



CITY COUNCIL REGULAR AGENDA
MONDAY, JULY 07, 2025
CITY HALL at 7:00 PM

- 1. CALL TO ORDER**
- 2. ROLL CALL**
- 3. PLEDGE OF ALLEGIANCE**
- 4. ADDITIONS OR CORRECTIONS TO AGENDA**
- 5. DISCUSSION FROM THE FLOOR**
- 6. PRESENTATION**
 - [A.](#) Presentation of 2024 Audited Financial Statements
- 7. CONSENT AGENDA**
 - [A.](#) Approval of Minutes - June 16, 2025 City Council Work Session
 - [B.](#) Approval of Minutes - June 16, 2025 City Council Meeting Minutes
 - [C.](#) Resolution 2025-26, Approving the Second Amendment to the Joint Powers Agreement with the North Metro Mayor's Association
 - [D.](#) Resolution 2025-27, Accepting a Donation from the Spring Lake Park Lions Club to Support Tree Replanting in Response to the Emerald Ash Borer Infestation
 - [E.](#) Public Right of Way Permit - Bratt Tree Company - 532 Ballantyne Lane NE
 - [F.](#) Public Right of Way Permit - Xcel Energy - 7804 Able Street NE
 - [G.](#) Public Right of Way Permit - Xcel Energy - 7909 Jackson Street NE
 - [H.](#) Public Right of Way Permit - Xcel Energy - 8300 Pierce Street NE
 - [I.](#) Public Right of Way Permit - Xcel Energy - 8339 Pierce Street NE
 - [J.](#) Public Right of Way Permit - 82205th Street NE
 - [K.](#) Public Right of Way Permit - Xcel Energy - 1230 80th Avenue NE
 - [L.](#) Public Right of Way Permit - Xcel Energy - 946 82nd Avenue NE
 - [M.](#) Contractor's Licenses
- 8. DEPARTMENT REPORTS**
 - [A.](#) Public Works Report
- 9. ORDINANCES AND/OR RESOLUTIONS**
 - [A.](#) Ordinance 505, Amending Chapter 9 of City Code by Adding Section 9.12.030 Concerning Pet Stores
 - [B.](#) Resolution 2025-28, Approving Summary Publication of Ordinance 505, Amending Chapter 9 of the City Code by Adding Section 9.12.030 Concerning Pet Stores
 - [C.](#) Resolution 2025-29, Modifying Parking Regulations on 79th Avenue between Taylor Street and a Point 150 West of Tyler Street
- 10. NEW BUSINESS**
 - [A.](#) Consider Approval of Fifth Amendment to Tower Lease Agreement with T-Mobile at 8249 Arthur Street NE

SEE REVERSE SIDE FOR RULES FOR PUBLIC HEARINGS AND
DISCUSSION FROM THE FLOOR

Individuals with disabilities needing auxiliary aid(s) may request assistance by contacting the City Clerk at 1301 81st Avenue NE, Spring Lake Park, MN 55432. Ph.763-784-6491 at least 48 hours in advance.

[B.](#) Approval of Lease between City of Spring Lake Park and True North Greens, LLC for Property at 8478 Highway 65 NE

[C.](#) Approval of Storm Sewer Lining Project

11. REPORTS

A. Attorney Report

[B.](#) Engineer Report

C. Administrator Report

12. OTHER

A. Closed Session - Discuss Labor Negotiation Strategy Pursuant to Minn. Stat. § 13D.03, Subd. 1(b)

13. ADJOURN

RULES FOR DISCUSSION FROM THE FLOOR AND PUBLIC HEARINGS

DISCUSSION FROM THE FLOOR

- Discussion from the floor is limited to three minutes per person. Longer presentations must be scheduled through the Administrator, Clerk/Treasurer's office.
- Individuals wishing to be heard must sign in with their name and address. Meetings are video recorded so individuals must approach the podium and speak clearly into the microphone.
- Council action or discussion should not be expected during "Discussion from the Floor." Council may direct staff to research the matter further or take the matter under advisement for action at the next regularly scheduled meeting.

PUBLIC HEARINGS

The purpose of a public hearing is to allow the City Council to receive citizen input on a proposed project. This is not a time to debate the issue.

The following format will be used to conduct the hearing:

- The presenter will have a maximum of 10 minutes to explain the project as proposed.
- Councilmembers will have the opportunity to ask questions or comment on the proposal.
- Citizens will then have an opportunity to ask questions and/or comment on the project. Those wishing the comment are asked to limit their comments to 3 minutes.

In cases where there is a spokesperson representing a group wishing to have their collective opinions voiced, the spokesperson should identify the audience group he/she is representing and may have a maximum of 10 minutes to express the views of the group.

- People wishing to comment are asked to keep their comments succinct and specific.
- Following public input, Councilmembers will have a second opportunity to ask questions of the presenter and/or citizens.
- After everyone wishing to address the subject of the hearing has done so, the Mayor will close the public hearing.
- The City Council may choose to take official action on the proposal or defer action until the next regularly scheduled Council meeting. No further public input will be received at that time.



CITY OF SPRING LAKE PARK

JULY 7, 2025

AUDIT

- Audit Opinion
 - Provides reasonable, but not absolute, assurance that financials are free of material misstatement
 - Audit procedures include: outside confirmation of certain balances and transactions, sample tests of documentary evidence, inquiries of employees and management, analytical procedures applied to balances and certain other testing procedures
 - Unmodified opinion – Financial Statements fairly stated in all material respects
- Minnesota Legal Compliance
 - Seven areas required to be tested by the State of Minnesota: contracting and bidding, deposits and investments, conflicts of interest, public indebtedness, claims and disbursements, miscellaneous provisions and tax increment financing. The items required to be tested for each area are listed in the Office of the State Auditor's Minnesota Legal Compliance Guide for Political Subdivisions
 - Testing covered all of the listed areas and consisted of inquiries, sighting of documents and testing on a sample basis
 - No exceptions noted

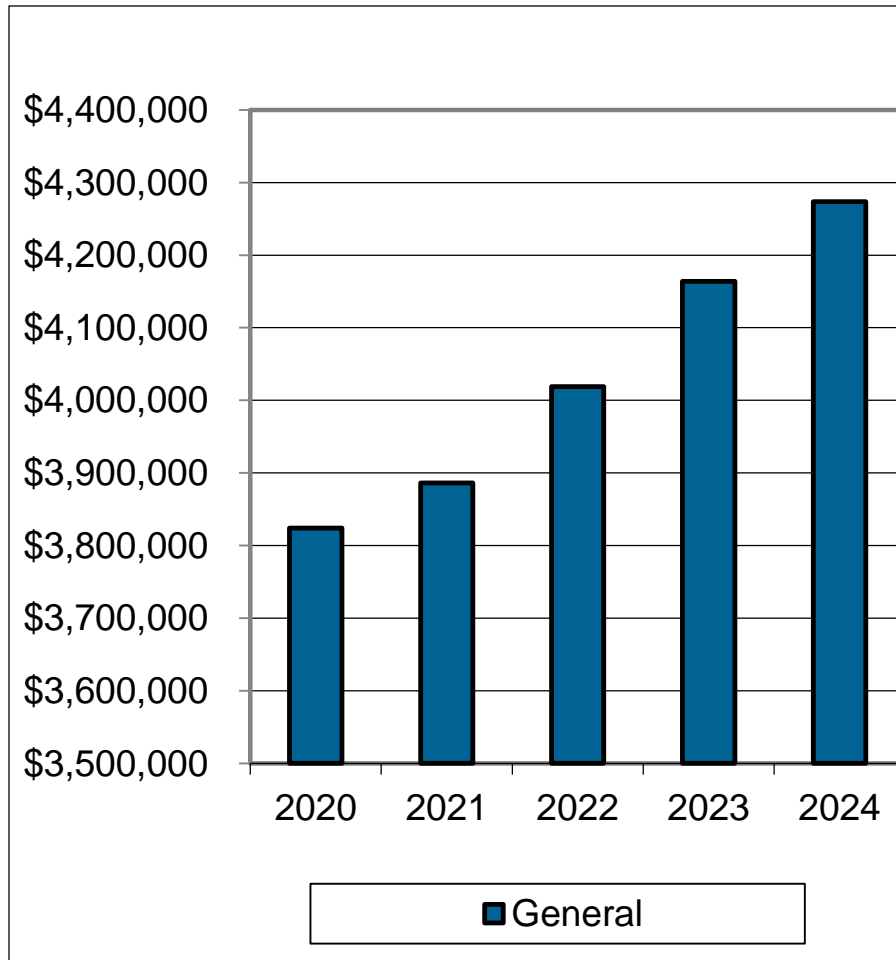
FUND TYPES

- **Governmental**
 - General Fund
 - Special Revenue Fund
 - Debt Service Fund
 - Capital Projects Fund
- **Enterprise**
 - Utility

Governmental Funds

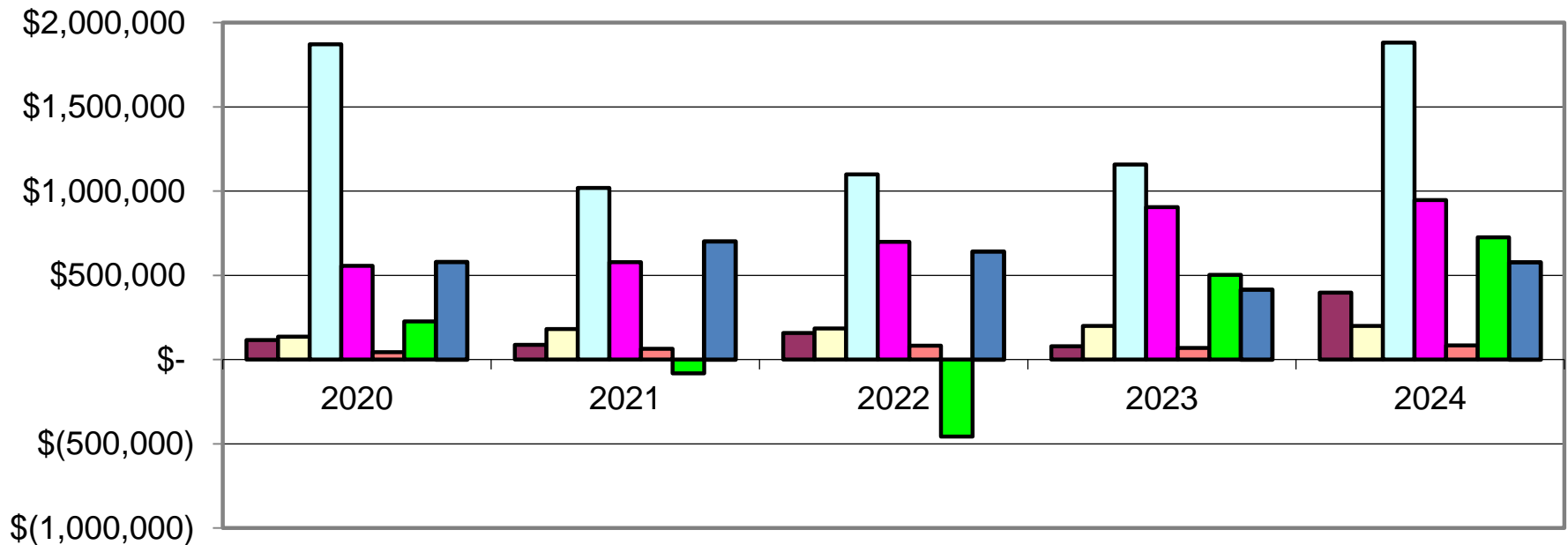
Revenues

PROPERTY AND FRANCHISE TAX REVENUES



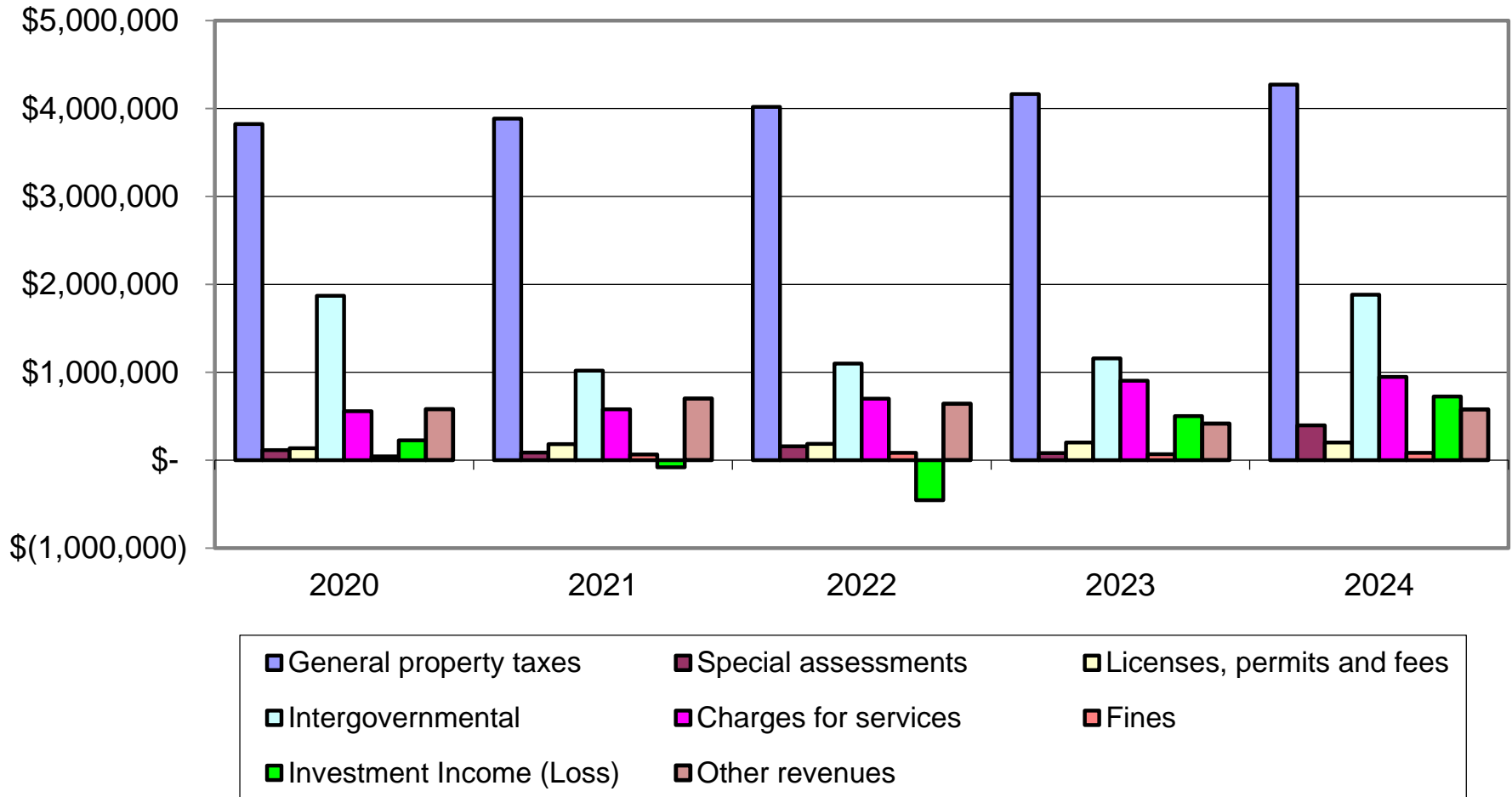
- Property and franchise tax revenues increased by 3% in 2024 as a result of an increase in the tax levy amount
- In 2024, property and franchise tax revenues represented 47% of governmental revenues excluding transfers

OTHER GOVERNMENTAL FUND REVENUES



- | | |
|------------------------------|----------------------------|
| ■ Special assessments | ■ Licenses and permits |
| ■ Intergovernmental revenues | ■ Charges for services |
| ■ Fines and forfeitures | ■ Investment Income (Loss) |
| ■ Other revenues | |

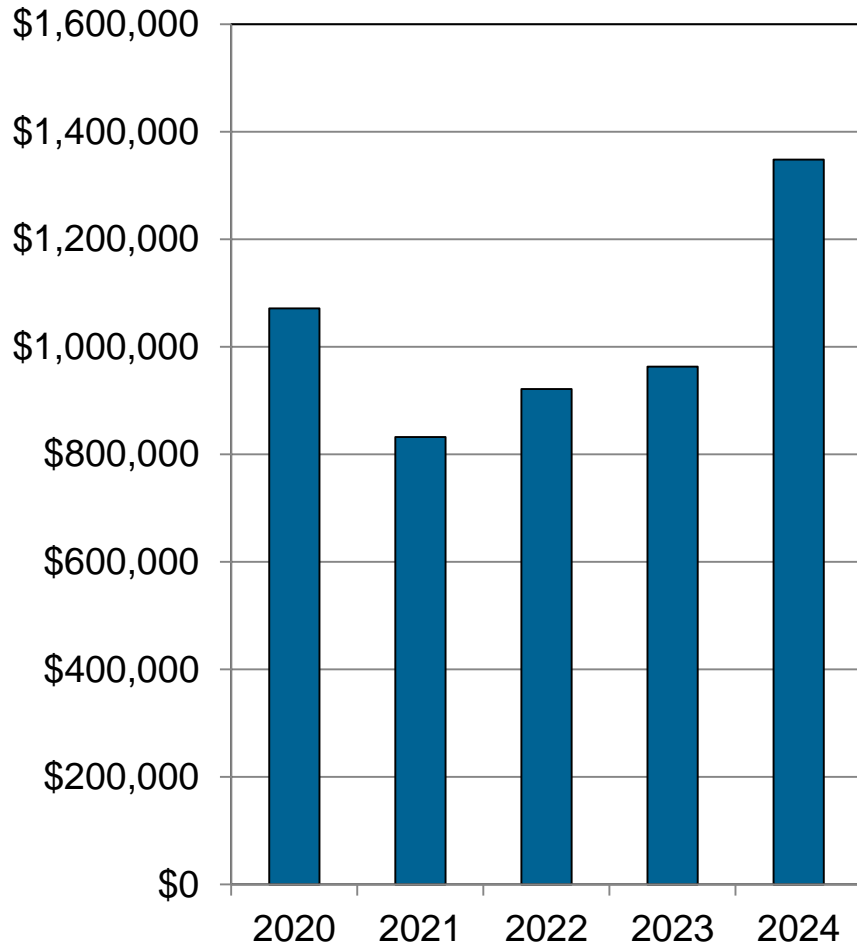
GOVERNMENTAL FUND REVENUES



Governmental Funds

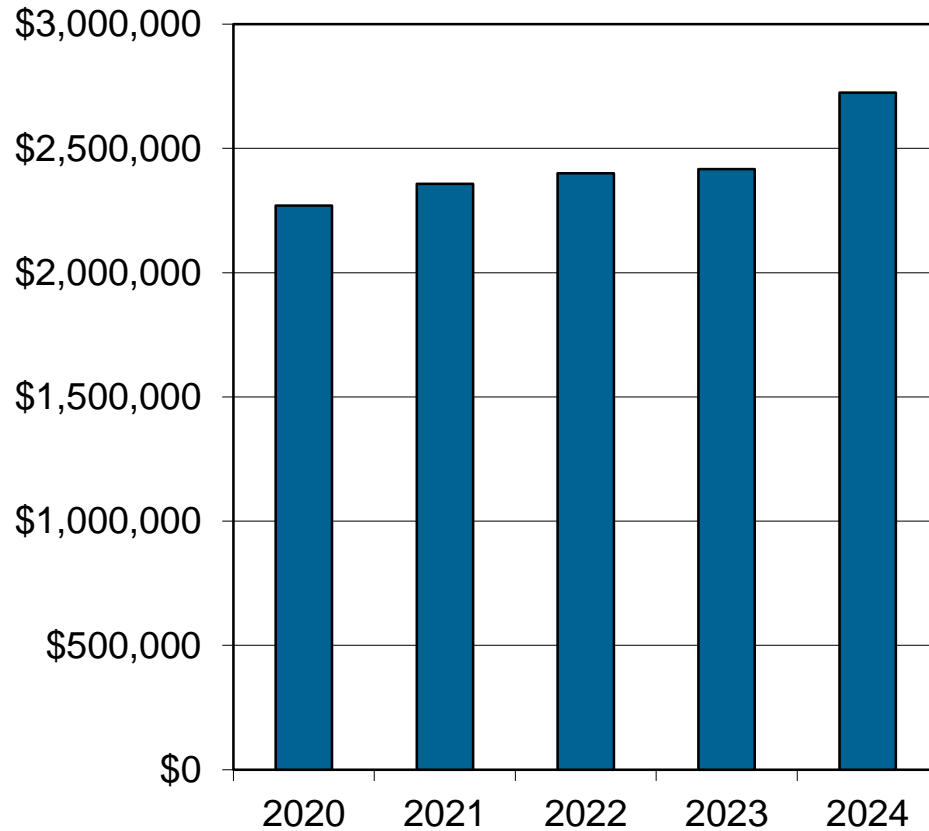
Expenditures

GENERAL GOVERNMENT EXPENDITURES



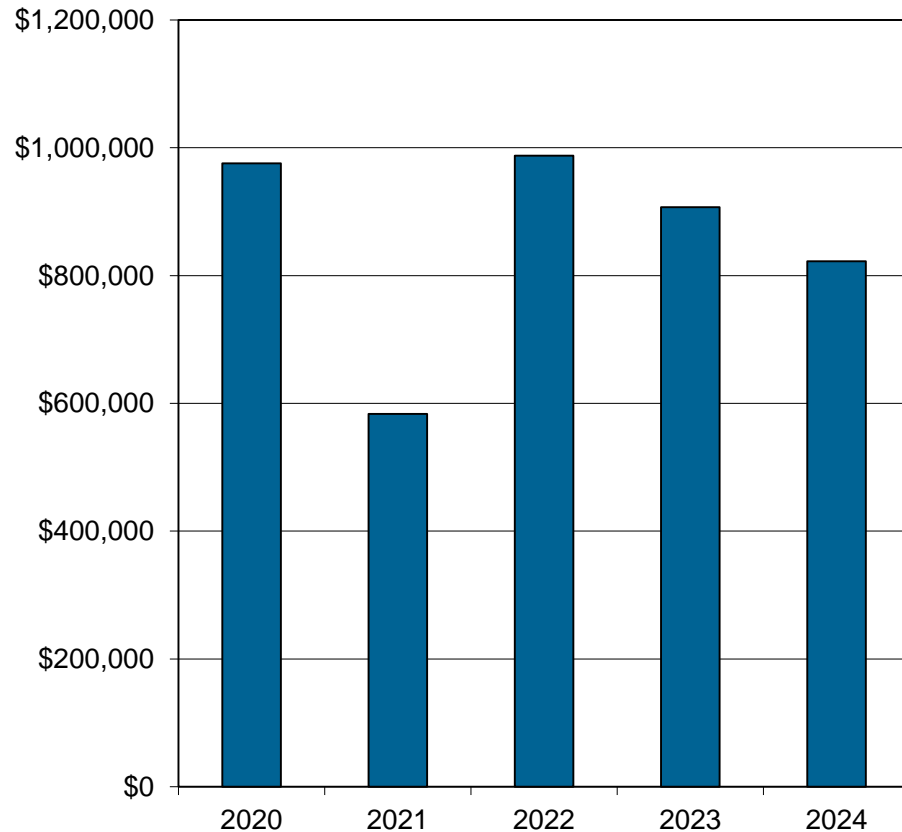
- Includes mayor and council, administration, election, assessing, accounting and auditing, information technology, legal, engineering, planning and zoning and government buildings
- Represented 20% of governmental expenditures (excluding capital projects and debt service) in 2024
- Totaled \$1,348,342 in 2024, an increase of 40% from 2023
- Increase was due primarily to an increase in salaries and related expenses as well as expenditures related to the city hall renovations

PUBLIC SAFETY EXPENDITURES



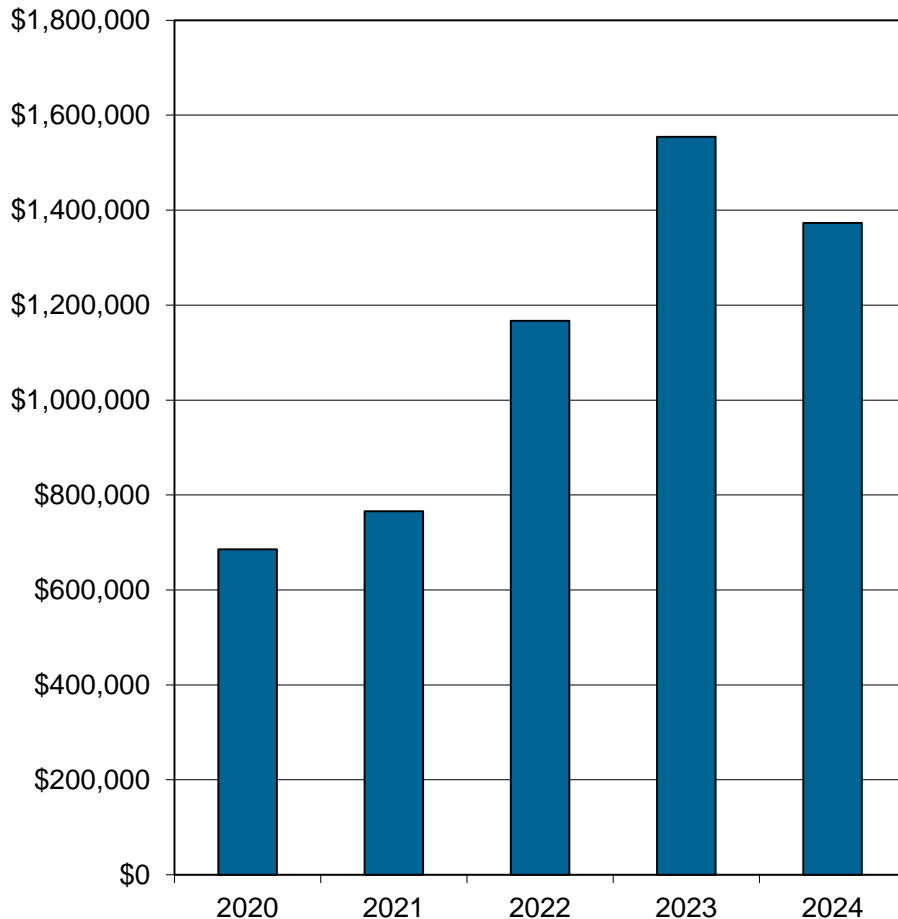
- Includes police protection, fire protection, code enforcement, emergency management and animal control
- Public Safety represented about 39% of total governmental expenditures (excluding capital projects and debt service) in 2024
- Totaled \$2,724,362 in 2024, an increase of 13%
- Increase related primarily to increased police and fire salaries and related expenses

PUBLIC WORKS EXPENDITURES



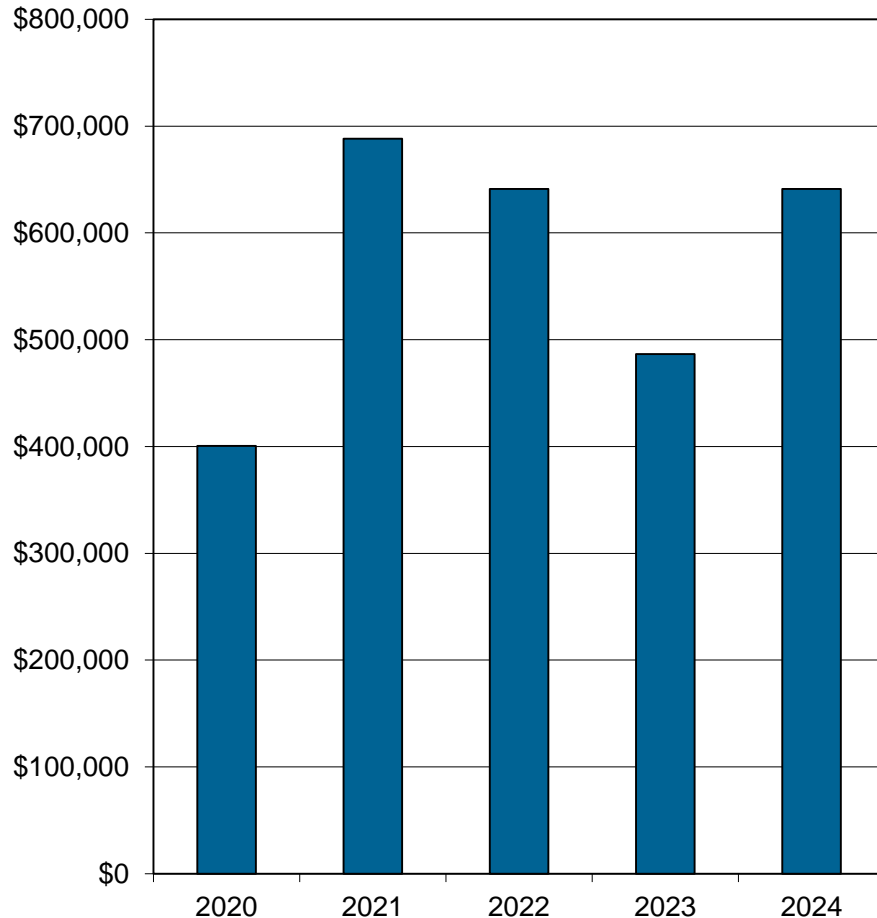
- Includes personnel services, supplies, contracted services and other charges
- Totaled \$822,639 in 2024 and \$907,203 in 2023 – a decrease of approximately 9%
- Represented approximately 12% of total government expenditures (excluding capital projects and debt service) in 2024

RECREATION AND PARKS EXPENDITURES



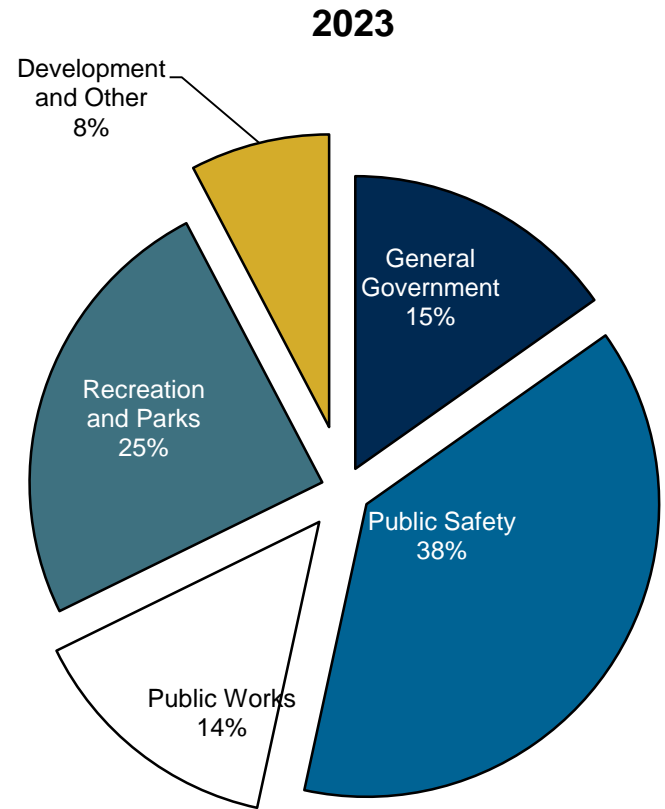
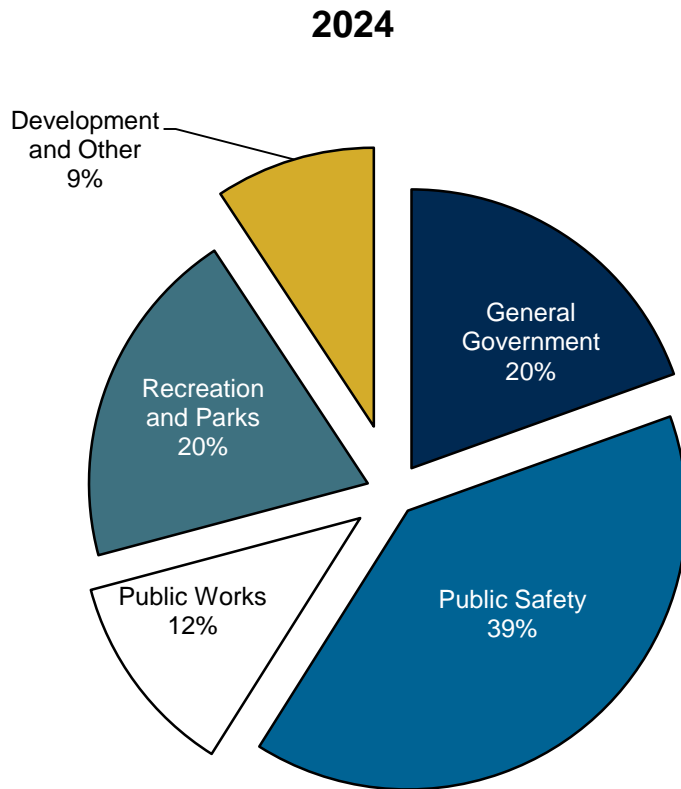
- Primarily personnel services, supplies, contracted services and other charges
- Totaled \$1,372,844 in 2024 and \$1,554,276 in 2023 – a decrease of approximately 12%
- Represented approximately 20% of total government expenditures (excluding capital projects and debt service) in 2024

DEVELOPMENT AND OTHER EXPENDITURES



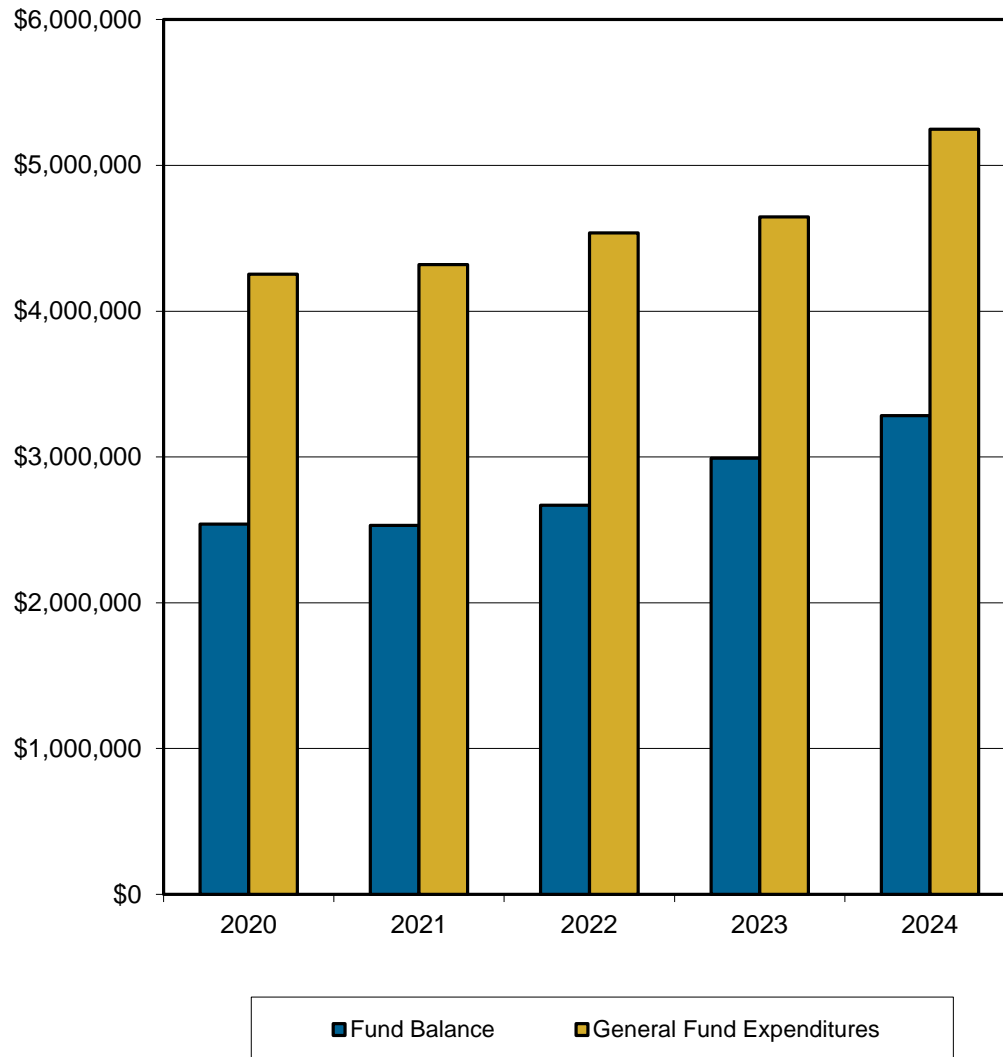
- Includes general insurance, severance payments, TIF payments, recycling and Tower Days community celebration
- Totaled \$641,145 in 2024 and \$486,517 in 2023 – an increase of approximately 32% due to increased staffing in 2024.
- Represented approximately 9% of total government expenditures (excluding capital projects and debt service) in 2024

GOVERNMENTAL FUND EXPENDITURES



General Fund Reserves

GENERAL FUND RESERVES



- General Fund balance as a % of General Fund expenditures
 - 2024 63%
 - 2023 64%
 - 2022 59%
 - 2021 59%
 - 2020 60%
- State Auditor recommends 35% to 50% in fund balance

PURPOSES AND BENEFITS OF RESERVES

Purpose of Reserves

- Cash flow timing differences
- Intergovernmental revenue cutbacks
- Capital outlay replacement
- Emergency or unanticipated expenditures
- Special City Council projects
- Unfunded mandates

Benefits of Reserves

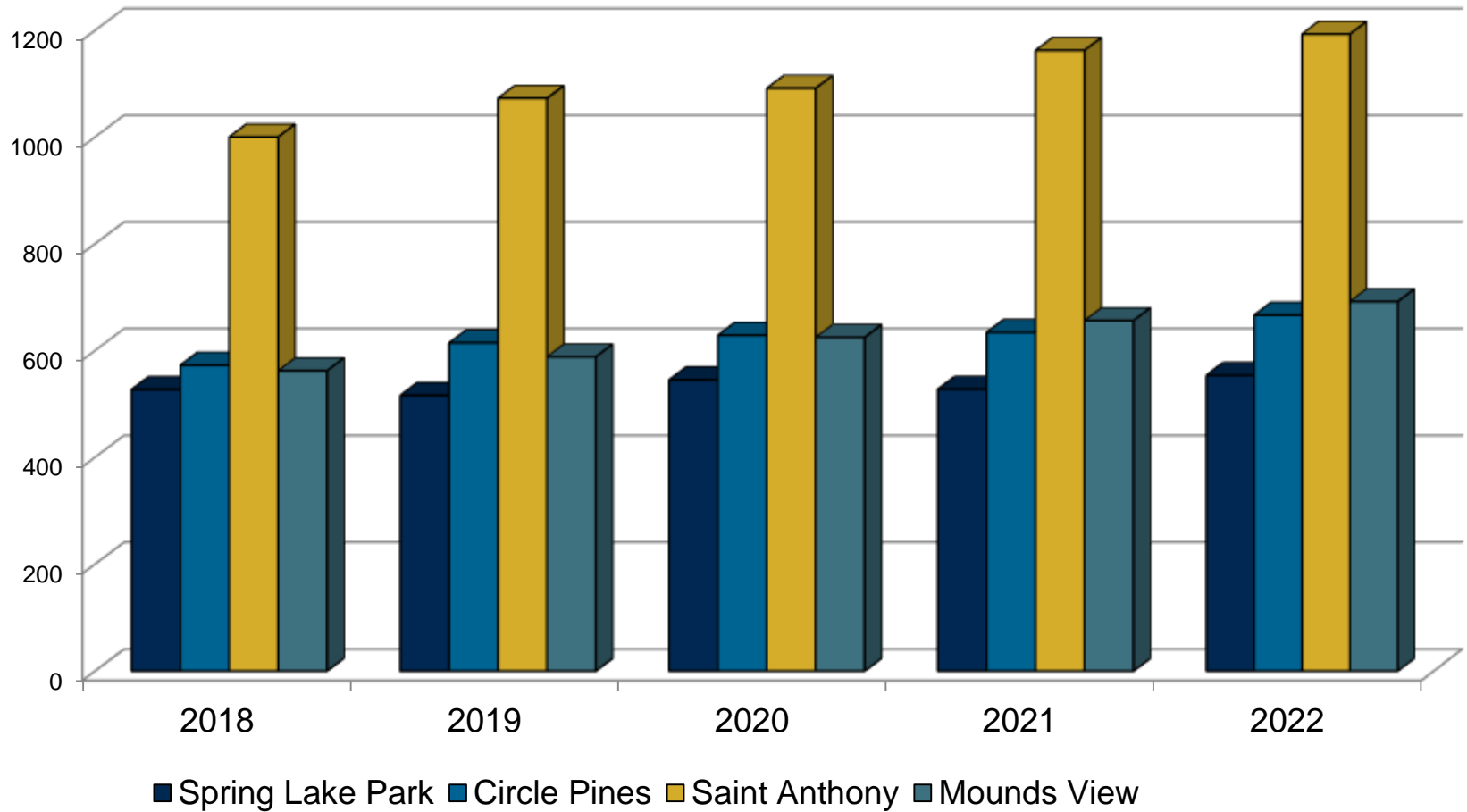
- Favorable bond rating
- Higher investment earnings
- Provides resources for minor projects or feasibility reports
- Avoids temporary overdrafts prior to major receipts
- Allows time to study effects of revenue cuts
- Avoids overburdening of annual budgets for certain capital outlay
- Provides the City greater options to deal with unexpected events

City Financial Data Comparison

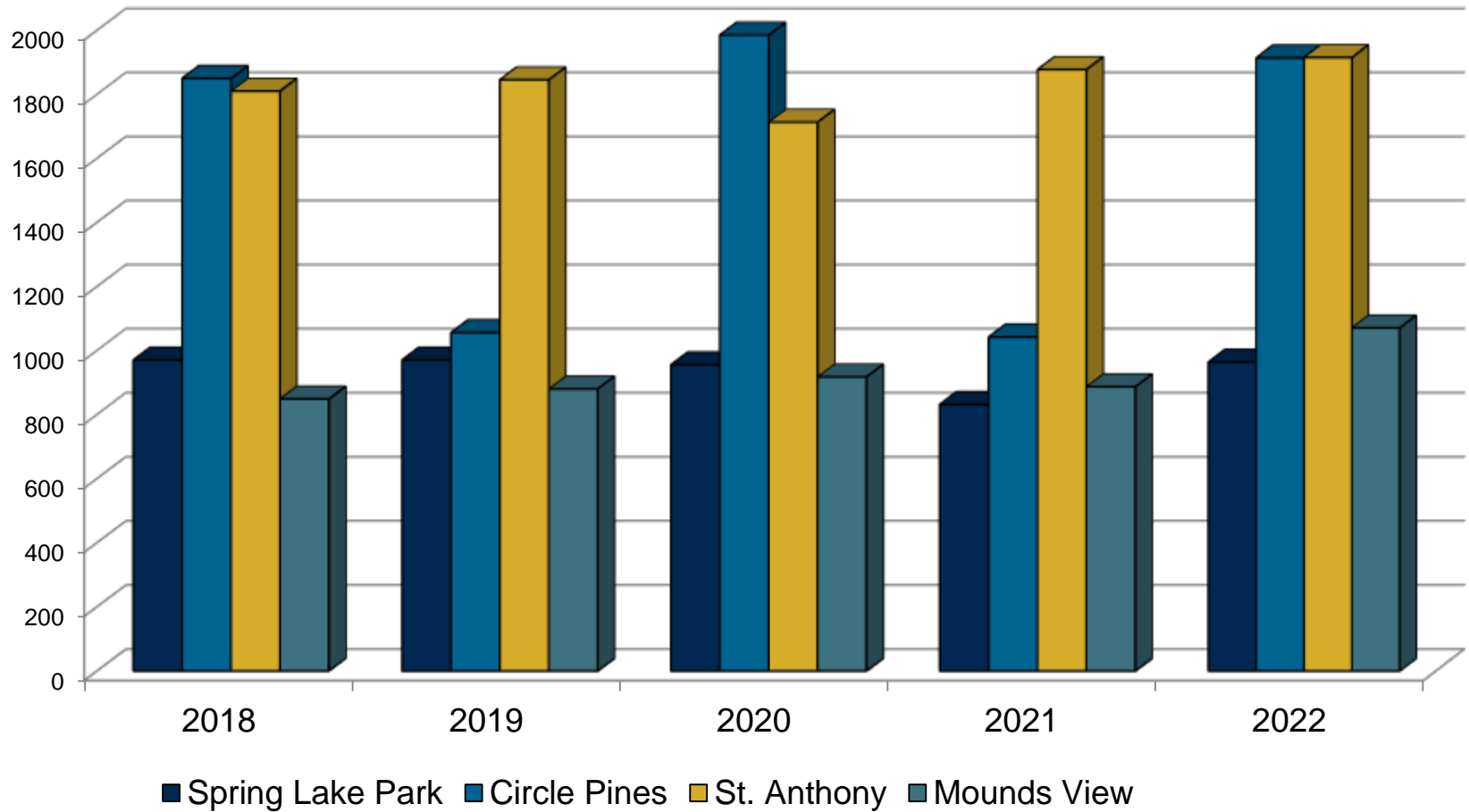
CITY FINANCIAL DATA COMPARISON

- City financial data comparative information taken from 2018-2022 city reporting forms submitted to the Office of the State Auditor
- Compared total tax revenue and total expenditures per capita for Spring Lake Park to three other area cities of similar size: St. Anthony, Circle Pines and Mounds View
 - Total tax revenue includes property taxes, franchise taxes and tax increment (if any)
 - Total expenditures include current expenditures, capital outlay and debt service
- Spring Lake Park ranked 192nd out of 231 cities with populations of 2,500 or more for total expenditures per capita in 2022
 - Ranked 204th out of 231 cities in 2021, 188th out of 229 cities in 2020, 173rd out of 233 cities in 2019, and 168th out of 233 cities in 2018

TOTAL TAX REVENUE (PER CAPITA)

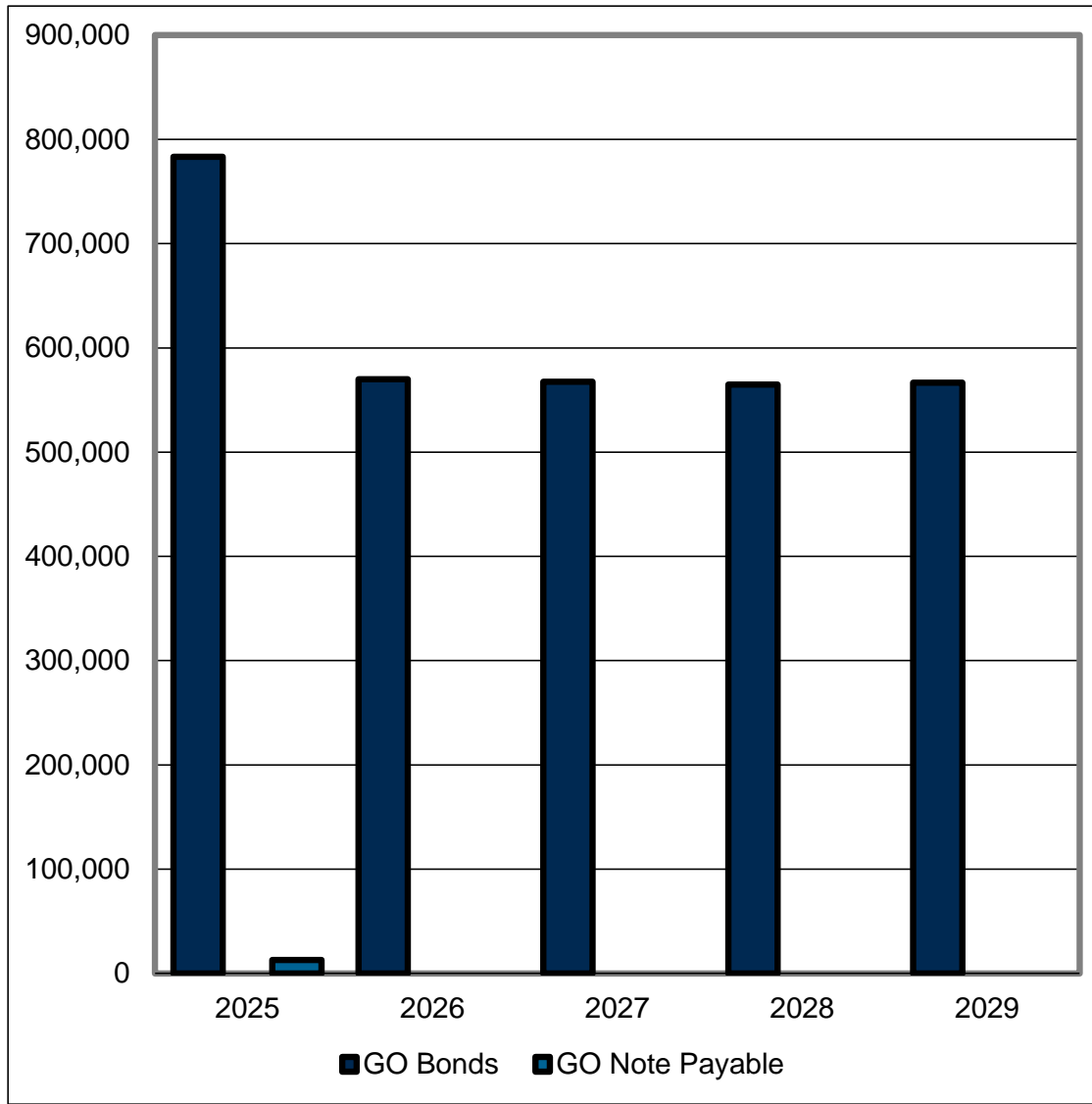


TOTAL EXPENDITURES (PER CAPITA)



Debt Service

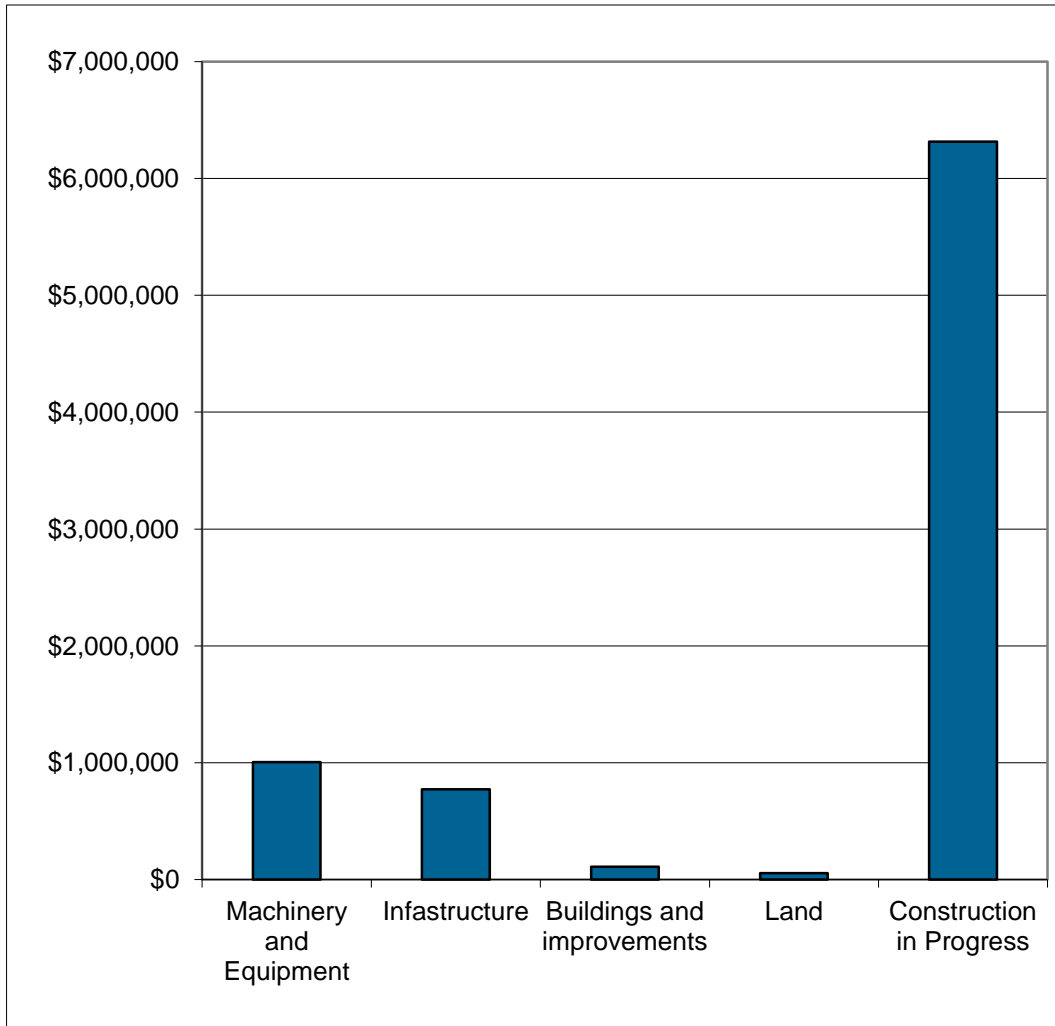
5 YEAR DEBT SERVICE REQUIREMENTS



- All debt payments are being paid on a timely basis
- Includes principal and interest payments
- All debt is scheduled to be paid off in 2045

Capital Projects

CAPITAL OUTLAY

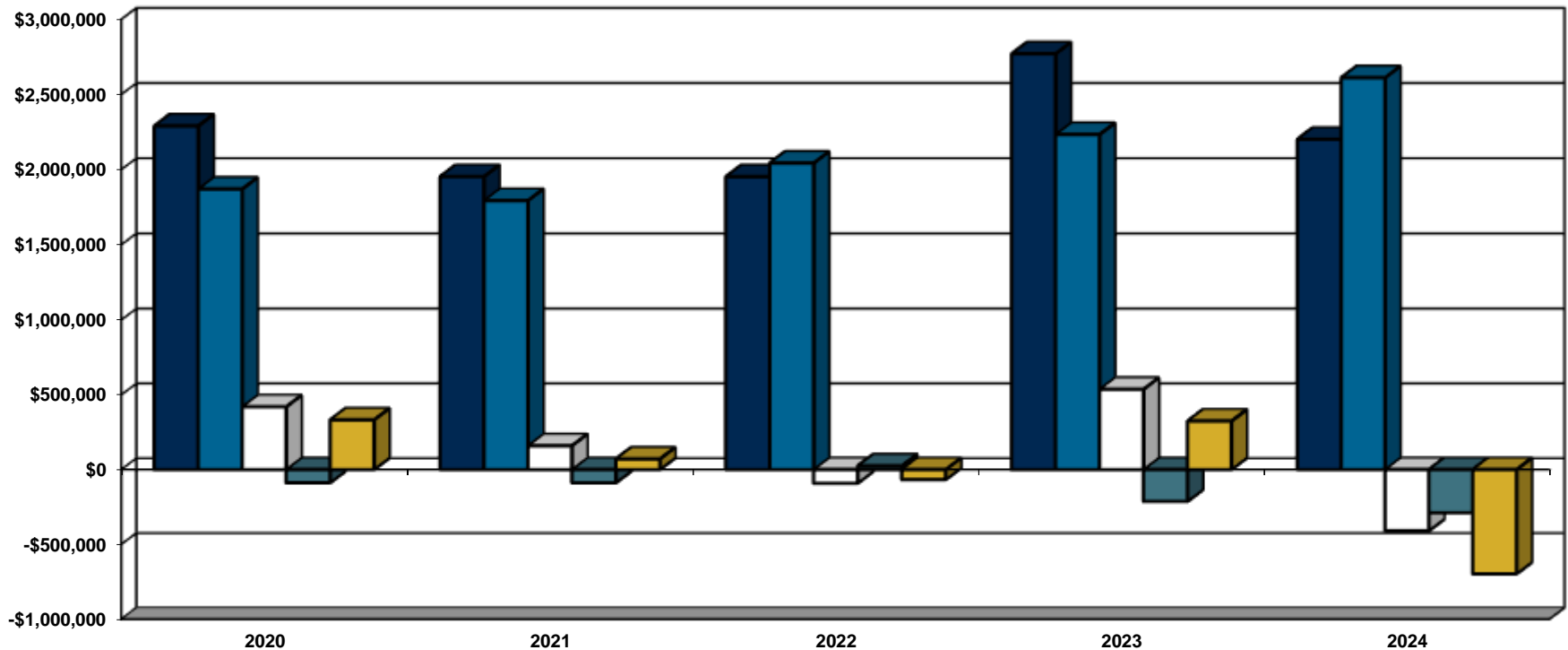


- Major capital outlay in the governmental and business-type funds in 2024 was for:
 - City Hall Renovation (in progress at year end)
 - 2024 street improvement project (in progress at year end)
 - Work on the 2023 sewer lining project
 - Terrace Park improvements
 - Able Park playground equipment
- Major capital outlay in the governmental and business-type funds in 2023 was for:
 - Able Park Shelter project
 - Work on the City Hall Renovation (in progress at year end)
 - Work on the 2021 sewer lining project
 - Upgrades to SCADA systems

Enterprise Funds

Operational Trends

ENTERPRISE FUNDS



- Revenues
- Expenses
- Net Income (Before Transfers)
- Transfers to Other Funds
- Net Income

SUMMARY

- **Unmodified audit opinion**
- **No Minnesota Legal Compliance exceptions in 2024**
- **General fund balance of \$3,283,892 (63% of 2024 expenditures)**
- **Bonds, certificates and notes payable outstanding of \$7,979,051 at 12/31/24**

CITY OF SPRING LAKE PARK

FINANCIAL STATEMENTS

DECEMBER 31, 2024

CITY OF SPRING LAKE PARK
FINANCIAL STATEMENTS
For the Fiscal Year Ended December 31, 2024

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CITY OF SPRING LAKE PARK

INTRODUCTORY SECTION

DECEMBER 31, 2024

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**CITY OF SPRING LAKE PARK
ELECTED AND APPOINTED OFFICIALS
December 31, 2024**

POSITION	NAME	TERM EXPIRES
ELECTED OFFICIALS		
City Council:		
Mayor	Robert Nelson	December 31, 2026
Council Member	April Moran	December 31, 2026
Council Member	Lisa Dircks	December 31, 2024
Council Member	Barbara Goodboe-Bisschoff	December 31, 2024
Council Member	Ken Wendling	December 31, 2026
APPOINTED OFFICIALS		
City Administrator, Clerk-Treasurer	Daniel R. Buchholtz	Continuous
Accountant	Melissa Barker	Continuous

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CITY OF SPRING LAKE PARK

FINANCIAL SECTION

DECEMBER 31, 2024

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members of the City Council
City of Spring Lake Park

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Spring Lake Park, as of and for the year ended December 31, 2024, and the related notes to financial statements, which collectively comprise City of Spring Lake Park's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements 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 City of Spring Lake Park as of December 31, 2024, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 City of Spring Lake Park and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

City of Spring Lake Park's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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 City of Spring Lake Park'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 and *Government Auditing Standards* 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 and *Government Auditing Standards*, 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 City of Spring Lake Park'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 City of Spring Lake Park'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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 14 and the required supplementary information as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 City of Spring Lake Park's basic financial statements. The introductory section and combining and individual nonmajor fund financial statements listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare basic the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the 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 nonmajor fund financial statements are fairly stated in all material respects in relation to the basic financial statements as a whole. The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2025 on our consideration of City of Spring Lake Park, internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Spring Lake Park, internal control over financial reporting and compliance.

Smith, Schaff and Associates, Ltd.

Minneapolis, Minnesota
June 30, 2025

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CITY OF SPRING LAKE PARK MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Spring Lake Park, we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City of Spring Lake Park for the fiscal year ended December 31, 2024, with comparative data for the fiscal year ended December 31, 2023.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the City of Spring Lake Park exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$24,770,584 (*net position*). Of this amount, \$11,152,577 (unrestricted net position) may be used to meet the City's ongoing obligations to citizens and creditors in accordance with the City's fund designations and fiscal policies.
- The City's total net position decreased by \$340,833. The decrease is mainly attributed to expenditures in the City's utility fund in excess of charges for services revenue.
- As of the close of the current fiscal year, the City of Spring Lake Park's governmental funds reported combined ending fund balances of \$12,008,238, an increase of \$1,417,098 from the prior year.
- At the end of the current fiscal year, fund balance for the general fund was \$3,283,892, or 62.6% of total general fund expenditures.
- The City's total noncurrent liabilities increased by \$7,112,858 due to debt issued to fund city hall renovations.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the City of Spring Lake Park's basic financial statements. The City's basic financial statements are comprised of the following three components: 1) government-wide financial statements, providing information for the City as a whole, 2) fund financial statements, providing detailed information for the City's significant funds, and 3) notes to the financial statements, providing additional information that is essential to understanding the government-wide and fund statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

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

The *statement of net position* presents information on all of the City of Spring Lake Park's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference between the two 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 of Spring Lake Park is improving or deteriorating.

CITY OF SPRING LAKE PARK MANAGEMENT'S DISCUSSION AND ANALYSIS

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 the 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 of Spring Lake Park that are principally supported by taxes and intergovernmental revenues (*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 of Spring Lake Park include general government, public safety, public works, recreation and parks and development. The business-type activities of the City of Spring Lake Park include the utility fund.

The government-wide financial statements can be found on pages 15-17 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 of Spring Lake Park, 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 of Spring Lake Park 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 government's near-term financial 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 of 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 of Spring Lake Park maintains thirty-eight 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 fund, HRA reserve fund, the revolving fund, renewal and replacement fund, and the city hall renovation fund, 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.

CITY OF SPRING LAKE PARK MANAGEMENT'S DISCUSSION AND ANALYSIS

The City of Spring Lake Park adopts an annual budget for its general fund. Budgetary comparison statements have been provided for this fund (pages 24-27) to demonstrate compliance with the budget.

The basic governmental fund financial statements can be found on pages 18-23 of this report.

Proprietary funds. The City of Spring Lake Park maintains one type of proprietary fund - enterprise funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City of Spring Lake Park uses enterprise funds to account for its utility operations.

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 utility funds, which are considered to be major funds of the City of Spring Lake Park.

The proprietary fund financial statements can be found on pages 28-32 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 can be found on pages 33-79 of this report.

Other Information. The combining statements referred to earlier in connection with non-major governmental funds can be found on pages 82-103 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 of Spring Lake Park, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$24,770,584 at the close of the most recent fiscal year.

CITY OF SPRING LAKE PARK MANAGEMENT'S DISCUSSION AND ANALYSIS

The largest portion of the City of Spring Lake Park's net position, \$12,645,701 (51%) reflects its investment in capital assets (e.g. land, buildings and improvements, and machinery and equipment), less any related debt used to acquire those assets that is still outstanding. The City of Spring Lake Park uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City of Spring Lake Park's investment in 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 Spring Lake Park's Net Position

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Current and other assets	\$ 13,215,644	\$ 12,280,685	\$ 4,735,344	\$ 5,896,163	\$ 17,950,988	\$ 18,176,848
Capital assets	15,458,356	9,056,798	5,668,154	5,373,872	21,126,510	14,430,670
Total assets	<u>28,674,000</u>	<u>21,337,483</u>	<u>10,403,498</u>	<u>11,270,035</u>	<u>39,077,498</u>	<u>32,607,518</u>
Deferred outflows of resources	2,028,196	2,603,719	29,229	55,652	2,057,425	2,659,371
Long-term liabilities outstanding	10,404,218	3,235,246	141,499	197,099	10,545,717	3,432,345
Other liabilities	573,436	1,131,865	45,338	39,085	618,774	1,170,950
Total liabilities	<u>10,977,654</u>	<u>4,367,111</u>	<u>186,837</u>	<u>236,184</u>	<u>11,164,491</u>	<u>4,603,295</u>
Deferred inflows of resources	2,857,810	3,064,109	2,342,038	2,488,068	5,199,848	5,552,177
Net position:						
Net investment in capital assets	6,977,547	8,361,355	5,668,154	5,373,872	12,645,701	13,735,227
Restricted	972,306	1,088,155			972,306	1,088,155
Unrestricted	8,916,879	7,060,472	2,235,698	3,227,563	11,152,577	10,288,035
Total net position	<u>\$ 16,866,732</u>	<u>\$ 16,509,982</u>	<u>\$ 7,903,852</u>	<u>\$ 8,601,435</u>	<u>\$ 24,770,584</u>	<u>\$ 25,111,417</u>

An additional portion of the City of Spring Lake Park's net position at December 31, 2024 (4%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position* (\$11,152,577) may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City of Spring Lake Park is able to report positive balances in all categories of net position for the City as a whole.

CITY OF SPRING LAKE PARK MANAGEMENT'S DISCUSSION AND ANALYSIS

Governmental activities. Governmental activities account for 68% of the City of Spring Lake Park's net position as of December 31, 2024. The total increase in net position for governmental activities was \$356,750, offsetting a portion of the decrease in net position of the City from business-type activities. The key element for this increase was significant investment earnings during the year.

Business-type activities. Business-type activities decreased the City of Spring Lake Park's net position by \$697,583 due primarily to expenditures in excess of charges to the City's citizens for utility services provided in the current year.

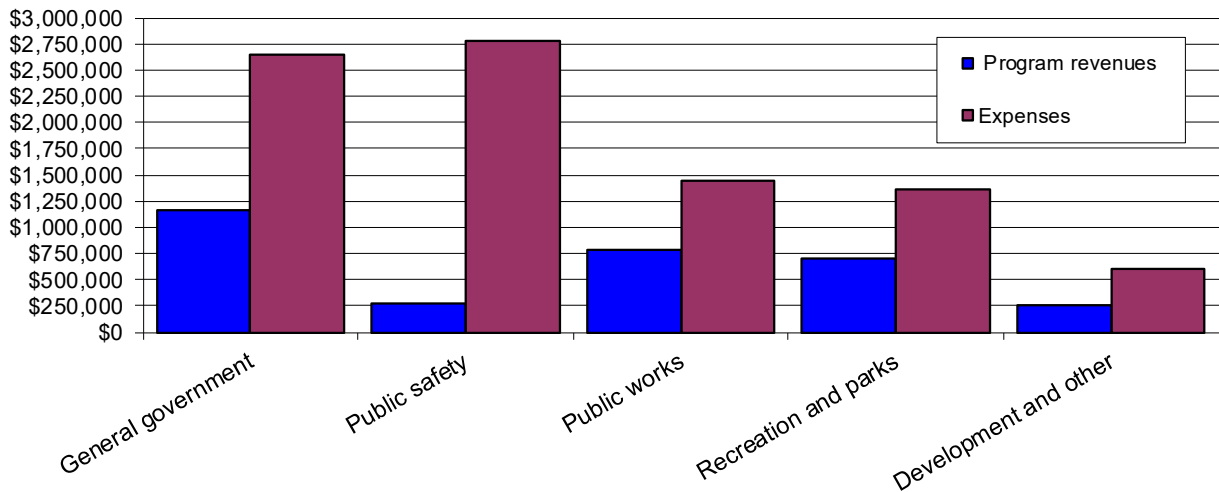
City of Spring Lake Park's Change in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Revenues:						
Program revenues:						
Charges for services	\$ 1,281,297	\$ 1,279,854	\$ 1,905,449	\$ 2,220,624	\$ 3,186,746	\$ 3,500,478
Operating grants and contributions	1,325,618	752,168			1,325,618	752,168
Capital grants and contributions	557,856	30,120			557,856	30,120
General revenues:						
Property taxes	4,322,044	4,137,107			4,322,044	4,137,107
Other	1,754,722	1,220,448	302,917	549,808	2,057,639	1,770,256
Total revenues	<u>9,241,537</u>	<u>7,419,697</u>	<u>2,208,366</u>	<u>2,770,432</u>	<u>11,449,903</u>	<u>10,190,129</u>
Expenses:						
General government	2,643,530	871,892			2,643,530	871,892
Public safety	2,777,645	2,824,495			2,777,645	2,824,495
Public works	1,442,695	1,575,552			1,442,695	1,575,552
Recreation and parks	1,358,176	1,176,982			1,358,176	1,176,982
Development and other	607,729	498,181			607,729	498,181
Interest on long-term debt	343,514	16,003			343,514	16,003
Utility			<u>2,617,447</u>	<u>2,233,857</u>	<u>2,617,447</u>	<u>2,233,857</u>
Total expenses	<u>9,173,289</u>	<u>6,963,105</u>	<u>2,617,447</u>	<u>2,233,857</u>	<u>11,790,736</u>	<u>9,196,962</u>
Change in net position before transfers	68,248	456,592	(409,081)	536,575	(340,833)	993,167
Transfers	<u>288,502</u>	<u>212,343</u>	<u>(288,502)</u>	<u>(212,343)</u>		
Change in net position after transfers	356,750	668,935	(697,583)	324,232	(340,833)	993,167
NET POSITION - BEGINNING OF YEAR	<u>16,509,982</u>	<u>15,841,047</u>	<u>8,601,435</u>	<u>8,277,203</u>	<u>25,111,417</u>	<u>24,118,250</u>
NET POSITION - END OF YEAR	<u>\$ 16,866,732</u>	<u>\$ 16,509,982</u>	<u>\$ 7,903,852</u>	<u>\$ 8,601,435</u>	<u>\$ 24,770,584</u>	<u>\$ 25,111,417</u>

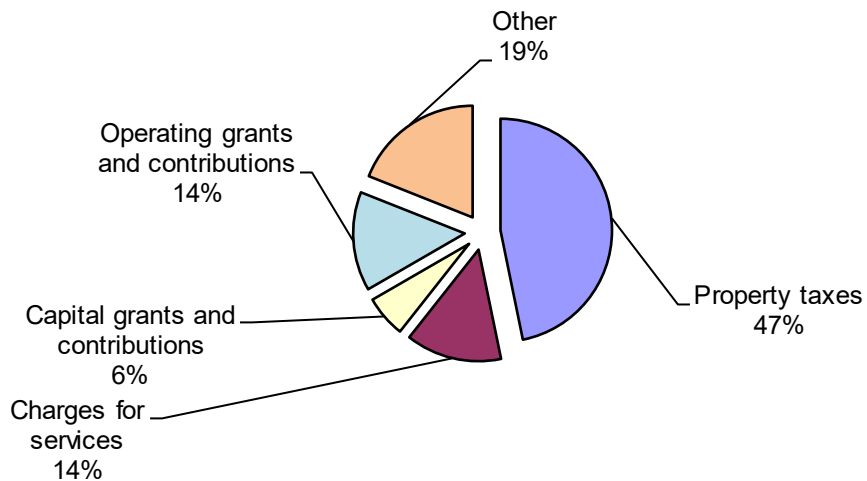
CITY OF SPRING LAKE PARK MANAGEMENT'S DISCUSSION AND ANALYSIS

Below are specific graphs that provide comparisons of the governmental activities direct program revenues with their expenses for the year ended December 31, 2024. Any shortfalls in direct revenues are primarily supported by property tax levy or general state aid.

Expenses and Program Revenues - Governmental Activities



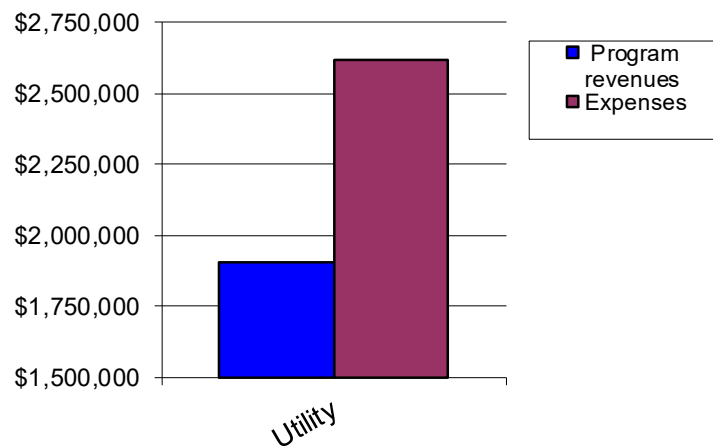
Revenues by Source - Governmental Activities



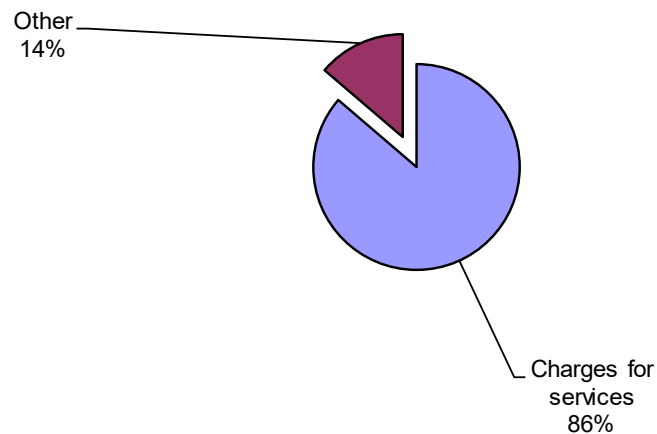
CITY OF SPRING LAKE PARK MANAGEMENT'S DISCUSSION AND ANALYSIS

The following graphs relate the business-type activity's program revenues with its expenses for the year ended December 31, 2024. Since this activity requires significant physical assets to operate, any excess revenues are held for planned capital expenditures to keep pace with growing demand for services.

Expenses and Program Revenues - Business-Type Activities



Revenues by Source - Business-Type Activities



CITY OF SPRING LAKE PARK MANAGEMENT'S DISCUSSION AND ANALYSIS

Financial Analysis of the Government's Funds

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

Governmental funds. The focus of the City of Spring Lake Park'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 of Spring Lake Park's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City of Spring Lake Park's governmental funds reported combined ending fund balances of \$12,008,238, an increase of \$1,417,098 in comparison with the prior year. Approximately 93% of this total fund balance, or \$11,129,779, constitutes *assigned and unassigned fund balance*, which is available for spending at the government's discretion. The remainder of the fund balance, \$878,459, is *restricted and nonspendable* to indicate that it is not available for new spending because it has already been restricted by creditors, grantors or regulations of other governments or has been expensed for prepaid items.

The general fund is the chief operating fund of City of Spring Lake Park. At the end of the current year, fund balance of the general fund was \$3,283,892. As a measure of liquidity, it may be useful to compare the fund balance to total fund expenditures. Fund balance represents 63% of total current year general fund expenditures. The general fund's total fund balance increased by \$291,251 during the current year due primarily due to taxes, intergovernmental revenues and investment earnings allocated to the fund in excess of expenditures (including capital outlay) in the current year.

The HRA reserve fund increased its fund balance by \$57,834 due to other revenues and investment earnings allocated to this fund in excess of capital outlay and current expenditures for HRA activities.

The revolving fund decreased its fund balance by \$877,633 due primarily to capital outlay expenditures in the current year in excess of special assessments and intergovernmental revenues allocated to the fund.

The renewal and replacement fund increased its fund balance by \$65,049 due to investment income allocated to this fund in excess of current expenditures.

The city hall renovation fund increased its fund balance by \$2,403,867 due primarily to not spending all of the proceeds from the bond issuance for city hall renovations as well as transfers from other funds for capital outlay expenditures in the current year.

The special revenue funds (other than the HRA reserve fund described as a major fund previously) decreased their overall fund balances by \$10,344 during the year.

The debt service funds decreased their collective fund balance by \$320,845 due primarily to debt service and development expenditures in excess of property tax and other revenues allocated to the fund.

CITY OF SPRING LAKE PARK MANAGEMENT'S DISCUSSION AND ANALYSIS

The capital projects funds (other than the revolving, renewal and replacement and city hall renovation funds described as major funds previously) decreased their collective fund balance by \$192,081 due primarily to current and capital outlay expenditures in excess of various revenues and transfers from other funds allocated to this fund.

Proprietary funds. The City of Spring Lake Park's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position for utility operations at the end of the year amounted to \$2,235,698. The utility fund decreased its net position by \$697,583, for the year ended December 31, 2024. Other factors concerning the finances of this fund have already been addressed in the discussion of the City of Spring Lake Park's business-type activities.

General Fund Budgetary Highlights

The City's General Fund budget was amended during the year. The original budget called for a balanced budget and the revised budget called for a \$450,000 overall decrease in General Fund balance. The actual net change to the General Fund balance was an increase of \$291,251. Revenues exceeded budget by \$1,499,8277 for the year ended December 31, 2024 due primarily to investment earnings and the recognition of intergovernmental revenue that was previously considered unearned. Total expenditures were more than budget by \$117,442 for the year. Three departments had expenditures in excess of budget: public works exceeded budget by \$19,549, general government exceeded budget by \$94,864, and other expenditures exceeded budget by \$120,437. These over expenditures were primarily related to higher than anticipated salary and benefit costs, as well as higher than expected maintenance costs.

Capital Asset and Debt Administration

Capital assets. The City of Spring Lake Park's investment in capital assets for its governmental and business-type activities as of December 31, 2024, amounted to \$21,126,510 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, land improvements, buildings and improvements, machinery and equipment and infrastructure. Total capital assets increased by \$6,695,840, or approximately 46%, for the year ended December 31, 2024, due to city hall renovations and other asset additions in excess of current year depreciation expense.

City of Spring Lake Park's Capital Assets
(net of depreciation)

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Land	\$ 305,000	\$ 250,000	\$	\$	\$ 305,000	\$ 250,000
Construction in progress	6,315,702	259,722		31,538	6,315,702	291,260
Buildings and improvements	800,315	787,416	1,208,934	1,317,482	2,009,249	2,104,898
Machinery and equipment	1,154,010	381,217	206,302	217,493	1,360,312	598,710
Infrastructure	6,883,329	7,378,443	4,252,918	3,807,359	11,136,247	11,185,802
Total	<u>\$ 15,458,356</u>	<u>\$ 9,056,798</u>	<u>\$ 5,668,154</u>	<u>\$ 5,373,872</u>	<u>\$ 21,126,510</u>	<u>\$ 14,430,670</u>

CITY OF SPRING LAKE PARK MANAGEMENT'S DISCUSSION AND ANALYSIS

Additional information on the City of Spring Lake Park's capital assets can be found in Note 3C beginning on page 53 of this report.

Long-term debt. At the end of the current fiscal year, the City of Spring Lake Park had \$7,979,051 in bonds, certificates, and notes payable outstanding. The entire amount outstanding comprises debt backed by the full faith and credit of the government.

City of Spring Lake Park's Outstanding Debt
General Obligation Bonds, Certificates and Notes Payable

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
General obligation bonds and notes payable	\$ 7,979,051	\$ 676,423	\$	\$	\$ 7,979,051	\$ 676,423
Total	\$ 7,979,051	\$ 676,423	\$	\$	\$ 7,979,051	\$ 676,423

The City of Spring Lake Park's total bonds, certificates and notes payable increased by \$7,302,628 during the current fiscal year. The increase was due to new debt issued by the City during 2024 for city hall renovations.

The City of Spring Lake Park maintains an AA bond rating from S&P for general obligation debt.

State statutes limit the amount of general obligation debt a Minnesota City may issue up to 3% of its market value of taxable property. Net debt is payable solely from ad valorem taxes. The City is currently well within this limit.

Economic Factors and Next Year's Budgets and Rates

The City's financial planning for 2025 reflects a cautious but stable economic outlook, shaped by continued inflationary pressures, workforce shortages, and evolving state funding dynamics. Like many Minnesota municipalities, the City is experiencing increased costs in public safety, infrastructure maintenance, and employee compensation, driven by a tight labor market and elevated construction expenses. At the state level, recent legislative changes to local government aid (LGA) and one-time public safety grants have provided some relief, though long-term sustainability remains a concern due to a projected deficit in the 2028-2029 biennium. Locally, with the City largely built out and property values holding steady, the tax base remains stable, though the broader effects of rising interest rates on consumer spending and market activity will continue to be monitored. In response, the City has adopted a conservative budget approach for 2025, balancing service delivery expectations with the need to maintain fiscal resilience in an uncertain economic environment.

CITY OF SPRING LAKE PARK MANAGEMENT'S DISCUSSION AND ANALYSIS

Major activities contemplated in future years include:

- Rehabilitate 79th Avenue between Highway 65 and Able Street and Taylor Street between Osborne Road and 79th Avenue
- Seal coat project to maintain the City's investment in its street infrastructure.
- Continued removal and replacement of boulevard Ash trees infected with Emerald Ash Borer

Requests for Information

This financial report is designed to provide a general overview of the City of Spring Lake Park'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 information should be addressed to City of Spring Lake Park, 1301 - 81st Avenue NE, Spring Lake Park, Minnesota 55432.

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CITY OF SPRING LAKE PARK
GOVERNMENT-WIDE FINANCIAL STATEMENTS
December 31, 2024

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CITY OF SPRING LAKE PARK
STATEMENT OF NET POSITION
December 31, 2024

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and investments	\$ 12,294,056	\$ 1,635,120	\$ 13,929,176
Receivables	590,674	777,387	1,368,061
Lease receivables	270,035	2,331,693	2,601,728
Intergovernmental receivables	45,564		45,564
Internal balances	8,856	(8,856)	
Prepaid items and other	6,459		6,459
Capital assets:			
Nondepreciable	6,620,702		6,620,702
Depreciable, net	8,837,654	5,668,154	14,505,808
Total Assets	<u>28,674,000</u>	<u>10,403,498</u>	<u>39,077,498</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows from pension activity	<u>2,028,196</u>	<u>29,229</u>	<u>2,057,425</u>
LIABILITIES			
Accounts payable	248,900	31,582	280,482
Accrued payroll and related taxes	74,117	7,677	81,794
Accrued interest	841		841
Unearned revenue	7,249	3,000	10,249
Deposits and other liabilities	242,329	3,079	245,408
Noncurrent liabilities:			
Due within one year	358,287	11,647	369,934
Due in more than one year	8,343,432	14,244	8,357,676
Net pension liability	<u>1,702,499</u>	<u>115,608</u>	<u>1,818,107</u>
Total Liabilities	<u>10,977,654</u>	<u>186,837</u>	<u>11,164,491</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows from leasing activity	250,235	2,253,309	2,503,544
Deferred inflows from pension activity	<u>2,607,575</u>	<u>88,729</u>	<u>2,696,304</u>
Total Deferred Inflows of Resources	<u>2,857,810</u>	<u>2,342,038</u>	<u>5,199,848</u>
NET POSITION			
Net investment in capital assets	6,977,547	5,668,154	12,645,701
Restricted	972,306		972,306
Unrestricted	<u>8,916,879</u>	<u>2,235,698</u>	<u>11,152,577</u>
Total Net Position	<u>\$ 16,866,732</u>	<u>\$ 7,903,852</u>	<u>\$ 24,770,584</u>

See Notes to Financial Statements

CITY OF SPRING LAKE PARK
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2024

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities:				
General government	\$ 2,643,530	\$ 383,793	\$ 756,124	\$ 14,743
Public safety	2,777,645	128,031	140,334	
Public works	1,442,695	142,889	94,257	543,113
Recreation and parks	1,358,176	459,898	247,323	
Development and other	607,729	166,686	87,580	
Interest on long-term debt	343,514			
Total governmental activities	9,173,289	1,281,297	1,325,618	557,856
Business-Type activities:				
Utility	2,617,447	1,905,449		
Total business-type activities	2,617,447	1,905,449		
Total	\$ 11,790,736	\$ 3,186,746	\$ 1,325,618	\$ 557,856

General revenues:

 General property taxes

 Grants and contributions not restricted to specific programs

 Lease revenue

 Investment earnings

 Miscellaneous

Transfers

 Total general revenues and transfers

Change in net position

Net Position - beginning

Net Position - ending

See Notes to Financial Statements

Net (Expense) Revenue
and Changes in Net Position

Governmental Activities	Business-Type Activities	Total
\$ (1,488,870)		\$ (1,488,870)
(2,509,280)		(2,509,280)
(662,436)		(662,436)
(650,955)		(650,955)
(353,463)		(353,463)
(343,514)		(343,514)
<u>(6,008,518)</u>		<u>(6,008,518)</u>
	\$ (711,998)	(711,998)
	(711,998)	(711,998)
<u>(6,008,518)</u>	<u>(711,998)</u>	<u>(6,720,516)</u>
4,322,044		4,322,044
772,750		772,750
113,510	207,508	321,018
725,295	89,421	814,716
143,167	5,988	149,155
288,502	(288,502)	
<u>6,365,268</u>	<u>14,415</u>	<u>6,379,683</u>
356,750	(697,583)	(340,833)
<u>16,509,982</u>	<u>8,601,435</u>	<u>25,111,417</u>
<u>\$ 16,866,732</u>	<u>\$ 7,903,852</u>	<u>\$ 24,770,584</u>

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CITY OF SPRING LAKE PARK
FUND FINANCIAL STATEMENTS
December 31, 2024

CITY OF SPRING LAKE PARK
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2024

		Special Revenue Fund	Capital Project Funds		
	General Fund	HRA Reserve	Revolving Fund	Renewal and Replacement	City Hall Renovation Fund
ASSETS					
Cash and investments	\$ 2,951,239	\$ 1,209,476	\$ 324,439	\$ 1,826,428	\$ 2,562,430
Accounts receivable	25,690				
Taxes receivable	98,063				
Special assessments receivable	1,294		184,912		
Lease receivable		270,035			
Due from other funds	436,234		13,613		
Due from other governmental units	43,679		259		
Accrued interest receivable	32,416				
Prepaid expenditures	6,459				
TOTAL ASSETS	\$ 3,595,074	\$ 1,479,511	\$ 523,223	\$ 1,826,428	\$ 2,562,430
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE					
LIABILITIES					
Accounts payable	\$ 59,725	\$	\$	\$	\$ 158,563
Accrued payroll and taxes	73,063				
Deposits and other liabilities	65,424	5,697			
Due to other funds	13,613		251,015		
Unearned revenue					
Total Liabilities	211,825	5,697	251,015		158,563
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue:					
Property taxes	98,063				
Special assessments	1,294		184,912		
Leasing activity		250,235			
Total Deferred Inflows of Resources	99,357	250,235	184,912		
FUND BALANCE					
Nonspendable	6,459				
Restricted					
Assigned	3,277,433	1,223,579	87,296	1,826,428	2,403,867
Unassigned					
Total Fund Balance	3,283,892	1,223,579	87,296	1,826,428	2,403,867
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	\$ 3,595,074	\$ 1,479,511	\$ 523,223	\$ 1,826,428	\$ 2,562,430

See Notes to Financial Statements

Other Governmental Funds	Total
\$ 3,420,044	\$ 12,294,056
148,140	173,830
	98,063
100,306	286,512
	270,035
323	450,170
1,626	45,564
	32,416
	6,459
<u>\$ 3,670,439</u>	<u>\$ 13,657,105</u>

\$ 30,662	\$ 248,950
1,054	74,117
171,305	242,426
176,686	441,314
7,250	7,250
<u>386,957</u>	<u>1,014,057</u>

	98,063
100,306	286,512
	250,235
<u>100,306</u>	<u>634,810</u>

	6,459
872,000	872,000
2,461,649	11,280,252
(150,473)	(150,473)
<u>3,183,176</u>	<u>12,008,238</u>

<u>\$ 3,670,439</u>	<u>\$ 13,657,105</u>
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**CITY OF SPRING LAKE PARK
RECONCILIATION OF NET POSITION IN THE
GOVERNMENT-WIDE FINANCIAL STATEMENTS AND FUND BALANCES
IN THE FUND BASIS FINANCIAL STATEMENTS**

December 31, 2024

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

Total governmental fund balances (pages 18-19)	\$ 12,008,238
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Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:

Governmental funds - capital assets	\$ 35,707,289	
Accumulated depreciation	<u>(20,248,933)</u>	
		15,458,356

Other long-term assets are not available to pay for current-period expenditures and, therefore, are unavailable in the funds:

Delinquent property taxes	\$ 98,063	
Special assessments	<u>286,512</u>	
		384,575

Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:

Bonds payable (net of receivable for amounts to be paid by other governmental entities)	\$ (7,979,050)	
Net pension liability, deferred outflows and inflows from pension activity	(2,281,878)	
Compensated absences	(220,910)	
Accrued interest	(841)	
Net unamortized bond premiums	<u>(501,758)</u>	
		<u>(10,984,437)</u>

Net position of governmental activities (page 15)	<u><u>\$ 16,866,732</u></u>
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CITY OF SPRING LAKE PARK
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended December 31, 2024

		Special Revenue Fund	Capital Project Funds		
	General Fund	HRA Reserve	Revolving Fund	Renewal and Replacement	City Hall Renovation Fund
REVENUES					
Property and franchise taxes	\$ 3,995,136	\$	\$ 6,524	\$	\$
Special assessments			351,300		
Licenses and permits	199,854				
Intergovernmental revenues	1,678,754		46,714		
Charges for services	179,782				
Fines and forfeitures	84,426				
Investment earnings	399,500	48,262		73,544	52,525
Other revenues	137,339	113,510			
TOTAL REVENUES	6,674,791	161,772	404,538	73,544	52,525
EXPENDITURES					
Current					
General government	1,064,339	48,938			209,942
Public safety	2,616,411				
Public works	338,365		206,991	8,495	
Recreation and parks	876,197				
Development and other	216,837				
Capital Outlay					
General government	23,074	55,000			6,277,067
Public safety	113,441				
Public works			1,150,180		
Recreation and parks					
Debt Service					
Principal					
Interest and other					
Bond issuance costs					68,455
Fiscal agent fees					750
TOTAL EXPENDITURES	5,248,664	103,938	1,357,171	8,495	6,556,214
Excess (deficiency) of revenues over (under) expenditures	1,426,127	57,834	(952,633)	65,049	(6,503,689)
OTHER FINANCING SOURCES (USES)					
Transfers from other funds	306,502		75,000		756,124
Transfers to other funds	(1,441,378)				
Bond proceeds					7,650,000
Premium on issuance of debt					578,834
(Discount) on issuance of debt					(77,402)
Total other financing sources (uses)	(1,134,876)		75,000		8,907,556
Net change in fund balances	291,251	57,834	(877,633)	65,049	2,403,867
FUND BALANCES, Beginning	2,992,641	1,165,745	964,929	1,761,379	
FUND BALANCES, Ending	\$ 3,283,892	\$ 1,223,579	\$ 87,296	\$ 1,826,428	\$ 2,403,867

See Notes to Financial Statements

Other Governmental Funds	Total
\$ 271,881	\$ 4,273,541
46,215	397,515
	199,854
155,607	1,881,075
767,154	946,936
1	84,427
151,464	725,295
<u>326,232</u>	<u>577,081</u>
<u>1,718,554</u>	<u>9,085,724</u>

25,123	1,348,342
107,951	2,724,362
268,788	822,639
496,647	1,372,844
424,308	641,145
	6,355,141
	113,441
659,379	1,809,559
210,868	210,868
347,628	347,628
293,386	293,386
	68,455
	<u>750</u>
<u>2,834,078</u>	<u>16,123,470</u>

<u>(1,115,524)</u>	<u>(7,037,746)</u>
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705,254	1,842,880
(113,000)	(1,554,378)
	7,650,000
	578,834
	<u>(77,402)</u>
<u>592,254</u>	<u>8,439,934</u>
(523,270)	1,417,098
<u>3,706,446</u>	<u>10,591,140</u>
<u>\$ 3,183,176</u>	<u>\$ 12,008,238</u>

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CITY OF SPRING LAKE PARK
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2024

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

Net change in fund balances - total governmental funds (pages 21-22)	\$	1,417,098	
Governmental funds report capital outlay as expenditures.			
However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:			
Capital outlay	\$	7,276,867	
Depreciation expense		<u>(855,345)</u>	
			6,421,522
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins and donations) is to decrease net position			(19,963)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds:			
Unavailable revenue, end of year	\$	384,575	
Unavailable revenue, beginning of year		<u>(228,763)</u>	
			155,812
In the statement of activities, certain operating expenses - net pension liability and compensated absences - are measured by the amounts earned during the year. In the government funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid)			
Net pension liability	\$	133,570	
Compensated absences		<u>33,695</u>	
			167,265
Bond, contract and loan proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position:			
Principal retirement on long-term debt	\$	347,372	
Issuance of long-term debt		(7,650,000)	
Change in accrued interest, bond premiums, bond discounts and deferred charges		<u>(482,356)</u>	
			<u>(7,784,984)</u>
Change in net position of governmental activities (pages 16-17)	\$		<u>356,750</u>

See Notes to Financial Statements

CITY OF SPRING LAKE PARK
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended December 31, 2024

	Budgeted Amounts		2024 Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
REVENUES				
General property taxes	\$ 3,823,887	\$ 3,823,887	\$ 3,995,136	\$ 171,249
Licenses and Permits				
Licenses	49,889	49,889	76,365	26,476
Permits	108,400	108,400	123,489	15,089
Total Licenses and Permits	158,289	158,289	199,854	41,565
Intergovernmental				
Police aids	105,000	105,000	149,880	44,880
Other aids	771,720	771,720	1,528,874	757,154
Total Intergovernmental	876,720	876,720	1,678,754	802,034
Charges for Services				
General government	90,162	90,162	62,479	(27,683)
Public safety	4,000	4,000	1,603	(2,397)
Housing registration	105,300	105,300	115,700	10,400
Total Charges for Services	199,462	199,462	179,782	(19,680)
Fines and forfeits	85,000	85,000	84,426	(574)
Investment earnings	10,000	10,000	399,500	389,500
Miscellaneous Revenue				
Liaison officer			32,427	32,427
Insurance dividends	12,656	12,656	15,982	3,326
Reimbursements and other	8,950	8,950	88,930	79,980
Total Miscellaneous Revenue	21,606	21,606	137,339	115,733
TOTAL REVENUES	5,174,964	5,174,964	6,674,791	1,499,827
EXPENDITURES				
General Government				
Mayor and Council				
Personnel services	35,326	35,326	35,356	(30)
Supplies and services	2,550	2,550	1,890	660
Other charges	38,489	38,489	18,923	19,566
Total Mayor and Council	\$ 76,365	\$ 76,365	\$ 56,169	\$ 20,196

See Notes to Financial Statements

**CITY OF SPRING LAKE PARK
GENERAL FUND
STATEMENTS OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (CONTINUED)**
For the Year Ended December 31, 2024

	Budgeted Amounts		2024 Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Administration				
Personnel services	\$ 499,797	\$ 499,797	\$ 511,270	\$ (11,473)
Supplies	5,580	5,580	9,574	(3,994)
Contracted services	8,681	8,681	8,717	(36)
Other services and charges	29,596	29,596	30,728	(1,132)
Total Administration	543,654	543,654	560,289	(16,635)
Election				
Personnel services			26,056	(26,056)
Other services and charges			5,536	(5,536)
Total Election			31,592	(31,592)
Assessing				
Contracted services	39,140	39,140	37,703	1,437
Accounting and Auditing				
Contracted services	13,400	13,400	13,925	(525)
Information Technology				
Contracted services	70,453	70,453	91,513	(21,060)
Legal				
Contracted services	122,500	122,500	126,439	(3,939)
Engineering				
Contracted services	6,500	6,500	2,547	3,953
Planning and Zoning				
Supplies and other charges	2,500	2,500	1,600	900
Government Buildings				
Personnel services	27,640	27,640	27,926	(286)
Supplies	23,000	23,000	24,041	(1,041)
Contracted services	62,100	62,100	66,033	(3,933)
Other charges	5,288	5,288	24,562	(19,274)
Capital outlay			23,074	(23,074)
Total Government Buildings	118,028	118,028	165,636	(47,608)
Total General Government	\$ 992,540	\$ 992,540	\$ 1,087,413	\$ (94,873)

See Notes to Financial Statements

CITY OF SPRING LAKE PARK
GENERAL FUND
STATEMENTS OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (CONTINUED)
For the Year Ended December 31, 2024

	Budgeted Amounts		2024 Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
EXPENDITURES				
Public Safety				
Police Protection				
Personnel services	\$ 1,884,223	\$ 1,884,223	\$ 1,853,331	\$ 30,892
Supplies	50,530	50,530	41,076	9,454
Contracted services	58,180	58,180	62,012	(3,832)
Other charges	127,178	127,178	90,898	36,280
Capital outlay	56,000	56,000	46,699	9,301
Total Police Protection	2,176,111	2,176,111	2,094,016	82,095
Fire Protection				
Contracted services	279,344	279,344	278,580	764
Capital outlay	66,742	66,742	66,742	
Total Fire Protection	346,086	346,086	345,322	764
Code Enforcement				
Personnel services	298,582	298,582	277,662	20,920
Supplies	8,850	8,850	4,833	4,017
Contracted services	3,250	3,250	1,784	1,466
Other charges	7,685	7,685	6,235	1,450
Total Code Enforcement	318,367	318,367	290,514	27,853
Total Public Safety	2,840,564	2,840,564	2,729,852	110,712
Public Works				
Street Maintenance				
Personnel services	259,663	259,663	260,278	(615)
Supplies	55,000	55,000	71,781	(16,781)
Contracted services	1,410	1,410	4,511	(3,101)
Other charges	2,743	2,743	1,795	948
Total Street Maintenance	318,816	318,816	338,365	(19,549)
Total Public Works	\$ 318,816	\$ 318,816	\$ 338,365	\$ (19,549)

See Notes to Financial Statements

**CITY OF SPRING LAKE PARK
GENERAL FUND
STATEMENTS OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (CONTINUED)**
For the Year Ended December 31, 2024

	Budgeted Amounts		2024 Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
EXPENDITURES				
Recreation and Parks				
Recreation				
Personnel services	\$ 428,302	\$ 428,302	\$ 437,268	\$ (8,966)
Supplies	18,971	18,971	16,129	2,842
Contracted services	23,750	23,750	20,931	2,819
Other charges	2,230	2,230	1,141	1,089
Total Recreation	473,253	473,253	475,469	(2,216)
Parks and Forestry				
Personnel services	304,599	304,599	321,125	(16,526)
Supplies	72,252	72,252	50,151	22,101
Contracted services	12,088	12,088	9,225	2,863
Other charges	20,701	20,701	20,227	474
Total Parks and Forestry	409,640	409,640	400,728	8,912
Total Recreation and Parks	882,893	882,893	876,197	6,696
Other				
Personnel services	800	800	524	276
Other charges	90,000	90,000	71,302	18,698
Permit surcharges	5,600	5,600	870	4,730
Severance payments			144,141	(144,141)
Total Other	96,400	96,400	216,837	(120,437)
Total Expenditures	5,131,213	5,131,213	5,248,664	(117,451)
Excess of revenues over expenditures	43,751	43,751	1,426,127	1,382,376
OTHER FINANCING SOURCES (USES)				
Transfers from other funds	126,502	126,502	306,502	180,000
Transfers to other funds	(170,253)	(620,253)	(1,441,378)	(821,125)
Total Other Financing Sources (Uses)	(43,751)	(493,751)	(1,134,876)	(641,125)
NET CHANGE IN FUND BALANCE		(450,000)	291,251	741,251
FUND BALANCE, January 1	2,992,641	2,992,641	2,992,641	
FUND BALANCE, December 31	\$ 2,992,641	\$ 2,542,641	\$ 3,283,892	\$ 741,251

See Notes to Financial Statements

CITY OF SPRING LAKE PARK
PROPRIETARY FUND
Statement of Net Position
December 31, 2024

	<u>Utility Fund</u>
ASSETS	
Current Assets	
Cash and investments	\$ 429,678
Accounts receivable	777,387
Lease receivable	128,389
Due from other funds	<u>4,901</u>
Total Current Assets	<u>1,340,355</u>
Noncurrent Assets	
Lease receivable, noncurrent	2,203,304
Property and Equipment	
Buildings and improvements	6,452,464
Infrastructure	7,581,601
Machinery and equipment	845,078
Less: Accumulated depreciation	<u>9,210,989</u>
Total Noncurrent Assets	<u>7,871,458</u>
Reserved Assets	
Cash and investments	<u>1,205,442</u>
Total Noncurrent Assets	<u>9,076,900</u>
TOTAL ASSETS	<u>\$ 10,417,255</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows from pension activity	<u>\$ 29,229</u>

CITY OF SPRING LAKE PARK
PROPRIETARY FUND
Statement of Net Position (Continued)
December 31, 2024

	<u>Utility Fund</u>
LIABILITIES	
Current Liabilities	
Accounts payable	\$ 31,582
Accrued payroll and taxes	7,677
Unearned revenue	3,000
Other accrued liabilities	3,079
Due to other funds	13,757
Current portion of compensated absences	11,647
	<u>70,742</u>
Total Current Liabilities	
Long-term Liabilities	
Compensated absences, net of current portion	14,244
Net pension liability	115,608
	<u>129,852</u>
Total Long-term Liabilities	
Total Liabilities	<u>200,594</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows from leasing activity	2,253,309
Deferred inflows from pension activity	88,729
	<u>2,342,038</u>
Total Deferred Inflows of Resources	
Net Position	
Net investment in capital assets	5,668,154
Unrestricted	2,235,698
	<u>7,903,852</u>
Total Net Position	<u><u>\$ 7,903,852</u></u>

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**CITY OF SPRING LAKE PARK
PROPRIETARY FUND
Statement of Revenues, Expenses
and Changes in Net Position
For the Year Ended December 31, 2024**

	<u>Utility Fund</u>
Operating Revenue	
Charges for services	<u>\$ 1,899,355</u>
Operating Expenses	
Personnel services	380,772
Supplies	368,967
Contracted services and other	734,851
Treatment charges	625,727
Depreciation	397,731
Other charges	103,305
Total Operating Expenses	<u>2,611,353</u>
Operating (Loss)	<u>(711,998)</u>
Other Revenue (Expense)	
Lease revenue	207,508
Commissions and other revenue	701
Gain on sale of assets	5,287
Investment earnings	89,421
Total Other Revenue (Expense)	<u>302,917</u>
(Loss) Before Transfers	(409,081)
Net transfers (to) other funds	<u>(288,502)</u>
Change in net position	(697,583)
NET POSITION, BEGINNING OF YEAR	<u>8,601,435</u>
NET POSITION, END OF YEAR	<u><u>\$ 7,903,852</u></u>

See Notes to Financial Statements

CITY OF SPRING LAKE PARK
PROPRIETARY FUND
Statement of Cash Flows
For the Year Ended December 31, 2024

	<u>Utility Fund</u>
Cash Flows from Operating Activities	
Cash received from customers	\$ 2,002,103
Cash paid to suppliers	(1,806,154)
Cash paid to employees	<u>(401,969)</u>
Net Cash (Used In) Operating Activities	<u>(206,020)</u>
Cash Flows From Investing Activities	
Investment earnings	<u>89,421</u>
Cash Flows from Noncapital Financing Activities	
Net transfers to other funds	<u>(288,502)</u>
Cash Flows from Capital and Related Financing Activities	
Proceeds from the sale of capital assets	5,287
Acquisition of capital assets	<u>(692,013)</u>
Net Cash (Used In) Capital and Related Financing Activities	<u>(686,726)</u>
Net Decrease in Cash and Cash Equivalents	(1,091,827)
Cash and Cash Equivalents, January 1	<u>2,726,947</u>
Cash and Cash Equivalents, December 31	<u><u>\$ 1,635,120</u></u>
Classified as:	
Cash and investments - current assets	\$ 429,678
Cash and investments - reserved assets	<u>1,205,442</u>
Total Cash and Cash Equivalents, December 31	<u><u>\$ 1,635,120</u></u>

See Notes to Financial Statements

CITY OF SPRING LAKE PARK
PROPRIETARY FUND
Statement of Cash Flows (Continued)
For the Year Ended December 31, 2024

**RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH
PROVIDED BY OPERATING ACTIVITIES**

Operating (loss)	\$ (711,998)
Adjustments to reconcile operating (loss) to net cash provided by operating activities	
Depreciation	397,731
Change in net pension liability	(2,642)
Change in lease receivable and deferred inflows	(25,181)
Lease and other revenues	208,209
(Increase) decrease in:	
Accounts receivable	(86,924)
Due from other funds	(100)
Prepaid expenses	21,168
Increase (decrease) in:	
Accounts payable	5,528
Accrued payroll and taxes	2,614
Due to other funds	8,634
Other accrued liabilities	(1,890)
Estimated liability for compensated absences	(21,169)
Net Cash (Used In) Operating Activities	<u>\$ (206,020)</u>

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CITY OF SPRING LAKE PARK
NOTES TO FINANCIAL STATEMENTS
December 31, 2024

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CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

The financial statements of the City of Spring Lake Park (the City) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting principles are described below.

A. Reporting Entity

The City operates according to applicable laws and statutes under the council-administrator plan (Statutory Plan A) as defined by Minnesota statutes. A Council composed of an elected mayor and four other elected members directs the government of the City. The Council exercises legislative authority and determines all matters of policy and is responsible for directing the activities of the City. The Council appoints the City Administrator and other personnel who are responsible for the proper administration of all affairs relating to the City.

As required by generally accepted accounting principles, the financial statements of the reporting entity include those of the City of Spring Lake Park (the primary government) and its component unit. A component unit is a legally separate entity for which the primary government is financially accountable, or for which the exclusion of the component unit would render the financial statements of the primary government misleading. The criteria used to determine if the primary government is financially accountable for a component unit include whether or not the primary government appoints the potential component unit's board, is able to impose its will on the potential unit, is in a relationship of financial benefit or burden with the potential component unit, or is fiscally depended upon by the potential component unit. The component unit described below is included in the City's reporting entity because of the significance of its operational or financial relationship with the City.

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

1. Summary of Significant Accounting Policies (Continued)

A. Reporting Entity (Continued)

Related Organizations

Spring Lake Park - Blaine - Mounds View Fire Department

The City has joined with the cities of Blaine and Mounds View to cooperatively provide fire protection services to their residents. This is provided by the Spring Lake Park - Blaine - Mounds View Fire Department (the Fire Department), a private nonprofit Internal Revenue Code Section 501(c)(3) organization. The service territory is generally comprised of the cities of Spring Lake Park, Blaine and Mounds View.

The three cities agreed upon several significant provisions in their agreement dated December 11, 1990:

1. The Fire Department is governed by its own Board of Directors. Directors are appointed by each city and from the Fire Department.
2. Operation, maintenance and debt service costs are shared based upon a formula. One half of the formula is the relative assessed value of each city. The other half is the three-year average of fire calls within each city. The City's share of the formula was 8.50% in 2024.
3. The city of Blaine issued \$8,050,000 G.O. Capital Improvement Bonds, Series 2005A, on December 1, 2005 to construct a new fire station and training facility and acquire two additional fire trucks. The City of Spring Lake Park has recorded its share of the debt related to this bond issuance. These bonds were refunded in 2016 (see 4. below).
4. In 2013, the city of Blaine issued crossover refunding bonds to refund (in 2016) the 2005A G.O. Capital Improvement Bonds. The City of Spring Lake Park has recorded its share of the debt related to this bond issuance.
5. Each city has a non-measurable equity interest in the property that is held by the fire department.

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

1. Summary of Significant Accounting Policies (Continued)

A. Reporting Entity (Continued)

Related Organizations (Continued)

Spring Lake Park - Blaine - Mounds View Fire Department (Continued)

The City's share of operating costs were \$278,580, capital costs were \$66,742 and debt service costs were \$46,436 during 2024. The operating and capital costs were recorded as expenditures in the General Fund. The debt service costs were recorded as expenditures in the 2013A G.O. Capital Improvement Bond, 2017A G.O. Equipment Certificates and 2018A Blaine Fire debt service funds.

Because the City is not financially accountable for the Fire Department (the Fire Department is able to fund itself independently of the City) it is excluded from the reporting entity of the City.

A related entity, the Spring Lake Park Firemen's Relief Association (the Association), is a nonprofit organization organized to provide pension and other benefits to its members in accordance with Minnesota statutes. Because the City is not financially accountable for the Association (the Association is able to fund itself independently of the City) it is also excluded from the reporting entity of the City. The Fire Department and the Association issue financial reports which are available at City offices or at the Fire Department, 1710 Highway 10, Spring Lake Park, Minnesota, 55432.

North Metro Telecommunications Commission

In 2016, the City joined with the cities of Blaine, Centerville, Circle Pines, Ham Lake, Lexington and Lino Lakes to cooperatively purchase telecommunications equipment to provide cable communication services to their residents. The City of Spring Lake Park has recorded its share of the debt related to the 2016A G.O. Improvement Note issued by the city of Circle Pines. The 2016A North Metro Telecommunications debt service fund received \$13,263 in franchise fees that were used for debt service payments during the year ended December 31, 2024.

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 activities of the City. For the most part, the effect of interfund activity has been removed from these statements. *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.

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

1. Summary of Significant Accounting Policies (Continued)

B. Government-wide and Fund Financial Statements (Continued)

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. 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.

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 when payment is due.

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

1. Summary of Significant Accounting Policies (Continued)

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

Property taxes, licenses and permits, 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 and donations. On an accrual basis, revenue from property taxes is recognized in the year for which the tax is levied. Revenue from grants and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year in which 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 specific 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 is recognized.

Unearned revenue is recorded when assets are recognized before revenue recognition criteria have been satisfied. Grants received before eligibility requirements other than time requirements are met are recorded as unearned revenue. Grants received before time requirements are met are recorded as a deferred inflow of resources.

The City reports the following major governmental funds:

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

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

1. Summary of Significant Accounting Policies (Continued)

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

The *HRA reserve fund* is an accumulation of resources and costs associated with housing and redevelopment throughout the City.

The *revolving fund* was created to finance improvement projects. The fund is financed with the remaining funds left in capital project funds once the project is considered completed and special assessments.

The *renewal and replacement fund* was created to finance capital improvement projects in the City. The fund was initially financed with the remaining funds left in the liquor fund upon closing of the fund.

The *city hall renovation fund* was created finance renovations and remodeling of the city hall building. The fund was financed with proceeds from a bond issuance as well as transfers from other funds.

The City reports the following major proprietary fund:

The *utility fund* accounts for the operation of the City owned utility (water and sewer) system.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the City's enterprise funds and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

1. Summary of Significant Accounting Policies (Continued)

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

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. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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.

D. Assets, Liabilities, Deferred Inflows of Resources and Net Position

1. Cash and investments (including cash equivalents)

Cash balances from all City funds, except certain designated funds, are pooled and invested to the extent available in various securities as authorized by Minnesota statutes. Earnings from the pooled investments are allocated to the respective funds on the basis of the average cash balance participation of each fund throughout the year.

Investments are stated at fair value, based upon quoted market prices at the reporting date. Cash and cash equivalents for purposes of the basic financial statements includes amounts in demand deposits as well as all investments held by the City.

2. 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."

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

1. Summary of Significant Accounting Policies (Continued)

D. Assets, Liabilities, Deferred Inflows of Resources and Net Position (Continued)

2. Receivables and payables (continued)

Advances between funds, if any, are offset by a nonspendable fund balance account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

Property tax levies are set by the City Council in December of each year and are certified to the County for collection in the following year. In Minnesota, counties act as collection agents for all property taxes. The County spreads all levies over taxable property. Such taxes become a lien on January 1, of the following year, and are recorded as receivables by the City at that date. Revenues from property taxes are accrued and recognized in the year collectible, net of delinquencies.

Real property taxes may be paid by taxpayers in two equal installments on May 15 and October 15. Personal property taxes may be paid on February 28 and June 30. The County provides tax settlements to cities and other taxing districts normally during the months of January, July and December.

Taxes which remain unpaid at December 31 are classified as delinquent taxes receivable. The net amount of delinquent taxes receivable are fully offset by deferred inflow of resources in the governmental funds of the fund financial statements because they are not known to be available to finance current expenditures.

Assessments are levied at various times upon City Council resolution for property owner improvements made by the City. Assessment collections are typically deferred over ten-year periods, with interest rates ranging between 1.5% to 2.0% above the prevailing 10-year municipal bond yield at the time of assessment. Revenue from these assessments is recognized when assessed in the government-wide financial statements and as the annual installments become collectible in the governmental funds of the fund financial statements. Annual installments not collected as of each December 31 are classified as delinquent assessments receivable. The net amount of delinquent assessments receivable are fully offset by deferred inflow of resources in the governmental funds of the fund financial statements because they are not known to be available to finance current expenditures.

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

1. Summary of Significant Accounting Policies (Continued)

D. Assets, Liabilities, Deferred Inflows of Resources and Net Position (Continued)

3. Tax increment district

Tax increment revenues received are recorded in the Debt Service Fund to service note principal and interest payments.

4. 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 government as assets with an initial, individual cost of more than \$3,000 and an estimated useful life greater than one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets is expensed as incurred.

Property, plant and equipment are capitalized when acquired, and depreciation is provided using the straight-line method applied over the following estimated useful lives of the assets.

	Useful Life <u>in Years</u>
Land Improvements	10 - 20
Buildings and Improvements	15 - 40
Infrastructure	25 - 35
Distribution and Collection System	15 - 80
Furniture, Fixtures and Equipment	3 - 10

The City reviews its property, plant and equipment for impairment whenever events indicate the decline in service utility of the capital asset is significant in magnitude and the event of change in circumstances is outside the normal cycle of the capital assets.

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

1. Summary of Significant Accounting Policies (Continued)

D. Assets, Liabilities, Deferred Inflows of Resources and Net Position (Continued)

5. Compensated absences benefits

The City's policy is to permit employees to accumulate unused vacation and compensatory time benefits. City employees are entitled to vacation pay based upon length of employment. In addition, the City has established a severance pay policy for nonunion employees. This policy provides for severance payments upon termination of employment based on accumulated personal leave accrued, subject to certain conditions and specified maximums. Severance pay policy for union employees is governed by individual union contracts.

Vested benefits for City employees attributable to governmental funds are recorded as expenditures in these funds as benefits are paid to employees. The liability and corresponding expense is recorded in the government-wide financials statements as these benefits accrue. The liability and corresponding expense associated with proprietary funds is recorded in the applicable proprietary fund as benefits accrue.

6. 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 statements of net position.

Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bond issuance costs are expensed as incurred. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize 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.

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

1. Summary of Significant Accounting Policies (Continued)

D. Assets, Liabilities, Deferred Inflows of Resources and Net Position (Continued)

7. 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. 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.

8. Fund balance

In the government-wide and proprietary financial statements, net position is classified in the following categories:

Net Investment in Capital Assets – This amount consists of capital assets net of accumulated depreciation and reduced by outstanding debt attributed to the acquisition, construction, or improvement of the assets.

Restricted Net Position – This amount is restricted by external creditors, grantors, contributors, laws or regulations of other governments.

Unrestricted Net Position – This amount is all net position that does not meet the definition of “net investment in capital assets” or “restricted net position.”

In accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the City classifies governmental fund balances as follows:

Non-spendable – includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual restraints.

Restricted – amounts are restricted by external creditors, grantors, contributors, laws or regulations of other governments.

Committed – includes fund balance amounts that are committed by resolution, which is the City's highest level of decision-making authority, for specific purposes that are internally imposed by the City Council through formal action and remain binding unless removed by the City Council by subsequent formal action (resolution).

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

1. Summary of Significant Accounting Policies (Continued)

D. Assets, Liabilities, Deferred Inflows of Resources and Net Position (Continued)

8. Fund balance (continued)

Assigned – includes fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. The City Council, by majority vote, may assign fund balances to be used for specific purposes when appropriate. The Council has the power to assign fund balances or to designate an official who may assign fund balances. The City Administrator has been designated by the Council to assign fund balances.

Unassigned – includes positive fund balances within the General Fund which have not been classified within the above-mentioned categories and negative fund balances in other governmental funds.

The City considers restricted/committed amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents/contracts that prohibit doing this, such as a grant agreement requiring dollar for dollar spending. Additionally, the City would first use committed, then assigned and lastly unassigned amounts when expenditures are made.

9. Deferred outflows of resources

In addition to assets, the financial statements will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflow of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until that time. The City has one type of deferred outflow which is pension related and reported on the statement of net position.

10. Deferred inflows of resources

In addition to liabilities, the financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflow of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City recognized three types of deferred inflows. The first type occurs because governmental fund revenues are not recognized until available under the modified accrual basis of accounting. The second type is pension related and reported on the statement of net position. The third type is related to leasing activity and is also reported on the statement of net position.

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

1. Summary of Significant Accounting Policies (Continued)

D. Assets, Liabilities, Deferred Inflows of Resources and Net Position (Continued)

11. Leases

For leases with term exceeding 12 months, the City recognizes a lease liability and a right to use lease asset in the government-wide financial statements.

The right to use lease asset is calculated at the initial amount of the lease liability, plus any lease payments made to the lessor before the lease commencement date, plus certain initial direct costs incurred, minus any lease incentives received. Subsequently, the right to use lease asset is amortized on a straight-line basis over its useful life. The City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of the lease payments made. Remeasurement of the right to use lease asset and lease liability occurs when certain changes occur that are likely to have a significant impact on the lease liability.

Right to use lease assets are reported with capital assets and lease liabilities are reported with long-term debt on the statement of net position.

The City leases cell tower space, a building and parking lot to external parties. Lease receivables and deferred inflows of resources are recorded based on the present value of expected receipts over the term of the respective leases. The expected payments and receipts are discounted using the interest rate charged on the lease, if available, and are otherwise discounted using the risk-free rate. Variable payments are excluded from the valuations unless they are fixed in substance. For leases featuring payments tied to an index or market rate, the valuation is based on the initial index or market rate. The City does not have any leases subject to a residual value guarantee.

E. Concentration of Credit Risk

Financial instruments which expose the City to a concentration of credit risk consist primarily of cash, investments and accounts and loans receivable. Credit risk associated with cash and investments is discussed in Note 3. The City's accounts and loans receivable are concentrated geographically, and for the most part, amounts are due from individuals residing in and businesses located in the City of Spring Lake Park.

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

1. Summary of Significant Accounting Policies (Continued)

F. Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP) requires management to make estimates that affect amounts reported in the financial statements during the reporting period. Actual results could differ from such estimates.

G. Conduit Debt Obligations

The City issued lease revenue bonds during 2017 to provide funding to a private sector entity for a project deemed to be in the public interest. The City issued bonds during 2019 to provide funding to another private sector entity for a project deemed to be in public interest. Although these bonds bear the name of the City, the City has no obligation for such debt. Accordingly, the bonds are not reported as liabilities in the financial statements of the City. As of December 31, 2024, the outstanding principal amount of these bonds was \$41,145,270.

H. Implementation of New Accounting Principles

During the year, the City implemented GASB Statement No. 101, *Compensated Absences*. This Statement provides guidance on accounting and financial reporting for reporting a liability for certain types of leave (compensated absences). Under this Statement, government organizations are required to recognize a liability for employee's compensated absences if the leave is attributable to employee's services already rendered, if the leave accumulates, or if it is more likely than not to be used for time off or paid in cash upon separation. The liability is measured using an employee's rate of pay at the date of the financial statements. The liability and associated expense are reported in the government-wide statements. The adoption of this Standard did not have a significant impact on the financial statements.

I. Subsequent Events

In preparing these financial statements, the City has evaluated events and transactions for potential recognition or disclosure through June 30, 2025, the date the financial statements were available to be issued.

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

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. Annual appropriated budgets are legally adopted by Council resolution for the General Fund. An annual budget is not adopted for the HRA Reserve special revenue fund, which adopts a project length budget. Formal budgetary integration is employed as a management control device during the year for the General Fund. The City follows these legal compliance procedures in establishing the budgetary data reflected in the financial statements.

1. Budget requests are submitted by all department heads to the City Administrator. The Administrator's office compiles the budget requests into an overall preliminary City budget, balancing budget requests with available revenue.
2. The preliminary budget is submitted to the City Council in August for its review and/or modification.
3. City administration presents the proposed budget to the City Council which in turn holds a truth-in-taxation public hearing on the proposed budget. The budget resolution adopted by the City Council sets forth the budget at the department level for the General Fund.
4. All budgeted appropriations lapse at the end of the fiscal year. The legal level of control (the level on which expenditures may not legally exceed appropriations) for each budget is at the department level. Administration cannot legally amend or transfer appropriations between departments without the approval of the City Council once the budget has been approved. Any over expenditures of appropriations or transfers of appropriated amounts must be approved by the City Council.

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

2. Stewardship, Compliance and Accountability (Continued)

A. Budgetary Information (Continued)

5. Budgeted amounts are as originally adopted, or as amended by the City Council. The budget cannot be amended without approval by the City Council.

All budget amounts presented in the accompanying supplementary information reflect the original budget and the final budget (which were not the same for the year ended December 31, 2024).

The City does not use encumbrance accounting.

B. Expenditures Exceeding Appropriations

For the year ended December 31, 2024, the following General Fund departments had expenditures exceeding the latest amended budget:

	<u>2023 Budgeted Expenditures</u>	<u>2024 Actual Expenditures</u>	<u>Amount Exceeding Budgeted Amount</u>
General Government	\$ 992,540	\$ 1,087,413	\$ 94,873
Public Works	318,816	338,365	19,549
Other	96,400	216,837	120,437

The above listed over expenditures were approved by the City Council.

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

3. Detailed Notes on All Funds

A. Deposits and Investments

In accordance with applicable Minnesota statutes, the City maintains deposits at depository banks authorized by the City Council. All such depositories are members of the Federal Reserve System.

Minnesota statutes require that all deposits be protected by insurance, surety bond or collateral. The market value of collateral pledged must equal 110% of the deposits not covered by insurance or surety bonds. Authorized collateral includes certain state or local government obligations and legal investments described in the investment policy section. Minnesota Statutes require that securities pledged as collateral be held in safekeeping by the City Treasurer or in a financial institution other than the institution furnishing the collateral.

The City's deposits were entirely covered by federal depository insurance or collateral at December 31, 2024.

Investment Policy

The City maintains a formal investment policy that limits its investment choices as a means of managing its exposure to credit risk. The City's investment policy does not address, however, limits on investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

The City is authorized by Minnesota Statutes to invest idle funds as follows:

- (a) Direct obligations or obligations guaranteed by the United States or its agencies.
- (b) Shares of investment companies registered under the Federal Investment Company Act of 1940 and whose only investments are in securities described in (a) above.
- (c) General obligations of the State of Minnesota or its municipalities.
- (d) Bankers acceptances of United States banks eligible for purchase by the Federal Reserve System.
- (e) Commercial paper issued by United States corporations or their Canadian subsidiaries, of the highest quality, and maturing in 270 days or less.
- (f) Repurchase agreements with banks that are members of the Federal Reserve System with capitalization exceeding \$10,000,000, a reporting dealer to the Federal Reserve Bank of New York, or certain Minnesota securities broker-dealers.
- (g) Money market funds with institutions that have portfolios consisting exclusively of United States Treasury obligations and Federal Agency issues.

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

3. Detailed Notes on All Funds (Continued)

A. Deposits and Investments (Continued)

Investment Policy (Continued)

- (h) Guaranteed investment contracts (gic's) issued or guaranteed by United States commercial banks or domestic branches of foreign banks or United States insurance companies and with a credit quality in one of the top two highest categories.

Fair Value Measurements

Fair value measurements are determined utilizing the framework established by the Governmental Accounting Standards Board. The framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the City has the ability to access.

Level 2: Observable market-based inputs or unobservable inputs that are corroborated by market data. Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets
- Quoted prices for identical assets or liabilities in inactive markets
- Inputs other than quoted prices that are observable for the asset or liability
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means

If the asset or liability has a specific (contractual) term, Level 2 input must be observable for substantially the full term of the asset or liability

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

3. Detailed Notes on All Funds (Continued)

A. Deposits and Investments (Continued)

Fair Value Measurements (Continued)

The City's investments within the fair value hierarchy at December 31, 2024 were as follows:

	Assets Measured at Fair Value	Fair Value Hierarchy Level		
		Level 1	Level 2	Level 3
Certificates of Deposit	\$ 7,196,527	\$ 7,196,527	\$	\$
U.S. Government Securities	1,345,835		1,345,835	
Total	<u>\$ 8,542,362</u>	<u>\$ 7,196,527</u>	<u>\$ 1,345,835</u>	<u>\$</u>

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the City manages its exposure to interest rate risk is by purchasing a combination of shorter and longer-term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needs for operation.

The following is a summary of the City of Spring Lake Park's cash and investment portfolio including the range of maturities and investment ratings by type of investment:

Investment	Range of Maturities	Rating	Value
Cash	N/A	N/A	\$ 5,386,814
Certificates of Deposit	1/25 - 8/30	N/A	7,196,527
U.S. Government Securities	10/25 - 2/28	AAA	<u>1,345,835</u>
Total cash and investments			<u>\$ 13,929,176</u>

N/A Not applicable or not available

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

3. Detailed Notes on All Funds (Continued)

A. Deposits and Investments (Continued)

Interest Rate Risk (Continued)

The City maintains cash in the 4M Fund which is regulated by Minnesota Statutes and the Board of Directors of the League of Minnesota Cities and is an external investment pool not registered with the Securities and Exchange Commission (SEC) that follows guidance under GASB Statement No. 79. The City's investment in the 4M Fund is measured at an amortized cost method that approximates fair value. Investments in the 4M Fund must be deposited for a minimum of 14 calendar days. Withdrawals prior to the 14-day restriction period will be subject to penalty equal to seven days interest on the amount withdrawn.

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. The City's investments are rated by various credit rating agencies, where applicable, to indicate the associated credit risk. Investment ratings by investment type (as applicable) are included in the preceding summary of investments.

The City does not have a formal policy related to the credit risk of its investments, but continues to buy safe and liquid assets that are allowable under Minnesota Statutes.

Concentration of Credit Risk

The City diversifies its investment portfolio to eliminate the risk of loss resulting from over-concentration of assets in a specific maturity, a specific issuer or a specific class of securities. The City's investment policies do not limit the concentration of investments. Investments in any one issuer that represented 5% or more of total investments as of December 31, 2024 were as follows:

<u>Issuer</u>	<u>Investment Type</u>	<u>Value</u>
4M Fund	Money Market Accounts	\$4,174,338

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counter party, the City will not be able to recover the value of its investment securities that are in the possession of an outside party. At December 31, 2024, all investments were insured or registered or the securities were held by the City or its agent in the City's name.

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

3. Detailed Notes on All Funds (Continued)

B. Due From Other Governmental Units

Amounts due from other governmental units as of December 31, 2024 were as follows:

Fund Type	Anoka County
General Fund	\$ 43,679
Capital Projects	811
Debt Service	1,074
	<u>\$ 45,564</u>

C. Capital Assets

Capital asset activity for the City for the year ended December 31, 2024 was as follows:

Governmental Activities	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 250,000	\$ 55,000	\$	\$ 305,000
Construction in progress	259,722	6,315,702	259,722	6,315,702
Total capital assets, not being depreciated	509,722	6,370,702	259,722	6,620,702
Capital assets, being depreciated:				
Buildings and improvements	3,324,047	110,841	36,452	3,398,436
Machinery and equipment	3,978,939	999,785	514,358	4,464,366
Infrastructure	21,168,525	55,260		21,223,785
Total capital assets, being depreciated	28,471,511	1,165,886	550,810	29,086,587
Less accumulated depreciation for:				
Buildings and improvements	2,536,631	80,396	18,906	2,598,121
Machinery and equipment	3,597,722	224,575	511,941	3,310,356
Infrastructure	13,790,082	550,374		14,340,456
Total accumulated depreciation	19,924,435	855,345	530,847	20,248,933
Total capital assets, being depreciated, net	8,547,076	310,541	19,963	8,837,654
Governmental activities capital assets, net	<u>\$ 9,056,798</u>	<u>\$ 6,681,243</u>	<u>\$ 279,685</u>	<u>\$ 15,458,356</u>

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

3. Detailed Notes on All Funds (Continued)

C. Capital Assets (Continued)

Business-Type Activities	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Construction in progress	\$ 31,538	\$	\$ 31,538	\$
Total capital assets, not being depreciated	31,538		31,538	
Capital assets, being depreciated:				
Buildings and improvements	6,452,464			6,452,464
Machinery and equipment	895,426	6,634	56,982	845,078
Infrastructure	6,864,684	716,917		7,581,601
Total capital assets, being depreciated	14,212,574	723,551	56,982	14,879,143
Less accumulated depreciation for:				
Buildings and improvements	5,134,982	108,548		5,243,530
Machinery and equipment	677,933	17,825	56,982	638,776
Infrastructure	3,057,325	271,358		3,328,683
Total accumulated depreciation	8,870,240	397,731	56,982	9,210,989
Total capital assets, being depreciated, net	5,342,334	325,820		5,668,154
Business-type activities capital assets, net	\$ 5,373,872	\$ 325,820	\$ 31,538	\$ 5,668,154

Depreciation expense for the year ended December 31, 2024 was charged to functions/programs as follows:

Governmental Activities

General government	\$ 142,035
Public safety	46,569
Public works	587,765
Recreation and parks	78,976
Total	<u>\$ 855,345</u>

Business-Type Activities

Utility	\$ 397,731
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CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

3. Detailed Notes on All Funds (Continued)

D. Long-Term Debt

The City issues general obligation bonds and equipment certificates to provide funds for economic development and for the acquisition and construction of major capital assets including infrastructure. General obligation bonds have been issued for both general government and proprietary activities. Bonds issued to provide funds for business-type activities are reported in proprietary funds if they are expected to be repaid from proprietary revenues.

General obligation bonds and certificates are direct obligations and pledge the full faith and credit of the City. General obligation improvement and refunding bonds are expected to be repaid, in part, from assessments to the benefited properties.

A summary of long-term debt outstanding at December 31, 2024 is as follows:

	<u>Issue Date</u>	<u>Range of Interest Rates</u>	<u>Final Maturity</u>	<u>Balance 12/31/24</u>
General obligation bonds:				
2013A Capital Improvement Bonds	5/30/2013	2.00%	2025	\$ 54,051
2021A Improvement Refunding Bonds	2/17/2021	2.00%	2025	275,000
2024A Improvement Refunding Bonds	4/2/2024	4.00%-5.00%	2045	7,650,000
Other Liabilities:				
Net unamortized premium on bonds				501,758
Compensated Absences				<u>246,801</u>
Total Long-Term Debt				<u>\$ 8,727,610</u>

The City is subject to statutory limitation by the State of Minnesota for bonded indebtedness payable principally from property taxes. As of December 31, 2024, the City had not utilized approximately \$19,040,000 of its net legal debt margin.

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

3. Detailed Notes on All Funds (Continued)

D. Long-Term Debt (Continued)

The following is a summary of the changes in long-term debt obligations for the year ended December 31, 2024:

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
GOVERNMENTAL ACTIVITIES					
Bonds and Notes Payable:					
General obligation bonds:					
2013A Capital Improvement Bonds	\$ 98,676	\$	\$ 44,625	\$ 54,051	\$ 54,051
2021A Capital Improvement Bonds	565,000		290,000	275,000	275,000
2024A Capital Improvement Bonds		7,650,000		7,650,000	
General obligation note payable:					
2016A Improvement Notes	12,747		12,747		
Other Liabilities:					
Compensated Absences	254,605		33,695	220,910	29,236
Unamortized premium	25,591	578,834	23,379	581,046	
Less: unamortized (discount)	(6,571)	(77,402)	(4,685)	(79,288)	
Governmental Activities					
Long-Term Liabilities	950,048	8,151,432	399,761	8,701,719	358,287
BUSINESS-TYPE ACTIVITIES					
Other Liabilities:					
Compensated Absences	47,060		21,169	25,891	11,647
Business-Type Activities					
Long-Term Liabilities	47,060		21,169	25,891	11,647
Total	\$ 997,108	\$ 8,151,432	\$ 420,930	\$ 8,727,610	\$ 369,934

Compensated absences are presented as the net change of increases and decreases to arrive at the presentation of the ending balance.

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

3. Detailed Notes on All Funds (Continued)

D. Long-Term Debt (Continued)

Debt service requirements to maturity for long-term debt, excluding compensated absences, as of December 31, 2024 were as follows:

Year	General Obligation Improvement and Refunding Bonds	
	Principal	Interest
2025	\$ 329,051	\$ 454,323
2026	240,000	329,950
2027	250,000	317,700
2028	260,000	304,950
2029	275,000	291,575
2030-2034	1,600,000	1,231,000
2035-2039	2,020,000	811,250
2040-2044	2,455,000	363,100
2045	550,000	11,000
Totals	<u>\$ 7,979,051</u>	<u>\$ 4,114,848</u>

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

3. Detailed Notes on All Funds (Continued)

E. Tax Increment District

The City of Spring Lake Park enters into property tax abatement agreements through the use of tax increment financing districts with local businesses under various Minnesota Statutes. Under these statutes, the City annually abates taxes collected above the districts' base tax capacity which is established during adoption of the tax increment district. These agreements are established to foster economic development and redevelopment through creating jobs, removing blight and providing affordable housing. The City uses Minnesota Statutes 469.001 to 469.047 and 469.174 to 469.179 (The Tax Increment Act) to create these districts.

The City of Spring Lake Park is the administering authority for the City of Spring Lake Park Tax Increment Financing District, No. 6-1. The district is housing development type and authorized under Minnesota law chapter 469.174 to 469.179 (The Tax Increment Act). District No. 6-1 was certified in 2017 and will continue until December 31, 2040.

Information regarding District No. 6-1 as of December 31, 2024 is as follows:

Original net tax capacity	\$ 4,615
Current net tax capacity	206,351
Capture net tax capacity:	
Retained by authority	201,736

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

3. Detailed Notes on All Funds (Continued)

F. Interfund Receivables and Payables

The following schedule reports the interfund receivables and payables within the City's funds as of December 31, 2024:

	Due From Other Funds	Due To Other Funds
Major Governmental Funds:		
General Fund	\$ 436,234	\$ 13,613
Revolving Fund	13,613	251,015
Subtotal	449,847	264,628
Non-Major Governmental Funds:		
Special Revenue		
Recycling	86	12,526
Street Lighting	237	
Cable		17,178
Debt Service		
2021A G.O. Improvement Refunding Bonds		27,462
2024A G.O. Improvement Refunding Bonds		119,520
Subtotal	323	176,686
Total Governmental Funds	450,170	441,314
Proprietary Funds:		
Utility	4,901	13,757
Subtotal	4,901	13,757
Total All Funds	\$ 455,071	\$ 455,071

Interfund receivables and payables are the result of expenditures of funds prior to the collection of special assessments, property taxes and other revenues. All interfund balances will be repaid as the revenues are collected by the individual funds or by transfers from other funds.

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

3. Detailed Notes on All Funds (Continued)

G. Interfund Transfers

Transfers are used to 1) move revenues from the fund with collection authorization to the debt service fund as debt service principal and interest payments become due; or 2) move unrestricted general fund revenues to finance various programs that the government must account for in other funds in accordance with budgetary authorizations.

Interfund transfers during the year ended December 31, 2024 were as follows:

	Transfers In	Transfers Out
Major Governmental Funds:		
General Fund	\$ 306,502	\$ 1,441,378
Revolving Fund	75,000	
City Hall Renovation	756,124	
Subtotal	1,137,626	1,441,378
Non-Major Governmental Funds:		
Special Revenue		
Emergency Management	2,000	
Police Reserves	3,000	
Forestry	100,000	
Animal Control	1,000	
Recreation Fund		62,500
Recycling Fund		7,500
Public Safety Aid		40,000
Debt Service		
2013A GO Capital Improvement Fire Bonds	47,500	
2024A G.O. Improvement Refunding Bonds	160,000	
Tax Increment Financing - Legends of SLP		3,000

(Continued)

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

3. Detailed Notes on All Funds (Continued)

G. Interfund Transfers (Continued)

	<u>Transfers In</u>	<u>Transfers Out</u>
Capital Projects		
Building Maintenance	54,754	
Park Equipment and Improvement	125,000	
Street Sealcoating	100,000	
Public Safety Replacement	12,000	
Equipment Fund	100,000	
Subtotal	<u>705,254</u>	<u>113,000</u>
Total Governmental Funds	1,842,880	1,554,378
Proprietary Funds:		
Utility		<u>288,502</u>
Total All Funds	<u>\$ 1,842,880</u>	<u>\$ 1,842,880</u>

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

3. Detailed Notes on All Funds (Continued)

H. Fund Balance and Net Position

In accordance with the requirements of GASB Statement No. 54, below is a schedule of ending fund balances as of December 31, 2024:

	General Fund	HRA Reserve	Revolving Fund	Renewal and Replacement	City Hall Renovation	Other Governmental Funds	Total Governmental Funds
Nonspendable							
Prepaid items	\$ 6,459	\$	\$	\$	\$	\$	\$ 6,459
Restricted							
Police activities						18,599	18,599
Debt service						346,359	346,359
Street improvements						230,375	230,375
Park acquisition						215,306	215,306
Community development						61,361	61,361
Total Restricted						872,000	872,000
Assigned							
Working capital reserve	2,965,164						2,965,164
Compensated absences	220,910						220,910
Elections	91,359						91,359
Recreation programs						356,371	356,371
Recycling						173,392	173,392
Street lighting						108,196	108,196
Public safety supplies						11,188	11,188
Public safety aid						207,163	207,163
HRA reserve		1,223,579					1,223,579
Street improvement			87,296	1,826,428			1,913,724
Street sealcoating						307,559	307,559
Capital replacement						563,953	563,953
Building maintenance						219,857	219,857
Park acquisition						241,468	241,468
Equipment						91,625	91,625
Other activities						180,877	180,877
City hall					2,403,867		2,403,867
Total Assigned	3,277,433	1,223,579	87,296	1,826,428	2,403,867	2,461,649	11,280,252
Unassigned							
Cable activities						(3,491)	(3,491)
Debt service						(146,982)	(146,982)
Total Unassigned						(150,473)	(150,473)
Total Fund Balance	\$ 3,283,892	\$ 1,223,579	\$ 87,296	\$ 1,826,428	\$ 2,403,867	\$ 3,183,176	\$ 12,008,238

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

3. Detailed Notes on All Funds (Continued)

H. Fund Balance and Net Position (Continued)

The City has restricted portions of fund balance in the fund financial statements and fund equity in the government-wide financial statements. The restricted fund balance / equity represents the portion not available for expenditure or legally segregated for specific future use. A summary of the restricted portion of the fund balance / equity at December 31, 2024 is as follows:

Specific Purpose	Restriction Imposed By			
	Contributors	Grantors	Creditors	Regulations
Restricted Fund Balance				
Debt Service Funds:				
Debt service requirements	\$	\$	\$ 346,359	\$
Special Revenue Funds:				
Police activities		18,599		
Community development	24,294	37,067		
Capital Project Funds:				
Street improvements		230,375		
Park acquisition	215,306			
Total Restricted Funds	<u>\$ 239,600</u>	<u>\$ 286,041</u>	<u>\$ 346,359</u>	<u>\$</u>
Restricted Net Position				
Debt service requirements	\$	\$	\$ 446,665	\$
Police activities		18,599		
Community development	24,294	37,067		
Street improvements		230,375		
Park acquisition	215,306			
Total Restricted Net Position	<u>\$ 239,600</u>	<u>\$ 286,041</u>	<u>\$ 446,665</u>	<u>\$</u>

I. Leases

The City has entered into several lease agreements with cell phone providers. Under the agreements, the cell phone providers pay the City monthly payments of \$15,320 (adjusted annually) in exchange for providing cell phone services to the City residents with antennas on top of the water towers. The receivable for these leases has been recorded in the water fund and is measured as the present value of the future rent payments expected to be received during the lease terms. The discount rate used in the calculation of the receivable is 2.0%, which is the risk free rate.

The City has entered into lease agreements for two properties that are owned by the City and rented to external parties. Under the leases, the external parties pay the City monthly payments of \$7,690. The receivable for these two leases has been recorded in the HRA reserve fund and is measured as the present value of the future rent payments expected to be received during the lease terms. The discount rate used in the calculation of the receivable is 2.0%, which is the risk-free rate.

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

4. Other Information

A. Risk Management

The City is exposed to various risks of loss related to torts: theft of, damage to, or destruction of assets; errors or omissions; injuries to employees; and natural disasters. The City participates in the League of Minnesota Cities Insurance Trust (LMCIT) to provide its general liability and property coverage. The LMCIT is a public entity risk pool currently operating as a common risk management and insurance program for participating Minnesota Cities. All Cities in the LMCIT are jointly and severally liable for all claims and expenses of the pool. The amount of any liability in excess of assets of the pool may be assessed to the participating cities if a deficiency occurs. The City purchases commercial insurance for property values in excess of the LMCIT policy limits and all other risks of loss. Settled claims have not exceeded the LMCIT or commercial coverage in any of the past three fiscal years.

Worker's compensation insurance is also purchased through the LMCIT. The worker compensation program is a retrospectively rated contract with premiums or required contributions based primarily on the experience rates of the participating cities. There were no significant reductions in insurance coverage from the previous year or settlements in excess of insurance coverage for any of the past three fiscal years.

B. Commitments and Contingencies

Insurance:

The City has outstanding claims subject to its insurance deductible. Although the outcome of these actions is not presently determinable, in the opinion of management, the resolution of these matters will not have a material adverse effect on the financial condition of the City.

General Litigation:

Management is not aware of any existing or pending lawsuits, claims or other actions in which the City is a defendant. It is the opinion of management that any such claims would be covered by the liability insurance of the City and that potential claims against the City would not materially affect the financial statements.

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

4. Other Information (Continued)

C. Pension Plans

1. Public Employees Retirement Association (PERA) - Defined Benefit

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). PERA's defined benefit pension plans are established and administered in accordance with *Minnesota Statutes*, Chapters 353, 353D, 353E, 353G, and 356. PERA's defined benefit pension plans are tax qualified plans under Section 401(a) of the Internal Revenue Code.

1. General Employees Retirement 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.
2. Public Employees Police and Fire Plan - Membership in the Police & 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 & 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.

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

4. Other Information (Continued)

D. Pension Plans (Continued)

1. Public Employees Retirement Association (PERA) - Defined Benefit (Continued)

B. Benefits Provided (continued)

1. General Employees 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 percent of the highest average salary for each of the first 10 years of service and 1.7 percent for each additional year. Under the Level formula, General Plan members receive 1.7 percent 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 percent for each month under age 65. Members with 30 or more years of service can retire at any age with a reduction of .25 percent 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.

Benefit increases are provided to benefit recipients each January. The postretirement increase is equal to 50 percent of the cost-of-living adjustment (COLA) announced by the SSA, with a minimum increase of at least 1 percent and a maximum of 1.5 percent. The 2024 annual increase was 1.5 percent. 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.

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

4. Other Information (Continued)

D. Pension Plans (Continued)

1. Public Employees Retirement Association (PERA) - Defined Benefit (Continued)

B. Benefits Provided (continued)

2. 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 percent vested after five years of service and 100 percent vested after ten years. After five years, vesting increase by 10 percent each full year of service until members are 100 percent vested after ten years. Police and Fire Plan members receive 3 percent 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 percent each month members are younger than age 55.

Benefit increases are provided to benefit recipients each January. The postretirement increase is fixed at 1 percent. 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.

1. General Employees Fund Contributions

Coordinated Plan members were required to contribute 6.50 percent of their annual covered salary in fiscal year 2024 and the City was required to contribute 7.50 percent for Coordinated Plan members. The City's contributions to the General Employees Fund for the year ended December 31, 2024, were \$118,529. The City's contributions were equal to the required contributions as set by state statute.

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

4. Other Information (Continued)

D. Pension Plans (Continued)

1. Public Employees Retirement Association (PERA) - Defined Benefit (Continued)

C. Contributions (continued)

2. Police and Fire Fund Contributions

Police and Fire Plan members were required to contribute 11.80 percent of their annual covered salary in fiscal year 2024 and the City was required to contribute 17.70 percent for Police and Fire Plan members. The City's contributions to the Police and Fire Fund for the year ended December 31, 2024, were \$216,284. The City's contributions were equal to the required contributions as set by state statute.

D. Pension Costs

1. General Employees Fund Pension Costs

At December 31, 2024, the City reported a liability of \$680,666 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 \$17,601.

City's proportionate share of the net pension liability	\$ 680,666
State of Minnesota's proportionate share of the net pension liability associated with the City	<u>17,601</u>
Total	<u>\$ 698,267</u>

The net pension liability was measured as of June 30, 2024, 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, 2023 through June 30, 2024, relative to the total employer contributions received from all of PERA's participating employers. The City's proportionate share was .0184 percent at the end of the measurement period and .0173 percent for the beginning of the period.

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

4. Other Information (Continued)

D. Pension Plans (Continued)

1. Public Employees Retirement Association (PERA) - Defined Benefit (Continued)

D. Pensions Costs (continued)

1. General Employees Fund Pension Costs (continued)

For the year ended December 31, 2024, the City recognized pension expense (benefit) of \$(89,613) for its proportionate share of the General Employees Plan's pension expense. In addition, the City recognized an additional \$472 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.

During the plan year ended June 30, 2024, the State of Minnesota contributed \$170.1 million to the General Employees Fund. The State of Minnesota is not included as a non-employer contributing entity in the General Employees Plan pension allocation schedules for the \$170.1 million in direct state aid because this contribution was not considered to meet the definition of a special funding situation. The City recognized \$31,317 for the year ended December 31, 2024 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 General Employees Fund.

At December 31, 2024, the City reported its proportionate share of the General Employees Plan's 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	\$ 62,986	\$
Changes in actuarial assumptions	3,338	246,262
Net difference between projected and actual earnings on pension plan investments		193,240
Changes in proportion	46,622	47,520
Employer contributions subsequent to the measurement date	57,415	
Total	\$ 170,361	\$ 487,022

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

4. Other Information (Continued)

D. Pension Plans (Continued)

1. Public Employees Retirement Association (PERA) - Defined Benefit (Continued)

D. Pensions Costs (continued)

1. General Employees Fund Pension Costs (continued)

The \$57,415 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, 2025. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ending December 31:</u>	<u>Pension (Benefit) Amount</u>
2025	\$ (217,296)
2026	(38,100)
2027	(66,509)
2028	(52,171)

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

4. Other Information (Continued)

D. Pension Plans (Continued)

2. Police and Fire Fund Pension Costs

At December 31, 2024, the City reported a liability of \$1,137,441 for its proportionate share of the Police and Fire Fund's net pension liability. The net pension liability was measured as of June 30, 2024, 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, 2023 through June 30, 2024, relative to the total employer contributions received from all of PERA's participating employers. The City's proportionate share was .0865 percent at the end of the measurement period and .0850 percent for the beginning of the period.

The State of Minnesota contributed \$37.4 million to the Police and Fire Fund in the plan fiscal year ended June 30, 2024. The contribution consisted of \$9 million in direct state aid that meets the definition of a special funding situation, additional one-time direct state aid contribution of \$19.4 million, and \$9 million in supplemental state aid that does not meet the definition of a special funding situation. Additionally, \$9 million supplemental state aid was paid on October 1, 2024. Thereafter, by October 1 of each year, the state will pay \$9 million to the Police and Fire Fund until full funding is reached or July 1, 2048, whichever is earlier. The \$9 million in supplemental state aid will continue until the fund is 90 percent funded, or until the State Patrol Plan (administered by the Minnesota State Retirement System) is 90 percent funded, whichever occurs later. The State of Minnesota's proportionate share of the net pension liability associated with the City's totaled \$43,359.

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

4. Other Information (Continued)

D. Pension Plans (Continued)

1. Public Employees Retirement Association (PERA) - Defined Benefit (Continued)

D. Pensions Costs (continued)

2. Police and Fire Fund Pension Costs (continued)

City's proportionate share of the net pension liability	\$ 1,137,441
State of Minnesota's proportionate share of the net pension liability associated with the City	<u>43,359</u>
Total	<u>\$ 1,180,800</u>

For the year ended December 31, 2024, the City recognized pension expense (benefit) of \$(46,599) for its proportionate share of the Police and Fire Plan's pension expense. The City recognized \$4,850 as grant revenue and pension expense for its proportionate share of the State of Minnesota's pension expense for the contribution of \$9 million to the Police and Fire Fund 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 \$28.4 million in supplemental state aid because this contribution was not considered to meet the definition of a special funding situation. The City recognized \$24,551 for the year ended December 31, 2024 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.

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

4. Other Information (Continued)

D. Pension Plans (Continued)

1. Public Employees Retirement Association (PERA) - Defined Benefit (Continued)

D. Pensions Costs (continued)

2. Police and Fire Fund Pension Costs (continued)

At December 31, 2024, the City reported its proportionate share of the Police and Fire Plan's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
	<u> </u>	<u> </u>
Differences between expected and actual economic experience	\$ 439,157	\$
Changes in actuarial assumptions	1,294,310	1,601,184
Net difference between projected and actual earnings on pension plan investments		332,307
Changes in proportion	44,235	275,791
Employer contributions subsequent to the measurement date	<u>109,362</u>	
Total	<u>\$ 1,887,064</u>	<u>\$ 2,209,282</u>

The \$109,362 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, 2025. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending December 31:	Pension Expense (Benefit) Amount
<u> </u>	<u> </u>
2025	\$ (68,146)
2026	277,149
2027	(186,161)
2028	(484,830)
2029	30,408

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

4. Other Information (Continued)

D. Pension Plans (Continued)

1. Public Employees Retirement Association (PERA) - Defined Benefit (Continued)

Aggregate Pension Expense

The total pension expense (benefit) for all plans (General Employees Fund and Police and Fire Fund) recognized by the City for the year ended December 31, 2024 was \$(136,212).

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 Real Rate of Return
Domestic Equity	33.5%	5.10%
International Equity	16.5%	5.30%
Fixed Income	25.0%	0.75%
Private Markets	<u>25.0%</u>	5.90%
Total	100.0%	

F. Actuarial Methods and Assumptions

The total pension liability for each of the cost-sharing defined benefit plans was determined by an actuarial valuation as of June 30, 2024, using the entry-age normal actuarial cost method. The long-term rate of return on pension plan investments used in the determination of the total liability is 7.0 percent. The 7.0 percent assumption is based on a review of inflation and investments return assumptions from a number of national investment consulting firms. The review provided a range of return investment return rates deemed to be reasonable by the actuary. An investment return of 7.0 percent was deemed to be within that range of reasonableness for financial reporting purposes.

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

4. Other Information (Continued)

D. Pension Plans (Continued)

1. Public Employees Retirement Association (PERA) - Defined Benefit (Continued)

F. Actuarial Methods and Assumptions (Continued)

- Inflation is assumed to be 2.25 percent for the General Employees Plan and 2.25 percent for the Police and Fire Plan.
- Benefit increases after retirement are assumed to be 1.25 percent for the General Employees Plan and 1.0 percent for the Police and Fire Plan.

Salary growth assumptions in the General Employees Plan range in annual increments from 10.25 percent after one year of service to 3.0 percent after 27 years of service. In the Police and Fire Plan, salary growth assumptions range from 11.75 percent after one year of service to 3.0 percent after 24 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 and 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 most recent four-year experience study for the General Employees Plan was completed in 2022. The assumption changes were adopted by the Board and became effective with the July 1, 2023 actuarial valuation. The most recent four-year experience studies for the Police and Fire Plan were completed in 2020 and 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 2024:

General Employees Fund

Changes in Actuarial Assumptions:

- 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.

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

4. Other Information (Continued)

D. Pension Plans (Continued)

1. Public Employees Retirement Association (PERA) - Defined Benefit (Continued)

F. Actuarial Methods and Assumptions (Continued)

General Employees Fund (Continued)

Changes in Actuarial Assumptions (Continued):

- 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.

Changes in Plan Provisions:

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

Police and Fire Fund

Changes in Plan Provisions:

- The State contribution of \$9.0 million per year will continue until the earlier of 1) both the Police & Fire Plan and the State Patrol Retirement Fund attain 90 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 percent funded status for one year.
- The additional \$9.0 million contribution will continue until the Police & 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).

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

4. Other Information (Continued)

D. Pension Plans (Continued)

1. Public Employees Retirement Association (PERA) - Defined Benefit (Continued)

G. Discount Rate

The discount rate used to measure the total pension liability in 2024 was 7.00 percent. 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. 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.

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:

	Sensitivity Analysis of Net Pension Liability at Different Discount Rates			
	General Employees Fund		Police and Fire Fund	
1% Lower	6.00%	\$ 1,486,683	6.00%	\$ 2,687,995
Current Discount Rate	7.00%	\$ 680,666	7.00%	\$ 1,137,441
1% Higher	8.00%	\$ 17,643	8.00%	\$ (135,888)

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.

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

4. Other Information (Continued)

D. Pension Plans (Continued)

2. Public Employees Retirement Association (PERA) - Defined Contribution

Five council members of the City are covered by the Defined Contribution Plan, a multiple-employer deferred compensation plan administered by PERA. The Defined Contribution Plan is a tax qualified plan under Section 401(a) of the Internal Revenue Code and all contributions by or on behalf of council members are tax deferred until time of withdrawal.

Plan benefits depend solely on amounts contributed to the plan plus investment earnings, less administrative expenses. *Minnesota Statutes*, Chapter 353D and 356, specifies plan provisions, including the employee and employer contribution rates for those qualified personnel who elect to participate. An eligible elected official who decides to participate contributes five percent of salary which is matched by the elected official's employer, and for salaried employees contributions must be a fixed percentage of salary.

Employees who are paid for their services may elect to make member contributions in an amount not to exceed the employer share. Employer and employee contributions are combined and used to purchase shares in one or more of the seven accounts of the Minnesota Supplemental Investment Fund. For administering the plan, PERA receives two percent of employer contributions and twenty-five hundredths of one percent (0.25 percent) of the assets in each member's account annually.

Total contributions made by the City of Spring Lake Park during fiscal year 2024 were:

<u>Contribution Amount</u>		<u>Percentage of Covered Payroll</u>		<u>Required Rate</u>
<u>Employee</u>	<u>Employer</u>	<u>Employee</u>	<u>Employer</u>	
\$ 1,565	\$ 1,565	5%	5%	5%

E. Other Postemployment Benefits

The City has considered the accounting pronouncement, GASB Statement No. 75, *Accounting and Financial Reporting by for Postemployment Benefits Other than Pensions*. Management determined the OPEB liability at December 31, 2024 is not material and therefore is not recorded in these financial statements.

CITY OF SPRING LAKE PARK

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

4. Other Information (Continued)

F. Joint Powers Agreements

As previously noted, the City of Spring Lake Park participates with the cities of Blaine and Mounds View through a joint powers agreement to cooperatively support the Spring Lake Park Fire Department, Inc. (the Department). The Department is independent of the cities and operates as a separate entity. Under terms of the agreement, the equipment, property and other assets of the Department are owned jointly by the three cities. Each city enters into a contract for services with the Department for fire protection services. Cost of services for each City is determined based on a formula prescribed in the agreement. Based on the agreement, in the event the Department sustains operating deficits, the cities will contribute additional funds to the Department in proportion to the formula described above. Operating budgets of the Department are approved annually by the cities.

Payments to the Department by the City of Spring Lake Park in 2024 totaled \$345,322, including a provision for capital expenditures. This total was approximately 8.5% of contracted revenues from member cities reported by the Department. As described in Note 1, the City is also responsible for its share of debt service payments related to bonds issued on behalf of the Department for building improvements and equipment acquisitions.

In addition, the City is a member of the Anoka County Joint Law Enforcement Council (JLEC), an organization of Anoka County and certain cities located within the County formed to cooperate in their law enforcement efforts. The City participates with the JLEC on a cost-sharing basis with the development and maintenance of an integrated central [records communication system. Costs related to the City's participation in the JLEC were \$16,847 for the year ended December 31, 2024.

In 1983, the City adopted an ordinance establishing a franchise for a cable communications system. City and neighboring municipalities formed the North Metro Telecommunications Commission (the "Commission"). The purpose of this organization is to monitor the operations and activities of cable communications of the member municipalities. The Commission also provides coordination, administration and enforcement of the franchises for the cable communication system.

The City receives a portion of the franchise fees, which are reported in the North Central Suburban Cable Fund. These revenues are committed for cable television related expenditures. Financial statements for the Commission can be obtained by writing to: North Metro Telecommunications Commission, 12520 Polk Street NE, Blaine, Minnesota 55434.

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CITY OF SPRING LAKE PARK
REQUIRED SUPPLEMENTARY INFORMATION
December 31, 2024

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CITY OF SPRING LAKE PARK, MINNESOTA
Schedule of City Contributions
PERA General Employees Retirement Fund
December 31, 2024

Year Ended December 31	Contributions in Relation to			Contributions as a	
	Statutorily Required Contribution (a)	Statutorily Required Contribution (b)	Contribution Deficiency (Excess) (a-b)	Covered Payroll (d)	Percentage of Covered Payroll (b/d)
2015	\$ 109,297	\$ 109,297	\$	\$ 1,442,177	7.6%
2016	112,202	112,202		1,496,472	7.5%
2017	114,728	114,728		1,529,713	7.5%
2018	110,008	110,008		1,466,764	7.5%
2019	102,065	102,065		1,360,859	7.5%
2020	103,623	103,623		1,381,644	7.5%
2021	97,494	97,494		1,299,915	7.5%
2022	103,606	103,606		1,381,419	7.5%
2023	107,375	107,375		1,430,712	7.5%
2024	118,529	118,529		1,580,700	7.5%

Schedule of City Contributions
PERA Public Employees Police and Fire Fund Pension Plan
December 31, 2024

Year Ended December 31	Contributions in Relation to			Contributions as a	
	Statutorily Required Contribution (a)	Statutorily Required Contribution (b)	Contribution Deficiency (Excess) (a-b)	Covered Payroll (d)	Percentage of Covered Payroll (b/d)
2015	\$ 147,786	\$ 147,786	\$	\$ 912,261	16.20%
2016	151,121	151,121		932,841	16.20%
2017	153,641	153,641		948,402	16.20%
2018	161,819	161,819		998,882	16.20%
2019	174,175	174,175		1,027,581	16.95%
2020	186,745	186,745		1,055,054	17.70%
2021	188,326	188,326		1,063,991	17.70%
2022	197,758	197,758		1,117,276	17.70%
2023	203,130	203,130		1,147,627	17.70%
2024	216,284	216,284		1,221,650	17.70%

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CITY OF SPRING LAKE PARK, MINNESOTA
Schedule of Proportionate Share of Net Pension Liability
PERA General Employees Retirement Fund
December 31, 2024

Fiscal Year Ended June 30	City's Proportionate (Percentage) of Net Pension Liability (Asset)	City's Proportionate Share (Amount) of the Net Pension Liability (Asset) (a)	State's Proportionate Share (Amount) of the Net Pension Liability (Asset) Associated with the City (b)	City's Proportionate Share (Amount) of the Net Pension Liability (Asset) Associated with the City (a+b)	City's Covered Payroll (c)	City's Proportionate Share (Amount) of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll ((a+b)/c)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2015	0.0247%	\$ 1,280,082	\$	\$ 1,280,082	\$ 1,442,177	88.8%	78.2%
2016	0.0239%	1,940,561	25,332	1,965,893	1,496,472	131.4%	68.9%
2017	0.0234%	1,493,841	18,793	1,512,634	1,529,713	98.9%	75.9%
2018	0.0228%	1,264,851	41,581	1,306,432	1,534,400	85.1%	79.5%
2019	0.0200%	1,105,755	34,332	1,140,087	1,413,001	80.7%	80.2%
2020	0.0184%	1,103,164	33,897	1,137,061	1,309,040	86.9%	79.1%
2021	0.0185%	790,033	24,044	814,077	1,329,628	61.2%	87.0%
2022	0.0185%	1,465,206	43,085	1,508,291	1,386,819	108.8%	76.7%
2023	0.0173%	967,397	26,552	993,949	1,373,312	72.4%	83.1%
2024	0.0184%	680,666	17,601	698,267	1,558,603	44.8%	89.1%

PERA Public Employees Police and Fire Fund Pension Plan
December 31, 2024

Fiscal Year Ended June 30	Proportionate (Percentage) of Net Pension Liability (Asset)	Proportionate Share (Amount) of the Net Pension Liability (Asset) (a)	State's Proportionate Share (Amount) of the Net Pension Liability Associated with the City (b)	Employer's Proportionate Share of the Net Pension Liability and the State's Proportionate Share of the Net Pension Liability Associated with the City (a+b)	City's Covered Payroll (b)	Proportionate Share (Amount) of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll (a/b)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2015	0.0960%	\$ 1,090,785	\$	\$	\$ 912,261	119.6%	86.6%
2016	0.0960%	3,852,647			932,841	413.0%	63.9%
2017	0.0920%	1,242,109			948,402	131.0%	85.4%
2018	0.0925%	985,955			975,104	101.1%	88.8%
2019	0.0955%	1,016,694			1,007,413	100.9%	89.3%
2020	0.0912%	1,202,114	28,305	1,230,419	1,029,857	119.5%	87.2%
2021	0.0878%	677,723	30,486	708,209	1,038,145	68.2%	93.7%
2022	0.0940%	4,090,509	178,684	4,269,193	1,141,961	373.8%	70.5%
2023	0.0850%	1,467,840	59,110	1,526,950	1,116,045	136.8%	86.5%
2024	0.0865%	1,137,441	43,359	1,180,800	1,196,776	98.7%	90.2%

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CITY OF SPRING LAKE PARK
COMBINING AND INDIVIDUAL NONMAJOR
FUND STATEMENTS AND SCHEDULES

December 31, 2024

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**CITY OF SPRING LAKE PARK
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2024**

	Special Revenue	Debt Service	Capital Projects	Total
ASSETS				
Cash and investments	\$ 1,224,961	\$ 345,285	\$ 1,849,798	\$ 3,420,044
Accounts receivable	115,027		33,113	148,140
Special assessments receivable		100,306		100,306
Due from other funds	323			323
Due from other governmental units		1,074	552	1,626
TOTAL ASSETS	<u>\$ 1,340,311</u>	<u>\$ 446,665</u>	<u>\$ 1,883,463</u>	<u>\$ 3,670,439</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE				
LIABILITIES				
Accounts payable	\$ 19,391	\$	\$ 11,271	\$ 30,662
Accrued payroll and taxes	1,054			1,054
Deposits and other liabilities	171,305			171,305
Due to other funds	29,704	146,982		176,686
Unearned revenue	7,250			7,250
Total Liabilities	<u>228,704</u>	<u>146,982</u>	<u>11,271</u>	<u>386,957</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue:				
Special assessments		100,306		100,306
FUND BALANCE				
Restricted	79,960	346,359	445,681	872,000
Assigned	1,035,138		1,426,511	2,461,649
Unassigned	(3,491)	(146,982)		(150,473)
Total Fund Balance	<u>1,111,607</u>	<u>199,377</u>	<u>1,872,192</u>	<u>3,183,176</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	<u>\$ 1,340,311</u>	<u>\$ 446,665</u>	<u>\$ 1,883,463</u>	<u>\$ 3,670,439</u>

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CITY OF SPRING LAKE PARK
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended December 31, 2024

	Special Revenue	Debt Service	Capital Projects	Total
REVENUES				
Property and franchise taxes	\$ 7,819	\$ 213,681	\$ 50,381	\$ 271,881
Special assessments		46,215		46,215
Intergovernmental revenues	61,350		94,257	155,607
Charges for services	670,965	13,263	82,926	767,154
Fines and forfeitures	1			1
Investment earnings	41,341	17,714	92,409	151,464
Other revenues	32,049		294,183	326,232
TOTAL REVENUES	<u>813,525</u>	<u>290,873</u>	<u>614,156</u>	<u>1,718,554</u>
EXPENDITURES				
Current				
General government	25,123			25,123
Public safety	107,951			107,951
Public works	40,271		228,517	268,788
Recreation and parks	397,420		99,227	496,647
Development and other	249,104	175,204		424,308
Capital Outlay				
Public works			659,379	659,379
Recreation and parks			210,868	210,868
Debt Service				
Principal		347,628		347,628
Interest and other		293,386		293,386
TOTAL EXPENDITURES	<u>819,869</u>	<u>816,218</u>	<u>1,197,991</u>	<u>2,834,078</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(6,344)</u>	<u>(525,345)</u>	<u>(583,835)</u>	<u>(1,115,524)</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds	106,000	207,500	391,754	705,254
Transfers to other funds	(110,000)	(3,000)		(113,000)
Total other financing sources (uses)	<u>(4,000)</u>	<u>204,500</u>	<u>391,754</u>	<u>592,254</u>
Net change in fund balances	(10,344)	(320,845)	(192,081)	(523,270)
FUND BALANCES, Beginning	<u>1,121,951</u>	<u>520,222</u>	<u>2,064,273</u>	<u>3,706,446</u>
FUND BALANCES, Ending	<u>\$ 1,111,607</u>	<u>\$ 199,377</u>	<u>\$ 1,872,192</u>	<u>\$ 3,183,176</u>

**CITY OF SPRING LAKE PARK
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS**

December 31, 2024

	Recycling	Street Lighting	Cable
ASSETS			
Cash and investments	\$ 105,040	\$ 86,908	\$ 14,022
Accounts receivable	92,913	21,051	
Due from other funds	86	237	
	<u> </u>	<u> </u>	<u> </u>
TOTAL ASSETS	<u><u>\$ 198,039</u></u>	<u><u>\$ 108,196</u></u>	<u><u>\$ 14,022</u></u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE			
LIABILITIES			
Accounts payable	\$ 11,402	\$	\$
Accrued payroll and taxes	719		335
Deposits and other liabilities			
Due to other funds	12,526		17,178
Unearned revenue			
Total Liabilities	<u>24,647</u>	<u> </u>	<u>17,513</u>
FUND BALANCE			
Restricted			
Assigned	173,392	108,196	
Unassigned			(3,491)
Total Fund Balance	<u>173,392</u>	<u>108,196</u>	<u>(3,491)</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	<u><u>\$ 198,039</u></u>	<u><u>\$ 108,196</u></u>	<u><u>\$ 14,022</u></u>

<u>Police Forfeiture</u>	<u>Police Reserves</u>	<u>Recreation</u>	<u>Tower Days</u>
\$ 11,188	\$ 18,620	\$ 370,263 638	\$ 24,057 237
<u>\$ 11,188</u>	<u>\$ 18,620</u>	<u>\$ 370,901</u>	<u>\$ 24,294</u>
\$	\$ 21	\$ 7,280	\$
		7,250	
	21	14,530	
11,188	18,599	356,371	24,294
<u>11,188</u>	<u>18,599</u>	<u>356,371</u>	<u>24,294</u>
<u>\$ 11,188</u>	<u>\$ 18,620</u>	<u>\$ 370,901</u>	<u>\$ 24,294</u>

(Continued)

CITY OF SPRING LAKE PARK
COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR SPECIAL REVENUE FUNDS
December 31, 2024

	Traffic Education	Emergency Management	Animal Control
ASSETS			
Cash and investments	\$ 37,067	\$ 23,074	\$ 7,280
Accounts receivable			
Due from other funds			
	<u> </u>	<u> </u>	<u> </u>
TOTAL ASSETS	<u><u>\$ 37,067</u></u>	<u><u>\$ 23,074</u></u>	<u><u>\$ 7,280</u></u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE			
LIABILITIES			
Accounts payable	\$	\$	\$ 450
Accrued payroll and taxes			
Deposits and other liabilities			
Due to other funds			
Unearned revenue			
Total Liabilities	<u> </u>	<u> </u>	<u>450</u>
FUND BALANCE			
Restricted	37,067		
Assigned		23,074	6,830
Unassigned			
Total Fund Balance	<u>37,067</u>	<u>23,074</u>	<u>6,830</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	<u><u>\$ 37,067</u></u>	<u><u>\$ 23,074</u></u>	<u><u>\$ 7,280</u></u>

Comprehensive Plan Update	Forestry	Developer's Escrow	Public Safety Aid	Total
\$ 10,957	\$ 137,967	\$ 171,355 188	\$ 207,163	\$ 1,224,961 115,027 323
<u>\$ 10,957</u>	<u>\$ 137,967</u>	<u>\$ 171,543</u>	<u>\$ 207,163</u>	<u>\$ 1,340,311</u>
\$	\$	\$ 238	\$	\$ 19,391 1,054 171,305 29,704 7,250
		171,305		
		<u>171,543</u>		<u>228,704</u>
10,957	137,967		207,163	79,960 1,035,138 (3,491)
<u>10,957</u>	<u>137,967</u>		<u>207,163</u>	<u>1,111,607</u>
<u>\$ 10,957</u>	<u>\$ 137,967</u>	<u>\$ 171,543</u>	<u>\$ 207,163</u>	<u>\$ 1,340,311</u>

CITY OF SPRING LAKE PARK
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
For the Year Ended December 31, 2024

	<u>Recycling</u>	<u>Street Lighting</u>	<u>Cable</u>
REVENUES			
Property and franchise taxes	\$	\$	\$ 7,819
Intergovernmental revenue	61,350		
Charges for services	166,686	39,018	
Fines and forfeitures			
Investment earnings	3,849	3,563	620
Other revenues			
	<u>231,885</u>	<u>42,581</u>	<u>8,439</u>
TOTAL REVENUES			
EXPENDITURES			
Current			
General government			16,637
Public safety			
Public works		40,271	
Recreation and parks			
Development and other	217,369		
	<u>217,369</u>	<u>40,271</u>	<u>16,637</u>
TOTAL EXPENDITURES			
Excess (deficiency) of revenues over (under) expenditures	14,516	2,310	(8,198)
OTHER FINANCING SOURCES (USES)			
Transfers from other funds			
Transfers to other funds	(7,500)		
	<u>(7,500)</u>		
Total other financing sources (uses)			
Net change in fund balances	7,016	2,310	(8,198)
FUND BALANCES, Beginning	166,376	105,886	4,707
FUND BALANCES, Ending	<u>\$ 173,392</u>	<u>\$ 108,196</u>	<u>\$ (3,491)</u>

<u>Police Forfeiture</u>	<u>Police Reserves</u>	<u>Recreation</u>	<u>Tower Days</u>
\$	\$	\$	\$
		459,761	
1			
597	694	14,285	990
1,002	28		30,831
1,600	722	474,046	31,821
8,360	355		
		349,436	
			31,735
8,360	355	349,436	31,735
(6,760)	367	124,610	86
	3,000	(62,500)	
	3,000	(62,500)	
(6,760)	3,367	62,110	86
17,948	15,232	294,261	24,208
\$ 11,188	\$ 18,599	\$ 356,371	\$ 24,294

(Continued)

CITY OF SPRING LAKE PARK
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
For the Year Ended December 31, 2024

	Traffic Education	Emergency Management	Animal Control
REVENUES			
Property and franchise taxes	\$	\$	\$
Intergovernmental revenue			
Charges for services	5,500		
Fines and forfeitures			
Investment income	1,515	889	295
Other revenues		110	78
	<u> </u>	<u> </u>	<u> </u>
TOTAL REVENUES	<u>7,015</u>	<u>999</u>	<u>373</u>
EXPENDITURES			
Current			
General government	6,800		1,686
Public safety		198	
Public works			
Recreation and parks			
Development and other			
	<u> </u>	<u> </u>	<u> </u>
TOTAL EXPENDITURES	<u>6,800</u>	<u>198</u>	<u>1,686</u>
Excess (deficiency) of revenues over (under) expenditures	<u>215</u>	<u>801</u>	<u>(1,313)</u>
OTHER FINANCING SOURCES (USES)			
Transfers from other funds		2,000	1,000
Transfers to other funds			
	<u> </u>	<u> </u>	<u> </u>
Total other financing sources (uses)	<u> </u>	<u>2,000</u>	<u>1,000</u>
Net change in fund balances	215	2,801	(313)
FUND BALANCES, Beginning	<u>36,852</u>	<u>20,273</u>	<u>7,143</u>
FUND BALANCES, Ending	<u>\$ 37,067</u>	<u>\$ 23,074</u>	<u>\$ 6,830</u>

Comprehensive Plan Update	Forestry	Developer's Escrow	Public Safety Aid	Total
\$	\$	\$	\$	\$ 7,819
				61,350
				670,965
				1
440	2,490		11,114	41,341
				32,049
440	2,490		11,114	813,525
				25,123
			99,038	107,951
				40,271
	47,984			397,420
				249,104
	47,984		99,038	819,869
440	(45,494)		(87,924)	(6,344)
	100,000			106,000
			(40,000)	(110,000)
	100,000		(40,000)	(4,000)
440	54,506		(127,924)	(10,344)
10,517	83,461		335,087	1,121,951
\$ 10,957	\$ 137,967	\$	\$ 207,163	\$ 1,111,607

**CITY OF SPRING LAKE PARK
COMBINING BALANCE SHEET
NONMAJOR DEBT SERVICE FUNDS**

December 31, 2024

	2013A G.O. Capital Improvement Fire Bond	2016A North Metro Tele- communications	Tax Increment Financing - Legends of SLP
ASSETS			
Cash and investments	\$ 49,023	\$ 326	\$ 120,544
Special assessments receivable			
Due from other governmental units			
TOTAL ASSETS	<u>\$ 49,023</u>	<u>\$ 326</u>	<u>\$ 120,544</u>
LIABILITIES			
Due to other funds	\$	\$	\$
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue:			
Special assessments			
FUND BALANCE			
Restricted	49,023	326	120,544
Unassigned			
Total Fund Balance	<u>49,023</u>	<u>326</u>	<u>120,544</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 49,023</u>	<u>\$ 326</u>	<u>\$ 120,544</u>

2017A G.O. Equipment Certificates	2018A Blaine Fire Debt Service	2021A G.O. Improvement Refunding Bonds	2024A G.O. Improvement Refunding Bonds	Total
\$ 17,132	\$	\$ 158,260 100,306 1,074	\$	\$ 345,285 100,306 1,074
<u>\$ 17,132</u>	<u>\$</u>	<u>\$ 259,640</u>	<u>\$</u>	<u>\$ 446,665</u>
<u>\$</u>	<u>\$ 27,462</u>	<u>\$</u>	<u>\$ 119,520</u>	<u>\$ 146,982</u>
		100,306		100,306
17,132	(27,462)	159,334	(119,520)	346,359 (146,982)
<u>17,132</u>	<u>(27,462)</u>	<u>159,334</u>	<u>(119,520)</u>	<u>199,377</u>
<u>\$ 17,132</u>	<u>\$</u>	<u>\$ 259,640</u>	<u>\$</u>	<u>\$ 446,665</u>

CITY OF SPRING LAKE PARK
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR DEBT SERVICE FUNDS
For the Year Ended December 31, 2024

	2013A G.O. Capital Improvement Fire Bond	2016A North Metro Tele- communications	Tax Increment Financing - Legends of SLP
REVENUES			
Property taxes	\$	\$	\$ 190,716
Special assessments			
Charges for services		13,263	
Investment earnings	1,015	13	4,591
TOTAL REVENUES	<u>1,015</u>	<u>13,276</u>	<u>195,307</u>
EXPENDITURES			
Current			
Development and other			175,204
Debt Service			
Principal		13,003	
Interest and other charges		260	
TOTAL EXPENDITURES		<u>13,263</u>	<u>175,204</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,015</u>	<u>13</u>	<u>20,103</u>
OTHER FINANCING SOURCES (USES)			
Transfers from other funds	47,500		
Transfers to other funds			(3,000)
Total other financing sources (uses)	<u>47,500</u>		<u>(3,000)</u>
Net change in fund balances	48,515	13	17,103
FUND BALANCES, Beginning	<u>508</u>	<u>313</u>	<u>103,441</u>
FUND BALANCES, Ending	<u>\$ 49,023</u>	<u>\$ 326</u>	<u>\$ 120,544</u>

2017A G.O. Equipment Certificates	2018A Blaine Fire Debt Service	2021A G.O. Improvement Refunding Bonds	2024A G.O. Improvement Refunding Bonds	Total
\$	\$	\$ 22,965 46,215	\$	\$ 213,681 46,215 13,263 17,714
688	389	11,018		17,714
688	389	80,198		290,873
				175,204
	44,625 1,811	290,000 11,795	279,520	347,628 293,386
	46,436	301,795	279,520	816,218
688	(46,047)	(221,597)	(279,520)	(525,345)
			160,000	207,500 (3,000)
			160,000	204,500
688	(46,047)	(221,597)	(119,520)	(320,845)
16,444	18,585	380,931		520,222
\$ 17,132	\$ (27,462)	\$ 159,334	\$ (119,520)	\$ 199,377

**CITY OF SPRING LAKE PARK
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECT FUNDS**
December 31, 2024

	<u>State Aid Street Fund</u>	<u>Street Sealcoating</u>	<u>Capital Replacement</u>	<u>Right of Way</u>
ASSETS				
Cash and investments	\$ 230,375	\$ 286,737	\$ 444,187	\$ 2,049
Accounts receivable		20,822		
Due from other governmental units				
TOTAL ASSETS	<u>\$ 230,375</u>	<u>\$ 307,559</u>	<u>\$ 444,187</u>	<u>\$ 2,049</u>
LIABILITIES AND FUND BALANCE				
LIABILITIES				
Accounts payable	<u>\$</u>	<u>\$</u>	<u>\$ 275</u>	<u>\$</u>
FUND BALANCE				
Restricted	230,375			
Assigned		307,559	443,912	2,049
Total Fund Balance	<u>230,375</u>	<u>307,559</u>	<u>443,912</u>	<u>2,049</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 230,375</u>	<u>\$ 307,559</u>	<u>\$ 444,187</u>	<u>\$ 2,049</u>

<u>Building Maintenance</u>	<u>Public Safety Replacement</u>
\$ 219,857	\$ 120,041
<u>\$ 219,857</u>	<u>\$ 120,041</u>
<u>\$</u>	<u>\$</u>
<u>219,857</u>	<u>120,041</u>
<u>219,857</u>	<u>120,041</u>
<u>\$ 219,857</u>	<u>\$ 120,041</u>

(Continued)

CITY OF SPRING LAKE PARK
COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR CAPITAL PROJECT FUNDS
December 31, 2024

	Park Special Projects	Park Acquisition and Improvement	Lakeside Lions Park Improvement
ASSETS			
Cash and investments	\$ 5,956	\$ 184,582	\$ 23,268
Accounts receivable	1,500		
Due from other governmental units			
TOTAL ASSETS	<u>\$ 7,456</u>	<u>\$ 184,582</u>	<u>\$ 23,268</u>
LIABILITIES AND FUND BALANCE			
LIABILITIES			
Accounts payable	\$	\$	\$
FUND BALANCE			
Restricted	7,456	184,582	23,268
Assigned			
Total Fund Balance	<u>7,456</u>	<u>184,582</u>	<u>23,268</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 7,456</u>	<u>\$ 184,582</u>	<u>\$ 23,268</u>

Small Equipment	Park Equipment and Improvement	Equipment Fund	Total
\$ 7,460	\$ 223,217	\$ 102,069	\$ 1,849,798
10,391	400		33,113
		552	552
<u>\$ 17,851</u>	<u>\$ 223,617</u>	<u>\$ 102,621</u>	<u>\$ 1,883,463</u>
<u>\$</u>	<u>\$</u>	<u>\$ 10,996</u>	<u>\$ 11,271</u>
			445,681
17,851	223,617	91,625	1,426,511
<u>17,851</u>	<u>223,617</u>	<u>91,625</u>	<u>1,872,192</u>
<u>\$ 17,851</u>	<u>\$ 223,617</u>	<u>\$ 102,621</u>	<u>\$ 1,883,463</u>

CITY OF SPRING LAKE PARK
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECT FUNDS
For the Year Ended December 31, 2024

	State Aid Street Fund	Street Sealcoating	Capital Replacement	Right of Way
REVENUES				
Property taxes	\$	\$	\$	\$
Intergovernmental revenues	94,257			
Charges for services		82,789		
Investment earnings	8,476	35,624	17,914	82
Other revenues				
TOTAL REVENUES	<u>102,733</u>	<u>118,413</u>	<u>17,914</u>	<u>82</u>
EXPENDITURES				
Current				
Public works	55,457	162,482	3,700	
Recreation and parks				
Capital Outlay				
Public works				
Recreation and parks				
TOTAL EXPENDITURES	<u>55,457</u>	<u>162,482</u>	<u>3,700</u>	
Excess (deficiency) of revenues over (under) expenditures	47,276	(44,069)	14,214	82
OTHER FINANCING SOURCES (USES)				
Transfers from other funds		100,000		
Total other financing sources (uses)		<u>100,000</u>		
Net change in fund balances	47,276	55,931	14,214	82
FUND BALANCES, Beginning	<u>183,099</u>	<u>251,628</u>	<u>429,698</u>	<u>1,967</u>
FUND BALANCES, Ending	<u>\$ 230,375</u>	<u>\$ 307,559</u>	<u>\$ 443,912</u>	<u>\$ 2,049</u>

<u>Building Maintenance</u>	<u>Public Safety Replacement</u>
\$	\$
7,870	4,582
<u>7,870</u>	<u>4,582</u>
6,878	
<u>6,878</u>	
992	4,582
<u>54,754</u>	<u>12,000</u>
<u>54,754</u>	<u>12,000</u>
55,746	16,582
<u>164,111</u>	<u>103,459</u>
<u>\$ 219,857</u>	<u>\$ 120,041</u>

(Continued)

CITY OF SPRING LAKE PARK
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES (CONTINUED)
NONMAJOR CAPITAL PROJECT FUNDS
For the Year Ended December 31, 2024

	Park Special Projects	Park Acquisition and Improvement	Lakeside Lions Park Improvement	Small Equipment
REVENUES				
Property taxes	\$	\$	\$	\$
Intergovernmental revenues				
Charges for services	137			
Investment earnings	262	7,919	953	570
Other revenues	1,990	242,033		10,391
TOTAL REVENUES	<u>2,389</u>	<u>249,952</u>	<u>953</u>	<u>10,961</u>
EXPENDITURES				
Current				
Public works				
Recreation and parks	1,687	55,708		18,902
Capital Outlay				
Public works				
Recreation and parks		210,868		
TOTAL EXPENDITURES	<u>1,687</u>	<u>266,576</u>		<u>18,902</u>
Excess (deficiency) of revenues over (under) expenditures	702	(16,624)	953	(7,941)
OTHER FINANCING SOURCES (USES)				
Transfers from other funds				
Net change in fund balances	702	(16,624)	953	(7,941)
FUND BALANCES, Beginning	<u>6,754</u>	<u>201,206</u>	<u>22,315</u>	<u>25,792</u>
FUND BALANCES, Ending	<u>\$ 7,456</u>	<u>\$ 184,582</u>	<u>\$ 23,268</u>	<u>\$ 17,851</u>

Park Equipment and Improvement	Equipment Fund	Total
\$	\$ 50,381	\$ 50,381
		94,257
		82,926
2,688	5,469	92,409
6,018	33,751	294,183
8,706	89,601	614,156
		228,517
22,930		99,227
	659,379	659,379
		210,868
22,930	659,379	1,197,991
(14,224)	(569,778)	(583,835)
125,000	100,000	391,754
110,776	(469,778)	(192,081)
112,841	561,403	2,064,273
\$ 223,617	\$ 91,625	\$ 1,872,192

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CITY OF SPRING LAKE PARK

OTHER REPORT SECTION

December 31, 2024

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT
AUDITING STANDARDS**

To the Honorable Mayor and
Members of the City Council
City of Spring Lake Park, Minnesota

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities and each major fund of the City of Spring Lake Park (the City) as of and for the year ended December 31, 2024, and the related notes to financial statements, which collectively comprise the City of Spring Lake Park's basic financial statements and have issued our report thereon dated June 30, 2025.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Spring Lake Park's internal control over financial reporting (internal control) as a basis for designing auditing 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 over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City of Spring Lake Park's internal control over financial reporting.

A deficiency in internal control over financial reporting 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 over financial reporting such that there is a reasonable possibility that a material misstatement of the City'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 over financial reporting that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting 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 over financial reporting that we consider to be material weaknesses. We identified a certain deficiency in internal control over financial reporting, described in the accompanying schedule of findings and responses as item 2023-001 that we consider to be a significant deficiency.

To the Honorable Mayor and
Members of the City Council
City of Spring Lake Park

Report on 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. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Governmental Auditing Standards*.

Minnesota Legal Compliance

In connection with our audit, nothing came to our attention that caused us to believe that the City of Spring Lake Park failed to comply with the provisions of the contracting – bid laws, depositories of public funds and public 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, insofar as they relate to accounting matters. 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 reference provisions, insofar as they relate to accounting matters.

City's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the internal control findings identified in our audit and described in the accompanying *Schedule of Findings and Responses*. The City of Spring Lake Park's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the provisions of the *Minnesota Legal Compliance Audit Guide for Cities* and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance. Accordingly, this communication is not suitable for any other purpose.

Smith, Schaff and Associates, Ltd.

Minneapolis, Minnesota
June 30, 2025

**CITY OF SPRING LAKE PARK
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED DECEMBER 31, 2024**

FINDINGS – FINANCIAL STATEMENT AUDIT

SIGNIFICANT DEFICIENCIES

**2013-002
2014-002
2015-002
2016-002
2017-002
2018-002
2019-002
2020-002
2021-002
2022-001
2023-001**

Material Audit Adjustments

Condition: The City's unaudited trial balance contained material misstatements.

Criteria: The City is required to report accurate financial information.

Effect: The material misstatements in the unaudited trial balance resulted in the need to record adjustments during the audit.

Cause: There is limited number of administrative staff and it would not be practical for the City to devote resources required to overcome this limitation.

Recommendation: We recommend management develop an accounting policy and procedures manual to assist with ensuring that all transactions are recorded consistently and that the information necessary to prepare an accurate unaudited trial balance is gathered in an organized and efficient manner and provided to the accountant.

**CITY OF SPRING LAKE PARK
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED DECEMBER 31, 2024**

FINDINGS – FINANCIAL STATEMENT AUDIT

SIGNIFICANT DEFICIENCIES

2024-001 Material Audit Adjustments

Condition: The City's unaudited trial balance contained material misstatements.

Criteria: The City is required to report accurate financial information.

Effect: The material misstatement in the unaudited trial balance resulted in the need to record adjustments during the audit.

Cause: There is a limited number of administrative staff and it would not be practical for the City to devote resources required to overcome this limitation.

Recommendation: We recommend management develop an accounting policy and procedures manual to assist with ensuring that all transactions are recorded consistently and that the information necessary to prepare an accurate unaudited trial balance is gathered in an organized and efficient manner and provided to the accountant.

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CORRECTIVE ACTION PLAN (CAP):

The City respectfully submits the following corrective action plan for the year ended December 31, 2024.

The findings from the schedule of findings and responses are discussed below. The findings are numbered consistently with the number assigned in the schedule.

RESPONSE: FINDING 2024-001

Explanation of Disagreement with Audit Finding:

There is no disagreement with the audit finding.

Actions Planned in Response to Finding:

Management agrees with our recommendation and will continue to develop policies and procedures to assist with ensuring that all transactions are recorded consistently. City management and accounting personnel review the proposed audit adjustments. Management and accounting personnel will review the proposed adjustments for accuracy prior to issuance of the statements.

Official Responsible for Ensuring CAP:

Daniel Buchholtz, City Administrator/Clerk-Treasurer, is the official responsible for ensuring the planned response.

Planned Completion Date for CAP:

Not applicable as the City is willing to accept this risk and will continue to evaluate the recommendation.

Plan to Monitor Completion of CAP:

Not applicable as the City is willing to accept the risk and will continue to evaluate the recommendation.

June 30, 2025

Honorable Mayor and Common Council
City of Spring Lake Park
1301 - 81st Avenue NE
Spring Lake Park, Minnesota 55432

We have audited the financial statements of the City of Spring Lake Park as of and for the year ended December 31, 2024, and have issued our report thereon dated June 30, 2025. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated December 16, 2024, our responsibility, as described by professional standards, is to form and express an opinion(s) about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America and *Government Auditing Standards*. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of the financial statements includes consideration of the system of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the system of internal control of City of Spring Lake Park solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

We have provided our findings regarding significant control deficiencies over financial reporting and other matters noted during our audit in a separate letter to you dated June 30, 2025.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you in the engagement letter dated December 16, 2024.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, our firm, and our network firms have complied with all relevant ethical requirements regarding independence.

Significant Risks Identified

We have identified the following significant risks:

Material audit adjustments, which requires special audit consideration due to the potential magnitude of misstatement.

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the City is included in Note 1 to the financial statements. As discussed in Note 1 to the financial statements, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*, during the year ended December 31, 2024. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates and Related Disclosures

Accounting estimates and related disclosures are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on 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 markedly from management's current judgments.

The most sensitive accounting estimate(s) affecting the financial statements are:

Net Pension Liability

Management's estimate of the net pension liability is actuarially determined. We have evaluated the estimates used in the study and determined they were reasonable in relation to the basic financial statements taken as a whole and in relation to the applicable opinion units.

Depreciation of Capital Assets

Management's estimate of the useful life of purchased, constructed or contributed capital assets is based on the estimated productive life of these assets. We evaluated key factors and assumptions used to develop the estimated useful lives assigned to capital assets and determined that it is reasonable in relation to the basic financial statements taken as a whole and in relation to the applicable opinion units.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The financial statement disclosures are neutral, consistent, and clear.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards also require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. All material misstatements that we identified as a result of our audit procedures were brought to the attention of, and were corrected by, management.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to City of Spring Lake Park's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Representations Requested from Management

We have requested certain written representations from management, which are included in our separate letter dated June 30, 2025.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with City of Spring Lake Park, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, significant events or transactions that occurred during the year, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as City of Spring Lake Park's auditors.

This report is intended solely for the information and use of the honorable mayor and common council, and management of City of Spring Lake Park and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

Smith, Schaff and Associates, Ltd.

June 30, 2025

Honorable Mayor and Members
of the City Council
City of Spring Lake Park, Minnesota

In planning and performing our audit of the basic financial statements of City of Spring Lake Park as of and for the year ended December 31, 2024, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, we considered City of Spring Lake Park'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 entity's internal control. Accordingly, we do not express an opinion on the effectiveness of City of Spring Lake Park's internal control over financial reporting.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and therefore, significant deficiencies or material weaknesses may exist that have not been identified. However, as discussed below, we identified a certain deficiency in internal control that we consider to be a significant deficiency.

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 over financial reporting, 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 reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

- *Reasonably possible.* The chance of the future event or events occurring is more than remote but less than likely.
- *Probable.* The future event or events are likely to occur.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control over financial reporting that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the following deficiency in the entity's internal control to be a significant deficiency:

Material Audit Adjustments

The City currently relies upon its independent accountants to assist with adjustments to and preparation of the City's unaudited trial balance. Therefore, there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected, on a timely basis by City personnel. Management should attempt to develop a financial accounting reporting staff and an accounting procedures manual to assist with ensuring that all information necessary to prepare an accurate unaudited trial balance is gathered in an organized and efficient manner. This will help ensure that any potential material misstatements are detected and corrected on a timely basis.

The identified deficiency in internal control listed above is not considered to be a material weakness.

This communication is intended solely for the information and use of the Honorable Mayor and Members of the City Council, and management of the City of Spring Lake Park, the Minnesota State Auditor's Office and federal awarding agencies and pass-through entities and is not intended to be, and should not be, used by anyone other than these specified parties.

The purpose of this communication, which is an integral part of our audit, is to describe for management and those charged with governance the scope of our testing of internal control and the results of that testing. Accordingly, this communication is not intended to be and should not be used for any other purpose.

Smith, Schaff and Associates, Ltd.

Minneapolis, Minnesota

OFFICIAL PROCEEDINGS

Pursuant to due call and notice thereof, the regularly scheduled meeting of the Spring Lake Park City Council Regular was held on June 16, 2025 at the City Hall, at 7:00 PM.

1. CALL TO ORDER

Acting Mayor Wendling called the meeting to order at 7:00 PM.

2. ROLL CALL

MEMBERS PRESENT

Councilmember Barbara Goodboe-Bisschoff

Councilmember Lisa Dircks

Councilmember April Moran

Acting Mayor Ken Wendling

MEMBERS ABSENT

Mayor Robert Nelson

STAFF PRESENT

Sergeant Karen Fiske, Recreation Director Anne Scanlon, City Administrator Daniel Buchholtz

3. PLEDGE OF ALLEGIANCE

4. ADDITIONS OR CORRECTIONS TO AGENDA

Acting Mayor Wendling requested a moment of silence for Representative Hortman and her husband Mark, and Senator Hoffman and his wife Yvette.

5. DISCUSSION FROM THE FLOOR - None

6. CONSENT AGENDA

- A. Approval of Minutes – May 19, 2025 City Council Meeting Minutes
- B. Approval of Minutes – June 2, 2025 City Council Meeting Minutes
- C. Approval of May Claims List – General Disbursement #25-09 - \$444,373.23
- D. Revenue and Expense Report – May 2025
- E. Consent to Lease Amendment – Golden Assets, Inc d/b/a Lincoln Pawn
- F. Resolution 2025-25, Accepting 2024 Performance Measures Annual Report and Authorizing Submittal to the Office of the State Auditor
- G. Contractor's Licenses

Motion made by Councilmember Goodboe-Bisschoff to approve the Consent Agenda.

Voting Aye: Councilmember Goodboe-Bisschoff, Councilmember Dircks, Councilmember Moran Acting Mayor Wendling. Motion carried.

7. DEPARTMENT REPORTS

A. Police Report

Sergeant Fiske reported that the Police Department responded to 766 calls for service in May 2025 compared to 823 calls for service for the month of May 2024. She stated that School Resource Officer Imig handled 8 calls for service, 6 student contacts, 24 escorts and 8 follow up investigations.

Sergeant Fiske said Investigator Bennek reported handling 32 cases for the month of May, 31 of which are felony in nature, and 1 misdemeanor, while monitoring 5 forfeiture cases.

B. Parks and Recreation Report

Parks and Recreation Director Scanlon stated that Terrace Park has been open for nearly three weeks, seeing heavy use from the community. She stated that on Memorial Day weekend, Terrace Park was especially busy with a charity softball tournament, a large birthday party, and many families enjoying the park.

Scanlon stated that the Summer programs are off to a strong start. She stated that Recreation Supervisor Claire Waddell, has been doing well leading day trips. She mentioned that Claire will be joining her the extended trip around Lake Michigan.

Director Scanlon gave an update on the summer programs. She said the free morning drop-in program is gaining momentum, and the afternoon Panthers program is full. She noted that the Youth softball has 192 players enrolled and the adult leagues have expanded by one team. Pickleball remains popular, and morning yoga classes are thriving. Director Scanlon noted that the Senior Safety Fair in May was a success.

8. ORDINANCES AN/OR RESOLUTIONS - None

9. NEW BUSINESS - None

10. REPORTS

A. Attorney's Report - None

B. Engineer's Report

Report accepted as presented.

C. Administrator Report - None

11. OTHER

Councilmember Moran expressed her support for nurses currently engaged in contract negotiations. She highlighted key issues they are advocating for, including improved safety measures such as silent safety alert devices, safer patient-to-nurse ratios, preservation of sick time accrual, and protection against forced shift rotations. She encouraged anyone with questions to reach out and reaffirmed her commitment to standing with nurses during this critical time.

Acting Mayor Wendling shared that the late Representative Hortman frequently expressed her fondness for Spring Lake Park, noting her personal roots in the community. Whether at Tower Days or other events, she consistently mentioned her love and appreciation for the community.

23. ADJOURN

Motion made by Councilmember Wendling to adjourn.

Voting Aye: Councilmember Goodboe-Bisschoff, Councilmember Dircks, Councilmember Moran, Acting Mayor Wendling. Motion carried.

The meeting was adjourned at 7:11 PM.

Kenneth Wendling, Acting Mayor

Attest:

Daniel R. Buchholtz, Administrator, Clerk/Treasurer



Memorandum

To: Mayor Nelson and Members of the City Council

From: Daniel R. Buchholtz, ICMA-CM, Administrator, Clerk/Treasurer

Date: June 18, 2025

Subject: Second Amendment to the JPA for North Metro Mayors Association

The attached resolution approves the Second Amendment to the Joint Powers Agreement (JPA) for the North Metro Mayors Association (NMMA), allowing the City of Crystal to join as a member.

The proposed amendment has been reviewed and approved by a majority of current NMMA member cities. Staff recommends approval of the amendment and authorization for the Mayor and City Administrator to execute the updated agreement on behalf of the City.

**CITY OF SPRING LAKE PARK
RESOLUTION NO. 2025-26**

**A RESOLUTION TO AMEND JOINT POWERS AGREEMENT WITH NORTH METRO
MAYORS ASSOCIATION**

WHEREAS, the purpose of the Joint Powers Agreement is to establish an organization to promote transportation and economic development projects and to assist in conducting government functions effectively and efficiently in the member communities of the northern metropolitan area; and

WHEREAS, the City of Spring Lake Park is a member of the North Metro Mayors Association (NMMA); and

WHEREAS, the NMMA has determined that it is in the best interest of the public to amend the JPA to allow the City of Crystal as a member; and

WHEREAS, the City Council of the City of Spring Lake Park deems that it is in its best interest to approve such changes.

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Spring Lake Park, Minnesota, that the Second Amendment to the Joint Powers Agreement with the North Metro Mayors Association, allowing for the addition of the City of Crystal as a member, is hereby approved; and

BE IT FURTHER RESOLVED that the Mayor and City Administrator are authorized to execute the amended agreement on behalf of the City.

The foregoing Resolution was moved for adoption by Councilmember .

Upon Vote being taken thereon, the following voted in favor thereof:

And the following voted against the same:

Whereon the Mayor declared said Resolution duly passed and adopted the 7th day of July 2025.

APPROVED BY:

Robert Nelson, Mayor

ATTEST:

Daniel R. Buchholtz, City Administrator

**SECOND AMENDED
JOINT POWERS AGREEMENT
FOR A COALITION OF METROPOLITAN COMMUNITIES**

THIS AGREEMENT, made and entered into by and between the cities of Andover, Anoka, Brooklyn Center, Brooklyn Park, Champlin, Circle Pines, Coon Rapids, Dayton, Fridley, Mounds View, Maple Grove, New Brighton, New Hope, Ramsey, and Spring Lake Park, which cities are all of the current eligible members (hereinafter collectively referred to as the “Current Members”) of the North Metro Mayors Association, a Minnesota joint powers organization (hereinafter referred to as the “Coalition”).

WHEREAS, the Current Members determined in 2010 that it was in the best interest of the public to amend the joint powers agreement of the Coalition; and

WHEREAS, the Current Members determined in 2019 that it was in the best interest of the public to amend the Amended and Restated JPA of the Coalition.

WHEREAS, the city of Crystal is interested in becoming Members to the JPA and a majority of Members are in agreement to allow the new Member city.

WHEREAS, furthermore current Members determined it is in the best interest to amend the JPA as set forth below;

NOW, THEREFORE, by virtue of the powers granted by law and in consideration of the mutual covenants and agreements of the parties hereto, it is agreed as follows:

1. Definitions. All capitalized terms, not otherwise separately defined herein, shall have the meanings ascribed to them in the Joint Powers Agreement.
2. Addition of Crystal. As of the date hereof, the City of Crystal shall become a party to the Joint Powers Agreement and shall assume all the responsibilities and liabilities of the parties thereunder.
3. Full Force and Effect. Except as expressly amended herein, the terms and provision contained in the Joint Powers Agreement and its Amendments shall continue to govern the rights and obligations of the Cities, and the Joint Powers

[The remainder of this page intentionally left blank.]

CITY OF ANDOVER

By: _____

And by: _____

CITY OF ANOKA

By: _____

And by: _____

CITY OF BROOKLYN CENTER

By: _____

And by: _____

CITY OF BROOKLYN PARK

By: _____

And by: _____

CITY OF CHAMPLIN

By: _____

And by: _____

CITY OF CIRCLE PINES

By: _____

And by: _____

CITY OF COON RAPIDS

By: _____

And by: _____

CITY OF DAYTON

By: _____

And by: _____

CITY OF FRIDLEY

By: _____

And by: _____

CITY OF MOUNDS VIEW

By: _____

And by: _____

CITY OF MAPLE GROVE

By: _____

And by: _____

CITY OF NEW BRIGHTON

By: _____

And by: _____

CITY OF NEW HOPE

By: _____

And by: _____

CITY OF RAMSEY

By: _____

And by: _____

CITY OF SPRING LAKE PARK

By: _____

And by: _____

CITY OF CRYSTAL

By: _____

And by: _____



Memorandum

To: Mayor Nelson and Members of the City Council

From: Daniel R. Buchholtz, MMC, Administrator, Clerk/Treasurer

Date: June 30, 2025

Subject: Acceptance of Donation from SLP Lions Club for a Tree Replanting Project

The City has been actively responding to the impacts of Emerald Ash Borer (EAB), which has required the removal of dozens of diseased ash trees from boulevards and other public rights-of-way throughout Spring Lake Park. As part of our ongoing reforestation efforts, staff has been exploring opportunities to replace lost tree canopy and support residents interested in replanting.

The Spring Lake Park Lions Club has offered a donation of \$50,000 to fund a tree replanting project. Staff recommends the City Council accept this donation and to authorize staff to work in partnership with the Lions Club to develop a program that would offer free or discounted trees to residents for planting on their property.

We are grateful to the Spring Lake Park Lions Club for their generous commitment to the City's reforestation efforts.

If you have any questions, please do not hesitate to contact me at 763-784-6491.

**CITY OF SPRING LAKE PARK
RESOLUTION NO. 2025-27**

**A RESOLUTION ACCEPTING A DONATION FROM THE SPRING LAKE PARK
LIONS CLUB TO SUPPORT TREE REPLANTING IN RESPONSE TO THE
EMERALD ASH BORER INFESTATION**

WHEREAS, the City of Spring Lake Park has undertaken an extensive effort to address the impacts of the Emerald Ash Borer (EAB), which has led to the removal of a significant number of diseased ash trees along boulevards and in public spaces; and

WHEREAS, the City is committed to restoring the urban tree canopy and maintaining the long-term health and appearance of its public right-of-way through a phased tree replanting program; and

WHEREAS, the Spring Lake Park Lions Club has generously offered to contribute financial support to assist the City in replanting trees to replace those lost due to EAB infestation; and

WHEREAS, Minnesota Statutes Section 465.03 authorizes the City to accept such donations by resolution adopted by a two-thirds majority of the City Council;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Spring Lake Park, Minnesota, as follows:

1. The City Council hereby gratefully accepts the donation from the Spring Lake Park Lions Club in the amount of \$50,000 to support the City's tree replanting efforts in response to the Emerald Ash Borer epidemic.
2. The City Administrator is directed to issue a formal letter of appreciation to the Spring Lake Park Lions Club in recognition of their generous and timely support of this important community initiative.

The foregoing Resolution was moved for adoption by Councilmember .

Upon Vote being taken thereon, the following voted in favor thereof:

And the following voted against the same:

Whereon the Mayor declared said Resolution duly passed and adopted the 7th day of July 2025.

APPROVED BY:

Robert Nelson, Mayor

ATTEST:

Daniel R. Buchholtz, City Administrator



Public Right of Way Application

Applicant Information:

Name of Company: Bratt Tree Company

Address: 5612 Corvallis Ave N,

City/State/ZIP: Crystal, MN 55429

Phone Number: 612-721-4153

Fax Number: _____

Email Address: info@bratttree.com

Representatives Name: Clare Regan

Project Information:

Project Name: Dawn Swartz

Project Address/Location: 532 Ballantyne Lane Northeast

City/State/ZIP: Minneapolis, MN, 55432

Parcel Number(s): 02-30-24-13-0058

Description of Work and restoration plan: (Attach additional pages if necessary)

Tree removal work on 532 Ballantyne Lane Northeast, we are requesting for Road Closure Ballantyne Lane Northeast from house number 518 to house number 560. See red lines on map attached.

Duration of the Right of Way:

Start Date: Thursday, Jun 26, 2025

End Date: Thursday, Jun 26, 2025

The City of Spring Lake Park reserves the right to modify the schedule as necessary in the issuance of the permit. Therefore, the dates stated on this application may not necessarily match actual approved dates.

Attachments Required:

☒ Site Plan/Map

☐ Project Drawings

☐ Traffic Control Plan

☐ Proof of Insurance (copy of policy)

☐ Property Deed or Owner Authorization

☐ Environmental Impact Assessment (if applicable)

☐ Other: _____

Applicant's Certification:

I, the undersigned, certify that I am the owner or authorized agent of the owner, and that the information provided in this application is true and accurate to the best of my knowledge. I agree to comply with all applicable laws and regulations related to the requested right of way.

In lieu of an escrow fee, we will bill the project owner for actual restoration fees if needed.

Signature: Clare Regan

Date: 6/20/2025

For Office Use Only:

Application Number: _____

Date Received: 6/23/25

Reviewed By: GR

Approval Status: ☒ Approved ☐ Denied

Conditions of Approval/Reasons for Denial: _____

Signature of Reviewing Officer: [Signature]

Date: 6/23/25

Right of Way Permit - \$150.00

☐ Excavation Hole - \$150.00

☐ Emergency Hole - \$75.00

☐ Trench - \$70/100'

☐ Obstruction Fee - \$150.00

☐ Overhead Obstruction - \$150.00

☐ Boring Holes - \$50.00 per hole

☐ Other: _____

Instructions for Submission:

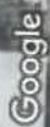
Complete the application form in its entirety.

Attach all required documents and plans.

Submit the application to info@slpmn.org or wbrown@slpmn.org.

Please verify specific requirements and guidelines with the appropriate agency before submission, as these can vary by location and project type.

APPLICANT MUST CONTACT THE SPRING LAKE PARK PUBLIC WORKS DIRECTOR AT 763-792-7227 48 HOURS PRIOR TO COMMENCING WORK.





Public Right of Way Application

Applicant Information:

Name of Company: Xcel Energy

Address: 825 Rice St,

City/State/ZIP: St. Paul, MN, 55117

Phone Number: 919-655-5511

Fax Number: _____

Email Address: anne.wagner@xcelenergy.com

Representatives Name: Anne Wagner

Project Information:

Project Name: 114375552

Project Address/Location: 7804 Able St NE,

City/State/ZIP: Minneapolis, MN 55432

Parcel Number(s): _____

Description of Work and restoration plan: (Attach additional pages if necessary)

Replace 1 existing deteriorating power pole and equipment.

Duration of the Right of Way:

Start Date: 6/23/25

End Date: 12/22/25

The City of Spring Lake Park reserves the right to modify the schedule as necessary in the issuance of the permit. Therefore, the dates stated on this application may not necessarily match actual approved dates.

Attachments Required:

☒ Site Plan/Map

☒ Project Drawings

☒ Traffic Control Plan

☐ Proof of Insurance (copy of policy)

☐ Property Deed or Owner Authorization


☐ Environmental Impact Assessment (if applicable)

☐ Other: _____

Applicant's Certification:

I, the undersigned, certify that I am the owner or authorized agent of the owner, and that the information provided in this application is true and accurate to the best of my knowledge. I agree to comply with all applicable laws and regulations related to the requested right of way.

In lieu of an escrow fee, we will bill the project owner for actual restoration fees if needed.

Signature:  _____

Date: 6/23/25 _____

For Office Use Only:

Application Number: _____

Date Received: _____

Reviewed By: _____

Approval Status: ☐ Approved ☐ Denied

Conditions of Approval/Reasons for Denial: _____

Signature of Reviewing Officer: _____

Date: _____

Right of Way Permit - \$150.00

☐ Excavation Hole - \$150.00

☐ Emergency Hole - \$75.00

☐ Trench - \$70/100'

☐ Obstruction Fee - \$150.00

☐ Overhead Obstruction - \$150.00

☐ Boring Holes - \$50.00 per hole

☐ Other: _____

Instructions for Submission:

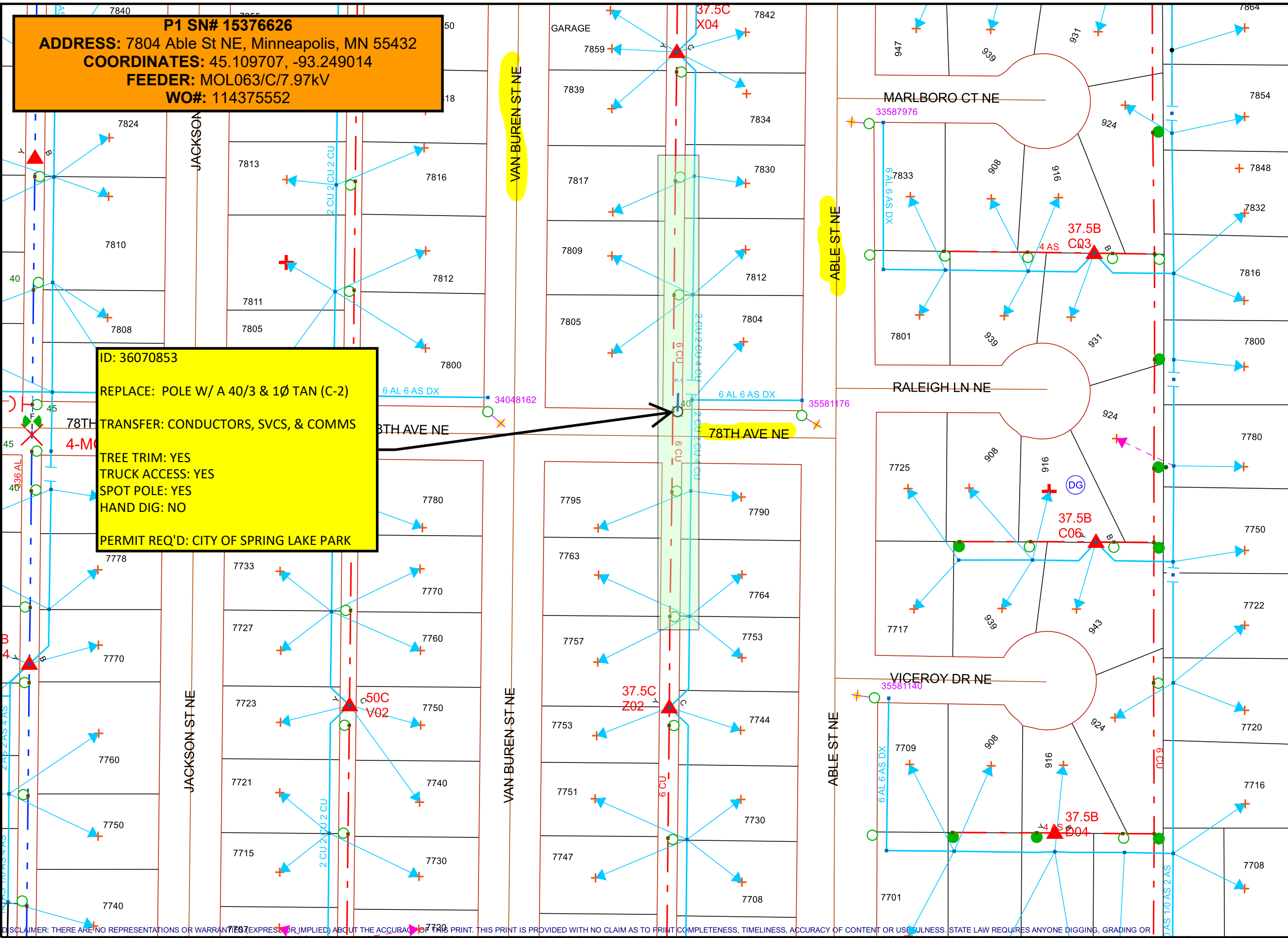
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Attach all required documents and plans.

Submit the application to info@slpmn.org or wbrown@slpmn.org.

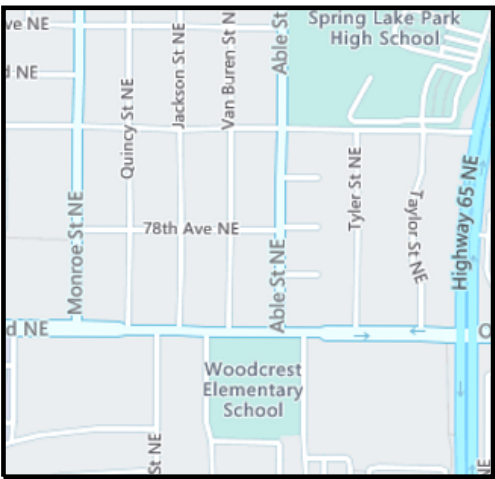
Please verify specific requirements and guidelines with the appropriate agency before submission, as these can vary by location and project type.

APPLICANT MUST CONTACT THE SPRING LAKE PARK PUBLIC WORKS DIRECTOR AT 763-792-7227 48 HOURS PRIOR TO COMMENCING WORK.



P1 SN# 15376626
ADDRESS: 7804 Able St NE, Minneapolis, MN 55432
COORDINATES: 45.109707, -93.249014
FEEDER: MOL063/C/7.97kV
WO#: 114375552

ID: 36070853
REPLACE: POLE W/ A 40/3 & 1Ø TAN (C-2)
TRANSFER: CONDUCTORS, SVCS, & COMMS
TREE TRIM: YES
TRUCK ACCESS: YES
SPOT POLE: YES
HAND DIG: NO
PERMIT REQ'D: CITY OF SPRING LAKE PARK



MARY CAREY
MARY.CAREY@xcelenergy.com
816-414-1155

Work Order Information	
Service Request #	: 000015376626
Design Number	: 000001217743
Designer/Planner ID	: 319009
Designer/Planner Name	:
Designer/Planner Ph #	: (000) 000-0000
Manager Approval	:

Joint Utility	
E:	G:
T:	C:

Design Location		
Division	:	Minneapolis
County	:	Anoka
City	:	Spring Lake Park
Address	:	
T: 30N	R: 24W	S: 2
Map #	:	M52056
Permit	:	

Electric	
Feeder:	Voltage:
Phase:	Bkup Dev ID:

Gas	
System	: Pressure
Size	: Material
Dead End	:

Work Order # :

Date: 06/16/2025
Sketch: # Of # Sketch Data
Scale: 1" equals 100'

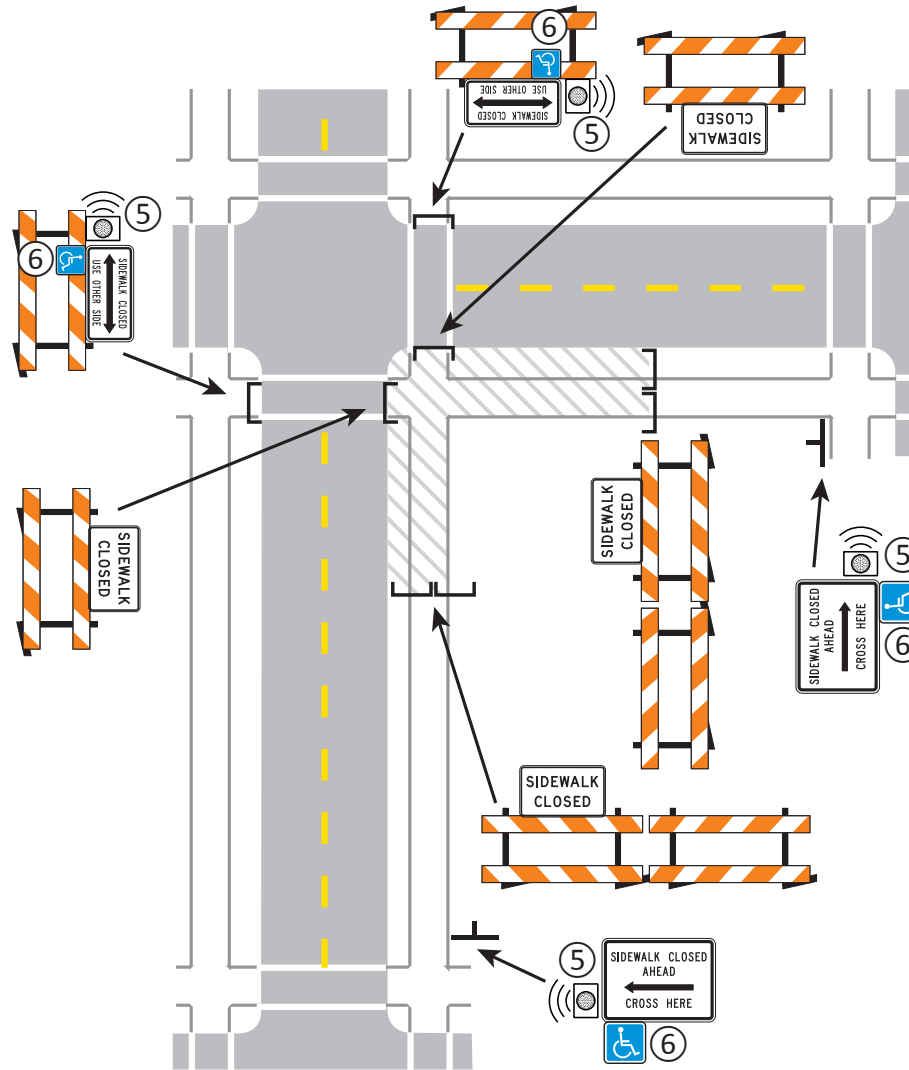


CONSTRUCTION USE ONLY
☐ NO CHANGES (BUILT AS DESIGNED)
☐ CHANGES MADE AS INDICATED
(ALL URD MUST HAVE ACTUAL MEASUREMENTS FROM THE FIELD SITE)

RFO _____
FOREMAN _____ DATE _____
TEAM LEADER _____

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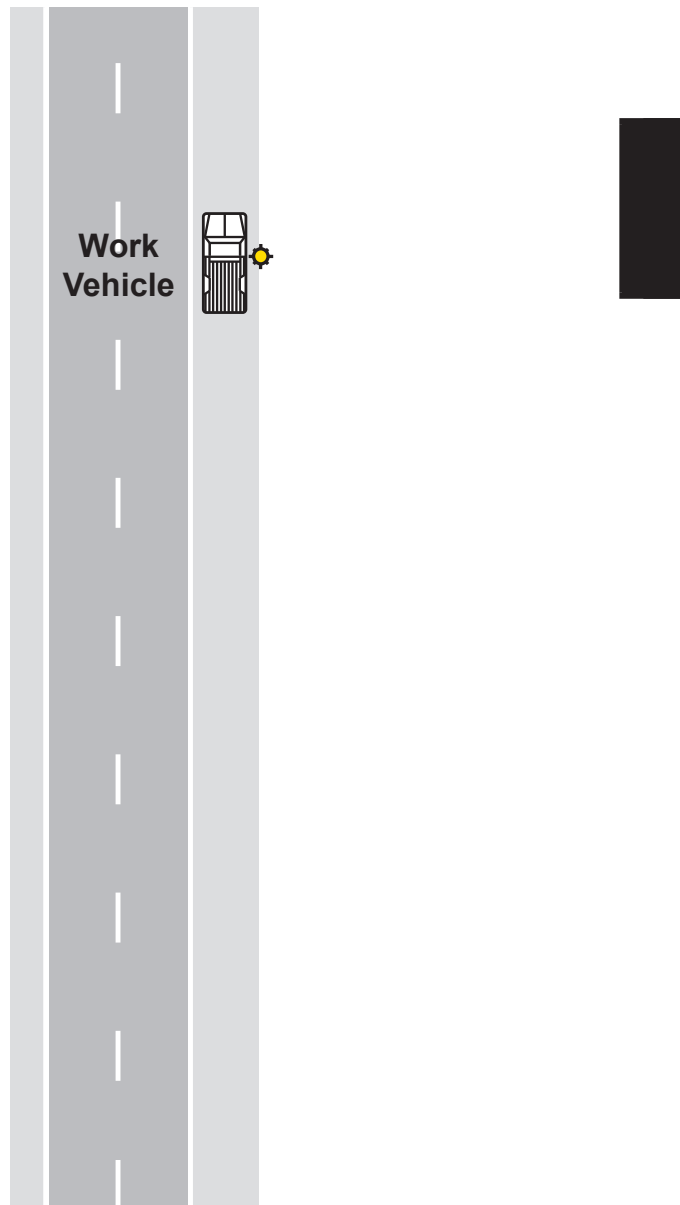
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ALTERNATE PEDESTRIAN ROUTE
CROSSWALK CLOSURES AND PEDESTRIAN DETOURS
3 DAYS or LESS **LAYOUT 88b** **LAYOUT 88a & b**
6K-88b

NOTES:

1. The Work Vehicle should be pulled over as far off the roadway as possible, and shall display and operate a 360-degree flashing beacon.

**WORK VEHICLE PARKED ON SHOULDER****1 HOUR or LESS**

6K-6

LAYOUT 6



Public Right of Way Application

Applicant Information:

Name of Company: Xcel Energy

Address: 825 Rice St,

City/State/ZIP: St. Paul, MN, 55117

Phone Number: 919-655-5511

Fax Number: _____

Email Address: anne.wagner@xcelenergy.com

Representatives Name: Anne Wagner

Project Information:

Project Name: 114375582

Project Address/Location: 7909 Jackson St NE,

City/State/ZIP: Minneapolis, MN 55432

Parcel Number(s): _____

Description of Work and restoration plan: (Attach additional pages if necessary)

Replace 1 existing deteriorating power pole and equipment.

Duration of the Right of Way:

Start Date: 6/23/25

End Date: 12/22/25

The City of Spring Lake Park reserves the right to modify the schedule as necessary in the issuance of the permit. Therefore, the dates stated on this application may not necessarily match actual approved dates.

Attachments Required:

☒ Site Plan/Map

☒ Project Drawings

☒ Traffic Control Plan

☐ Proof of Insurance (copy of policy)

☐ Property Deed or Owner Authorization

☐ Environmental Impact Assessment (if applicable)

☐ Other: _____

Applicant's Certification:

I, the undersigned, certify that I am the owner or authorized agent of the owner, and that the information provided in this application is true and accurate to the best of my knowledge. I agree to comply with all applicable laws and regulations related to the requested right of way.

In lieu of an escrow fee, we will bill the project owner for actual restoration fees if needed.

Signature: _____

Date: 6/23/25

For Office Use Only:

Application Number: _____

Date Received: _____

Reviewed By: _____

Approval Status: ☐ Approved ☐ Denied

Conditions of Approval/Reasons for Denial: _____

Signature of Reviewing Officer: _____

Date: _____

Right of Way Permit - \$150.00

☐ Excavation Hole - \$150.00

☐ Emergency Hole - \$75.00

☐ Trench - \$70/100'

☐ Obstruction Fee - \$150.00

☐ Overhead Obstruction - \$150.00

☐ Boring Holes - \$50.00 per hole

☐ Other: _____

Instructions for Submission:

Complete the application form in its entirety.

Attach all required documents and plans.

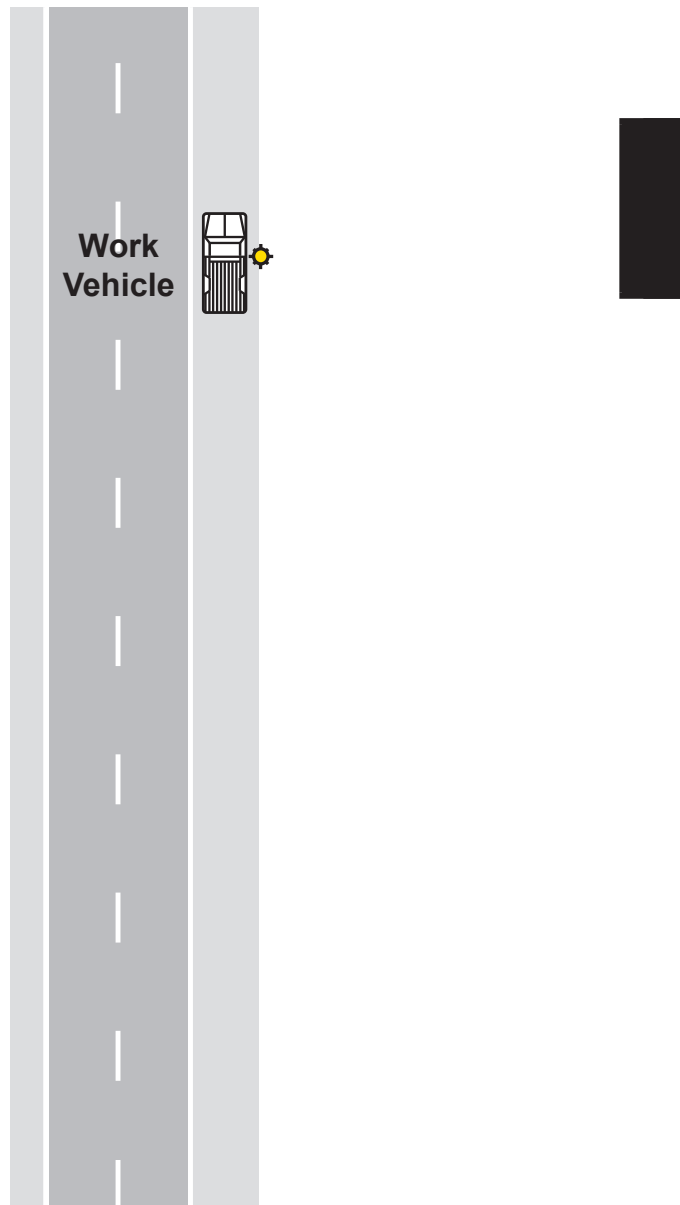
Submit the application to info@slpmn.org or wbrown@slpmn.org.

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APPLICANT MUST CONTACT THE SPRING LAKE PARK PUBLIC WORKS DIRECTOR AT 763-792-7227 48 HOURS PRIOR TO COMMENCING WORK.

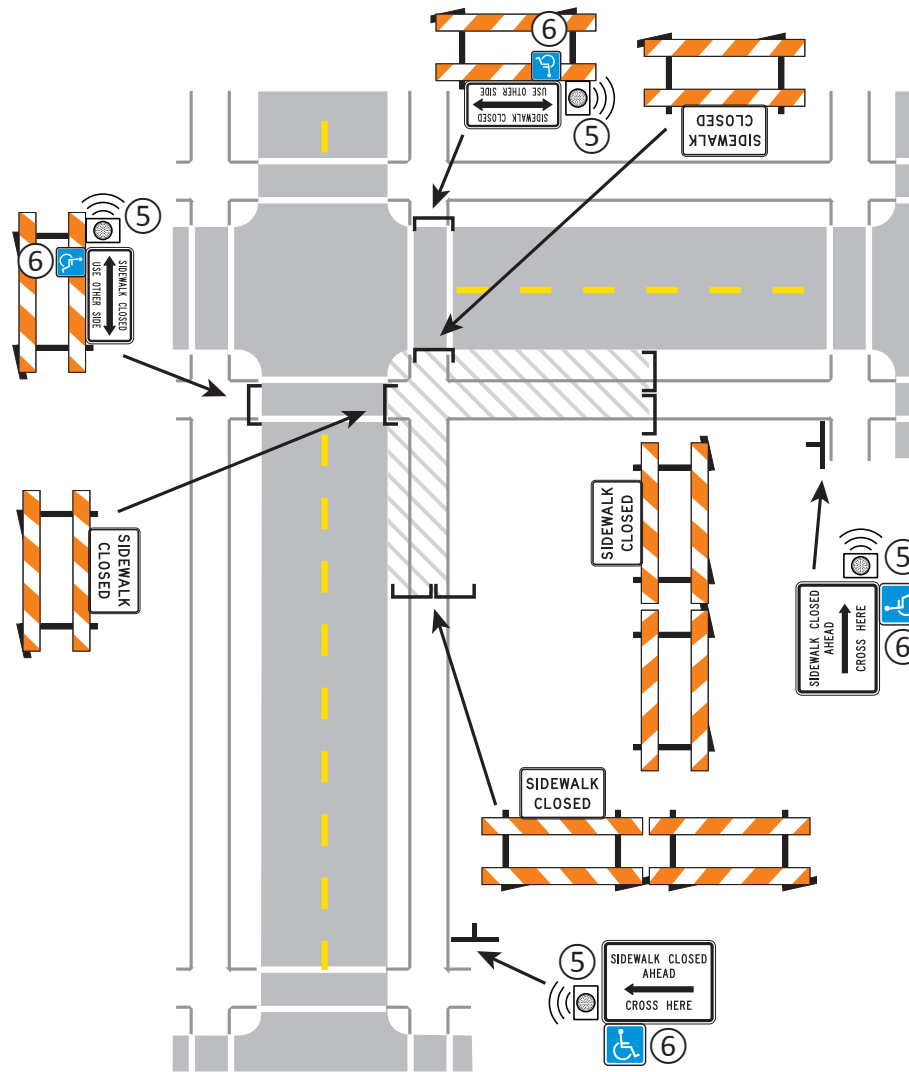
NOTES:

1. The Work Vehicle should be pulled over as far off the roadway as possible, and shall display and operate a 360-degree flashing beacon.

**WORK VEHICLE PARKED ON SHOULDER****1 HOUR or LESS**

6K-6

LAYOUT 6



ALTERNATE PEDESTRIAN ROUTE
CROSSWALK CLOSURES AND PEDESTRIAN DETOURS
3 DAYS or LESS LAYOUT 88b LAYOUT 88a & b
6K-88b



Public Right of Way Application

Applicant Information:

Name of Company: Xcel Energy

Address: 825 Rice St,

City/State/ZIP: St. Paul, MN, 55117

Phone Number: 919-655-5511

Fax Number: _____

Email Address: anne.wagner@xcelenergy.com

Representatives Name: Anne Wagner

Project Information:

Project Name: 114375564

Project Address/Location: 8300 Pierce St NE,

City/State/ZIP: Minneapolis, MN 55432

Parcel Number(s): _____

Description of Work and restoration plan: (Attach additional pages if necessary)

Replace 1 existing deteriorating power pole and equipment.

Duration of the Right of Way:

Start Date: 6/23/25

End Date: 12/22/25

The City of Spring Lake Park reserves the right to modify the schedule as necessary in the issuance of the permit. Therefore, the dates stated on this application may not necessarily match actual approved dates.

Attachments Required:

☒ Site Plan/Map

☒ Project Drawings

☒ Traffic Control Plan

☐ Proof of Insurance (copy of policy)

☐ Property Deed or Owner Authorization

☐ Environmental Impact Assessment (if applicable)

☐ Other: _____

Applicant's Certification:

I, the undersigned, certify that I am the owner or authorized agent of the owner, and that the information provided in this application is true and accurate to the best of my knowledge. I agree to comply with all applicable laws and regulations related to the requested right of way.

In lieu of an escrow fee, we will bill the project owner for actual restoration fees if needed.

Signature: _____

Date: 6/23/25

For Office Use Only:

Application Number: _____

Date Received: _____

Reviewed By: _____

Approval Status: ☐ Approved ☐ Denied

Conditions of Approval/Reasons for Denial: _____

Signature of Reviewing Officer: _____

Date: _____

Right of Way Permit - \$150.00

☐ Excavation Hole - \$150.00

☐ Emergency Hole - \$75.00

☐ Trench - \$70/100'

☐ Obstruction Fee - \$150.00

☐ Overhead Obstruction - \$150.00

☐ Boring Holes - \$50.00 per hole

☐ Other: _____

Instructions for Submission:

Complete the application form in its entirety.

Attach all required documents and plans.

Submit the application to info@slpmn.org or wbrown@slpmn.org.

Please verify specific requirements and guidelines with the appropriate agency before submission, as these can vary by location and project type.

APPLICANT MUST CONTACT THE SPRING LAKE PARK PUBLIC WORKS DIRECTOR AT 763-792-7227 48 HOURS PRIOR TO COMMENCING WORK.

P1 SN# 15376508 ADDRESS: 8300 Pierce St NE, Minneapolis, MN 55432 COORDINATES: 45.118633, -93.241810 FEEDER: MOL063/C/7.97kV WO#: 114375564

890' SOUTH OF INTERSECTION OF PIERCE ST NE & COUNTY 10 SERVICE DR

ID: 35255675
REPLACE: POLE W/ A 40/3 & 1Ø LT ANG (C-5)
TRANSFER: STREET LIGHT (PL-13.10), CONDUCTORS, & COMMS
 TREE TRIM: YES
 TRUCK ACCESS: YES
 SPOT POLE: YES
 HAND DIG: NO
 PERMIT REQ'D: CITY OF SPRING LAKE PARK
 NOTE: FIELD VERIFY TO SET POLE IN LINE TO REDUCE ANGLE. POLE KEY (A-4) GIVEN IF UNABLE. COORDINATE WITH COMMS TO REMOVE PUSH POLE.

DISCLAIMER: THERE ARE NO REPRESENTATIONS OR WARRANTIES (EXPRESS OR IMPLIED) ABOUT THE ACCURACY OF THE INFORMATION CONTAINED HEREIN. THIS PRINT IS PROVIDED WITH THE UNDERSTANDING THAT IT IS NOT A GUARANTEE OF PRINT COMPLETENESS, TIMELINESS, ACCURACY OF CONTENT OR USEFULNESS. STATE LAW REQUIRES ANYONE DIGGING, GRADING OR

890' SOUTH OF
INTERSECTION OF
PIERCE ST NE & COUNTY
10 SERVICE DR

ID: 35255675

REPLACE: POLE W/ A 40/3 & 1Ø LT ANG (C-5)

TRANSFER: STREET LIGHT (PL-13.10),
CONDUCTORS, & COMMS

TREE TRIM: YES

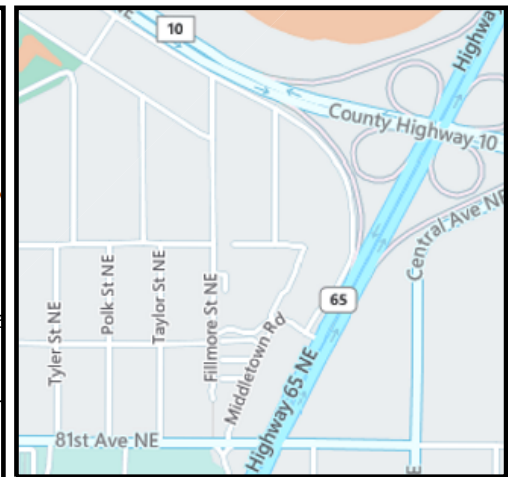
TRUCK ACCESS: YES

SPOT POLE: YES

HAND DIG: NO

PERMIT REQ'D: CITY OF SPRING LAKE PARK

NOTE: FIELD VERIFY TO SET POLE IN LINE TO
REDUCE ANGLE. POLE KEY (A-4) GIVEN IF
UNABLE. COORDINATE WITH COMMS TO
REMOVE PUSH POLE.



MARY CAREY
MARY.CAREY@xcelenergy.com
816-414-1155

Work Order Information	
Service Request #	: 000015376508
Design Number	: 000001217688
Designer/Planner ID	: 319009
Designer/Planner Name	:
Designer/Planner Ph #	: (000) 000-0000
Manager Approval	:

Joint Utility	
E:	G:
T:	C:

Design Location		
Division	:	Minneapolis
County	:	Anoka
City	:	Spring Lake Park
Address	:	
T: 30N	R: 24W	S: 1
Map #	:	M52047
Permit	:	

Electric	
Feeder:	Voltage:
Phase:	Bkup Dev ID:

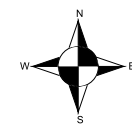
Gas	
System :	Pressure :
Size :	Material :
Dead End :	

Work Order # :	
----------------	--

Date: 06/16/2025

Sketches: # Of: # Sketches Date: _____

Sketch: # Of # Sketch Data



CONSTRUCTION USE ONLY

- ☐ NO CHANGES (BUILT AS DESIGNED)
- ☐ CHANGES MADE AS INDICATED
(ALL URD MUST HAVE ACTUAL
MEASUREMENTS FROM THE FIELD SITE)

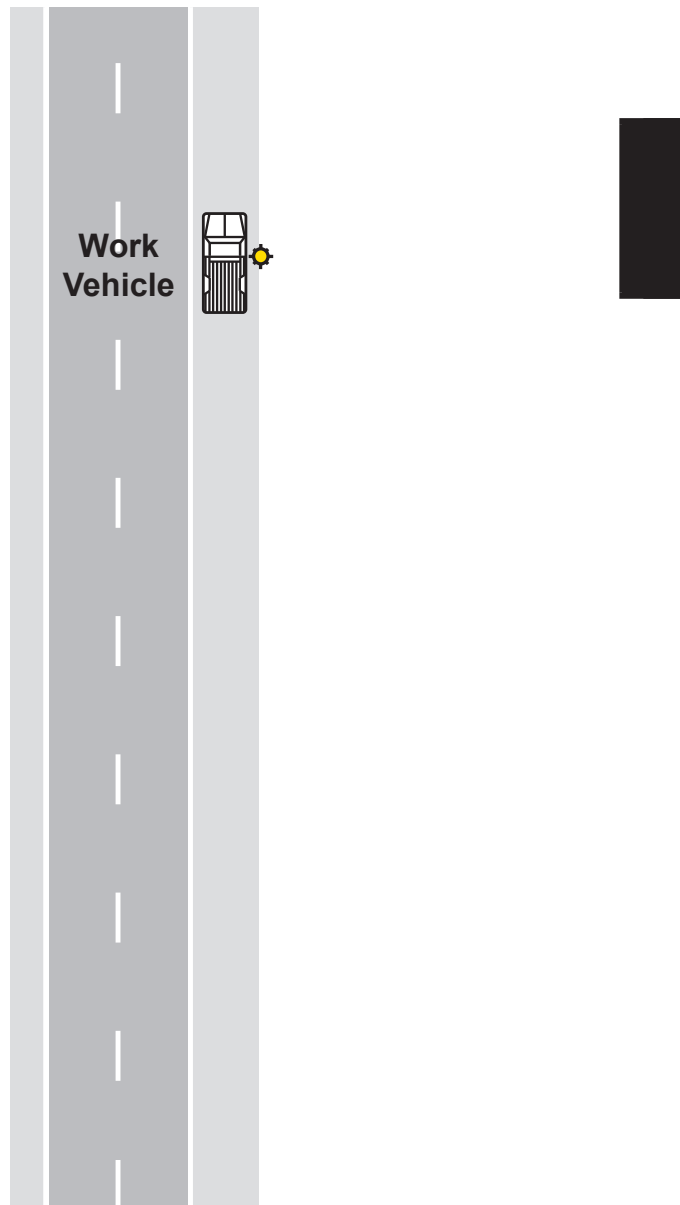
RFO _____
FOREMAN _____ DATE _____
TEAM LEADER _____

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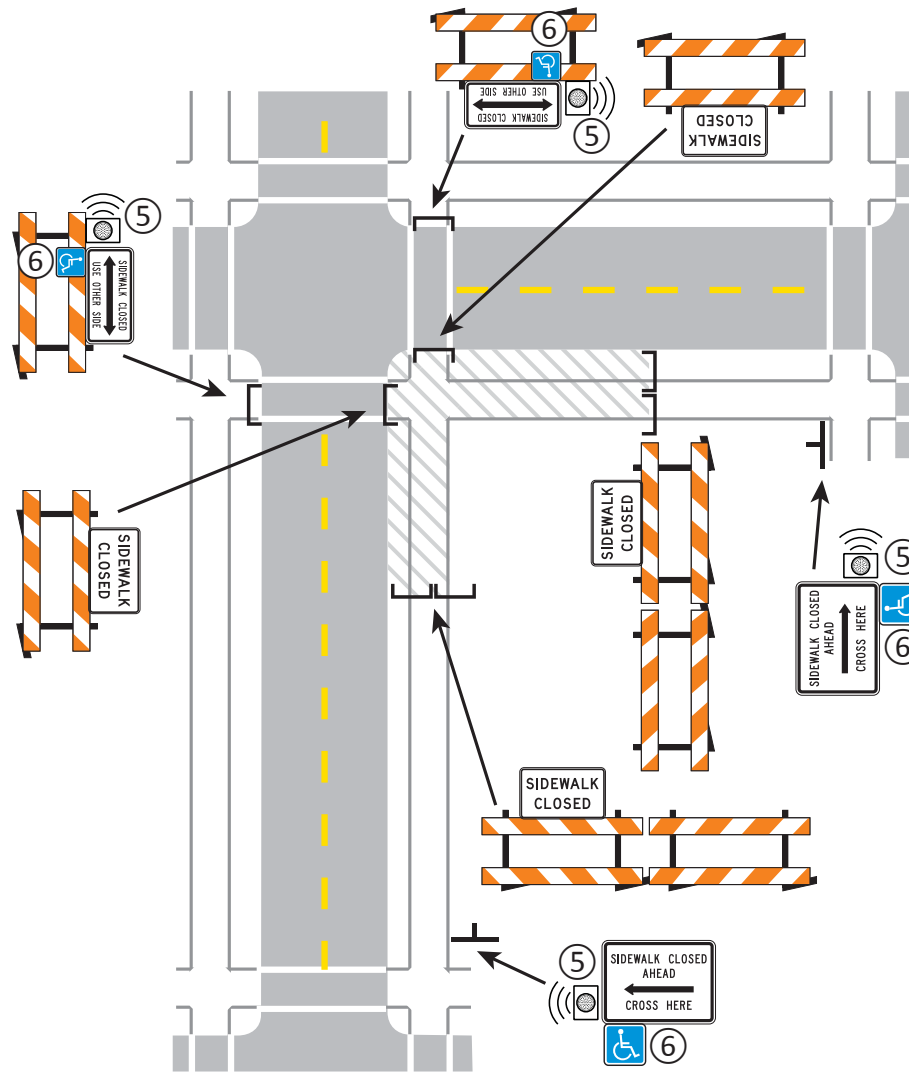
NOTES:

1. The Work Vehicle should be pulled over as far off the roadway as possible, and shall display and operate a 360-degree flashing beacon.

**WORK VEHICLE PARKED ON SHOULDER****1 HOUR or LESS**

6K-6

LAYOUT 6



ALTERNATE PEDESTRIAN ROUTE
CROSSWALK CLOSURES AND PEDESTRIAN DETOURS
3 DAYS or LESS LAYOUT 88b LAYOUT 88a & b
6K-88b



Public Right of Way Application

Applicant Information:

Name of Company: Xcel Energy

Address: 825 Rice St

City/State/ZIP: St. Paul

Phone Number: 919-655-5511

Fax Number: _____

Email Address: anne.wagner@xcelenergy.com

Representatives Name: Anne Wagner

Project Information:

Project Name: 114370836

Project Address/Location: 8339 Pierce St NE,
Minneapolis, MN 55432

City/State/ZIP: _____

Parcel Number(s): _____

Description of Work and restoration plan: (Attach additional pages if necessary)

Repair and replace deteriorating power pole. See attached sketch for more details

Duration of the Right of Way:

Start Date: 6/23/25

End Date: 12/19/25

The City of Spring Lake Park reserves the right to modify the schedule as necessary in the issuance of the permit. Therefore, the dates stated on this application may not necessarily match actual approved dates.

Attachments Required:

☒ Site Plan/Map

☒ Project Drawings

☒ Traffic Control Plan

☐ Proof of Insurance (copy of policy)

☐ Property Deed or Owner Authorization

☐ Environmental Impact Assessment (if applicable)

☐ Other: _____

Applicant's Certification:

I, the undersigned, certify that I am the owner or authorized agent of the owner, and that the information provided in this application is true and accurate to the best of my knowledge. I agree to comply with all applicable laws and regulations related to the requested right of way.

In lieu of an escrow fee, we will bill the project owner for actual restoration fees if needed.

Signature:  _____

Date: 6/23/25 _____

For Office Use Only:

Application Number: _____

Date Received: _____

Reviewed By: _____

Approval Status: ☐ Approved ☐ Denied

Conditions of Approval/Reasons for Denial: _____

Signature of Reviewing Officer: _____

Date: _____

Right of Way Permit - \$150.00

☐ Excavation Hole - \$150.00

☐ Emergency Hole - \$75.00

☐ Trench - \$70/100'

☐ Obstruction Fee - \$150.00

☐ Overhead Obstruction - \$150.00

☐ Boring Holes - \$50.00 per hole

☐ Other: _____

Instructions for Submission:

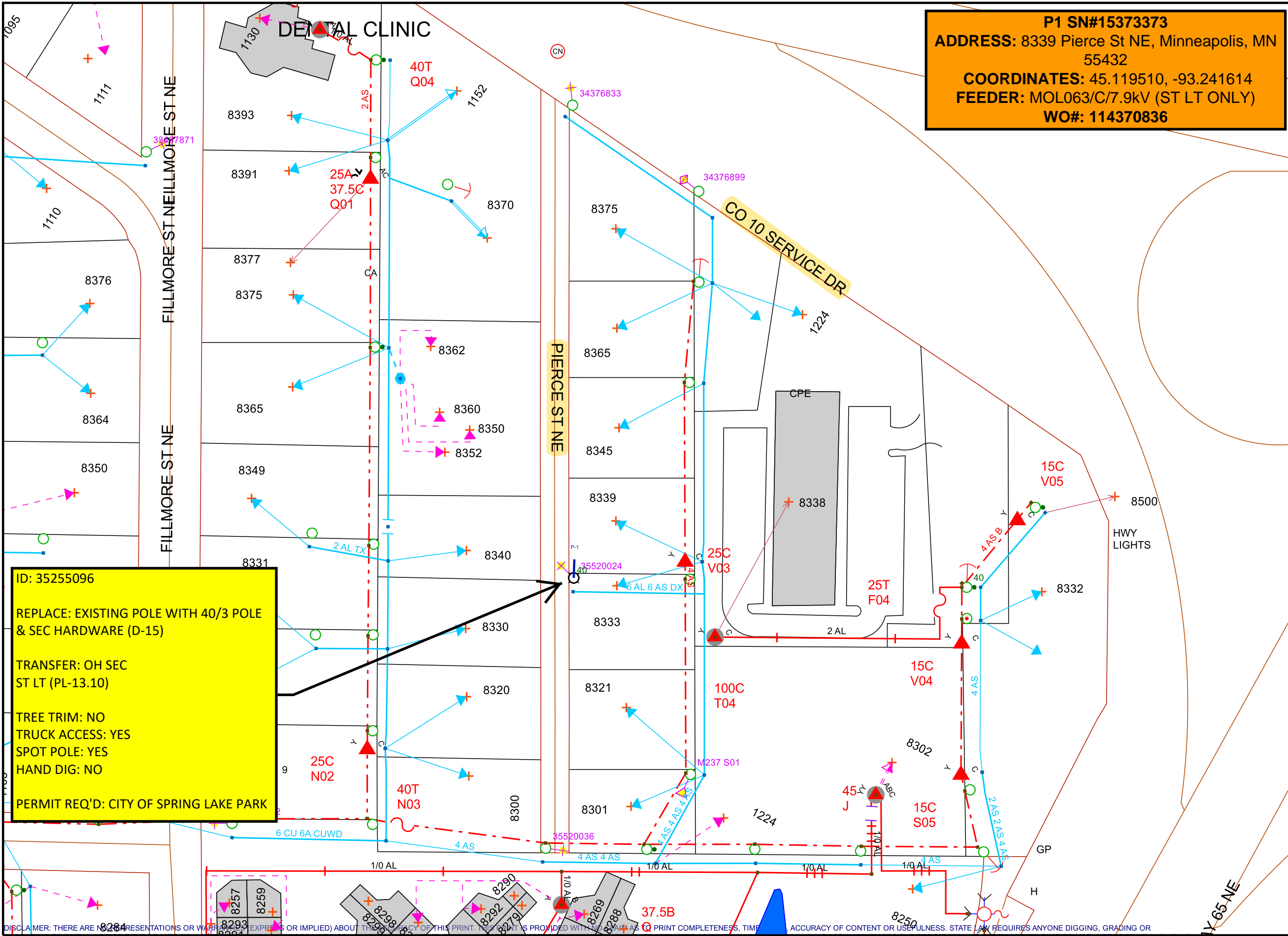
Complete the application form in its entirety.

Attach all required documents and plans.

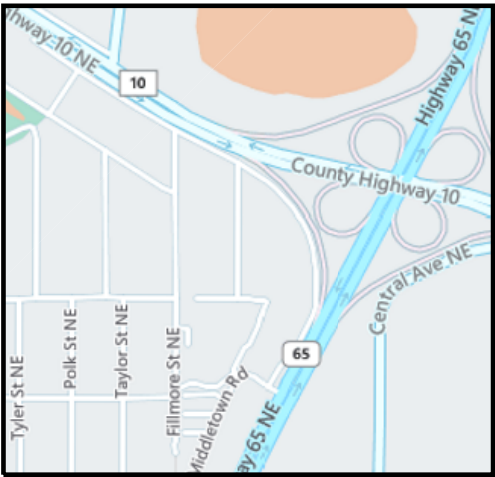
Submit the application to info@slpmn.org or wbrown@slpmn.org.

Please verify specific requirements and guidelines with the appropriate agency before submission, as these can vary by location and project type.

APPLICANT MUST CONTACT THE SPRING LAKE PARK PUBLIC WORKS DIRECTOR AT 763-792-7227 48 HOURS PRIOR TO COMMENCING WORK.



P1 SN#15373373
ADDRESS: 8339 Pierce St NE, Minneapolis, MN 55432
COORDINATES: 45.119510, -93.241614
FEEDER: MOL063/C/7.9kV (ST LT ONLY)
WO#: 114370836



DESIGNER: Sarah Carson
(816) 394-2285
Sarah.J.Carson@xcelenergy.com

Work Order Information	
Service Request #	: 000015373373
Design Number	: 000001217762
Designer/Planner ID	: 300548
Designer/Planner Name	:
Designer/Planner Ph #	: (000) 000-0000
Manager Approval	:

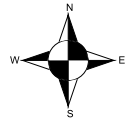
Joint Utility	
E:	G:
T:	C:

Design Location	
Division	: Minneapolis
County	: Anoka
City	: Spring Lake Park
Address	:
T: 30N	R: 24W
S: 1	
Map #	: M52037
Permit	:

Electric	
Feeder:	Voltage:
Phase:	Bkup Dev ID:

Gas	
System	: Pressure
Size	: Material
Dead End	:

Work Order # :
Date: 06/16/2025
Sketch: # Of # Sketch Data
Scale: 1" equals 100'



CONSTRUCTION USE ONLY

- ☐ NO CHANGES (BUILT AS DESIGNED)
- ☐ CHANGES MADE AS INDICATED (ALL URD MUST HAVE ACTUAL MEASUREMENTS FROM THE FIELD SITE)

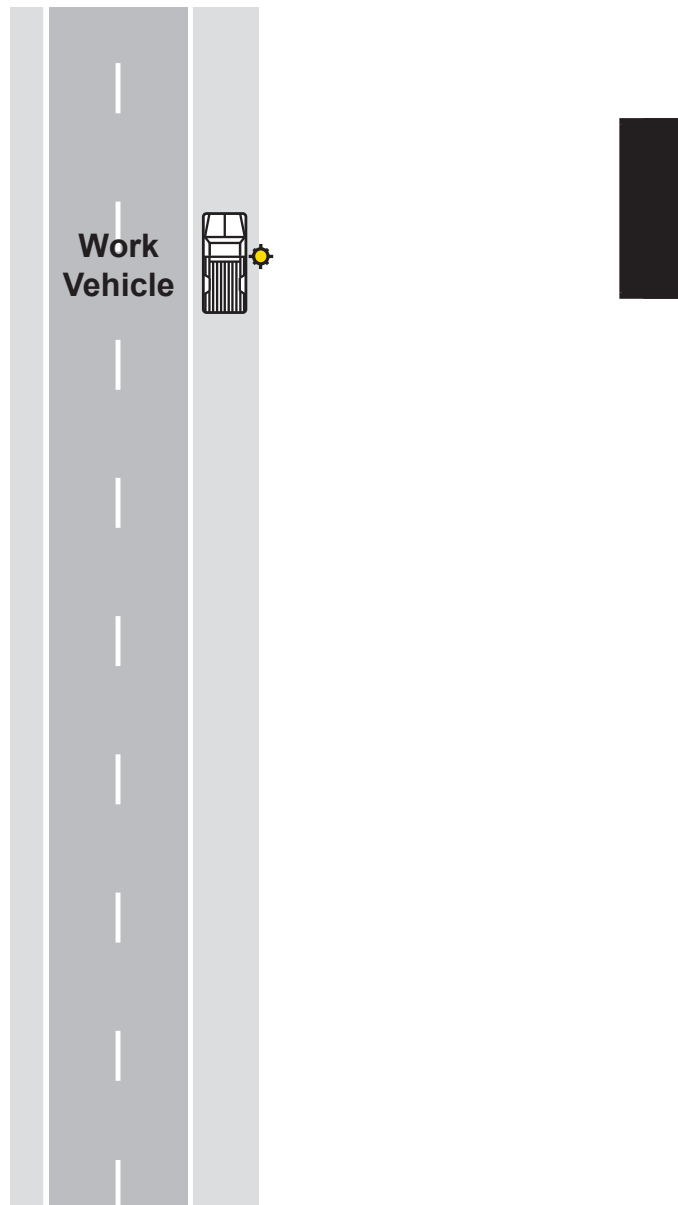
RFO
FOREMAN _____ DATE _____
TEAM LEADER _____

ID: 35255096
REPLACE: EXISTING POLE WITH 40/3 POLE & SEC HARDWARE (D-15)
TRANSFER: OH SEC ST LT (PL-13.10)
TREE TRIM: NO
TRUCK ACCESS: YES
SPOT POLE: YES
HAND DIG: NO
PERMIT REQ'D: CITY OF SPRING LAKE PARK

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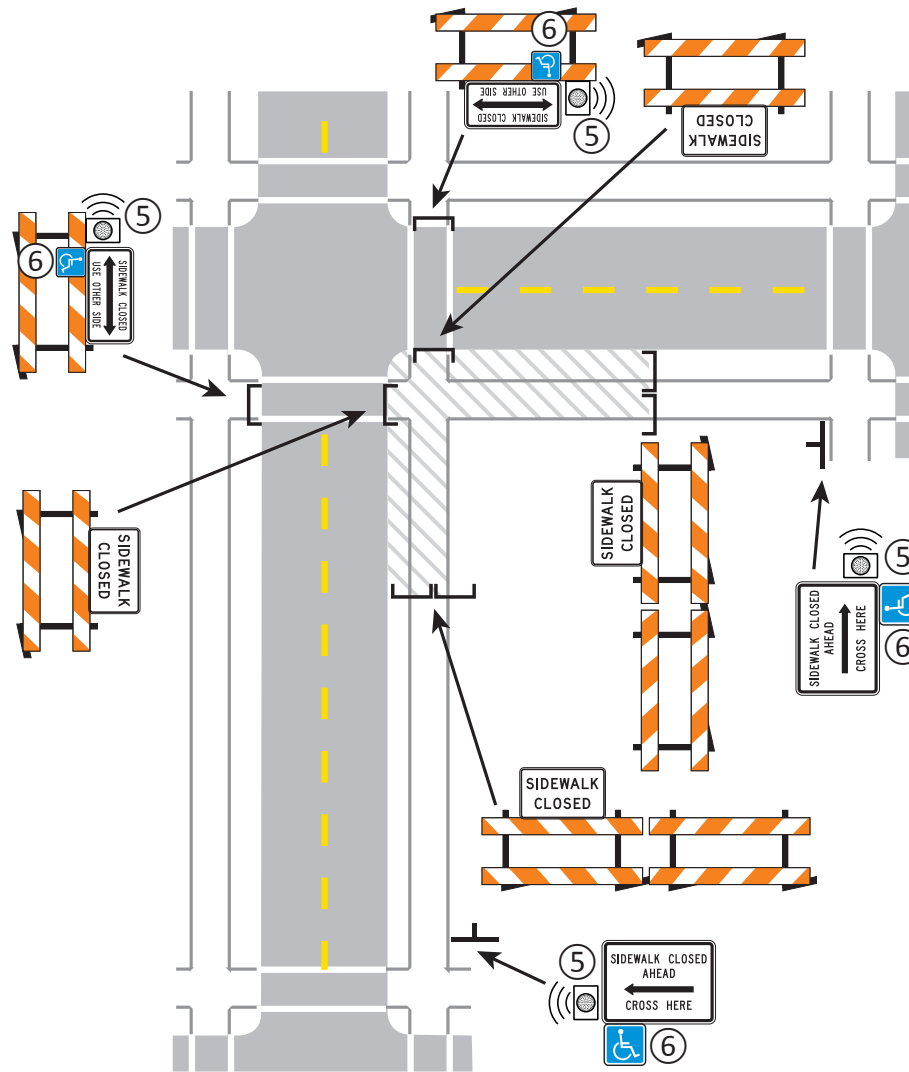
NOTES:

1. The Work Vehicle should be pulled over as far off the roadway as possible, and shall display and operate a 360-degree flashing beacon.

**WORK VEHICLE PARKED ON SHOULDER****1 HOUR or LESS**

6K-6

LAYOUT 6



ALTERNATE PEDESTRIAN ROUTE
CROSSWALK CLOSURES AND PEDESTRIAN DETOURS
3 DAYS or LESS LAYOUT 88b LAYOUT 88a & b
6K-88b



Public Right of Way Application

Applicant Information:

Name of Company: Xcel Energy

Address: 825 Rice St.

City/State/ZIP: St. Paul, MN 55117

Phone Number: 816-648-8088

Fax Number: _____

Email Address: rebecca.cone@xcelenergy.com

Representatives Name: Rebecca Cone

Project Information:

Project Name: 114201997 - Faulted Service

Project Address/Location: 8220 5TH ST NE

City/State/ZIP: Spring Lake Park, MN 55432

Parcel Number(s): 02-30-24-24-0080

Description of Work and restoration plan: (Attach additional pages if necessary)

Repair to underground residential faulted service which will include 95' boring and the replacement of a riser. Restoration will follow to repair any damages to lawn/grass and landscape being removed by meter (landscape is responsible for their own permits).

Duration of the Right of Way:

Start Date: 06/02/25

End Date: 12/02/25

The City of Spring Lake Park reserves the right to modify the schedule as necessary in the issuance of the permit. Therefore, the dates stated on this application may not necessarily match actual approved dates.

Attachments Required:

☒ Site Plan/Map

☐ Project Drawings

☒ Traffic Control Plan

☐ Proof of Insurance (copy of policy)

☐ Property Deed or Owner Authorization

☐ Environmental Impact Assessment (if applicable)

☐ Other: _____

Applicant's Certification:

I, the undersigned, certify that I am the owner or authorized agent of the owner, and that the information provided in this application is true and accurate to the best of my knowledge. I agree to comply with all applicable laws and regulations related to the requested right of way.

In lieu of an escrow fee, we will bill the project owner for actual restoration fees if needed.

Signature: Rebecca L. Cons

Date: 05/27/25

For Office Use Only:

Application Number: _____

Date Received: 5/27/25

Reviewed By: Ed

Approval Status: ☒ Approved ☐ Denied

Conditions of Approval/Reasons for Denial: _____

Signature of Reviewing Officer: George Livingston

Date: 6/17/25

Right of Way Permit - \$150.00

☐ Excavation Hole - \$150.00

☐ Emergency Hole - \$75.00

☐ Trench - \$70/100'

☐ Obstruction Fee - \$150.00

☐ Overhead Obstruction - \$150.00

☐ Boring Holes - \$50.00 per hole

☐ Other: _____

Instructions for Submission:

Complete the application form in its entirety.

Attach all required documents and plans.

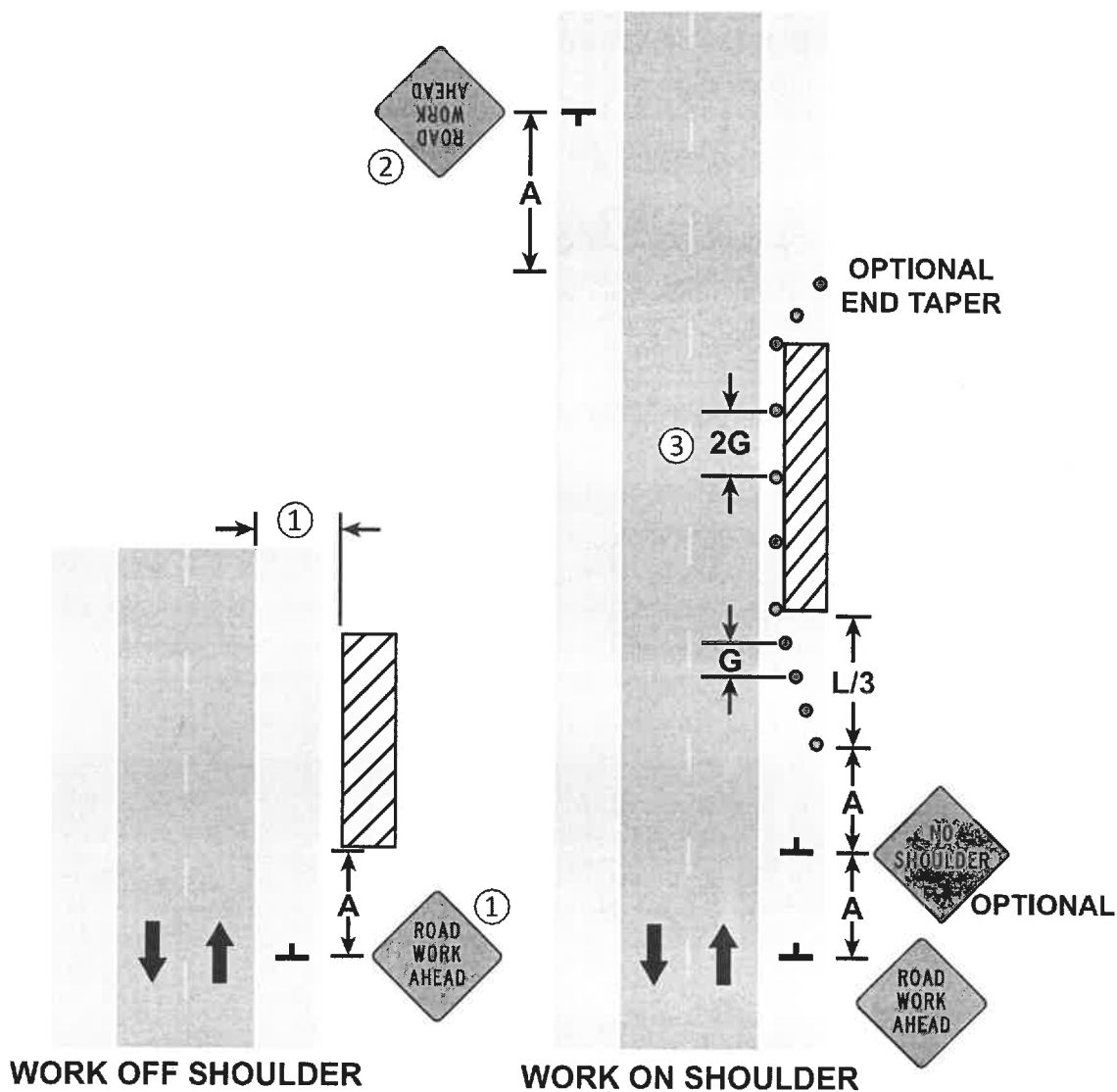
Submit the application to info@slpmn.org or wbrown@slpmn.org.

Please verify specific requirements and guidelines with the appropriate agency before submission, as these can vary by location and project type.

APPLICANT MUST CONTACT THE SPRING LAKE PARK PUBLIC WORKS DIRECTOR AT 763-792-7227 48 HOURS PRIOR TO COMMENCING WORK.

NOTES:

- ① The ROAD WORK AHEAD sign may be omitted for short term daylight operations if a vehicle is displaying and operating a 360-degree flashing beacon and:
 - a. The distance from curb face to the work space is at least 2 feet, or
 - b. The distance from the edge of the roadway to the work space is at least 15 feet.
- ② This ROAD WORK AHEAD sign shall be installed on two-lane, two-way roads if traffic control devices are installed for a work space in the opposite shoulder.
- ③ If this layout is used to close a parking lane that is normally open to vehicle travel during the time of day the closure will be in effect, the lane shall be considered a traveled lane and not a parking lane. Layout 42 shall be used to provide traffic control for the lane closure.
4. If this layout is used to close a parking lane, channelizer spacing may be reduced from 2G to G in high volume areas.





Public Right of Way Application

Applicant Information:

Name of Company: Xcel Energy

Address: 825 Rice St,

City/State/ZIP: St. Paul, MN, 55117

Phone Number: 919-655-5511

Fax Number: _____

Email Address: anne.wagner@xcelenergy.com

Representatives Name: Anne Wagner

Project Information:

Project Name: 114357512

Project Address/Location: 1230 80th Ave NE,

City/State/ZIP: Minneapolis, MN 55432

Parcel Number(s): _____

Description of Work and restoration plan: (Attach additional pages if necessary)

Replace 1 existing deteriorating power pole and equipment.

Duration of the Right of Way:

Start Date: 6/23/25

End Date: 12/22/25

The City of Spring Lake Park reserves the right to modify the schedule as necessary in the issuance of the permit. Therefore, the dates stated on this application may not necessarily match actual approved dates.

Attachments Required:

☒ Site Plan/Map

☒ Project Drawings

☒ Traffic Control Plan

☐ Proof of Insurance (copy of policy)

☐ Property Deed or Owner Authorization

☐ Environmental Impact Assessment (if applicable)

☐ Other: _____

Applicant's Certification:

I, the undersigned, certify that I am the owner or authorized agent of the owner, and that the information provided in this application is true and accurate to the best of my knowledge. I agree to comply with all applicable laws and regulations related to the requested right of way.

In lieu of an escrow fee, we will bill the project owner for actual restoration fees if needed.

Signature: _____

Date: 6/23/25

For Office Use Only:

Application Number: _____

Date Received: _____

Reviewed By: _____

Approval Status: ☐ Approved ☐ Denied

Conditions of Approval/Reasons for Denial: _____

Signature of Reviewing Officer: _____

Date: _____

Right of Way Permit - \$150.00

☐ Excavation Hole - \$150.00

☐ Emergency Hole - \$75.00

☐ Trench - \$70/100'

☐ Obstruction Fee - \$150.00

☐ Overhead Obstruction - \$150.00

☐ Boring Holes - \$50.00 per hole

☐ Other: _____

Instructions for Submission:

Complete the application form in its entirety.

Attach all required documents and plans.

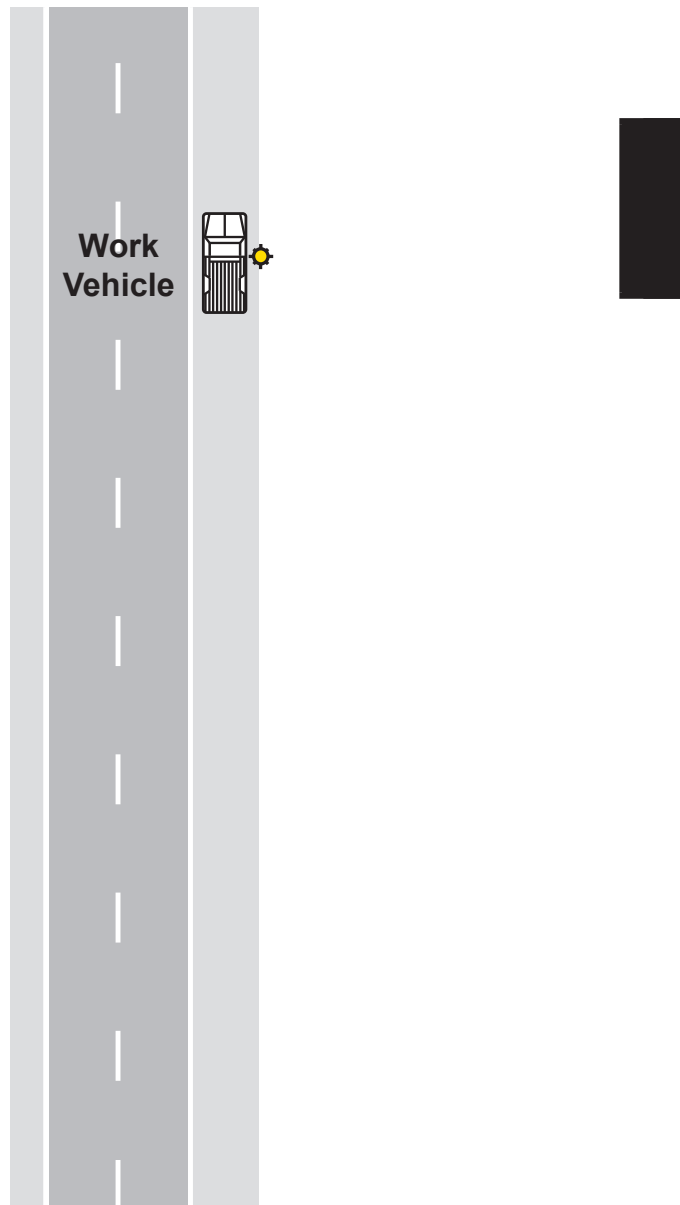
Submit the application to info@slpmn.org or wbrown@slpmn.org.

Please verify specific requirements and guidelines with the appropriate agency before submission, as these can vary by location and project type.

APPLICANT MUST CONTACT THE SPRING LAKE PARK PUBLIC WORKS DIRECTOR AT 763-792-7227 48 HOURS PRIOR TO COMMENCING WORK.

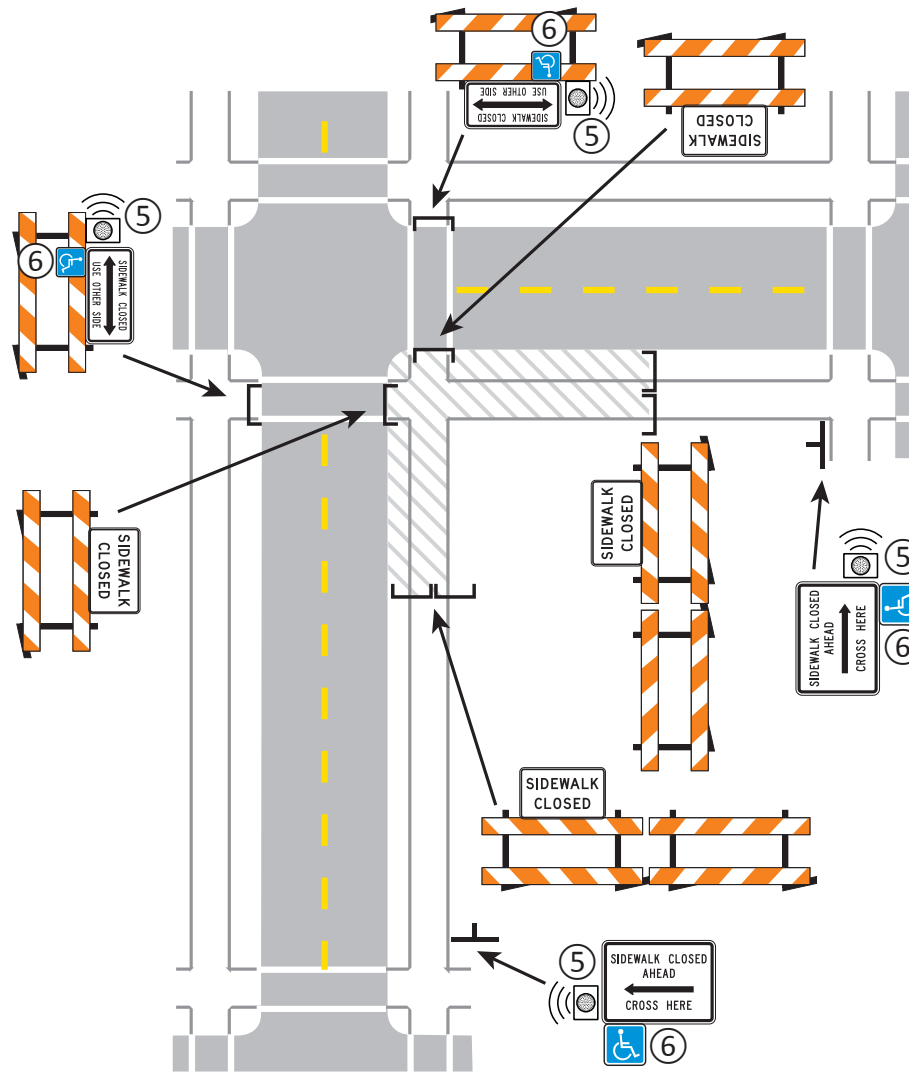
NOTES:

1. The Work Vehicle should be pulled over as far off the roadway as possible, and shall display and operate a 360-degree flashing beacon.

**WORK VEHICLE PARKED ON SHOULDER****1 HOUR or LESS**

6K-6

LAYOUT 6



ALTERNATE PEDESTRIAN ROUTE
CROSSWALK CLOSURES AND PEDESTRIAN DETOURS
3 DAYS or LESS LAYOUT 88b LAYOUT 88a & b
6K-88b



Public Right of Way Application

Applicant Information:

Name of Company: Xcel Energy

Address: 825 Rice St,

City/State/ZIP: St. Paul, MN, 55117

Phone Number: 919-655-5511

Fax Number: _____

Email Address: anne.wagner@xcelenergy.com

Representatives Name: Anne Wagner

Project Information:

Project Name: 114370852

Project Address/Location: 946 82nd Ave NE,

City/State/ZIP: Minneapolis, MN 55432

Parcel Number(s): _____

Description of Work and restoration plan: (Attach additional pages if necessary)

Replace 1 existing deteriorating power pole and equipment.

Duration of the Right of Way:

Start Date: 6/23/25

End Date: 12/22/25

The City of Spring Lake Park reserves the right to modify the schedule as necessary in the issuance of the permit. Therefore, the dates stated on this application may not necessarily match actual approved dates.

Attachments Required:

☒ Site Plan/Map

☒ Project Drawings

☒ Traffic Control Plan

☐ Proof of Insurance (copy of policy)

☐ Property Deed or Owner Authorization

☐ Environmental Impact Assessment (if applicable)

☐ Other: _____

Applicant's Certification:

I, the undersigned, certify that I am the owner or authorized agent of the owner, and that the information provided in this application is true and accurate to the best of my knowledge. I agree to comply with all applicable laws and regulations related to the requested right of way.

In lieu of an escrow fee, we will bill the project owner for actual restoration fees if needed.

Signature: _____

Date: 6/23/25

For Office Use Only:

Application Number: _____

Date Received: _____

Reviewed By: _____

Approval Status: ☐ Approved ☐ Denied

Conditions of Approval/Reasons for Denial: _____

Signature of Reviewing Officer: _____

Date: _____

Right of Way Permit - \$150.00

☐ Excavation Hole - \$150.00

☐ Emergency Hole - \$75.00

☐ Trench - \$70/100'

☐ Obstruction Fee - \$150.00

☐ Overhead Obstruction - \$150.00

☐ Boring Holes - \$50.00 per hole

☐ Other: _____

Instructions for Submission:

Complete the application form in its entirety.

Attach all required documents and plans.

Submit the application to info@slpmn.org or wbrown@slpmn.org.

Please verify specific requirements and guidelines with the appropriate agency before submission, as these can vary by location and project type.

APPLICANT MUST CONTACT THE SPRING LAKE PARK PUBLIC WORKS DIRECTOR AT 763-792-7227 48 HOURS PRIOR TO COMMENCING WORK.

P1 SN#15373430
ADDRESS: 946 82nd Ave NE, Minneapolis, MN 55432
COORDINATES: 45.116766, -93.247757
FEEDER: MOL063/AC/13.8kV
WO#: 114370852

8200
CELL

37.5A
X03
35106301
8200

82ND AVE NE

ABLE ST NE

TYLER ST NE

82ND AVE NE

82ND AVE NE

ABLE ST NE

ABLE ST NE

ID: 35255246

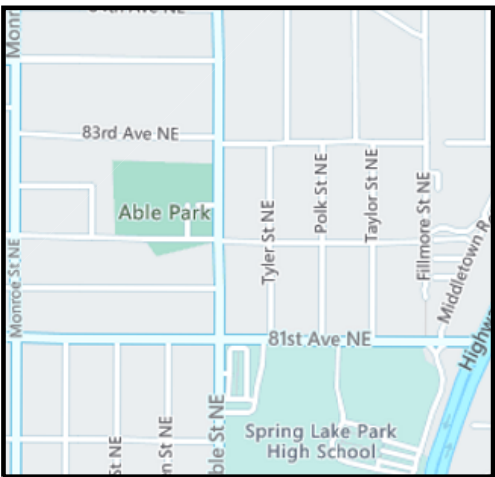
REPLACE: EXISTING POLE WITH 40/3 POLE,
2Ø TAN HARDWARE (C-20) & SEC
HARDWARE (D-15)

TRANSFER: OH CONDUCTORS
OH SEC
OH SVC'S
COMMS
CATV POWER BOX

TREE TRIM: NO
TRUCK ACCESS: YES
SPOT POLE: YES
HAND DIG: NO

PERMIT REQ'D: CITY OF SPRING LAKE PARK

NOTE: TOP POLE ABOVE CATV, CONTINUE
TO FEED CATV POWER SUPPLY.



DESIGNER: Sarah Carson
(816) 394-2285
Sarah.J.Carson@xcelenergy.com

Work Order Information

Service Request # : 000015373430
Design Number : 000001217709
Designer/Planner ID : 300548
Designer/Planner Name :
Designer/Planner Ph # : (000) 000-0000
Manager Approval :

Joint Utility

E: G:
T: C:

Design Location

Division : Minneapolis
County : Anoka
City : Spring Lake Park
Address :
T: 30N R: 24W S: 1
Map # : M52047 Permit :

Electric

Feeder: Voltage:
Phase: Bkup Dev ID:

Gas

System : Pressure :
Size : Material :
Dead End :

Work Order # :

Date: 06/17/2025

Sketch: # Of # Sketch Data

Scale: 1" equals 100'



CONSTRUCTION USE ONLY

- ☐ NO CHANGES (BUILT AS DESIGNED)
☐ CHANGES MADE AS INDICATED
(ALL URD MUST HAVE ACTUAL MEASUREMENTS FROM THE FIELD SITE)

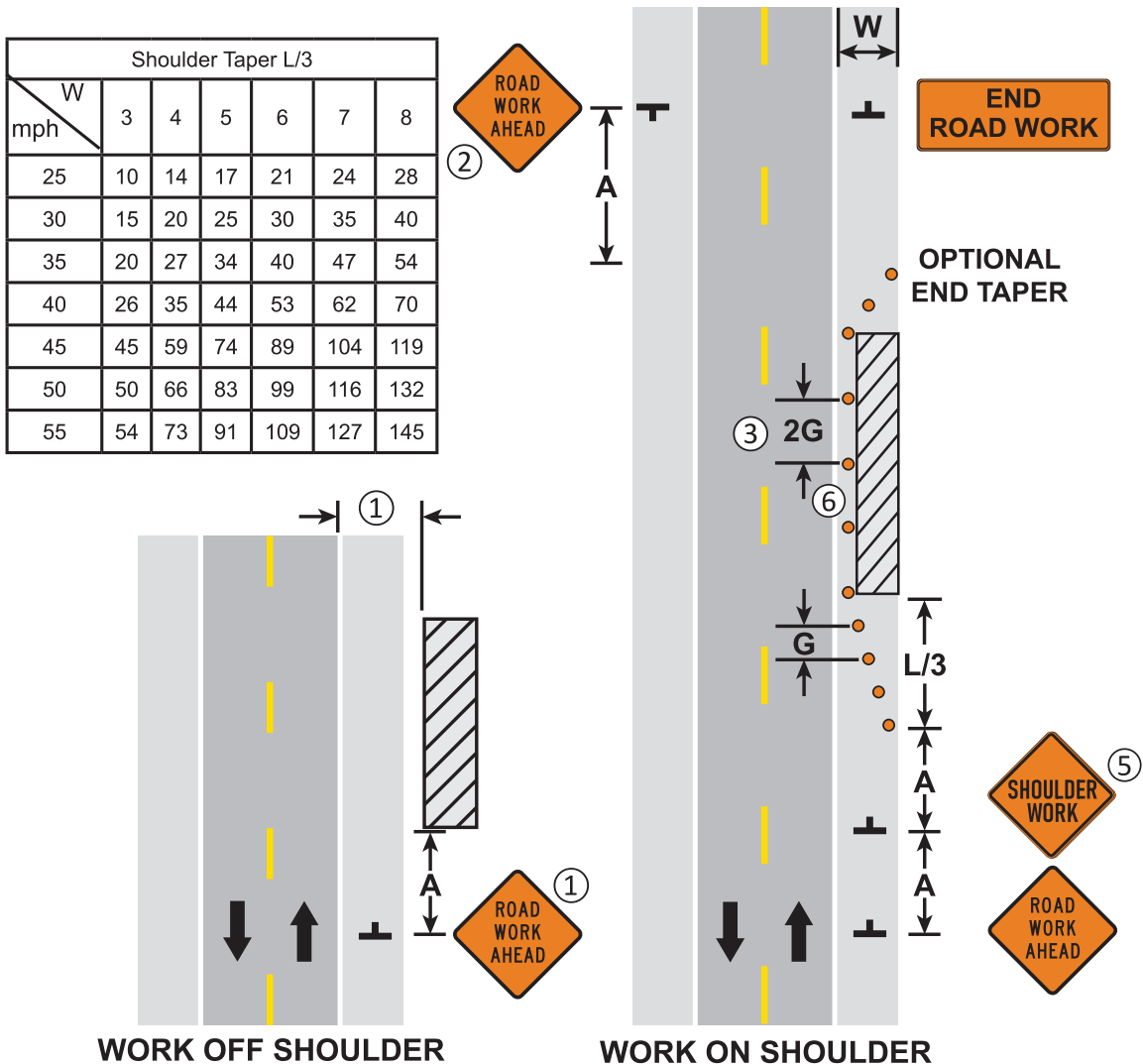
RFO
FOREMAN _____ DATE _____
TEAM LEADER _____

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NOTES:

- ① The ROAD WORK AHEAD sign may be omitted for short term daylight operations if a vehicle is displaying and operating a 360-degree flashing beacon and:
 - a. The distance from curb face to the work space is at least 2 feet, or
 - b. The distance from the edge of the roadway to the work space is at least 15 feet.
- ② This ROAD WORK AHEAD sign shall be installed on two-lane, two-way roads if traffic control devices are installed for a work space in the opposite shoulder.
- ③ If this layout is used to close a parking lane that is normally open to vehicle travel during the time of day the closure will be in effect, the lane shall be considered a traveled lane and not a parking lane. Layout 39 shall be used to provide traffic control for the lane closure.
4. If this layout is used to close a parking lane, channelizer spacing may be reduced from 2G to G in high volume areas.
- ⑤ Change SHOULDER WORK sign to ROAD NARROWS sign if work encroaches the live lane.
6. ROAD WORK AHEAD and END ROAD WORK signs are not required if the work area is within a larger work zone where these signs are already present.







**SHOULDER AND PARKING LANE CLOSURE
WORK ON or NEAR SHOULDER**

3 DAYS or LESS

LAYOUT 6

SDD 15D28 Traffic Control, Work on Shoulder or Parking Lane, Undivided Roadway

LEGEND

-  SIGN ON PERMANENT SUPPORT
-  TRAFFIC CONTROL DRUM
-  DIRECTION OF TRAFFIC
-  WORK ZONE

GENERAL NOTES

ALL SIGNS ARE 48"X48" UNLESS OTHERWISE NOTED. IF NECESSARY DUE TO SPACE CONSTRAINTS IN URBAN AREAS, 36" X 36" SIGNS MAY BE USED IF APPROVED BY THE REGIONAL TRAFFIC UNIT.

"WO" SIGN IS THE SAME AS "W" SIGN EXCEPT THE BACKGROUND IS ORANGE.

ANY SIGNS TEMPORARY OR EXISTING, WHICH CONFLICT WITH THE TRAFFIC CONTROL "IN USE" SHALL BE REMOVED OR COVERED AS NEEDED AND AS APPROVED BY THE ENGINEER.

THE EXACT NUMBER, LOCATION, AND SPACING OF ALL SIGNS AND DEVICES SHALL BE ADJUSTED TO FIT FIELD CONDITIONS AS APPROVED BY THE ENGINEER.

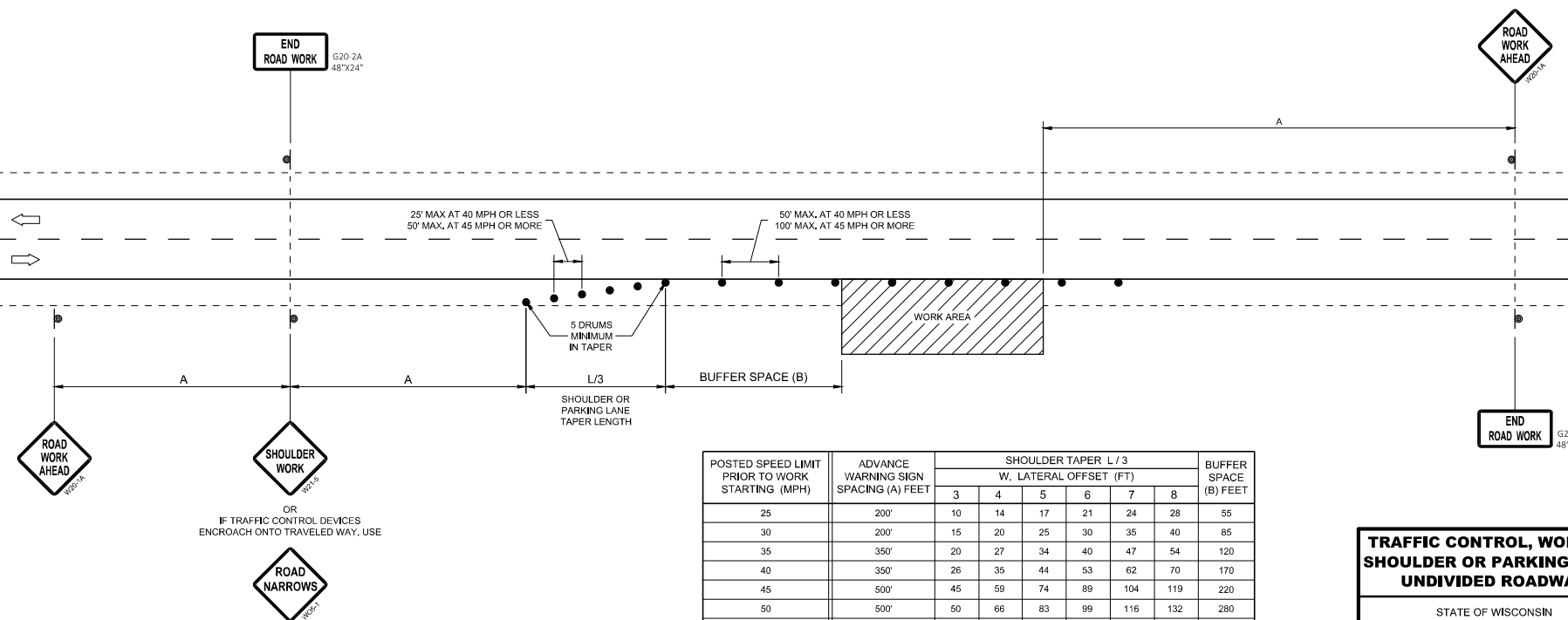
CHANNELIZING DEVICES PLACED ADJACENT TO WORK AREA SHALL BE PULLED BACK FROM THE TRAVEL LANE WHEN WORK IS NOT IN PROGRESS.

SIGNS THAT WILL BE IN PLACE LESS THAN 7 CONTINUOUS DAYS AND NIGHTS MAY BE MOUNTED ON PORTABLE SUPPORTS.

W20-1A AND G20-2A SIGNS ARE NOT REQUIRED IF THE WORK AREA IS WITHIN A LARGER WORK ZONE WHERE THESE SIGNS ARE ALREADY PRESENT. G20-2A SIGNS MAY ALSO BE OMITTED IF DURATION OF WORK IS LESS THAN 7 CONTINUOUS DAYS AND NIGHTS.

6

6



POSTED SPEED LIMIT PRIOR TO WORK STARTING (MPH)	ADVANCE WARNING SIGN SPACING (A) FEET	SHOULDER TAPER L / 3 W. LATERAL OFFSET (FT)						BUFFER SPACE (B) FEET
		3	4	5	6	7	8	
25	200'	10	14	17	21	24	28	55
30	200'	15	20	25	30	35	40	85
35	350'	20	27	34	40	47	54	120
40	350'	26	35	44	53	62	70	170
45	500'	45	59	74	89	104	119	220
50	500'	50	66	83	99	116	132	280
55	500'	54	73	91	109	127	145	335'

TRAFFIC CONTROL, WORK ON SHOULDER OR PARKING LANE, UNDIVIDED ROADWAY

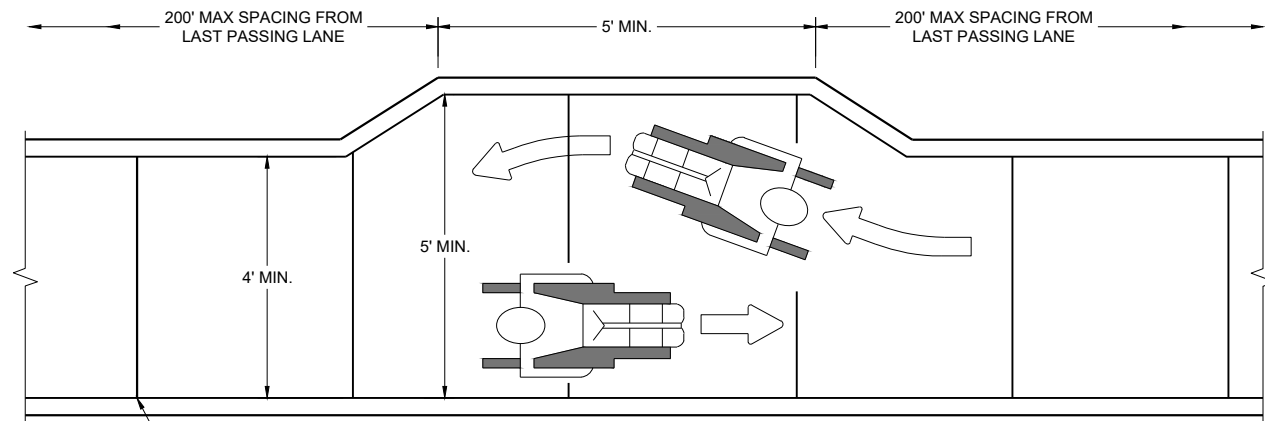
STATE OF WISCONSIN
DEPARTMENT OF TRANSPORTATION

APPROVED
May 2020 /S/ Andrew Heidtke
DATE STATEWIDE WORK ZONE TRAFFIC
SAFETY ENGINEER

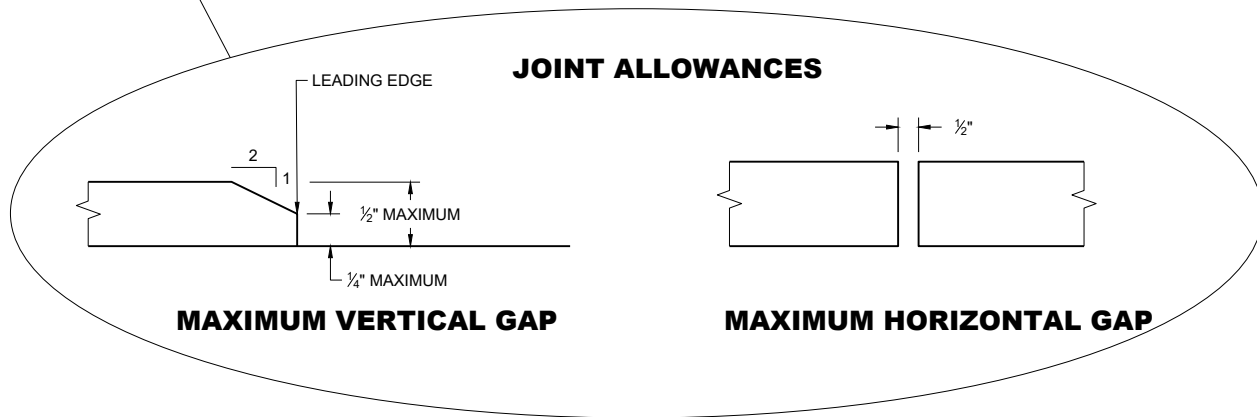
FHWA

SDD 15D28 - 04

SDD 15D28 - 04

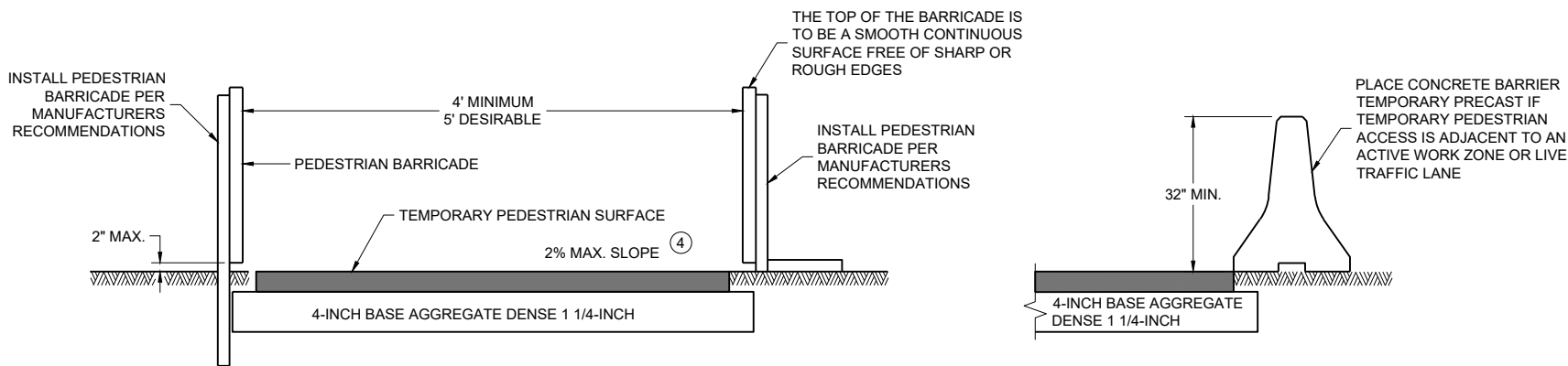


NARROW SIDEWALK PASSING DETAIL



MAXIMUM VERTICAL GAP

MAXIMUM HORIZONTAL GAP



TEMPORARY PEDESTRIAN ACCESS

GENERAL NOTES

BARRICADE DEVICE SELECTED FROM APPROVED PRODUCT LIST

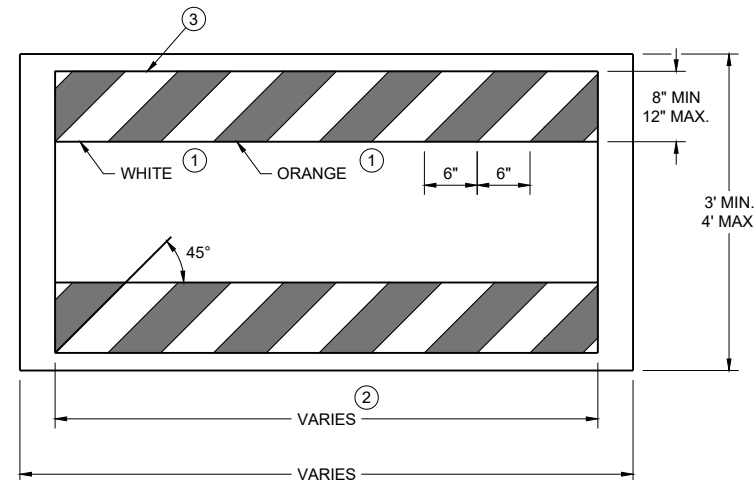
① REFLECTIVE SHEETING SHALL FOLLOW THE REQUIREMENTS IN THE APPROVED PRODUCTS LISTING FOR SIGN SHEETING.

② SHEETING REQUIRED ON MORE THAN 50% OF BARRICADE WIDTH.

③ PLACE SHEETING ON BOTH SIDES OF THE BARRICADE.

★ USE THIS DETAIL FOR SHEETING PLACEMENT REFERENCE.

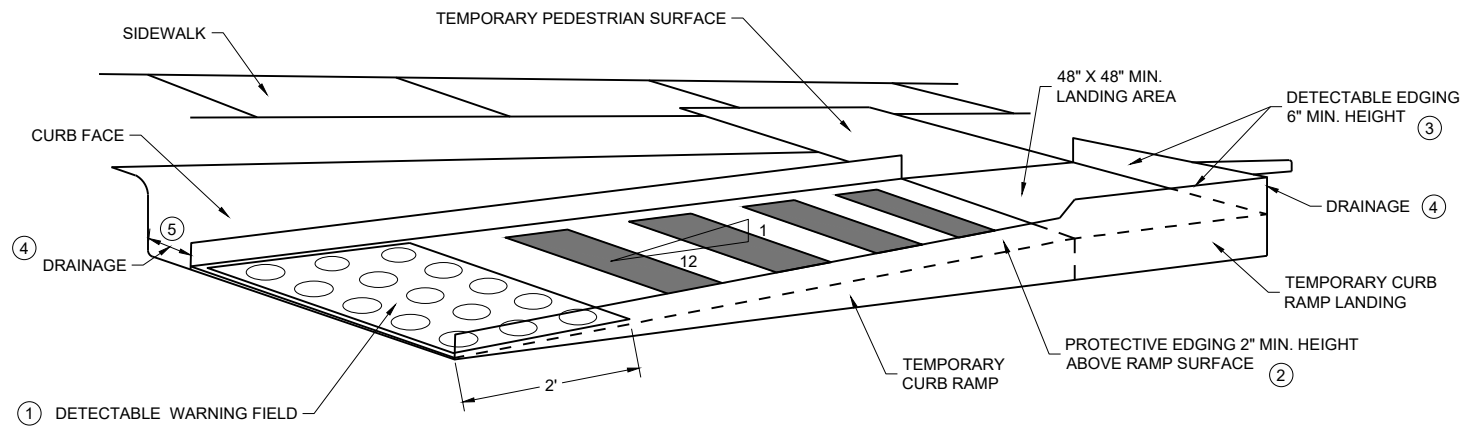
④ WHEN THE TEMPORARY PEDESTRIAN ACCESS ROUTE RUNS PARALLEL ON THE ROADWAY SURFACE, THE MAXIMUM CROSS SLOPE WILL MATCH THE EXISTING ROADWAY CROSS SLOPE.



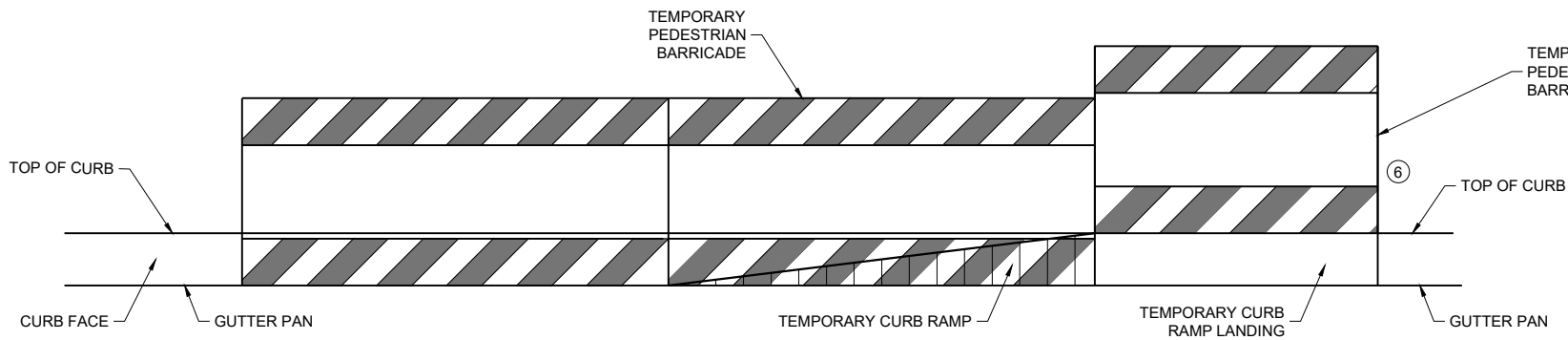
TEMPORARY PEDESTRIAN BARRICADE *

TRAFFIC CONTROL,
PEDESTRIAN
ACCOMMODATION

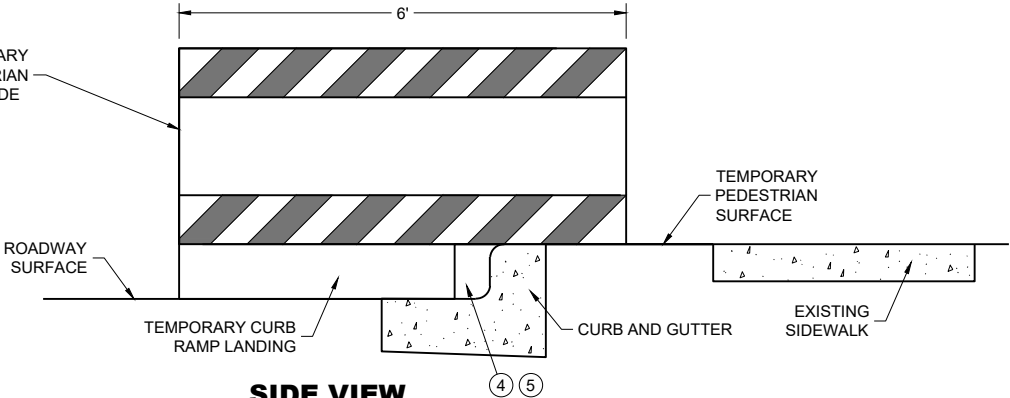
STATE OF WISCONSIN
DEPARTMENT OF TRANSPORTATION



PERSPECTIVE VIEW



FRONT VIEW



SIDE VIEW

TEMPORARY CURB RAMP PARALLEL TO CURB

GENERAL NOTES

CURB RAMPS SHALL BE 48" MIN. WIDTH WITH A FIRM, STABLE AND SLIP RESISTANT SURFACE.

CURB RAMPS AND LANDINGS SHALL HAVE A 1:50 (2%) MAX. CROSS-SLOPE.

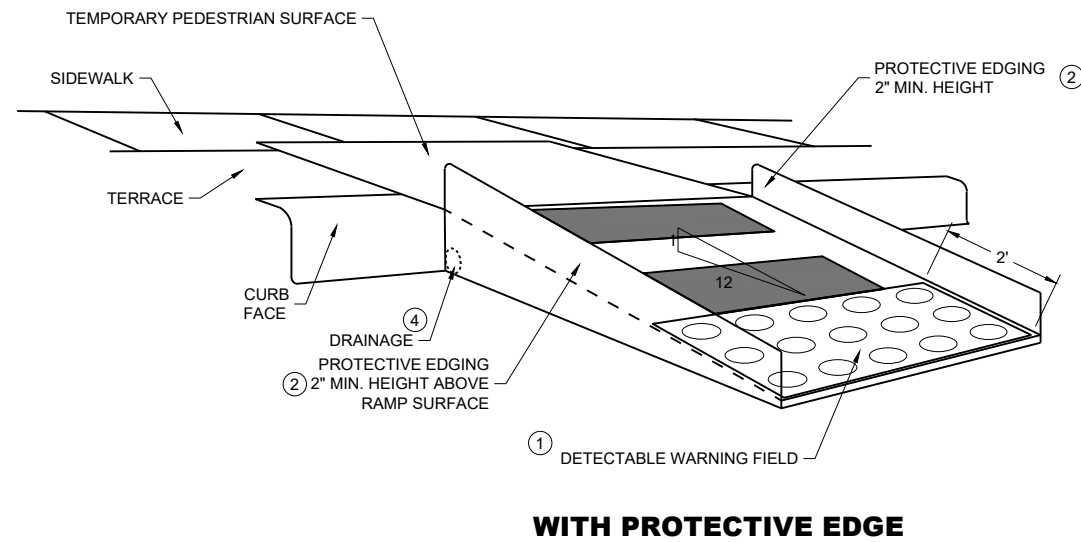
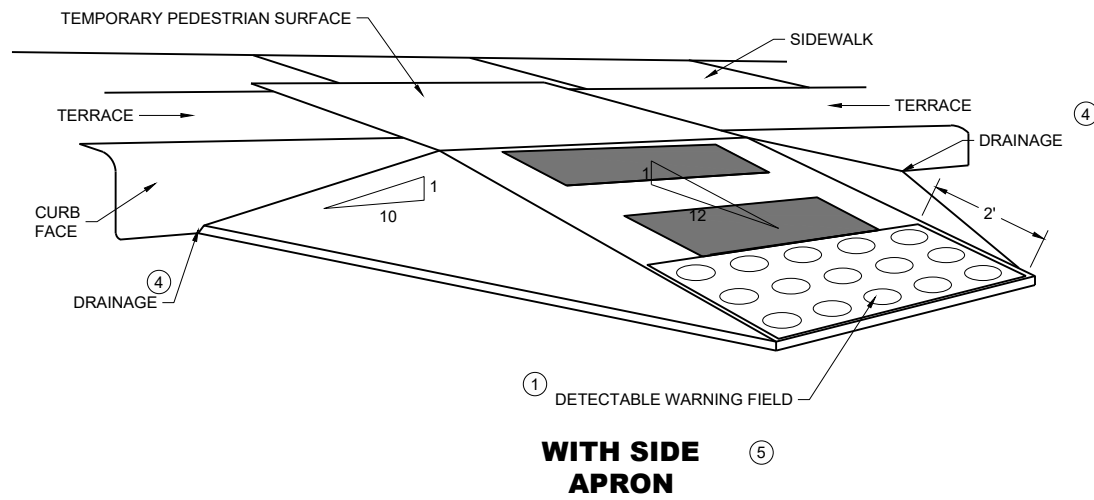
CLEAR SPACE OF 48" X 48" SHALL BE PROVIDED ABOVE AND BELOW THE CURB RAMP. LATERAL JOINTS OR GAPS BETWEEN SURFACES SHALL BE LESS THAN 1/2" WIDTH.

CHANGES BETWEEN SURFACE HEIGHTS SHALL NOT EXCEED 1/2". LATERAL EDGES MAY BE VERTICAL UP TO 1/4" HIGH AND SHALL BE BEVELED AT 1:2 BETWEEN 1/4" AND 1/2".

- 1 INSTALL CONTRASTING TEMPORARY DETECTABLE WARNING FIELD AT PEDESTRIAN STREET CROSSINGS, AS SHOWN IN THE PLANS.
- 2 PROTECTIVE EDGING WITH A 2" MIN. HEIGHT SHALL BE INSTALLED WHEN A CURB RAMP OR LANDING PLATFORM HAS A VERTICAL DROP OF 6" OR GREATER OR HAS A SIDE APRON SLOPE STEEPER THAN 1:3 (33%). PROTECTIVE EDGING SHOULD BE CONSIDERED WHEN CURB RAMPS OR LANDING PLATFORMS HAVE A VERTICAL DROP OF 3" OR MORE.
- 3 DETECTABLE EDGING WITH 6" MIN. HEIGHT AND CONTRASTING COLOR SHALL BE INSTALLED ON ALL CURB RAMP LANDINGS WHERE THE WALKWAY CHANGES DIRECTION (TURNS).
- 4 DO NOT RESTRICT WATER FLOW IN THE GUTTER SYSTEM.
- 5 ENSURE CURB RAMP IS OUT OF THE GUTTER PAN.
- 6 IF ONLY PART OF THE END PANEL OF TEMPORARY PEDESTRIAN BARRICADE PANEL IS NEEDED, EXTEND EXCESS PORTION OF TEMPORARY PEDESTRIAN BARRICADE PANEL HERE.

TRAFFIC CONTROL,
PEDESTRIAN
ACCOMMODATION

STATE OF WISCONSIN
DEPARTMENT OF TRANSPORTATION



TEMPORARY CURB RAMP PERPENDICULAR TO CURB

GENERAL NOTES

CURB RAMPS SHALL BE 48" MINIMUM WIDTH WITH A FIRM, STABLE AND SLIP RESISTANT SURFACE.

ALTERNATE SIDEWALK WORK BETWEEN LEFT AND RIGHT SIDE OF ROADWAY TO MAINTAIN PEDESTRIAN ACCESS.

CURB RAMPS AND LANDINGS SHALL HAVE A 1:50 (2%) MAX. CROSS-SLOPE.

CLEAR SPACE OF 48" X 48" SHALL BE PROVIDED ABOVE AND BELOW THE CURB RAMP.

LATERAL JOINTS OR GAPS BETWEEN SURFACES SHALL BE LESS THAN ½" WIDTH.

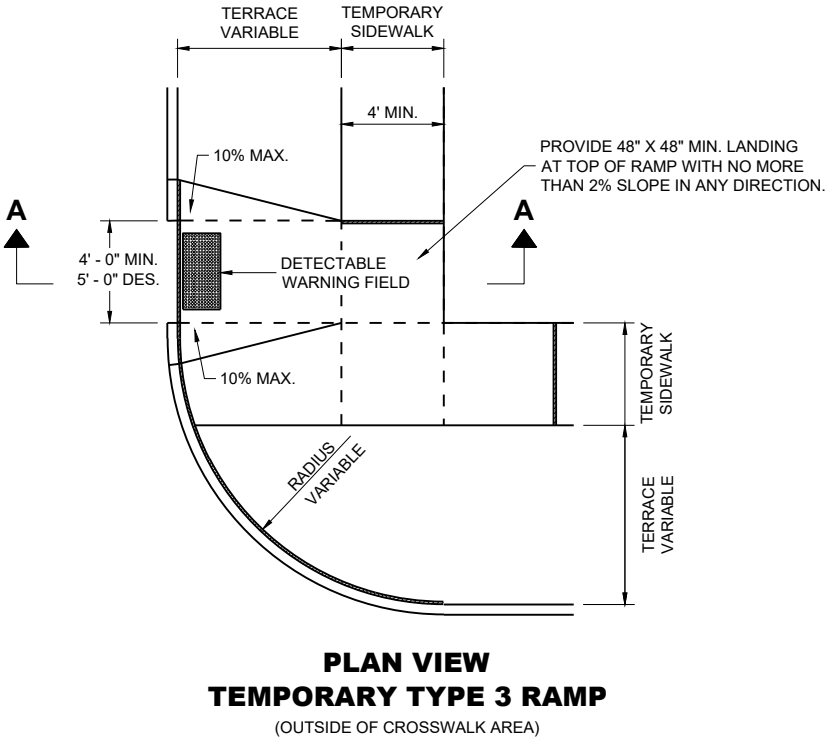
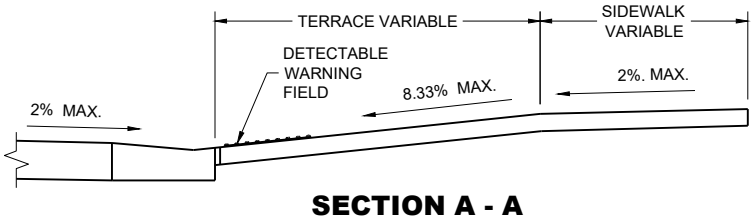
CHANGES BETWEEN SURFACE HEIGHTS SHALL NOT EXCEED ½". LATERAL EDGES MAY BE VERTICAL UP TO ¼" HIGH AND SHALL BE BEVELED AT 1:2 BETWEEN ¼" AND ½".

- ① INSTALL CONTRASTING TEMPORARY DETECTABLE WARNING FIELD AT PEDESTRIAN STREET CROSSINGS, AS SHOWN IN THE PLANS
- ② PROTECTIVE EDGING WITH A 2" MIN. HEIGHT SHALL BE INSTALLED WHEN A CURB RAMP OR LANDING PLATFORM HAS A VERTICAL DROP OF 6" OR GREATER OR HAS A SIDE APRON SLOPE STEEPER THAN 1:3 (33%). PROTECTIVE EDGING SHOULD BE CONSIDERED WHEN CURB RAMPS OR LANDING PLATFORMS HAVE A VERTICAL DROP OF 3" OR MORE.
- ③ DETECTABLE EDGING WITH 6" MIN. HEIGHT AND CONTRASTING COLOR SHALL BE INSTALLED ON ALL CURB RAMP LANDINGS WHERE THE WALKWAY CHANGES DIRECTION (TURNS).
- ④ DO NOT RESTRICT WATER FLOW IN THE GUTTER SYSTEM.
- ⑤ CAN ONLY BE USED FOR RAMPS WITH 6" OR LESS OF VERTICAL CHANGE.

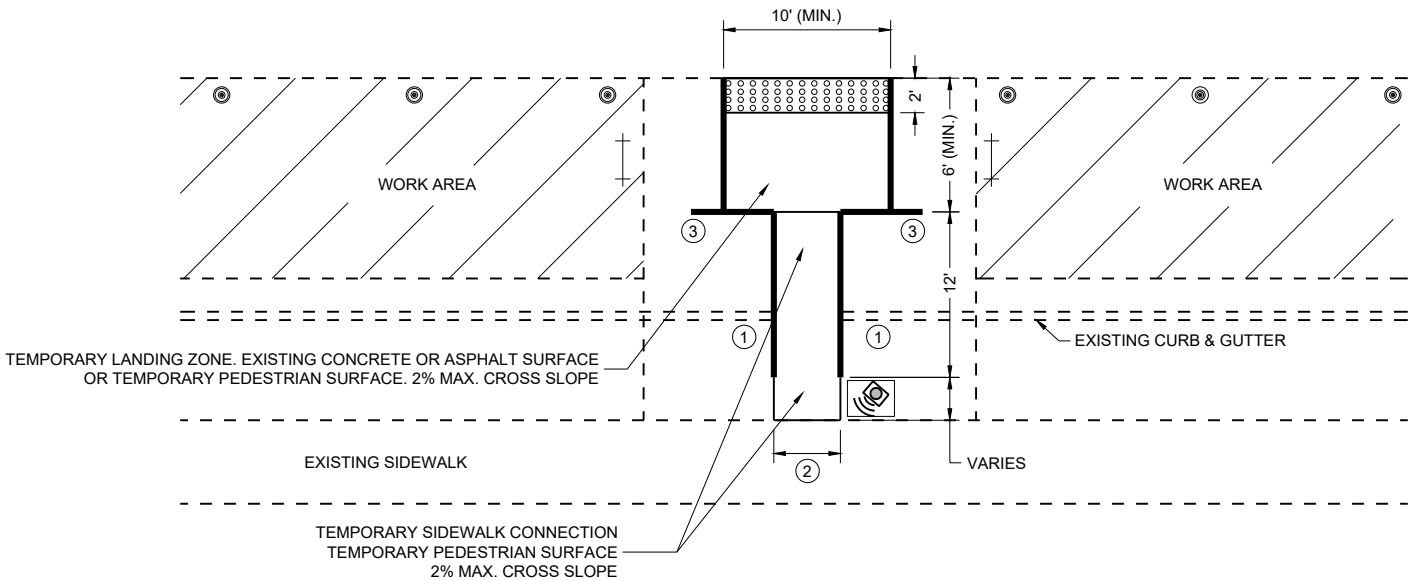
TRAFFIC CONTROL,
PEDESTRIAN ACCOMMODATION

STATE OF WISCONSIN
DEPARTMENT OF TRANSPORTATION

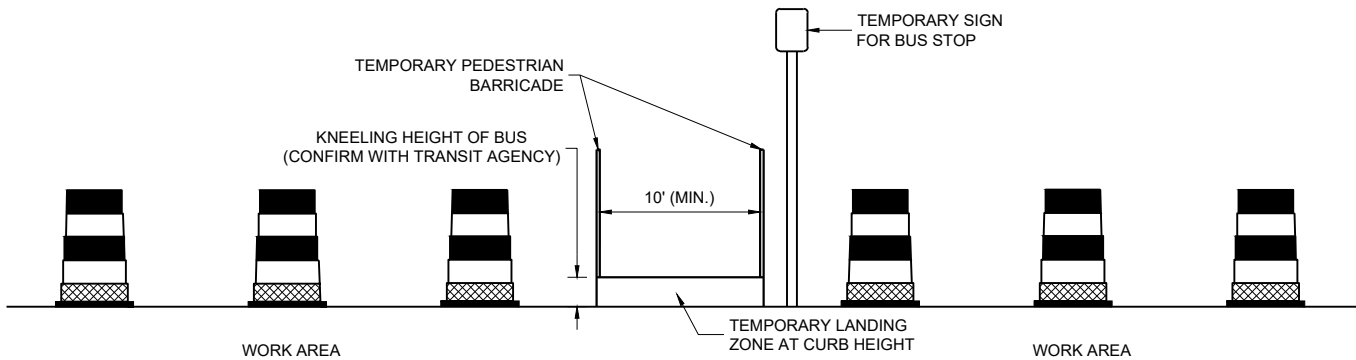
GENERAL NOTES



TRAFFIC CONTROL, PEDESTRIAN ACCOMMODATION	
STATE OF WISCONSIN DEPARTMENT OF TRANSPORTATION	
APPROVED May 2023 DATE	/S/ Andrew Heidtke <position>
FHWA	



PLAN VIEW



PROFILE VIEW
TEMPORARY BUS STOP PAD

GENERAL NOTES








- TYPICAL TEMPORARY PEDESTRIAN BARRICADE PANEL IS 6 FEET LONG.
- NOTIFY THE BUS COMPANY 7 DAYS IN ADVANCE OF THE BUS STOP RELOCATION.
- PROTECTIVE EDGING WITH A 2" MIN. HEIGHT SHALL BE INSTALLED WHEN A CURB RAMP OR LANDING PLATFORM HAS A VERTICAL DROP OF 6" OR GREATER OR HAS A SIDE APRON SLOPE STEEPER THAN 1:3 (33%). PROTECTIVE EDGING SHOULD BE CONSIDERED WHEN CURB RAMPS OR LANDING PLATFORMS HAVE A VERTICAL DROP OF 3" OR MORE.
- DETECTABLE EDGING WITH 6" MIN. HEIGHT AND CONTRASTING COLOR SHALL BE INSTALLED ON ALL CURB RAMP LANDINGS WHERE THE WALKWAY CHANGES DIRECTION (TURNS).
- LATERAL JOINTS OR GAPS BETWEEN SURFACES SHALL BE LESS THAN ½" WIDTH.
- CHANGES BETWEEN SURFACE HEIGHTS SHALL NOT EXCEED ½". LATERAL EDGES MAY BE VERTICAL UP TO ¼" HIGH AND SHALL BE BEVELED AT 1:2 BETWEEN ¼" AND ½".
- CURB RAMPS AND LANDINGS SHALL HAVE A 1:50 (2%) MAX. CROSS-SLOPE.

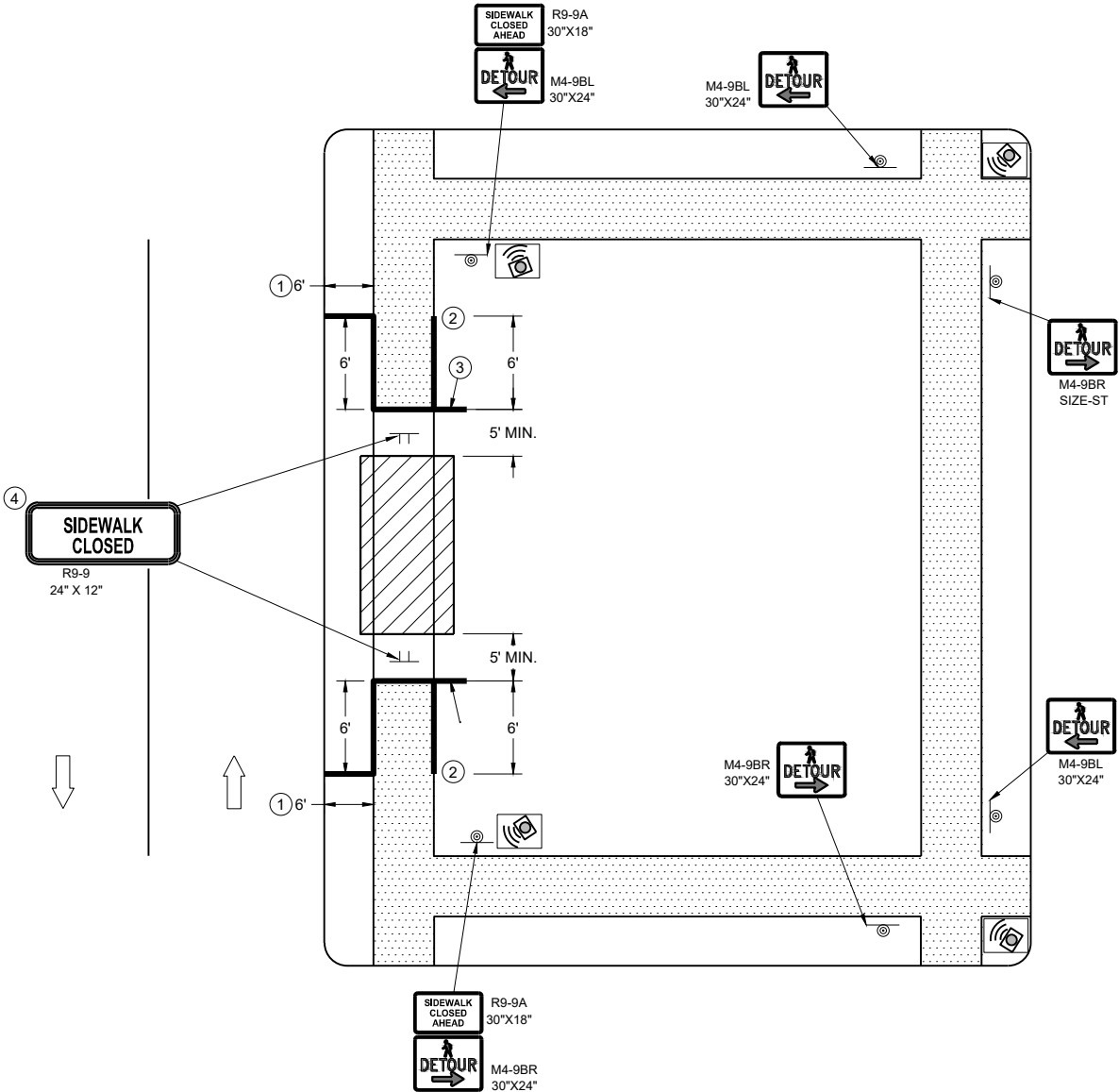
- ① DO NOT RESTRICT WATER FLOW IN THE GUTTER SYSTEM.
- ② 5' WIDE MIN. WITH TEMPORARY PEDESTRIAN BARRICADE, 10' WIDE MIN. WITHOUT TEMPORARY PEDESTRIAN BARRICADE.
- ③ PLACE EXCESS PORTION OF TEMPORARY PEDESTRIAN BARRICADE INTO THIS SPACE.

LEGEND

- ⊙ TRAFFIC CONTROL DRUM
- ⊢ TYPE III BARRICADE
- TEMPORARY PEDESTRIAN BARRICADE
- ⊞ TEMPORARY DETECTABLE WARNING FIELD
- ▨ WORK AREA
- ⊞ TEMPORARY AUDIBLE MESSAGE DEVICE (EXACT PLACEMENT BASED UPON FIELD CONDITIONS)

LEGEND

-  SIGN ON PERMANENT SUPPORT
-  SIGN ON TEMPORARY SUPPORT
-  UNDER PEDESTRIAN TRAFFIC
-  WORK AREA
-  TEMPORARY PEDESTRIAN BARRICADE
-  DIRECTION OF TRAFFIC
-  TEMPORARY AUDIBLE MESSAGE DEVICE (EXACT PLACEMENT BASED UPON FIELD CONDITIONS)



SIDEWALK DETOUR, SIDEWALK ONLY ON ONE SIDE

GENERAL NOTES








WHERE TEMPORARY BARRICADE RUNS PARALLEL ALONG SIDEWALK, PLACE THE FACE OF THE BARRICADE AT THE EDGE OF THE SIDEWALK.

SIGNS THAT REMAIN IN PLACE LESS THAN SEVEN CONTINUOUS DAYS AND NIGHTS MAY BE MOUNTED ON PORTABLE SUPPORTS.

PLACE TEMPORARY PEDESTRIAN BARRICADE TO FIT FIELD CONDITIONS, AVOIDING CONFLICTS WITH DRIVEWAYS AND OTHER EXISTING FEATURES.

- ① IF TERRACE IS LESS THAN 6 FEET WIDE, OMIT TEMPORARY PEDESTRIAN BARRICADE FROM THE SIDEWALK TO THE CURB.
- ② PLACE BARRICADE CLOSURE SO THAT THE TEMPORARY PEDESTRIAN BARRICADE END IS AT THE LAST OPEN SIDEWALK ACCESS TO RESIDENCES OR BUSINESSES BEFORE THE SIDEWALK CLOSURE.
- ③ IF TEMPORARY PEDESTRIAN BARRICADE PANEL IS WIDER THAN THE SIDEWALK WIDTH, THE PORTION OF EXCESS PANEL SHOULD EXTEND INTO THE TERRACE.
- ④ MOUNTING HEIGHT OF 5 FEET FROM THE SURFACE TO THE BOTTOM OF SIGN.

LEGEND

- SIGN ON TEMPORARY SUPPORT
- WORK AREA
- UNDER PEDESTRIAN TRAFFIC
- TEMPORARY PEDESTRIAN SURFACE
- TEMPORARY PEDESTRIAN BARRICADE
- OPTIONAL TEMPORARY PEDESTRIAN BARRICADE
- DIRECTION OF TRAFFIC

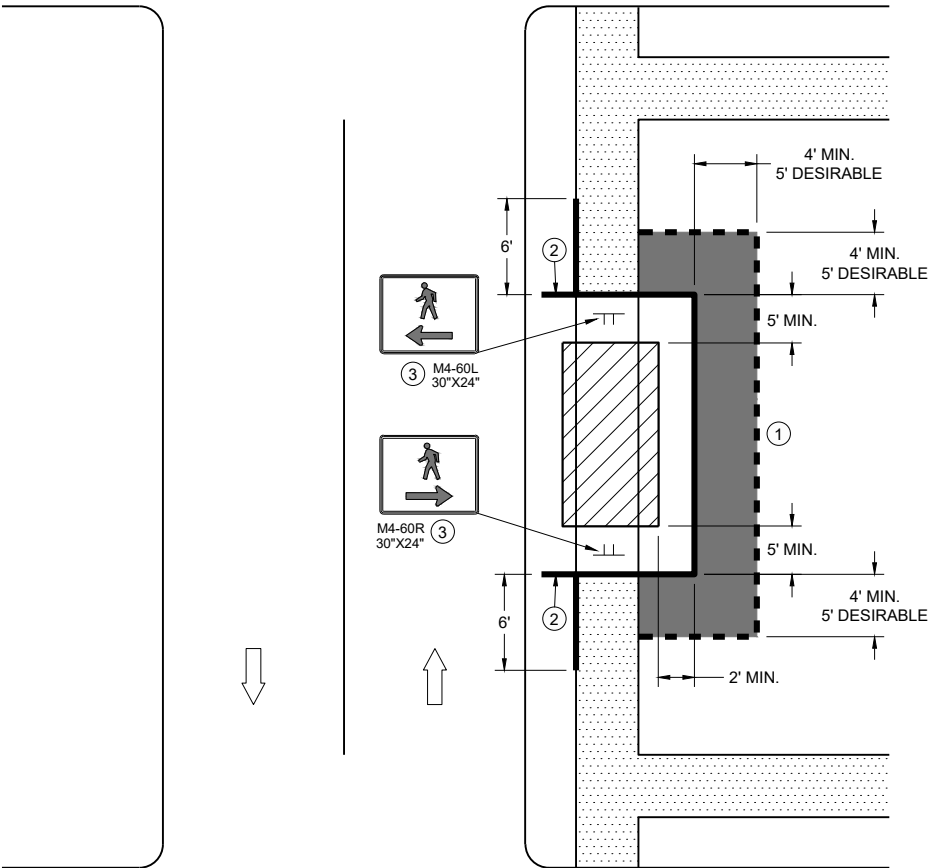
GENERAL NOTES

TYPICAL TEMPORARY PEDESTRIAN BARRICADE PANEL IS 6 FEET LONG.

WHERE TEMPORARY BARRICADE RUNS PARALLEL ALONG SIDEWALK, PLACE THE FACE OF THE BARRICADE AT THE EDGE OF THE SIDEWALK.

SIGNS THAT REMAIN IN PLACE LESS THAN SEVEN CONTINUOUS DAYS AND NIGHTS MAY BE MOUNTED ON PORTABLE SUPPORTS.

- ① USE TEMPORARY PEDESTRIAN BARRICADE TO SEPARATE PEDESTRIANS FROM DROP OFFS OR FOR ADDITIONAL PEDESTRIAN CHANNELIZATION.
- ② IF TEMPORARY PEDESTRIAN BARRICADE PANEL IS WIDER THAN THE SIDEWALK WIDTH, THE PORTION OF EXCESS PANEL SHOULD EXTEND INTO THE TERRACE.
- ③ MOUNTING HEIGHT OF 5 FEET FROM THE SURFACE TO THE BOTTOM OF SIGN.












SIDEWALK BYPASS
SINGLE SIDE

TRAFFIC CONTROL,
PEDESTRIAN ACCOMMODATION

STATE OF WISCONSIN
DEPARTMENT OF TRANSPORTATION

LEGEND

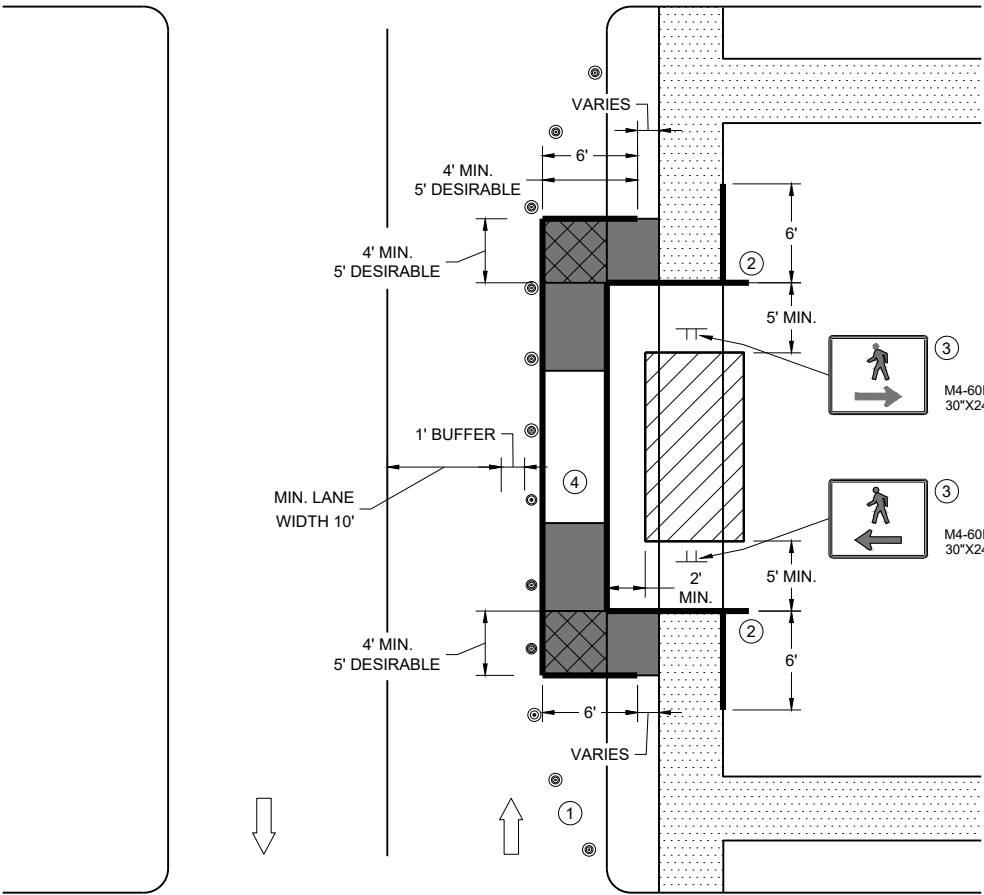
- SIGN ON TEMPORARY SUPPORT
- TRAFFIC CONTROL DRUM
- WORK AREA
- UNDER PEDESTRIAN TRAFFIC
- TEMPORARY CURB RAMP
- TEMPORARY PEDESTRIAN SURFACE "A"
- TEMPORARY PEDESTRIAN SURFACE "B"
- TEMPORARY PEDESTRIAN BARRICADE
- DIRECTION OF TRAFFIC

GENERAL NOTES

TYPICAL TEMPORARY PEDESTRIAN BARRICADE PANEL IS 6 FEET LONG.

WHERE TEMPORARY BARRICADE RUNS PARALLEL ALONG SIDEWALK, PLACE THE FACE OF THE BARRICADE AT THE EDGE OF THE SIDEWALK.

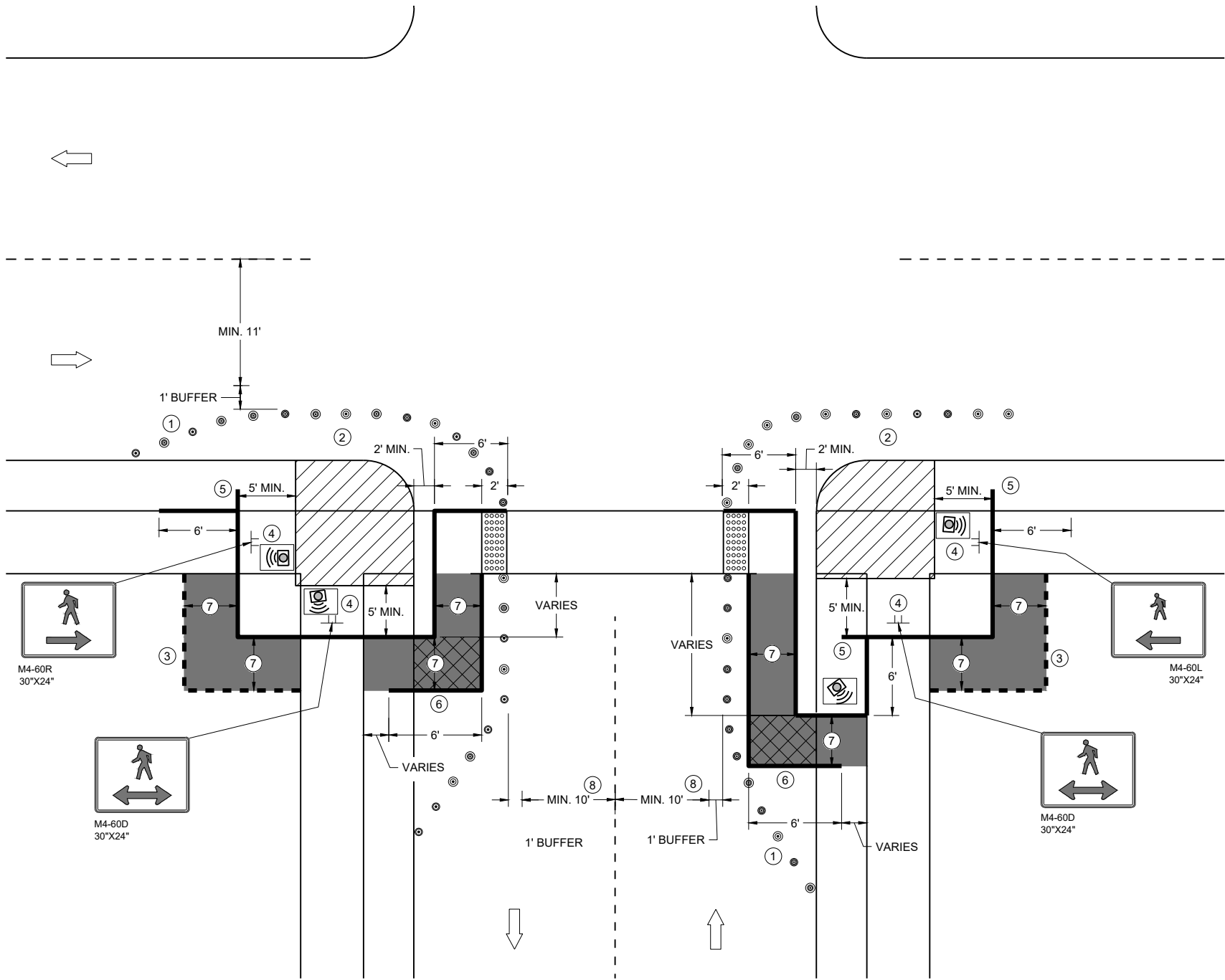
- ① SHOULDER OR LANE CLOSURE ADVANCE WARNING AND BUFFER SPACE REQUIRED.
- ② PLACE EXCESS PORTION OF TEMPORARY PEDESTRIAN BARRICADE PANEL PAST THE SIDEWALK ON THE SIDE AWAY FROM THE ROAD.
- ③ MOUNTING HEIGHT OF 5 FEET FROM THE SURFACE TO THE BOTTOM OF SIGN.
- ④ USE EXISTING PAVEMENT SURFACE. IF EXISTING PAVEMENT SURFACE HAS BEEN REMOVED, USE A TEMPORARY PEDESTRIAN SURFACE. WHEN THE TEMPORARY PEDESTRIAN ACCESS ROUTE RUNS PARALLEL ON THE ROADWAY SURFACE, THE MAXIMUM CROSS SLOPE WILL MATCH THE EXISTING ROADWAY CROSS SLOPE.



SIDEWALK BYPASS, SINGLE SIDE

TRAFFIC CONTROL,
PEDESTRIAN ACCOMMODATION

STATE OF WISCONSIN
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**CURB RAMP PEDESTRIAN TRAFFIC CONTROL
SIDEWALK ON SINGLE SIDE**

GENERAL NOTES

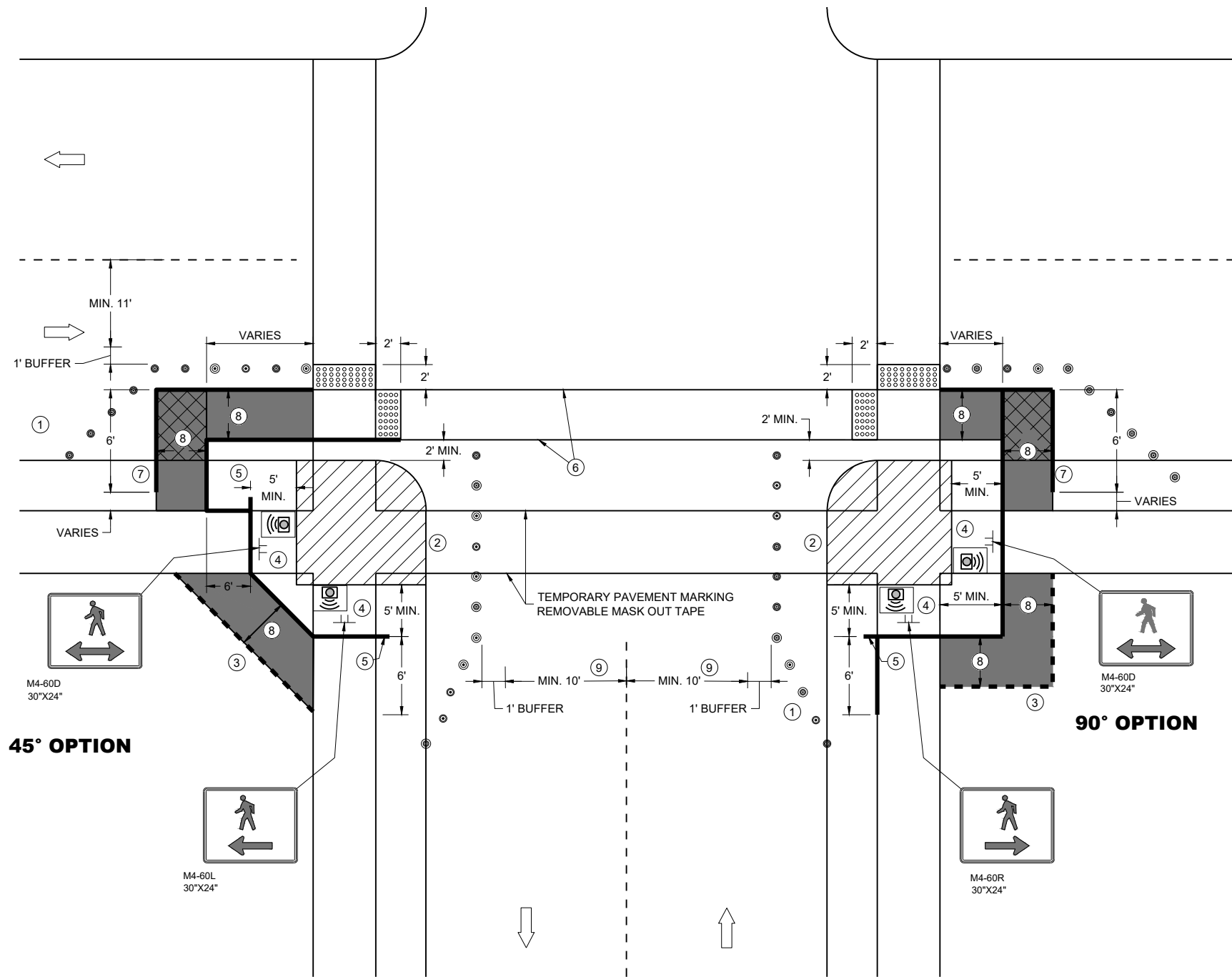
- IF PEDESTRIAN PUSH BUTTONS ARE PRESENT ON THE EXISTING FACILITY, ENSURE THEY ARE MAINTAINED/ACCESSIBLE FOR PEDESTRIAN USE THROUGHOUT THE TEMPORARY PEDESTRIAN ACCOMMODATIONS.
- TYPICAL TEMPORARY PEDESTRIAN BARRICADE PANEL IS 6 FEET LONG
- WHEN TEMPORARY PEDESTRIAN BARRICADE RUNS PARALLEL ALONG THE SIDEWALK, PLACE THE FACE OF THE BARRICADE AT THE EDGE OF THE SIDEWALK.
- WHEN THE TEMPORARY PEDESTRIAN ACCESS ROUTE RUNS PARALLEL ON THE ROADWAY SURFACE, THE MAXIMUM CROSS SLOPE WILL MATCH THE EXISTING ROADWAY CROSS SLOPE.
- ① SHOULDER OR LANE CLOSURE ADVANCE WARNING AND PROPER BUFFER SPACE REQUIRED.
 - ② PROVIDE ADEQUATE SPACE FOR CONTRACTOR OPERATIONS
 - ③ USE TEMPORARY PEDESTRIAN BARRICADE TO SEPARATE PEDESTRIANS FROM DROP OFFS OR FOR ADDITIONAL PEDESTRIAN CHANNELIZATION.
 - ④ MOUNTING HEIGHT OF 5 FEET FROM SIDEWALK SURFACE TO BOTTOM OF SIGN.
 - ⑤ PLACE EXCESS PORTION OF TEMPORARY PEDESTRIAN BARRICADE PANEL IN THE SIDEWALK TERRACE.
 - ⑥ IF TEMPORARY PEDESTRIAN BARRICADE DOES NOT REACH THE FACE OF THE CURB, USE AN ADDITIONAL PANEL AND EXTEND INTO THE TERRACE.
 - ⑦ 4 FEET MINIMUM, 5 FEET DESIRABLE
 - ⑧ IF MINIMUM LANE WIDTHS CAN'T BE ATTAINED, CURB RAMPS MAY NEED TO BE CONSTRUCTED AT SEPARATE TIMES.

LEGEND

- SIGN ON TEMPORARY SUPPORT
- TRAFFIC CONTROL DRUM
- WORK AREA
- TEMPORARY CURB RAMP
- TEMPORARY PEDESTRIAN SURFACE "A"
- TEMPORARY PEDESTRIAN SURFACE "B"
- TEMPORARY DETECTABLE WARNING FIELD
- TEMPORARY PEDESTRIAN BARRICADE
- OPTIONAL TEMPORARY PEDESTRIAN BARRICADE
- DIRECTION OF TRAFFIC
- TEMPORARY AUDIBLE MESSAGE DEVICE (EXACT PLACEMENT BASED UPON FIELD CONDITIONS)

**TRAFFIC CONTROL,
PEDESTRIAN ACCOMMODATION**

STATE OF WISCONSIN
DEPARTMENT OF TRANSPORTATION



GENERAL NOTES

IF PEDESTRIAN PUSH BUTTONS ARE PRESENT ON THE EXISTING FACILITY, ENSURE THEY ARE MAINTAINED/ACCESSIBLE FOR PEDESTRIAN USE THROUGHOUT THE TEMPORARY PEDESTRIAN ACCOMMODATIONS.

TYPICAL TEMPORARY PEDESTRIAN BARRICADE PANEL IS 6 FEET LONG

WHEN TEMPORARY PEDESTRIAN BARRICADE RUNS PARALLEL ALONG THE SIDEWALK, PLACE THE FACE OF THE BARRICADE AT THE EDGE OF THE SIDEWALK.

WHEN THE TEMPORARY PEDESTRIAN ACCESS ROUTE RUNS PARALLEL ON THE ROADWAY SURFACE, THE MAXIMUM CROSS SLOPE WILL MATCH THE EXISTING ROADWAY CROSS SLOPE.

- ① SHOULDER OR LANE CLOSURE ADVANCE WARNING AND PROPER BUFFER SPACE REQUIRED.
- ② PROVIDE ADEQUATE SPACE FOR CONTRACTOR OPERATIONS
- ③ USE TEMPORARY PEDESTRIAN BARRICADE TO SEPARATE PEDESTRIANS FROM DROP OFFS OR FOR ADDITIONAL PEDESTRIAN CHANNELIZATION.
- ④ MOUNTING HEIGHT OF 5 FEET FROM SIDEWALK SURFACE TO BOTTOM OF SIGN.
- ⑤ PLACE EXCESS PORTION OF TEMPORARY PEDESTRIAN BARRICADE PANEL IN THE SIDEWALK TERRACE.
- ⑥ WHITE 6" TEMPORARY PAVEMENT MARKING
- ⑦ IF TEMPORARY PEDESTRIAN BARRICADE DOES NOT REACH THE FACE OF THE CURB, USE AN ADDITIONAL PANEL AND EXTEND INTO THE TERRACE.
- ⑧ 4 FEET MINIMUM, 5 FEET DESIRABLE
- ⑨ IF MINIMUM LANE WIDTHS CAN'T BE ATTAINED, CURB RAMPS MAY NEED TO BE CONSTRUCTED AT SEPARATE TIMES.

LEGEND

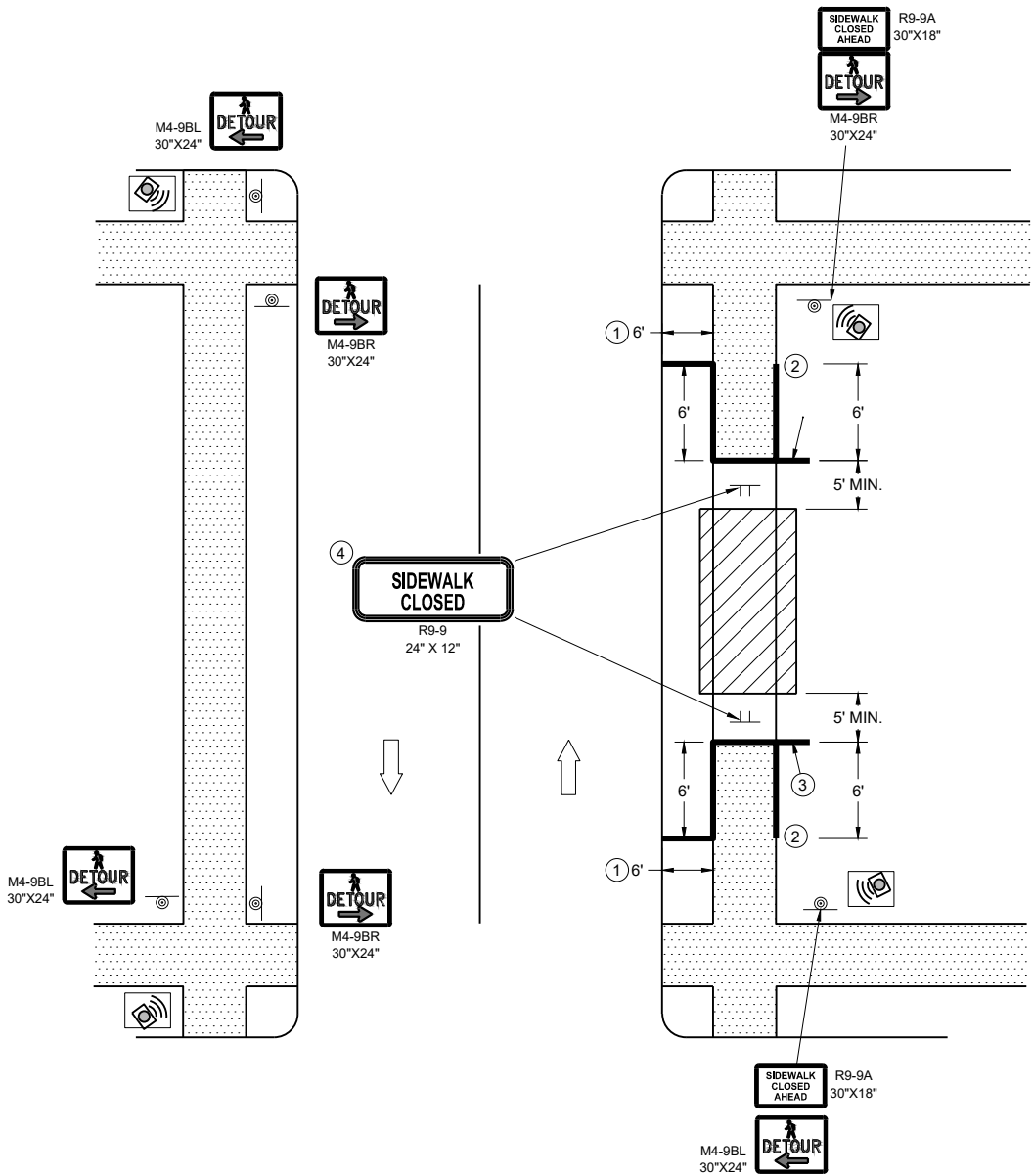
- SIGN ON TEMPORARY SUPPORT
- TRAFFIC CONTROL DRUM
- WORK AREA
- TEMPORARY CURB RAMP
- TEMPORARY PEDESTRIAN SURFACE "A"
- TEMPORARY PEDESTRIAN SURFACE "B"
- TEMPORARY DETECTABLE WARNING FIELD
- TEMPORARY PEDESTRIAN BARRICADE
- OPTIONAL TEMPORARY PEDESTRIAN BARRICADE
- DIRECTION OF TRAFFIC
- TEMPORARY AUDIBLE MESSAGE DEVICE (EXACT PLACEMENT BASED UPON FIELD CONDITIONS)

**TRAFFIC CONTROL,
PEDESTRIAN ACCOMMODATION**

STATE OF WISCONSIN
DEPARTMENT OF TRANSPORTATION

LEGEND

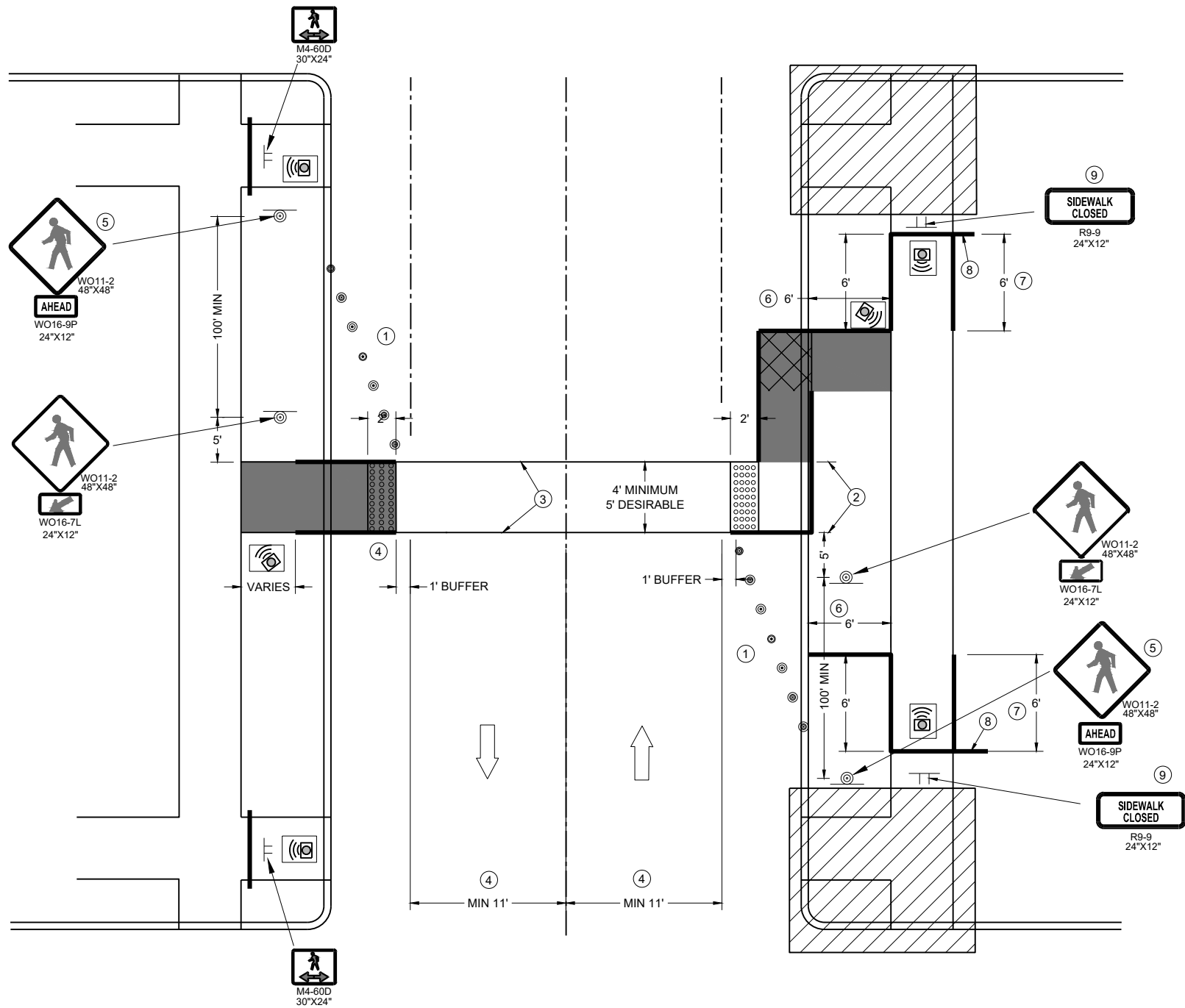
- SIGN ON PERMANENT SUPPORT
- SIGN ON TEMPORARY SUPPORT
- UNDER PEDESTRIAN TRAFFIC
- WORK AREA
- TEMPORARY PEDESTRIAN BARRICADE
- DIRECTION OF TRAFFIC
- TEMPORARY AUDIBLE MESSAGE DEVICE (EXACT PLACEMENT BASED UPON FIELD CONDITIONS)



SIDEWALK DETOUR, SIDEWALK ON BOTH SIDES

GENERAL NOTES

- WHERE TEMPORARY BARRICADE RUNS PARALLEL ALONG SIDEWALK, PLACE THE FACE OF THE BARRICADE AT THE EDGE OF THE SIDEWALK.
- SIGNS THAT REMAIN IN PLACE LESS THAN SEVEN CONTINUOUS DAYS AND NIGHTS MAY BE MOUNTED ON PORTABLE SUPPORTS.
- PLACE TEMPORARY PEDESTRIAN BARRICADE TO FIT FIELD CONDITIONS, AVOIDING CONFLICT WITH DRIVEWAYS AND OTHER EXISTING FEATURES.
- IF TERRACE IS LESS THAN 6 FEET WIDE, OMIT TEMPORARY PEDESTRIAN BARRICADE FROM THE SIDEWALK TO THE CURB.
 - PLACE BARRICADE CLOSURE SO THAT THE TEMPORARY PEDESTRIAN BARRICADE END IS AT THE LAST OPEN SIDEWALK ACCESS TO RESIDENCES OR BUSINESSES BEFORE THE SIDEWALK CLOSURE.
 - IF TEMPORARY PEDESTRIAN BARRICADE PANEL IS WIDER THAN THE SIDEWALK WIDTH, THE PORTION OF EXCESS PANEL SHOULD EXTEND INTO THE TERRACE.
 - MOUNTING HEIGHT OF 5 FEET FROM THE SURFACE TO THE BOTTOM OF SIGN.



TEMPORARY PEDESTRIAN CROSSING

GENERAL NOTES

TYPICAL TEMPORARY PEDESTRIAN BARRICADE PANEL IS 6 FEET LONG.
SEE OTHER PEDESTRIAN ACCOMMODATION DETAILS FOR SIGNING AND DEVICES FOR DIFFERENT PEDESTRIAN FACILITIES CLOSURES.

WHEN THE TEMPORARY PEDESTRIAN ACCESS ROUTE RUNS PARALLEL ON THE ROADWAY SURFACE, THE MAXIMUM CROSS SLOPE WILL MATCH THE EXISTING ROADWAY CROSS SLOPE.

- 1 SHOULDER OR LANE CLOSURE ADVANCED WARNING AND PROPER BUFFER SPACE REQUIRED.
- 2 4 FEET MINIMUM, 5 FEET DESIRABLE.
- 3 WHITE 6" TEMPORARY PAVEMENT MARKING.
- 4 IF MINIMUM LANE WIDTHS CAN'T BE ATTAINED, PERPENDICULAR CURB RAMP MAY NEED TO BE UTILIZED.
- 5 IF MINIMUM 100' SPACING FROM THE MID-BLOCK CROSSING CANNOT BE ATTAINED BEFORE THE INTERSECTION, REMOVE THIS SIGN ASSEMBLY.
- 6 IF TERRACE IS LESS THAN 6 FEET WIDE, OMIT TEMPORARY PEDESTRIAN BARRICADE FROM THE SIDEWALK TO THE CURB.
- 7 PLACE BARRICADE CLOSURE SO THAT THE TEMPORARY PEDESTRIAN BARRICADE END IS AT THE LAST OPEN SIDEWALK ACCESS TO RESIDENCES OR BUSINESSES BEFORE THE SIDEWALK CLOSURE.
- 8 IF TEMPORARY PEDESTRIAN BARRICADE PANEL IS WIDER THAN THE SIDEWALK WIDTH, THE PORTION OF THE EXCESS PANEL SHOULD EXTEND INTO THE TERRACE.
- 9 MOUNTING HEIGHT OF 5 FEET FROM THE SURFACE TO THE BOTTOM OF THE SIGN.

LEGEND

- TRAFFIC CONTROL DRUM
- SIGN ON TEMPORARY SUPPORT
- TEMPORARY CURB RAMP
- TEMPORARY DETECTABLE WARNING FIELD
- TEMPORARY PEDESTRIAN SURFACE "A"
- TEMPORARY PEDESTRIAN SURFACE "B"
- WORK AREA
- TEMPORARY PEDESTRIAN BARRICADE
- DIRECTION OF TRAFFIC
- TEMPORARY AUDIBLE MESSAGE DEVICE (EXACT PLACEMENT BASED UPON FIELD CONDITIONS)

City of Spring Lake Park
1301 81st Avenue NE
Spring Lake Park, MN 55432

Contractor's Licenses

July 7, 2025

General Contractor

Larson Outdoor Unlimited, Inc.

Summit Installations, LLC.

Mechanical Contractor

Majestic Custom Construction, Inc.

MN Heating and Cooling

Top Tier Heating and A/C



Memorandum

To: Mayor Nelson and Members of the City Council
Cc: Dan Buchholtz, City Administrator
From: George Linngren, Public Works Director
Date: July 3, 2025
Subject: June 2025 Public Works Report

Dear Mayor and Council Members,

Below is a summary of work activities completed during the month of June:

1. **Seasonal Work Crew** – Our full seasonal crew is now in place and has been doing a great job. Their help has made a significant difference for our full-time staff, allowing us to complete a wide range of tasks more efficiently.
2. **Tree Stump Grinding** – Terry Randall has been busy grinding tree stumps from ash tree removals. We're making good progress, and as mentioned before, having the seasonal workers follow behind to collect shavings and bring in dirt has allowed Terry to continue grinding without needing to stop and backtrack.
3. **Tower Days** – Tower Days has wrapped up for another year, and the planning for next year begins again. The parade and park activities went smoothly, and it was great to showcase the new street sweeper in the parade, which was then used to clean the parade route afterward.
4. **Landscaping** – The City Hall landscaping project is nearly complete. Wanda did an outstanding job coordinating with the contractor and selecting plants that will enhance the beauty of City Hall as they mature. We have a couple more trees to plant to complete the project.
5. **New Mower** – Our new mower is scheduled to arrive this week. The Toro mower will be taken in as a trade-in. Thank you for your support in facilitating this upgrade.
6. **Patching with Hot Box** – When the weather has allowed, we've been out patching with our new hot box. It has been a fantastic upgrade and makes the job much easier. We are currently preparing the seal coat areas for the project scheduled in August.
7. **Playground and Ball Field Maintenance** – Brett and the parks crew will be filling in the playgrounds with engineered fiber and adding ag lime to the ball fields over the next week. This is an annual task that would typically fall solely to our full-time staff if not for the seasonal help.

Meetings Attended:

- I attended one Council meeting and one Council workshop.
- I attended the monthly SUSA meeting.
- I completed the preliminary work and finished up the 2026 budget preparation.

Thank you. This concludes my June report.



Memorandum

To: Mayor Nelson and Members of the City Council

From: Daniel R. Buchholtz, MMC, Administrator, Clerk/Treasurer

Date: July 2, 2025

Subject: Humane Pet Store Ordinance

At the January 21, 2025 work session, City Council asked staff to draft an ordinance prohibiting the sale of puppies and kittens in pet stores while allowing partnerships with animal rescues and shelters for consideration at a future work session. Staff drafted the ordinance and presented it to the City Council for its review and comment at its June 16, 2025 work session.

The proposed ordinance is similar to the ordinance approved in Coon Rapids and other cities. There is one significant difference, which was based on City Council discussion over the past year. The proposed ordinance specifically exempts “hobby breeders” from the definition of a pet store, to allows residents to sell animals exclusively from their residence, produces no more than 2 litters per year across all breeds and does not operate as a commercial enterprise.

There are no pet stores, as defined by the ordinance, in operation within the city limits of Spring Lake Park. This ordinance would regulate any potential future pet stores that locate in Spring Lake Park.

The City Council reviewed this draft and found it acceptable. The Council’s consensus after review was to schedule the ordinance for consideration at the July 7, 2025 City Council meeting.

If you have any questions, please do not hesitate to contact me at 763-784-6491.

**SPRING LAKE PARK
ORDINANCE 505**

**AN ORDINANCE AMENDING CHAPTER 9 OF THE CITY CODE BY ADDING
SECTION 9.12.030 CONCERNING PET STORES**

WHEREAS, commercial breeding facilities often fail to meet basic animal welfare standards, leading to significant health and behavioral issues in puppies and kittens sold through retail pet stores, which can result in unforeseen financial and emotional burdens on consumers; and

WHEREAS, existing federal and state regulations do not sufficiently protect the welfare of animals sold through pet stores, and the City lacks the resources necessary to effectively monitor breeding and sales practices at the local level; and

WHEREAS, restricting the retail sale of dogs and cats is a reasonable step toward reducing pet overpopulation and encouraging the adoption of animals from local shelters and rescue organizations, many of which already collaborate with pet supply retailers that do not sell commercially bred animals; and

WHEREAS, consumers retain the ability to obtain a pet of their choice from reputable sources, including shelters, breed-specific rescue organizations, and responsible breeders who provide transparency and allow direct interaction with the animals and their living conditions.

NOW THEREFORE, be it ordained by the Council of the Spring Lake Park, in the State of Minnesota, as follows:

SECTION 1: ADOPTION “9.12.030 Pet Stores” of the Spring Lake Park Municipal Code is hereby *added* as follows:

ADOPTION

9.12.030 Pet Stores*(Added)*

A. Definitions.

ANIMAL CONTROL AUTHORITY. Any governmental entity which is responsible for animal control operations in its jurisdiction.

ANIMAL RESCUE ORGANIZATION. Any not-for-profit organization which has tax-exempt status under Section 501(c)(3) of the United States Internal Revenue Code, whose mission and practice is, in whole or in significant part, the rescue of animals and the placement of those animals in permanent homes, and which does not breed animals.

ANIMAL SHELTER. Any not-for-profit organization which has tax-exempt status under Section 501(c)(3) of the United States Internal Revenue Code, whose mission and practice is, in whole or in significant part, the rescue of animals and the placement of those animals in permanent homes, and which does not breed animals.

CAT. A mammal that is wholly or in part of the species *Felis domesticus*.

CERTIFICATE OF SOURCE. A document from an animal control authority, animal rescue organization, or animal shelter which shall provide a brief description of the dog or cat, and shall list the name, address, and telephone number of the source (animal control authority, animal rescue organization, or animal shelter) of the dog or cat.

DOG. A mammal that is wholly or in part of the species *Canis familiaris*.

PET STORE. A commercial establishment, whether permanent or temporary, in which animals commonly kept as household pets, such as dogs, cats, birds, fish, reptiles, amphibians or small mammals, are offered for sale, adoption, barter, exchange or gift to the general public, whether directly or through an agent. **PET STORE** does not include: (1) a hobby breeder who breeds and sells animals exclusively from their residence, produces no more than 2 litters per year across all breeds and does not operate as a commercial enterprise or (2) an animal rescue organization, animal control authority or animal shelter.

B. Restrictions on the Sale of Dogs and Cats by Pet Stores.

- 1. No pet store shall sell, deliver, offer for sale, barter, auction, give away or otherwise transfer or dispose of cats and dogs.**
- 2. Nothing in this section shall prohibit pet stores from collaborating with animal shelters, animal rescue organizations and animal control authorities to offer space for such entities to showcase adoptable dogs and cats inside pet stores. Such animals shall not be younger than eight (8) weeks old. Dogs that are showcased for adoption shall not be kept overnight at a pet store.**
- 3. A pet store shall post and maintain a Certificate of Source in a conspicuous place on or within three feet of each dog's or cat's kennel, cage or enclosure.**
 - a. A Certificate of Source shall be provided to the adopter of any dog or cat.**
 - b. Certificate of Source records for each dog or cat shall be maintained by a pet store for at least one (1) year from the last date that a dog or cat appeared in the store.**
 - c. Pet stores shall make Certificates of Source immediately available for review upon the request of a peace officer or animal control authority, or a humane agent pursuant to M.S. § 343.06, as it may be amended from time to time, acting on behalf of the City.**

d. Falsification of a Certificate of Source shall be deemed a violation of this section.

C. Violation. Any violation of this section shall be considered a misdemeanor and is subject to the penalties prescribed in SLPC 1.04.200.

SECTION 2: **EFFECTIVE DATE** This Ordinance shall be in full force and effect upon adoption and publication according to law.

PASSED AND ADOPTED BY THE SPRING LAKE PARK COUNCIL

_____.

	AYE	NAY	ABSENT	ABSTAIN
Councilmember Wendling	_____	_____	_____	_____
Councilmember Goodboe-Bisschoff	_____	_____	_____	_____
Councilmember Dircks	_____	_____	_____	_____
Councilmember Moran	_____	_____	_____	_____
Mayor Nelson	_____	_____	_____	_____

Presiding Officer

Attest

Robert Nelson, Mayor, Spring Lake Park

Daniel R. Buchholtz, Administrator,
Clerk/Treasurer, Spring Lake Park

OFFICIAL PROCEEDINGS

Pursuant to due call and notice thereof, the regularly scheduled meeting of the Spring Lake Park City Council Worksession was held on June 16, 2025 at the City Hall, 1301 81st Ave NE, Spring Lake Park, at 5:30 PM.

1. CALL TO ORDER

MEMBERS PRESENT

Councilmember Ken Wendling

Councilmember Lisa Dircks

Councilmember April Moran

MEMBERS ABSENT

Councilmember Barbara Goodboe-Bisschoff

Mayor Robert Nelson

STAFF PRESENT

Public Works Director George Linngren, City Engineer Phil Gravel, Parks and Recreation Director Anne Scanlon, Administrator Daniel Buchholtz

2. DISCUSSION ITEMS

A. 79th Avenue On-Street Parking Discussion

Administrator Buchholtz summarized neighborhood complaints regarding student parking on Van Buren Street near the high school. He stated that vehicles have been blocking mailboxes and driveways, prompting residents to request "No Parking During School Hours" signage. He noted that a new ordinance approved by the City Council prohibits parking within ten feet of a mailbox and that State Law allows the Police Department to tow illegally parked vehicles that remain unmoved for four hours.

Buchholtz stated the core issue is the shortage of student parking at the high school. He noted the school has 343 designated student spaces for which parking permits are sold (oversold by 5%) and an additional 70 staff parking spaces allocated to PSEO and part-time students. He stated most permits are issued to juniors and seniors, with very limited exceptions for sophomores.

Buchholtz stated that he and Chief Antoine propose a designated on-street parking zone on the north side of 79th Avenue, creating 27 striped parking spaces near the school. He explained the proposed parking zone abuts side yards of adjacent residential properties, minimizing residential impact. Buchholtz said that staff had asked the Fire Department for their opinion and the Fire Department had no objections.

Councilmember Wendling supported the idea as a reasonable compromise. Councilmember Dircks stated that she favored the plan but emphasized the need for data, not anecdotal

complaints, if the City is to consider restricting parking on other residential streets. Councilmember Moran expressed support for the plan.

Councilmembers discussed whether to include a second parking segment between Taylor Street and Highway 65 that would add another 10 parking spaces. Buchholtz recommended proceeding only with the initial 27-space segment due to the lack of a sidewalk along 79th Avenue east of Taylor Street.

CONSENSUS OF THE COUNCIL was to proceed with the 27-space striped parking zone as proposed. Administrator Buchholtz stated that he would prepare a resolution for City Council action at its July 7, 2025 meeting.

B. Terrace Park Tennis Court Striping

Administrator Buchholtz opened the discussion on striping the resurfaced Terrace Park tennis courts.

Councilmember Wendling stated she supported converting the area to pickleball courts and noted the Park and Recreation Commission had recommended that approach due to the availability of high-quality tennis courts at the high school.

Councilmember Dircks expressed concern about noise associated with pickleball and referenced complaints in other communities. Councilmember Wendling stated that the distance between homes on Terrace Road and the tennis courts in Terrace Park — approximately 200 feet—should mitigate concerns. Councilmembers discussed noise-dampening fencing materials as a potential way to address noise complaints, but noted the cost and visibility trade-offs.

Councilmember Moran expressed full support for the conversion, citing increased demand for pickleball and the location's suitability.

CONSENSUS OF THE COUNCIL was to proceed with converting the Terrace Park courts into four pickleball courts.

C. Discussion of Humane Pet Store Ordinance (Dircks)

Administrator Buchholtz introduced the draft ordinance. He stated that the ordinance is similar to ordinances approved in communities such as Oak Grove, Coon Rapids, Columbia Heights and other communities. He noted that the draft ordinance specifies that hobby breeders who breed and sell animals exclusively from their residence, and produce no more than 2 litters per year across all breeds and does not operate as a commercial enterprise are not included in the definition of a pet store. He stated that this inclusion was based on feedback provided by Mayor Nelson during previous discussions.

Councilmember Dircks voiced strong support, stating that the ordinance was well-written and ethically grounded. She emphasized the harm caused by large-scale breeding operations and their impact on shelters and rescues. Councilmember Wendling and Councilmember Moran expressed their support for the proposed ordinance.

CONSENSUS OF THE COUNCIL was to schedule the Humane Pet Store ordinance for action at the July 7, 2025 City Council meeting.

3. REPORT

A. Council and Staff Reports

Councilmember Moran asked that staff research the issue of cannabis cultivation in residential areas. She expressed concern about odor complaints during the flowering period, stating that one household's plants have affected her entire block. Administrator Buchholtz stated that he would research the matter and schedule a discussion for a future work session.

4. ADJOURN

The meeting was adjourned at 6:05pm.

Ken Wendling, Acting Mayor

Attest:

Daniel R. Buchholtz, Administrator, Clerk/Treasurer

OFFICIAL PROCEEDINGS

Pursuant to due call and notice thereof, the regularly scheduled meeting of the Spring Lake Park City Council Work Session was held on January 21, 2025 at the Able Park Building, 8200 Able Street NE, at 5:00 PM.

1. CALL TO ORDER

MEMBERS PRESENT

Councilmember Ken Wendling
Councilmember Goodboe-Bisschoff
Councilmember Lisa Dircks
Councilmember April Moran
Mayor Robert Nelson

STAFF PRESENT

Public Works Director Linngren, Building Official Baker, Police Chief Antoine, Administrator Buchholtz

VISITORS PRESENT

Michael Swanson, Four Paws and a Tail, Blaine
Megan Helling, Lino Lakes
Aaron Zellhoefer, Humane Society of the United States
Ann Olsen, St. Paul
Jessica Bahr, Blaine

2. DISCUSSION ITEMS

A. Discussion of Humane Pet Store Ordinance

The Council revisited a proposed humane pet store ordinance, which would prohibit the retail sale of puppies and kittens in pet stores while allowing partnerships with animal shelters and rescues.

Mayor Nelson introduced Michael Swanson, owner of Four Paws and a Tail, who strongly opposed the ordinance. Mr. Swanson argued that banning pet store sales would not address concerns about unethical breeding practices but would instead push sales underground, increasing the risk of unregulated backyard breeding. He emphasized that his business follows all legal requirements and provides high-quality care for animals. He also raised concerns about economic impacts, such as the loss of local tax revenue and business opportunities.

Aaron Zellhoefer, Humane Society of the United States, presented counterarguments, stating that many pet stores source animals from high-volume breeding facilities with documented violations of animal welfare laws. He stated that public records from USDA inspections indicated that a significant percentage of breeders used by pet stores had citations related to veterinary care, enclosures, and overall animal well-being. He advocated for a preventative approach, highlighting that 99% of pet stores in Minnesota already operate under a humane pet store model without selling puppies and kittens.

Councilmembers engaged in a discussion regarding the balance between consumer choice, ethical breeding practices, and the role of government regulation. Some members expressed support for the ordinance as a way to ensure humane treatment of animals, while others questioned whether additional state-level regulations would be a more appropriate approach.

Following deliberation, the Council directed staff to draft an ordinance similar to the Coon Rapids model, which would prohibit the sale of puppies and kittens in pet stores while allowing partnerships with rescues and shelters. Staff will bring forward draft language at a future work session for further review and discussion.

B. Discussion of 2025 Appointments and City Councilmember Assignments

Administrator Buchholtz stated that the City Council requested that the annual appointments be placed on a work session agenda.

Administrator Buchholtz asked which City Councilmembers were interested in serving as Acting Mayor. Councilmember Wendling and Councilmember Goodboe-Bisschoff expressed their interest in serving as Acting Mayor. Administrator Buchholtz asked members for their preference. Councilmembers Wendling, Dircks and Moran expressed support for Councilmember Wendling. Councilmember Goodboe-Bisschoff and Mayor Nelson expressed support for Councilmember Goodboe-Bisschoff. Administrator Buchholtz noted that the majority of the Council supported Councilmember Wendling as Acting Mayor.

After discussion, the City Council recommended Councilmembers to serve on the following positions:

Acting Mayor	Ken Wendling
Parks and Recreation Commission	April Moran
	Ken Wendling (alt)
Planning Commission Liaison	Ken Wendling
	April Moran (alt)
Anoka County Joint Law Enforcement Council	Bob Nelson
	Ken Wendling (alt)
Anoka County Fire Protection Council	Lisa Dircks
	April Moran (alt)
Beyond the Yellow Ribbon	Bob Nelson
SBM Fire Department Liaison	April Moran
Negotiations – Patrol	Ken Wendling
	Lisa Dircks
Negotiations – Sergeants	Bob Nelson
	Barbara Goodboe-Bisschoff
Negotiations – Public Works	Ken Wendling
	April Moran
Non-Bargained Personnel Committee	Lisa Dircks
	Ken Wendling

N. Metro Cable Communications Commission	Barbara Goodboe-Bisschoff
North Metro Mayor's Association	April Moran (alt)
	Bob Nelson
Tower Days Committee	Barbara Goodboe-Bisschoff (alt)
	Lisa Dircks
Trunk Highway 65 Corridor Coalition	Ken Wendling (alt)
School Board Liaison	Barbara Goodboe-Bisschoff
	April Moran
	Ken Wendling (alt)
Coon Creek Citizen Advisory Committee	Barbara Goodboe-Bisschoff

Administrator Buchholtz noted that these appointments would be on the agenda for the January 21, 2025 meeting.

C. Discussion of Code Enforcement Position

Administrator Buchholtz provided a historical overview of the position, noting that before the expansion to full-time, the city had difficulty maintaining adequate enforcement with only a part-time employee. He stated that the Council initially authorized the transition to a full-time role in 2021 following a rental housing study that identified the need for stronger oversight and enforcement. He said the position is primarily funded through rental licensing fees, rather than being a direct burden on taxpayers.

Building Official Jeff Baker provided additional insight, explaining that since the position became full-time, the city has seen significant improvements in the condition of rental properties, a reduction in nuisance complaints, and increased enforcement of property maintenance codes. He highlighted key successes, including:

- A substantial decrease in late rental registrations (from an average of 45 down to 5).
- Enhanced commercial fire inspections, which had previously experienced significant backlogs.
- Increased accountability for property owners with a history of neglecting maintenance.
- The successful abatement of a long-standing nuisance property at 8064 Garfield Street.

Mayor Nelson expressed concerns about long-term staffing needs and budget implications, suggesting that the Council take a broader look at staffing levels across all departments before making additional long-term commitments. He noted the increasing costs of city services and emphasized the importance of ensuring that new positions are financially sustainable.

Councilmembers Dircks and Moran supported maintaining the full-time role, stating that the improvements in rental housing and overall property conditions justified the expense. They also noted that cutting the position back to part-time could lead to decreased enforcement and a return to past issues with substandard housing conditions.

After further discussion, a consensus was reached to proceed with filling the position as a full-time role.

3. REPORT

A. City Council and Staff Reports - None

4. ADJOURN

The meeting was adjourned at 6:40pm.

APPROVED BY

Robert Nelson, Mayor

Attest:

Daniel R. Buchholtz, Administrator, Clerk/Treasurer

OFFICIAL PROCEEDINGS

Pursuant to due call and notice thereof, the regularly scheduled meeting of the Spring Lake Park City Council Work Session was held on November 18, 2024 at the Able Park Building, 8200 Able Street NE, at 5:30 PM.

1. CALL TO ORDER

MEMBERS PRESENT

Councilmember Ken Wendling
Councilmember Goodboe-Bisschoff
Councilmember Lisa Dircks
Councilmember April Moran
Mayor Robert Nelson

STAFF PRESENT

Public Works Director Linngren, Administrator Buchholtz

VISITORS PRESENT

Megan Helling, Ashley Riddle, Ann Olson, Nick Coughlin, Aaron Zellhoefer

2. DISCUSSION ITEMS

A. Discussion of Humane Pet Store Ordinance (Dircks)

Administrator Buchholtz initiated the discussion, noting that the proposed ordinance aims to prohibit the sale of dogs and cats sourced from puppy and kitten mills. He acknowledged that not all scheduled speakers could attend due to unforeseen circumstances and suggested listening to the speakers who were able to attend and then continuing the discussion in a future session to ensure input from all perspectives.

Councilmember Dircks noted that she initially brought this proposed ordinance in July. She stated the consensus of the Council at that time was to schedule the issue for a future City Council work session where all viewpoints on this issue could be presented.

Nick Coughlin, a local advocate and marketing professional, stated that this is not a partisan issue and that both conservative and liberal voices agree on the need to address the cruelty of puppy mills. He shared data from the World Pet Association indicating that pet stores operating under humane models outperform those selling animals.

Megan Helling, an impacted consumer and former business owner, recounted her experience purchasing a sick puppy from a pet store. She also relayed the story of a Wisconsin pet store owner who transitioned to a humane model, emphasizing how this shift increased customer support and reduced business risks.

Aaron Zellhoefer, representing the Humane Society of the United States (HSUS), addressed the Council regarding consumer protection issues related to pet stores sourcing animals from

puppy mills. He highlighted deceptive sales practices, such as misleading claims about breeders and withholding breeder information from consumers. Zellhoefer also discussed violations found in breeding facilities supplying Minnesota pet stores, including inadequate veterinary care and poor living conditions for animals. He emphasized that even USDA-licensed breeders often fail to meet humane standards, advocating for the enactment of a humane pet store ordinance to protect both consumers and animals.

Ann Olson, Executive Director of Animal Folks, highlighted the physical and psychological harm endured by animals in breeding facilities. She shared examples of inadequate veterinary care and poor living conditions in puppy mills, stressing the need for stricter regulations.

Ashley Riddell, with the Animal Rights Coalition, discussed the lack of transparency in pet store operations and the financial and emotional burdens placed on consumers purchasing unhealthy animals.

Mayor Nelson shared his personal perspective on the issue of pet sales and humane practices. While he expressed strong opposition to puppy mills, calling for strict accountability and enforcement against unethical breeders, he also raised concerns about limiting consumer choice. He emphasized the importance of creating safe spaces where seniors and families could interact with pets before purchasing, rather than relying on unregulated or unsafe transactions.

Mayor Nelson highlighted issues such as fraudulent pet sales, recounting his own experience of being threatened during an attempted purchase. He advocated for stronger governmental oversight and enforcement to hold unethical breeders accountable, suggesting jail time for those who mistreat animals. While supportive of efforts to address puppy mills, he cautioned against sweeping regulations that might negatively impact responsible breeders or limit legitimate consumer options. His comments reflected a nuanced stance, balancing animal welfare with practical considerations for residents.

Councilmember Moran supported the ordinance, stating that the ordinance is a proactive step to prevent unethical practices from taking root in our community. Councilmember Dircks noted that the proposed ordinance does not prohibit pet stores; it ensures that any pets sold come from humane sources.

Mayor Nelson thanked everyone who came to speak and noted this item will be scheduled for a future work session.

B. 2025 Public Utilities Budget Proposal (Buchholtz)

Administrator Buchholtz presented the proposed 2025 Public Utilities Budget proposal, which addresses water, sanitary sewer, and stormwater utility operations. He stated that a 5.75% increase in revenues was driven by rate adjustments. He stated the 5.75% increase in expenditures is due to wage and benefit increases and increases in Metropolitan Council Environmental Services wastewater treatment charges. He said the budget also reallocates a Public Works employee's role to focus on utility maintenance, freeing up funds for contracted

custodial services at City Hall. He noted that the budget continues contributions to the Utilities Renewal and Replacement Fund to support long-term capital improvements.

Mayor Nelson inquired about the financial impact of the salary shift of the Public Works employee to the General Fund. Buchholtz stated that the shift will be cost-neutral, as funds from the General Fund will offset the custodial contract.

Councilmember Wendling stated that he appreciates the budget's investment in the utility infrastructure while keeping rates competitive.

CONSENSUS of the City Council was to review and approve the proposed budget in an upcoming regular meeting.

3. REPORT

A. City Council and Staff Reports

Administrator Buchholtz provided an update on upcoming public hearings including the 2025 Fee Schedule ordinance, 2025 Truth in Taxation, the 2025 Street Improvement Project Hearing, and the MS4 Permit Annual Meeting. He stated that public hearings are scheduled for two ordinances, the Cannabis Business Registration ordinance and the Sight Triangle ordinance, in front of the Planning Commission on November 25, 2024.

4. ADJOURN

The meeting was adjourned at 6:35pm.

Robert Nelson, Mayor

Attest:

Daniel R. Buchholtz, Administrator, Clerk/Treasurer

OFFICIAL PROCEEDINGS

Pursuant to due call and notice thereof, the regularly scheduled meeting of the Spring Lake Park City Council Worksession was held on July 15, 2024 at the Able Park Building, 8200 Able Street, at 5:30 PM

1. CALL TO ORDER

MEMBERS PRESENT

Councilmember Ken Wendling
Councilmember Goodboe-Bisschoff
Councilmember Lisa Dircks
Mayor Robert Nelson

MEMBERS ABSENT

Councilmember April Moran

STAFF PRESENT

Administrator Buchholtz

2. DISCUSSION ITEMS

A. Discussion of Humane Pet Store Ordinance (Dircks)

Councilmember Dircks stated that she had been approached by the Animal Humane Society of Minnesota to see if the City Council would consider adopting a humane pet store ordinance to prohibit sale of pets from puppy and kitten mills. She stated that the goal would be to reduce demand for animals from inhumane breeding facilities, thereby decreasing the risk of zoonotic diseases and other health issues associated with poorly bred animals. She stated that seven cities in Minnesota and 400 cities nationwide have adopted a similar ordinance

Mayor Nelson expressed his opposition to a humane pet store ordinance. He stated that it was beyond the scope of local authority to regulate pet stores. He stated that pet regulation should be a state responsibility. He proposed further discussions where representatives from both sides of the issue can educate the City Council.

CONSENSUS of the City Council was to add this item to a future work session agenda and to invite representatives from both sides of the issue to attend and present their position to the City Council.

B. Minnesota Cannabis Store Mandate (Goodboe-Bisschoff)

Councilmember Goodboe-Bisschoff expressed her opposition to the State mandate that the city be required to allow at least one cannabis licensee to register for operation in the city. She inquired if it was legal for the City to become a silent partner with the successful licensee to ensure greater control over the sale of cannabis in the City. Administrator Buchholtz stated

that the State has preempted local control when it comes to the licensing of cannabis. He stated that M.S. § 342.13 gives the city the authority to regulate the time, place and manner of cannabis business operations within its boundaries. He stated that he is drafting an amendment to the zoning code establishing performance standards for adult use cannabis businesses that he hopes to present to the City Council in September for feedback.

No further action was taken on this item.

C. Discussion on Racially Restrictive Covenants in Spring Lake Park (Buchholtz)

Administrator Buchholtz explained that racially restrictive covenants are clauses in property deeds that were used to prevent people of certain races from purchasing, leasing or occupying properties. He noted that while these covenants are no longer enforceable, their presence in property records serves as a painful reminder of past discrimination and segregation. He stated that a recent review of property records shows that there are 53 properties in the city that have a racially restrictive covenant recorded with the property. He requested authority from the City Council to send letters to these property owners and provide them with the form to facilitate the discharge.

Councilmember Goodboe-Bisschoff expressed her concern about stirring up controversy by sending out letters regarding racially restrictive covenants. She stated that she would prefer to implement a point of sale ordinance to address the discharge of these covenants during the selling process. She stated that she did not support allocating funds to pay the document recording cost. Administrator Buchholtz stated that he was only seeking a voluntary solution but noted that the City Council could address this through a point of sale ordinance.

CONSENSUS of the City Council was to ask Administrator Buchholtz to draft a letter informing the property owners with a racially restrictive covenant for review by the City Council and to draft a point-of-sale ordinance for review by the City Council.

3. REPORT

A. City Council / Staff Reports – None.

4. ADJOURN

Mayor Nelson declared the meeting adjourned at 6:35pm.

Robert Nelson, Mayor

Attest:

Daniel R. Buchholtz, Administrator, Clerk/Treasurer

Animal rights activists, Blaine pet store owner clash as more suburbs ban shops from selling cats or dogs

By Sarah Ritter | Jun. 9th, 2025

 Send to Kindle



Amy Dixon gets to know Patina through Ruff Start Rescue, a foster-based animal rescue organization that hosted a dog adoption event at Steele & Hops in St. Anthony Village on Sunday. (Richard Tsong-Taatarii/The Minnesota Star Tribune)

Comment

Gift

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A couple of times a month, a group gathers outside Blaine's Northtown Mall to protest one of the last stores in Minnesota that still sells dogs from commercial breeders.

Activists have kept up the demonstrations for more than six years, but they still haven't persuaded the store to change its business model or the city to ban it.

Struggling to gain traction, they're instead turning to neighboring suburbs, where more and more cities now ban pet shops from selling cats or dogs.

That number has doubled over the past year to 12, as officials cite concerns about animal welfare at large-scale breeding operations.

The cities include St. Paul, Minneapolis, Roseville, Columbia Heights, Maple Grove, Coon Rapids and Edina.

Oak Grove and Osseo recently passed pet store ordinances, and Robbinsdale is considering one. The three cities don't have pet stores that sell animals from commercial breeders, but activists hope as more suburbs join in, they can increase pressure on the remaining shops and persuade legislators to pass [a statewide ban](#).

"A lot of these cities have taken action because they want to prevent bad actors from coming in," said Aaron Zellhoefer, Minnesota director of the Humane World for Animals. "Dogs are being sold from puppy mills in pet stores here in Minnesota, and a lot of them don't want to be transparent."

Zellhoefer said just three businesses in the state still sell dogs or cats. Most have closed as online sales rise and other shops, including national chains, have shifted to offering animal adoptions from rescues and shelters.

Michael Swanson, who owns Four Paws and a Tail in Blaine, argued the push for pet retail bans unfairly targets his business, a fixture of the city for 50 years. He said his store's puppies come from breeders licensed by the U.S. Department of Agriculture (USDA).

“They want us gone, no matter what we do,” Swanson said in an email. “We run our store the right way, and we care about animals and families.”

In many cities, the bans have been an easy sell.

“In Oak Grove, we generally don’t like passing ordinances unless we have to,” Mayor Weston Rolf said. “So I was a little surprised, but the council was passionate about wanting to move forward with this.”



Three dogs get to know each other through Ruff Start Rescue, a foster-based animal rescue organization, at a dog adoption event. (Richard Tsong-Taatarii/The Minnesota Star Tribune)

In 2017, Roseville became the first city in Minnesota to prohibit retail pet sales following news reports describing grim conditions at a pet store in [Har Mar Mall](#).

The shop closed soon after, City Manager Patrick Trudgeon said.

Storefronts with kittens and puppies in the window have since been disappearing. Animal rights activists applaud the shift, citing inhumane practices

at puppy and kitten mills, including over-breeding and keeping animals in confinement.

Sharing stories of customers buying puppies that quickly became sick, activists say retail bans ensure animals and consumers are protected.

Lino Lakes resident Megan Helling said a yellow Labrador she bought from a metro pet store suffered health issues that required \$20,000 in surgeries. The dog, Monte, came from an out-of-state puppy mill, she said.

“I saw this cute little puppy and loved him so much. I was shocked,” Helling said.

“There certainly are reputable breeders. If there’s a certain breed someone wants, that’s great. But there’s a big difference between a small, ethical breeder and the large mass production of puppies. It’s all about profit.”

Eight states and hundreds of cities now ban retail sales of dogs and cats.

Some critics argue that wide-reaching bans can lead to more pet sales moving underground.

“If stores like mine are banned,” Swanson said, “people will just go online and get pets from places with no regulation, no consumer protections, and no taxation.”

The Blaine pet shop owner added that customers deserve an option, especially if seeking out a puppy or specific breed.

Swanson said licensed breeders must follow strict rules. He said every puppy he sells comes with a one-year health guarantee and an examination by a veterinarian.

Activists say state and federal regulations fall short of protecting animals and consumers. They have pushed the USDA to increase its standards.

Zellhoefer said he traced puppies sold at Swanson’s shop and the two others still selling them in Minnesota — in Faribault and Meeker County — to 20 breeders. Since 2021, 17 of the breeders have been cited with about 40 animal welfare violations.

The number could be higher, he said, as Minnesota's inspection reports are not public.

After years of trying to persuade Minnesota lawmakers to advance a statewide pet retail ban, activists pushed for a compromise this session.

The proposal, which did not move forward, grandfathered in existing businesses, while requiring more transparency, including labeling where animals came from before they are purchased.

Swanson opposed the bill, saying it would kill his business because he would be unable to relocate if needed.

He said his shop tells customers about a puppy's breeder when they buy the animal. Posting that information, he said, could lead to the breeders being harassed.

Activists hold onto hope for a statewide change.

"We get calls from people with animals from large-scale breeders that have health issues and can't afford care," said Azure Davis, founder of Ruff Start Rescue, which holds adoption events at PetSmart. "I think [the bans] are long overdue."

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Why are Minnesotans giving up their pets at record rates?

By Lincoln Roch | Jul. 2nd, 2025

 Send to Kindle

Pet rescues across Minnesota are overwhelmed, with many having to turn away surrender applicants.

The Minnesota
Star Tribune



Stone, a 6-year-old white German Shepherd, is in a foster home in Minneapolis after his family surrendered him. (Richard Tsong-Taatarii/The Minnesota Star Tribune)

Comment

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Julie Koch has seen 31 dogs come and go from her Minneapolis home over the last four years. She's a foster for Ruff Start Rescue, which cares for animals across Minnesota.

Right now, she's caring for a lovable 6-year-old white German Shepherd named Stone. He came to her from Texas in 2021 and was adopted in 2022. But in August, his family had to give him back.

"He didn't get surrendered because he was a bad dog, or he was full of issues," Koch said. "He got surrendered because they were having a hard time, they knew he could be in better hands with someone else."

Stone is part of a concerning trend Ruff Start and other animal rescue organizations are facing. Ruff Start received a record 3,152 surrender applications in 2024, up from 1,117 in 2021. That doesn't account for every animal; applications frequently include multiple pets or litters.

But Ruff Start had to turn away half of those applicants. It, like many rescues, can only take as many pets as people are willing to foster.

"We barely can answer the phone," said Meghan Finch-Kleven, the operations manager at Last Hope Animal Rescue in Farmington. "People are begging with us to take their animals ... and you only have so much room."

Reasons why someone may need to give up a pet include skyrocketing costs for essentials like vet care and food as well as issues around housing. Organizations across Minnesota are left overwhelmed, at capacity and fighting to keep pets in their homes.

From last November through January, Gallup and PetSmart Charities spoke with 2,500 pet owners [across the U.S.](#) They found that 52% of pet owners skipped needed veterinary care in the last year. That includes 37% of owners who visited a vet, but declined recommended treatment.

Other studies put that number closer to 45% or 30% of the population. Dr. Graham Brayshaw, chief medical officer for the Animal Humane Society

headquartered in Golden Valley, estimates there are 1.5 million dogs and cats in the metro area.

“So there’s maybe a half million animals that don’t get regular vet care in the Twin Cities that probably need it,” he said.

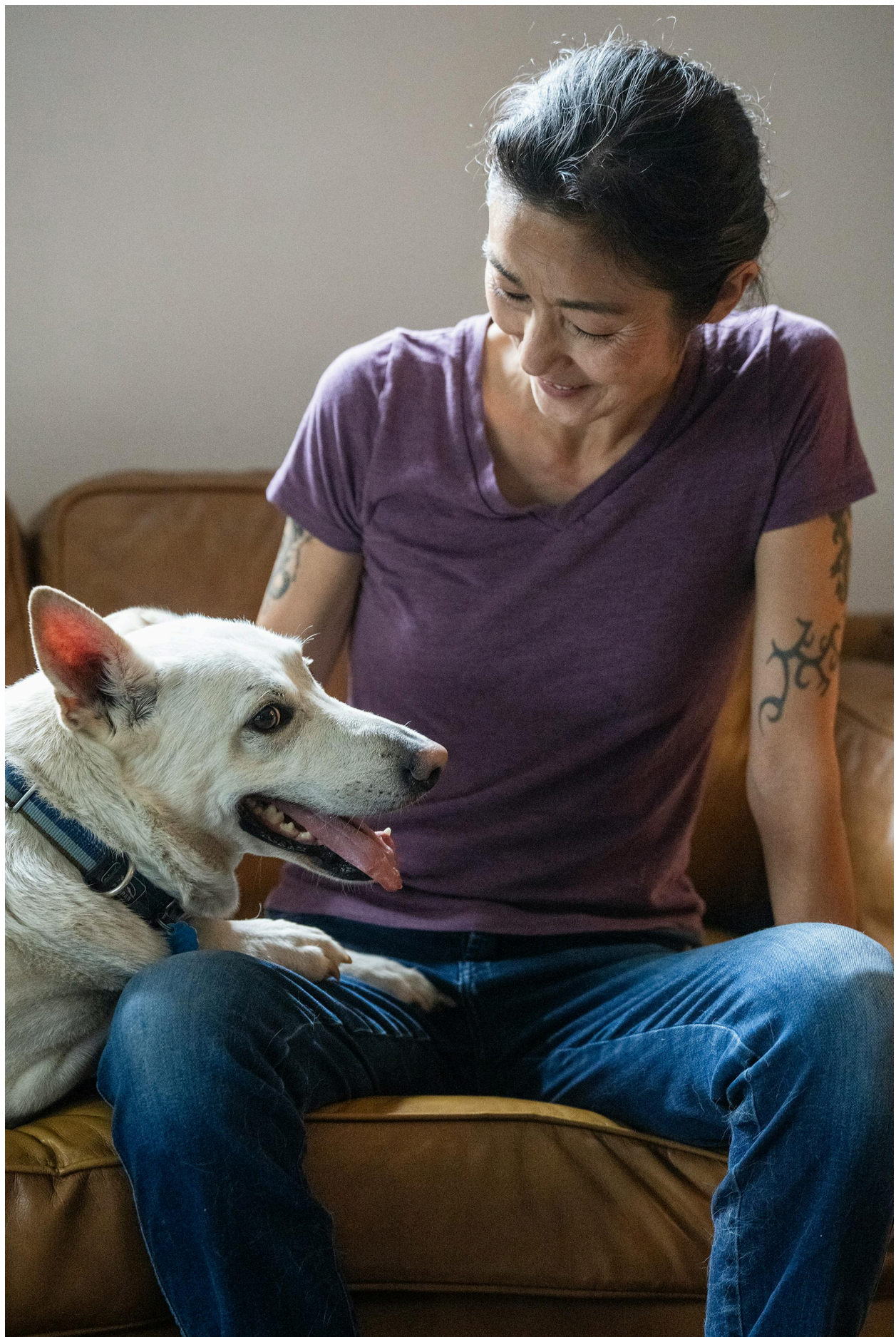
Of the respondents who skipped needed care, 7 in 10 said it was because they could not afford it or that it was not worth the cost. Vet care costs have risen 38% since 2019 and bills over \$1,000 are not uncommon.

“That’s due to expanding labor costs, along with veterinary professional staff shortages, rising medication and supply expenses and ongoing and significant innovations in diagnostic and treatment tools,” said Anna Kucera, the One Health Clinic project manager at the University of Minnesota’s College of Veterinary Medicine.

Veterinarians make less than doctors who care for people, and often face significant college debt. That, paired with the stress and long hours that come with the job, has resulted in a significant shortage in vets and support staff.

The crisis has caused some clinics to shutter and left one-third of pet owners living in areas where vets are scarce or nonexistent. Rural communities are being hit the hardest, requiring hours-long trips for a visit.

They “live in what we call a veterinary desert, where, even if they could afford care, they don’t live anywhere near a practicing veterinary professional,” Kucera said.



Julie Koch of Minneapolis has enjoyed fostering Stone, who is a sweet, rambunctious 6-year-old mutt. (Richard Tsong-Taatarii/The Minnesota Star Tribune)

Stone is on an anti-anxiety medication, and has what Koch calls his emotional support squeaky toy that he turns to when stressed. The family that adopted Stone told Koch they had to give him up after losing their housing. Koch said his anxiety comes from being moved around so much.

Owners making less than \$100,000 a year are significantly less likely to find pet-friendly housing they can afford.

It's worse for those earning under \$50,000 — [a 2024 study](#) found that more than half are likely to have housing with at least one type of pet restriction. Of the study's respondents who surrendered their pets, 23% cited housing as the reason.

Kucera said growing research shows that when families do find housing that allows pets, they tend to stay in that housing for longer periods of time. She thinks that increasing the stock of affordable, pet-friendly units could be a solution that benefits both families and landlords.

“That means that many more families don't have to choose between securing a place to live and keeping their pets,” she said. “Not having turnover is a huge benefit to landlords.”

In addition to housing, income is not keeping up with the rising costs of essentials like dog food, which has [increased by nearly 50%](#) since 2020. Financial difficulties account for nearly a fifth of the Gallup poll's respondents who surrendered a pet.

Owning a pet has been shown to have a positive effect on mental health at all stages in life. Kucera said that's especially true for marginalized communities and families dealing with housing instability or economic hardship.

“The people who can benefit most from having a pet, are most at risk of having their bond with their pet broken,” she said.

With many rescues at capacity, some owners have ended up pleading for someone to adopt their pet on Facebook or Nextdoor. Kucera warns that not everyone willing to take in a dog has good intentions. She says that people engaged in dog fighting actively search for opportunities to acquire a free bait dog, which is used as practice for fighting dogs.

“To weed those people out, I would suggest people at least ask for a small fee of at least \$50 or something, because someone that’s looking for a free dog for a bait dog isn’t necessarily going to pay a fee,” she said.

While the Animal Humane Society does accept surrenders, its goal is to prevent them from happening in the first place. Its pet helpline provides help to owners and directs them to resources like the organization’s temporary pet housing, free pet food distribution and pop-up vaccine clinics.

Additionally, their clinic and the Mission Animal Hospital offer income-based pricing models. For many, that means a bill significantly less than one at a private practice.

These services are in high demand. During their 2025 fiscal year that ended June 30, the Humane Society’s helpline received about 110,000 calls. The clinic added staff and was able to provide around 18,000 services, up 4,000 from the previous fiscal year.

The Human Society is currently accepting surrenders via appointment. But that’s not the case for most rescues, which are at capacity. Graham, Finch-Kleven and other rescue organizers said that donations and volunteering can help, but to increase capacity they need more people willing to open up their homes.

“The main thing all rescues need more than anything is more fosters,” Finch-Kleven said. “We have half the fosters we used to, if not less.”

To leave a comment, [log in or create an account](#) .



Bans On Retail Pet Sales Fail To Protect Pets, Undermine Responsible Pet Choice

The American Kennel Club (AKC) loves all dogs and cares deeply about their wellbeing. The AKC is the world's largest breed registry for dogs. Our affiliated clubs operate America's largest purebred rescue network. For more than 135 years, AKC has been proud to be the only non-profit all-breed registry devoted to the health and wellbeing of all dogs.

The AKC advocates for responsible dog owners and supports strong enforcement of local and state animal cruelty laws as well as the federal Animal Welfare Act, which provides consistent minimum standards of care, regulatory oversight and inspections of pet breeders, dealers, and other important players in the pet industry. The majority of breeders who register their dogs with AKC do not sell pets through pet stores; however, AKC's strong commitment to responsible dog ownership and the well-being of all dogs, and our expertise with both rescue and purpose-bred dogs compels us to weigh in on this important issue.

Animal rights groups that oppose the purposeful breeding of dogs have long sought to unfairly tarnish the reputation of responsible breeders and shut down regulated professionals by falsely claiming that breeders are cruel or negligent "puppy mills".

A common tactic of anti-breeder groups is to push for laws that prohibit pet retailers from selling purpose-bred pets by using inaccurate and emotionally-charged claims that pet breeders and pet stores routinely neglect pets. Typically, their "solution" would force retailers to offer only pets from rescues or shelters.

In fact, laws to ban the sale of purpose-bred puppies are not only inefficient, they undermine the responsible dog ownership and the wellbeing of pets. Consider the following:

Retail bans undermine responsible choice.

Bans on the sale of purpose-bred pets create severe and artificial restrictions on the consumer choice and the ability of responsible individuals to obtain the best pet for their lifestyle, whatever source they choose. Responsible choice, which discourages impulse adoptions/purchases and includes consumer education, improves successful long-term placements and addresses a major underlying cause of pets cycling through shelters.

The numbers don't add up.

Only four percent of pets obtained in the U.S. come from retail pet stores. Approximately 44 percent come from rescues, shelters, parking lot rescue events, etc.; with the remainder coming from a variety of other sources¹. Banning an industry that accounts for only four percent of sales would not accomplish the proponents' stated goals. A more efficient approach to improving animal welfare is to enforce reasonable negligence and cruelty laws to which all owners are subject.

Retail bans remove existing consumer protections specifically designed to protect against pet seller fraud and abuse.

Shelters and rescues are not regulated in the same way as breeders, and therefore pet obtained through rescue/shelter sources cannot offer the same consumer guarantees, recourse, or protections. Proposed laws thus repeal protections that come with purpose-bred pets.

Retail bans promote inconsistent standards of care

They create an artificial demand for dogs that are not subject to, and do not benefit from U.S. animal welfare regulations or the health tests and reporting required of professionally bred pets. Ultimately, this harms U.S. pet owners, businesses and policymakers responsible for these decisions.

Bans on U.S. breeders and pet sellers incentivize troublesome unregulated foreign puppy production.

Consumer demand for puppies in the U.S. is approximately 8 million annually, based solely on the replacement rate of currently-owned dogs. The U.S. Centers for Disease Control and Prevention (CDC) reports that approximately 1 million dogs are imported into the U.S. annually². The CDC has further noted that many of these dogs are being imported with invalid health certificates. A large portion of these dogs from unregulated sources are destined for distribution in retail/rescue channels.

Retail bans on purpose-bred puppies create a loophole that allows for deceptive sourcing practices and incentivize production of pets overseas in unregulated conditions. This feeds the artificially- supported market for the pets from “rescue” or unknown/ unregulated sources – even as quality U.S. breeders are being pushed out of the marketplace.

Retail bans push buyers to online pet sellers and scams.

Purebred dogs are popular because they offer specific, predictable characteristics that enable future owners to understand the needs and requirements of a pet throughout its lifetime and to make a responsible choice in selecting a pet. If purebred pet buyers cannot obtain the pet of their choice from local sources, this will push them to the internet, where they will not be able to meet the pet before purchasing it, and potentially to unscrupulous pet sellers and scammers.

A better solution.

A better solution is strong, effective negligence and cruelty laws, effective regulation of commercial pet breeders and sellers, and consumer protection laws that hold pet sellers accountable. In this way, bad actors are held accountable while individuals and families can still have the opportunity to choosing the right pet for their lifestyle.



[1] APPA National Pet Owners Survey, 2016.

[2] CDC, <https://www.federalregister.gov/documents/2019/01/31/2019-00506/guidance-regarding-agency-interpretation-of-rabies-free-as-it-relates-to-theimportation-of-dogs>.

[Commentary](#)

Pet stores selling commercially raised puppies cause a world of hurt



[Aaron Zellhoefer](#)

May 5, 2025 6:00 am



USDA-licensed breeders can legally confine breeding dogs to stacked, wire cages only six inches larger than their bodies for their entire lives. Photo by Getty Images.

An innocent look. A wag of a tail. It's kind of hard to resist the tug on your heart to buy the dog you see in a pet store window. The problem is that buying a pet shop puppy amounts to a direct investment in the [cruel puppy mill industry](#), which treats parent dogs as breeding machines and puppies as mere products.

Sad to say, [public records](#) show that the puppy mill-to-pet store pipeline is thriving in Minnesota. We've connected puppy stores in the state to puppy mill facilities cited by the United States Department of Agriculture or a state agency for numerous violations of animal welfare laws. There are likely more Minnesota puppy mills cited for violations and involved in-state sales to pet shops, but there are limits to what we can determine since [Minnesota state inspection reports are not made public](#).

Even so, the simple fact that pet shops are sourcing dogs from puppy mills with violations remains disturbing, not least because the bar for legal compliance is so incredibly low. [USDA-licensed breeders](#) can legally confine breeding dogs to stacked, wire cages only six inches larger than their bodies for their entire lives. They can repeatedly and excessively breed dogs without limits, and they can kill dogs they no longer want.

In a disturbing appraisal of federal inspection activities, a new [internal audit by the USDA's Inspector General](#) documented major deficiencies in enforcement. The report stated that the pattern of continued noncompliance with Animal Welfare Act requirements by licensed dog breeders "poses a threat to the well-being and safety of their dogs, leaving them vulnerable to neglect, mistreatment and suffering."

Here in Minnesota, the puppy mill issue got so bad in Winona County that [the County Commission voted to pursue a permanent ban on new breeders.](#)

Luckily, the solution to the puppy store problem is simple. There is a bill in the Legislature ([SF 1943/HF 2627](#)) that would phase out the sale of puppies in pet shops, banning any new stores from selling puppies and holding existing stores accountable for their sourcing of animals.

This legislation tackles puppy mill cruelty, but breeding conditions are just the first stop when it comes to welfare issues in the dismal puppy mill-to-pet shop pipeline. It gets worse. Weeks-old puppies endure grueling and often [filthy transports](#), and they are so likely to be sick they are often [pumped with antibiotics](#), which has led to [antibiotic-resistant infections that have spread to humans](#).

Far too often, too, families [end up with sick puppies](#), steep veterinary bills and heartbreak. They can also fall victim to [predatory lending schemes](#) when they take out a loan to pay the exorbitant price that puppy stores charge — often paying thousands of dollars and high interest rates.

In fact, [several customers have told the Minnesota Senate](#) their story about buying sick dogs from a local puppy store, with some accounts that end with the death of their cherished pets.

In-store conditions are troubling too. Humane World for Animals — formally called the Humane Society of the United States — has conducted [undercover puppy store investigations](#) across the nation and nearly each time we have uncovered awful in-store conditions, sick puppies and connections to puppy mills. [Our most recent investigation](#), released in January 2025, detailed a heartbreaking scene in a Nevada store: In the store's back room, a tiny brown-and-white Havanese puppy was vomiting and lethargic — and left entirely alone to suffer. Staff members failed to take the puppy to a veterinarian, and she later died. This is a common story at pet shops around the country — ailing puppies denied veterinary care and even a measure of human kindness.

The massive animal welfare and consumer protection problems posed by puppy stores have led [eight states and nearly 500 localities, including nine in Minnesota, to ban the sale of puppies in pet shops](#). Our state lawmakers should do the same.

This is a commonsense policy because no Minnesotan needs a pet shop to find the pet of their choice. Shelters, rescues and [responsible breeders](#) who go to great lengths to care for their dogs and only sell puppies directly to consumers will remain great options for pet acquisition. We are lucky to have a wide network of responsible breeders in the region, including 37 breeders who refuse to sell their puppies to pet stores, and have [signed a letter](#) acknowledging that only a puppy mill would do so.

Further, no pet shop needs to sell puppies to be profitable. According to the [American Pet Products Association](#), Americans spent \$147 billion on their pets in 2023, with food, treats and product spending dominating. Pet spending is predicted to have “solid year-over-year growth through 2030.” Similarly, [Morgan Stanley](#) reported the pet industry is “poised to nearly triple to \$275 billion by 2030 thanks to a surge in new owners, favorable demographics and increased per-pet spending.”

Any puppy store owner would be smart to transition away from the sale of puppies and towards a pet products and services model. Many have, including Angel's Pet World in Hudson, Wisconsin, whose owner stated in her testimony to the Minnesota Senate, “some people ask me how that decision impacted my sales... within 2 years, [our customer base grew about 70%](#).”

The bill at the Minnesota Legislature, led by Sens. Scott Dibble, DFL-Minneapolis and Jim Abeler, R-Anoka, and Reps. Matt Norris, DFL-Blaine, and Elliott Engen, R-White Bear Township, is a long overdue, bipartisan animal welfare and consumer protection measure that promises to bring genuine improvements in this area of concern.

This issue is a matter of great public import and goes to the very heart of our duties of mercy and kindness toward animals.

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Daniel Buchholtz

From: Lisa Dircks
Sent: Saturday, July 6, 2024 9:00 AM
To: Daniel Buchholtz
Subject: Fwd: Humane Pet Store Policy in Spring Lake Park

Good morning Dan,

I'd like to add a discussion for an ordinance banning the sale of puppies and kittens to an upcoming work session.

Let me know when it is going on the calendar, and I will start gathering data for the packet. We could also invite Mr. Zellhoefer to that meeting in case council has any questions.

Happy Saturday!

Lisa

Sent from Android device

----- Forwarded message -----

From: Aaron Zellhoefer <azellhoefer@humanesociety.org>
Date: Jul 6, 2024 7:41 AM
Subject: Humane Pet Store Policy in Spring Lake Park
To: Lisa Dircks <ldircks@slpmn.org>
Cc:

This message was sent from outside of the organization. Please do not click links or open attachments unless you recognize the source of this email and know the content is safe.

Hello Council Member Lisa Dircks,

My name is Aaron Zellhoefer and I'm the Minnesota State Director for the Humane Society of the United States. I'm reaching out to introduce myself and ask whether you'd consider an ordinance that prohibits the retail sale of cats and dogs in pet stores in Spring Lake Park.

A humane pet store ordinance like this is a policy that nearly 500 localities across 32 states have enacted, including 8 communities in Minnesota. Most recently Coon Rapids, MN. These laws are enacted, primarily, because puppy-selling stores enable inhumane puppy mills, which are large-scale commercial breeders who put profits far ahead of animal welfare. These puppies are often sick because of the conditions they come from, which can cost unsuspecting consumers hundreds or thousands of dollars. But there are also many localities who have taken action because they want to protect their communities from the predatory lending practices that go hand in hand with the pet store sales pitch.

Now is an ideal time for Spring Lake Park to enact this policy since there currently aren't any puppy-selling pet stores in the city. It would simply prevent bad actors, such as Petland, from opening stores in

Spring Lake Park and adding to the pet issues the city is already facing, such as overwhelmed shelters, stray animals, etc.

I would be happy to talk more with you about this issue, if you are interested in pursuing a humane pet store ordinance in Spring Lake Park. Hope we can connect and go over any questions you may have and more information!

Thank you for your time.

Sincerely,

Aaron Zellhoefer

Aaron J Zellhoefer

Minnesota State Director, State Affairs

Pronouns: he/him/his

azellhoefer@humanesociety.org

P 612-910-6241

humanesociety.org



The Humane Society of the United States is the nation's most effective animal protection organization, fighting for all animals for more than 60 years. To support our work, please make a [monthly donation](#), give in [another way](#) or [volunteer](#).





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When 'Puppy Mill Rescue' Blurs The Line Between Saving And Selling Dogs

Questionable practices inside the high-profile nonprofit National Mill Dog Rescue are not what most people expect "rescuing" to be.

By Kim Gavin

Jul 14, 2019, 08:00 AM EDT

Updated Sep 4, 2019



LEAVE A COMMENT



ILLUSTRATION: DAMON DAHLEN/HUFFPOST; PHOTOS: GETTY

One Saturday in 2014, a woman named Theresa Strader stepped onto a TEDx event stage in Colorado Springs and waited quietly to speak. On a large screen, a video played of her reading a letter she had written, but never sent, to the breeder of her Italian greyhound Lily. In the video, Strader wiped tears from her cheeks and repeatedly paused to catch her breath, as she described dogs like Lily being imprisoned in cages their whole lives — sadness and fear in their eyes, lower jaws rotted away, never once able to run or play — all because the breeder was solely interested in producing puppies at any expense. Photos of Lily, deformed and painfully thin, flashed across the screen. In one, the dog stood in a wire cage, a tag with her auction lot number, 251, hanging around her neck.

After the video played, Strader walked to center stage and talked about how her visit to the dog auction where she bought Lily seven years earlier had changed her life. She described her first sight of Lily and dozens of other dogs, how she was left speechless at their living conditions, how she sank to the ground in tears. During those first moments at the auction, she said, she decided to found a new kind of dog rescue organization — one that would take dogs from “puppy mill” breeders like Lily’s and offer them for adoption to loving homes.

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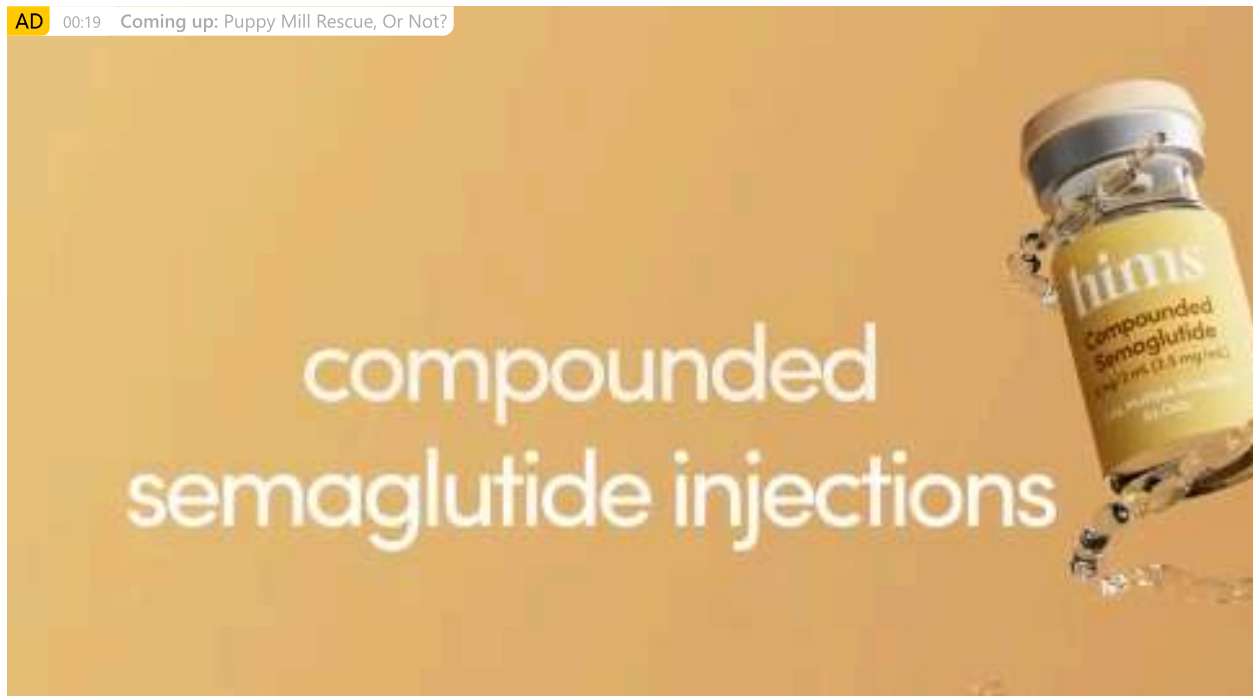


The audience cheered.

In the 12 years since she attended the Missouri auction, Strader has built a nonprofit empire. The organization she founded, National Mill Dog Rescue, now brings in nearly \$3 million a year, according to its most recent available tax return. The nonprofit has nearly [670,000 followers on Facebook](#), with another [56,000 on Instagram](#) and [25,000 on Twitter](#). National Mill’s website says it has “rescued and placed” more than 14,000 dogs as pets in homes, and it has become a regular supplier of dogs and puppies to at least a dozen other nonprofits and shelters from New York to California. Strader has been publicly lauded by everyone from the American Society for the

Prevention of Cruelty to Animals (ASPCA), which [gave her an award](#) named for its esteemed founder, to People magazine, which designated her “[a hero among us](#).” Her nonprofit has [spawned multiple copycat organizations](#), some run by former National Mill volunteers, spreading Strader’s version of the “puppy mill rescue” cause all across the United States.

It should be a story to make us all feel good. But “puppy mill rescue” as National Mill has come to embody it is not what most Americans understand “rescue” to be.

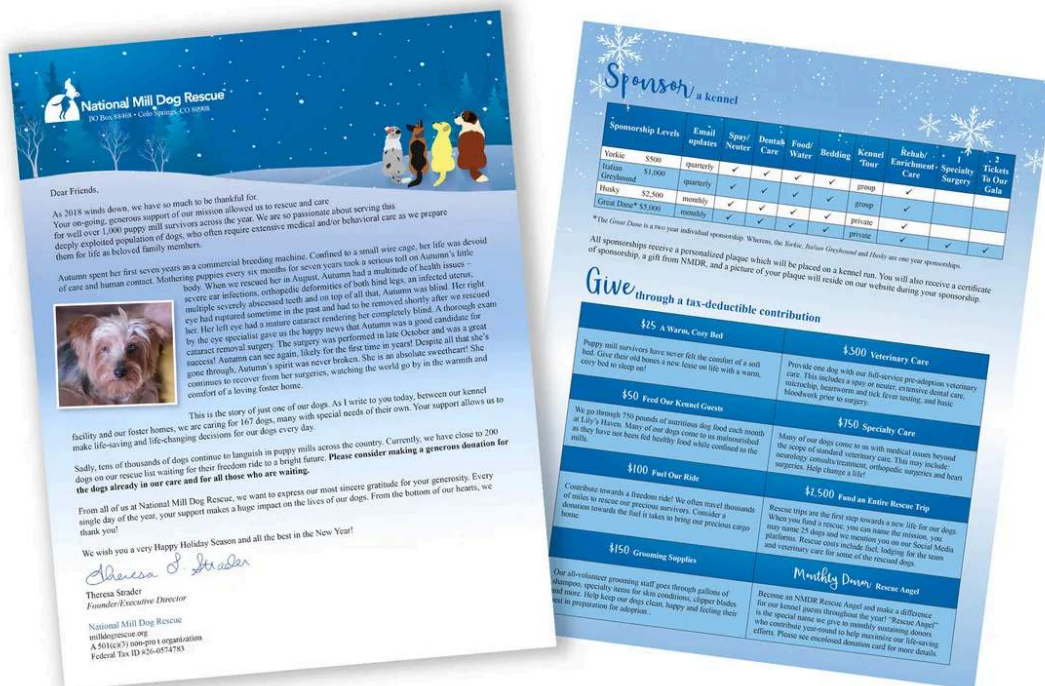


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According to experts in the dog trade, “puppy mill rescue” should encompass two basic elements — a bad breeder shutting down and

the one-time removal of dogs from that breeder. But National Mill's business model doesn't focus on breeding kennels that are shutting down. The nonprofit's version of "rescue" actually helps kennels that stay in business, National Mill insiders said.

National Mill often works hand-in-glove with commercial kennels — including at least three breeders on the "Horrible Hundred" lists from the Humane Society of the United States. Behind the scenes, many of the "rescue missions" in which Strader collects dogs from breeders — promoted online with rousing music and promises that the dogs are finally free from a life of cruelty — resemble the kind of brokering that has linked kennels and retail pet stores for generations.



An example of a marketing letter from National Mill Dog Rescue.

During the past decade, the success of "puppy mill rescue" nonprofits like National Mill has dovetailed with a burgeoning nationwide campaign against "puppy mills." Some 300 jurisdictions, including California and Maryland, have enacted pet store laws aimed at driving bad breeders out of the retail game, with versions now being debated in New York, Maine, Massachusetts, Pennsylvania, Rhode Island and Wisconsin. Celebrities like actress [Edie Falco back the "puppy mill" bans in the media](#), declaring it "an exciting time that we can actually be close to putting an end to this

cruelty.” On May 1, federal lawmakers introduced the bipartisan [Puppy Protection Act](#), targeting conditions in commercial breeding kennels. Heartrending images of dirty, shivering, frightened dogs in rusty outdoor cages are in constant rotation on TV, helping just the top welfare organizations alone to generate hundreds of millions of dollars a year in donations. Americans, who bring home an estimated 8 million pet dogs a year, are encouraged to “adopt, don’t shop.” And more people than ever are choosing shelter dogs and “puppy mill survivors” instead of buying a pooch from a breeder.

The virtue signaling around shelters and dog rescue is loud and clear.

But when it comes to “puppy mill rescue,” that’s not the whole story. National Mill has a network of suppliers, including at least 30 it has returned to more than once to collect dogs. Some of them are federally or state-regulated breeders and brokers, and some are tied to pet stores and the American Kennel Club, the country’s best-known registry of purebred dogs. National Mill takes puppies the breeders haven’t sold, along with adult dogs the breeders want to retire. Often, National Mill gets the dogs straight from the kennels; the group also has [paid to buy dogs from breeders](#) through middlemen such as dog auctioneers.

The U.S. Department of Agriculture requires a federal license for commercial brokers that buy puppies from breeders for sale to pet stores. As of early 2019, National Mill was being inspected under the same license — a regulatory acknowledgment that its operations function more like the business of brokers than the nonprofit charity of rescues and shelters.

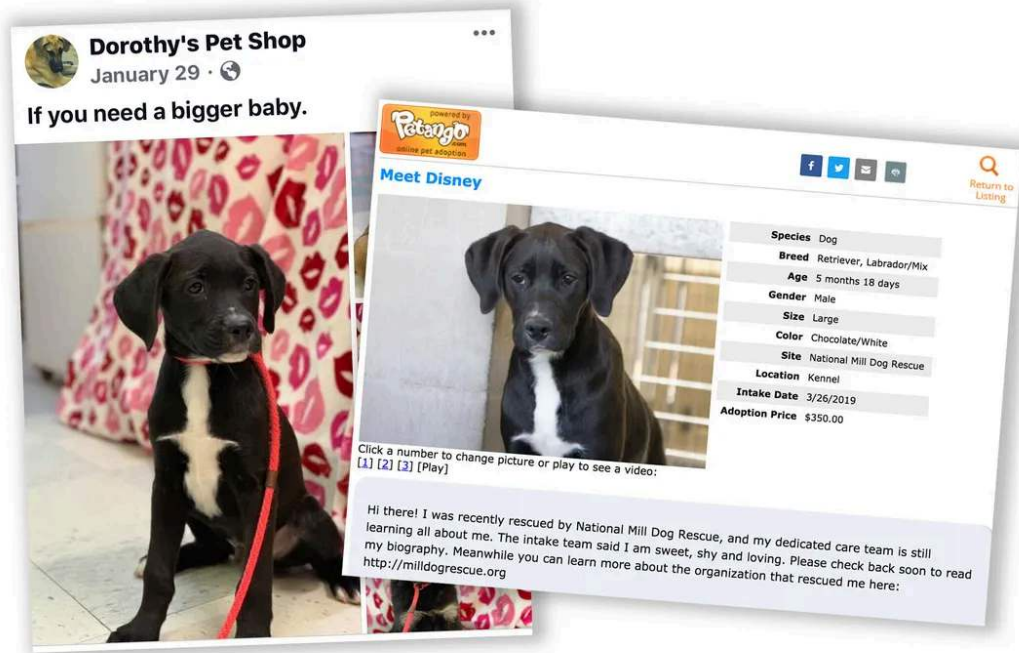
Meanwhile, marketing that looks and sounds a lot like Strader’s TEDx Talk tells the public that these “rescued” dogs are receiving proper veterinary care and basic human compassion for the first time in their lives, and that they’re being saved from a cruel and heartless industry that nobody with a shred of sanity would do anything to support.

According to documents that HuffPost obtained from inside National Mill, however, the dogs coming from breeders throughout 2017 and 2018 were far younger, and healthier, than multiple commercial breeding experts and activists suggest they would be in a “rescue” situation. Numerous former National Mill staff and volunteers said the majority of dogs have arrived at the nonprofit in pretty good shape going back more than a half-dozen years.

They're also not the kinds of overlooked pups and scruffy mutts that shelters have often encouraged people to take home. Many of the dogs that National Mill adopts out are among the most popular purebreds, including beagles, Chihuahuas, dachshunds, Siberian huskies, poodles, Shih Tzus and Yorkshire terriers, as well as some of the most desired designer cross-breeds, like goldendoodles and labradoodles. In other words, they are exactly the kind of dogs that commercial breeders are in the business of selling.

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In purely retail terms, if pet stores are the top-dollar Nordstrom or Saks Fifth Avenue of the commercial breeding industry, taking the pick of the litter from the breeders and offering those pups for sale at sky-high retail prices, then National Mill's version of "puppy mill rescue" is the TJMaxx or Marshalls, scooping up what might be damaged, imperfect or simply unsold "brand-name" product and marketing it to consumers at a lower price — like a black pup that Dorothy's Pet Shop in Junction City, Kansas, advertised on [Facebook](#) on Jan. 29. The same dog showed up in a "rescue mission" video being offloaded at National Mill on March 27, by then too old for typical pet store shoppers. He was being marketed by the name Disney, at a bargain price of \$350, as of mid-April on the National Mill website.



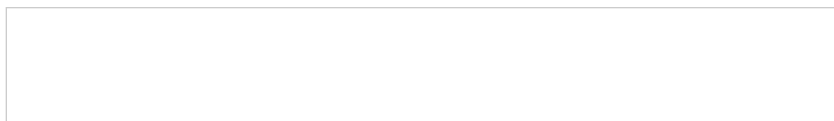
A black puppy named "Disney" for sale at Dorothy's Pet Shop on the left and then available through National Mill's website for \$350 on the right.

FACEBOOK/NMDR.ORG

The social media images of that dog are among many that HuffPost reviewed during a six-month investigation of National Mill. We interviewed more than 35 people, including more than a dozen current and former National Mill staffers, volunteers and directors. HuffPost also looked at National Mill's inspection reports in Colorado going back to early 2017; a slew of documents, photos and videos from inside the nonprofit; and more than 7,500 documents received through open-records requests in seven states where the nonprofit sources dogs it tells the public it's "rescuing" from breeders.

When HuffPost reached out to Strader with detailed questions, she declined to address them. "The questions and comments you have provided are so thoroughly riddled with flagrant lies, bias and inaccuracies, a response is simply not warranted. Your agenda is, and always has been, quite clear," she said via email.

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The reporting shows that questionable practices at National Mill aren't limited to marketing. Two agencies in Colorado — the state Department of Regulatory Agencies and a division of the state Department of Agriculture — have opened investigations into the nonprofit following complaints that Jene Nelson, National Mill's former marketing director-turned-whistleblower, filed with the state in early 2019. Those complaints allege that National Mill has trafficked dogs across state lines without legally required veterinary paperwork, falsified rabies certificates prior to dogs being offered for adoption or transferred to other shelters, and more than once delayed or failed to provide needed veterinary treatment.

HuffPost's reporting supports those allegations and points to a damning conclusion: that National Mill's version of "puppy mill rescue" simply normalizes another retail pipeline, with a side helping of virtue, from the commercial breeding industry to the public. Iowa's attorney general, in an action filed this past March against other rescue nonprofits, defined a similar operation as "[puppy laundering](#)" intended to sidestep the pet store bans lawmakers have been enacting.

"This is a dog-buying and distributing company that is posing as a rescue," said Cindy McKeon, who served as National Mill's facilities manager from 2011 to 2013. "It's possible that some of them [breeders] aren't being paid, but she's making room for them to breed more, and she's making a fortune by assisting these breeders."

Several of the breeders HuffPost spoke with agreed about the impact that Strader's concept of "puppy mill rescue" is having on their kennels.

"She has been a godsend to me," said Debbie Snyder of [D&D Kennels](#) in Kansas. "It's very nice."

Most Common Problem: Needs A Bath

Snyder's kennel is in Clifton, Kansas, population 554. That's the type of rural area where a lot of National Mill's dogs originate, as well as

the more than 100,000 purebred puppies that end up in pet stores nationwide each year. Breeding kennels with 10, 15 or more dogs tend to be located in the American heartland in areas also known for raising cows, pigs and crops, the kinds of places that often have struggling downtowns.

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HuffPost interviewed about a dozen dog breeders in rural areas. Some said they've been driven to kill dogs in the past, because there simply weren't enough local adopters for the retired breeding adults or the puppies that were, say, born the "wrong color" for their breed or with a genetic problem that made them hard to sell. Other breeders said they've always found homes for their dogs, but doing so required a lot of time spent on marketing, which isn't their primary skill set. National Mill can reach far more potential adopters through its vast social media network and by delivering dogs to shelters such as North Shore Animal League America, a \$40 million nonprofit in the New York City area with A-list celebrity boosters that sometimes showcases dogs on radio and TV, [including "The Late Show With Stephen Colbert."](#)

"These dogs aren't being rescued. She's rehoming them," said breeder Amy Noland of [Dog Blessed Bullies](#) in Maple Hill, Kansas, population 620. "We've sent some 3- and 4-year-olds to her that have never bred. Sometimes a female just won't breed." Noland said she's also given National Mill older dogs. "Most of them, they're retired, French bulldogs, maybe 6 or 7 years old. To me, they're a lifesaver for us, to help with that."

When asked for comment, National Mill staffer Helen Freeman — who as of 2017 was listed on the nonprofit's tax returns as an officer on the board of directors — called HuffPost's questions a "witch hunt" while acknowledging that National Mill and the breeders are indeed a symbiotic entity.

“The relationship is one of, we’re grateful to them for giving the dogs a second chance, and they’re grateful for having a place to turn to and give their dogs a second chance,” Freeman said. “We’re helping them to retire their breeding dogs in a humane way.”

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Of course, describing the dogs as “retired breeders” or “too old to be a pet store puppy” doesn’t have the same fundraising cachet as “puppy mill survivors.” National Mill’s mission statement is to “rescue, rehabilitate and rehome discarded breeding dogs and to educate the general public about the cruel realities of a commercial dog breeding industry.” Its fundraising and marketing have long highlighted some of the worst-case animals it receives, who are portrayed as representative of the whole industry. The message focuses on how they’re sick, genetically deformed, psychologically and physically battered, or overbred well into their elderly years.

Current and former volunteers for National Mill told HuffPost that its messaging has been a combination of truth and exaggeration, going back to at least 2011. Several said Strader had personally instructed volunteers to promote the worst-case dogs because, as one former volunteer put it, “that’s how you get the donations, quite honestly.”

HuffPost obtained National Mill’s internal assessments of 919 dogs received from breeders from March 2017 to December 2018.

According to the volunteers who described the incoming dogs, less than 1 in 10 were sick, injured or genetically deformed, or appeared scared or terrified. Two-thirds of the dogs were described positively with words that ranged from “sweet” and “friendly” to “gives kisses,” “playful” and “outgoing.” About 1 in 5 were described as timid, shy or nervous, despite being in new surroundings and handled by unfamiliar people after a long ride in a travel crate. A few of the dogs arrived from breeders already housebroken, leash-trained, and spayed or neutered, according to the documents. One 5-year-old Shih Tzu entered the program able to give high fives on command.



According to National Mill's Animal Care Program report for the first 11 months of 2018, which covered 1,133 dogs, by far the most common "procedure" that incoming pups required before being put up for adoption was bathing. While 193 dogs were listed as needing "severe dental surgeries" and 206 dogs were sent to outside veterinarians, the nonprofit logged some 1,880 sessions in the bath (some dogs need more than one). And 352 dogs went to the in-house grooming stands for de-matting, trims, clips and fluffs.

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Nevertheless, according to unofficial minutes taken at a November 2018 meeting of National Mill's directors, the nonprofit decided to focus its year-end fundraising letter on dogs' medical needs. At the same meeting, outside veterinary bills were described as being low, at just over \$5,000. The appeal letter that went out to thousands of National Mill supporters opened with an update signed by Strader. The first paragraph reads: "Your on-going, generous support of our mission allowed us to rescue and care for well over 1,000 puppy mill survivors across the year. We are so passionate about serving this deeply exploited population of dogs, who often require extensive

medical and/or behavioral care as we prepare them for life as beloved family members.”

Freeman and Dr. Debbie St. Louis, who worked at National Mill for two and a half years as a veterinarian (and left this year), said the internal documents that HuffPost obtained didn’t necessarily reflect the true condition of the dogs. Both women said that vets may find additional problems after the initial assessments are complete, although St. Louis confirmed that volunteers do tend to note anything “really bad.”

“We put that the dog is sweet or timid or shy or gives kisses. We just rescue dogs that have probably never seen a brush or anything,” she said. “They were just unbelievably matted dogs, but they were still happy little things. We’ve had dogs that have lost every tooth in their mouth, but they’re giving you kisses. Dogs are incredibly resilient.”

Connie Bouchard, who volunteered with National Mill during its earliest days before starting her own nonprofit called [Breeder Release Adoption Service](#), said the dogs coming into nonprofit “rescues” from breeders used to be in much worse shape than they are today.

“That’s not a bad thing — these people needed to clean up their acts,” she said. “In that respect, this has been a good thing, but to continue to lead the public to believe that every single dog is a train wreck — they’re just not.”

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The data set that HuffPost obtained from inside National Mill appears to be the first to be made public about the actual health and temperament of dogs coming into nonprofit rescue from the kinds of kennels often labeled “puppy mills.” Another, larger data set about commercial breeding conditions — which has yet to be published — is being collected at Purdue University in Indiana. Candace Croney,

director of Purdue's Center for Animal Welfare Science, has spent the past four and a half years getting about 100 commercial breeders to let her team into their kennels to research standards of care on what dogs actually need, how success can be measured, and how to determine scientifically whether dogs are in good shape physically and psychologically.

Croney was not surprised by what National Mill's internal reports showed. She said the Purdue data, which is based on different breeding kennels than the ones National Mill frequents, is finding much the same thing so far.

"Now, the caveat is that we're working with breeders who open their doors to us," Croney said. "We know that we are working with a skewed population, but some of the ones who we see where there are problems — that's starting to happen because they realize we're not there to do them harm, we're really just there to measure the welfare of the dogs — we don't see many or serious health problems."

"The internet tells me that I should see dogs living in squalor, that are living in cages, that are thin from not being fed properly, that are matted in their coats, that get no dental care, that never see a veterinarian, that have wounds and injuries that are unattended," she added. "That's what I was expecting to see, and we don't see that. Of all the kennels we've been to, I can count less than a handful of places where we've seen any dogs that we have any concerns about their physical health or physical condition."

What Croney's team has seen, she said, is animals that seem fearful, especially of strangers, much as National Mill's internal reports listed 20% of dogs as shy, timid or nervous.

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Dog Welfare Research - With Caretaker



Dog Welfare Research - With Strangers



ABOVE:

While “puppy mill rescuers” often look into the camera and say the dogs seem shy or fearful because they’ve lived their whole lives without meaningful human contact or have been caged and never set foot on the ground, Candace Croney’s research, in conjunction with Purdue University, shows that the dogs are sometimes simply afraid of the rescuers because the rescuers are strangers. The top video shows dogs with the breeder they know. The bottom video shows the same dogs in the same place with an unfamiliar person, such as a rescuer.

“What’s sort of interesting is that there’s this idea that these dogs are fearful because they’re mistreated or because they’re only handled when they’re being fed and watered,” Croney said. “But what we’re seeing is that in many of these places, not only are the dogs getting regular interactions, but they’re getting positive interaction. What they’re not getting is socialization: exposing the dogs to new sights, sounds and other people. What we have found, at least in the preliminary study, is that when we test the dogs with their people, they know those folks and have a positive relationship with them. Their body language and other things tell us this. It just doesn’t manifest with other people.”

In other words, it’s possible that some dogs are showing signs of nervousness when they reach National Mill simply because they’ve

never known anything but the kennel where they were raised. The very act of “rescuing” them may be what’s making them afraid that day — which is “not a horrific welfare situation,” Croney noted.

Overall, she said, “I’m floored by what I’m seeing. I’m under no illusion that everybody operates at a high standard, or that every outcome for every dog is good. But the data is far too good from far too many of these kennels not to take a hard step back and ask: Where is the information coming from that these dogs are all coming from horrible kennels?”

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Equally noteworthy are the ages of dogs that National Mill collects from breeders. According to records HuffPost obtained documenting 942 dogs picked up between February 2017 and December 2018, most of National Mill’s “rescues” were not elderly dogs who were bred well into their senior years. Instead, 64% of the dogs were 5 or younger, 22% were 6 months or younger, and 84% were 7 or younger. Senior-age dogs, those 10 and older that could have been overbred for years past their prime, represented just 5% of the dogs taken in during that nearly two-year period, the documents show.

The “quick facts” section of National Mill’s website, as of April, said the average age of dogs it rescued was 7 years old. But the dogs collected between February 2017 and December 2018 were actually only 4.4 years old on average.



Becky Weaver, who said she volunteered with National Mill from about 2012 through 2018, saw a change over time in the ages of the dogs coming in through “rescue missions” at breeding kennels.

“You know, we get all ages now,” she said. “It used to be older dogs — 7, 8 years old and up. Now we get a lot of younger dogs, too. I’d say maybe a year and a half ago, two years ago, it changed.”

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Patrick Desjardins, who said he volunteered with National Mill for several months about four years ago, described being stunned that most of the Australian shepherds “rescued” from breeder Karey Marrs of [Mockingbird Hill Kennel](#) in Bolivar, Missouri, were in fine shape.

“I was there and helped unload them,” he recalled. “Out of the six we took off, five were fine. One was shell-shocked, but hey, he’d just spent a day and a half in a van. The vast majority of those dogs, there’s not a whole lot wrong with them at all.”

Marrs is an American Kennel Club Breeder of Merit who has produced 15 show ring champions. She said she relinquishes retired breeding dogs to National Mill when they're about 6 years old because it's easier for the nonprofit to find them homes.

"To tell you the truth, there aren't that many good rehoming services out there," Marrs said. "So, if you are kind of stuck in that situation where you have to use what's available, you know — you want your puppies or your adults to go ... to homes, and that's the most important thing. What they call us is a sales pitch to the public."

"I've told them several times they need to change their name," she added. "I don't like it. But, in that instance, you have to do what you have to do."

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Is It About The Dogs Or The Money?

In summer 2013, the Black Forest fire ravaged more than 14,000 acres in Colorado and destroyed more than 500 homes, including Theresa Strader's. Because the nonprofit had been started in her home, it still had office space where National Mill business was conducted.

National Mill sought donations to help the Strader family, and the nonprofit's 2014 tax return shows a personal loan of \$57,798 to Strader and her husband, Rich, who is National Mill's treasurer — with \$32,376 still owed at the end of that year. There is no mention of the loan's repayment on the nonprofit's publicly available 2015, 2016 and 2017 tax forms.

None of the members of the 2014 board of directors who spoke to HuffPost about the personal loan could recall why, specifically, the board approved it or if the total sum was ever paid back.

Freeman, one of those board members, said she's "literally just guessing" at what happened with the nonprofit's cash five years ago: "I know that their [the Straders'] expenses were pretty severe, trying to wait for insurances and stuff like that so, um, you know, to get things going again for them and the rescue."

Chris Thornton, who was National Mill's secretary at the time of the loan and is now chairman of the board, did not respond to email or phone requests for comment. Kim Lehmann, who was on the board at the time and is now National Mill's director of kennel operations, hung up when reached by phone for comment on this and other matters.

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Jim Klever, who spent 45 years as a YMCA executive before retiring and becoming a National Mill volunteer, served for a brief period as the nonprofit's executive director. Based on what he saw when he attempted to exert financial controls at National Mill and how Strader took back power, he said the nonprofit suffers from "founder syndrome." That's when a nonprofit's founder resists change and holds onto a disproportionate share of power, leading to numerous problems as the organization grows.

"It may last a number of years, but it's surviving on the personality of the founder, as opposed to good organization with a good board of directors, financial accountability, legal systems, things like that," Klever said. "Almost without exception, small nonprofits all have issues if they're still run by founders and people are trying to exert controls."



A half-dozen past staffers and volunteers also questioned the way Strader has handled the nonprofit's "rescue mission" expenses. She increased the number of dogs collected from breeders and then transferred to other shelters, according to numerous former volunteers. Sometimes, those shelters were in resort areas such as Missouri's Lake of the Ozarks and Aspen, Colorado. Strader, they said, would take a select group of National Mill insiders, and sometimes family members, along for the doggie deliveries, paying for hotel rooms, meals and other expenses on the nonprofit's dime and making a vacation of it. The wasteful spending gnawed at their consciences, they said.

"We've eaten in fancy Italian restaurants, we've stayed in Hyatts, Marriotts — it's never the no-tell motel," McKeon, the former facilities manager, said.

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Desjardins said he was shocked by the spending he saw when Strader asked him to help deliver 30 dogs from National Mill's Colorado facility to a shelter in Phoenix. At one point on that trip,

Desjardins said he was driving down the highway with Strader and Jenny Whitt, who is now National Mill's director of adoption programs, when the subject of their hotel reservations came up. "Jenny went online and saw that somebody had complained about bedbugs, so Theresa got on the phone and canceled the reservation, and she made a reservation at the nicest hotel in Phoenix," he said. "I had my own suite — it had two rooms, a sitting room, and a bedroom — and they shared one. We went to dinner that night and probably dropped \$300 or \$400 on wine and food. It wasn't a cheap restaurant. It was filet mignons, red wine, before-dinner drinks, dessert. It was a good bill."

"What I'm used to in dog rescue is you go to Denny's and get whatever's on special," he added. "This seemed standard to them, as long as it was a certain group of closed people involved. When it's in public where all the volunteers can see, it's something else."

Not all the former volunteers who spoke to HuffPost recall extravagant spending. Some remember staying in roadside motels, grabbing hot dogs at gas stations and, on good nights, having a meal at a chain restaurant such as Olive Garden or Applebee's.

Desjardins also said he'd seen Strader use the nonprofit's imprimatur for her personal benefit when she asked him to collect an adjustable bed that she could use at home after having knee replacement surgery. Strader told him to pretend they were driving somewhere on National Mill business, he said.

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"I went over to her house, and we were getting ready to leave, and she handed me those magnetic [National Mill] stickers and said, 'Put them on the [vehicle] door. That way, it's company business,'" Desjardins said. "But it wasn't."

Weaver, the volunteer from about 2012 to 2018, said her antenna went up about how money was being spent after an incident with a cocker spaniel one Friday afternoon a couple of years ago. The dog arrived at National Mill in pain. "All she could do was squat all the time, and we didn't know what was wrong," Weaver said. She and other volunteers said they told Kim Lehmann that the dog needed to see a vet.

"Kim said no, it would cost too much," Weaver recalled, noting that the nonprofit was bringing in well over a million dollars a year at that time. "The volunteers that were there, and I was one of them, I said, 'I'll even pay for it.' She got very upset over it. Well, they did take the dog the next morning. She had the most horrible stones in her bladder. She was in horrible pain. She was in that pain for hours that she didn't need to be in it."

The incident bothered Weaver so much, she said, that she invited Strader to her home for a talk.

"I thought, when she finds out that all this is going on beneath her, she's going to be upset," Weaver said. "I said, 'Is it about the dogs or is it about the money?' She got very, very uncomfortable. She started squirming and moving around in her chair. I was expecting her to say it was about the dogs, but she said, 'You know, all of our financial stuff is online.' They're making a lot — a lot — of money off this place. I didn't like that answer, so I waited until later and asked her again, and I got the same response."

At least five other former volunteers and employees recalled challenging Strader on money issues and getting similarly unsatisfactory answers.

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"I was pushing for financial controls of the organization, making sure the taxes were being paid, they were filing the 501(c)(3) paperwork

on time and the 990s, and I think I was probably trespassing into territory where they didn't want me to go," said Klever, the former executive director.

Acting Like A Vet

Prior to the recently launched Colorado investigations, National Mill faced regulatory scrutiny at least once before, in March 2017. An inspector from Colorado's Pet Animal Care Facilities Act (PACFA) program cited the nonprofit for failing to comply with nine different state regulations. The violations ranged from housing intact male and female dogs together to having kennels with rusty sharp-edged panels that could injure a dog. One of the most serious "direct" violations cited National Mill for transferring 62 dogs from Kansas to Colorado without first obtaining the required certificates of veterinary inspection, or CVIs, stating that the dogs were healthy and did not pose a risk of spreading disease in Colorado.

The state thought that was a one-off mistake, according to Hollis Glenn, director of the Colorado Department of Agriculture division that oversees the PACFA program. Colorado officials "read Kansas the riot act," he said, demanding that Kansas officials never again encourage National Mill to move to Colorado dogs that didn't have veterinary certificates. In October 2017, the state considered the case closed after Strader said all the CVI-related violations had been corrected.

But according to numerous interviews and open-records requests in seven states, National Mill regularly took dogs across state lines without the required certificates. Although emails obtained by HuffPost show that Colorado's inspector took Strader's word that National Mill was following the rules on CVIs, the nonprofit was routinely doing the opposite.

The state where a dog originates and the state where it ends up are each supposed to have a CVI on file for that dog. That way, if a newly transported dog shows up with a contagious disease, state officials can trace the animal back to its place of origin and hopefully nip an outbreak in the bud.

the state veterinarian's office sent them with a warning that some were probably duplicates.

The lack of CVIs, and thus the possible importation of sick dogs into the state, is a serious health and welfare concern that can lead to any nonprofit being forced to cease operations, Glenn said.

"This is a big issue for me," said the Colorado official, who noted that he cannot discuss open investigations, including the ongoing inquiry into National Mill. "If we can prove that there is imminent harm to the public, I believe that importation of sick dogs, if they're knowingly doing it, would rise to a summary suspension."

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According to National Mill's own data from the first 11 months of 2018, nearly 1 in 5 dogs that came through its facility required outside veterinary care. The complaint that Nelson, the nonprofit's former marketing director, filed with the Colorado Department of Regulatory Agencies states that National Mill imported some dogs with diseases including parvovirus and distemper, and then sometimes moved them into proximity with other dogs before resolving the veterinary issues. For instance, Nelson told the state, out of 21 dogs that arrived at National Mill in March 2018 from Arkansas, at least 11 died. She reported that some of the dogs were transferred to the Second Chance Humane Society in Ridgway, Colorado, before a diagnosis had been made. "There was no protocol in place for the staff, and frankly, no notification about the distemper issue," she wrote.

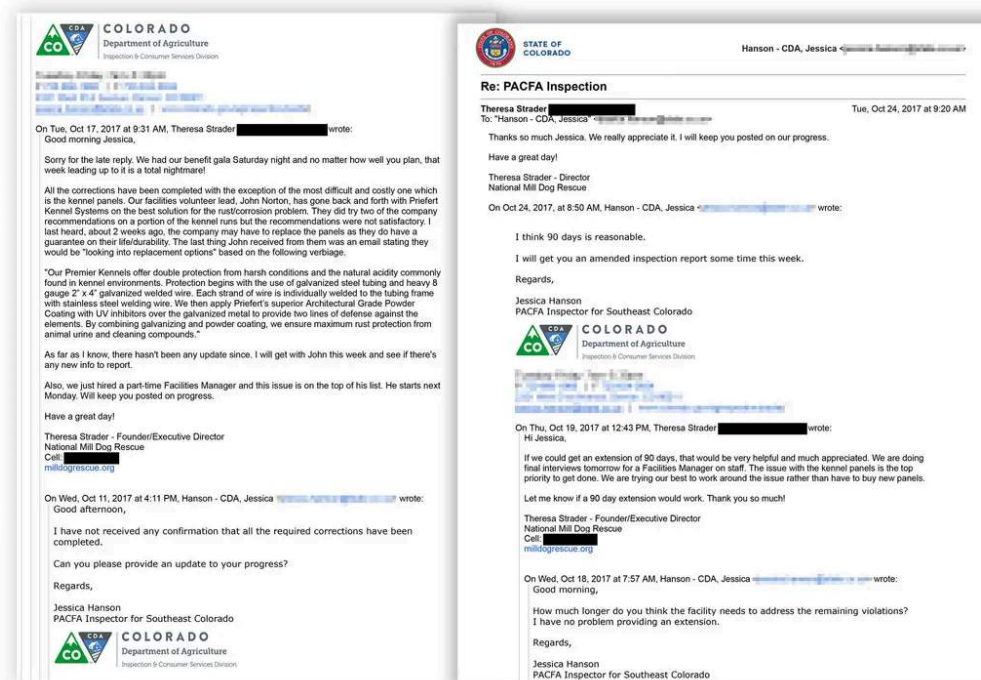
St. Louis, the veterinarian, disputed that allegation. "There's an isolation room with gowns. Only one person is treating them — we don't have the volunteers go in and feed them; there's only a few people who know what you should do," she said. "There's a sign on the door that says these dogs are quarantined. There definitely is a plan."

However, St. Louis and Freeman, the former board member who remains a staffer, did confirm that the nonprofit hasn't always obtained CVIs for imported dogs, including as recently as six months ago. Both women said that during the past six months — the timeframe in which Nelson's complaints were filed and HuffPost began reporting this article — National Mill started getting the required vaccinations and paperwork before bringing dogs into Colorado. "I can tell you right now that all the rescues this year have been 100% health certificates," Freeman said.

In April 2019, a federal inspection report showed National Mill in compliance with all requirements under the Animal Welfare Act.

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But this is not the first time National Mill has appeared to resolve the issue. After Colorado regulators cited the nonprofit in March 2017 for transporting dogs across state lines without CVIs, Strader told the inspector in an Oct. 17, 2017, email that "all the corrections have been completed" for documented violations.



An email exchange about certificates of veterinary inspection between Theresa Schrader and Colorado state regulators.

And HuffPost's research turned up numerous other Colorado-based nonprofits that were obtaining CVIs for the dogs they imported. It's clearly possible to do it, even for organizations with less funding and fewer staffers than National Mill.

Bouchard, the former National Mill volunteer who now runs her own nonprofit, said the breeders in Arkansas, Missouri and Kansas who give her dogs have CVIs in place from their own vets before she even arrives to pick up the pups, save for random exceptions.

"I'm not going to tell you we don't ever bring a dog into the state without a health certificate. That would be a lie," Bouchard said. "But 99% of the dogs we bring in have a health certificate."

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While Colorado's PACFA program is investigating CVIs and other issues that it oversees, the Department of Regulatory Agencies is looking into a separate claim by Nelson that Strader has been practicing veterinary medicine without a license and falsifying rabies certificates. In Colorado, practicing veterinary medicine without a license is a misdemeanor on the first offense and a felony on second and subsequent offenses.

"Conservatively, hundreds of dogs have been given their rabies vaccine by Ms. Strader," Nelson wrote in her complaint to the Department of Regulatory Agencies. "Realistically, the number is in the thousands."

A person without a veterinary license giving rabies vaccines to dogs risks public health and safety — not just that of the dogs, but also of human beings, since rabies can spread from animals to people.

According to Nick Striegel, the assistant state veterinarian for Colorado, if a dog receives a rabies vaccine from someone other than a licensed vet, officials can't assume that the vaccine was properly handled or that the injection was correctly administered. "If a dog that was adopted is exposed to a rabid skunk or another animal, that dog may have to be quarantined for six months at a facility, or it could need to be euthanized," Striegel said. "If that's not recognized by public health as a certified vaccination, they do have the ability to say they are putting that dog to sleep."

Numerous former National Mill volunteers said that for years, Strader, who is a registered nurse, has been giving rabies and other vaccines to the dogs before they're adopted. Videos that HuffPost obtained from inside National Mill show Strader giving vaccines, including for rabies. Then the vaccination paperwork has routinely been filled in with the names of two licensed vets: Drs. St. Louis and Traci Duncanson.

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Duncanson did not respond to requests for comment. St. Louis told HuffPost that she never signed rabies paperwork without giving the vaccine herself, but also noted that if the dogs had to wait for their shots until a vet was available to conduct a full medical exam, “it could take weeks.” St. Louis also said the state veterinarian’s office told her it was OK for Strader to administer the vaccines under her direction. A spokesperson for the Colorado Department of Agriculture, which oversees that office, told HuffPost that it has no record or recollection of any such conversation with St. Louis.

Weaver and others said the vets routinely were not present when Strader administered the vaccines. “It’s just her,” the former volunteer said. “There might be a vet, if she happens to be working that day, over in the other building, but Theresa does all of that — and she has no veterinary degree. ... She just does what she wants to do.”

Rabies vaccinations are not the only area in which National Mill appears to have engaged in questionable medical practices. According to text messages that HuffPost obtained, National Mill staffer Christi Pate reached out to Freeman on Sept. 6, 2018, to say that a medical sheet was never created for a dog that had been spayed and was now heading home with an adopter, and that all the pain medication and antibiotics the dog was supposed to have received after the surgery were “still in her bag. She never got any of the post surgical meds.”

Freeman replied, “This has happened with a couple of other dogs.”

Pate did not respond to a request for comment. Freeman told HuffPost that she has “created medical delivery sheets to ensure medications were accurately delivered, annotated and tracked.”

It’s Only Wrong When Pet Stores Do It

The business model and practices of National Mill Dog Rescue, besides raising serious questions about the whole concept of “puppy mill rescue,” show how easy it is for breeders and nonprofits to subvert the laws often described as “puppy mill bans” that have been spreading across the nation for more than a decade.

National Mill regularly transfers dogs from breeders to at least another dozen shelters and nonprofit rescues, including some in California, New York state and Phoenix, according to records HuffPost obtained. California and Phoenix are among the 300 or so jurisdictions that, since 2006, have enacted “puppy mill bans.” [New York lawmakers](#) recently introduced what could become the third statewide version of such a ban, and [Arizona state legislators](#) are taking on the issue right now, too.

“Puppy mill bans” do not, in fact, ban the breeding of puppies in mill-like facilities. Instead, they make it illegal for retail pet stores to buy puppies or older dogs from breeders. The idea, voters are told, is to choke off the “puppy mill” supply chain by forcing pet stores to shift over to what is regularly described as the “humane” alternative: sourcing dogs only from shelters and nonprofit rescues. If “puppy mills” can’t reach consumers through pet stores, lawmakers promise, then these breeding kennels will go out of business altogether.

In places where the pet sale bans have been enacted or are being debated, leading voices in the rescue community often publicly push for them — sometimes while receiving deliveries of National Mill’s “puppy mill rescue” dogs, according to the documents that HuffPost obtained. It’s always that support for the pet sale bans that the media highlights, not the fact that shelters are receiving dogs from the same sort of kennels they don’t want pet stores to rely on.

In July 2014, for example, when Phoenix’s retail pet sale ban was being challenged in court, Judith Gardner, director and CEO of the Arizona Animal Welfare League & SPCA, [told The Arizona Republic](#) that during the past year, her organization had “taken in nearly 100 castoffs from breeders the league considers puppy mills.” Unreported was the fact that at least three deliveries of dogs came from National Mill, as Gardner acknowledged in a September 2014 deposition in a case challenging the Phoenix ban.

“The only way we’re helping the breeder is by taking their problems off of their hands. They don’t have to then kill the dogs or euthanize them; they can give them to someone and wipe their hands of it,” Gardner told HuffPost. She added that she didn’t actually know which breeders had relinquished the dogs, but that the physical and psychological condition of the dogs her shelter received from National Mill “brought everybody in this organization to tears.” She said many were older dogs, one was a frightened puppy, and one was “younger, a really beautiful male golden retriever” that could not produce puppies.

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Gardner noted that her shelter no longer receives regular drop-offs of dogs from National Mill. She also said she supports the nonprofit and its founder.

“I know, if you break the rules, it’s not a good thing, but I truly believe in Theresa’s heart,” Gardner said. “I like her and admire her so much. I truly believe she cares about what I care about, and that’s the animal itself.”

In September 2018, the senior vice president of operations at North Shore Animal League America argued for a similar pet sale ban in New York City. “We have seen firsthand the abuse and neglect these animals have endured,” Joanne Yohannan [told the New York Post](#) — which did not report that North Shore is a regular receiver of shipments from breeding kennels via National Mill. North Shore even charges adopters more for those animals: It gets [\\$100 for generic adult dogs, \\$250 for “puppy mill rescues” and \\$350 for puppies](#).

Yohannan did not respond to a request for comment.

The primary supporters of retail pet sale bans across the nation have long been the ASPCA — which honored Strader with its coveted [Henry Bergh Award](#) in 2013 and gave National Mill a \$5,500 grant

the next year — and the Humane Society of the United States, which featured Strader in its [Animal Sheltering](#) magazine in 2013 and gave National Mill a \$2,500 grant two years later.

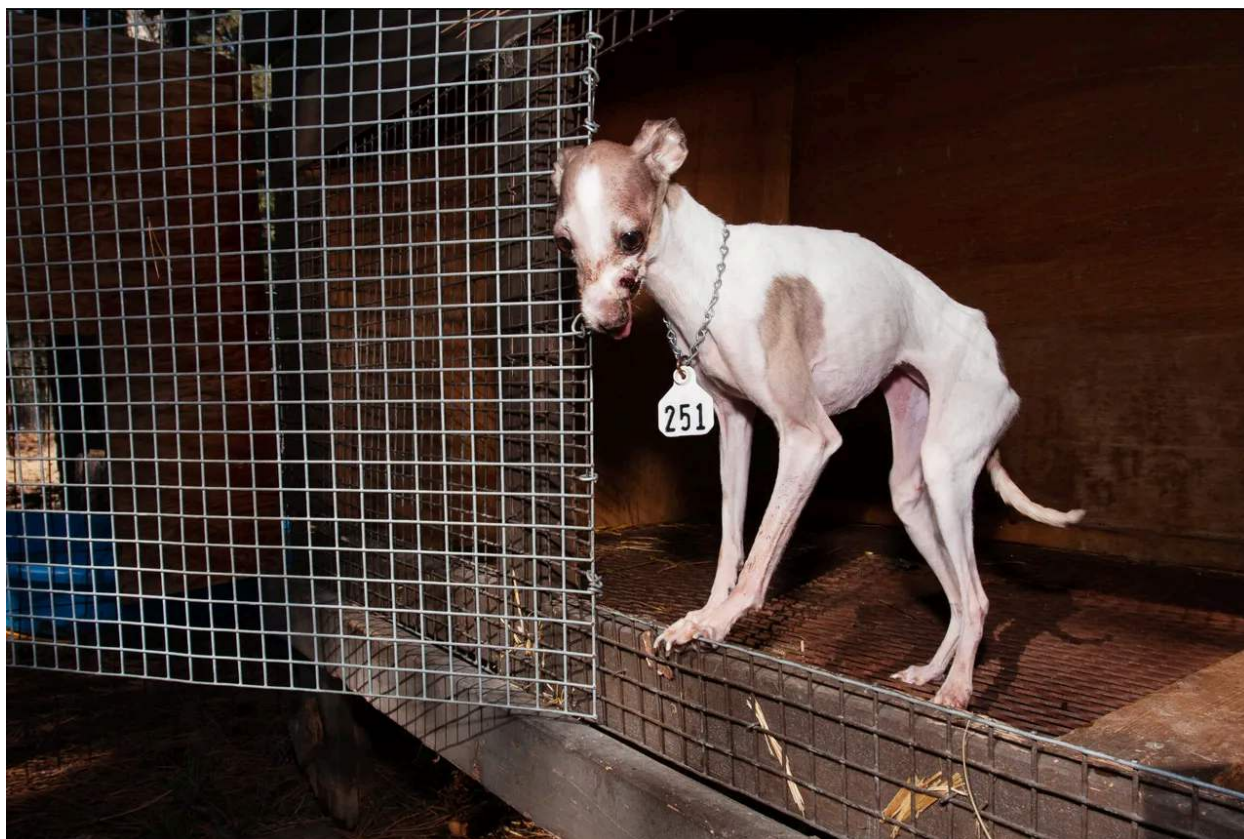
When HuffPost sent detailed questions about National Mill to the ASPCA's CEO, who has been quoted saying that pet sale bans break the “puppy mill supply chain,” the organization responded with a general statement about “the cruel practices inherent” in commercial dog breeding. The ASPCA reiterated its support for “rescues and shelters committed to rehabilitating and rehoming animals churned out by the commercial dog breeding industry.”

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Also after receiving detailed information about HuffPost's reporting, John Goodwin, senior director of the Humane Society's Stop Puppy Mills Campaign, simply stated, “As many as 50,000 commercially raised puppies are shipped to New York pet stores each year, and any legislation that stems that flow is going to be helpful in reducing the number of puppy mill dogs sold to unsuspecting New York families.”

The Pet Industry Joint Advisory Council lobbies against the pet sale bans that the ASPCA and Humane Society support. Mike Bober, president and CEO of the council, called National Mill a frustrating example of the “underground market” for commercially bred puppies that his organization has argued would result from such bans.

“Cases like this make it clear that banning the sale of dogs in pet stores is not a solution to concerns about commercial breeding,” Bober said in a statement to HuffPost.



A photo of Lilly, the dog that Strader highlighted in her TEDx Talk, with the allegedly custom-ordered auction tag.

And About That Dog Lily ...

On National Mill's Facebook page and elsewhere online, donors and adopters can still see those heartbreaking photos of Lily that Strader showed at her TEDx Talk when she described buying the dog at auction. A ray of sunlight pierces through one image of the Italian greyhound as if to symbolize hope entering the cage.

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The photos were “totally staged,” said a former volunteer, one of three who said the same thing. Strader and Clay Myers, a prominent animal welfare photographer who did not respond to requests for comment, took them in Strader’s backyard — more than a year after she brought Lily home.

Strader, the former volunteers said, custom-ordered the No. 251 auction tag to look authentic for the marketing campaign.

Kim Kavin’s most recent book is “[The Dog Merchants: Inside the Big Business of Breeders, Pet Stores, and Rescuers](#),” which won two national awards. In May, she was awarded the 2019 Donald Robinson Prize for Investigative Journalism, for [this article about dog auctions](#) in The Washington Post. She lives in New Jersey with her two adopted shelter mutts.

Top illustration: Damon Dahlen/HuffPost; Photos: Getty. Video: Kiara Alfonseca/HuffPost. Infographics: Heather Jones for HuffPost.

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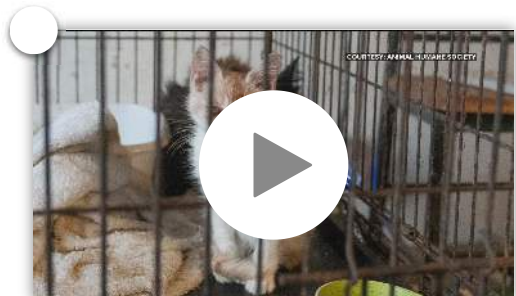
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LOCAL NEWS

AHS rescues dozens of dogs and cats from horrific conditions in northern Minnesota

The animals were confiscated from a property in the town of Hines in Beltrami County on Dec. 6. The owners face multiple charges involving animal mistreatment.

Author: Dana Thiede





GOLDEN VALLEY, Minnesota — More than 60 dogs and cats are in the first days of their new lives after being rescued from deplorable conditions on a property in northern Minnesota.

Animal Humane Society (AHS) Chief Medical Officer Dr. Graham Brayshaw met with reporters on Friday to update the situation with the [animals that were rescued](#) from "dire, unsanitary conditions" on the problem property. He said 35 dogs and 29 cats are living in temporary housing that is clean and safe, eating substantial food, drinking clean water, and receiving much-needed medication.

Investigative agents and critical response team members had been assisting the Beltrami County Sheriff's Office with the case in recent weeks, chronicling the horrific conditions that more than 250 companion animals were living in. There was no food or water for the animals, and the outbuildings and shelters they were living in were overrun with urine and feces.

The team had been to the property multiple times and on Friday, Dec. 6, Brayshaw was among those who arrived in Hines expecting to transport all those animals back to AHS headquarters in Golden Valley for emergency lifesaving care.

Instead, Brayshaw told reporters, they discovered more than 170 dogs and cats they had previously seen were unaccounted for and that those still on the property were in worse shape than they had been in three previous visits. Sheriff's investigators recovered a large number of animals that were dead and found a wood stove filled with the remains of animals and bone fragments consistent with small animals.

"This is obviously not the outcome we were hoping for," Dr. Brayshaw said.

Property owners Douglas Ray Erickson and Debra Kay Marshall told reporters they were running an animal rescue. Each stands charged with 10 felony counts of animal cruelty.



mistreatment/torture.



Credit: Beltrami County Sheriff's Office

Douglas Erickson, left, Debra Marshall, right.

The critical response team rounded up most of the animals and transported them back to Golden Valley, where they are being treated for respiratory ailments, infections, broken bones, fleas and other medical ailments. After living in a clean, safe environment with food and water for just four days, Brayshaw says he is already seeing significant improvement in most of the dogs and cats.

In fact, some of the rescues could be placed up for adoption sometime next week or the week after for people willing to provide the special physical and behavioral care these animals need. Others have a longer road to recovery, and due to a lack of human interaction and socialization, some may not ever be adoptable. Brayshaw says being in a safe and loving place for a week or two will reveal which of the animals exhibiting anti-social or dangerous behavior can be saved.

New York Times vs. OpenAI & Microsoft a
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Brayson says humane investigators remain on the case, helping the Beltrami County Sheriff's Office with forensic expertise in the processing of the ash and bone fragments found on the property in Hines. He told reporters there were also horses, mules and mini ponies found on the property that are being cared for on a local level.



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**CITY OF SPRING LAKE PARK
RESOLUTION NO. 2025-28**

**A RESOLUTION APPROVING SUMMARY PUBLICATION OF ORDINANCE NO. 505,
AMENDING CHAPTER 9 OF THE CITY CODE BY ADDING SECTION 9.12.030
CONCERNING PET STORES**

WHEREAS, the Spring Lake Park City Council has adopted Ordinance No. 505, entitled: **"AN ORDINANCE AMENDING CHAPTER 9 OF THE CITY CODE BY ADDING SECTION 9.12.030 CONCERNING PET STORES"**; and

WHEREAS, the City Council finds that the publication of the full text of the ordinance is not necessary for the public's understanding of its intent and effect, and that a summary publication would clearly inform the public of the ordinance's purpose and substance; and

WHEREAS, Minnesota Statutes Section 412.191, Subdivision 4, authorizes the publication of a summary of an ordinance when the City Council so directs by resolution approved by a four-fifths vote of its members;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Spring Lake Park, Minnesota:

1. The City Council hereby approves the following summary of Ordinance No. 505 for publication:

On July 7, 2025, the Spring Lake Park City Council adopted Ordinance No. 505, amending Chapter 9 of the City Code to add Section 9.12.030 concerning pet stores. The ordinance prohibits the retail sale of dogs and cats by pet stores within the city, while allowing partnerships with animal shelters and rescue organizations to showcase adoptable animals. It requires pet stores to maintain Certificates of Source for animals displayed and prescribes misdemeanor penalties for violations. The ordinance aims to promote animal welfare and responsible pet adoption. A full copy of the ordinance is available at City Hall or by request.

2. The City Administrator is directed to cause this summary to be published in the official newspaper in accordance with state law and to make a full copy of Ordinance No. 505 available for inspection by the public.

The foregoing Resolution was moved for adoption by Councilmember .

Upon Vote being taken thereon, the following voted in favor thereof:

And the following voted against the same:

Whereon the Mayor declared said Resolution duly passed and adopted the 7th day of July 2025.

APPROVED BY:

Robert Nelson, Mayor

ATTEST:

Daniel R. Buchholtz, City Administrator



Memorandum

To: Mayor Nelson and Members of the City Council

From: Daniel R. Buchholtz, MMC, Administrator, Clerk/Treasurer

Date: July 1, 2025

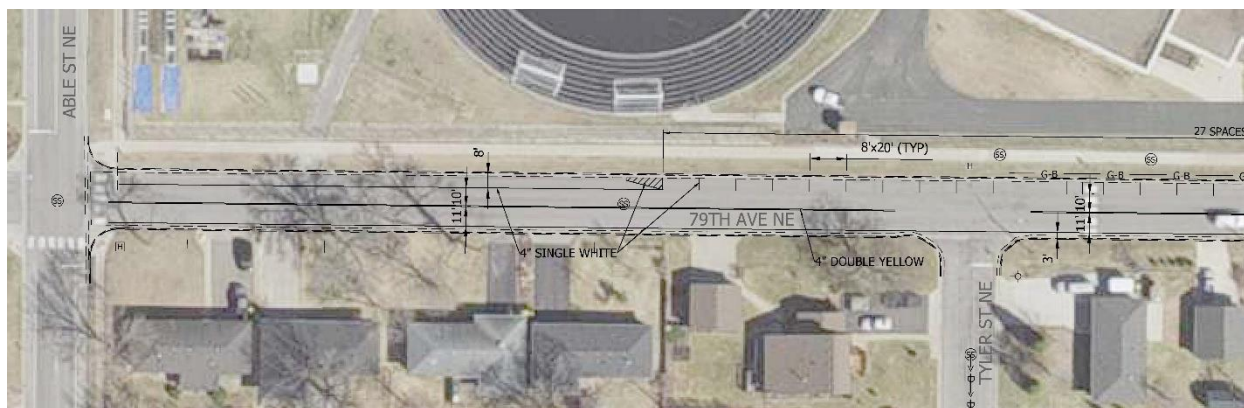
Subject: 79th Avenue On-Street Parking Resolution

The City Council has received parking complaints from residents of Van Buren Street, between 79th Avenue and 81st Avenue. Residents have stated that high school students are parking on this section of roadway, blocking mailboxes and driveways. The residents are requesting “No Parking During School Hours” signs to be placed on this section of roadway.

The City Council took a first step in addressing these parking complaints by adopting an ordinance clarifying that no one shall park within 10 feet of a mailbox. This ordinance will provide the Police Department with the tools to ticket vehicles parked too close to a mailbox. If an illegally parked vehicle is not moved within 4 hours, the Police Department can have it towed at the owner’s expense.

Chief Antoine and I met with Principal Boucher in an attempt to better understand the High School’s parking situation. There are 343 designated parking spaces for full-time student use, which are oversold by 5%. An additional 70 parking spaces in the staff lot are made available for part-time students. Parking permits are issued for school parking, which are sold to students. Permits are limited to juniors and seniors, with very limited exceptions for sophomores.

To help alleviate neighborhood congestion, Chief Antoine and I propose creating a designated on-street parking zone along a portion of 79th Avenue. This zone would accommodate approximately 27 to 37 additional student parking spaces.





The area south of the proposed zone includes commercial uses and side yards, with the parking area intentionally ending before homes that face 79th Avenue to minimize potential residential impacts. Parking would be restricted on the south side of 79th Avenue to ensure adequate roadway width for emergency vehicle access.

We would anticipate the cost of this change to be between \$1,250 - \$1,500, which would include striping the parking zone and the installation of parking signs.

Chief Antoine has shared this proposal with SBM Fire Department and the Fire Department has no objections.

If the City Council finds this to be a favorable solution, staff would prepare a resolution for the City Council to adopt establishing the parking zone. We would also inform the High School of this parking change so they can inform the students on the parking permit wait list of this on-street parking availability. We would also have the School Resource Officer educate students on this parking availability.

In addition to the proposed parking zone, the Metropolitan Council is launching a “Metro micro” pilot program in September 2025, serving parts of Blaine, Spring Lake Park, and Coon Rapids. This on-demand, shared ride service—similar to Uber or Lyft—allows users to request rides via a mobile app. Service hours will be 5:30 a.m. to 10:30 p.m. on weekdays and 7:00 a.m. to 10:30 p.m. on weekends. Fares will be \$3.25 during rush hour and \$2.50 at other times, with free 2.5-hour transfers. While the zone map is still being finalized, this service could offer a convenient transportation option for students after school activities.

The City Council reviewed the proposed 79th Avenue parking zone at its June 16, 2025 meeting (see minutes from work session as Item 7A) and recommended that it be scheduled for formal consideration at the July 7, 2025 City Council meeting.

If you have any questions, please do not hesitate to contact Chief Antoine or me at 763-784-6491.

**CITY OF SPRING LAKE PARK
RESOLUTION NO. 2025-29**

**A RESOLUTION MODIFYING PARKING REGULATIONS ON 79TH AVENUE
BETWEEN TAYLOR STREET AND A POINT 150 FEET WEST OF TYLER STREET**

WHEREAS, the City of Spring Lake Park has previously designated a "No Parking During School Hours" zone on 79th Avenue NE between Highway 65 and Able Street in response to school-related traffic conditions; and

WHEREAS, the City has evaluated current parking conditions on the blocks surrounding Spring Lake Park High School and determined that evolving traffic patterns and public safety concerns justify a revision to the existing parking regulations; and

WHEREAS, the City Council finds it in the public interest to eliminate the time-limited parking restriction on a portion of 79th Avenue and to implement a consistent and clear parking configuration.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Spring Lake Park, Minnesota, as follows:

1. The previously designated "No Parking During School Hours" zone on 79th Avenue NE between Taylor Street NE and a point 150 feet west of Tyler Street NE is hereby eliminated.
2. A parking zone is hereby established on the north side of 79th Avenue NE between Taylor Street NE and a point 150 feet west of Tyler Street NE.
3. A "No Parking Anytime" zone is hereby established on the south side of 79th Avenue NE in the same area: from Taylor Street NE to a point 150 feet west of Tyler Street NE.
4. City staff are directed to remove and install signage as necessary to reflect these changes and to update all applicable city maps and records.

BE IT FURTHER RESOLVED that this change will take effect upon completion of the 2025 Street Improvement Project

The foregoing Resolution was moved for adoption by Councilmember .

Upon Vote being taken thereon, the following voted in favor thereof:

And the following voted against the same:

Whereon the Mayor declared said Resolution duly passed and adopted the 7th day of July 2025.

APPROVED BY:

Robert Nelson, Mayor

ATTEST:

Daniel R. Buchholtz, City Administrator



Memorandum

May 19th, 2025

To: Mayor and City Council
From: Josh Antoine, Chief of Police
Subject: Parking Ordinance

Dear Mayor and City Council Members,

On April 7, 2025, residents from the 79th Street and Van Buren Street area brought forward concerns regarding student vehicles being parked near driveways and mailboxes, which they believe pose traffic safety issues within the neighborhood. In response, City Administration and the Police Department collaborated to draft a proposed ordinance to establish clear enforcement standards.

A City Council workshop was held on May 5, 2025, during which the proposed ordinance was discussed. Following consultation with the U.S. Postal Service, it was determined that the revised ordinance would require vehicles to be parked at least 10 feet away from mailboxes citywide between the hours of 8:00 a.m. and 6:00 p.m. During the workshop, residents expressed broader concerns about any parking in the area during school hours and submitted a petition with 19 signatures, requesting that "No Parking During School Hours" signage be reinstated in the neighborhood.

At the Council's direction, further discussions were held with the local school. On May 12, 2025, City Administrator Buchholtz and I met with Principal Boucher to better understand the school's parking policies. Principal Boucher shared that the school currently provides 343 designated parking spaces for full-time student use, which are oversold by approximately 5%. An additional 70 parking spots in the staff lot are made available for part-time students. The annual cost of a student parking permit is approximately \$60 less than that of neighboring schools. Permits are generally limited to juniors and seniors, with limited exceptions for sophomores.

Principal Boucher acknowledged the school's limitations in accommodating all students seeking parking permits and reaffirmed the school's commitment to being a good neighbor. He indicated that the school is willing to support the City and Police Department in educating students about current and future parking regulations in and around the school.

City staff, including patrol officers and myself, have continued to monitor the Van Buren neighborhood. During routine checks, I have observed between 10 to 15 vehicles parked in the area, all of which were parked legally. While this does not rule out occasional issues, our enforcement efforts remain active and ongoing whenever violations are observed.

City Administrator Buchholtz and I have reviewed the ordinance and the potential reinstallation of "No Parking During School Hours" signage. At this time, we recommend updating the ordinance to include the new mailbox parking restriction and allowing staff additional time to explore other potential solutions to address the neighborhood's parking concerns. We believe there are several viable options, but further engagement with stakeholders and residents is necessary before a final recommendation can be made.

Please feel free to reach out to me with any questions ahead of the upcoming Council meeting—I welcome the opportunity to discuss this matter further.

Sincerely,
Josh Antoine
Chief of Police



Memorandum

To: Mayor Nelson and Members of the City Council

From: Daniel R. Buchholtz, MMC, Administrator, Clerk/Treasurer

Date: June 30, 2025

Subject: Fifth Amendment to Tower Lease Agreement – T-Mobile

T-Mobile (through Sprint Spectrum Realty Company, LLC) has submitted an executed Fifth Amendment to its Tower Lease Agreement with the City for its antenna facilities located at 8249 Arthur Street NE. The lease expired on December 31, 2024. This amendment reinstates and restates the lease under its existing terms, with modifications, for an additional five-year term from January 1, 2025, through December 31, 2029.

The key terms of the agreement include:

- **Term Extension:** A five-year renewal term beginning January 1, 2025, and ending December 31, 2029.
- **Rent Adjustment:** An increase of \$200/month in base rent, effective January 1, 2025. This amount is in addition to the existing rent, which will continue to escalate annually based on the CPI. The additional \$200 will remain flat during the five-year term and will become subject to escalation if the lease is extended again. T-Mobile will pay any unpaid increase retroactive to January 1, 2025, within 30 days of full execution.
- **Holdover Provisions:** If T-Mobile remains after the lease term, monthly rent will increase by 5% over the last month's rate. If the City directs T-Mobile to vacate and they do not comply, rent increases to 150% of that amount until removal.
- **Notice Provisions:** Updated addresses for legal notices to both parties.
- **Planned Maintenance:** The City disclosed its intent to perform tower maintenance and reaffirmed the 120-day notice requirement for equipment relocation at the company's expense.
- **Termination Clause:** Updated to require one-year prior notice by T-Mobile for termination, replacing the previous 120-day notice period.

Staff recommends that the City Council approve the Fifth Amendment to the Tower Lease Agreement with T-Mobile and authorize the Mayor and City Administrator to execute the amendment on behalf of the City.

If you have any questions, please do not hesitate to contact me at 763-784-6491.

REINSTATEMENT AND FIFTH AMENDMENT TO TOWER LEASE AGREEMENT

This Reinstatement and Fifth Amendment to Tower Lease Agreement (“**Amendment**”) is made effective as of the date last signed below (“**Effective Date**”) by and between Sprint Spectrum Realty Company, LLC, a Delaware limited liability company, formerly known as Sprint Spectrum Realty Company, L.P., a Delaware limited partnership, successor in interest to Sprint Spectrum L.P., a Delaware limited partnership (“**Tenant**”), and The City of Spring Lake Park, a Minnesota municipal corporation (“**Landlord**”). Landlord and Tenant are collectively referred to herein as the “**Parties**” or each a “**Party**”.

RECITALS

WHEREAS, Landlord and Tenant’s predecessors in interest entered into that certain Tower Lease Agreement dated November 15, 1999 and fully executed December 23, 1999, as amended by a First Amendment to Site Agreement dated September 19, 2005, a Second Amendment to Tower Lease Agreement dated November 17, 2014, a Third Amendment to Tower Lease Agreement dated May 5, 2015, and a Fourth Amendment to Tower Lease Agreement dated December 29, 2021 (collectively, the “**Lease**”), pursuant to which Tenant is leasing space for a telecommunications facility at 8249 Arthur Street NE, Spring Lake Park, Minnesota 55432 (as more fully described in the Lease, the “**Leased Premises**”). Tenant and Landlord now wish to further amend the Lease as set forth below.

The Lease expired on or about December 31, 2024, since which time Tenant has continued to make rent payments to the City in amounts contemplated for 2024, and has remained on the Property.

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. **Recitals.** The foregoing Recitals are expressly made a part of this Amendment and are incorporated herein by this reference. All capitalized terms used but not defined herein shall have the same meaning as in the Lease.
2. **Reinstatement.** The Lease is hereby reinstated in its entirety, as amended herein, and is ratified and affirmed in all respects as if the Lease never expired. The Lease is in full force and effect and neither Landlord nor Tenant is in breach under the terms of the Lease
3. **Term/Renewals.** The parties hereby agree to add one (1) additional renewal term of five (5) years to the current term of the Lease. This final renewal term shall commence on January 1, 2025 and terminate at midnight on December 31, 2029 (the “**Additional Renewal Term**”) respectively, on the same terms and conditions as set forth in the Lease. If Tenant shall remain in possession of the Premises at the expiration of this Lease without a written agreement, such tenancy shall be deemed a month-to-month tenancy under the same terms and conditions of

the Lease, except that monthly Rent shall be increased by five percent (5%) over the monthly Rent amount due during the final year of the Additional Renewal Term. A month-to-month tenancy may be terminated at any time, by either Party, upon thirty (30) days' notice. Any occupation of the Leased Premises after the provision of such notice or after the Lease is otherwise formally terminated shall be considered a period of holdover. In such event, and in addition to any other remedies at law or in equity, Landlord shall be entitled to collect from Tenant monthly rent that is equal to one hundred and fifty percent (150%) of the Rent last owed by Tenant during the final year of the Additional Renewal Term, (pro-rated if Tenant paid rent annually prior to the Lease expiration) for each month thereafter until such time that Tenant removes all equipment from and vacates the Leased Premises in compliance with the Lease.

4. **Rent.** Rent during the Additional Renewal Term shall increase the same as prior renewal terms, as contemplated by Section 3.b. of the original Lease, and as modified by Section 1 of the Third Amendment dated May 5, 2015. As consideration for the Additional Renewal Term extension herein, commencing on January 1, 2025, Rent shall increase over and beyond the current rate by Two Hundred and XX/100 Dollars (\$200.00) per month, and shall be payable at the same time and in the same manner as all current Rent, provided, however, any Rent due by Tenant from January 1, 2025 through the Effective Date of this Fifth Amendment shall be payable within thirty (30) days following the Effective Date. Exclusively during the Additional Renewal Term, this additional rent shall not be subject to the rate escalator set forth in the Lease. However, during any subsequent extension periods, month-to-month terms, or periods of holdover of the Lease, this additional base Rent shall be subject to escalation in the same way as all other Rent contemplated by the Lease

5. **Notice Address.** The notice addresses for Landlord and Tenant in Section 20 of the original Lease document and subsequently amended by Section 2 of the Third Amendment and by Section 9 of the Fourth Amendment, are hereby deleted in their entirety and replaced with the following notice addresses:

To Owner (Landlord, City):	City of Spring Lake Park Attn: City Administrator, Clerk/Treasurer 1301 81 st Avenue NE Spring Lake Park, MN 55432
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With mandatory copy to:	John Thames, Spring Lake Park City Attorney 6160 Summit Drive, Suite 345 Brooklyn Center, MN 55430
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To Tenant:	T-Mobile USA, Inc. 12920 SE 38th Street Bellevue, WA 98006 Attn: Lease Compliance / A1O0091A
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6. **Anticipated Maintenance.** Landlord intends to engage in certain planned maintenance activities on or related to the Leased Premises and the Property (the “Work”) during the Additional Renewal Term. Notwithstanding the provisions of 8.d. of the Lease, the Parties agree that, upon at least one hundred twenty (120) days’ notice to Tenant, Tenant shall remove and temporarily relocate its Antenna Facilities and other related equipment off of the water tower on the Leased Premises and relocate ground equipment, as necessary, to facilitate Landlord’s Work.

7. **Termination.** The Parties hereby amend Section 14b of the Lease by deleting said Section in its entirety and replacing it with the following:

“b. By Tenant for any reason upon one year’s prior written notice to Landlord, in which case neither Landlord nor Tenant shall have any further rights or obligations under this Lease (except to the extent such rights and obligations arise prior to the effective date of the termination, and except those provisions which are impliedly intended to survive termination including, without limitation the obligations set forth in Sections 18, 19, and 23 of the Lease).”

8. **Authorization.** Each person signing this Amendment on behalf of Landlord or Tenant represents that he or she is duly authorized to sign this Amendment and to bind the Party on behalf of which such person is signing. If there is a conflict between the Lease and this Amendment, this Amendment shall prevail.

9. **No Third Party Consent Required.** Landlord warrants and represents that the consent or approval of no third party, including, without limitation, a lender, is required with respect to Landlord’s execution of this Fifth Amendment, or if any such third party consent or approval is required, Landlord has obtained any and all such consents or approvals.

10. **Lease Remains in Effect.** The Lease remains in full force and effect as amended by this Amendment and is hereby ratified and confirmed by the Parties.

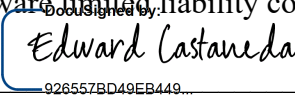
11. **Counterparts.** This Amendment may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute a single instrument. Signed facsimile and electronic copies of this Amendment shall legally bind the parties to the same extent as original documents.

[Signature page follows]

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment to be executed by their duly authorized representatives as of the date last written below.

Tenant:

Sprint Spectrum Realty Company, LLC,
a Delaware limited liability company

By: 
926557BD49EB449...
Name: Edward Castaneda
Title: Director
Date: 6/27/2025

Landlord:

City of Spring Lake Park,
a Minnesota municipal corporation

By: _____
Name: _____
Title: _____
Date: _____





Memorandum

To: Mayor Nelson and Members of the City Council

From: Daniel R. Buchholtz, MMC, Administrator, Clerk/Treasurer

Date: July 1, 2025

Subject: Lease Agreement – 8478 Highway 65 NE (True North Greens, LLC)

Staff has negotiated a lease agreement with True North Greens, LLC for the property located at 8478 Highway 65 NE, recently acquired by the City as part of its economic redevelopment strategy. Under the terms of the agreement, the City will lease the building to True North Greens for a state-licensed marijuana dispensary for an initial five-year term beginning July 1, 2025, with an option for a three-year extension.

Key lease terms include:

- *Base Rent:* \$8,167/month with 3% annual increases. The first three months are rent-free.
- *Tenant Responsibilities:* All operating costs, utilities, taxes, and insurance (reimbursed to the City monthly).
- *Security Deposit:* Two months' rent.
- *Improvements and Maintenance:* Tenant accepts the premises "as is" and is responsible for all interior improvements and ongoing maintenance. City retains approval rights for any modifications.
- *Environmental Disclosure:* Tenant acknowledges known environmental conditions and agrees to comply with MPCA remediation requirements and support maintenance of the vapor mitigation system.
- *Use Restrictions:* The premises may only be used for a dispensary and associated legal sales; subleasing is prohibited without City approval, which approval shall not be unreasonably withheld.
- *Guaranty:* The lease is personally guaranteed by the business principal.

Staff recommends approval of the lease agreement as presented.

If you have any questions, please do not hesitate to contact Chief Antoine or me at 763-784-6491.

Lease Agreement

THIS LEASE AGREEMENT (the “Lease”) is made and entered into on this _____ day of _____, 2025 by and between the City of Spring Lake Park, a Minnesota municipal corporation (the “City”), and True North Greens, LLC, a Minnesota limited liability company (the “Tenant”). The City and Tenant are sometimes referred to collectively herein as the “parties” or each a “party”.

WITNESSETH:

The City has purchased the building located at 8478 Highway 65 NE, Spring Lake Park, Minnesota (“Premises”) as part of its long-term economic redevelopment plan. For a minimum of sixty (60) months the City is willing to lease the Premises to Tenant for operation of a state-licensed marijuana dispensary, together with related sales permitted by applicable state and local law.

The Tenant desires to operate the dispensary within the Premises for the term of this Lease.

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein, the parties hereto agree as follows:

1. **PREMISES.** The City hereby leases to the Tenant and the Tenant hereby takes from the City for the term and upon the conditions hereinafter provided, the premises located at 8478 Highway 65 NE, Spring Lake Park, Minnesota and legally described as:

Tract B Reg Land Survey No 37, subject to easements of record, Anoka County,
Minnesota

Torrens Property

2. **TERM.** This Lease shall begin on July 1, 2025 and end on June 30, 2030, unless sooner terminated as provided herein, subject to the terms and conditions set forth below:
 - a. Tenant shall have the option to extend the lease once, for an additional thirty-six (36) month term. Tenant shall give City ninety (90) days written notice of its intent to extend the lease upon the rental terms set forth in paragraph 3(b) herein.
3. **RENT.** During the initial twelve (12) month term of the Lease, the Tenant agrees to pay the City, without demand, monthly rent in the amount of eight thousand one-hundred and sixty-seven dollars (\$8,167.00). The rental amount is net of all expenses associated with operation of the Premises as a dispensary business.
 - a. City shall give Tenant three (3) months’ rent free; not to include other obligations of Tenant contained within this Lease. The first lease payment shall be due on or before October 1, 2025.

- b. Effective on July 1, 2026 and on each annual calendar anniversary of that date thereafter during the term of this Lease and any extensions thereto, Tenant's monthly rent shall be increased by three percent (3%) over the previous year's monthly rent. For illustration, net monthly rent shall be eight thousand four hundred twelve dollars and one cent (\$8,412.01) from July 1, 2026 through June 30, 2027 and shall be eight thousand six hundred sixty-four dollars and thirty-seven cents (\$8,664.37) from July 1, 2027 through June 30, 2028.
 - c. Due Date. All monthly installments of rent shall be payable in advance on or before the first day each calendar month during the term. In the event any fractional months occur during the term, the Tenant shall pay rent on a pro rata basis calculated on the ratio of the actual number of days the Tenant is in possession to the total number days in the month in question.
 - d. Independent Covenant. Tenant's obligation to pay the rent, operating costs and other amounts due under this Lease is an independent covenant, and is and shall not be subject to any abatement, deduction, counterclaim, reduction, set-off or defense of any kind whatsoever. The covenants and obligations of the City under this Lease are dependent upon the performance by Tenant of all of its covenants and obligations hereunder.
4. **LEASEHOLD IMPROVEMENTS.** Tenant is taking the Premises and accepting the condition of the Premises "AS IS".

Tenant is responsible for any structural or other alterations, decoration, additions or improvements including: responsibility for kitchen clean up, interior and exterior painting and refurbishing of all areas (for illustration, but not limitation, new over-head lighting, flooring, ceiling tiles, exterior landscaping/repairs, restroom restoration, maintenance of kitchen/back of house equipment, as may be required).

Tenant shall not make, and shall not commence, any improvement that has not been previously approved in writing by the City. If any improvement is made or commenced without the City's consent, and the City does not give subsequent approval thereof, the Tenant shall, upon receiving written notice from the City, restore that portion of the Premises affected by the improvement to its preexisting condition at the Tenant's expense.

5. **SECURITY DEPOSIT** Tenant shall pay two full month's gross rent as security deposit. This deposit shall be provided to the City prior to Tenant taking possession of the Premises.
6. **OPERATING COSTS, TAXES AND UTILITIES.** Tenant shall be responsible for all costs associated with operating and maintaining the premises, including, but not limited to utilities (gas, electric, water, sewer) routine trash removal, telephone, cable and internet services. Tenant shall also be responsible to pay property taxes, insurance and common area maintenance costs. The City shall pay the building/structure insurance and property taxes and these shall be reimbursed by the Tenant to the City on a monthly basis, and in addition to the rent contemplated within this Lease. In the event any fractional months occur during the term, the Tenant shall pay such taxes and insurance costs on a pro rata basis calculated on the ratio of the actual number of days the Tenant is in possession to the total number days in the month in question. In December of each year of the Lease, the City will provide Tenant notice of the amount of the monthly tax and insurance payments which shall be due in the

year following. This amount is subject to adjustment via notice of the same in May of each year. Any adjusted amounts shall then take effect during June and continue to the end of that year. The initial tax payment owed by Tenant to City beginning on July 1, 2025 shall be \$956.73/month. The initial insurance reimbursement owed by Tenant to City shall beginning on July 1, 2025 shall be \$83.33/month.

7. **SIGNAGE.** Any signage, displays, or graphics of any nature whatsoever relative to the business conducted on the Premises, whether located on the Premises, in the Premises, or elsewhere, as well as all other portions of the Premises that may be observed from outside of the Premises, shall be provided at the expense of the Tenant, but shall be subject, however, to the written approval of the City, which approval shall not be unreasonably withheld. As to any signage which Tenant proposes to implement after the date of execution of this Lease, the Tenant shall submit to the City the plans, for the City's approval, for any such signage, displays, or graphics prior to their implementation. If the City's approval is obtained, the Tenant may not thereafter modify the same without again obtaining the City's approval. This provision shall specifically apply to such signage, display, or graphics placed in any window of the Premises, or elsewhere in the Premises, which may be seen from outside the Premises. All signage in place at the time this Lease is executed is specifically approved.
8. **TENANT'S ADDITIONAL WARRANTIES.** In addition to any warranties or covenants made or to be kept by the Tenant pursuant to any other provision contained elsewhere herein, the Tenant hereby agrees:
 - a. To not commit any nuisance or waste on the Premises or Premises, throw foreign or hazardous substances in plumbing facilities, or waste the services, if any, furnished by the City;
 - b. To not place any items in or otherwise obstruct entries, halls, stairways, sidewalks, or other Common Areas, and not use the same for anything other than their intended purpose;
 - c. To pay when due all installments of rent, taxes, insurance, and utilities and to comply with any and all of the Tenant's other covenants and agreements contained in this Lease;
 - d. To store all trash and garbage and make the same available for regular pick-up;
 - e. To have a licensed professional clear, as needed, the sewer line on the Premises from the building to the City main to prevent the accumulation of grease in the line and to provide proof of such action to the City, upon demand;
 - f. To conduct its business at all times in good faith, and in a high grade and reputable manner.
 - g. The City and Tenant have been made aware of certain environmental conditions on the Premises which require ongoing remediation. The City has made disclosure of these conditions to Tenant and has installed a vapor mitigation system on the Premises. Tenant agrees to provide the City with reasonable access to the Premises

to install, test, and maintain this mitigation system. Tenant, being aware of these environmental conditions, desires to lease the Premises from the City. Further, Tenant agrees to comply with all conditions of use for the Premises as required by the Minnesota Pollution Control Agency. This shall include, without limitation, the prohibition of use or storage on the Premises of any chlorinated solvents or chemicals containing perchloroethene (PCE) or trichloroethene (TCE).

9. **CITY'S RIGHT TO FIX OR REPAIR.** If the Tenant shall fail to keep and preserve the Premises in the state of condition required by any provision of this Lease, the City may, at its option, provide Tenant with written notice of such failure as provided herein. If the condition specified in any such notice shall continue for a period of ten (10) days after the date of notice, City may, at its option, put or cause the same to be put in the required condition and state of repair without liability to Tenant for any loss or damage that may accrue to Tenant's property or business by reason thereof. In such case, the Tenant, on demand, shall pay as additional rent, the cost thereof together with interest thereon from the date paid.
10. **USE.** Subject to the Tenant's ability and obligation to obtain all necessary governmental approvals, permits and licenses, the Tenant may use and occupy the Premises for the use as a state-licensed marijuana dispensary and related sales permitted by applicable state and local law. City disclaims any warranty that the Premises are suitable for Tenant's use and Tenant acknowledges that it has had a full opportunity to make its own determination in this regard.
 - a. Compliance with Laws. The Tenant further warrants that it will not commit or permit any act to be performed, or any omission to occur on the Premises or Premises that will be in violation of any present or future law, ordinance, regulation or order of any governmental unit having jurisdiction over the Premises. This section shall specifically apply to, without limitation, the conformance with all health, safety, and building codes as the same may relate to any equipment or fixtures on the Premises or to any other aspect of the operation of the Tenant's business, as well as all state and local cannabis laws and regulations.
 - b. Common Areas/Parking. In addition to the use of the Premises, Tenant shall have reasonable use of the Common Area and Parking adjacent to the Premises.
11. **MAINTENANCE AND REPAIR.** The City shall maintain the foundations, exterior walls (except plate glass or other breakable materials used in structural portions which shall be the responsibility of the Tenant as to that portion of such plate glass or other structural materials that may be located within or form part of the boundary of the Premises) and roof of the Premises in good repair, ordinary wear and tear excepted, unless the need for any such repair or replacement is directly or indirectly attributable to or results from activity being conducted within the Premises, or is necessary to accommodate Tenant's operations, or becomes necessary by reason of the negligence of the Tenant, its agents, servants, employees, or anyone else for whose acts the Tenant is responsible. The costs of routine maintenance and repair of the Premises shall be paid directly by the Tenant.
 - a. Tenant's Maintenance Obligations. The Tenant, at its own expense, shall maintain the Premises at all times in as good condition and repair of equal quality with the original work and condition, ordinary wear and tear excepted, and in a clean, sanitary, and safe condition in accordance with all applicable laws, ordinances, and regulations; including, without limitation, all plumbing, sewage, ventilating, and

electrical systems serving the Premises, doors, windows, floors and floor coverings, interior walls and all interior painting and decorating, and all equipment, facilities, fixtures, and appurtenances. The Tenant shall permit no waste, damage, or injury to the Premises. If the Tenant refuses or neglects to commence necessary repairs within a reasonable time period (no longer than ten (10) consecutive days) after written request, or does not adequately complete such repairs within a reasonable time thereafter, the City may make the repairs without liability to the Tenant for any loss or damage that may occur to the Tenant's stock or business by reason thereof, and if the City makes such repairs, the Tenant shall pay to the City the amount so paid by the City and/or all costs and expenses incurred by the City in making the above maintenance or repair, including reasonable attorneys' fees, shall be deemed to be additional rent for the Premises and shall be due and payable by the Tenant to the City on demand.

- b. Glass Windows. The Tenant shall replace, forthwith, any cracked or broken glass with glass of the same quality, including plate glass or glass and other breakable materials used in structural portions in any interior or exterior windows and doors in the Premises. If not covered by Tenant's insurance, the Tenant shall bear the expense of any such glass replacement directly.

- 12. **CITY'S RIGHT OF ACCESS.** The City, its employees, and agents shall have the right to enter the Premises at all reasonable times for the purpose of inspecting, cleaning, or repairing the Premises, or any portion thereof, or to exhibit the Premises to prospective tenants, purchasers, or others the City may deem appropriate. Specifically, the City, its employees, or agents shall also be permitted to install on or through the Premises conduits or other utility lines or services at the City may deem necessary or appropriate.
- 13. **ALTERATIONS.** Tenant shall not make any alterations, additions, or improvements in or to the Premises, or add, disturb, or in any way change any plumbing or wiring therein without the written consent of the City as to the character and detailed plans of the alteration, addition, or improvement to be made, the manner of doing the work, the appropriate indemnifications for the City, the persons to do the work, the providing of the costs therefore, the returning of the Premises to the condition in which they were at the commencement (if required by the City), and other requirements or assurances that may be required by the City.
- 14. **ASSIGNMENT OR SUBLETTING.** Tenant will not assign, transfer, mortgage or encumber this Lease or sublet or rent or permit occupancy or use of the Premises, or any part thereof by any third party; nor shall any assignment or transfer of this Lease be effectuated by operation of law or otherwise, (any of the foregoing being hereinafter referred to as an "Assignment") without in each such case obtaining the prior written consent of City, which consent shall not be unreasonably withheld. The consent by City to any Assignment shall not be construed as a waiver or release of Tenant from the terms of any covenant or obligation under this Lease, nor shall the collection or acceptance of rent from any transferee under an Assignment constitute an acceptance of the Assignment or a waiver or release of Tenant or any transferee or any covenant or obligation contained in this Lease, nor shall any Assignment be construed to relieve Tenant from the requirement of obtaining the consent in writing of City to any further Assignment. Any Assignment shall require a corresponding personal guaranty in a form and by a person or persons acceptable to the City.
- 15. **FIRE OR OTHER CASUALTY.** If fire or other casualty shall render the Premises untenable for a period in excess of ninety (90) days, either party shall have the right to

terminate this Lease forthwith, in which case all rent owed to the City shall be calculated and paid to the City within ten (10) days of the City's request therefore and any prepayments of rent shall be credited against the rent owed to the City. If the Premises can be restored to a tenable condition within ninety (90) days from the date of such event, then, at the City's option, by notice in writing to the Tenant, mailed within thirty (30) days after such event, this Lease shall remain in full force and effect, with the exception that the rent for the period during which the Premises were un-tenable shall be abated pro rata.

16. CONDEMNATION: EMINENT DOMAIN. If the whole of the Premises shall be taken by any public authority under the power or threat of eminent domain, then the Term of this Lease shall cease as of the day possession shall be taken by such public authority, and the rent shall be paid up to that date with a proportionate refund by City of such rent as may have been paid in advance, if any. If a portion of the Premises shall be taken by any public authority under the power or threat of eminent domain, the rent shall be abated pro rata based on the percentage of square footage taken.
17. SURRENDER AND TREATMENT OF IMPROVEMENTS. On the last day of the Term or on the sooner termination thereof, the Tenant shall peaceably surrender the Premises in the condition required of the Tenant and consistent with the Tenant's duty to make alterations, modifications, or repairs pursuant to this Lease. All permanent alterations, additions, improvements and fixtures, other than trade fixtures, that may be made or installed by either of the parties hereto on the Premises shall, at the time of such installation, become the property of the City and shall remain on and be surrendered with the Premises as a part thereof, without damage or injury and without compensation or credit to the Tenant unless the City, at its option, requires the removal of any such alterations, additions, improvements, or fixtures. All nonpermanent alterations, additions, improvements, and fixtures that may be made or installed by the Tenant on the Premises shall remain at all times the property of the Tenant and shall be removed by the Tenant on termination of this Lease.
 - a. Designation by City. At the time the Tenant applies for the City's written consent to any alterations, additions, improvements, and fixtures, the City shall determine, in its reasonable discretion, which are to be deemed permanent and which are nonpermanent for purposes hereof, provided, however, that failure of the City to do so shall not be deemed a waiver of its right to do so at a later time, or of any of its other rights with respect thereto pursuant to statute or common law.
 - b. Tenant's Failure to Surrender. If the Premises are not surrendered at the end of the Term or sooner termination thereof, the Tenant shall indemnify the City against any loss or liability from delay by the Tenant in so surrendering the Premises, including, without limitation, claims made by any succeeding Tenant founded on such delay. The Tenant shall promptly surrender all keys for the Premises to the City at the place then fixed for payment of rent and shall inform the City of combinations on any locks and safes on the Premises.
 - c. Holding Over. In the event that the Tenant, with the City's express permission, remains in possession of the Premises after the expiration of its Lease without the execution of a new Lease, it shall be deemed to be occupying the Premises as a tenant from month-to-month, subject to all the conditions and provisions of this Lease, insofar as the same can be applicable to a month-to-month tenancy, except that the rent shall be double the monthly rent amount of the last month of the Lease prior to expiration.

18. DEFAULT. The following shall constitute an “Event of Default” under the terms of this Lease:

- a. If the Tenant shall fail to timely pay, when due, any rent or other sums due under this Lease, any such rent or other sums shall remain unpaid for ten (10) days after the same becomes due;
- b. If the Tenant shall fail to observe or perform any of the covenants, terms or conditions of this Lease;
- c. The existence of any collusion, fraud, dishonesty or bad faith by or with the acquiescence of the Tenant, which in any way relates to or affects this Lease or the Premises;
- d. If at any time any material representation, statement, report or certificate made now or hereafter by the Tenant is not true and correct, or if at any time any statement or representation made by the Tenant is not true and correct, and such representation, statement, report or certificate is not corrected within ten (10) days after written notice thereof;
- e. If all or a substantial part of the assets of the Tenant are attached, seized, subjected to a writ or distress warrant, or are levied upon, unless such attachment, seizure, writ, warrant or levy is vacated within thirty (30) days;
- f. If the Tenant is enjoined, restrained or in any way prevented by court order from performing any of its obligations hereunder or conducting all or a substantial part of its business affairs; or if a proceedings seeking such relief is not dismissed within thirty (30) days of being filed or commenced;
- g. If a notice of lien, levy or assessment is filed of record with respect to all or any party of the property of the Tenant by the United States, or any other governmental authority, unless contestable and actually and diligently contested in accordance herewith;
- h. If the Tenant shall file a voluntary petition for bankruptcy or for arrangement, reorganization or other relief under any chapter of the Federal Bankruptcy Code or any similar law, state or federal, now or hereafter in effect;
- i. If the Tenant shall file an answer or other pleading or any proceeding admitting insolvency, bankruptcy, or inability to pay its debts as they mature;
- j. If, within thirty (30) days after the filing against it of any involuntary proceedings under the Federal Bankruptcy Code or similar law, state or federal, now or hereafter in effect, the Tenant shall fail to have such proceeding vacated;
- k. If the Tenant shall fail to vacate, within thirty (30) days following the entry thereof, any order appointing a receiver, trustee or liquidator for it or all or a major party of its property, either on or off the Premises;
- l. If the Tenant shall be adjudicated as bankrupt;

- m. If the Tenant shall make an assignment for the benefit of creditors or shall admit in writing its inability to pay its debts generally as they become due or shall consent to the appointment of a receiver or trustee or liquidator of all of the major party of its property, or the Premises;
 - n. If the Tenant shall die, or shall be judicially declared to be incompetent if a natural person, or if such Tenant is a firm, partnership, or corporation, be dissolved, terminated or merged, except as the same shall constitute an Assignment pursuant to Section 14 hereof to which the City gives consent;
 - o. If the Tenant shall sell, convey, transfer or assign all or a major portion of its inventory, fixtures or other personal property, either on or off the Premises, without replacing same with comparable equivalents within thirty (30) days;
 - p. If the Tenant shall sell, convey, transfer or assign any of the Tenant's rights, title, or interest in the Premises of this Lease, unless with the consent of City in accordance with Section 14 hereof;
 - q. If the Tenant abandons the Premises before the end of the Term;
 - r. If the Tenant shall, at any time during the Term of this Lease, fail to carry in full force and affect any of the insurance coverage required by Paragraph 23 of this Lease.
19. **TENANT'S RIGHT TO CURE DEFAULT.** In the event of a Tenant default as described above, except for the nonpayment of rent, City shall give Tenant thirty (30) days' written notice to cure the default.
20. **DEFAULT – NONPAYMENT OF RENT OR OTHER SUMS DUE.** If any installment of rent or any sum due under this Lease is not paid by Tenant by the tenth day of a month: (i) a one-time late charge in the amount of one hundred dollars (\$100.00) shall become immediately due and payable as compensation to City for administrative costs; and (ii) the unpaid balance due City shall bear interest at the Interest Rate from the date such installment became due and payable to the date of payment thereof by Tenant, and such late charge(s) and interest shall constitute additional rent hereunder which shall be immediately due and payable. The "Interest Rate" as used herein means the lesser of: the maximum rate permitted by law; and eighteen percent (18%) per annum.
21. **WAIVER.** No payment by Tenant or receipt by City of a lesser amount than the monthly installments of rent herein stipulated shall be deemed to be other than on account of the earliest stipulated rent nor shall any endorsement or state on a check or letter accompanying a check for payment of rent be deemed an accord and satisfaction, nor shall acceptance of rent with knowledge of breach constitute a waiver of the breach, and City may accept such check or payment without prejudice to City's right to recover the balance of such rent, to terminate this Lease, to repossess the Premises or to pursue any other remedy provided in this Lease. No re-entry by City, and no acceptance by City of keys from Tenant shall be considered an acceptance of a surrender of the Lease.
22. **REMEDIES.** Upon the occurrence of any Event of Default, the City shall have any one or more of the following remedies:

- a. The City may immediately terminate this Lease by notice to Tenant. Upon such termination by the City, Tenant will at once surrender possession of the Premises to the City and remove all of Tenant's effects therefrom; and the City may forthwith re-enter the Premises and repossess itself thereof, and remove all persons and effects therefrom using such force as may be necessary without being guilty of trespass, forcible entry or detainer or other tort.
- b. Enter upon and take possession of the Premises by picking or changing the locks if necessary, and lock out, expel or remove Tenant or any other person who may be occupying the Premises or any part thereof, by force if necessary, without being liable for prosecution or any claim for damages therefore, with or without having terminated this Lease;
- c. City may enter upon the Premises by force if necessary without being liable for prosecution or any claim for damages therefore, and remedy such default for the account and at the expense of Tenant without thereby waiving such default, and Tenant further agrees that the City shall not be liable for any damages resulting to the Tenant from such action;
- d. Whether or not this Lease has been terminated, City may, but shall not be obligated to, attempt to relet the Premises for the account of Tenant in the name of City or otherwise, for such term or terms (which may be greater or less than the period which would otherwise have constituted the balance of the Term) and for such terms (which may include concessions or free rent) and for such uses as City, in its uncontrolled discretion, may determine, and may collect and receive the rent therefore.
- e. No termination of this Lease pursuant to Subsection (a) or repossession of the Premises pursuant to Subsection (b) shall relieve Tenant of its liabilities and obligations under this Lease, all of which shall survive any such termination or repossession. In the event of any such termination or repossession, whether or not the Premises shall have been relet, Tenant shall pay to City the rent, operating costs, and other sums and charges to be paid by Tenant up to the time of such termination or repossession, and thereafter Tenant, until the end of what would have been the Term in the absence of such termination or repossession, shall pay to City, as and for liquidated and agreed current damages for Tenant's default, the equivalent of the amount of the rent, operating costs, and such other sums and charges which would payable under this Lease by Tenant if this Lease were still in effect, less the net proceeds, if any, of any reletting effected pursuant to the provisions of Subsection (d) after deducting all of City's expenses in connection with such reletting, including, without limitation, all repossession costs, brokerage and management commissions, operating expenses, legal expenses, attorneys' fees, alteration costs, and expenses of prepare for such reletting. Tenant shall pay such current damages to City monthly on the days on which the rent would have been payable under this Lease if this Lease were still effect, and City shall be entitled to recover the same from Tenant on each such day.
- f. In the event the Tenant deserts, vacates or abandons the Premises, the City may immediately dispose of any perishable materials on site, including without limitation cannabis products, in the City's discretion, and may remove and store any personal property which remains in the Premises. In addition to the City's other rights, the

City may dispose of the stored personal property if the Tenant does not claim the property within twenty-eight (28) days after the date the property is stored. The City may charge a reasonable storage fee, which fee Tenant must pay before claiming the property. The City shall deliver by certified mail to the Tenant, at the address specified for notice to the Tenant herein, a notice that the City may dispose of the property if the Tenant does not claim it within twenty-eight (28) days after the date the property is stored.

- g. The City may bring an action in a court of competent jurisdiction to collect any amounts due and owing under this Lease and/or to compel the Tenant to perform any and all of Tenant's obligations under this Lease.
- h. The City may charge all costs to cure any default or offset any loss caused by the Tenant's default to the Tenant as additional rent; and
- i. The Tenant shall pay, in addition to the rent and other sums agreed to be paid hereunder, all costs, including without limitation reasonable attorneys' fees, incurred by the City that result from enforcing the provisions of this Lease.

23. **INSURANCE.** The Tenant agrees to secure and keep in force from and after the Commencement Date of this Lease and throughout the full Term of the Lease, at the Tenant's own cost and expense, the following:

- a. "All Risk" property insurance on Tenant's improvements; such insurance shall include coverage for the full replacement value of Tenant's leasehold improvements, trade fixtures and personal property within the Premises.
- b. Commercial general liability insurance on the Premises as well as the Premises, providing coverage on an "occurrence" rather than a "claims made" basis, which policy shall include coverage for Bodily Injury, Property Damage, Personal Injury, Contractual Liability (applying to this Lease), and Independent Contractors, in current Insurance Services Office form or other form which provides coverage at least as broad. Tenant shall maintain a combined policy limit of at least two million dollars (\$2,000,000) applying to Bodily Injury, Property Damage and Personal Injury, which limit may be satisfied by Tenant's basic policy, or by the basic policy in combinations with umbrella or excess policies so long as the coverage is at least as broad as that required herein. Such liability, umbrella and/or excess policies may be subject to aggregate limits so long as the aggregate limits have not at any pertinent time been reduced to less than the policy limit stated above, and provided further that any umbrella or excess policy provides coverage from the point that such aggregate limits in the basic policy become reduced or exhausted. City shall be named as an additional insured under all such policies.
 - i. Other Requirements. All policies of insurance procured by the Tenant shall:
 - ii. Be issued by insurance companies reasonably acceptable to the City;
 - iii. Be written as primary policies; not contributing with and not in excess of coverage that the City may carry;
 - iv. All comprehensive general liability insurance procured by the Tenant under this section shall be issued for the benefit of the City, the Tenant and the owner of the Premises, as their respective interests may appear;
 - v. Contain endorsements providing as follows:

1. That such insurance may not be materially changed, amended, or canceled with respect to the City except after twenty (20) days' prior written notice from the insurance company to the City, sent by registered mail;
 2. That the Tenant be solely responsible for the payment of all premiums under such policy and that the City shall have no obligation for the payment thereof notwithstanding that the City is or may be named as an insured.
- c. Proof of Coverage. The original policy or policies, or duly executed certificates for the same, together with reasonably satisfactory evidence of payment of the premium thereof, shall be delivered to the City within five (5) days of the date of execution of this Lease, and on renewals of such policies not less than twenty (20) days prior to the expiration of the term of any such coverage.

24. GENERAL PROVISIONS.

- a. Waiver and Indemnity. Notwithstanding anything apparently to the contrary in this Lease, City and Tenant hereby release one another and their respective partners, officers and employees from any and all liability (to the other or anyone claiming through or under them by way of subrogation or otherwise) for any loss or damage covered by property insurance or coverable by a customary form of policy of the insurance required by Paragraph 23, even if such loss or damage shall have been caused by the fault or negligence of the other party, or anyone for whom such party may be responsible.
- b. Mechanic's Liens. The Tenant agrees to promptly pay all sums of money in respect of labor, services, materials, supplies, or equipment furnished or alleged to have been furnished to the Tenant in or about the Premises, and the Tenant shall not permit any mechanic's, material man's, or other lien to arise or be filed against the Premises or the City's interest therein. The Tenant shall save, hold harmless, and defend the City from liability or other damage that the City may incur as a result of such liens in the event the same arise or are filed in contravention of the immediately preceding sentence. If any such mechanic's lien shall at any time be filed, the Tenant shall forthwith cause the same to be discharged or record by payment, bond, order of a court of competent jurisdiction or otherwise, provided the Tenant first posts a bond in favor of the City in a form and substance acceptable to the City, which shall be conditioned on the successful contest by the Tenant of any such liens. The Tenant shall have the right to contest in good faith, any and all such liens. If the Tenant shall fail to cause such lien to be discharged within thirty (30) days after being notified of the filing thereof and before judgment or sale thereunder, then, in addition to any other right or remedy the City may, but shall not be obligated to, discharge the by paying the amount claimed to be due or by bonding or other proceeding deemed appropriate by the City, and the amount so paid by the City and/or all costs and expenses incurred by the City in procuring the discharge of such lien, including reasonable attorneys' fees, shall be deemed to be additional rent for the Premises and shall be due and payable by the Tenant to the City on demand. Nothing contained in this Lease shall be construed as a consent on the part of the City to subject the City's estate in the Premises or any portion of the Premises to any lien.

- c. Keys. Any and all keys to the Premises shall be surrendered to City on the termination of this Lease.
- d. No Partnership, Joint Venture, or Fiduciary Relationship Created. Nothing contained in this Lease shall be interpreted as creating a partnership, joint venture, or relationship of principal and agent between the City and the Tenant, it being understood that the sole relationship created hereby is one of the landlord and tenant.
- e. Cumulative Rights. No right or remedy herein conferred on or reserved to the City is intended to be exclusive of any other right or remedy provided by law, but each shall be cumulative in and in addition to every other right or remedy given herein or elsewhere, or hereafter existing at law, in equity, or by statute.
- f. Notices. All communications, demands, notices or objections permitted or required to be given or served under this Lease between the City and Tenant shall be in writing and shall be deemed to have been duly given or served if delivered in person to the other party or its duly authorized agent, or deposited in the United States mail, postage prepaid, for mailing by certified or registered mail, return receipt requested, or if delivered by Federal Express or any other nationally recognized courier company and addressed to the other party to this Lease to the address set forth below:

As to City,
The City of Spring Lake Park
Attention: Administrator
1301 81st Avenue NE
Spring Lake Park, MN 55432

As to Tenant,
Mutaz A M Amro
8478 Central Avenue Northeast
Spring Lake Park, MN 55432

Any notices or objections permitted or required to be given to Personal Guarantor shall be in writing and shall be deemed to have been duly given or served if sent to the following Designated Email address:

As to Personal Guarantor,
Designated Email: mutazamro191@gmail.com

Any notices or objections permitted or required to be given by Personal Guarantor to the City shall be in writing and delivered to the physical address listed supra or otherwise served in compliance with the same notice requirements for notices between the City and Tenant.

Any party may change its address by giving notice in writing, stating its new address, to any other party as provided in the foregoing manner. Commencing on the tenth (10th) day after giving of such notice, such newly designated address shall be such party's address for the purposes of all communications, demands, notices, or objections permitted or required to be given or served under this Lease.

- g. Successors and Assigns. This Lease shall be binding on and inure to the benefit of the parties hereto and their respective assigns, executors, heirs, personal representatives, and successors, provided, however, that nothing in this section shall be interpreted as granting the Tenant the right to assign this Lease or sublet the Premises.
- h. Amendment, Modification, or Waiver. No amendment, modification, or waiver of any condition, provision, or term of this Lease shall be valid or of any effect unless made in writing, signed by the party or parties to be bound, or its duly authorized representative, and specifying with particularity the extent and nature of such amendment, modification, or waiver. Any waiver by any party of any default shall not affect or impair any right arising from any subsequent default.
- i. Severable Provisions. Each provision, section, sentence, clause, phrase, and word of this Lease is intended to be severable. If any provision, section, sentence, clause, phrase or word hereof is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity of the remainder of this Lease.
- j. Entire Agreement. This Lease contains the entire understanding of the parties hereto with respect to the transactions contemplated hereby and supersedes all prior agreements and understandings between the parties with respect to such subject matter.
- k. Captions, Headings, or Titles. All captions, headings, or titles in the paragraphs or sections of this Lease are inserted for convenience of reference only and shall not constitute a part of this Lease as a limitation of the scope of the particular paragraphs or sections to which they apply.
- l. Construction, Venue. This Lease shall be construed and enforced in accordance with the laws of the State of Minnesota. Any action to enforce the terms of this Lease shall be brought in a court of competent jurisdiction in Anoka County, Minnesota. No provision of this Lease shall be construed by any court against either party by reason of such party being deemed to have drafted or structured each provision.
- m. Time of the Essence. Time is of the essence of this Lease, and of each and every covenant, term, condition, and provision hereof.
- n. Personal Guaranty. In consideration of, and as an inducement for the granting, execution, and delivery of the Lease by the City to Tenant, the undersigned Tenant representatives (the "Guarantors") unconditionally guaranty to the City and its successors and assigns the full and prompt payment of any and all sum and charges payable by Tenant and its successors and assigns pursuant to the Lease. Guarantors further guaranty the full and timely performance of all terms and conditions of the Lease to be performed by Tenant for the entirety of the Lease term, including any extensions thereof, and hereby covenant and agree that if default shall at any time be made by Tenant in the payment of rent or other costs due under the Lease, or if Tenant shall otherwise breach the terms of the Lease, Guarantors shall pay all rent and other costs owed pursuant to the Lease to the City, its successors and assigns, and any late fees or charges as well as any costs, attorneys' fees and other damages associated with Tenant's occupancy of the Premises and/or the City's cost of enforcing the Lease and/or eviction of Tenant for breach of the Lease. The

obligations of all Guarantors shall be joint and several and each undersigned Guarantor warrants that he/she is a principal of Tenant and hereby agrees and acknowledges that he/she is jointly and severally liable with Tenant and the other Guarantors of this Lease for all obligations under the Lease. This Personal Guaranty cannot be waived except explicitly, in writing, by the City. The City's remedies pursuant to this Personal Guaranty shall be cumulative and separate and the exercise of any one remedy shall in no way limit or prejudice any other remedy. Delay or failure to act shall not act as a waiver of any rights herein. This Personal Guaranty shall survive termination or expiration of the Lease for a period of two (2) year after such termination or expiration.

Prior to taking possession of the Premises, Tenant shall provide to the City company documentation demonstrating each Guarantor's affiliation with Tenant as well as personal addresses, contact information, and driver's license numbers with state of licensure for each Guarantor.

[Signature pages follow]

IN WITNESS WHEREOF, the parties hereto have executed this Lease as of the day and year first above written.

CITY OF SPRING LAKE PARK

By: _____
Robert Nelson, Mayor

By: _____
Daniel Buchholtz, City Administrator,
Clerk/Treasurer

STATE OF MINNESOTA)
) ss.
COUNTY OF ANOKA)

The foregoing instrument was acknowledged before me this _____ day of _____, 2025 by Robert Nelson and Daniel Buchholtz the Mayor and Administrator, Clerk/Treasurer of the City Spring Lake Park, a Minnesota Municipal Corporation, on behalf of said company.

Notary Public

IN WITNESS WHEREOF, the parties hereto have executed this Lease as of the day and year first above written.

TRUE NORTH GREENS, LLC, TENANT

By Tenant's Principal:

By: Mutaz A M Amro

Its: _____
Title

[illegible]

The foregoing instrument was acknowledged before me this _____ day of _____, 2025 by Mutaz A M Amro the _____ of True North Greens, LLC, a Minnesota limited liability company, on behalf of said company.

Notary Public



Memorandum

To: Mayor Nelson and Members of the City Council

Cc: Dan Buchholtz

From: George Linngren, Public Works Director

Date: June 30, 2025

Subject: Request for Approval – Storm Sewer Lining on Theorin Terrace

Dear Mayor and Council Members,

I am seeking your permission to proceed with the lining of the storm sewer line on Theorin Terrace between Plaza Blvd. and Center Dr. This section has experienced settlement over the years, resulting in the curb and roadway dropping in certain areas. Previous televising of the line revealed that the pick holes on the pipe sections are leaking and contributing to the settlement.

Before we move forward with road and curb repairs, we need to address this issue by installing a CIPP (Cured-In-Place Pipe) liner. We will be lining 272 feet of 30" pipe at a cost of \$225.00 per foot. Including labor, materials, and installation, the total estimated cost is \$61,200.00.

In addition, the top section of the access manhole will need to be removed and replaced to allow for proper liner installation. This work will be performed by a separate contractor, with a preliminary estimate of \$10,000.00 or less.

This project will be funded through the Capital Projects and Storm Line Maintenance Fund.

Thank you for your consideration. If you have any questions, please feel free to contact me at 763-257-7106.



City of Spring Lake Park
Engineer's Project Status Report

To: Council Members and Staff
From: Phil Gravel

Re: **Status Report for 7.7.25 Meeting**
File No.: R:\client\municipal\spring_lake_park_ci_mn (18GEN)

Note: Updated information is shown in *italics*.

2025 MS4 Permit and SWPPP Update (193801776 Task 450). Pond, structural BMP, and outfall inspections are due annually. Program analysis and annual training is due by December. Annual meeting is usually held in June but can be held anytime. Annual Reports to the MPCA are generally due in June. Part 1 of new Permit Application was submitted on April 17, 2025. *MPCA requires documentation of partnerships with the watershed districts regarding construction inspections. MPCA Audit will be completed in July.*

2024 Sanburnol Drive NE, Elm Drive NE, and 83rd Avenue NE (193806347). Construction started on June 10th. Final paving has been completed. A Contract Change Order has been processed to reflect miscellaneous changes that occurred during construction. *Project close-out will occur in July 2025. Contractor has repaired the identified bad seeding areas.*

2025 Street 79th Avenue and Taylor Street NE Mill and Overlay Project (193807275). The project includes 79th Avenue (Able St. to TH-65) and Taylor Street NE (79th Ave. to Osborne Rd.). Bid awarded to North Valley Inc. Assessment hearing was on May 5th. *Preconstruction Conference was held on June 6th. Construction will begin in July or August.*

Future Water Tower Painting Project (19380xxxx). The CIP includes rehabilitation of the coatings on the Able and Arthur water towers in 2027 and 2028. The Administrator submitted a PPL application for possible State of MN DWRP financing. *Next step is to submit an IUP application.*

1-Year Warranty Televising for 2023-2024 Sanitary Sewer Lining Project (193805871). Visu-Sewer has completed 1-year warranty inspection. *Final report needs to be reviewed. A sewer lateral cleaning and grouting project will be necessary in 2026 or 2027.*

2025 Seal Coat and Crack Repair Project (193807361). Includes streets north of Osborne Rd, east of Monroe St., and west of TH-65. Will also include Univ. Service Dr. and Terrace Road north of 81st Ave. Construction Contract with Allied Blacktop has been signed. *Crack filling work begins in early July. Seal Coat in August.*

Possible Future Storm Sewer Lining Project (19380xxxx). The CIP includes future lining of storm sewers. Public works is evaluating sewers for a possible lining project in 2025. *Quote request will be sent to contractors.*

Terrace Park Improvements Project (193807324). The Parks and Recreation Director has identified repairs necessary for court repairs. *A 2025 court resurfacing project will be completed. Quotes are being obtained.*

2026 Anoka County Highway 10 Paving Project: *Anoka County is planning to repave Co. Rd. 10 between Able St. NE and Pleasant View Dr. in 2026. The construction will require closing Co. Rd. 10.*

Please contact Evan Monson, Bruce Paulson, Zach Naslund, Eric Stommes, or me if you have questions or require additional information.