Inver Grove Heights City Council

Monday, October 3, 2022 at 6:00 PM

8150 Barbara Avenue, Inver Grove Heights, MN 55077

AGENDA

NOTICE TO RESIDENTS: Individuals may submit written public comments in advance of the meeting by emailing comments to Rebecca Kiernan (rkiernan@ighmn.gov). Comments received prior to 4:00 p.m. on Monday, October 3, 2022, will be provided to the Council at or before the October 3, 2022 meeting.

1. **Call to Order**
2. **Roll Call**
3. **Discussion Items**
   - **A.** Proposed 2023 Golf Course Budget
   - **B.** Proposed 2023 Internal Service Fund Budgets
   - **C.** Continued Discussion of Utility Rate Study and 5-Year Capital Improvement Plan (CIP) for City Utilities
4. **Adjourn**

This document is available upon a three (3) business day request in alternate formats such as braille, large print, audio recording, etc. Please contact Rebecca Kiernan, City Clerk, at 651.450.2513 or rkiernan@ighmn.gov.

Request for Council Action

SUBJECT: Proposed 2023 Golf Course Budget

MEETING DATE: October 3, 2022
ITEM TYPE: Discussion Items
CONTACT: Amy Hove, Finance Director, 651.450.2521
Adam Lares, Parks & Recreation Director, 651.450.2587

ACTION REQUESTED

The Council is asked provide input and feedback on the proposed 2023 budget for the Golf Course.

BACKGROUND

Golf Clubhouse Superintendent Matt Moynihan and Course Superintendent Joel Metz will be present at the work session to present the requested 2023 budget for Inver Wood Golf Course. The attached presentation slides provide an overview of the proposed budget. Additional detail on the proposed fee increases to support this budget will be presented at the meeting.

FISCAL IMPACT

RECOMMENDATION

ATTACHMENTS

1. Golf Course Presention for Oct 3 CC Work Session
2. 2023 Proposed Golf Course Budget - Revenues 9.26.2022
3. 2023 Proposed Golf Course Budget - Expenditures by Category 9.26.2022
4. 2023 Proposed Golf Course Budget - Expenditures by Department 9.26.2022

2023 Budget
Inver Wood Golf Course

Parks & Recreation Department

Adam Lares, Parks & Recreation Director
Matt Moynihan, Golf Clubhouse Superintendent
Joel Metz, Golf Course Superintendent
October 3, 2022

CITY OF INVER GROVE HEIGHTS

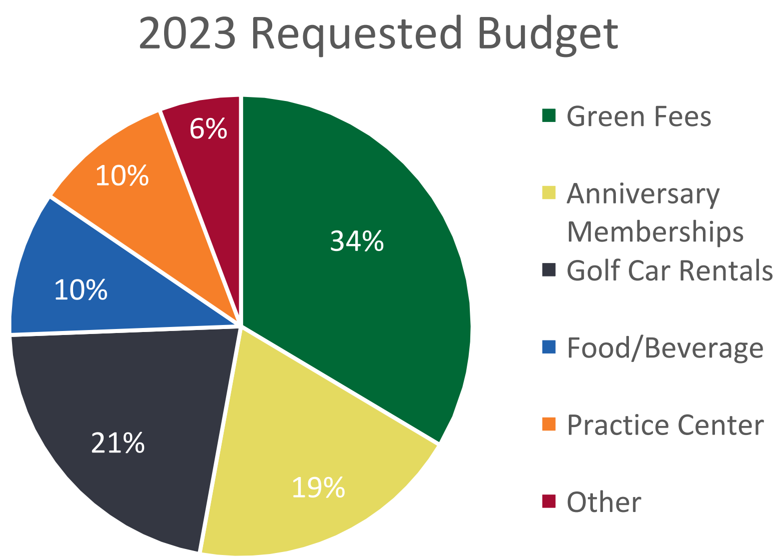
Finance Department

www.ighmn.gov

Golf Course Overview

- 2023 Priorities & Goals
    - Provide well-conditioned, quality golf courses and practice facilities
    - Provide fair and equitable tee time access to the general public
    - Contribute to the overall recreational options available to the community
    - Protect green space area in an environmentally responsible manner

Golf Course Revenues

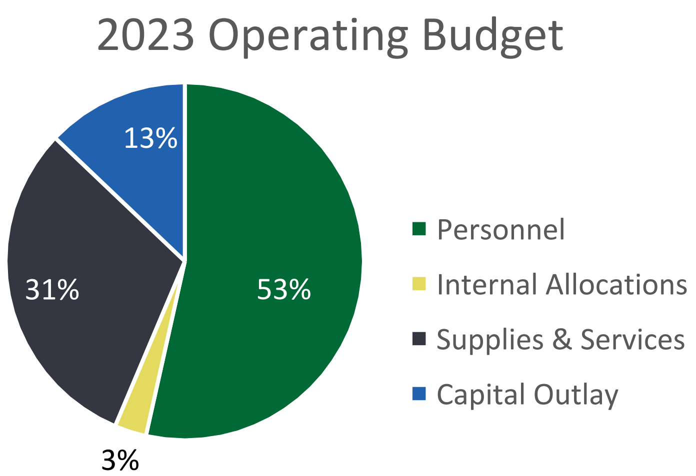


	2020 Activity	2021 Activity	2022 Budget	2023 Projected
Green Fees	$ 811,457	$ 768,411	$ 753,600	$ 852,500
Anniversary Memberships	392,824	481,060	489,600	490,000
Golf Car Rentals	535,766	562,784	525,000	547,000
Food/Beverage	147,319	252,214	210,400	257,000
Practice Center	175,457	217,312	163,200	248,000
Other Revenues	111,826	162,697	125,000	145,250
Total	**$2,174,649**	**$2,444,480**	**$2,266,800**	**$2,539,750**

Noteworthy Revenue Items

- Projecting a12% overall increase to revenues
- Proposing an across-the-board rate increase for Greens Fees to keep up with operational expenses
- Proposing to remove Senior Discount during prime tee times but keep it for other times
- Proposing elimination of Senior Discount for cart rentals
- 2023 last year of Membership Drive revenues
    - New Membership Drive to be considered during 2023 for 2024-2026 seasons

Expenditures by Category



	2020 Activity	2021 Activity	2022 Budget	2023 Requested
Personnel	$1,114,671	$1,104,075	$1,164,100	$1,237,500
Internal Allocations	7,800	16,200	26,000	66,600
Supplies & Services	742,324	599,309	616,200	711,600
Capital Outlay			19,300	298,000
Subtotal - Operating	**$1,864,795**	**$1,719,584**	**$1,825,600**	**$2,313,700**
Depreciation	262,957	247,112	250,000	250,000
Debt Payment			82,000	82,000
Total	**$2,127,752**	**$1,966,696**	**$2,157,600**	**$2,645,700**

Expenditures by Area

Department	2020 Activity	2021 Activity	2022 Budget	2023 Requested
Operations	$ 517,450	$ 304,187	$ 367,700	$ 407,200
Practice Center	28,139	10,253	9,350	11,650
Golf Shop	71,066	73,747	58,550	72,950
Food/Beverage	141,668	227,031	205,500	230,250
Outside Services	54,709	60,468	59,600	70,850
Common	313,372	266,303	321,100	366,400
Grounds	738,391	777,595	803,800	1,154,400
Subtotal - Operating	**$1,864,795**	**$1,719,584**	**$1,825,600**	**$2,313,700**
Depreciation	262,957	247,112	250,000	250,000
Debt			82,000	82,000
Total	**$2,127,752**	**$1,966,696**	**$2,157,600**	**$2,645,700**

Noteworthy Expenditure Items

- Proposing a13% increase to the budget for seasonal wages
- Anticipating product manufacturer delays to continue into 2023
- Continue to see increase costs to supplies and equipment, such as fertilizer, seed, F&B products, golf shop merchandise
- $82,000 loan repayment *(for 2016 Improvements which were funded by a zero-interest inter-fund loan from the Capital Equipment Fund)*
- $250,000 annual depreciation

Noteworthy Expenditure Items - Capital

- Improvements (503.52.8600.527.80300)

$ 20,000	Replacement of steps at Hole #12
40,000	Storm shelter replacements at Hole #5 & #15
$ 60,000	

- Equipment (503.52.8600.527.80800)

$ 37,000	Toro Pro Core
17,000	Turfco Topdresser
47,000	Sidewinder Rough Mower
47,000	Reelmaster with fixed heads
90,000	2-Toro Greens Mowers
$238,000	

2023 Budget Summary

$ 2,539,750 Revenues

\- 2,313,700 Operating Expenditures

$226,050 Net Operating Income* - *before Debt Payment & Depreciation*

* $82,000 Debt Internal Loan Payment (2016 Improvements)

$250,000 annual depreciation

Golf Course Cash Balances

- In 2019, the Golf Course paid off all interfund equipment loans
  - Only outstanding interfund loan is for the 2016 golf course improvements (Outstanding balance as of December 31, 2021 = $1.7 million)
- 2020 increase to cash reflects cash inflows from the 3-year membership drive (~$1,467,000)

Questions?

Fund: 503 - INVER WOOD GOLF COURSE REVENUES

		2020 Total Activity	2021 Total Activity	2022 Total Budget	2022 YTD Activity	2023 2023
503.00.0000.3610000	INVESTMENT INTEREST	8,879.77	16,564.35	6,000.00	6,654.77	20,000.00
503.00.0000.3611000	ACCRUED INTEREST RECEIVABLE	2,986.53	13,506.42	0.00	0.00	0.00
503.00.0000.3612000	FAIR MARKET VALUE ALLOCATION	9,105.37	-23,119.24	0.00	0.00	0.00
503.52.0000.3481000	18 HOLE GREEN FEES-REG.	811,456.77	768,410.74	753,600.00	583,658.98	852,500.00
503.52.0000.3481100	FOOT GOLF	3,986.03	2,050.85	3,300.00	877.45	3,300.00
503.52.0000.3483200	HANDICAP SERVICES	6,823.00	11,686.00	11,000.00	10,076.00	9,250.00
503.52.0000.3483400	CLUB RENTALS	49.47	7,663.80	6,800.00	3,652.69	8,700.00
503.52.0000.3483700	SEASON PASSES	7,094.51	21,934.61	27,100.00	25,203.26	32,000.00
503.52.0000.3483800	PLAYER CARDS	7,070.14	9,676.50	9,400.00	14,522.54	10,300.00
503.52.0000.3483900	ANNIVERSARY MEMBERSHIP	9,101.52	481,245.48	489,600.00	484,439.01	490,000.00
503.52.0000.3483925	ANNIVERSARY MEMBERSHIP TR...	495.00	0.00	0.00	-37.00	0.00
503.52.0000.3483950	ANNIVERSARY MEMBERSHIP AD...	187,220.00	-185.00	0.00	40.00	0.00
503.52.0000.3484000	PRAC CEN-RANGE BALLS	170,112.08	193,327.46	144,700.00	153,007.25	224,000.00
503.52.0000.3484200	PRACTICE CENTER - INSTRUCTION	5,345.00	23,985.00	18,500.00	26,120.00	24,000.00
503.52.0000.3485000	GOLF SHOP-APPAREL	20,621.52	32,463.53	24,000.00	20,814.30	24,000.00
503.52.0000.3485200	GOLF SHOP-CLUBS	3,529.75	9,535.90	5,000.00	3,253.39	5,000.00
503.52.0000.3485400	GOLF SHOP-BALLS	14,515.11	20,215.94	15,800.00	12,306.09	16,000.00
503.52.0000.3485600	GOLF SHOP-GLOVES	8,078.38	10,340.55	8,800.00	9,949.00	9,000.00
503.52.0000.3485800	GOLF SHOP-BAGS	4,125.05	6,133.45	3,700.00	4,652.33	3,700.00
503.52.0000.3486000	GOLF SHOP-ACCESSORIES	5,937.25	6,043.45	4,100.00	5,283.95	4,000.00
503.52.0000.3486400	FOOD & BEV/FOOD-CLUBHOUSE	12,722.25	35,593.23	39,100.00	36,939.78	48,500.00
503.52.0000.3486800	FOOD & BEV/BEV-CLUBHOUSE	28,674.02	46,820.05	39,700.00	33,625.19	41,000.00
503.52.0000.3487200	BEER/ALCOHOL	102,985.61	167,100.48	126,900.00	117,516.03	163,000.00
503.52.0000.3487400	FOOD & BEV/VENDING MACH	2,937.35	2,700.57	4,700.00	707.58	4,500.00
503.52.0000.3487600	GOLF CARS-18 HOLE RENTALS	535,765.68	562,784.40	525,000.00	377,207.04	547,000.00
503.52.0000.3600000	PERA PENSION OTHER REVENUE	1,366.00	850.00	0.00	0.00	0.00

		2020 Total Activity	2021 Total Activity	2022 Total Budget	2022 YTD Activity	2023 2023
503.52.0000.3650000	OTHER REVENUES	196,007.18	0.00	0.00	27.29	0.00
503.52.0000.3660000	OTHER REIMBURSEMENTS	1,138.84	0.00	0.00	0.00	0.00
503.59.0000.3911000	OPERATING TRANSFERS IN	6,519.40	17,151.22	0.00	0.00	0.00
	Fund: 503 - INVER WOOD GOLF COURSE Total:	**2,174,648.58**	**2,444,479.74**	**2,266,800.00**	**1,930,496.92**	**2,539,750.00**

2023 Budget Worksheet

Account Summary

For Fiscal: 2022 Period Ending: 08/31/2022

		2020 Total Activity	2021 Total Activity	2022 Total Budget	2022 YTD Activity	2023 2023
Fund: 503 - INVER WOOD GOLF COURSE - EXPENDITURES BY CATEGORY						
Category: 10 - WAGES & BENEFITS						
503.52.8000.521.10100	FULL-TIME EMPLOYEES	136,691.89	144,663.54	151,800.00	107,236.44	187,000.00
503.52.8000.521.10200	PART-TIME EMPLOYEES-BENEFIT...	0.00	0.00	0.00	0.00	0.00
503.52.8000.521.10300	EMPLOYEES-NON BENEFITED	71,017.82	88,539.89	87,000.00	58,269.00	95,400.00
503.52.8000.521.10400	OVERTIME	699.94	715.58	1,000.00	861.99	1,000.00
503.52.8000.521.20100	INSURANCE-CASH OPTION	9,367.80	9,642.90	13,900.00	7,425.00	15,300.00
503.52.8000.521.20300	EMPLOYER SOCIAL SECURITY	12,236.35	13,908.59	14,900.00	9,945.96	17,000.00
503.52.8000.521.20350	EMPLOYER MEDICARE	2,861.74	3,252.79	3,500.00	2,326.09	4,000.00
503.52.8000.521.20400	EMPLOYER PERA	11,004.06	11,888.03	18,000.00	9,506.37	20,600.00
503.52.8000.521.20550	PENSION EXPENSE	25,689.00	-26,812.00	0.00	0.00	0.00
503.52.8000.521.20600	MEDICAL INSURANCE	23,238.37	23,392.03	31,400.00	17,133.31	37,300.00
503.52.8000.521.20620	LIFE INSURANCE	114.05	128.69	200.00	141.81	200.00
503.52.8000.521.20630	LTD INSURANCE	333.08	376.38	700.00	314.74	800.00
503.52.8000.521.20700	UNEMPLOYMENT COMPENSATI...	17,112.00	8,675.44	19,700.00	25,101.28	0.00
503.52.8000.521.20720	FLEX/COMP ACCOUNT FEE	44.54	139.20	100.00	99.91	200.00
503.52.8000.521.20750	WORKERS COMPENSATION	3,099.96	2,600.04	2,600.00	1,733.36	2,700.00
503.52.8000.521.20800	COMPENSATED ABSENCES	8,959.52	6,397.18	0.00	0.00	0.00
503.52.8000.521.20850	OPEB	-338.00	607.00	0.00	0.00	0.00
503.52.8300.524.10300	EMPLOYEES-NON BENEFITED	56,767.96	78,186.25	57,000.00	50,607.34	61,000.00
503.52.8300.524.10400	OVERTIME	11.87	14.14	0.00	379.62	0.00
503.52.8300.524.20300	EMPLOYER SOCIAL SECURITY	3,468.78	4,675.78	3,500.00	3,161.18	3,800.00
503.52.8300.524.20350	EMPLOYER MEDICARE	823.30	1,093.53	800.00	739.33	900.00
503.52.8300.524.20400	EMPLOYER PERA	646.14	1,001.98	4,300.00	1,019.45	4,600.00
503.52.8300.524.20700	UNEMPLOYMENT COMPENSATI...	0.00	998.72	0.00	981.22	0.00
503.52.8300.524.20750	WORKERS COMPENSATION	1,400.04	699.96	700.00	466.64	700.00
503.52.8400.525.10300	EMPLOYEES-NON BENEFITED	40,477.48	38,983.53	36,000.00	23,555.97	41,500.00
503.52.8400.525.10400	OVERTIME	0.00	34.26	0.00	0.00	0.00

		2020 Total Activity	2021 Total Activity	2022 Total Budget	2022 YTD Activity	2023 2023
503.52.8400.525.20300	EMPLOYER SOCIAL SECURITY	2,509.77	2,419.08	2,200.00	1,460.49	2,600.00
503.52.8400.525.20350	EMPLOYER MEDICARE	586.98	565.77	500.00	341.53	600.00
503.52.8400.525.20400	EMPLOYER PERA	0.00	0.00	0.00	0.00	0.00
503.52.8400.525.20700	UNEMPLOYMENT COMPENSATI...	0.00	487.00	0.00	0.00	0.00
503.52.8400.525.20750	WORKERS COMPENSATION	500.04	399.96	400.00	266.64	400.00
503.52.8500.526.10100	FULL-TIME EMPLOYEES	103,478.72	109,662.22	130,600.00	73,705.92	119,100.00
503.52.8500.526.20100	INSURANCE-CASH OPTION	3,962.40	3,962.40	5,600.00	3,029.40	4,600.00
503.52.8500.526.20300	EMPLOYER SOCIAL SECURITY	5,488.80	5,859.75	8,100.00	3,991.88	7,400.00
503.52.8500.526.20350	EMPLOYER MEDICARE	1,283.68	1,370.39	1,900.00	933.58	1,700.00
503.52.8500.526.20400	EMPLOYER PERA	7,760.91	8,116.90	9,800.00	5,527.95	8,900.00
503.52.8500.526.20600	MEDICAL INSURANCE	11,341.94	11,554.92	13,600.00	7,555.31	12,500.00
503.52.8500.526.20620	LIFE INSURANCE	153.00	160.56	200.00	107.04	200.00
503.52.8500.526.20630	LTD INSURANCE	292.56	292.56	400.00	195.04	400.00
503.52.8500.526.20720	FLEX/COMP ACCOUNT FEE	42.00	48.58	100.00	29.62	100.00
503.52.8500.526.20750	WORKERS COMPENSATION	1,500.00	1,299.96	1,300.00	866.64	1,400.00
503.52.8500.526.20800	COMPENSATED ABSENCES	7,559.43	7,992.03	0.00	0.00	0.00
503.52.8500.526.20850	OPEB	0.00	0.00	0.00	0.00	0.00
503.52.8600.527.10100	FULL-TIME EMPLOYEES	300,646.28	298,594.17	271,600.00	190,722.38	316,500.00
503.52.8600.527.10200	PART-TIME EMPLOYEES-BENEFIT...	0.00	0.00	31,900.00	0.00	0.00
503.52.8600.527.10300	EMPLOYEES-NON BENEFITED	108,875.74	114,524.97	108,000.00	82,334.75	128,000.00
503.52.8600.527.20100	INSURANCE-CASH OPTION	16,733.40	15,931.50	18,500.00	10,187.10	18,500.00
503.52.8600.527.20300	EMPLOYER SOCIAL SECURITY	24,105.88	24,526.04	25,500.00	16,524.95	27,600.00
503.52.8600.527.20350	EMPLOYER MEDICARE	5,651.45	5,736.13	6,000.00	3,864.76	6,400.00
503.52.8600.527.20400	EMPLOYER PERA	22,766.07	25,916.14	30,900.00	17,169.45	33,300.00
503.52.8600.527.20600	MEDICAL INSURANCE	37,462.46	34,827.24	39,900.00	22,130.39	43,000.00
503.52.8600.527.20620	LIFE INSURANCE	379.56	405.56	500.00	263.29	500.00
503.52.8600.527.20630	LTD INSURANCE	758.78	797.76	1,300.00	537.59	1,300.00
503.52.8600.527.20700	UNEMPLOYMENT COMPENSATI...	0.00	1,449.00	0.00	1,361.97	0.00
503.52.8600.527.20720	FLEX/COMP ACCOUNT FEE	262.41	281.15	300.00	126.77	200.00
503.52.8600.527.20750	WORKERS COMPENSATION	15,999.96	7,899.96	7,900.00	5,266.64	8,300.00
503.52.8600.527.20800	COMPENSATED ABSENCES	8,841.57	5,190.04	0.00	0.00	0.00

		2020 Total Activity	2021 Total Activity	2022 Total Budget	2022 YTD Activity	2023 2023
503.52.8600.527.20850	OPEB	0.00	0.00	0.00	0.00	0.00
	Category: 10 - WAGES & BENEFITS Total:	**1,114,671.48**	**1,104,075.17**	**1,164,100.00**	**769,507.09**	**1,237,500.00**
Category: 30 - PROFESSIONAL / TECHNICAL SERVICES						
503.52.8000.521.30700	OTHER PROFESSIONAL SERVICES	175,357.20	0.00	0.00	0.00	0.00
503.52.8500.526.30420	LEGAL SERVICES	708.00	0.00	0.00	0.00	0.00
503.52.8500.526.30700	OTHER PROFESSIONAL SERVICES	334.00	2,925.00	0.00	0.00	0.00
	Category: 30 - PROFESSIONAL / TECHNICAL SERVICES Total:	**176,399.20**	**2,925.00**	**0.00**	**0.00**	**0.00**
Category: 40 - PURCHASED SERVICES PROPERTY/EQUIPMENT						
503.52.8000.521.40055	RENTAL CLUBS	385.50	0.00	1,000.00	135.56	1,500.00
503.52.8100.522.40042	REPAIR & MAINT - EQUIPMENT	4,209.09	0.00	3,000.00	728.38	3,600.00
503.52.8100.522.40045	REPAIR & MAINT - FENCE	0.00	0.00	300.00	0.00	300.00
503.52.8300.524.40042	REPAIR & MAINT - EQUIPMENT	3,188.11	2,767.88	4,000.00	5,364.94	4,800.00
503.52.8400.525.40041	REPAIR & MAINT - VEHICLES	341.30	285.28	3,500.00	418.27	4,500.00
503.52.8400.525.40065	OTHER RENTALS	0.00	0.00	2,000.00	0.00	2,500.00
503.52.8500.526.40005	WATER UTILITY SERVICES	112.56	115.49	200.00	77.12	200.00
503.52.8500.526.40010	GAS UTILITY SERVICES	900.14	1,349.47	2,000.00	1,352.67	2,500.00
503.52.8500.526.40015	SEWER UTILITY SERVICES	0.00	0.00	500.00	0.00	500.00
503.52.8500.526.40020	ELECTRIC UTILITY SERVICES	9,665.38	12,068.29	15,000.00	6,774.19	15,000.00
503.52.8500.526.40030	STORM WATER UTILITY SERVICE	767.75	789.36	0.00	394.32	0.00
503.52.8500.526.40040	REPAIR & MAINT - BUILDINGS	22,625.30	22,040.25	35,000.00	15,342.31	25,000.00
503.52.8500.526.40070	CENTRAL EQUIP ALLOCATION	0.00	0.00	0.00	0.00	1,100.00
503.52.8500.526.40075	CITY FACILITIES ALLOCATION	0.00	0.00	10,000.00	6,666.64	10,000.00
503.52.8600.527.40010	GAS UTILITY SERVICES	2,312.02	3,818.63	4,000.00	3,437.31	4,000.00
503.52.8600.527.40015	SEWER UTILITY SERVICES	0.00	0.00	1,000.00	0.00	1,000.00
503.52.8600.527.40020	ELECTRIC UTILITY SERVICES	38,095.01	29,072.95	20,000.00	15,485.80	20,000.00
503.52.8600.527.40025	REFUSE DISPOSAL	9.10	0.00	0.00	0.00	0.00
503.52.8600.527.40040	REPAIR & MAINT - BUILDINGS	5,740.90	1,820.14	19,000.00	1,263.78	19,000.00
503.52.8600.527.40042	REPAIR & MAINT - EQUIPMENT	36,860.42	30,134.35	38,000.00	22,730.43	40,000.00
503.52.8600.527.40050	RENTAL OF EQUIPMENT	1,253.43	146.47	2,000.00	0.00	3,000.00
503.52.8600.527.40065	OTHER RENTALS	377.81	938.03	2,000.00	299.96	3,000.00
	Category: 40 - PURCHASED SERVICES PROPERTY/EQUIPMENT Total:	**126,843.82**	**105,346.59**	**162,500.00**	**80,471.68**	**161,500.00**

		2020 Total Activity	2021 Total Activity	2022 Total Budget	2022 YTD Activity	2023 2023
Category: 50 - OTHER PURCHASED SERVICES						
503.52.8000.521.50030	PRINTING & BINDING	6,639.85	4,395.40	8,000.00	7,028.41	9,500.00
503.52.8100.522.50050	SIGNAGE	0.00	69.23	0.00	0.00	0.00
503.52.8300.524.50070	DUES, LICENSES & SUBSCRIPTIO...	4,348.00	4,090.00	11,000.00	4,495.00	6,000.00
503.52.8500.526.50014	LIQUOR (DRAM SHOP)	3,414.74	3,179.00	3,500.00	812.00	4,200.00
503.52.8500.526.50019	INSURANCE ALLOCATION	7,800.00	12,000.00	12,000.00	8,000.00	8,400.00
503.52.8500.526.50025	ADVERTISING/PUBLISHED NOTIC...	10,561.02	5,534.00	8,500.00	4,051.00	10,000.00
503.52.8500.526.50030	PRINTING & BINDING	874.36	952.50	5,000.00	0.00	5,000.00
503.52.8500.526.50035	POSTAGE/DELIVERY	4,213.80	299.50	250.00	68.90	300.00
503.52.8500.526.50055	ALARM SERVICES / SYSTEMS	2,044.78	1,103.39	3,250.00	1,026.53	4,000.00
503.52.8500.526.50065	TRAVEL	0.00	20.37	100.00	81.01	100.00
503.52.8500.526.50070	DUES, LICENSES & SUBSCRIPTIO...	4,386.76	2,021.50	4,000.00	7,692.00	4,000.00
503.52.8500.526.50072	DIVISION SOFTWARE	0.00	0.00	0.00	0.00	5,500.00
503.52.8500.526.50080	CONFERENCES AND SEMINARS	0.00	0.00	200.00	0.00	200.00
503.52.8600.527.50045	OUTSIDE LABOR	2,085.00	4,513.28	3,000.00	0.00	6,000.00
503.52.8600.527.50070	DUES, LICENSES & SUBSCRIPTIO...	1,196.58	1,177.65	7,500.00	2,182.77	7,000.00
503.52.8600.527.50080	CONFERENCES AND SEMINARS	87.00	1,273.00	2,000.00	45.00	2,000.00
Category: 50 - OTHER PURCHASED SERVICES Total:		**47,651.89**	**40,628.82**	**68,300.00**	**35,482.62**	**72,200.00**
Category: 60 - SUPPLIES						
503.52.8000.521.60010	SUPPLIES - OFFICE	525.02	367.35	500.00	854.50	500.00
503.52.8000.521.60045	UNIFORMS & CLOTHING	76.28	0.00	3,000.00	1,107.41	3,750.00
503.52.8000.521.60065	SUPPLIES - OTHER	6,802.91	1,566.56	1,200.00	1,950.52	1,200.00
503.52.8100.522.60015	SUPPLIES - EQUIPMENT	15,009.32	5,610.26	1,500.00	1,705.56	0.00
503.52.8100.522.60020	SUPPLIES - GOLF COURSE	0.00	0.00	0.00	0.00	2,000.00
503.52.8100.522.60045	UNIFORMS & CLOTHING	0.00	0.00	1,000.00	1,000.00	1,250.00
503.52.8100.522.60060	GOLF BALLS-RANGE	8,920.80	4,573.80	3,500.00	0.00	4,500.00
503.52.8200.523.60017	SUPPLIES - PRICING	16.06	21.41	100.00	234.35	100.00
503.52.8300.524.60045	UNIFORMS & CLOTHING	0.00	0.00	1,000.00	1,000.00	1,250.00
503.52.8300.524.60065	SUPPLIES - OTHER	4,130.50	4,432.31	16,000.00	3,699.41	19,000.00
503.52.8400.525.60021	FUELS	10,293.54	17,293.33	15,000.00	17,126.77	18,750.00
503.52.8500.526.60010	SUPPLIES - OFFICE	1,266.58	740.83	2,000.00	87.21	2,500.00
503.52.8500.526.60040	SM TOOLS & MISC EQUIPMENT	329.01	0.00	2,500.00	3,622.50	2,500.00

		2020 Total Activity	2021 Total Activity	2022 Total Budget	2022 YTD Activity	2023 2023
503.52.8500.526.60042	MISC-COMPUTER SOFTWARE	0.00	0.00	4,500.00	1,429.62	0.00
503.52.8500.526.60045	UNIFORMS & CLOTHING	0.00	0.00	0.00	0.00	0.00
503.52.8500.526.60065	SUPPLIES - OTHER	14,646.27	490.29	2,000.00	616.89	2,000.00
503.52.8500.526.60071	TECHNOLOGY ALLOCATION	0.00	4,200.00	4,000.00	2,666.64	47,100.00
503.52.8600.527.60008	IRRIGATION SUPPLIES	4,971.68	2,644.56	5,000.00	3,947.85	5,000.00
503.52.8600.527.60010	SUPPLIES - OFFICE	191.66	0.00	300.00	0.00	1,000.00
503.52.8600.527.60012	SUPPLIES - SHOP	2,744.65	2,671.68	2,000.00	2,812.95	4,000.00
503.52.8600.527.60014	SUPPLIES - TIRES	1,075.46	1,554.15	1,500.00	931.37	2,000.00
503.52.8600.527.60018	SUPPLIES-TRAINING	0.00	512.91	600.00	0.00	800.00
503.52.8600.527.60020	SUPPLIES - GOLF COURSE	13,195.90	18,782.77	14,000.00	5,361.43	15,000.00
503.52.8600.527.60021	FUELS	19,702.33	15,694.47	18,000.00	7,622.78	20,000.00
503.52.8600.527.60022	LUBRICANTS	3,932.69	6,387.05	4,000.00	2,053.71	5,000.00
503.52.8600.527.60030	FERTILIZERS	23,137.85	35,539.85	34,000.00	36,299.26	41,000.00
503.52.8600.527.60035	PESTICIDES	28,510.72	55,884.14	41,000.00	33,932.20	49,000.00
503.52.8600.527.60040	SM TOOLS & MISC EQUIPMENT	2,373.24	6,720.10	5,000.00	1,593.89	5,000.00
503.52.8600.527.60045	UNIFORMS & CLOTHING	5,409.58	6,371.63	5,300.00	4,577.29	6,000.00
503.52.8600.527.60050	GOLF COURSE ACCESSORIES	1,828.06	3,874.60	3,000.00	4,405.20	4,000.00
503.52.8600.527.60065	SUPPLIES - OTHER	816.42	11,982.47	10,000.00	915.39	10,000.00
	Category: 60 - SUPPLIES Total:	**169,906.53**	**207,916.52**	**201,500.00**	**141,554.70**	**274,200.00**
Category: 70 - OTHER EXPENSES / EXPENDITURES						
503.52.8000.521.70250	HANDICAPS	5,600.00	9,555.00	9,000.00	8,670.00	9,000.00
503.52.8000.521.70450	CASH OVER/SHORT	-68.65	187.29	200.00	227.35	250.00
503.52.8100.522.70450	CASH OVER/SHORT	0.00	0.00	50.00	0.00	0.00
503.52.8200.523.70400	GOLF SHOP FIXTURES	278.50	89.63	250.00	0.00	300.00
503.52.8300.524.70450	CASH OVER/SHORT	0.00	-2.03	200.00	-0.49	200.00
503.52.8300.524.70460	BAD DEBTS/NSF CHECKS	1,395.50	270.00	0.00	0.00	0.00
503.52.8500.526.70100	DEPRECIATION EXPENSE	262,957.28	247,111.71	250,000.00	166,666.64	250,000.00
503.52.8500.526.70440	BANK CHARGES / CREDIT CARD	86,124.84	46,152.37	35,000.00	82,525.99	60,000.00
503.52.8500.526.70600	OTHER MISCELLANEOUS	-267.07	1.00	0.00	106.85	0.00
	Category: 70 - OTHER EXPENSES / EXPENDITURES Total:	**356,020.40**	**303,364.97**	**294,700.00**	**258,196.34**	**319,750.00**
Category: 75 - COSTS OF SALES						
503.52.8200.523.75200	GOLF COURSE RESALE-APPAREL	22,492.08	27,857.29	24,000.00	15,686.71	31,200.00

		2020 Total Activity	2021 Total Activity	2022 Total Budget	2022 YTD Activity	2023 2023
503.52.8200.523.75250	GOLF COURSE RESALE-CLUBS	3,116.29	10,741.25	5,000.00	7,837.69	6,250.00
503.52.8200.523.75300	GOLF COURSE RESALE-GLOVES	2,263.67	9,495.93	6,500.00	5,736.52	7,800.00
503.52.8200.523.75350	GOLF COURSE RESALE-BAGS	3,122.59	5,358.58	4,500.00	3,264.14	5,400.00
503.52.8200.523.75400	GOLF COURSE RESALE-ACCESS	1,921.73	3,461.26	5,700.00	5,802.62	6,900.00
503.52.8200.523.75450	GOLF COURSE RESALE-BALLS	6,497.11	16,623.89	12,500.00	13,180.93	15,000.00
503.52.8300.524.75050	FOOD INVENTORY	7,768.59	42,575.06	37,500.00	20,273.01	45,000.00
503.52.8300.524.75100	BEVERAGES	8,650.30	36,134.13	27,500.00	18,604.18	33,000.00
503.52.8300.524.75150	BEER AND WINE	8,696.91	50,970.88	42,000.00	27,087.91	50,000.00
	Category: 75 - COSTS OF SALES Total:	**64,529.27**	**203,218.27**	**165,200.00**	**117,473.71**	**200,550.00**
Category: 76 - PURCHASES						
503.52.8200.523.76200	APPAREL	1,642.79	97.33	0.00	-403.87	0.00
503.52.8200.523.76250	CLUBS	2,033.41	0.00	0.00	0.00	0.00
503.52.8200.523.76300	GLOVES	0.00	0.00	0.00	0.00	0.00
503.52.8200.523.76350	BAGS	778.20	0.00	0.00	0.00	0.00
503.52.8200.523.76400	ACCESSORIES	14,355.16	0.00	0.00	0.00	0.00
503.52.8200.523.76450	BALLS	12,548.45	0.00	0.00	0.00	0.00
503.52.8300.524.76050	FOOD	11,870.12	0.00	0.00	336.24	0.00
503.52.8300.524.76100	BEVERAGES	14,100.12	0.00	0.00	57.33	0.00
503.52.8300.524.76150	BEER	14,401.95	-877.25	0.00	0.00	0.00
	Category: 76 - PURCHASES Total:	**71,730.20**	**-779.92**	**0.00**	**-10.30**	**0.00**
Category: 80 - CAPITAL OUTLAY						
503.52.8600.527.80300	IMPROVEMENTS (NON-BLDG)	0.00	0.00	0.00	0.00	60,000.00
503.52.8600.527.80400	HEAVY MACHINERY & EQUIPME...	0.00	0.00	19,300.00	19,237.50	0.00
503.52.8600.527.80800	OTHER EQUIPMENT	0.00	0.00	0.00	0.00	238,000.00
	Category: 80 - CAPITAL OUTLAY Total:	**0.00**	**0.00**	**19,300.00**	**19,237.50**	**298,000.00**
Category: 90 - DEBT SERVICE						
503.57.9000.570.90100	PRINCIPAL PAYMENTS	0.00	0.00	82,000.00	0.00	82,000.00
	Category: 90 - DEBT SERVICE Total:	**0.00**	**0.00**	**82,000.00**	**0.00**	**82,000.00**
	Fund: 503 - INVER WOOD GOLF COURSE Total:	**2,127,752.79**	**1,966,695.42**	**2,157,600.00**	**1,421,913.34**	**2,645,700.00**

		2020 Total Activity	2021 Total Activity	2022 Total Budget	2022 YTD Activity	2023 2023
Fund: 503 - INVER WOOD GOLF COURSE - EXPENDITURES BY DEPARTMENT						
Department: 8000 - OPERATIONS						
503.52.8000.521.10100	FULL-TIME EMPLOYEES	136,691.89	144,663.54	151,800.00	107,236.44	187,000.00
503.52.8000.521.10200	PART-TIME EMPLOYEES-BENEFIT...	0.00	0.00	0.00	0.00	0.00
503.52.8000.521.10300	EMPLOYEES-NON BENEFITED	71,017.82	88,539.89	87,000.00	58,269.00	95,400.00
503.52.8000.521.10400	OVERTIME	699.94	715.58	1,000.00	861.99	1,000.00
503.52.8000.521.20100	INSURANCE-CASH OPTION	9,367.80	9,642.90	13,900.00	7,425.00	15,300.00
503.52.8000.521.20300	EMPLOYER SOCIAL SECURITY	12,236.35	13,908.59	14,900.00	9,945.96	17,000.00
503.52.8000.521.20350	EMPLOYER MEDICARE	2,861.74	3,252.79	3,500.00	2,326.09	4,000.00
503.52.8000.521.20400	EMPLOYER PERA	11,004.06	11,888.03	18,000.00	9,506.37	20,600.00
503.52.8000.521.20550	PENSION EXPENSE	25,689.00	-26,812.00	0.00	0.00	0.00
503.52.8000.521.20600	MEDICAL INSURANCE	23,238.37	23,392.03	31,400.00	17,133.31	37,300.00
503.52.8000.521.20620	LIFE INSURANCE	114.05	128.69	200.00	141.81	200.00
503.52.8000.521.20630	LTD INSURANCE	333.08	376.38	700.00	314.74	800.00
503.52.8000.521.20700	UNEMPLOYMENT COMPENSATI...	17,112.00	8,675.44	19,700.00	25,101.28	0.00
503.52.8000.521.20720	FLEX/COMP ACCOUNT FEE	44.54	139.20	100.00	99.91	200.00
503.52.8000.521.20750	WORKERS COMPENSATION	3,099.96	2,600.04	2,600.00	1,733.36	2,700.00
503.52.8000.521.20800	COMPENSATED ABSENCES	8,959.52	6,397.18	0.00	0.00	0.00
503.52.8000.521.20850	OPEB	-338.00	607.00	0.00	0.00	0.00
503.52.8000.521.30700	OTHER PROFESSIONAL SERVICES	175,357.20	0.00	0.00	0.00	0.00
503.52.8000.521.40055	RENTAL CLUBS	385.50	0.00	1,000.00	135.56	1,500.00
503.52.8000.521.50030	PRINTING & BINDING	6,639.85	4,395.40	8,000.00	7,028.41	9,500.00
503.52.8000.521.60010	SUPPLIES - OFFICE	525.02	367.35	500.00	854.50	500.00
503.52.8000.521.60045	UNIFORMS & CLOTHING	76.28	0.00	3,000.00	1,107.41	3,750.00
503.52.8000.521.60065	SUPPLIES - OTHER	6,802.91	1,566.56	1,200.00	1,950.52	1,200.00
503.52.8000.521.70250	HANDICAPS	5,600.00	9,555.00	9,000.00	8,670.00	9,000.00
503.52.8000.521.70450	CASH OVER/SHORT	-68.65	187.29	200.00	227.35	250.00
	Department: 8000 - OPERATIONS Total:	**517,450.23**	**304,186.88**	**367,700.00**	**260,069.01**	**407,200.00**

		2020 Total Activity	2021 Total Activity	2022 Total Budget	2022 YTD Activity	2023 2023
Department: 8100 - PRACTICE CENTER						
503.52.8100.522.40042	REPAIR & MAINT - EQUIPMENT	4,209.09	0.00	3,000.00	728.38	3,600.00
503.52.8100.522.40045	REPAIR & MAINT - FENCE	0.00	0.00	300.00	0.00	300.00
503.52.8100.522.50050	SIGNAGE	0.00	69.23	0.00	0.00	0.00
503.52.8100.522.60015	SUPPLIES - EQUIPMENT	15,009.32	5,610.26	1,500.00	1,705.56	0.00
503.52.8100.522.60020	SUPPLIES - GOLF COURSE	0.00	0.00	0.00	0.00	2,000.00
503.52.8100.522.60045	UNIFORMS & CLOTHING	0.00	0.00	1,000.00	1,000.00	1,250.00
503.52.8100.522.60060	GOLF BALLS-RANGE	8,920.80	4,573.80	3,500.00	0.00	4,500.00
503.52.8100.522.70450	CASH OVER/SHORT	0.00	0.00	50.00	0.00	0.00
	Department: 8100 - PRACTICE CENTER Total:	**28,139.21**	**10,253.29**	**9,350.00**	**3,433.94**	**11,650.00**

Department: 8200 - GOLF SHOP

		2020 Total Activity	2021 Total Activity	2022 Total Budget	2022 YTD Activity	2023 2023
503.52.8200.523.60017	SUPPLIES - PRICING	16.06	21.41	100.00	234.35	100.00
503.52.8200.523.70400	GOLF SHOP FIXTURES	278.50	89.63	250.00	0.00	300.00
503.52.8200.523.75200	GOLF COURSE RESALE-APPAREL	22,492.08	27,857.29	24,000.00	15,686.71	31,200.00
503.52.8200.523.75250	GOLF COURSE RESALE-CLUBS	3,116.29	10,741.25	5,000.00	7,837.69	6,250.00
503.52.8200.523.75300	GOLF COURSE RESALE-GLOVES	2,263.67	9,495.93	6,500.00	5,736.52	7,800.00
503.52.8200.523.75350	GOLF COURSE RESALE-BAGS	3,122.59	5,358.58	4,500.00	3,264.14	5,400.00
503.52.8200.523.75400	GOLF COURSE RESALE-ACCESS	1,921.73	3,461.26	5,700.00	5,802.62	6,900.00
503.52.8200.523.75450	GOLF COURSE RESALE-BALLS	6,497.11	16,623.89	12,500.00	13,180.93	15,000.00
503.52.8200.523.76200	APPAREL	1,642.79	97.33	0.00	-403.87	0.00
503.52.8200.523.76250	CLUBS	2,033.41	0.00	0.00	0.00	0.00
503.52.8200.523.76300	GLOVES	0.00	0.00	0.00	0.00	0.00
503.52.8200.523.76350	BAGS	778.20	0.00	0.00	0.00	0.00
503.52.8200.523.76400	ACCESSORIES	14,355.16	0.00	0.00	0.00	0.00
503.52.8200.523.76450	BALLS	12,548.45	0.00	0.00	0.00	0.00
	Department: 8200 - GOLF SHOP Total:	**71,066.04**	**73,746.57**	**58,550.00**	**51,339.09**	**72,950.00**

		2020 Total Activity	2021 Total Activity	2022 Total Budget	2022 YTD Activity	2023 2023
Department: 8300 - FOOD AND BEVERAGE						
503.52.8300.524.10300	EMPLOYEES-NON BENEFITED	56,767.96	78,186.25	57,000.00	50,607.34	61,000.00
503.52.8300.524.10400	OVERTIME	11.87	14.14	0.00	379.62	0.00
503.52.8300.524.20300	EMPLOYER SOCIAL SECURITY	3,468.78	4,675.78	3,500.00	3,161.18	3,800.00
503.52.8300.524.20350	EMPLOYER MEDICARE	823.30	1,093.53	800.00	739.33	900.00
503.52.8300.524.20400	EMPLOYER PERA	646.14	1,001.98	4,300.00	1,019.45	4,600.00
503.52.8300.524.20700	UNEMPLOYMENT COMPENSATI...	0.00	998.72	0.00	981.22	0.00
503.52.8300.524.20750	WORKERS COMPENSATION	1,400.04	699.96	700.00	466.64	700.00
503.52.8300.524.40042	REPAIR & MAINT - EQUIPMENT	3,188.11	2,767.88	4,000.00	5,364.94	4,800.00
503.52.8300.524.50070	DUES, LICENSES & SUBSCRIPTIO...	4,348.00	4,090.00	11,000.00	4,495.00	6,000.00
503.52.8300.524.60045	UNIFORMS & CLOTHING	0.00	0.00	1,000.00	1,000.00	1,250.00
503.52.8300.524.60065	SUPPLIES - OTHER	4,130.50	4,432.31	16,000.00	3,699.41	19,000.00
503.52.8300.524.70450	CASH OVER/SHORT	0.00	-2.03	200.00	-0.49	200.00
503.52.8300.524.70460	BAD DEBTS/NSF CHECKS	1,395.50	270.00	0.00	0.00	0.00
503.52.8300.524.75050	FOOD INVENTORY	7,768.59	42,575.06	37,500.00	20,273.01	45,000.00
503.52.8300.524.75100	BEVERAGES	8,650.30	36,134.13	27,500.00	18,604.18	33,000.00
503.52.8300.524.75150	BEER AND WINE	8,696.91	50,970.88	42,000.00	27,087.91	50,000.00
503.52.8300.524.76050	FOOD	11,870.12	0.00	0.00	336.24	0.00
503.52.8300.524.76100	BEVERAGES	14,100.12	0.00	0.00	57.33	0.00
503.52.8300.524.76150	BEER	14,401.95	-877.25	0.00	0.00	0.00
	Department: 8300 - FOOD AND BEVERAGE Total:	**141,668.19**	**227,031.34**	**205,500.00**	**138,272.31**	**230,250.00**

		2020 Total Activity	2021 Total Activity	2022 Total Budget	2022 YTD Activity	2023 2023
Department: 8400 - OUTSIDE SERVICES						
503.52.8400.525.10300	EMPLOYEES-NON BENEFITED	40,477.48	38,983.53	36,000.00	23,555.97	41,500.00
503.52.8400.525.10400	OVERTIME	0.00	34.26	0.00	0.00	0.00
503.52.8400.525.20300	EMPLOYER SOCIAL SECURITY	2,509.77	2,419.08	2,200.00	1,460.49	2,600.00
503.52.8400.525.20350	EMPLOYER MEDICARE	586.98	565.77	500.00	341.53	600.00
503.52.8400.525.20400	EMPLOYER PERA	0.00	0.00	0.00	0.00	0.00
503.52.8400.525.20700	UNEMPLOYMENT COMPENSATI...	0.00	487.00	0.00	0.00	0.00
503.52.8400.525.20750	WORKERS COMPENSATION	500.04	399.96	400.00	266.64	400.00
503.52.8400.525.40041	REPAIR & MAINT - VEHICLES	341.30	285.28	3,500.00	418.27	4,500.00
503.52.8400.525.40065	OTHER RENTALS	0.00	0.00	2,000.00	0.00	2,500.00
503.52.8400.525.60021	FUELS	10,293.54	17,293.33	15,000.00	17,126.77	18,750.00
	Department: 8400 - OUTSIDE SERVICES Total:	**54,709.11**	**60,468.21**	**59,600.00**	**43,169.67**	**70,850.00**

		2020 Total Activity	2021 Total Activity	2022 Total Budget	2022 YTD Activity	2023 2023
Department: 8500 - COMMON						
503.52.8500.526.10100	FULL-TIME EMPLOYEES	103,478.72	109,662.22	130,600.00	73,705.92	119,100.00
503.52.8500.526.20100	INSURANCE-CASH OPTION	3,962.40	3,962.40	5,600.00	3,029.40	4,600.00
503.52.8500.526.20300	EMPLOYER SOCIAL SECURITY	5,488.80	5,859.75	8,100.00	3,991.88	7,400.00
503.52.8500.526.20350	EMPLOYER MEDICARE	1,283.68	1,370.39	1,900.00	933.58	1,700.00
503.52.8500.526.20400	EMPLOYER PERA	7,760.91	8,116.90	9,800.00	5,527.95	8,900.00
503.52.8500.526.20600	MEDICAL INSURANCE	11,341.94	11,554.92	13,600.00	7,555.31	12,500.00
503.52.8500.526.20620	LIFE INSURANCE	153.00	160.56	200.00	107.04	200.00
503.52.8500.526.20630	LTD INSURANCE	292.56	292.56	400.00	195.04	400.00
503.52.8500.526.20720	FLEX/COMP ACCOUNT FEE	42.00	48.58	100.00	29.62	100.00
503.52.8500.526.20750	WORKERS COMPENSATION	1,500.00	1,299.96	1,300.00	866.64	1,400.00
503.52.8500.526.20800	COMPENSATED ABSENCES	7,559.43	7,992.03	0.00	0.00	0.00
503.52.8500.526.20850	OPEB	0.00	0.00	0.00	0.00	0.00
503.52.8500.526.30420	LEGAL SERVICES	708.00	0.00	0.00	0.00	0.00
503.52.8500.526.30700	OTHER PROFESSIONAL SERVICES	334.00	2,925.00	0.00	0.00	0.00
503.52.8500.526.40005	WATER UTILITY SERVICES	112.56	115.49	200.00	77.12	200.00
503.52.8500.526.40010	GAS UTILITY SERVICES	900.14	1,349.47	2,000.00	1,352.67	2,500.00
503.52.8500.526.40015	SEWER UTILITY SERVICES	0.00	0.00	500.00	0.00	500.00
503.52.8500.526.40020	ELECTRIC UTILITY SERVICES	9,665.38	12,068.29	15,000.00	6,774.19	15,000.00
503.52.8500.526.40030	STORM WATER UTILITY SERVICE	767.75	789.36	0.00	394.32	0.00
503.52.8500.526.40040	REPAIR & MAINT - BUILDINGS	22,625.30	22,040.25	35,000.00	15,342.31	25,000.00
503.52.8500.526.40070	CENTRAL EQUIP ALLOCATION	0.00	0.00	0.00	0.00	1,100.00
503.52.8500.526.40075	CITY FACILITIES ALLOCATION	0.00	0.00	10,000.00	6,666.64	10,000.00
503.52.8500.526.50014	LIQUOR (DRAM SHOP)	3,414.74	3,179.00	3,500.00	812.00	4,200.00
503.52.8500.526.50019	INSURANCE ALLOCATION	7,800.00	12,000.00	12,000.00	8,000.00	8,400.00
503.52.8500.526.50025	ADVERTISING/PUBLISHED NOTIC...	10,561.02	5,534.00	8,500.00	4,051.00	10,000.00
503.52.8500.526.50030	PRINTING & BINDING	874.36	952.50	5,000.00	0.00	5,000.00
503.52.8500.526.50035	POSTAGE/DELIVERY	4,213.80	299.50	250.00	68.90	300.00
503.52.8500.526.50055	ALARM SERVICES / SYSTEMS	2,044.78	1,103.39	3,250.00	1,026.53	4,000.00
503.52.8500.526.50065	TRAVEL	0.00	20.37	100.00	81.01	100.00
503.52.8500.526.50070	DUES, LICENSES & SUBSCRIPTIO...	4,386.76	2,021.50	4,000.00	7,692.00	4,000.00
503.52.8500.526.50072	DIVISION SOFTWARE	0.00	0.00	0.00	0.00	5,500.00

		2020 Total Activity	2021 Total Activity	2022 Total Budget	2022 YTD Activity	2023 2023
503.52.8500.526.50080	CONFERENCES AND SEMINARS	0.00	0.00	200.00	0.00	200.00
503.52.8500.526.60010	SUPPLIES - OFFICE	1,266.58	740.83	2,000.00	87.21	2,500.00
503.52.8500.526.60040	SM TOOLS & MISC EQUIPMENT	329.01	0.00	2,500.00	3,622.50	2,500.00
503.52.8500.526.60042	MISC-COMPUTER SOFTWARE	0.00	0.00	4,500.00	1,429.62	0.00
503.52.8500.526.60045	UNIFORMS & CLOTHING	0.00	0.00	0.00	0.00	0.00
503.52.8500.526.60065	SUPPLIES - OTHER	14,646.27	490.29	2,000.00	616.89	2,000.00
503.52.8500.526.60071	TECHNOLOGY ALLOCATION	0.00	4,200.00	4,000.00	2,666.64	47,100.00
503.52.8500.526.70100	DEPRECIATION EXPENSE	262,957.28	247,111.71	250,000.00	166,666.64	250,000.00
503.52.8500.526.70440	BANK CHARGES / CREDIT CARD	86,124.84	46,152.37	35,000.00	82,525.99	60,000.00
503.52.8500.526.70600	OTHER MISCELLANEOUS	-267.07	1.00	0.00	106.85	0.00
	Department: 8500 - COMMON Total:	**576,328.94**	**513,414.59**	**571,100.00**	**406,003.41**	**616,400.00**

		2020 Total Activity	2021 Total Activity	2022 Total Budget	2022 YTD Activity	2023 2023
Department: 8600 - GROUNDS						
503.52.8600.527.10100	FULL-TIME EMPLOYEES	300,646.28	298,594.17	271,600.00	190,722.38	316,500.00
503.52.8600.527.10200	PART-TIME EMPLOYEES-BENEFIT...	0.00	0.00	31,900.00	0.00	0.00
503.52.8600.527.10300	EMPLOYEES-NON BENEFITED	108,875.74	114,524.97	108,000.00	82,334.75	128,000.00
503.52.8600.527.20100	INSURANCE-CASH OPTION	16,733.40	15,931.50	18,500.00	10,187.10	18,500.00
503.52.8600.527.20300	EMPLOYER SOCIAL SECURITY	24,105.88	24,526.04	25,500.00	16,524.95	27,600.00
503.52.8600.527.20350	EMPLOYER MEDICARE	5,651.45	5,736.13	6,000.00	3,864.76	6,400.00
503.52.8600.527.20400	EMPLOYER PERA	22,766.07	25,916.14	30,900.00	17,169.45	33,300.00
503.52.8600.527.20600	MEDICAL INSURANCE	37,462.46	34,827.24	39,900.00	22,130.39	43,000.00
503.52.8600.527.20620	LIFE INSURANCE	379.56	405.56	500.00	263.29	500.00
503.52.8600.527.20630	LTD INSURANCE	758.78	797.76	1,300.00	537.59	1,300.00
503.52.8600.527.20700	UNEMPLOYMENT COMPENSATI...	0.00	1,449.00	0.00	1,361.97	0.00
503.52.8600.527.20720	FLEX/COMP ACCOUNT FEE	262.41	281.15	300.00	126.77	200.00
503.52.8600.527.20750	WORKERS COMPENSATION	15,999.96	7,899.96	7,900.00	5,266.64	8,300.00
503.52.8600.527.20800	COMPENSATED ABSENCES	8,841.57	5,190.04	0.00	0.00	0.00
503.52.8600.527.20850	OPEB	0.00	0.00	0.00	0.00	0.00
503.52.8600.527.40010	GAS UTILITY SERVICES	2,312.02	3,818.63	4,000.00	3,437.31	4,000.00
503.52.8600.527.40015	SEWER UTILITY SERVICES	0.00	0.00	1,000.00	0.00	1,000.00
503.52.8600.527.40020	ELECTRIC UTILITY SERVICES	38,095.01	29,072.95	20,000.00	15,485.80	20,000.00
503.52.8600.527.40025	REFUSE DISPOSAL	9.10	0.00	0.00	0.00	0.00
503.52.8600.527.40040	REPAIR & MAINT - BUILDINGS	5,740.90	1,820.14	19,000.00	1,263.78	19,000.00
503.52.8600.527.40042	REPAIR & MAINT - EQUIPMENT	36,860.42	30,134.35	38,000.00	22,730.43	40,000.00
503.52.8600.527.40050	RENTAL OF EQUIPMENT	1,253.43	146.47	2,000.00	0.00	3,000.00
503.52.8600.527.40065	OTHER RENTALS	377.81	938.03	2,000.00	299.96	3,000.00
503.52.8600.527.50045	OUTSIDE LABOR	2,085.00	4,513.28	3,000.00	0.00	6,000.00
503.52.8600.527.50070	DUES, LICENSES & SUBSCRIPTIO...	1,196.58	1,177.65	7,500.00	2,182.77	7,000.00
503.52.8600.527.50080	CONFERENCES AND SEMINARS	87.00	1,273.00	2,000.00	45.00	2,000.00
503.52.8600.527.60008	IRRIGATION SUPPLIES	4,971.68	2,644.56	5,000.00	3,947.85	5,000.00
503.52.8600.527.60010	SUPPLIES - OFFICE	191.66	0.00	300.00	0.00	1,000.00
503.52.8600.527.60012	SUPPLIES - SHOP	2,744.65	2,671.68	2,000.00	2,812.95	4,000.00
503.52.8600.527.60014	SUPPLIES - TIRES	1,075.46	1,554.15	1,500.00	931.37	2,000.00
503.52.8600.527.60018	SUPPLIES-TRAINING	0.00	512.91	600.00	0.00	800.00

		2020 Total Activity	2021 Total Activity	2022 Total Budget	2022 YTD Activity	2023 2023
503.52.8600.527.60020	SUPPLIES - GOLF COURSE	13,195.90	18,782.77	14,000.00	5,361.43	15,000.00
503.52.8600.527.60021	FUELS	19,702.33	15,694.47	18,000.00	7,622.78	20,000.00
503.52.8600.527.60022	LUBRICANTS	3,932.69	6,387.05	4,000.00	2,053.71	5,000.00
503.52.8600.527.60030	FERTILIZERS	23,137.85	35,539.85	34,000.00	36,299.26	41,000.00
503.52.8600.527.60035	PESTICIDES	28,510.72	55,884.14	41,000.00	33,932.20	49,000.00
503.52.8600.527.60040	SM TOOLS & MISC EQUIPMENT	2,373.24	6,720.10	5,000.00	1,593.89	5,000.00
503.52.8600.527.60045	UNIFORMS & CLOTHING	5,409.58	6,371.63	5,300.00	4,577.29	6,000.00
503.52.8600.527.60050	GOLF COURSE ACCESSORIES	1,828.06	3,874.60	3,000.00	4,405.20	4,000.00
503.52.8600.527.60065	SUPPLIES - OTHER	816.42	11,982.47	10,000.00	915.39	10,000.00
503.52.8600.527.80300	IMPROVEMENTS (NON-BLDG)	0.00	0.00	0.00	0.00	60,000.00
503.52.8600.527.80400	HEAVY MACHINERY & EQUIPME...	0.00	0.00	19,300.00	19,237.50	0.00
503.52.8600.527.80800	OTHER EQUIPMENT	0.00	0.00	0.00	0.00	238,000.00
	Department: 8600 - GROUNDS Total:	**738,391.07**	**777,594.54**	**803,800.00**	**519,625.91**	**1,154,400.00**

		2020 Total Activity	2021 Total Activity	2022 Total Budget	2022 YTD Activity	2023 2023
Department: 9000 - DEBT SERVICE						
503.57.9000.570.90100	PRINCIPAL PAYMENTS	0.00	0.00	82,000.00	0.00	82,000.00
	Department: 9000 - DEBT SERVICE Total:	**0.00**	**0.00**	**82,000.00**	**0.00**	**82,000.00**
	Fund: 503 - INVER WOOD GOLF COURSE Total:	**2,127,752.79**	**1,966,695.42**	**2,157,600.00**	**1,421,913.34**	**2,645,700.00**

CITY OF INVER GROVE HEIGHTS

Request for Council Action

SUBJECT: Proposed 2023 Internal Service Fund Budgets

MEETING DATE: October 3, 2022
ITEM TYPE: Discussion Items
CONTACT: Amy Hove, Finance Director, 651.450.2521
Kris Wilson, City Administrator, 651.450.2511

ACTION REQUESTED

The Council is asked to review and provide input and direction on the proposed 2023 budgets for three of the City's five Internal Service Funds: the Technology Fund, the City Facilities Fund, and the Risk Management Fund.

BACKGROUND

The City currently has five Internal Service Funds:

1. Technology
2. City Facilities
3. Risk Management
4. Central Equipment
5. Central Stores

Each of these funds provides a service to all of the other departments of the City. The costs of each function are allocated to individual departments in accordance with the demand they place on that function. Allocations paid by each department become revenue into the fund, with expenditures flowing out to cover the cost of providing that service. This is a valuable way to fund such internal services because it results in the budgets for each front-line Department, such as Police, Fire, Public Works, etc., more accurately reflecting the cost of providing that service.

For example, the Street Maintenance Division of Public Works relies heavily on a number of large and expensive vehicles. If the Street Maintenance Division didn't have an allocation from Central Equipment included in their budget, the total amount of the Street Maintenance budget would dramatically underrepresent what it really costs to provide street maintenance services.

A second reason for utilizing Internal Service Funds for these specific components of the City's operations is that they have fluctuating capital expenditures from year to year. The Internal Service Funds can build up a reasonable fund balance through a steady stream of allocation revenue, without causing swings in the City's property tax levy. Ideally, this allows the City to have money on hand when an expensive facility repair is needed, such as a new roof, or a large vehicle needs replacing. Some of IGH's internal service funds are in better positions than others to cover both operating costs and projected capital expenditures.

Of the five existing Internal Service Funds, staff will be presenting draft budgets for three at Monday's work session - Technology, City Facilities and Risk Management. A draft presentation of these three budgets is attached. The fourth - Central Equipment - will be presented later in October. The fifth - Central Stores - is being recommended for elimination, so no 2023 budget will be needed if Council is supportive of that recommendation.

FISCAL IMPACT

RECOMMENDATION

ATTACHMENTS

1. Internal Service Fund Budgets for Oct 3 Council Meeting
2. 2022 Technology Division Expenditure Budget for Comparison
3. 2023 Proposed Technology Fund Budget -Expenditures 9.19.2022
4. 2023 Proposed Technology Fund Budget -Revenues 9.19.2022
5. 2023 Proposed City Facilities Fund Budget -Expenditures 9.19.2022
6. 2023 Proposed City Facilities Fund Budget -Revenues 9.19.2022
7. 2023 Proposed Risk Management Budget Revenues 9.19.2022
8. 2023 Proposed Risk Management Budget Expenditures 9.19.2022

2023 Budget
Internal Service Funds

City Council Work Session

October 3, 2022 at 6pm

Kris Wilson, City Administrator
Marc Gade, Technology Manager
Adam Lares, Parks & Recreation Director
Phil Stier, Operations-Maintenance Supervisor
Amy Hove, Finance Director

CITY OF INVER GROVE HEIGHTS

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Internal Service Funds & Allocations

- Technology
- City Facilities
- Risk Management

- Central Equipment – bringing to a future meeting
- Central Stores – staff recommend fund closure at year-end

Technology (Fund 606)

- During budget years 2020, 2021 & 2022, Technology was a department within the General Fund but did not include capital costs
- Beginning in 2023, the Technology Fund allocation covers:
  - Operating budget for IT Department
    - Phone stipends added
    - Copier & postage costs added
    - Department-specific division software removed
  - Hardware Replacements (based on a 5-year average)
- 2023 Technology Allocation (60071) - $1,275,000
- A Department's allocation is based on # of FTE's and device counts (computers, laptops, tablets)

Technology (Fund 606)

<table>
<tr><th>2020, 2021 and 2022</th><th>2023</th></tr>
<tr><td>Technology Fund
• City-wide Technology capital needs only
• Allocation to departments was small as a result</td><td>Technology Fund
• City-wide Technology capital needs, plus . . .
• City-wide Technology operating costs, such as IT staff, servers, phones, computers, laptops, core software (such as the Microsoft suite), etc.
• Allocation to departments is larger as a result</td></tr>
<tr><td>General Fund – Tech Div.
• City-wide Technology operating costs, including some Department-specific software, but not all</td><td>General Fund
• Tech Div. budget goes away entirely
• All Departments budget for department or division-specific software within their own budgets</td></tr>
</table>

Technology Fund – Budget Summary

	2022 Budget (General Fund & Tech Fund Combined)	2023 Requested Budget (Fund 606)
Revenues By Type		
Departmental Allocations	$ 65,000	$ 1,275,000
Interest & Other Reimbursements	20,000	8,000
Total Revenues	**$ 85,000**	**$ 1,283,000**
Expenditures By Type		
Personnel	$ 738,800	$ 758,400
Professional/Technical	27,700	8,000
Purchased Services/Property/Equipment	575,100	413,900
Supplies	28,450	76,350
Capital Outlay	70,000	131,000
Total Expenditures	**$ 1,440,050**	**$ 1,387,650**

City Facilities (Fund 605)

- Activities are funded by departmental allocations through expense code:
  - City Facilities Allocation (40075) $800,000 (8% increase)
- Up until 2022, this fund covered facility costs solely related to the operation of City Hall; currently in a transition phase
- Current Allocation is based on historical FTE's and square footage by department; formula has not been updated for years.
  - And the allocation does not include a capital replacement component (like Central Equipment)
- 2023 Budget includes Solar Garden activities so $375,000 is showing up as both a revenue and an expense

City Facilities – Budget Summary

	2022 Adopted Budget	2023 Requested Budget
Revenues By Type		
Departmental Allocations	$ 740,000	$ 800,000
Interest & Other Revenues	16,200	394,000
Total Revenues	**$ 756,200**	**$1,194,000**
Expenditures By Type		
Personnel	$ 291,300	$ 283,700
Professional/Technical	90,000	20,000
Purchased Services/Property/Equipment	387,200	788,400
Supplies & Other Expenses	22,700	94,700
Capital Outlay / Transfers	75,000	288,500
Total Expenditures	**$ 866,200**	**$1,475,300**

2023 Budget Summary

$ 1,194,000	Revenues
- 1,475,300	Expenditures
($ 281,300)	Change to Fund Balance

City Facilities – 5 Year Capital Plan

Division	2023 Request	2024 Estimate	2025 Estimate	2026 Estimate	2027 Estimate	Total
Fire Stations 1 & 3	166,500	62,000	66,000	93,000	95,000	482,500
Public Works	63,000	17,000	3,500	54,000	38,000	175,500
City Hall/Police	145,000	101,500	92,500	30,000		369,000
Water Trmt Plant	14,000	130,000	80,000	13,000		237,000
Golf Course	5,000	55,000				60,000
Rich Valley		10,000	10,000			20,000
Total	**$393,500**	**$375,500**	**$252,000**	**$190,000**	**$133,000**	**$1,344,000**

2023-2027 Average Capital = $268,800

City Facilities
2023 Capital Requests

Division	Item Description	Amount
Fire Stations 1 & 3	Lighting in truck bay, integrate automation, Replace roof (Station #3), replace exhaust fan, ADA updates to locks/hardware	166,500
Public Works	Lighting replacements, integrate automation, replace heaters, ADA updates to locks/hardware	63,000
City Hall/Police	Complete automation work, replace lighting controls system, replace heat pumps, duct work, ADA updates to locks/hardware	145,000
Water Trmt Plant	Update fire alarm panel, ADA updates to locks/hardware	14,000
Golf Course	ADA updates to locks/hardware	5,000
	Total Capital Requests	**$393,500**

2023 CIP Funding

$	393,500	2023 Capital Items
-	38,000	All ADA Improvements from ADA Fund
-	58,000	PW Capital from Central Equipment Fund
-	9,000	Water Treatment Capital from Water Fund
$	288,500	Capital Paid for out of City Facilities

Cash Position & CIP Spending

In 2021, $572, transferred in after wrapping up the Fire Station Project. $110,000 was earmarked for outstanding project items.

recommendation is to close the Central Stores Fund and transfer those dollars, estimated at $600,000 to City Facilities.

5-Year Capital Plan anticipates $1,344,000 in capital spending of which $838,500 (62%) falls under general City Facility dollars.

Risk Management (Fund 602)

Activities:

- League of MN Cities (LMCIT) insurance premiums
  - Property/Equipment/Liability/Auto/Bond
  - Workers Compensation
- Covers deductible payments
- Corporate charges for attorney representation in lawsuits
- Portion of finance personnel costs charged to fund
- Activities are funded by departmental allocations through expense codes:
  - Insurance Allocation (50019) - $501,400 (6% Increase)
  - Workers Compensation Allocation (20750) - $723,200 (5% Increase)

Risk Management

Allocations

	2021	2022	2023
Workers Compensation *	$ 649,200	$ 688,800	$ 723,200
Insurance	473,100	473,100	501,400
Total Allocations to Fund	$ 1,122,300	$ 1,161,900	$ 1,224,600
% Change	-0.5%	4.0%	5.4%

Risk Management - Summary

	2022 Adopted Budget	2023 Requested Budget
Revenues By Type		
Departmental Allocations	$ 1,161,900	$ 1,224,600
Interest & Other Reimbursements	15,000	10,000
Total Revenues	**$ 1,176,900**	**$ 1,234,600**
Expenditures By Type		
Personnel	$ 27,800	$ 23,200
Legal	14,000	10,000
Repair/Maintenance/Deductibles	90,000	50,000
Insurance Premiums	1,045,100	1,151,400
Total Expenditures	**$ 1,176,900**	**$ 1,234,600**

Central Stores (Fund 604) – Discontinued in 2023

- General office supplies, copy machine and postage meter use
  - 2023 Technology Allocation now covers copy machine and postage meter costs
  - 2023 Departmental budgets now include supplies
- Staff recommendation: close fund to City Facilities.

At year-end 2022, the projected balance may exceed $600,000

City of Inver Grove Heights

2023 Budget Worksheet

Account Summary

For Fiscal: 2022 Period Ending: 08/31/2022

		2020 Total Activity	2021 Total Activity	2022 Total Budget	2022 YTD Activity	2023 2023
Fund: 101 - GENERAL FUND						
Department: 1400 - TECHNOLOGY DEPARTMENT - EXPENDITURES						
Category: 10 - WAGES & BENEFITS						
101.47.1400.413.10100	FULL-TIME EMPLOYEES	490,745.74	521,248.58	558,100.00	357,348.80	0.00
101.47.1400.413.10300	EMPLOYEES-NON BENEFITED	0.00	5,752.12	0.00	3,675.85	0.00
101.47.1400.413.10400	OVERTIME	3,904.78	2,678.45	700.00	537.03	0.00
101.47.1400.413.20100	INSURANCE-CASH OPTION	26,462.70	26,967.50	27,800.00	18,176.40	0.00
101.47.1400.413.20300	EMPLOYER SOCIAL SECURITY	31,147.20	33,303.34	36,300.00	22,408.70	0.00
101.47.1400.413.20350	EMPLOYER MEDICARE	7,309.21	7,788.73	8,100.00	5,240.61	0.00
101.47.1400.413.20400	EMPLOYER PERA	37,182.90	39,294.53	41,900.00	26,841.43	0.00
101.47.1400.413.20600	MEDICAL INSURANCE	54,013.71	56,080.16	58,600.00	40,279.97	0.00
101.47.1400.413.20620	LIFE INSURANCE	632.01	765.80	800.00	525.20	0.00
101.47.1400.413.20630	LTD INSURANCE	1,195.35	1,481.33	2,200.00	1,022.02	0.00
101.47.1400.413.20720	FLEX/COMP ACCOUNT FEE	468.49	487.53	500.00	292.78	0.00
101.47.1400.413.20750	WORKERS COMPENSATION	3,999.96	3,800.04	3,800.00	2,533.36	0.00
101.47.1400.413.20800	COMPENSATED ABSENCES	0.00	21,298.74	0.00	0.00	0.00
	Category: 10 - WAGES & BENEFITS Total:	**657,062.05**	**720,946.85**	**738,800.00**	**478,882.15**	**0.00**
Category: 30 - PROFESSIONAL / TECHNICAL SERVICES						
101.47.1400.413.30700	OTHER PROFESSIONAL SERVICES	3,106.75	12,300.85	8,000.00	2,904.47	0.00
	Category: 30 - PROFESSIONAL / TECHNICAL SERVICES Total:	**3,106.75**	**12,300.85**	**8,000.00**	**2,904.47**	**0.00**
Category: 40 - PURCHASED SERVICES PROPERTY/EQUIPMENT						
101.47.1400.413.40035	LICENSING AGREEMENTS	316,221.70	401,009.28	340,000.00	229,658.37	0.00
101.47.1400.413.40044	REPAIR & MAINT - OFFICE EQUI...	909.29	0.00	2,000.00	0.00	0.00
101.47.1400.413.40049	REPAIR & MAINT - COMPUTERS	3,486.62	0.00	0.00	0.00	0.00
101.47.1400.413.40075	CITY FACILITIES ALLOCATION	28,500.00	27,500.04	19,700.00	13,133.36	0.00
	Category: 40 - PURCHASED SERVICES PROPERTY/EQUIPMENT Total:	**349,117.61**	**428,509.32**	**361,700.00**	**242,791.73**	**0.00**
Category: 50 - OTHER PURCHASED SERVICES						
101.47.1400.413.50019	INSURANCE ALLOCATION	99.96	99.96	100.00	66.64	0.00
101.47.1400.413.50020	TELEPHONE	113,816.09	118,665.14	126,000.00	96,929.03	0.00

		2020 Total Activity	2021 Total Activity	2022 Total Budget	2022 YTD Activity	2023 2023
101.47.1400.413.50065	TRAVEL	25.87	0.00	1,500.00	0.00	0.00
101.47.1400.413.50075	MEALS AND LODGING	0.00	0.00	2,500.00	0.00	0.00
101.47.1400.413.50080	CONFERENCES AND SEMINARS	225.00	800.00	8,300.00	25.00	0.00
	Category: 50 - OTHER PURCHASED SERVICES Total:	**114,166.92**	**119,565.10**	**138,400.00**	**97,020.67**	**0.00**
Category: 60 - SUPPLIES						
101.47.1400.413.60040	SM TOOLS & MISC EQUIPMENT	786.32	236.75	300.00	2,988.31	0.00
101.47.1400.413.60041	SMALL COMPUTER HARDWARE	8,534.42	8,323.76	8,000.00	5,411.14	0.00
101.47.1400.413.60042	MISC-COMPUTER SOFTWARE	0.00	1,533.12	0.00	0.00	0.00
101.47.1400.413.60045	UNIFORMS & CLOTHING	500.00	550.00	550.00	550.00	0.00
101.47.1400.413.60065	SUPPLIES - OTHER	1,614.95	1,473.25	2,500.00	24.98	0.00
101.47.1400.413.60071	TECHNOLOGY ALLOCATION	0.00	1,900.08	2,900.00	1,933.44	0.00
	Category: 60 - SUPPLIES Total:	**11,435.69**	**14,016.96**	**14,250.00**	**10,907.87**	**0.00**
	Department: 1400 - TECHNOLOGY Total:	**1,134,889.02**	**1,295,339.08**	**1,261,150.00**	**832,506.89**	**0.00**

2023 Budget Worksheet

City of Inver Grove Heights

Account Summary

For Fiscal: 2022 Period Ending: 08/31/2022

		2020 Total Activity	2021 Total Activity	2022 Total Budget	2022 YTD Activity	2023 2023
Fund: 606 - TECHNOLOGY FUND - EXPENDITURES						
Category: 10 - WAGES & BENEFITS						
606.00.1400.413.10100	FULL-TIME EMPLOYEES	484.71	0.00	0.00	0.00	569,500.00
606.00.1400.413.10400	OVERTIME	0.00	0.00	0.00	0.00	700.00
606.00.1400.413.20100	INSURANCE-CASH OPTION	89.10	0.00	0.00	0.00	27,800.00
606.00.1400.413.20300	EMPLOYER SOCIAL SECURITY	-17.76	0.00	0.00	0.00	35,400.00
606.00.1400.413.20350	EMPLOYER MEDICARE	-4.13	0.00	0.00	0.00	8,300.00
606.00.1400.413.20400	EMPLOYER PERA	-40.33	0.00	0.00	0.00	42,800.00
606.00.1400.413.20550	PENSION EXPENSE	-271,945.00	0.00	0.00	0.00	0.00
606.00.1400.413.20600	MEDICAL INSURANCE	2,117.70	0.00	0.00	0.00	66,400.00
606.00.1400.413.20620	LIFE INSURANCE	6.65	0.00	0.00	0.00	900.00
606.00.1400.413.20630	LTD INSURANCE	8.45	0.00	0.00	0.00	2,200.00
606.00.1400.413.20720	FLEX/COMP ACCOUNT FEE	8.55	20.73	0.00	0.00	400.00
606.00.1400.413.20750	WORKERS COMPENSATION	0.00	0.00	0.00	0.00	4,000.00
606.00.1400.413.20800	COMPENSATED ABSENCES	30,413.25	-90,783.52	0.00	0.00	0.00
	Category: 10 - WAGES & BENEFITS Total:	**-238,878.81**	**-90,762.79**	**0.00**	**0.00**	**758,400.00**
Category: 30 - PROFESSIONAL / TECHNICAL SERVICES						
606.00.1400.413.30700	OTHER PROFESSIONAL SERVICES	0.00	9,775.00	19,700.00	4,887.50	8,000.00
	Category: 30 - PROFESSIONAL / TECHNICAL SERVICES Total:	**0.00**	**9,775.00**	**19,700.00**	**4,887.50**	**8,000.00**
Category: 40 - PURCHASED SERVICES PROPERTY/EQUIPMENT						
606.00.1400.413.40044	REPAIR & MAINT - OFFICE EQUI...	0.00	0.00	0.00	0.00	2,000.00
606.00.1400.413.40050	RENTAL OF EQUIPMENT	0.00	0.00	0.00	0.00	48,500.00
	Category: 40 - PURCHASED SERVICES PROPERTY/EQUIPMENT Total:	**0.00**	**0.00**	**0.00**	**0.00**	**50,500.00**
Category: 50 - OTHER PURCHASED SERVICES						
606.00.1400.413.50020	TELEPHONE	0.00	0.00	0.00	0.00	131,000.00
606.00.1400.413.50065	TRAVEL	0.00	0.00	0.00	0.00	1,500.00
606.00.1400.413.50070	DUES, LICENSES & SUBSCRIPTIO...	0.00	500.00	75,000.00	0.00	0.00
606.00.1400.413.50072	DIVISION SOFTWARE	0.00	0.00	0.00	0.00	216,400.00

		2020 Total Activity	2021 Total Activity	2022 Total Budget	2022 YTD Activity	2023 2023
606.00.1400.413.50075	MEALS AND LODGING	0.00	0.00	0.00	0.00	2,500.00
606.00.1400.413.50080	CONFERENCES AND SEMINARS	0.00	0.00	0.00	0.00	12,000.00
	Category: 50 - OTHER PURCHASED SERVICES Total:	**0.00**	**500.00**	**75,000.00**	**0.00**	**363,400.00**
Category: 60 - SUPPLIES						
606.00.1400.413.60005	SUPPLIES - COPY	0.00	0.00	0.00	0.00	5,000.00
606.00.1400.413.60040	SM TOOLS & MISC EQUIPMENT	0.11	1,929.04	0.00	12,434.69	8,300.00
606.00.1400.413.60041	SMALL COMPUTER HARDWARE	152,528.07	19,362.98	6,200.00	0.00	56,000.00
606.00.1400.413.60042	OTHER COMPUTER SOFTWARE	0.00	0.00	8,000.00	0.00	4,000.00
606.00.1400.413.60045	UNIFORMS & CLOTHING	0.00	0.00	0.00	0.00	550.00
606.00.1400.413.60065	SUPPLIES - OTHER	0.00	0.00	0.00	0.00	2,500.00
	Category: 60 - SUPPLIES Total:	**152,528.18**	**21,292.02**	**14,200.00**	**12,434.69**	**76,350.00**
Category: 70 - OTHER EXPENSES / EXPENDITURES						
606.00.1400.413.70100	DEPRECIATION EXPENSE	148,810.51	63,688.65	0.00	0.00	0.00
	Category: 70 - OTHER EXPENSES / EXPENDITURES Total:	**148,810.51**	**63,688.65**	**0.00**	**0.00**	**0.00**
Category: 80 - CAPITAL OUTLAY						
606.00.1400.413.80610	COMPUTER HARDWARE	0.00	0.00	70,000.00	15,344.32	131,000.00
	Category: 80 - CAPITAL OUTLAY Total:	**0.00**	**0.00**	**70,000.00**	**15,344.32**	**131,000.00**
	Fund: 606 - TECHNOLOGY FUND Total:	**62,459.88**	**4,492.88**	**178,900.00**	**32,666.51**	**1,387,650.00**

City of Inver Grove Heights

2023 Budget Worksheet

Account Summary

For Fiscal: 2022 Period Ending: 08/31/2022

TECHNOLOGY FUND - REVENUES

		2020 Total Activity	2021 Total Activity	2022 Total Budget	2022 YTD Activity	2023 2023
RevCat: 340 - CHARGES FOR SERVICES						
606.46.0000.3467100	TECH INTERNAL CHARGES	0.00	65,000.04	65,000.00	43,400.00	1,275,000.00
	RevCat: 340 - CHARGES FOR SERVICES Total:	**0.00**	**65,000.04**	**65,000.00**	**43,400.00**	**1,275,000.00**
RevCat: 360 - MISCELLANEOUS REVENUES						
606.46.0000.3600000	PERA PENSION OTHER REVENUE	-1.00	0.00	0.00	0.00	0.00
606.46.0000.3610000	INVESTMENT INTEREST	12,950.92	7,259.82	2,000.00	3,287.31	8,000.00
606.46.0000.3611000	ACCRUED INTEREST RECEIVABLE	4,197.72	3,030.31	0.00	0.00	0.00
606.46.0000.3612000	FAIR MARKET VALUE ALLOCATION	12,796.93	-18,938.93	0.00	0.00	0.00
606.46.0000.3660000	OTHER REIMBURSEMENTS	100.00	100.00	0.00	0.00	0.00
	RevCat: 360 - MISCELLANEOUS REVENUES Total:	**30,044.57**	**-8,548.80**	**2,000.00**	**3,287.31**	**8,000.00**
RevCat: 390 - OTHER FINANCING SOURCES						
606.46.0000.3911000	OPERATING TRANSFERS IN	10,065.91	0.00	18,000.00	18,000.00	0.00
606.46.0000.3970000	CAPITAL CONTRIBUTIONS	0.00	212,391.00	0.00	0.00	0.00
	RevCat: 390 - OTHER FINANCING SOURCES Total:	**10,065.91**	**212,391.00**	**18,000.00**	**18,000.00**	**0.00**
	Revenue Total:	**40,110.48**	**268,842.24**	**85,000.00**	**64,687.31**	**1,283,000.00**

Fund: 605 - CITY FACILITIES - EXPENDITURES

		2020 Total Activity	2021 Total Activity	2022 Total Budget	2022 YTD Activity	2023 2023
Category: 10 - WAGES & BENEFITS						
605.00.7500.460.10100	FULL-TIME EMPLOYEES	130,193.11	137,356.93	205,700.00	125,092.37	202,400.00
605.00.7500.460.10300	EMPLOYEES-NON BENEFITED	0.00	2,273.36	0.00	0.00	0.00
605.00.7500.460.10400	OVERTIME	6.75	72.60	0.00	638.15	1,400.00
605.00.7500.460.20100	INSURANCE-CASH OPTION	5,158.45	7,320.16	13,200.00	7,796.26	12,300.00
605.00.7500.460.20300	EMPLOYER SOCIAL SECURITY	6,990.98	7,512.64	9,200.00	7,152.51	12,600.00
605.00.7500.460.20350	EMPLOYER MEDICARE	1,676.67	1,756.62	3,000.00	1,672.74	3,000.00
605.00.7500.460.20400	EMPLOYER PERA	9,522.15	10,087.58	21,100.00	9,428.19	15,300.00
605.00.7500.460.20550	PENSION EXPENSE	57,949.00	-10,466.00	0.00	0.00	0.00
605.00.7500.460.20600	MEDICAL INSURANCE	17,255.47	20,962.66	32,700.00	18,305.76	30,000.00
605.00.7500.460.20620	LIFE INSURANCE	181.12	187.16	300.00	176.02	200.00
605.00.7500.460.20630	LTD INSURANCE	345.55	363.64	900.00	366.12	1,000.00
605.00.7500.460.20700	UNEMPLOYMENT COMPENSATI...	0.00	3,703.05	0.00	0.00	0.00
605.00.7500.460.20720	FLEX/COMP ACCOUNT FEE	109.31	162.22	200.00	84.00	200.00
605.00.7500.460.20750	WORKERS COMPENSATION	7,700.04	5,000.04	5,000.00	3,333.36	5,300.00
605.00.7500.460.20800	COMPENSATED ABSENCES	15,430.96	3,966.36	0.00	0.00	0.00
	Category: 10 - WAGES & BENEFITS Total:	**252,519.56**	**190,259.02**	**291,300.00**	**174,045.48**	**283,700.00**
Category: 30 - PROFESSIONAL / TECHNICAL SERVICES						
605.00.7500.460.30700	OTHER PROFESSIONAL SERVICES	97,533.44	93,764.18	90,000.00	2,510.00	20,000.00
	Category: 30 - PROFESSIONAL / TECHNICAL SERVICES Total:	**97,533.44**	**93,764.18**	**90,000.00**	**2,510.00**	**20,000.00**
Category: 40 - PURCHASED SERVICES PROPERTY/EQUIPMENT						
605.00.7500.460.40005	WATER UTILITY SERVICES	1,885.25	2,089.10	2,000.00	988.13	2,500.00
605.00.7500.460.40015	SEWER UTILITY SERVICES	920.68	287.69	1,200.00	239.52	1,200.00
605.00.7500.460.40020	ELECTRIC UTILITY SERVICES	90,279.84	89,083.49	99,000.00	44,590.40	125,000.00
605.00.7500.460.40021	SOLAR GARDEN UTILITY CHARGES	0.00	0.00	0.00	173,148.80	375,000.00
605.00.7500.460.40030	STORM WATER UTILITY SERVICE	1,972.52	2,063.57	2,500.00	1,581.40	2,500.00
605.00.7500.460.40040	REPAIR & MAINT - BUILDINGS	225,922.90	420,883.02	228,000.00	218,480.37	220,000.00

		2020 Total Activity	2021 Total Activity	2022 Total Budget	2022 YTD Activity	2023 2023
605.00.7500.460.40042	REPAIR & MAINT - EQUIPMENT	756.10	735.31	1,000.00	0.00	1,000.00
605.00.7500.460.40044	REPAIR & MAINT - OFFICE EQUI...	825.00	825.00	1,800.00	0.00	0.00
605.00.7500.460.40047	REPAIR & MAINT - OTHER STRUC...	0.00	428.84	500.00	8,013.32	10,000.00
605.00.7500.460.40050	RENTAL OF EQUIPMENT	0.00	139.59	800.00	0.00	800.00
605.00.7500.460.40065	OTHER RENTALS	2,365.57	3,529.08	3,000.00	2,610.72	3,000.00
Category: 40 - PURCHASED SERVICES PROPERTY/EQUIPMENT Total:		**324,927.86**	**520,064.69**	**339,800.00**	**449,652.66**	**741,000.00**
Category: 50 - OTHER PURCHASED SERVICES						
605.00.7500.460.50019	INSURANCE ALLOCATION	33,300.00	35,799.96	35,800.00	23,866.64	28,600.00
605.00.7500.460.50020	TELEPHONE	150.00	360.00	600.00	240.00	0.00
605.00.7500.460.50025	ADVERTISING/PUBLISHED NOTIC...	0.00	0.00	0.00	0.00	200.00
605.00.7500.460.50030	PRINTING & BINDING	0.00	0.00	0.00	0.00	100.00
605.00.7500.460.50035	POSTAGE/DELIVERY	100.00	200.00	0.00	0.00	100.00
605.00.7500.460.50050	SIGNAGE	0.00	0.00	500.00	0.00	500.00
605.00.7500.460.50055	ALARM SERVICES / SYSTEMS	243.70	13,288.85	10,000.00	8,210.00	15,000.00
605.00.7500.460.50065	TRAVEL	0.00	0.00	100.00	0.00	600.00
605.00.7500.460.50070	DUES, LICENSES & SUBSCRIPTIO...	10.00	10.00	300.00	10.00	500.00
605.00.7500.460.50075	MEALS AND LODGING	0.00	0.00	100.00	0.00	600.00
605.00.7500.460.50080	CONFERENCES AND SEMINARS	0.00	0.00	0.00	0.00	1,200.00
Category: 50 - OTHER PURCHASED SERVICES Total:		**33,803.70**	**49,658.81**	**47,400.00**	**32,326.64**	**47,400.00**
Category: 60 - SUPPLIES						
605.00.7500.460.60010	SUPPLIES - OFFICE	0.00	0.00	100.00	0.00	100.00
605.00.7500.460.60011	SUPPLIES - JANITOR/CLEANING	7,451.56	4,409.25	6,000.00	4,104.88	7,000.00
605.00.7500.460.60012	SUPPLIES - SHOP	0.00	0.00	0.00	0.00	2,000.00
605.00.7500.460.60016	SUPPLIES - MAINTENANCE	3,873.23	9,645.20	6,000.00	6,066.84	52,500.00
605.00.7500.460.60040	SM TOOLS & MISC EQUIPMENT	13,530.97	4,277.31	4,000.00	6,080.85	5,800.00
605.00.7500.460.60045	UNIFORMS & CLOTHING	460.00	485.00	600.00	485.00	900.00
605.00.7500.460.60065	SUPPLIES - OTHER	13,231.54	2,316.52	6,000.00	3,732.08	6,500.00
605.00.7500.460.60071	TECHNOLOGY ALLOCATION	0.00	0.00	0.00	0.00	19,900.00
Category: 60 - SUPPLIES Total:		**38,547.30**	**21,133.28**	**22,700.00**	**20,469.65**	**94,700.00**
Category: 70 - OTHER EXPENSES / EXPENDITURES						
605.00.7500.460.70100	DEPRECIATION EXPENSE	630,384.94	640,628.52	0.00	0.00	0.00
Category: 70 - OTHER EXPENSES / EXPENDITURES Total:		**630,384.94**	**640,628.52**	**0.00**	**0.00**	**0.00**

		2020 Total Activity	2021 Total Activity	2022 Total Budget	2022 YTD Activity	2023 2023
Category: 80 - CAPITAL OUTLAY						
605.00.7500.460.80200	BUILDINGS	0.00	36,051.32	0.00	1,002.21	288,500.00
605.00.7500.460.80300	IMPROVEMENTS (NON-BLDG)	0.00	0.00	75,000.00	0.00	0.00
605.00.7500.460.80500	FURNITURE AND FIXTURES	0.00	0.00	0.00	0.00	0.00
	Category: 80 - CAPITAL OUTLAY Total:	**0.00**	**36,051.32**	**75,000.00**	**1,002.21**	**288,500.00**
Category: 91 - OTHER						
605.00.7500.460.91100	OPERATING TRANSFERS OUT	0.00	0.00	0.00	20,633.36	0.00
	Category: 91 - OTHER Total:	**0.00**	**0.00**	**0.00**	**20,633.36**	**0.00**
	Fund: 605 - CITY FACILITIES Total:	**1,377,716.80**	**1,551,559.82**	**866,200.00**	**700,640.00**	**1,475,300.00**

2023 Budget Worksheet

Account Summary

For Fiscal: 2022 Period Ending: 08/31/2022

		2020 Total Activity	2021 Total Activity	2022 Total Budget	2022 YTD Activity	2023 2023
CITY FACILITIES - REVENUES						
RevCat: 340 - CHARGES FOR SERVICES						
605.46.0000.3468000	BUILDINGS INTERNAL CHARGE	760,300.20	732,699.96	740,000.00	493,333.36	800,000.00
	RevCat: 340 - CHARGES FOR SERVICES Total:	**760,300.20**	**732,699.96**	**740,000.00**	**493,333.36**	**800,000.00**
RevCat: 360 - MISCELLANEOUS REVENUES						
605.42.0000.3620000	CJIN LEASE AGREEMENT	8,975.28	24,606.23	13,000.00	12,803.87	13,000.00
605.46.0000.3600000	PERA PENSION OTHER REVENUE	309.00	183.00	0.00	0.00	0.00
605.46.0000.3610000	INVESTMENT INTEREST	5,707.12	4,715.66	3,200.00	4,257.45	6,000.00
605.46.0000.3611000	ACCRUED INTEREST RECEIVABLE	1,941.14	2,753.38	0.00	0.00	0.00
605.46.0000.3612000	FAIR MARKET VALUE ALLOCATION	5,918.29	-9,907.86	0.00	0.00	0.00
605.46.0000.3653000	OTHER REVENUES - SOLAR CREDI...	0.00	0.00	0.00	192,287.06	375,000.00
605.46.0000.3660000	OTHER REIMBURSEMENTS	0.00	0.00	0.00	850.00	0.00
	RevCat: 360 - MISCELLANEOUS REVENUES Total:	**22,850.83**	**22,350.41**	**16,200.00**	**210,198.38**	**394,000.00**
RevCat: 390 - OTHER FINANCING SOURCES						
605.46.0000.3911000	OPERATING TRANSFERS IN	121,994.70	644,723.84	0.00	0.00	0.00
	RevCat: 390 - OTHER FINANCING SOURCES Total:	**121,994.70**	**644,723.84**	**0.00**	**0.00**	**0.00**
	Revenue Total:	**905,145.73**	**1,399,774.21**	**756,200.00**	**703,531.74**	**1,194,000.00**

		2020 Total Activity	2021 Total Activity	2022 Total Budget	2022 YTD Activity	2023 2023
RISK MANAGEMENT - REVENUES						
RevCat: 340 - CHARGES FOR SERVICES						
602.46.0000.3461000	W.C. INTERNAL REVENUES	691,100.04	649,200.00	688,800.00	459,200.00	723,200.00
602.46.0000.3462000	INSURANCE INTERNAL REV.	436,700.16	473,100.00	473,100.00	315,400.00	501,400.00
	RevCat: 340 - CHARGES FOR SERVICES Total:	**1,127,800.20**	**1,122,300.00**	**1,161,900.00**	**774,600.00**	**1,224,600.00**
RevCat: 360 - MISCELLANEOUS REVENUES						
602.46.0000.3600000	PERA PENSION OTHER REVENUE	34.00	20.00	0.00	0.00	0.00
602.46.0000.3610000	INVESTMENT INTEREST	10,921.93	8,049.98	5,500.00	3,696.48	5,000.00
602.46.0000.3611000	ACCRUED INTEREST RECEIVABLE	3,541.73	4,472.65	0.00	0.00	0.00
602.46.0000.3612000	FAIR MARKET VALUE ALLOCATION	10,796.81	-17,607.30	0.00	0.00	0.00
602.46.0000.3650000	OTHER REVENUES	1,302.00	502.04	0.00	0.00	0.00
602.46.0000.3660000	OTHER REIMBURSEMENTS	5,735.00	123,204.07	10,000.00	0.00	5,000.00
	RevCat: 360 - MISCELLANEOUS REVENUES Total:	**32,331.47**	**118,641.44**	**15,500.00**	**3,696.48**	**10,000.00**
RevCat: 390 - OTHER FINANCING SOURCES						
602.46.0000.3911000	OPERATING TRANSFERS IN	13,614.00	0.00	0.00	0.00	0.00
	RevCat: 390 - OTHER FINANCING SOURCES Total:	**13,614.00**	**0.00**	**0.00**	**0.00**	**0.00**
	Revenue Total:	**1,173,745.67**	**1,240,941.44**	**1,177,400.00**	**778,296.48**	**1,234,600.00**

		2020 Total Activity	2021 Total Activity	2022 Total Budget	2022 YTD Activity	2023 2023
Fund: 602 - RISK MANAGEMENT - EXPENDITURES						
Category: 10 - WAGES & BENEFITS						
602.00.2100.415.10100	FULL-TIME EMPLOYEES	14,117.46	15,199.75	21,600.00	11,757.12	17,700.00
602.00.2100.415.10400	OVERTIME	0.00	6.22	0.00	16.46	0.00
602.00.2100.415.20100	INSURANCE-CASH OPTION	655.33	661.44	900.00	435.10	700.00
602.00.2100.415.20300	EMPLOYER SOCIAL SECURITY	849.19	914.26	1,000.00	700.65	1,100.00
602.00.2100.415.20350	EMPLOYER MEDICARE	198.75	213.70	300.00	163.77	300.00
602.00.2100.415.20400	EMPLOYER PERA	1,058.49	1,140.02	2,100.00	763.37	1,300.00
602.00.2100.415.20550	PENSION EXPENSE	5,656.00	-996.00	0.00	0.00	0.00
602.00.2100.415.20600	MEDICAL INSURANCE	1,539.30	1,527.57	2,100.00	1,003.39	1,800.00
602.00.2100.415.20620	LIFE INSURANCE	19.70	22.90	0.00	12.38	0.00
602.00.2100.415.20630	LTD INSURANCE	32.66	43.36	100.00	23.07	100.00
602.00.2100.415.20720	FLEX/COMP ACCOUNT FEE	20.96	17.03	100.00	4.85	100.00
602.00.2100.415.20750	WORKERS COMPENSATION	99.96	99.96	100.00	66.64	100.00
602.00.2100.415.20800	COMPENSATED ABSENCES	1,157.75	810.44	0.00	0.00	0.00
	Category: 10 - WAGES & BENEFITS Total:	**25,405.55**	**19,660.65**	**28,300.00**	**14,946.80**	**23,200.00**
Category: 30 - PROFESSIONAL / TECHNICAL SERVICES						
602.00.2100.415.30420	LEGAL SERVICES	32,229.88	9,016.00	14,000.00	1,908.00	10,000.00
602.00.2100.415.30700	OTHER PROFESSIONAL SERVICES	10,958.33	0.00	0.00	0.00	0.00
	Category: 30 - PROFESSIONAL / TECHNICAL SERVICES Total:	**43,188.21**	**9,016.00**	**14,000.00**	**1,908.00**	**10,000.00**
Category: 40 - PURCHASED SERVICES PROPERTY/EQUIPMENT						
602.00.2100.415.40048	REPAIR & MAINT - INS PAID CLA...	59,337.89	42,924.79	50,000.00	9,525.39	0.00
	Category: 40 - PURCHASED SERVICES PROPERTY/EQUIPMENT Total:	**59,337.89**	**42,924.79**	**50,000.00**	**9,525.39**	**0.00**
Category: 50 - OTHER PURCHASED SERVICES						
602.00.2100.415.50009	WORKERS' COMP INSURANCE	571,153.30	583,597.63	635,000.00	258,752.02	716,600.00
602.00.2100.415.50010	GENERAL LIAB. INSURANCE	176,478.67	198,761.00	210,000.00	148,138.00	211,700.00
602.00.2100.415.50011	PROPERTY DAMAGE INSURANCE	119,911.33	116,922.67	140,000.00	85,800.00	161,900.00
602.00.2100.415.50012	AUTOMOBILE INSURANCE	34,760.00	39,081.00	48,000.00	30,991.33	49,300.00

		2020 Total Activity	2021 Total Activity	2022 Total Budget	2022 YTD Activity	2023 2023
602.00.2100.415.50014	LIQUOR (DRAM SHOP)	0.00	812.00	0.00	-812.00	0.00
602.00.2100.415.50015	BONDS INSURANCE	2,158.66	2,064.00	2,100.00	1,458.67	2,400.00
602.00.2100.415.50016	MOBILE INSURANCE	9,473.67	8,277.33	10,000.00	5,958.67	9,500.00
602.00.2100.415.50020	TELEPHONE	30.00	30.00	0.00	20.00	0.00
602.00.2100.415.50080	CONFERENCES AND SEMINARS	0.00	0.00	0.00	0.00	0.00
Category: 50 - OTHER PURCHASED SERVICES Total:		**913,965.63**	**949,545.63**	**1,045,100.00**	**530,306.69**	**1,151,400.00**
Category: 70 - OTHER EXPENSES / EXPENDITURES						
602.00.2100.415.70200	INS CLAIMS-DEDUCTIBLE	36,462.52	3,087.72	40,000.00	0.00	50,000.00
Category: 70 - OTHER EXPENSES / EXPENDITURES Total:		**36,462.52**	**3,087.72**	**40,000.00**	**0.00**	**50,000.00**
Fund: 602 - RISK MANAGEMENT Total:		**1,078,359.80**	**1,024,234.79**	**1,177,400.00**	**556,686.88**	**1,234,600.00**

Agenda Item 3.C.

Request for Council Action

SUBJECT: **Continued Discussion of Utility Rate Study and 5-Year Capital Improvement Plan (CIP) for City Utilities**

MEETING DATE: October 3, 2022
ITEM TYPE: Discussion Items
CONTACT: Kris Wilson, City Administrator, 651.450.2511
Brian Connolly, Public Works Director, 651.450.2571

ACTION REQUESTED

The Council is asked to review the proposed five-year Capital Improvement Plan (CIP) for the City's three utilities - water, sanitary sewer and stormwater; and to receive additional information and provide feedback on the work of the utility rate study, which is key to paying for the projects listed in the CIP.

BACKGROUND

At the September 19 Council work session, Public Works Director Brian Connolly provided an overview of the proposed CIP for 2023-2027 as it relates to Street Projects. At the October 3 work session he will discuss the proposed CIP as it relates to the City's water, sanitary sewer and stormwater utilities. The attached memo provides additional detail on the CIP and its proposed projects.

Staff, and consultants attending remotely, will also dive back into the City's utility rate study. Previous Council presentations have addressed the structure of water rates, such as not including any amount of water in the base fee, setting the tier rates at different levels to better incentivize conservation, etc. This presentation at the October 3 work session will address the structure of sanitary sewer rates, which flow from the water rates, and then focus more on adequacy of the revenue amounts in order to fund current and projected future costs for the utilities. Some background information about the factors that go into calculating revenue adequacy are attached for Council's review prior to the work session.

FISCAL IMPACT

RECOMMENDATION

ATTACHMENTS

1. CIP Introduction & Overview Memo
2. Background Information on Revenue Adequacy

Memo

TO: City Council
FROM: Brian Connolly, Public Works Director
CC: Kris Wilson, City Administrator
Amy Hove, Finance Director
DATE: September 19, 2022
RE: Public Works Five-Year Capital Improvement Plan (2023-2027)

CITY OF INVER GROVE HEIGHTS

Introduction

The City of Inver Grove Heights Public Works staff have prepared this Capital Improvement Plan (CIP) to help guide capital improvement decisions brought before the City Council in conjunction with annual budget discussions. This version of the CIP is focused on capital improvements associated primarily with the Public Works Department (Engineering, Streets, and Utilities) for the years 2023 through 2027. City staff recommend continued refinement in future years to include capital improvements associated with other departments, including Parks and Recreation, Police, and Fire.

The CIP is an important part of the implementation of specific projects. The CIP is a key document in developing budgets, utility rates, and fees defined within City Code. Prior to implementing projects, the City Council will be asked to consider individual project details and funding sources. Official Council actions to approve specific projects are required through annual budget appropriations or projects as governed by the City's procurement policies and State Statutes.

Purpose

This CIP includes the scheduling of public improvements for the community over a five-year period, taking into consideration the community's financial capabilities as well as its goals and priorities. The CIP is consistent with the City's Comprehensive Plan, and endeavors to include projects with City funding participation associated with the five-year CIP of Dakota County's Transportation Department, project priorities set forth by MnDOT and other state agencies within the community, as well as State bonding and various grant opportunities pursued by the City at the Council's authorization. The primary objective of this CIP is to integrate the specific goals, policies, and Council recommendations with the City's capability to pay for and maintain capital investments.

The demand for services and the cost of building and maintaining the City's infrastructure continues to increase. This CIP attempts to prioritize improvements to the City's infrastructure so Inver Grove Heights continues to be a community with an infrastructure system that provides high quality service to the City's businesses and residents.

Costs

The costs provided for in the CIP are based on several key factors, including project size and scope, historical construction cost data, the City's special assessment policy, and existing and projected fund balances. The cost estimates provided consist of both construction costs as well as costs for legal, engineering, administration, and finance needs (LEAF), and have included accommodations for inflationary cost values over time.

As part of the annual budget process, the City Council is asked to evaluate the proposed CIP and decide on project prioritization, funding source acceptability, and acceptable final impact to the City's tax levy, debt, and utility rate levels.

Format of CIP

The CIP presents projects and costs in two formats:

1) **Project Type & Category** – This format includes projects listed by primary project type (sanitary sewer, water main, storm sewer, street, etc.) and category (Dakota County, MnDOT, City, etc.). This format breaks out each project by funding source, with the total project cost shown. This format is useful to view the entire cost of a project, and the various contributing funding sources.

2) **Funding Source** – This format details projects by their specific funding source. This format is useful in understanding the funding source needs on a year-to-year basis for all projects drawing from a specific fund.

Project Narratives

Dakota County Roadway Projects

Dakota County roadway projects are found within the Draft 2023-2027 Dakota County Transportation CIP, which received a letter of support from the City Council on June 27, 2022. These projects also include regular maintenance project that have some form of city funding share in accordance with the Dakota County Transportation Plan.

70th Street/Argenta Trail – This project includes the City of Inver Grove Heights share of local improvement costs associated with project components anticipated to be constructed in 2023, including watermain relocation and installation costs, as well as costs associated with intersection street lighting and local roadway improvements.

County Road Overlays – When Dakota County resurfaces its highways, it is the best time for the City to improve its utility structures within the roadway. While the County pays 100% of the costs for pavement resurfacing, concrete replacement, and signing and striping costs, cities are responsible for costs associated with local utilities such as watermain, sanitary sewer, and storm sewer, mainly in the form of casting adjustments, replacements, or minor rehabilitation. While Dakota County has indicated that portions of Concord Blvd. will be rehabilitated in 2023, future budget allotments have been programed in the CIP in order to accommodate yet-to-be programed overlay efforts in future years.

Various Preliminary Scoping Studies – Dakota County has indicated the desire to advance four preliminary engineering scoping studies associated with county roads within the City of Inver Grove Heights between 2023 and 2025. These studies are intended to define the scope and cost of future design and construction of potential improvements. At the present time, only one project (80th Street (CSAH 28) – CSAH 73 to Bowman – 3-Lane Reduction) has been programed by the County for potential advancement in the next five years, and is reflected as such in the City's CIP.

Dakota County Trail Projects

Babcock Trail (CSAH 73) – 65th Street to Upper 55th Street – Safe Routes to School – Dakota County is currently leading a scoping study associated with a potential trail installation along Babcock Trail (CSAH 73) adjacent to the Salem Hills Elementary School as part of a potential future Safe Routes to School project. The potential advancement of the project may be dependent on a number of factors, but has been included in the CIP for consideration of final design and construction funding between 2023 and 2025.

MnDOT Projects

70th Street at TH 52 – West Ramp Improvements – MnDOT has indicated that an upgrade to the west-side (southbound) ramp intersection at 70th Street and TH 52 is within the five-year time horizon in their transportation planning efforts. While 70th Street is a Dakota County road, there are anticipated City cost sharing for portions of the street work, as well as utility relocation needs.

Barbara Ave Soundwall – The City applied for and was granted a project by MnDOT as part of their Metro Highway Noise Abatement Program. MnDOT will design and perform the sound wall installation, while the City of Inver Grove Heights will be responsible for matching costs, eligible to be paid through the City's Municipal State Aid Street funding.

Sanitary Sewer System Projects

Lift Station Rehabilitation – The City of Inver Grove Heights owns and maintains 11 sanitary sewer lift stations throughout the community, and schedules preventative maintenance activities on a rotating basis. This includes the repair or replacement of lift station pumps, electrical service panels, and emergency generators. The intent of this program is to reduce the number of emergency failures and backups within the system.

Sanitary Sewer Rehabilitation – This program is to rehabilitate sanitary sewer lines in known trouble spots and areas where root intrusion or pipe degradation can cause extensive maintenance (cleaning) needs or sewer backups. Rehabilitation includes root removal, lining of sewer pipe, or spot pipe repair, generally associated with street reconstruction or rehabilitation projects.

Sanitary Sewer Televising – A recent inquiry with the League of Minnesota Cities indicated that our past efforts to self-televise sanitary sewer documentation does not meet the requirements for additional insurance coverage related to sanitary sewer backups or failures. This project effort endeavors to visually document and televise all sanitary sewer mainline pipe within the City on a rotating, six-year basis, starting in 2023.

Stormwater Management Projects

Minor Drainage Improvements – This project effort sets aside money to improve smaller, local drainage issues that are reported by maintenance staff or property owners, that can be addressed with limited design or contracting costs.

Pond Cleanout/Outfall Improvement Program – This is program Public Works staff would like to implement starting in 2026 to focus on removal of sediment that has accumulated in the over 200 stormwater ponds that the City actively manages and maintains, as well as address operation deficiencies in pond inlet and outlet structures.

MS4 Program Implementation Efforts – The City is required to review and update its Municipal Separate Storm Sewer System (MS4) program on a five-year rotating basis. The review and approval generally takes two years, and will be due for its next review starting in 2026.

Storm Sewer Televising – This project effort endeavors to visually document pipe deficiencies in the City's stormwater system. The focus on of this televising effort is recommended on pipes with known or likely maintenance deficiencies or deterioration (corrugated metal piping and concrete pipe over 50 years old), followed by larger pipe located in critical locations throughout the City (pond outlets, outlets to the Mississippi River, or pipe beneath critical infrastructure such as railroads, county roads, and state highways).

Groundwater Monitoring (Landlocked Basins) – A recommendation from the Landlocked Basin study completed in 2022, this project is intended to drill and install groundwater monitoring wells within the Rich Valley Drainage Basin to document groundwater fluctuations over an extended period (10+ years).

Water Resource Management Plan Update – The Water Resource Management Plan guides and helps plan for water resource management activities within the City. The Water Resource Management Plan is required to be updated periodically and approved by the applicable watersheds and the Metropolitan Council. The last minor revision was performed in 2018, although the Northwest Area Stormwater Management Plan, which is a key accompanying reference document, has not been updated since 2006.

Street Projects

Annual Pavement Management Initiative (PMI) – This project includes the annual program to rehabilitate or reconstruct the City's 150 miles of paved roadways. These projects consist of three primary pavement rehabilitation types: mill and overlay, reclamation, or full reconstruction.

Included with the CIP is a copy of the City's 2023-2027 PMI proposed project area map. Selection of street segments is based upon the City's Pavement Management Initiative program and engineering/maintenance staff's recommendations. Streets typically rehabilitated are more than 20 years old and need attention due to deteriorating pavement condition and increased maintenance costs. Funding for this program is based on the City's Special Assessment Policy, and assumes that anywhere from 35% to 80% of the project costs will be assessed to benefiting properties, based on the rehabilitation method proposed. The remaining costs (20%-65%) are paid through a variety of City funds, including the pavement management fund and utility funds.

Broad Area Patching – The City's street replacement/maintenance program has included the overlay and patching of large areas of roadways by city maintenance staff since 2013. This effort, known as "broad area patching", has addressed significant pavement deficiencies on approximately 70% of rural roadways within the community. This annual effort has been a critical component of extending the life of pavements that have deteriorated to a point beyond typical maintenance repair, while extending the life of these roadways for 10-15 years until a more thorough pavement rehabilitation project can be completed. Public Works staff are recommending this program continue as a non-assessed maintenance tool until further analysis as to the viability of ending or transitioning this effort can be fully vetted, or all rural city streets have received this maintenance treatment.

Crack Sealing, Sealcoating & Microsurfacing – This annual maintenance treatment endeavors to focus primarily on crack sealing of roadways, and alternative preventative maintenance treatments such as sealcoating, microsurfacing, and fog sealing to extend pavement life and prevent deterioration.

Traffic Calming & Safety Improvements – As part of the establishment of a Traffic Control Committee, staff have identified localize projects that could be performed independently of PMI projects, either by maintenance staff or via small contracts, that may warrant consideration for implementation. This project effort sets aside money to address these potential project items with limited design or contracting costs.

117th Street – This project, led by the City of Inver Grove Heights, is a cooperative project effort with Dakota County to upgrade 117th Street between US 52 and Rich Valley Blvd (CSAH 71) from a two-lane rural section roadway to a median-divided urban roadway with turn lanes, truck acceleration lanes, and two improved railroad crossings. Supplemented with an $8 million federal freight grant, this project is anticipated to advance to final design in late-2022, with construction in 2024 and 2025.

Sidewalk, Trail, & Parks Projects

Babcock Trail (CSAH 73) – Upper 55th Street to I-494 – This project includes the installation of an off-road trail along the east side of Babcock Trail, to provide local connectivity between adjacent properties in an area that has been noted the top-priority trail gap by both the City of

Inver Grove Heights and Dakota County. This project has been proposed since 2018, and advancement of the project remains dependent on receiving grant funding to be fiscally viable for the City.

ADA Intersection Improvements – This project consists of the upgrade of 30 pedestrian curb ramps at 13 select intersections across the City. This effort has received regional solicitation grant funding in 2020 (with a required city match in funding) and is proposed for construction in 2025.

Parks Pavement Projects (Trails & Parking Lots) – Historically, the City of Inver Grove Heights Parks Department has been allotted $250,000 in funds from the Pavement Management Fund annually to perform pavement replacement efforts in parks throughout the community. This has historically included parking lot overlays or rehabilitations, trail overlays or replacements, and select other city facility parking lot improvements. This contribution is anticipated to occur in the future but may be re-appropriated under a separate fund and/or the Parks Department CIP.

South Valley Park Improvements – This approved park project includes costs to relocate existing raw water main connecting to one of the City's groundwater wells. This relocation cost is being shared between existing Park funding and the water utility fund, and is allotted for funding in 2023 due to the anticipated construction schedule.

Water System Projects

Well Pump & Service Rehabilitation - The City of Inver Grove Heights owns and maintains seven (7) groundwater wells, and schedules preventative maintenance activities on a rotating basis. This includes the rehabilitation and replacement of pumps, motors, well cavities, well piping and valves, well houses, and electrical panel components.

Northside Water Tower Painting – This project includes the regularly-scheduled painting of the exterior and interior surfaces of the north side water tower. Complete water tower painting of this nature generally occurs on a 20-25 year cycle.

North Booster Station Pump Rehab – Booster pumps assist with maintaining the water level in the City's water towers and storage reservoirs. This is a preventative maintenance activity to rehabilitate the pump motors and electrical and mechanical components.

Water Treatment Plant Booster Station Inspection – This is an engineering review of the condition and recommended maintenance activities for the booster pumps at the Water Treatment Plant. This is necessary to determine if rehabilitation or pump replacement will be necessary in the coming years due to pump age and usage cycles.

Water Treatment Plant Repair & Rehabilitation – This project is intended to review and replace several aged components in the Water Treatment Plant, to ensure continued operation and treatment efficiency. This project is expected to include a combination of internal piping and pump rehabilitation and upgrade of filter media to address removal of radium and PFAS ("forever chemicals") contamination in conformance with MnPCA regulations.

Automated Meter Infrastructure – This project includes water meter replacements and advanced metering infrastructure that collects the water usage data from city-supplied water meters to assist with billing, conservation, leak detection, and customer service initiatives.

Watermain Breaks & Street Patching – This project includes the emergency repair and rehabilitation of watermains not scheduled to be replaced as part of the City's Pavement Management Initiative or other scheduled street and utility projects. This effort also includes the necessary surface restoration activities that occur following emergency watermain repairs.

Water System Management Plan & Studies – This effort includes the regular review and update of the City's comprehensive water supply and wellhead protection plans, in conjunction with the City's next comprehensive plan update.

SCADA System Upgrades – This project includes upgrades to the City's supervisory control and data acquisition (SCADA) system as it relates to monitoring and operation of remote water infrastructure, including wells, water towers, booster stations, and the Water Treatment Plant.

Unprogrammed Projects

These projects include known projects or infrastructure needs that remain unprogrammed (i.e., not scheduled) in the Public Works five-year CIP. These projects are items that may be advanced in the current or future CIP for a multitude of reasons, including financing availability, direction of City Council regarding specific project initiatives, land development activities, or advancement of programmed funding or cost sharing by partner agencies such as Dakota County or MnDOT. These projects are shown mainly to provide for an understanding of future project needs that will be required at some time, but may have current flexibility in their scheduling. Not all future projects are listed; only those where cost estimate information could be generated based on past study or engineering review efforts are shown. Costs shown are in 2023 dollars.

Akron Avenue (Rosemount to Cliff Road (CSAH 32)) – This project was proposed by Dakota County in 2018, and subsequently not advanced by the City of Inver Grove Heights due to a combination of resident opposition and the Dakota County cost sharing arrangements. Dakota County has indicated this project remains "shovel ready" and is willing to continue to engage with the City should the Council decide to revisit this project.

B-Line Sanitary Sewer Lift Station & Force Main – This project is necessary to serve future development in the northeast portion of the Northwest Area, primarily north of 65th Street and between TH 3 and Babcock Trail. Driven by development needs, sewer studies have been completed in this area and have determined the estimated cost for design, easement acquisition, and construction.

Future Trunk Storm Sewer Outfalls & Basin Connections (NWA) – This effort includes a series of individual projects to interconnect stormwater basins within the Northwest Area as development occurs.

Unprogrammed Stormwater CIP Projects – This includes a compilation of over 275 individual storm sewer system deficiencies that have been documented and tracked by Public Works staff starting in 2018, primarily in areas of the City outside the Northwest Area. These deficiencies run the gamut of infrastructure needs: damaged or deteriorated pipe; blocked, damaged or missing pond outfall structures and erosion issues; slope stabilization around ditches, ponds, and ravines; and raingarden and infiltration basin repair or rehabilitation needs.

65th Street Extension – This project includes the extension of 65th Street from TH 3 to Babcock Trail. This project has an outstanding feasibility study that has been completed but has not advanced pending future development activity in the Northwest Area.

Department	2023	2024	2025	2026	2027	TOTAL
Dakota County Roadway Projects						
70th Street (CSAH 26)/Argenta Trail	591,500					591,500
MSAS Funds	***16,500***					***16,500***
PMP Fund	***200,000***					***200,000***
NWA Water Utility Fund	***375,000***					***375,000***
County Road Overlays	245,000		100,000	107,000	114,000	566,000
Stormwater Utility Fund	***175,000***		***65,000***	***68,000***	***70,000***	***378,000***
Water Utility Fund	***30,000***		***15,000***	***17,000***	***20,000***	***82,000***
Sanitary Sewer Utility Fund	***40,000***		***20,000***	***22,000***	***24,000***	***106,000***
County Signal Projects						
MSAS Funds						
70th Street (CSAH 26) - TH 3 to CSAH 73 - Scoping Study	135,000					135,000
PMP Fund	***135,000***					***135,000***
70th Street (CSAH 26) -CSAH 73 - Cahill - 3-Lane Reduction Scoping S	15,000					15,000
PMP Fund	***5,000***					***5,000***
Stormwater Utility Fund	***6,500***					***6,500***
Water Utilty Fund	***1,750***					***1,750***
Sanitary Sewer Utility Fund	***1,750***					***1,750***
80th Street (CSAH 28) -CSAH 73 - Bowman - 3-Lane Reduction	15,000	90,000				105,000
PMP Fund	***5,000***					***5,000***
Stormwater Utility Fund	***6,500***	***59,000***				***65,500***
Water Utilty Fund	***1,750***	***18,000***				***19,750***
Sanitary Sewer Utility Fund	***1,750***	***13,000***				***14,750***
80th Street (CSAH 28) - TH 3 to CSAH 73 - Scoping Study			67,500			67,500
PMP Fund			***20,000***			***20,000***
NWA Stormwater Utility Fund			***31,000***			***31,000***
NWA Water Utilty Fund			***9,500***			***9,500***
NWA Sanitary Sewer Utility Fund			***7,000***			***7,000***
Dakota County Roadway Projects	**1,001,500**	**90,000**	**167,500**	**107,000**	**114,000**	**1,480,000**
Dakota County Trail Projects						
Babcock Trail (CSAH 73) - 65th St. to U. 55th St (SRTS)	15,000	55,000	55,000			125,000
PMP Fund	***15,000***	***55,000***	***55,000***			***125,000***
Dakota County Trail Projects	**15,000**	**55,000**	**55,000**			**125,000**
MnDOT Projects						
70th Street at TH 52 - West Ramp Improvement				210,000		210,000
PMP Fund				***63,000***		***63,000***
MSAS Fund						
Stormwater Utility Fund				***96,000***		***96,000***
Water Utilty Fund				***30,000***		***30,000***
Sanitary Sewer Utility Fund				***21,000***		***21,000***
Barbara Ave Soundwall (TH 52)			400,000	1,270,000		1,670,000
MSAS Funding			***100,000***	***200,000***		***300,000***
MnDOT Funding			***300,000***	***1,070,000***		***1,370,000***
MnDOT Projects			**400,000**	**1,480,000**		**1,880,000**
Sanitary Sewer System Projects						
Lift Station Rehabilitation		100,000		100,000		200,000
Sanitary Sewer Utility Fund		***100,000***		***100,000***		***200,000***
Sanitary Sewer Rehabilitation	200,000	240,000	270,000	300,000	330,000	1,340,000
Sanitary Sewer Utility Fund	***200,000***	***240,000***	***270,000***	***300,000***	***330,000***	***1,340,000***

Sanitary Sewer Cleaning & Televising	200,000	210,000	220,000	235,000	245,000	1,110,000
Sanitary Sewer Utility Fund	***200,000***	***210,000***	***220,000***	***235,000***	***245,000***	***1,110,000***
Sanitary Sewer System Projects	**400,000**	**550,000**	**490,000**	**635,000**	**575,000**	**2,650,000**
Stormwater Management Projects						
Minor Drainage Improvements	15,000	15,000	15,000	15,000	15,000	75,000
Stormwater Utility Fund	***15,000***	***15,000***	***15,000***	***15,000***	***15,000***	***75,000***
Pond Cleanout/Outfall Improvement Program		20,000		250,000	600,000	870,000
Stormwater Utility Fund		***20,000***		***250,000***	***600,000***	***870,000***
MS4 Program Implementation Efforts				20,000	30,000	50,000
Stormwater Utility Fund				***10,000***	***15,000***	***25,000***
NWA Stormwater Utility Fund				***10,000***	***15,000***	***25,000***
Storm Sewer Televising	30,000	30,000	40,000	50,000	60,000	210,000
Stormwater Utility Fund	***30,000***	***30,000***	***40,000***	***50,000***	***60,000***	***210,000***
Groundwater Monitoring (Landlocked Basins)	20,000					20,000
Stormwater Utility Fund	***20,000***					***20,000***
Water Resource Management Plan Update		90,000				90,000
Stormwater Utility Fund		***45,000***				***45,000***
NWA Stormwater Utility Fund		***45,000***				***45,000***
Stormwater Management Projects	**65,000**	**155,000**	**55,000**	**335,000**	**705,000**	**1,315,000**
Street Projects						
Annual Pavement Management Initiative (PMI) Projects	11,797,000	11,610,000	15,643,000	14,688,000	13,942,000	67,680,000
PMP Funds	***4,800,000***	***4,100,000***	***5,405,000***	***5,261,000***	***5,932,000***	***25,498,000***
MSAS Funds	***130,000***	***1,000,000***	***1,300,000***	***540,000***		***2,970,000***
Special Assessments	***5,500,000***	***5,300,000***	***5,890,000***	***6,812,000***	***6,300,000***	***29,802,000***
Stormwater Utility Fund	***352,000***	***440,000***	***962,000***	***1,025,000***	***424,000***	***3,203,000***
Sanitary Sewer Utility Fund	***315,000***	***160,000***	***735,000***	***300,000***	***424,000***	***1,934,000***
Water Utility Fund	***700,000***	***610,000***	***1,351,000***	***750,000***	***862,000***	***4,273,000***
Broad Area Patching	210,000	220,000	230,000	240,000	250,000	1,150,000
PMP Funds	***210,000***	***220,000***	***230,000***	***240,000***	***250,000***	***1,150,000***
Crack Sealing, Sealcoating, & Microsurfacing	355,000	360,000	365,000	370,000	375,000	1,825,000
PMP Funds	***355,000***	***360,000***	***365,000***	***370,000***	***375,000***	***1,825,000***
Traffic Calming & Safety Improvements		25,000	30,000	35,000	40,000	130,000
PMP Funds		***25,000***	***30,000***	***35,000***	***40,000***	***130,000***
117th Street	5,360,000	15,265,000	1,200,000			21,825,000
PMP Funds	***1,800,000***	***2,830,000***				***4,630,000***
Minnesota Highway Freight Grant Program		***8,000,000***				***8,000,000***
Dakota County Cost Sharing	***3,560,000***	***3,580,000***				***7,140,000***
State Bonding Funds						
Special Assessments			***500,000***			***500,000***
Sanitary Sewer Utility Fund		***355,000***	***700,000***			***1,055,000***
Water Utility Fund		***500,000***				***500,000***
Street Projects	**17,722,000**	**27,480,000**	**17,468,000**	**15,333,000**	**14,607,000**	**92,610,000**
Sidewalk, Trail, and Parks Projects						
Babcock Trail (CSAH 73) - U. 55th St. to I-494				45,000	500,000	545,000
Federal (TAB Regional Soliciation)					***415,000***	***415,000***
Dakota County Funding				***25,000***	***80,000***	***105,000***
PMP Fund				***20,000***	***5,000***	***25,000***
ADA Intersection Improvements	50,000	337,824				387,824

Federal (TAB Regional Soliciation)		***250,240***				***250,240***
PMP Fund	***50,000***	***87,584***				***137,584***
Seidl's Lake Shoreland Restoration	50,000					50,000
Stormwater Utility Fund	***50,000***					***50,000***
Parks Pavement Projects (Trails & Parking Lots)	250,000	250,000	250,000	250,000	250,000	1,250,000
PMP Funds	***250,000***	***250,000***	***250,000***	***250,000***	***250,000***	***1,250,000***
South Valley Park Improvements	100,000					100,000
Water Utility Fund	***100,000***					***100,000***
Sidewalk, Trail, and Parks Projects	**450,000**	**587,824**	**250,000**	**295,000**	**750,000**	**2,332,824**
Water System Projects						
Well Pump & Service Rehabilitation (Pumps & VFD's)	125,000	130,000	135,000	140,000	150,000	680,000
Water Utility Fund	***125,000***	***130,000***	***135,000***	***140,000***	***150,000***	***680,000***
Northside Water Tower Painting					950,000	950,000
Water Utility Fund					***950,000***	***950,000***
North Booster Station Pump Rehab (2 Pumps)	75,000					75,000
Water Utility Fund	***75,000***					***75,000***
Water Treatment Plant Booster Station Inspection	25,000					25,000
Water Utility Fund	***25,000***					***25,000***
Water Treatment Plant Repair & Rehabilitation	300,000	2,500,000				2,800,000
Water Utility Fund	***300,000***	***2,500,000***				***2,800,000***
Automated Meter Infrastructure	200,000	1,600,000	1,600,000	1,600,000		5,000,000
Water Utility Fund	***200,000***	***1,600,000***	***1,600,000***	***1,600,000***		***5,000,000***
Watermain Breaks & Street Patching	90,000	100,000	125,000	140,000	155,000	610,000
Water Utility Fund	***90,000***	***100,000***	***125,000***	***140,000***	***155,000***	***610,000***
Water System Management Plan & Studies					70,000	70,000
Water Utility Fund					***35,000***	***35,000***
NWA Water Fund					***35,000***	***35,000***
SCADA System Upgrade					100,000	100,000
Water Utility Fund					***100,000***	***100,000***
Water System Projects	**815,000**	**4,330,000**	**1,860,000**	**1,880,000**	**1,425,000**	**10,310,000**
TOTAL PUBLIC WORKS CIP	**20,468,500**	**33,247,824**	**20,745,500**	**20,065,000**	**18,176,000**	**112,702,824**

Funding Source	2023	2024	2025	2026	2027	TOTAL
Sanitary Sewer Utility Fund						
County Road Overlays	40,000		20,000	22,000	24,000	**106,000**
70th Street (CSAH 26) -CSAH 73 - Cahill - 3-Lane Reduction Scoping Stu	1,750					**1,750**
80th Street (CSAH 28) -CSAH 73 - Bowman - 3-Lane Reduction	1,750	13,000				**14,750**
70th Street at TH 52 - West Ramp Improvement				21,000		**21,000**
Lift Station Rehabilitation		100,000		100,000		**200,000**
Sanitary Sewer Rehabilitation	200,000	240,000	270,000	300,000	330,000	**1,340,000**
Sanitary Sewer Cleaning & Televising	200,000	210,000	220,000	235,000	245,000	**1,110,000**
Annual Pavement Management Initiative (PMI) Projects	315,000	160,000	735,000	300,000	424,000	**1,934,000**
117th Street		355,000	700,000			**1,055,000**
Sanitary Sewer Utility Fund	**758,500**	**1,078,000**	**1,945,000**	**978,000**	**1,023,000**	**5,782,500**
Stormwater Utility Fund						
County Road Overlays	175,000		65,000	68,000	70,000	**378,000**
70th Street (CSAH 26) -CSAH 73 - Cahill - 3-Lane Reduction Scoping Stu	6,500					**6,500**
80th Street (CSAH 28) -CSAH 73 - Bowman - 3-Lane Reduction	6,500	59,000				**65,500**
70th Street at TH 52 - West Ramp Improvement				96,000		**96,000**
Minor Drainage Improvements	15,000	15,000	15,000	15,000	15,000	**75,000**
Pond Cleanout/Outfall Improvement Program		20,000		250,000	600,000	**870,000**
MS4 Program Implementation Efforts				10,000	15,000	**25,000**
Storm Sewer Televising	30,000	30,000	40,000	50,000	60,000	**210,000**
Groundwater Monitoring (Landlocked Basins)	20,000					**20,000**
Water Resource Management Plan Update		45,000				**45,000**
Annual Pavement Management Initiative (PMI) Projects	352,000	440,000	962,000	1,025,000	424,000	**3,203,000**
Seidl's Lake Shoreland Restoration	50,000					**50,000**
Stormwater Utility Fund	**655,000**	**609,000**	**1,082,000**	**1,514,000**	**1,184,000**	**5,044,000**
Water Utility Fund						
County Road Overlays	30,000		15,000	17,000	20,000	**82,000**
70th Street (CSAH 26) -CSAH 73 - Cahill - 3-Lane Reduction Scoping Stu	1,750					**1,750**
80th Street (CSAH 28) -CSAH 73 - Bowman - 3-Lane Reduction	1,750	18,000				**19,750**
70th Street at TH 52 - West Ramp Improvement				30,000		**30,000**
Annual Pavement Management Initiative (PMI) Projects	700,000	610,000	1,351,000	750,000	862,000	**4,273,000**
117th Street		500,000				**500,000**
South Valley Park Improvements	100,000					**100,000**
Well Pump & Service Rehabilitation (Pumps & VFD's)	125,000	130,000	135,000	140,000	150,000	**680,000**
Northside Water Tower Painting					950,000	**950,000**
North Booster Station Pump Rehab (2 Pumps)	75,000					**75,000**
Water Treatment Plant Booster Station Inspection	25,000					**25,000**
Water Treatment Plant Repair & Rehabilitation	300,000	2,500,000				**2,800,000**
Automated Meter Infrastructure	200,000	1,600,000	1,600,000	1,600,000		**5,000,000**
Watermain Breaks & Street Patching	90,000	100,000	125,000	140,000	155,000	**610,000**
Water System Management Plan & Studies					35,000	**35,000**
SCADA System Upgrade					100,000	**100,000**
Water Utility Fund	**1,648,500**	**5,458,000**	**3,226,000**	**2,677,000**	**2,272,000**	**15,281,500**
Northwest Area Sanitary Sewer Utility Fund						
80th Street (CSAH 28) - TH 3 to CSAH 73 - Scoping Study			7,000			**7,000**
Northwest Area Sanitary Sewer Utility Fund			**7,000**			**7,000**
Northwest Area Stormwater Utility Fund						
80th Street (CSAH 28) - TH 3 to CSAH 73 - Scoping Study			31,000			**31,000**
MS4 Program Implementation Efforts				10,000	15,000	**25,000**
Water Resource Management Plan Update		45,000				**45,000**
Northwest Area Stormwater Utility Fund		**45,000**	**31,000**	**10,000**	**15,000**	**101,000**
Northwest Area Water Utility Fund						
70th Street (CSAH 26)/Argenta Trail	375,000					**375,000**
80th Street (CSAH 28) - TH 3 to CSAH 73 - Scoping Study			9,500			**9,500**
Water System Management Plan & Studies					35,000	**35,000**
Northwest Area Water Utility Fund	**375,000**		**9,500**		**35,000**	**419,500**
TOTAL UTILITY FUNDS	**3,437,000**	**7,190,000**	**6,300,500**	**5,179,000**	**4,529,000**	**26,635,500**

Funding Source	2023	2024	2025	2026	2027	TOTAL
Pavement Management Program (Fund 440)						
70th Street (CSAH 26)/Argenta Trail	200,000					**200,000**
70th Street (CSAH 26) - TH 3 to CSAH 73 - Scoping Study	135,000					**135,000**
70th Street (CSAH 26) -CSAH 73 - Cahill - 3-Lane Reduction Scoping Stu	5,000					**5,000**
80th Street (CSAH 28) -CSAH 73 - Bowman - 3-Lane Reduction	5,000					**5,000**
80th Street (CSAH 28) - TH 3 to CSAH 73 - Scoping Study			20,000			**20,000**
Babcock Trail (CSAH 73) - 65th St. to U. 55th St (SRTS)	15,000	55,000	55,000			**125,000**
70th Street at TH 52 - West Ramp Improvement				63,000		**63,000**
Annual Pavement Management Initiative (PMI) Projects	4,800,000	4,100,000	5,405,000	5,261,000	5,932,000	**25,498,000**
Broad Area Patching	210,000	220,000	230,000	240,000	250,000	**1,150,000**
Crack Sealing, Sealcoating, & Microsurfacing	355,000	360,000	365,000	370,000	375,000	**1,825,000**
Traffic Calming & Safety Improvements		25,000	30,000	35,000	40,000	**130,000**
117th Street	1,800,000	2,830,000				**4,630,000**
Babcock Trail (CSAH 73) - U. 55th St. to I-494				20,000	5,000	**25,000**
ADA Intersection Improvements	50,000	87,584				**137,584**
Parks Pavement Projects (Trails & Parking Lots)	250,000	250,000	250,000	250,000	250,000	**1,250,000**
Pavement Management Program (Fund 440)	**7,825,000**	**7,927,584**	**6,355,000**	**6,239,000**	**6,852,000**	**35,198,584**
Special Assessments						
Annual Pavement Management Initiative (PMI) Projects	5,500,000	5,300,000	5,890,000	6,812,000	6,300,000	**29,802,000**
117th Street			500,000			**500,000**
Special Assessments	**5,500,000**	**5,300,000**	**6,390,000**	**6,812,000**	**6,300,000**	**30,302,000**
Municipal State Aid Street (MSAS) Funding						
70th Street (CSAH 26)/Argenta Trail	16,500					**16,500**
70th Street at TH 52 - West Ramp Improvement						
Annual Pavement Management Initiative (PMI) Projects	130,000	1,000,000	1,300,000	540,000		**2,970,000**
Barbara Ave Soundwall (TH 52)			100,000	200,000		**300,000**
Municipal State Aid Street (MSAS) Funding	**146,500**	**1,000,000**	**1,400,000**	**740,000**		**3,286,500**
MnDOT Funding						
Barbara Ave Soundwall (TH 52)			300,000	1,070,000		**1,370,000**
MnDOT Funding			**300,000**	**1,070,000**		**1,370,000**
Dakota County Funding						
117th Street	3,560,000	3,580,000				**7,140,000**
Babcock Trail (CSAH 73) - U. 55th St. to I-494				25,000	80,000	**105,000**
Dakota County Funding	**3,560,000**	**3,580,000**		**25,000**	**80,000**	**7,245,000**
Minnesota Highway Freight Program Grant Funding						
117th Street		8,000,000				**8,000,000**
Minnesota Highway Freight Program Grant Funding		**8,000,000**				**8,000,000**
Transportation Advisory Board (TAB) Funding						
Babcock Trail (CSAH 73) - U. 55th St. to I-494					415,000	**415,000**
ADA Intersection Improvements		250,240				**250,240**
Transportation Advisory Board (TAB) Funding		**250,240**			**415,000**	**665,240**
State Bond Funding						
117th Street						
State Bond Funding						
TOTAL STREET & OTHER FUNDS	**17,031,500**	**26,057,824**	**14,445,000**	**14,886,000**	**13,647,000**	**86,067,324**

Public Works 5-Year CIP
Unprogrammed Projects

Department	Est. Cost (2023 Dollars)
Dakota County Roadway Projects	
Akron Ave - Rosemount to CSAH 32	500,000
MSAS	***425,000***
Stormwater Utility Fund	***75,000***
Dakota County Roadway Projects	**500,000**
Sanitary Sewer System Projects	
B-Line Lift Station & Force Main	5,200,000
Northwest Area Sanitary Sewer Utility Fund	***5,200,000***
Sanitary Sewer System Projects	**5,200,000**
Stormwater Management Projects	
Future Trunk Storm Sewer Outfalls & Basin Connections (NWA)	9,500,000
NWA Stormwater Utility Fund	***9,500,000***
Unprogrammed Stormwater CIP Projects	18,700,000
Stormwater Utility Fund	***18,700,000***
Stormwater Management Projects	**28,200,000**
Street Projects	
65th Street Extension (TH 3 to Babcock Trail)	8,746,000
PMP Funds	***500,000***
MSAS Funds	***2,000,000***
Special Assessments	***5,150,000***
NWA Stormwater Fund	***275,000***
NWA Sanitary Sewer Fund	***50,000***
NWA Water Fund	***771,000***
Street Projects	**8,746,000**
TOTAL UNPROGRAMMED	**42,646,000**

City of
Inver Grove Heights
PAVING A BRIGHTER FUTURE
PAVEMENT MANAGEMENT INITIATIVE
Pavement Management Initiative
Proposed 2023 - 2027
Capital Improvement Plan Projects
Partial & Full Recon
2023 (5.2 Miles)
2024 (5.7 Miles)
2025 (6.5 Miles)
2026 (5.6 Miles)
2027 (6.3 Miles)
Mill & Overlay
2023 (1.7 Miles)
2024 (0.7 Miles)
2026 (0.6 Miles)
Total Annual Miles
2023 (6.9 Miles)
2024 (6.4 Miles)
2025 (6.5 Miles)
2026 (6.2 Miles)
2027 (6.3 Miles)
Map produced by the City of Inver Grove Heights GIS Dept. THIS DRAWING IS NEITHER A LEGALLY RECORDED MAP NOR A SURVEY AND IS NOT INTENDED TO BE USED AS ONE. THIS DRAWING IS A COMPILATION OF RECORDS, INFORMATION AND DATA LOCATED IN VARIOUS CITY, COUNTY AND STATE OFFICES AND OTHER SOURCES AND IS TO BE USED FOR REFERENCE PURPOSES ONLY. THE CITY OF INVER GROVE HEIGHTS IS NOT RESPONSIBLE FOR ANY INACCURACIES HEREIN CONTAINED
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50TH ST E
52ND ST E
BLAINE AVE
UPPER 55TH ST E
63RD ST E
CAHILL AVE E
CARMEN AVE E
CLAUDE WAY E
BLAINE AVE E
65TH ST E
66TH ST E
DAWN WAY E
68TH ST E
69TH ST E
ARLENE AVE E
71ST ST E
72ND ST E
DAWN AVE E
74TH ST E
RIVER RD
DICKMAN TRL E
BESTER AVE E
75TH ST E
ARCHER TRAIL
77TH ST E
78TH ST E
CLAYTON AVE E
COREY PATH
BOYD AVE E
BARBARA AVE E
COURTHOUSE BLVD
CUNEEN TRL E
DELANEY CIR E
ARGENTA TRAIL
COLLEGE TRL E
COLLEGE TRL
COOPER WAY
BRODERICK BLVD
86TH CT E
ANN MARIE TRL
ALVARADO TRL
ALVERNO AVE
ALMQUIST WAY
ALVAREZ AVE
BROOKS BLVD
RIVER HEIGHTS WAY
AVIARY PATH
CHENEY TRL
OLD CONCORD BLVD E
TYNE LN
ALBANO TR
ARNOLD AVE
96TH ST E
CAHILL AVE
COURTHOUSE BLVD CT E
INVER GROVE TRAIL
INVER GROVE TRL
CLOMAN PATH E
ADAM AVE
102ND ST W
102ND ST E
BARNES TRL E
BARNES WAY E
105TH ST E
105TH ST W
AKRON AVE
ALISON WAY
ALAMEDA AVE
ALBAVAR PATH
CLARK RD
117TH ST E
N
0
0.25
0.5
1
1.5
2
Miles

AE2S NEXUS
The Financial Link

Comprehensive Utility Capital Planning & Rate Study

City of Inver Grove Heights

Draft Water and Sewer Revenue Adequacy

September 16, 2022

Revenue Adequacy Analysis

Given the size, scope, age and make-up of our city utility systems, are they bringing in enough revenue to cover their costs?

COSTS TO BE COVERED:

- ✓ Recurring Operating & Maintenance Expenses
- ✓ Annual Capital Costs and System Reinvestment
- ✓ Develop/Maintain Adequate Working Capital and Required Reserves
- ✓ Monitor Debt Service Coverage to Ensure Loan Covenants are Met

If current rates are not project to yield adequate revenue, what changes are needed to get there?

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Revenue Adequacy Analysis

Key Revenue Adequacy Steps:

1. Establish Assumptions
   1. O&M Escalation
   2. Account and Flow Growth
   3. Debt Service Terms
2. Incorporate Operating Expense Projections
3. Incorporate Capital Improvements Plan and Debt Service Projections
4. Set Reserve Targets
5. Revenue Projections
   1. Baseline Rate Revenue based on Rate Structure changes (if applicable)
   2. Non-rate revenue projections (i.e. connection charges)
6. Scenario Analysis

Received concurrence from City Staff on Assumptions

Assumptions

Escalation Factors

Category	2023	2024	2025+
General Inflation	7.0%	5.0%	3.0%
Labor	7.0%	5.0%	3.0%
Chemicals	3.0%	3.0%	3.0%
Electricity/Utilities	3.0%	3.0%	3.0%
Sewer Service from MET Council	5.5%	5.5%	5.5%
Capital	7.0%	5.5%	3.5%

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Assumptions

Account Growth

Historical Population:

	2010 Census	2015 Estimate	2020 Census
Population	33,800	34,417	35,801

- **Growth Rates:**
  - 2010-2015: 0.32%
  - 2015-2020: 0.79%
  - 2010-2020: 0.55%

Comp Plan:

	2021 Estimate	2040 Projected
Population	36,092	42,000

- **Growth Rate: 1.7%**

An assumed annual account growth rate of 0.55% was included to the model, based on annual historical average growth from 2010-2020

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Use Assumptions by User Type

- **Water:**

Alliance for Water Efficiency Sales Forecasting and Rate Model, Version 1.0

User Class	Year 1	Subsequent Years (Annual)
SF Res/Senior – Tiers 1 and 2	-3.1%	+0.55%
SF Res/Senior – Tiers 3 and 4	-0.1%	-0.1%
Multi-Family Residential	-0.4%	+0.55%
Commercial	-6.2%	+0.55%
Institutional/Industrial	-4.3%	+0.45%
Irrigation	-1.2%	-1.2%

- **Sewer**
  - Billed flow for Sewer is based on winter quarter average water use (with no irrigation impacts); therefore, flow growth was set at the assumed account growth factor of 0.55% annually

Debt Service Assumptions

- Future Debt Service projected based on assumed bond funding terms of:
  - 20-year term
  - 5% interest
  - 120% coverage
- Debt Funding assumed for:
  - Water Treatment Plan Rehabilitation in 2024 - $2.5M 2024 dollars
  - Sewer B-line Lift Station and Forcemain in 2027 - $6.1M 2027 dollars (Scenarios include “in/out” for this project)
- New Annual Debt Service:
  - Water Treatment Plan project equates to new annual debt service payment of $200K beginning in 2025
  - Sewer B-line project equates to new annual debt service payment of $488K beginning in 2028

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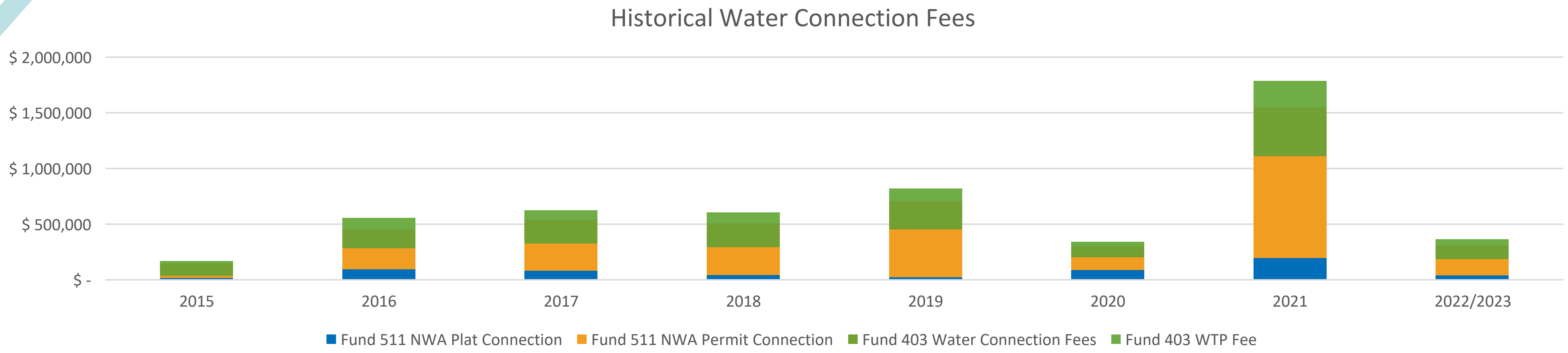
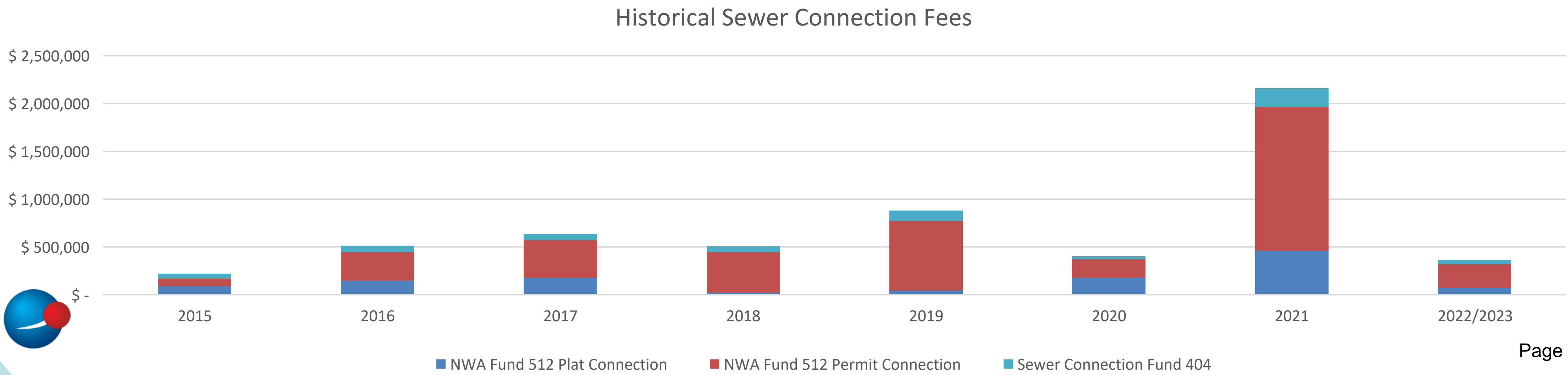
Connection Fee Revenue Projections

- Baseline (2022 & 2023) Connection Fee revenue based on historical actual connection fee revenue from 2015-2020, reduced proportionally to reflect a 0.55% annual growth rate versus 2015-2020 growth rate of 0.79%.
  - 2021 actuals are excluded as these reflect a high, anomaly year.

- Increases to connection fee revenue for 2024 and beyond are set to match projected rate/revenue increases

Connection Fee Revenue Projections





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Reserve Planning

Reserve Fund	Description/Purpose	Recommended Target Guidelines
Operating	Cash available to ensure the utility can meet on-going O&M expenses despite seasonal revenue fluctuations	Minimum one-eighth of annual operating and maintenance expense (45 days); 45-120 days, sometimes up to one year of O&M
Debt Service	Restricted account required by bond/loan covenant, held for the life of the loan and used for final debt retirement	As specified in bond/loan documents, typically equal to the highest annual payment within repayment period
Capital	Cash set aside for capital renewal/replacement, or future system expansion, based on desired approach to capital funding	A strategic target is normally set based on specific capital funding goals of the system, i.e.: • One year of depreciation • Five-year average of rate-funded capital investment • Percentage of the annual capital improvements plan • **Asset-based annual reinvestment calculations**
Emergency	A reserve fund specifically established to offset revenue needed in the event of unplanned expenditures or events, such as a drought	Approaches vary; sometimes based on the cost of replacement of the most critical and expensive infrastructure, or designed to replace a critical revenue loss, such as in a drought situation
Rate Stabilization	Similar to an emergency reserve designed to avoid rate spikes and minimize necessary rate adjustments when expenses are higher than anticipated and/or revenues are less than anticipated for any reason	A target is not always specified, sometimes set as the amount of revenue associated with a certain percent rate increase

Reserve Target Planning

- **Operating Reserve Target:** 90 days of operations and maintenance expense
- **Capital Reserve Target:** Asset Based Reinvestment planning/ Risk Modeling
  - Water: Years 1-10 Annual Average = $2,300,000 (2022 dollars)
    - Current Programmed R&R Funding averages $1.1M annually
    - Phased-in to remainder R&R funding (Target = 40% in 2023 growing to 100% in 2029)
  - Sewer: Years 1-10 Annual Average = $785,100 (2022 dollars)
    - Current Programmed R&R Funding averages $724K annually
    - Phased-in to remainder R&R funding (Target = 73% in 2023 growing to 100% in 2032)

	Years 1-5 Total	Years 6-10 Total	Years 11-20 Total
	Extreme Risk (w/ Pavement)	High Risk (w/o Pavement)	Remaining Risk
Water	$7,000,000	$16,000,000	$16,800,000
Sewer	$2,851,000	$5,000,000	$10,500,000

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