



## **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, 2017. 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 \$18.8 million for 2017.

#### *❖ Licenses and Permits.*

- Building permit revenue continues to be strong. The following chart shows how the number of permits issued in the first quarter compares to the same period 2016 and the 2017 Adopted Budget:

Permit Type	First Quarter 2016	2017 Adopted Budget	First Quarter 2017
Single Family	57	300	103
Townhome	14	50	7
Commercial	1	5	0

#### *❖ Intergovernmental.*

- Revenues comprised of police and fire aid and various grants are typically received in the third and fourth quarters.

#### *❖ Charges for Services.*

- *General government services* are in line with budget estimates.
- *Public Safety* revenues are slightly below budget estimates due in large part to the fire contract with Eureka Township which is billed out in June of the current year.
- *Public works* revenues are based on summer construction projects and therefore year-to-date revenues are below the annual estimates.

## **FINANCIAL HIGHLIGHTS (continued):**

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

#### **❖ *Charges for Services.(Continued)***

- *Parks and Recreation* revenues are exceeding budget estimates. The new RecTrac system allocates revenues over the course of the program (accrual basis) versus in the year registration occurred and funds were received (cash basis). As a result, revenues that would normally have been recognized in 2016 are recognized in 2017.

#### **❖ *Court Fines***

- Revenues from court fines (\$121,984) represent 39 percent of the budget estimates and are up \$11,000 over the period in 2016. The increase is a result of the police traffic unit. It should be noted that this also increases the CAD call numbers used by the Dakota Communications Center to allocate the membership fees which will increase Lakeville's share of the DCC cost in 2018.

### **❖ General Fund - Expenditures**

❖ *Personnel Services - Finance/Information Systems/Engineering.* Personnel services for these departments are in line with budget; however, these departments are exceeding the same period 2016 due to positions that were hired after the first quarter 2016.

❖ *Motor Fuels* – The new State of Minnesota fuel contract began February 2016. The contracted price for unleaded and diesel fuel is \$1.59 and \$1.60, respectively. The budget reflects these prices. Motor fuels through March 31, are at 22 percent of the 2017 Budget. Fewer snow events for the public works departments also contributed to the low fuel expense.

❖ *Street Chemicals* – Costs for the first part of 2017 are at 51 percent of the budget. Unused chemicals are stored at the central maintenance facility and will be utilized in the late fall if needed.

❖ *Utilities – Electric & Natural Gas.* Costs are fairly consistent with the same period in 2016. The 2017 adopted budget was reduced significantly to account for the trend of lower utility costs. Total costs through the first quarter represent 25.5 percent of the adopted budget.

❖ *City Clerk-Elections.* 2017 is the first year of licensing and maintenance on the new voting tabulators.

## **FINANCIAL HIGHLIGHTS (continued):**

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

- ❖ *Planning.* Salaries are slightly below budget estimates due to the delay in hiring the new Zoning Enforcement position which was anticipated for March 1<sup>st</sup>.
- ❖ *General Government Facilities.* Personnel Services are up compared to 2016 due to the hiring of the custodial staff did not take place until April 2016.
- ❖ *Information Systems.* Numerous annual maintenance contracts are paid in the first quarter of the year.
- ❖ *Operations & Maintenance.* Personnel services are below budget estimates due to employee vacancies.
- ❖ *Parks.* Salary costs are down compared to budget due in part to the short rink season.
- ❖ *Recreation/Heritage Center.* Personnel costs for Recreation are slightly below budget whereas Heritage Center costs are exceeding budget. This is the result of an internal salary allocation of an employee that spends a large part of time on facility rentals.

### **❖ 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.
- ❖ Expenses are down over last year at this time due to a \$29,000 payment to CivicPlus for the 2016 Website modifications. Additional savings were realized due to the transition within the Cable TV division.
- ❖ Capital outlay acquisitions include replacement of two computer workstations, HD Camcorders and office furniture.

## **FINANCIAL HIGHLIGHTS (continued):**

### **❖ Liquor Fund**

- ❖ Sales for the first quarter amounted to \$2.9 million which is a .4 percent decrease over the same period in 2016. The decrease can be attributed to the Kenrick store being closed for 4 days due to renovations and Easter falling in the second quarter in 2017 vs. first quarter in 2016.
- ❖ Total expenditures are tracking slightly below budget appropriations.
- ❖ Capital outlay acquisitions include flooring replacement and store front sign at Kenrick. The parking lot improvements (\$145,000) will be pushed into 2018 since the project will not take place during the Kenrick Avenue reconstruction. Capital outlay also includes new floor scrubbers at Galaxie and Kenrick.

### **❖ 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, 2017. Water usage increases as residents and businesses turn on their irrigation systems in late spring.
- ❖ Water main repair/replacement costs are projected to be \$1.1 million for the 2017 street reconstruction project.
- ❖ Water meter replacement projects are anticipated to be \$397,000 in which \$25,000 has been spent year-to-date.
- ❖ Water tower cleaning and inspections are budgeted at \$59,000, and well rehabilitations are budgeted at \$180,000.

## **FINANCIAL HIGHLIGHTS (continued):**

### **❖ Sewer Fund**

- ❖ Sewer revenues are tracking with budget expectations and are up over the same period in 2016 as a result of the increase in sewer rates for the base charge and discharge effective February 1, 2017.
- ❖ Expenditures are consistent with prior year and are below budget expectations as the number of repairs has been lower than anticipated.
- ❖ Major maintenance projects include lift station rehabilitations (\$45,000); sewer line improvements (\$250,000) and I/I mitigation repairs (\$250,000).

### **❖ Street Lighting Fund**

- ❖ Revenues are in line with budget. Street light fees are also collected at the time of final plat; \$7,300 has been collected with final plats during the first quarter 2017.
- ❖ Streetlight rates were increased effective February 1, 2017.
- ❖ 2016 electrical costs are in line with budget estimates.

### **❖ Environmental Resources Fund**

- ❖ Revenues are tracking with budget estimates.
- ❖ Rates were increased effective February 1, 2017.
- ❖ Majority of projects are done in the spring, summer and fall months.

**General Fund**  
**Summary Statement of Revenues, Expenditures and Changes in Fund Balances**  
**For the Three Month Period Ended March 31, 2017**

	2017		3/31/2017	Variance from Amended Budget	Actual Percent	Comparative		Actual	Variance from 2016 Actual	
	Adopted Budget	Adopted Budget				3/31/2016 Actual	Positive (Negative)			
<b>Revenues</b>										
General property taxes	\$ 18,833,557	\$ 18,833,557	\$ 2,409	\$ (18,831,148)	0.0%	\$ 7,912	\$ (5,503)		30.4%	
Licenses and permits	2,202,952	2,202,952	594,196	(1,608,756)	27.0%	396,941	197,255		149.7%	
Intergovernmental	1,021,685	1,021,685	87,172	(934,513)	8.5%	36,915	50,257		236.1%	
Charges for services	2,641,047	2,641,047	413,228	(2,227,819)	15.6%	337,251	75,977		122.5%	
Court fines	315,000	315,000	121,984	(193,016)	38.7%	111,417	10,567		109.5%	
Investment income	90,071	90,071	22,898	(67,174)	25.4%	10,016	12,882		228.6%	
Miscellaneous	37,860	37,860	9,156	(28,704)	24.2%	7,679	1,477		119.2%	
<b>Total revenues</b>	<b>25,142,172</b>	<b>25,142,172</b>	<b>1,251,043</b>	<b>(23,891,130)</b>	<b>5.0%</b>	<b>908,131</b>	<b>342,912</b>		<b>137.8%</b>	
<b>Expenditures</b>										
Mayor and Council	101,090	101,090	28,221	72,869	27.9%	27,844	(377)		101.4%	
Committees and Commissions	75,660	75,660	6,522	69,138	8.6%	4,958	(1,564)		131.5%	
City Administration	423,147	423,147	100,746	322,401	23.8%	103,813	3,067		97.0%	
City Clerk	139,774	139,774	39,779	99,996	28.5%	29,282	(10,497)		135.8%	
Legal Counsel	57,000	57,000	18,933	38,067	33.2%	10,788	(8,145)		175.5%	
Planning	564,262	564,262	116,069	448,194	20.6%	112,834	(3,234)		102.9%	
Community and Econ. Development	358,272	358,272	72,523	285,750	20.2%	69,939	(2,584)		103.7%	
Inspections	1,061,584	1,061,584	271,431	790,153	25.6%	255,898	(15,533)		106.1%	
General Government Facilities	529,611	529,611	133,313	396,299	25.2%	110,156	(23,157)		121.0%	
Finance	759,615	759,615	189,556	570,059	25.0%	160,181	(29,374)		118.3%	
Information Systems	620,742	620,742	211,257	409,485	34.0%	181,888	(29,370)		116.1%	
Human Resources	520,626	520,626	125,576	395,051	24.1%	118,725	(6,850)		105.8%	
Insurance	182,180	182,180	45,545	136,635	25.0%	45,545	-		100.0%	
Police	10,493,244	10,493,244	2,597,470	7,895,774	24.8%	2,573,296	(24,174)		100.9%	
Fire	1,788,770	1,788,770	338,508	1,450,263	18.9%	353,273	14,765		95.8%	
Engineering	1,005,397	1,005,397	181,504	823,893	18.1%	140,832	(40,672)		128.9%	
Operations and Maintenance	664,477	664,477	50,737	613,740	7.6%	120,914	70,177		42.0%	
Streets	3,276,483	3,276,483	982,104	2,294,380	30.0%	812,401	(169,702)		120.9%	
Parks	2,541,925	2,541,925	507,186	2,034,739	20.0%	496,025	(11,161)		102.3%	
Recreation	672,981	672,981	146,419	526,562	21.8%	129,982	(16,436)		112.6%	
Heritage Center	95,822	95,822	26,082	69,740	27.2%	19,915	(6,167)		131.0%	
Arts Center	502,337	502,337	173,490	328,847	34.5%	136,775	(36,715)		126.8%	
Other	-	-	-	-	0.0%	-	-		0.0%	
<b>Total expenditures</b>	<b>26,434,999</b>	<b>26,434,999</b>	<b>6,362,968</b>	<b>20,072,031</b>	<b>24.1%</b>	<b>6,015,265</b>	<b>(347,703)</b>		<b>105.8%</b>	
Excess (deficiency) of revenues over expenditures	(1,292,827)	(1,292,827)	(5,111,926)	(3,819,099)		(5,107,134)	(4,792)			
<b>Other financing sources (uses)</b>										
Transfer from other funds	782,655	782,655	195,664	(586,991)	25.0%	201,629	(5,965)		97.0%	
Transfer to other funds	(1,145,000)	(1,145,000)	(1,145,000)	-	100.0%	(50,000)	(1,095,000)		2290.0%	
<b>Total other financing sources (uses)</b>	<b>(362,345)</b>	<b>(362,345)</b>	<b>(949,336)</b>	<b>(586,991)</b>		<b>151,629</b>	<b>(1,100,965)</b>		<b>-626.1%</b>	
Net change in fund balance	(1,655,172)	(1,655,172)	(6,061,262)	(4,406,090)		(4,955,505)	(1,105,757)			
Beginning fund balance	14,121,784	14,121,784	14,768,257	646,473		12,374,928	2,393,329			
Ending fund balance	\$ 12,466,612	\$ 12,466,612	\$ 8,706,995	\$ (3,759,617)		\$ 7,419,423	\$ 1,287,572			
Net change in fund balance percentage	(11.7%)	(11.7%)	(41.0%)			(40.0%)				
Ratio: Fund balance to CY expenditures	47.2%	47.2%	136.8%			123.3%				

General Fund  
Schedule of Expenditures

Expenditures	2017 Adopted Budget	2017 Amended Budget	3/31/2017 Actual	Variance from Amended Budget Positive (Negative)	Actual Percent	Comparative		
						3/31/2016 Actual	Variance from 2016 Actual Positive (Negative)	
<b>Mayor and Council</b>								
Personnel services	\$ 49,151	\$ 49,151	\$ 13,371	\$ 35,780	27%	\$ 12,974	\$ (397)	103.1%
Commodities	50	50	-	50	0%	-	-	0.0%
Other charges and services	51,889	51,889	14,850	37,039	29%	14,870	20	99.9%
<b>Total</b>	<b>101,090</b>	<b>101,090</b>	<b>28,221</b>	<b>72,869</b>	<b>28%</b>	<b>27,844</b>	<b>(377)</b>	<b>101.4%</b>
<b>Committees/Commissions</b>								
Personnel services	61,412	61,412	490	60,922	1%	415	(75)	117.9%
Commodities	1,530	1,530	-	1,530	0%	-	-	0.0%
Other charges and services	12,718	12,718	6,032	6,686	47%	4,543	(1,489)	132.8%
<b>Total</b>	<b>75,660</b>	<b>75,660</b>	<b>6,522</b>	<b>69,138</b>	<b>9%</b>	<b>4,958</b>	<b>(1,564)</b>	<b>131.5%</b>
<b>City Administration</b>								
Personnel services	404,834	404,834	96,371	308,463	24%	99,362	2,991	97.0%
Commodities	800	800	262	538	33%	86	(176)	304.7%
Other charges and services	17,513	17,513	4,113	13,400	23%	4,365	252	94.2%
Capital outlay	-	-	-	-	0%	-	-	0.0%
<b>Total</b>	<b>423,147</b>	<b>423,147</b>	<b>100,746</b>	<b>322,401</b>	<b>24%</b>	<b>103,813</b>	<b>3,067</b>	<b>97.0%</b>
<b>City Clerk</b>								
Personnel services	110,468	110,468	28,058	82,411	25%	27,693	(365)	101.3%
Commodities	200	200	-	200	0%	49	49	0.0%
Other charges and services	29,106	29,106	11,721	17,385	40%	1,540	(10,181)	761.1%
Capital outlay	-	-	-	-	0%	-	-	0.0%
<b>Total</b>	<b>139,774</b>	<b>139,774</b>	<b>39,779</b>	<b>99,996</b>	<b>28%</b>	<b>29,282</b>	<b>(10,497)</b>	<b>135.8%</b>
<b>Legal Counsel</b>								
Other charges and services	57,000	57,000	18,933	38,067	33%	10,788	(8,145)	175.5%
<b>Planning</b>								
Personnel services	505,012	505,012	108,275	396,738	21%	108,934	660	99.4%
Commodities	3,329	3,329	179	3,150	5%	131	(48)	136.6%
Other charges and services	55,921	55,921	7,615	48,306	14%	3,769	(3,846)	202.0%
Capital outlay	-	-	-	-	0%	-	-	0.0%
<b>Total</b>	<b>564,262</b>	<b>564,262</b>	<b>116,069</b>	<b>448,194</b>	<b>21%</b>	<b>112,834</b>	<b>(3,234)</b>	<b>102.9%</b>
<b>Community and Economic Development</b>								
Personnel services	284,506	284,506	69,523	214,984	24%	64,946	(4,577)	107.0%
Commodities	250	250	56	194	22%	60	4	93.3%
Other charges and services	73,516	73,516	2,944	70,572	4%	4,933	1,989	59.7%
Capital outlay	-	-	-	-	0%	-	-	0.0%
<b>Total</b>	<b>358,272</b>	<b>358,272</b>	<b>72,523</b>	<b>285,750</b>	<b>20%</b>	<b>69,939</b>	<b>(2,584)</b>	<b>103.7%</b>
<b>Inspection</b>								
Personnel services	830,402	830,402	205,353	625,049	25%	204,269	(1,084)	100.5%
Commodities	12,627	12,627	1,438	11,189	11%	3,012	1,574	47.7%
Other charges and services	218,555	218,555	64,640	153,915	30%	48,617	(16,023)	133.0%
Capital outlay	-	-	-	-	0%	-	-	0.0%
<b>Total</b>	<b>1,061,584</b>	<b>1,061,584</b>	<b>271,431</b>	<b>790,153</b>	<b>26%</b>	<b>255,898</b>	<b>(15,533)</b>	<b>106.1%</b>

(continued)

General Fund  
Schedule of Expenditures

Expenditures (continued)	2017		3/31/2017 Actual	Variance from Amended Budget Positive (Negative)	Actual Percent	Comparative		Actual	Variance from 2016 Actual Positive (Negative)	
	Adopted Budget	Amended Budget				3/31/2016 Actual	2016 Actual			
<b>General Government Facilities</b>										
Personnel services	\$ 332,817	\$ 332,817	\$ 80,881	\$ 251,937	24%	\$ 60,023	\$ (20,858)		134.7%	
Commodities	22,907	22,907	8,076	14,831	35%	2,560	(5,516)		315.5%	
Other charges and services	173,887	173,887	44,356	129,531	26%	47,573	3,217		93.2%	
Capital outlay	-	-	-	-	0%	-	-		0.0%	
<b>Total</b>	<b>529,611</b>	<b>529,611</b>	<b>133,313</b>	<b>396,299</b>	<b>25%</b>	<b>110,156</b>	<b>(23,157)</b>		<b>121.0%</b>	
<b>Finance</b>										
Personnel services	670,563	670,563	167,678	502,885	25%	140,629	(27,048)		119.2%	
Commodities	4,229	4,229	1,311	2,918	31%	1,491	180		87.9%	
Other charges and services	84,823	84,823	20,567	64,256	24%	18,061	(2,506)		113.9%	
Capital outlay	-	-	-	-	0%	-	-		0.0%	
<b>Total</b>	<b>759,615</b>	<b>759,615</b>	<b>189,556</b>	<b>570,059</b>	<b>25%</b>	<b>160,181</b>	<b>(29,374)</b>		<b>118.3%</b>	
<b>Information Systems</b>										
Personnel services	391,170	391,170	95,184	295,986	24%	86,445	(8,740)		110.1%	
Commodities	6,276	6,276	651	5,625	10%	3,008	2,357		21.6%	
Other charges and services	223,296	223,296	115,422	107,874	52%	92,435	(22,987)		124.9%	
Capital outlay	-	-	-	-	0%	-	-		0.0%	
<b>Total</b>	<b>620,742</b>	<b>620,742</b>	<b>211,257</b>	<b>409,485</b>	<b>34%</b>	<b>181,888</b>	<b>(29,370)</b>		<b>116.1%</b>	
<b>Human Resources</b>										
Personnel services	389,063	389,063	102,695	286,369	26%	92,009	(10,685)		111.6%	
Commodities	1,340	1,340	694	646	52%	112	(582)		619.6%	
Other charges and services	130,223	130,223	22,187	108,036	17%	25,256	3,069		87.8%	
Capital outlay	-	-	-	-	0%	1,348	1,348		0.0%	
<b>Total</b>	<b>520,626</b>	<b>520,626</b>	<b>125,576</b>	<b>395,051</b>	<b>24%</b>	<b>118,725</b>	<b>(6,850)</b>		<b>105.8%</b>	
<b>Insurance</b>										
Other charges and services	182,180	182,180	45,545	136,635	25%	45,545	-		100.0%	
<b>Police</b>										
Personnel services	8,220,190	8,220,190	1,938,582	6,281,608	24%	1,893,983	(44,599)		102.4%	
Commodities	411,866	411,866	118,722	293,144	29%	138,559	19,837		85.7%	
Other charges and services	1,861,188	1,861,188	540,166	1,321,022	29%	532,254	(7,912)		101.5%	
Capital outlay	-	-	-	-	0%	8,500	8,500		0.0%	
<b>Total</b>	<b>10,493,244</b>	<b>10,493,244</b>	<b>2,597,470</b>	<b>7,895,774</b>	<b>25%</b>	<b>2,573,296</b>	<b>(24,174)</b>		<b>100.9%</b>	
<b>Fire</b>										
Personnel services	1,005,382	1,005,382	244,519	760,864	24%	243,566	(953)		100.4%	
Fire Relief Contribution/State Aid	343,039	343,039	-	343,039	0%	3,000	3,000		0.0%	
Commodities	153,922	153,922	24,739	129,183	16%	31,784	7,045		77.8%	
Other charges and services	286,427	286,427	69,250	217,177	24%	74,923	5,673		92.4%	
Capital outlay	-	-	-	-	0%	-	-		0.0%	
<b>Total</b>	<b>1,788,770</b>	<b>1,788,770</b>	<b>338,508</b>	<b>1,450,263</b>	<b>19%</b>	<b>353,273</b>	<b>14,765</b>		<b>95.8%</b>	

(continued)



General Fund  
Schedule of Expenditures

Expenditures (continued)	2017 Adopted Budget	2017 Amended Budget	3/31/2017 Actual	Variance from Amended Budget Positive (Negative)	Actual Percent	Comparative		Actual	Variance from 2016 Actual Positive (Negative)	
						3/31/2016 Actual				
<b>Engineering</b>										
Personnel services	\$ 704,482	\$ 704,482	\$ 170,382	\$ 534,100	24%	\$ 130,640	\$ (39,742)			130.4%
Commodities	8,766	8,766	2,363	6,403	27%	725	(1,638)			325.9%
Other charges and services	292,149	292,149	8,759	283,390	3%	8,325	(434)			105.2%
Capital outlay	-	-	-	-	0%	1,142	1,142			0.0%
<b>Total</b>	<b>1,005,397</b>	<b>1,005,397</b>	<b>181,504</b>	<b>823,893</b>	<b>18%</b>	<b>140,832</b>	<b>(40,672)</b>			<b>128.9%</b>
<b>Operations and Maintenance</b>										
Personnel services	614,951	614,951	49,593	565,358	8%	114,053	64,460			43.5%
Commodities	7,723	7,723	441	7,282	6%	1,244	803			35.5%
Other charges and services	14,318	14,318	703	13,615	5%	3,069	2,366			22.9%
Capital outlay	27,485	27,485	-	27,485	0%	2,548	2,548			0.0%
<b>Total</b>	<b>664,477</b>	<b>664,477</b>	<b>50,737</b>	<b>613,740</b>	<b>8%</b>	<b>120,914</b>	<b>70,177</b>			<b>42.0%</b>
<b>Streets</b>										
Personnel services	2,011,988	2,011,988	523,144	1,488,845	26%	525,635	2,492			99.5%
Commodities	912,051	912,051	422,611	489,440	46%	243,034	(179,577)			173.9%
Other charges and services	352,444	352,444	36,349	316,095	10%	43,732	7,383			83.1%
Capital outlay	-	-	-	-	0%	-	-			0.0%
<b>Total</b>	<b>3,276,483</b>	<b>3,276,483</b>	<b>982,104</b>	<b>2,294,380</b>	<b>30%</b>	<b>812,401</b>	<b>(169,702)</b>			<b>120.9%</b>
<b>Parks</b>										
Personnel services	1,785,414	1,785,414	383,748	1,401,666	21%	375,212	(8,536)			102.3%
Commodities	277,283	277,283	53,787	223,496	19%	44,528	(9,259)			120.8%
Other charges and services	475,478	475,478	69,651	405,827	15%	76,285	6,634			91.3%
Capital outlay	3,750	3,750	-	3,750	0%	-	-			0.0%
<b>Total</b>	<b>2,541,925</b>	<b>2,541,925</b>	<b>507,186</b>	<b>2,034,739</b>	<b>20%</b>	<b>496,025</b>	<b>(11,161)</b>			<b>102.3%</b>
<b>Recreation</b>										
Personnel services	393,149	393,149	88,404	304,745	22%	77,744	(10,659)			113.7%
Commodities	35,483	35,483	2,903	32,580	8%	1,517	(1,386)			191.4%
Other charges and services	244,349	244,349	55,112	189,237	23%	48,021	(7,091)			114.8%
Capital outlay	-	-	-	-	0%	2,700	2,700			0.0%
<b>Total</b>	<b>672,981</b>	<b>672,981</b>	<b>146,419</b>	<b>526,562</b>	<b>22%</b>	<b>129,982</b>	<b>(16,436)</b>			<b>112.6%</b>
<b>Heritage Center</b>										
Personnel services	34,274	34,274	15,966	18,308	47%	9,637	(6,329)			165.7%
Commodities	12,663	12,663	2,694	9,969	21%	661	(2,033)			407.6%
Other charges and services	48,885	48,885	7,422	41,463	15%	9,617	2,195			77.2%
Capital outlay	-	-	-	-	0%	-	-			0.0%
<b>Total</b>	<b>95,822</b>	<b>95,822</b>	<b>26,082</b>	<b>69,740</b>	<b>27%</b>	<b>19,915</b>	<b>(6,167)</b>			<b>131.0%</b>
<b>Arts Center</b>										
Personnel services	269,762	269,762	69,716	200,046	26%	62,019	(7,697)			112.4%
Commodities	33,750	33,750	10,576	23,174	31%	8,003	(2,573)			132.2%
Other charges and services	189,925	189,925	84,055	105,870	44%	64,508	(19,547)			130.3%
Capital outlay	8,900	8,900	9,143	(243)	103%	2,245	(6,898)			407.3%
<b>Total</b>	<b>502,337</b>	<b>502,337</b>	<b>173,490</b>	<b>328,847</b>	<b>35%</b>	<b>136,775</b>	<b>(36,715)</b>			<b>126.8%</b>

**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, 2017

	<b>2017 Adopted Budget</b>	<b>Actual</b>	<b>Variance</b>	<b>Percent of Budget</b>
<b><u>Revenues</u></b>				
Licenses franchise fee	\$ 676,131	\$ 169,000	\$ (507,131)	25.0%
PEG Fees	61,296	15,339	(45,957)	25.0%
Intergovernmental State aid	516	-	(516)	0.0%
Investment income	<u>3,497</u>	<u>797</u>	<u>(2,700)</u>	<u>22.8%</u>
Total revenues	<u>741,440</u>	<u>185,136</u>	<u>(556,304)</u>	<u>25.0%</u>
<b><u>Expenditures - General government</u></b>				
Personnel services	358,759	76,879	281,880	21.4%
Commodities	6,260	5,496	764	87.8%
Other charges and services	156,544	31,968	124,576	20.4%
Capital outlay	<u>107,579</u>	<u>17,733</u>	<u>89,846</u>	<u>16.5%</u>
Total expenditures	<u>629,142</u>	<u>132,076</u>	<u>497,066</u>	<u>21.0%</u>
Excess (deficiency) of revenues over expenditures	<u>112,298</u>	<u>53,060</u>	<u>(59,238)</u>	<u>47.2%</u>
<b><u>Other financing (uses) - Transfers</u></b>				
To General Fund	<u>(75,429)</u>	<u>(18,857)</u>	<u>56,572</u>	<u>25.0%</u>
Total other financing (uses)	<u>(75,429)</u>	<u>(18,857)</u>	<u>56,572</u>	<u>25.0%</u>
Net change in fund balance	36,869	34,202	(2,667)	
Beginning fund balance	<u>285,483</u>	<u>318,696</u>	<u>33,213</u>	
Ending fund balance	<u>\$ 322,352</u>	<u>\$ 352,898</u>	<u>\$ 30,546</u>	

**CITY OF LAKEVILLE, MINNESOTA**  
Enterprise - Liquor Fund  
Statement of Revenues, Expenditures and Changes in Net Assets  
For the Three Month Period Ended March 31, 2017

	2017			Percent of Budget	Comparative		
	Adopted Budget	3/31/2017 Actual	Variance		3/31/2016 Actual	Variance from 2016 Actual Positive (Negative)	
<u>Sales and cost of sales</u>							
Sales	\$ 14,045,802	\$ 2,876,860	\$ (11,168,942)	20.5%	\$ 2,886,956	\$ (10,096)	99.7%
Cost of sales	<u>10,605,816</u>	<u>2,172,191</u>	<u>8,433,625</u>	<u>20.5%</u>	<u>2,215,493</u>	<u>43,302</u>	<u>98.0%</u>
Gross profit	<u>3,439,986</u>	<u>704,669</u>	<u>(2,735,317)</u>	<u>20.5%</u>	<u>671,463</u>	<u>33,206</u>	<u>104.9%</u>
<u>Operating expenses</u>							
Personnel services	1,443,341	373,880	1,069,462	25.9%	345,075	(28,805)	108.3%
Commodities	70,710	12,224	58,486	17.3%	10,817	(1,407)	113.0%
Other charges and services	857,233	167,481	689,752	19.5%	197,340	29,859	84.9%
Depreciation	<u>116,465</u>	<u>29,116</u>	<u>87,349</u>	<u>25.0%</u>	<u>28,690</u>	<u>(426)</u>	<u>101.5%</u>
Total operating expenses	<u>2,487,749</u>	<u>582,701</u>	<u>1,905,048</u>	<u>23.4%</u>	<u>581,922</u>	<u>(779)</u>	<u>100.1%</u>
Operating income	<u>952,237</u>	<u>121,968</u>	<u>(830,269)</u>	<u>12.8%</u>	<u>89,541</u>	<u>32,427</u>	<u>136.2%</u>
<u>Non-operating revenue (expense)</u>							
Investment income	3,744	417	(3,327)	11.1%	6,325	(5,908)	6.6%
Miscellaneous	7,500	-	(7,500)	0.0%	-	-	0.0%
Interest and bond expense	(125,959)	(31,490)	94,469	25.0%	(33,854)	2,364	93.0%
Transfers in (out)							
General Fund	(198,819)	(49,705)	149,114	25.0%	(43,243)	(6,462)	114.9%
Debt Service:							
CIP Bonds-Police Station	(346,360)	(346,360)	-	100.0%	(400,000)	53,640	86.6%
Capital Projects:							
Equipment Fund	-	-	-	0.0%	(500,000)	500,000	0.0%
Enterprise Fund:							
Environmental Resources - Recycling	<u>(2,275)</u>	<u>-</u>	<u>2,275</u>	<u>0.0%</u>	<u>-</u>	<u>-</u>	<u>0.0%</u>
Total non-operating (net)	<u>(662,169)</u>	<u>(427,138)</u>	<u>235,031</u>	<u>64.5%</u>	<u>(970,772)</u>	<u>543,634</u>	<u>44.0%</u>
Change in net position	290,068	(305,170)	(595,238)		(881,231)	576,061	
Beginning net position	<u>4,017,732</u>	<u>4,177,607</u>	<u>159,875</u>		<u>5,103,267</u>	<u>(925,660)</u>	
Ending net position	<u>\$ 4,307,800</u>	<u>\$ 3,872,437</u>	<u>\$ (435,363)</u>		<u>\$ 4,222,036</u>	<u>\$ (349,599)</u>	

**CITY OF LAKEVILLE, MINNESOTA**  
 Enterprise - Utility Fund Water Operation  
 Statement of Revenues, Expenditures and Changes in Net Assets  
 For the Three Month Period Ended March 31, 2017

	<b>2017 Adopted Budget</b>	<b>Actual</b>	<b>Variance</b>	<b>Percent of Budget</b>
<b><u>Operating revenues</u></b>				
User charges for services	\$ 4,377,242	\$ 630,685	\$ (3,746,557)	14.4%
Other	160,488	25,923	(134,565)	16.2%
Total operating revenue	<u>4,537,730</u>	<u>656,608</u>	<u>(3,881,122)</u>	<u>14.5%</u>
<b><u>Operating expenses</u></b>				
Personnel services	1,090,312	280,721	809,591	25.7%
Commodities	348,183	56,217	291,966	16.1%
Other charges and services	1,239,664	191,348	1,048,316	15.4%
Major Maintenance	1,731,019	-	1,731,019	0.0%
Total operating expenses	<u>4,409,178</u>	<u>528,286</u>	<u>3,880,892</u>	<u>12.0%</u>
Operating income (loss)	<u>128,552</u>	<u>128,322</u>	<u>(230)</u>	
<b><u>Non-operating revenue (expense)</u></b>				
Intergovernmental	1,632	-	(1,632)	0.0%
Investment income	18,016	7,973	(10,043)	44.3%
Disposal of assets	10,000	-	(10,000)	0.0%
Capital outlay	(107,242)	(2,472)	104,770	2.3%
Bond proceeds	1,094,952	-	(1,094,952)	0.0%
Debt Service	(759,668)	(18,645)	741,023	2.5%
Transfers in (out)	(139,244)	(34,811)	104,433	25.0%
Total non-operating (net)	<u>118,446</u>	<u>(47,955)</u>	<u>(166,401)</u>	<u>-40.5%</u>
Change in working capital	246,998	80,367	(166,631)	
Beginning working capital	4,556,045	6,451,219	1,895,174	
Ending working capital	<u>\$ 4,803,043</u>	<u>\$ 6,531,586</u>	<u>\$ 1,728,543</u>	

**CITY OF LAKEVILLE, MINNESOTA**  
 Enterprise - Utility Fund Sanitary Sewer Operation  
 Statement of Revenues, Expenditures and Changes in Net Assets  
 For the Three Month Period Ended March 31, 2017

	<b>2017 Adopted Budget</b>	<b>Actual</b>	<b>Variance</b>	<b>Percent of Budget</b>
<b><u>Operating revenue</u></b>				
User charges for services	\$ 5,638,031	\$ 1,416,592	\$ (4,221,439)	25.1%
<b><u>Operating expenses</u></b>				
Personnel services	817,174	177,535	639,639	21.7%
Commodities	89,742	19,312	70,430	21.5%
Other charges and services	322,728	91,583	231,145	28.4%
Disposal charges	3,509,576	877,395	2,632,181	25.0%
Major maintenance projects	<u>545,000</u>	<u>-</u>	<u>545,000</u>	<u>0.0%</u>
Total operating expenses	<u>5,284,220</u>	<u>1,165,825</u>	<u>4,118,395</u>	<u>22.1%</u>
Operating income (loss)	<u>353,811</u>	<u>250,767</u>	<u>(103,044)</u>	
<b><u>Non-operating revenue (expense)</u></b>				
Intergovernmental State aid	1,632	-	(1,632)	0.0%
Investment income	11,388	6,000	(5,388)	52.7%
Disposal of assets	24,000	-	(24,000)	0.0%
Capital outlay	(332,947)	(2,472)	330,475	0.7%
Bond proceeds	-	-	-	0.0%
Debt service	(21,425)	(1,821)	19,604	8.5%
Transfers in	23,873	23,873	-	100.0%
Transfers (out)	<u>(143,628)</u>	<u>(35,907)</u>	<u>(107,721)</u>	<u>25.0%</u>
Total non-operating (net)	<u>(437,107)</u>	<u>(10,327)</u>	<u>426,780</u>	<u>2.4%</u>
Change in working capital	(83,296)	240,440	323,736	
Beginning working capital	<u>1,361,527</u>	<u>2,321,568</u>	<u>960,041</u>	
Ending working capital	<u>\$ 1,278,231</u>	<u>\$ 2,562,008</u>	<u>\$ 1,283,777</u>	

**CITY OF LAKEVILLE, MINNESOTA**  
 Enterprise - Utility Fund Street Light Operation  
 Statement of Revenues, Expenditures and Changes in Net Assets  
 For the Three Month Period Ended March 31, 2017

	<b>2017 Adopted Budget</b>	<b>Actual</b>	<b>Variance</b>	<b>Percent of Budget</b>
<u>Operating revenue</u>				
User charges for services	\$ 810,000	\$ 207,299	\$ (602,701)	25.6%
<u>Operating expenses</u>				
Personnel services	18,262	2,801	15,461	15.3%
Commodities	31	12	19	39.4%
Other charges and services	723,984	178,759	545,225	24.7%
Major Maintenance	400,000	-	400,000	0.0%
Total operating expenses	<u>1,142,277</u>	<u>181,571</u>	<u>960,706</u>	<u>15.9%</u>
Operating income (loss)	<u>(332,277)</u>	<u>25,728</u>	<u>358,005</u>	
<u>Non-operating revenue (expense)</u>				
Investment income	1,608	750	(858)	46.6%
Bond proceeds	400,000	-	(400,000)	0.0%
Transfers in (out) - General Fund	(4,384)	(1,096)	3,288	25.0%
Total non-operating (net)	<u>397,224</u>	<u>(346)</u>	<u>(397,570)</u>	<u>-0.1%</u>
Change in working capital	64,947	25,382	(39,565)	
Beginning working capital	<u>271,334</u>	<u>318,786</u>	<u>47,452</u>	
Ending working capital	<u>\$ 336,281</u>	<u>\$ 344,168</u>	<u>\$ 7,887</u>	

**CITY OF LAKEVILLE, MINNESOTA**  
 Enterprise - Utility Fund Environmental Resources Operation  
 Statement of Revenues, Expenditures and Changes in Net Assets  
 For the Three Month Period Ended March 31, 2017

	<b>2017 Adopted Budget</b>	<b>Actual</b>	<b>Variance</b>	<b>Percent of Budget</b>
<b>Revenues</b>				
User charges for services	\$ 983,370	\$ 247,587	\$ (735,783)	25.2%
Charges for services - Recycling	4,642	-	(4,642)	0.0%
Total revenues	<u>988,012</u>	<u>247,587</u>	<u>(450,416)</u>	<u>25.1%</u>
<b>Expenditures - Public works</b>				
Personnel services	311,912	75,860	236,052	24.3%
Commodities	32,894	16,381	16,513	49.8%
Other charges and services	858,548	29,219	829,329	3.4%
Total expenditures	<u>1,203,354</u>	<u>121,460</u>	<u>1,081,894</u>	<u>10.1%</u>
Excess (deficiency) of revenues over expenditures	<u>(215,342)</u>	<u>126,127</u>	<u>341,469</u>	
<b>Non-operating revenue (expense)</b>				
Intergovernmental	125,000	-	(125,000)	0.0%
Investment income	5,965	2,500	(3,465)	41.9%
Transfers in (out)				0.0%
General Fund	(168,094)	(42,024)	126,071	25.0%
Equipment Fund	(31,000)	(31,000)	-	100.0%
Storm Sewer Trunk Fund	110,000	(110,000)	(220,000)	-100.0%
Liquor Fund	2,275	-	(2,275)	0.0%
Sanitary sewer operations	(23,873)	(23,873)	-	100.0%
Total other financing (uses)	<u>20,273</u>	<u>(204,397)</u>	<u>(224,670)</u>	<u>-1008.2%</u>
Change in working capital	(195,069)	(78,269)	116,800	
Beginning working capital	433,220	1,334,775	901,555	
Ending working capital	<u>\$ 238,151</u>	<u>\$ 1,256,506</u>	<u>\$ 1,018,355</u>	