



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, 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 nine months compares to the same period in 2016 and the 2017 Adopted Budget:

Permit Type	YTD 3rd Quarter 2016	2017 Adopted Budget	YTD 3rd Quarter 2017
Single Family	279	300	346
Townhome	59	50	62
Apartments (Units)	8 (98 Units)	(195 Units)	2 (196 Units)
Commercial	9	5	7

❖ Intergovernmental.

- Police state aid revenue of \$451,000 is under budget estimates by \$8,000, but is a \$23,000 increase over 2016. Fire state aid revenue of \$347,000 exceeds budget estimates by \$7,000 and is slightly above 2016.
- Other grant revenues through the third quarter amounted to \$193,000.

❖ Charges for Services.

- *General government services* are exceeding budget estimates due to increased planning and inspection department fees.
- *Public Safety* revenues are in line with budget estimates.

FINANCIAL HIGHLIGHTS (continued):

❖ General Fund - Revenues (Continued)

❖ *Charges for Services. (Continued)*

- *Public works* revenues for engineering services in connection with developer construction administration are down from the same period last year resulting from fewer new developments in 2017 compared to the same period in 2016. \$669,000 has been recognized from City improvement projects.
- *Parks and Recreation* revenues are slightly above budget estimates and the prior year.

❖ *Court Fines*

- Revenues from court fines (\$323,000) represent 69 percent of the budget estimates and are up \$7,000 over the same 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 potentially increase Lakeville's share of the DCC cost in 2019.

❖ General Fund - Expenditures

❖ *Personnel Services – Planning/General Government Facilities/Finance/Information*

Systems/Engineering. Personnel services for these departments are in line with budget; however, these departments are exceeding the same period in 2016 due to positions that were hired in the middle of the year.

❖ *Motor Fuels* – The new State of Minnesota fuel contract began February 2017. Motor fuels through September 30 are at 74 percent of the 2017 Budget.

❖ *Street Chemicals* – Costs for the first part of 2017 are at 89 percent of the \$430,000 budget. Unused chemicals are stored at the central maintenance facility and will be utilized in the late fall if needed. The accounting method for chemicals was switched from the consumption method to the purchases method at the end of 2016. This change increased the expense for chemicals as previously reported in the 2016 third quarter.

❖ *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 second quarter represent 64 percent of the adopted budget.

❖ *Legal.* Fees are up over the same period in 2016 and are exceeding budget estimates due to general legal services.

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 in April. The position was anticipated for January 1st.
- ❖ *Community and Economic Development.* Salaries are slightly below budget estimates due to a short vacancy during 2017. Professional services included funds for a downtown development guide update. This update will be partially completed in 2017 and finalized in 2018.
- ❖ *Inspections.* Contractual electrical inspections are exceeding budget estimate resulting from the increases in building permits. This is offset by an increase in revenues. An additional building inspector was hired in July. The budget was amended to reflect the additional costs.
- ❖ *General Government Facilities.* Personnel Services and Commodities 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.
- ❖ *Human Resources.* Professional service for the Classification and Compensation study and other projects will be incurred in the last quarter of 2017.
- ❖ *Engineering:* Contracted engineering fees are running significantly below budget. The Transportation Plan Update (\$80,000) appropriated in 2017 will extend into 2018. The Dakota County Principal Arterial Study (\$45,000) will not be a city expense.
- ❖ *Construction Services (formally called Operations and Maintenance).* Personnel services are below budget estimates due to employee vacancies in the first part of 2017.
- ❖ *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 third 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 personnel transition within the Cable TV division.
- ❖ The 2017 budget was amended \$46,118 for phase I of the fiber project. Phase I will connect fiber from city hall to fire station #1 and the Heritage Center.
- ❖ Capital outlay acquisitions include replacement of two computer workstations, HD Camcorders and office furniture.

❖ **Liquor Fund**

- ❖ Sales for the first three quarters amounted to \$10.6 million which is a 3.9 percent increase over the same period in 2016. Construction on county road 42 in Burnsville may have contributed to the increased customer counts.
- ❖ Total expenditures are tracking slightly below budget appropriations.
- ❖ Capital outlay acquisitions include flooring replacement and addition of a tasting bar at Kenrick. Walk-in cooler fan retro-fit will be added to the 2017 estimate. The parking lot improvements (\$145,000) at the Kenrick store will be pushed into 2018 and completed with the Kenrick Avenue reconstruction project.

FINANCIAL HIGHLIGHTS (continued):

❖ Water Fund

- ❖ Water revenues are up \$681,000 or 24.7 percent over the same period 2016. The summer of 2017 was relatively wet, which will likely keep revenues low. The rate increase in February 2017 contributed to the increase in revenues.
- ❖ Water main repair/replacement costs are projected to be \$1.0 million for the 2017 street reconstruction project.
- ❖ Water meter replacement projects are anticipated to be \$397,000 of which \$284,000 has been spent year-to-date.
- ❖ Water tower cleaning and inspections are budgeted at \$59,000, and well rehabilitations are budgeted at \$180,000.

❖ 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 up slightly over the prior year, but are below budget expectations as the number of repairs has been lower than anticipated. The Met Council disposal charges are \$184,000 higher than the same period in 2016.
- ❖ 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 exceeding budget. Street light fees are also collected at the time of final plat; \$21,000 has been collected with final plats through September 30, 2017.
- ❖ Streetlight rates were increased effective February 1, 2017.
- ❖ 2017 electrical costs are in line with budget estimates.
- ❖ The downtown construction project is underway and the street light portion will be completed in the fourth quarter 2017.

FINANCIAL HIGHLIGHTS (continued):

❖ Environmental Resources Fund

- ❖ Revenues are tracking with budget estimates. Environmental Resources fees are also collected at the time of final plat; \$22,000 has been collected with final plats through September 30, 2017.
- ❖ Rates were increased effective February 1, 2017.
- ❖ A number projects commencing in the fall will extend into 2018. Appropriations have been reallocated in the latest budget.

General Fund
Summary Statement of Revenues, Expenditures and Changes in Fund Balances
For the Nine Month Period Ended September 30, 2017

	2017		9/30/17 Actual	Variance from Amended Budget Positive (Negative)	Actual Percent	Comparative		Variance from 2016 Actual Positive (Negative)	
	Adopted Budget	Amended Budget				9/30/2016 Actual			
Revenues									
General property taxes	\$ 18,833,557	\$ 18,833,557	\$ 9,784,500	\$ (9,049,057)	52.0%	\$ 9,534,873	\$ 249,627	102.6%	
Licenses and permits	2,202,952	2,268,952	2,506,395	237,443	110.5%	2,272,272	234,123	110.3%	
Intergovernmental	1,021,685	1,021,685	1,002,278	(19,407)	98.1%	936,211	66,067	107.1%	
Charges for services	2,666,697	2,666,697	2,093,284	(573,413)	78.5%	2,545,319	(452,035)	82.2%	
Court fines	466,000	466,000	323,044	(142,956)	69.3%	315,867	7,177	102.3%	
Investment income	90,071	90,071	68,693	(21,379)	76.3%	48,085	20,608	142.9%	
Miscellaneous	37,860	41,810	37,888	(3,922)	90.6%	37,323	565	101.5%	
Total revenues	25,318,822	25,388,772	15,816,082	(9,572,691)	62.3%	15,689,950	126,132	100.8%	
Expenditures									
Mayor and Council	101,090	101,090	85,419	15,671	84.5%	84,403	(1,016)	101.2%	
Committees and Commissions	75,660	75,660	80,958	(5,298)	107.0%	72,310	(8,649)	112.0%	
City Administration	423,147	423,147	304,439	118,708	71.9%	319,505	15,065	95.3%	
City Clerk	139,774	139,774	108,031	31,743	77.3%	118,054	10,023	91.5%	
Legal Counsel	57,000	57,000	57,320	(320)	100.6%	41,543	(15,777)	138.0%	
Planning	564,262	564,262	381,148	183,115	67.5%	347,360	(33,788)	109.7%	
Community and Econ. Development	358,272	358,272	219,121	139,152	61.2%	216,155	(2,966)	101.4%	
Inspections	1,061,584	1,127,584	831,761	295,824	73.8%	810,887	(20,874)	102.6%	
General Government Facilities	529,611	529,611	377,444	152,168	71.3%	360,173	(17,271)	104.8%	
Finance	759,615	759,615	570,002	189,613	75.0%	519,754	(50,248)	109.7%	
Information Systems	620,742	620,742	461,653	159,089	74.4%	471,471	9,818	97.9%	
Human Resources	520,626	520,626	337,972	182,654	64.9%	397,090	59,118	85.1%	
Insurance	182,180	182,180	213,750	(31,570)	117.3%	136,635	(77,115)	156.4%	
Police	10,493,244	10,493,244	7,563,834	2,929,410	72.1%	7,276,666	(287,168)	103.9%	
Fire	1,788,770	1,792,720	1,410,516	382,205	78.7%	1,359,645	(50,871)	103.7%	
Engineering	1,005,397	1,005,397	586,257	419,140	58.3%	509,109	(77,149)	115.2%	
Construction Services	664,477	664,477	331,104	333,374	49.8%	416,746	85,642	79.4%	
Streets	3,276,483	3,276,483	2,320,906	955,578	70.8%	2,299,240	(21,666)	100.9%	
Parks	2,541,925	2,541,925	1,840,473	701,452	72.4%	1,790,754	(49,719)	102.8%	
Recreation	672,981	672,981	512,760	160,221	76.2%	464,264	(48,496)	110.4%	
Heritage Center	95,822	95,822	85,438	10,384	89.2%	68,009	(17,430)	125.6%	
Arts Center	502,337	502,337	386,782	115,555	77.0%	358,460	(28,323)	107.9%	
Total expenditures	26,434,999	26,504,949	19,067,085	7,437,864	71.9%	18,438,229	(628,856)	103.4%	
Excess (deficiency) of revenues over expenditures	<u>(1,116,177)</u>	<u>(1,116,177)</u>	<u>(3,251,004)</u>	<u>(2,134,827)</u>		<u>(2,748,279)</u>	<u>(502,724)</u>		
Other financing sources (uses)									
Transfer from other funds	782,655	782,655	608,672	(173,983)	77.8%	625,783	(17,111)	97.3%	
Transfer to other funds	(1,145,000)	(1,145,000)	(1,145,000)	-	100.0%	(50,000)	(1,095,000)	2290.0%	
Total other financing sources (uses)	(362,345)	(362,345)	(536,328)	(173,983)		575,783	(1,112,111)	-93.1%	
Net change in fund balance	(1,478,522)	(1,478,522)	(3,787,332)	(2,308,810)		(2,172,496)	(1,614,835)		
Beginning fund balance	14,121,784	14,121,784	15,076,500	954,716		12,374,928	2,701,572		
Ending fund balance	\$ 12,643,262	\$ 12,643,262	\$ 11,289,169	\$ (1,354,094)		\$ 10,202,432	\$ 1,086,737		
Expense Summary:									
Personnel services	19,412,029	19,453,029	14,086,645	5,366,384	72.4%	13,744,861	(341,784)	102.5%	
Commodities	1,907,045	1,910,995	1,367,362	543,633	71.6%	1,273,804	(93,558)	107.3%	
Other charges and services	5,071,790	5,075,790	3,569,773	1,506,017	70.3%	3,376,236	(193,537)	105.7%	
Capital outlay	44,135	65,135	43,305	21,830	66.5%	43,328	23	99.9%	
Total	26,434,999	26,504,949	19,067,085	7,437,864	71.9%	18,438,229	(628,856)	103.4%	

General Fund
Schedule of Expenditures

Expenditures	2017 Adopted Budget	2017 Amended Budget	9/30/17 Actual	Variance from Adopted Budget Positive (Negative)	Actual Percent	Comparative		10/31/17 Actual	Variance from 2016 Actual Positive (Negative)	10/31/17 Actual
						9/30/2016 Actual	9/30/2016 Actual			
Mayor and Council										
Personnel services	\$ 49,151	\$ 49,151	\$ 38,030	\$ 11,121	77%	\$ 37,357	\$ (673)	\$ 37,357	\$ (673)	101.8%
Commodities	50	50	-	50	0%	-	-	-	-	0.0%
Other charges and services	51,889	51,889	47,389	4,500	91%	47,046	(343)	47,046	(343)	100.7%
Total	101,090	101,090	85,419	15,671	84%	84,403	(1,016)	84,403	(1,016)	101.2%
Committees/Commissions										
Personnel services	61,412	61,412	59,403	2,009	97%	53,376	(6,028)	53,376	(6,028)	111.3%
Commodities	1,530	1,530	1,646	(116)	108%	1,342	(304)	1,342	(304)	122.7%
Other charges and services	12,718	12,718	19,909	(7,191)	157%	17,592	(2,317)	17,592	(2,317)	113.2%
Total	75,660	75,660	80,958	(5,298)	107%	72,310	(8,649)	72,310	(8,649)	112.0%
City Administration										
Personnel services	404,834	404,834	290,063	114,771	72%	301,745	11,681	301,745	11,681	96.1%
Commodities	800	800	679	121	85%	2,063	1,384	2,063	1,384	32.9%
Other charges and services	17,513	17,513	13,697	3,816	78%	11,245	(2,452)	11,245	(2,452)	121.8%
Capital outlay	-	-	-	-	0%	4,452	4,452	4,452	4,452	0.0%
Total	423,147	423,147	304,439	118,708	72%	319,505	15,065	319,505	15,065	95.3%
City Clerk										
Personnel services	110,468	110,468	83,459	27,009	76%	84,023	564	84,023	564	99.3%
Commodities	200	200	45	155	23%	327	282	327	282	13.8%
Other charges and services	29,106	29,106	24,527	4,579	84%	33,704	9,177	33,704	9,177	72.8%
Capital outlay	-	-	-	-	0%	-	-	-	-	0.0%
Total	139,774	139,774	108,031	31,743	77%	118,054	10,023	118,054	10,023	91.5%
Legal Counsel										
Other charges and services	57,000	57,000	57,320	(320)	101%	41,543	(15,777)	41,543	(15,777)	138.0%
Planning										
Personnel services	505,012	505,012	359,356	145,657	71%	313,969	(45,387)	313,969	(45,387)	114.5%
Commodities	3,329	3,329	838	2,491	25%	930	92	930	92	90.1%
Other charges and services	55,921	55,921	20,954	34,967	37%	32,461	11,507	32,461	11,507	64.6%
Capital outlay	-	-	-	-	0%	-	-	-	-	0.0%
Total	564,262	564,262	381,148	183,115	68%	347,360	(33,788)	347,360	(33,788)	109.7%
Community and Economic Development										
Personnel services	284,506	284,506	198,187	86,320	70%	208,595	10,409	208,595	10,409	95.0%
Commodities	250	250	129	121	52%	111	(18)	111	(18)	116.2%
Other charges and services	73,516	73,516	20,805	52,711	28%	7,449	(13,356)	7,449	(13,356)	279.3%
Capital outlay	-	-	-	-	0%	-	-	-	-	0.0%
Total	358,272	358,272	219,121	139,152	61%	216,155	(2,966)	216,155	(2,966)	101.4%
Inspection										
Personnel services	830,402	871,402	629,274	242,129	72%	620,264	(9,010)	620,264	(9,010)	101.5%
Commodities	12,627	12,627	6,914	5,713	55%	6,146	(768)	6,146	(768)	112.5%
Other charges and services	218,555	218,555	194,297	24,258	89%	184,477	(9,820)	184,477	(9,820)	105.3%
Capital outlay	-	25,000	1,276	23,724	5%	-	(1,276)	-	(1,276)	0.0%
Total	1,061,584	1,127,584	831,761	295,824	74%	810,887	(20,874)	810,887	(20,874)	102.6%

(continued)

General Fund
Schedule of Expenditures

Expenditures (continued)	2017 Adopted Budget	2017 Amended Budget	9/30/17 Actual	Variance from Adopted Budget Positive (Negative)	Actual Percent	Comparative		Variance from 2016 Actual Positive (Negative)	
						9/30/2016 Actual			
General Government Facilities									
Personnel services	\$ 332,817	\$ 332,817	\$ 235,475	\$ 97,343	71%	\$ 223,993	\$ (11,482)	105.1%	
Commodities	22,907	22,907	17,214	5,693	75%	8,353	(8,861)	206.1%	
Other charges and services	<u>173,887</u>	<u>173,887</u>	<u>124,755</u>	<u>49,132</u>	72%	<u>127,827</u>	<u>3,072</u>	<u>97.6%</u>	
Capital outlay	-	-	-	-	0%	-	-	0.0%	
Total	<u>529,611</u>	<u>529,611</u>	<u>377,444</u>	<u>152,168</u>	<u>71%</u>	<u>360,173</u>	<u>(17,271)</u>	<u>104.8%</u>	
Finance									
Personnel services	670,563	670,563	502,243	168,320	75%	455,721	(46,522)	110.2%	
Commodities	4,229	4,229	1,982	2,247	47%	2,719	737	72.9%	
Other charges and services	84,823	84,823	65,777	19,046	78%	59,966	(5,811)	109.7%	
Capital outlay	-	-	-	-	0%	1,348	1,348	0.0%	
Total	<u>759,615</u>	<u>759,615</u>	<u>570,002</u>	<u>189,613</u>	<u>75%</u>	<u>519,754</u>	<u>(50,248)</u>	<u>109.7%</u>	
Information Systems									
Personnel services	391,170	391,170	273,893	117,277	70%	294,141	20,248	93.1%	
Commodities	6,276	6,276	2,220	4,056	35%	3,023	803	73.4%	
Other charges and services	223,296	223,296	185,540	37,756	83%	174,307	(11,233)	106.4%	
Capital outlay	-	-	-	-	0%	-	-	0.0%	
Total	<u>620,742</u>	<u>620,742</u>	<u>461,653</u>	<u>159,089</u>	<u>74%</u>	<u>471,471</u>	<u>9,818</u>	<u>97.9%</u>	
Human Resources									
Personnel services	389,063	389,063	285,707	103,356	73%	336,886	51,179	84.8%	
Commodities	1,340	1,340	1,549	(209)	116%	1,691	142	91.6%	
Other charges and services	130,223	130,223	50,716	79,507	39%	57,165	6,449	88.7%	
Capital outlay	-	-	-	-	0%	1,348	1,348	0.0%	
Total	<u>520,626</u>	<u>520,626</u>	<u>337,972</u>	<u>182,654</u>	<u>65%</u>	<u>397,090</u>	<u>59,118</u>	<u>85.1%</u>	
Insurance									
Other charges and services	<u>182,180</u>	<u>182,180</u>	<u>213,750</u>	<u>(31,570)</u>	<u>117%</u>	<u>136,635</u>	<u>(77,115)</u>	<u>156.4%</u>	
Police									
Personnel services	8,220,190	8,220,190	5,919,514	2,300,676	72%	5,757,226	(162,288)	102.8%	
Commodities	411,866	411,866	288,458	123,408	70%	248,680	(39,778)	116.0%	
Other charges and services	1,861,188	1,861,188	1,355,862	505,326	73%	1,245,317	(110,545)	108.9%	
Capital outlay	-	-	-	-	0%	25,443	25,443	0.0%	
Total	<u>10,493,244</u>	<u>10,493,244</u>	<u>7,563,834</u>	<u>2,929,410</u>	<u>72%</u>	<u>7,276,666</u>	<u>(287,168)</u>	<u>103.9%</u>	
Fire									
Personnel services	1,005,382	1,005,382	764,746	240,637	76%	720,419	(44,327)	106.2%	
Fire Relief Contribution/State Aid	343,039	343,039	347,635	(4,596)	101%	345,276	(2,359)	100.7%	
Commodities	153,922	157,872	97,151	60,721	62%	76,348	(20,803)	127.2%	
Other charges and services	286,427	286,427	200,984	85,443	70%	217,602	16,618	92.4%	
Capital outlay	-	-	-	-	0%	-	-	0.0%	
Total	<u>1,788,770</u>	<u>1,792,720</u>	<u>1,410,516</u>	<u>382,205</u>	<u>79%</u>	<u>1,359,645</u>	<u>(50,871)</u>	<u>103.7%</u>	

(continued)

General Fund
Schedule of Expenditures

Expenditures (continued)	2017 Adopted Budget	2017 Amended Budget	9/30/17 Actual	Variance from Adopted Budget Positive (Negative)	Actual Percent	Comparative		Variance from 2016 Actual Positive (Negative)	
						9/30/2016 Actual			
Engineering									
Personnel services	\$ 704,482	\$ 704,482	\$ 551,028	\$ 153,454	78%	\$ 480,293	\$ (70,736)	114.7%	
Commodities	8,766	8,766	5,383	3,383	61%	2,695	(2,688)	199.7%	
Other charges and services	292,149	292,149	29,846	262,303	10%	24,979	(4,867)	119.5%	
Capital outlay	-	-	-	-	0%	1,142	1,142	0.0%	
Total	1,005,397	1,005,397	586,257	419,140	58%	509,109	(77,149)	115.2%	
Construction Services									
Personnel services	614,951	614,951	290,718	324,234	47%	402,012	111,294	72.3%	
Commodities	7,723	7,723	6,043	1,680	78%	4,073	(1,970)	148.4%	
Other charges and services	14,318	14,318	4,292	10,026	30%	7,650	3,358	56.1%	
Capital outlay	27,485	27,485	30,051	(2,566)	109%	3,011	(27,040)	998.0%	
Total	664,477	664,477	331,104	333,374	50%	416,746	85,642	79.4%	
Streets									
Personnel services	2,011,988	2,011,988	1,406,965	605,024	70%	1,407,231	266	100.0%	
Commodities	912,051	912,051	698,676	213,375	77%	690,116	(8,560)	101.2%	
Other charges and services	352,444	352,444	215,265	137,179	61%	201,893	(13,372)	106.6%	
Capital outlay	-	-	-	-	0%	-	-	0.0%	
Total	3,276,483	3,276,483	2,320,906	955,578	71%	2,299,240	(21,666)	100.9%	
Parks									
Personnel services	1,785,414	1,785,414	1,321,026	464,388	74%	1,224,622	(96,404)	107.9%	
Commodities	277,283	277,283	192,894	84,389	70%	179,958	(12,936)	107.2%	
Other charges and services	475,478	475,478	323,828	151,650	68%	386,174	62,346	83.9%	
Capital outlay	3,750	3,750	2,725	1,025	73%	-	(2,725)	0.0%	
Total	2,541,925	2,541,925	1,840,473	701,452	72%	1,790,754	(49,719)	102.8%	
Recreation									
Personnel services	393,149	393,149	283,302	109,847	72%	256,120	(27,182)	110.6%	
Commodities	35,483	35,483	17,845	17,638	50%	16,346	(1,499)	109.2%	
Other charges and services	244,349	244,349	211,613	32,736	87%	189,099	(22,514)	111.9%	
Capital outlay	-	-	-	-	0%	2,699	2,699	0.0%	
Total	672,981	672,981	512,760	160,221	76%	464,264	(48,496)	110.4%	
Heritage Center									
Personnel services	34,274	34,274	45,906	(11,632)	134%	32,952	(12,955)	139.3%	
Commodities	12,663	12,663	5,074	7,589	40%	2,116	(2,958)	239.8%	
Other charges and services	44,885	48,885	34,348	14,537	70%	32,941	(1,407)	104.3%	
Capital outlay	4,000	-	110	(110)	0%	-	(110)	0.0%	
Total	95,822	95,822	85,438	10,384	89%	68,009	(17,430)	125.6%	
Arts Center									
Personnel services	269,762	269,762	200,718	69,044	74%	188,644	(12,075)	106.4%	
Commodities	33,750	33,750	22,622	11,128	67%	26,767	4,145	84.5%	
Other charges and services	189,925	189,925	154,299	35,626	81%	139,164	(15,135)	110.9%	
Capital outlay	8,900	8,900	9,143	(243)	103%	3,885	(5,258)	235.3%	
Total	502,337	502,337	386,782	115,555	77%	358,460	(28,323)	107.9%	

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, 2017

	2017 Adopted Budget	2017 Amended Budget	9/30/17 Actual	Variance	Percent of Budget	Comparative		
						9/30/2016 Actual	Variance from 2016 Actual Positive (Negative)	
Revenues								
Licenses franchise fee	\$ 676,131	\$ 676,131	\$ 507,770	\$ (168,361)	75.1%	\$ 510,142	\$ (2,372)	99.5%
PEG Fees	61,296	61,296	46,304	(14,992)	75.5%	45,848	456	101.0%
Intergovernmental State aid	516	516	-	(516)	0.0%	258	(258)	0.0%
Sale of Assets	-	-	-	-	0.0%	-	-	-
Investment income	3,497	3,497	1,195	(2,302)	34.2%	2,686	(1,491)	44.5%
Total revenues	<u>741,440</u>	<u>741,440</u>	<u>555,269</u>	<u>(186,171)</u>	<u>74.9%</u>	<u>558,934</u>	<u>(3,665)</u>	<u>99.3%</u>
Expenditures - General government								
Personnel services	358,759	358,759	260,671	98,089	72.7%	294,497	33,827	88.5%
Commodities	6,260	6,260	8,425	(2,165)	134.6%	2,003	(6,422)	420.6%
Other charges and services	156,544	202,662	101,336	101,326	50.0%	154,261	52,925	65.7%
Capital outlay	107,579	107,579	20,872	86,707	19.4%	33,230	12,358	62.8%
Total expenditures	<u>629,142</u>	<u>675,260</u>	<u>391,304</u>	<u>283,957</u>	<u>57.9%</u>	<u>483,991</u>	<u>92,688</u>	<u>80.8%</u>
Excess (deficiency) of revenues over expenditures	<u>112,298</u>	<u>66,180</u>	<u>163,966</u>	<u>97,786</u>	<u>247.8%</u>	<u>74,943</u>	<u>89,023</u>	<u>218.8%</u>
Other financing (uses) - Transfers								
From Liquor Fund (Comm/Mkt Position)	-	-	14,315	14,315	0.0%	-	14,315	0.0%
To General Fund	(75,429)	(75,429)	(56,572)	18,857	75.0%	(101,234)	44,662	55.9%
To Equipment Fund	-	-	-	-	0.0%	(100,000)	100,000	0.0%
To Building Fund	-	-	-	-	0.0%	(150,000)	150,000	0.0%
Total other financing (uses)	<u>(75,429)</u>	<u>(75,429)</u>	<u>(42,257)</u>	<u>33,172</u>	<u>56.0%</u>	<u>(351,234)</u>	<u>308,977</u>	<u>12.0%</u>
Net change in fund balance	36,869	(9,249)	121,709	130,958		(276,291)	398,000	
Beginning fund balance	<u>285,483</u>	<u>285,483</u>	<u>318,696</u>	<u>33,213</u>		<u>511,596</u>	<u>(192,900)</u>	
Ending fund balance	<u>\$ 322,352</u>	<u>\$ 276,234</u>	<u>\$ 440,405</u>	<u>\$ 164,171</u>		<u>\$ 235,305</u>	<u>\$ 205,100</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, 2017

	2017			Percent of Budget	Comparative		
	Adopted Budget	9/30/17 Actual	Variance		9/30/2016 Actual	Variance from 2016 Actual Positive (Negative)	
<u>Sales and cost of sales</u>							
Sales	\$ 14,045,802	\$ 10,553,525	\$ (3,492,277)	75.1%	\$ 10,159,614	\$ 393,911	103.9%
Cost of sales	<u>10,605,816</u>	<u>7,957,583</u>	<u>2,648,233</u>	75.0%	<u>7,657,927</u>	<u>(299,656)</u>	<u>103.9%</u>
Gross profit	<u>3,439,986</u>	<u>2,595,942</u>	<u>(844,044)</u>	75.5%	<u>2,501,687</u>	<u>94,255</u>	<u>103.8%</u>
Gross profit %	24.5%	24.6%			24.6%		
<u>Operating expenses</u>							
Personnel services	1,443,341	1,095,229	348,112	75.9%	1,041,395	(53,834)	105.2%
Commodities	70,710	36,756	33,954	52.0%	29,790	(6,966)	123.4%
Other charges and services	<u>857,233</u>	<u>577,186</u>	<u>280,047</u>	67.3%	<u>560,170</u>	<u>(17,016)</u>	<u>103.0%</u>
Total operating expenses	<u>2,371,284</u>	<u>1,709,171</u>	<u>662,113</u>	<u>72.1%</u>	<u>1,631,355</u>	<u>(77,816)</u>	<u>104.8%</u>
Operating income	<u>1,068,702</u>	<u>886,771</u>	<u>(181,931)</u>	<u>83.0%</u>	<u>870,332</u>	<u>16,439</u>	<u>101.9%</u>
<u>Non-operating revenue (expense)</u>							
Investment income	3,744	2,813	(932)	75.1%	5,730	(2,918)	49.1%
Miscellaneous	7,500	1,881	(5,619)	25.1%	1,881	-	100.0%
Capital outlay acquisitions	(205,000)	(48,577)	156,423	23.7%	(54,465)	5,888	89.2%
Interest and bond expense	(327,492)	(294,469)	33,023	89.9%	(281,813)	(12,656)	104.5%
Transfers in (out)							
General Fund	(198,819)	(149,114)	49,705	75.0%	(129,728)	(19,386)	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>(2,483)</u>	<u>(208)</u>	<u>109.1%</u>	<u>(1,348)</u>	<u>(1,135)</u>	<u>184.2%</u>
Total non-operating (net)	<u>(1,068,702)</u>	<u>(836,310)</u>	<u>232,392</u>	<u>78.3%</u>	<u>(1,359,743)</u>	<u>523,433</u>	<u>61.5%</u>
Change in working capital	-	50,461	50,461		(489,411)	539,872	
Beginning working capital	<u>1,206,463</u>	<u>1,289,347</u>	<u>82,884</u>		<u>1,501,519</u>	<u>(212,172)</u>	
Ending working capital	<u>\$ 1,206,463</u>	<u>\$ 1,339,808</u>	<u>\$ 133,345</u>		<u>\$ 1,012,108</u>	<u>\$ 327,700</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, 2017

	2017 Adopted Budget	9/30/17 Actual	Variance	Percent of Budget	Comparative		
					9/30/16 Actual	Variance from 2016 Actual Positive (Negative)	
<u>Operating revenues</u>							
User charges for services	\$ 4,377,242	\$ 3,445,331	\$ (931,911)	78.7%	\$ 2,763,968	\$ 681,363	124.7%
Other	160,488	212,425	51,937	132.4%	82,626	129,799	257.1%
Total operating revenue	<u>4,537,730</u>	<u>3,657,756</u>	<u>(879,974)</u>	<u>80.6%</u>	<u>2,846,594</u>	<u>811,162</u>	<u>-30.9%</u>
<u>Operating expenses</u>							
Personnel services	1,090,312	829,276	261,036	76.1%	819,277	(9,999)	101.2%
Commodities	348,183	203,031	145,152	58.3%	208,314	5,283	97.5%
Other charges and services	1,239,664	720,428	519,236	58.1%	820,035	99,607	87.9%
Major Maintenance	1,731,019	1,250,194	480,825	72.2%	6,338,822	5,088,628	19.7%
Total operating expenses	<u>4,409,178</u>	<u>3,002,929</u>	<u>1,406,249</u>	<u>68.1%</u>	<u>8,186,448</u>	<u>5,183,519</u>	<u>36.7%</u>
Operating income (loss)	<u>128,552</u>	<u>654,827</u>	<u>526,275</u>		<u>(5,339,854)</u>	<u>5,994,681</u>	<u>-12.3%</u>
<u>Non-operating revenue (expense)</u>							
Intergovernmental	1,632	816	(816)	50.0%	1,968	(1,152)	41.5%
Investment income	18,016	25,628	7,612	142.2%	24,029	1,599	106.7%
Disposal of assets	10,000	-	(10,000)	0.0%	-	-	0.0%
Capital outlay	(107,242)	(44,671)	62,571	41.7%	(54,386)	9,715	82.1%
Bond proceeds	1,094,952	960,898	(134,054)	87.8%	6,648,012	(5,687,114)	14.5%
Debt Service	(759,668)	(759,668)	-	100.0%	(399,896)	(359,772)	190.0%
Transfers in (out)	<u>(139,244)</u>	<u>(104,433)</u>	<u>34,811</u>	<u>75.0%</u>	<u>(111,464)</u>	<u>7,031</u>	<u>93.7%</u>
Total non-operating (net)	<u>118,446</u>	<u>78,570</u>	<u>(39,877)</u>	<u>66.3%</u>	<u>6,108,263</u>	<u>(6,029,694)</u>	<u>1.3%</u>
Change in working capital	246,998	733,397	486,399		768,409	(35,012)	95.4%
Beginning working capital	<u>4,556,045</u>	<u>7,064,724</u>	<u>2,508,679</u>		<u>5,539,010</u>	<u>1,525,714</u>	<u>127.5%</u>
Ending working capital	<u>\$ 4,803,043</u>	<u>\$ 7,798,121</u>	<u>\$ 2,995,078</u>		<u>\$ 6,307,419</u>	<u>1,490,702</u>	<u>123.6%</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, 2017

	2017			Percent of Budget	Comparative		
	Adopted Budget	9/30/17 Actual	Variance		9/30/16 Actual	Variance from 2016 Actual Positive (Negative)	
Operating revenue							
User charges for services	\$ 5,638,031	\$ 4,208,511	\$ (1,429,520)	74.6%	\$ 3,769,557	\$ 438,954	111.6%
Operating expenses							
Personnel services	817,174	549,100	268,074	67.2%	494,151	(54,949)	111.1%
Commodities	89,742	42,809	46,933	47.7%	39,640	(3,169)	108.0%
Other charges and services	322,728	158,321	164,407	49.1%	164,589	6,268	96.2%
Disposal charges	3,509,576	2,632,185	877,391	75.0%	2,447,649	(184,536)	107.5%
Major maintenance projects	545,000	713,748	(168,748)	131.0%	439,637	(274,111)	162.3%
Total operating expenses	5,284,220	4,096,163	1,188,057	77.5%	3,585,666	(510,497)	114.2%
Operating income (loss)	353,811	112,348	(241,463)		183,891	(71,543)	61.1%
Non-operating revenue (expense)							
Intergovernmental State aid	1,632	816	(816)	50.0%	816	-	100.0%
Investment income	11,388	13,500	2,112	118.5%	13,125	375	102.9%
Disposal of assets	24,000	-	(24,000)	0.0%	125,000	(125,000)	0.0%
Capital outlay	(332,947)	(36,800)	296,147	11.1%	(476,153)	439,353	7.7%
Bond proceeds	-	-	-	0.0%	566,296	(566,296)	0.0%
Debt service	(21,425)	(21,425)	-	100.0%	-	(21,425)	0.0%
Transfers in	23,873	23,873	-	100.0%	19,260	4,613	124.0%
Transfers (out)	(143,628)	(107,721)	35,907	75.0%	(114,118)	6,397	94.4%
Total non-operating (net)	(437,107)	(127,757)	309,350	29.2%	134,227	(261,984)	-95.2%
Change in working capital	(83,296)	(15,409)	67,887		318,118	(333,526)	-4.8%
Beginning working capital	1,361,527	2,351,239	989,712		2,493,278	(142,039)	94.3%
Ending working capital	\$ 1,278,231	\$ 2,335,830	\$ 1,057,599		\$ 2,811,396	\$ (475,565)	83.1%

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, 2017

	2017			Percent of Budget	Comparative		
	Adopted Budget	9/30/17 Actual	Variance		9/30/2016 Actual	Variance from 2016 Actual Positive (Negative)	
<u>Operating revenue</u>							
User charges for services	\$ 810,000	\$ 644,195	\$ (165,805)	79.5%	\$ 604,823	\$ 39,372	106.5%
<u>Operating expenses</u>							
Personnel services	18,262	11,466	6,796	62.8%	7,023	(4,443)	163.3%
Commodities	31	20	11	65.6%	16	(4)	127.1%
Other charges and services	723,984	537,912	186,072	74.3%	518,103	(19,809)	103.8%
Major Maintenance	400,000	-	400,000	0.0%	-	-	0.0%
Total operating expenses	<u>1,142,277</u>	<u>549,397</u>	<u>592,880</u>	<u>48.1%</u>	<u>525,142</u>	<u>(24,255)</u>	<u>104.6%</u>
Operating income (loss)	<u>(332,277)</u>	<u>94,798</u>	<u>427,075</u>		<u>79,681</u>	<u>15,117</u>	<u>119.0%</u>
<u>Non-operating revenue (expense)</u>							
Investment income	1,608	1,688	80	104.9%	970	718	174.0%
Bond proceeds	400,000	394,553	(5,447)	98.6%	-	394,553	0.0%
Transfers in (out) - General Fund	<u>(4,384)</u>	<u>(3,288)</u>	<u>1,096</u>	<u>75.0%</u>	<u>(2,654)</u>	<u>(634)</u>	<u>123.9%</u>
Total non-operating (net)	<u>397,224</u>	<u>392,953</u>	<u>(4,272)</u>	<u>98.9%</u>	<u>(1,684)</u>	<u>394,637</u>	<u>-23334.5%</u>
Change in working capital	64,947	487,750	422,803		77,997	409,753	625.3%
Beginning working capital	<u>271,334</u>	<u>318,786</u>	<u>47,452</u>		<u>205,936</u>	<u>112,850</u>	<u>154.8%</u>
Ending working capital	<u>\$ 336,281</u>	<u>\$ 806,536</u>	<u>\$ 470,255</u>		<u>\$ 283,933</u>	<u>\$ 522,603</u>	<u>284.1%</u>

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, 2017

	2017			Percent of Budget	Comparative		
	Adopted Budget	9/30/17 Actual	Variance		9/30/2016 Actual	Variance from 2016 Actual Positive (Negative)	
Revenues							
User charges for services	\$ 983,370	\$ 742,650	\$ (240,720)	75.5%	\$ 605,884	\$ 136,766	122.6%
Charges for services - Recycling	4,642	2,660	(1,982)	57.3%	2,824	(164)	94.2%
Total revenues	<u>988,012</u>	<u>745,310</u>	<u>(242,702)</u>	<u>75.4%</u>	<u>608,708</u>	<u>136,602</u>	<u>-39.9%</u>
Expenditures - Public works							
Personnel services	311,912	267,553	44,359	85.8%	199,186	(68,367)	134.3%
Commodities	32,894	23,829	9,065	72.4%	26,131	2,302	91.2%
Other charges and services	858,548	215,054	643,494	25.0%	145,111	(69,943)	148.2%
Total expenditures	<u>1,203,354</u>	<u>506,435</u>	<u>696,919</u>	<u>42.1%</u>	<u>370,428</u>	<u>(136,007)</u>	<u>136.7%</u>
Operating income (loss)	<u>(215,342)</u>	<u>238,875</u>	<u>454,217</u>		<u>238,280</u>	<u>595</u>	<u>100.2%</u>
Non-operating revenue (expense)							
Intergovernmental	125,000	-	(125,000)	0.0%	63,000	(63,000)	0.0%
Investment income	5,965	7,500	1,535	125.7%	4,242	3,258	176.8%
Capital outlay	-	-	-	0.0%	(10,337)	10,337	0.0%
Transfers in (out)							
General Fund	(168,094)	(147,753)	20,341	87.9%	(127,953)	(19,800)	115.5%
Equipment Fund	(31,000)	(31,000)	-	100.0%	(31,000)	-	100.0%
Storm Sewer Trunk Fund	110,000	110,000	-	100.0%	-	110,000	0.0%
Liquor Fund	2,275	-	(2,275)	0.0%	1,348	(1,348)	0.0%
Sanitary sewer operations	(23,873)	(23,873)	-	100.0%	(19,260)	(4,613)	124.0%
Total other financing (uses)	<u>20,273</u>	<u>(85,126)</u>	<u>(105,399)</u>	<u>-419.9%</u>	<u>(119,960)</u>	<u>34,834</u>	<u>71.0%</u>
Change in working capital	(195,069)	153,749	348,818		118,320	35,429	129.9%
Beginning working capital	<u>433,220</u>	<u>1,075,032</u>	<u>641,812</u>		<u>709,265</u>	<u>365,767</u>	<u>151.6%</u>
Ending working capital	<u>\$ 238,151</u>	<u>\$ 1,228,781</u>	<u>\$ 990,630</u>		<u>\$ 827,585</u>	<u>\$ 401,196</u>	<u>148.5%</u>