



FINANCIAL HIGHLIGHTS:

The following financial report and analysis offers readers a narrative overview of the financial activities of the City for the three-month period ended March 31, 2020. 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.

Following guidance from state health officials, the City of Lakeville closed public access to all facilities effective March 17, 2020 to limit the potential for community transmission of COVID-19. The closure includes Lakeville City Hall, Lakeville Area Arts Center, Heritage Center, Hasse and Ames Arenas, Central Maintenance Facility, Water Treatment Facility, all four fire stations and the lobby of the Lakeville Police Department. Essential City services have continued without interruption.

This financial report and future reports will include information related to the financial impact of COVID-19, when available. City Administrator Miller and department directors are currently evaluating any expenditure adjustments that can be made to mitigate the impacts of lost revenues.

❖ 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 \$22.5 million for 2020. Dakota County is considering alternative distribution dates for the first half tax settlements.

❖ Licenses and Permits.

- Building permit revenue continues to be strong and are exceeding budget estimates through the first quarter. The following chart shows how the number of permits issued in the first quarter compares to the same period in 2019 and the 2020 Adopted Budget:

Permit Type	YTD 1st Quarter 2019	2020 Adopted Budget	YTD 1st Quarter 2020
Single Family	95	350	117
Townhome	17	50	22
Apartments (Units)	0	0	8 (200 units)
Commercial	1	8	1
Industrial	0	0	0

FINANCIAL HIGHLIGHTS (continued):

❖ **General Fund - Revenues (Continued)**

❖ *Licenses and Permits. (Continued)*

Year-to-date permits issued through April 22, 2020 are as follows:

Single Family – 169

Townhome – 27

Apartment (units) – 8 (200 units)

❖ *Intergovernmental.*

- Revenues comprised of police and fire aid and various grants are typically received in the third and fourth quarters. \$5,000 has been recognized for an Arts Grant.

❖ *Charges for Services.*

- *General government services* are in line with the budget. \$26,000 has been received for fiscal agent fees from the Dakota Communications Center and Lakeville Arenas.
 - *Public Safety* revenues are in line with budget estimates. Security services are down slightly compared to the same time in 2019. SRO contributions are comparable to 2019, but due to the school closing for COVID-19, an estimated loss of \$64,000 in revenues for the second quarter is anticipated. The fire contract with Eureka Township (\$42,265) is billed out in June of the current year. 2020 is the second year of a three-year agreement with Eureka Township.
 - *Public works* revenues are based on summer construction projects and therefore year-to-date revenues are below the annual estimates. Engineering developer contract administration is collected at the time of the development contract. \$16,000 has been received in the first quarter which is \$190,000 less than the first quarter 2019. Preliminary engineering platting fees (\$14,000) are at 50 percent of the adopted budget.
 - *Parks and Recreation* revenues are below budget with many program cancellations at the end of March due to COVID-19 and the State of Minnesota “Stay at Home” executive order. Future revenues will be significantly impacted due to COVID-19. Current gross revenue losses are estimated at \$120,000; net revenues losses at \$52,000.
- #### ❖ *Court Fines*
- Revenues from court fines (\$90,000) represent 25 percent of the budget estimates but are down \$6,000 over the same period in 2019. Court fine revenues and the membership fees paid to the Dakota Communications Center are both impacted by the number of CAD calls. It is difficult to determine how much of an impact that COVID-19 will have on court fines in future quarters.

FINANCIAL HIGHLIGHTS (continued):

❖ **General Fund - Expenditures**

- ❖ *Personnel* – First quarter expenditures for personnel are at 23 percent of the 2020 budget. 2020 is the first full year of the implementation of the compensation and classification study that was approved in 2018 and implemented in stages in 2019 and 2020.
- ❖ *Motor Fuels* – Motor fuels through March 31 are at 23 percent of the 2020 Budget. Decreased snow events for the public works departments contributed to the lower fuel expense. The first quarter fuel expense was \$26,000 lower than the same period in 2019.
- ❖ *Street Chemicals* – Costs are at 55 percent of the budget. 2020 salt purchases are 95 percent higher than the same period in 2019. Inventory at the end of 2018 helped keep salt purchases down in 2019 compared to 2020. Unused chemicals are stored at the central maintenance facility and will be utilized in the late fall if needed.
- ❖ *Utilities* – Electric costs are lower than the same period in 2019 due to energy saving improvements in lighting. Natural gas costs are in line with the same period in 2019.
- ❖ *City Clerk*. Expenditures are up compared to the same period in 2019 due to election judge training and the purchase of voting booths.
- ❖ *Legal*. Legal fees are in line with budget. Expenditures are up 14 percent over the same period in 2019.
- ❖ *Inspections*. Capital outlay includes a new vehicle replacement in 2020. This replacement was planned in 2019 but was delayed. Other charges and services are exceeding prior year due to increased contract electrical inspections.
- ❖ *Information Technology*. Timing of annual maintenance agreements can impact the expense comparison each year. In 2020, the Laserfiche annual maintenance paid in the first quarter 2019 expired in March 2020. Laserfiche is being upgraded in 2020 and therefore, no additional maintenance cost will be incurred until after the first quarter 2020.
- ❖ *Police*. DCC membership fees for the first quarter decreased \$4,000 over the same period in 2019. The fee is allocated among the members based on the number of CAD events over a three-year period. Lakeville's share of total CAD events went down, resulting in an annual reduction of \$15,000.
- ❖ *Fire*. Delays in purchasing firefighter bunker gear, cancelled attendance for schools and the cancellation of the annual banquet kept expenses below the same period in 2019.

FINANCIAL HIGHLIGHTS (continued):

❖ General Fund - Expenditures (continued)

- ❖ *Engineering/GIS.* Personnel services are below budget estimates due to an employee vacancy in the first quarter. Purchase of a drone and GPS equipment resulted in the increase in commodities.
- ❖ *Construction Services.* Personnel services are up over the prior year due to leave hours paid out for an employee resignation. The position is currently vacant, and options are being evaluated.
- ❖ *Streets.* Personnel services are up slightly compared to budget due to overtime incurred during the snow removal season. However, personnel services are down \$102,000 compared to the same period in 2019 due to reduced snow events. Salt costs are exceeding budget and prior year due in part to lower inventories at the beginning of 2020 as compared with the prior year.
- ❖ *Arts Center.* Personnel services are exceeding the prior year due to the addition of the Administrative Assistant that was added in 2019.

❖ 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. As of the date of this report, the first quarter franchise fees have not been received and the amount was estimated based on historical numbers. Revenues are anticipated to remain consistent with prior years.
- ❖ Expenses are down over the same period in 2019. Final costs for the fiber installation project are still anticipated for 2020. The project is funded by transfers from the General Fund, Liquor Fund and the Utility Fund. Funding from the Liquor Fund and Utility Fund will be made as the project is completed.

FINANCIAL HIGHLIGHTS (continued):

❖ Liquor Fund

- ❖ Sales through the first quarter amounted to \$3.8 million which is a 13.3 percent increase over the same period in 2019. The “Stay at Home” order may have contributed to the increased sales despite intermittent store closures.
- ❖ Total expenditures are slightly below budget appropriations. Personnel services are down as a result of the COVID-19 virus forcing stores to operate with minimal staffing.
- ❖ 2020 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); \$258,000 for the 2017 HRA lease revenue bonds (debt for Galaxie Store; final maturity – February, 2027); \$13,000 for the 2020 fireworks; and \$143,000 in operating transfers.
- ❖ Capital outlay appropriations consists of \$15,000 for the condenser replacement at the Kenrick location; \$26,000 for the replacement of the sliding front door at the Galaxie location; and \$9,000 for a cardboard bailer at the Kenrick location.

❖ Water Fund

- ❖ Water revenues are low in the first quarter which is typical for the first quarter but are exceeding revenues from the same period a year ago due mainly to the water rate increase that went in affect February 1, 2020. Water usage increases as residents and businesses turn on their irrigation systems in late spring.
- ❖ The 2020 major maintenance projects are budgeted as follows:
 - Automatic shut off for chlorine tanks - \$45,000
 - PLC Replacement - \$413,000
 - Lunchroom floor epoxy coating - \$12,000
 - Condenser replacement - \$30,000
 - Air compressor replacement - \$54,000
 - Well and pump rehabilitations - \$286,000
 - Fairfield water tower logo painting - \$100,000
 - Dakota Heights water tower lot repaving - \$85,000
 - 2020 Street reconstruction project – watermain repair/replacement costs - \$2.5 million
 - Water meter replacement projects - \$342,000

FINANCIAL HIGHLIGHTS (continued):

❖ Sewer Fund

- ❖ Sewer revenues are exceeding budget expectations and are up over the same period in 2019 as a result of the increase in sewer rates for the base charge and discharge effective February 1, 2020.
- ❖ Disposal charges paid to Metropolitan Council of Environmental Services increased 3.1 percent over the 2019 rates and are projected to be \$4.3 million for 2020.
- ❖ Expenditures are below budget estimates but are up compared to the same period in 2019.
- ❖ The 2020 major maintenance projects are budgeted as follows:
 - Sewer line improvements - \$598,000
 - I/I mitigation repairs -\$425,000

❖ Street Lighting Fund

- ❖ Revenues are exceeding budget and are up over the same period in 2019. Streetlight fees of \$1,000 were collected at the time of final plat in the first quarter.
- ❖ Streetlight rates were increased effective February 1, 2020.
- ❖ 2020 electrical costs are below budget estimates.

FINANCIAL HIGHLIGHTS (continued):

❖ Environmental Resources Fund

- ❖ Revenues are tracking slightly below budget estimates. Intergovernmental grant revenues were budgeted at \$120,000. The request for funding will be made once the final contract payments are made.
- ❖ Rates were increased effective February 1, 2020.
- ❖ Personnel services are slightly below budget but are exceeding prior year due to the addition of a full-time Forester position late in the second quarter of 2019.
- ❖ Majority of 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 Three Month Period Ended March 31, 2020

	2020		3/31/2020 Actual	Variance from Amended Budget Positive (Negative)	Actual Percent	Comparative		3/31/2019 Actual	Variance from 2019 Actual Positive (Negative)
	Adopted Budget	Amended Budget				3/31/2019 Actual			
Revenues									
General property taxes	\$ 22,509,080	\$ 22,509,080	\$ -	\$ (22,509,080)	0.0%	\$ -	\$ -	\$ -	0.0%
Licenses and permits	2,657,099	2,657,099	810,802	(1,846,297)	30.5%	580,822	229,980	229,980	139.6%
Intergovernmental	1,053,453	1,053,453	10,492	(1,042,961)	1.0%	21,888	(11,396)	(11,396)	47.9%
Charges for services	2,976,026	2,976,026	421,895	(2,554,131)	14.2%	667,923	(246,028)	(246,028)	63.2%
Court fines	360,000	360,000	89,639	(270,361)	24.9%	95,598	(5,959)	(5,959)	93.8%
Investment income	128,000	128,000	37,188	(90,813)	29.1%	35,108	2,080	2,080	105.9%
Miscellaneous	42,893	42,893	13,880	(29,013)	32.4%	13,644	236	236	101.7%
Total revenues	29,726,551	29,726,551	1,383,896	(28,342,656)	4.7%	1,414,983	(31,087)	(31,087)	97.8%
Expenditures									
Mayor and Council	121,006	121,006	36,595	84,411	30.2%	35,704	(891)	(891)	102.5%
Committees and Commissions	91,616	91,616	4,197	87,419	4.6%	4,959	762	762	84.6%
City Administration	498,062	498,062	118,682	379,381	23.8%	113,904	(4,778)	(4,778)	104.2%
City Clerk	265,446	265,446	54,348	211,098	20.5%	29,924	(24,424)	(24,424)	181.6%
Legal Counsel	83,500	83,500	20,749	62,751	24.8%	18,179	(2,570)	(2,570)	114.1%
Planning	597,315	597,315	150,217	447,099	25.1%	144,633	(5,584)	(5,584)	103.9%
Community and Econ. Development	382,316	382,316	83,930	298,386	22.0%	82,695	(1,235)	(1,235)	101.5%
Inspections	1,439,695	1,439,695	358,491	1,081,204	24.9%	322,179	(36,312)	(36,312)	111.3%
General Government Facilities	637,091	637,091	150,479	486,613	23.6%	155,744	5,266	5,266	96.6%
Finance	859,493	859,493	199,691	659,802	23.2%	186,844	(12,847)	(12,847)	106.9%
Information Systems	818,247	818,247	237,284	580,963	29.0%	272,942	35,658	35,658	86.9%
Human Resources	557,705	557,705	127,640	430,066	22.9%	126,719	(921)	(921)	100.7%
Insurance	285,000	285,000	71,250	213,750	25.0%	71,250	-	-	100.0%
Police	12,428,732	12,428,732	2,920,233	9,508,499	23.5%	2,838,060	(82,173)	(82,173)	102.9%
Fire	2,103,412	2,103,412	393,989	1,709,423	18.7%	392,036	(1,953)	(1,953)	100.5%
Engineering	1,024,200	1,024,200	206,331	817,869	20.1%	212,767	6,437	6,437	97.0%
Construction Services	620,977	620,977	134,112	486,866	21.6%	101,490	(32,622)	(32,622)	132.1%
Streets	3,547,487	3,547,487	1,032,629	2,514,858	29.1%	1,062,937	30,308	30,308	97.1%
Parks	2,869,618	2,869,618	600,775	2,268,843	20.9%	582,487	(18,288)	(18,288)	103.1%
Recreation	786,925	786,925	177,985	608,940	22.6%	159,142	(18,843)	(18,843)	111.8%
Heritage Center	151,221	151,221	28,854	122,367	19.1%	25,815	(3,039)	(3,039)	111.8%
Arts Center	633,472	633,472	168,534	464,938	26.6%	173,200	4,666	4,666	97.3%
Other	(45,939)	(45,939)	-	(45,939)	0.0%	-	-	-	0.0%
Total expenditures	30,756,597	30,756,597	7,276,993	23,479,604	23.7%	7,113,611	(163,382)	(163,382)	102.3%
Excess (deficiency) of revenues over expenditures	(1,030,046)	(1,030,046)	(5,893,098)	(4,863,052)		(5,698,628)	(194,470)	(194,470)	
Other financing sources (uses)									
Transfer from other funds	830,371	830,371	184,491	(645,880)	22.2%	191,621	(7,130)	(7,130)	96.3%
Transfer to other funds	(550,000)	(550,000)	(550,000)	-	100.0%	(630,000)	80,000	80,000	87.3%
Total other financing sources (uses)	280,371	280,371	(365,509)	(645,880)		(438,379)	72,870	72,870	83.4%
Net change in fund balance	(749,675)	(749,675)	(6,258,607)	(5,508,932)		(6,137,007)	(121,600)	(121,600)	
Beginning fund balance	16,012,291	16,012,291	16,922,425	910,134		15,565,945	1,356,480	1,356,480	
Ending fund balance	\$ 15,262,616	\$ 15,262,616	\$ 10,663,819	\$ (4,598,798)		\$ 9,428,938	\$ 1,234,880	\$ 1,234,880	
<i>Adj fund balance, Dec 31 (net of restricted)</i>	<i>\$ 14,283,241</i>	<i>\$ 14,283,241</i>	<i>\$ 9,812,606</i>			<i>\$ 8,733,108</i>			
Net change in fund balance percentage	(4.7%)	(4.7%)	(37.0%)			(39.4%)			
Ratio: Fund balance to CY expenditures	46.4%	46.4%							
Ratio: Fund balance to NY expenditures	44.8%	44.8%							
Expense Summary:									
Personnel services	23,014,364	23,014,364	5,387,118	17,627,246	23.4%	5,244,288	(142,830)	(142,830)	102.7%
Commodities	1,863,320	1,863,320	581,792	1,281,528	31.2%	520,254	(61,538)	(61,538)	111.8%
Other charges and services	5,863,108	5,863,108	1,270,456	4,592,652	21.7%	1,349,069	78,613	78,613	94.2%
Capital outlay	15,805	15,805	37,627	(21,822)	238.1%	-	(37,627)	(37,627)	0.0%
Total	30,756,597	30,756,597	7,276,993	23,479,604	23.7%	7,113,611	(163,382)	(163,382)	102.3%

General Fund
Schedule of Expenditures

Expenditures	2020 Adopted Budget	2020 Amended Budget	3/31/2020 Actual	Variance from Adopted Budget Positive (Negative)	Actual Percent	Comparative		Variance from 2018 Actual Positive (Negative)	
						3/31/2019 Actual			
Mayor and Council									
Personnel services	\$ 62,561	\$ 62,561	\$ 15,723	\$ 46,838	25%	\$ 15,847	\$ 124	99.2%	
Commodities	50	50	-	50	0%	64	64	0.0%	
Other charges and services	58,395	58,395	20,872	37,523	36%	19,793	(1,079)	105.5%	
Total	121,006	121,006	36,595	84,411	30%	35,704	(891)	102.5%	
Committees/Commissions									
Personnel services	58,261	58,261	305	57,956	1%	573	268	53.2%	
Commodities	2,530	2,530	-	2,530	0%	-	-	0.0%	
Other charges and services	30,825	30,825	3,892	26,933	13%	4,386	494	88.7%	
Total	91,616	91,616	4,197	87,419	5%	4,959	762	84.6%	
City Administration									
Personnel services	471,198	471,198	113,742	357,457	24%	109,149	(4,593)	104.2%	
Commodities	1,600	1,600	-	1,600	0%	136	136	0.0%	
Other charges and services	25,264	25,264	4,940	20,324	20%	4,619	(321)	106.9%	
Capital outlay	-	-	-	-	0%	-	-	0.0%	
Total	498,062	498,062	118,682	379,381	24%	113,904	(4,778)	104.2%	
City Clerk									
Personnel services	219,099	219,099	32,695	186,404	15%	28,593	(4,102)	114.3%	
Commodities	4,090	4,090	3,685	405	90%	36	(3,649)	10236.1%	
Other charges and services	42,257	42,257	17,968	24,289	43%	1,295	(16,673)	1387.5%	
Total	265,446	265,446	54,348	211,098	20%	29,924	(24,424)	181.6%	
Legal Counsel									
Other charges and services	83,500	83,500	20,749	62,751	25%	18,179	(2,570)	114.1%	
Planning									
Personnel services	561,507	561,507	139,617	421,891	25%	135,659	(3,958)	102.9%	
Commodities	1,718	1,718	194	1,524	11%	63	(131)	307.9%	
Other charges and services	34,090	34,090	10,406	23,684	31%	8,911	(1,495)	116.8%	
Total	597,315	597,315	150,217	447,099	25%	144,633	(5,584)	103.9%	
Community and Economic Development									
Personnel services	325,688	325,688	74,303	251,385	23%	68,599	(5,704)	108.3%	
Commodities	275	275	-	275	0%	4	4	0.0%	
Other charges and services	56,353	56,353	9,627	46,726	17%	14,092	4,465	68.3%	
Total	382,316	382,316	83,930	298,386	22%	82,695	(1,235)	101.5%	
Inspection									
Personnel services	1,110,274	1,110,274	255,604	854,670	23%	260,151	4,547	98.3%	
Commodities	15,931	15,931	3,790	12,141	24%	2,685	(1,105)	141.2%	
Other charges and services	305,810	305,810	68,094	237,716	22%	59,343	(8,751)	114.7%	
Capital outlay	7,680	7,680	31,003	(23,323)	404%	-	(31,003)	0.0%	
Total	1,439,695	1,439,695	358,491	1,081,204	25%	322,179	(36,312)	111.3%	

(continued)

General Fund
Schedule of Expenditures

Expenditures (continued)	2020 Adopted Budget	2020 Amended Budget	3/31/2020 Actual	Variance from Adopted Budget Positive (Negative)	Actual Percent	Comparative		3/31/2019 Actual	Variance from 2018 Actual Positive (Negative)	
General Government Facilities										
Personnel services	\$ 424,529	\$ 424,529	\$ 101,792	\$ 322,738	24%	\$ 103,969	\$ 2,178		97.9%	
Commodities	27,822	27,822	3,656	24,166	13%	7,814	4,158		46.8%	
Other charges and services	184,740	184,740	45,031	139,709	24%	43,961	(1,070)		102.4%	
Total	637,091	637,091	150,479	486,613	24%	155,744	5,266		96.6%	
Finance										
Personnel services	757,706	757,706	174,467	583,239	23%	166,605	(7,862)		104.7%	
Commodities	1,575	1,575	1,142	433	73%	839	(303)		136.1%	
Other charges and services	100,212	100,212	24,082	76,130	24%	19,400	(4,682)		124.1%	
Total	859,493	859,493	199,691	659,802	23%	186,844	(12,847)		106.9%	
Information Technology										
Personnel services	469,695	469,695	116,015	353,680	25%	106,758	(9,257)		108.7%	
Commodities	3,800	3,800	995	2,805	26%	327	(668)		304.3%	
Other charges and services	344,752	344,752	120,274	224,478	35%	165,857	45,583		72.5%	
Total	818,247	818,247	237,284	580,963	29%	272,942	35,658		86.9%	
Human Resources										
Personnel services	425,855	425,855	103,719	322,137	24%	98,889	(4,830)		104.9%	
Commodities	3,100	3,100	511	2,589	16%	2,952	2,441		17.3%	
Other charges and services	128,750	128,750	23,410	105,340	18%	24,878	1,468		94.1%	
Total	557,705	557,705	127,640	430,066	23%	126,719	(921)		100.7%	
Insurance										
Other charges and services	285,000	285,000	71,250	213,750	25%	71,250	-		100.0%	
Police										
Personnel services	9,760,854	9,760,854	2,322,794	7,438,060	24%	2,206,656	(116,138)		105.3%	
Commodities	373,796	373,796	97,964	275,832	26%	92,623	(5,341)		105.8%	
Other charges and services	2,294,082	2,294,082	499,475	1,794,607	22%	538,781	39,306		92.7%	
Total	12,428,732	12,428,732	2,920,233	9,508,499	23%	2,838,060	(82,173)		102.9%	
Fire										
Personnel services	1,309,742	1,309,742	317,828	991,914	24%	286,208	(31,620)		111.0%	
Fire Relief Contribution/State Aid	375,000	375,000	2,000	373,000	1%	6,000	4,000		33.3%	
Commodities	146,449	146,449	20,632	125,817	14%	34,771	14,139		59.3%	
Other charges and services	272,221	272,221	53,529	218,692	20%	65,057	11,528		82.3%	
Total	2,103,412	2,103,412	393,989	1,709,423	19%	392,036	(1,953)		100.5%	

(continued)

General Fund
Schedule of Expenditures

Expenditures (continued)	2020 Adopted Budget	2020 Amended Budget	3/31/2020 Actual	Variance from Adopted Budget Positive (Negative)	Actual Percent	Comparative		
						3/31/2019 Actual	Variance from 2018 Actual Positive (Negative)	
Engineering								
Personnel services	\$ 892,142	\$ 892,142	\$ 185,743	\$ 706,399	21%	\$ 191,712	\$ 5,970	96.9%
Commodities	15,526	15,526	5,900	9,626	38%	3,907	(1,993)	151.0%
Other charges and services	116,532	116,532	14,688	101,844	13%	17,148	2,460	85.7%
Total	1,024,200	1,024,200	206,331	817,869	20%	212,767	6,437	97.0%
Construction Services								
Personnel services	598,042	598,042	130,628	467,415	22%	96,995	(33,633)	134.7%
Commodities	9,207	9,207	2,400	6,807	26%	423	(1,977)	567.4%
Other charges and services	13,728	13,728	1,084	12,644	8%	4,072	2,988	26.6%
Capital outlay	-	-	-	-	0%	-	-	0.0%
Total	620,977	620,977	134,112	486,866	22%	101,490	(32,622)	132.1%
Streets								
Personnel services	2,321,085	2,321,085	604,800	1,716,285	26%	707,070	102,270	85.5%
Commodities	887,173	887,173	392,768	494,405	44%	304,630	(88,138)	128.9%
Other charges and services	339,229	339,229	35,061	304,168	10%	51,237	16,176	68.4%
Total	3,547,487	3,547,487	1,032,629	2,514,858	29%	1,062,937	30,308	97.1%
Parks								
Personnel services	2,039,577	2,039,577	486,927	1,552,650	24%	462,352	(24,575)	105.3%
Commodities	287,489	287,489	25,792	261,697	9%	41,770	15,978	61.7%
Other charges and services	542,552	542,552	88,056	454,496	16%	78,365	(9,691)	112.4%
Total	2,869,618	2,869,618	600,775	2,268,843	21%	582,487	(18,288)	103.1%
Recreation								
Personnel services	440,186	440,186	103,068	337,118	23%	95,660	(7,408)	107.7%
Commodities	33,296	33,296	3,488	29,808	10%	1,918	(1,570)	181.9%
Other charges and services	313,443	313,443	71,429	242,014	23%	61,564	(9,865)	116.0%
Total	786,925	786,925	177,985	608,940	23%	159,142	(18,843)	111.8%
Heritage Center								
Personnel services	70,331	70,331	16,154	54,177	23%	14,752	(1,402)	109.5%
Commodities	9,743	9,743	280	9,463	3%	1,287	1,007	21.8%
Other charges and services	71,147	71,147	12,420	58,727	17%	9,776	(2,644)	127.0%
Total	151,221	151,221	28,854	122,367	19%	25,815	(3,039)	111.8%
Arts Center								
Personnel services	366,971	366,971	89,196	277,775	24%	82,090	(7,106)	108.7%
Commodities	38,150	38,150	18,595	19,555	49%	24,005	5,410	77.5%
Other charges and services	220,226	220,226	54,119	166,107	25%	67,105	12,986	80.6%
Capital outlay	8,125	8,125	6,624	1,501	82%	-	(6,624)	0.0%
Total	633,472	633,472	168,534	464,938	27%	173,200	4,666	97.3%

CITY OF LAKEVILLE, MINNESOTA
Special Revenue - Communications Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Three Month Period Ended March 31, 2020

	2020 Adopted Budget	3/31/2020		Percent of Budget	Comparative		
		Actual	Variance		3/31/2019 Actual	Variance from 2019 Actual Positive (Negative)	
<u>Revenues</u>							
Licenses franchise fee	\$ 698,256	\$ 174,949	\$ (523,307)	25.1%	\$ 170,000	\$ 4,949	102.9%
PEG Fees	58,266	15,101	(43,165)	25.9%	14,656	445	103.0%
Intergovernmental State aid	516	-	(516)	0.0%	-	-	0.0%
Investment income	2,058	3,295	1,237	160.1%	2,911	384	113.2%
Total revenues	<u>759,096</u>	<u>193,345</u>	<u>(565,751)</u>	<u>25.5%</u>	<u>187,567</u>	<u>5,778</u>	<u>103.1%</u>
<u>Expenditures - General government</u>							
Personnel services	417,437	97,613	319,824	23.4%	108,070	10,457	90.3%
Commodities	20,300	4,346	15,954	21.4%	3,172	(1,174)	137.0%
Other charges and services	114,292	24,403	89,889	21.4%	26,777	2,374	91.1%
Capital outlay	185,000	-	185,000	0.0%	6,442	6,442	0.0%
Total expenditures	<u>737,029</u>	<u>126,362</u>	<u>610,667</u>	<u>17.1%</u>	<u>144,461</u>	<u>18,099</u>	<u>87.5%</u>
Excess (deficiency) of revenues over expenditures	<u>22,067</u>	<u>66,983</u>	<u>44,916</u>	<u>303.5%</u>	<u>43,106</u>	<u>1,810</u>	<u>155.4%</u>
<u>Other financing (uses) - Transfers</u>							
From Liquor Fund (Comm/Mkt Position)	-	-	-	0.0%	22,817	(22,817)	0.0%
To General Fund (expense allocations)	(83,739)	(83,739)	-	100.0%	(20,217)	(63,522)	414.2%
To Technology Fund (expense allocations)	(4,400)	(4,400)	-	100.0%	-	(4,400)	0.0%
Total other financing (uses)	<u>(88,139)</u>	<u>(88,139)</u>	<u>-</u>	<u>100.0%</u>	<u>2,600</u>	<u>(90,739)</u>	<u>-3390.0%</u>
Net change in fund balance	(66,072)	(21,156)	44,916		45,706	(66,862)	
Beginning fund balance	808,425	1,054,469	246,044		931,544	122,925	
Ending fund balance	<u>\$ 742,353</u>	<u>\$ 1,033,313</u>	<u>\$ 290,960</u>		<u>\$ 977,250</u>	<u>\$ 56,063</u>	

CITY OF LAKEVILLE, MINNESOTA
Enterprise - Liquor Fund
Statement of Revenues, Expenditures and Changes in Working Capital
For the Three Month Period Ended March 31, 2020

	2020			Percent of	Comparative		
	Adopted Budget	3/31/2020 Actual	Variance		3/31/2019 Actual	Variance from 2019 Actual Positive (Negative)	
<u>Sales and cost of sales</u>							
Sales	\$ 15,898,952	\$ 3,769,825	\$ (12,129,127)	23.7%	\$ 3,327,917	\$ 441,908	113.3%
Cost of sales	<u>11,923,215</u>	<u>2,821,817</u>	<u>9,101,398</u>	<u>23.7%</u>	<u>2,517,393</u>	<u>(304,424)</u>	<u>112.1%</u>
Gross profit	<u>3,975,737</u>	<u>948,008</u>	<u>(3,027,729)</u>	<u>23.8%</u>	<u>810,524</u>	<u>137,484</u>	<u>117.0%</u>
Gross profit %	25.0%	25.1%			24.4%		
<u>Operating expenses</u>							
Personnel services	1,832,091	405,613	1,426,478	22.1%	423,434	17,821	95.8%
Commodities	79,619	17,934	61,685	22.5%	24,993	7,059	71.8%
Other charges and services	<u>1,371,375</u>	<u>249,326</u>	<u>1,122,049</u>	<u>18.2%</u>	<u>265,026</u>	<u>15,700</u>	<u>94.1%</u>
Total operating expenses	<u>3,283,085</u>	<u>672,873</u>	<u>2,610,212</u>	<u>20.5%</u>	<u>713,453</u>	<u>40,580</u>	<u>94.3%</u>
Operating income	<u>692,652</u>	<u>275,135</u>	<u>(417,517)</u>	<u>39.7%</u>	<u>97,071</u>	<u>178,064</u>	<u>283.4%</u>
<u>Non-operating revenue (expense)</u>							
Investment income	15,000	11,947	(3,053)	79.6%	12,002	(55)	99.5%
Miscellaneous	3,762	-	(3,762)	0.0%	-	-	0.0%
Capital outlay acquisitions	(49,790)	-	49,790	0.0%	-	-	0.0%
Sale of assets	-	-	-	0.0%	-	-	0.0%
Transfers in (out)							
General Fund	(143,412)	(35,853)	107,559	25.0%	(39,643)	3,790	90.4%
General Fund - Fireworks	(13,000)	-	13,000	0.0%	-	-	0.0%
Communications (Mktg Spec)	-	-	-	0.0%	(22,817)	22,817	0.0%
Debt Service:							
CIP Bonds-Police Station	(400,000)	(400,000)	-	100.0%	(400,000)	-	100.0%
Galaxie Lease	(284,808)	(258,250)	26,558	90.7%	(245,400)	(12,850)	105.2%
Capital Projects:							
Equipment Fund	(500,000)	(500,000)	-	100.0%	(400,000)	(100,000)	125.0%
Technology Fund	(69,677)	(69,677)	-	100.0%	-	(69,677)	0.0%
Enterprise Fund:							
Environmental Resources - Recycling	(4,356)	-	4,356	0.0%	-	-	0.0%
Total non-operating (net)	<u>(1,446,281)</u>	<u>(1,251,833)</u>	<u>194,448</u>	<u>86.6%</u>	<u>(1,095,858)</u>	<u>(155,975)</u>	<u>114.2%</u>
Change in working capital	(753,629)	(976,698)	(223,069)		(998,787)	22,089	
Beginning working capital	<u>3,378,854</u>	<u>3,823,178</u>	<u>444,324</u>		<u>3,890,525</u>	<u>(67,347)</u>	
Ending working capital	<u>\$ 2,625,225</u>	<u>\$ 2,846,480</u>	<u>\$ 221,255</u>		<u>\$ 2,891,738</u>	<u>\$ (45,258)</u>	

CITY OF LAKEVILLE, MINNESOTA
Enterprise - Utility Fund Water Operation
Statement of Revenues, Expenditures and Changes in Working Capital
For the Three Month Period Ended March 31, 2020

	2020			Percent of Budget	Comparative		
	Adopted Budget	3/31/2020 Actual	Variance		3/31/2019 Actual	Variance from 2019 Actual Positive (Negative)	
<u>Operating revenues</u>							
User charges for services	\$ 5,762,460	\$ 862,675	\$ (4,899,785)	15.0%	\$ 719,513	\$ 143,162	119.9%
Other	133,479	44,761	(88,718)	33.5%	42,193	2,568	106.1%
Total operating revenue	<u>5,895,939</u>	<u>907,436</u>	<u>(4,988,503)</u>	<u>15.4%</u>	<u>761,706</u>	<u>145,730</u>	<u>-654.9%</u>
<u>Operating expenses</u>							
Personnel services	1,279,486	303,378	976,108	23.7%	292,317	(11,061)	103.8%
Commodities	359,080	45,653	313,427	12.7%	64,785	19,132	70.5%
Other charges and services	1,409,280	221,256	1,188,024	15.7%	242,754	21,498	91.1%
Major Maintenance	<u>3,845,340</u>	<u>59,067</u>	<u>3,786,273</u>	<u>1.5%</u>	<u>9,253</u>	<u>(49,814)</u>	<u>638.4%</u>
Total operating expenses	<u>6,893,186</u>	<u>629,353</u>	<u>6,263,833</u>	<u>9.1%</u>	<u>609,109</u>	<u>(20,244)</u>	<u>103.3%</u>
Operating income (loss)	<u>(997,247)</u>	<u>278,083</u>	<u>1,275,330</u>		<u>152,597</u>	<u>125,486</u>	
<u>Non-operating revenue (expense)</u>							
Intergovernmental	1,632	-	(1,632)	0.0%	-	-	0.0%
Investment income	32,484	23,669	(8,815)	72.9%	23,849	(180)	99.2%
Disposal of assets	(10,000)	-	10,000	0.0%	6,011	(6,011)	0.0%
Capital outlay	(66,261)	(38,445)	27,816	58.0%	(3,956)	(34,489)	971.8%
Bond proceeds	3,470,000	-	(3,470,000)	0.0%	-	-	0.0%
Debt Service	(1,273,737)	(936,001)	337,736	73.5%	(855,667)	(80,334)	109.4%
Transfers (out)	<u>(180,367)</u>	<u>(50,942)</u>	<u>129,425</u>	<u>28.2%</u>	<u>(37,198)</u>	<u>(13,744)</u>	<u>136.9%</u>
Total non-operating (net)	<u>1,973,751</u>	<u>(1,001,719)</u>	<u>(2,975,470)</u>		<u>(866,961)</u>	<u>(134,758)</u>	
Change in working capital	976,504	(723,637)	(1,700,141)		(714,364)	(9,273)	101.3%
Beginning working capital	<u>7,386,740</u>	<u>7,574,011</u>	<u>187,271</u>		<u>7,245,758</u>	<u>328,253</u>	<u>104.5%</u>
Ending working capital	<u>\$ 8,363,244</u>	<u>\$ 6,850,374</u>	<u>\$ (1,512,870)</u>		<u>\$ 6,531,394</u>	<u>318,980</u>	<u>104.9%</u>

CITY OF LAKEVILLE, MINNESOTA
 Enterprise - Utility Fund Sanitary Sewer Operation
 Statement of Revenues, Expenditures and Changes in Working Capital
 For the Three Month Period Ended March 31, 2020

	2020 Adopted Budget	3/31/2020 Actual	Variance	Percent of Budget	Comparative		
					3/31/2019 Actual	Variance from 2019 Actual Positive (Negative)	
<u>Operating revenue</u>							
User charges for services	\$ 6,969,526	\$ 1,868,143	\$ (5,101,383)	26.8%	\$ 1,719,539	\$ 148,604	108.6%
<u>Operating expenses</u>							
Personnel services	848,707	178,573	670,134	21.0%	162,450	(16,123)	109.9%
Commodities	85,148	17,078	68,070	20.1%	20,299	3,221	84.1%
Other charges and services	384,787	70,093	314,694	18.2%	66,868	(3,225)	104.8%
Disposal charges	4,305,768	1,076,442	3,229,326	25.0%	1,043,608	(32,834)	103.1%
Major maintenance projects	1,023,000	-	1,023,000	0.0%	-	-	0.0%
Total operating expenses	6,647,410	1,342,186	5,305,224	20.2%	1,293,225	(48,961)	103.8%
Operating income (loss)	322,116	525,957	203,841		426,314	99,643	123.4%
<u>Non-operating revenue (expense)</u>							
Intergovernmental State aid	816	-	(816)	0.0%	-	-	0.0%
Grants	25,816	-	(25,816)	0.0%	-	-	0.0%
Investment income	40,544	11,077	(29,467)	27.3%	10,644	433	104.1%
Disposal of assets	(10,000)	-	10,000	0.0%	-	-	0.0%
Capital outlay	(66,261)	(38,445)	27,816	58.0%	-	(38,445)	0.0%
Debt service	(72,450)	(68,142)	4,308	94.1%	(56,496)	(11,646)	120.6%
Transfers in	24,187	24,187	-	100.0%	24,165	22	100.1%
Transfers (out)	(187,412)	(52,703)	134,709	28.1%	(43,632)	(9,071)	120.8%
Total non-operating (net)	(244,760)	(124,026)	120,734	50.7%	(65,319)	(58,707)	189.9%
Change in working capital	77,356	401,930	324,574		360,995	40,935	111.3%
Beginning working capital	2,880,764	3,544,582	663,818		3,044,063	500,519	116.4%
Ending working capital	\$ 2,958,120	\$ 3,946,512	\$ 988,392		\$ 3,405,058	\$ 541,454	115.9%

CITY OF LAKEVILLE, MINNESOTA
 Enterprise - Utility Fund Street Light Operation
 Statement of Revenues, Expenditures and Changes in Working Capital
 For the Three Month Period Ended March 31, 2020

	2020 Adopted Budget	3/31/2020 Actual	Variance	Percent of Budget	Comparative		
					3/31/2019 Actual	Variance from 2019 Actual Positive (Negative)	
<u>Operating revenue</u>							
User charges for services	\$ 1,017,739	\$ 263,945	\$ (753,794)	25.9%	\$ 238,492	\$ 25,453	110.7%
<u>Operating expenses</u>							
Personnel services	22,657	4,634	18,023	20.5%	2,409	(2,225)	192.4%
Commodities	67	1	66	1.9%	2	1	62.7%
Other charges and services	964,218	197,054	767,164	20.4%	190,870	(6,184)	103.2%
Total operating expenses	986,942	201,689	785,253	20.4%	193,281	(8,408)	104.4%
Operating income (loss)	30,797	62,256	31,459		45,211	17,045	137.7%
<u>Non-operating revenue (expense)</u>							
Investment income	3,686	2,374	(1,312)	64.4%	1,757	617	135.1%
Debt service	(48,700)	(38,521)	10,179	79.1%	(31,396)	(7,125)	122.7%
Transfers in (out) - General Fund	(5,614)	(1,404)	4,210	25.0%	(1,250)	(154)	112.3%
Total non-operating (net)	(50,628)	(37,551)	13,077	74.2%	(30,889)	(6,662)	121.6%
Change in working capital	(19,831)	24,705	44,536		14,322	10,383	172.5%
Beginning working capital	584,861	759,654	174,793		571,214	188,440	133.0%
Ending working capital	\$ 565,030	\$ 784,359	\$ 219,329		\$ 585,536	\$ 198,823	134.0%

CITY OF LAKEVILLE, MINNESOTA
 Enterprise - Utility Fund Environmental Resources Operation
 Statement of Revenues, Expenditures and Changes in Working Capital
 For the Three Month Period Ended March 31, 2020

	2020 Adopted Budget	3/31/2020 Actual	Variance	Percent of Budget	Comparative		
					3/31/2019 Actual	Variance from 2019 Actual Positive (Negative)	
<u>Revenues</u>							
User charges for services	\$ 2,020,828	\$ 478,746	\$ (1,542,082)	23.7%	\$ 413,661	\$ 65,085	115.7%
Charges for services - Recycling	4,090	-	(4,090)	0.0%	-	-	0.0%
Total revenues	<u>2,024,918</u>	<u>478,746</u>	<u>(1,546,172)</u>	<u>23.6%</u>	<u>413,661</u>	<u>65,085</u>	<u>-373.8%</u>
<u>Expenditures - Public works</u>							
Personnel services	539,971	120,267	419,704	22.3%	106,497	(13,770)	112.9%
Commodities	37,856	12,404	25,452	32.8%	11,405	(999)	108.8%
Other charges and services	<u>1,581,698</u>	<u>64,605</u>	<u>1,517,093</u>	<u>4.1%</u>	<u>30,658</u>	<u>(33,947)</u>	<u>210.7%</u>
Total expenditures	<u>2,159,525</u>	<u>197,277</u>	<u>1,962,248</u>	<u>9.1%</u>	<u>148,560</u>	<u>(48,717)</u>	<u>132.8%</u>
Operating income (loss)	<u>(134,607)</u>	<u>281,469</u>	<u>416,076</u>		<u>265,101</u>	<u>16,368</u>	<u>106.2%</u>
<u>Non-operating revenue (expense)</u>							
Intergovernmental	120,292	-	(120,292)	0.0%	-	-	0.0%
Investment income	4,189	4,608	419	110.0%	3,213	1,395	143.4%
Transfers in (out)							
General Fund	(182,427)	(25,754)	156,673	14.1%	(23,224)	(2,530)	110.9%
Storm Sewer Infrastructure Fund	-	-	-	0.0%	20,000	(20,000)	0.0%
Equipment Fund	(31,000)	(31,000)	-	100.0%	(31,000)	-	100.0%
Technology Fund	(3,600)	(3,600)	-	100.0%	-	(3,600)	0.0%
Liquor Fund	4,356	-	(4,356)	0.0%	-	-	0.0%
Sanitary sewer operations	<u>(24,187)</u>	<u>(24,187)</u>	<u>-</u>	<u>100.0%</u>	<u>(24,165)</u>	<u>(22)</u>	<u>100.1%</u>
Total other financing (uses)	<u>(112,377)</u>	<u>(79,934)</u>	<u>32,443</u>	<u>71.1%</u>	<u>(55,176)</u>	<u>(24,758)</u>	<u>144.9%</u>
Change in working capital	(246,984)	201,536	448,520		209,925	(8,389)	96.0%
Beginning working capital	<u>1,070,254</u>	<u>1,474,476</u>	<u>404,222</u>		<u>1,094,376</u>	<u>380,100</u>	<u>134.7%</u>
Ending working capital	<u>\$ 823,270</u>	<u>\$ 1,676,012</u>	<u>\$ 852,742</u>		<u>\$ 1,304,301</u>	<u>\$ 371,711</u>	<u>128.5%</u>