | | (1,278,967) | (1,608,737) | (1,565,682) | 130 | 155,564 | (36,369) | 332,433 | 96,673 | (16,928) | 56,326 | (164,234) | 137,265 | $ (1,004,821) |
| **Beginning Fund Balance [2]** | | 5,158,608 | 4,287,037 | $2,678,300 | 1,112,618 | 1,112,748 | 1,268,313 | 1,231,944 | 1,564,377 | 1,661,050 | 1,644,122 | 1,700,448 | 1,536,214 | |
| **Ending Fund Balance [2]** | | $3,879,641 | $2,678,300 | $1,112,618 | $1,112,748 | $1,268,313 | $1,231,944 | $1,564,377 | $1,661,050 | $1,644,122 | $1,700,448 | $1,536,214 | $1,673,479 | |

*1. "Funding outside the Equipment Fund" Individual fund's sources/uses NET to zero.*
*2. The fund balance shown is for the Equipment Fund (Which does not include any funding from the other funds listed under "Funding outside Equipment Fund)*
*3. Fire engines are estimated to be 24 months out from delievery; estimating 1/2 cost in 12 months from date of order and balance at the end of 24 months; ladder truck is estimated to be 27 months (i.e. order in 2024, 1/2 payment in 2025 remainder in 2*

| | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 2024-2033 CIP Adopted | | 3,592,958 | 4,780,024 | 3,533,332 | 3,310,006 | 2,819,026 | 3,063,335 | 3,827,972 | 3,291,268 | 3,421,306 | 2,386,532 | - | 34,025,759 |
| Variance | | (820,371) | (1,583,182) | 51,145 | 1,251,746 | 231,703 | (119,282) | 1,145,480 | 649,732 | (233,821) | 69,204 | 2,119,159 | (11,073) |

**CITY OF LAKEVILLE**
**2025 - 2034 FACILITY PLAN**

*Council Work Session*
11/25/2024

| | 2024 Adopted | 2023 CF + 2024 Est'd | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2025 - 2034 Totals |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Use of Funds:** | | | | | | | | | | | | | |
| Art Center- Performing Arts | $ 14,500 | $ 64,500 | $ 210,000 | $ 90,000 | $ 135,000 | $ - | $ 2,368 | $ 125,000 | $ 250,000 | $ - | $ - | $ - | $ 812,368 |
| Art Center- Fine Arts (ALC building) | 40,000 | 40,000 | 20,000 | - | 570,000 | - | - | - | - | - | - | - | 590,000 |
| Heritage Center | 29,000 | 29,000 | 748,000 | - | - | 108,000 | 96,160 | 40,000 | 75,000 | 40,000 | - | - | 1,107,160 |
| Central Maintenance Facility | 473,850 | 325,842 | 458,000 | 356,000 | 17,660,000 | 300,000 | 797,704 | - | 40,000 | 21,000 | - | - | 19,632,704 |
| City Hall | 539,110 | 689,110 | 105,000 | 100,000 | - | 135,000 | 17,051 | 70,000 | 30,000 | 125,000 | - | - | 582,051 |
| Fire Station #1 | 20,000 | - | 275,000 | - | - | 20,791,940 | - | - | - | - | - | - | 21,066,940 |
| Fire Station #2 | 32,000 | 12,000 | - | 20,268,200 | - | - | - | - | - | - | - | - | 20,268,200 |
| Fire Station #3 | 28,000 | 8,000 | - | - | 20,330,800 | - | - | - | - | - | - | - | 20,330,800 |
| Fire Station #4 | 20,000 | 100,000 | 18,000 | 7,000 | 30,000 | - | 124,700 | - | - | 120,000 | - | - | 299,700 |
| Police Station | 80,000 | 67,500 | 80,000 | 275,000 | - | 15,000 | 133,875 | 25,000 | 600,000 | 165,000 | - | - | 1,293,875 |
| *Heritage Liquor Store* | 108,300 | 108,300 | - | - | - | 65,000 | - | 8,000 | 25,000 | 65,000 | - | - | 163,000 |
| *Galaxie Liquor Store* | 93,500 | 222,220 | 120,000 | - | - | - | - | 331,570 | 65,000 | 50,000 | - | - | 566,570 |
| *Kenrick Liquor Store* | 62,000 | 62,000 | - | 40,000 | - | - | - | 31,629 | - | 120,000 | 26,000 | - | 217,629 |
| *Keokuk Liquor Store* | 31,000 | 31,000 | 40,000 | - | - | - | - | - | 10,000 | 45,000 | 65,000 | - | 160,000 |
| Public Safety Training Facility | 14,000,000 | - | 24,000,000 | - | - | - | - | - | - | - | - | - | 24,000,000 |
| Water Treatment Facility | 452,500 | 444,500 | 4,500,000 | 863,000 | 21,750,000 | 140,000 | 179,960 | 65,000 | - | 15,000 | - | - | 27,512,960 |
| Total Use of Funds | $ 16,023,760 | $ 2,203,972 | $ 30,574,000 | $ 21,999,200 | $ 60,475,800 | $ 21,554,940 | $ 1,351,818 | $ 696,199 | $ 1,095,000 | $ 766,000 | $ 91,000 | $ - | $ 138,603,957 |
| **Source of Funds:** | | | | | | | | | | | | | |
| Interest Earnings (2%) | $ 13,257 | $ 13,257 | $ 52,355 | $ 44,016 | $ 36,918 | $ 18,397 | $ 8,391 | $ 3,549 | $ 18,227 | $ 10,869 | $ 14,230 | $ 27,462 | $ 234,414 |
| Annual Levy (Building Fund) | - | - | - | 200,000 | 250,000 | 300,000 | 350,000 | 400,000 | | | | | 1,500,000 |
| General Fund Contribution | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Liquor Fund Contribution | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Antenna Rental | 502,341 | 502,341 | 482,113 | 497,247 | 512,873 | 531,236 | 571,356 | 590,347 | 608,875 | 628,198 | 647,373 | 650,175 | 5,719,793 |
| Unencumbered 20XX GF | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Communications Fund Contribution | - | - | - | - | - | - | - | - | - | - | - | - | - |
| *Liquor Fund* [1] | 244,800 | 423,520 | 160,000 | 40,000 | - | 65,000 | - | 371,199 | 100,000 | 280,000 | 91,000 | - | 1,107,199 |
| *Water & Sewer Operating Funds* | 452,500 | 444,500 | 1,125,000 | 488,000 | 10,250,000 | 140,000 | 179,960 | 65,000 | - | 15,000 | - | - | 12,262,960 |
| *Water & Sewer Trunk Funds / Bonds* [1] | - | - | 3,375,000 | 375,000 | 11,500,000 | - | - | - | - | - | - | - | 15,250,000 |
| *Env Resources Transfer* | | | | | | | | | | | | | - |
| Franchise Fees (reduce Fire station bonds) | - | - | - | 4,238,250 | 4,671,184 | 3,356,387 | - | - | - | - | - | - | 12,265,821 |
| Energy Rebates | 50,000 | 50,000 | | - | - | - | - | - | - | - | - | - | - |
| Other/Partnership | 14,000,000 | 800,000 | 7,170,000 | - | - | - | - | - | - | - | - | - | 7,170,000 |
| *Bond Proceeds - Ice Arena* [1] | - | - | - | - | - | - | - | - | - | - | - | - | - |
| *Bond Proceeds - CMF/Fire/First* | - | - | 17,792,608 | 15,761,750 | 32,328,816 | 16,643,613 | - | - | - | - | - | - | 82,526,787 |
| *Other Ice Arena* | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total Source of Funds | $ 15,262,898 | $ 2,233,618 | $ 30,157,076 | $ 21,644,263 | $ 59,549,791 | $ 21,054,633 | $ 1,109,707 | $ 1,430,095 | $ 727,102 | $ 934,067 | $ 752,603 | $ 677,637 | $ 138,036,974 |
| **Change in Fund Balance** | $ (760,862) | $ 29,646 | $ (416,924) | $ (354,937) | $ (926,009) | $ (500,307) | $ (242,111) | $ 733,896 | $ (367,898) | $ 168,067 | $ 661,603 | $ 677,637 | $ (566,983) |
| **Beginning Fund Balance** [2] | $ 998,001 | $ 2,588,094 | $ 2,617,740 | $ 2,200,816 | $ 1,845,879 | $ 919,870 | $ 419,563 | $ 177,452 | $ 911,348 | $ 543,450 | $ 711,517 | $ 1,373,120 | |
| **Ending Fund Balance** [2] | $ 237,139 | $ 2,617,740 | $ 2,200,816 | $ 1,845,879 | $ 919,870 | $ 419,563 | $ 177,452 | $ 911,348 | $ 543,450 | $ 711,517 | $ 1,373,120 | $ 2,050,757 | |

*1. The Liquor Fund, Water/Sewer Funds and the Ice Arena sources/uses NET to zero.*
*2. The fund balance shown is for the Building Fund (Which does not include Liquor, Water/Sewer and Ice Arena)*

| | 2024 Adopted | 2023 CF + 2024 Est'd | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2025 - 2034 Totals |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 2024-2033 CIP Adopted | 15,509,650 | 15,509,650 | 3,462,900 | 1,483,500 | 33,057,800 | 760,800 | 1,679,758 | 732,199 | 1,222,000 | 1,162,000 | 91,000 | - | 59,161,607 |
| Variance | 514,110 | (13,305,678) | 27,111,100 | 20,515,700 | 27,418,000 | 20,794,140 | (327,940) | (36,000) | (127,000) | (396,000) | - | - | 79,442,350 |

**CITY OF LAKEVILLE**
**2025 - 2034 TECHNOLOGY PLAN**

*Council Work session*
**11/25/2024**

| | 2024 ADOPTED | 2024 Estimate | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2025 - 2034 Totals |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Use of Funds:** | | | | | | | | | | | | | |
| Administration | $ - | $ - | $ 8,141 | $ 7,454 | $ 10,046 | $ 2,280 | $ - | $ 3,467 | $ 2,492 | $ 5,312 | $ 2,643 | $ - | $ 41,836 |
| Arts Center | - | - | 1,298 | 1,493 | - | 6,144 | 2,349 | 1,505 | 1,730 | - | 7,122 | 2,723 | 24,364 |
| Building Inspection | - | - | 7,280 | 4,657 | 18,845 | - | - | 8,440 | 5,399 | 21,847 | - | - | 66,468 |
| Comm/Econ Development | - | | 8,753 | 1,660 | 3,254 | - | - | 10,147 | 1,924 | 3,773 | 1,362 | 351 | 31,222 |
| Engineering | 7,300 | 6,899 | 2,448 | 9,908 | 3,254 | 9,019 | 10,401 | 2,838 | 10,844 | 4,433 | 10,456 | 3,290 | 66,892 |
| Facilities Maintenance | 2,153 | 7,003 | 537 | 1,660 | - | - | 1,866 | 623 | 1,924 | - | - | 2,163 | 8,773 |
| Finance | - | - | 8,753 | 6,674 | 3,446 | 4,923 | - | 17,936 | 6,132 | 3,995 | 6,388 | - | 58,246 |
| Fire | 8,786 | 9,432 | 24,043 | 13,956 | 8,155 | 13,694 | 1,153 | 27,873 | 5,357 | 31,141 | 4,338 | 1,336 | 131,047 |
| Forestry | 2,152 | 1,404 | 1,075 | 3,319 | 570 | 1,174 | - | - | 5,131 | - | 681 | 1,402 | 13,353 |
| Heritage Center | - | - | 2,747 | 4,167 | - | 4,945 | - | 3,185 | 4,831 | - | 5,733 | - | 25,609 |
| Human Resources | - | | 10,271 | 652 | 2,053 | - | 7,563 | 11,907 | - | 1,601 | - | 826 | 34,874 |
| *Information Technology* | - | | 2,112 | 2,142 | 14,572 | - | - | 2,137 | 2,483 | 16,892 | - | 1,052 | 41,390 |
| *Construction Services* | 9,659 | 5,497 | 5,866 | 1,660 | - | - | 3,443 | 6,177 | 1,924 | - | - | 5,315 | 24,384 |
| *Park & Rec Administration* | - | - | 1,449 | - | 7,384 | 2,534 | 7,563 | 1,680 | - | 8,560 | 5,661 | - | 34,831 |
| Parks Maintenance | 515 | - | 3,224 | 6,305 | 1,627 | 7,109 | 2,419 | 1,869 | 5,385 | 3,869 | 2,796 | 5,609 | 40,211 |
| Police | 236,885 | 82,579 | 330,953 | 18,914 | 137,119 | 41,171 | 317,682 | 3,817 | 171,606 | 4,788 | 41,150 | 139,973 | 1,207,172 |
| Streets Maintenance | 7,869 | 4,817 | 8,576 | 2,675 | 5,451 | 3,523 | 8,684 | 9,319 | 3,101 | 5,659 | 681 | 12,872 | 60,539 |
| Arenas | - | - | 1,843 | 1,337 | 3,402 | 1,497 | 1,500 | 2,137 | 1,550 | 3,944 | 1,736 | 1,739 | 20,686 |
| Communications | - | - | 3,687 | 2,675 | 2,589 | - | - | 4,274 | 3,101 | 3,001 | - | - | 19,326 |
| Liquor | - | - | 63,319 | 28,475 | 92,550 | 587 | - | 49,523 | 7,129 | 81,295 | 1,361 | 701 | 324,940 |
| Environmental Resources | 1,448 | - | 1,917 | 1,107 | 4,130 | 587 | - | 1,599 | 642 | 6,109 | - | 701 | 16,792 |
| Utilities | 3,183 | 1,130 | 83,465 | 2,046 | 8,491 | 7,760 | 4,981 | 5,386 | 1,730 | 10,504 | 5,592 | 5,774 | 135,730 |
| ERP** | 275,000 | 275,000 | - | - | - | - | - | - | - | - | - | - | - |
| Fiber for sirens '(w/ street projects) | | 33,333 | - | | | | | | | | | | |
| Network Infrastructure | 150,849 | 150,000 | 25,000 | 160,076 | 360,171 | 582,140 | 55,000 | 246,727 | 86,837 | 314,191 | 666,099 | 55,000 | 2,551,240 |
| Miscellaneous | - | - | 5,150 | 5,305 | 5,464 | - | - | - | - | - | - | - | 15,918 |
| Total Use of Funds | $ 705,799 | $ 577,094 | $ 611,908 | $ 288,314 | $ 692,574 | $ 689,088 | $ 424,603 | $ 422,565 | $ 331,252 | $ 530,914 | $ 763,800 | $ 240,828 | $ 4,995,846 |
| **Source of Funds:** | | | | | | | | | | | | | |
| Interest Earnings (2%) | $ 10,058 | $ 10,058 | $ 4,308 | $ 1,400 | $ 3,251 | $ 3,626 | $ 4,211 | $ 5,225 | $ 7,444 | $ 9,711 | $ 11,050 | $ 7,699 | $ 57,925 |
| Annual Levy | - | - | 300,000 | 300,000 | 500,000 | 550,000 | 450,000 | 400,000 | 400,000 | 400,000 | 400,000 | 400,000 | 4,100,000 |
| **Transfers in:** | | | | | | | | | | | | | |
| *General Fund* | 215,000 | 215,000 | | - | - | - | - | - | - | - | - | - | - |
| *Communications Fund* | 7,300 | 7,300 | 4,155 | 5,244 | 8,269 | 9,043 | 854 | 8,106 | 4,450 | 7,882 | 10,347 | 854 | 59,204 |
| *Liquor Fund* | 59,500 | 59,500 | 67,710 | 52,559 | 145,798 | 85,365 | 8,010 | 85,454 | 19,775 | 127,051 | 98,366 | 8,711 | 698,799 |
| *Environmental Resources* | 4,600 | 4,600 | 2,385 | 3,676 | 9,810 | 9,630 | 854 | 5,432 | 1,991 | 10,990 | 10,347 | 1,555 | 56,670 |
| *Utility Billing (share of ERP)* | 59,537 | 59,537 | - | - | - | - | - | - | - | - | - | - | - |
| *Utility (Water Fund)* | 14,200 | 14,200 | 43,065 | 8,328 | 20,395 | 29,593 | 4,920 | 13,591 | 4,701 | 19,130 | 32,217 | 5,317 | 181,254 |
| *Utility (Sewer Fund)* | 14,200 | 14,200 | 43,065 | 8,328 | 20,395 | 29,593 | 4,920 | 13,591 | 4,701 | 19,130 | 32,217 | 5,317 | 181,254 |
| **Coded directly to another fund:** | | | | | | | | | | | | | |
| *Lakeville Arenas* | - | - | 1,843 | 1,337 | 3,402 | 1,497 | 1,500 | 2,137 | 1,550 | 3,944 | 1,736 | 1,739 | 20,686 |
| | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total Source of Funds | $ 384,395 | $ 384,395 | $ 466,530 | $ 380,871 | $ 711,320 | $ 718,346 | $ 475,269 | $ 533,535 | $ 444,611 | $ 597,837 | $ 596,280 | $ 431,191 | $ 5,355,791 |
| **Change in Fund Balance** | $ (321,404) | $ (192,699) | $ (145,377) | $ 92,557 | $ 18,746 | $ 29,258 | $ 50,667 | $ 110,970 | $ 113,359 | $ 66,923 | $ (167,520) | $ 190,363 | $ 359,946 |
| **Beginning Fund Balance** | $ 502,905 | $ 408,084 | $ 215,385 | $ 70,008 | $ 162,565 | $ 181,311 | $ 210,569 | $ 261,236 | $ 372,205 | $ 485,564 | $ 552,487 | $ 384,967 | |
| **Ending Fund Balance** | $ 181,501 | $ 215,385 | $ 70,008 | $ 162,565 | $ 181,311 | $ 210,569 | $ 261,236 | $ 372,205 | $ 485,564 | $ 552,487 | $ 384,967 | $ 575,331 | |
| | | | | | | | | | | | | | |
| 2024-2033 CIP | | 705,798 | 369,338 | 160,121 | 547,476 | 635,924 | 388,363 | 333,234 | 316,024 | 515,843 | 692,888 | n/a | 4,665,009 |
| Change | | (128,704) | 242,570 | 128,193 | 145,098 | 53,164 | 36,240 | 89,331 | 15,228 | 15,071 | 70,912 | 240,828 | 330,837 |

## PROPERTY TAX LEVY, TAX CAPACITY, AND TAX RATE

| | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 |
|---|---|---|---|---|---|---|---|---|---|---|
| **TAX LEVY** | | | | | | | | | | |
| General Fund | 29,509,650 | 32,977,000 | 33,966,752 | 36,546,789 | 36,998,680 | 38,049,048 | 40,124,569 | 41,651,977 | 43,233,068 | 44,069,697 |
| Debt Service Funds | 11,537,150 | 12,773,050 | 12,799,409 | 13,431,240 | 15,791,366 | 15,586,722 | 14,755,729 | 13,550,294 | 12,998,414 | 12,854,130 |
| Building Fund | - | - | 200,000 | 250,000 | 300,000 | 350,000 | 400,000 | - | - | - |
| Equipment Fund | - | - | 1,800,000 | 3,200,000 | 1,500,000 | 1,600,000 | 1,000,000 | 2,000,000 | 1,600,000 | 1,000,000 |
| Communications Fund | - | - | 200,000 | 250,000 | 300,000 | 300,000 | 350,000 | 425,000 | 450,000 | 450,000 |
| Trail Improvement Fund | 400,000 | 550,000 | 750,000 | 2,150,000 | 650,000 | 650,000 | 650,000 | 650,000 | 650,000 | 650,000 |
| Park Improvement Fund | 350,000 | 450,000 | 1,025,000 | 675,000 | 950,000 | 675,000 | 675,000 | 675,000 | 675,000 | 675,000 |
| Technology Fund | - | 300,000 | 300,000 | 500,000 | 550,000 | 450,000 | 400,000 | 400,000 | 400,000 | 400,000 |
| Pavement Management Fund | 1,800,000 | 1,800,000 | 2,100,000 | 2,300,000 | 2,300,000 | 2,400,000 | 2,500,000 | 2,600,000 | 2,700,000 | 2,700,000 |
| Improvement Construction Fund | - | - | 155,000 | 155,000 | 155,000 | 155,000 | 155,000 | 155,000 | 155,000 | 155,000 |
| **TAX LEVY** | **43,596,800** | **48,850,050** | **53,296,161** | **59,458,029** | **59,495,047** | **60,215,770** | **61,010,298** | **62,107,271** | **62,861,482** | **62,953,828** |
| *Annual % Change* | *9.62%* | *12.05%* | *9.10%* | *11.56%* | *0.06%* | *1.21%* | *1.32%* | *1.80%* | *1.21%* | *0.15%* |
| Fiscal Disparities Distribution | 3,521,814 | 3,928,377 | 4,006,945 | 4,087,083 | 4,168,825 | 4,252,202 | 4,337,246 | 4,423,991 | 4,512,470 | 4,602,720 |
| Net Spread Levy | 40,074,986 | 44,921,673 | 49,289,216 | 55,370,946 | 55,326,222 | 55,963,569 | 56,673,052 | 57,683,280 | 58,349,011 | 58,351,108 |
| *Annual % Change* | *11.1%* | *12.1%* | *9.7%* | *12.3%* | *-0.1%* | *1.2%* | *1.3%* | *1.8%* | *1.2%* | *0.0%* |
| **TAX CAPACITY** | | | | | | | | | | |
| Tax Capacity before New Construction | 137,773,924 | 144,115,010 | 151,531,936 | 156,728,494 | 162,921,849 | 169,001,536 | 174,483,091 | 180,121,385 | 185,922,969 | 191,891,314 |
| Tax Capacity from New Construction | 4,592,748 | 4,445,712 | 2,123,450 | 2,998,809 | 2,765,931 | 2,060,319 | 2,106,502 | 2,156,035 | 2,205,770 | 2,259,651 |
| Total Tax Capacity | 142,366,672 | 148,560,722 | 153,655,386 | 159,727,303 | 165,687,780 | 171,061,854 | 176,589,594 | 182,277,420 | 188,128,739 | 194,150,965 |
| Less Fiscal Disparities TC Contribution | 8,872,467 | 10,309,804 | 10,516,000 | 10,726,320 | 10,940,846 | 11,159,663 | 11,382,857 | 11,610,514 | 11,842,724 | 12,079,579 |
| Less TIF Captured Tax Capacity | 854,791 | 843,321 | 860,187 | 877,391 | 628,440 | 515,351 | 405,497 | 413,607 | 421,879 | 430,316 |
| **NET TAX CAPACITY** | **132,639,414** | **137,407,597** | **142,279,199** | **148,123,592** | **154,118,493** | **159,386,840** | **164,801,240** | **170,253,300** | **175,864,136** | **181,641,070** |
| *Annual % Change* | *9.10%* | *3.59%* | *3.55%* | *4.11%* | *4.05%* | *3.42%* | *3.40%* | *3.31%* | *3.30%* | *3.28%* |
| **TAX CAPACITY TAX RATE** | **0.3021** | **0.3269** | **0.3464** | **0.3738** | **0.3590** | **0.3511** | **0.3439** | **0.3388** | **0.3318** | **0.3212** |
| *Annual % Change* | *1.8%* | *8.2%* | *6.0%* | *7.9%* | *-4.0%* | *-2.2%* | *-2.1%* | *-1.5%* | *-2.1%* | *-3.2%* |

# Homestead Market Value Exclusion

The Market Value Exclusion reduces the taxable market value for property classified as homestead. By decreasing the taxable market value, net property taxes are also decreased. For more information about homestead, see Homestead Classification.

> **Note**: For taxes payable in 2024 the maximum exclusion amount is $30,400 for properties valued at $76,000, with no exclusion for properties valued over $413,800.
>
> For taxes payable in 2025 the maximum exclusion amount was increased to $38,000 for properties valued at $95,000, with no exclusion for properties valued over $517,200. Manufactured homes may be eligible for the larger exclusion for taxes payable in 2024.

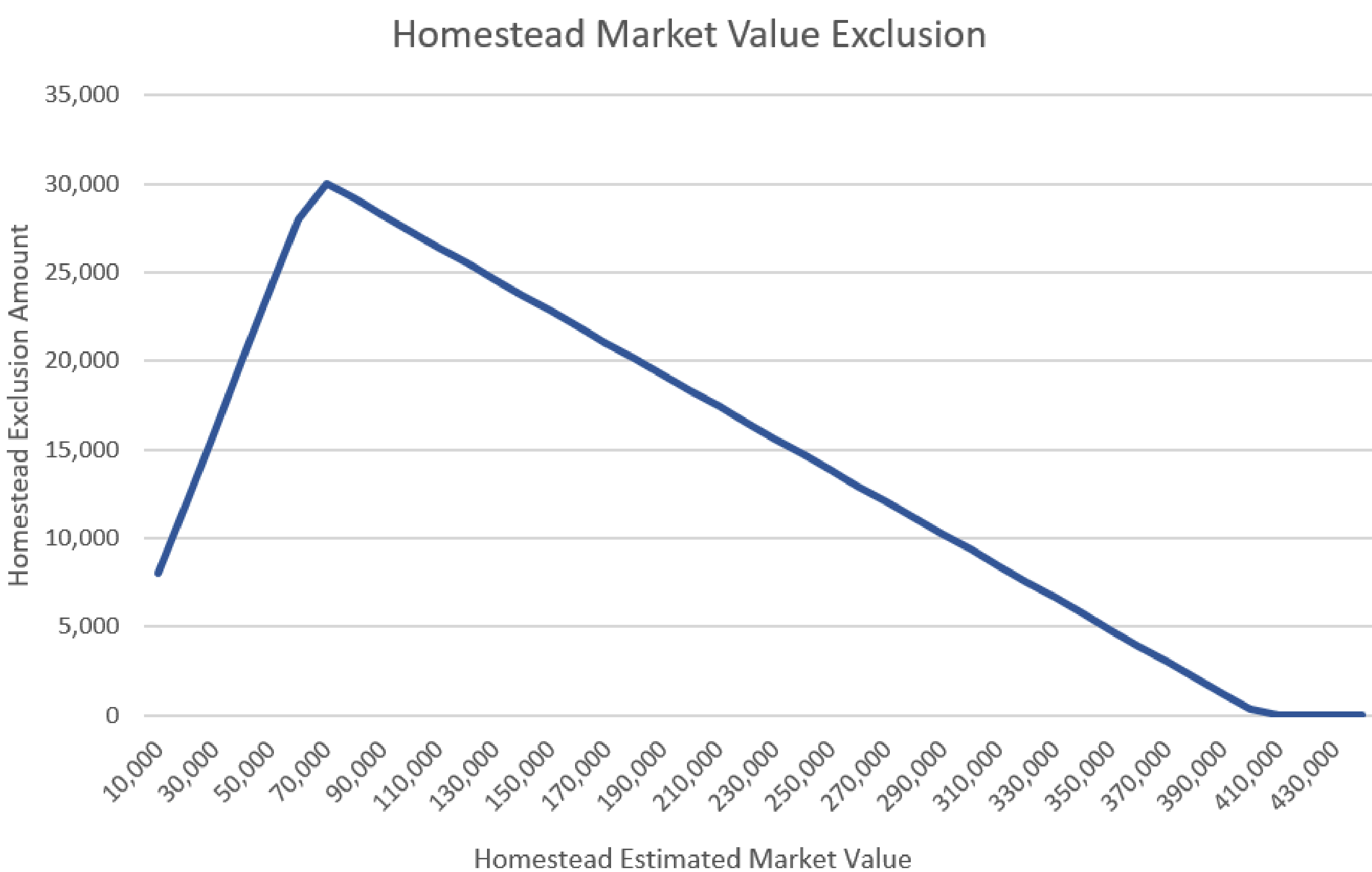
### How the Exclusion Works

The exclusion reduces the taxable market value of qualifying homestead properties. By decreasing the taxable market value, net property taxes are also decreased.

### How the Exclusion is Calculated for Taxes Payable in 2024

For homesteads valued at $76,000 or less, the exclusion is 40% of the market value, creating a maximum exclusion of $30,400. The exclusion is reduced as property values increase, and phases out for homesteads valued at $413,800 or more.

Properties that are partial homesteads (for example, when only one of two owners lives there) will have a reduced exclusion.

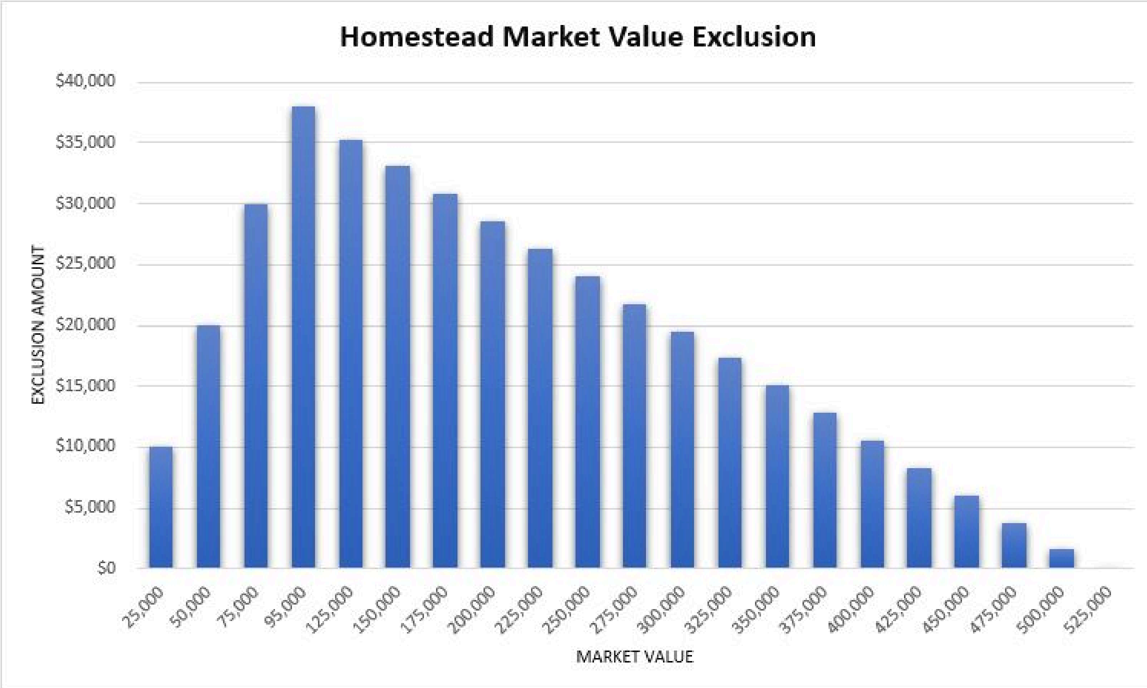



### How the Exclusion is Calculated for Taxes Payable in 2025 and Beyond

**For taxes payable in 2025:**

For homesteads valued at $95,000 or less, the exclusion is 40% of the market value, creating a maximum exclusion of $38,000. The exclusion is reduced as property values increase and phases out for homesteads valued at $517,200 or more.

Properties that are partial homesteads (for example, when only one of two owners lives there) will have a reduced exclusion.




### Examples

### Example 1: A residential homestead with an estimated market value of $280,000

Since this property has a value over $95,000 we need to determine the amount of value over $95,000. Next, we multiply that amount by 9% to determine the reduction from the maximum of $38,000. This example has an exclusion amount of $21,350.

Homestead Market Value Exclusion Calculation:

1. Initial/Maximum Exclusion: $95,000 x 40% = $38,000
2. Value over $95,000: $280,000 – $95,000 = $185,000
3. Benefit Reduction Amount: $185,000 x 9% = $16,650
4. Final Exclusion Amount: $38,000 – $16,650 = $21,350
5. Taxable Market Value: $280,000 - $21,350 = $258,650

As you can see, this reduces the property's taxable value from $280,000 to $258,650.

### Example 2: Residential homestead with an estimated market value of $350,000.

The value of the property has increased therefore the exclusion amount for this property will be reduced.

Since this property has a value over $95,000, we need to determine the amount of value over $95,000. Next, we multiply that amount by 9% to determine the reduction from the maximum of $38,000. This example has an exclusion amount of $15,050.

Homestead Market Value Exclusion Calculation

1. Initial/Maximum Exclusion: $95,000 x 40% = $38,000
2. Value over $95,000: $350,000 – $95,000 = $255,000
3. Benefit Reduction Amount: $255,000 x 9% = $22,950
4. Final Exclusion Amount: $38,000 – $22,950 = $15,050
5. Taxable Market Value: $350,000 - $15,050 = $334,950

As you can see, this reduces the property's taxable value from $350,000 to $334,950.

**Date:** 11/25/2024

**3rd Quarter 2024 Financial Report**

**Proposed Action**
No formal action required. For discussion only.

**Overview**
The attached financial report and analysis offers readers a narrative overview of the financial activities of the City for the 3rd quarter of 2024.

**Supporting Information**
1. 2024 3rd Qtr Financial Report

**Financial Impact:** $ **Budgeted:** Yes **Source:** General,Communications, Liquor, Utility funds
**Envision Lakeville Community Values:** Good Value for Public Service
**Report Completed by:** Julie Stahl, Finance Director

## FINANCIAL HIGHLIGHTS:

The following financial report and analysis offers readers a narrative overview of the financial activities of the City for the nine-month period ended September 30, 2024. This report includes the General Fund, Communications Fund, Liquor Fund and Utility Operating Funds. The readers are encouraged to consider the information presented here in conjunction with the unaudited financial statements attached to this report, the adopted budget, and the five-year Capital Improvement Plan.

❖ **General Fund - Revenues**

❖ *Property tax revenues.*

- Tax payments from Dakota County are received in two installments in June and December. The General fund property tax revenues are anticipated to be $29.8 million for 2024.

❖ *Licenses and Permits.*

- Building permit revenues are within budget estimates through the third quarter. The following chart shows how the number of permits issued in the third quarter compared to the same period in 2023 and the 2024 adopted budget:

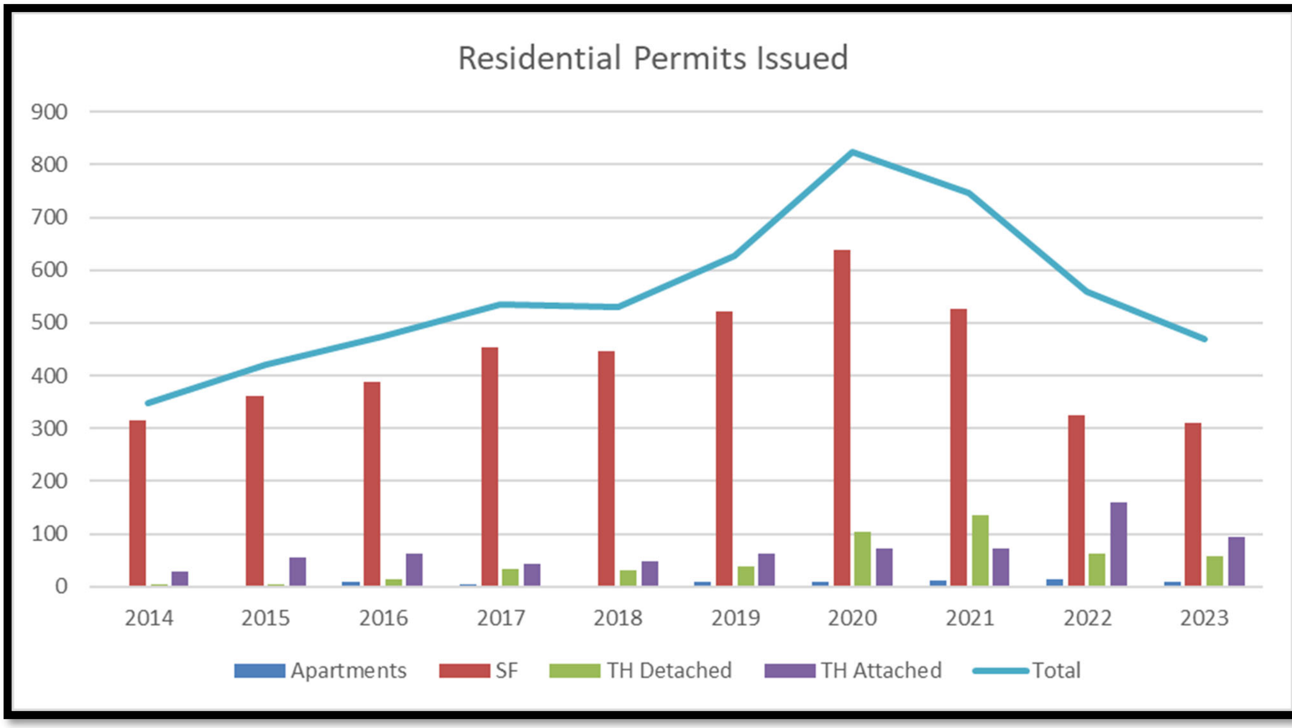
| Permit Type | YTD 3rd Quarter 2023 | 2024 Adopted Budget | YTD 3rd Quarter 2024 |
|---|---|---|---|
| Single Family | 243 | 300 | 220 |
| Townhome | 109 | 140 | 87 |
| Apartments (Units) | 9 (252 units) | 2 (243 units) | 1 (89 units) |
| Commercial | 8 | 4 | 4 |
| Industrial | 2 | 2 | 1 |

- Year-to-date permits issued through November 19, 2024 are as follows:
  - Single Family – 252
  - Townhome – 127
  - Commercial - 5

**FINANCIAL HIGHLIGHTS (continued):**

❖ *Historical Building Permits*

- As shown in the chart below building permits for single family had record breaking years in 2019, 2020 and 2021. Permits are trending to a steady growth as seen in years past. The mix of permit types is changing to include a mix of townhomes and apartment complexes.




❖ *Intergovernmental – at 114% of budget.*

- Police state aid revenues of $797,698 exceeds budget estimates by $155,222. Fire state aid revenue of $682,405 exceeds budget estimates by $106,526.
- Other grant revenues through the third quarter amounted to $340,000. These grants include police post board grant, firefighter safety training grants, police vest reimbursements, Arts Center grant, DARTS and senior chores funding.

❖ *Charges for Services – at 91% of budget.*

- *General government services* are in line with the budget and higher than the previous year. $134,000 has been received for fiscal agent fees from Dakota 911 and Lakeville Arenas which is down $2,600 over the previous year related to ERP implementation costs.

- *Public Safety* revenues are in line with the budget. Security services are up slightly compared to the same time in 2023. SRO contributions are up from 2023 due to changes in staffing of the SRO Officers. The current fire contract with Eureka Township expires at the end of 2024. City staff are working on a renewal and updating fees to be consistent with state formula guidance and reflecting the fulltime firefighters that have been added. The 2024 fee of $51,825 was billed out in June of the current year.

## FINANCIAL HIGHLIGHTS (continued):

- *Public works* revenues are based mainly on summer construction projects. Revenues are higher than annual estimates. Engineering developer contract administration is recognized as revenue when collected with the development contract. In the first three quarters of 2024 $512,000 has been received which is $238,000 higher than the same period in 2023.

- *Parks and Recreation* revenues are up $200,000 from the prior year and under budget estimates.

❖ *Court Fines – at 74% of budget.*

- Revenues from court fines ($178,000) represent 74 percent of the budget estimates and are up $18,000 from the same period in 2023. Court fine revenues and the membership fees paid to the Dakota 911 are both impacted by the number of CAD calls. Moderate increases are anticipated.

### ❖ General Fund - Expenditures

Total expenditures are roughly $3.7 million greater than 3Q 2023 YTD and are 74 percent of the 2024 budget. Factoring in the net ($1.67M) Transfers In/(Out) recorded in 2023 makes for a $2M comparative difference. General Fund staff overhead allocations for Communications and Enterprise funds are now shown as expenditure reductions within the various General Fund departments rather than Transfers-In.

❖ *Personnel.* Expenditures for the third quarter for personnel are at 75 percent of the 2024 budget. Numerous employee vacancies and transitions have resulted in lower cost than expected.

❖ *Motor Fuels.* Motor fuels through September 30 are at 66 percent of the 2024 Budget. Fuel expense is $163,000 less than the same period in 2023 as fuel costs continue to fluctuate. The City does have a contract for fuel prices in place to mitigate some of the price increases.

❖ *Street Chemicals.* 2024 salt purchases are $26,000 lower than the same period in 2023 and are at 81 percent of the annual budget. Purchases at the end of the 2023-2024 winter season will be stored at the central maintenance facility and will be utilized in the late fall if needed. Current salt storage is at capacity and staff does not anticipate needing to replenish any reserves in 2024.

❖ *Utilities.* Electric costs are $100,000 lower than for the same period in 2023. Energy saving improvements in lighting are contributing to the decrease. Natural gas costs are $57,000 lower than the same period in 2023. Combined electric and natural gas costs are at 45 percent of budget.

❖ *Mayor and Council.* Expenditures are consistent with the same period in 2023.

## FINANCIAL HIGHLIGHTS (continued):

- **General Fund - Expenditures (continued)**

  - *City Administration.* Expenditures are lower than prior year due to community survey and update to the Envision Lakeville report that occurred in 2023.

  - *City Clerk.* Expenditures are higher compared to the prior year due to the election in the current year. The County billed for election equipment costs in the second quarter of 2024.

  - *Legal.* Legal fees are 89 percent of the budget. Expenditures are higher than the same period in 2023.

  - *Community and Economic Development.* Expenditures are 68 percent of budget and slightly lower than the previous year. The departments Community and Economic Development and Planning have consolidated starting in 2024.

  - *Inspections.* Third quarter salaries are within budget and lower than the previous year due to transition between Building Officials. Contractual electrical inspections are higher by $146,000 over the prior year which correlates to the increase in permit revenues.

  - *General Government Facilities.* Salaries are up over the same period in 2023 and are expected to be within budget. Commodities and other charges and services are under the budget but are expected to be within the adopted 2024 budget.

  - *Finance Department.* Personnel costs are higher than budget and higher than the same period in 2023 due to step increases. Commodities are under the prior year and budget due to equipment for temporary staff to assist with the ERP in 2023. Other charges and services are higher than 2023 but are expected to be within the 2024 adopted budget.

  - *Information Technology.* Overall expenditures are at 79% of the adopted 2024 budget. Timing of annual maintenance agreements can impact the expense comparison each year.

  - *Human Resources.* Personnel costs are higher than budget (83%) and higher than the same period in 2023 due to transition costs due to retirement of HR Manager in first quarter of 2024. Professional fees are lower than the prior year due to ERP-related transition costs for upgrading NEOGOV and beginning the setup of the UKG time and attendance software in the first quarter of 2023.

## FINANCIAL HIGHLIGHTS (continued):

- ❖ *Police.* Personnel services are within budget and higher than the previous year by $1M due to new staff additions that were approved in the 2023 and 2024 budgets.

- ❖ *Fire*. Personnel services are under budget (at 61%) and higher than the previous year by $488K due to the addition of 6 full-time firefighters at the end of the second quarter. Firefighter pay is contingent on the number of fire calls during the year and is expected to fluctuate as the department continues to expand into a hybrid model of both paid on call and full-time staff. Commodities are lower than prior year due to acquisition of wireless headsets (14) and a chest compression device in first quarter of 2023.

- ❖ *Engineering/GIS.* Personnel services are lower than budget estimates (at 70%) due to employee vacancies and transition as the department continues to fill the vacancies. This is contributing to the increase in professional engineering fees needed to complete projects.

- ❖ *Forestry.* Personnel services are within budget estimates and higher than the previous year due to new staff transitioning through steps.

- ❖ *Construction Services.* Personnel services are below budget at 56% due to employee vacancies.

- ❖ *Streets.* Personnel services are within budget and lower than the prior year due to decreases in overtime cost related to snow events. Commodities are under the prior year due to less chemicals purchased at the end of the 2023/2024 winter season. All unused chemicals are stored for use in the fall. The salt storage is currently at capacity.

- ❖ *Parks.* Personnel services are slightly over budget due to the retirement and transition of Park and Recreation directors. Overall expenditures are within budget at 75%.

- ❖ *Recreation and Arts Center.* Expenses are within budget in the third quarter but are exceeding the prior year. Arts Center expenses are exceeding the prior year due to added costs associated with the Art Board Grant awarded in 2023 and employee transitions in the first quarter.

❖ **Communications Fund**

- ❖ Revenues from Franchise fees are received on a quarterly basis. They are typically received by the end of the month following the quarter. Revenues continue to be lower than historical and have trended down $55,000 from the prior year as there are other options for residents to utilize for their entertainment.

- ❖ Expenditures are over budget estimates and are down $28,000 over the same period in 2023 and within budget estimates.

❖ **Liquor Fund**

- ❖ Sales through the third quarter amounted to $16.5 million which is a 0.37 percent decrease over the same period in 2023. Decrease in average sale per customer are accounting for the decrease. Gross profit is at 28.5 % in 2024 versus 27.5% in 2023.

- ❖ Total operating expenditures are at 76.5% of budget appropriations and are higher than the same period in 2023.

- ❖ 2024 Transfers include a $500,000 transfer to the Equipment Fund; $400,000 to the Debt Service Fund for the police station bonds (final maturity - February 2032); $350,000 to the Debt Service Fund for the Keokuk Liquor Store; $30,000 for the 2024 fireworks and $59,500 to the Technology Fund.

- ❖ Capital outlay consists of a tenant improvement at Heritage, parking lot mill and overlay and rooftop unit replacements at Galaxie, exterior sign replacement at Kenrick and exterior sign and landscaping for the Emporium Room at Keokuk liquor store.

❖ **Water Fund**

- ❖ Water revenues through the first three quarters for the year are lower than the same period in 2023 and are under budgeted revenues. The last few years have been a drier weather pattern and starting in spring of 2024 the weather changed to a wetter pattern thus reducing the irrigation usage. There was an increase in customer base and a decrease of 563M gallons billed compared to the same period in 2023. Water rates increased 3% and were implemented on February 1, 2024.

- ❖ Operating expenditures are under budget estimates (at 61%).

- ❖ The following projects are planned as part of the 2024 major maintenance budget. The gross project amounts are shown below:
  - Water meter replacement residential & commercial - $100,000
  - Watermain replacements - $655,000
  - Water tower cleaning, inspection, repairs $1,245,000
  - Well and pump rehabilitations - $350,000
  - Chlorine scrubber and water production- $452,500

❖ **Sewer Fund**

- ❖ Sewer revenues are exceeding budget expectations and are up over the same period in 2023. Similar to water revenues, sewer revenues increased as a result of the increased customer base.

- ❖ Disposal charges paid to Metropolitan Council of Environmental Services increased 6.8 percent over the 2023 rates and are projected to be $5.4 million for 2024.

- ❖ Operating expenditures are at budget estimates (at 75%).

- ❖ The following projects are planned as part of the 2024 Sewer Fund major maintenance budget. The gross project amounts are shown below:
  - Sewer line improvements - $375,000
  - I/I mitigation repairs -$825,000
  - Lift station rehabilitation - $70,000

❖ **Street Lighting Fund**

- ❖ Revenues are exceeding budget and are up over the same period in 2023 due to increase in customer base.

- ❖ Streetlight rates did not increase for 2024.

- ❖ Expenditures are higher than budget appropriations (at 81%).

- ❖ No major maintenance projects planned for 2024.

❖ **Environmental Resources Fund**

- ❖ Revenues are slightly higher than budget estimates and are slightly higher than the same period in 2023. Environmental Resources rates did not increase in 2024.

- ❖ Intergovernmental grant revenues are budgeted at $609,346 for several restorations budgeted as follows:

  - o Aquatic invasive species – Dakota County funding $45,000
  - o Urban water conservation program – Met Council funding - $9,346
  - o CP 24-XX Greenridge Park Water quality improvements - $500,000
  - o Lake management treatments – DNR funding - $55,000

  The request for funding will be made once the final contract payments are made in the fourth quarter.

- ❖ Personnel expenditures are higher than budget due to new employee transitioning between steps. Contractual expenditures are tracking below budget estimates and are typical for the third quarter. Various projects are still currently in progress or have not been started resulting in lower expenses compared to the budget.

**General Fund**
**Summary Statement of Revenues, Expenditures and Changes in Fund Balances**
**For the Nine Month Period Ended September 30, 2024**

| | 2024 Adopted Budget | 2024 Amended Budget | 9/30/24 Actual | Variance from Amended Budget Positive (Negative) | Actual Percent | Comparative 9/30/2023 Actual | Comparative Variance from 2023 Actual Positive (Negative) | |
|---|---|---|---|---|---|---|---|---|
| Revenues | | | | | | | | |
| General property taxes | $ 29,821,150 | $ 29,821,150 | $ 15,795,158 | $ (14,025,992) | 53.0% | $ 14,368,128 | $ 1,427,030 | 109.9% |
| Licenses and permits | 3,262,810 | 3,262,810 | 2,421,134 | (841,676) | 74.2% | 2,882,528 | (461,394) | 84.0% |
| Intergovernmental | 1,596,841 | 1,596,841 | 1,822,165 | 225,324 | 114.1% | 1,454,709 | 367,456 | 125.3% |
| Charges for services | 3,095,470 | 3,116,470 | 2,845,821 | (270,649) | 91.3% | 2,480,473 | 365,348 | 114.7% |
| Court fines | 240,000 | 240,000 | 178,456 | (61,544) | 74.4% | 160,569 | 17,887 | 111.1% |
| Investment income | 311,190 | 311,190 | 233,393 | (77,798) | 75.0% | 124,481 | 108,912 | 187.5% |
| Miscellaneous | 48,124 | 48,124 | 109,616 | 61,492 | 227.8% | 119,766 | (10,150) | 91.5% |
| Total revenues | 38,375,585 | 38,396,585 | 23,405,743 | (14,990,843) | 61.0% | 21,590,654 | 1,815,089 | 108.4% |
| Expenditures | | | | | | | | |
| Mayor and Council | 138,400 | 131,455 | 74,803 | 56,652 | 56.9% | 79,372 | 4,569 | 94.2% |
| Committees and Commissions | 135,989 | 135,989 | 135,109 | 880 | 99.4% | 131,433 | (3,676) | 102.8% |
| City Administration | 647,060 | 574,094 | 491,833 | 82,261 | 85.7% | 507,190 | 15,357 | 97.0% |
| City Clerk | 359,100 | 361,688 | 245,386 | 116,302 | 67.8% | 101,660 | (143,726) | 241.4% |
| Legal Counsel | 87,000 | 87,000 | 77,123 | 9,877 | 88.6% | 49,566 | (27,557) | 155.6% |
| Community and Econ. Developmer | 1,205,148 | 1,217,588 | 830,504 | 387,084 | 68.2% | 836,983 | 6,479 | 99.2% |
| Inspections | 2,013,354 | 2,022,239 | 1,254,786 | 767,453 | 62.0% | 1,151,563 | (103,223) | 109.0% |
| General Government Facilities | 731,407 | 625,598 | 474,866 | 150,732 | 75.9% | 492,284 | 17,418 | 96.5% |
| Finance | 1,375,778 | 1,357,531 | 1,132,749 | 224,782 | 83.4% | 896,164 | (236,585) | 126.4% |
| Information Systems | 1,063,469 | 890,579 | 695,543 | 195,036 | 78.1% | 718,690 | 23,147 | 96.8% |
| Human Resources | 944,856 | 932,107 | 692,349 | 239,758 | 74.3% | 628,450 | (63,899) | 110.2% |
| Insurance | 250,000 | 250,000 | 206,250 | 43,750 | 82.5% | 187,500 | (18,750) | 110.0% |
| Police | 15,580,253 | 15,708,243 | 11,525,033 | 4,183,211 | 73.4% | 10,221,683 | (1,303,350) | 112.8% |
| Fire | 3,519,424 | 3,533,205 | 2,869,108 | 664,097 | 81.2% | 2,338,966 | (530,142) | 122.7% |
| Engineering | 1,206,320 | 1,188,993 | 751,402 | 437,591 | 63.2% | 700,295 | (51,107) | 107.3% |
| Forestry | 597,159 | 597,159 | 378,847 | 218,312 | 63.4% | 309,507 | (69,340) | 122.4% |
| Construction Services | 622,584 | 622,584 | 343,125 | 279,459 | 55.1% | 443,436 | 100,311 | 77.4% |
| Streets | 4,461,925 | 4,340,712 | 2,963,623 | 1,377,089 | 68.3% | 2,468,707 | (494,916) | 120.0% |
| Parks | 3,734,783 | 3,757,266 | 2,826,491 | 930,775 | 75.2% | 2,452,423 | (374,068) | 115.3% |
| Recreation | 1,056,799 | 1,060,869 | 916,490 | 144,379 | 86.4% | 664,406 | (252,084) | 137.9% |
| Arts Center | 984,762 | 984,762 | 917,487 | 67,275 | 93.2% | 726,280 | (191,207) | 126.3% |
| Other | 250,000 | 3,676 | - | 3,676 | 0.0% | - | - | 0.0% |
| Total expenditures | 40,965,570 | 40,383,337 | 29,802,907 | 10,580,431 | 73.8% | 26,106,558 | (3,696,349) | 114.2% |
| Excess (deficiency) of revenues over expenditures | (2,589,985) | (1,986,752) | (6,397,164) | (4,410,412) | | (4,515,904) | (1,881,260) | |
| Other financing sources (uses) | | | | | | | | |
| Transfer from other funds | 1,276,571 | 226,998 | 226,998 | - | 100.0% | 681,999 | (455,001) | 33.3% |
| Transfer to other funds | (215,000) | (215,000) | (215,000) | - | 100.0% | (2,353,880) | 2,138,880 | 9.1% |
| Total other financing sources (uses) | 1,061,571 | 11,998 | 11,998 | - | | (1,671,881) | 1,683,879 | -0.7% |
| Net change in fund balance | (1,528,414) | (1,974,754) | (6,385,166) | (4,410,412) | | (6,187,785) | (197,381) | |
| Beginning fund balance | 21,669,326 | 22,161,712 | 22,373,042 | 211,330 | | 22,007,407 | 365,635 | |
| Committed | (20,000) | - | | | | | | |
| Ending fund balance | $ 20,120,912 | $ 20,186,958 | $ 15,987,876 | $ (4,199,082) | | $ 15,819,622 | $ 168,254 | |
| *Adj fund balance, Dec 31 (net of re* | *$ 20,120,912* | *$ 19,515,507* | *$ 15,852,178* | | | *$ 15,683,924* | | |
| Net change in fund balance percent | (7.1%) | (8.9%) | (28.5%) | | | (28.1%) | | |
| Ratio: Fund balance to CY expendi | 49.1% | 48.3% | | | | | | |
| Ratio: Fund balance to NY expendi | 46.7% | 45.9% | | | | | | |
| ***Expense Summary:*** | | | | | | | | |
| *Personnel services* | *30,700,340* | *30,254,395* | *22,680,182* | *7,574,213* | 75.0% | *19,404,096* | *(3,276,086)* | *116.9%* |
| *Commodities* | *2,371,189* | *2,344,524* | *1,624,224* | *720,300* | 69.3% | *1,771,444* | *147,220* | *91.7%* |
| *Other charges and services* | *7,822,296* | *7,712,673* | *5,440,256* | *2,272,418* | 70.5% | *4,781,194* | *(659,062)* | *113.8%* |
| *Capital outlay* | *71,745* | *71,745* | *58,245* | *13,500* | 81.2% | *149,824* | *91,579* | *38.9%* |
| | *40,965,570* | *40,383,337* | *29,802,907* | *10,580,431* | 73.8% | *26,106,558* | *(3,696,349)* | *114.2%* |

**General Fund**
Schedule of Expenditures

| Expenditures | 2024 Adopted Budget | 2024 Amended Budget | 9/30/24 Actual | Variance from Adopted Budget Positive (Negative) | Actual Percent | Comparative 9/30/2023 Actual | Comparative Variance from 2023 Actual Positive (Negative) | |
|---|---|---|---|---|---|---|---|---|
| Mayor and Council | | | | | | | | |
| Personnel services | $ 60,379 | $ 60,379 | $ 44,363 | $ 16,016 | 73% | $ 43,971 | $ (392) | 100.9% |
| Commodities | 50 | 50 | - | 50 | 0% | 140 | 140 | 0.0% |
| Other charges and services | 77,971 | 71,026 | 30,440 | 40,586 | 43% | 35,261 | 4,821 | 86.3% |
| Total | 138,400 | 131,455 | 74,803 | 56,652 | 57% | 79,372 | 4,569 | 94.2% |
| Committees/Commissions | | | | | | | | |
| Personnel services | 74,289 | 74,289 | 79,905 | (5,616) | 108% | 75,380 | (4,525) | 106.0% |
| Commodities | 2,500 | 2,500 | 1,109 | 1,391 | 44% | 94 | (1,015) | 1179.8% |
| Other charges and services | 59,200 | 59,200 | 54,095 | 5,105 | 91% | 55,959 | 1,864 | 96.7% |
| Total | 135,989 | 135,989 | 135,109 | 880 | 99% | 131,433 | (3,676) | 102.8% |
| City Administration | | | | | | | | |
| Personnel services | 579,819 | 506,853 | 430,896 | 75,957 | 85% | 411,836 | (19,060) | 104.6% |
| Commodities | 2,550 | 2,550 | 4,118 | (1,568) | 161% | 1,037 | (3,081) | 397.1% |
| Other charges and services | 64,691 | 64,691 | 56,819 | 7,872 | 88% | 92,788 | 35,969 | 61.2% |
| Capital outlay | - | - | - | - | 0% | 1,529 | 1,529 | 0.0% |
| Total | 647,060 | 574,094 | 491,833 | 82,261 | 86% | 507,190 | 15,357 | 97.0% |
| City Clerk | | | | | | | | |
| Personnel services | 265,956 | 268,544 | 141,913 | 126,631 | 53% | 85,160 | (56,753) | 166.6% |
| Commodities | 5,420 | 5,420 | 14,383 | (8,963) | 265% | 23 | (14,360) | 62534.8% |
| Other charges and services | 87,724 | 87,724 | 89,090 | (1,366) | 102% | 16,477 | (72,613) | 540.7% |
| Capital outlay | - | - | - | - | 0% | - | - | 0.0% |
| Total | 359,100 | 361,688 | 245,386 | 116,302 | 68% | 101,660 | (143,726) | 241.4% |
| Legal Counsel | | | | | | | | |
| Other charges and services | 87,000 | 87,000 | 77,123 | 9,877 | 89% | 49,566 | (27,557) | 155.6% |
| Community and Economic Development | | | | | | | | |
| Personnel services | 1,070,370 | 1,082,810 | 750,799 | 332,011 | 69% | 718,240 | (32,559) | 104.5% |
| Commodities | 2,566 | 2,566 | 1,810 | 756 | 71% | 1,273 | (537) | 142.2% |
| Other charges and services | 132,212 | 132,212 | 77,895 | 54,317 | 59% | 117,470 | 39,575 | 66.3% |
| Capital outlay | - | - | - | - | 0% | - | - | 0.0% |
| Total | 1,205,148 | 1,217,588 | 830,504 | 387,084 | 68% | 836,983 | 6,479 | 99.2% |
| Inspection | | | | | | | | |
| Personnel services | 1,506,687 | 1,515,572 | 930,227 | 585,345 | 61% | 993,576 | 63,349 | 93.6% |
| Commodities | 16,796 | 16,796 | 9,586 | 7,210 | 57% | 8,390 | (1,196) | 114.3% |
| Other charges and services | 455,626 | 455,626 | 314,973 | 140,653 | 69% | 118,115 | (196,858) | 266.7% |
| Capital outlay | 34,245 | 34,245 | - | 34,245 | 0% | 31,482 | 31,482 | 0.0% |
| Total | 2,013,354 | 2,022,239 | 1,254,786 | 767,453 | 62% | 1,151,563 | (103,223) | 109.0% |

(continued)

**General Fund**
Schedule of Expenditures

| Expenditures (continued) | 2024 Adopted Budget | 2024 Amended Budget | 9/30/24 Actual | Variance from Adopted Budget Positive (Negative) | Actual Percent | Comparative 9/30/2023 Actual | Comparative Variance from 2023 Actual Positive (Negative) | |
|---|---|---|---|---|---|---|---|---|
| General Government Facilities | | | | | | | | |
| Personnel services | $ 449,966 | $ 433,536 | $ 324,174 | $ 109,362 | 75% | $ 297,554 | $ (26,620) | 108.9% |
| Commodities | 26,477 | 26,477 | 12,660 | 13,817 | 48% | 14,233 | 1,573 | 88.9% |
| Other charges and services | 254,964 | 165,585 | 138,032 | 27,553 | 83% | 180,497 | 42,465 | 76.5% |
| Capital outlay | - | - | - | - | 0% | - | - | 0.0% |
| Total | 731,407 | 625,598 | 474,866 | 150,732 | 76% | 492,284 | 17,418 | 96.5% |
| Finance | | | | | | | | |
| Personnel services | 1,051,698 | 1,033,451 | 934,967 | 98,484 | 90% | 771,027 | (163,940) | 121.3% |
| Commodities | 2,300 | 2,300 | 1,373 | 927 | 60% | 2,379 | 1,006 | 57.7% |
| Other charges and services | 321,780 | 321,780 | 196,409 | 125,371 | 61% | 121,224 | (75,185) | 162.0% |
| Capital outlay | - | - | - | - | 0% | 1,534 | 1,534 | 0.0% |
| Total | 1,375,778 | 1,357,531 | 1,132,749 | 224,782 | 83% | 896,164 | (236,585) | 126.4% |
| Information Technology | | | | | | | | |
| Personnel services | 535,051 | 375,460 | 382,882 | (7,422) | 102% | 265,209 | (117,673) | 144.4% |
| Commodities | 5,500 | 5,500 | 321 | 5,179 | 6% | 2,307 | 1,986 | 13.9% |
| Other charges and services | 522,918 | 509,619 | 312,340 | 197,279 | 61% | 449,575 | 137,235 | 69.5% |
| Capital outlay | - | - | - | - | 0% | 1,599 | 1,599 | 0.0% |
| Total | 1,063,469 | 890,579 | 695,543 | 195,036 | 78% | 718,690 | 23,147 | 96.8% |
| Human Resources | | | | | | | | |
| Personnel services | 663,735 | 650,986 | 540,403 | 110,583 | 83% | 459,298 | (81,105) | 117.7% |
| Commodities | 1,800 | 1,800 | 804 | 996 | 45% | 768 | (36) | 104.7% |
| Other charges and services | 279,321 | 279,321 | 150,499 | 128,822 | 54% | 168,384 | 17,885 | 89.4% |
| Capital outlay | - | - | 643 | (643) | 0% | - | (643) | 0.0% |
| Total | 944,856 | 932,107 | 692,349 | 239,758 | 74% | 628,450 | (63,899) | 110.2% |
| Insurance | | | | | | | | |
| Other charges and services | 250,000 | 250,000 | 206,250 | 43,750 | 83% | 187,500 | (18,750) | 110.0% |
| Police | | | | | | | | |
| Personnel services | 12,706,216 | 12,834,206 | 9,426,094 | 3,408,112 | 73% | 8,380,963 | (1,045,131) | 112.5% |
| Commodities | 477,229 | 477,229 | 341,398 | 135,831 | 72% | 332,881 | (8,517) | 102.6% |
| Other charges and services | 2,396,808 | 2,396,808 | 1,757,541 | 639,268 | 73% | 1,504,827 | (252,714) | 116.8% |
| Capital outlay | - | - | - | - | 0% | 3,012 | 3,012 | 0.0% |
| Total | 15,580,253 | 15,708,243 | 11,525,033 | 4,183,211 | 73% | 10,221,683 | (1,303,350) | 112.8% |
| Fire | | | | | | | | |
| Personnel services | 2,924,016 | 2,937,797 | 1,789,658 | 1,148,139 | 61% | 1,300,983 | (488,675) | 137.6% |
| Fire Relief Contribution/State Aid | - | - | 682,405 | (682,405) | 0% | 577,879 | (104,526) | 118.1% |
| Commodities | 229,321 | 229,321 | 115,109 | 114,212 | 50% | 205,498 | 90,389 | 56.0% |
| Other charges and services | 366,087 | 366,087 | 281,936 | 84,151 | 77% | 254,606 | (27,330) | 110.7% |
| Total | 3,519,424 | 3,533,205 | 2,869,108 | 664,097 | 81% | 2,338,966 | (530,142) | 122.7% |

(continued)

**General Fund**
Schedule of Expenditures

| Expenditures (continued) | 2024 Adopted Budget | 2024 Amended Budget | 9/30/24 Actual | Variance from Adopted Budget Positive (Negative) | Actual Percent | Comparative 9/30/2023 Actual | Comparative Variance from 2023 Actual Positive (Negative) | |
|---|---|---|---|---|---|---|---|---|
| Engineering/GIS | | | | | | | | |
| Personnel services | $ 999,808 | $ 982,481 | $ 691,201 | $ 291,280 | 70% | $ 619,201 | $ (72,000) | 111.6% |
| Commodities | 8,270 | 8,270 | 4,421 | 3,849 | 53% | 6,315 | 1,894 | 70.0% |
| Other charges and services | 198,242 | 198,242 | 55,780 | 142,462 | 28% | 58,092 | 2,312 | 96.0% |
| Capital outlay | - | - | - | - | 0% | 16,687 | 16,687 | 0.0% |
| Total | 1,206,320 | 1,188,993 | 751,402 | 437,591 | 63% | 700,295 | (51,107) | 107.3% |
| Forestry | | | | | | | | |
| Personnel services | 241,011 | 241,011 | $ 158,660 | $ 82,351 | 66% | $ 106,821 | $ (51,839) | 148.5% |
| Commodities | 8,058 | 8,058 | 4,979 | 3,079 | 62% | 3,189 | (1,790) | 156.1% |
| Other charges and services | 348,090 | 348,090 | 215,208 | 132,882 | 62% | 199,497 | (15,711) | 107.9% |
| Capital outlay | - | - | - | - | 0% | | - | 0.0% |
| Total | 597,159 | 597,159 | 378,847 | 218,312 | | 309,507 | (69,340) | |
| Construction Services | | | | | | | | |
| Personnel services | 592,484 | 592,484 | 333,070 | 259,414 | 56% | 342,534 | 9,464 | 97.2% |
| Commodities | 12,350 | 12,350 | 5,450 | 6,900 | 44% | 6,346 | 896 | 85.9% |
| Other charges and services | 17,750 | 17,750 | 4,605 | 13,145 | 26% | 18,412 | 13,807 | 25.0% |
| Capital outlay | - | - | - | - | 0% | 76,144 | 76,144 | 0.0% |
| Total | 622,584 | 622,584 | 343,125 | 279,459 | 55% | 443,436 | 100,311 | 77.4% |
| Streets | | | | | | | | |
| Personnel services | 2,860,065 | 2,765,517 | 1,960,899 | 804,618 | 71% | 1,411,621 | (549,278) | 138.9% |
| Commodities | 1,104,220 | 1,077,555 | 708,981 | 368,574 | 66% | 841,448 | 132,467 | 84.3% |
| Other charges and services | 497,640 | 497,640 | 293,743 | 203,897 | 59% | 215,638 | (78,105) | 136.2% |
| Total | 4,461,925 | 4,340,712 | 2,963,623 | 1,377,089 | 68% | 2,468,707 | (494,916) | 120.0% |
| Parks | | | | | | | | |
| Personnel services | 2,674,592 | 2,697,075 | 2,116,174 | 580,901 | 78% | 1,816,617 | (299,557) | 116.5% |
| Commodities | 356,919 | 356,919 | 289,935 | 66,984 | 81% | 235,317 | (54,618) | 123.2% |
| Other charges and services | 703,272 | 703,272 | 420,382 | 282,890 | 60% | 400,489 | (19,893) | 105.0% |
| Total | 3,734,783 | 3,757,266 | 2,826,491 | 930,775 | 75% | 2,452,423 | (374,068) | 115.3% |
| Recreation | | | | | | | | |
| Personnel services | 620,185 | 624,255 | 506,909 | 117,346 | 81% | 362,387 | (144,522) | 139.9% |
| Commodities | 47,108 | 47,108 | 25,877 | 21,231 | 55% | 19,462 | (6,415) | 133.0% |
| Other charges and services | 389,506 | 389,506 | 383,704 | 5,802 | 99% | 282,557 | (101,147) | 135.8% |
| Total | 1,056,799 | 1,060,869 | 916,490 | 144,379 | 86% | 664,406 | (252,084) | 137.9% |
| Arts Center | | | | | | | | |
| Personnel services | 574,013 | 574,013 | 454,583 | 119,430 | 79% | 363,839 | (90,744) | 124.9% |
| Commodities | 61,755 | 61,755 | 81,910 | (20,155) | 133% | 90,344 | 8,434 | 90.7% |
| Other charges and services | 311,494 | 311,494 | 323,392 | (11,898) | 104% | 254,260 | (69,132) | 127.2% |
| Capital outlay | 37,500 | 37,500 | 57,602 | (20,102) | 154% | 17,837 | (39,765) | 322.9% |
| Total | 984,762 | 984,762 | 917,487 | 67,275 | 93% | 726,280 | (191,207) | 126.3% |

**CITY OF LAKEVILLE, MINNESOTA**
Special Revenue - Communications Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Nine Month Period Ended September 30, 2024

| | 2024 Adopted Budget | 9/30/2024 Actual | Variance | Percent of Budget | Comparative 9/30/2023 Actual | Variance from 2023 Actual Positive (Negative) | |
|---|---|---|---|---|---|---|---|
| Revenues | | | | | | | |
| Licenses franchise fee | $ 624,649 | $ 404,442 | $ (220,207) | 64.7% | $ 459,533 | $ (55,091) | 88.0% |
| PEG Fees | 44,098 | 29,213 | (14,885) | 66.2% | 33,946 | (4,733) | 86.1% |
| Other | 2,000 | - | (2,000) | | - | - | |
| Investment income | 6,643 | 12,984 | 6,341 | 195.5% | 8,802 | 4,182 | 147.5% |
| Total revenues | 677,390 | 446,639 | (230,751) | 65.9% | 502,281 | (55,642) | 88.9% |
| Expenditures - General government | | | | | | | |
| Personnel services | 490,096 | 368,563 | 121,533 | 75.2% | 363,291 | (5,272) | 101.5% |
| Commodities | 12,082 | 7,261 | 4,821 | 60.1% | 3,962 | (3,299) | 183.3% |
| Other charges and services | 181,259 | 128,116 | 53,144 | 70.7% | 63,047 | (65,069) | 203.2% |
| Capital outlay | 11,500 | 6,155 | 5,345 | 53.5% | 51,363 | 45,208 | 12.0% |
| Total expenditures | 694,937 | 510,095 | 184,843 | 73.4% | 481,663 | (28,432) | 105.9% |
| Excess (deficiency) of revenues over expenditures | (17,547) | (63,455) | (45,908) | 361.6% | 20,618 | (66,526) | -307.8% |
| Other financing (uses) - Transfers | | | | | | | |
| To General Fund (expense allocations) | (86,493) | - | 86,493 | 0.0% | (61,659) | 61,659 | 0.0% |
| To Technology Fund (expense allocations) | (7,300) | (7,300) | - | 100.0% | (6,400) | (900) | 114.1% |
| Total other financing (uses) | (93,793) | (7,300) | 86,493 | 7.8% | (68,059) | 60,759 | 10.7% |
| Net change in fund balance | (111,340) | (70,755) | 40,585 | | (47,441) | (23,314) | |
| Beginning fund balance | 1,328,652 | 1,384,987 | 56,335 | | 1,408,331 | (23,344) | |
| Ending fund balance | $ 1,217,312 | $ 1,314,232 | $ 96,920 | | $ 1,360,890 | $ (46,658) | |

**CITY OF LAKEVILLE, MINNESOTA**
Enterprise - Liquor Fund
Statement of Revenues, Expenditures and Changes in Working Capital
For the Nine Month Period Ended September 30, 2024

| | 2024 Adopted Budget | 9/30/2024 Actual | Variance | Percent of Budget | Comparative 9/30/2023 Actual | Comparative Variance from 2023 Actual Positive (Negative) | |
|---|---|---|---|---|---|---|---|
| Sales and cost of sales | | | | | | | |
| Sales | $ 23,500,234 | $ 16,525,827 | $ (6,974,407) | 70.3% | $ 16,587,571 | $ (61,744) | 99.6% |
| Cost of sales | 17,232,321 | 11,818,886 | 5,413,435 | 68.6% | 12,033,131 | 214,245 | 98.2% |
| Gross profit | 6,267,913 | 4,706,941 | (1,560,972) | 75.1% | 4,554,440 | 152,501 | 103.3% |
| Gross profit % | 26.7% | 28.5% | | | 27.5% | | |
| Operating expenses | | | | | | | |
| Personnel services | 2,778,136 | 2,213,098 | 565,038 | 79.7% | 1,936,200 | (276,898) | 114.3% |
| Commodities | 100,655 | 55,494 | 45,161 | 55.1% | 88,446 | 32,952 | 62.7% |
| Other charges and services | 1,538,815 | 1,112,233 | 426,583 | 72.3% | 1,047,192 | (65,041) | 106.2% |
| Total operating expenses | 4,417,606 | 3,380,825 | 1,036,782 | 76.5% | 3,071,838 | (308,987) | 110.1% |
| Operating income | 1,850,307 | 1,326,117 | (524,191) | 71.7% | 1,482,602 | (156,486) | 89.4% |
| Non-operating revenue (expense) | | | | | | | |
| Investment income | 38,200 | 29,414 | (8,786) | 77.0% | 24,432 | 4,982 | 120.4% |
| Miscellaneous | 50,000 | - | (50,000) | 0.0% | - | - | 0.0% |
| Capital outlay acquisitions | (309,000) | | 309,000 | 0.0% | (50,259) | 50,259 | 0.0% |
| Lease payment | (260,000) | (260,000) | - | 100.0% | (245,000) | (15,000) | 106.1% |
| Transfers in (out) | | | | | | | |
| General Fund | (239,036) | - | 239,036 | 0.0% | (208,715) | 208,715 | 0.0% |
| General Fund - Fireworks | (30,000) | (30,000) | - | 100.0% | (15,000) | (15,000) | 200.0% |
| Debt Service: | | | | | | | |
| Tax Abatement - Keokuk | (350,500) | (350,000) | 500 | 99.9% | (348,900) | (1,100) | 100.3% |
| CIP Bonds-Police Station | (400,000) | (400,000) | - | 100.0% | (400,000) | - | 100.0% |
| Tax Increment - TIF 10 | - | - | - | 0.0% | 2,354,946 | (2,354,946) | 0.0% |
| Capital Projects: | | | | | | | |
| Equipment Fund | (500,000) | (500,000) | - | 100.0% | (500,000) | - | 100.0% |
| Technology Fund | (59,500) | (59,500) | - | 100.0% | (44,900) | (14,600) | 132.5% |
| Total non-operating (net) | (2,059,836) | (1,570,086) | 489,750 | 76.2% | 566,604 | (2,136,690) | ###### |
| Net change in net position | (209,529) | (243,970) | (34,441) | | 2,049,206 | (2,293,176) | |
| Beginning net position | 12,982,615 | 12,869,552 | (113,063) | | 15,219,024 | (2,349,472) | |
| Ending net position | $ 12,773,086 | $ 12,625,582 | $ (147,504) | | $ 17,268,230 | $ (4,642,648) | |

**CITY OF LAKEVILLE, MINNESOTA**
Enterprise - Utility Fund Water Operation
Statement of Revenues, Expenditures and Changes in Working Capital
For the Nine Month Period Ended September 30, 2024

| | 2024 Adopted Budget | 9/30/2024 Actual | Variance | Percent of Budget | Comparative 9/30/2023 Actual | Comparative Variance from 2023 Actual Positive (Negative) | |
|---|---|---|---|---|---|---|---|
| Operating revenues | | | | | | | |
| User charges for services | $ 9,063,671 | $ 4,486,057 | $ (4,577,614) | 49.5% | $ 6,817,352 | $ (2,331,295) | 65.8% |
| Other | 75,000 | 229,214 | 154,214 | 305.6% | 185,142 | 44,072 | 123.8% |
| Total operating revenue | 9,138,671 | 4,715,271 | (4,423,400) | 51.6% | 7,002,494 | (2,287,223) | -63.2% |
| Operating expenses | | | | | | | |
| Personnel services | 1,592,257 | 1,238,929 | 353,328 | 77.8% | 973,863 | (265,066) | 127.2% |
| Commodities | 826,758 | 508,195 | 318,563 | 61.5% | 492,839 | (15,356) | 103.1% |
| Other charges and services | 1,919,761 | 1,213,217 | 706,544 | 63.2% | 1,359,411 | 146,194 | 89.2% |
| Major Maintenance | 1,497,500 | 605,526 | 891,974 | 40.4% | 624,893 | 19,367 | 96.9% |
| Total operating expenses | 5,836,276 | 3,565,867 | 2,270,409 | 61.1% | 3,451,006 | (114,861) | 103.3% |
| Operating income (loss) | 3,302,395 | 1,149,404 | (2,152,991) | | 3,551,488 | (2,402,084) | |
| Non-operating revenue (expense) | | | | | | | |
| Investment income | 57,325 | 128,094 | 70,769 | 223.5% | 109,076 | 19,018 | 117.4% |
| Misc - Utility rebates/Other | - | - | - | 0.0% | - | - | 0.0% |
| Disposal of assets | (10,000) | - | 10,000 | 0.0% | - | - | 0.0% |
| Capital outlay | (1,365,217) | - | 1,365,217 | 0.0% | - | - | 0.0% |
| Bond proceeds | - | - | - | 0.0% | - | - | 0.0% |
| Debt Service | (1,266,513) | (1,488,569) | (222,056) | 117.5% | (1,419,319) | (69,250) | 104.9% |
| Transfers (out) | (803,776) | - | 803,776 | 0.0% | (678,311) | 678,311 | 0.0% |
| Total non-operating (net) | (3,388,181) | (1,360,475) | 2,027,706 | | (1,988,554) | 628,079 | |
| Net change in net position | (85,786) | (211,071) | (125,285) | | 1,562,934 | (1,774,005) | -13.5% |
| Beginning net position | 121,224,124 | 128,899,158 | 7,675,034 | | 123,890,892 | 5,008,266 | 104.0% |
| Ending net position | $ 121,138,338 | $ 128,688,087 | $ 7,549,749 | | $ 125,453,826 | 3,234,261 | 102.6% |

**CITY OF LAKEVILLE, MINNESOTA**
Enterprise - Utility Fund Sanitary Sewer Operation
Statement of Revenues, Expenditures and Changes in Working Capital
For the Nine Month Period Ended September 30, 2024

| | 2024 Adopted Budget | 9/30/2024 Actual | Variance | Percent of Budget | Comparative 9/30/2023 Actual | Comparative Variance from 2023 Actual Positive (Negative) | |
|---|---|---|---|---|---|---|---|
| Operating revenue | | | | | | | |
| User charges for services | $ 8,635,692 | $ 6,925,403 | $ (1,710,289) | 80.2% | $ 6,781,058 | $ 144,345 | 102.1% |
| Operating expenses | | | | | | | |
| Personnel services | 948,691 | 869,543 | 79,148 | 91.7% | 672,312 | (197,231) | 129.3% |
| Commodities | 95,020 | 95,648 | (628) | 100.7% | 63,360 | (32,288) | 151.0% |
| Other charges and services | 616,863 | 391,663 | 225,200 | 63.5% | 551,379 | 159,716 | 71.0% |
| Disposal charges | 5,381,750 | 4,036,813 | 1,344,937 | 75.0% | 3,800,155 | (236,658) | 106.2% |
| Major maintenance projects | 1,200,000 | 859,686 | 340,314 | 71.6% | 492,708 | (366,978) | 174.5% |
| Total operating expenses | 8,242,324 | 6,253,353 | 1,988,971 | 75.9% | 5,579,914 | (673,439) | 112.1% |
| Operating income (loss) | 393,368 | 672,050 | 278,682 | | 1,201,144 | (529,094) | 56.0% |
| Non-operating revenue (expense) | | | | | | | |
| Intergovernmental State aid | - | - | - | 0.0% | - | - | 0.0% |
| Investment income | 37,574 | 70,027 | 32,453 | 186.4% | 61,210 | 8,817 | 114.4% |
| Disposal of assets | (10,000) | - | 10,000 | 0.0% | - | - | 0.0% |
| Debt service | (71,750) | (65,000) | 6,750 | 90.6% | (65,000) | - | 100.0% |
| Transfers in | 33,266 | - | (33,266) | 0.0% | 33,002 | (33,002) | 0.0% |
| Transfers (out) | (259,045) | (40,873) | 218,172 | 15.8% | (160,375) | 119,502 | 25.5% |
| Total non-operating (net) | (269,955) | (35,846) | 234,109 | 13.3% | (131,163) | 95,317 | 27.3% |
| Net change in net position | 123,413 | 636,204 | 512,791 | | 1,069,981 | (433,777) | 59.5% |
| Beginning net position | 70,686,655 | 74,695,434 | 4,008,779 | | 72,765,547 | 1,929,887 | 102.7% |
| Ending net position | $ 70,810,068 | $ 75,331,638 | $ 4,521,570 | | $ 73,835,528 | $ 1,496,110 | 102.0% |

**CITY OF LAKEVILLE, MINNESOTA**
Enterprise - Utility Fund Street Light Operation
Statement of Revenues, Expenditures and Changes in Working Capital
For the Nine Month Period Ended September 30, 2024

| | 2024 Adopted Budget | 9/30/2024 Actual | Variance | Percent of Budget | Comparative 9/30/2023 Actual | Comparative Variance from 2023 Actual Positive (Negative) | |
|---|---|---|---|---|---|---|---|
| Operating revenue | | | | | | | |
| User charges for services | $ 1,194,563 | $ 959,591 | $ (234,972) | 80.3% | $ 919,773 | $ 39,818 | 104.3% |
| Operating expenses | | | | | | | |
| Personnel services | 23,081 | 17,264 | 5,817 | 74.8% | 14,075 | (3,189) | 122.7% |
| Commodities | 23 | 167 | (144) | 728.0% | 33 | (134) | 507.4% |
| Other charges and services | 994,727 | 807,612 | 187,115 | 81.2% | 676,051 | (131,561) | 119.5% |
| Total operating expenses | 1,017,831 | 825,043 | 192,788 | 81.1% | 690,159 | (134,884) | 119.5% |
| Operating income (loss) | 176,732 | 134,548 | (42,184) | | 229,614 | (95,066) | 58.6% |
| Non-operating revenue (expense) | | | | | | | |
| Investment income | 8,204 | 8,821 | 617 | 107.5% | 9,439 | (618) | 93.5% |
| Debt service | (50,242) | (45,000) | 5,242 | 89.6% | (49,417) | 4,417 | 91.1% |
| Transfers in (out) - General Fund | (10,512) | - | 10,512 | 0.0% | (4,114) | 4,114 | 0.0% |
| Total non-operating (net) | (52,550) | (36,179) | 16,371 | 68.8% | (44,092) | 7,913 | 82.1% |
| Net change in net position | 124,182 | 98,369 | (25,813) | | 185,522 | (87,153) | 53.0% |
| Beginning net position | 1,092,614 | 940,928 | (151,686) | | 1,176,990 | (236,062) | 79.9% |
| Ending net position | $ 1,216,796 | $ 1,039,297 | $ (177,499) | | $ 1,362,512 | $ (323,215) | 76.3% |

**CITY OF LAKEVILLE, MINNESOTA**
Enterprise - Utility Fund Environmental Resources Operation
Statement of Revenues, Expenditures and Changes in Working Capital
For the Nine Month Period Ended September 30, 2024

| | 2024 Adopted Budget | 9/30/2024 Actual | Variance | Percent of Budget | 9/30/2023 Actual | Comparative Variance from 2023 Actual Positive (Negative) | |
|---|---|---|---|---|---|---|---|
| Revenues | | | | | | | |
| User charges for services | $ 1,911,708 | $ 1,518,198 | $ (393,510) | 79.4% | $ 1,468,911 | $ 49,287 | 103.4% |
| Total revenues | 1,911,708 | 1,518,198 | (393,510) | 79.4% | 1,468,911 | 49,287 | -26.8% |
| Expenditures - Public works | | | | | | | |
| Personnel services | 557,371 | 499,384 | 57,987 | 89.6% | 348,648 | (150,736) | 143.2% |
| Commodities | 57,100 | 34,199 | 22,901 | 59.9% | 16,421 | (17,778) | 208.3% |
| Other charges and services | 1,897,107 | 385,593 | 1,511,514 | 20.3% | 843,103 | 457,510 | 45.7% |
| Total expenditures | 2,511,578 | 919,176 | 1,592,402 | 36.6% | 1,208,172 | 288,996 | 76.1% |
| Operating income (loss) | (599,870) | 599,022 | 1,198,892 | | 260,739 | 338,283 | 229.7% |
| Non-operating revenue (expense) | | | | | | | |
| Intergovernmental | 609,346 | - | (609,346) | 0.0% | 3,065 | (3,065) | 0.0% |
| Investment income | 16,097 | 11,389 | (4,708) | 70.8% | 22,395 | (11,006) | 50.9% |
| Capital outlay | (31,898) | - | 31,898 | 0.0% | - | - | 0.0% |
| Transfers in (out) | | | | | | | |
| General Fund | (241,025) | - | 241,025 | 0.0% | (513,148) | 513,148 | 0.0% |
| Storm Sewer Infrastucture Fund | - | - | - | 0.0% | - | - | 0.0% |
| Building Fund | (220,000) | (220,000) | - | 100.0% | - | (220,000) | 0.0% |
| Equipment Fund | (40,500) | (40,500) | - | 100.0% | (40,500) | - | 100.0% |
| Technology Fund | (10,792) | (10,792) | - | 100.0% | (6,800) | (3,992) | 158.7% |
| Water Operating Fund | 15,000 | - | (15,000) | 0.0% | - | - | 0.0% |
| Sanitary sewer operations | (33,266) | - | 33,266 | 0.0% | (33,002) | 33,002 | 0.0% |
| Total other financing (uses) | 62,962 | (259,903) | (322,865) | -412.8% | (567,990) | 308,087 | 45.8% |
| Net change in net position | (536,908) | 339,119 | 876,027 | | (307,251) | 646,370 | -110.4% |
| Beginning net position | 3,804,641 | 3,663,270 | (141,371) | | 3,108,430 | 554,840 | 117.8% |
| Ending net position | $ 3,267,733 | $ 4,002,389 | $ 734,656 | | $ 2,801,179 | $ 1,201,210 | 142.9% |