



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, 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 included 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 continued without interruption. City facilities were reopened to the public on June 17, 2020.

This financial report and future reports will include information related to the financial impact of COVID-19, when available. This third quarter report includes expenditures related to COVID-19 but does not include any CARES Act funding. Final allocations will be made once the final costs are compiled in November. CARES Act funding does not provide funding for lost revenues. City Administrator Miller and department directors made expenditure adjustments in 2020 to mitigate the impacts of lost revenues.

❖ General Fund - Revenues

❖ *Property tax revenues*

- Tax payments from Dakota County are typically received in two installments in June and December. Due to COVID-19, the Dakota County Board of Commissioners extended the property tax deadline from May 15 to July 15 for certain qualifying properties. Distributions to cities were collected on May 27, July 6, July 10 and July 31. The General fund property tax revenues are anticipated to be \$22.5 million for 2020.
- Dakota County has extended the second half property tax deadline from October 15 to November 15 for certain qualifying properties. Distributions to cities will be made on October 26 and December 1, 2020 and the final tax settlement on January 25, 2021.

FINANCIAL HIGHLIGHTS (continued):

❖ General Fund - Revenues (Continued)

❖ Licenses and Permits.

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

Permit Type	YTD 3rd Quarter 2019	2020 Adopted Budget	YTD 3rd Quarter 2020
Single Family	378	350	432
Townhome	65	50	112
Apartments (Units)	2 (215 units)	0	8 (200 units)
Commercial	2	8	4
Industrial	4	0	2

- Year-to-date permits issued through October 20, 2020 are as follows:
 - Single Family – 493
 - Townhome – 124
 - Apartment (units) – 8 (200 units)
- Liquor license fees were reduced by 20 percent and will be made in two installments (June and November). Loss of revenue is anticipated to be about \$38,000.

❖ Intergovernmental.

- Police state aid revenue of \$539,000 exceeds budget estimates by \$39,000. Fire state aid revenue of \$410,000 exceeds budget estimates by \$35,000.
- Other grant revenues through the third quarter amounted to \$133,000. These grants include: police post board grant, firefighter safety training grants, police vest reimbursements, Elections reimbursement, Art Center grant, DARTS and senior chores funding.

❖ Charges for Services.

- *General government services* are in line with the budget. \$79,000 has been received for fiscal agent fees from the Dakota Communications Center and Lakeville Arenas.
- *Public Safety* revenues are below budget estimates. Security services are down significantly compared to the same time in 2019 due to reductions in request for service at Hosanna!. SRO contributions are up slightly from 2019 due to adding a third SRO Officer beginning September 2020. Despite the school hybrid learning schedule for COVID-19, the school district honored the existing contract and the addition of the third SRO officer for the 2020-2021 school year. The fire contract with Eureka Township (\$42,265) was billed out in June of the current year. 2020 is the second year of a three-year agreement with Eureka Township.

FINANCIAL HIGHLIGHTS (continued):



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

❖ *Charges for Services (Continued).*

- *Public works* revenues are based on summer construction projects. Revenues are exceeding budget due to more projects completed by city staff than previously anticipated and higher project costs. Engineering developer contract administration is collected at the time of the development contract. \$460,000 has been received in the first three quarters which is \$165,000 less than the same period in 2019. Preliminary engineering platting fees (\$26,000) are at 93 percent of the adopted budget.
- *Parks and Recreation* revenues are below budget with many program cancellations from the end of March through September due to COVID-19 and the State of Minnesota “Stay at Home” executive order. Revenues will be significantly impacted due to COVID-19. Current gross revenue is down \$316,000 over the same period in 2019.

❖ *Court Fines*

- Revenues from court fines (\$170,000) represent only 47 percent of the budget estimates and are down \$111,000 from 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 the fourth quarter and into next year.

❖ **General Fund - Expenditures**

- ❖ *Personnel.* Expenditures for the first three quarters for personnel are at 71 percent of the 2020 budget. 2020 is the first full year of implementation of the compensation and classification study for non-union staff; compensation adjustments for the unions are being implemented in 2020. Due to the staged implementation, comparisons to prior year will vary by department.
- ❖ *Motor Fuels.* Motor fuels through September 30 are at 67 percent of the 2020 Budget. Decreased snow events for the public works departments and revised shift for Patrol Officers contributed to the lower fuel expense. Fuel expense was \$37,000 lower than the same period in 2019.
- ❖ *Street Chemicals.* 2020 salt purchases are 100 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 \$11,000 lower than the same period in 2019 due to energy saving improvements in lighting. Natural gas costs are \$6,000 lower than same period in 2019.

FINANCIAL HIGHLIGHTS (continued):

❖ General Fund - Expenditures (continued)

- ❖ *City Clerk.* Expenditures are up compared to the same period in 2019 due to election judge training and the purchase of voting booths. The city received grants from Dakota county CARES Grant (\$25,000) and the State of Minnesota (\$21,000) to fund election-related costs. These are shown in intergovernmental revenues section.
- ❖ *Legal.* Legal fees are at 73 percent of the budget. Expenditures are down 11 percent from the same period in 2019.
- ❖ *Inspections.* Capital outlay includes a new vehicle replacement in 2020. This replacement was planned in 2019 but was delayed.
- ❖ *General Government Facilities.* The City migrated from Frontier Communications to Vonage for the City's telephone system. The contract with Vonage began in April 2020. Equipment and maintenance are included in the monthly contract and reflected in operating costs. 2020 costs are anticipated to exceed budget by \$16,000.
- ❖ *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 the new maintenance contract was paid in the second quarter 2020 for July1, 2020 through December 31, 2020.
- ❖ *Police.* Personnel services are exceeding the same period in 2019. However, there are savings due to the delay in hiring the new officer from April until December. A new SRO officer was added in September and is funded by ISD 194. Overtime is also down resulting from a decreased security needs from entities such as Hosanna! Personnel services are at 69 percent of the 2020 amended budget. DCC membership fees for the first half decreased \$11,000 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.* Personnel services are exceeding budget due to the extension of the duty crews as a result of COVID-19. The new duty crew schedule has remained in place through the end of September. If this schedule is maintained through the end of the year, additional costs for 2020 are estimated to be \$41,000. Delays in purchasing firefighter bunker gear and equipment, cancelled attendance for schools and the cancellation of the annual banquet kept expenses below the same period in 2019.
- ❖ *Engineering/GIS.* Personnel services are below budget estimates due to an employee vacancy through the end of the second quarter and the delay in hiring the new GIS Analyst from April until August. Purchase of a drone and GPS equipment resulted in the increase in commodities. Engineering fees for the Lakeville schools traffic study are almost complete and will be funded in part by contributions from ISD 194 and Dakota County.

FINANCIAL HIGHLIGHTS (continued):

❖ General Fund - Expenditures (continued)

- ❖ *Construction Services.* Personnel services are up over the prior year due to leave hours paid out for an employee resignation in 2020 and by vacancies in the first quarter of 2019. The vacated Construction Services Superintendent position will be combined with the Public Works & Facilities Coordinator which was vacated during the second quarter. The position is expected to be filled in the fourth quarter.
- ❖ *Streets.* Personnel services are slightly below budget and are down \$113,000 compared to the same period in 2019 due to reduced snow events.
- ❖ *Parks.* Commodities and contractual expenses are below budget and are \$20,000 below the same period in 2019. Some park maintenance activities were down due to lower use of many park facilities.
- ❖ *Recreation, Heritage Center and Arts Center.* Expenses are below budget and the prior year because of program cancellations due to COVID-19.

❖ 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 3rd quarter franchise fees have not been received and the amount was estimated based on historical numbers. Revenues are trending lower than the prior year by \$22,000.
- ❖ Expenses are down over the same period in 2019. The Marketing Specialist/Events Coordinator personnel costs are expensed directly into the Liquor Fund. In previous years, the costs were included in Communications Fund and then funded by an interfund transfer from the Liquor Fund. The final segment of the fiber project is completed but final billing from Dakota County has not been received. Final costs are anticipated in 2020. The project was funded by transfers from the General Fund, Liquor Fund, and the Utility Fund, and the funding will be finalized after the final costs are invoiced by the County.

FINANCIAL HIGHLIGHTS (continued):

❖ Liquor Fund

- ❖ Sales through the first half amounted to \$13.1 million which is a 12.2 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 were initially down as a result of the COVID-19 virus forcing stores to operate with minimal staffing. Staffing levels have increased to cover the increased sales. Personnel services also includes leave hours paid out due to two resignations during the third quarter.
- ❖ 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); \$284,000 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 consists of a cardboard bailer at the Kenrick location. Additional appropriations include \$15,000 for the condenser replacement at the Heritage location and \$26,000 for the replacement of the sliding front door at the Galaxie location.
- ❖ Design expenses for the Keokuk store amounted to \$167,000 through the third quarter. These expenses are currently included in the operating expenses. If the project moves forward these expenses would be capitalized with the construction of the building.

❖ Water Fund

- ❖ Water revenues are exceeding budget estimates due to the dryer than normal conditions late in the summer resulting in a 19 percent increase in consumption. Revenues are up 36 percent from the same period a year ago due to a three percent increase in customer base. A water rate increase that went in affect February 1, 2020 also contributed to the increase.
- ❖ 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. Similar to water revenues, sewer revenues increased as a result of the increased customer base and an 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.
- ❖ 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 \$29,000 were collected at the time of final plat in the first three quarters.
- ❖ Streetlight rates were increased effective February 1, 2020.
- ❖ 2020 electrical costs are below budget estimates but are exceeding prior year by approximately 9 percent due to added streetlights in new developments and rate increases.

❖ 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.
- ❖ 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, 2020

	2020		9/30/2020 Actual	Variance from Amended Budget Positive (Negative)	Actual Percent	Comparative			
	Adopted Budget	Amended Budget				9/30/2019 Actual	Variance from 2019 Actual Positive (Negative)		
Revenues									
General property taxes	\$ 22,509,080	\$ 22,509,080	\$ 12,324,398	\$ (10,184,682)	54.8%	\$ 11,435,656	\$ 888,742	107.8%	
Licenses and permits	2,657,099	2,657,099	2,938,314	281,215	110.6%	2,866,874	71,440	102.5%	
Intergovernmental	1,053,453	1,053,453	1,082,382	28,929	102.7%	1,035,185	47,197	104.6%	
Charges for services	2,976,026	2,976,026	2,445,915	(530,111)	82.2%	2,590,858	(144,943)	94.4%	
Court fines	360,000	360,000	170,191	(189,809)	47.3%	280,873	(110,682)	60.6%	
Investment income	128,000	128,000	147,314	19,314	115.1%	105,324	41,990	139.9%	
Miscellaneous	42,893	68,782	64,769	(4,013)	94.2%	55,941	8,828	115.8%	
Total revenues	29,726,551	29,752,440	19,173,283	(10,579,157)	64.4%	18,370,711	802,572	104.4%	
Expenditures									
Mayor and Council	121,006	121,006	65,063	55,943	53.8%	96,609	31,546	67.3%	
Committees and Commissions	91,616	91,616	30,838	60,778	33.7%	106,210	75,372	29.0%	
City Administration	498,062	498,062	350,660	147,403	70.4%	366,394	15,735	95.7%	
City Clerk	265,446	265,446	163,667	101,779	61.7%	107,482	(56,185)	152.3%	
Legal Counsel	83,500	83,500	61,350	22,150	73.5%	68,504	7,154	89.6%	
Planning	597,315	597,315	428,714	168,601	71.8%	431,623	2,909	99.3%	
Community and Econ. Development	382,316	382,316	247,729	134,587	64.8%	259,260	11,531	95.6%	
Inspections	1,439,695	1,439,695	1,050,669	389,027	73.0%	957,233	(93,436)	109.8%	
General Government Facilities	637,091	637,091	504,960	132,132	79.3%	460,640	(44,320)	109.6%	
Finance	859,493	879,693	605,128	274,565	68.8%	595,010	(10,118)	101.7%	
Information Systems	818,247	850,247	721,554	128,693	84.9%	609,716	(111,838)	118.3%	
Human Resources	557,705	557,705	374,433	183,273	67.1%	367,125	(7,308)	102.0%	
Insurance	285,000	285,000	213,750	71,250	75.0%	213,750	-	100.0%	
Police	12,428,732	12,506,121	8,546,297	3,959,824	68.3%	8,292,715	(253,582)	103.1%	
Fire	2,103,412	2,119,412	1,674,481	444,931	79.0%	1,564,968	(109,513)	107.0%	
Engineering	1,024,200	1,024,200	659,372	364,828	64.4%	650,243	(9,129)	101.4%	
Construction Services	620,977	620,977	372,174	248,804	59.9%	378,502	6,329	98.3%	
Streets	3,547,487	3,547,487	2,475,887	1,071,600	69.8%	2,524,322	48,435	98.1%	
Parks	2,869,618	2,869,618	2,033,997	835,621	70.9%	2,015,003	(18,994)	100.9%	
Recreation	786,925	786,925	490,382	296,543	62.3%	562,474	72,092	87.2%	
Heritage Center	151,221	151,221	85,580	65,641	56.6%	85,748	168	99.8%	
Arts Center	633,472	633,472	368,419	265,053	58.2%	463,492	95,073	79.5%	
Other	(45,939)	(45,939)	-	(45,939)	0.0%	-	-	0.0%	
Total expenditures	30,756,597	30,902,186	21,525,102	9,377,085	69.7%	21,177,023	(348,079)	101.6%	
Excess (deficiency) of revenues over expenditures	(1,030,046)	(1,149,746)	(2,351,818)	(1,202,072)		(2,806,312)	454,494		
Other financing sources (uses)									
Transfer from other funds	830,371	830,371	645,881	(184,490)	77.8%	445,306	200,575	145.0%	
Transfer to other funds	(550,000)	(550,000)	(550,000)	-	100.0%	(1,030,000)	480,000	53.4%	
Total other financing sources (uses)	280,371	280,371	95,881	(184,490)		(584,694)	680,575	-16.4%	
Net change in fund balance	(749,675)	(869,375)	(2,255,937)	(1,386,562)		(3,391,006)	1,135,069		
Beginning fund balance	16,012,291	17,203,248	17,203,248	-		15,563,485	1,639,763		
Ending fund balance	\$ 15,262,616	\$ 16,333,873	\$ 14,947,311	\$ (1,386,562)		\$ 12,172,479	\$ 2,774,832		
<i>Adj fund balance, Dec 31 (net of restricted)</i>	<i>\$ 14,283,241</i>	<i>\$ 15,410,052</i>	<i>\$ 14,023,490</i>			<i>\$ 11,476,649</i>			
Net change in fund balance percentage	(4.7%)	(5.1%)	(13.1%)			(21.8%)			
Ratio: Fund balance to CY expenditures	45.6%	49.0%							
Ratio: Fund balance to NY expenditures	44.8%	48.1%							
Expense Summary:									
Personnel services	23,014,364	23,014,364	16,223,982	6,836,322	70.5%	15,928,831	(295,151)	101.9%	
Commodities	1,863,320	1,956,709	1,338,183	618,526	68.4%	1,199,091	(139,092)	111.6%	
Other charges and services	5,863,108	5,915,308	3,920,550	1,994,758	66.3%	4,029,546	108,996	97.3%	
Capital outlay	15,805	15,805	42,387	(26,582)	268.2%	19,555	(22,832)	216.8%	
Total	30,756,597	30,902,186	21,525,102	9,423,024	69.7%	21,177,023	(348,079)	101.6%	

General Fund
Schedule of Expenditures

Expenditures	2020 Adopted Budget	2020 Amended Budget	9/30/2020 Actual	Variance from Adopted Budget Positive (Negative)	Actual Percent	Comparative		9/30/2019 Actual	Variance from 2019 Actual Positive (Negative)	
Mayor and Council										
Personnel services	\$ 62,561	\$ 62,561	\$ 43,878	\$ 18,683	70%	\$ 42,116	\$ (1,762)		104.2%	
Commodities	50	50	25	25	50%	64	39		39.1%	
Other charges and services	58,395	58,395	21,160	37,235	36%	54,429	33,269		38.9%	
Total	121,006	121,006	65,063	55,943	54%	96,609	31,546		67.3%	
Committees/Commissions										
Personnel services	58,261	58,261	1,437	56,824	2%	79,257	77,820		1.8%	
Commodities	2,530	2,530	-	2,530	0%	2,191	2,191		0.0%	
Other charges and services	30,825	30,825	29,401	1,424	95%	24,762	(4,639)		118.7%	
Total	91,616	91,616	30,838	60,778	34%	106,210	75,372		29.0%	
City Administration										
Personnel services	471,198	471,198	339,830	131,369	72%	336,932	(2,898)		100.9%	
Commodities	1,600	1,600	66	1,534	4%	282	216		23.4%	
Other charges and services	25,264	25,264	8,962	16,302	35%	29,180	20,218		30.7%	
Capital outlay	-	-	1,802	(1,802)	0%	-	(1,802)		0.0%	
Total	498,062	498,062	350,660	147,403	70%	366,394	15,735		95.7%	
City Clerk										
Personnel services	219,099	219,099	138,764	80,335	63%	86,959	(51,805)		159.6%	
Commodities	4,090	4,090	8,394	(4,304)	205%	184	(8,210)		4562.0%	
Other charges and services	42,257	42,257	16,509	25,748	39%	20,339	3,830		81.2%	
Total	265,446	265,446	163,667	101,779	62%	107,482	(56,185)		152.3%	
Legal Counsel										
Other charges and services	83,500	83,500	61,350	22,150	73%	68,504	7,154		89.6%	
Planning										
Personnel services	561,507	561,507	409,559	151,948	73%	407,505	(2,054)		100.5%	
Commodities	1,718	1,718	973	745	57%	719	(254)		135.3%	
Other charges and services	34,090	34,090	18,182	15,908	53%	23,399	5,217		77.7%	
Total	597,315	597,315	428,714	168,601	72%	431,623	2,909		99.3%	
Community and Economic Development										
Personnel services	325,688	325,688	229,697	95,991	71%	218,121	(11,576)		105.3%	
Commodities	275	275	56	219	20%	96	40		58.3%	
Other charges and services	56,353	56,353	17,976	38,377	32%	41,043	23,067		43.8%	
Total	382,316	382,316	247,729	134,587	65%	259,260	11,531		95.6%	
Inspection										
Personnel services	1,110,274	1,110,274	795,266	315,009	72%	739,187	(56,079)		107.6%	
Commodities	15,931	15,931	11,132	4,799	70%	7,141	(3,991)		155.9%	
Other charges and services	305,810	305,810	213,269	92,541	70%	210,905	(2,364)		101.1%	
Capital outlay	7,680	7,680	31,002	(23,322)	404%	-	(31,002)		0.0%	
Total	1,439,695	1,439,695	1,050,669	389,027	73%	957,233	(93,436)		109.8%	

(continued)

General Fund
Schedule of Expenditures

Expenditures (continued)	2020 Adopted Budget	2020 Amended Budget	9/30/2020 Actual	Variance from Adopted Budget Positive (Negative)	Actual Percent	Comparative		
						9/30/2019 Actual	Variance from 2019 Actual Positive (Negative)	
General Government Facilities								
Personnel services	\$ 424,529	\$ 424,529	\$ 326,587	\$ 97,943	77%	\$ 309,857	\$ (16,730)	105.4%
Commodities	27,822	27,822	18,886	8,936	68%	16,354	(2,532)	115.5%
Other charges and services	184,740	184,740	159,487	25,253	86%	134,429	(25,058)	118.6%
Total	637,091	637,091	504,960	132,132	79%	460,640	(44,320)	109.6%
Finance								
Personnel services	757,706	757,706	507,989	249,717	67%	521,234	13,245	97.5%
Commodities	1,575	1,575	1,416	159	90%	1,152	(264)	122.9%
Other charges and services	100,212	120,412	95,723	24,689	79%	72,624	(23,099)	131.8%
Total	859,493	879,693	605,128	274,565	69%	595,010	(10,118)	101.7%
Information Technology								
Personnel services	469,695	469,695	346,792	122,903	74%	329,195	(17,597)	105.3%
Commodities	3,800	3,800	1,925	1,875	51%	5,243	3,318	36.7%
Other charges and services	344,752	376,752	372,837	3,915	99%	275,278	(97,559)	135.4%
Total	818,247	850,247	721,554	128,693	85%	609,716	(111,838)	118.3%
Human Resources								
Personnel services	425,855	425,855	308,219	117,637	72%	300,975	(7,244)	102.4%
Commodities	3,100	3,100	2,208	892	71%	3,683	1,475	60.0%
Other charges and services	128,750	128,750	64,006	64,744	50%	62,467	(1,539)	102.5%
Total	557,705	557,705	374,433	183,273	67%	367,125	(7,308)	102.0%
Insurance								
Other charges and services	285,000	285,000	213,750	71,250	75%	213,750	-	100.0%
Police								
Personnel services	9,760,854	9,760,854	6,775,529	2,985,325	69%	6,540,804	(234,725)	103.6%
Commodities	373,796	451,185	297,664	153,521	66%	253,857	(43,807)	117.3%
Other charges and services	2,294,082	2,294,082	1,473,104	820,978	64%	1,498,054	24,950	98.3%
Total	12,428,732	12,506,121	8,546,297	3,959,824	68%	8,292,715	(253,582)	103.1%
Fire								
Personnel services	1,309,742	1,309,742	995,268	314,474	76%	901,175	(94,093)	110.4%
Fire Relief Contribution/State Aid	375,000	375,000	409,568	(34,568)	109%	383,598	(25,970)	106.8%
Commodities	146,449	162,449	92,518	69,931	57%	78,050	(14,468)	118.5%
Other charges and services	272,221	272,221	177,127	95,094	65%	202,145	25,018	87.6%
Total	2,103,412	2,119,412	1,674,481	444,931	79%	1,564,968	(109,513)	107.0%

(continued)

General Fund
Schedule of Expenditures

Expenditures (continued)	2020 Adopted Budget	2020 Amended Budget	9/30/2020 Actual	Variance from Adopted Budget Positive (Negative)	Actual Percent	Comparative		
						9/30/2019 Actual	Variance from 2019 Actual Positive (Negative)	
Engineering								
Personnel services	\$ 892,142	\$ 892,142	\$ 575,233	\$ 316,909	64%	\$ 586,450	\$ 11,217	98.1%
Commodities	15,526	15,526	13,742	1,784	89%	7,342	(6,400)	187.2%
Other charges and services	116,532	116,532	70,397	46,135	60%	56,451	(13,946)	124.7%
Total	1,024,200	1,024,200	659,372	364,828	64%	650,243	(9,129)	101.4%
Construction Services								
Personnel services	598,042	598,042	361,569	236,474	60%	364,167	2,599	99.3%
Commodities	9,207	9,207	7,743	1,464	84%	6,094	(1,649)	127.1%
Other charges and services	13,728	13,728	2,862	10,866	21%	3,681	819	77.8%
Capital outlay	-	-	-	-	0%	4,560	4,560	0.0%
Total	620,977	620,977	372,174	248,804	60%	378,502	6,329	98.3%
Streets								
Personnel services	2,321,085	2,321,085	1,586,977	734,108	68%	1,721,382	134,405	92.2%
Commodities	887,173	887,173	649,679	237,494	73%	562,653	(87,026)	115.5%
Other charges and services	339,229	339,229	239,231	99,998	71%	240,287	1,056	99.6%
Total	3,547,487	3,547,487	2,475,887	1,071,600	70%	2,524,322	48,435	98.1%
Parks								
Personnel services	2,039,577	2,039,577	1,486,359	553,218	73%	1,447,577	(38,782)	102.7%
Commodities	287,489	287,489	188,746	98,743	66%	207,437	18,691	91.0%
Other charges and services	542,552	542,552	358,892	183,660	66%	359,989	1,097	99.7%
Total	2,869,618	2,869,618	2,033,997	835,621	71%	2,015,003	(18,994)	100.9%
Recreation								
Personnel services	440,186	440,186	310,858	129,328	71%	312,027	1,169	99.6%
Commodities	33,296	33,296	8,712	24,584	26%	14,090	5,378	61.8%
Other charges and services	313,443	313,443	170,812	142,631	54%	236,357	65,545	72.3%
Total	786,925	786,925	490,382	296,543	62%	562,474	72,092	87.2%
Heritage Center								
Personnel services	70,331	70,331	42,044	28,287	60%	46,400	4,356	90.6%
Commodities	9,743	9,743	6,586	3,157	68%	2,988	(3,598)	220.4%
Other charges and services	71,147	71,147	36,950	34,197	52%	36,360	(590)	101.6%
Total	151,221	151,221	85,580	65,641	57%	85,748	168	99.8%
Arts Center								
Personnel services	366,971	366,971	232,561	134,410	63%	253,913	21,352	91.6%
Commodities	38,150	38,150	27,712	10,438	73%	29,471	1,759	94.0%
Other charges and services	220,226	220,226	98,563	121,663	45%	165,113	66,550	59.7%
Capital outlay	8,125	8,125	9,583	(1,458)	118%	14,995	5,412	63.9%
Total	633,472	633,472	368,419	265,053	58%	463,492	95,073	79.5%

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, 2020

	2020		Percent of Budget	Comparative			
	Adopted Budget	9/30/2020 Actual		Variance	9/30/2019 Actual	Variance from 2019 Actual Positive (Negative)	
Revenues							
Licenses franchise fee	\$ 698,256	\$ 490,180	\$ (208,076)	70.2%	\$ 512,424	\$ (22,244)	95.7%
PEG Fees	58,266	44,434	(13,832)	76.3%	43,156	1,278	103.0%
Intergovernmental State aid	516	-	(516)	0.0%	258	(258)	0.0%
Investment income	<u>2,058</u>	<u>9,878</u>	<u>7,820</u>	<u>480.0%</u>	<u>8,726</u>	<u>1,152</u>	<u>113.2%</u>
Total revenues	<u>759,096</u>	<u>544,492</u>	<u>(214,604)</u>	<u>71.7%</u>	<u>564,564</u>	<u>(20,072)</u>	<u>96.4%</u>
Expenditures - General government							
Personnel services	417,437	302,928	114,509	72.6%	342,887	39,959	88.3%
Commodities	20,300	9,922	10,378	48.9%	6,009	(3,913)	165.1%
Other charges and services	114,292	56,089	58,203	49.1%	116,114	60,025	48.3%
Capital outlay	<u>185,000</u>	<u>-</u>	<u>185,000</u>	<u>0.0%</u>	<u>25,287</u>	<u>25,287</u>	<u>0.0%</u>
Total expenditures	<u>737,029</u>	<u>368,939</u>	<u>368,090</u>	<u>50.1%</u>	<u>490,297</u>	<u>121,358</u>	<u>75.2%</u>
Excess (deficiency) of revenues over expenditures	<u>22,067</u>	<u>175,553</u>	<u>153,486</u>	<u>795.5%</u>	<u>74,267</u>	<u>79,219</u>	<u>236.4%</u>
Other financing (uses) - Transfers							
From Liquor Fund (Comm/Mkt Position)	-	-	-	0.0%	68,450	(68,450)	0.0%
To General Fund (expense allocations)	(83,739)	(62,804)	20,935	75.0%	(60,650)	(2,154)	103.6%
To Technology Fund (expense allocations)	<u>(4,400)</u>	<u>(4,400)</u>	<u>-</u>	<u>100.0%</u>	<u>-</u>	<u>(4,400)</u>	<u>0.0%</u>
Total other financing (uses)	<u>(88,139)</u>	<u>(67,204)</u>	<u>20,935</u>	<u>76.2%</u>	<u>7,800</u>	<u>(75,004)</u>	<u>-861.6%</u>
Net change in fund balance	(66,072)	108,349	174,421		82,067	26,282	
Beginning fund balance	<u>808,425</u>	<u>1,053,663</u>	<u>245,238</u>		<u>930,791</u>	<u>122,872</u>	
Ending fund balance	<u>\$ 742,353</u>	<u>\$ 1,162,012</u>	<u>\$ 419,659</u>		<u>\$ 1,012,858</u>	<u>\$ 149,154</u>	

CITY OF LAKEVILLE, MINNESOTA
Enterprise - Liquor Fund
Statement of Revenues, Expenditures and Changes in Working Capital
For the Nine Month Period Ended September 30, 2020

	2020			Percent of Budget	Comparative		
	Adopted Budget	9/30/2020 Actual	Variance		9/30/2019 Actual	Variance from 2019 Actual Positive (Negative)	
<u>Sales and cost of sales</u>							
Sales	\$ 15,898,952	\$ 13,129,447	\$ (2,769,505)	82.6%	\$ 11,702,365	\$ 1,427,082	112.2%
Cost of sales	<u>11,923,215</u>	<u>9,752,595</u>	<u>2,170,620</u>	<u>81.8%</u>	<u>8,770,711</u>	<u>(981,884)</u>	<u>111.2%</u>
Gross profit	<u>3,975,737</u>	<u>3,376,852</u>	<u>(598,885)</u>	<u>84.9%</u>	<u>2,931,654</u>	<u>445,198</u>	<u>115.2%</u>
Gross profit %	25.0%	25.7%			25.1%		
<u>Operating expenses</u>							
Personnel services	1,832,091	1,333,370	498,721	72.8%	1,207,678	(125,692)	110.4%
Commodities	79,619	36,643	42,976	46.0%	53,762	17,119	68.2%
Other charges and services	<u>1,371,375</u>	<u>1,043,389</u>	<u>327,987</u>	<u>76.1%</u>	<u>857,569</u>	<u>(185,820)</u>	<u>121.7%</u>
Total operating expenses	<u>3,283,085</u>	<u>2,413,402</u>	<u>869,684</u>	<u>73.5%</u>	<u>2,119,009</u>	<u>(294,393)</u>	<u>113.9%</u>
Operating income	<u>692,652</u>	<u>963,451</u>	<u>270,799</u>	<u>139.1%</u>	<u>812,645</u>	<u>150,806</u>	<u>118.6%</u>
<u>Non-operating revenue (expense)</u>							
Investment income	15,000	26,190	11,190	174.6%	36,474	(10,284)	71.8%
Miscellaneous	3,762	-	(3,762)	0.0%	1,881	(1,881)	0.0%
Capital outlay acquisitions	(49,790)	(24,724)	25,066	49.7%	(76,427)	51,703	32.3%
Transfers in (out)							
General Fund	(143,412)	(107,559)	35,853	75.0%	(125,232)	17,673	85.9%
General Fund - Fireworks	(13,000)	13,000	26,000	-100.0%	-	13,000	0.0%
Communications (Mktg Spec)	-	-	-	0.0%	(68,450)	68,450	0.0%
Debt Service:							
CIP Bonds-Police Station	(400,000)	(400,000)	-	100.0%	(400,000)	-	100.0%
Galaxie Lease	(284,808)	(284,431)	377	99.9%	(273,650)	(10,781)	103.9%
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%	(3,425)	(3,425)	0.0%
Total non-operating (net)	<u>(1,446,281)</u>	<u>(1,347,201)</u>	<u>99,080</u>	<u>93.1%</u>	<u>(1,308,829)</u>	<u>(38,372)</u>	<u>102.9%</u>
Change in working capital	(753,629)	(383,751)	369,878		(496,184)	112,433	
Beginning working capital	<u>3,378,854</u>	<u>3,823,210</u>	<u>444,356</u>		<u>3,890,525</u>	<u>(67,315)</u>	
Ending working capital	<u>\$ 2,625,225</u>	<u>\$ 3,439,459</u>	<u>\$ 814,234</u>		<u>\$ 3,394,341</u>	<u>\$ 45,118</u>	

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, 2020

	2020			Percent of Budget	Comparative		
	Adopted Budget	9/30/2020 Actual	Variance		9/30/2019 Actual	Variance from 2019 Actual Positive (Negative)	
<u>Operating revenues</u>							
User charges for services	\$ 5,762,460	\$ 4,451,762	\$ (1,310,698)	77.3%	\$ 3,270,516	\$ 1,181,246	136.1%
Other	133,479	86,380	(47,099)	64.7%	126,310	(39,930)	68.4%
Total operating revenue	<u>5,895,939</u>	<u>4,538,142</u>	<u>(1,357,797)</u>	<u>77.0%</u>	<u>3,396,826</u>	<u>1,141,316</u>	<u>-40.0%</u>
<u>Operating expenses</u>							
Personnel services	1,279,486	922,117	357,369	72.1%	868,786	(53,331)	106.1%
Commodities	359,080	288,684	70,396	80.4%	233,404	(55,280)	123.7%
Other charges and services	1,409,280	1,003,195	406,085	71.2%	781,216	(221,979)	128.4%
Major Maintenance	<u>3,845,340</u>	<u>467,262</u>	<u>3,378,078</u>	<u>12.2%</u>	<u>659,229</u>	<u>191,967</u>	<u>70.9%</u>
Total operating expenses	<u>6,893,186</u>	<u>2,681,258</u>	<u>4,211,928</u>	<u>38.9%</u>	<u>2,542,635</u>	<u>(138,623)</u>	<u>105.5%</u>
Operating income (loss)	<u>(997,247)</u>	<u>1,856,884</u>	<u>2,854,131</u>		<u>854,191</u>	<u>1,002,693</u>	
<u>Non-operating revenue (expense)</u>							
Intergovernmental	1,632	-	(1,632)	0.0%	5,408	(5,408)	0.0%
Investment income	32,484	71,119	38,635	218.9%	67,929	3,190	104.7%
Disposal of assets	(10,000)	-	10,000	0.0%	7,134	(7,134)	0.0%
Capital outlay	(66,261)	(101,962)	(35,701)	153.9%	(28,578)	(73,384)	356.8%
Bond proceeds	3,470,000	-	(3,470,000)	0.0%	855,543	(855,543)	0.0%
Debt Service	(1,273,737)	(1,252,775)	20,962	98.4%	(1,167,961)	(84,814)	107.3%
Transfers (out)	<u>(180,367)</u>	<u>(137,225)</u>	<u>43,142</u>	<u>76.1%</u>	<u>(111,593)</u>	<u>(25,632)</u>	<u>123.0%</u>
Total non-operating (net)	<u>1,973,751</u>	<u>(1,420,843)</u>	<u>(3,394,594)</u>		<u>(372,118)</u>	<u>(1,048,725)</u>	
Change in working capital	976,504	436,040	(540,464)		482,073	(46,033)	90.5%
Beginning working capital	<u>7,386,740</u>	<u>7,585,974</u>	<u>199,234</u>		<u>7,245,758</u>	<u>340,216</u>	<u>104.7%</u>
Ending working capital	<u>\$ 8,363,244</u>	<u>\$ 8,022,015</u>	<u>\$ (341,229)</u>		<u>\$ 7,727,831</u>	<u>294,184</u>	<u>103.8%</u>

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, 2020

	2020 Adopted Budget	9/30/2020 Actual	Variance	Percent of Budget	Comparative		
					9/30/2019 Actual	Variance from 2019 Actual Positive (Negative)	
<u>Operating revenue</u>							
User charges for services	\$ 6,969,526	\$ 5,439,977	\$ (1,529,549)	78.1%	\$ 5,033,320	\$ 406,657	108.1%
<u>Operating expenses</u>							
Personnel services	848,707	529,062	319,645	62.3%	538,861	9,799	98.2%
Commodities	85,148	39,533	45,615	46.4%	58,382	18,849	67.7%
Other charges and services	384,787	238,048	146,739	61.9%	230,668	(7,380)	103.2%
Disposal charges	4,305,768	3,229,326	1,076,442	75.0%	3,130,824	(98,502)	103.1%
Major maintenance projects	1,023,000	149,514	873,486	14.6%	1,015,953	866,439	14.7%
Total operating expenses	6,647,410	4,185,484	2,461,926	63.0%	4,974,688	789,204	84.1%
Operating income (loss)	322,116	1,254,493	932,377		58,632	1,195,861	2139.6%
<u>Non-operating revenue (expense)</u>							
Intergovernmental State aid	816	-	(816)	0.0%	816	(816)	0.0%
Grants	25,816	-	(25,816)	0.0%	-	-	0.0%
Investment income	40,544	33,230	(7,314)	82.0%	28,538	4,692	116.4%
Disposal of assets	(10,000)	-	10,000	0.0%	750	(750)	0.0%
Capital outlay	(66,261)	(101,962)	(35,701)	153.9%	(9,637)	(92,325)	1058.0%
Debt service	(72,450)	(68,435)	4,015	94.5%	(56,496)	(11,939)	121.1%
Transfers in	24,187	24,187	-	100.0%	24,165	22	100.1%
Transfers (out)	(187,412)	(142,509)	44,903	76.0%	(130,895)	(11,614)	108.9%
Total non-operating (net)	(244,760)	(255,488)	(10,728)	104.4%	(142,759)	(112,729)	179.0%
Change in working capital	77,356	999,005	921,649		(84,127)	1,083,132	-1187.5%
Beginning working capital	2,880,764	3,544,582	663,818		3,044,063	500,519	116.4%
Ending working capital	\$ 2,958,120	\$ 4,543,587	\$ 1,585,467		\$ 2,959,936	\$ 1,583,651	153.5%

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, 2020

	2020 Adopted Budget	9/30/2020 Actual	Variance	Percent of Budget	Comparative		
					9/30/2019 Actual	Variance from 2019 Actual Positive (Negative)	
<u>Operating revenue</u>							
User charges for services	\$ 1,017,739	\$ 822,914	\$ (194,825)	80.9%	\$ 717,342	\$ 105,572	114.7%
<u>Operating expenses</u>							
Personnel services	22,657	14,942	7,715	65.9%	16,246	1,304	92.0%
Commodities	67	113	(46)	169.4%	12	(101)	945.7%
Other charges and services	964,218	591,547	372,671	61.3%	544,636	(46,911)	108.6%
Total operating expenses	986,942	606,602	380,340	61.5%	560,894	(45,708)	108.1%
Operating income (loss)	30,797	216,312	185,515		156,448	59,864	138.3%
<u>Non-operating revenue (expense)</u>							
Investment income	3,686	7,122	3,436	193.2%	5,355	1,767	133.0%
Debt service	(48,700)	(40,771)	7,929	83.7%	(39,021)	(1,750)	104.5%
Transfers in (out) - General Fund	(5,614)	(4,212)	1,402	75.0%	(3,751)	(461)	112.3%
Total non-operating (net)	(50,628)	(37,861)	12,767	74.8%	(37,417)	(444)	101.2%
Change in working capital	(19,831)	178,451	198,282		119,031	59,420	149.9%
Beginning working capital	584,861	759,654	174,793		571,214	188,440	133.0%
Ending working capital	\$ 565,030	\$ 938,105	\$ 373,075		\$ 690,245	\$ 247,860	135.9%



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, 2020

	2020 Adopted Budget	9/30/2020 Actual	Variance	Percent of Budget	Comparative		
					9/30/2019 Actual	Variance from 2019 Actual Positive (Negative)	
Revenues							
User charges for services	\$ 2,020,828	\$ 1,440,642	\$ (580,186)	71.3%	\$ 1,222,448	\$ 218,194	117.8%
Charges for services - Recycling	4,090	-	(4,090)	0.0%	4,090	(4,090)	0.0%
Total revenues	<u>2,024,918</u>	<u>1,440,642</u>	<u>(584,276)</u>	<u>71.1%</u>	<u>1,226,538</u>	<u>214,104</u>	<u>-47.6%</u>
Expenditures - Public works							
Personnel services	539,971	372,083	167,888	68.9%	347,034	(25,049)	107.2%
Commodities	37,856	20,081	17,775	53.0%	26,518	6,437	75.7%
Other charges and services	<u>1,581,698</u>	<u>639,747</u>	<u>941,951</u>	<u>40.4%</u>	<u>557,435</u>	<u>(82,312)</u>	<u>114.8%</u>
Total expenditures	<u>2,159,525</u>	<u>1,031,911</u>	<u>1,127,614</u>	<u>47.8%</u>	<u>930,987</u>	<u>(100,924)</u>	<u>110.8%</u>
Operating income (loss)	<u>(134,607)</u>	<u>408,731</u>	<u>543,338</u>		<u>295,551</u>	<u>113,180</u>	<u>138.3%</u>
Non-operating revenue (expense)							
Intergovernmental	120,292	627	(119,665)	0.5%	-	627	0.0%
Investment income	4,189	13,860	9,671	330.9%	10,260	3,600	135.1%
Transfers in (out)							
General Fund	(182,427)	(156,672)	25,755	85.9%	(146,238)	(10,434)	107.1%
Storm Sewer Infrastructure Fund	-	-	-	0.0%	-	-	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%	3,425	(3,425)	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>(200,972)</u>	<u>(88,595)</u>	<u>178.8%</u>	<u>(187,718)</u>	<u>(13,254)</u>	<u>107.1%</u>
Change in working capital	(246,984)	207,759	454,743		107,833	99,926	192.7%
Beginning working capital	<u>1,070,254</u>	<u>1,478,379</u>	<u>408,125</u>		<u>1,094,376</u>	<u>384,003</u>	<u>135.1%</u>
Ending working capital	<u>\$ 823,270</u>	<u>\$ 1,686,138</u>	<u>\$ 862,868</u>		<u>\$ 1,202,209</u>	<u>\$ 483,929</u>	<u>140.3%</u>