CITY COUNCIL MEETING

April 07, 2026 at 6:30 PM

City Hall Council Chambers – 450 Virginia Avenue, Long Lake, MN 55356

AGENDA

1. **Call to Order**

2. **Pledge of Allegiance**

3. **Mayor's Comments – Long Lake News, Meeting Review and Updates**

4. **Approve Agenda**

5. **Open Correspondence**
   NOTE: Open Correspondence is an item on the agenda during which the public may address the City Council. **No formal action is taken by the City Council** and comments shall be limited to five minutes or less. *Open Correspondence comments may also be emailed to City staff by 12:00 noon on the date of the meeting.*

6. **Approve Consent Agenda**

   A. Approve Minutes of March 17, 2026 City Council Work Session

   B. Approve Minutes of March 17, 2026 City Council Meeting

   C. Approve Vendor Claims and Payroll

   D. Adopt Resolution No. 2026-17 Appointing Jeffrey Wikman to the Position of Public Works Maintenance Worker I

   E. Adopt Resolution No. 2026-18 Appointing Julie Bjorklund to the Position of Administrative Assistant

   F. Approve Issuance of a 1 to 4 Day Temporary On Sale Liquor License for the PEO Chapter BW Non-Profit Organization's Summer Social Event at Zvago Long Lake on Tuesday, June 2, 2026

   G. Adopt Resolution No. 2026-19 Approving Issuance of a Special Event Permit for the Temporary Outdoor Patio at the Red Rooster Bar & Restaurant Effective May 1 through October 1, 2026

   H. Receive 1st Quarter 2026 Revenues and Expenditures as of March 31, 2026

   I. Appoint Park Board Members Erika Leachman as Chair and Mark Preissing as Secretary of the Park Board for 2026

   J. Appoint Planning Commissioners Judd Axelson as Chair and Lori Goodsell as Chair Pro-Tempore of the Planning Commission for 2026

7. **Regular Business**

   A. Receive and Accept the 2025 Audited Financial Report

B. Approve Agreement With WSB for Professional Services for the 2026 Sanitary Sewer Lining Project

8. Other Business

9. Adjourn

UPCOMING MEETINGS & OTHER DATES OF NOTE
Monday, April 13 (4:30 pm) / Park Board Meeting
Tuesday, April 21 (5:00 or 5:30 pm) / City Council Work Session
Tuesday, April 21 (6:30 pm) / City Council Meeting

Members of the public may monitor the meeting in person or by watching the livestream on our YouTube channel at https://www.youtube.com/@CityofLongLakeMN/streams.

MINUTES
CITY COUNCIL WORK SESSION
March 17, 2026

CALL TO ORDER
The meeting was called to order at 5:33 pm.

Present: Mayor: Charlie Miner; Council: Jahn Dyvik, Mike Feldmann (arrived at 5:37 pm), Deirdre Kvale, and Todd Newcomer

Staff Present: City Administrator: Amanda Nowezki; and City Clerk: Jeanette Moeller

Absent: None

APPROVE AGENDA
A motion was made by Kvale, seconded by Newcomer, to approve the agenda as presented. Ayes: all.

OPEN CORRESPONDENCE
No one was in attendance to address the City Council during Open Correspondence.

REGULAR BUSINESS

A. Updates on Engineering Services Meeting
City Administrator Nowezki updated the Council on a recent meeting she had with WSB's municipal sales representative during which they'd discussed the level of engineering services the City had received in the past, as well as addressing needs related to upcoming project planning. She shared with WSB that the Council and staff felt they had been getting mixed information about the costs of projects and had not been receiving clear guidance when trying to make decisions on projects. She highlighted an example of discussions that took place with WSB engineering regarding a grant application for the City's sewer lining project and the feedback from them that the City could expect to receive the full 50/50 match. She presented the grant award letter the City had received from Metropolitan Council which guaranteed $50,000 and an opportunity to receive an additional $262,000, which was not the $1.5 million that they had anticipated. She voiced her frustration with the way the current City Engineer had communicated this award letter to the City as "great news", which was why she had ultimately scheduled the meeting to discuss WSB's engineering services. She had also contacted Metropolitan Council and learned that what was indicated in their letter was what their reasonable expectations should have been for the grant award. She requested the Council support a decision she'd made for the City to no longer work with Jeff Oliver as the primary engineer from WSB, and instead, to work with Rachel Scheu supported by a high level engineering mentor from WSB. She added that the City had been very happy with the planning services from WSB and was confident that with a change in engineers, the City would be able to get the service that it deserved.

Councilmember Feldmann recalled that the City used to work with Alex Mollenkamp, and when the City was assigned a new engineer, there was a pay jump that the City was essentially forced to take.

DRAFT

City Clerk Moeller mentioned that the City had been very happy with City Engineer Mollenkamp's services, but she'd ended up leaving WSB to take a position within the City of Chaska. Subsequently, the City had been assigned a series of engineers that staff had not been satisfied or pleased with. She shared examples of issues staff had experienced with engineering services and noted that she felt the City had not clearly communicated its lack of satisfaction over the years with WSB. She noted that she felt that City Administrator Nowezki sitting down with WSB had most likely been very eye-opening for them.

Nowezki reviewed her discussion with WSB and what they were planning to do to make things right for the City, including assigning new engineers to the City and also doing a complete reset of the City's Pavement Management Plan, at no cost to the City. She emphasized that it was very important that the City have accurate information so they are able to make educated decisions.

Mayor Miner expressed his appreciation to City Administrator Nowezki for taking the bull by the horns and handling this.

Council and staff continued to discuss the Metropolitan Council's grant program, award system, and the miscommunication that had occurred.

Councilmember Feldmann agreed that the City needed accurate information in order to make good decisions, so if City Administrator Nowezki felt that a change in engineers would make it possible to do so, he was supportive.

B. Discuss I&I Grant Application Award, Identify Project Priorities

Nowezki commented on the impact of the I & I grant award on the scope of project planning. She reviewed estimates prepared put together by engineer Scheu outlining the City's cost of a sewer lining project by district, and pointed out that there are a few districts where the City would be able to use TIF funds to cover sewer lining in those areas. Her recommendation was that the City proceed with a project to line District 3 and District 5 in 2026 because that would most likely offer the largest impact. She added that Public Works Director Diercks had also recommended including a specific sewer line located in District 1. A sewer lining project for Districts 3 and 5 would end up costing close to $800,000, along with some additional costs for the one section of District 1. She reviewed a possible financing scenario for the project, allocating $580,000 in TIF funds for lining Districts 3 and 5, and applying $210,000 out of the budgeted CIP fund, along with the grant funds received.

Councilmember Kvale wondered whether there may be any additional grant funds the City could apply for from the Minnehaha Creek Watershed District.

Nowezki indicated that she could check and see if there may be other grants available. She recalled that a resident had offered to look into some of the issues the City has had with Metropolitan Council and mentioned that she may take them up on their offer. She asked the Council if they agreed with the proposal to move forward with a sewer lining project with Districts 3 and 5, or if they wanted to see something different.

Councilmember Kvale asked when the City needed to make that decision.

Nowezki responded that she would be meeting with engineering staff on Friday and would then plan to have a professional services agreement approved at the next City Council meeting. She reiterated her budget plans for paying for the sewer lining project for Districts 3 and 5 and noted that the Metropolitan

Council offers the I & I grant every two years and the City could reapply. She explained that because the City was misinformed about the grant and how to prepare and plan, she could not justify a $3.5 million project for the City this year and would definitely need to spread it out over a few years.

Councilmember Kvale asked how much staff felt it would cost to do the portion of District 1 that they had discussed.

Council and staff continued to discuss the potential for finding other grant funding opportunities; the importance of metering flows at the Orono connections in a manner to assure the data is accessible to Long Lake; and briefly touched on spending for temporary flow metering now versus holding off to pursue permanent meter installations.

C. Discuss Grand Avenue Project Design Goals

Nowezki sought direction from the Council regarding an upcoming street project in preparation for her upcoming engineering meeting on Friday. She asked if the Council wanted WSB to quote the Grand Avenue projects with sidewalks and noted that the top three streets she was planning to focus on were Grand Avenue, Upper Lea Lane, and Lakeview Avenue.

It was the consensus of the Council that the top three streets for project estimate and design should be Grand Avenue, Upper Lea Lane, and Lakeview Avenue.

The Council briefly discussed some of the other streets that had recently been suggested for inclusion.

Councilmember Dyvik voiced that he liked the idea of including sidewalks on Grand Avenue and making the roadway a bit narrower, but felt the City should welcome input from the residents on the street on what they would like to see.

Councilmember Kvale stated that she didn't feel sidewalks needed to be included for Grand Avenue because none of the streets off of Grand Avenue have sidewalks.

Nowezki stated that she would request that project estimates include options with and without sidewalks on Grand Avenue.

Council and staff discussed the City's current assessment policy, when it can be used, and the trend for many cities to move away from assessments.

OTHER BUSINESS/WORK SESSION COUNCIL REPORTS

No other business was discussed.

ADJOURN

Hearing no objection, Mayor Miner adjourned the meeting by general consent at 6:28 pm.

Respectfully submitted,
Jeanette Moeller
City Clerk

MINUTES
CITY COUNCIL MEETING
March 17, 2026

CALL TO ORDER
The meeting was called to order at 6:34 pm.

Present: Mayor: Charlie Miner; Council: Jahn Dyvik, Mike Feldmann, Deirdre Kvale, and Todd Newcomer

Staff Present: City Administrator: Amanda Nowezki; and City Clerk: Jeanette Moeller

Absent: None

PLEDGE OF ALLEGIANCE

MAYOR'S COMMENTS – LONG LAKE NEWS, MEETING REVIEW, AND UPDATES
Mayor Miner wished everyone a Happy St. Patrick's Day, and noted that the Council had just finished a work session during which they'd discussed the City's contracted engineering services, a grant application/award and preparations for a sewer lining project, and preliminary project designs for a Grand Avenue road project.

He reported that he'd attended the League of Minnesota Cities' annual City Day on the Hill last week and provided an overview of some of the things he learned. He noted that the legislature had equal numbers on both sides of the aisle, so it was unlikely that many bills would pass this year.

He also recently attended the Wayzata West Metro Chamber event to give his annual State of the City address along with the area mayors.

APPROVE AGENDA
A motion was made by Feldmann, seconded by Newcomer, to approve the agenda as presented. Ayes: all.

CONSENT AGENDA
The Consent Agenda consisted of the following:

A. Approve Minutes of March 3, 2026 City Council Work Session Minutes
B. Approve Minutes of March 3, 2026 City Council Meeting
C. Approve Vendor Claims and Payroll
D. Approve a Temporary On Sale Liquor License and an Application for Exempt Permit for a Cinco de Mayo Celebration at the Church of St. George

Councilmember Kvale mentioned that in the claims paid, she'd noticed the City had a watermain break repair listed at $22,000.

DRAFT

City Administrator Nowezki confirmed that there had been a watermain break at the Southwood Shores townhomes on Wayzata Boulevard W and it had cost $22,000 to repair because it hadn't been caught right away.

A motion was made by Feldmann, seconded by Miner, to approve the Consent Agenda as presented. Ayes: all.

OPEN CORRESPONDENCE

Bryan Miller, 295 Lakeview Avenue – Mr. Miller stated that he had lived on Lakeview Avenue for 27 years. He displayed some pieces of the crumbling roadway that he had brought with him to the meeting. He recalled that he has frequently spoken before the Council about the road and had essentially been speaking for the entire area, but he had also circulated a petition asking the City to repair Lakeview Avenue that a little over 80% of the street's residents had signed. He presented the petition to City Clerk Moeller. Councilmember Kvale asked if there were any signatures from residents on Upper Lea Lane. Mr. Miller clarified that he had not asked for signatures from residents on Upper Lea Lane, even though he had been before the Council advocating for them. He indicated that he was looking forward to hearing what the City had planned for Lakeview Avenue and shared that, from his discussions with the neighbors, none of them want the street to include curb and gutter. He briefly showed a series of photos to the Council that depicted the road conditions and the history of the housing in the area. He expressed a desire to see his neighborhood area of the City become some type of historic district. He also mentioned that people he has talked to were thrilled that Amanda Nowezcki had been hired to be the City Administrator. Lastly, he suggested that the City fix the culvert issues on Lakeview Avenue, and particularly lower them at a certain address.

REGULAR BUSINESS

A. Receive 4th Quarter 2025 Revenues and Expenditures

Nowezki presented the unaudited and unadjusted 4th quarter 2025 revenues and expenditures as of December 31, 2025. She noted that the auditors would be attending the next City Council meeting to present the final audit information. She answered Council questions and reviewed cash balances; line items of note within the General Fund; interest earnings; and areas that came in under budget including Public Works administration, and Fire Department legal expenses.

Councilmember Dyvik questioned how many home sales the City has each year.

Nowezki estimated that, on average, the City saw home sales of around 40 per year.

City Clerk Moeller noted that the City had seen a lot of remodel-related building permit activity in 2025.

Nowezki added that she had adjusted budgeted permit values and interest for 2026, but cautioned the Council that because those were uncontrolled variables, she was careful not to over-budget for those line items. Overall she was pleased with the status of the City's General Fund at year end. She reviewed the status of the City's Enterprise Funds; and with regard to the Fire Department, she explained that she expected some of the final numbers to change during the audit process due to the formation of the new Shoreline Fire Department and the necessary reimbursements that had occurred. She reiterated that the auditors will present the final audit information to the Council at the April 7, 2026, meeting, and she also intended to prepare the financial report update for first quarter 2026 at one of the Council meetings in April.

A motion was made by Kvale, seconded by Dyvik, to receive the 4th quarter 2025 revenues and expenditures as presented. Ayes: all.

B. Discuss Draft Ordinance Amending City Code Chapter 2 – Administration, Article II. City Council to Establish City Council Salaries and Include Council Guidelines; and Amending Article III. Officers and Employees

Moeller highlighted past Council discussions regarding potential amendments to City Code Chapters 2 and 3. She indicated that the proposed ordinance amendments are still in draft form and she has questions that will need to be addressed with the City Attorney before the Council takes any action on the proposed amendments.

Council and staff discussed the process for Council appointments when an unexpected vacancy occurs, term length for the Mayor position, maintaining staggered Council terms, and the costs of holding a Special Election.

Moeller also called Council's attention to their previous direction to utilize the Consumer Price Index (CPI) as an escalator for calculating salary increases. She noted that her goal is to work towards having a final ordinance ready for adoption at the second meeting in April, if possible.

Mayor Miner referenced the salary amounts included in the packet and compared the proposed salaries for Long Lake with those of Maple Plain. He asked if the Council felt a difference of $600/month between the Mayor and the City Council salaries was sufficient and reminded them that he was not planning to run for re-election, so he was asking for the future Council.

Moeller commented that the amount was derived from maintaining the current salary difference of $600, but they could also modify the gap between the positions if desired by Council.

Councilmember Feldmann suggested dropping the proposed Council salary to $4,000.

Moeller confirmed that would bring the proposed salaries for the Mayor to $4,800 and $4,000 for the Council and stated that she felt that would be a reasonable leap from the current salaries.

The Council discussed whether clarifications were needed regarding waiving/pausing salary adjustments for a year, and continued discussions of possible ways to calculate salary increases with the intent to keep things simple.

Moeller reflected that she had been with the City for 20 years and believed that the current Council salary structure had not changed, and no matter the outcome, she would view this change positively. She encouraged the Council to consider implementing a salary structure that would make sense for the next 20 years, rather than thinking of it as something that would be forever.

The Council discussed the options of keeping the Council salaries set at the CPI rounded to the nearest $100, with the Mayor being 25% above that amount; or perhaps setting the escalator for Mayor and Council to be consistent with the COLA amounts approved for City staff each year.

Moeller agreed that including the Mayor and Council within whatever COLA is approved for staff every year was a great idea and she would look into that possibility. She noted that she had a question about

the order of business for Council meetings and asked if the Council would like to change the order of the agenda so that Open Correspondence would occur prior to the Council approving the Consent Agenda.

Mayor and Council fully supported changing the agenda order and moving Open Correspondence immediately following approval of the agenda to allow the opportunity for public comment prior to approval of any agenda business items.

Moeller briefly reviewed some of the proposed changes and language updates within Chapter 3, Officers and Employees.

Councilmember Kvale referenced page 51 of the packet regarding using criminal background checks and asked if someone had been convicted of fraud, if that would be considered to be directly related to employment. She noted that this may be a question for City Attorney Thames because she would like to know how they determine if something was directly related to their position, and noted that the wording seemed subjective.

Moeller replied that the standard language can often be subjective, but is also taken directly from statutes or the League of Minnesota Cities handbook, and was perhaps intentionally so. She added that she would make a note about Councilmember Kvale's question so she can discuss it with City Attorney Thames.

Mayor Miner suggested that staff may also want to consider updating the pronouns to be 'they/their' rather than 'he/she'.

OTHER BUSINESS

Highway 12 Safety Coalition - Councilmember Newcomer reported that he attended the Highway 12 Safety Coalition meeting at which they reviewed recent accidents, upcoming projects, and their funding.

Shoreline Fire Board Meeting - Councilmember Feldmann indicated that he had attended a Shoreline Fire Board meeting the previous week, and he provided a brief review of the topics of discussion, particularly related to contracting for IT services.

Northwest Hennepin League of Municipalities Meeting - Mayor Miner had attended a Northwest Hennepin League of Municipalities meeting last week, and the Hennepin County Assessor was in attendance to present an update on property values for 2026. Mayor Miner referenced the map that showed data for assessed market valuations, which had been presented at the meeting, and gave a summary of what the color coding on the map showed, including highlighting some areas which had overall experienced some decreases.

Winter Seasonal Banners - Moeller shared that staff had been brainstorming possible design options for holiday banners and displayed some of the options for consideration that were more winter-themed than holiday-themed. Council and staff discussed wording options that would be appropriate for the whole winter season, whether wording was needed, how the colors would hold up for fading, past banners that have been used in the City, ways to identify the City on some of the banners to welcome people to the City, and the importance of making sure they were the right size for the City's poles. Council members were in favor of the banner ideas proposed by staff. Councilmember Dyvik asked if there were plans to do something different in 2026 for the summer banners. Moeller mentioned that

she could work with the same salesperson on possible ideas for summer banners and potentially bring options back to the Council for consideration.

Mailing Address Change – Moeller advised that staff is considering making a change to the City's mailing address from a PO Box to a locked mailbox located at City Hall and shared some of the reasons why it may be a 'work smarter' solution for the City. The idea was suggested by the postal carrier who serves the area, and staff had met with the Postmaster and the mail carrier to discuss this possibility.

Hiring Updates – Moeller reported that background and reference checks were currently underway for a strong candidate for the Public Works position, and she shared a bit of his background and experience. Additionally, the City was receiving many applications for the Administrative Assistant position, a number of which appeared well-qualified. Nowezki added that she and Moeller would be meeting on Friday to review the applications and begin scheduling interviews.

ADJOURN
Hearing no objection, Mayor Miner adjourned the meeting by general consent at 8:22 pm.

Respectfully submitted,
Jeanette Moeller
City Clerk

City Council Agenda Report

City of Long Lake
450 Virginia Avenue, PO Box 606
Long Lake, MN 55356

MEETING DATE / April 07, 2026

SUBJECT:	Approve Vendor Claims and Payroll	
Prepared By:	Amanda Nowezki, City Administrator	**Report Date:** 04/01/2026

Recommended City Council Action

Staff recommends the following:

Motion to approve vendor claims paid in the amount of $50,977.21 and electronic vendor payments in the amount of $3,481.21 for a total amount of **$54,458.42**; April City Council monthly payroll in the amount of **$1,300.00**; and gross City Employee payrolls paid March 19 in the amount of **$17,449.43** and April 2 in the amount of **$18,041.07**.

Overview / Background

No noteworthy commentary to report regarding vendor claims to be approved.

Supporting Information

- Listing of Claims Paid
- Electronic Vendor Payments
- City Council Payroll
- Biweekly Payroll (x2)

LONG LAKE, MN

*Check Summary Register©

Checks 71940-71963

	Name	Check Date	Check Amt	
10100	**GENERAL FUND CASH**			
71940	ABDO LLP	03/23/26	$8,045.70	2025 YE Audit Progress Bill
71941	CENTRAL HYDRAULICS	03/23/26	$816.93	PW Plow Truck Repairs; Coupler, Nipple
71942	CITY OF WAYZATA	03/23/26	$29,209.00	Police Services - April 2026
71943	DELTA DENTAL	03/23/26	$208.25	Dental Insurance - April 2026
71944	HAWKINS INC	03/23/26	$60.00	Water Chemicals - Chlorine Cylinder
71945	League of MN Cities Ins Trust	03/23/26	$463.00	2026 Property/Casualty Insurance-PW Auto Liability
71946	LONG LAKE FIRE RELIEF ASSOC.	03/23/26	$1,000.00	2026 Fire State Aid (Passthrough)
71947	MADISON NATIONAL LIFE	03/23/26	$42.00	STD Insurance - April 2026
71948	MEDICA	03/23/26	$2,442.45	MEDICAL INS - April 2026
71949	MIDWEST MACHINERY CO	03/23/26	$3,125.27	PW-John Deere Zero Turn Mower Repairs; Replace Engine
71950	MN VALLEY TESTING LAB	03/23/26	$59.96	Monthly Chlorine Report
71951	Performance Petroleum	03/23/26	$453.75	PW-Generator Fuel
71952	MN LIFE INSURANCE CO	03/23/26	$15.10	LIFE INS - April 2026
71953	TIMESAVER OFF SITE	03/23/26	$344.00	03/03/26 City Council Meeting Minutes - 2.75 hr
71954	WSB & ASSOCIATES, INC	03/23/26	$1,260.75	Lead Service Line; PPL Application LSL
71955	TN DIESEL	03/25/26	$456.63	PW: Plow Truck Repairs
71956	CENTERPOINT ENERGY	03/31/26	$23.36	Gas Charges - 25 Apple Glen
71957	CITY OF LONG LAKE	03/31/26	$381.62	March 2026 Utility Bill-450 Virginia Ave
71958	COLONIAL LIFE	03/31/26	$101.27	Opl Adl Insurance - April 2026
71959	CRYSTAL CLEAN LLC	03/31/26	$221.35	PW-Used Oil Pickup Fee
71960	Hennepin County Treasurer	03/31/26	$656.89	2026 Election Machine Rent
71961	MEDIACOM	03/31/26	$340.57	PW Internet Services - April 2026
71962	MEDIACOM	03/31/26	$540.57	CH Internet Services - April 2026
71963	VARNER MOBILE SERVICES LLC	03/31/26	$708.79	DOT Vehicle Inspection/Repairs; 2000 Sterling
		Total Checks	$50,977.21	

10100 GENERAL FUND CASH	
101 GENERAL FUND	$48,777.69
205 FIRE DEPARTMENT	$1,000.00
601 WATER FUND	$865.18
602 SANITARY SEWER FUND	$178.85
603 SURFACE WATER MGMT FUND	$155.49
	$50,977.21

LONG LAKE, MN

*Check Detail Register©

Checks 71940-71963

Check #	Check Date	Vendor Name		Amount	Invoice	Comment
10100 GENERAL FUND CASH						
71940	03/23/26	**ABDO LLP**				
E 101-41500-3010		Audit/Accounting Services		$8,045.70	520525	2025 YE Audit Progress Bill
			Total	$8,045.70		
71941	03/23/26	**CENTRAL HYDRAULICS**				
E 101-43000-4040		Equipment Maintenance/R		$215.73	00667465	PW Plow Truck Repairs; Coupler, Nipple
E 101-43000-4040		Equipment Maintenance/R		$601.20	00667545	PW Plow Truck Repairs; Coupler, Nipple
			Total	$816.93		
71942	03/23/26	**CITY OF WAYZATA**				
E 101-42110-3130		Subcontracted Police Svc		$29,209.00	032326	Police Services - April 2026
			Total	$29,209.00		
71943	03/23/26	**DELTA DENTAL**				
E 101-41500-1310		Employer Paid Health Ins		$78.10	RIS00069418	Dental Insurance - April 2026
E 101-43050-1310		Employer Paid Health Ins		$52.06	RIS00069418	Dental Insurance - April 2026
E 601-49400-1310		Employer Paid Health Ins		$20.82	RIS00069418	Dental Insurance - April 2026
E 602-49450-1310		Employer Paid Health Ins		$15.62	RIS00069418	Dental Insurance - April 2026
E 603-43150-1310		Employer Paid Health Ins		$15.62	RIS00069418	Dental Insurance - April 2026
G 101-21706		FlexPlan - Ins Prem		$26.03	RIS00069418	Dental Insurance - April 2026
			Total	$208.25		
71944	03/23/26	**HAWKINS INC**				
E 601-49400-2160		Chemicals and Chem Pro		$60.00	7360525	Water Chemicals - Chlorine Cylinder
			Total	$60.00		
71945	03/23/26	**League of MN Cities Ins Trust**				
E 101-43050-3610		General Liability Insurance		$463.00	40007107-03	2026 Property/Casualty Insurance-PW Auto Liability
			Total	$463.00		
71946	03/23/26	**LONG LAKE FIRE RELIEF ASSOC.**				
R 205-33420		Fire Relief Assoc 2% Stat		$1,000.00	16002G001	2026 Fire State Aid (Passthrough)
			Total	$1,000.00		
71947	03/23/26	**MADISON NATIONAL LIFE**				
E 101-41500-1310		Employer Paid Health Ins		$16.80	1760810	STD Insurance - April 2026
E 101-43050-1310		Employer Paid Health Ins		$12.60	1760810	STD Insurance - April 2026
E 601-49400-1310		Employer Paid Health Ins		$5.04	1760810	STD Insurance - April 2026
E 602-49450-1310		Employer Paid Health Ins		$3.78	1760810	STD Insurance - April 2026
E 603-43150-1310		Employer Paid Health Ins		$3.78	1760810	STD Insurance - April 2026
			Total	$42.00		
71948	03/23/26	**MEDICA**				
E 101-41500-1310		Employer Paid Health Ins		$1,140.48	88510628683	MEDICAL INS - April 2026
E 101-43050-1310		Employer Paid Health Ins		$449.54	88510628683	MEDICAL INS - April 2026
E 601-49400-1310		Employer Paid Health Ins		$179.82	88510628683	MEDICAL INS - April 2026
E 602-49450-1310		Employer Paid Health Ins		$134.87	88510628683	MEDICAL INS - April 2026
E 603-43150-1310		Employer Paid Health Ins		$134.87	88510628683	MEDICAL INS - April 2026
G 101-21706		FlexPlan - Ins Prem		$402.87	88510628683	MEDICAL INS - April 2026

LONG LAKE, MN

*Check Detail Register©

Checks 71940-71963

Check #	Check Date	Vendor Name		Amount	Invoice	Comment
			Total	$2,442.45		
71949	03/23/26	**MIDWEST MACHINERY CO**				
E 101-43000-4040		Equipment Maintenance/R		$3,125.27	032026	PW-John Deere Zero Turn Mower Repairs; Replace Engine
			Total	$3,125.27		
71950	03/23/26	**MN VALLEY TESTING LAB**				
E 601-49400-3825		Water Testing/Reporting E		$59.96	1348011	Monthly Chlorine Report
			Total	$59.96		
71951	03/23/26	**Performance Petroleum**				
E 601-49400-3831		Generator Fuel Expense		$453.75	E159868	PW-Generator Fuel
			Total	$453.75		
71952	03/23/26	**MN LIFE INSURANCE CO**				
E 101-41500-1310		Employer Paid Health Ins		$5.40	60720030	LIFE INS - April 2026
E 101-43050-1310		Employer Paid Health Ins		$4.04	60720030	LIFE INS - April 2026
E 601-49400-1310		Employer Paid Health Ins		$1.62	60720030	LIFE INS - April 2026
E 602-49450-1310		Employer Paid Health Ins		$1.22	60720030	LIFE INS - April 2026
E 603-43150-1310		Employer Paid Health Ins		$1.22	60720030	LIFE INS - April 2026
G 101-21710		Other Deducations		$1.60	60720030	LIFE INS - April 2026
			Total	$15.10		
71953	03/23/26	**TIMESAVER OFF SITE**				
E 101-41500-3000		Professional Services		$344.00	32012	03/03/26 City Council Meeting Minutes - 2.75 hr
			Total	$344.00		
71954	03/23/26	**WSB & ASSOCIATES, INC**				
E 601-49400-3030		Engineering Fees		$38.75	R-031349-00	Lead Service Line; PPL Application LSL
E 101-41910-3030		Engineering Fees		$958.50	R-031349-00	General Engineering; Martha Lane Erosion Control, Street & I/I Project Mtg, Boring/Coring Report
E 101-43100-3030		Engineering Fees		$173.00	R-031349-00	PMP 2026; Council Memo Prep
E 101-41910-3032		General Planning		$90.50	R-031579-00	General Planning; Bucks Patio
			Total	$1,260.75		
71955	03/25/26	**TN DIESEL LLC**				
E 101-43000-4040		Equipment Maintenance/R		$456.63	032526	PW: Plow Truck Repairs
			Total	$456.63		
71956	03/31/26	**CENTERPOINT ENERGY**				
E 602-49450-3830		Natural Gas Expense		$23.36	106679608-0	Gas Charges - 25 Apple Glen
			Total	$23.36		
71957	03/31/26	**CITY OF LONG LAKE**				
E 101-41940-3820		City Utilities (Wtr,Swr,Stor		$76.55	040126	March 2026 Utility Bill-450 Virginia Ave
E 101-41942-3820		City Utilities (Wtr,Swr,Stor		$191.95	040126	March 2026 Utility Bill-2145 Daniels St
E 601-49400-3820		City Utilities (Wtr,Swr,Stor		$45.42	040126	March 2026 Utility Bill-1964 Orchard Ln
E 101-45200-3820		City Utilities (Wtr,Swr,Stor		$67.70	040126	March 2026 Utility Bill-350 Harrington
			Total	$381.62		

LONG LAKE, MN

*Check Detail Register©

Checks 71940-71963

Check #	Check Date	Vendor Name		Amount	Invoice	Comment
71958	03/31/26	**COLONIAL LIFE**				
G 101-21710		Other Deducations		$101.27	43698310401	Opl Adl Insurance - April 2026
			Total	$101.27		
71959	03/31/26	**CRYSTAL CLEAN LLC**				
E 101-41942-3840		Custodial & Waste Remov		$221.35	19860596	PW-Used Oil Pickup Fee
			Total	$221.35		
71960	03/31/26	**Hennepin County Elections**				
E 101-41410-4040		Equipment Maintenance/R		$656.89	25LLK	2026 Election Machine Rent
			Total	$656.89		
71961	03/31/26	**MEDIACOM**				
E 101-41942-3275		Internet		$165.00	590091316-3	PW Internet Services - April 2026
E 101-41942-3275		Internet		$175.57	590091316-3	PW Internet Services - Jan 2026 (Original Ck lost in mail)
			Total	$340.57		
71962	03/31/26	**MEDIACOM**				
E 101-41940-3275		Internet		$265.00	590091308-3	CH Internet Services - April 2026
E 101-41940-3275		Internet		$275.57	590091308-3	CH Internet Services - Jan 2026 (Original Ck lost in mail)
			Total	$540.57		
71963	03/31/26	**VARNER MOBILE SERVICES LLC**				
E 101-43000-4040		Equipment Maintenance/R		$435.18	11164	DOT Vehicle Inspection/Repairs; 2000 Sterling
E 101-43000-4040		Equipment Maintenance/R		$273.61	11165	DOT Vehicle Inspection/Repairs; 2016 Freightliner
			Total	$708.79		
			10100	$50,977.21		

Fund Summary

10100 GENERAL FUND CASH	
101 GENERAL FUND	$48,777.69
205 FIRE DEPARTMENT	$1,000.00
601 WATER FUND	$865.18
602 SANITARY SEWER FUND	$178.85
603 SURFACE WATER MGMT FUND	$155.49
	$50,977.21

LONG LAKE, MN

*Check Summary Register©

Checks 3397,3403

	Name	Check Date	Check Amt	
10100	**GENERAL FUND CASH**			
3397e	SPEEDWAY LLC	03/24/26	$1,256.59	PW Fuel - March 2026
3403e	USBANK CREDIT CARD	03/25/26	$2,224.62	CC purchases-March 2026
		Total Checks	$3,481.21	

10100 GENERAL FUND CASH	
101 GENERAL FUND	$3,347.50
430 FLEET CAPITAL FUND	$100.38
601 WATER FUND	$33.33
	$3,481.21

LONG LAKE, MN

*Check Detail Register©

Checks 3397,3403

Check #	Check Date	Vendor Name	Amount	Invoice	Comment
10100 GENERAL FUND CASH					
3397 e	03/24/26	**SPEEDWAY LLC**			
E 101-43000-2120		Motor Fuels	$1,256.59	032426	PW Fuel - March 2026
		Total	$1,256.59		
3403 e	03/25/26	**USBANK CREDIT CARD**			
E 101-43000-2150		Shop Supplies	$24.97	032526	PW-Napa; Engine Degrease
E 430-48110-5000		Capital Outlay	$100.38	032526	PW-Chevy of Wayzata; Light Installation
E 101-43000-4040		Equipment Maintenance/R	$37.15	032526	PW-Napa; Synthetic Oil
E 101-43050-3350		Conference/Meetings	$21.50	032526	PW-St Cloud Parking; Water Conf
E 101-43000-2150		Shop Supplies	$28.98	032526	PW-Ace; Seafoam and Oil
E 101-43000-2150		Shop Supplies	$113.09	032526	PW-Amazon;Washer Assortment Kit, Rivet Gun, Air Compressor Oil
E 101-45200-2150		Shop Supplies	$17.35	032526	PW-Amazon; Gas Can Spout Replacement
E 101-45200-4040		Equipment Maintenance/R	$248.04	032526	PW-MN Equipment; Hyd Fittings for Zero Turn Mower
E 101-43100-2250		Landscaping/Décor	$88.41	032526	PW-Spike's; Sun & Shade and Blt Snp
E 101-45200-4015		Grounds Maintenance	$88.41	032526	PW-Spike's; Sun & Shade and Blt Snp
E 101-43000-2150		Shop Supplies	$30.98	032526	PW-Ace; Hot Water Nozzel, Rope
E 601-49400-2150		Shop Supplies	$33.33	032526	PW-Ace; Misc Nuts Bolts, Adhesize letters, Inner Tube
E 101-43000-2150		Shop Supplies	$83.28	032526	PW-Ace; Fire Extinguisger for auto, Swivel Trigger
E 101-41942-3840		Custodial & Waste Remov	$50.78	032526	PW-Napa; Glass Cleaner and Wiper Blade
E 101-41942-3840		Custodial & Waste Remov	$51.79	032526	PW-Napa; HandCleaner and Wiper Blade
E 101-43000-4040		Equipment Maintenance/R	$257.95	032526	PW-Napa; Air Filters, Oil, and Fuel Filters
E 101-43000-4040		Equipment Maintenance/R	$47.69	032526	PW-Napa; Air Filter and Fuel Filter
E 101-43000-4040		Equipment Maintenance/R	$92.70	032526	PW-Transwest; Freightliner Filter Element and Jersey Flag
E 101-43000-2150		Shop Supplies	$43.92	032526	PW-Napa; Sterling Fuel Water, Mirror, Super Glue
E 101-43000-4040		Equipment Maintenance/R	$24.22	032526	PW-Napa; Oil Filter and Fuel Filter
E 101-43000-2120		Motor Fuels	$71.00	032526	PW-Kwik Trip-Fuel for Chevy Truck
E 101-43000-4040		Equipment Maintenance/R	$268.32	032526	PW-Napa; Air Filter and Fuel Filter for Street Sweeper
E 101-41500-3090		Software Support	$139.71	032526	CH-Google; Company Emails
E 101-41110-3350		Conference/Meetings	$99.00	032526	CC-LMC; City Day on the Hill
E 101-41110-4040		Equipment Maintenance/R	$50.97	032526	CC-AmericanFlags; Flagpole Eagle Topper
E 101-41500-3090		Software Support	$15.00	032526	CH-Canva
E 101-41940-3210		Telephone	$71.70	032526	CH-Nextivia; VOIP Phone Service
E 101-41942-3210		Telephone	$24.00	032526	PW-Nextivia; VOIP Phone Service
		Total	$2,224.62		
		10100	$3,481.21		

Fund Summary

10100 GENERAL FUND CASH	
101 GENERAL FUND	$3,347.50
430 FLEET CAPITAL FUND	$100.38
601 WATER FUND	$33.33
	$3,481.21

LONG LAKE, MN

Payroll Summary

Pay Group: 06 City Council
Check Date: 4/2/2026 per. 4

Employee	Gross Wage	Federal Gross	State Gross	Federal Tax	State Tax	Local Tax	Social Security	Medi-care	Retire	Tax Sheltered	Non-Tax Sheltered	Tips	Reimb.	Net
000000219 DYVIK, JAHN	250.00	250.00	250.00				15.50	3.63			1.10			229.77
000000264 FELDMANN, MICHAEL	250.00	250.00	250.00				15.50	3.63			1.10			229.77
000000247 KVALE, DEIRDRE	250.00	250.00	250.00				15.50	3.63			1.10			229.77
000000246 MINER, CHARLES	300.00	300.00	300.00				18.60	4.35			1.32			275.73
000000299 NEWCOMER, TODD	250.00	250.00	250.00				15.50	3.63			1.10			229.77

941 Deposit

Federal Tax	None
Medicare	$37.74
Social Security	$161.20
Advanced EIC	None
Total Deposit	$198.94

Pay Summary

Gross	1,300.00
Federal Gross	1,300.00
State Gross	1,300.00
FICA Gross	1,300.00

Tax Summary

Federal Tax		
State Tax		
Local Tax		
FICA Ded/Ben	80.60	80.60
Medicare Ded/Ben	18.87	18.87

Others

Retirement	
Tax-Sheltered	
Voluntary	5.72
Tips	0.00
Reimbursement	0.00
Net	1,194.81

LONG LAKE, MN

Payroll Summary

Pay Group: 01 Bi-Weekly
Check Date: 3/19/2026 per. 6

Employee	Gross Wage	Federal Gross	State Gross	Federal Tax	State Tax	Local Tax	Social Security	Medi-care	Retire	Tax Sheltered	Non-Tax Sheltered	Tips	Reimb.	Net
000000287 DECKER JR, MICHAEL	2,103.68	1,968.24	1,968.24	177.34	102.97		130.43	30.50	135.44		10.95			1,516.05
000000243 DIERCKS, SEAN	4,188.04	3,915.82	3,915.82	594.63	235.41		259.66	60.73	272.22		18.43			2,746.96
000000306 KIEPER, JASON	3,196.18	3,017.71	3,017.71	253.97	139.60		198.16	46.34	178.47		14.06			2,365.58
000000091 MOELLER, JEANETTE	3,391.22	2,972.84	2,972.84	228.74	122.69		197.98	46.30	220.43	197.95	14.92			2,362.21
000000252 NOWEZKI, AMANDA	4,570.31	4,080.68	4,080.68	762.71	268.42		282.38	66.04	473.91	15.72	51.13			2,650.00

941 Deposit

Federal Tax	$2,017.39
Medicare	$499.82
Social Security	$2,137.22
Advanced EIC	None
Total Deposit	$4,654.43

Pay Summary

Gross	17,449.43
Federal Gross	15,955.29
State Gross	15,955.29
FICA Gross	17,235.76

Tax Summary

Federal Tax	2,017.39	
State Tax	869.09	
Local Tax		
FICA Ded/Ben	1,068.61	1,068.61
Medicare Ded/Ben	249.91	249.91

Others

Retirement	1,280.47
Tax-Sheltered	213.67
Voluntary	109.49
Tips	0.00
Reimbursement	0.00
Net	11,640.80

LONG LAKE, MN

Payroll Summary

Pay Group: 01 Bi-Weekly
Check Date: 4/2/2026 per. 7

Employee	Gross Wage	Federal Gross	State Gross	Federal Tax	State Tax	Local Tax	Social Security	Medi-care	Retire	Tax Sheltered	Non-Tax Sheltered	Tips	Reimb.	Net
000000287 DECKER JR, MICHAEL	2,139.07	2,001.33	2,001.33	181.31	105.22		132.62	31.02	137.74		9.86			1,541.30
000000243 DIERCKS, SEAN	4,188.04	3,915.82	3,915.82	594.63	235.41		259.66	60.73	272.22		18.43			2,746.96
000000306 KIEPER, JASON	3,752.43	3,537.80	3,537.80	316.38	174.96		232.65	54.41	214.63		16.51			2,742.89
000000091 MOELLER, JEANETTE	3,391.22	2,972.84	2,972.84	228.74	122.69		197.98	46.30	220.43	197.95	14.92			2,362.21
000000252 NOWEZKI, AMANDA	4,570.31	4,080.68	4,080.68	762.71	268.42		282.38	66.04	473.91	15.72	51.13			2,650.00

941 Deposit

Federal Tax	$2,083.77
Medicare	$517.00
Social Security	$2,210.58
Advanced EIC	None
Total Deposit	$4,811.35

Pay Summary

Gross	18,041.07
Federal Gross	16,508.47
State Gross	16,508.47
FICA Gross	17,827.40

Tax Summary

Federal Tax	2,083.77	
State Tax	906.70	
Local Tax		
FICA Ded/Ben	1,105.29	1,105.29
Medicare Ded/Ben	258.50	258.50

Others

Retirement	1,318.93
Tax-Sheltered	213.67
Voluntary	110.85
Tips	0.00
Reimbursement	0.00
Net	12,043.36

CITY OF LONG LAKE

City Council Agenda Report

City of Long Lake
450 Virginia Avenue, PO Box 606
Long Lake, MN 55356

MEETING DATE / April 7, 2026

SUBJECT:	Appointment of Jeffrey Wikman to the Position of Full-Time Public Works Maintenance Worker I	
Prepared By:	Jeanette Moeller, City Clerk	**Report Date:** 3/30/2026

Recommended City Council Action

Staff recommends the following:

Motion to adopt Resolution No. 2026-17 appointing Jeffrey Wikman to the position of full-time Public Works Maintenance Worker I for the City of Long Lake.

Overview / Background

An interview panel comprised of City Administrator Nowezki, Public Works Director Diercks, and City Clerk Moeller met on Thursday, March 12, 2026 to interview candidate Jeffrey Wikman for a full time Public Works Maintenance Worker I position. The interview process included a question and answer period, followed by a separate review and evaluation of Mr. Wikman's skills with Public Works Director Diercks held at the Public Works building along with an introduction to current Public Works staff. At the extended interview's conclusion, staff collectively agreed upon terms for extending a conditional offer of employment to Mr. Wikman.

Mr. Wikman has been employed in the pool construction industry since 2018 and has worked with excavation, pumping, steel, concrete, and automation/water distribution for pool system installations. In the off seasons, pool companies he worked for operated snow removal businesses; he's volunteered for flag maintenance and yard work assistance for the elderly through the Orono Rotary Club; and he has participated in flooding and maintaining the ice rink and warming house at Rainbow Park in Maple Plain where he resides. Prior to his career in the pool trade, he obtained an HVAC degree from a technical school (copies of certifications on file). He holds the Minnesota Commercial Driver's License required for a Maintenance Worker I, and is seeking employment in a position that will offer reliability and consistency, along with an opportunity for growth and continuing education. Staff finds Mr. Wikman to be well-qualified for a Maintenance Worker I position.

Following the receipt of a clear background check performed by the Wayzata Police Department and completion of reference checks (including an unsolicited reference from a City resident), the attached employment offer letter was extended to and accepted by Mr. Wikman, contingent upon City Council approval. Per his signed offer letter, Mr. Wikman's start date will be Wednesday, April 8, 2026.

Supporting Information

- Resolution No. 2026-17
- Employment offer letter to Jeffrey Wikman dated March 18, 2026
- Reference from Lori Goodsell, shared with permission

City Council
Resolution No. 2026-17

A RESOLUTION APPOINTING JEFFREY WIKMAN TO THE POSITION OF PUBLIC WORKS MAINTENANCE WORKER I

WHEREAS, the City Council has previously established the position of full-time Public Works Maintenance Worker I; and

WHEREAS, the City of Long Lake has advertised, solicited applications and interviewed a finalist for the position; and

WHEREAS, following a review of his employment application and in person interviews, City staff found Jeffrey Wikman to be qualified to fill the position based on his knowledge, skills, abilities and experience; and

WHEREAS, a successful pre-employment background check of Mr. Wikman has been performed by the Wayzata Police Department, reference checks have been completed by City staff, and a conditional offer of employment has been extended to and accepted by Mr. Wikman contingent upon approval by the Long Lake City Council.

NOW THEREFORE, BE IT RESOLVED, that the City Council of the City of Long Lake, Minnesota does hereby appoint Jeffrey Wikman to the position of full-time Public Works Maintenance Worker I subject to the terms and conditions of the employment offer letter dated March 18, 2026, all applicable City personnel policies, and displaying an ability to continually meet the requirements of the position description. As indicated in his signed offer letter, Mr. Wikman will begin his employment on April 8, 2026.

Adopted by the City Council of the City of Long Lake this 7th day of April 2026.

BY:

_____
Charlie Miner, Mayor

ATTEST:

_____
Jeanette Moeller, City Clerk

CITY OF
LONG LAKE

March 18, 2026

Jeffrey Wikman
1475 Halgren Road
Maple Plain, MN 55359

Dear Jeff:

The purpose of this letter is to confirm the City of Long Lake's employment offer to you for the position of Public Works Maintenance Worker I, contingent upon City Council approval at the April 7, 2026 regular City Council meeting. The following letter represents the City's offer of at-will employment and outlines the terms and conditions of your employment with the City of Long Lake.

General Duties

As Public Works Maintenance Worker I, you will perform the general duties and responsibilities as outlined in the job's position description, and other duties as assigned by your supervisor or the City Administrator.

Supervisor

The Public Works Director will be your direct supervisor. Additionally, the City Administrator supervises all City department heads and employees.

Start Date

You will begin employment on Wednesday, April 8, 2026.

Probationary Period

You will be subject to a one year probationary period beginning on your first day of employment. During this time, your productivity, work ethic, reliability/attendance, progress in learning necessary information and skills and your overall performance will be closely monitored. Upon the completion of your first six months of employment, your performance will be evaluated by the City Administrator and Public Works Director, and a possible salary wage step increase may be recommended to the City Council.

At the end of the one year training and onboarding probationary period, a complete performance review will consider whether you have made progress on obtaining required water and sewer licensure (see below) and are eligible to be designated as a regular employee by the City Council; or whether a one-time six month probationary period extension will be granted to allow for obtaining required licenses, at which time you may be eligible for an additional salary wage step increase if recommended by your supervisor.

It is a requirement of the Public Works Maintenance Worker I position that you obtain your Class D drinking water treatment license (Minnesota Department of Health) and your SD sanitary sewer collections license (Minnesota Pollution Control Agency), within 18 months of your employment start date in order to continue in the position.

CITY OF LONG LAKE | 450 Virginia Avenue, PO Box 606, Long Lake, MN 55356 | Phone / 952-473-6961 |

Please note that once you have obtained your required water and sewer licenses, your supervisor may recommend you be promoted to a Public Works Maintenance Worker II position at or before your following annual performance review provided your overall performance warrants consideration of promotion.

Work Hours

This position is a full-time, non-exempt, benefit-earning, 40 hour per week position. You will be required to be on the on-call schedule. *For every week that you are the responsible on-call staff member, you will receive an additional hour of pay per day at your hourly rate, totaling 7 hours per on call week, unless leave is taken during your on-call rotation.*

Compensation, Performance Evaluation

Your beginning wage at the start of your employment will be $31.56 per hour at Step 4 of the City's 2026 Salary Pay Plan for the Public Works Maintenance Worker I position, and you will also receive a stipend for City business use of your cell phone in the amount of $20.00 per payroll period. You will receive a performance evaluation after six months of employment. Following a satisfactory evaluation at six months, you will be eligible for a step increase of 2%, per City policy. Thereafter, performance evaluations and any salary step adjustments will be conducted annually on the anniversary of your start date, as required for all employees, in addition to any inflationary range moves which may be approved by Council as part of the annual budget cycle.

<u>Example of a Possible Compensation Scenario</u>

Starting Wage	$31.56 / hour (Step 4)
Cell Phone Usage Stipend	$20.00 / biweekly payroll
6 Month Performance - Step Increase	$32.24 / hour (Step 5)
1 Year Performance - Step Increase	$32.93 / hour (Step 6)

* If the Council approves a cost of living adjustment (COLA) for all employees to be effective with the start of a new year (2027), your wage rate would be increased commensurate with the Council's approved COLA for City staff.

* For every on call week, you'll receive up to 7 hours of additional pay at your hourly rate assuming no leave has been taken during your rotation.

Retirement, Deferred Compensation

You will be a member of the Public Employees Retirement Association of Minnesota (PERA). The City will contribute to your PERA retirement plan, in addition to your required contribution. You may also contribute to a City-sponsored deferred compensation (457) plan at your option and expense.

Health, Dental, Short Term Disability Insurance

You will be provided with insurance coverage in the same manner as all City employees, effective on the first day of the month following the start of your employment.

As an employee of the City, you would pay $0 per month for insurance as the City pays 100% of an employee's premiums.

If you choose not to select insurance coverage from the City, then you would receive a stipend, subject to proper withholdings, in amount equal to the City's premium contribution based upon your individual age banded premium rate. This rate shall be subject to change yearly, or as otherwise approved by the City Council.

Life Insurance

The City will pay the premium to provide $15,000 of term life insurance. Any coverage beyond this amount would be at your choice and expense, and subject to your ability to meet any medical requirements.

Holidays, Vacation, Sick Leave

Effective on your first day of the month following your employment start date, you will begin accruing vacation at the rate of 80 hours annually. Thereafter, you may gain additional hours/days of vacation consistent with the City's vacation accrual schedule. You may carry over a maximum of 120 hours of vacation time to the following calendar year. In addition to vacation and official City holidays, you will receive one floating holiday per calendar year.

Effective on your first day of the month following your employment start date, you will begin accruing sick leave at the rate of 8 hours per month. You may continuously accrue sick leave up to the maximum amount set forth in the City's personnel policies / employee handbook.

For severance purposes, if resigning or retiring on good terms, upon departure of your employment, you would be eligible for payment of banked accrued vacation and sick leave subject to the maximum severance payout as set forth in the City's personnel policies / employee handbook.

Dues, Conferences, Expenses

Within budget considerations and subject to discussions between you and your supervisor, the City Administrator, and/or City Council, the City may pay for dues, membership costs and related conferences.

Professional development or continuing education will be part of the budget process and subject to City Administrator and City Council approval.

Subject to your supervisor's approval, the City will reimburse you for business expenses incurred which directly relate to the conduct of City business.

Professionalism

As a City employee, it is expected that you will conduct yourself in a professional and courteous manner that conveys a positive image of the City of Long Lake. This is especially important when interacting with residents and the general public.

At-Will Employment

The City of Long Lake is an at-will employer and the relationship between the City and yourself will be considered an employment-at-will relationship. This offer letter should not be construed as a contract, nor is it a promise of permanent employment. City employment policies are subject to change, from time to time, as directed and approved by the City Council.

Conditions of Offer

This employment offer is contingent upon an affirmative vote by the Long Lake City Council at its April 7, 2026 regular meeting. A successful pre-employment background check and reference check has been completed.

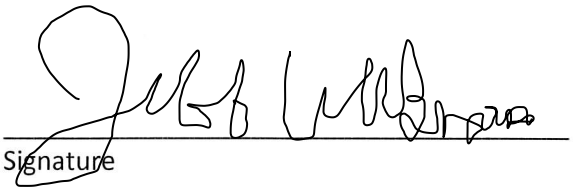
I believe that you will find this position to be challenging and rewarding for years to come, and that opportunities for continued growth are available to you within our Public Works Department. Please feel free to contact me with any questions, and we look forward to having you join our Long Lake team.

Sincerely,

Amanda Nowezki
City Administrator

I have read the offer letter for the position of Public Works Maintenance Worker I dated March 18, 2026. I accept the position and agree to the terms and conditions.

AGREED TO BY:



Signature

3/19/2026

Date

Jeffrey Wikman

Printed Name

Gmail

Jeanette Moeller <jmoeller@longlakemn.gov>

Public works applicant

Lori Goodsell <drlorigoodsell@gmail.com> Mon, Mar 9, 2026 at 3:38 PM
To: Jeanette Moeller <jmoeller@longlakemn.gov>

Hi Jeanette,

I just heard that Jeff Wikman applied for the position at Long Lake public works. I wanted to provide a reference. Jeff is smart, the hardest working person I know, reliable, honest, can learn anything and does great work. He's done multiple projects at my house (when we had the controversial flood) also redid a shower for me/plumbing all sorts of stuff. I highly recommend him. He just also happens to be one of the best people I know from one of the best families that I know. Very good guy. I hope we hire him. :-)

City Council Agenda Report

City of Long Lake
450 Virginia Avenue, PO Box 606
Long Lake, MN 55356

MEETING DATE / April 7, 2026

SUBJECT:	Appointment of Julie Bjorklund to the Position of Full-Time Administrative Assistant	
Prepared By:	Jeanette Moeller, City Clerk	**Report Date:** 4/1/2026

Recommended City Council Action

Staff recommends the following:

Motion to adopt Resolution No. 2026-18 appointing Julie Bjorklund to the position of full-time Administrative Assistant for the City of Long Lake.

Overview / Background

An interview panel comprised of City Administrator Nowezki, Public Works Director Diercks, and City Clerk Moeller met on Wednesday, March 25, 2026 to interview four candidates for a full time Administrative Assistant position to be officed at City Hall. Once all interviews were completed, staff agreed that candidate Julie Bjorklund possessed the background, experience, and relatability best suited to the position and to the City's work environment.

Ms. Bjorklund was a long-time (2003-2024) office manager for a large contracting company based in Plymouth that provides drilled foundations for electrical transmission lines and works nationwide. The company was a multi-generational family owned business until it sold to a private equity firm in 2023, resulting in a staffing overhaul taking place in late 2023 and early 2024. Her responsibilities with the company included managing the daily front office operations and switchboard; office supplies and uniform purchasing; coordinating transportation and delivery for new heavy equipment purchases and rentals; maintaining data entry records for vendors; accounts receivable; customer collections for overdue contract payments; tracking employee CDLs and certifications; managing approximately 400 credit, fuel and lodging cards for the management team, office and field employees; and preparing safety statistical reports as required. Her references described her as the office's "house mother" with strong communications, listening, and organizational skills.

Following the receipt of a clear background check performed by the Wayzata Police Department and completion of multiple reference checks, the attached employment offer letter was extended to and accepted by Ms. Bjorklund, contingent upon City Council approval. Per her signed offer letter, Ms. Bjorklund's start date will be Monday, April 13, 2026.

Supporting Information

- Resolution No. 2026-18
- Employment offer letter to Julie Bjorklund dated March 31, 2026

City Council
Resolution No. 2026-18

A RESOLUTION APPOINTING JULIE BJORKLUND TO THE POSITION OF ADMINISTRATIVE ASSISTANT

WHEREAS, the City Council has previously established the position of full-time Administrative Assistant; and

WHEREAS, the City of Long Lake has advertised, solicited applications and interviewed finalists for the position; and

WHEREAS, following a review of her employment application and an in person interview, City staff found Julie Bjorklund to be qualified to fill the position based on her knowledge, skills, abilities and experience; and

WHEREAS, a successful pre-employment background check of Ms. Bjorklund has been performed by the Wayzata Police Department, reference checks have been completed by City staff, and a conditional offer of employment has been extended to and accepted by Ms. Bjorklund contingent upon approval by the Long Lake City Council.

NOW THEREFORE, BE IT RESOLVED, that the City Council of the City of Long Lake, Minnesota does hereby appoint Julie Bjorklund to the position of full-time Administrative Assistant subject to the terms and conditions of the employment offer letter dated March 31, 2026, all applicable City personnel policies, and displaying an ability to continually meet the requirements of the position description. As indicated in her signed offer letter, Ms. Bjorklund will begin her employment on April 13, 2026.

Adopted by the City Council of the City of Long Lake this 7th day of April 2026.

BY:

_____
Charlie Miner, Mayor

ATTEST:

_____
Jeanette Moeller, City Clerk

CITY OF
LONG LAKE

March 31, 2026

Julie Bjorklund
13669 Wellstead Drive
Rogers, MN 55374

Dear Julie:

The purpose of this letter is to confirm the City of Long Lake's employment offer to you for the position of Administrative Assistant, contingent upon City Council approval at the April 7, 2026 regular City Council meeting. The following letter represents the City's offer of at-will employment and outlines the terms and conditions of your employment with the City of Long Lake.

General Duties

As the Administrative Assistant, you will perform the general duties and responsibilities as outlined in the job's position description, and other duties as assigned by your supervisor or the City Administrator.

Supervisor

The City Clerk will be your direct supervisor. Additionally, the City Administrator supervises all City department heads and employees.

Start Date

You will begin employment on _____, 2026.

Probationary Period

You will be subject to a six-month probationary period beginning on your first day of employment. During this time, your productivity, work ethic, reliability/attendance, progress in learning necessary information and skills and your overall performance will be closely monitored. Upon the completion of your first six months of employment, your performance will be evaluated by the City Clerk and the City Administrator, and a possible salary wage step increase may be recommended to the City Council.

Work Hours

This position is a full-time, non-exempt, benefit-earning, 40 hour per week position. City Hall office hours are generally 8:00 am to 4:30 pm, unless otherwise authorized by your supervisor or the City Administrator.

Compensation, Performance Evaluation

Your beginning wage at the start of your employment will be $23.77 per hour at Step 1 of the City's 2026 Salary Pay Plan for the Administrative Assistant position. You will receive a performance evaluation after six months of employment. Following a satisfactory evaluation at six months, you may be eligible for a step increase of 2%, per City policy. Thereafter, performance evaluations and any salary step adjustments will be conducted annually on the

anniversary of your start date, as required for all employees. Additionally, inflationary range moves may be approved by the City Council as part of the annual budget cycle.

Example of a Possible Compensation Scenario

Starting Wage	$23.77 / hour (Step 1)
6 Month Performance - Step Increase	$24.33 / hour (Step 2)
1 Year Performance - Step Increase	$24.88 / hour (Step 3)

* If the Council approves a cost of living adjustment (COLA) for all employees to be effective with the start of a new year (2027), your wage rate would be increased commensurate with the Council's approved COLA for City staff.

Retirement, Deferred Compensation

You will be a member of the Public Employees Retirement Association of Minnesota (PERA). The City will contribute to your PERA retirement plan, in addition to your required contribution. You may also contribute to a City-sponsored deferred compensation (457) plan at your option and expense.

Health, Dental, Short Term Disability Insurance

You will be provided with insurance coverage in the same manner as all City employees, effective on the first day of the month following the start of your employment.

As an employee of the City, you would pay $0 per month for insurance as the City pays 100% of an employee's premiums.

If you choose not to select insurance coverage from the City, then you would receive a stipend, subject to proper withholdings, in amount equal to the City's premium contribution based upon your individual age banded premium rate. This rate shall be subject to change yearly, or as otherwise approved by the City Council.

Life Insurance

The City will pay the premium to provide $15,000 of term life insurance. Any coverage beyond this amount would be at your choice and expense, and subject to your ability to meet any medical requirements.

Holidays, Vacation, Sick Leave

Effective on your first day of the month following your employment start date, you will begin accruing vacation at the rate of 80 hours annually. Thereafter, you may gain additional hours/days of vacation consistent with the City's vacation accrual schedule. You may carry over a maximum of 120 hours of vacation time to the following calendar year. In addition to vacation and official City holidays, you will receive one floating holiday per calendar year.

Effective on your first day of the month following your employment start date, you will begin accruing sick leave at the rate of 8 hours per month. You may continuously accrue sick leave up to the maximum amount set forth in the City's personnel policies / employee handbook.

For severance purposes, if resigning or retiring on good terms, upon departure of your employment, you would be eligible for payment of banked accrued vacation and sick leave subject to the maximum severance payout as set forth in the City's personnel policies / employee handbook.

Professionalism

As a City employee, it is expected that you will conduct yourself in a professional and courteous manner that conveys a positive image of the City of Long Lake. This is especially important when interacting with residents and the general public.

At-Will Employment

The City of Long Lake is an at-will employer and the relationship between the City and yourself will be considered an employment-at-will relationship. This offer letter should not be construed as a contract, nor is it a promise of permanent employment. City employment policies are subject to change, from time to time, as directed and approved by the City Council.

Conditions of Offer

This employment offer is contingent upon an affirmative vote by the Long Lake City Council at its April 7, 2026 regular meeting. A successful pre-employment background check and reference check has been completed.

I believe that you will find this position to be challenging and rewarding for years to come, and that opportunities for growth and great relationships with the community may be found with the City of Long Lake. Please feel free to contact me with any questions, and we look forward to having you join our Long Lake team.

Sincerely,



Amanda Nowezki
City Administrator

I have read the offer letter for the position of Administrative Assistant dated March 31, 2026. I accept the position and agree to the terms and conditions.

AGREED TO BY:

_____ _____

Signature Date

_____

Printed Name

CITY OF LONG LAKE

City Council Agenda Report

City of Long Lake
450 Virginia Avenue, PO Box 606
Long Lake, MN 55356

MEETING DATE / April 7, 2026

SUBJECT:	Temporary On Sale Liquor License Request for the PEO Chapter BW Organization to Host a Summer Social Event at Zvago Long Lake	
Prepared By:	Jeanette Moeller, City Clerk	**Report Date:** 3/31/2026

Recommended City Council Action

Staff recommends the following:

Motion to approve issuance of a 1 to 4 Day Temporary On Sale Liquor License for the PEO Chapter BW MN non-profit organization to allow the sale/service of alcoholic beverages during their Summer Social event at Zvago Long Lake on Tuesday, June 2, 2026.

Overview / Background

The PEO Chapter BW non-profit organization, a local chapter of PEO (Philanthropic Educational Organization) International, has submitted an application for a 1 to 4 Day Temporary On Sale Liquor License to permit the sale/service of alcoholic beverages in the form of wine service at a Summer Social event they will be hosting at Zvago Long Lake in their Homewood Room community room. The event will be held on Tuesday, June 2, 2026 beginning at 4:30 pm and will feature a social gathering and casual dinner.

Staff recommends approval of the temporary liquor license as requested.

Supporting Information

- Application for 1 to 4 Day Temporary On Sale Liquor License form
- PEO Chapter BW ‘Summer Social’ event flyer

Minnesota Department of Public Safety
Alcohol and Gambling Enforcement Division
445 Minnesota Street, Suite 1600, St. Paul, MN 55101
651-201-7507 TTY 651-282-6555

APPLICATION AND PERMIT FOR A 1 DAY TO 4 DAY TEMPORARY ON-SALE LIQUOR LICENSE

Name of organization	Date of organization	Tax exempt number
PEO Chapter BW (local Chapter of PEO International)	April, 5, 1940	41-6080334

Organization Address (No PO Boxes)	City	State	Zip Code
Presidents Address: 840 Brockton Lane N.	Plymouth	MN	55447

Name of person making application	Business phone	Home phone
Donna Larson, Event Chair: donna2857.larson@gmail.com	NA	612 636 5508

Date(s) of event
June 2, 2026

Type of organization ☐ Microdistillery ☐ Small Brewer ☐ Club ☐ Charitable ☐ Religious ☒ Other non-profit

Organization officer's name	City	State	Zip Code
Donna Larson; President	Plymouth	MN	55447
Chris Larson, Vice President	Plymouth	MN	55447
Marge Bache-Wiig	Medina	MN	55340

Location where permit will be used. If an outdoor area, describe.
Zvago Homewood Room
1948 W. Wayzata Blvd. Long Lake, MN

If the applicant will contract for intoxicating liquor service give the name and address of the liquor license providing the service.
Will be serving wine with a catered donner.

If the applicant will carry liquor liability insurance please provide the carrier's name and amount of coverage.
Does not have

APPROVAL

APPLICATION MUST BE APPROVED BY CITY OR COUNTY BEFORE SUBMITTING TO ALCOHOL AND GAMBLING ENFORCEMENT

CITY OF LONG LAKE
City or County approving the license

Date Approved

$25.00
Fee Amount

6/2/2026
Permit Date

Event in conjunction with a community festival ☐ Yes ☒ No

jmoeller@longlakemn.gov
City or County E-mail Address

1,845
Current population of city

Jeanette Moeller, City Clerk
Please Print Name of City Clerk or County Official

Signature City Clerk or County Official

CLERKS NOTICE: Submit this form to Alcohol and Gambling Enforcement Division 30 days prior to event
No Temp Applications faxed or mailed. Only emailed.
ONE SUBMISSION PER EMAIL, APPLICATION ONLY.
PLEASE PROVIDE A VALID E-MAIL ADDRESS FOR THE CITY/COUNTY AS ALL TEMPORARY PERMIT APPROVALS WILL BE SENT BACK VIA EMAIL. *E-MAIL THE APPLICATION SIGNED BY CITY/COUNTY TO AGE.TEMPORARYAPPLICATION@STATE.MN.US*

PEO Summer Social



ZVAGO Long Lake
***** TUESDAY JUNE 2nd *****

Social Gathering: 4:30 pm Casual Dinner 5:30 pm

Address: 1948 W. Wayzata Blvd. Long Lake;
Homewood Room
See Parking Options on back side of this sheet

Menu
Tray of Assorted Sandwiches: Chicken Salad, Turkey Club, Chicken Caesar Wrap, Vegetarian.
Salad Greens, Chips, Cake, Wine and assorted Beverages provided
Cost: $20

Reservation Deadline: Friday May 27th

Tear Off:_____

PEO Member_____

Guest Name _____

Total $_____

Checks payable to P.E.O. Chapter BW and mail to Marge Bache-Wiig

Committee: Donna Larson, Margaret Green, Carol Aus, Nancy Kralovec

CITY OF LONG LAKE

City Council Agenda Report

City of Long Lake
450 Virginia Avenue, PO Box 606
Long Lake, MN 55356

MEETING DATE / April 7, 2026

SUBJECT:	Special Event Permit Request for a Temporary Outdoor Patio at the Red Rooster Bar & Restaurant	
Prepared By:	Jeanette Moeller, City Clerk	**Report Date:** 4/1/2026

Recommended City Council Action

Staff recommends the following:

Motion to adopt Resolution No. 2026-19 approving issuance of Special Event Permit #S2026-03 for the Temporary Outdoor Patio at the Red Rooster Bar & Restaurant effective May 1 through October 1, 2026.

Overview / Background

Michael Simpson, on behalf of the Red Rooster Bar & Restaurant, has made application for a Special Event Permit to permit installation of their annual temporary outdoor patio for the restaurant.

This year's temporary outdoor patio site plan remains identical to the site plan approved for use in prior years. Their proposed plan identifies seating and table arrangements; depicts all entry and exit points; includes descriptions of temporary fencing materials and temporary lighting to be utilized; is designed to create a compact and contiguous service area in accordance with Minnesota Rules 7515.0430, subpart 2; and shows how alcohol will be restricted with a barrier between the temporary outdoor patio and surrounding area. No more than 12 tables will be permitted in the temporary outdoor patio area, with seating not to exceed 50 at any time.

Staff recommends approval of a Special Event Permit for the Temporary Outdoor Patio at the Red Rooster Bar & Restaurant with conditions as specified in the attached permit. If approved, the temporary patio would be permitted to be in place from May 1 through October 1, 2026.

Supporting Information

- Resolution No. 2026-19
- Special Event Permit application, site map and exhibits

City Council
Resolution No. 2026-19

A RESOLUTION APPROVING THE ISSUANCE OF SPECIAL EVENT PERMIT #S2026-03 FOR A TEMPORARY OUTDOOR PATIO AT THE RED ROOSTER BAR & RESTAURANT

WHEREAS, Michael Simpson, on behalf of the Red Rooster Bar & Restaurant, has made a Special Event Permit application to permit installation of a temporary outdoor patio for the restaurant; and

WHEREAS, the applicant has submitted a site plan which identifies seating and table arrangements; depicts all entry and exit points; includes descriptions of temporary fencing materials and temporary lighting to be utilized; is designed to create a compact and contiguous service area in accordance with Minnesota Rules 7515.0430, subpart 2; and shows how alcohol will be restricted with a barrier between the temporary outdoor patio and surrounding area; and

WHEREAS, City staff have reviewed the event application and identified conditions to permit issuance outlined on the Special Event Permit attached hereto and made a part of this Resolution; and

WHEREAS, by accepting this permit the applicant agrees to comply with the conditions outlined on the Special Event Permit attached hereto and made a part of this Resolution.

NOW THEREFORE, BE IT RESOLVED, that the City Council of the City of Long Lake hereby approves issuance of Special Event Permit #S2026-03 for the Temporary Outdoor Patio at the Red Rooster Bar & Restaurant effective May 1, 2026 through October 1, 2026 contingent on receipt of documentation, agency approvals, and satisfaction of all applicable conditions outlined by the Special Event Permit.

Adopted by the City Council of the City of Long Lake this 7th day of April 2026.

BY:

_____
Charlie Miner, Mayor

ATTEST:

_____
Jeanette Moeller, City Clerk

Special Event Permit

CITY OF LONG LAKE
450 Virginia Avenue, PO Box 606
Long Lake, MN 55356
City Hall Phone / 952-473-6961

Date Issued _____

PERMIT APPLICATIONS MAY BE EMAILED TO:
jmoeller@longlakemn.gov

*Permit applications **will not be considered complete** unless accompanied by required exhibits.*

FOR OFFICE USE
Amount Due: $ 100.00
Date Paid: 4/1/26
[X] Check # 7055
[ ] Credit Card
[ ] Cash Receipt # _____

ATTENTION - Complete this permit application form and submit to City Hall ***at least 45 days prior to the event start date***. Permit application must be accompanied by all required exhibits and the permit fee (see page 3 of this application) to be considered complete.

Event Name Temporary Outdoor Patio- Red Rooster Bar & Restaurant

Describe Location or Area of City Where Event Will Take Place Corner of 1830 W. Wayzata Blvd. & Mill St. Long Lake MN 55356

# of Participants Expected to Attend Event Varies - Day to Day

Describe Any Participation/Entry Fees to be Charged No Entry Fee

Event Dates/Times Proposed

** List all Event Dates/Times Below **			
Day of Week	*Date*	*Start Time*	*End Time*
Beginning May 1, 2026 The Red Rooster will utilize temporary dining space, weather permiting, offering 9 Am - 12 midnight - 7 days a week		Full Service Food & Bar during restaurant hours.	Ending October 1, 2026

Event Type (CHECK ALL THAT APPLY)

[ ] Parade [ ] Festival [ ] Run/Walk [ ] Sporting Event [ ] Block Party [ ] Private Party

[X] Other, Describe Installation of temporary outdoor patio, including tables, chairs. Temporary Landscape trough's - w/ plants & flowers

Event Includes (CHECK ALL THAT APPLY)

[X] Liquor Service [X] Food Service [ ] Bingo/Raffles [ ] Live Music [ ] Amplified Audio

[ ] Animals [ ] Pedestrians/Runners [ ] Bicycles [ ] Floats [ ] Motor Vehicles, # Expected _____

[ ] Other Vehicles, Explain _____

[ ] Games, Amusement Devices or Carnival Equipment, Describe _____

Will parking for the event exceed on site parking facilities available?

[ ] Yes, written permission from area property owners allowing use of their property for parking is attached.

[X] No

Who will be providing traffic control personnel? _____

Who will be providing traffic control / delineation equipment (barricades, signs, traffic cones, no parking signs, etc.)?

Red Rooster will provided temporary split rail fencing w/ any signs needed

Street(s) to be Closed (A MAP SHOWING THE SPECIFIC ROUTE OR AREA TO BE CLOSED **MUST BE ATTACHED**)

N/A

Site Map and Detailed Description of Event Required

A DETAILED SITE MAP OF THE EVENT AREA AND DETAILED EVENT DESCRIPTION NARRATIVE ***MUST BOTH BE ATTACHED*** *TO THIS APPLICATION.* The Site Map should show locations of food and beverage vendors (noting controlled entry to any alcoholic beverage service areas), where activities will be taking place, and where any temporary infrastructure such as tents or bandstand facilities will be installed.

Insurance Carrier for Event

A Certificate of Insurance naming the City of Long Lake as an additional insured is **required to be submitted** at least 10 days prior to the event start date, unless otherwise noted in the permit conditions of approval. Amount of insurance required is $1,000,000.

Name of Insurance Carrier Secura Ins Policy Number BP3357378

Chairperson, Event Manager, or Director (Person Responsible for Duties of Permit Holder)

Full Name Michael David Simpson Daytime Phone 612-702-9536 mobile

Alternate Phone 952-473-4089 RR Email Address michaelsimpson81@hotmail.com

Street Address 142 Chevy Chase Dr

City / State / Zip Wayzata, MN 55391

Organization Information

Organization Name Red Rooster Bar & Restaurant

Mailing Address P.O. Box 516

City / State / Zip Long Lake, MN 55356

Phone 952-473-4089 Email Address N/A use Michael's

By signature below, applicant/event organizer agrees to abide by any and all conditions of Special Event Permit approval, if approved; and hereby agrees to indemnify, hold harmless, and exempt the City of Long Lake, its officers, employees, and agents from any and all claims, costs and liabilities, including reasonable attorneys' fees, in any way related to the applicant's Special Event as approved.

X Signature of Applicant Michael S. **Date** 3/24/26

****** THIS SECTION TO BE COMPLETED BY CITY STAFF ONLY ******

APPLICATION SUBMITTED WAS - [X] Complete With Exhibits [ ] Incomplete – Date Completed _____

Damage Deposit Submitted (IF APPLICABLE) - [X] Not Applicable [ ] Amount = $_____ Check #_____

Review by Department Head or Designee

[ ] Public Works Staff Initials _____ Date _____

[ ] Fire Department Staff Initials _____ Date _____

[X] Police Department Staff Initials _____ Date _____

Staff Signature - Special Event Permit Issued By _____ (CITY CLERK OR AUTHORIZED DESIGNEE)

City Council Approval Date _____ Date of Issuance _____ **PERMIT #S** 2026-03

Conditions of Permit Approval

[X] Permit Conditions Detailed in Attached Letter Dated 4/1/2024

[ ] Permit Conditions Listed Below:

_____

_____

CITY OF
LONG LAKE

April 1, 2026

Michael Simpson
Red Rooster Bar & Restaurant
1830 Wayzata Boulevard W
PO Box 516
Long Lake, MN 55356

RE: SPECIAL EVENT PERMIT CONDITIONS, PERMIT #S2026-03
Temporary Outdoor Patio – Red Rooster Bar & Restaurant
Effective May 1, 2026 – October 1, 2026

Dear Applicant / Permit Holder:

Your application for a Special Event Permit to permit installation of a Temporary Outdoor Patio for the Red Rooster Bar & Restaurant is hereby approved, subject to the conditions listed below. The Wayzata Police Chief or the Chief's designee, acting on behalf of the City of Long Lake, and the Shoreline Fire Department Fire Chief are each empowered to revoke this Special Event Permit at any time for any safety concerns that are not immediately resolved by the Applicant/Permit Holder or a representative of the Permit Holder.

[ ] No modifications may be made to the approved temporary outdoor patio site plan without prior approval of the Fire Chief and Wayzata Police Chief or the Chief's designee. The approved site plan attached to this Permit shows the location of tables (maximum of 12 tables permitted) and seats with calculation of maximum number of customer seating (not to exceed 50 at any time); depicts all entry and exit points; and includes descriptions of temporary fencing materials and temporary lighting to be utilized. Patios for alcohol serving establishments must display a compact and contiguous service area in accordance with Minnesota Rules 7515.0430, subpart 2; and must show how alcohol will be restricted with a barrier or other means between the temporary outdoor patio and surrounding area.

[ ] The temporary patio structure may only be installed consistent with the approved site plan. The Applicant must call Fire Chief Mike Heiland for inspection of any temporary lighting installations at 952-473-9701 ext. 1.

[ ] Security of the temporary outdoor patio shall be the responsibility of the Applicant/Permit Holder.

[ ] Patio coverings for customers must be limited to secured umbrellas over dining tables. No permanent covering structures are permitted.

[ ] Applicant/Permit Holder shall be responsible for picking up litter within 100 feet of the temporary outdoor patio on a daily basis.

SPECIAL EVENT PERMIT CONDITIONS, PERMIT #S2026-03
Temporary Outdoor Patio – Red Rooster Bar & Restaurant / Effective May 1 – October 1, 2026

[ ] A portion of public right-of-way is included in the temporary patio area, and maintenance of public right-of-way shall be the responsibility of the Property Owner.

[ ] As the temporary outdoor patio site plan encompasses an area of City public right-of-way along Mill Street, Applicant must enter into a License and Indemnification Agreement with the City of Long Lake, on a form provided by the City, prior to temporary patio installation.

[ ] Applicant must provide proof of authorization to occupy Hennepin County right-of-way prior to temporary patio installation.

[ ] Where the temporary outdoor patio is located alongside Wayzata Boulevard W and Mill Street, the temporary patio fence boundary must be set back a minimum of 8 feet behind the curb in order to maintain accessibility for City of Long Lake Public Works staff.

[ ] Signage stating "No Alcohol Allowed Beyond This Point" is required to be posted at any exits from the patio.

[ ] A Certificate of Insurance listing the City of Long Lake as an additional insured is required to be submitted prior to temporary patio installation.

[ ] This Special Event Permit for a temporary outdoor restaurant patio is effective May 1, 2026 through October 1, 2026. This Permit may be extended if approved in writing by the City Clerk.

[ ] Failure to abide by any of the conditions in this Permit may result in permit revocation.

Please be advised that by acceptance of Special Event Permit #S2026-03, the Applicant/Permit Holder, on behalf of any and all organizations and private persons, grants authority to operate under the Special Event Permit, and agrees to indemnify and hold harmless the City of Long Lake from all claims arising from said event. The permit holder, all organizations and private persons exercising authority under this Permit, do waive and release all claims against the City of Long Lake, its officers or employees for any damage to person or property arising from the exercise of privileges granted by this Permit and agrees to hold harmless the City of Long Lake, its employees and officers from any such claim.

Thank you in advance for your cooperation, and best wishes to you and your business.

Sincerely,

Jeanette Moeller
City Clerk

Temporary patio area will be contiguous to the Red Rooster building.

Temporary patio fencing location to be set back 16 feet behind curb (leaving sidewalk unobstructed) on W Wayzata Boulevard area. Posts to be placed 10 feet apart. Fencing material will be split rail fence with construction block securing posts.

Two entry/exit points will be 5 feet wide.

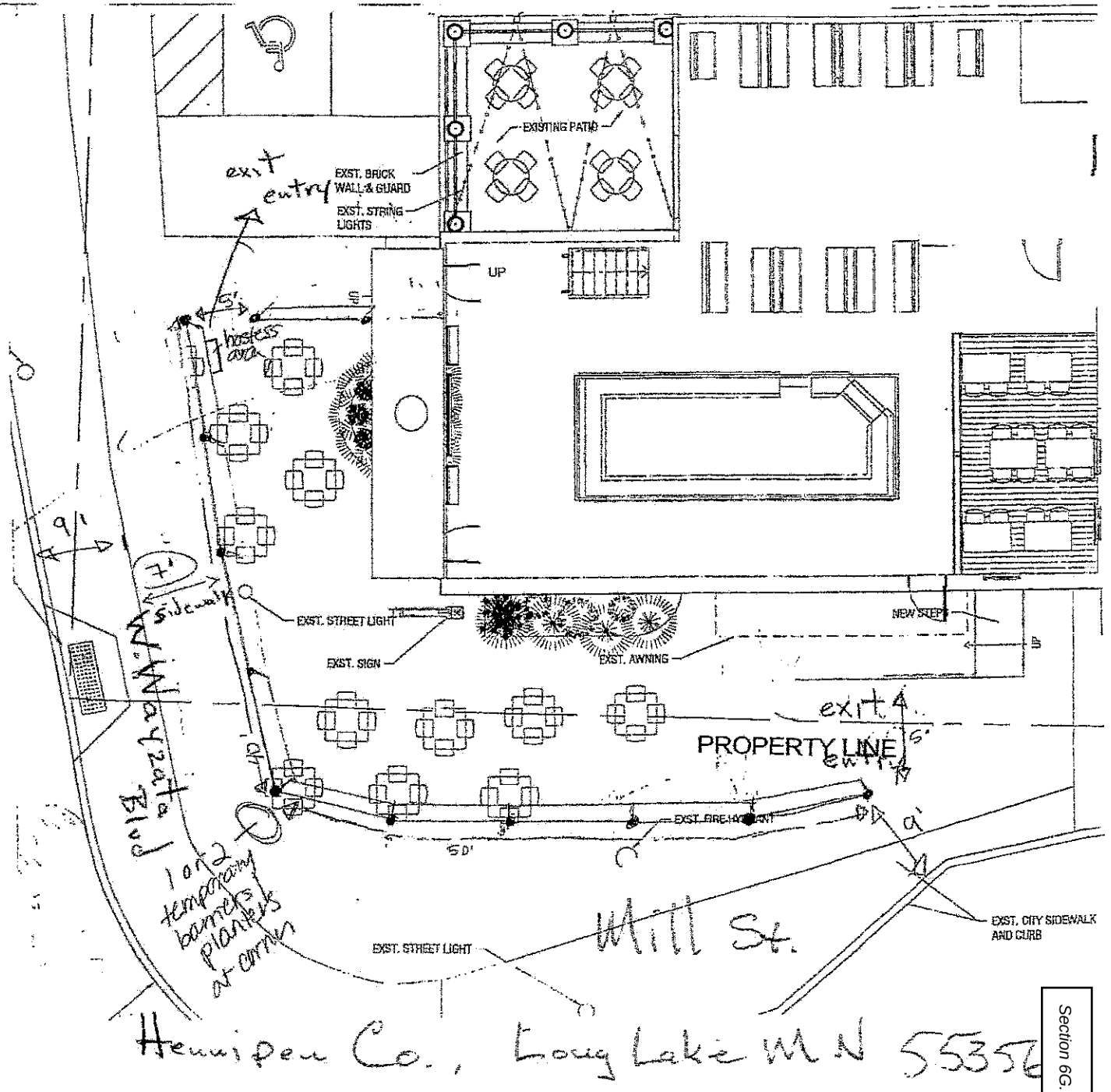
Approximately 12 tables will be placed with seating for 2 or 4 customers, with ability to move chairs to seat 6 customers at a table for family groups. Seating will not exceed 50, or the current number as established by Governor Executive Orders.

Actual location of tables – tables will be spaced minimum 6 feet apart.

May add temporary lighting if needed by affixing "café lights" to fencing materials, but will call Fire Chief for input and inspection if lighting is to be requested.

Plan includes installation of 1 or 2 larger temporary concrete barriers or planters at the corner of Wayzata Boulevard W/Mill Street as safety measures for corner.

Building access for customers will be to restrooms only.



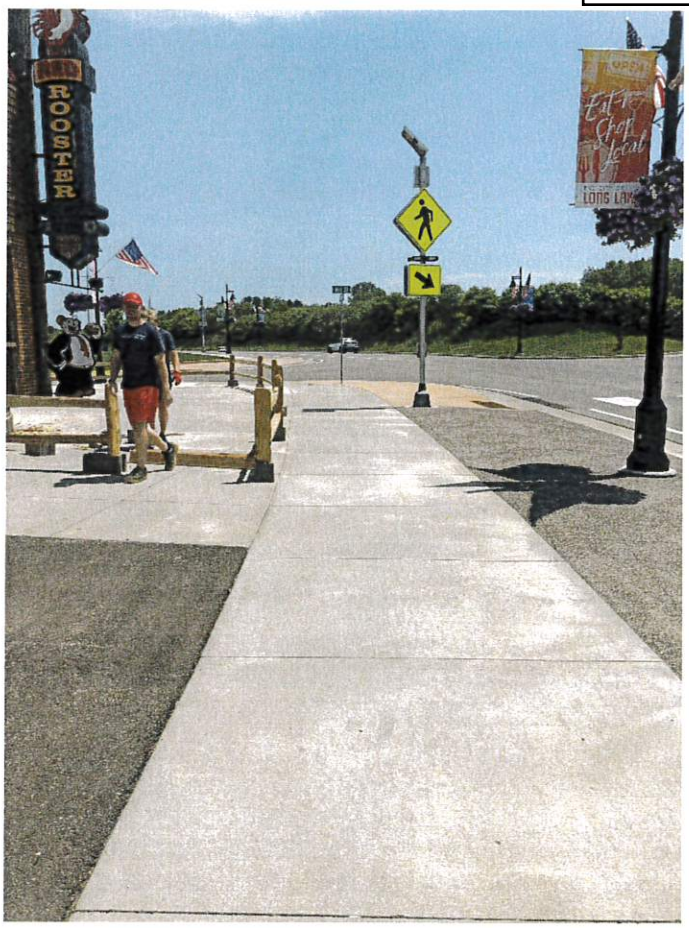









ROOSTER


ROOSTER

CERTIFICATE OF LIABILITY INSURANCE

DATE (I 12/19/2024

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER	CONTACT NAME: Kathy Matula	
Twin City Group 4500 Park Glen Rd. ste 400 Minneapolis MN 55416	PHONE (A/C, No, Ext): (952) 924-6900	FAX (A/C, No): (952) 925-0631
	E-MAIL ADDRESS: certificates@twincitygroup.com	
	INSURER(S) AFFORDING COVERAGE	NAIC #
	INSURER A: Secura Ins	22543
INSURED McCormick Red Rooster Operating LLC dba Red Rooster Bar & Restaurant 1830 W Wayzata Blvd Long Lake MN 55356	INSURER B:	
	INSURER C:	
	INSURER D:	
	INSURER E:	
	INSURER F:	

COVERAGES **CERTIFICATE NUMBER:** 26/27 GL Liq **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	[X] COMMERCIAL GENERAL LIABILITY [ ] CLAIMS-MADE [X] OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: [X] POLICY [ ] PRO-JECT [ ] LOC [ ] OTHER:			BP3357378	01/01/2026	01/01/2027	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG	$ 1,000,000 $ 100,000 $ Excluded $ 1,000,000 $ 2,000,000 $ 2,000,000
	AUTOMOBILE LIABILITY [ ] ANY AUTO [ ] OWNED AUTOS ONLY [ ] SCHEDULED AUTOS [ ] HIRED AUTOS ONLY [ ] NON-OWNED AUTOS ONLY						COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)	$ $ $ $
	[ ] UMBRELLA LIAB [ ] OCCUR [ ] EXCESS LIAB [ ] CLAIMS-MADE [ ] DED [ ] RETENTION $						EACH OCCURRENCE AGGREGATE	$ $
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Y/N ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? [ ] (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	N/A					[ ] PER STATUTE [ ] OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	$ $ $
A	Liquor Liability			BP3357378	01/01/2026	01/01/2027	Each Common Cause Aggregate	1,000,000 2,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Coverage is extended to the outdoor patio area.

Liquor Liability is continuous until canceled.

Location of restaurant is 1830 Wayzata Boulevard W., Long Lake, MN 55356

CERTIFICATE HOLDER

City of Long Lake
450 Virginia Ave., PO Box 606
Long Lake MN 55356

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

© 1988-2015 ACORD CORPORATION. All rights reserv

Utility/Obstruction Permits Utility/ Right-Of-Way/Obstruction Permit Permit# 2021-U0193, UID# 71817
App. Status: Active
Valid: 03/15/2021 - 12/31/2027

Hennepin County Public Works
Transportation Department (Roads and Bridges) - Operations
1600 Prairie Drive
Medina, MN 55340-5421

PROJECTS NORTH OF HIGHWAY 55
Jacob Cardinal (612-328-1622) 24 hours before starting work

PROJECTS SOUTH OF HIGHWAY 55
Tony Hooper (612-442-5025) 24 hours before starting work

Email

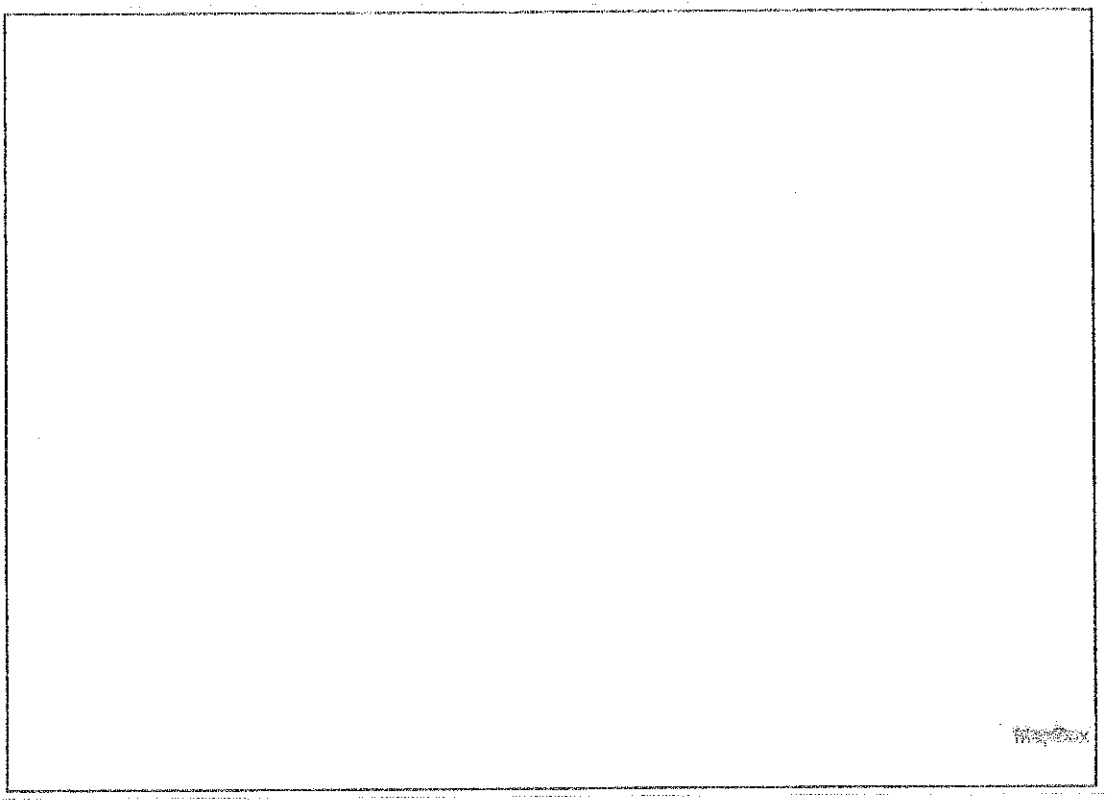
Information

Aerial or Underground?	Neither
Construction Description:	Use of Sidewalk in Hennepin County Right of Way for patio restaurant seating for 2021, 2022, 2023, 2024,2025,2026,2027
Construction Dates:	03/15/2021 to 12/31/2027

Location

Map:

See Attached



City/Twp: Long Lake

Site(s):		County Road #	From	To	Relative to Road
		112	1832 Wayzata Blvd	Mill Street	North

Is the area of the disturbance is over 1 acre? No

Sketch / Site Plan

Upload sketch: File 1: Red_Rooster_Patio.pdf

Section 6G.

Right of Way / Utility Utility/ ROW Permit Permit# 2021-U0193, UID# 71817
App. Status: Active
Valid: 2021-03-15 - 12/31/2022

Hennepin County Public Works
Transportation Department (Roads and Bridges) - Operations
1600 Prairie Drive
Medina, MN 55340-5421

PROJECTS NORTH OF HIGHWAY 55
Jacob Cardinal (612-328-1622) 24 hours before starting work

PROJECTS SOUTH OF HIGHWAY 55
Kurt Weber (612-221-9388) 24 hours before starting work

Email

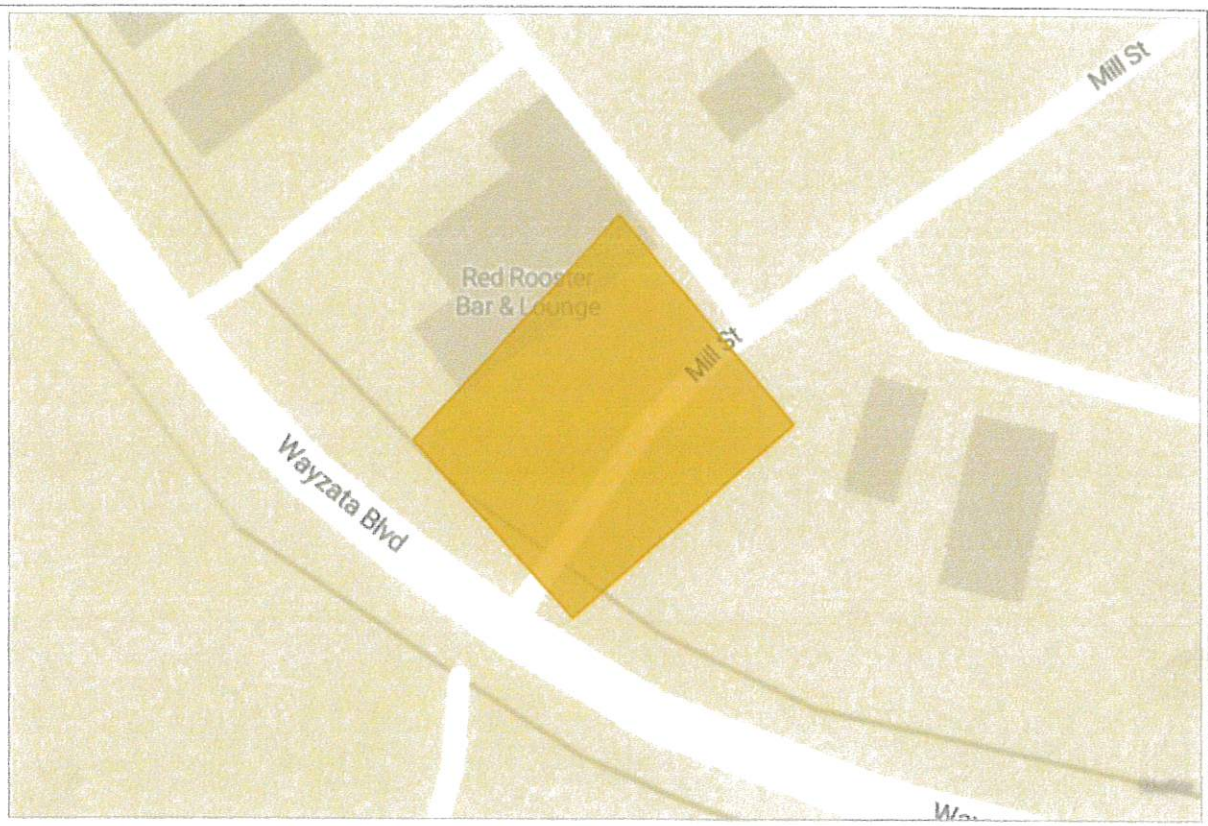
Attached Map for 2/10

Information

Aerial or Underground?	Neither
Construction Description:	Use of Sidewalk in Hennepin County Right of Way for patio restaurant seating for 2021.
Construction Dates:	03/15/2021 to 12/31/2022

Location

Map:



City/Twp: Long Lake

Site(s):

	County Road #	From	To	Relative to Road
	112	1832 Wayzata Blvd	Mill Street	North

Is the area of the disturbance is over 1 acre? No

Sketch / Site Plan

Upload sketch: File 1: Red_Rooster_Patio.pdf

Applicant

Applicant name:

Name:
Michael Simpson
Company name:
Red Rooster Bar & Lounge
Title:
Manager
Phone:
(612) 702 - 9536
Email:
michaelsimpson81@hotmail.com
Company address:
1832 W Wayzata Blvd
Long Lake MN 55356

Terms

Definitions

UTILITY. Under this order "Utility" shall mean and include all privately, publicly or co-operatively owned communication lines and facilities, any systems, lines and facilities for the distribution and transmission of electrical energy, oil, gas, water, sewer, steam and other pipe lines, railways, ditches or other structures which under the laws of this State or the Ordinance of any County or City may be constructed, placed or maintained across, along or on County Highway Right-of-Way. Dependent upon the meaning intended in the context, "utility" shall also mean the Utility Company, inclusive of any wholly owned subsidiary.

City Council Agenda Report

City of Long Lake
450 Virginia Avenue, PO Box 606
Long Lake, MN 55356

MEETING DATE / April 7, 2026

SUBJECT:	Receive 1st Quarter 2026 Revenues and Expenditures	
Prepared By:	Amanda Nowezki, City Administrator	**Report Date:** 4/02/2026

Recommended City Council Action

Staff recommends the following:

Motion to receive 1st Quarter 2026 Revenues and Expenditures as of March 31, 2026 as presented.

Overview / Background

For the Council's awareness, snapshots of the City's fund account balances are to be presented on a quarterly basis. Attached are 1st quarter 2026 revenue and expenditures for review.

Revenues:	Fund-Revenue	XXX-XXXXX
Expenses:	Fund-Department-Expense	XXX-XXXXX-XXXX

Notes: Current fund balances are listed on page 1. Numbered references are addressed at the bottom of each fund report - General Fund is on page 6, Water Fund is on page 8, Sewer Fund is on page 10, Surface Water Fund is on page 11, Recycling Fund is on page 12.

Additional Commentary

Currently all funds are on budget for the year with total expenses ranging between 22%-28% of budget. Here are some important things to note regarding current fund balances and fund revenue and expenses:

General Fund (101) Factors:

- Revenue is currently at 4.5% of the budget, primarily due to the timing of property tax collections, with the first half of payments not expected until mid-June.
- As a property owner, the City of Long Lake was required to purchase additional property insurance for Fire Station #1.
- A prepayment was made for the repair of the Highway 12 emergency access gate. The City will seek reimbursement upon completion of the repair and will bill Hennepin County, MnDOT, the Highway 12 Coalition, and neighboring cities accordingly.
- Public Works has been completing vehicle maintenance, repairs, and inspections that were deferred while the department was short-staffed.

Should you have any questions regarding any of the information contained in these reports, please contact me by email or phone prior to the Council meeting for any clarification.

Supporting Information

- 1st Quarter 2026 Budget Spreadsheets

FUND BALANCES

AS OF: March 31, 2026

FUND	ACCOUNT	FUND BALANCE
GENERAL FUND	G 101-10100	$552,071.95
ECONOMIC DEVELOPMENT	G 105-10100	$72,910.60
FIRE DEPARTMENT	G 205-10100	$230,436.47
PARK DEDICATION FUND	G 210-10100	$63,630.58
LAKE QUALITY IMPROVEMENT FUND	G 213-10100	$7,000.00
CHARITABLE GAMBLING	G 225-10100	$40,464.86
TAX INCREMENT FUNDS (#1-9)	G 38_-10100	$343,802.24
DEBT SERVICE FUNDS (2016A, 2017A)	G 39_-10100	$24,093.40
CAPITAL PROJECT FUND	G 401-10100	$1,811,414.78
PAVEMENT MGMT IMPROVEMENT FUND	G 420-10100	$1,568,444.03
SEALCOATING/PATCHING FUND	G 421-10100	$30,180.24
FLEET CAPITAL FUND	G 430-10100	$103,195.62
CITY FACILITIES CAPITAL FUND	G 440-10100	$85,000.00
PARKS/TRAILS CAPITAL FUND	G 452-10100	$142,884.30
FIRE CAPITAL FUND	G 462-10100	$4,828.73
WATER FUND	G 601-10100	$1,174,486.47
SANITARY SEWER FUND	G 602-10100	$418,991.19
SURFACE WATER MGMT FUND	G 603-10100	$201,210.02
RECYCLING FUND	G 604-10100	$25,039.52
BUILDING PERMIT ESCROWS	G 700-10100	$12,373.18
SANITARY SEWER LINING PROJ	G 802-10100	$300,000.00
	TOTAL CITY BALANCE	**$7,212,458**
	INVESTMENT ACCOUNT	$6,805,548.03
	BANK ACCOUNT	$406,910.15
		$7,212,458

2026 Quarterly Budget Spreadsheet-**General Fund** (101)

AS OF: March 31, 2026	Budget	Year to Date	Difference	Percent of Budget
Total YTD **Revenues**	$1,929,000.00	$86,232.08	$1,842,767.92	4.5%
Total YTD **Expenses**	$1,929,000.00	$455,032.91	$1,473,967.09	23.6%
Total Profit/Loss	**$0.00**	**($368,800.83)**		

Revenues	General	Budget	Year to Date	Remaining	% Revd.	Note:
101-31010	Current Ad Valorem Taxes	$1,667,500.00	$9,651.47	$1,657,848.53	0.6%	***Annual***
101-31040	Fiscal Disparities	$60,000.00	$3,601.85	$56,398.15	6.0%	
101-32110	Liquor Licenses	$37,900.00	$38,975.00	($1,075.00)	102.8%	***Annual***
101-32180	Other Licenses/Permits	$2,000.00	$550.00	$1,450.00	27.5%	
101-32181	Tobacco Licenses	$750.00	$0.00	$750.00	0.0%	
101-32182	Refuse Haulers	$1,200.00	$1,200.00	$0.00	100.0%	***Annual***
101-32210	Building Permits	$44,950.00	$11,187.71	$33,762.29	24.9%	
101-32222	Permit Plan Review Fee	$15,000.00	$4,316.27	$10,683.73	28.8%	
101-32230	Plumbing Permits	$5,000.00	$1,413.97	$3,586.03	28.3%	
101-32235	Heating / Mechanical Permits	$5,000.00	$548.58	$4,451.42	11.0%	
101-32240	Animal Licenses	$150.00	$220.00	($70.00)	146.7%	
101-32271	Sign Permits	$100.00	$0.00	$100.00	0.0%	
101-34001	Administrative Fees	$0.00	$175.00	($175.00)	100.0%	
101-34780	Park Fees	$250.00	$1,080.00	($830.00)	432.0%	
101-34952	Rent- Public Works Facility	$15,000.00	$3,750.00	$11,250.00	25.0%	
101-35100	Court Fines	$10,000.00	$3,587.60	$6,412.40	35.9%	
101-36210	Interest Earnings	$16,000.00	$212.39	$15,787.61	1.3%	***Annual***
101-36221	Verizon	$45,600.00	$7,600.62	$37,999.38	16.7%	
101-36250	State Permit Surcharge	$2,000.00	$464.50	$1,535.50	23.2%	
101-36260	Refunds & Reimbursements	$600.00	$0.00	$600.00	0.0%	
101-36280	Insurance Claim Reimbursements	$0.00	$1,832.25	($1,832.25)	100.0%	
Revenues	Total	$1,929,000.00	$86,232.08	$1,842,767.92	4.5%	

Expenses	City Council	Budget	Year to Date	Remaining	% Spent	Note:
101-41110-1040	Council Salaries	$15,600.00	$3,900.00	11,700.00	25.0%	
101-41110-1220	FICA Tax	$1,200.00	$298.41	901.59	24.9%	
101-41110-1230	MN Paid Leave Tax	$75.00	$0.00	75.00	0.0%	
101-41110-1510	Workers Comp Insurance Prem	$100.00	$56.84	43.16	56.8%	
101-41110-3350	Conference/Meetings	$1,200.00	$99.00	1,101.00	8.3%	
101-41110-3500	Printing Expense	$150.00	$0.00	150.00	0.0%	
101-41110-3510	Legal Notices Publishing	$175.00	$0.00	175.00	0.0%	
101-41110-4040	Equipment Maintenance/Repairs	$2,100.00	$50.97	2,049.03	2.4%	
101-41110-4300	Miscellaneous	$50.00	$0.00	50.00	0.0%	
101-41110-4330	Dues and Subscriptions	$250.00	$230.00	20.00	92.0%	
101-41110-4600	Recognition Expenditures	$100.00	$0.00	100.00	0.0%	
Total		$21,000.00	$4,635.22	$16,364.78	22.1%	

Expenses	Elections	Budget	Year to Date	Remaining	% Spent	Note:
101-41410-1045	Temp Election Judge Pay	$5,500.00	$0.00	5,500.00	0.0%	
101-41410-1230	MN Paid Leave Tax	$0.00	$0.00	0.00	0.0%	
101-41410-2100	Operating Supplies	$1,750.00	$0.00	1,750.00	0.0%	
101-41410-3510	Legal Notices Publishing	$750.00	$0.00	750.00	0.0%	
101-41410-4040	Equipment Maintenance/Repairs	$1,000.00	$656.89	343.11	65.7%	
Total		$9,000.00	$656.89	$8,343.11	7.3%	

Expenses	Administration	Budget	Year to Date	Remaining	% Spent	Note:
101-41500-1000	FT Admin Office Salaries	$245,000.00	$45,453.81	199,546.19	18.6%	
101-41500-1130	Insurance Opt-Out Pay	$12,000.00	$2,018.16	9,981.84	16.8%	
101-41500-1210	PERA	$18,000.00	$3,409.04	14,590.96	18.9%	
101-41500-1220	FICA Tax	$18,000.00	$3,542.66	14,457.34	19.7%	
101-41500-1230	MN Paid Leave Tax	$1,100.00	$0.00	1,100.00	0.0%	
101-41500-1310	Employer Paid Health Insurance	$15,500.00	$4,995.11	10,504.89	32.2%	
101-41500-1510	Workers Comp Insurance Prem	$2,500.00	$542.98	1,957.02	21.7%	
101-41500-2010	Office Supplies	$1,500.00	$379.63	1,120.37	25.3%	
101-41500-2080	Training/Instruction Materials	$5,000.00	$0.00	5,000.00	0.0%	
101-41500-3000	Professional Services	$6,500.00	$1,064.00	5,436.00	16.4%	
101-41500-3010	Audit/Accounting Services	$37,000.00	$27,445.70	9,554.30	74.2%	
101-41500-3090	Software Support	$14,000.00	$6,821.22	7,178.78	48.7%	
101-41500-3095	Computer Network Support	$500.00	$0.00	500.00	0.0%	
101-41500-3220	Postage	$1,500.00	$420.00	1,080.00	28.0%	
101-41500-3230	Cell Phones	$600.00	$120.00	480.00	20.0%	
101-41500-3350	Conference/Meetings	$1,000.00	$350.00	650.00	35.0%	
101-41500-3500	Printing Expense	$750.00	$438.20	311.80	58.4%	
101-41500-3510	Legal Notices Publishing	$1,000.00	$146.00	854.00	14.6%	
101-41500-3520	General Notices/Public Info	$100.00	$0.00	100.00	0.0%	
101-41500-3530	Ordinance Publication	$500.00	$0.00	500.00	0.0%	
101-41500-3550	Codification	$2,000.00	$0.00	2,000.00	0.0%	
101-41500-3610	General Liability Insurance	$27,500.00	$22,875.00	4,625.00	83.2%	
101-41500-3700	Insurance Broker Fee	$3,500.00	$3,500.00	0.00	100.0%	***Annual***
101-41500-4130	Postage Machine Maintenance	$1,000.00	$667.00	333.00	66.7%	
101-41500-4135	Copier Maintenance	$1,900.00	$231.00	1,669.00	12.2%	
101-41500-4140	Folder Inserter Machine	$550.00	$58.69	491.31	10.7%	
101-41500-4145	Bottled Water Service	$200.00	$26.09	173.91	13.0%	
101-41500-4300	Miscellaneous	$300.00	$0.00	300.00	0.0%	
101-41500-4330	Dues and Subscriptions	$4,500.00	$3,616.48	883.52	80.4%	
101-41500-4450	Food & Beverage (Mtgs/Trng)	$750.00	$24.08	725.92	3.2%	
101-41500-5700	Office Equip and Furnishings	$2,000.00	$270.00	1,730.00	13.5%	
101-41500-5710	Computer/Printer Replacement	$5,000.00	$4,380.83	619.17	87.6%	
Total		$431,250.00	$132,795.68	$298,454.32	30.8%	

Expenses	City Attorney	Budget	Year to Date	Remaining	% Spent	Note:
101-41610-3040	Legal Fees - Criminal	$14,400.00	$2,400.00	12,000.00	16.7%	
101-41610-3120	Legal Fees - Civil	$22,600.00	$4,279.75	18,320.25	18.9%	
Total		$37,000.00	$6,679.75	$30,320.25	18.1%	

Expenses	Planning	Budget	Year to Date	Remaining	% Spent
101-41910-1040	Planning Comm Salaries	$2,900.00	$0.00	2,900.00	0.0%
101-41910-1220	FICA Tax	$200.00	$0.00	200.00	0.0%
101-41910-1230	MN Paid Leave Tax	$25.00	$0.00	25.00	0.0%
101-41910-3000	Professional Services	$750.00	$0.00	750.00	0.0%
101-41910-3030	Engineering Fees	$15,500.00	$1,353.00	14,147.00	8.7%
101-41910-3032	General Planning	$9,500.00	$135.75	9,364.25	1.4%
101-41910-3510	Legal Notices Publishing	$125.00	$0.00	125.00	0.0%
Total		$29,000.00	$1,488.75	$27,511.25	5.1%

Expenses	City Hall Facility	Budget	Year to Date	Remaining	% Spent	Note:
101-41940-3000	Professional Services	$1,300.00	$125.80	1,174.20	9.7%	
101-41940-3210	Telephone	$800.00	$215.34	584.66	26.9%	
101-41940-3275	Internet	$3,750.00	$1,346.14	2,403.86	35.9%	
101-41940-3810	Electricity Expense	$2,500.00	$382.03	2,117.97	15.3%	
101-41940-3820	City Utilities (Wtr,Swr,Storm)	$950.00	$234.28	715.72	24.7%	
101-41940-3830	Natural Gas Expense	$2,600.00	$982.83	1,617.17	37.8%	
101-41940-3840	Custodial & Waste Removal	$3,900.00	$870.00	3,030.00	22.3%	
101-41940-4010	Building Maintenance & Repairs	$17,500.00	$1,391.78	16,108.22	8.0%	
101-41940-4015	Grounds Maintenance	$200.00	$0.00	200.00	0.0%	
Total		$33,500.00	$5,548.20	$27,951.80	16.6%	

Expenses	Public Works Facility	Budget	Year to Date	Remaining	% Spent	Note:
101-41942-3000	Professional Services	$1,500.00	$125.80	1,374.20	8.4%	
101-41942-3210	Telephone	$1,000.00	$292.65	707.35	29.3%	
101-41942-3235	Radios (Cty 800mhz)	$1,050.00	$179.88	870.12	17.1%	
101-41942-3275	Internet	$2,150.00	$846.14	1,303.86	39.4%	
101-41942-3810	Electricity Expense	$13,000.00	$2,377.84	10,622.16	18.3%	
101-41942-3820	City Utilities (Wtr,Swr,Storm)	$2,000.00	$550.59	1,449.41	27.5%	
101-41942-3830	Natural Gas Expense	$12,500.00	$6,197.09	6,302.91	49.6%	
101-41942-3840	Custodial & Waste Removal	$350.00	$600.22	(250.22)	171.5%	
101-41942-4010	Building Maintenance & Repairs	$6,000.00	$1,887.99	4,112.01	31.5%	
101-41942-4015	Grounds Maintenance	$50.00	$0.00	50.00	0.0%	
Total		$39,600.00	$13,058.20	$26,541.80	33.0%	

Expenses	Police/Fire Services	Budget	Year to Date	Remaining	% Spent	Note:
101-42110-3120	Legal Fees -Civil	$30,000.00	$0.00	30,000.00	0.0%	
101-42110-3130	Subcontracted Police Services	$350,850.00	$116,836.00	234,014.00	33.3%	
101-42110-3135	Fire Department Services	$198,104.00	$44,712.50	153,391.50	22.6%	
101-42110-3180	Adult Corrections	$246.00	$0.00	246.00	0.0%	
101-42110-3610	General Liability Insurance	$0.00	$6,007.00	(6,007.00)	100.0%	*[1]*
101-42110-4040	Equipment Maintenance/Repairs	$16,650.00	$22,494.66	(5,844.66)	135.1%	*[2]*
Total		$595,850.00	$190,050.16	$405,799.84	31.9%	

Expenses	Inspection Services	Budget	Year to Date	Remaining	% Spent	Note:
101-42400-3035	Bldg. Inspection - Subcontract	$37,000.00	$5,679.11	31,320.89	15.3%	
101-42400-4055	MN Bldg. Permit Surcharge Exp	$3,000.00	$0.00	3,000.00	0.0%	
Total		$40,000.00	$5,679.11	$34,320.89	14.2%	

Expenses	Public Works Fleet	Budget	Year to Date	Remaining	% Spent	
101-43000-2120	Motor Fuels	$15,500.00	$3,604.13	11,895.87	23.3%	
101-43000-2150	Shop Supplies	$2,250.00	$1,972.97	277.03	87.7%	
101-43000-3355	Motor Vehicle Lic & Reg	$250.00	$301.50	(51.50)	120.6%	***Annual***
101-43000-4040	Equipment Maintenance/Repairs	$25,000.00	$13,200.22	11,799.78	52.8%	***[3]***
Total		$43,000.00	$19,078.82	$23,921.18	44.4%	

Expenses	Public Works Administration	Budget	Year to Date	Remaining	% Spent	Note:
101-43050-1010	FT Public Works Salaries	$158,000.00	$26,375.10	131,624.90	16.7%	
101-43050-1015	Part -Time PW Salaries	$7,500.00	$2,261.00	5,239.00	30.1%	
101-43050-1025	Public Works Overtime	$1,000.00	$589.71	410.29	59.0%	
101-41500-1130	Insurance Opt-Out Pay	$0.00	$1,721.88	(1,721.88)	100.0%	***[4]***
101-43050-1210	PERA	$11,000.00	$2,022.39	8,977.61	18.4%	
101-43050-1220	FICA Tax	$12,000.00	$2,385.86	9,614.14	19.9%	
101-43050-1230	MN Paid Leave Tax	$750.00	$0.00	750.00	0.0%	
101-43050-1310	Employer Paid Health Insurance	$19,000.00	$3,185.18	15,814.82	16.8%	***[4]***
101-43050-1510	Work Comp Insurance	$15,000.00	$4,240.58	10,759.42	28.3%	
101-43050-2010	Office Supplies	$750.00	$47.40	702.60	6.3%	
101-43050-2080	Training/Instruction Materials	$4,500.00	$0.00	4,500.00	0.0%	
101-43050-3230	Cell Phones	$2,000.00	$240.00	1,760.00	12.0%	
101-43050-3350	Conference/Meetings	$500.00	$35.48	464.52	7.1%	
101-43050-3500	Printing Expense	$0.00	$634.00	(634.00)	100.0%	***[5]***
101-43050-3610	General Liability Insurance	$10,000.00	$9,148.00	852.00	91.5%	***Annual***
101-43050-4050	Office Equip Repair/Maint	$500.00	$0.00	500.00	0.0%	
101-43050-4170	Uniform	$1,500.00	$0.00	1,500.00	0.0%	
Total		$244,000.00	$52,886.58	$191,113.42	21.7%	

Expenses	Streets-Public Works	Budget	Year to Date	Remaining	% Spent	Note:
101-43100-2240	Street Maint Materials	$5,000.00	$1,026.97	3,973.03	20.5%	
101-43100-2245	Sand/Salt Plowing Materials	$8,500.00	$7,290.38	1,209.62	85.8%	
101-43100-2250	Landscape/Decor	$7,000.00	$1,997.36	5,002.64	28.5%	
101-43100-2255	Tree Removal	$25,000.00	$0.00	25,000.00	0.0%	
101-43100-2260	Sign Repair Materials	$2,000.00	$0.00	2,000.00	0.0%	
101-43100-3030	Engineering Fees	$10,000.00	$173.00	9,827.00	1.7%	
101-43100-3815	Street Lighting Maint/Elect	$30,500.00	$5,402.31	25,097.69	17.7%	
101-43100-4040	Equipment Maintenance/Repairs	$1,000.00	$0.00	1,000.00	0.0%	
101-43100-4045	Insurance Claim Expense	$1,000.00	$0.00	1,000.00	0.0%	
Total		$90,000.00	$15,890.02	$74,109.98	17.7%	

Expenses	Parks/Trails-Public Works	Budget	Year to Date	Remaining	% Spent	Note:
101-45200-1050	Rink Attendant Pay	$300.00	$0.00	300.00	0.0%	
101-45200-1220	FICA Tax	$50.00	$0.00	50.00	0.0%	
101-45200-2150	Shop Supplies	$1,000.00	$602.34	397.66	60.2%	
101-45200-2250	Landscaping Materials	$500.00	$0.00	500.00	0.0%	
101-45200-2255	Tree Removal	$10,000.00	$0.00	10,000.00	0.0%	
101-45200-2260	Sign Repair Materials	$2,000.00	$0.00	2,000.00	0.0%	
101-45200-3810	Electricity Expense	$5,000.00	$1,167.35	3,832.65	23.3%	
101-45200-3820	City Utilities (Wtr,Swr,Storm)	$900.00	$203.10	696.90	22.6%	
101-45200-3830	Natural Gas Expense	$2,000.00	$808.07	1,191.93	40.4%	

101-45200-3840	Custodial & Waste Removal	$800.00	$0.00	800.00	0.0%
101-45200-3880	Portable Toilet Rental	$4,750.00	$0.00	4,750.00	0.0%
101-45200-4010	Building Maintenance & Repairs	$2,000.00	$0.00	2,000.00	0.0%
101-45200-4015	Grounds Maintenance	$5,000.00	$88.41	4,911.59	1.8%
101-45200-4040	Equipment Maintenance/Repairs	$4,500.00	$3,716.26	783.74	82.6%
Total		$38,800.00	$6,585.53	$32,214.47	17.0%

Expenses	Total	$1,929,000.00	$455,032.91	$1,473,967.09	23.6%

Ref Note:

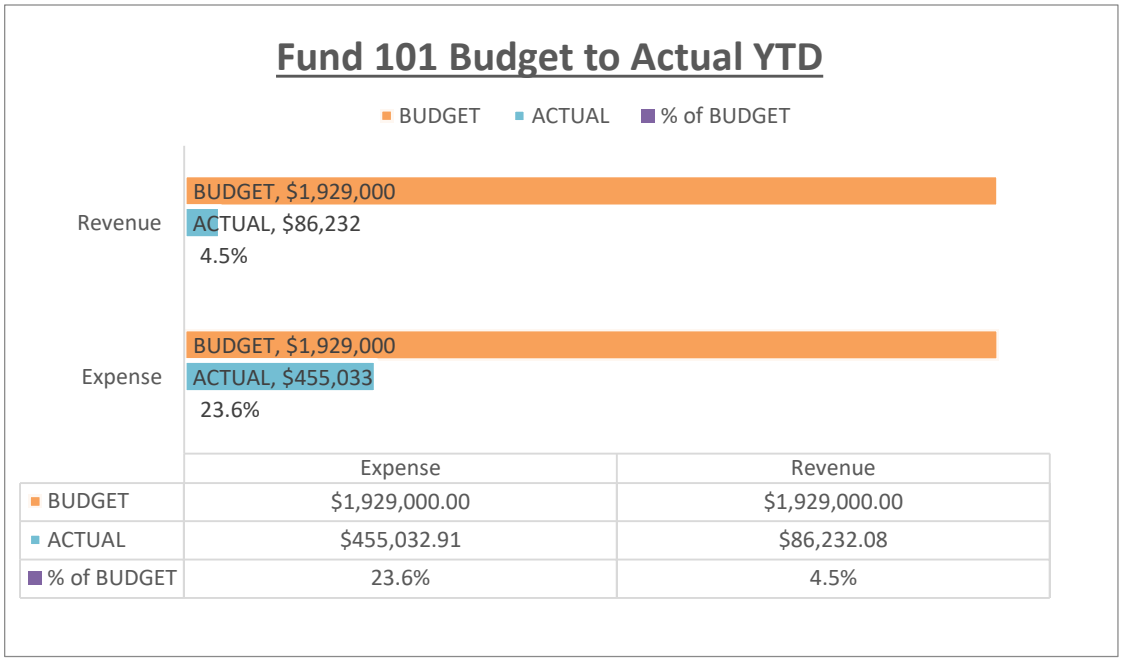
[1] Unbudgeted property insurance required for Fire Station #1

[2] Hwy 12 emergency access gate repair; to be partially reimbursed upon completion

[3] Replace the front differential on the 2018 Chevy Truck and replace the zero turn mower engine

[4] Employee elected benefits; "Insurance Opt-Out" & "Health Insurance" offset each other

[5] Public Works job posting ads



	Expense	Revenue
BUDGET	$1,929,000.00	$1,929,000.00
ACTUAL	$455,032.91	$86,232.08
% of BUDGET	23.6%	4.5%

2026 Quarterly Budget Spreadsheet-**Water Fund (601)**

AS OF: March 31, 2026	Budget	Year to Date	Difference	Percent of Budget
Total YTD **Revenues**	$391,750.00	$78,135.59	$313,614.41	19.9%
Total YTD **Expenses**	$526,750.00	$147,560.50	$379,189.50	28.0%
Total Profit/Loss	($135,000.00)	($69,424.91)		

Revenue	Water Fund	Budget	Year to Date	Remaining	% Recvd	Note:
601-36210	Interest Earnings	$16,250.00	$0.00	16,250.00	0.0%	***Annual***
601-37100	Water Billings	$342,000.00	$69,943.75	272,056.25	20.5%	
601-37105	Water Sales to Orono	$23,000.00	$5,581.22	17,418.78	24.3%	
601-37160	Water Penalty	$500.00	$93.90	406.10	18.8%	
601-37170	MDH Water Test Fee	$10,000.00	$2,516.72	7,483.28	25.2%	
Revenues	Total	$391,750.00	$78,135.59	$313,614.41	19.9%	

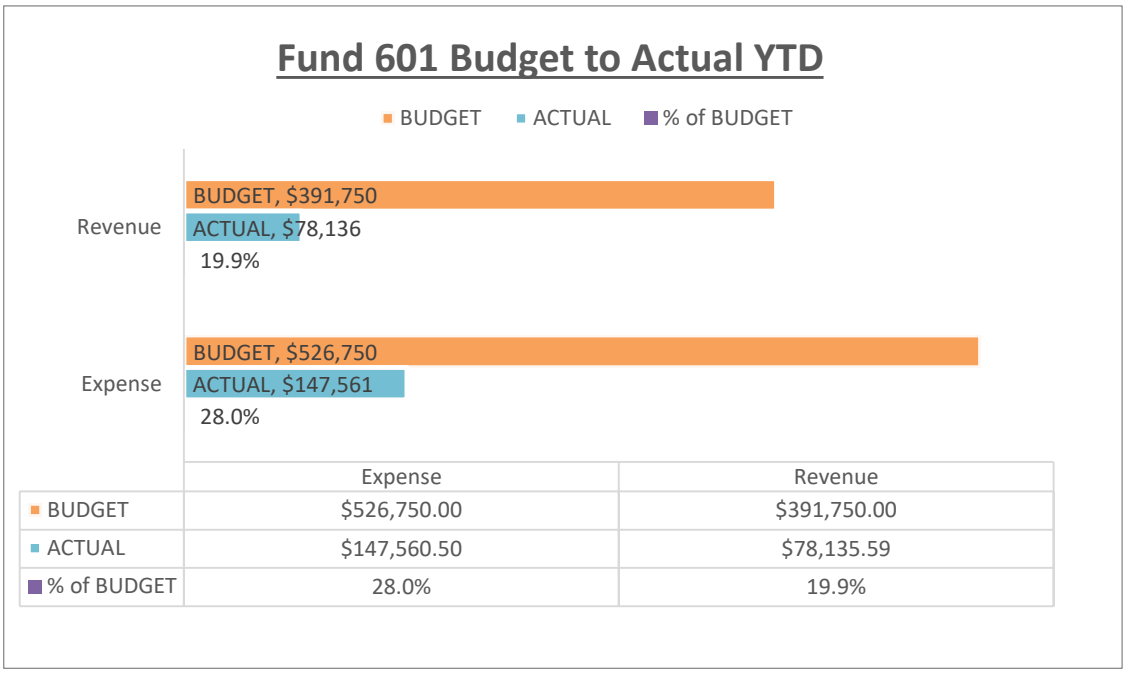
Expenses	Water Fund	Budget	Year to Date	Remaining	% Spent	Note:
601-49400-1010	FT Public Works Salaries	$63,500.00	$10,550.05	52,949.95	16.6%	
601-49400-1070	PW On-Call Pay	$5,650.00	$1,158.80	4,491.20	20.5%	
601-49400-1210	PERA	$4,950.00	$878.19	4,071.81	17.7%	
601-49400-1220	FICA Tax	$5,050.00	$895.68	4,154.32	17.7%	
601-49400-1230	MN Paid Leave Tax	$300.00	$0.00	300.00	0.0%	
601-49400-1310	Employer Paid Health Insurance	$7,550.00	$1,294.90	6,255.10	17.2%	
601-49400-1510	Workers Comp Insurance Prem	$5,500.00	$2,120.30	3,379.70	38.6%	
601-49400-2010	Office Supplies	$150.00	$175.00	(25.00)	116.7%	
601-49400-2080	Training/Instruction Materials	$1,500.00	$0.00	1,500.00	0.0%	
601-49400-2150	Shop Supplies	$500.00	$151.27	348.73	30.3%	
601-49400-2160	Chemicals and Chem Products	$40,000.00	$4,520.65	35,479.35	11.3%	
601-49400-2205	Water Meter Purchases	$2,000.00	$0.00	2,000.00	0.0%	
601-49400-2255	Tree Removal	$10,000.00	$0.00	10,000.00	0.0%	
601-49400-3000	Professional Services	$1,250.00	$0.00	1,250.00	0.0%	
601-49400-3030	Engineering Fees	$5,000.00	$116.25	4,883.75	2.3%	
601-49400-3090	Software Support	$6,000.00	$1,316.65	4,683.35	21.9%	
601-49400-3120	Legal Fees - Civil	$750.00	$0.00	750.00	0.0%	
601-49400-3220	Postage	$2,400.00	$547.30	1,852.70	22.8%	
601-49400-3350	Conference/Meetings	$550.00	$350.00	200.00	63.6%	
601-49400-3510	Legal Notices Publishing	$1,250.00	$0.00	1,250.00	0.0%	
601-49400-3610	General Liability Ins	$3,500.00	$2,797.00	703.00	79.9%	***Annual***
601-49400-3810	Electricity Expense	$40,000.00	$5,431.28	34,568.72	13.6%	
601-49400-3820	City Utilities (Wtr,Swr,Storm)	$750.00	$136.26	613.74	18.2%	
601-49400-3825	Water Testing/Reporting Expense	$1,000.00	$1,021.41	(21.41)	102.1%	***[1]***
601-49400-3831	Generator Fuel Expense	$800.00	$453.75	346.25	56.7%	
601-49400-3855	Gopher One Locates Expense	$1,000.00	$352.85	647.15	35.3%	
601-49400-4010	Building Maintenance & Repairs	$750.00	$0.00	750.00	0.0%	
601-49400-4040	Equipment Maintenance/Repairs	$28,000.00	$37.85	27,962.15	0.1%	
601-49400-4065	Water Main Breaks	$30,000.00	$23,861.01	6,138.99	79.5%	***[2]***
601-49400-4070	Water/Sewer Easements	$500.00	$0.00	500.00	0.0%	
601-49400-4300	Depreciation	$134,500.00	$0.00	134,500.00	0.0%	***Annua***

601-49400-4320	Utility Overpmts/Uncollectable	$1,750.00	$63.03	1,686.97	3.6%	
601-49400-4330	Dues and Subscriptions	$240.00	$50.00	190.00	20.8%	
601-49400-4400	MHD Water Act Fees Remitted	$11,600.00	$2,895.00	8,705.00	25.0%	
601-49400-5000	Capital Outlay	$12,000.00	$0.00	12,000.00	0.0%	
601-49400-6010	Debt Srv Bond Principal	$76,500.00	$76,842.00	(342.00)	100.4%	***Annual***
601-49400-6110	Bond Interest	$20,000.00	$9,544.02	10,455.98	47.7%	
601-49400-6200	Fiscal Agent Fees	$10.00	$0.00	10.00	0.0%	
Total		$526,750.00	$147,560.50	$379,189.50	28.0%	

Ref Note:

[1] Coded the Annual Water Use Report expense to "water testing" rather than "professional services"

[2] Costly watermain break at 1575 West Wayzata Blvd



	Expense	Revenue
BUDGET	$526,750.00	$391,750.00
ACTUAL	$147,560.50	$78,135.59
% of BUDGET	28.0%	19.9%

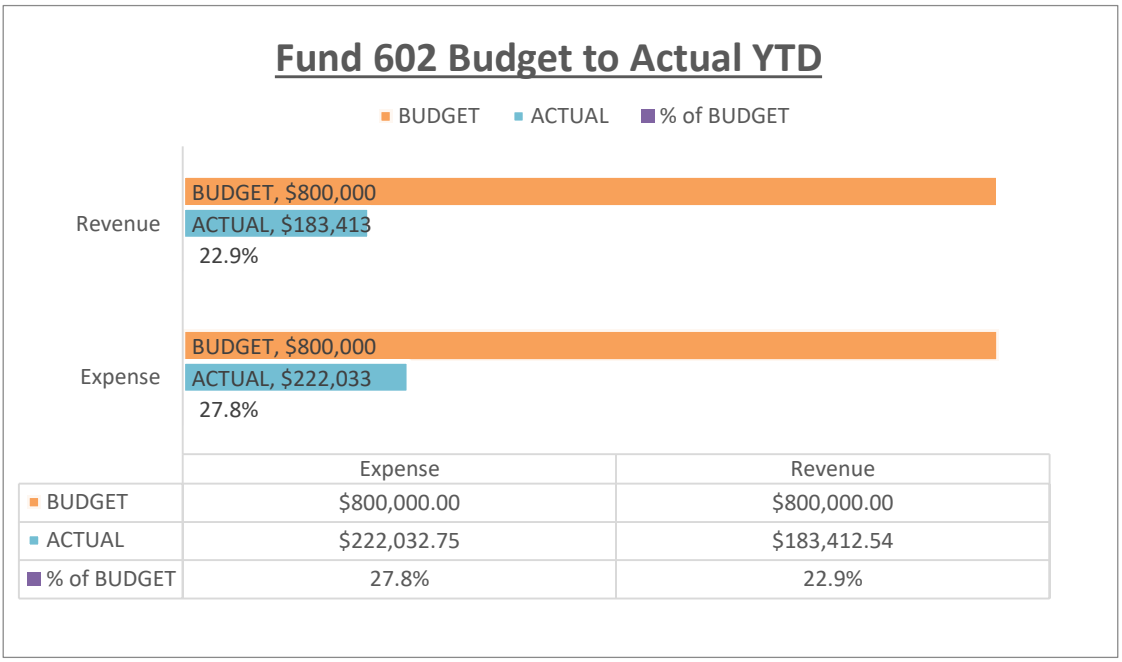
2026 Quarterly Budget Spreadsheet-**Sewer Fund (602)**

AS OF: March 31, 2026	Budget	Year to Date	Difference	Percent of Budget
Total YTD **Revenues**	$800,000.00	$183,412.54	$616,587.46	22.9%
Total YTD **Expenses**	$800,000.00	$222,032.75	$577,967.25	27.8%
Total Profit/Loss	$0.00	($38,620.21)		

Revenues	Sewer Fund	Budget	Year to Date	Remaining	% Recvd	Note:
602-34401	Orono Sewerage Sales	$25,000.00	$6,719.00	18,281.00	26.9%	
602-36210	Interest Earnings	$4,000.00	$0.00	4,000.00	0.0%	***Annual***
602-37200	Sanitary Sewer Billings	$335,500.00	$72,831.01	262,668.99	21.7%	
602-37210	MetCouncil Sewer Treatment Fee	$434,625.00	$103,625.28	330,999.72	23.8%	
602-37260	Sewer Penalty	$875.00	$237.25	637.75	27.1%	
Revenues	Total	$800,000.00	$183,412.54	$616,587.46	22.9%	

Expenses	Sewer Fund	Budget	Year to Date	Remaining	% Spent	Note:
602-49450-1010	FT Public Works Salaries	$47,500.00	$7,912.57	39,587.43	16.7%	
602-49450-1070	PW On-Call Pay	$5,650.00	$1,158.79	4,491.21	20.5%	
602-49450-1210	PERA	$3,825.00	$680.32	3,144.68	17.8%	
602-49450-1220	FICA	$3,900.00	$693.98	3,206.02	17.8%	
601-49450-1230	MN Paid Leave Tax	$225.00	$0.00	225.00	0.0%	
602-49450-1310	Employer Paid Health Insurance	$5,650.00	$971.21	4,678.79	17.2%	
602-49450-1510	Workers Comp Insurance Prem	$5,500.00	$2,120.30	3,379.70	38.6%	
602-49450-2010	Office Supplies	$200.00	$175.00	25.00	0.0%	
602-49450-2080	Training/Instruction Materials	$1,500.00	$0.00	1,500.00	0.0%	
602-49450-2150	Shop Supplies	$500.00	$0.00	500.00	0.0%	
602-49450-3000	Professional Services	$2,500.00	$0.00	2,500.00	0.0%	
602-49450-3030	Engineering Fees	$38,000.00	$3,990.00	34,010.00	10.5%	
602-49450-3090	Software Support	$4,000.00	$1,442.05	2,557.95	36.1%	
602-49450-3100	MCES Sewer Treatment	$434,625.00	$144,875.32	289,749.68	33.3%	
602-49450-3120	Legal Fees-Civil	$500.00	$0.00	500.00	0.0%	
602-49450-3220	Postage	$2,400.00	$540.00	1,860.00	22.5%	
602-49450-3350	Conference/Meetings	$550.00	$0.00	550.00	0.0%	
602-49450-3610	General Liability Ins	$775.00	$509.00	266.00	65.7%	
602-49450-3810	Electricity Expense	$5,800.00	$609.43	5,190.57	10.5%	
602-49450-3830	Natural Gas Expense	$1,250.00	$173.09	1,076.91	13.8%	
602-49450-4040	Equipment Maintenance/Repairs	$6,000.00	$520.00	5,480.00	8.7%	
602-49450-4060	Clean/Televise Sewer Lines	$10,000.00	$0.00	10,000.00	0.0%	
602-49450-4070	Water/Sewer Easements	$1,400.00	$0.00	1,400.00	0.0%	
602-49450-4200	Depreciation	$75,500.00	$0.00	75,500.00	0.0%	***Annual***
602-49450-4330	Dues and Subscriptions	$500.00	$0.00	500.00	0.0%	
602-49450-4410	MCES SAC Charge Expense	$2,500.00	$0.00	2,500.00	0.0%	
602-49450-5000	Capital Outlay	$80,000.00	$0.00	80,000.00	0.0%	
602-49450-6010	Debt Srv Bond Principal	$50,200.00	$51,449.00	(1,249.00)	102.5%	***Annual***
602-49450-6110	Bond Interest	$9,000.00	$4,212.69	4,787.31	46.8%	
Total		$800,000.00	$222,032.75	$577,967.25	27.8%	

Ref Note:



	Expense	Revenue
BUDGET	$800,000.00	$800,000.00
ACTUAL	$222,032.75	$183,412.54
% of BUDGET	27.8%	22.9%

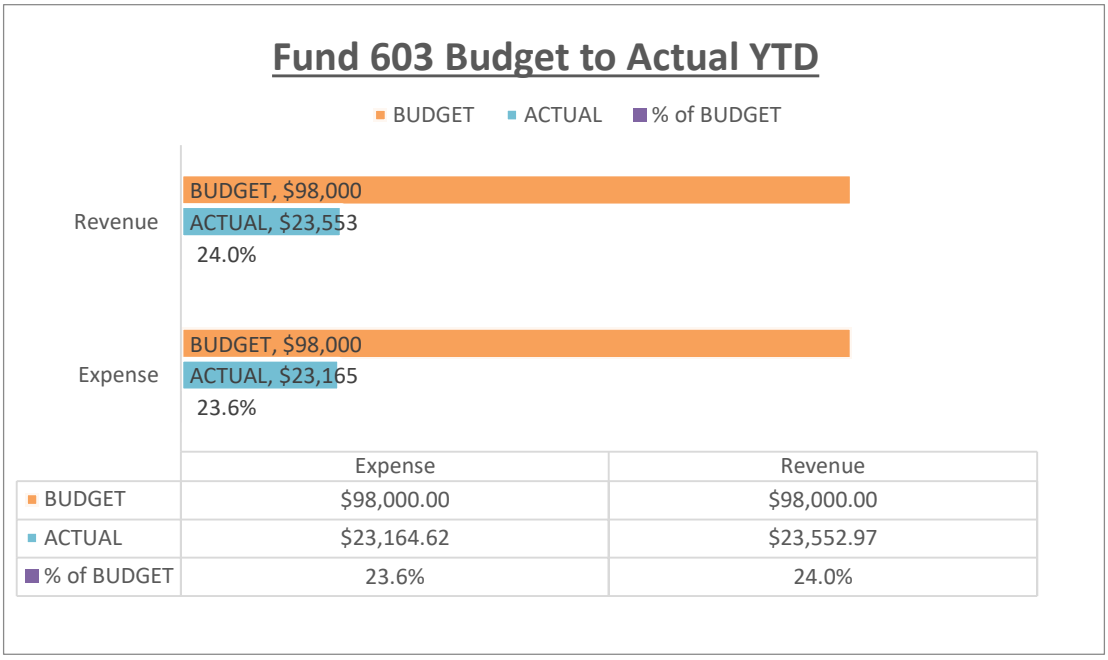
2026 Quarterly Budget Spreadsheet-**Surface Water (603)**

AS OF: March 31, 2026	Budget	Year to Date	Difference	Percent of Budget
Total YTD **Revenues**	$98,000.00	$23,552.97	$74,447.03	24.0%
Total YTD **Expenses**	$98,000.00	$23,164.62	$74,835.38	23.6%
Total Profit/Loss	$0.00	$388.35		

Revenues	Surface Water Fund	Budget	Year to Date	Remaining	% Recvd	Note:
603-36210	Interest Earnings	$3,000.00	$0.00	3,000.00	0.0%	***Annual***
603-37300	Surface Water Mgmt Billings	$94,800.00	$23,535.20	71,264.80	24.8%	
603-37360	Surface Water Penalty	$200.00	$17.77	182.23	8.9%	
Revenues	Total	$98,000.00	$23,552.97	$74,447.03	24.0%	

Expenses	Surface Water Fund	Budget	Year to Date	Remaining	% Spent	Note:
603-43150-1010	FT Public Works Salaries	$47,500.00	$7,912.57	39,587.43	16.7%	
603-43150-1210	PERA	$3,200.00	$593.42	2,606.58	18.5%	
603-43150-1220	FICA	$3,250.00	$605.35	2,644.65	18.6%	
603-43150-1230	MN Paid Leave Tax	$200.00	$0.00	200.00	0.0%	
603-43150-1310	Employer Paid Health Insurance	$5,500.00	$971.21	4,528.79	17.7%	
603-43150-3030	Engineering Fees	$600.00	$0.00	600.00	0.0%	
603-43150-3090	Software Support	$750.00	$522.00	228.00	69.6%	
603-43150-4040	Equipment Maintenance/Repairs	$1,250.00	$0.00	1,250.00	0.0%	
603-43150-4200	Depreciation	$23,150.00	$0.00	23,150.00	0.0%	***Annual***
603-43150-6010	Debt Srv Bond Principal	$11,550.00	$12,352.00	(802.00)	106.9%	***Annual***
603-43150-6110	Bond Interest	$1,050.00	$208.07	841.93	19.8%	
Total		**$98,000.00**	**$23,164.62**	**$74,835.38**	**23.6%**	

Ref Note:



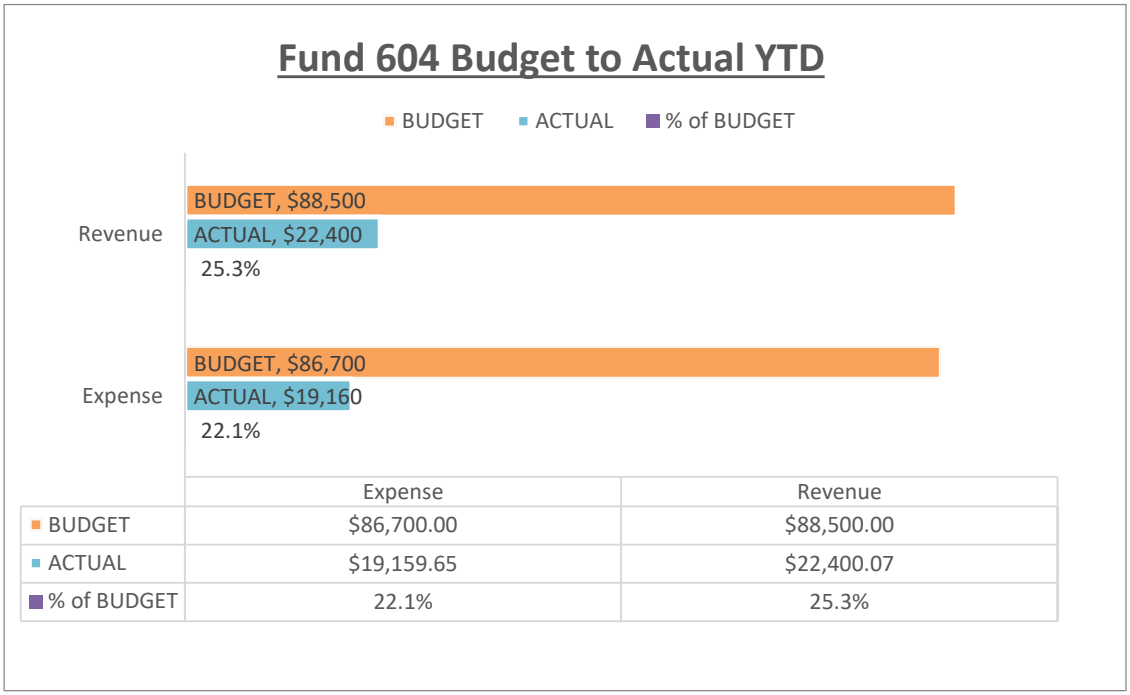
2026 Quarterly Budget Spreadsheet-**Recycling Fund (604)**

AS OF: March 31, 2026	Budget	Year to Date	Difference	Percent of Budget	Ref Note:
Total YTD **Revenues**	$88,500.00	$22,400.07	$66,099.93	25.3%	
Total YTD **Expenses**	$86,700.00	$19,159.65	$67,540.35	22.1%	
Total Profit/Loss	$1,800.00	$3,240.42			

Revenues	Recycling Fund	Budget	Year to Date	Remaining	% Recvd	Note:
604-33640	Recycling Grant	$2,250.00	$0.00	$2,250	0.0%	***Annual***
604-37400	Res Recycling Billings	$53,650.00	$14,129.85	$39,520	26.3%	
604-37460	Recycling Penalty	$100.00	$18.25	$82	18.3%	
604-38000	Organics Recycling Billings	$32,500.00	$8,251.97	$24,248	25.4%	
Revenues	Total	$88,500.00	$22,400.07	$66,099.93	25.3%	

Expenses	Recycling Fund	Budget	Year to Date	Remaining	% Spent	Note:
604-43200-3890	Res Curb Recycling	$46,700.00	$11,471.85	35,228.15	24.6%	
604-43200-3895	Res Organic Recycling	$31,300.00	$7,687.80	23,612.20	24.6%	
604-43200-3897	Community Yard Waste	$8,700.00	$0.00	8,700.00	0.0%	***Annual***
Total		$86,700.00	$19,159.65	$67,540.35	22.1%	

Ref Note:



City Council Agenda Report

City of Long Lake
450 Virginia Avenue, PO Box 606
Long Lake, MN 55356

MEETING DATE / April 7, 2026

SUBJECT:	Appointment of Park Board Chair and Secretary Officer Positions for 2026	
Prepared By:	Jeanette Moeller, City Clerk	**Report Date:** 4/2/2026

Recommended City Council Action

Staff recommends the following:

Motion to appoint Park Board member Erika Leachman as Chair, and member Mark Preissing as Secretary of the Park Board for the year 2026.

Overview / Background

At the January 6, 2026 organizational meeting, the City Council made appointments for various 2026 positions and liaisons. Two appointments that were not made at that meeting were the Park Board Chair and Secretary officer positions. These appointments were delayed to provide opportunity for the Board to meet in 2026 and discuss their recommendations.

The Park Board recently met on March 23 and voted to recommend having Park Board member Erika Leachman continue to serve as Chair, and to appoint member Mark Preissing to act as Secretary for the year 2026.

CITY OF LONG LAKE

City Council Agenda Report

City of Long Lake
450 Virginia Avenue, PO Box 606
Long Lake, MN 55356

MEETING DATE / April 7, 2026

SUBJECT:	Appointment of Planning Commission Chair and Chair Pro-Tempore Officer Positions for 2026	
Prepared By:	Jeanette Moeller, City Clerk	**Report Date:** 4/3/2026

Recommended City Council Action

Staff recommends the following:

Motion to appoint Planning Commissioner Judd Axelson as Chair, and Commissioner Lori Goodsell as Chair Pro-Tempore of the Planning Commission for the year 2026.

Overview / Background

At the January 6, 2026 organizational meeting, the City Council made appointments for various 2026 positions and liaisons. Two appointments that were not made at that meeting were the Planning Commission Chair and Chair Pro-Tempore officer positions. These appointments were delayed to provide opportunity for the Commission to meet in 2026 and discuss their recommendations.

The Planning Commission recently met on March 31 and voted to recommend having Commissioner Judd Axelson serve as Chair, and to appoint Commissioner Lori Goodsell to continue acting as Chair Pro-Tempore for the year 2026.

City Council Agenda Report

City of Long Lake
450 Virginia Avenue, PO Box 606
Long Lake, MN 55356

MEETING DATE / April 7, 2026

SUBJECT:	Receive and Accept the 2025 Audited Financial Report	
Prepared By:	Amanda Nowezki, City Administrator	**Report Date:** 4/02/2026

Recommended City Council Action

Staff recommends the following:

Motion to receive and accept the Executive Governance Summary and Annual Financial Report for the year ended December 31, 2025 issued by the City's external auditors, Abdo LLP.

Overview / Background

The City of Long Lake contracted with Abdo LLP, a CPA firm, to conduct an external audit of the City's 2025 financial activities, to assist in the preparation of the financial statements in a GASB format, and to render an opinion on the audit results.

AEM completed the audit fieldwork in early February and observations from the audit report include an unmodified "clean opinion". The year-end General Fund balance was $1,385,693 which is an increase of $382,873 from 2024 (page 38).

The Water Utility Fund posted a net increase of $112,557 in cash and cash equivalents; the Sewer Utility Fund increased $141,744; the Surface Water Utility Fund increased $22,109; and the Recycling Fund increased $13,027 (page 42).

Tyler See, Audit Senior Manager, will be present to provide the City Council with a more detailed overview of the audit report as well as respond to any specific questions the City Council may have.

Supporting Information

- 2025 Financial Audit Presentation
- Executive Governance Summary
- Annual Financial Report
  Note: For a paper copy of the full Annual Financial Report audit document, please contact the City Clerk. The audit will be available for public viewing on the City's website following City Council approval.

2025 Financial Statement Audit

City of Long Lake



Introduction

- Audit Results
- General Fund
- Other Governmental Funds
- Enterprise Funds
- Key Performance Indicators



Audit Results

Auditor's Opinion

unmodified opinion under GAAP

Minnesota Legal Compliance

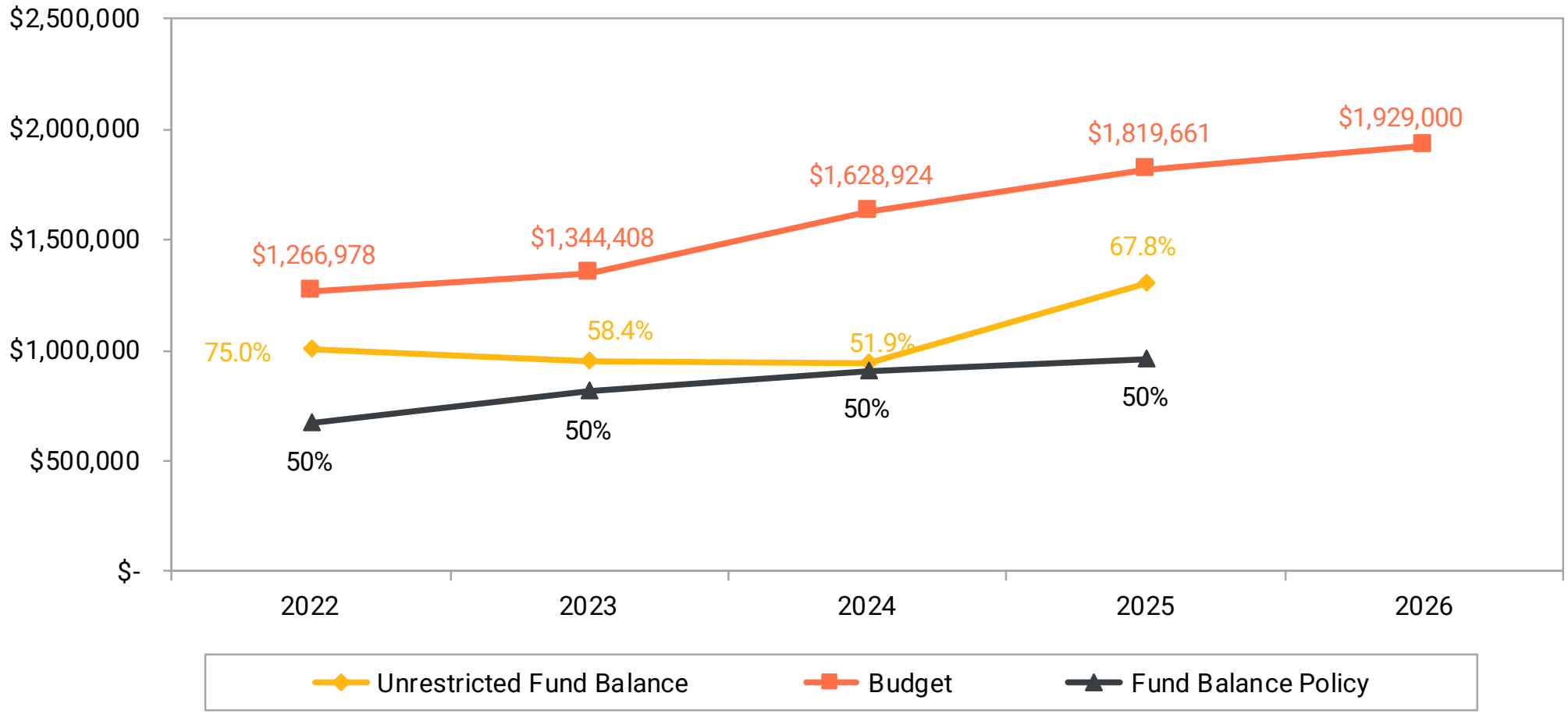
No instances of noncompliance

AUDIT RESULTS

Fiscal Year 2025 Findings

- Preparation of Financial Statements
  - *Internal Control Finding*
- Limited Segregation of Duties
  - *Internal Control Finding*

General Fund-Fund Balances

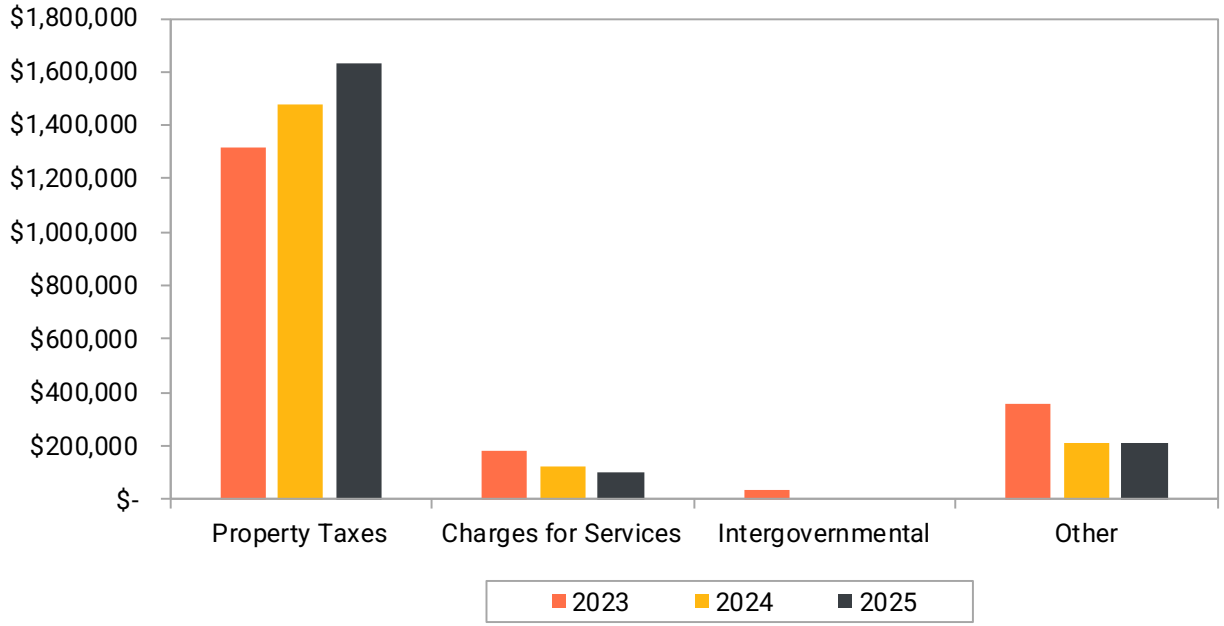


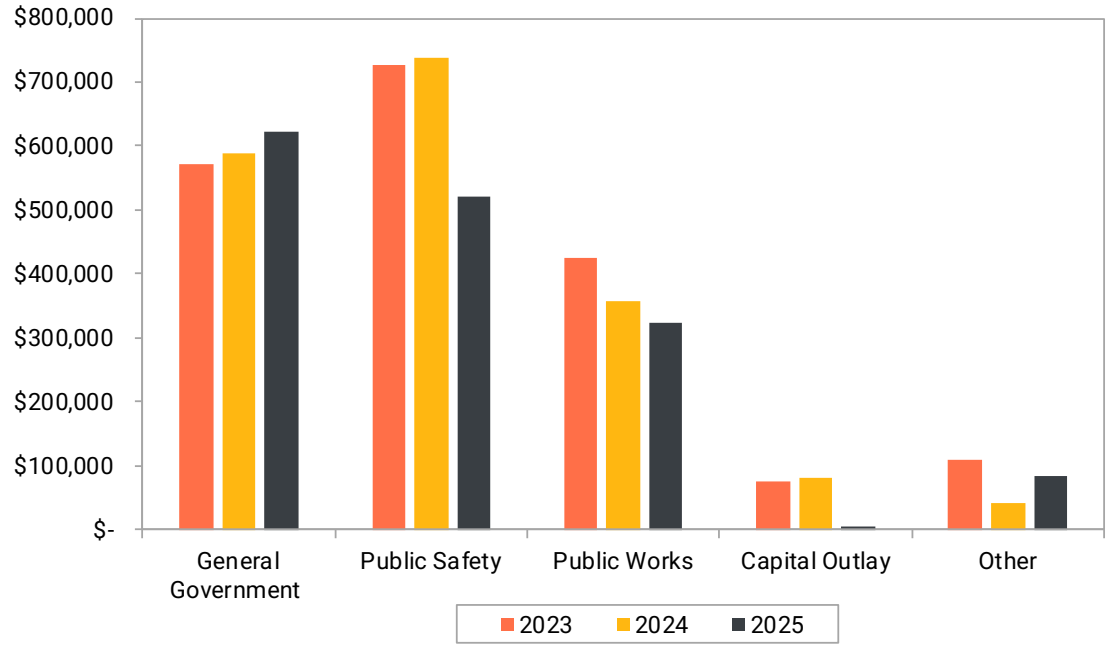
General Fund Budget to Actual

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
Revenues	$ 1,833,406	$ 1,941,791	$ 108,385
Expenditures	1,759,661	1,498,918	260,743
Excess (Deficiency) of Revenues Over (Under) Expenditures	73,745	442,873	369,128
Other Financing Sources (Uses)			
Transfers out	(60,000)	(60,000)	-
Net Change in Fund Balances	13,745	382,873	369,128
Fund Balances, January 1	1,002,820	1,002,820	-
Fund Balances, December 31	$ 1,016,565	$ 1,385,693	$ 369,128

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General Fund Revenues and Expenditures by Type

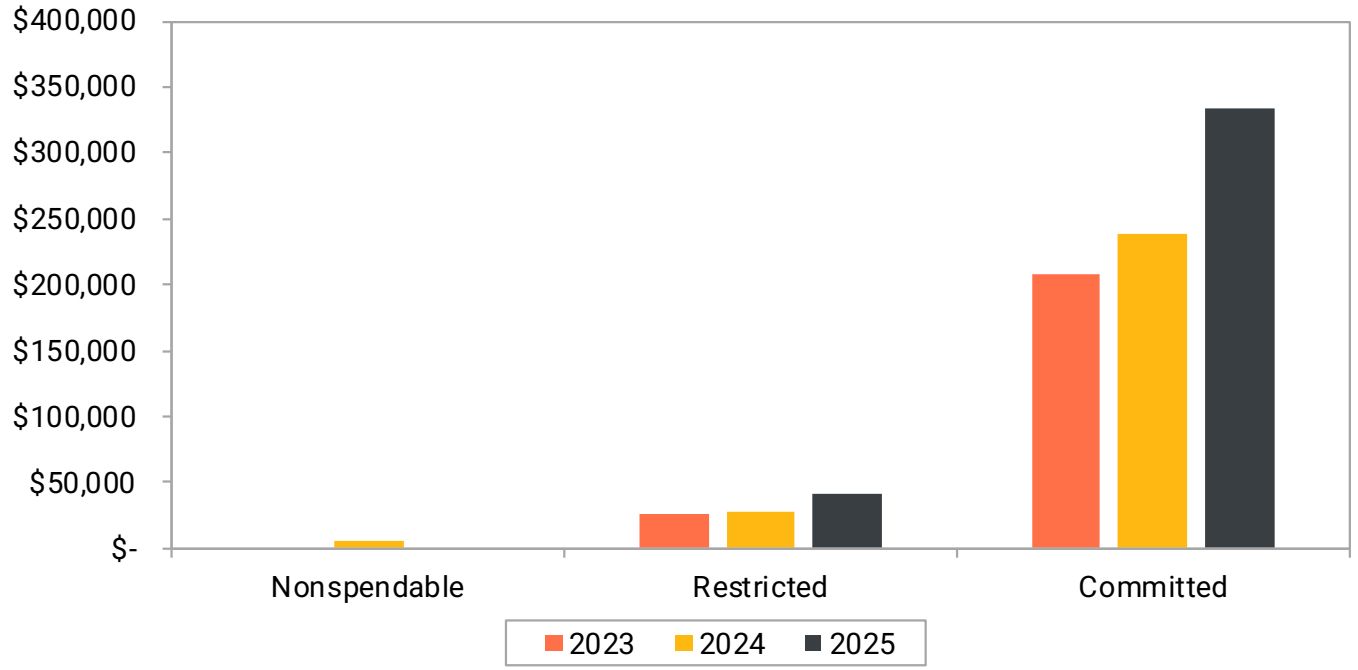




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Special Revenue Fund Balances

Fund	Fund Balances, December 31, 2025	Fund Balances, December 31, 2024	Increase (Decrease)
Major			
Fire Department	$ 246,716	$ 159,596	$ 87,120
Nonmajor			
Economic Development Authority	82,081	78,916	3,165
Long Lake Carp Management	5,611	5,382	229
Charitable Donation Collections	40,705	27,741	12,964
Total	$ 375,113	$ 271,635	$ 103,478



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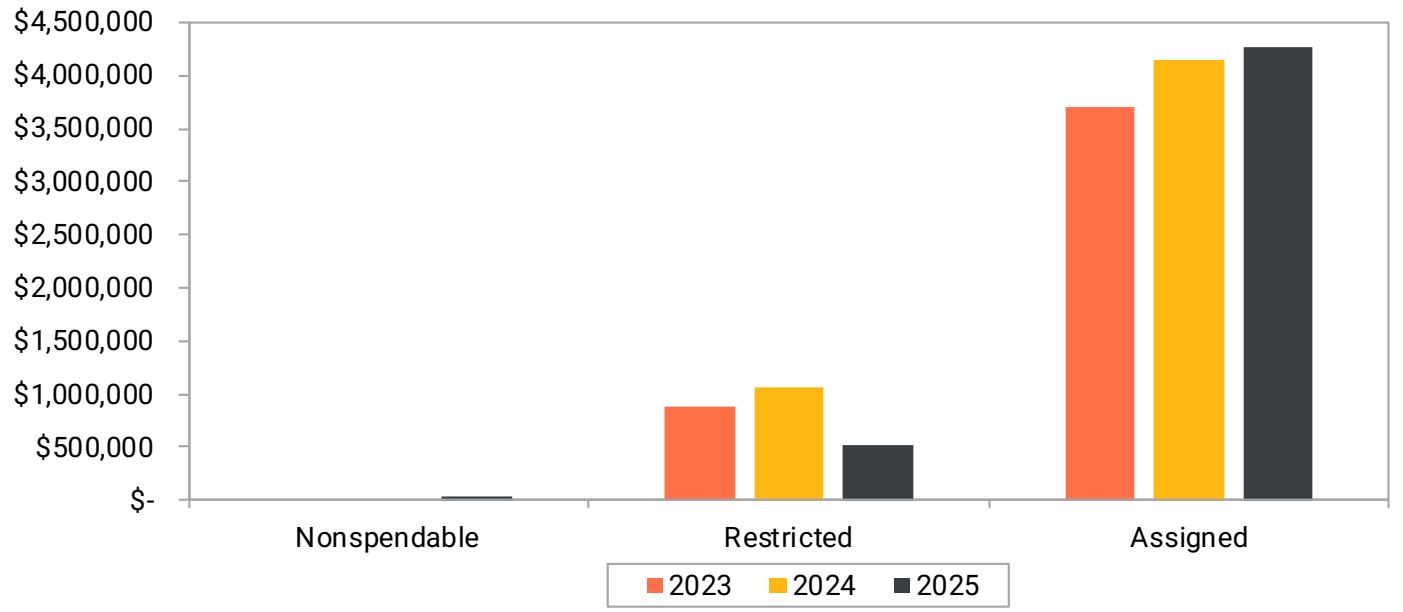
Fire Department Fund Budget to Actual

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
Revenues	$ 989,148	$ 1,244,527	$ 255,379
Expenditures	952,817	1,196,707	(243,890)
Excess (Deficiency) of Revenues Over (Under) Expenditures	36,331	47,820	11,489
Other Financing Sources			
Sale of capital assets	-	39,300	39,300
Net Change in Fund Balances	36,331	87,120	50,789
Fund Balances, January 1	-	159,596	159,596
Fund Balances, December 31	$ 36,331	$ 246,716	$ 210,385

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Capital Projects Fund Balances

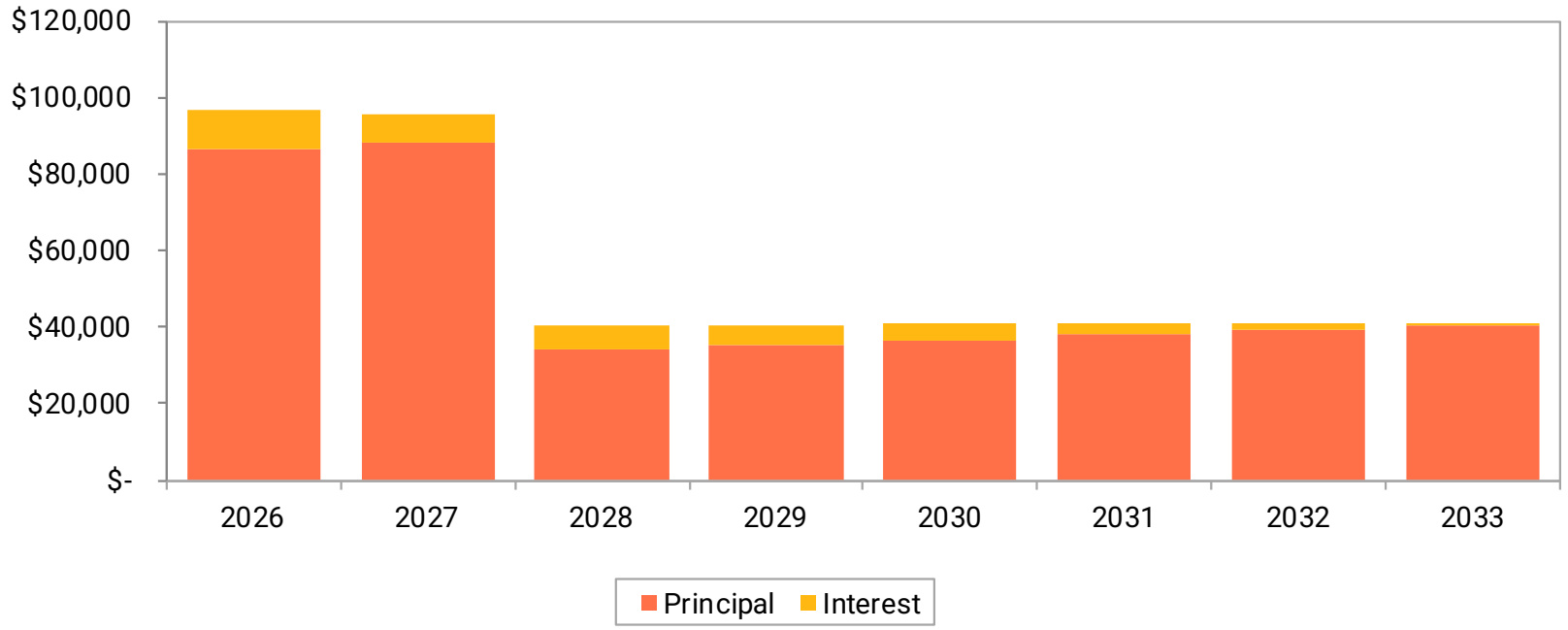
Fund	Fund Balances, December 31, 2025	Fund Balances, December 31, 2024	Increase (Decrease)
Major			
Capital Project	$ 3,756,747	$ 3,602,544	$ 154,203
TIF 1-6	391,116	945,524	(554,408)
Pavement Management Improvement	496,166	398,233	97,933
Nonmajor			
TIF 1-9	51,599	12,469	39,130
Fire Capital	7,805	157,134	(149,329)
Park	96,137	92,647	3,490
Sealcoating/Patching	2,104	-	2,104
Total	$ 4,801,674	$ 5,208,551	$ (406,877)



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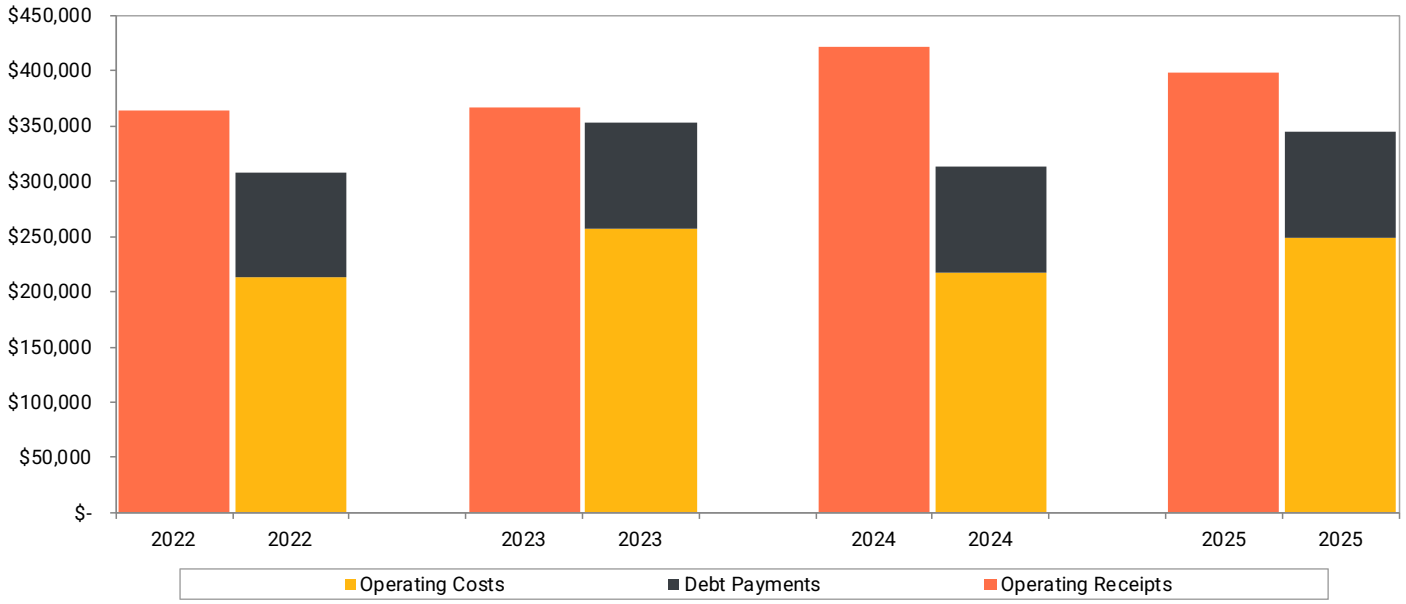
Debt Service Funds

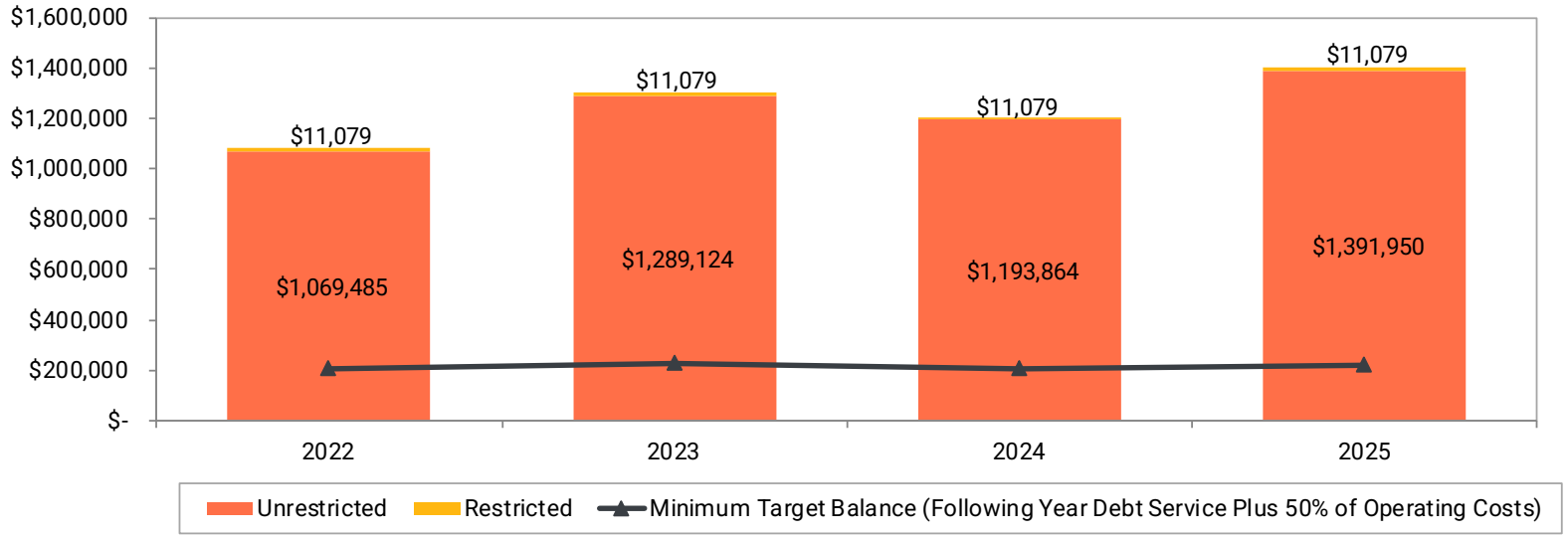
Debt Description	December 31, 2025 Total Cash	Total Assets	Bonds Outstanding	Final Maturity Date
2016A Improvement Bonds	$ 81,169	$ 89,373	$ 110,000	2027
2017A GO Improvement Bonds	36,783	36,783	289,100	2033
Total	$ 117,952	$ 126,156	$ 399,100	



Water Fund

Cash Flows from Operations and Cash Balances

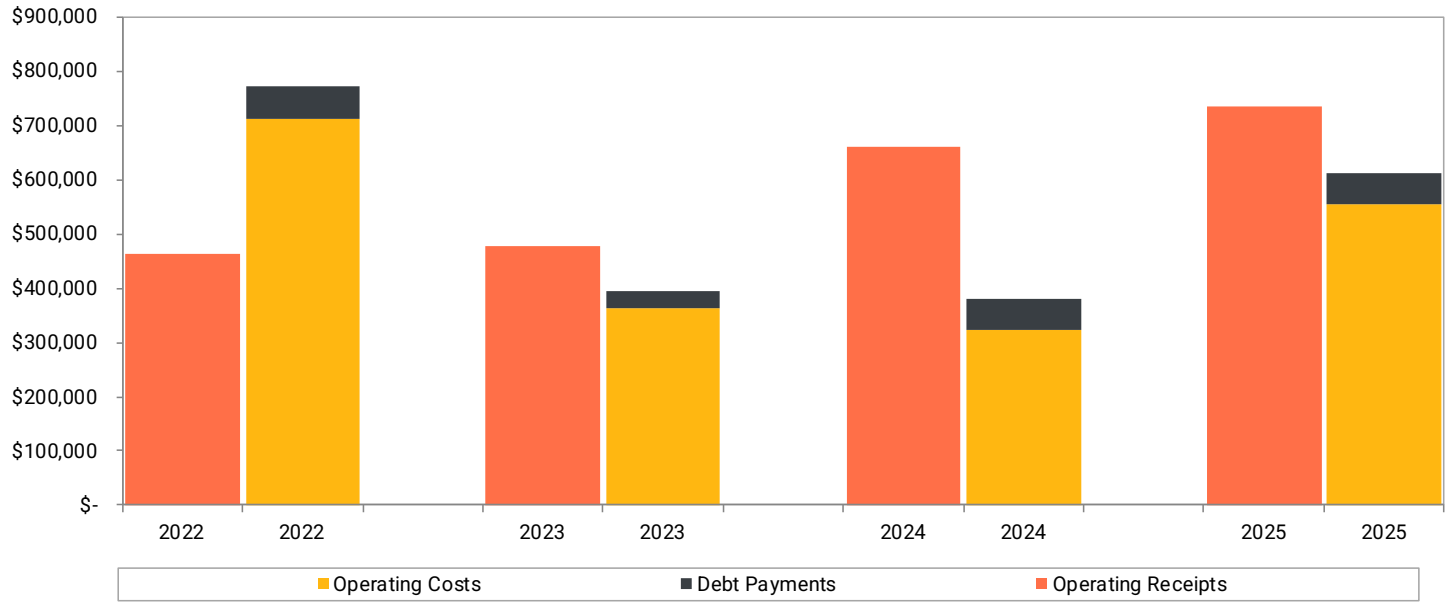


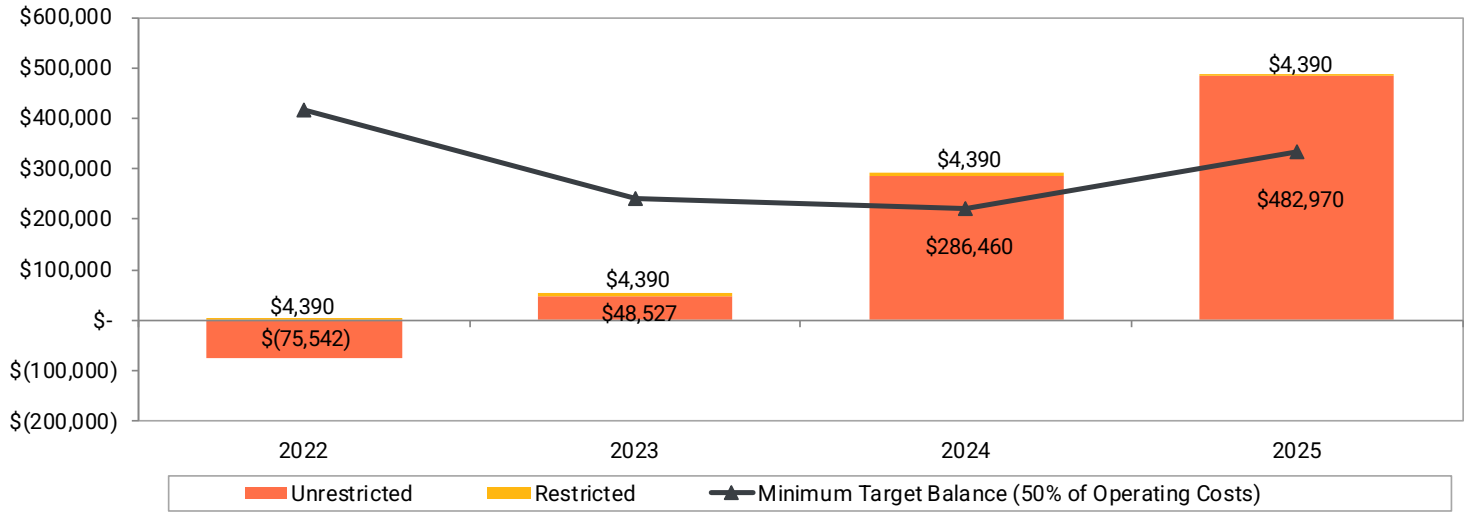


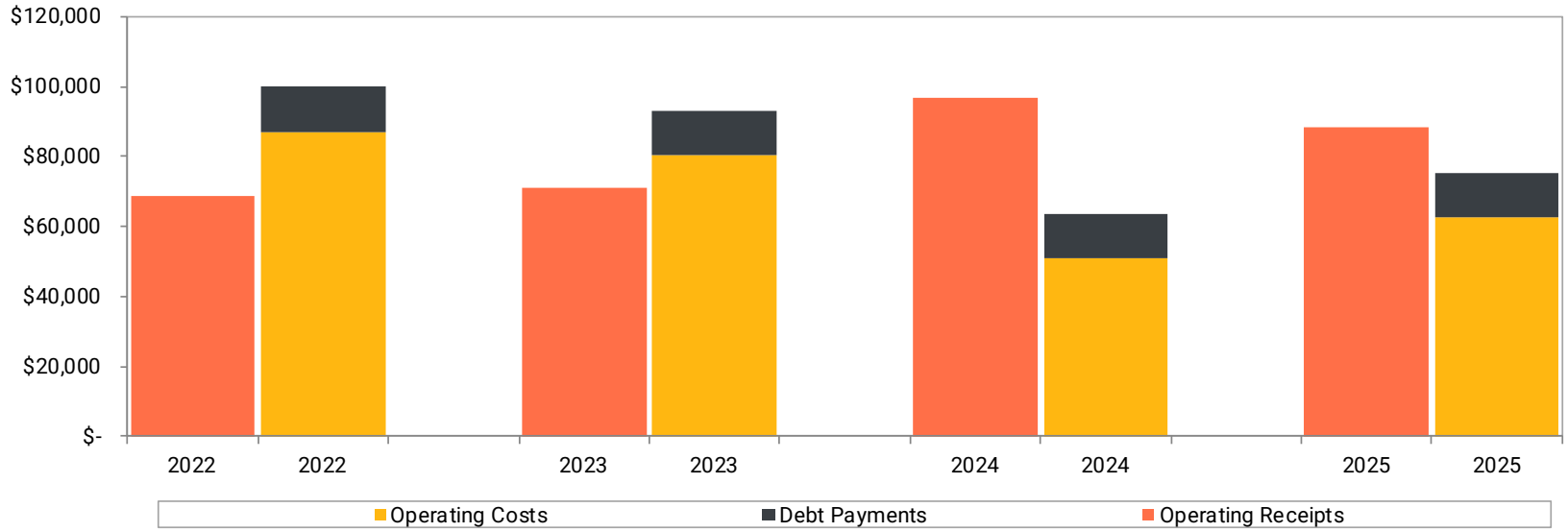
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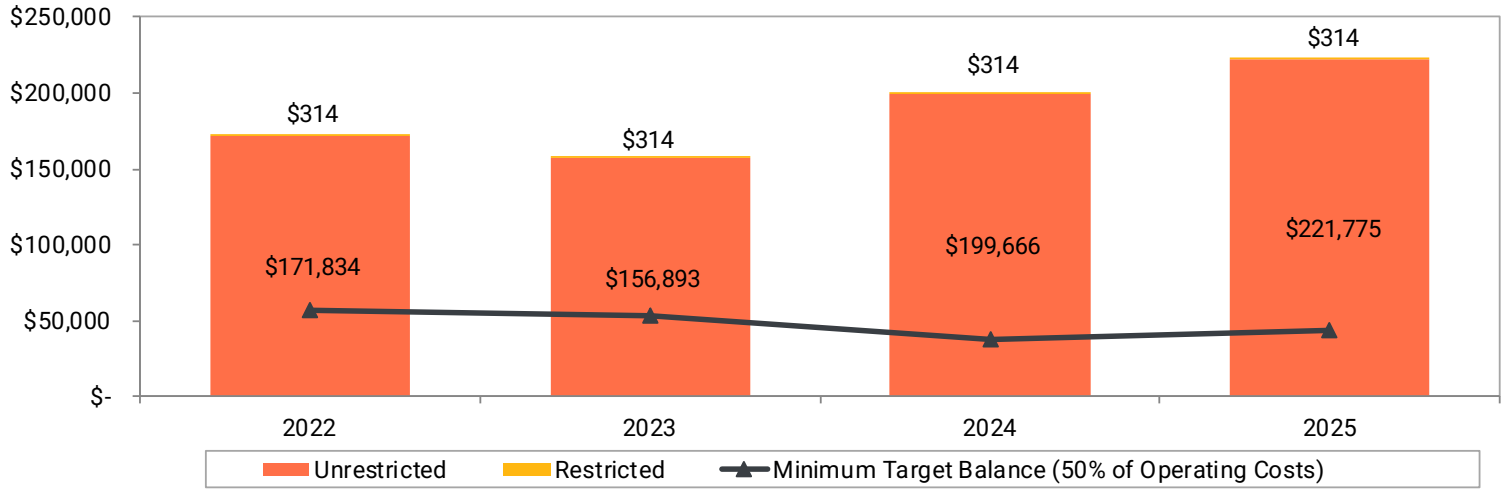
Sewer Fund

Cash Flows from Operations and Cash Balances









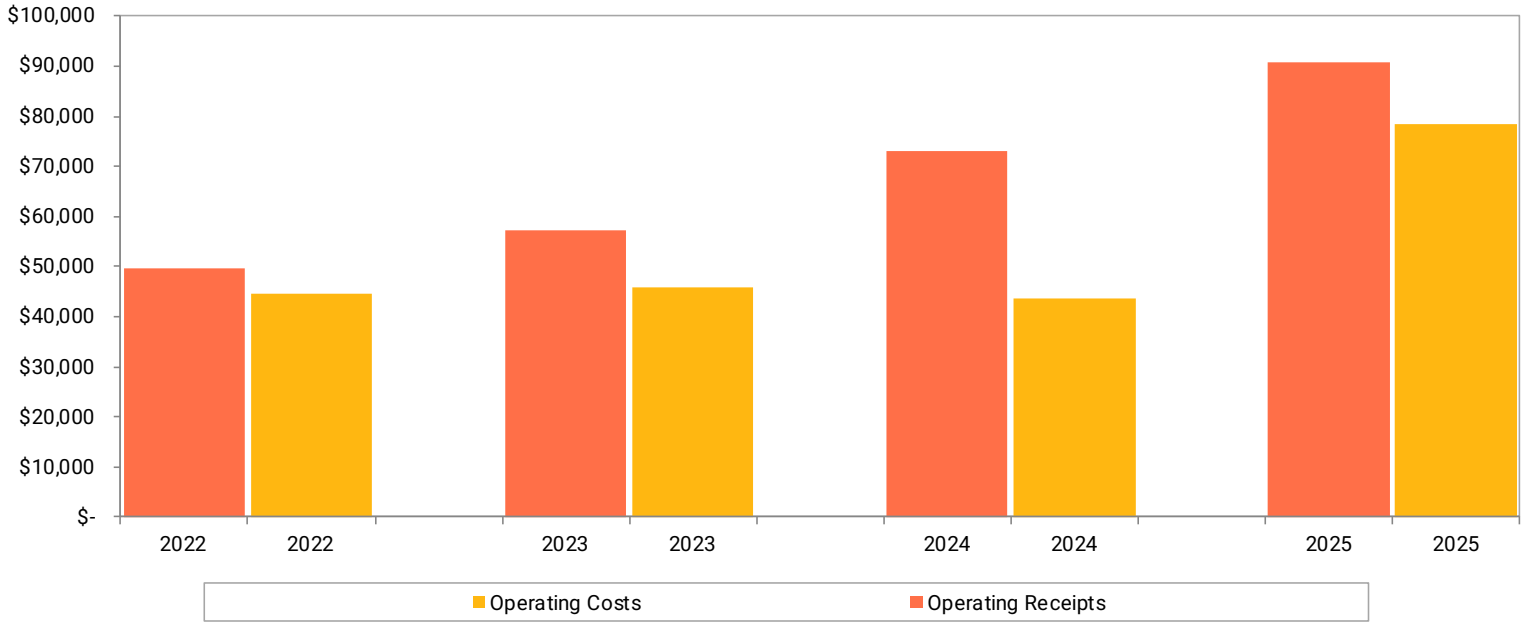
Surface Water Fund

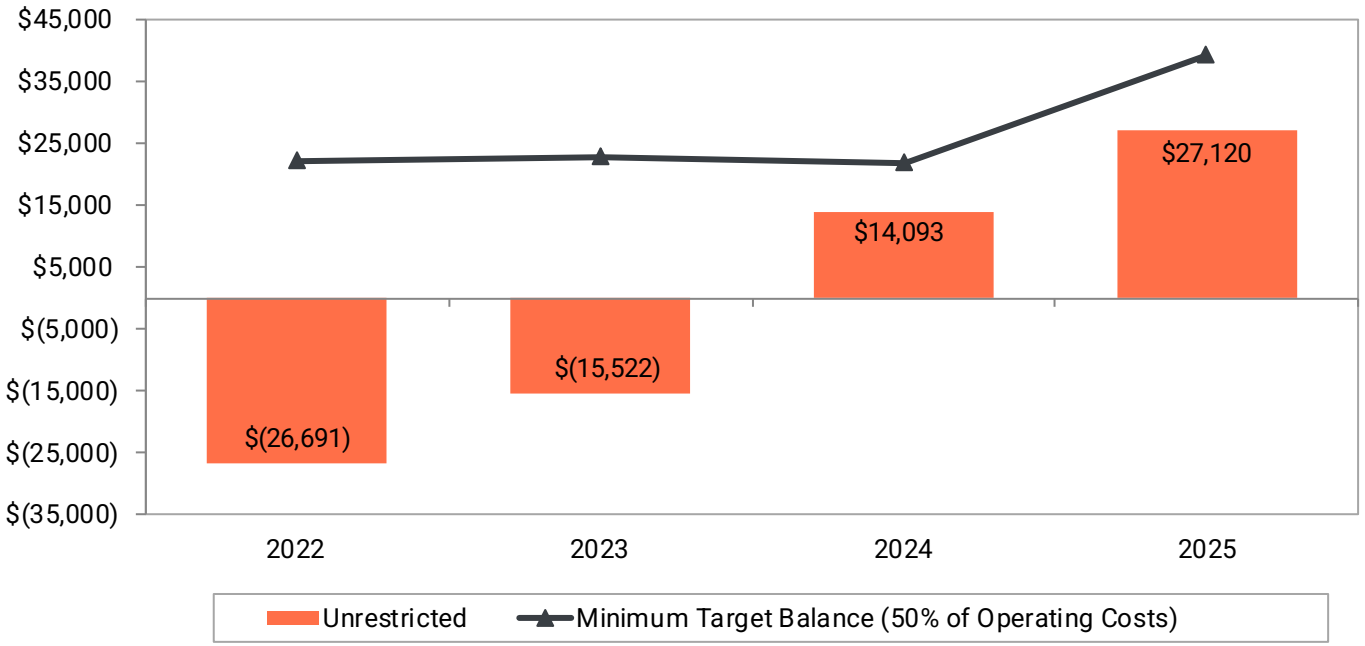
Cash Flows from Operations and Cash Balances

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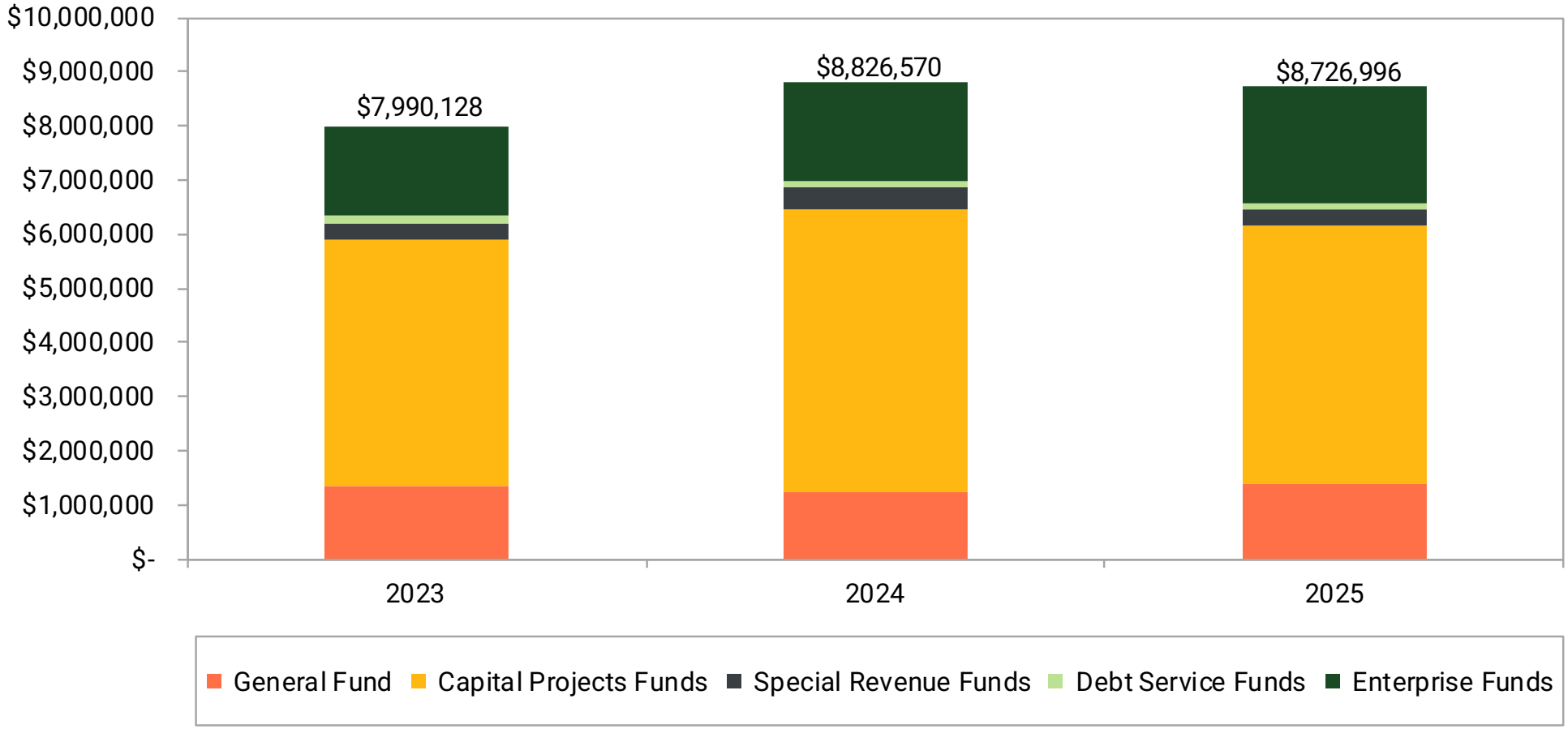
Recycling Fund

Cash Flows from Operations and Cash Balances





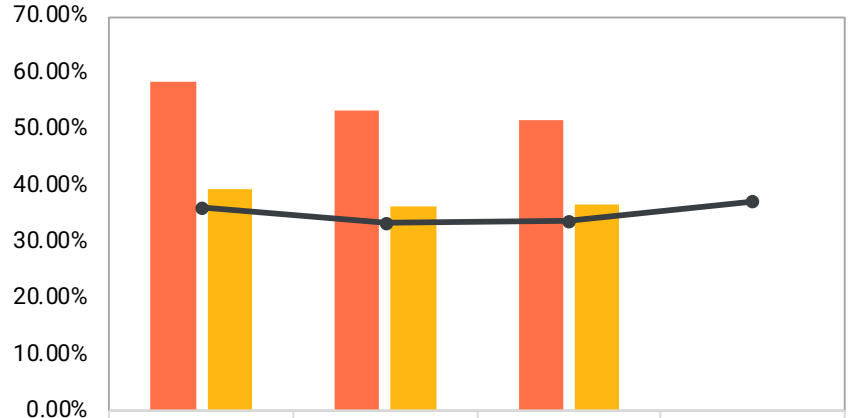
Cash and Investments Balances by Fund Type



KEY PERFORMANCE INDICATORS

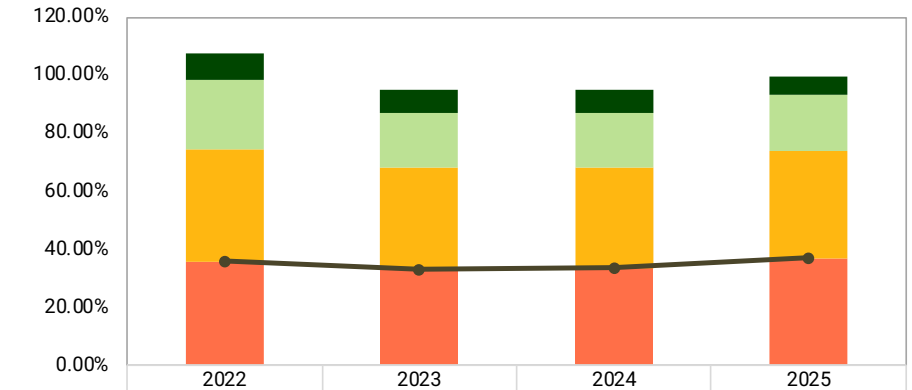
Taxes

Tax Rates



	2022	2023	2024	2025
Class 4 Cities	58.35%	53.44%	51.54%	N/A
Cities in Hennepin County	39.33%	36.28%	36.80%	N/A
City of Long Lake	35.96%	33.44%	33.67%	37.03%

Tax Rate Mix



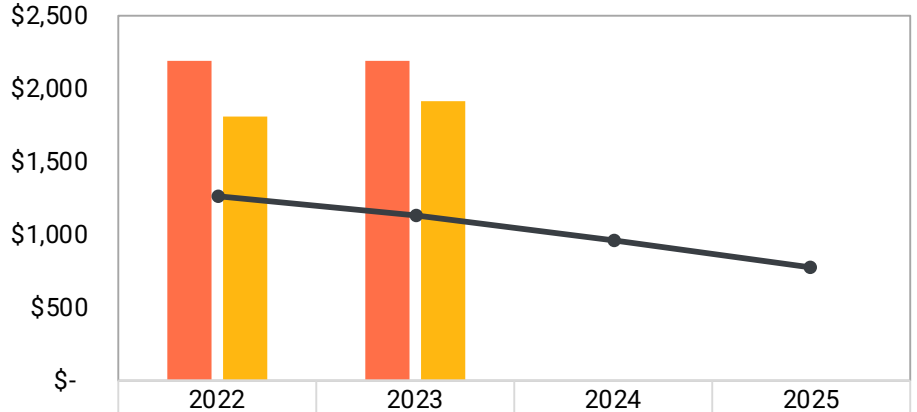
	2022	2023	2024	2025
Special Tax Rate	9.22%	8.16%	7.86%	6.35%
School Tax Rate	23.90%	18.93%	18.81%	18.95%
County Tax Rate	38.53%	34.54%	34.68%	37.08%
City of Long Lake	35.96%	33.44%	33.67%	37.03%
City of Long Lake	35.96%	33.44%	33.67%	37.03%

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KEY PERFORMANCE INDICATORS

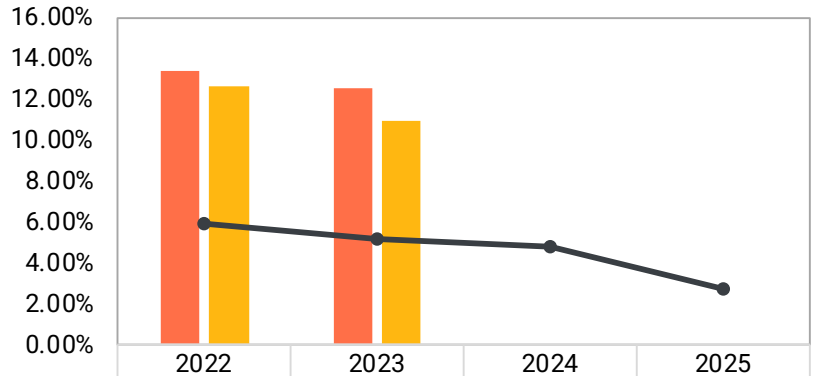
Debt

Long Term Debt Per Capita



	2022	2023	2024	2025
Class 4 Cities	$2,198	$2,195	N/A	N/A
Cities in Hennepin County	$1,817	$1,914	N/A	N/A
City of Long Lake	$1,257	$1,128	$961	$771

Debt Service Expenditures as a Percent of Current Expenditures



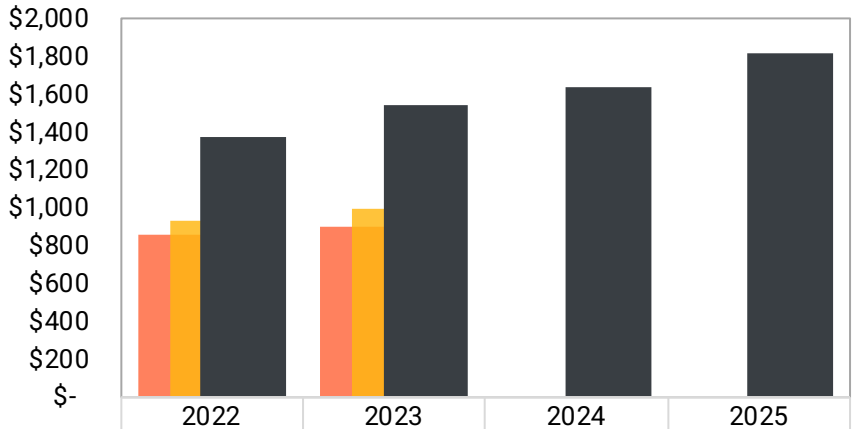
	2022	2023	2024	2025
Class 4 Cities	13.38%	12.54%	N/A	N/A
Cities in Hennepin County	12.62%	10.93%	N/A	N/A
City of Long Lake	5.85%	5.10%	4.78%	2.73%

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KEY PERFORMANCE INDICATORS

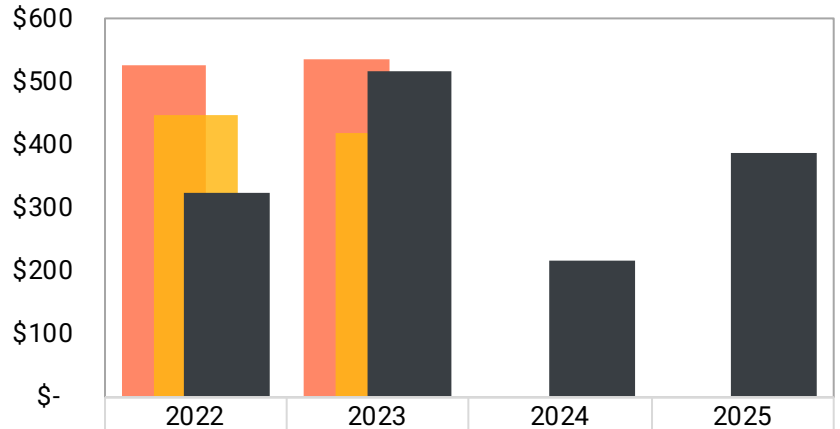
Expenditures

Current Expenditures Per Capita



	2022	2023	2024	2025
Class 4 Cities	$856	$901	N/A	N/A
Cities in Hennepin County	$929	$995	N/A	N/A
City of Long Lake	$1,370	$1,548	$1,634	$1,824

Capital Expenditures Per Capita



	2022	2023	2024	2025
Class 4 Cities	$527	$536	N/A	N/A
Cities in Hennepin County	$447	$419	N/A	N/A
City of Long Lake	$323	$517	$216	$387

Your Abdo Team



Andy
BERG
CPA - Partner



Tyler
SEE
CPA – Senior Manager



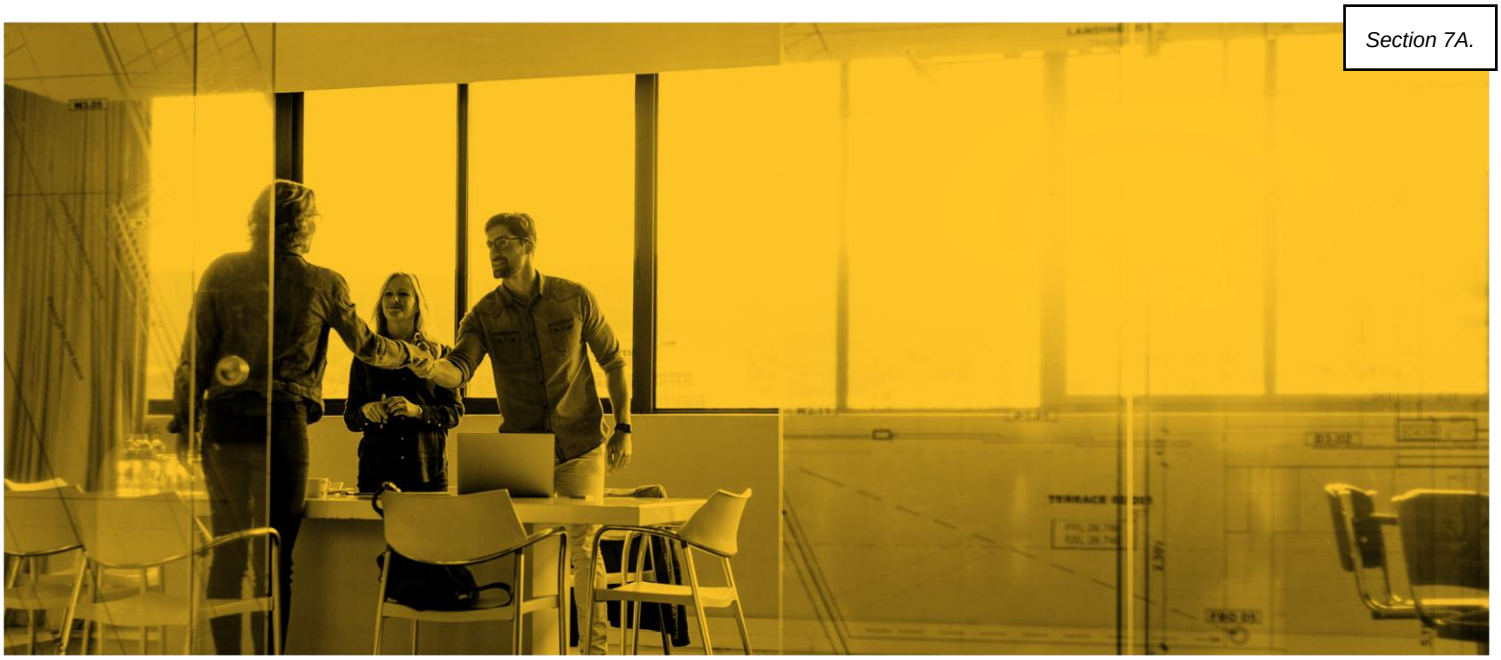
Kayley
O'LEARY
Associate



Alex
WITTWER
Associate



Jacki
ERICKSON
Intern



Executive Governance Summary

City of Long Lake

Long Lake, Minnesota

For the year ended December 31, 2025

Abdo
Lighting the path forward

5201 Eden Avenue, Ste 250
Edina, MN 55436
P 952.835.9090

100 Warren Street, Ste 600
Mankato, MN 56001
P 507.625.2727

14500 N Northsight Blvd, Ste 321
Scottsdale, AZ 85260
P 480.864.5579

March 16, 2026

Management, Honorable Mayor and City Council
City of Long Lake, Minnesota

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Long Lake, Minnesota (the City), for the year ended December 31, 2025. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter dated November 25, 2025. Professional standards require that we provide you with the following information related to our audit.

Significant Audit Findings

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, as discussed below, we identified a certain deficiency in internal control that we consider to be significant deficiencies. We consider the deficiencies presented as findings 2025-001 and 2025-002 on the following pages to be significant deficiencies in internal control.

Finding	Description
2025-001	**Limited Segregation of Duties**
Condition:	During our audit we reviewed procedures over cash disbursements, utility billing, payroll, and cash receipts and found the City to have limited segregation of duties in these transaction cycles.
Criteria:	There are four general categories of duties: authorization, custody, record keeping and reconciliation. In an ideal system, different employees perform each of these four major functions. In other words, no one person has control of two or more of these responsibilities.
Cause:	As a result of the limited number of staff, the City is not able to completely segregate all accounting functions. All cycles have the same person performing some of the authorization, custody, and recording functions.
Effect:	The existence of limited segregation of duties increases the risk of fraud and error.
Recommendation:	While we recognize the number of staff is not large enough to eliminate these deficiencies, we believe the risk can be reduced with better monitoring. We recommend that the City Administrator utilize the bank statement review checklist provided during audit fieldwork. This checklist includes procedures over small samples to verify proper endorsements on cancelled checks, agree amounts from cancelled checks and wire payments to supporting documentation, and agree deposits to the receipt journal as well as procedures to review the monthly bank reconciliation. Implementation of this bank statement review checklist will help improve monitoring over each of the transaction cycles. It is important that the City Council is aware of this condition and monitor all financial information. City Council should also be reminded of their duties over finance at least annually. Some typical monitoring duties would include the following tasks: • Claims approval is an important control and should be at the front of the meeting to ensure that the City Council reviews the claims closely. • Monitor progress over the development of documented policies and procedures. • The check sequence should be reported in each set of approved minutes with a corresponding amount of all checks that agrees to the City Council claims listing. The City Council should review the order the checks are approved to ensure that they are in sequence and any gaps in numbers are explained. • Consider personnel policies that require someone else to fill finance duties for a period of time. A mandatory vacation period of one week for all finance staff and distribution of their duties for that week is often recommended.

Management Response:

Management intends to carry out some of these recommendations, taking into consideration cost versus benefit.

Finding	Description
2025-002	**Preparation of Financial Statements**
Condition:	We were requested to draft the audited financial statements and related footnote disclosures as part of our regular audit services. Auditing standards require auditors to communicate this situation to the City Council as an internal control deficiency. Ultimately, it is management's responsibility to provide for the preparation of your statements and footnotes, and the responsibility of the auditor to determine the fairness of presentation of those statements. It is our responsibility to inform you that this deficiency could result in a material misstatement to the financial statements that could have been prevented or detected by your management. Essentially, the auditors cannot be part of your internal control process.
Criteria:	Internal controls should be in place to ensure adequate internal control over safeguarding of assets and the reliability of financial records and reporting.
Cause:	From a practical standpoint, we both prepare your statements and determine the fairness of the presentation at the same time in connection with our audit. This is not unusual for us to do with organizations of your size.
Effect:	The effectiveness of the internal control system relies on enforcement by management. The effect of deficiencies in internal controls can result in undetected errors in financial reporting. We have instructed management to review a draft of the auditor prepared financials in detail for accuracy; we have answered any questions that management might have, and have encouraged research of any accounting guidance in connection with the adequacy and appropriateness of classification of disclosures in your statements. We are satisfied that the appropriate steps have been taken to provide you with the completed financial statements.
Recommendation:	Under these circumstances, the most effective controls lie in management's knowledge of the City's financial operations. It is the responsibility of management and those charged with governance to make the decision whether to accept the degree of risk associated with this condition because of cost and other considerations. While the City is reviewing the financial statements, we recommend that 1) a disclosure checklist be utilized to ensure all required disclosures are presented and 2) the City should agree its accounting information from Banyon to the amounts reported in the financial statements.

Management Response:

For now, the City accepts the degree of risk associated with this deficiency and thoroughly reviews a draft of the financial statements.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. While our audit provides a reasonable basis for our opinion, it does not provide a legal determination on the City's compliance with those requirements. The results of our tests disclosed no instances of noncompliance or other matters that is required to be reported in accordance with Minnesota statues.

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies were not changed during the year ended December 31, 2025. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

The most sensitive estimates affecting the financial statements were depreciation on capital assets, allocation of payroll and compensated absences, allocation of project costs, leases, other post-employment benefits, and the liability for the City's pensions.

- Management's estimate of depreciation is based on estimated useful lives of the assets. Depreciation is calculated using the straight-line method.
- Allocations of gross wages and payroll benefits are approved by City Council within the City's budget and are derived from each employee's estimated time to be spent servicing the respective functions of the City. These allocations are also used in allocating accrued compensated absences payable.
- Management's allocation of construction costs is based on amounts identified by the project engineer. These allocations are used to allocate other project costs, including engineering, to each fund.
- The City's liability for other post-employment benefits was estimated to be zero primarily based on the assumption that employees, whom participate in the health insurance plan, are receiving no implicit benefit since premiums are scaled based on age.
- Management's estimate of its pension liability is based on several factors including, but not limited to, anticipated investment return rate, retirement age for active employees, life expectancy, salary increases and form of annuity payment upon retirement.
- Management's estimate of its lease receivable is based on the present value of lease payments expected to be received during the lease term.

We evaluated the key factors and assumptions used to develop these accounting estimates in determining that it is reasonable in relation to the financial statements taken as a whole. The disclosures in the financial statements are neutral, consistent, and clear. Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

We assisted in preparing a number of year end accounting entries. These were necessary to adjust the City's rec
year end to correct ending balances. The City should establish more detailed processes and procedures to reduce the total number of entries in each category. The City will receive better and timelier information if the preparation of year end entries is completed internally.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representations letter dated March 16, 2026.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the City's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the City's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the required supplementary information (RSI) (Management's Discussion and Analysis, the Schedules of Employer's Share of the Net Pension Liability, the Schedule of Changes in Net Pension Liability (Asset) and Related Ratios, the Schedules of Employer's Contributions and budget to actual schedules), which is information that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the supplementary information (combining and individual fund financial statements and schedules), which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the introductory section which accompanies the financial statements but is not RSI. We did not audit or perform other procedures on this other information, and we do not express an opinion or provide any assurance on it.

Future Accounting Standard Changes

The following Governmental Accounting Standards Board (GASB) Statements have been issued and may have an impact on future City financial statements:

GASB Statement No. 103 – *Financial Reporting Model Improvements* *Effective: 12/31/2026*

GASB Statement No. 104 – *Disclosure of Certain Capital Assets* *Effective: 12/31/2026*

Further information on upcoming GASB pronouncements.

* * * *

Restriction on Use

This purpose of this communication is solely for the information and use of the City Council and management of the City and is not intended to be, and should not be used by anyone other than those specified parties.

Our audit would not necessarily disclose all weaknesses in the system because it was based on selected tests of the accounting records and related data. The comments and recommendations in the report are purely constructive in nature, and should be read in this context.

If you have any questions or wish to discuss any of the items contained in this letter, please feel free to contact us at your convenience. We wish to thank you for the continued opportunity to be of service and for the courtesy and cooperation extended to us by your staff.

Abdo

Abdo
Minneapolis, Minnesota
March 16, 2026

ANNUAL FINANCIAL REPORT

CITY OF LONG LAKE
LONG LAKE, MINNESOTA

FOR THE YEAR ENDED
FOR THE YEAR ENDED DECEMBER 31, 2025

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City of Long Lake, Minnesota
Annual Financial Report
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Annual Financial Report
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INTRODUCTORY SECTION

CITY OF LONG LAKE
LONG LAKE, MINNESOTA

FOR THE YEAR ENDED
DECEMBER 31, 2025

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City of Long Lake, Minnesota
Elected and Appointed Officials
For the Year Ended December 31, 2025

ELECTED

Name	Title	Term Expires
Charlie Miner	Mayor	12/31/26
Jahn Dyvik	Council Member	12/31/26
Todd Newcomer	Council Member	12/31/28
Mike Feldmann	Council Member	12/31/28
Deirdre Kvale	Council Member	12/31/26

APPOINTED

Amanda Nowezki	Finance Director / City Administrator

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FINANCIAL SECTION

CITY OF LONG LAKE
LONG LAKE, MINNESOTA

FOR THE YEAR ENDED
DECEMBER 31, 2025

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Council
City of Long Lake, Minnesota

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Long Lake, Minnesota (the City), as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City as of December 31, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis starting on page 17 and the Schedules of Employer's Share of the Net Pension Liability, the Schedule of Changes in Net Pension Liability (Asset) and Related Ratios, the Schedules of Employer's Contributions, and the respective budgetary comparison schedules and related note disclosures, starting on page 74 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.



Abdo
Minneapolis, Minnesota
March 16, 2026

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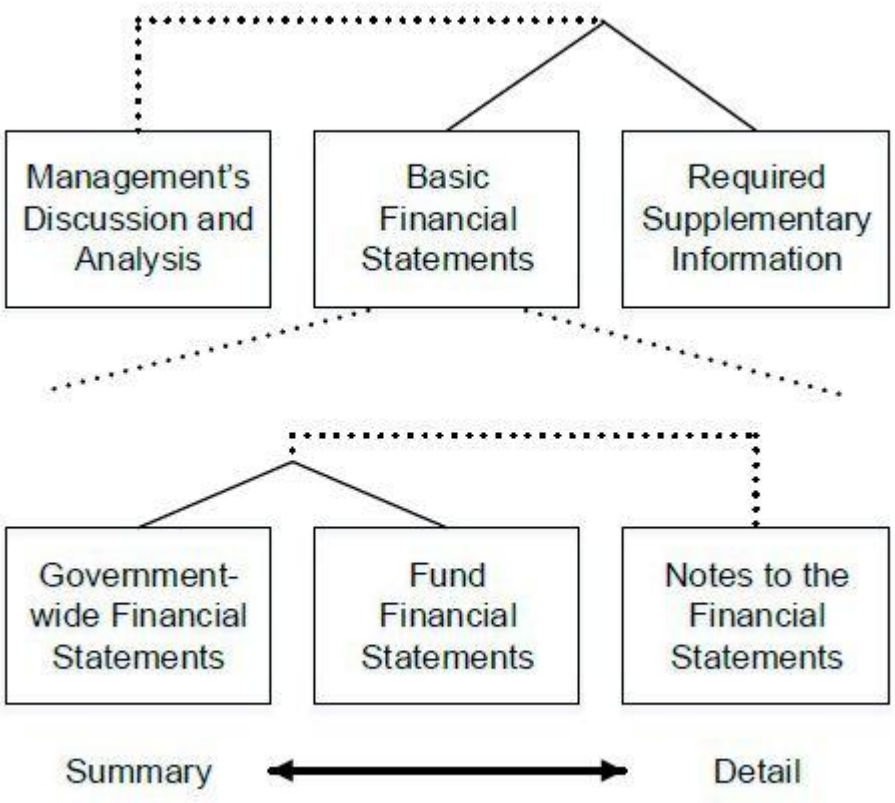
Management's Discussion and Analysis

As management of the City of Long Lake, Minnesota (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2025.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplemental information in addition to the basic financial statements themselves. The following chart shows how the required parts of this annual report are arranged and relate to one another.

Organization of the City's Annual Financial Report



The following chart summarizes the major features of the City's financial statements, including the portion of the government they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements.

Major Features of the Government-wide and Fund Financial Statements

		Fund Financial Statements	
	Government-wide Statements	**Governmental Funds**	**Proprietary Funds**
Scope	Entire City government (except fiduciary funds) and the City's component units	The activities of the City that are not proprietary or fiduciary, such as police, fire and parks	Activities the City operates similar to private businesses, such as the water and sewer system
Required financial statements	• Statement of Net Position • Statement of Activities	• Balance Sheet • Statement of Revenues, Expenditures, and Changes in Fund Balances	• Statements of Net Position • Statements of Revenues, Expenses and Changes in Net Position • Statements of Cash Flows
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term
Type of deferred outflows/inflows of resources information	All deferred outflows/inflows of resources, regardless of when cash is received or paid	Only deferred outflows of resources expected to be used up and deferred inflows of resources that come due during the year or soon thereafter; no capital assets included	All deferred outflows/inflows of resources, regardless of when cash is received or paid
Type of in flow/out flow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during the year, regardless of when cash is received or paid

Government-wide Financial Statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the City's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *statement of activities* presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported and intergovernmental revenue (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, public safety, public works, culture and recreation, housing and economic development, miscellaneous, and interest on long-term debt. The business-type activities of the City include water, sewer, storm sewer, and recycling.

The government-wide financial statements include not only the City itself (known as the *primary government*), but also a legally separate Economic Development Authority (EDA) for which the City is financially accountable. The EDA, although legally separate, functions for all practical purposes as a department of the City, and therefore has been included as an integral part of the primary government.

The government-wide financial statements start on page 31 of this report.

Fund Financial Statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories: governmental funds and proprietary funds.

Governmental Funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a City's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact by the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains several individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General, Fire Department, TIF 1-6, Capital Project, and Pavement Management Improvement funds all of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements or schedules* elsewhere in this report.

The City adopts an annual appropriated budget for its General and Fire Department funds. Budgetary comparison schedules have been provided for the General and Fire department funds to demonstrate compliance with this budget.

The basic governmental fund financial statements start on page 36 of this report.

Proprietary Funds. The City maintains one type of proprietary fund. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for its water, sewer, storm sewer and recycling.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water, sewer, surface water management and recycling enterprise funds, which are considered to be major funds of the City except for the Recycling fund.

The basic proprietary fund financial statements start on page 40 of this report.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements start on page 43 of this report.

Supplementary Information. In addition to the basic financial statement and accompanying notes, this report al certain required supplementary information concerning the City's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found starting on page 74 of this report.

Other Information. The combining statements referred to earlier in connection with nonmajor governmental funds are presented following the notes to the financial statements. Combining and individual fund financial statements and schedules start on page 88 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows exceeded liabilities and deferred inflows as indicated below at the close of the most recent fiscal year.

By far, the largest portion of the City's net position reflects its investment in capital assets (e.g., land, buildings, machinery and equipment), less any related debt used to acquire those assets that are still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

City of Long Lake's Summary of Net Position

	Governmental Activities			Business-type Activities		
	2025	2024	Increase (Decrease)	2025	2024	Increase (Decrease)
Assets						
Current and other assets	$ 9,021,127	$ 8,873,048	$ 148,079	$ 2,516,775	$ 1,953,270	$ 563,505
Capital assets (net of depreciation)	9,985,402	10,037,530	(52,128)	6,713,189	6,959,616	(246,427)
Total Assets	19,006,529	18,910,578	95,951	9,229,964	8,912,886	317,078
Deferred Outflows of Resources						
Deferred pension resources	386,703	514,250	(127,547)	14,075	10,051	4,024
Liabilities						
Noncurrent liabilities outstanding	705,815	884,642	(178,827)	1,065,049	1,215,567	(150,518)
Other liabilities	157,463	539,226	(381,763)	26,526	26,541	(15)
Total Liabilities	863,278	1,423,868	(560,590)	1,091,575	1,242,108	(150,533)
Deferred Inflows of Resources						
Deferred leases	1,193,682	1,131,796	61,886	-	-	-
Deferred pension resources	628,300	525,560	102,740	25,305	25,464	(159)
Total Deferred Inflows of Resources	1,821,982	1,657,356	164,626	25,305	25,464	(159)
Net Position						
Net investment in capital assets	9,574,472	9,542,766	31,706	5,717,424	5,820,381	(102,957)
Restricted for						
Net pension asset	963,734	566,334	397,400	-	-	-
Debt service	121,625	125,788	(4,163)	-	-	-
Park improvements	72,331	73,253	(922)	-	-	-
Culture and recreation	40,705	27,741	12,964	-	-	-
Economic development	442,715	957,993	(515,278)	-	-	-
Public Safety	-	26,256	(26,256)	-	-	-
Unrestricted	5,492,390	5,023,473	468,917	2,409,735	1,834,984	574,751
Total Net Position	$ 16,707,972	$ 16,343,604	$ 364,368	$ 8,127,159	$ 7,655,365	$ 471,794
Net Position as a Percent of Total						
Net investment in capital assets	57.3 %	58.4 %		70.3 %	76.0 %	
Restricted	9.8	10.9		-	-	
Unrestricted	32.9	30.7		29.7	24.0	
	100.0 %	100.0 %		100.0 %	100.0 %	

An additional portion of the City's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position* may be used to meet the City's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City is able to report positive balances in all three categories of net position, both for the City as a whole, as well as for its separate governmental and business-type activities.

Governmental Activities. Governmental activities increased the City's net position, as shown below. Significant changes from the prior year are noted below:

City of Long Lake's Changes in Net Position

	Governmental Activities			Business-type Activities		
	2025	2024	Increase (Decrease)	2025	2024	Increase (Decrease)
Revenues						
Program Revenues						
Charges for services	$ 1,567,591	$ 1,438,619	$ 128,972	$ 1,295,306	$ 1,106,533	$ 188,773
Operating grants and contributions	513,796	294,791	219,005	4,677	4,455	222
Capital grants and contributions	758	350	408	8,931	17,496	(8,565)
General Revenues						
Taxes						
Property taxes	1,711,976	1,578,496	133,480	287,272	-	287,272
Tax increments	292,659	324,469	(31,810)	-	-	-
Grants and contributions not restricted to specific programs	-	2,845	(2,845)	-	-	-
Unrestricted investment earnings	283,692	313,054	(29,362)	78,638	87,697	(9,059)
Gain on sale of capital assets	39,300	-	39,300	-	-	-
Total Revenues	4,409,772	3,952,624	457,148	1,674,824	1,216,181	458,643
Expenses						
General government	565,415	638,356	(72,941)	-	-	-
Public safety	1,876,957	1,746,886	130,071	-	-	-
Public works	698,911	750,094	(51,183)	-	-	-
Culture and recreation	44,503	62,909	(18,406)	-	-	-
Economic development	849,640	164,154	685,486	-	-	-
Interest on long-term debt	9,978	12,115	(2,137)	-	-	-
Water	-	-	-	407,881	346,199	61,682
Sewer	-	-	-	634,111	379,311	254,800
Surface water management	-	-	-	82,554	49,327	33,227
Recycling	-	-	-	78,484	47,976	30,508
Total Expenses	4,045,404	3,374,514	670,890	1,203,030	822,813	380,217
Change in Net Position	364,368	578,110	(213,742)	471,794	393,368	78,426
Net Position, January 1	16,343,604	15,765,494	578,110	7,655,365	7,261,997	393,368
Net Position, December 31	$ 16,707,972	$ 16,343,604	$ 364,368	$ 8,127,159	$ 7,655,365	$ 471,794

Key elements of this increase are as follows:

- Increases in operating grants and contributions, particularly related to economic development.
- Increase in public safety expenditures due to additional fire department expenditures.
- Increase in expenses related to economic development due to the TIF decertification.

Increases in operating grants and contributions

The operating grants and contributions for economic development increased due to a TIF reimbursement from the county.

Increase in public safety expenditures

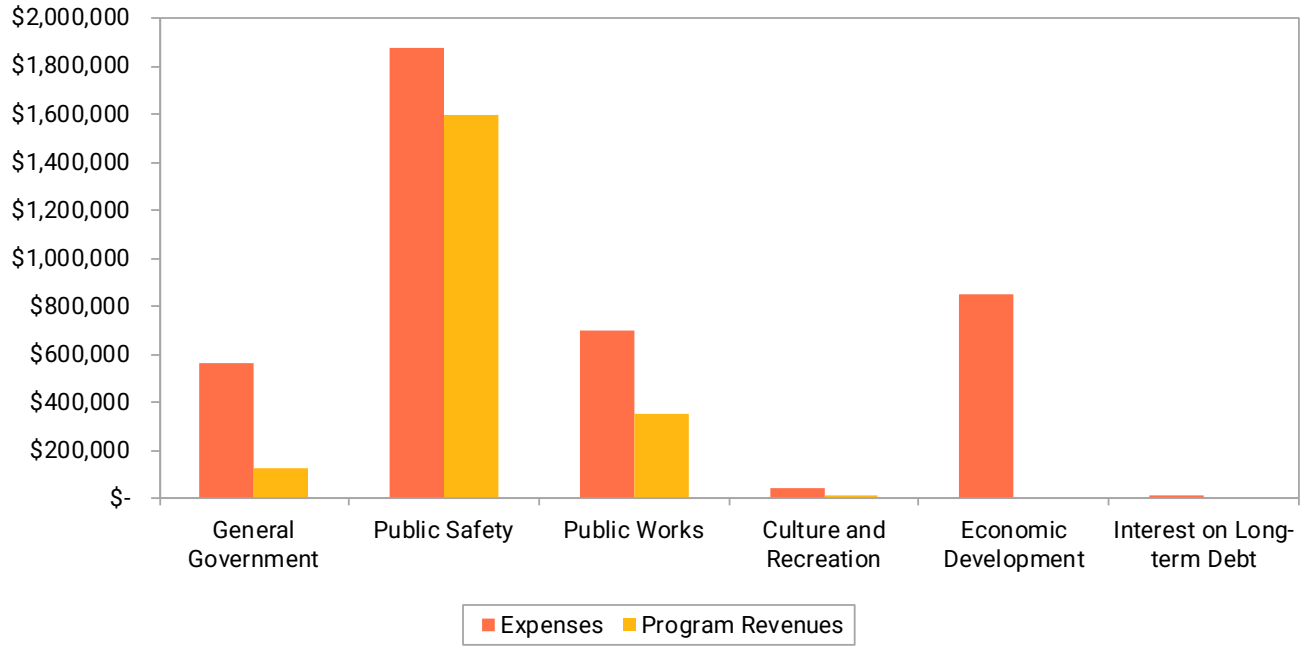
Increase due to fire and police service needs.

Increase in expenses related to economic development

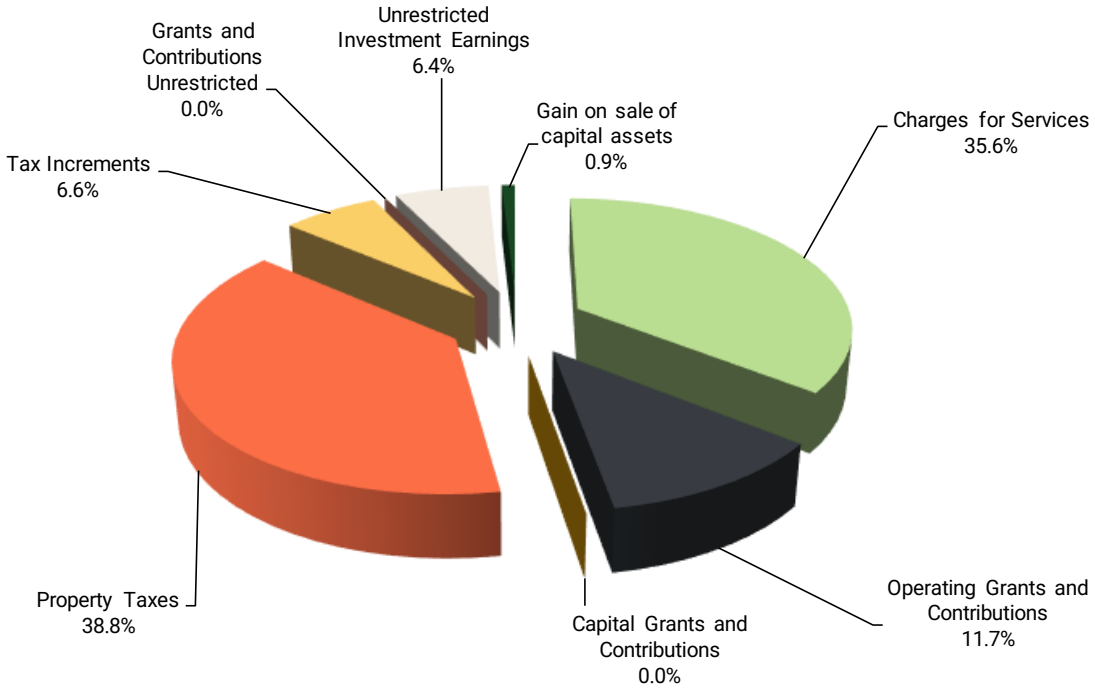
Economic development expenses increased due to a large payment to Hennepin county for decertify TIF 1-6. Note that the city has identified eligible expenditures within the TIF district and the fund will remain open for those costs.

The following graph depicts various governmental activities and shows program revenues and expenses directly related to those activities.

Expenses and Program Revenues - Governmental Activities



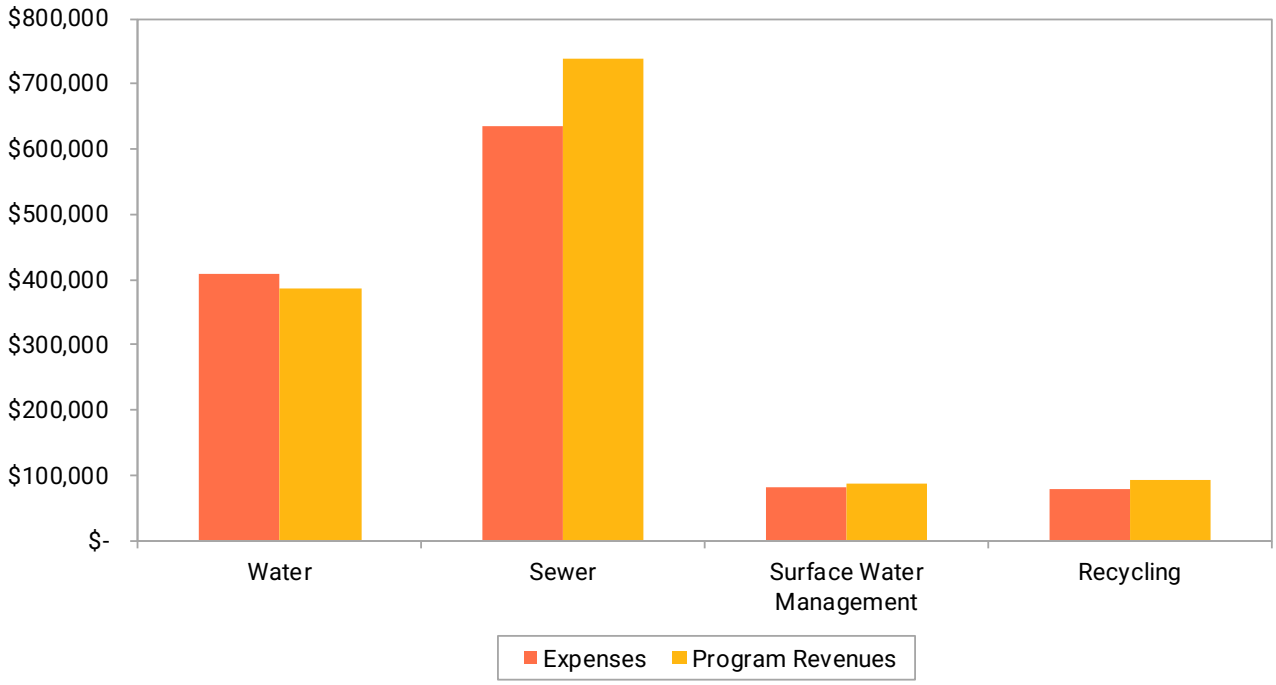
Revenues by Source - Governmental Activities



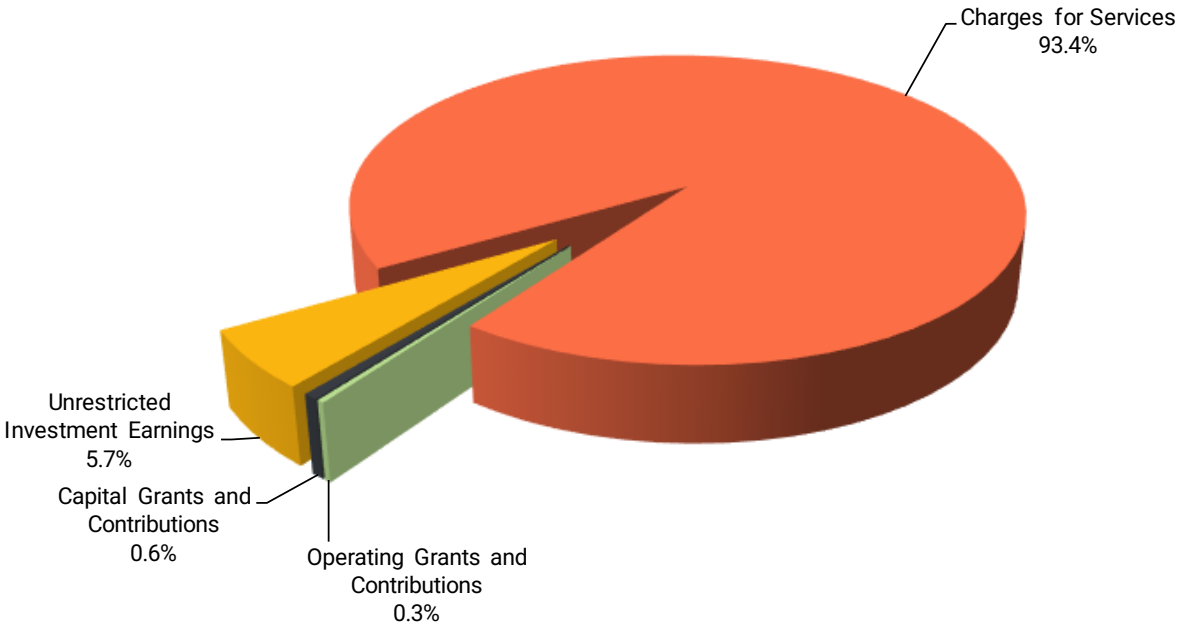
Business-type Activities. Business-type activities increased the City's net position, as shown in the changes in n position table. The majority of the increase is due to charges for services rate increases in all business areas. Key elements of this increase are as follows:

- Charges for services for business-type activities increased due to a change in rate structure needed to fund the MCES fees.
- Water expenses for business-type activities increased due to various expenses related to water utilities and repairs.
- Sewer expenses increased mainly due to MCES Sewer Treatment costs and cleaning sewer line costs.

Expenses and Program Revenues - Business-type Activities



Revenues by Source - Business-type Activities



Financial Analysis of the City's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of the City's *governmental funds* is to provide information on near-term inflows, outflows and balances of *spendable* resources. Such information is useful in assessing the City's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a City's net resources available for spending at the end of the fiscal year. The table below outlines the governmental fund balances for the year ending December 31, 2025.

	General Fund	Fire Department	TIF 1-6	Capital Project	Pavement Management Improvement	Other Governmental Funds	Total	Prior Year Total	Increase/ (Decrease)
Fund Balances									
Nonspendable	$ 78,569	$ -	$ -	$ -	$ 26,245	$ -	$ 104,814	$ 83,370	$ 21,444
Restricted	-	-	391,116	-	-	282,587	673,703	1,199,917	(526,214)
Committed	-	246,716	-	-	-	87,692	334,408	238,719	95,689
Assigned	37,414	-	-	3,756,747	469,921	33,715	4,297,797	4,240,130	57,667
Unassigned	1,269,710	-	-	-	-	-	1,269,710	835,544	434,166
	$ 1,385,693	$ 246,716	$ 391,116	$ 3,756,747	$ 496,166	$ 403,994	$ 6,680,432	$ 6,597,680	$ 82,752

As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances shown above. Additional information on the City's fund balances can be found in Note 1 of this report.

The *General fund* is the chief operating fund of the City. At the end of the current year, the fund balance of the General fund is shown in the table above. As a measure of the General fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. The total unassigned fund balance as a percent of total fund expenditures is shown in the chart below along with total fund balance as a percent of total expenditures.

	Current Year Ending Balance	Prior Year Ending Balance	Increase/ (Decrease)
General Fund Fund Balances			
Nonspendable	$ 78,569	$ 59,190	$ 19,379
Assigned	37,414	108,086	(70,672)
Unassigned	1,269,710	835,544	434,166
	$ 1,385,693	$ 1,002,820	$ 382,873
General Fund expenditures	$ 1,498,918	$ 1,798,726	
Unassigned as a percent of expenditures	84.7%	46.5%	
Total Fund Balance as a percent of expenditures	92.4%	55.8%	

The fund balance of the City's General fund increased during the current fiscal year as shown in the table above. The increase in fund balance was due to positive budget variances for revenues.

Other major governmental fund analysis is shown below:

Other Major Governmental Funds	Fund Balance December 31, 2025	Fund Balance December 31, 2024	Increase (Decrease)
Fire Department	$ 246,716	$ 159,596	$ 87,120
The increase in fund balance is due to positive revenue budget variances from reimbursements			
Capital Project	$ 3,756,747	$ 3,602,544	$ 154,203
The increase in fund balance is due to investment earnings and no expenditures in the current year			
TIF 1-6	$ 391,116	$ 945,524	$ (554,408)
The decrease in fund balance is due the TIF being decertified in 2025.			
Pavement Management Improvement	$ 496,166	$ 398,233	$ 97,933
The increase in fund balance is due to franchise fee and lease revenue in excess of expenditures			

Proprietary Funds. The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Net position of the City's proprietary funds increased or (decreased) as follows:

	Ending Net Position 2025	Ending Net Position 2024	Increase/ (Decrease)
Water Utility	$ 4,557,673	$ 4,524,353	$ 33,320
Increase in net position due to nonoperating revenues			
Sewer Utility	$ 2,654,752	$ 2,246,603	$ 408,149
Increase in net position due to increase in usage and rates			
Surface Water Management	$ 884,595	$ 869,740	$ 14,855
Increase in net position due to increase in rates and investment earnings			

Capital Asset and Debt Administration

Capital Assets. The City's net investment in capital assets for its governmental and business type activities as of December 31, 2025, is shown below in the capital assets table (net of accumulated depreciation). This investment in capital assets includes land, structures, improvements, machinery and equipment, park facilities, roads, highways and bridges. Major capital asset events during the current fiscal year included the following:

- City Hall Roof and Side Wall replacement
- 2025 Street Improvement Project
- Purchase of SCBA equipment
- HVAC replacements for Fire house
- Purchase of CET Brush Truck with modifications
- Purchase of Three ton straight cool condenser and cabinet

City of Long Lake's Capital Assets
(Net of Depreciation)

	Governmental Activities			Business-type Activities			Total		
	2025	2024	Increase (Decrease)	2025	2024	Increase (Decrease)	2025	2024	Increase (Decrease)
Land	$ 2,681,949	$ 2,681,949	$ -	$ -	$ -	$ -	$ 2,681,949	$ 2,681,949	$ -
Construction in Progress	-	-	-	44,823	44,823	-	44,823	44,823	-
Buildings	3,073,090	3,168,183	(95,093)	220,273	232,273	(12,000)	3,293,363	3,400,456	(107,093)
Machinery and Equipment	1,101,323	1,010,871	90,452	33,952	54,409	(20,457)	1,135,275	1,065,280	69,995
Infrastructure	3,129,040	3,176,527	(47,487)	6,414,141	6,628,111	(213,970)	9,543,181	9,804,638	(261,457)
Total	$ 9,985,402	$ 10,037,530	$ (52,128)	$ 6,713,189	$ 6,959,616	$ (246,427)	$ 16,698,591	$ 16,997,146	$ (298,555)
Percent increase (decrease)			-0.5%			-3.5%			-1.8%

Additional information on the City's capital assets can be found in Note 2C starting on page 54 of this report.

Long-term Debt. At the end of the current fiscal year, the City had total bonded debt outstanding as shown below. They are all backed by the full faith and credit of the City.

City of Long Lake's Outstanding Debt

	Governmental Activities			Business-type Activities			Total	
	2025	2024	Increase (Decrease)	2025	2024	Increase (Decrease)	2025	2024
G.O. Improvement Bonds	$ 399,100	$ 480,950	$ (81,850)	$ 975,900	$ 1,114,050	$ (138,150)	$ 1,375,000	$ 1,595,000
Bond Premium	11,830	13,814	(1,984)	35,648	40,968	(5,320)	$ 47,478	$ 54,782
Total	$ 410,930	$ 494,764	$ (83,834)	$ 1,011,548	$ 1,155,018	$ (143,470)	$ 1,422,478	$ 1,649,782
Percent increase (decrease)			-16.9%			-12.4%		

Minnesota statutes limit the amount of net general obligation debt a City may issue to three percent of the market value of taxable property within the City. Net debt is debt payable solely from ad valorem taxes. The City does not have any debt applicable to this limit.

Additional information on the City's long-term debt can be found in Note 2E starting on page 56 of this report.

Currently Known Facts, Decisions, or Conditions

- Unexpected staffing changes at both Public Works and City Hall will impact multiple budget line items, including wages, insurance, and workers' compensation premiums.
- Inflationary trends in the region are extremely high including the national indices.
- Recommendation of a 3% cost of living wage increase for all city staff.
- Implementation of the MN Paid Leave program, a new payroll tax of 0.88%, which will be split evenly between the City and the employee, with each paying 0.44%.
- Establishment of a more robust Capital Improvement Program to better anticipate and plan for fleet replacements, facility maintenance, and infrastructure projects.

- Per the JPA, the Shoreline Fire Department will begin service on January 1, 2026. Based on the allocatio
  the City of Long Lake will be responsible for 14.58% of all operating and capital costs, resulting in a 90% budget increase.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City Administrator, City of Long Lake, 450 Virginia Avenue, Long Lake, MN 55356.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

CITY OF LONG LAKE
LONG LAKE, MINNESOTA

FOR THE YEAR ENDED
DECEMBER 31, 2025

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City of Long Lake, Minnesota
Statement of Net Position
December 31, 2025

	Governmental Activities	Business-type Activities	Total
Assets			
Cash and temporary investments	$ 6,587,398	$ 2,139,598	$ 8,726,996
Receivables			
Taxes	33,312	-	33,312
Accounts	48,523	89,905	138,428
Lease Receivable	1,298,496	-	1,298,496
Special assessments	8,204	-	8,204
Due from other governments	81,460	287,272	368,732
Net pension asset	963,734	-	963,734
Capital assets			
Land and construction in progress	2,681,949	44,823	2,726,772
Depreciable assets (net of accumulated depreciation)	7,303,453	6,668,366	13,971,819
Total Assets	19,006,529	9,229,964	28,236,493
Deferred Outflows of Resources			
Deferred pension resources	386,703	14,075	400,778
Liabilities			
Accrued salaries payable	22,310	3,388	25,698
Accounts payable	66,107	6,377	72,484
Deposits payable	16,812	-	16,812
Due to other governments	9,828	4,390	14,218
Accrued interest payable	4,531	12,371	16,902
Unearned revenue	37,875	-	37,875
Noncurrent liabilities			
Due within one year			
Long-term liabilities	107,428	143,959	251,387
Due in more than one year			
Long-term liabilities	340,916	878,151	1,219,067
Net pension liability	257,471	42,939	300,410
Total Liabilities	863,278	1,091,575	1,954,853
Deferred Inflows of Resources			
Deferred lease resources	1,193,682	-	1,193,682
Deferred pension resources	628,300	25,305	653,605
Total Deferred Inflows	1,821,982	25,305	1,847,287
Net Position			
Net investment in capital assets	9,574,472	5,717,424	15,291,896
Restricted for			
Net pension asset	963,734	-	963,734
Debt service	121,625	-	121,625
Park improvements	72,331	-	72,331
Culture and recreation	40,705	-	40,705
Economic development	442,715	-	442,715
Unrestricted	5,492,390	2,409,735	7,902,125
Total Net Position	$ 16,707,972	$ 8,127,159	$ 24,835,131

The notes to the financial statements are an integral part of this statement.

City of Long Lake, Minnesota
Statement of Activities
For the Year Ended December 31, 2025

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Governmental Activities				
General government	$ 565,415	$ 122,337	$ 67	$ -
Public safety	1,876,957	1,126,994	470,649	-
Public works	698,911	317,870	29,458	758
Culture and recreation	44,503	390	13,622	-
Economic development	849,640	-	-	-
Interest on long-term debt	9,978	-	-	-
Total Governmental Activities	4,045,404	1,567,591	513,796	758
Business-type Activities				
Water	407,881	382,082	-	5,681
Sewer	634,111	736,072	-	3,250
Surface water management	82,554	88,614	-	-
Recycling	78,484	88,538	4,677	-
Total Business-type Activities	1,203,030	1,295,306	4,677	8,931
Total	$ 5,248,434	$ 2,862,897	$ 518,473	$ 9,689

General Revenues
  Taxes
    Property taxes, levied for general purposes
    Property taxes, levied for debt service
    Tax increments
  Unrestricted investment earnings
  Gain on sale of capital assets
    Total General Revenues

Change in Net Position

Net Position, January 1

Net Position, December 31

The notes to the financial statements are an integral part of this statement.

Net (Expenses) Revenues and Changes in Net Position		
Governmental Activities	Business-type Activities	Total
$ (443,011)	$ -	$ (443,011)
(279,314)	-	(279,314)
(350,825)	-	(350,825)
(30,491)	-	(30,491)
(849,640)	-	(849,640)
(9,978)	-	(9,978)
(1,963,259)	-	(1,963,259)
-	(20,118)	(20,118)
-	105,211	105,211
-	6,060	6,060
-	14,731	14,731
-	105,884	105,884
$ (1,963,259)	$ 105,884	$ (1,857,375)
1,624,446	287,272	1,911,718
87,530	-	87,530
292,659	-	292,659
283,692	78,638	362,330
39,300	-	39,300
2,327,627	365,910	2,693,537
364,368	471,794	836,162
16,343,604	7,655,365	23,998,969
$ 16,707,972	$ 8,127,159	$ 24,835,131

The notes to the financial statements are an integral part of this statement.

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FUND FINANCIAL STATEMENTS

CITY OF LONG LAKE
LONG LAKE, MINNESOTA

FOR THE YEAR ENDED
DECEMBER 31, 2025

City of Long Lake, Minnesota
Balance Sheet
Governmental Funds
December 31, 2025

	101 General	205 Fire Department	385 TIF 1-6	401 Capital Project	420 Pavement Management Improvement	Other Governmental Funds	Total Governmental Funds
Assets							
Cash and temporary investments	$ 1,376,041	$ 189,329	$ 391,116	$ 3,756,747	$ 421,602	$ 452,563	$ 6,587,398
Receivables							
Taxes	33,312	-	-	-	-	-	33,312
Accounts	-	204	-	-	48,319	-	48,523
Lease	970,780	-	-	-	327,716	-	1,298,496
Special assessments	-	-	-	-	-	8,204	8,204
Due from other governments	-	81,460	-	-	-	-	81,460
Total Assets	$ 2,380,133	$ 270,993	$ 391,116	$ 3,756,747	$ 797,637	$ 460,767	$ 8,057,393
Liabilities							
Accrued salaries payable	$ 11,268	$ 11,042	$ -	$ -	$ -	$ -	$ 22,310
Accounts payable	13,184	4,354	-	-	-	48,569	66,107
Deposits payable	16,812	-	-	-	-	-	16,812
Due to other governments	947	8,881	-	-	-	-	9,828
Unearned revenue	37,875	-	-	-	-	-	37,875
Total Liabilities	80,086	24,277	-	-	-	48,569	152,932
Deferred Inflows of Resources							
Unavailable revenue - delinquent taxes	22,143	-	-	-	-	-	22,143
Unavailable revenue - special assessments	-	-	-	-	-	8,204	8,204
Deferred lease resources	892,211	-	-	-	301,471	-	1,193,682
Total Deferred Inflows of Resources	914,354	-	-	-	301,471	8,204	1,224,029
Fund Balances							
Nonspendable	78,569	-	-	-	26,245	-	104,814
Restricted	-	-	391,116	-	-	282,587	673,703
Committed	-	246,716	-	-	-	87,692	334,408
Assigned	37,414	-	-	3,756,747	469,921	33,715	4,297,797
Unassigned	1,269,710	-	-	-	-	-	1,269,710
Total Fund Balances	1,385,693	246,716	391,116	3,756,747	496,166	403,994	6,680,432
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 2,380,133	$ 270,993	$ 391,116	$ 3,756,747	$ 797,637	$ 460,767	$ 8,057,393

The notes to the financial statements are an integral part of this statement.

City of Long Lake, Minnesota
Reconciliation of the Balance Sheet
to the Statement of Net Position
Governmental Funds
December 31, 2025

Amounts reported for governmental activities in the statement of net position are different because

Total Fund Balances - Governmental Funds	$ 6,680,432
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.	
Cost of capital assets	20,829,302
Less: accumulated depreciation	(10,843,900)
Long-term assets from pensions reported in governmental activities are not financial resources and therefore are not reported as assets in the governmental funds.	963,734
Noncurrent liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.	
Noncurrent liabilities at year end consist of	
Compensated absences payable	(37,414)
Bond principal payable and unamortized premium	(410,930)
Net pension liability	(257,471)
Some receivables are not available soon enough to pay for the current period's expenditures, and therefore are unavailable in the funds.	
Delinquent taxes receivable	22,143
Special assessments receivable	8,204
Governmental funds do not report a liability for accrued interest until due and payable.	(4,531)
Governmental funds do not report long-term amounts related to pensions.	
Deferred outflows of resources	386,703
Deferred inflows of resources	(628,300)
Total Net Position - Governmental Activities	$ 16,707,972

The notes to the financial statements are an integral part of this statement.

City of Long Lake, Minnesota
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2025

	101	205	385	401	420		
	General	Fire Department	TIF 1-6	Capital Project	Pavement Management Improvement	Other Governmental Funds	Total Governmental Funds
Revenues							
Taxes							
Property	$ 1,629,201	$ -	$ -	$ -	$ -	$ 87,530	$ 1,716,731
Tax increments	-	-	184,728	-	-	107,931	292,659
Licenses and permits	145,439	-	-	-	-	-	145,439
Intergovernmental	-	198,577	-	-	17,054	-	215,631
Charges for services	101,660	1,039,090	-	-	282,629	-	1,423,379
Fines and forfeitures	13,133	-	-	-	-	-	13,133
Special assessments	-	-	-	-	-	8,888	8,888
Investment earnings	41,021	-	40,146	154,203	19,906	28,416	283,692
Miscellaneous	11,337	6,860	-	-	-	99,908	118,105
Total Revenues	1,941,791	1,244,527	224,874	154,203	319,589	332,673	4,217,657
Expenditures							
Current							
General government	623,681	-	-	-	-	-	623,681
Public safety	521,069	1,090,760	-	-	-	-	1,611,829
Public works	324,127	-	-	-	-	-	324,127
Culture and recreation	23,663	-	-	-	-	2,102	25,765
Economic development	-	-	779,282	-	-	185	779,467
Capital outlay							
General government	3,378	-	-	-	-	-	3,378
Public safety	-	105,947	-	-	-	250,861	356,808
Public works	3,000	-	-	-	221,656	59,820	284,476
Economic development	-	-	-	-	-	70,173	70,173
Debt service							
Principal	-	-	-	-	-	81,850	81,850
Interest and other	-	-	-	-	-	12,651	12,651
Total Expenditures	1,498,918	1,196,707	779,282	-	221,656	477,642	4,174,205
Excess (Deficiency) of Revenues Over (Under) Expenditures	442,873	47,820	(554,408)	154,203	97,933	(144,969)	43,452
Other Financing Sources (Uses)							
Sale of capital assets	-	39,300	-	-	-	-	39,300
Transfers in	-	-	-	-	-	60,000	60,000
Transfers out	(60,000)	-	-	-	-	-	(60,000)
Total Other Financing Sources (Uses)	(60,000)	39,300	-	-	-	60,000	39,300
Net Change in Fund Balances	382,873	87,120	(554,408)	154,203	97,933	(84,969)	82,752
Fund Balances, January 1	1,002,820	159,596	945,524	3,602,544	398,233	488,963	6,597,680
Fund Balances, December 31	$ 1,385,693	$ 246,716	$ 391,116	$ 3,756,747	$ 496,166	$ 403,994	$ 6,680,432

The notes to the financial statements are an integral part of this statement.

City of Long Lake, Minnesota

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities
Governmental Funds
For the Year Ended December 31, 2025

Amounts reported for governmental activities in the statement of activities are different because

Total Net Change in Fund Balances - Governmental Funds	$	82,752
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over the estimated useful lives as depreciation expense.		
Capital outlay		484,820
Depreciation expense		(536,948)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.		
Principal repayments		81,850
Amortization of bond premium		1,984
Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.		689
Certain revenues are recognized as soon as they are earned. Under the modified accrual basis of accounting, certain revenues cannot be recognized until they are available to liquidate liabilities of the current period.		
Special assessments		(8,130)
Property taxes		(4,755)
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.		
Compensated absences		70,672
Long-term pension activity is not reported in governmental funds.		
Pension expense		25,734
Pension revenue from State contributions		165,700
Change in Net Position - Governmental Activities	$	364,368

The notes to the financial statements are an integral part of this statement.

City of Long Lake, Minnesota
Statement of Net Position
Proprietary Funds
December 31, 2025

	Business-type Activities - Enterprise Funds				
	601	602	603	Nonmajor 604	
	Water	Sewer	Surface Water Management	Recycling	Total
Assets					
Current Assets					
Cash and temporary investments	$ 1,403,029	$ 487,360	$ 222,089	$ 27,120	$ 2,139,598
Accounts receivable	24,202	51,024	7,307	7,372	89,905
Due from other governments	-	287,272	-	-	287,272
Total Current Assets	1,427,231	825,656	229,396	34,492	2,516,775
Noncurrent Assets					
Capital assets					
Construction work in progress	31,465	12,467	891	-	44,823
Buildings	627,000	152,704	-	-	779,704
Infrastructure	5,757,495	4,159,505	1,017,825	-	10,934,825
Machinery and equipment	538,602	124,699	-	-	663,301
Less accumulated depreciation	(3,117,565)	(2,288,998)	(302,901)	-	(5,709,464)
Total Noncurrent Assets	3,836,997	2,160,377	715,815	-	6,713,189
Total Assets	5,264,228	2,986,033	945,211	34,492	9,229,964
Deferred Outflows of Resources					
Deferred pension resources	5,197	4,155	4,723	-	14,075
Liabilities					
Current Liabilities					
Accrued salaries payable	1,392	1,091	905	-	3,388
Accounts payable	5,709	668	-	-	6,377
Accrued interest payable	8,050	3,804	517	-	12,371
Due to other governments	37	-	-	4,353	4,390
Current portion of compensated absences payable	2,323	1,743	1,743	-	5,809
Current portion of bonds payable	76,420	50,180	11,550	-	138,150
Total Current Liabilities	93,931	57,486	14,715	4,353	170,485
Noncurrent Liabilities					
Compensated absences payable	1,901	1,426	1,426	-	4,753
Net pension liability	15,894	12,412	14,633	-	42,939
Bonds payable	589,846	256,233	27,319	-	873,398
Total Noncurrent Liabilities	607,641	270,071	43,378	-	921,090
Total Liabilities	701,572	327,557	58,093	4,353	1,091,575
Deferred Inflows of Resources					
Deferred pension resources	10,180	7,879	7,246	-	25,305
Net Position					
Net investment in capital assets	3,181,810	1,858,354	677,260	-	5,717,424
Unrestricted	1,375,863	796,398	207,335	30,139	2,409,735
Total Net Position	$ 4,557,673	$ 2,654,752	$ 884,595	$ 30,139	$ 8,127,159

The notes to the financial statements are an integral part of this statement.

City of Long Lake, Minnesota
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended December 31, 2025

	Business-type Activities - Enterprise Funds				
	601	602	603	Nonmajor 604	
	Water	Sewer	Surface Water Management	Recycling	Total
Operating Revenues					
Charges for services	$ 379,576	$ 736,116	$ 88,614	$ 88,538	$ 1,292,844
Operating Expenses					
Personnel services	73,854	58,206	47,651	-	179,711
Supplies	59,507	6,479	-	-	65,986
Professional services	12,091	29,936	1,497	4,353	47,877
Repairs and maintenance	41,086	90,950	9,278	-	141,314
Insurance	3,097	564	-	-	3,661
Utilities	39,714	6,506	-	-	46,220
Depreciation	146,615	76,608	23,204	-	246,427
MCES disposal charges	-	351,225	-	-	351,225
Miscellaneous	16,143	6,373	-	74,131	96,647
Total Operating Expenses	392,107	626,847	81,630	78,484	1,179,068
Operating Income (Loss)	(12,531)	109,269	6,984	10,054	113,776
Nonoperating Revenues (Expenses)					
Property taxes	-	287,272	-	-	287,272
Intergovernmental grant	-	-	-	4,677	4,677
Investment earnings	53,438	15,666	8,795	739	78,638
Other revenue	2,506	(44)	-	-	2,462
Interest expense	(15,774)	(7,264)	(924)	-	(23,962)
Total Nonoperating Revenues (Expenses)	40,170	295,630	7,871	5,416	349,087
Income (Loss) Before Contributions and Transfers	27,639	404,899	14,855	15,470	462,863
Capital Contributions	5,681	3,250	-	-	8,931
Change in Net Position	33,320	408,149	14,855	15,470	471,794
Net Position, January 1	4,524,353	2,246,603	869,740	14,669	7,655,365
Net Position, December 31	$ 4,557,673	$ 2,654,752	$ 884,595	$ 30,139	$ 8,127,159

The notes to the financial statements are an integral part of this statement.

City of Long Lake, Minnesota
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2025

	Business-type Activities - Enterprise Funds				
	601	602	603	Nonmajor 604	
	Water	Sewer	Surface Water Management	Recycling	Total
Cash Flows from Operating Activities					
Receipts from users	$ 395,928	$ 735,604	$ 88,441	$ 86,095	$ 1,306,068
Other receipts	2,506	(44)	-	4,677	7,139
Payments to suppliers	(169,604)	(491,860)	(10,775)	(78,484)	(750,723)
Payments to employees	(78,774)	(61,697)	(51,759)	-	(192,230)
Net Cash Provided (Used) by Operating Activities	150,056	182,003	25,907	12,288	370,254
Cash Flows from Capital and Related Financing Activities					
Capital contributions	5,681	3,250	-	-	8,931
Principal paid on long-term debt	(76,420)	(50,180)	(11,550)	-	(138,150)
Interest paid on long-term debt	(20,178)	(8,995)	(1,043)	-	(30,216)
Net Cash Provided (Used) by Capital and Related Financing Activities	(90,917)	(55,925)	(12,593)	-	(159,435)
Cash Flows from Investing Activities					
Interest received	53,438	15,666	8,795	739	78,638
Net Increase (Decrease) in Cash and Cash Equivalents	112,577	141,744	22,109	13,027	289,457
Cash and Cash Equivalents, January 1	1,290,452	345,616	199,980	14,093	1,850,141
Cash and Cash Equivalents, December 31	$ 1,403,029	$ 487,360	$ 222,089	$ 27,120	$ 2,139,598
Reconciliation of Operating Loss to Net Cash Provided (Used) by Operating Activities					
Operating income (loss)	$ (12,531)	$ 109,269	$ 6,984	$ 10,054	$ 113,776
Adjustments to reconcile operating loss to net cash provided (used) by operating activities					
Other income related to operations	2,506	(44)	-	4,677	7,139
Depreciation	146,615	76,608	23,204	-	246,427
(Increase) decrease in assets/deferred outflows of resources					
Accounts receivable	2,944	(4,135)	(173)	(2,443)	(3,807)
Special assessments receivable	13,408	3,623	-	-	17,031
Deferred pension resources	(1,649)	(1,310)	(1,065)	-	(4,024)
Increase (decrease) in liabilities/deferred inflows of resources					
Accounts payable	2,842	173	-	-	3,015
Accrued salaries payable	(486)	(417)	(385)	-	(1,288)
Due to other governments	(808)	-	-	-	(808)
Compensated absences payable	(3,316)	(2,486)	(2,486)	-	(8,288)
Net pension liability	557	610	73	-	1,240
Deferred pension resources	(26)	112	(245)	-	(159)
Net Cash Provided (Used) by Operating Activities	$ 150,056	$ 182,003	$ 25,907	$ 12,288	$ 370,254
Noncash Capital and Related Financing Activities					
Amortization of bond premium	$ 3,598	$ 1,558	$ 164	$ -	$ 5,320

The notes to the financial statements are an integral part of this statement.

Note 1: Summary of Significant Accounting Policies

A. Reporting Entity

The City of Long Lake, Minnesota (the City), operates under "Optional Plan A" as defined in the Minnesota statutes. The City is governed by an elected Mayor and a four-member City Council. The City Council exercises legislative authority and determines all matters of policy. The City Council appoints personnel responsible for the proper administration of all affairs relating to the City. The City has considered all potential units for which it is financially accountable, and other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the City's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board (GASB) has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body, and (1) the ability of the primary government to impose its will on that organization or (2) the potential for the organization to provide specific benefits to, or impose specific financial burdens on the primary government.

Blended component units, although legally separate entities are, in substance, part of the City's operations and so data from these units are combined with data of the primary government. The blended component unit has a December 31 year end.

Blended Component Unit. The Economic Development Authority (EDA) of the City was created pursuant to Minnesota statutes 469.090 through 469.108 to carry out economic and industrial development and redevelopment consistent with policies established by the City Council. The EDA is comprised of seven members, five of which are City Council members. Also, the City has operational responsibility of the EDA. It is this criterion that results in the EDA being reported as a blended component unit. The EDA activities are blended and reported in a separate special revenue fund. Separate financial statements are not issued for this component unit.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. *Governmental activities,* which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities,* which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contribution, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Taxes and other items not properly included among program revenues are reported instead as *general revenues.*

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting,* as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Note 1: Summary of Significant Accounting Policies (Continued)

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting.* Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the City.

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available.

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include property taxes, grants, entitlement and donations. On an accrual basis, revenue from property taxes is recognized in the year for which the tax is levied. Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Grants and entitlements received before eligibility requirements are met are also recorded as unearned revenue.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

The City reports the following major governmental funds:

The *General fund* is the City's primary operating fund. It accounts for all financial resources of the City, except those required to be accounted for in another fund.

The *Fire Department fund* accounts for the resources and costs associated with operating costs and capital equipment for the area Fire Department.

The *TIF 1-6 fund* accounts for the costs associated with activities of TIF district 1-6.

The *Capital Project fund* accounts for the costs associated with capital improvements completed within the City.

The *Pavement Management Improvement fund* accounts for the costs associated with pavement improvements completed within the City.

Note 1: Summary of Significant Accounting Policies (Continued)

The City reports the following major proprietary funds:

The *Water fund* accounts for costs associated with the City's water distribution operations and ensure that user charges are sufficient to pay for those costs.

The *Sewer fund* accounts for costs associated with the City's sanitary sewer treatment system and ensure that user charges are sufficient to pay for those costs.

The *Surface Water Management fund* accounts for costs associated with the City's surface water management system and ensure that user charges are sufficient to pay for those costs.

As a general rule the effect of interfund activity has been eliminated from government-wide financial statements.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise funds are charges to customers for sales and services. The City also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position/Fund Balance

Deposits and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. The proprietary funds' portion in the government-wide cash and temporary investments pool is considered to be cash and cash equivalents for purposes of the Statements of Cash Flows.

Cash balances from all funds are pooled and invested, to the extent available, in certificates of deposit and other authorized investments. Investments are carried at fair value. Earnings from such investments are allocated on the basis of applicable participation by each of the funds.

The City may invest idle funds as authorized by Minnesota statutes, as follows:

1. Direct obligations or obligations guaranteed by the United States or its agencies.

2. Shares of investment companies registered under the Federal Investment Company Act of 1940 and received the highest credit rating, rated in one of the two highest rating categories by a statistical rating agency, and have a final maturity of thirteen months or less.

3. General obligations of a state or local government with taxing powers rated "A" or better; revenue obligations rated "AA" or better.

4. General obligations of the Minnesota Housing Finance Agency rated "A" or better.

5. Obligation of a school district with an original maturity not exceeding 13 months and (i) rated in the highest category by a national bond rating service or (ii) enrolled in the credit enhancement program pursuant to statute section 126C.55.

6. Bankers' acceptances of United States banks eligible for purchase by the Federal Reserve System.

Note 1: Summary of Significant Accounting Policies (Continued)

7. Commercial paper issued by United States banks corporations or their Canadian subsidiaries, of highest quality category by at least two nationally recognized rating agencies, and maturing in 270 days or less.

8. Repurchase or reverse repurchase agreements and securities lending agreements with financial institutions qualified as a "depository" by the government entity, with banks that are members of the Federal Reserve System with capitalization exceeding $10,000,000, a primary reporting dealer in U.S. government securities to the Federal Reserve Bank of New York, or certain Minnesota securities broker-dealers.

9. Guaranteed Investment Contracts (GIC's) issued or guaranteed by a United States commercial bank, a domestic branch of a foreign bank, a United States insurance company, or its Canadian subsidiary, whose similar debt obligations were rated in one of the top two rating categories by a nationally recognized rating agency.

Broker money market funds operate in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the shares.

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The City has the following recurring fair value measurements as of December 31, 2025:

- Government agency securities of $3,054,888 are valued using quoted market prices (Level 1 inputs)

- Negotiable certificates of deposits of $4,464,745 are valued using a matrix pricing model (Level 2 inputs)

Property Taxes

The City Council annually adopts a tax levy and certifies it to the County in December for collection in the following year. The County is responsible for collecting all property taxes for the City. These taxes attach an enforceable lien on taxable property within the City on January 1 and are payable by the property owners in two installments. The taxes are collected by the County and tax settlements are made to the City during January, July and December each year.

Delinquent taxes receivable include the past six years' uncollected taxes. Delinquent taxes have been offset by a deferred inflow of resources for taxes not received within 60 days after year end in the fund financial statements.

Accounts Receivable

Accounts receivable include amounts billed for services provided before year end. To the extent considered necessary, the City annually certifies delinquent water and sewer accounts to the County for collection in the following year. Therefore, there has been no allowance for doubtful accounts established.

Special Assessments

Special assessments represent the financing for public improvements paid for by benefiting property owners. These assessments are recorded as receivable upon certification to the County. Special assessments are recognized as revenue when they are received in cash or within 60 days after year end. All governmental special assessments receivable are offset by a deferred inflow of resources in the fund financial statements.

Note 1: Summary of Significant Accounting Policies (Continued)

Interfund Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Lease Receivable

The City's lease receivable is measured at the present value of lease payments expected to be received during the lease term.

A deferred inflow of resources is recorded for the lease. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized on a straight-line basis over the term of the lease.

Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of one year.

In the case of initial capitalization of general infrastructure assets (i.e., those reported by governmental activities) the City chose to include items dating back to June 30, 1980. The City was able to estimate the historical cost for the initial reporting of these assets through back trending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year). As the City constructs or acquires capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost. The reported value excludes normal maintenance and repairs, which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or extend its useful life beyond the original estimate. In the case of donations, the City values these capital assets at the acquisition value of the item at the date of its donation.

Property, plant and equipment are depreciated using the straight-line method over the following estimated useful lives:

Assets	Useful Lives in Years
Buildings	30 - 50
Improvements Other Than Buildings	10 - 50
Machinery and Equipment	5 - 10
Infrastructure	20 - 50

Note 1: Summary of Significant Accounting Policies (Continued)

Deferred Outflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has only one item that qualifies for reporting in this category. Accordingly, the item, deferred pension resources, is reported only in the statements of net position. This item results from actuarial calculations and current year pension contributions made subsequent to the measurement date.

Long-term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. The recognition of bond premiums and discounts are amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as an expense in the period incurred.

In the fund financial statements, governmental fund types recognized bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Compensated Absences

It is the City's policy to permit employees to accumulate a limited amount of earned but unused vacation and sick leave, which is paid to the employee upon separation. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. The General fund is typically used to liquidate governmental compensated absences payable.

	Governmental activities	Business-type activities	Total
Compensated absences	$ 37,414	$ 10,562	$ 47,976

Pensions

For purposes of measuring the net pension liability, deferred outflows/inflows of resources, and pension expense, information about the fiduciary net position of the Public Employees Retirement Association (PERA) and additions to/deductions from PERA's fiduciary net position have been determined on the same basis as they are reported by PERA except that PERA's fiscal year end is June 30. For this purpose, plan contributions are recognized as of employer payroll paid dates and benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. The General fund is typically used to liquidate the governmental net pension liability.

For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the defined benefit plan administered by Long Lake Fire Department Relief Association and additions to and deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. Investments are reported at fair value. The General fund is typically used to liquidate the governmental net pension liability.

Note 1: Summary of Significant Accounting Policies (Continued)

Total pension expense for the GERP, PEPFP and Long Lake Fire Relief Association is as follows:

	Public Employees Retirement Association of Minnesota (PERA)		Fire Relief	Total All
	GERP	PEPFP	Association	Plans
City's proportionate share	$ 1,037	$ 27,153	$ 168,373	$ 196,563
Proportionate share of State's contribution	(785)	1,479	-	694
Total pension expense	$ 252	$ 28,632	$ 168,373	$ 197,257

Deferred Inflows of Resources

In addition to liabilities, the statement of net position and fund financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has one item, which arise only under a modified accrual basis of accounting that qualifies as needing to be reported in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources: property taxes and special assessments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

The City has two additional items which qualify for reporting in this category. The item, deferred pension resources, is reported only in the statements of net position and results from actuarial calculations. Furthermore, the City reports a deferred lease resources related to cell tower and rental space leases and is recorded under GASB 87, which is reported in the governmental funds and the statement of net position.

Fund Balance

In the fund financial statements, fund balance is divided into five classifications based primarily on the extent to which the City is bound to observe constraints imposed upon the use of resources reported in the governmental funds. These classifications are defined as follows:

Nonspendable - Amounts that cannot be spent because they are not in spendable form, such as prepaid items.

Restricted - Amounts related to externally imposed constraints established by creditors, grantors or contributors; or constraints imposed by state statutory provisions.

Committed - Amounts constrained for specific purposes that are internally imposed by formal action (resolution) of the City Council, which is the City's highest level of decision-making authority. Committed amounts cannot be used for any other purpose unless the City Council modifies or rescinds the commitment by resolution.

Assigned - Amounts constrained for specific purposes that are internally imposed. In governmental funds other than the General fund, assigned fund balance represents all remaining amounts that are not classified as nonspendable and are neither restricted nor committed. In the General fund, assigned amounts represent intended uses established by the City Council itself or by an official to which the governing body delegates the authority. The City Council has adopted a fund balance policy which delegates the authority to assign amounts for specific purposes to the City Administrator.

Unassigned - The residual classification for the General fund and also negative residual amounts in other funds.

Note 1: Summary of Significant Accounting Policies (Continued)

The City considers restricted amounts to be spent first when both restricted and unrestricted fund balance is available. Additionally, the City would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

The City has formally adopted a fund balance policy for the General fund. The City's policy is to maintain a minimum unrestricted fund balance of 50 percent of the following year's budgeted expenditures and transfers out.

Net Position

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net position is displayed in three components:

a. Net investment in capital assets - Consists of capital assets, net of accumulated depreciation reduced by any outstanding debt attributable to acquire capital assets.

b. Restricted net position - Consists of net position balances restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, laws or regulations of other governments.

c. Unrestricted net position - All other net position that do not meet the definition of "restricted" or "net investment in capital assets".

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

Note 2: Stewardship, Compliance and Accountability

A. Budgetary Information

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for all governmental funds except the capital projects funds, which adopt project-length budgets. All annual appropriations lapse at fiscal year-end. The City does not use encumbrance accounting.

Before August of each year, all departments of the City submit requests for appropriations to the City Administrator so that a budget may be prepared. Before September 30, the proposed budget is presented to the City Council for review. The City Council holds public hearings and a final budget is prepared and adopted in early December.

The appropriated budget is prepared by fund, function and department. The City's department heads may make transfers of appropriations within a department. Transfers of appropriations between departments require the approval of the City Administrator. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the department level. Budgeted amounts were not amended in 2025.

Note 3: Detailed Notes on All Funds

A. Deposits and Investments

Deposits

Custodial credit risk for deposits and investments is the risk that in the event of a bank failure, the City's deposits and investments may not be returned or the City will not be able to recover collateral securities in the possession of an outside party. In accordance with Minnesota statutes and as authorized by the City Council, the City maintains deposits at those depository banks, all of which are members of the Federal Reserve System.

Minnesota statutes require that all City deposits be protected by insurance, surety bond or collateral. The fair value of collateral pledged must equal 110 percent of the deposits not covered by insurance or bonds, with the exception of irrevocable standby letters of credit issued by Federal Home Loan Banks as this type of collateral only requires collateral pledged equal to 100 percent of the deposits not covered by insurance or bonds.

Authorized collateral in lieu of a corporate surety bond includes:

- United States government Treasury bills, Treasury notes, Treasury bonds;
- Issues of United States government agencies and instrumentalities as quoted by a recognized industry quotation service available to the government entity;
- General obligation securities of any state or local government with taxing powers which is rated "A" or better by a national bond rating service, or revenue obligation securities of any state or local government with taxing powers which is rated "AA" or better by a national bond rating service;
- General obligation securities of a local government with taxing powers may be pledged as collateral against funds deposited by that same local government entity;
- Irrevocable standby letters of credit issued by Federal Home Loan Banks to a municipality accompanied by written evidence that the bank's public debt is rated "AA" or better by Moody's Investors Service, Inc., or Standard & Poor's Corporation; and
- Time deposits that are fully insured by any federal agency.

Minnesota statutes require that all collateral shall be placed in safekeeping in a restricted account at a Federal Reserve Bank, or in an account at a trust department of a commercial bank or other financial institution that is not owned or controlled by the financial institution furnishing the collateral. The selection should be approved by the City.

The City's carrying amount of deposits and bank balance at year end are shown below. Part of the bank balance was covered by federal depository insurance and the remainder was covered by collateral pledged in the City's name as shown below.

Carrying amount of deposits	$ 1,105,626
Bank balance	$ 1,832,960
Covered by FDIC	(255,744)
Collateralized with securities pledged in City's name	$ 1,577,216

Note 3: Detailed Notes on All Funds (Continued)

Investments

At year end, the City's investment balances were as follows:

Types of Investments	Credit Quality/ Ratings (1)	Segmented Time Distribution (2)	Amount	Fair Value Measurement Using Level 1	Fair Value Measurement Using Level 2
Pooled Investments at Amortized Costs					
Broker money market funds	N/A	less than 6 months	$ 101,738	$ -	$ -
Non-pooled Investments at Fair Value					
Negotiable certificates of deposits	N/A	less than 1 year	1,201,979	-	1,201,979
Negotiable certificates of deposits	N/A	1 to 5 years	3,262,766	-	3,262,766
Governmental agency securities	N/R	less than 1 year	1,792,097	1,792,097	-
Governmental agency securities	N/R	1 to 5 years	1,262,791	1,262,791	-
Total Investments			$ 7,621,371	$ 3,054,888	$ 4,464,745

(1) Ratings are provided by various credit rating agencies where applicable to indicate associated credit risk.
(2) Interest rate risk is disclosed using the segmented time distribution method.
N/A Indicates not applicable or available.

The investments of the City are subject to the following risks:

- *Credit Risk* is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Ratings are provided by various credit rating agencies and where applicable, indicate associated credit risk. Minnesota statutes and the City's investment policy limit the City's investments to the list on page 52 of the notes.

- *Interest Rate Risk* is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the City manages its exposure to declines in fair values by disallowing purchases of investments that, at the time of investment, cannot be held to maturity. The City will also not invest in securities, other than money-market funds, without a fixed maturity date and fixed interest or discount rate. The City's investment policy does not allow for investment in securities maturing more than five years from the date of purchase. No more than 50 percent of the dollar value of the City's investments will mature more than two years from the date of purchase.

- *Concentration of Credit Risk* is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The City's investment policy does not address concentration of credit risk, placing no limit on the amount that may be invested in any one issuer.

- *Custodial Credit Risk* is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. The City's investment policy does not address custodial credit risk but typically limits its exposure by purchasing insured or registered investments.

The investment in the Minnesota Municipal Money Market fund is not subject to the credit risk classifications as noted in paragraph 9 of GASB Statement No. 40.

Note 3: Detailed Notes on All Funds (Continued)

A reconciliation of cash and temporary investments as shown on the statement of net position for the City follows:

Carrying Amount of Deposits	$ 1,105,626
Investments	7,621,370
Total Cash and Temporary Investments	$ 8,726,996

B. Lease Receivable

Description	Issue Date	Discount Rate	Current Year Inflow of Resources	Balance at Year End
Verizon Cell Tower	08/20/92	1.98 %	$ 44,532	$ 825,488
T-Mobile Cell Tower	04/01/24	3.00	36,177	327,716
LMCC Room Rental	07/15/25	5.00	7,130	145,292
				$ 1,298,496

The City entered into a lease agreement with Verizon on August 20, 1992 to lease exterior space for cell phone towers. The lease term began January 1, 2022 and will continue through 2042. The City was paid $3,582 per month in 2024 and that monthly payment will raise 3 percent each year. The City amended their lease with T-Mobile in 2024 to lease exterior space for cell phone towers. The city was paid $6,354 per month in 2024 and that monthly payment will raise 3 percent each year. The City entered into a lease agreement with Lake Minnetonka Communications Commission on July 15, 2025 to lease a room in the public works building. The lease term began July 15, 2025 and will continue through 2035. The City was paid $1,250 per month in 2025 and the monthly payment will raise 5 percent each year.

The annual amounts to be recognized split between principal and interest are as follows:

Year Ending December 31,	Principal	Interest	Total Receipts
2026	$ 68,679	$ 32,671	$ 101,350
2027	74,006	30,684	104,690
2028	79,615	28,531	108,146
2029	85,522	26,200	111,722
2030	91,739	23,681	115,420
2031 - 2035	470,552	75,332	545,884
2036 - 2040	298,491	28,520	327,011
2041 - 2043	129,892	2,497	132,389
Total	$ 1,298,496	$ 248,116	$ 1,546,612

Note 3: Detailed Notes on All Funds (Continued)

C. Capital Assets

Capital asset activity for the City for the year ended December 31, 2025 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities				
Capital Assets not Being Depreciated				
Land	$ 2,681,949	$ -	$ -	$ 2,681,949
Capital Assets Being Depreciated				
Buildings	5,981,835	43,800	-	6,025,635
Machinery and equipment	2,964,957	267,804	(313,123)	2,919,638
Infrastructure	9,028,864	173,216	-	9,202,080
Total Capital Assets Being Depreciated	17,975,656	484,820	(313,123)	18,147,353
Less Accumulated Depreciation for				
Buildings	(2,813,652)	(138,893)	-	(2,952,545)
Machinery and equipment	(1,954,086)	(177,352)	313,123	(1,818,315)
Infrastructure	(5,852,337)	(220,703)	-	(6,073,040)
Total Accumulated Depreciation	(10,620,075)	(536,948)	313,123	(10,843,900)
Total Capital Assets Being Depreciated, Net	7,355,581	(52,128)	-	7,303,453
Governmental Activities Capital Assets, Net	$ 10,037,530	$ (52,128)	$ -	$ 9,985,402

Depreciation expense was charged to functions/programs of the governmental activities as follows:

Governmental Activities	
General government	$ 31,144
Public safety	154,008
Public works	333,058
Culture and recreation	18,738
Total Depreciation Expense - Governmental Activities	$ 536,948

Note 3: Detailed Notes on All Funds (Continued)

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type Activities				
Capital Assets not Being Depreciated				
Construction in progress	$ 44,823	$ -	$ -	$ 44,823
Capital Assets Being Depreciated				
Buildings	$ 779,704	-	$ -	$ 779,704
Machinery and equipment	663,301	-	-	663,301
Infrastructure	10,934,825	-	-	10,934,825
Total Capital Assets Being Depreciated	12,377,830	-	-	12,377,830
Less Accumulated Depreciation for				
Buildings	(547,431)	(12,000)	-	(559,431)
Machinery and equipment	(608,892)	(20,457)	-	(629,349)
Infrastructure	(4,306,714)	(213,970)	-	(4,520,684)
Total Accumulated Depreciation	(5,463,037)	(246,427)	-	(5,709,464)
Total Capital Assets Being Depreciated, Net	6,914,793	(246,427)	-	6,668,366
Business-type Activities Capital Assets, Net	$ 6,959,616	$ (246,427)	$ -	$ 6,713,189

Depreciation expense was charged to functions/programs of the business-type activities as follows:

Business-type Activities	
Water	$ 146,615
Sewer	76,608
Surface water management	23,204
Total Depreciation Expense - Business-type Activities	$ 246,427

D. Interfund Receivables, Payables, and Transfers

During the year ended December 31, 2025, the City made the following transfers:

- The General fund transferred $60,000 into the Sealcoating/Patching fund.

Note 3: Detailed Notes on All Funds (Continued)

E. Long-term Debt

General Obligation (G.O.) Improvement (Special Assessment) Bonds

The following bonds were issued to finance various capital improvements and will be repaid from special assessments certified on the properties benefiting from the improvements. Some issues, however, are partially financed by ad valorem tax levies. All special assessment debt is backed by the full faith and credit of the City. Each year the combined assessment and tax levy equals 105 percent of the amount required for debt service. The excess of 5 percent is to cover any delinquencies in tax or assessment payments. In addition, G.O. improvement bonds have been issued to refund related G.O. improvement bonds.

Description	Authorized and Issued	Interest Rate	Issue Date	Maturity Date	Balance at Year End
G.O. Improvement Bonds of 2016A	$ 915,000	0.80 - 2.00 %	09/07/16	02/01/27	$ 195,000
G.O. Improvement Bonds of 2017A	2,000,000	3.00	07/13/17	02/01/33	1,180,000
Total G.O. Improvement Bonds					$ 1,375,000

Annual debt service requirements to maturity for the G.O. improvement bonds are as follows:

Year Ending December 31,	Governmental Activities			Business-type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2026	$ 86,850	$ 9,845	$ 96,695	$ 138,150	$ 26,555	$ 164,705
2027	88,075	7,771	95,846	146,925	22,704	169,629
2028	34,300	6,211	40,511	105,700	19,139	124,839
2029	35,525	5,163	40,688	109,475	15,912	125,387
2030	36,750	4,079	40,829	113,250	12,571	125,821
2031 - 2033	117,600	5,365	122,965	362,400	16,535	378,935
Total	$ 399,100	$ 38,434	$ 437,534	$ 975,900	$ 113,416	$ 1,089,316

Note 3: Detailed Notes on All Funds (Continued)

Changes in Long-term Liabilities

Long-term liability activity for the year ended December 31, 2025, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities					
Bonds Payable					
G.O. improvement bonds	$ 480,950	$ -	$ (81,850)	$ 399,100	$ 86,850
Bond premium	13,814	-	(1,984)	11,830	-
Total Bonds Payable	494,764	-	(83,834)	410,930	86,850
Compensated Absences Payable*	108,086	-	(70,672)	37,414	20,578
Governmental Activity Long-term Liabilities	$ 602,850	$ -	$ (154,506)	$ 448,344	$ 107,428
Business-type Activities					
Bonds Payable					
G.O. improvement bonds	$ 1,114,050	$ -	$ (138,150)	$ 975,900	$ 138,150
Bond premium	40,968	-	(5,320)	35,648	-
Total Bonds Payable	1,155,018	-	(143,470)	1,011,548	138,150
Compensated Absences Payable*	18,850	-	(8,288)	10,562	5,809
Business-type Activity Long-term Liabilities	$ 1,173,868	$ -	$ (151,758)	$ 1,022,110	$ 143,959

Note 3: Detailed Notes on All Funds (Continued)

F. Components of Fund Balance

At December 31, 2025, portions of the City's fund balance are not available for appropriation due to not being in spendable form (Nonspendable), legal restrictions (Restricted), City Council action (Committed), policy and/or intent (Assigned). The following is a summary of the components of fund balance:

	General	Fire Department	TIF 1-6	Capital Project	Pavement Management Improvement	Other Governmental Funds	Total Governmental Funds
Nonspendable for							
Leases	$ 78,569	$ -	$ -	$ -	$ 26,245	$ -	$ 104,814
Restricted for							
Debt service	$ -	$ -	$ -	$ -	$ -	$ 117,952	$ 117,952
Park improvements	-	-	-	-	-	72,331	72,331
Culture and recreation	-	-	-	-	-	40,705	40,705
Economic development	-	-	391,116	-	-	51,599	442,715
Total Restricted	$ -	$ -	$ 391,116	$ -	$ -	$ 282,587	$ 673,703
Committed to							
Public safety	$ -	$ 246,716	$ -	$ -	$ -	$ -	$ 246,716
Lake quality improvement	-	-	-	-	-	5,611	5,611
Economic development	-	-	-	-	-	82,081	82,081
Total Committed	$ -	$ 246,716	$ -	$ -	$ -	$ 87,692	$ 334,408
Assigned to							
Compensated absences	$ 37,414	$ -	$ -	$ -	$ -	$ -	$ 37,414
Pavement management	-	-	-	-	469,921	2,104	472,025
Capital replacements	-	-	-	3,756,747	-	23,806	3,780,553
Fire capital replacements	-	-	-	-	-	7,805	7,805
Economic development	-	-	-	-	-	-	-
				-			
Total Assigned	$ 37,414	$ -	$ -	$ 3,756,747	$ 469,921	$ 33,715	$ 4,297,797
Total Unassigned	$ 1,269,710	$ -	$ -	$ -	$ -	$ -	$ 1,269,710

Note 4: Defined Benefit Pension Plans - Statewide

A. Plan Description

The City participates in the following cost-sharing multiple-employer defined benefit pension plans administered by the Public Employees Retirement Association of Minnesota (PERA). These plan provisions are established and administered according to Minnesota Statutes chapters 353, 353D, 353E, 353G, and 356. Minnesota Statutes chapter 356 defines each plan's financial reporting requirements. PERA's defined benefit pension plans are tax qualified plans under Section 401(a) of the Internal Revenue Code.

General Employees Retirement Plan (General Plan)

Membership in the General Plan includes employees of counties, cities, townships, schools in non-certified positions,and other governmental entities whose revenues are derived from taxation, fees, or assessments. Plan membership is required for any employee who is expected to earn more than $425 in a month, unless the employee meets exclusion criteria.

Public Employees Police and Fire Plan (Police and Fire Plan)

Membership in the Police and Fire Plan includes full-time, licensed police officers and firefighters who meet the membership criteria defined in Minnesota Statutes section 353.64 and who are not earning service credit in any other PERA retirement plan or a local relief association for the same service. Employers can provide Police and Fire Plan coverage for part-time positions and certain other public safety positions by submitting a resolution adopted by the entity's governing body. The resolution must state that the position meets plan requirements.

B. Benefits Provided

PERA provides retirement, disability, and death benefits. Benefit provisions are established by state statute and can only be modified by the state Legislature. Vested, terminated employees who are entitled to benefits, but are not receiving them yet, are bound by the provisions in effect at the time they last terminated their public service. When a member is "vested," they have earned enough service credit to receive a lifetime monthly benefit after leaving public service and reaching an eligible retirement age. Members who retire at or over their Social Security full retirement age with at least one year of service qualify for a retirement benefit.

General Employee Plan Benefits

General Employees Plan requires three years of service to vest. Benefits are based on a member's highest average salary for any five successive years of allowable service, age, and years of credit at termination of service. Two methods are used to compute benefits for General Plan members. Members hired prior to July 1, 1989, receive the higher of the Step or Level formulas. Only the Level formula is used for members hired after June 30, 1989. Under the Step formula, General Plan members receive 1.2% of the highest average salary for each of the first 10 years of service and 1.7% for each additional year. Under the Level formula, General Plan members receive 1.7% of highest average salary for all years of service. For members hired prior to July 1, 1989 a full retirement benefit is available when age plus years of service equal 90 and normal retirement age is 65. Members can receive a reduced requirement benefit as early as age 55 if they have three or more years of service. Early retirement benefits are reduced by .25% for each month under age 65. Members with 30 or more years of service can retire at any age with a reduction of .25% for each month the member is younger than age 62. The Level formula allows General Plan members to receive a full retirement benefit at age 65 if they were first hired before July 1, 1989 or at age 66 if they were hired on or after July 1, 1989. Early retirement begins at age 55 with an actuarial reduction applied to the benefit.

Note 4: Defined Benefit Pension Plans - Statewide (Continued)

Benefit increases are provided to benefit recipients each January. The postretirement increase is equal to 50% of the cost-of-living adjustment (COLA) announced by the SSA, with a minimum increase of at least 1% and a maximum of 1.5%. The 2025 annual increase was 1.25%. Recipients that have been receiving the annuity or benefit for at least a full year as of the June 30 before the effective date of the increase will receive the full increase. Recipients receiving the annuity or benefit for at least one month but less than a full year as of the June 30 before the effective date of the increase will receive a prorated increase.

Police and Fire Plan Benefits

Benefits for Police and Fire Plan members hired before July 1, 2010, are vested after three years of service. Members hired on or after July 1, 2010, are 50% vested after five years of service and 100% vested after ten years. After five years, vesting increase by 10% each full year of service until members are 100% vested after ten years. Police and Fire Plan members receive 3% of highest average salary for all years of service. Police and Fire Plan members receive a full retirement benefit when they are age 55 and vested, or when their age plus their years of service equals 90 or greater if they were first hired before July 1, 1989. Early retirement starts at age 50, and early retirement benefits are reduced by 0.417% each month members are younger than age 55.

Benefit increases are provided to benefit recipients each January. The postretirement increase is fixed at 1%. Recipients that have been receiving the annuity or benefit for at least 36 months as of the June 30 before the effective date of the increase will receive the full increase. Recipients receiving the annuity or benefit for at least 25 months but less than 36 months as of the June 30 before the effective date of the increase will receive a prorated increase.

C. Contributions

Minnesota Statutes chapters 353, 353E, 353G, and 356 set the rates for employer and employee contributions. Contribution rates can only be modified by the state Legislature.

General Employees Fund Contributions

General Plan members were required to contribute 6.50% of their annual covered salary in fiscal year 2025 and the City was required to contribute 7.50% for General Plan members. The City’s contributions to the General Employees Fund for the year ended December 31, 2025, were $40,685. The City's contributions were equal to the required contributions as set by state statute.

Police and Fire Fund Contributions

Police and Fire Plan members were required to contribute 11.80% of their annual covered salary in fiscal year 2025 and the City was required to contribute 17.70% for Police and Fire Plan members. The City’s contributions to the Police and Fire Fund for the year ended December 31, 2025, were $20,522. The City’s contributions were equal to the required contributions as set by state statute.

Note 4: Defined Benefit Pension Plans - Statewide (Continued)

D. Pension Costs

General Employees Fund Pension Costs

At December 31, 2025, the City reported a liability of $212,203 for its proportionate share of the General Employees Fund's net pension liability. The City's net pension liability reflected a reduction due to the State of Minnesota's contribution of $16 million. The State of Minnesota is considered a non-employer contributing entity and the state's contribution meets the definition of a special funding situation. The State of Minnesota's proportionate share of the net pension liability associated with the City totaled $5,119.

City's proportionate share of the net pension liability	$	212,203
State of Minnesota's proportionate share of the net pension liability associated with the City		5,119
Total	$	217,322

The net pension liability was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on the City's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2024 through June 30, 2025, relative to the total employer contributions received from all of PERA's participating employers. The City's proportionate share was 0.0064% at the end of the measurement period and 0.006% for the beginning of the period.

For the year ended December 31, 2025, the City recognized pension expense of $1,037 for its proportionate share of the General Employees Plan's pension expense. In addition, the City recognized an additional negative $785 as pension expense (and grant revenue) for its proportionate share of the State of Minnesota's contribution of $16 million to the General Employees Fund.

At December 31, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	$ 20,218	$ -
Changes in actuarial assumptions	5,113	48,827
Net difference between projected and actual investment earnings	-	84,437
Changes in proportion	19,440	17,270
Employer contributions subsequent to the measurement date	18,729	-
Total	$ 63,500	$ 150,534

Note 4: Defined Benefit Pension Plans - Statewide (Continued)

The $18,729 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2026. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

2026	$	(33,717)
2027		(34,357)
2028		(22,605)
2029		(15,084)

Police and Fire Fund Pension Costs

At December 31, 2025, the City reported a liability of $88,207 for its proportionate share of the Police and Fire Fund's net pension liability. The net pension liability was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportionate share of the net pension liability was based on the City's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2024 through June 30, 2025, relative to the total employer contributions received from all of PERA's participating employers. The City's proportionate share was 0.0075% at the end of the measurement period and 0.0079% for the beginning of the period.

The State of Minnesota contributed $18 million to the Police and Fire Fund in the plan fiscal year ended June 30, 2025. The contribution consisted of $9 million in direct state aid that meets the definition of a special funding situation and $9 million in supplemental state aid that does not meet the definition of a special funding situation. The $9 million direct state aid was paid on October 1, 2024. The direct state aid payment will increase by $17.7 million which was paid on October 1, 2025. Thereafter, by October 1 of each year, the state will pay $26.7 million to the Police and Fire Fund until the fund is 110% funded for a minimum of three consecutive years (on an actuarial value of assets basis). The $9 million in supplemental state aid will continue until the fund and the State Patrol Plan (administered by the Minnesota State Retirement System) are 100% funded for three consecutive years (on an actuarial value of assets basis). The State of Minnesota's proportionate share of the net pension liability associated with the City totaled $3,058.

City's proportionate share of the net pension liability	$	88,207
State of Minnesota's proportionate share of the net pension liability associated with the City		3,058
Total	$	91,265

For the year ended December 31, 2025, the City recognized pension expense of $27,153 for its proportionate share of the Police and Fire Plan's pension expense. The City recognized $1,479 as grant revenue and pension expense for its proportionate share of the State of Minnesota's contribution of $9 million to the Police and Fire special funding situation.

The State of Minnesota is not included as a non-employer contributing entity in the Police and Fire Pension Plan pension allocation schedules for the $9 million in supplemental state aid because this contribution was not considered to meet the definition of a special funding situation. The City recognized $678 for the year ended December 31, 2025 as revenue and an offsetting reduction of net pension liability for its proportionate share of the State of Minnesota's on-behalf contributions to the Police and Fire Fund.

Note 4: Defined Benefit Pension Plans - Statewide (Continued)

At December 31, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	$ 40,754	$ -
Changes in actuarial assumptions	66,889	110,519
Net difference between projected and actual earnings on investments	-	39,368
Changes in proportion	21,403	24,872
Employer contributions subsequent to the measurement date	10,269	-
Total	$ 139,315	$ 174,759

The $10,269 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2026. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

2026	$ 19,108
2027	(21,203)
2028	(46,250)
2029	1,253
2030	1,379

E. Long-term Expected Return on Investment

The State Board of Investment, which manages the investments of PERA, prepares an analysis of the reasonableness on a regular basis of the long-term expected rate of return using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce an expected long-term rate of return by weighting the expected future rates of return by the target asset allocation percentages. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Return on Investment
Domestic Equity	33.5 %	5.10 %
International Equity	16.5	5.30
Fixed Income	25.0	0.75
Private Markets	25.0	5.90
Total	100.0 %	

Note 4: Defined Benefit Pension Plans - Statewide (Continued)

F. Actuarial Assumptions

The total pension liability for each of the cost-sharing defined benefit plans was determined by an actuarial valuation as of June 30, 2025, using the entry age normal actuarial cost method. The long-term rate of return on pension plan investments used to determine the total liability is 7%. The 7% assumption is based on a review of inflation and investment return assumptions from a number of national investment consulting firms. The review provided a range of investment return rates considered reasonable by the actuary. An investment return of 7% is within that range.

- Inflation is assumed to be 2.25% for the General Employees Plan, and Police & Fire Plan.
- Benefit increases after retirement are assumed to be 1.50% for the General Employees Plan and 1% for the Police & Fire Plan

Salary growth assumptions in the General Employees Plan range in annual increments from 11.5% after one year of service to 3% after 27 years of service. In the Police & Fire Plan, salary growth assumptions range in annual increments from 10.75% after one year of service to 3% after 23 years of service.

Mortality rates for the General Employees Plan are based on the Pub-2010 General Employee Mortality Table. Mortality rates for the Police & Fire Plan are based on the Pub-2010 Public Safety Employee Mortality tables. The tables are adjusted slightly to fit PERA's experience.

Actuarial assumptions for the General Employees Plan are reviewed every four years. The General Employees Plan was last reviewed in 2022. The assumption changes were adopted by the board and became effective with the July 1, 2023 actuarial valuation. The Police & Fire Plan was reviewed in 2024. The assumption changes were adopted by the board and became effective with the July 1, 2025 actuarial valuation.

The following changes in actuarial assumptions and plan provisions occurred in 2025:

General Employees Fund

Changes in Actuarial Assumptions:
- The combined service annuity loading factors increased from 15% to 19% for vested, terminated members and from 3% to 44% for non-vested, terminated members.
- The assumed post-retirement benefit increase changed from 1.25% to 1.5%.

Changes in Plan Provisions:
- The post-retirement benefit increase formula changed to 100% of the Social Security annual increase, between 1% and 1.75%, beginning January 1, 2026. If the funded ratio (on a market value of assets basis) is less than 85% for the last two consecutive annual valuations or is less than 80% in the most recent actuarial valuation, the maximum is reduced to 1.5%. Previously, the benefit increase was 50% of the Social Security annual increase, between 1% and 1.5%.
- The 1% additional employer contribution is eliminated when the plan reaches 98% funded status (on an actuarial value of assets basis); this contribution was previously scheduled to stop when the plan reached 100% funded status.

Note 4: Defined Benefit Pension Plans - Statewide (Continued)

Police and Fire Fund

Changes in Actuarial Assumptions:
- Assumed rates of salary increases were reduced slightly.
- Assumed rates of retirement were adjusted, resulting in an overall increase in unreduced (full) retirements and an overall increase in reduced (early) retirements.
- Assumed rates of withdrawal were modified; the new rates will increase predicted terminations, especially in the first few years of employment.
- Assumed rates of disabled retirement were significantly increased, especially for ages over age 30.
- Continued used of Pub-2010 Public Safety Mortality Table with rates adjusted to better fit observed experience.
- Percent married assumption for female retirees lowered from 70% to 65%.
- Minor changes were made to form of payment assumptions for retirees.
- Minor changes were made to assumptions made with respect to missing participant data.
- The combined service annuity load changed from 33% to 13% for vested, terminated members and from 2% to 38% for non-vested, terminated members.

Changes in Plan Provisions:
- The period of time needed for benefit recipients to receive their first benefit increase was reduced by one year (from 36 months to 24 months for a full increase).
- The January 1, 2026 benefit increase changed from 1% to 3%; subsequent January 1 increases will be 1%.
- The threshold to end the $9 million annual state aid contribution changed from the earlier of July 1, 2048 or 90% funded for both PERA Police & Fire and MSRS State Patrol for three consecutive years to 100% funded for both PERA Police & Fire and MSRS State Patrol for three consecutive years (on an actuarial value of assets basis).
- The threshold to end the additional $9 million annual state aid contribution changed from the earlier of July 1, 2024 or 100% funded for a minimum of three consecutive years to 110% funded for a minimum of three consecutive years (on an actuarial value of assets basis).
- An additional $17.7 million in direct state aid will be paid annually each October 1 beginning October 1, 2025 through June 30, 2048.
- Joint and survivor actuarial equivalent factors were updated to reflect changes in assumptions.

G. Discount Rate

The discount rate used to measure the total pension liability in 2025 was 7.00%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers will be made at rates set in Minnesota Statutes. Based on these assumptions, the fiduciary net position of the General Employees and Police and Fire Plans were projected to be available to make all projected future benefit payments of current plan members. The long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Note 4: Defined Benefit Pension Plans - Statewide (Continued)

H. Pension Liability Sensitivity

The following presents the City's proportionate share of the net pension liability for all plans it participates in, calculated using the discount rate disclosed in the preceding paragraph, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate one percentage point lower or one percentage point higher than the current discount rate:

	1 Percent Decrease (6.00%)	Current (7.00%)	1 Percent Increase (8.00%)
General Employees Fund	$ 515,407	$ 212,203	$ (33,764)
Police and Fire Fund	231,120	88,207	(29,148)

I. Pension Plan Fiduciary Net Position

Detailed information about each pension plan's fiduciary net position is available in a separately issued PERA financial report that includes financial statements and required supplementary information. That report may be obtained on the Internet at www.mnpera.org.

Note 5: Defined Benefit Pension Plans - Fire Relief Association

A. Plan Description

All members of the Long Lake Fire Department (the Department) are covered by a defined benefit plan administered by the Long Lake Fire Volunteer Relief Association (the Association). As of December 31, 2024, the plan covered 38 active firefighters and 11 vested terminated fire fighters whose pension benefits are deferred. The plan is a single employer retirement plan and is established and administered in accordance with Minnesota statute, chapter 69.

The Association maintains a separate Special fund to accumulate assets to fund the retirement benefits earned by the Department's membership. Funding for the Association is derived from an insurance premium tax in accordance with the Volunteer Firefighter's Relief Association Financing Guidelines Act of 1971 (chapter 261 as amended by chapter 509 of Minnesota statutes 1980). Funds are also derived from investment income.

B. Benefits Provided

A fire fighter who completes at least 20 years as an active member of the Department is entitled, after age 50, to a full-service pension upon retirement.

The bylaws of the Association also provide for an early vested service pension for a retiring member who has completed fewer than 20 years of service. The reduced pension, available to members with 10 years of service, shall be reduced by 4 percent for each year of service less than 20 years. Members who retire with less than 20 years of service and have reached the age of 50 years and have completed at least 10 years of active membership are entitled to a reduced service pension not to exceed the amount calculated by multiplying the member's service pension for the completed years of service times the applicable non-forfeitable percentage of pension.

C. Contributions

Minnesota statutes, chapters 424 and 424A authorize pension benefits for volunteer fire relief associations. The plan is funded by fire state aid, investment earnings and, if necessary, employer contributions as specified in Minnesota statutes and voluntary City contributions (if applicable). The State of Minnesota contributed $164,867 in fire state aid to the plan on behalf of the Long Lake Fire Department for the year ended December 31, 2025, which was recorded as a revenue. Required employer contributions are calculated annually based on statutory provisions. The City's statutorily-required contributions to the plan for the year ended December 31, 2025 were $206,604. The City's contributions were equal to the required contributions as set by state statute. The City made no voluntary contributions to the plan. Furthermore, the firefighter has no obligation to contribute to the plan.

Note 5: Defined Benefit Pension Plans - Fire Relief Association (Continued)

D. Pension Costs

At December 31, 2025, the City reported a net pension asset of $963,734 for the Volunteer Firefighter Fund. The net pension asset was measured as of December 31, 2025. The total pension liability used to calculate the net pension asset in accordance with GASB 68 was determined by Van Iwaarden, applying an actuarial formula to specific census data certified by the Department. The following table presents the changes in net pension asset during the year.

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a-b)
Beginning Balance January 1, 2024	$ 2,161,721	$ 2,728,055	$ (566,334)
Changes for the Year			
Service cost	121,416	-	121,416
Interest on pension liability (asset)	147,337	-	147,337
Differences between expected and actual experience	(93,104)	-	(93,104)
Changes of actuarial assumptions	14,384	-	14,384
Change of benefit terms	-	-	-
Contributions (state and local)	-	205,716	(205,716)
Net investment income	-	384,372	(384,372)
Benefit payments	(32,827)	(32,827)	-
Administrative expenses	-	(2,655)	2,655
Total Net Changes	157,206	554,606	(397,400)
Ending Balance December 31, 2024	$ 2,318,927	$ 3,282,661	$ (963,734)

For the year ended December 31, 2025, the City recognized pension expense of $168,373.

At December 31, 2025, the City reported deferred outflows of resources, its contributions subsequent to the measurement date, related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Economic Experience	$ 87	$ 177,472
Changes in Actuarial Assumptions	33,009	47,112
Net Difference Between Projected and Actual Earnings on Plan Investments	-	103,728
Contributions to Plan Subsequent to the Measurement Date	164,867	-
Total	$ 197,963	$ 328,312

Note 5: Defined Benefit Pension Plans - Fire Relief Association (Continued)

Deferred outflows of resources totaling $164,867 related to pensions resulting from the City's contributions to the plan subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2026. Other amounts reported as deferred outflows and inflows of resources related to the plan will be recognized in pension expense as follows:

2026	$ (46,403)
2027	7,891
2028	(126,003)
2029	(74,708)
2030	(21,668)
Thereafter	(34,325)

E. Actuarial Assumptions

The total pension liability at December 31, 2025 was determined using the entry age normal actuarial cost method and the following actuarial assumptions:

Inflation Rate	2.50% per year
Investment Rate of Return	6.50%
20-Year Municipal Bond Yield	4.08%

There were no changes in actuarial assumptions in 2025 .

F. Discount Rate

The discount rate used to measure the total pension liability was 6.5 percent. The projection of cash flows used to determine the discount rate assumed that contributions to the plan will be made as specified in statute. Based on that assumption and considering the funding ratio of the plan, the fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

G. Pension Liability Sensitivity

The following presents the City's net pension asset for the plan, calculated using the discount rate disclosed in the preceding paragraph, as well as what the City's net pension asset would be if it were calculated using a discount rate one percent lower or one percent higher than the current discount rate:

	1 Percent Decrease (5.50%)	Current (6.50%)	1 Percent Increase (7.50%)
Defined Benefit Plan	$ (893,957)	$ (963,734)	$ (1,030,334)

H. Asset Allocation

The long-term expected rate of return on pension plan investments was set based on the plan's target investment allocation along with long-term return expectations by asset class. All economic assumptions were based on input from various published sources and projected future financial data available.

Note 5: Defined Benefit Pension Plans - Fire Relief Association (Continued)

The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Domestic Equity	60.00 %	4.60 %
Fixed Income	35.00	2.70
Cash	5.00	1.19
Total	100.00 %	

I. Pension Plan Fiduciary Net Position

The Association issues a publicly available financial report. The report may be obtained by writing to the Long Lake Fire Department Relief Association, 340 North Willow Drive, Orono, MN 55356.

Note 6: Other Information

A. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters for which the City carries insurance. The City obtains insurance through participation in the League of Minnesota Cities Insurance Trust (LMCIT), which is a risk sharing pool with approximately 800 other governmental units. The City pays an annual premium to LMCIT for its workers compensation and property and casualty insurance. The LMCIT is self-sustaining through member premiums and will reinsure for claims above a prescribed dollar amount for each insurance event. Settled claims have not exceeded the City's coverage in any of the past three fiscal years.

Liabilities are reported when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated. Liabilities, if any, include an amount for claims that have been incurred but not reported (IBNRs). The City's management is not aware of any incurred but not reported claims.

B. Joint Operation

The City entered into a settlement agreement in August 2001 with the Cities of Orono and Medina for the construction of a fire station. The proceeds of the project resulted from a negotiated settlement with the Minnesota Department of Transportation for $3,498,200 and a $680,000 contribution from the City of Orono. The City of Orono also contributed land at a value of $200,000. The City is tracking their 50 percent share in the building and 50 percent share in the land as an undivided interest as defined by GASB Statement No. 14 and No. 61. In 2025 the Long Lake and Orono fire departments merged into Shoreline Fire Department under a new joint powers agreement. The joint powers effective operating date is January 1, 2026.

C. Legal Debt Margin

In accordance with Minnesota statutes, the City may not incur or be subject to net debt in excess of three percent of the estimated market value of taxable property within the City. Net debt is payable solely from ad valorem taxes and therefore, excludes debt financed partially or entirely by special assessments, enterprise fund revenues or tax increments. The City has no debt subject to the limit.

Note 6: Other Information (Continued)

D. Tax Increment Districts

The City's tax increment districts are subject to review by the State of Minnesota Office of the State Auditor (OSA). Any disallowed claims or misuse of tax increments could become a liability of the applicable fund. Management has indicated that they are not aware of any instances of noncompliance which would have a material effect on the financial statements.

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REQUIRED SUPPLEMENTARY INFORMATION

CITY OF LONG LAKE
LONG LAKE, MINNESOTA

FOR THE YEAR ENDED
DECEMBER 31, 2025

City of Long Lake, Minnesota
Required Supplementary Information
For the Year Ended December 31, 2025

Schedule of Employer's Share of PERA Net Pension Liability - General Employees Fund

Fiscal Year Ending	City's Proportion of the Net Pension Liability	City's Proportionate Share of the Net Pension Liability (a)	State's Proportionate Share of the Net Pension Liability Associated with the City (b)	Total (a+b)	City's Covered Payroll (c)	City's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll (a/c)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
6/30/2025	0.0064 %	$ 212,203	$ 5,119	$ 217,322	$ 579,946	36.6 %	90.8 %
6/30/2024	0.0060	220,184	5,694	225,878	504,077	43.7	89.1
6/30/2023	0.0060	335,513	9,301	344,814	478,076	70.2	83.1
6/30/2022	0.0070	554,402	16,242	570,644	510,125	108.7	76.7
6/30/2021	0.0068	290,390	8,858	299,248	484,403	59.9	87.0
6/30/2020	0.0065	389,705	12,016	401,721	437,853	89.0	79.1
6/30/2019	0.0052	287,496	9,000	296,496	395,971	72.6	80.2
6/30/2018	0.0050	277,380	9,162	286,542	366,882	75.6	79.5
6/30/2017	0.0056	357,500	4,459	361,959	327,500	109.2	75.9
6/30/2016	0.0057	462,812	-	462,812	353,000	131.1	68.9

Schedule of Employer's PERA Contributions - General Employees Fund

Year Ending	Statutorily Required Contribution (a)	Contributions in Relation to the Statutorily Required Contribution (b)	Contribution Deficiency (Excess) (a-b)	City's Covered Payroll (c)	Contributions as a Percentage of Covered Payroll (b/c)
12/31/2025	$ 40,685	$ 40,685	$ -	$ 542,469	7.50 %
12/31/2024	40,500	40,500	-	539,995	7.50
12/31/2023	37,427	37,427	-	499,022	7.50
12/31/2022	36,874	36,874	-	491,653	7.50
12/31/2021	36,392	36,392	-	485,232	7.50
12/31/2020	37,193	37,193	-	495,909	7.50
12/31/2019	30,371	30,371	-	404,943	7.50
12/31/2018	26,286	26,286	-	350,483	7.50
12/31/2017	25,359	25,359	-	338,116	7.50
12/31/2016	27,651	27,651	-	368,680	7.50

Notes to the Required Supplementary Information - General Employee Retirement Fund

Changes in Actuarial Assumptions

2025 - The combined service annuity loading factors increased from 15% to 19% for vested terminated members and from 3% to 44% for non-vested, terminated members. The assumed post-retirement benefit increase changed from 1.25% to 1.5%.

2024 - The following changes in assumptions are effective with the July 1, 2024 valuation, as recommended in the most recent experience study (dated June 29, 2023): Rates of merit and seniority were adjusted, resulting in slightly higher rates. Assumed rates of retirement were adjusted as follows: increase the rate of assumed unreduced retirements, slight adjustments to Rule of 90 retirement rates, and slight adjustments to early retirement rates for Tier 1 and Tier 2 members. Minor increase in assumed withdrawals for males and females. Lower rates of disability. Continued use of Pub-2010 general mortality table with slight rate adjustments as recommended in the most recent experience study. Minor changes to form of payment assumptions for male and female retirees. Minor changes to assumptions made with respect to missing participant data.

2023 - The investment return and single discount rates were changed from 6.5 percent to 7.0 percent.

2022 - The mortality improvement scale was changed from Scale MP-2020 to Scale MP-2021.

2021 - The investment return and single discount rates were changed from 7.50 percent to 6.50 percent, for financial reporting purposes. The mortality improvement scale was changed from Scale MP-2019 to Scale MP-2020.

2020 - The price inflation assumption was decreased from 2.50% to 2.25%. The payroll growth assumption was decreased from 3.25% to 3.00%. Assumed salary increase rates were changed as recommended in the June 30, 2019 experience study. The net effect is assumed rates that average 0.25% less than previous rates. Assumed rates of retirement were changed as recommended in the June 30, 2019 experience study. The changes result in more unreduced (normal) retirements and slightly fewer Rule of 90 and early retirements. Assumed rates of termination were changed as recommended in the June 30, 2019 experience study. The new rates are based on service and are generally lower than the previous rates for years 2-5 and slightly higher thereafter. Assumed rates of disability were changed as recommended in the June 30, 2019 experience study. The change results in fewer predicted disability retirements for males and females. The base mortality table for healthy annuitants and employees was changed from the RP-2014 table to the Pub-2010 General Mortality table, with adjustments. The base mortality table for disabled annuitants was changed from the RP-2014 disabled annuitant mortality table to the PUB-2010 General/Teacher disabled annuitant mortality table, with adjustments. The mortality improvement scale was changed from Scale MP-2018 to Scale MP-2019. The assumed spouse age difference was changed from two years older for females to one year older. The assumed number of married male new retirees electing the 100% Joint & Survivor option changed from 35% to 45%. The assumed number of married female new retirees electing the 100% Joint & Survivor option changed from 15% to 30%. The corresponding number of married new retirees electing the Life annuity option was adjusted accordingly.

2019 - The mortality projection scale was changed from MP-2017 to MP-2018.

2018 - The mortality projection scale was changed from MP-2015 to MP-2017. The assumed benefit increase was changed from 1.00 percent per year through 2044 and 2.50 percent per year thereafter to 1.25 percent per year.

2017 - The Combined Service Annuity (CSA) loads were changed from 0.8 percent for active members and 60 percent for vested and non-vested deferred members. The revised CSA loads are now 0.0 percent for active member liability, 15.0 percent for vested deferred member liability and 3.0 percent for non-vested deferred member liability. The assumed post-retirement benefit increase rate was changed from 1.0 percent per year for all years to 1.0 percent per year through 2044 and 2.5 percent per year thereafter.

2016 - The assumed post-retirement benefit increase rate was changed from 1.0 percent per year through 2035 and 2.5 percent per year thereafter to 1.0 percent per year for all future years. The assumed investment return was changed from 7.9 percent to 7.5 percent. The single discount rate was changed from 7.9 percent to 7.5 percent. Other assumptions were changed pursuant to the experience study dated June 30, 2015. The assumed future salary increases, payroll growth and inflation were decreased by 0.25 percent to 3.25 percent for payroll growth and 2.50 percent for inflation.

Notes to the Required Supplementary Information - General Employee Retirement Fund (Continued)

Changes in Plan Provisions

2025 - The post-retirement benefit increase formula changed to 100% of the Social Security annual increase, between 1% and 1.75% , beginning January 1, 2026. If the funded ratio (on a market value of assets basis) is less than 85% for the last two consecutive annual valuations or is less than 80% in the most recent actuarial valuation, the maximum is reduced to 1.5%. Previously, the benefit increase was 50% of the Social Security annual increase, between 1% and 1.5%.The 1% additional employer contribution is eliminated when the plan reaches 98% funded status (on an actuarial value of assets basis); this contribution was previously scheduled to stop when the plan reached 100% funded status.

2024 - The workers' compensation offset for disability benefits was eliminated. The actuarial equivalent factors updated to reflect the changes in assumptions.

2023 - An additional one-time direct state aid contribution of $170.1 million will be contributed to the Plan on October 1, 2023. The vesting period of those hired after Juen 30, 2010, was changed from five years of allowable service to three years of allowable service. The benefit increase delay for early retirements on or after January 1, 2024 was eliminated. A one-time non-compounding benefit increase of 2.5 percent minus the actual 2024 adjustment will be payable in a lump sum for calendar year 2024 by March 31, 2024.

2022 - There were no changes in plan provisions since the previous valuation.

2021 - There were no changes in plan provisions since the previous valuation.

2020 - Augmentation for current privatized members was reduced to 2.0% for the period July 1, 2020 through December 31, 2023 and 0.0% after. Augmentation was eliminated for privatizations occurring after June 30, 2020.

2019 - The employer supplemental contribution was changed prospectively, decreasing from $31.0 million to $21.0 million per year. The state's special funding contribution was changed prospectively, requiring $16.0 million due per year through 2031.

2018 - The augmentation adjustment in early retirement factors is eliminated over a five-year period starting July 1, 2019, resulting in actuarial equivalence after June 30, 2024. Interest credited on member contributions decreased from 4.0 percent to 3.0 percent, beginning July 1, 2018. Deferred augmentation was changed to 0.0 percent, effective January 1, 2019. Augmentation that has already accrued for deferred members will still apply. Contribution stabilizer provisions were repealed. Postretirement benefit increases were changed from 1.0 percent per year with a provision to increase to 2.5 percent upon attainment of 90.0 percent funding ratio to 50.0 percent of the Social Security Cost of Living Adjustment, not less than 1.0 percent and not more than 1.5 percent, beginning January 1, 2019. For retirements on or after January 1, 2024, the first benefit increase is delayed until the retiree reaches normal retirement age; does not apply to Rule of 90 retirees, disability benefit recipients, or survivors. Actuarial equivalent factors were updated to reflect revised mortality and interest assumptions.

2017 - The State's contribution for the Minneapolis Employees Retirement Fund equals $16,000,000 in 2017 and 2018, and $6,000,000 thereafter. The Employer Supplemental Contribution for the Minneapolis Employees Retirement Fund changed from $21,000,000 to $31,000,000 in calendar years 2019 to 2031. The state's contribution changed from $16,000,000 to $6,000,000 in calendar years 2019 to 2031.

2016 - There were no changes in plan provisions since the previous valuation.

City of Long Lake, Minnesota
Required Supplementary Information (Continued)
For the Year Ended December 31, 2025

Schedule of Employer's Share of PERA Net Pension Liability - Police and Fire Fund

Fiscal Year Ending	City's Proportion of the Net Pension Liability	City's Proportionate Share of the Net Pension Liability (a)	State's Proportionate Share of the Net Pension Liability Associated with the City (b)	Total (a+b)	City's Covered Payroll (c)	City's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll (a/c)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
6/30/2025	0.0075 %	$ 88,207	$ 3,058	$ 91,265	$ 114,255	77.2 %	91.8 %
6/30/2024	0.0079	103,307	3,938	107,245	108,735	95.0	90.2
6/30/2023	0.0063	108,793	4,346	113,139	82,484	131.9	86.5
6/30/2022	0.0090	391,644	17,122	408,766	105,287	372.0	70.5
6/30/2021	0.0084	64,839	2,889	67,728	98,980	65.5	93.7
6/30/2020	0.0083	109,403	-	109,403	94,139	116.2	87.2
6/30/2019	0.0087	92,620	-	92,620	91,351	101.4	89.3
6/30/2018	0.0084	89,535	-	89,535	95,247	94.0	88.8
6/30/2017	0.0080	108,010	-	108,010	79,804	135.3	85.4
6/30/2016	0.0090	361,186	-	361,186	84,772	426.1	63.9

Schedule of Employer's PERA Contributions - Police and Fire Fund

Year Ending	Statutorily Required Contribution (a)	Contributions in Relation to the Statutorily Required Contribution (b)	Contribution Deficiency (Excess) (a-b)	City's Covered Payroll (c)	Contributions as a Percentage of Covered Payroll (b/c)
12/31/2025	$ 20,522	$ 20,522	$ -	$ 115,944	17.70 %
12/31/2024	19,827	19,827	-	112,015	17.70
12/31/2023	14,130	14,130	-	79,830	17.70
12/31/2022	19,406	19,406	-	109,640	17.70
12/31/2021	18,158	18,158	-	102,589	17.70
12/31/2020	16,927	16,927	-	95,633	17.70
12/31/2019	15,695	15,695	-	92,597	16.95
12/31/2018	14,564	14,564	-	89,900	16.20
12/31/2017	14,146	14,146	-	87,318	16.20
12/31/2016	13,869	13,869	-	85,611	16.20

Notes to the Required Supplementary Information - Police and Fire Fund

Changes in Actuarial Assumptions

2025 - Assumed rates of salary increases were reduced slightly. Assumed rates of retirement were adjusted, resulting in an overall increase in unreduced (full) retirements and an overall increase in reduced (early) retirements. Assumed rates of withdrawal were modified; the new rates will increase predicted terminations, especially in the first few years of employment. Assumed rates of disabled retirement were significantly increased, especially for ages over age 30. Continued used of Pub-2010 Public Safety Mortality Table with rates adjusted to better fit observed experience. Percent married assumption for female retirees lowered from 70% to 65%. Minor changes were made to form of payment assumptions for retirees. Minor changes were made to assumptions made with respect to missing participant data. The combined service annuity load changed from 33% to 13% for vested, terminated members and from 2% to 38% for non-vested, terminated members.

2024 - There were no changes in actuarial assumptions since the previous valuation.

2023 - The investment return assumption was changed from 6.5 percent to 7.0 percent. The single discount rate changed from 5.4 percent to 7.0 percent.

2022 - The mortality improvement scale was changed from Scale MP-2020 to Scale MP-2021. The single discount rate changed from 6.50 percent to 5.40 percent.

2021 - The investment return and single discount rates were changed from 7.5 percent to 6.5 percent, for financial reporting purposes. The inflation assumption was changed from 2.5 percent to 2.25 percent. The payroll growth assumption was changed from 3.25 percent to 3.0 percent. The base mortality table for healthy annuitants and employees was changed from the RP-2014 table to the Pub-2010 Public Safety Mortality table. The mortality improvement scale was changed from MP-2019 to MN-2020. The base mortality table for disabled annuitants was changed from the RP-2014 healthy annuitant mortality table (with future mortality improvement according to Scale MP-2019) to the Pub-2010 Public Safety disabled annuitant mortality table (with future mortality improvement according to Scale MP-2020). Assumed rates of salary increase were modified as recommended in the July 14, 2020 experience study. The overall impact is a decrease in gross salary increase rates. Assumed rates of retirement were changed as recommended in the July 14, 2020 experience study. The changes result in slightly more unreduced retirements and fewer assumed early retirements. Assumed rates of withdrawal were changed from select and ultimate rates to service-based rates. The changes result in more assumed terminations. Assumed rates of disability were increased for ages 25-44 and decreased for ages over 49. Overall, proposed rates result in more projected disabilities. Assumed percent married for active female members was changed from 60.0 percent to 70.0 percent. Minor changes to form of payment assumptions were applied.

2020 - The mortality projection scale was changed from MP-2018 to MP-2019.

2019 - The mortality projection scale was changed from MP-2017 to MP-2018.

2018 - The mortality projection scale was changed from MP-2016 to MP-2017.

2017 - Assumed salary increases were changed as recommended in the June 30, 2016 experience study. The net effect is proposed rates that average 0.34 percent lower than the previous rates. Assumed rates of retirement were changed, resulting in fewer retirements. The Combined Service Annuity (CSA) load was 30 percent for vested and non-vested deferred members. The CSA has been changed to 33 percent for vested members and 2 percent for non-vested members. The base mortality table for healthy annuitants was changed from the RP-2000 fully generational table to the RP-2014 fully generational table (with a base year of 2006), with male rates adjusted by a factor of 0.96. The mortality improvement scale was changed from Scale AA to Scale MP-2016. The base mortality table for disabled annuitants was changed from the RP-2000 disabled mortality table to the mortality tables assumed for healthy retirees. Assumed termination rates were decreased to 3.0 percent for the first three years of service. Rates beyond the select period of three years were adjusted, resulting in more expected terminations overall. Assumed percentage of married female members was decreased from 65 percent to 60 percent. Assumed age difference was changed from separate assumptions for male members (wives assumed to be three years younger) and female members (husbands assumed to be four years older) to the assumption that males are two years older than females. The assumed percentage of female members electing joint and survivor annuities was increased. The assumed post-retirement benefit increase rate was changed from 1.0 percent for all years to 1.0 percent per year through 2064 and 2.5 percent thereafter. The single discount rate was changed from 5.6 percent to 7.5 percent.

2016 - The assumed post-retirement benefit increase rate was changed from 1.0 percent per year through 2037 and 2.5 percent per year thereafter to 1.0 percent per year for all future years. The assumed investment return was changed from 7.9 percent to 7.5 percent. The single discount rate was changed from 7.9 percent to 5.6 percent. The assumed future salary increases, payroll growth and inflation were decreased by 0.25 percent to 3.25 percent for payroll growth and 2.5 percent for inflation.

Notes to the Required Supplementary Information - Police and Fire Fund (Continued)

Changes in Plan Provisions

2025 - The period of time needed for benefit recipients to receive their first benefit increase was reduced by one year (from 36 months to 24 months for a full increase). The January 1, 2026 benefit increase changed from 1% to 3%; subsequent January 1 increases will be 1%. The threshold to end the $9 million annual state aid contribution changed from the earlier of July 1, 2048 or 90% funded for both PERA Police & Fire and MSRS State Patrol for three consecutive years to 100% funded for both PERA Police & Fire and MSRS State Patrol for three consecutive years (on an actuarial value of assets basis). The threshold to end the additional $9 million annual state aid contribution changed from the earlier of July 1, 20248 or 100% funded for a minimum of three consecutive years to 110% funded for a minimum of three consecutive years (on an actuarial value of assets basis). An additional $17.7 million in direct state aid will be paid annually each October 1 beginning October 1, 2025 through June 30, 2048. Join and survivor actuarial equivalent factors were updated to reflect changes in assumptions.

2024 - The State contribution of $9.0 million per year will continue until the earlier of 1) both the Police and Fire Plan and the State Patrol Retirement Fund attain 90.0 percent funded status for three consecutive years (on an actuarial value of assets basis) or 2) July 1, 2048. The contribution was previously due to expire after attaining a 90.0 percent funded status for one year. The additional $9.0 million contribution will continue until the Police and Fire Plan is fully funded for a minimum of three consecutive years on an actuarial value of assets basis, or July 1, 2048, whichever is earlier. This contribution was previously due to expire upon attainment of fully funded status on an actuarial value of assets basis for one year (or July 1, 2048 if earlier).

2023 - An additional one-time direct state aid contribution of $19.4 million will be contributed to the Plan on October 1, 2023. The vesting requirement for new hires after June 30, 2014 was changed from a graded 20-year vesting schedule to a graded 10-year vesting schedule, with 50 percent vesting after five years increasing incrementally to 100 percent after 10 years. A one-time non-compounding benefit increase of 3.0 percent will be payable in a lump sum for calendar year 2024 by March 31, 2024. Psychological treatment is required effective July 1, 2023 prior to approval for a duty disability benefit for a psychological condition relating to the member's occupation. The total and permanent duty disability was increased, effective July 1, 2023.

2022 - There were no changes in plan provisions since the previous valuation.

2021 - There were no changes in plan provisions since the previous valuation.

2020 - There were no changes in plan provisions since the previous valuation.

2019 - There were no changes in plan provisions since the previous valuation.

2018 - As set by statute, the assumed post-retirement benefit increase was changed from 1.0 percent per year through 2064 and 2.5 percent per year, thereafter, to 1.0 percent for all years, with no trigger. An end date of July 1, 2048 was added to the existing $9 million state contribution. New annual state aid will equal $4.5 million in fiscal years 2019 and 2020, and $9 million thereafter until the plan reaches 100 percent funding, or July 1, 2048, if earlier. Member contributions were changed from 10.8 percent to 11.3 percent of pay, effective January 1, 2019 and 11.8 percent of pay, effective January 1, 2020. Employer contributions were changed from 16.2 percent to 16.95 percent of pay, effective January 1, 2019 and 17.7 percent of pay, effective January 1, 2020. Interest credited on member contributions decreased from 4.0 percent to 3.0 percent, beginning July 1, 2018. Deferred augmentation was changed to 0.0 percent, effective January 1, 2019. Augmentation that has already accrued for deferred members will still apply. Actuarial equivalent factors were updated to reflect revised mortality and interest assumptions.

2017- Assumed salary increases were changed as recommended in the June 30, 2016 experience study. The net effect is proposed rates that average 0.34 percent lower than the previous rates. Assumed rates of retirement were changed, resulting in fewer retirements. The combined service annuity (CSA) load was 30.0 percent for vested and non-vested, deferred members. The CSA has been changed to 33.0 percent for vested members and 2.0 percent for non-vested members. The base mortality table for healthy annuitants was changed from the RP-2000 fully generational table to the RP-2014 fully generational table (with a base year of 2006), with male rates adjusted by a factor of 0.96. The mortality improvement scale was changed from Scale AA to Scale MP-2016. The base mortality table for disabled annuitants was changed from the RP-2000 disabled mortality table to the mortality tables assumed for healthy retirees. Assumed termination rates were decreased to 3.0 percent for the first three years of service. Rates beyond the select period of three years were adjusted, resulting in more expected terminations overall. Assumed percentage of married female members was decreased from 65.0 percent to 60.0 percent. Assumed age difference was changed from separate assumptions for male members (wives assumed to be three years younger) and female members (husbands assumed to be four years older) to the assumption that males are two years older than females. The assumed percentage of female members electing joint and survivor annuities was increased. The assumed postretirement benefit increase rate was changed from 1.0 percent for all years to 1.0 percent per year through 2064 and 2.5 percent thereafter. The single discount rate was changed from 5.6 percent per annum to 7.5 percent per annum.

2016 - There were no changes in plan provisions since the previous valuation.

City of Long Lake, Minnesota
Required Supplementary Information (Continued)
For the Year Ended December 31, 2025

Schedule of Employer's Fire Relief Association Contributions

Year Ending	Actuarial Determined Contribution (a)	Actual Contributions Paid (b)	Contribution Deficiency (Excess) (a-b)
12/31/25	$ 164,867	$ 164,867	$ -
12/31/24	206,604	206,604	-
12/31/23	178,087	178,087	-
12/31/22	156,973	156,973	-
12/31/21	144,261	144,261	-
12/31/20	135,078	135,078	-
12/31/19	116,941	116,941	-
12/31/18	108,863	108,863	-
12/31/17	105,233	105,233	-
12/31/16	102,476	102,476	-

City of Long Lake, Minnesota
Required Supplementary Information (Continued)
For the Year Ended December 31, 2025

Schedule of Changes in the Fire Relief Association's Net Pension Liability (Asset) and Related Ratios

	2025 (Fire Relief Report Date 2024)	2024 (Fire Relief Report Date 2023)	2023 (Fire Relief Report Date 2022)	2022 (Fire Relief Report Date 2021)	2021 (Fire Relief Report Date 2020)	2020 (Fire Relief Report Date 2019)	2019 (Fire Relief Report Date 2018)	2018 (Fire Relief Report Date 2017)	2017 (Fire Relief Report Date 2016)
Total Pension Liability									
Service cost	$ 121,416	$ 118,455	$ 105,992	$ 103,660	$ 74,567	$ 72,748	$ 62,746	$ 57,986	$ 59,297
Interest on pension liability (asset)	147,337	135,418	108,897	107,513	107,493	113,013	104,927	82,336	91,543
Changes of benefit terms	-	-	231,695	-	277,296	-	142,860	160,490	-
Differences between expected and actual experience	(93,104)	-	(42,556)	-	(140,443)	-	388	-	(66,918)
Changes of assumptions	14,384	-	(67,695)	-	32,088	-	24,858	(19,661)	8,104
Benefit payments	(32,827)	(114,113)	(376,664)	-	(433,735)	(125,431)	(27,537)	(179,612)	(189,404)
Net Change in Total Pension Liability	157,206	139,760	(40,331)	211,173	(82,734)	60,330	308,242	101,539	(97,378)
Total Pension Liability - January 1,	2,161,721	2,021,961	2,062,292	1,851,119	1,933,853	1,873,523	1,565,281	1,463,742	1,561,120
Total Pension Liability - December 31, (a)	$ 2,318,927	$ 2,161,721	$ 2,021,961	$ 2,062,292	$ 1,851,119	$ 1,933,853	$ 1,873,523	$ 1,565,281	$ 1,463,742
Plan Fiduciary Net Position									
Nonemployer contributions		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 104,476
Contributions (state and local)	205,716	180,975	158,973	144,261	138,078	118,941	109,863	107,240	-
Projected investment return	384,372	396,639	(494,828)	376,727	352,944	424,177	(60,245)	195,835	143,741
Benefit payments	(32,827)	(114,113)	(376,664)	-	(433,735)	(125,431)	(27,537)	(179,612)	(189,404)
Administrative expenses	(2,655)	(23,070)	(2,306)	(18,393)	(10,675)	(8,088)	(11,213)	(13,196)	(6,220)
Other	-	2,000	-		-	69	220	500	-
Net Change in Plan Fiduciary Net Position	554,606	442,431	(714,825)	502,595	46,612	409,668	11,088	110,767	52,593
Plan Fiduciary Net Position - January 1,	2,728,055	2,285,624	3,000,449	2,497,854	2,451,242	2,041,574	2,030,486	1,919,719	1,867,126
Plan Fiduciary Net Position - December 31, (b)	$ 3,282,661	$ 2,728,055	$ 2,285,624	$ 3,000,449	$ 2,497,854	$ 2,451,242	$ 2,041,574	$ 2,030,486	$ 1,919,719
Fire Relief's Net Pension Liability (Asset) - December 31, (a-b)	$ (963,734)	$ (566,334)	$ (263,663)	$ (938,157)	$ (646,735)	$ (517,389)	$ (168,051)	$ (465,205)	$ (455,977)
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (b/a)	141.56%	126.20%	113.04%	145.49%	134.94%	126.75%	108.97%	129.72%	131.15%
Covered-employee Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Fire Relief's Net Pension Liability (Asset) as a Percentage of Covered-employee Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Note: Schedule is intended to show 10-year trend. Additional years will be reported as they become available.

Notes to the Required Supplementary Information - Fire Relief Association

Changes in Actuarial Assumptions

2023 – The investment rate of return increased from 5.50% to 6.50% and the Inflation rate increased from 2.25% to 2.50%.

2022- There were no changes since the previous valuation.

2021 - There were no changes since the previous valuation.

2020 - The expected investment return and discount rate decreased from 6.00% to 5.50% to reflect updated capital market assumptions. The mortality assumptions were updated from the rates used in the July 1, 2018 Minnesota PERA

Police & Fire Plan actuarial valuation to the rates used in the July 1, 2020 Minnesota PERA Police & Fire Plan actuarial valuation. The inflation assumption decreased from 2.50% to 2.25%.

2019 - There were no changes since the previous valuation.

2018 - The expected investment return and discount rate decreased from 6.50% to 6.00% to reflect updated capital market assumptions. The mortality and withdrawal assumptions were updated from the rates used in the July 1, 2016 Minnesota PERA Police & Fire Plan actuarial valuation to the rates used in the July 1, 2018 Minnesota PERA Police & Fire Plan actuarial valuation. The inflation assumption decreased from 2.75% to 2.50%. The 20-year municipal bond yield rate increased from 3.31% to 3.71%.

Changes in Plan Provisions

2023- There were no changes since the previous valuation.

2022- There were no changes since the previous valuation.

2021 - There were no changes since the previous valuation.

2020 - The lump sum benefit amount increased from $4,900 to $6,000 per year of service.

2019 - There were no changes since the previous valuation.

2018 - The lump sum benefit amount increased from $4,350 to $4,900 per year of service.

City of Long Lake, Minnesota

Schedule of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual
General Fund
For the Year Ended December 31, 2025

	Budgeted Amounts Original and Final	Actual Amounts	Variance with Final Budget
Revenues			
Property taxes	$ 1,658,131	$ 1,629,201	$ (28,930)
Licenses and permits	100,250	145,439	45,189
Charges for services	63,525	101,660	38,135
Fines and forfeitures	10,000	13,133	3,133
Investment earnings	-	41,021	41,021
Miscellaneous	1,500	11,337	9,837
Total Revenues	1,833,406	1,941,791	108,385
Expenditures			
Current			
General government	678,397	623,681	54,716
Public safety	641,779	521,069	120,710
Public works	370,985	324,127	46,858
Culture and recreation	32,500	23,663	8,837
Capital outlay			
General government	3,500	3,378	122
Public safety	-	-	-
Public works	25,000	3,000	22,000
Culture and recreation	7,500	-	7,500
Total Expenditures	1,759,661	1,498,918	260,743
Excess (Deficiency) of Revenues Over (Under) Expenditures	73,745	442,873	369,128
Other Financing Sources (Uses)			
Transfers out	(60,000)	(60,000)	-
Net Change in Fund Balances	13,745	382,873	369,128
Fund Balances, January 1	1,002,820	1,002,820	-
Fund Balances, December 31	$ 1,016,565	$ 1,385,693	$ 369,128

The notes to the financial statements are an integral part of this statement.

City of Long Lake, Minnesota

Schedule of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual
Fire Department Special Revenue Fund
For the Year Ended December 31, 2025

	Budgeted Amounts Original and Final	Actual Amounts	Variance with Final Budget
Revenues			
Intergovernmental			
State	$ 165,000	$ 198,577	$ 33,577
Charges for services	824,136	1,039,090	214,954
Miscellaneous	-	4,774	4,774
Contributions and donations	12	2,086	2,074
Total Revenues	989,148	1,244,527	255,379
Expenditures			
Current			
Public safety			
Personal services	592,247	613,266	(21,019)
Supplies	83,650	146,983	(63,333)
Other services and charges	268,920	330,511	(61,591)
Capital outlay	8,000	105,947	(97,947)
Total Expenditures	952,817	1,196,707	(243,890)
Excess (Deficiency) of Revenues Over (Under) Expenditures	36,331	47,820	11,489
Other Financing Sources			
Sale of capital assets	-	39,300	39,300
Net Change in Fund Balances	36,331	87,120	50,789
Fund Balances, January 1	-	159,596	159,596
Fund Balances, December 31	$ 36,331	$ 246,716	$ 210,385

The notes to the financial statements are an integral part of this statement.

City of Long Lake, Minnesota
Required Supplementary Information (Continued)
For the Year Ended December 31, 2025

Budgetary Reporting

A. Budgetary Information

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for all governmental funds except the capital projects funds, which adopt project-length budgets. All annual appropriations lapse at fiscal year-end. The City does not use encumbrance accounting.

Before August of each year, all departments of the City submit requests for appropriations to the City Administrator so that a budget may be prepared. Before September 30, the proposed budget is presented to the City Council for review. The City Council holds public hearings and a final budget is prepared and adopted in early December.

The appropriated budget is prepared by fund, function and department. The City's department heads may make transfers of appropriations within a department. Transfers of appropriations between departments require the approval of the City Administrator. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the department level. Budgeted amounts were not amended in 2025.

B. Excess of Expenditures over Appropriations

Fund	Budget	Actual	Excess of Expenditures Over Appropriations
Fire Department	$ 952,817	$ 1,196,707	$ 243,890

The excess of expenditures over appropriations was offset with revenue in excess of budget.

C. Summary of Significant Budget Variances

The General fund revenues and expenditures varied from final budget amounts as noted below:

Revenues

- Investment earnings and building permit revenues greater than expectation were the main reasons for a positive budget variance in the general fund. The city typically doesn't budget for investment earnings and is conservative when budgeting building permit revenue.

Expenditures

- Public safety expenditures were under final budgeted amounts mainly due to decreases in fire current expenditures directly related to the creation of the Shoreline Fire JPA.

The Fire Department fund revenues and expenditures varied significantly from final budget amounts as noted below:

Revenues

- Charges for services exceeded final budgeted amounts due to more capital reimbursement revenue than anticipated at time of final budget approval.

Budgetary Reporting (Continued)

Expenditures

- Capital outlay expenditures were over final budgeted amounts due to five HVAC replacements and SCBA equipment purchases.

D. Budgetary Compliance

There were no budgetary compliance violations for the fiscal year ending December 31, 2025.

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

CITY OF LONG LAKE
LONG LAKE, MINNESOTA

FOR THE YEAR ENDED
DECEMBER 31, 2025

City of Long Lake, Minnesota
Nonmajor Governmental Funds
Combining Balance Sheet
December 31, 2025

	Debt Service	Special Revenue	Capital Projects	Total Nonmajor Governmental Funds
Assets				
Cash and temporary investments	$ 117,952	$ 128,397	$ 206,214	$ 452,563
Receivables				
Special assessments	8,204	-	-	8,204
Total Assets	$ 126,156	$ 128,397	$ 206,214	$ 460,767
Liabilities				
Accounts payable	$ -	$ -	$ 48,569	$ 48,569
Deferred Inflows of Resources				
Unavailable revenue - special assessments	8,204	-	-	8,204
Fund Balances				
Restricted for				
Debt Service	117,952	-	-	117,952
Economic development	-	-	51,599	51,599
Park improvements	-	-	72,331	72,331
Culture and recreation	-	40,705	-	40,705
Committed for				
Lake quality improvement	-	5,611	-	5,611
Economic development	-	82,081	-	82,081
Assigned for				
Capital replacements	-	-	33,715	33,715
Total Fund Balances	117,952	128,397	157,645	403,994
Total Liabilities, Deferred Inflows and Fund Balances	$ 126,156	$ 128,397	$ 206,214	$ 460,767

City of Long Lake, Minnesota
Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended December 31, 2025

	Debt Service	Special Revenue	Capital Projects	Total Nonmajor Governmental Funds
Revenues				
Taxes				
Property	$ 87,530	$ -	$ -	$ 87,530
Tax increments	-	-	107,931	107,931
Special assessments	8,888	-	-	8,888
Investment earnings	1,361	5,023	22,032	28,416
Miscellaneous	-	13,622	86,286	99,908
Total Revenues	97,779	18,645	216,249	332,673
Expenditures				
Current				
Culture and recreation	-	2,102	-	2,102
Economic development	-	185	-	185
Capital outlay				
Public safety	-	-	250,861	250,861
Public works	-	-	59,820	59,820
Economic development	-	-	70,173	70,173
Debt service				
Principal	81,850	-	-	81,850
Interest and other	12,651	-	-	12,651
Total Expenditures	94,501	2,287	380,854	477,642
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,278	16,358	(164,605)	(144,969)
Other Financing Sources				
Transfers in	-	-	60,000	60,000
Net Change in Fund Balances	3,278	16,358	(104,605)	(84,969)
Fund Balances, January 1	114,674	112,039	262,250	488,963
Fund Balances, December 31	$ 117,952	$ 128,397	$ 157,645	$ 403,994

City of Long Lake, Minnesota
Nonmajor Special Revenue Funds
Combining Balance Sheet
December 31, 2025

	105 Economic Development Authority	213 Lake Quality Improvement	225 Charitable Gambling	Total
Assets				
Cash and temporary investments	$ 82,081	$ 5,611	$ 40,705	$ 128,397
Fund Balances				
Restricted for				
Culture and recreation	$ -	$ -	$ 40,705	$ 40,705
Committed for				
Lake quality improvement	-	5,611	-	5,611
Economic development	82,081	-	-	82,081
Total Fund Balances	$ 82,081	$ 5,611	$ 40,705	$ 128,397

City of Long Lake, Minnesota
Nonmajor Special Revenue Funds
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
For the Year Ended December 31, 2025

	105 Economic Development Authority	213 Lake Quality Improvement	225 Charitable Gambling	Total
Revenues				
Investment earnings	$ 3,350	$ 229	$ 1,444	$ 5,023
Miscellaneous	-	-	13,622	13,622
Total Revenues	3,350	229	15,066	18,645
Expenditures				
Current				
Culture and recreation	-	-	2,102	2,102
Economic development	185	-	-	185
Total Expenditures	185	-	2,102	2,287
Net Change in Fund Balances	3,165	229	12,964	16,358
Fund Balances, January 1	78,916	5,382	27,741	112,039
Fund Balances, December 31	$ 82,081	$ 5,611	$ 40,705	$ 128,397

City of Long Lake, Minnesota
Nonmajor Capital Projects Funds
Combining Balance Sheet
December 31, 2025

	380 TIF 1-9	462 Fire Capital	210 Park	421 Sealcoating/ Patching	Total
Assets					
Cash and temporary investments	$ 100,168	$ 7,805	$ 96,137	$ 2,104	$ 206,214
Liabilities					
Accounts payable	$ 48,569	$ -	$ -	$ -	$ 48,569
Fund Balances					
Restricted for					
Economic development	51,599	-	-	-	51,599
Park improvements	-	-	72,331	-	72,331
Assigned for					
Capital replacements	-	7,805	23,806	2,104	33,715
Total Fund Balances	51,599	7,805	96,137	2,104	157,645
Total Liabilities and Fund Balances	$ 100,168	$ 7,805	$ 96,137	$ 2,104	$ 206,214

City of Long Lake, Minnesota
Nonmajor Capital Projects Funds
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
For the Year Ended December 31, 2025

	380 TIF 1-9	462 Fire Capital	210 Park	421 Sealcoating/ Patching	Total
Revenues					
Tax increments	$ 107,931	$ -	$ -	$ -	$ 107,931
Investment earnings	1,372	15,246	3,490	1,924	22,032
Miscellaneous	-	86,286	-	-	86,286
Total Revenues	109,303	101,532	3,490	1,924	216,249
Expenditures					
Capital outlay					
Public safety	-	250,861	-	-	250,861
Public works	-	-	-	59,820	59,820
Economic development	70,173	-	-	-	70,173
Total Expenditures	70,173	250,861	-	59,820	380,854
Excess (Deficiency) of Revenues Over (Under) Expenditures	39,130	(149,329)	3,490	(57,896)	(164,605)
Other Financing Sources					
Transfers in	-	-	-	60,000	60,000
Net Change in Fund Balances	39,130	(149,329)	3,490	2,104	(104,605)
Fund Balances, January 1	12,469	157,134	92,647	-	262,250
Fund Balances, December 31	$ 51,599	$ 7,805	$ 96,137	$ 2,104	$ 157,645

City of Long Lake, Minnesota
Debt Service Funds
Combining Balance Sheet
December 31, 2025

	393 2016A Watertown Bonds	394 2017A GO Improvement Bonds	Total
Assets			
Cash and temporary investments	$ 81,169	$ 36,783	$ 117,952
Special assessments receivable	8,204	-	8,204
Total Assets	$ 89,373	$ 36,783	$ 126,156
Deferred Inflows of Resources			
Unavailable revenue - special assessments	$ 8,204	$ -	$ 8,204
Fund Balances			
Restricted for debt service	81,169	36,783	117,952
Total Deferred Inflows of Resources and Fund Balances	$ 89,373	$ 36,783	$ 126,156

City of Long Lake, Minnesota
Debt Service Funds
Combining Schedule of Revenues, Expenditures and
Changes in Fund Balances
For the Year Ended December 31, 2025

	393 2016A Watertown Bonds	394 2017A GO Improvement Bonds	Total
Revenues			
Property taxes	$ 46,160	$ 41,370	$ 87,530
Special assessments	8,888	-	8,888
Investment earnings	1,281	80	1,361
Total Revenues	56,329	41,450	97,779
Expenditures			
Debt service			
Principal	50,000	31,850	81,850
Interest and other	3,025	9,626	12,651
Total Expenditures	53,025	41,476	94,501
Net Change in Fund Balances	3,304	(26)	3,278
Fund Balances, January 1	77,865	36,809	114,674
Fund Balances, December 31	$ 81,169	$ 36,783	$ 117,952

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OTHER REQUIRED REPORTS

CITY OF LONG LAKE
LONG LAKE, MINNESOTA

FOR THE YEAR ENDED
DECEMBER 31, 2025

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INDEPENDENT AUDITOR'S REPORT
ON MINNESOTA LEGAL COMPLIANCE

Honorable Mayor and City Council
City of Long Lake, Minnesota

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Long Lake, Minnesota (the City), as of and for the year ended December 31, 2025, and the related notes to the financial statements which collectively comprise the City's basic financial statements, and have issued our report thereon dated March 16, 2026.

In connection with our audit, nothing came to our attention that caused us to believe that the City failed to comply with the provisions of the contracting and bidding, deposits and investments, conflicts of interest, public indebtedness, claims and disbursements, miscellaneous provisions, and tax increment financing sections of the *Minnesota Legal Compliance Audit Guide for Cities*, promulgated by the State Auditor pursuant to Minn. Stat. § 6.65. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the City's noncompliance with the above referenced provisions, insofar as they relate to accounting matters.
This report is intended solely for the information and use of those charged with governance and management of the City of Long Lake and the State Auditor and is not intended to be, and should not be, used by anyone other than these specified parties.

Abdo
Minneapolis, Minnesota
March 16, 2026

CITY OF LONG LAKE

City Council Agenda Report

City of Long Lake
450 Virginia Avenue, PO Box 606
Long Lake, MN 55356

MEETING DATE / April 7, 2026

SUBJECT:	Approve Agreement With WSB for Professional Services for the 2026 Sanitary Sewer Lining Project	
Prepared By:	Rachel Scheu PE, City Engineer	**Report Date:** 3/30/26

Recommended City Council Action

Staff recommends the following:

Motion to approve a Professional Services Agreement with WSB for the preparation of plans and specifications for the 2026 Sanitary Sewer Lining Project.

Overview / Background

Staff have identified sanitary sewer in Districts 3 and 5, west of Long Lake and north of Highway 12, for pipe lining, wye lining of the services, and manhole lining, and a spot repair of sanitary sewer pipe in District 1, east of Wolf Pointe Trail near the wetland, to address inflow and infiltration in the sanitary sewer system, see attached for the project location map. The sanitary sewers in these areas were selected based on the review of the televising videos completed in 2025 at the City's request to analyze inflow and infiltration in their sanitary sewer system due to the increased fees from Metropolitan Council. Districts 3 and 5 were also selected to utilize Tax Increment Financing (TIF) funds obtained by decertifying Long Lake TIF District 1-6 in 2025.

The attached Proposal for Professional Services for the 2026 Sanitary Sewer Lining Project, dated March 30, 2026, outlines design and project management, bidding, construction observation and management, and soil boring sampling and wetland delineation to collect data on the existing soils and adjacent wetland to the spot repair in District 1.

The estimated cost for professional services, including data collection, design, bidding, construction observation and project close out are estimated to be $81,267.

Franchise fees and TIF funds have been identified as the financing source for the proposed project. It is expected that the project will be bid in June of 2026, with construction being completed in the summer or fall, depending upon the start date of the work.

Supporting Information:

- Proposal for Professional Services dated March 30, 2026
- Project Location Map

March 30, 2026

Ms. Amanda Nowezki
City Administrator
City of Long Lake
450 Virginia Avenue
Long Lake, MN 55356

Re: 2026 Sanitary Lining Project
Work Plan – Final Design, Bidding, and Construction Services

Dear Ms. Nowezki:

WSB is pleased to offer this proposal to the City of Long Lake for final design and bidding related services for the 2026 Sanitary Lining Project.

PROJECT UNDERSTANDING
The proposed improvements will help reduce infiltration of rainwater and groundwater into the system, eliminate root growth at joints, lower MCES charges for collection and treatment, minimize the risk of discharge of wastewater into water bodies, and ultimately extend the serviceable life of this underground infrastructure. The recommended sewer repairs will be determined based on analysis of the sewer televising completed in 2025, discussions with City staff, and based on the city's capital improvement budget for lining in 2026. It is estimated that the 2026 sanitary sewer lining project will consist of lining approximately 4,900 lineal feet of sanitary sewer pipe, approximately 65 sanitary service wyes, approximately 30 sanitary sewer manholes lined with a cured-in-place epoxy resin pipe liner, and performing an open cut spot repair on a sanitary sewer pipe run that televising confirmed a significant joint offset that is not suitable for lining.

The proposed scope of services will include development of construction documents including final plans and project specifications, bidding assistance, construction services, geotechnical services, and environmental services for wetland delineation.

SCOPE OF SERVICES
The tasks described below have been developed to provide the necessary final design, bidding services, and construction services to construct the project consistent with City standards and expectations.

Task 1: Final Design

WSB will design and prepare plans and specifications consistent with City Specifications, Details and Engineering Guidelines. One review comment period is anticipated with City staff. WSB will prepare the project design including, but not limited to:

- WSB shall review televising and as-built plans for service locations and potential issues. WSB will recommend areas of sanitary lining based on the City's budget and known sanitary sewer issues.
- Plans and Specifications including the following:
  - Sanitary sizing and lengths for CIPP lining and spot repair

701 XENIA AVENUE S | SUITE 300 | MINNEAPOLIS, MN | 55416 | 763.541.4800 | WSBENG.COM

    - As-built plans for contractor reference
    - Televising videos for contractor reference
- Review plans with City staff in-person and address any comments received by City staff
- Finalize bidding documents, including engineer's cost estimate. City Council to approve plans and specifications and authorize bidding.
- Apply for permit for spot repair work within MnDOT ROW

Task 2: Bidding

WSB will complete all necessary work to bid the project electronically, including:

- Prepare and upload bidding documents to QuestCDN.
- Respond to bidder's questions, issue any addenda and attend the bid opening.
- Prepare a bid tabulation and letter of recommendation for award of the project.
- Prepare agreement and all contract documents.

Task 3: Construction Services

WSB will provide construction services for the construction phase of the projects, including:

- Construction administration
- Construction observation of the work done by the Contractor
- Preparation of payment vouchers, documentation and reporting of the construction process
- Executing project close-out

The construction services fee is dependent upon the construction timelines and the level of on-site representation necessary for the completion of the work. For the purpose of completing this proposal and estimating required professional services fees, we have based our estimate for construction services support on an assumed ninety-hours of on-site construction representation while the contractor is working.

Wetland Delineation Services

WSB will provide wetland delineation services for wetland PEM1C, which is located adjacent to the proposed spot repair in District 1.

Wetland Delineation

All wetlands and surface water features will be delineated and characterized within the defined review limits. Prior to the site visit, WSB will review the Hennepin County Soil Survey, MnDNR Public Waters map, MnDNR National Wetland Inventory, FEMA flood zone map, contours, and historic aerial photos for the project area.

A Level 2 (onsite) wetland investigation will be completed within the designated review limits. The wetland delineation will be completed in conformance with the US Army Corps of Engineers (USACE) *Wetlands Delineation Manual* (US Army Corps of Engineers, 1987) and the Midwest Regional Supplement. The wetland boundaries will be surveyed using a sub-meter accuracy GPS unit. Fluorescent pink pin flags may be used to temporarily mark the boundary of any wetlands and surface water features, until approval is received.

Wetland Delineation Report and Boundary/Type Approval

The field wetland delineation data will be compiled into a wetland delineation report. This report will be submitted to the Minnehaha Creek Watershed District, the Local Government Unit (LGU) for the WCA. The report will also be submitted to the USACE for their review and approval. The wetland delineation report will include a figure depicting the locations of all delineated wetlands, as well as characterization & classification of wetland types. The location of roadside ditches, watercourses, stormwater ponds, and/or County ditch systems will also be depicted, if applicable.

Wetland boundary and type concurrence will be requested from the LGU and USACE. A final, approved wetland boundary electronic (CAD, GIS) file will be delivered to the client following LGU and USACE approval. This task includes a return trip to the site to meet with the LGU to verify the delineated wetland boundaries. If needed by the city, an Approved Jurisdictional Determination (AJD) can be requested from the USACE to understand which aquatic resources they have jurisdiction of. For this project, an AJD is probably not necessary.

Aquatic Resources Permitting

WSB will prepare the application for a no-loss or utility exemption decision from the LGU. No wetland mitigation is expected.

ASSUMPTIONS

1) This scope includes preparation of a Joint Application for wetland boundary/type and no-loss or utility exemption decision.
2) WSB can proceed with the wetland delineation services within three weeks of receipt of authorization. Field delineation of the site is anticipated in May (within the growing season).
3) Site access permission will be granted.
4) The process to obtain the wetland boundary/type decision takes approximately 60 days.
5) The wetland delineation report submittal includes time for one round of revisions per LGU/USACE comments.
6) No onsite surveys for protected species or habitat assessments are included, nor required.

Geotechnical Services

WSB will provide geotechnical services for collecting a soil boring, analyzing, and drafting a tech memo discussing soil properties for the soil conditions in the spot repair location in District 1.

SCHEDULE

City Approves Consultant Contract (Final Design Services) .....April 7, 2026
Final Design .....April-May 2026
Advertise for Bids ..... June 2026
Award Contract .....July 2026
Substantial Completion ..... November 2026
Final Completion ..... December 2026

PROPOSED FEE
Based on the proposed task hour budget, WSB will complete the scope of services previously discussed on an hourly basis for an estimated fee not to exceed $81,267. Hourly labor will be invoiced based on current year rates, and the attached proposal includes an assumption to accommodate future rates. If additional work outside of the above-described scope is determined to be necessary, it will proceed only after City approval.

This represents our complete understanding and scope of the project. If the scope and fee appear to be appropriate, please sign on the space provided and return one (1) copy to our office. We are available to begin work immediately based on your authorization.

We appreciate the opportunity to provide you with this proposal, and we are again looking forward to working with you and your staff toward the completion of these projects. Please feel free to contact me directly with any questions or concerns you may have.

Sincerely,

WSB

Rachel Scheu, PE
City Engineer

Morgan Dawley, PE
Senior Director of Municipal Services

Attachment – WSB Fee Estimate and Project Location Map

cc: Heidi Hamilton, PE, Senior Project Manager

ACCEPTED BY:

City of Long Lake

_____
Authorized Signature

_____
Title

_____
Date

Estimate of Cost
City of Long Lake, Minnesota
Professional Engineering Services - Final Design
2026 Sanitary Lining Project

Task	Description	City Engineer/ Project Manager	Senior Project Manager	Project Engineer	Graduate Engineer	Admin	GIS Technician	Total Hours	Cost
		Rachel Scheu	*Heidi Hamilton*	*Kyle Hoff*	*Erik Moberg*	*Sue Buckley*	*Courtney Osmek*		
1	**Final Design**								
	1.1 Design								
	1.1.1 Project Management	15	5					**20**	$4,080.00
	1.1.2 Design	10	2		105		20	**137**	$21,027.00
	1.1.3 Specifications	15	2			20		**37**	$6,292.00
	1.1.4 Quantity Tabulations and Cost Estimate	5	2		10			**17**	$3,002.00
	1.1.5 QA / QC	15	5	15				**35**	$7,020.00
	Task 1 Total Estimated Hours and Fee	**60**	**16**	**15**	**115**	**20**	**20**	**246**	**$41,421.00**
2	**Bidding**								
	2.1 Bidding Services	10	5		8	15		**38**	$6,700.00
	Task 2 Total Estimated Hours and Fee	**10**	**5**		**8**	**15**		**38**	**$6,700.00**
3	**Construction**								
	3.1 Construction Services	30	5	5	90			**130**	$21,710.00
	Task 2 Total Estimated Hours and Fee	**30**	**5**	**5**	**90**			**130**	**$21,710.00**
Total Estimated Hours		**100**	**26**	**20**	**213**	**35**	**20**	**284**	**$48,121.00**
Average Hourly Billing Rate		180.00	276.00	196.00	155.00	152.00	120.00		
Total Fee by Labor Classification		**$18,000.00**	**$7,176.00**	**$3,920.00**	**$33,015.00**	**$5,320.00**	**$2,400.00**		**$69,831.00**
Wetland Delineation Services									**$6,436.00**
Geotechnical Services									**$5,000.00**
TOTAL PROJECT COST									**$81,267.00**

CITY OF LONG LAKE MINNESOTA

Figure 1
Sanitary Sewer Districts

2026 Sanitary Sewer Project Area
City of Long Lake, MN

District 5
District 3
District 1
District 4
District 2
Lindawood Lift Station
Watertown Lift Station
Apple Glen Lift Station

Legend

- Sanitary Sewer District
- Manhole
- Lift Station
- Gravity Main
- Forcemain
- MCES Gravity Main
- MCES Forcemain
- City Boundary
- CIPP Lining
- Open Trench Spot Repair
- Project locations

N

0 1,000 Feet
1 inch = 1,000 feet

wsb

200

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